



Forward Thinking, High Achieving.

FY2027 General Fund Budget & Levy Projections

Budget & Levy Committee
February 26, 2026

Let's Review!

General Fund – Budget Limit ANB

Use the ANB that generates the greatest maximum general fund budget:

- **Current Year ANB (CY ANB)**
 - ANB for the budget unit for the ensuing school year (FY2027 ANB is based on FY2026 enrollment counts)
- **3-Year Average ANB**
 - Add current year ANB to the current year ANB for the previous two school fiscal years and divide by 3 (FY2027 ANB is the average of FY2027, FY2026 and FY2025)

General Fund – Budget Limit ANB

ELEMENTARY	Current Year ANB			3-year Avg ANB	Budget ANB
	*EL–6	7–8	Total		
2023	4,282	1,226	5,508	5,582	5,582
2024	4,265	1,202	5,467	5,469	5,469
2025	4,219	1,146	5,365	5,448	5,448
2026	4,328	1,158	5,486	5,509	5,509
2027	4,264	1,171	5,435	5,445	5,445

*Early Literacy (EL) in FY26
PK-SPED in FY27

General Fund – Budget Limit ANB

HIGH SCHOOL	Current Year ANB	3-year Avg ANB	Budget ANB
2023	3,944	3,780	3,944
2024	4,028	3,894	4,028
2025	4,068	4,014	4,068
2026*	4,011	4,095	4,095
2027*	3,940	4,026	4,026

*Connect Academy charter school in FY26

**Elementary General Fund and Average Number of Belonging (ANB)
Historical Overview
FY2017- FY2027***



High School General Fund and Average Number of Belonging (ANB) Historical Overview FY2017 - *FY2027



General Fund Budget Formula

Add'l Special Ed funding*	over-BASE Budget
20% per ANB Entitlement	
20% Basic Entitlement	
Special Ed funding*	BASE Budget
80% per ANB Entitlement	
80% Basic Entitlement	
Quality Educator	
At Risk Student	
Indian Education for All	
American Indian Achievement Gap	
Data for Achievement	

Highest Budget Allowed
(aka "over-Max")

- Levies already approved by voters
- Levies that need voter approval
 - over-BASE operational levy
 - over-Max high cost county levy (new)

Qualifications

A county qualifies if their median market value for residential properties is greater than 105% of the median county market value for the state.

A district qualifies for a maximum budget limit increase if they are in one of the qualifying counties and the district also qualifies for the Teacher Incentive Program.

Missoula Elem FY27 projected

Add'l Special Ed funding*	over-BASE Budget
20% per ANB Entitlement	
20% Basic Entitlement	
Special Ed funding*	BASE Budget
80% per ANB Entitlement	
80% Basic Entitlement	
Quality Educator	
At Risk Student	
Indian Education for All	
American Indian Achievement Gap	
Data for Achievement	

BASE Budget	\$ 38,867,523
Approved over-BASE levies	<u>9,204,511</u>
Highest Budget w/o a vote	\$ 48,072,035

Max Operating Budget	\$ 48,354,590
Highest Budget w/o a vote	<u>48,072,035</u>
Over-BASE operational levy	\$ 282,555

Max Operating Budget	\$ 48,354,590
Over-Max High Cost County levy	<u>1,073,472</u>
Over-Max Budget	\$ 49,428,062

Missoula High School FY27 projected

Add'l Special Ed funding*	over-BASE Budget
20% per ANB Entitlement	
20% Basic Entitlement	
Special Ed funding*	BASE Budget
80% per ANB Entitlement	
80% Basic Entitlement	
Quality Educator	
At Risk Student	
Indian Education for All	
American Indian Achievement Gap	
Data for Achievement	

BASE Budget	\$ 32,000,003
Approved over-BASE levies	<u>7,265,237</u>
Highest Budget w/o a vote	\$ 39,265,240

Max Operating Budget	\$ 39,520,082
Highest Budget w/o a vote	<u>39,265,240</u>
Over-BASE operational levy	\$ 254,842

Max Operating Budget	\$ 39,520,082
Over-Max High Cost County levy	<u>877,346</u>
Over-Max Budget	\$ 40,397,428

Elementary General Fund
Budget Projections - 3% Inflationary Increase
FY27

		DETAIL	NO GF LEVY TOTALS	GF MAX TOTALS	GF OVER MAX TOTALS	
REVENUE INCREASE						
Highest Budget Without Vote		\$	48,072,035	\$	48,072,035	\$ 48,072,035
Plus Over Base Operational Levy		\$	-	\$	282,555	
Plus Over Max High Cost County Levy					\$	1,073,472
						\$ 1,356,027
Proposed Adopted Budget at Maximum		\$	48,072,035	\$	48,354,590	\$ 49,428,062
LESS Prior Year Adopted Budget		\$	47,511,182	\$	47,511,182	\$ 47,511,182
Revenue Increase to Support FY27 Obligations		\$	560,853	\$	843,408	\$ 1,916,880
EXPENDITURE INCREASES						
<u>Estimate of Salary & Benefit Increases</u>						
Certified Step Increases	\$	(586,315)				
Certified Lane Movement	\$	(200,000)				
MMCEO Step/Longevity Increases	\$	(338,050)				
All other staff increases	\$	(150,660)				
Health insurance increases	\$	(110,000)				
Unanticipated staffing costs	\$	(150,000)				
Estimate of Additional Pay Increases			\$	(1,535,025)	\$	(1,535,025)
Subtotal			\$	(974,172)	\$	(691,617)
					\$	381,855
<u>Other Obligations to Build into the Budget:</u>						
Liability insurance (estimated 15% increase)	\$	(104,917)				
Utilities Increase	\$	(80,000)				
Curriculum budget increase	\$	(250,000)	\$	250,000	\$	250,000
Technology related increase	\$	(150,000)	\$	150,000	\$	150,000
Activities/Athletics transportation increase	\$	(25,000)	\$	25,000	\$	25,000
			\$	240,083	\$	240,083
					\$	(609,917)
Balance Before Proposed Additions			\$	(734,089)	\$	(451,534)
					\$	(228,062)
REDUCTIONS, SAVINGS AND OFF SETS						
Estimated Certified & Classified Retiree Savings	\$	100,000	\$	100,000	\$	100,000
K-8 Enrollment Based Reductions (-63 ANB X \$6,902)	\$	434,826	\$	434,826	\$	434,826
Anticipated Budget Balance			\$	(199,263)	\$	83,292
					\$	306,764
BUDGETARY ADDITIONS AND REDUCTIONS FOR FY27						
Additional K-8 Enrollment Based Reductions			\$	250,000	\$	30,000
Federal Program Offsets					\$	(100,000)
Grant funded positions to build in to budget			\$	-	\$	-
			\$	50,737	\$	113,292
					\$	106,764

High School General Fund
Budget Projections - 3% Inflationary Increase
FY27

			NO GF LEVY TOTALS		GF LEVY TOTALS		GF OVER MAX TOTALS	
REVENUE INCREASE								
Highest Budget Without Vote		\$	39,265,240	\$	39,265,240	\$	39,265,240	
Plus Over Base Operational Levy		\$	-	\$	254,842			
Plus Over Max High Cost County Levy						\$	877,346	\$ 1,132,187
Proposed Adopted Budget at Maximum		\$	39,265,240	\$	39,520,082	\$	40,397,428	
LESS Prior Year Adopted Budget		\$	38,969,439	\$	38,969,439	\$	38,969,439	
Revenue Increase to Support F727 Obligations		\$	295,802	\$	550,643	\$	1,427,989	
EXPENDITURE INCREASES								
<u>Salary & Benefit Obligations to Build into the Budget:</u>								
Certified Step Increases	\$	(437,703)						
Certified Lane Movement	\$	(200,000)						
MMCEO Step/Longevity Increases	\$	(208,562)						
Other staff increases	\$	(135,661)						
Health insurance increases	\$	(90,000)						
Unanticipated staffing costs	\$	(150,000)						
Estimate of Additional Pay Increases	\$	-	\$ (1,221,926)	\$ (1,221,926)	\$	(1,221,926)		
Subtotal			\$ (926,124)	\$ (671,283)	\$	206,063		
<u>Other Obligations to Build into the Budget:</u>								
Liability insurance (estimated 15% increase)	\$	(85,841)						
SRO/CRO/SSO (estimated increase)	\$	(15,763)						
Utilities	\$	(65,000)						
Curriculum budget increase	\$	(150,000)	\$ 150,000					
Technology related increase	\$	(150,000)	\$ 150,000					
Activities/Athletics transportation increase	\$	(100,000)						
			\$ 133,395	\$ (166,605)	\$	(566,605)		
Balance Before Reductions, Savings & Offsets			\$ (792,729)	\$ (837,887)	\$	(360,542)		
REDUCTIONS, SAVINGS AND OFFSETS								
Estimated Certified & Classified Retiree Savings	\$	100,000	\$ 100,000	\$ 100,000	\$	100,000		
9-12 Enrollment Based Reductions (-71 ANB X \$8,361)	\$	593,640	\$ 593,640	\$ 593,640	\$	593,640		
Anticipated Budget Balance			\$ (99,089)	\$ (144,247)	\$	333,098		
BUDGETARY ADDITIONS AND REDUCTIONS FOR FY27								
Additional 9-12 Enrollment Based Reductions						\$ (150,000)		
Federal Program Offsets						\$ (150,000)		
Grant funded positions to build in to budget			\$ -	\$ -	\$	(150,000)		
			\$ (99,089)	\$ (144,247)	\$	33,098		

Impact of Tax Increase

Changes to TY 2025 and 2026 Tax Rates SB231 and HB542

Property Type	Tax Year 2024 (School FY 2024-25)	Tax Year 2025 (School FY2025-26)	Tax Year 2026 (School FY2026-27)
Ag Land	2.16%	2.05%	2.05%
Commercial Property	1.89%	First \$400K: 1.40% > \$400K: 1.89%	<= 6x median value*: 1.50% > 6x median value*: 1.90%
Residential	1.35%	First \$400,000: 0.76% \$400,000 - \$1,500,000: 1.10% > \$1,500,000: 2.20%	Up to Median** Value: 0.76% Median Value** – 2x Median Value**: 0.90% 2x Median Value** – 4x Median Value**: 1.10% > 4x Median Value**: 1.90%

* Est. Commercial Median Value: \$ 325,000

** Est. Residential Median Value: \$ 395,400

Impact of Tax Increase

Implications of HB231 & SB452

New Progressive System that Reduces Tax Rate on Most Residential Property

Implications for Residential Homeowners:

- FY26: Higher residential market values probably more than offset by lower tax rates
- FY27: Non-reappraisal year, but:
 - Owner-occupied & long term rentals: tax rates decrease even further
 - Short term rentals: tax rates increase (not shown in table)
- Homeowners pay less for fixed mill levies (i.e., statewide 95 mills)

Implications for Public School Districts:

- Taxable value decreases despite increases in market values
- Increased mills as a result of lower taxable values
- School tax burden shifts away from residential and onto other property types

Impact of Tax Increase (annual)

ELEMENTARY Levy Amount		Mills	\$100,000 House	\$300,000 House	\$600,000 House
Operational levy	\$ 282,555				
Over-MAX	<u>\$ 1,073,472</u>				
Total for ballot	\$ 1,356,027	8.17	\$ 6.21	\$ 18.63	\$ 39.79

HIGH SCHOOL Levy Amount		Mills	\$100,000 House	\$300,000 House	\$600,000 House
Operational levy	\$ 254,841				
Over-MAX	<u>\$ 877,346</u>				
Total for ballot	\$ 1,132,187	3.64	\$ 2.77	\$ 8.30	\$ 17.73