



East Lansing  
Public Schools

## MEMORANDUM

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**TO:** ELPS Board of Education, Dori Leyko, Superintendent

**FROM:** Lisa Allen, Director of Finance

**SUBJECT:** Action Items – 2025-26 Final Budget Revision

**DATE:** June 8, 2026

Recommendation:

It is recommended that the Board of Education adopt the 2025-26 Final Budget Revision resolution for the General Fund, as presented on pages 5-6 of the Budget Book.

It is recommended that the Board of Education adopt the 2025-26 Final Budget Revision resolution for the Food Service Fund, as presented on page 7 of the Budget Book.

It is recommended that the Board of Education adopt the 2025-26 Final Budget Revision resolution for the Student/School Activity Fund, as presented on page 8 of the Budget Book.

Background:

The Finance Committee reviewed the major assumptions and summary comparisons for the 2025-26 Final Budget Revision on June 1, 2026. A detailed comparison of assumptions, revenues, and expenditures is provided on page 9.

**General Fund**

The final budget revision reflects a revenue increase of \$558,821 and an expenditure increase of \$111,896 (net of favorable variances).

**Revenue Drivers**

- *Local Revenue:* Decreased due to updated taxable values.
- *State Revenue:* Increased by \$600,791. Approximately half of the increase is attributable to State Aid:
  - Updated taxable values affecting State Aid calculations;
  - True-up adjustments for Section 23a (credit recovery) pupil counts; and
  - Special Education reporting included in State Aid calculations (SE-4094/SE-4096).
- The remaining increase reflects a higher budgeted allocation for Section 31aa Student Mental Health and School Safety funding. At the time of the First Budget Revision, there was uncertainty regarding the final award adjustment; funding availability is now clearer.

- *Incoming Transfers*: Increased by approximately \$146,000, including an increase of \$136,000 in County Special Education funding and approximately \$10,000 in Talent Together true-up reimbursements for eligible expenditures.
- *Federal Revenue*: Decreased by \$109,000 due to final award adjustments for Title programs and revised carry-forward estimates for Filter First funds.
- *Other Revenue*: Decreased primarily due to adjustments reflecting actual proceeds from asset sales.

### **Expenditure Drivers**

Salary, benefits, and substitute-related expenditures increased by approximately \$99,000 in total. The changes across these categories primarily reflect staffing vacancies and the timing of filling open positions, creating larger changes by category, but the net is \$99,000. Minor revisions were also made across other expenditure categories to align budgeted amounts with current projections.

### **Fund Balance**

The projected ending fund balance is \$13,743,521, representing approximately 23% of total revenues (excluding Other Financing Sources). This reflects a decrease of \$1,205,135 from the June 30, 2025, audited fund balance.

### **Food Service Fund (Page 24)**

Revenue decreased by \$69,000, primarily due to federal funding being lower than originally budgeted. Expenditures also decreased due to trends in supply usage and delayed capital outlay projects.

The projected ending fund balance is \$698,548, a decrease of \$11,187 from the June 30, 2025, balance.

### **Student/School Activity Fund (Page 25)**

The projected ending fund balance is \$455,801, a decrease of \$35,730 from the June 30, 2025, balance.

### **Additional Information**

While formal board action is not required under the Uniform Budgeting and Accounting Act for Debt Service and Capital Project Funds, these budgets are included in the budget document for transparency and information.