MSBA Budget Recommendation
Fiscal Year 2027

FY2027 Budget Recommendation – *Vote*

❖ ADMINISTRATIVE EXPENSES

- ✓ **FY27 $22.7M vs. FY26 $19.8M (14.68% increase)**

MSBA Budget Recommendation
Fiscal Year 2027

✓ Salaries: FY27 $16.8M vs. FY26 $15.2M (10.62% increase)

- COLA – FY27, COLA 2% effective July 1, 2026 and 2% effective January 1, 2027
- Merit – up to 3% (Merit increases are based on annual performance program and staff meeting specific goals)
- Compensation Adjustments - $35K
- Employee Promotions - $75K

MSBA Budget Recommendation
Fiscal Year 2027

FY27 Salary Recommendation

Department	Category	FY2027 Budget Recommendation	FY2026 Approved Budget
Capital Planning	Salary	$ 7,562,979	$ 6,427,594
Communications	Salary	601,805	670,615
Executive	Salary	809,541	636,120
Finance	Salary	1,823,981	1,587,778
Human Resources	Salary	540,119	506,220
IT	Salary	2,359,340	1,684,838
Legal	Salary	1,161,624	964,275
	Coops	207,740	286,650
	New positions	796,400	1,355,157
Subtotal Base Wages		**15,863,529**	**14,119,247**
	COLA	370,091	323,204
	Merits	365,769	323,204
	Promotions	75,000	30,000
	Compensation Adjustments	35,000	150,000
	Temporary Staff	100,000	250,000
Grand Total		**$ 16,809,389**	**$ 15,195,655**



MSBA Budget Recommendation
Fiscal Year 2027

Payroll Summary

Category	FY27	FY26	FY27 vs FY26	% change FY27 vs FY26	Variance explanation	FY25
Salaries	$ 16,809,389	$ 15,195,655	$ 1,613,734	10.62%	Increase staffing	$ 13,029,517
Benefits	2,294,153	1,510,850	783,303	51.85%	Increase in health care benefits, increased benefits associated with increased staffing with new methodology	1,415,177
Total Payroll	**$ 19,103,542**	**$ 16,706,505**	**$ 2,397,037**	**14.35%**		**$ 14,444,694**

MSBA Budget Recommendation
Fiscal Year 2027

FY27 Staffing Trends

Category	FY27	FY26	% Change FY27 vs FY26	FY25
Filled positions	113	100	13%	88
Open/New positions	28	34	-18%	28
Total	**141**	**134**	**5%**	**116**
Co-ops	7	7	0%	9

Category	FY27	FY26	% Change FY27 vs FY26	FY25
Full Time Employee (no Co-ops)	141	134	5%	116
Salaries ($)	$ 16,501,649	$ 14,659,005	13%	$ 12,307,767
Co-ops	207,740	286,650	-28%	321,750
Temporary Services	100,000	250,000	-60%	400,000
Salaries ($)	16,809,389	15,195,655	11%	13,029,517
Payroll salaries w/taxes, employee benefits ($)	$ 19,103,542	$ 16,706,505	14%	$ 14,444,694
Number of Open Positions	20	17	18%	15

MSBA Budget Recommendation
Fiscal Year 2027

Open and Proposed New Positions

Department	Position	Approximate Date of Hire	Forecasted Salary
Capital Planning	Assistant Project Manager - CA	2026-08-01	75,625
Capital Planning	Capital Program Manager	2026-10-01	92,325
Capital Planning	Deputy Director of Capital Planning	2026-08-01	190,483
Capital Planning	Deputy Director of Program Management	2026-08-01	151,800
Capital Planning	Project Assistant	2026-11-01	45,467
Capital Planning	Project Coordinator	2026-09-01	68,750
Capital Planning	Project Manager 1 - CA	2026-07-01	99,900
Capital Planning	Project Manager 1-CA	2026-07-01	99,900
Capital Planning	Project Manager 1 - Design	2026-11-01	66,600
Capital Planning	Project Manager 1-FSD	2026-07-01	99,900
Capital Planning	Project Manager 2-CA	2026-09-01	91,583
Capital Planning	Project Manager 2-CA	2026-09-01	91,583
Capital Planning	Program Manager 2 - Design	2026-11-01	73,267
Capital Planning	Project Manager 3 CA	2026-07-01	123,100
Capital Planning	Senior PM - Design	2026-10-01	103,425
Capital Planning	Senior PM - Design	2026-11-01	91,933
	Subtotal - Capital Planning		**1,565,642**
Communications	External Affairs Coordinator	2026-08-01	83,233
	Subtotal - Communications		**83,233**
Executive	Internal Auditor	2026-08-01	112,842
	Subtotal - Executive		**112,842**

MSBA Budget Recommendation
Fiscal Year 2027

Open and Proposed New Positions cont'd.

Department	Position	Approximate Date of Hire	Forecasted Salary
Finance	Senior Accountant	2026-09-01	91,583
	Subtotal - Finance		**91,583**
IT	Business Analyst	2026-09-01	91,583
IT	Business Analyst	2026-09-01	91,583
IT	IT Project Manager	2026-09-01	125,467
IT	SQL Database BI Developer II	2026-09-01	102,583
IT	SQL Database & BI Developer	2026-09-01	91,583
IT	Web Applications Developer	2026-09-01	102,583
	Subtotal - IT		**605,383**
Legal	Senior Assoc. General Counsel	2026-11-01	91,933
	Subtotal - Legal		**91,933**
Human Resources	HR Coordinator	2026-08-01	68,750
Human Resources	Human Resources Generalist	2026-07-01	75,000
	Subtotal - Human Resources		**143,750**
		Total	**2,694,367**



MSBA Budget Recommendation
Fiscal Year 2027

✓ Benefits: FY27 $2.3M vs. FY26 $1.5M (51.85% increase)

- The methodology for calculating employee benefits was revised in FY27
- Based on most recent enrollment data, per plan and calculated using the FY27 rates if available
- FY27 budget included projected benefits for 28 positions based anticipated start dates

MSBA Budget Recommendation
Fiscal Year 2027

✓ Benefits: Analysis of projected increase

Description	Health	Dental	Vision	Total
Increase in insurance premuims for open and new positions that were not included in prior year budgets	$ 305,672.46	$ 21,975.76	$ 2,936.60	$ 330,584.83
Prior year individual budget for insurance type	1,017,450.00	89,999.96	9,599.74	$ 1,117,049.70
% increase due to including budget for open and new positions	30.04%	24.42%	30.59%	29.59%

Additional increase due to:

1) the 10.58% increase in the annual payroll, as certain items such as employer medicare and PFML are based on the gross salaries	10.58%
2) average increase of 9.22% in health insurance premiums accross all plans	9.22%
Total	49.39%

MSBA Budget Recommendation
Fiscal Year 2027

✓ OPEB: FY27 $25K vs. FY26 $25K

- As a result of the fully funded status MSBA's OPEB Plan, the annual contribution was reduced from $250k in FY25 to $25k in both FY26 and FY27

MSBA Budget Recommendation
Fiscal Year 2027

- ✓ **Leased Space: FY27 $1.32M vs. FY26 $353K (273% increase)**
  - Includes: lease payments for office space including common area lease charges, building maintenance and leased copier and postage machine.
    - In FY26, a budget adjustment was approved at the February 2026 Board meeting which moved approximately $921K from the FY26 budget to fund the office expansion project.
    - In FY26, there was a payment “holiday” where annual lease payments on the new office do not begin until June 2026.

MSBA Budget Recommendation
Fiscal Year 2027

- ✓ **Software & Licenses: FY27 $931.7K vs. FY26 $865.3K (7.67% increase)**
  - Includes new Software Initiatives and Document Management and Electronic Signature
  - Projected increases based on assumption of staff, feature and cost increases for Adobe, Tableau, Board Management and other software

MSBA Budget Recommendation
Fiscal Year 2027

GL Category	GL Sub Category	GL Account Num Description	FY27 Budget Recommendation	Approved Final Budget FY2026*	$ Change	% Change FY27 Recommendation to FY26 Budget	FY2026 YTD Actuals as of May 6, 2026	FY2026 Budget vs. Actual	% of FY2026 Budget Spent
Operating									
	Administrative Expenses								
		52100 - Payroll	$ 16,809,389	$ 15,195,655	$ 1,613,734	10.62%	$ 10,636,526	$ 4,559,129	70.00%
		52200 - Employee Benefits & Related Expenses	2,294,153	1,510,850	783,303	51.85%	1,561,065	(50,215)	103.32%
		52212 - OPEB Trust Contribution	25,000	25,000	-	0.00%	25,000	-	100.00%
		52250 - Travel & Reimbursement	165,789	130,374	35,415	27.16%	42,085	88,289	32.28%
		52300 - Office Expenses & Training	728,290	818,372	(90,082)	-11.01%	72,791	745,581	8.89%
		52350 - Payroll & Operational Services	80,000	107,500	(27,500)	-25.58%	42,179	65,321	39.24%
		52400 - Leased Space	1,320,707	353,462	967,245	273.65%	56,633	296,829	16.02%
		52499 - Utilities	20,000	50,000	(30,000)	-60.00%	8,053	41,947	16.11%
		52600 - Office Equipment & Furniture	98,800	241,500	(142,700)	-59.09%	106,514	134,986	44.11%
		52650 - Leased Office Equipment	10,000	16,000	(6,000)	-37.50%	5,254	10,746	32.84%
		52700 - Information Technology	110,000	130,000	(20,000)	-15.38%	34,689	95,311	26.68%
		52710 - Software/Licenses	931,700	865,300	66,400	7.67%	460,279	405,021	53.19%
		59000 - Other Expenses	100,000	345,502	(245,502)	-71.06%	-	345,502	0.00%
		Subtotal Administrative Expenses	**22,693,829**	**19,789,516**	**2,904,313**	**14.68%**	**13,051,068**	**6,738,448**	**65.95%**

❖CAPITAL PIPELINE SUPPORT SERVICES

MSBA Budget Recommendation
Fiscal Year 2027

✓ Capital Pipeline Support Services:

- FY27 $13.4M vs. FY26 $11.2M (18.89% increase)
- FY27 includes increase of $1.3M for project management services due to the changes in staffing levels particular to the CA team within Capital.
- Increase of $1.7M for Commissioning agents
- Other Professional Services includes IT Consulting Services, MSBA website, investment/financial Advisor and audit services,
- For FY27 funds are not budgeted for School Survey as that was completed during FY26.

MSBA Budget Recommendation
Fiscal Year 2027

GL Category	GL Sub Category	GL Account Num Description	FY27 Budget Recommendation	Approved Final Budget FY2026*	$ Change	% Change FY27 Recommendation to FY26 Budget	FY2026 YTD Actuals as of May 6, 2026	FY2026 Budget vs. Actual	% of FY2026 Budget Spent
	Capital Pipeline Support								
		52599 - Other Professional Services	2,361,000	1,692,843	668,157	39.47%	471,374	1,221,469	27.85%
		52800 - Project Related Consulting	8,960,000	6,126,495	2,833,505	46.25%	2,748,981	3,377,514	44.87%
		52805 - School Survey	-	787,692	(787,692)	-100.00%	479,616	308,076	60.89%
		52806 - Project Related Other - Post Occupancy Survey	339,000	337,005	1,995	0.59%	-	337,005	0.00%
		52899 - Project Related Architectural Services	770,000	888,960	(118,960)	-13.38%	309,486	579,474	34.81%
		54099 - Cost of Issuance	940,000	1,412,919	(472,919)	-33.47%	826,322	586,597	58.48%
		Subtotal Capital Pipeline Support Expenses	**13,370,000**	**11,245,914**	**2,124,086**	**18.89%**	**4,835,779**	**6,410,135**	**43.00%**

MSBA Budget Recommendation
Fiscal Year 2027

❖ **TOTAL OPERATING EXPENSE BUDGET (ADMINISTRATIVE EXPENSES AND CAPITAL PIPELINE SUPPORT SERVICES)**

✓ **FY27 $36.1M vs. FY26 $31.0M (16.20% increase)**

MSBA Budget Recommendation
Fiscal Year 2027

GL Category	GL Sub Category	GL Account Num Description	FY27 Budget Recommendation	Approved Final Budget FY2026*	$ Change	% Change FY27 Recommendation to FY26 Budget	FY2026 YTD Actuals as of May 6, 2026	FY2026 Budget vs. Actual	% of FY2026 Budget Spent
Operating									
	Administrative Expenses								
		52100 - Payroll	$ 16,809,389	$ 15,195,655	$ 1,613,734	10.62%	$ 10,636,526	$ 4,559,129	70.00%
		52200 - Employee Benefits & Related Expenses	2,294,153	1,510,850	783,303	51.85%	1,561,065	(50,215)	103.32%
		52212 - OPEB Trust Contribution	25,000	25,000	-	0.00%	25,000	-	100.00%
		52250 - Travel & Reimbursement	165,789	130,374	35,415	27.16%	42,085	88,289	32.28%
		52300 - Office Expenses & Training	728,290	818,372	(90,082)	-11.01%	72,791	745,581	8.89%
		52350 - Payroll & Operational Services	80,000	107,500	(27,500)	-25.58%	42,179	65,321	39.24%
		52400 - Leased Space	1,320,707	353,462	967,245	273.65%	56,633	296,829	16.02%
		52499 - Utilities	20,000	50,000	(30,000)	-60.00%	8,053	41,947	16.11%
		52600 - Office Equipment & Furniture	98,800	241,500	(142,700)	-59.09%	106,514	134,986	44.11%
		52650 - Leased Office Equipment	10,000	16,000	(6,000)	-37.50%	5,254	10,746	32.84%
		52700 - Information Technology	110,000	130,000	(20,000)	-15.38%	34,689	95,311	26.68%
		52710 - Software/Licenses	931,700	865,300	66,400	7.67%	460,279	405,021	53.19%
		59000 - Other Expenses	100,000	345,502	(245,502)	-71.06%	-	345,502	0.00%
		Subtotal Administrative Expenses	**22,693,829**	**19,789,516**	**2,904,313**	**14.68%**	**13,051,068**	**6,738,448**	**65.95%**
	Capital Pipeline Support								
		52599 - Other Professional Services	2,361,000	1,692,843	668,157	39.47%	471,374	1,221,469	27.85%
		52800 - Project Related Consulting	8,960,000	6,126,495	2,833,505	46.25%	2,748,981	3,377,514	44.87%
		52805 - School Survey	-	787,692	(787,692)	-100.00%	479,616	308,076	60.89%
		52806 - Project Related Other - Post Occupancy Survey	339,000	337,005	1,995	0.59%	-	337,005	0.00%
		52899 - Project Related Architectural Services	770,000	888,960	(118,960)	-13.38%	309,486	579,474	34.81%
		54099 - Cost of Issuance	940,000	1,412,919	(472,919)	-33.47%	826,322	586,597	58.48%
		Subtotal Capital Pipeline Support Expenses	**13,370,000**	**11,245,914**	**2,124,086**	**18.89%**	**4,835,779**	**6,410,135**	**43.00%**
Total Operating Expenses			**36,063,829**	**31,035,430**	**5,028,399**	**16.20%**	**17,886,847**	**13,148,583**	**57.63%**

* - Includes budget amendments approved at the February and April 2026 Board Meetings

❖CAPITAL PROGRAM GRANTS

Total Grant Program
FY27 $876.6M vs. FY26 $859.9M (1.94% increase)

Capital Pipeline Program

Category	FY27 Budget	FY26 Amended Budget*	% Change FY27 vs FY26	FY25 Budget
Core Projects	$ 776,614,124.91	$ 801,701,966.00	-3.13%	$ 782,100,000.00
ARP Projects	100,000,000.00	58,217,173.00	71.77%	65,000,000.00
Total	**$ 876,614,124.91**	**$ 859,919,139.00**	**1.94%**	**$ 847,100,000.00**

*FY26 Capital Budget - April 29, 2026 Board approved budget amendment for increase of $100,000,000 for Grant Payments

❖ Core Projects

MSBA Budget Recommendation
Fiscal Year 2027

Phase	Project Count	FY27 Projected Baseline	% of Total Projection
Feasibility Study	18	$12,599,229	1.38%
Schematic Design	11	$5,242,122	0.57%
Design Development	18	$52,596,241	5.76%
Construction	27	$669,012,010	73.22%
Building Complete	15	$145,172,860	15.89%
Closeout	22	$3,304,091	0.36%
Final Audit Approved	21	$25,737,124	2.82%
Sub-Total	**132**	**$913,663,676**	**100.00%**
Historic Adjustment		85%	
Total	**132**	**$776,614,125**	

Included in the Project Count of 132 are 25 projects that may or may not have reimbursements in FY27.

MSBA Budget Recommendation
Fiscal Year 2027

✓ CORE Projects:

- FY27 Budget Recommendation monthly projected project spending

Month	Amount	Month	Amount
July	$61,630,577	January	$76,898,092
August	$58,468,712	February	$62,744,008
September	$69,051,822	March	$66,711,681
October	$70,450,028	April	$62,021,672
November	$66,828,519	May	$61,323,082
December	$64,137,906	June	$56,348,025
		TOTAL	**$776,614,125**

FY 2026 Core Budget vs. Actuals as of 5-6-2026

Month	Budget	Actuals	Variance
July	$ 64,539,139	$ 52,145,347	$ 12,393,792
August	61,493,907	68,056,833	(6,562,926)
September	65,984,933	31,108,192	34,876,741
October	58,391,428	109,504,806	(51,113,378)
November	65,842,716	56,071,586	9,771,130
December	60,096,522	54,988,235	5,108,287
January	60,529,828	42,727,998	17,801,830
February	55,568,225	89,990,301	(34,422,076)
March	54,828,108	63,768,101	(8,939,993)
April	51,125,798	51,684,111	(558,313)
May	100,534,910		100,534,910
June	102,766,452		102,766,452
Total	$ 801,701,966	$ 620,045,510	$ 181,656,456
% of budget spent			77.34%

ARP Projects

MSBA Budget Recommendation
Fiscal Year 2027

✓ ARP Projects:

- FY27 Budget Recommendation based on the number of projects by phase currently in the pipeline:

Projected Phase	Projects	FY27 Forecast
Final Audit Approved	24	$6,912,674
Closeout	53	$0
Building Complete	0	$0
Construction	16	$12,531,120
Design Development	0	$0
2024 Invitations	63	$84,093,057
2025 Invitations	93	$10,975,693
Grand Total	249	$114,512,544
	Historic Adjustment	85%
		$97,335,663
	FY27 Budget Projection	$100,000,000

MSBA Budget Recommendation
Fiscal Year 2027

❖ TOTAL OPERATING AND CAPITAL BUDGET

✓ **FY27 $912.6M vs. FY26 $890.9M**
(2.44% increase)



MSBA Budget Recommendation
Fiscal Year 2027

GL Category	GL Sub Category	GL Account Num Description	FY27 Budget Recommendation	Approved Final Budget FY2026*	$ Change	% Change FY27 Recommendation to FY26 Budget	FY2026 YTD Actuals as of May 6, 2026	FY2026 Budget vs. Actual	% of FY2026 Budget Spent
Operating									
	Administrative Expenses								
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		52212 - OPEB Trust Contribution	25,000	25,000	-	0.00%	25,000	-	100.00%
		52250 - Travel & Reimbursement	165,789	130,374	35,415	27.16%	42,085	88,289	32.28%
		52300 - Office Expenses & Training	728,290	818,372	(90,082)	-11.01%	72,791	745,581	8.89%
		52350 - Payroll & Operational Services	80,000	107,500	(27,500)	-25.58%	42,179	65,321	39.24%
		52400 - Leased Space	1,320,707	353,462	967,245	273.65%	56,633	296,829	16.02%
		52499 - Utilities	20,000	50,000	(30,000)	-60.00%	8,053	41,947	16.11%
		52600 - Office Equipment & Furniture	98,800	241,500	(142,700)	-59.09%	106,514	134,986	44.11%
		52650 - Leased Office Equipment	10,000	16,000	(6,000)	-37.50%	5,254	10,746	32.84%
		52700 - Information Technology	110,000	130,000	(20,000)	-15.38%	34,689	95,311	26.68%
		52710 - Software/Licenses	931,700	865,300	66,400	7.67%	460,279	405,021	53.19%
		59000 - Other Expenses	100,000	345,502	(245,502)	-71.06%	-	345,502	0.00%
		Subtotal Administrative Expenses	**22,693,829**	**19,789,516**	**2,904,313**	**14.68%**	**13,051,068**	**6,738,448**	**65.95%**
	Capital Pipeline Support								
		52599 - Other Professional Services	2,361,000	1,692,843	668,157	39.47%	471,374	1,221,469	27.85%
		52800 - Project Related Consulting	8,960,000	6,126,495	2,833,505	46.25%	2,748,981	3,377,514	44.87%
		52805 - School Survey	-	787,692	(787,692)	-100.00%	479,616	308,076	60.89%
		52806 - Project Related Other - Post Occupancy Survey	339,000	337,005	1,995	0.59%	-	337,005	0.00%
		52899 - Project Related Architectural Services	770,000	888,960	(118,960)	-13.38%	309,486	579,474	34.81%
		54099 - Cost of Issuance	940,000	1,412,919	(472,919)	-33.47%	826,322	586,597	58.48%
		Subtotal Capital Pipeline Support Expenses	**13,370,000**	**11,245,914**	**2,124,086**	**18.89%**	**4,835,779**	**6,410,135**	**43.00%**
Total Operating Expenses			**36,063,829**	**31,035,430**	**5,028,399**	**16.20%**	**17,886,847**	**13,148,583**	**57.63%**
Grant Program									
	Grant Program								
		51000 - Grant Payments							
		Core	776,614,125	801,701,966	(25,087,841)	-3.13%	620,045,510	181,656,456	77.34%
		ARP	100,000,000	58,217,173	41,782,827	71.77%	27,243,807	30,973,366	46.80%
		Subtotal Grant Program Expenses	**876,614,125**	**859,919,139**	**16,694,986**	**1.94%**	**647,289,317**	**212,629,822**	**75.27%**
Total Operating & Grant Program			**$ 912,677,953**	**$ 890,954,569**	**$ 21,723,385**	**2.44%**	**$ 665,176,164**	**$ 225,778,405**	**74.66%**

* - Includes budget amendments approved at the February and April 2026 Board Meetings

FY2027 Major Revenue Estimates

MSBA Budget Recommendation
Fiscal Year 2027

3 largest revenues:

- Sales tax
  - $1.305 billion, which is the same estimate as FY2026 and is based on historical collections
- Interest subsidy
  - $22.8 million
- Loan repayment
  - $6.2 million

MSBA Budget Recommendation
Fiscal Year 2027

(amounts in thousands)

	FY2027 Proposed Budget	**Scenario 1** 5% reduction to sales tax revenue	**Scenario 2** 5% reduction to sales tax revenue & no subsidies	**Scenario 3** 10% reduction to sales tax revenue	**Scenario 4** 10% reduction to sales tax revenue & no subsidies
FY2027 projected revenues[1]:					
Sales tax	$ 1,305,000	$ 1,239,750	$ 1,239,750	$ 1,174,500	$ 1,174,500
BABS and QSCB subsidies	22,833	22,833	-	22,833	-
Loan repayments	6,194	6,194	6,194	6,194	6,194
Total FY2027 projected revenues	1,334,027	1,268,777	1,245,944	1,203,527	1,180,694
FY2027 projected expenditures[2]:					
Administrative expenses	(22,661)	(22,661)	(22,661)	(22,661)	(22,661)
Capital pipeline support services	(13,400)	(13,400)	(13,400)	(13,400)	(13,400)
CORE project	(776,614)	(776,614)	(776,614)	(776,614)	(776,614)
ARP project	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Debt service:					
Prinicipal	(307,020)	(307,020)	(307,020)	(307,020)	(307,020)
Interest	(217,155)	(217,155)	(217,155)	(217,155)	(217,155)
Total FY2027 projected expenditures	(1,436,850)	(1,436,850)	(1,436,850)	(1,436,850)	(1,436,850)
FY2027 sinking fund deposits	(11,445)	(11,445)	(11,445)	(11,445)	(11,445)
FY2027 projected surplus/(deficit)	$ (114,268)	$ (179,518)	$ (202,351)	$ (244,768)	$ (267,601)

[1] Revenue does not include amounts for interest income due to the volatility of interest rates and changes in investment market values. The amount required by the liquidity reserve policy approved by the board is not reflected.

[2] Impact of change in legislation to increase cap and remove ARP from the annual cap will likely impact future fiscal year budget recommendations as projects move from eligibility/feasibility to construction.

Fiscal Year 2026

	Budget		Actuals	Projections
	FY2026 Original Budget	FY2026 Final Budget*	FY2026 Actuals As of May 6, 2026	FY2026 Projections to June 30, 2026
FY2026 revenues[1]:				
Sales tax	$ 1,305,400	$ 1,305,400	$ 947,041	$ 1,280,165
BABS and QSCB subsidies	22,833	22,833	12,556	16,800
Loan repayments	6,302	6,302	6,302	6,302
Total FY2026 revenues	1,334,535	1,334,535	965,899	1,303,267
FY2026 expenditures[2]:				
Administrative expenses	(20,005)	(20,005)	(13,051)	(15,661)
Capital pipeline support services	(11,030)	(11,030)	(4,836)	(5,803)
CORE project	(701,702)	(801,702)	(620,046)	(799,800)
ARP project	(58,217)	(58,217)	(27,244)	(29,888)
Debt service:				
Prinicipal	(183,865)	(183,865)	(165,715)	(165,715)
Interest	(201,861)	(201,861)	(172,924)	(177,052)
Total FY2026 expenditures	(1,176,680)	(1,276,680)	(1,003,816)	(1,193,919)
FY2026 sinking fund deposits	(13,288)	(13,288)	(11,445)	(11,445)
FY2026 surplus/(deficit)	$ 144,567	$ 44,567	$ (49,362)	$ 97,903

* - Includes $100 million capital pipeline grant budget adjusted approved at the April 2026 Board meeting

[1] Revenue does not include amounts for interest income due to the volatility of interest rates and changes in investment market values. The amount required by the liquidity reserve policy liquidity reserve policy approved by the board is not reflected.

[2] Reflects distribution of supplemental grants faster than expected with most of the payments ocurring in FY25. Impact of change in legislation to increase cap and remove ARP from the annual cap will likely impact future fiscal year budget recommendations as projects moving from eligibility/feasibility to construction.

Guidelines for the Use of Unrestricted Funds

	Current Guideline - 2017	Proposed Guideline - 2026
Annual Cap	$0.563 Billion for **both** core and ARP	$1.295 Billion for core ARP subject to **separate** biennial budget
DSRF Balances	$540 million	$38 million
Goal for Unrestricted Fund Balance / Liquidity Reserve	**10%** of annual expenditures **or** an estimated 3 months of grant payments	**25%** of annual operating expenditures **and** grant payment **Separate Liquidity Reserve Account Replenishment Requirement**

- $2.2 billion of unpaid liabilities for grants with a Feasibility Study Agreement (FSA) or Project Funding Agreement (PFA)
- $7.9 billion in estimated commitments for projects invited into the pipeline, but have not yet reached either the FSA or PFA stage.

Office Expansion Budget Update

Item	Estimated Budget February 2026	Estimated Budget May 2026
Legal	$0	$0
Design	$50,000	$75,000
Construction	$350,000	$300,000
Move	$0	$0
Add/Alts	$0	$0
Miscellaneous/Signage	$25,000	$25,000
FF&E	$150,000	$155,000
SUBTOTAL	$575,000	$505,000
Contingency	$100,000	$100,000
Total Project Cost	$675,000	$655,000