



Financial Update

2025-26 Revised Budget

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Director of Business Services
March 5, 2026



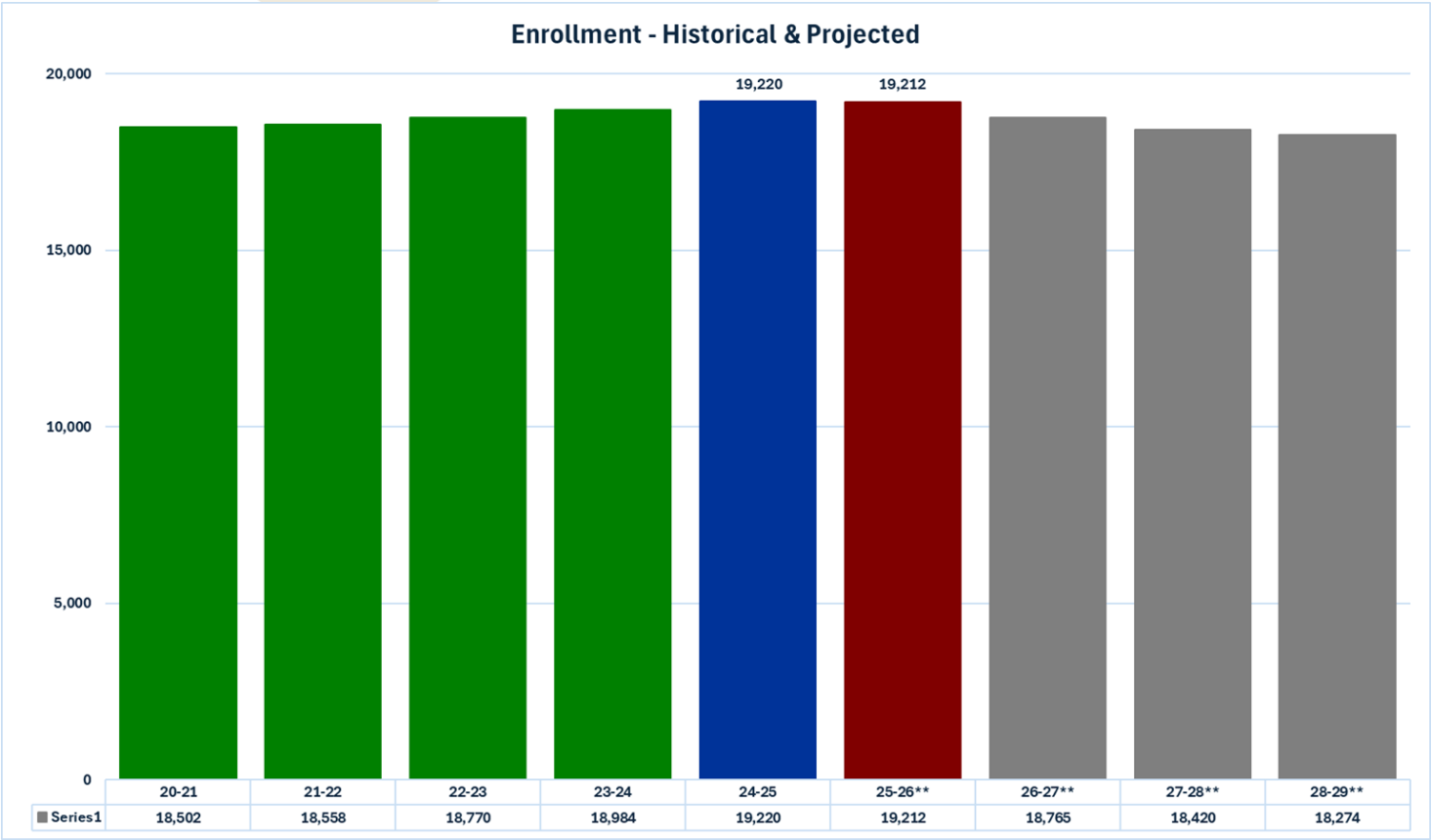
Significance of Revised Budget

- School districts revise budgets to reflect currently available data including:
 - Student counts
 - State allocations
 - Federal allocations
 - Labor agreements
 - New agreements or leases
- The budget is based on the best information we have today.
- The revised budget gives us an indication of the reserves remaining at the end of the fiscal year
- This aids us in preparing the next year's budget

Revised Budget Summary

	2025 Actual	2026 Original	2026 Revised	% Change
REVENUES				
State Aids	\$ 243,118,222	\$ 247,099,409	\$ 252,066,854	2.01%
Local Levies	88,238,517	90,639,328	90,656,794	0.02%
Federal Aids	5,186,339	5,142,075	5,229,697	1.70%
Other	10,522,068	7,681,150	7,431,650	-3.25%
	\$ 347,065,146	\$ 350,561,962	\$ 355,384,995	1.38%
EXPENDITURES				
Salaries	\$ 187,673,946	\$ 195,741,601	\$ 194,289,466	-0.74%
Benefits	71,267,539	79,423,164	79,644,843	0.28%
Services	44,381,210	40,208,015	46,231,999	14.98%
Supplies	14,097,052	13,759,870	14,692,367	6.78%
Capital	18,301,390	21,873,615	20,470,088	-6.42%
Other	1,651,170	1,498,774	1,477,255	-1.44%
	\$ 337,372,307	\$ 352,505,039	\$ 356,806,018	1.22%
NET	\$ 9,692,839	\$ (1,943,077)	\$ (1,421,023)	

Enrollment Drives the Budget



Revenue

State Aids



- Basic formula
 - increased 2.74% to \$7,481 per pupil unit in 2025-2026
- Special education aid
- Compensatory - based on free/reduced lunch counts
- English learner
- Staff development
- Achievement and integration
- Alternative Teacher Professional Pay System (ATPPS)
- Operating capital - based on age of buildings
- Hourly worker unemployment

Revenue

§ Federal Aids

- Special Education
- Title I
- Title II
- Title III
- Title IV
- American Indian Education Aid
- Perkins

Revenue

Local Levies and Other Revenue Sources



- Operating referendum
- Local optional revenue
- Long-term facilities maintenance (LTFM)
- Third-party billing
- Interest
- Participation fees
- Admissions
- Donations

Revenue S

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Revenues – Increases from Original Budget

Revenues Increased by \$4.8 Million from Original Budget

- State Special Education Aid increased \$2.7 Million
 - Based largely on prior year expenditures
 - Updated to reflect final prior year expenditures
- All Other State Aids increased \$2.1 Million
 - Reflects updated estimates based on current data
 - No change to original enrollment projection

Expenditures by Type



	2025 Actual	2026 Original	2026 Revised	% Change
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Expenditures – Increases from Original Budget

Expenditures increased by \$4.2 Million from original budget

- Increase in contracted services
 - \$3 Million contracted transportation
 - \$1 Million contracted education services
 - Special education
 - Post-secondary

Expenditures by Program



	2025 Actual	2026 Original	2026 Revised	% Change
Classroom Instruction	\$ 149,338,436	\$ 155,514,281	\$ 158,635,064	2.01%
Special Instruction	72,360,289	76,146,446	75,661,018	-0.64%
Pupil Support	39,497,177	41,733,124	44,631,059	6.94%
Facilities	38,351,086	40,560,763	40,271,099	-0.71%
Instructional Support	18,702,417	17,366,669	17,369,126	0.01%
Administration	11,493,260	11,532,470	11,683,210	1.31%
District Support	11,418,680	9,651,286	8,555,442	-11.35%
	\$ 341,161,345	\$ 352,505,039	\$ 356,806,018	1.22%

Expenditures by Program

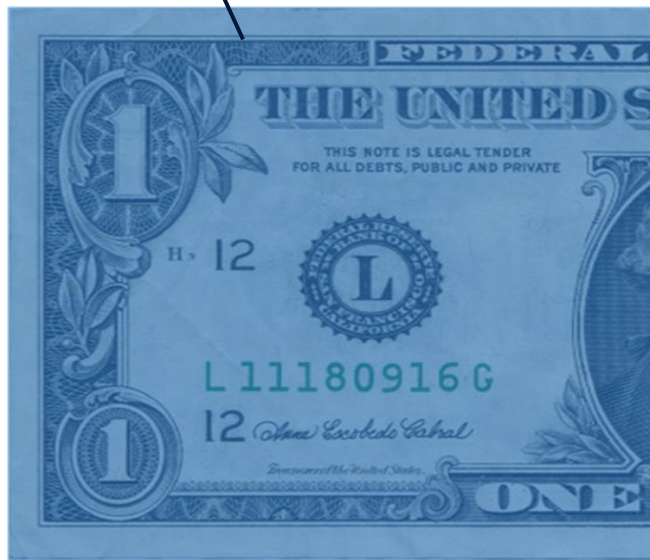


Classroom Instruction -
44.5%

Special Instruction - 21.2%

Student Support -
12.5%

Administration -
3.3%

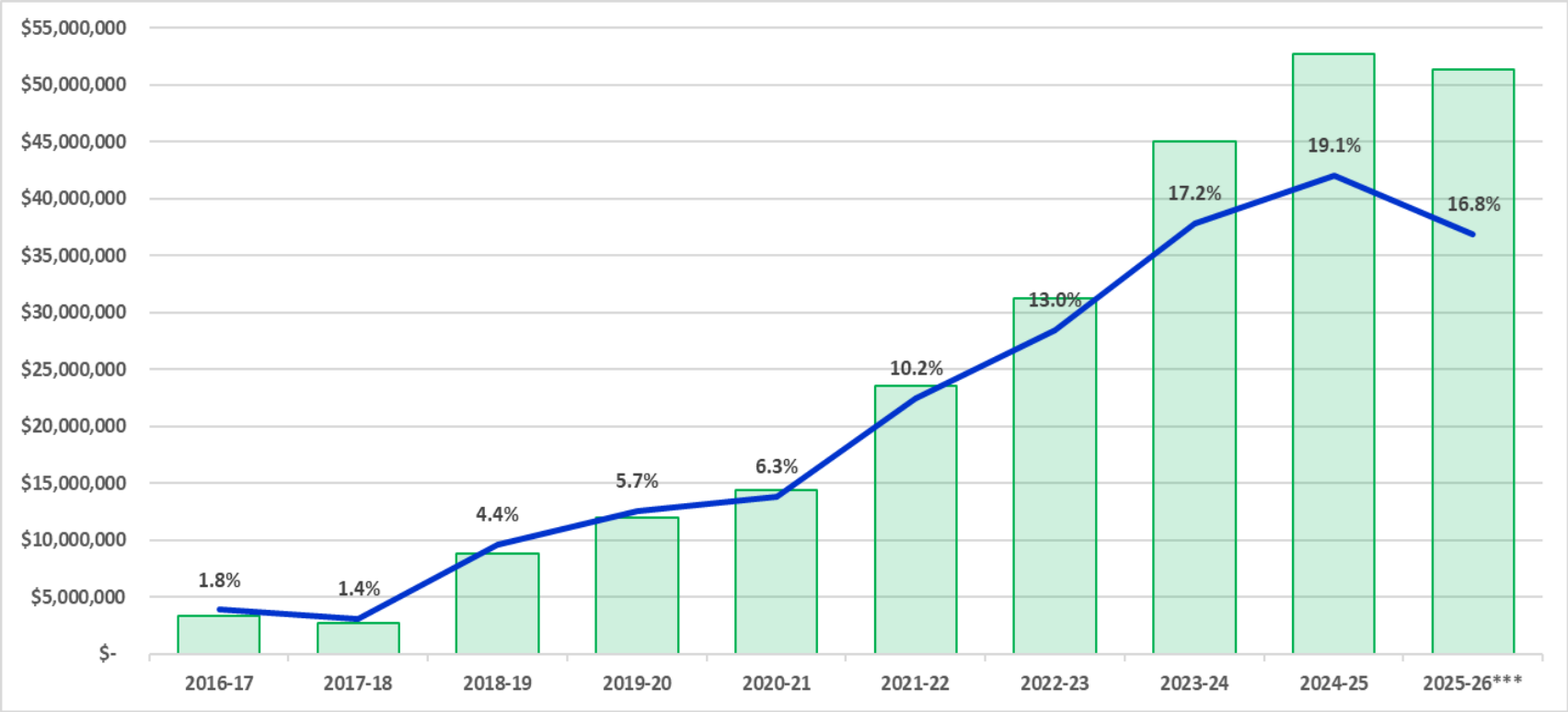


District
Support
2.4%

Facilities - 11.3%

Instructional
Support - 4.9%

Fund Balance – MDE calculation



Next Steps

- Board approves 2025-26 revised budget on March 26
- 2026-27 staffing allocations to Principals
- 2026-27 revenues are projected
 - State formula 2.69% increase
- Finance staff compiles all 2026-27 expenses
- 2026-27 budget presented to Board on June 11
- 2026-27 budget approved by Board on June 25
- Audit of 2025-26 commences in July

Questions?