

## Executive Summary: FY26 Amended Budget

School districts are legally required to amend their operational budgets before the conclusion of the fiscal year on June 30th if it is anticipated that expenditures will exceed the originally authorized appropriations in any single fund. This amendment process ensures full compliance with statutory limitations, formalizes adjustments driven by shifting operational circumstances, and provides the regulatory authorization required to close out the fiscal year without fund over-expenditures.

This executive summary delivers a high-level operational overview of why these revisions were necessary, highlights notable technical and material adjustments, and provides a clear financial breakdown of our projected fund position heading into the fiscal year closeout.

### FY26 Amended Budget Summary Table

The table below reflects the revised tracking of estimated revenues, operational expenditures, and overall structural differences across all district funds from July 1, 2025, through June 30, 2026.

<b>Fund / Accounting Line</b>	<b>Audited Beginning Balance (July 1, 2025)</b>	<b>Estimated Revenue</b>	<b>Estimated Expenditures</b>	<b>Net Operational Diff.</b>	<b>Projected Ending Balance (June 30, 2026)</b>
(10) Education	\$9,586,437	\$17,790,475	\$17,934,437	-\$143,962	\$9,442,475
(20) Operations & Maintenance	\$15,471	\$2,882,806	\$2,555,655	\$327,151	\$342,622
(30) Debt Service	\$999,052	\$1,651,175	\$2,080,759	-\$429,584	\$569,468
(40) Transportation	\$678,995	\$1,582,370	\$2,261,365	-\$678,995	\$0
(50) IMRF / Social Security	\$562,256	\$807,514	\$802,004	\$5,510	\$567,766
(60) Capital Projects	\$7,390	\$6,682	\$0	\$6,682	\$14,072
(70) Working Cash	\$1,126,455	\$137,317	\$0	\$137,317	\$1,263,772
(80) Tort	\$649,067	\$1,202,288	\$1,184,291	\$17,997	\$667,064
(90) Fire Prevention & Safety	\$224,279	\$132,917	\$0	\$132,917	\$357,196
<b>TOTAL</b>	<b>\$13,849,402</b>	<b>\$26,193,544</b>	<b>\$26,818,511</b>	<b>-\$624,967</b>	<b>\$13,224,435</b>

Note: The audited beginning balances differ from the FY26 Budget Summary Table presented on September 22, 2025, due to the inadvertent omission of the District’s investments.

**Analysis of Notable Budget Adjustments**

The revisions between the original budget and the proposed amended budget are categorized into four core drivers: personnel re-alignment, unplanned systemic and lease obligations, technical journal entries, and fiscal risk-mitigation buffers.

Fund(s) Involved	Adjustment Focus	Financial Impact	Justification & Operational Reasoning
10, 20, 40, 80, & 90	Staff & Faculty Line Realignment	Reallocation Only	Moved personnel to pay lines that accurately reflect actual work sites and specific roles. Rectifying these accounts ensures localized transparency and improves future baseline budgeting accuracy.
30	School Bond Refunding	\$420,000 (Bond) \$15,000 (Fees)	Because this routine refinancing measure was not anticipated during the initial budget development phase, the expenditure model had to be manually adjusted to incorporate its structural impact.
40	New Bus Lease Agreement	\$452,866.79	A new bus lease was not accounted for in the original budget.
40	FY25 Adjusting Journal Entries	\$1,265,059.00	The automated fiscal year rollover within our Skyward accounting software occurred prior to receiving these closing balances. This caused technical complications in lease lines which have now been successfully rectified.
80 & 90	School Resource Officer (SRO)	\$75,000.00	Reallocated out of Fund 90 (Fire Prevention & Safety) and consolidated inside Fund 80 (Tort) to better match regulatory criteria for safety expenditures.
10, 20, 50, & 80	10% Expenditure Padding	\$2,147,657.21 (Total added pool)	Providing this additional margin allows the budget to accommodate unforeseen costs that may arise prior to the June 30th conclusion of the fiscal year. Breakdown: <ul style="list-style-type: none"> <li>• Fund 10: \$1,788,934.61</li> <li>• Fund 20: \$207,189.25</li> <li>• Fund 50: \$72,716.85</li> <li>• Fund 80: \$78,816.50</li> </ul>

### **Key Takeaways for the Board of Education**

- **Healthy Aggregate Reserves:** Despite a projected macro-level deficit of \$624,967 for the FY26 active operational cycle, the district maintains an estimated ending total balance of \$13,224,435 across all funds.
- **The Transportation Zero-Out:** Fund 40 (Transportation) is drawing heavily down on its audited beginning balance of \$678,995 to fund the combination of the unexpected bus lease (\$452k) and late FY25 adjusting journal entries (\$1.26M). It is currently projected to finish the fiscal year with a balanced \$0 pool, meaning it utilized all available beginning cash reserves to offset operational demand. Furthermore, we are experiencing rapid transportation cost increases and have had a budget deficit in the Transportation Fund in 7 out of the last 8 years. This is a significant issue for the District and the Administration is seeking solutions to resolve this.
- **Strategic Cushioning:** The inclusion of the 10% safety margin (\$2.14M across Funds 10, 20, 50, and 80) represents a precautionary ceiling. It is highly probable that actual expenditures recorded on June 30th will fall significantly below this threshold.

### **Recommendation**

Administration recommends that the Board of Education review these figures and approve the proposed FY26 Amended Budget as presented later in the meeting. This action ensures full statutory compliance, updates our accounts to match true current practices, and safeguards the district's operational integrity through the end of the fiscal cycle.