



CENTENNIAL

SCHOOL DISTRICT 12

CONNECTING. ACHIEVING. PREPARING.

Budget Planning & Forecast Update Presentation

Board Work Session

February 2, 2026

Overview

- **Budget Planning**
 - Process & Calendar
 - Goals
 - Historical Budget Adjustments
- **Forecast Update**
 - Components
 - Updates
 - Budget Adjustments
- **Next Steps**

Budget Planning



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STRATEGIC ROADMAP



MISSION OUR CORE PURPOSE

By providing high quality educational opportunities, emotional support, and social development, Centennial School District prepares learners for excellence in their future.



VISION WHAT WE INTEND TO CREATE

Centennial School District is a welcoming environment where all students, staff, and families belong and will:

- Provide innovative, personalized, rigorous, and relevant educational opportunities for each student.
- Build and strengthen relationships and partnerships with the community to offer educational programs and opportunities for all.



CORE VALUES DRIVERS OF OUR WORDS AND ACTIONS

CONNECTING

Engaging students in meaningful ways with their school community.

ACHIEVING

Ensuring student success through academic excellence in learning and teaching while supporting students in their growth and achievement.

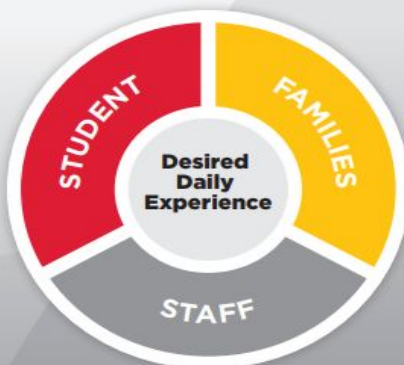
PREPARING

Providing opportunities for academic excellence to prepare students for their future.



STRATEGIC DIRECTIONS FOCUS OF OUR IMPROVEMENT EFFORTS

- Improving teaching and learning practices for student success and achievement.
- Increasing engagement, belonging, and strengthening the staff and student experience.
- Supporting staff in continuous improvement of professional practice.
- Increasing family engagement in student learning and school experiences.
- Improving efficiency and effectiveness in district operations.



With input from our stakeholders, the plan includes the goals of providing an educational experience for students, families, and staff.

STUDENT

- I enjoy flexible learning and activity choices that meet my academic, emotional, and social needs.
- I have access to technology to support my educational needs.
- I am comfortable during passing time, lunch, and other times throughout the day.
- I enter a welcoming environment where I feel safe, accepted, and belong at school.
- My race and preferences are respected, acknowledged, and accepted.
- I have positive interactions and relationships with students and staff.

FAMILIES

- I receive consistent communication from my student's teacher, school, and district to support my student's education.
- My student has the appropriate materials, resources, and technology.
- My student's school is welcoming, safe, and inclusive.
- I have opportunities to be involved in my student's school community.
- Staff provide attention and support to meet my student's needs.
- My student's school provides a relevant and rigorous educational experience.

STAFF

- I receive cohesive and timely communication.
- I have a voice and my input matters.
- I receive the support necessary to be successful.
- I am a trusted, respected, and valued professional.
- I have the resources that allow me to meet all my students' needs.
- I am connected and feel like I belong to the Centennial community.
- I have a manageable workload and appropriate class sizes.
- My mental health needs are recognized and addressed.

Budget Process & Calendar

July to August	Process Review & Updates
September to November	Proposed Levy Enrollment Update & Forecast Legislative Impacts Revised Budget
December to January	Final Levy Budget Requests Registration Numbers Budget Assumptions Finalize Budget Parameters & Targets
February to April	Finalize Enrollment Forecast Finalize Staffing Plan Finalize Budget Requests and Adjustment Plan
May to June	Approval of Budget Plan



**Budget
Forecast
Updates**

Budget Goals



- ★ **Transparent and Inclusive Budget Parameters**
- ★ **Facilitate Timely and Effective Budget Adjustments**
- ★ **Develop Strategic Recommendations Aligned with Long-Term Goals**

Historical Budget Adjustments

Fiscal Year	Budget Adjustments
2021-2022	\$1.872M
2022-2023	\$213.7K
2023-2024	\$500K
2024-2025	\$1.200M
2025-2026	\$1.500M*

\$5.3M

*** +\$1M Restructure/Realign**

Forecast Update



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Forecast Components

Enrollment

Rollover/Trend

State Aid

Formula Allowance

Special Education

Federal Funding

Funding Adjustments/Timing

Operating Referendum

Extension By June 15, 2028

Personnel

Settlements

Right Sizing

Steps and Lanes

Non-Personnel

Contracted Services, Utilities,
Supplies, Equipment & Infrastructure

Forecast Update Formula Allowance

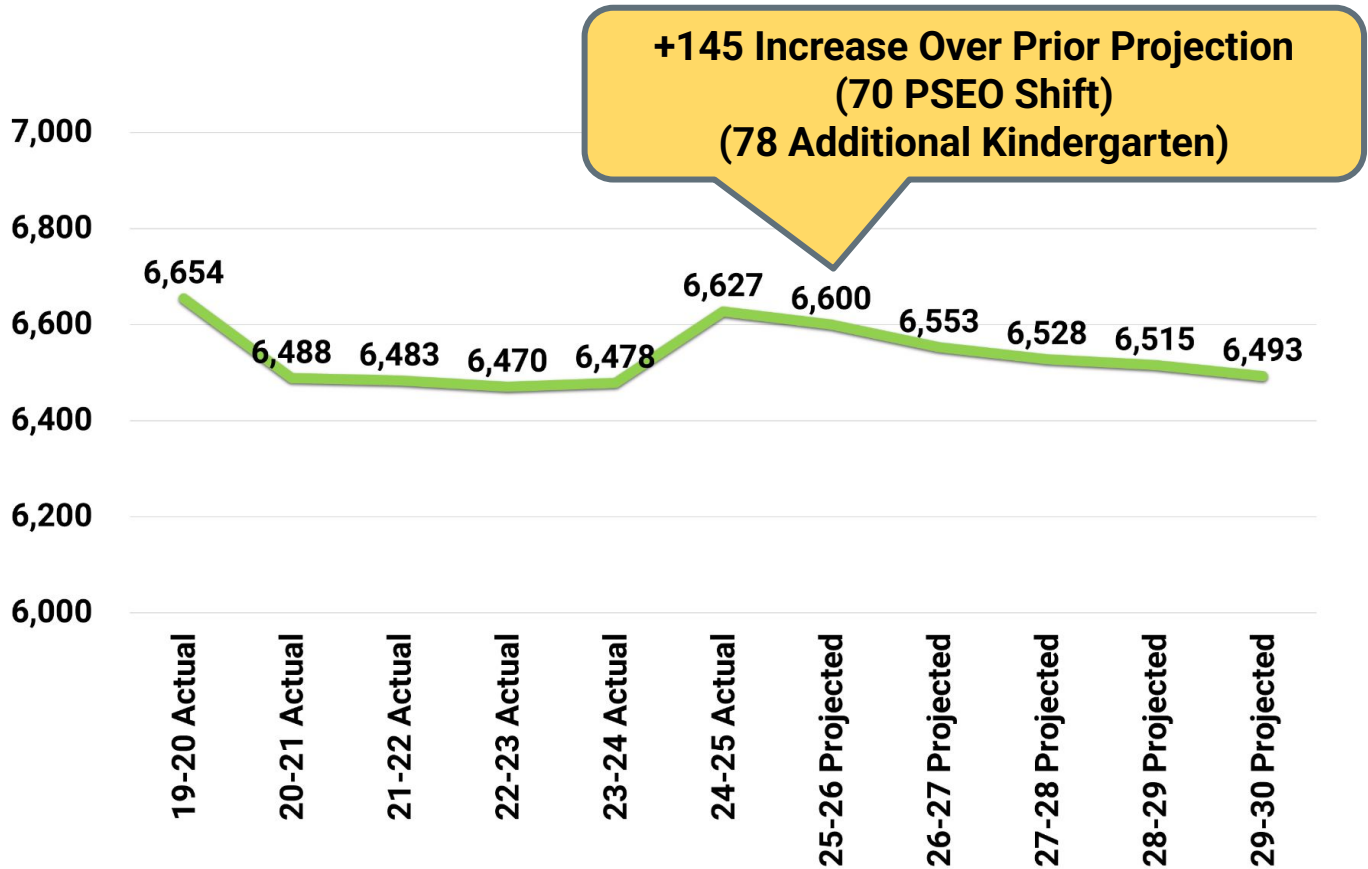
Fiscal Year	\$ Per Pupil Funding	% Actual Increase
2022-2023	6,863	2.00%
2023-2024	7,138	4.00%
2024-2025	7,281	2.00%
2025-2026	7,481	2.74%
2026-2027	7,630 (TBD*)	2.00% (TBD*)

***Tied to CPI;
minimum of 2% &
maximum of 3%
February Notification**

Forecast Update Enrollment

Kindergarten
trend forecast
lowered to 430

Future
community
development
may impact
enrollment
projections



Enrollment Key Takeaways

- **Overall Trend is Stable/Modest Decline**
 - Future larger community growth not factored in
- **Key Internal Shifts**
 - Stability in the total enrollment masks shifts between grade levels which requires targeted planning
- **New Student Growth**
 - Develop strategies to provide new students and/or enhanced program offerings to align to interests
- **Continued Trend Monitoring**
 - Monitoring future changes will allow us to maximize budget efficiencies

Forecast Trend Update 3 Year Averages

	Average % Growth Factor	Average \$ Growth Factor
Revenues	1.1%	\$1,100,000
Expenditures	<u>(4.3%)</u>	<u>(\$4,300,000)</u>
Average Annual Net Loss	(3.2%)	(\$3,200,000)

What's Changed? Expenditures

- New Programs/Staff Additions
- Steps/Lanes
- Contract Settlements

- Contracted Services
- Inflation
- Subs/Transportation
Tuition/Insurance/Utilities

Forecast Update Budget Adjustments

The following will impact the forecast plan:

- Legislative Funding Decisions
- Annual Enrollment
- Contract Settlements
- Contracted Services
- Inflation

Fiscal Year	Updated Forecast Budget Adjustments
2026-2027	\$2,400,000
2027-2028	\$2,400,000
2028-2029	\$2,400,000
2029-2030	\$5,000,000*

**assumes continuation of 2019 operating referendum*

Forecast Updates Summary

- **Assumptions may change**
- **There is planned deficit spending in current & future years**
- **Future expenditures significantly outpace revenue growth**
- **Continued discussion on additional funding options**
 - Consider New Operating Levy
- **Monitoring legislation and enrollment trends**
 - Formula allowance
 - Compensatory/\$250M Blue Ribbon/Unemployment
 - MN Paid Family Medical Leave impact

Next Steps

- **February**
 - Finalize 2026-2027 Preliminary Budget Adjustment Forecast
- **March**
 - Finalize 2026-2027 Budget Adjustment Plan
- **April/May**
 - 2026-2027 Staffing Adjustments (if necessary)
 - 2026-2027 Budget Update
- **May/June**
 - 2026-2027 Budget Approval