

Pembroke  
School District  
FY2627  
Annual Meeting  
Budget Information  
March 7<sup>th</sup>, 2026



THE STATE OF NEW HAMPSHIRE

TO THE INHABITANTS OF THE SCHOOL DISTRICT IN THE TOWN OF PEMBROKE, QUALIFIED TO VOTE IN DISTRICT AFFAIRS:

You are hereby notified to meet at Pembroke Academy, 209 Academy Road, in said District on the 7<sup>th</sup> day of March, 2026 at 9:00 in the morning to act upon the following subjects:

1. To hear the reports of Agents, Auditors, Committees, or Officers chosen, and to pass any vote relating thereto.
2. To see if the Pembroke School District will vote to raise and appropriate the budget committee's recommended amount of **Thirty-Four Million, Nine Hundred Twenty-Seven Thousand, Five Hundred Seventy-Three Dollars (\$34,927,573)** for the support of schools, for the payment of salaries for the school district officials and agents, and for the payment for the statutory obligations of the District. This article does not include appropriations voted in other warrant articles.

*School Board Recommends [5-0]  
Budget Committee Recommends [10-0]*

3. To see if the Pembroke School District will vote to establish a **Benefits Expendable Trust Fund** under the provisions of RSA 198:20-c for the purpose of funding health insurance benefits for current and retired employees of the Pembroke school district, and further, to appoint the Pembroke School Board as agents to expend from said fund. (Majority vote required).
4. To see if the Pembroke School District will, contingent upon the passage of Article 3, vote to raise and appropriate the sum of up to **One Hundred Thousand Dollars (\$100,000)**, to be added to the **Benefits Expendable Trust Fund** previously established. This sum to come from the June 30, 2026 unassigned fund balance available for transfer on July 1, 2026. **No amount to be raised from additional taxation.** (Majority vote required)

*School Board Recommends [5-0]  
Budget Committee Recommends [10-0]*

5. To see if the Pembroke School District will vote to establish a **Tuition Expendable Trust Fund** under the provisions of RSA 198:20-c for the purpose of covering future unanticipated tuition costs for students attending elementary or high school in and out of district, and further, to appoint the Pembroke School Board as agents to expend from said fund. (Majority voter required)
6. To see if the Pembroke School District will, contingent upon the passage of Article 5, vote to raise and appropriate the sum of up to **One Hundred Thousand Dollars (\$100,000)**, to be added to the **Tuition Expendable Trust Fund** previously established. This sum to come from the June 30, 2026 unassigned fund balance available for transfer on July 1, 2026. **No amount to be raised from additional taxation.** (Majority vote required)

*School Board Recommends [5-0]  
Budget Committee Recommends [10-0]*

7. To see if the Pembroke School District will vote to raise and appropriate the sum of up to **One Hundred Fifty-Five Thousand Dollars (\$155,000)** be added to the **School Building Capital Reserve Fund**, previously established, for the purpose of continuing work on the Capital Improvement Projects. This sum to come from the June 30, 2026 unassigned fund balance available for transfer on July 1, 2026. **No amount to be raised from additional taxation.**

*School Board Recommends [5-0]  
Budget Committee Recommends [10-0]*

8. To see if the Pembroke School District will vote to raise and appropriate the sum of up to **Seventy-Five Thousand Dollars (\$75,000)** to be added to the **Site Improvement Expendable Trust Fund** previously established. This sum to come from the June 30, 2026 unassigned fund balance available for transfer on July 1, 2026. **No amount to be raised from additional taxation.**

*School Board Recommends [5-0]  
Budget Committee Recommends [10-0]*

9. To see if the Pembroke School District will vote to raise and appropriate the sum of up to **Twenty-Five Thousand Dollars (\$25,000)** to be added to the **Equipment Installation & Labor Expendable Trust Fund**, previously established. This sum to come from the June 30, 2026 unassigned fund balance available for transfer on July 1, 2026. **No amount to be raised from additional taxation.**

*School Board Recommends [5-0]  
Budget Committee Recommends [10-0]*

10. To see if the Pembroke School District will vote to raise and appropriate the sum of **One Hundred Thousand Dollars (\$100,000)** for the purpose of paving district wide, and to authorize the withdrawal of said funds from the **School Site Improvement Capital Reserve Fund**, previously established and created for that purpose.

*School Board Recommends [5-0]  
Budget Committee Recommends [10-0]*

11. To see the Pembroke School District will vote to make the Pembroke School Board agents to expend from the **School Site Improvement Capital Reserve Fund?**

12. To see if the Pembroke School District will vote to raise and appropriate the sum of up to **Ten Thousand Dollars (\$10,000)** be added to the **Vehicle Expendable Trust Fund**, previously established. This sum to come from the June 30, 2026 unassigned fund balance available for transfer on July 1, 2026. **No amount to be raised from additional taxation.**

*School Board Recommends [5-0]  
Budget Committee Recommends [10-0]*

13. To see if the Pembroke School District will vote to raise and appropriate the sum of up to **Ten Thousand Dollars (\$10,000)** be added to the **School Technology Expendable Trust Fund**, previously established. This sum to come from the June 30, 2026 unassigned fund balance available for transfer on July 1, 2026. **No amount to be raised from additional taxation.**

*School Board Recommends [5-0]  
Budget Committee Recommends [10-0]*

14. Shall the Pembroke School District vote to authorize, indefinitely until rescinded, the retention of any unused portion of the year-end unassigned general funds in an amount not to exceed, in any fiscal year, 5 percent of the current fiscal year's net assessment, in accordance with RSA 198:4-b, II.

15. To choose Agents and Committees in relation to any subjects embraced in the Warrant.

16. To transact other business that may legally come before said meeting.

Given under our hands and seal this 18 day of February, 2026.

Melanie Camelo  
Melanie Camelo, Chair

Kerri Dean  
Kerri Dean

Ken Nivison  
Ken Nivison

Eugene Gauss  
Eugene Gauss

Sharon Eaton  
Sharon Eaton  
PEMBROKE SCHOOL BOARD

# **Pembroke School District Summary of Warrant Articles FY2627 Budget Session**

## **Article 2: Funding the School District Operating Budget**

The 2026/2027 Proposed Operating Budget in the amount of \$34,927,573, representing an increase of \$1,498,226, or 4.33 % over the voted FY2026 budget of \$34,584,347 (warrant articles are not included). This increase is driven by several factors, many of which are contractual obligations or state mandated requirements.

The most significant increases occur in health insurance, previously approved collective bargaining agreement, special education, and maintenance projects.

### *Other Support Services:*

Health care costs continue to rise. For FY2627, fringe benefits increased by \$746,231, largely due to a 30.3% increase in health insurance rates.

### *Special Education:*

Special education costs have continued to rise year over year due to rate increases. While school districts are required to provide Free and Appropriate Public Education, many of these mandates are either unfunded or significantly underfunded by the state.

### *Transportation:*

Transportation costs have increased primarily due to a rise in cost for specialized transportation services, as well as the implementation for a new multi-year transportation contract for regular education.

### *Revenue*

State, Federal and Local Revenues play a significant role in determining the tax rate. The Pembroke School District anticipates both increases and decreases across several revenue sources, including state education tax funding, special education aid, child nutrition aid, school building aid, high school tuition, food services and other state revenues.

Overall, the district estimates a decrease in revenue of (\$427,484). This reduction is primarily due to decreases in adequacy aid and state education tax revenue. In addition, the district received its final building aid payment of \$115,585 in FY2526 and does not anticipate receiving further building aid revenue.

## **Article 3: Benefits Expendable Trust Fund**

The Pembroke School District proposes to establish a Benefits Expendable Trust Fund for the purpose of funding health insurance benefits for current and retired employees should the district experience future health insurance assessments and/or significant increases in benefit costs. The School Board shall serve as the agents authorized to expend from this trust.

## **Article 4: Benefit Expendable Trust Fund**

The Pembroke School District proposes to add funds to the Benefit Expendable Trust Fund, contingent upon passage of Article should article 3, using unassigned fund balance. These funds would be used to cover unanticipated health insurance and other benefit related costs.

## **Article 5: Tuition Expendable Trust Fund**

The Pembroke School District proposes to establish a Tuition Expendable Trust Fund for the purpose of funding future unanticipated tuition costs for students attending grades K-12, both in-district and out-of-district. The School Board shall serve as the agents authorized to expend funds from this trust.

**Article 6: Tuition Expendable Trust Fund**

The Pembroke School District proposes to add funds to the Tuition Expendable Trust Fund, contingent upon the passage of Article 5, using unassigned fund balance. These funds would be used to cover unanticipated tuition costs.

**Article 7: School Building Capital Reserve Fund**

The Pembroke School District proposes to add funds to the School Building Capital Reserve Fund for the purpose of funding capital improvement projects, using unassigned fund balance. This capital reserve fund was previously established for these specific purposes.

**Article 8: Site Improvement Expendable Trust Fund**

The Pembroke School District proposes to add funds to the Site Improvement Expendable Trust Fund using unassigned fund balance.

**Article 9: Equipment Installation & Labor Expendable Trust Fund**

The Pembroke School District proposes to add funds to the Equipment Installation & Labor Expendable Trust Fund, using unassigned fund balance. These funds will be used for the replacement and maintenance of mowers, tractors, and other equipment utilized by the district buildings, as previously established for these purposes.

**Article 10: Site Improvement Expendable Trust Fund**

The Pembroke School District proposes to withdraw funds from the Site Improvement Expendable Trust Fund for the purpose of district-wide paving. This trust fund was previously established for these specific purposes.

**Article 11: Site Improvement Expendable Trust Fund**

The Pembroke School Board requests to be designated as agents authorized to expend funds from the Site Improvement Expendable Trust Fund.

**Article 12: Vehicle Expendable Trust Fund**

The Pembroke School District proposes to add funds to the Vehicle Expendable Trust Fund, using unassigned fund balance. These funds will be used for the replacement of vehicles in the current fleet, as previously established for these purposes.

**Article 13: School Technology Expendable Trust Fund**

The Pembroke School District proposes to add funds to the School Technology Expendable Trust Fund, using unassigned fund balance. These funds will be used to continue work on servers and support technology replacement cycles, as previously established for these purposes.

**Article 14: Fund Balance Retention**

The Pembroke School District is requesting authorization to retain any unused portion of year-end unassigned general fund balances from the preceding fiscal year for use in the subsequent fiscal year, provided that the total year-end unassigned general fund balance does not exceed, in any fiscal year, five percent (5%) of the current fiscal year's net assessment. Net assessment equals 5% of the total of the net local education tax effort and the net required State Education Tax effort.

# *Pembroke School District Budget Summary*

## Overview

	Voted FY2526	Proposed FY2627	
	\$ 34,584,347.00	\$ 34,927,573.00	
Overall change including FY2526 Warrant Articles		\$ 343,226.00	0.99%
Overall change not including FY2526 Warrant Articles		\$ 1,498,226.00	4.33%

## Major Expenditure Areas

### Instruction & Special Education Programs

- Continued funding is maintained for instructional supplies, special education programs, and student support services.
- Modest increases are proposed in areas such as software licensing, science physical education, and mathematics materials to address cost inflation and evolving program needs.
- Adjustments to special education programming reflect evolving student needs, with reduction in some areas offset by increases in others, such as contracted services.

### Personnel Costs

- Health Insurance rates for the yellow plan increased by 30.3%, resulting in a total overall increase of \$804,507, driven by high district utilization, premium adjustments and plan changes.
- Dental Insurance rate increased by 4.5%.
- Wages & Salaries: Adjustments across teachers, paraprofessionals, and administrators; some reallocated positions.
- Nurse and Nurse Assistant Salaries: Increased due to expanded service needs and coverage hours.

### Facilities & Operations

- Utilities: Largely stable; minor adjustments increase of \$2,000 - \$3,000 for natural gas, electricity, and heating.
- Liability Insurance: Up significantly increase \$42,916 district-wide due to rising reinsurance and claims costs. Primex is also providing additional cybersecurity training.
- Maintenance & Repairs: Routine building and equipment upkeep continued, with small inflationary increases.

## Transportation

- Student transportation (regular and special education) increased by \$54,288 includes special education transportation adjustments and a new contract for general education students.
- Includes additional McKinney-Vento funding \$175,000 for student transportation support.

## Other Support Services

- Fringe benefits such as life insurance, long term disability FICA, retirement and Workers' Compensation align with proposed salaries.
- Includes separation retirements
- Site Improvement & Expendable Trust Expense and Expendable Trust & Capital Project Reserve Transfers: Reduction of \$1,155,000 (FY2526) due to one-time expenses. All proposed and voted warrant articles will be added to the budget after town approval.
- Food Service: Increase of \$27,198 reflecting updated participation projections and monitoring food spending.

## Key Takeaways

The FY2627 budget maintains most existing program levels, with targeted increases in vocational programming, special education, benefit services, and transportation. Compared to the previously approved FY2526 budget, the district reduced building operations and instructional costs by \$33,602.

Any approved capital or expendable trust transfers will be incorporated into the budget following the annual meeting. The district remains committed to investing in both regular and special education while maintaining operational stability amid ongoing external cost pressures.

## Proposed Budget Summary by Function

### **1100 Regular Programs**

The voted budget for FY2526 was \$7,529,423, and the **FY2627 proposed budget** is **\$7,748,766** representing an increase of **\$219,343**. This increase reflects staffing adjustments related to collective bargaining agreements, expanded ELL services in response to student needs, and modest increases for mathematics, science, instructional software, and physical education.

The district is also requesting funding for the replacement furniture and equipment across all K-12 instructional programs. These replacements include classroom chairs, Chromebooks, whiteboards, sound systems & microphones, pottery stools, a fitness center shoulder press and musical instruments and accessories such as piano pedals, and instrument stands.

Of the \$219,343 increase, \$9,665 is attributed to instructional materials and proposed equipment replacements.

### **1200 Special Education Programs**

The voted budget for FY2526 was \$6,213,329, and the **FY2627 proposed budget is \$6,466,476** representing an increase of **\$253,147**. This increase reflects staffing adjustments related to collective bargaining agreements, evolving in-district program needs, and higher therapy costs. Contracted services increased to support expanded in-house programming, which in turn allowed for reductions in out-of-district tuition and summer placements costs.

### **1300 Vocational Education & Specialty Programs**

The voted budget for FY2526 was \$842,437, and the **FY2627 proposed budget is \$1,020,955** representing an increase of **\$178,518**. This increase reflects staffing adjustments related to collective bargaining agreements, and an estimated 10% cost increase due to anticipated growth in CTRC participation.

### **1400 Co-Curricular & Athletics**

The voted budget for FY2526 was \$500,712, and the **FY2627 proposed budget is \$505,388** representing an increase of **\$4,676**. This increase is primarily due to higher athletic salaries and contracted service costs.

### **2100 Guidance & Nursing**

The voted budget for FY2526 was \$783,888, and the **FY2627 proposed budget is \$769,144**, representing a decrease of **(\$14,744)** due personnel changes. Additional funding is requested to support testing materials and supplies.

### **2200 Improvement of Instruction/Staff Development**

The voted budget for FY2526 was \$377,252, and the **FY2627 proposed budget is \$379,398**, representing an increase of **\$2,146**. This increase reflects staffing adjustments related to collective bargaining agreements, ongoing professional development and curriculum work.

### **2300 School Board and SAU Services**

The voted budget for FY2526 was \$994,852, and the **FY2627 proposed budget is \$1,075,279**, representing an increase of **\$80,427**. This increase includes costs for audit services, actuarial services, legal services and SAU services. Pembroke's district assessment % rate = 37.6% of SAU services, resulting in an increase of \$58,901.

### **2400 District Administration**

The voted budget for FY2526 was \$1,617,353, and the **FY2627 proposed budget is \$1,680,322**, representing an increase of **\$62,969**. This increase reflects market adjustments and salary increases approved in the previous budget session, as well as higher costs for bulk software billed for direct use and schoolwide dues & fees. This section also includes funding for graduation events.

## **2600 Operations & Maintenance**

The voted budget for FY2526 was \$1,776,542, and the **FY2627 proposed budget is \$1,898,070**, representing an increase of **\$121,528**. While utility costs have stabilized, liability insurance premiums have risen significantly due to higher rates, claims and the addition of cybersecurity training for the district.

The district is also proposing maintenance projects at each school, including: cabinets, sound barrier systems and exterior doors at Hill School; a camera server, sound barrier system, bleachers and countertops at Three Rivers School; and abatements, countertops, masonry and heating control upgrades at Pembroke Academy.

## **2700 Transportation**

The voted budget for FY2526 was \$1,827,551, and the **FY2627 proposed budget is \$1,881,939**, representing an increase of **\$54,288**. The budget includes a new bus contract for general education students. As well as McKinney Vento transportation. The increase reflects a roughly 50/50 split between regular and Special education transportation costs.

## **2900 Benefit Services**

The voted budget for FY2526 was \$8,800,906, and the **FY2627 proposed budget is \$9,547,137**, representing an increase of **\$746,231**. The significant increase in benefit services is primarily due to an \$804,507 rise in health insurance costs, reflecting a 30.3% increase in the district's premium rate, as well as plan selections and personnel adjustments. While dental premiums increased by 4.5%, overall costs decreased due to plan selection and personnel adjustments. The district was able to realize some savings through district retirements and adjustments for non-certified staff and administrators, helping to partially offset the health insurance increases.

## **4200 Site Improvement**

The voted budget for FY2526 was \$495,000, and the **FY2627 proposed budget is \$0**, representing a decrease of **(\$495,000)** due to this being a one-time expense.

## **4600 Capital Reserve & Expendable Trust Fund Withdrawals**

The voted budget for FY2526 was \$260,000, and the **FY2627 proposed budget is \$0**, representing a decrease of **(\$260,000)**. This reduction reflects that the proposed warrant articles cannot be included in the budget until after the annual meeting, once they have been voted on and approved they will be added to the final operating budget.

## **4900 Leases**

The voted budget for FY2526 was \$662,931, and the **FY2627 proposed budget is \$422,714**, representing a decrease of **(\$240,217)**. This reduction is due to a portion of the lease being fully paid in July of 2025.

### **5221 Food Service Transfer**

The voted budget for FY2526 was \$10,000, and the **FY2627 proposed budget is \$37,198**, representing an increase of **\$27,198**. This increase is intended to cover anticipated costs not supported by the school lunch program, such as uncollectable debt.

### **5251-5252 Transfer to Capital Reserve and Expendable Trust Funds**

The voted budget for FY2526 was \$400,000, and the **FY2627 proposed budget is \$0**, representing a decrease of **(\$400,000)**. This reduction reflects that the requested warrant articles cannot be included in the budget until after the annual meeting, once they have been voted on and approved they will be added to the final budget.

### **5400-5401 Grant and Food Service Program**

The voted budget for FY2526 was \$1,492,171, **FY2627 Proposed \$1,494,887**, representing an increase of **\$2,716**. This total appropriation includes grant programs and the Food Service program, with an anticipated reduction in overall cost for the food service program.

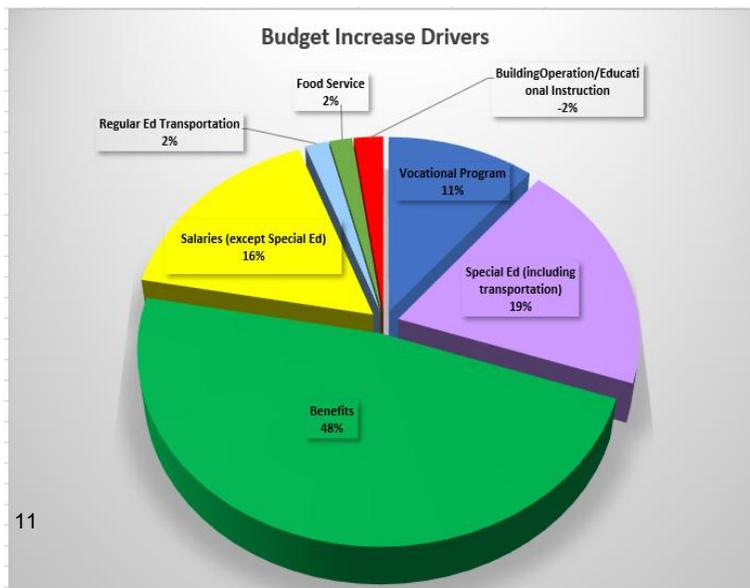


## Annual Meeting Budget Summary March 7th, 2026

Percentages Increase/Decrease Per Program					
		Total	%	Total	Increase
		Proposed Budget	Of	Change from	From
		Per Program	Total	FY2526 to FY2627	FY2526 to FY2627
			Budget	Per Program	*Includes Warrant
					Articles
1100	Regular Programs	\$ 7,748,766.00	22.19%	\$ 219,343.00	2.91%
1200	Special Programs	6,466,476.00	18.51%	253,147.00	4.07%
1300	Vocational Programs	1,020,955.00	2.92%	178,518.00	21.19%
1400	Co-Curriculars	505,388.00	1.45%	4,676.00	0.93%
2100	Other Support Services	769,144.00	2.20%	(14,744.00)	-1.88%
2200	Instructional Services	379,398.00	1.09%	2,146.00	0.57%
2300	Board Services	1,075,279.00	3.08%	80,427.00	8.08%
2400	Administrative Services	1,680,322.00	4.81%	62,969.00	3.89%
2600	Maintenance	1,898,070.00	5.43%	121,528.00	6.84%
2700	Transportation	1,881,839.00	5.39%	54,288.00	2.97%
2900	Benefits	9,547,137.00	27.33%	746,231.00	8.48%
4200-4600	Facilities/Improvements	-	0.00%	*(755,000.00)	-100.00%
4900	Lease	422,714.00	1.21%	(240,217.00)	-36.24%
5221	Food Service	37,198.00	0.11%	27,198.00	271.98%
5252	Trust Funds	\$0.00	0.00%	*(400,000.00)	-100.00%
5400	Grants & Food Service Programs	1,494,887.00	4.28%	2,716.00	0.18%
		<u>\$ 34,927,573.00</u>	<u>100%</u>	<u>\$ 343,226.00</u>	<u>0.99%</u>
	<b>*Voted FY2526 Warrant Articles</b>	<u>\$ 1,155,000.00</u>			
	<b>Total Actual Increase until Warrant Articles are Included</b>			<b>\$ 1,498,226.00</b>	<b>4.33%</b>

**Total Budget Increase is 4.33 % Operating Budget**

Budget Increase Drivers	
Vocational Program	\$ 169,231.00
Special Ed (including transportation)	305,263.00
Benefits	746,231.00
Salaries (except Special Ed)	258,176.00
Regular Ed Transportation	26,488.00
Food Service	26,439.00
Building Operation/Educational Instruction	(33,602.00)
	<u>\$ 1,498,226.00</u>





Revenue Sources	
Adequacy Aid (including State Ed Tax)	37.97%
Federal Grants	8.03%
Medicaid	0.19%
Tuition	44.25%
Food Service	5.40%
Warrant Articles	3.52%
Other	0.63%
	100.00%

Adequacy Aid Changes	
ADM (FY2526- 926.80, FY2627- 892.59)	(34.21)
Base Aid \$4,351.00 was \$4,265.64	\$ (69,752.70)
Free & Reduced Differentiated Aid	(34,118.05)
Special Education Differentiated Aid	82.92
ELL Differentiated Aid	8,917.49
<b>Cost of Adequate Education</b>	<b>\$ (94,870.34)</b>
Disparity	\$ 298,155.95
Extraordinary Grant	(356,258.53)
Hold Harmless Grant	(369,699.58)
Other	-
	\$ (427,802.16)
<b>Total Change in Adequacy Aid</b>	<b>\$ (522,672.50)</b>



Food Service Revenue	
Lunch Sales	\$ 374,727.00
Catering	5,850.00
Child Nutrition-USDA State	4,274.00
Child Nutrition- USDA Federal	184,265.00
Breakfast- USDA Federal	42,313.00
USDA Revenue	28,600.00
Estimated Revenue	\$ 640,029.00
Transfer from Operating Fund	37,198.00
Transfer from Unassigned Fund Balance	204,041.00
Total Program Revenue	\$ 881,268.00

