

2026-27 Preliminary Budget Assumptions

Board Meeting • 04/10/2026



2025-26 Preliminary Budget Revision #2 & Carryforward Impact on 2026-27 Budget

	Budget Impact
2025-26 Net Change in Fund Balance, Budget Revision #1	\$556,272
Negotiations: steps & 1x/structural increases, subject to finalized negotiations & Board approval*	(906,253)
Utilities (gas/electric/water), 1x & on-going	(284,500)
Operations, Supplies & Contracted Services	(120,000)
ISD SE Funding, 25-26 estimate	310,000
	(444,481)
2025-26 Non-Structural, 1x revisions	
Environmental remediation	300,000
Curriculum/New textbooks	(150,000)
Retirement Revenues, Health Subsidy & 147a(2) Cost Offset	(634,000)
ISD SE Funding, adtl received for 24-25 final	(310,000)
Legal Services	100,000
Operations Contracted Services	83,400
Utilities (gas)	100,000
Net Impact of Changes	(\$510,600)
Carry forward effect on General Fund Budget (6/30/27)	(\$955,081)

* Subject to finalized negotiations

2026-27 Expenditure Increases/Revenue Decreases

<u>Decreases to General Fund</u>	<u>Optimistic</u>	<u>Most Likely</u>	<u>Worst Case</u>
Health insurance (MESSA 1/2 yr +8%/est 10%, WMHIP +12.85%)*	542,155	542,155	542,155
ISD Special Education Funding, change in formula	700,000	700,000	700,000
Teacher division advancement (15,18,21)	127,950	153,540	179,130
Negotiations, steps + on/off schedule, excludes OEA, subject to Board approval on 4/13/26	216,175	216,175	216,175
Transportation, Temp Cornell (1,2,3)	39,850	79,700	119,550
	\$1,626,130	\$1,691,570	\$1,757,010

2026-27 Revenue Increases/Expenditure Decreases

<u>Increases to General Fund</u>	<u>Optimistic</u>	<u>Most Likely</u>	<u>Worst Case</u>
Increase in Foundation Allowance (\$250,\$175,\$100)	1,173,200	821,220	469,270
Enrollment (Oct 26: +30, +10, -10) Blend 10/90	266,170	88,050	(87,370)
MPSERS rate decrease (-2.4 pts to 27.51%)	815,000	815,000	815,000
Reduction in Sections (4,2,1)	364,800	182,400	91,200
Savings from OEA retirements, resignations (9,7)	343,215	266,945	266,945
	\$2,962,385	\$2,173,615	\$1,555,045

2026-27 Projected Impact on General Fund Budget

	<u>Optimistic</u>	<u>Most Likely</u>	<u>Worst Case</u>
Expenditure Increases/Revenue Decreases	(\$1,626,130)	(\$1,691,570)	(\$1,757,010)
Revenue Increases/Expenditures Decreases	2,962,385	2,173,615	1,555,045
Net Impact on General Fund Balance	\$1,336,255	\$482,045	(\$201,965)
Carryforward effect on GF Budget (6/30/27)	(955,081)	(955,081)	(955,081)
Total Impact on General Fund Balance	\$381,174	(\$473,036)	(\$1,157,046)

Impending Budget Discussion 2026-27

Topics w/financial impact not in assumptions

- **State Aid**
- **Enrollment**
- **Staffing Levels, Contractual Requirements**
- **Negotiations, 25-26 & 26-27**
- **Grants**
- **ISD Special Education revenue**
- **Expenditure Review (curriculum, uniforms, etc)**
- **Other Variable Sources of General Fund Revenue**

Budget Development Tentative Timeline

2025-26 Fiscal Year	
Monitor Revenue and Expense Activity	Feb– May
2 nd Budget Revision	May/June

2026-27 Fiscal Year	
Budget Review & Discussion Leadership	Jan-May
Budget Development & Updated Assumptions	Feb– May (at Board mtg)
Budget Work Session	TBD
Proposed Budget	June 8
Budget Adoption	June 22