

**Waterville-Elysian-Morristown ISD #2143**  
**2026-2027 Preliminary Budget Noteworthy Items**

**General Fund Revenue**

- The 2026-2027 Preliminary Budget is based upon 658.1 Average Daily Membership (ADM) students. This is a decrease of 20 ADMs from the 2025-2026 Revised Budget.
- The budget is based on the formula allowance of \$7,683 per ADM.
- General Fund Levy Revenue decreased by \$360,356, from the 2025-2026 school year.
- Revenues include \$55,427 in Integration Aid and Levy.
- Revenues include \$101,139 lease revenue generated from the Elysian building.
- Revenues include \$568,588 Long-Term Facility Maintenance Aid and Levy.
- Compensatory Revenue for 2026-2027 is projected to decrease \$140,319 from 2025-2026 revenue. This includes one-time hold-harmless funds of \$13,366 to reduce the impact of funding changes. Compensatory Revenue is based on the number of students approved for educational benefits (free and reduced meals) as of October 1<sup>st</sup> the previous year. With the implementation of free meals for all students, our district has seen a reduction in this number.
- Revenue includes \$40,000 in Pupil Support Aid and \$19,805 in Library Aid.

**General Fund Expenses**

- Long-Term Facility Maintenance projects include mechanical system maintenance, plumbing repairs, painting, loading dock replacement, and roof repairs.
- Equipment expenses include the purchase of two school buses.

**Other Noteworthy Items:**

- The projected June 30, 2027 Unassigned General Fund balance is approximately 20% of Unassigned General Expenses or 73 days of operational costs.
- The Preliminary Budget includes the operational savings for operating in one-site, as well as the reduction of a section of elementary.
- The Preliminary Budget does not reflect final contract settlements. A revised budget will be presented to the board as soon as all contracts are settled.

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**Food Service**

- The 2026-2027 Preliminary Budget reflects a projection of meals and revenues under the state law which will cover the cost of meals to all families.
- The budget includes the purchase of upgraded kitchen equipment and flooring.
- Food Service will continue to be closely monitored to ensure expenses remain in line with revenue with upcoming changes to Food Service funding.

**Community Education**

- The Community Education fund is budgeted to run at a deficit due to School Readiness and will utilize Basic Skills State Aid from the General Fund to operate. Bringing expenses in line with revenue in all areas other than School Age Care is a priority for Community Education staff.
- The Community Education Fund is allowed to have a negative balance, only when future revenues are projected to eliminate the deficit.