

Okemos Public Schools
Preliminary Budget Assumptions
2026-27

Increased Expenditures/Decreased Revenue	Optimistic	Most Likely	Worst Case
Health insurance (MESSA 1/2 yr +8%/est 10%, WMHIP +12.85%)*	542,155	542,155	542,155
ISD Special Education Funding, change in funding formula	200,000	200,000	200,000
Teacher division advancement (15,18,21)	127,950	153,540	179,130
Negotiations est, steps + on/off schedule, OEA budget same as others, subject to finalized negotiations	1,189,831	1,189,831	1,189,831
Expiration of Safety & Security Grant (Director/Software Fees)	233,650	233,650	233,650
Transportation, Temp Cornell (1,2,3)	39,850	79,700	119,550
	\$2,333,436	\$2,398,876	\$2,464,316
Increased Revenue/Decreased Expenditures	Optimistic	Most Likely	Worst Case
Increase in per-pupil Foundation Allowance (\$250)	1,173,200	1,173,200	1,173,200
Enrollment (Oct 26: +30, +10, -10) Blend 10/90	266,170	88,720	(88,720)
MPSERS Expense rate decrease (-2.4 pts to 27.51%, eff. 10/1/26)	815,000	815,000	815,000
Reduction in Sections (2,2,0)	182,400	182,400	0
Savings from OEA retirements, resignations (7)	266,945	266,945	266,945
	\$2,703,715	\$2,526,265	\$2,166,425
Projected Impact on General Fund Balance	\$370,279	\$127,389	(\$297,891)
Carry forward effect on General Fund Budget (7/1/26)	(1,476,896)	(1,476,896)	(1,476,896)
Total Impact on General Fund Balance	(\$1,106,617)	(\$1,349,507)	(\$1,774,787)

Fund Balance - as percentage of expenditures		
Audited 6/30/24	\$ 10,928,320	15.6%
Audited 6/30/25	\$ 9,225,700	12.8%
2025-26 Revised Budget #1	\$ 9,781,972	13.8%
2025-26 Revised Budget #2 est	\$ 8,231,665	11.2%
2026-27 Most Likely	\$ 6,508,448	9.0%

Okemos Public Schools
2025-26 Non-Recurring, 1-Time Budget Items
Effect on 2026-27 Proposed Budget

	Most Likely
2025-26 Net Change in Fund Balance, Budget Revision #1	556,272
Preliminary 2nd Budget Revisions	0
Negotiations Est: steps+ 1x & structural increases, OEA budget same as others, subject to finalized negotiations	(1,415,518)
Community Education Programs	(83,900)
Utilities (gas/electric/water), 1x & on-going	(284,500)
Operations, Supplies & Contracted Services	(120,000)
ISD SE Funding, 25-26 estimate	457,000
Secondary Alternative Programs (MVU, Dual Enrollment, GATE, Grad Alliance)	(55,650)
	(946,296)
 2025-26 Non-Structural, 1x revisions, do not repeat (removed from 26-27 preliminary assumptions)	
Non-Grant Related	
Environmental remediation	300,000
Retirement Revenues, Health Subsidy & 147a(2) Cost Offset	(634,000)
Operations Contracted Services	83,400
Curriculum/New textbooks	(150,000)
ISD SE Funding, addl received for 24-25 final	(330,000)
Legal Services	100,000
Utilities (gas)	100,000
	(530,600)