

Preliminary Fiscal Year 2026 Budget

State and Federal Funding

- Our General Education formula per pupil allocation for FY25 is \$7,281. In FY26, the per pupil amount increase is tied to inflation. It will increase by at least 2% but not more than 3%. We are using a 2.40% increase, \$7,456 per pupil. (Oct. 1, Early Education -12+ count is 7,672. This is down 53 students from a year ago).
- Projected FY26 K-12 enrollment is expected to be around 7,000 students, approximately 7,021 students. The decline in enrollment will decrease our General Education Formula amount by \$175,000.
- English Learner Cross Subsidy Reduction Aid - Additional statewide, supplemental aid is provided for English learners. For FY26 the expected amount is \$50,000. This remains flat compared to FY25. The 2023 legislative session increased the English Learner aid formula from \$954 per pupil to \$1,664 per pupil. This results in an additional \$1 million in aid for our English learners. Between FY25 and FY26 the revenue is flat. (Oct. 1, Limited English Proficient count is 1,894 students; up 113 from a year ago).
- Special Education Revenue – FY26 the expected amount is \$27.5 million. This is an increase of \$5.5 million from the current FY25 budget. The increase is due to historically under budgeting here and not any new funding or change in formula calculations. (Oct. 1, Special Education count is 1,231 students; up 39 from a year ago).
- Compensatory funding for FY25 is approximately \$15 million but funding for FY26 remains unknown as MDE has not released revenue reports due to a change in the funding calculation.
- Anticipated Achievement and Integration funding for FY25 is \$2,064,567 and FY 26 is \$2,002,201, a decrease of \$62,366.
- Anticipated Title funding for FY25 is \$3 million and there is expected to be \$3 million available for FY26 too.
- Early Education - For FY25 District #191 was able to gain seats up to a total of 390 seats.

Referendum Levy

For FY25 we generated \$18,274,735 in levy funds from PAY24 levy certification. For FY26 it is expected we will generate \$17,710,306 in levy funds from PAY2025 when approved by the School Board in December 2024. These funds are calculated based on students served.

Capital Projects Referendum Levy

For FY25 based upon the PAY24 levy certification; the capital projects referendum levy generated \$4,351,374. For FY26 based upon the PAY25 levy certification; the capital projects referendum levy will generate \$4,689,692. These funds are calculated based on net tax capacity and the rate applied when originally passed. This funding was renewed by voters in November 2024 for another 10 years.

One91 specific

- PreK-12 Pathways development has identified multi-year programmatic investments for full implementation. Additionally, Comprehensive Achievement and Civic Readiness and Achievement and Integration Plan and Equity Plan components will be part of FY26 budget.
- 80% of the costs are salaries and benefits.
- Special Education and Multilingual State and federal funding is not keeping pace with program costs.
- We expect single digit increases in costs for transportation, food, supplies and utilities.
- Enrollment considerations with smaller Kindergarten classes will impact future revenue.

FY26 Budget Process

Driving Question(s): *Given ISD 191's strategic roadmap requires that the district optimize resources for student learning; How will the budget for FY26 continue to support our mission and priorities, position the budget to leverage every funding source available, while aligning with the goals of advancing equitable student outcomes and the district's strategic directions?*

Draft Budgeting Goals include:

1. Be good stewards of taxpayer dollars.
2. Align budget to strategic plan initiatives and equity goals (resources allocated to district's highest priorities).
3. Comply with all statutory uses of funds.
4. Include constituents' perspectives and input throughout the budget process.
5. Be transparent about the district's current and projected finances, budget processes and budget decision-making.
6. Continue cross departmental collaboration.
7. Submit a structurally sustainable and effective budget.

Current Reality Reflecting Audit Results

General Fund Budget Comparative Summary

	Actual Results 2022-23	Actual Results 2023-24	Adopted Budget 2024-25	Updated Adopted Budget 2024-25
Total Beginning Fund Balance	\$ 32,521,898	\$ 37,483,214	\$ 44,088,212	\$ 53,791,906
Revenues	132,752,660	156,983,853	154,353,629	154,353,629
Federal Relief Revenues for current costs	4,349,350	4,736,812	-	-
Federal Relief Revenues for new costs	5,172,694	3,867,316	-	-
Expenditures	132,090,694	145,411,973	157,791,210	157,791,210
Federal Relief Expenditures for new costs	5,222,694	3,867,316	-	-
Variance (Revenues - Expenditures)	4,961,316	16,308,692	(3,437,581)	(3,437,581)
Total Ending Fund Balance	\$ 37,483,214	\$ 53,791,906	\$ 40,650,631	\$ 50,354,325
Breakdown of Fund Balance Categories				
Nonspendable	\$ 603,936	\$ 342,496	\$ 503,936	\$ 342,496
Restricted	12,855,738	15,547,817	13,269,854	15,246,327
Committed	1,505,311	1,207,116	988,221	911,503
Assigned	-	-	-	-
Unassigned	22,518,230	36,694,478	25,888,620	33,854,000
Total Ending Fund Balance	\$ 37,483,214	\$ 53,791,906	\$ 40,650,631	\$ 50,354,325
Unassigned Fund Balance %	16.40%	24.58%	16.41%	21.45%