

Okemos Public Schools
Preliminary Budget Assumptions
2025-26

Increased Expenditures/Decreased Revenue	Optimistic	Most Likely	Worst Case
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
Teacher division advancement (15,18,21)	130,200	156,240	182,280
Cleaning Contract	70,170	70,170	70,170
	\$3,434,261	\$3,460,301	\$3,486,341
Increased Revenue/Decreased Expenditures	Optimistic	Most Likely	Worst Case
Increase in per-pupil Foundation Allowance (\$400,\$300,\$200)	1,854,800	1,391,100	927,400
Enrollment (Feb 25 +40.52; Oct 25: +50, +25, 0) Blend 10/90	490,890	263,060	39,720
MPSERS Expense rate decrease (-1.45 pts to 29.91%, eff. 10/1/25)	498,180	498,180	498,180
MPSERS 3% Health Subsidy Reimb, 1-time (state aid)	485,000	287,000	0
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 (10,8)	398,525	316,720	316,720
Savings from revenue enhancements/budget reductions	1,131,510	1,131,510	1,131,510
Interpreter Services	65,110	65,110	65,110
Reduction in Sections (HS 3.0; Elem/MS 1,0,0)	449,420	329,420	329,420
Childcare Tuition Increase	350,000	350,000	350,000
24-25 Wage/Position adjustments to full year	6,385	6,385	6,385
	\$6,246,345	\$5,155,010	\$4,180,970
Projected Impact on General Fund Balance	\$2,812,084	\$1,694,709	\$694,629
Carry forward effect on General Fund Budget (7/1/25)	(1,684,226)	(1,684,226)	(1,684,226)
Total Impact on General Fund Balance	\$1,127,858	\$10,483	(\$989,597)

* - *subject to negotiations*

Additional Information

Compensation reference - Steps ~ \$927,110

Compensation reference - 1% of wages ~ \$467,935

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%
2023-24 Revised Budget #2	\$ 9,195,319	12.5%
Pro Forma 6/30/26		
optimistic	\$ 10,417,002	15.8%
most likely	\$ 9,205,802	13.5%
worst case	\$ 8,299,547	12.2%