



Memorandum to the Board of Education

Meeting in Public

FROM: Michael McLellan, Secretary-Treasurer
DATE: May 10, 2026
SUBJECT: Financial Report

For Information

2025-2026 Financial Update

The District's financial position for the current 2025–2026 fiscal year remains stable, and projections indicate it is roughly on track to achieve a balanced budget. This represents an improvement over the small operating deficit projected when the 2025–2026 Amended Annual Budget was adopted in February 2026.

2026-2027 Budget

The 2026–2027 Annual Budget has been prepared in accordance with the assumptions and priorities presented during budget consultation meetings at schools and with the Partner Group Advisory Committee. As presented, the proposed budget reflects a balanced operating budget and a modest capital fund deficit of approximately \$123,000. This non-cash capital deficit arises from the difference between the amortization of deferred capital revenue and the amortization of tangible capital assets.

2026-2027 Operating Surplus Appropriation

In addition, the proposed budget includes the appropriation of \$120,000 from accumulated operating surplus to complete the renovation of the School Board Office. The renovation is expected to be substantially completed in Fall 2026.