

Annual Audit and Budget Update

October 20, 2025



2025-26 State Budget



- Positive in this year's state budget
 - Significant increases in per pupil funding (Foundation Allowance), as well as additional funding for At Risk, Special Education, English Learners, etc.
 - Continued Transportation Funding for another year (no increase)
- Negative in this year's budget
 - Significantly reduced support for MPSERS costs (\$659.3 million less)
 - Additional University costs moved into the School Aid Fund (previously General Fund expenses)
 - From \$452 million up to \$850.8 million
 - When combined with community colleges, now totals more than \$1.34 billion
- Resources - \$21.48 billion; Expenditures - \$22.43 billion

State School Aid Fund Balance Sheet

Beginning 2025-26 Fund Balance	\$995.1 million
Ending 2025-26 Fund Balance	\$ 49.8 million

2025-26 State Budget Impact on CCS



Unrestricted Funds	State Per Pupil Amount	CCS Budget Impact Per Pupil Change
Foundation Allowance	\$442	\$50
MPSERS Sec. 147a(1)	(\$73)	(\$73)
MPSERS Sec. 147a(4)*	(\$365)	No Change (already in budget)
Retirement cost decrease (1.45%)	<u>\$100</u>	<u>No Change (already in budget)</u>
	\$104	(\$23)
Restricted Funds		
At Risk Sec. 31a	\$24	\$24
Early Literacy Sec. 35a(5)	(\$14)	(\$14)
Bilingual Sec. 41	\$2	\$2
CTE Sec. 61	\$7	\$7
Special Education Sec. 51e	<u>\$13</u>	<u>\$13</u>
	\$32	\$32
Net Impact	\$136	\$9
<i>Educator Compensation Sec. 27L</i>	<i>\$120</i>	<i>\$120</i>
<i>Mental Health/Safety Sec. 31aa</i>	<i>\$38</i>	<i>\$38</i>

**NOTE: Sec. 147a(4) funds were distributed in the 2024-25 budget in lieu of a Foundation Allowance increase.*

2024-25 Year End Audit Recap



- Financial Audit was conducted by Gabridge & Company
- The district received an unmodified opinion, the highest level of assurance an auditor can provide
- An additional Single Audit was conducted on the district's federal programs, and the report resulted in a clean opinion - no findings or concerns were identified
- The General Fund ended the year with a fund balance of \$14,230,555

	EOY 2023-24	EOY 2024-25	Difference
Revenues	\$73,232,622	\$72,870,444	(\$362,178)
Expenditures	\$71,544,042	\$70,705,815	(\$838,227)
Net Change in Fund Balance	\$1,688,580	\$2,164,629	\$476,049

- [2024-2025 General Fund End-of-Year Budget Comparison](#)