

**Okemos Public Schools**  
**Preliminary Budget Assumptions**  
**2025-26**

<b>Increased Expenditures/Decreased Revenue</b>	<b>Optimistic</b>	<b>Most Likely</b>	<b>Worst Case</b>
Health insurance (MESSA 1/2 yr +16%/10.2%, WMHIP +10.2%)*	641,572	641,572	641,572
MPSERS Cost Offset, Reduced UAAL by 5.75pts (state aid)	1,882,774	1,882,774	1,882,774
ISD Special Education Funding, change in funding formula	470,000	470,000	470,000
20f Hold Harmless Guarantee	239,545	239,545	239,545
24-25 Wage/Position adjustments to full year	11,951	11,951	11,951
Teacher division advancement (15,18,21)	130,200	156,240	182,280
Cleaning Contract	70,170	70,170	70,170
	<b>\$3,446,212</b>	<b>\$3,472,252</b>	<b>\$3,498,292</b>
<b>Increased Revenue/Decreased Expenditures</b>	<b>Optimistic</b>	<b>Most Likely</b>	<b>Worst Case</b>
Increase in per-pupil Foundation Allowance (\$392,\$196,\$100)	1,817,700	908,850	463,700
Enrollment (Feb 25 +40.52; Oct 25: +50, +25, 0) Blend 10/90	490,500	260,300	39,320
MPSERS Expense rate decrease (-1.45 pts to 29.91%, eff. 10/1/25)	498,180	498,180	498,180
<b>MPSERS 3% Health Subsidy Reimb, 1-time (state aid)</b>	<b>485,000</b>	<b>287,000</b>	<b>0</b>
Increased Special Ed Categorical (CY est + 24-25 timing delay)	366,525	366,525	366,525
K-12 New Curriculum, 1x savings	150,000	150,000	150,000
Savings from teacher retirements/resignations (20,15,8)	791,760	593,820	316,720
Reduction in Sections (HS 3.0; Elem 3, 1,0)	689,420	449,420	329,420
Childcare Tuition Increase	350,000	350,000	350,000
	<b>\$5,639,085</b>	<b>\$3,864,095</b>	<b>\$2,513,865</b>
<b>Projected Impact on General Fund Balance</b>	<b>\$2,192,873</b>	<b>\$391,843</b>	<b>(\$984,427)</b>
<b>Carry forward effect on General Fund Budget (7/1/25)</b>	<b>(1,728,502)</b>	<b>(1,728,502)</b>	<b>(1,728,502)</b>
<b>Total Impact on General Fund Balance</b>	<b>\$464,371</b>	<b>(\$1,336,659)</b>	<b>(\$2,712,929)</b>

\* - *subject to negotiations*

Additional Information

Compensation reference - Steps ~ \$917,450

Compensation reference - 1% of wages ~ \$463,055

Fund Balance - as percentage of expenditures

Audited 6/30/21	\$ 8,093,308	14.9%
Audited 6/30/22	\$ 8,677,164	14.6%
Audited 6/30/23	\$ 9,922,868	14.6%
Audited 6/30/24	\$ 10,928,320	15.6%
2024-25 Original Budget	\$ 9,187,199	12.9%
2024-25 Revised Budget	\$ 9,289,144	12.9%
<b>Pro Forma 6/30/26</b>		
<b>optimistic</b>	<b>\$ 10,021,015</b>	<b>14.8%</b>
<b>most likely</b>	<b>\$ 8,219,985</b>	<b>12.0%</b>
<b>worst case</b>	<b>\$ 6,843,715</b>	<b>9.8%</b>