



## GUIDING CHANGE DOCUMENT

2026-2027 Adopted Budget

<b>Driving Question:</b> Fiscal Year 2026-2027 Adopted Budget		
<b>Current Reality</b> <b>The "Why"</b>	<b>Unacceptable Means</b> <b>The "Not-How"</b>	<b>Results</b> <b>The "What"</b>
<ul style="list-style-type: none"> <li>• School District funding has not kept up with the inflation rate.</li> <li>• More significant increase in inflation the last few years creates increased expenditures and staffing costs.</li> <li>• General Fund increase between 2-3%</li> <li>• Federal funding has been decreasing. Allocations not given in a timely manner. <ul style="list-style-type: none"> <li>◦ For 2025-26 budget had to be set by June but allocations were unknown until October and were cut by \$265K.</li> </ul> </li> <li>• Enrollment projections for 2026-27 show slightly declining. (Kindergarten class smaller than graduating Seniors)</li> <li>• Salaries and Benefits make up 75% of the General Fund Budget.</li> <li>• Impact of contract negotiations: 3 of the 2025-2027 contracts currently in negotiations and 3 of the 2027-2029 contract negotiations have not yet begun which means 6 of the 9 labor agreements are unknown for 2026-27 at this time.</li> <li>• Compensatory Education funding - calculation unknown at this time. If the legislature chooses not to hold harmless and only use the direct certifications, the district stands to lose \$1.5 Million in Funding</li> <li>• The School Board is required to establish a budget by June 30, 2026.</li> </ul>	<ul style="list-style-type: none"> <li>• It is unacceptable to violate District Policy</li> <li>• It is unacceptable to contradict the Vision and Mission of ISD 199</li> <li>• It is unacceptable to recommend changes without addressing implications, financial sustainability, and if approved, creating an implementation plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Stability</li> <li>• Establish a projected FY27 Budget that limits the impact on the unassigned fund balance.</li> <li>• Aligned to the District's Mission, Vision, and Strategic Directions</li> <li>• Consider additions, reductions, and redesign</li> <li>• Efficient and effective use of resources</li> <li>• If reductions are necessary, limit impact on classroom</li> </ul>
<b>Deadline:</b> Board Approval by June 30, 2026		

Action Plan		
Date	Actions	Next Steps
1/12/26 & 1/26/26	Guiding Change presented to the School Board	
2/9/26	Presentation of Preliminary Budget Parameters and Projection to Board	
2/10/26 - 6/7/26	Board updates as necessary to keep informed on budget options Cabinet meet with principals and department heads to gain input on budgetary needs	
6/8/26	Presentation of FY27 Budget to be considered for approval	
6/22/26	Final Board approval of FY27 Budget	