



**CHELSEA**  
SCHOOL DISTRICT

**BUSINESS OFFICE**

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**To:** Board of Education  
**From:** Nicole Lechner  
**Re:** March Board Report  
**Date:** February 27, 2026

The second round of grants from the Chelsea Education Foundation will be released soon. As a reminder, our district was awarded over \$21,000 in the first round to support innovative teacher grants and meaningful class trips that directly enhance student learning experiences. A reconciliation process for round one is currently underway.

The Governor has released the initial draft of the proposed State budget for fiscal year 2026–27. Encouragingly, the proposal includes increases to the per-pupil foundation allowance and continuation of the universal free breakfast and lunch program. Both of which positively impact our students and families. At this time, we will not adjust our preliminary budget projections until the other two versions are released. Historically, the finalized State budget is not in place before we adopt our preliminary budget, so we will continue to use the most reliable estimates available and incorporate updated figures into our first budget amendment once final numbers are known.

For the past three school years, Gabridge & Co. has served as our financial auditors. During this time, we have developed a strong and collaborative working relationship. Together, we have successfully completed three annual audits, each year improving reporting timelines, and strengthening our overall financial processes. Beyond the annual audit, their team has provided valuable guidance. For example, they participated in discussions with our school attorney regarding the Fieldhouse account, and they have assisted with year-end tax reporting and 1099 submissions. Given this productive partnership and the consistency they provide, we requested a proposal to extend their services for an additional three-year term. Details of their proposal are outlined in my recommendation to Mr. Kapolka for approval.

As we move into the spring season, a time of growth and renewed focus, we will continue building momentum and moving our district forward, *stronger together*.

Respectfully,

Nicole Lechner, Chief Financial Officer  
Chelsea School District