

School Board Workshop:

June 8, 2026

Subject:

2026-27 CE Proposed Budget

Presenter:

**Eric Erlandson, Director
Community Education**

SUGGESTED SCHOOL BOARD ACTION:

Review

DESCRIPTION:

The proposed 2026-2027 Community Education budget reflects the department's continued commitment to providing high-quality programs and services while responsibly managing resources in an evolving educational and community landscape. The budget projects an overall deficit of approximately \$52,604. While any projected loss warrants careful consideration, it is important to understand that the deficit is concentrated in two specific program areas—KidKare Childcare and Youth Programming—while most other Community Education programs continue to operate at or near financial sustainability.

Several program areas are projected to generate positive financial results while continuing to provide valuable services to students, families, and community members. General Community Education, Early Childhood Family Education (ECFE), School Readiness, Facility Use, Opening Doors, Aquatics, Driver Education, Adult Basic Education, and United for Youth all continue to demonstrate responsible fiscal management while meeting community needs. Collectively, these programs help offset challenges experienced in other areas and reflect the overall strength and stability of Community Education programming.

The largest budget challenge continues to be within KidKare Childcare. Over the past several years, school-age childcare programs across Minnesota have experienced increasing demands related to serving students with more complex behavioral, emotional, developmental, and special education needs. Community Education programs have both a legal and ethical responsibility to provide access to childcare opportunities for all students whenever reasonable accommodations can be made. The Centennial School District case and subsequent guidance have reinforced the obligation of school districts to provide equal access to childcare programs and services for students with disabilities.

As a result, KidKare has experienced increased staffing costs associated with providing additional supervision, support, and accommodations necessary to safely serve all participants. These staffing requirements are often driven by individual student needs rather than overall enrollment levels, creating financial pressures that cannot always be offset through program fees alone. While these costs have impacted the budget, they

also reflect the district's commitment to inclusion, equity, and ensuring that all students and families have access to quality childcare opportunities.

The second area contributing to the projected deficit is Youth Programming. Community Education has experienced a continued shift in participation patterns as families increasingly seek club, travel, and competitive athletic opportunities at younger ages. This trend has impacted enrollment in traditional recreation-based programs that have historically served as entry points for youth participation and generated revenue to support broader programming efforts. While demand remains strong for many activities, participation levels and revenue generation have changed significantly as youth sports and enrichment opportunities have become increasingly specialized and competitive.

Despite these challenges, Community Education remains committed to offering affordable, accessible recreation and enrichment opportunities that serve a broad range of students and families. Staff will continue evaluating program offerings, participation trends, pricing structures, and community interests to ensure programs remain relevant, sustainable, and responsive to changing needs.

Looking ahead, the department will continue to focus on operational efficiency, program evaluation, and strategic adjustments to improve long-term sustainability. Recent improvements in childcare scheduling systems, increased collaboration between Preschool and KidKare programs, and the implementation of a new district-wide facility scheduling platform position the department well for future success. While the proposed budget reflects challenges in specific areas, it also demonstrates a continued commitment to serving families, supporting students, and adapting to the evolving needs of the Buffalo-Hanover-Montrose community.

ATTACHMENT:

- CE 2026_27 Budget Presentation