

Budget Assumptions for 2026-27

OVERVIEW:

Will the following budgets be structurally balanced in 2026-27 (annual ongoing revenues match or exceed ongoing annual expenditures)?

General Fund: Yes

Special Education Fund: Yes

Career Technical Fund: Yes

REVENUE

- A. Taxable Value: **6.0% increase**
 - a. Total taxable value of: \$37,574,611,421
 - b. Taxable value increase of: \$2,147,120,653
 - c. **Projected Revenue Increase: 5.0% - \$9,710,150**
- B. State Aid Categorical Funding:
 - a. Section 81: **2.5% increase**
 - b. Section 51e: Special Education: **\$250 per student increase (\$10,300)**
 - c. Section 61a1 & 62 (CTE): **6.0% increase**
- C. Federal & State Grants: (Governor's budget proposal)
 - a. GSRP: **6% increase, \$640 per full day slot for 4-day program (\$11,290)**
 - b. Section 31n Mental Health: **No change**
 - c. Section 107 Adult Education: **23% increase (restores funding cut from 2025-26)**
- D. Local & Private Grants:
- E. Investment Income: Average earning rate of **3.50%** Total projected investment income of **\$4,375,000.**
 - a. Based on average cash balance of \$125 million
 - b. Doesn't include Grow Your Own investment income

EXPENDITURES

- A. Staff Compensation:
 - a. Collectively bargained staff: **3.00% on schedule, plus increment** (if applicable)
 - b. Non-Union staff & support staff: **3.00% on schedule, plus increment** (if applicable)
- B. Board Contribution to Retirement (MPERS): **2.4% reduction to contribution rates for programs with health care coverage. Programs without health care coverage are unchanged from 2025-26.**
- C. Social Security: 7.65% of payroll
- D. Health Insurance Contributions:
 - a. Medical: All staff at annual state contribution cap (**3.25% increase from 2026**):
 - i. 2027 Single Subscriber: \$8,200.21
 - ii. 2027 Two Person: \$17,149.18
 - iii. 2027 Full Family: \$22,364.26
 - b. Dental & Vision: **3.0% increase**
 - c. Life Insurance: **1.0% increase**

- d. Long Term Disability: **7.25% increase**
 - e. Worker's Compensation Rates: **10.0% increase**
- E. Property/Casualty/Liability: **10% increase**
- F. Utilities:
 - a. Electric: **5% increase**
 - b. Natural Gas: **5% increase**
- G. Capital Outlay: Per approved schedule, increase in total will match original taxable value assumption **5.0%**
- H. Local Mileage reimbursement: Current IRS authorized
- I. Workshops/Conferences: No change
- J. Contracted Legal Services: No change

NOTE: Changes in these assumptions may be necessary after the sources and level of funding have been determined.

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