Cambridge-Isanti School District

FY2026 Preliminary Budget

JUNE 26, 2025

PRESENTED BY:

CHRISTOPHER KAMPA,

DIRECTOR OF FINANCE & OPERATIONS

FY2026 Preliminary Budget Headlines

Bottom Line
- Deficit Spending

Funding
- Minor Legislative Changes
- Basic Formula in tact

Spending
- Increased Special Ed Staffing
- Minor changes to Legislative Mandates

Fund Balance
- Stable

FY2025 Revisited

Revised Budget

- Operating Net Revenues: $(952,107)
- General Fund Net Revenues: $(706,658)

What's Changed

- Investment Income: + $800,000 (forecast)
- Bus Purchase: + $1,200,000 (Delay in purchasing)

Net Effect

- + $2,000,000 in Net Revenues
- Budget Deficit swings to a Budget Surplus

FY2026 What's New?

- Staffing
  - Add: 7 Sped Teachers, 1 Media/OJT Specialist, 1 online teacher, (-1) Grade Migration
  - Add: 10 Sped Instructional Assistants
- Phase 2 of READ Act
  - FY2025: Received $184k from State for Literacy Training; will continue without add'l money.
- Paid-Family Medical Leave
  - Begins Jan 1. 0.88% Payroll tax split between employee and employer, up to 20 weeks off.
- Summer Unemployment
  - State funded additional $100 million to potentially last through FY2027
- Inflation = 2%
- Basic Formula: No Changes to Basic Formula Inflation Adj (Big Victory)
- Other Legislative Changes
  - Revenue Reductions: Compensatory, Sped State Aid, Student Support Aid, Library Aid, etc.
- State Budget Deficit: projected at $6 Billion for 2027-2028

Enrollment Projections

Grade	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast	FY2026 Forecast	FY2027 Forecast	FY2028 Forecast	FY2029 Forecast	FY2030 Forecast	FY2031 Forecast
HK	63.1	57.2	59.3	-	-	-	-	-	-	-	-
K	275.1	276.2	250.3	341.8	295.2	295.2	349.3	354.5	353.0	353.0	353.0
1.0	315.3	360.9	329.1	323.3	349.7	299.0	299.0	353.3	358.5	357.0	357.0
2.0	319.9	347.7	356.1	325.7	333.4	352.7	301.0	301.0	355.8	361.0	359.5
3.0	305.0	344.5	340.4	350.5	340.7	334.8	354.6	301.7	301.7	356.6	361.9
4.0	363.5	317.0	347.7	339.2	356.0	346.3	339.7	359.4	305.8	305.8	361.7
5.0	360.1	373.6	322.6	342.2	350.7	363.4	353.3	347.1	366.9	312.1	312.1
6.0	361.6	385.8	396.0	328.2	347.5	364.6	376.7	367.9	358.7	384.2	324.1
7.0	388.5	389.2	384.4	401.1	333.4	351.8	368.7	381.0	372.2	363.3	389.0
8.0	388.6	415.4	396.4	399.8	398.1	341.5	357.5	377.3	388.7	381.0	368.9
9.0	440.1	437.1	444.2	424.9	437.8	426.2	364.8	386.3	403.0	416.9	406.7
10.0	411.8	450.4	424.6	453.9	414.3	440.4	424.8	365.4	380.7	403.2	414.6
11.0	375.9	417.3	442.9	414.0	443.5	406.6	442.3	421.9	366.7	373.7	403.0
12.0	393.8	384.9	413.2	441.8	417.2	454.8	404.8	453.8	426.9	380.0	374.0
EC	40.0	49.8	69.3	72.4	70.9	71.8	72.8	73.9	75.0	76.1	77.2
Adj ADM	4,802.2	5,006.8	4,976.5	4,958.8	4,888.4	4,849.0	4,809.3	4,844.6	4,813.6	4,824.0	4,862.8
Ext	18.6	44.1	45.4	38.1	40.0	40.0	40.0	40.0	40.0	40.0	40.0
EL	64.3	96.4	99.4	111.6	110.0	110.0	110.0	110.0	110.0	110.0	110.0
Tot ADM	4,885.1	5,147.2	5,121.3	5,108.5	5,038.4	4,999.0	4,959.3	4,994.6	4,963.6	4,974.0	5,012.8

General Fund Highlights

DESCRIPTION		FY2025 Preliminary		FY2026 Revised		2026 Variance	Notes
REVENUE							
Levy	$	8,431,536	$	8,689,295	$	257,759	Unemployment, C&T, Limitation and Abatement Adj
Investment Income		792,527		1,327,191		534,664	Investment portfolio outperformance
Basic Formula		38,522,022		39,210,463		688,441	1.8% percent increase (declining enrollment)
Compensatory		3,154,747		2,919,743		(235,004)	Change to direct certification
Other Foundation Aid		2,711,720		2,866,367		154,648	Staff Dev, Literacy Aid, Gifted & Talented
Other State Aid		2,378,349		2,251,936		(126,413)	Lose: NED Grant, READ Act ($400k); Gain: Summer Unemployment ($700k-$800k)
Special Education		12,719,519		13,990,648		1,271,129	Reimbursed at 80% of prior year's expenses
Title Revenue		731,225		931,775		200,550	Spend down of carryover
Other		7,101,743		6,729,129		(372,613)	
Total Revenue	$	76,543,389	$	78,916,548	$	2,373,159	3.1% Increase
EXPENSES							
Teacher Salaries	$	26,030,800	$	27,173,171	$	1,142,370	Largest Expense Item
Support Professionals		4,902,969		5,323,447		420,478	Increased Hiring
Transportation		2,574,025		2,359,128		(214,897)	Updated forecast
Other Salary		1,887,072		1,773,737		(113,335)	Reduction of compensation for READ Act
Other Salries & Wages		9,134,471		9,169,104		34,633	Misc staffing
Benefits		16,926,509		17,583,478		656,969	Increased Labor Costs, PFML
Administration		274,359		571,573		297,214	Election, Communications, and Strategic Plan
Special Education		1,329,403		2,017,653		688,250	Use of Federal Funds ($600k) to pay tuition
Bus Purchases		2,395,270		1,554,106		(841,163)	6 Ged Ed Buses plus 4 Sped Buses
LTFM		958,183		1,586,588		628,405	New Bleachers for High School Gym
Other		10,836,986		11,228,813		391,827	
Total Expenses		77,250,047		80,340,799		3,090,752	4.0% Increase
NET REVENUE	***$***	***(706,658)***	***$***	***(1,424,252)***	***$***	***(717,593)***	

Operating Revenue and Expenses

Operating Funds (01 & 03) Description	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Prelim Budget	FY2026 Rev Budget	Variance Revised
REVENUE						
Local Property Taxes	$ 4,148,016	$ 6,918,547	$ 7,139,537	$ 8,431,536	$ 8,689,295	$ 257,759
Other Local	1,630,882	2,196,340	3,128,927	2,549,549	2,991,235	441,687
State General Formula	36,890,181	38,047,083	38,856,513	38,522,022	39,210,463	688,441
State Special Education	8,675,346	9,081,171	12,273,358	12,719,519	13,990,648	1,271,129
Other State Revenue	4,625,101	4,480,288	7,411,498	8,244,816	8,038,047	(206,770)
Federal COVID Revenue/Other	5,170,944	2,901,058	183,773	246,291	65,108	(181,183)
Federal Title/SPED	1,057,833	1,909,128	1,944,031	1,935,607	2,136,157	200,550
Total Operating Revenues	$ 62,198,303	$ 65,533,615	$ 70,937,638	$ 72,649,341	$ 75,120,953	$ 2,471,612

Operating Revenue and Expenses

Operating Funds (01 & 03) Description	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Preliminary	Variance Revised
EXPENSES						
Salaries	$ 34,364,382	$ 37,045,699	$ 39,564,851	$ 44,529,338	$ 45,798,587	$ 1,269,250
Benefits	12,858,400	13,860,268	14,849,077	16,926,509	17,583,478	656,969
Total Salaries & Benefits	47,222,782	50,905,966	54,413,928	61,455,846	63,382,066	1,926,219
COVID Expenses	1,727,800	1,364,611	2,623	-	-	-
General and Admin Expenses	155,546	224,981	225,855	274,359	571,573	297,214
Admin Technology	222,471	155,755	243,901	176,477	178,583	2,106
Finance & Support Services	1,797,594	1,946,617	2,056,723	2,491,263	2,455,099	(36,164)
Teaching & Learning	366,998	610,443	793,333	901,711	808,114	(93,597)
Special Education	505,614	1,366,949	1,603,760	1,329,403	2,017,653	688,250
Building & Grounds	2,005,282	2,145,793	2,093,334	2,356,858	2,314,511	(42,347)
Transportation	762,969	1,916,661	802,865	1,047,258	933,175	(114,083)
Targeted Services	40,889	4,336	45,847	51,660	51,620	(40)
School Supply Budgets	409,545	429,855	576,221	532,769	488,582	(44,187)
Athletics	374,924	403,903	454,939	565,340	465,000	(100,340)
Assigned Purchases	-	-	557,867	2,395,270	2,239,106	(156,163)
Other	61,558	102,218	107,371	23,235	157,064	133,829
Total Non-Labor Expenses	8,569,493	10,768,782	9,564,639	12,145,602	12,680,081	534,479
Total Operating Expenses	55,792,276	61,674,748	63,978,567	73,601,448	76,062,147	2,460,698
OPERATING NET REVENUES	***$ 6,406,027***	***$ 3,858,867***	***$ 6,959,071***	***$ (952,107)***	***$ (941,193)***	***$ 10,914***

Long-Term Facilities Maintenance

Long-Term Facilities Maintenance (05) Description	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Preliminary	Variance Revised
LTFM Revenue						
Local Property Taxes	$ 1,467,537	$ 1,450,944	$ 764,838	$ 648,009	$ 573,618	$ (74,391)
State Aid	625,064	599,531	309,479	516,976	512,303	(4,673)
Total LTFM Revenue	2,092,601	2,050,475	1,074,317	1,164,985	1,085,920	(79,065)
LTFM Expenses						
Health and Safety	215,942	789,622	267,371	369,554	333,423	(36,130)
LTFM Expenses	231,779	1,046,290	357,859	588,629	1,253,165	664,535
Total LTFM Expenses	447,720	1,835,912	625,231	958,183	1,586,588	628,405
LTFM Net Revenues	***$ 1,644,881***	***$ 214,563***	***$ 449,086***	***$ 206,803***	***$ (500,667)***	***$ (707,470)***

Operating Capital

Operating Capital (05) Description	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Preliminary	Variance Revised
Operating Capital Revenue						
Local Property Taxes	$ 1,454,782	$ 962,362	$ 1,513,360	$ 1,582,543	$ 1,612,297	$ 29,754
Other Local	(1,768)	198,205	4,997	469	469	-
State Aid	965,904	1,024,627	936,286	799,579	750,204	(49,375)
Total Op Cap Revenue	2,418,917	2,185,194	2,454,643	2,382,591	2,362,971	(19,621)
Operating Capital Expenses						
General Technology	5,526	8,523	10,225	96,008	100,000	3,992
District Software	-	26,095	53,307	252,503	178,009	(74,494)
Blended Learning Plan	4,558	202,201	5,092	19,763	140,900	121,137
Technology Labor Expenses	1,745	-	-	-	-	-
ERATE Fiber Lease	12,051	427,040	224,080	201,911	122,101	(79,811)
Building Supply Budgets	37,657	34,592	47,271	75,000	75,001	1
Curriculum Development	-	-	-	-	-	-
Financing	1,225,919	1,319,823	1,319,334	1,322,810	1,391,621	68,811
Equipment	-	102,851	109,069	61,343	26,000	(35,343)
Building & Grounds Equipment	14,515	(56,597)	172,488	312,164	300,000	(12,164)
Total Op Cap Expenses	1,301,971	2,064,529	1,940,866	2,341,504	2,333,631	(7,872)
Operating Capital Net Revenue	***$ 1,116,947***	***$ 120,665***	***$ 513,776***	***$ 41,088***	***$ 29,339***	***$ (11,749)***

Student Activity Accounts

Student Accounts (21) Description	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Preliminary	Variance Revised
REVENUE AND EXPENSES						
Total Revenue	$ 294,237	$ 338,239	$ 349,491	$ 346,471	$ 346,704	$ 232
Expenses	331,478	307,020	311,337	348,912	358,433	9,521
Total Operating Revenues	$ (37,241)	$ 31,218	$ 38,154	$ (2,441)	$ (11,730)	$ (9,289)



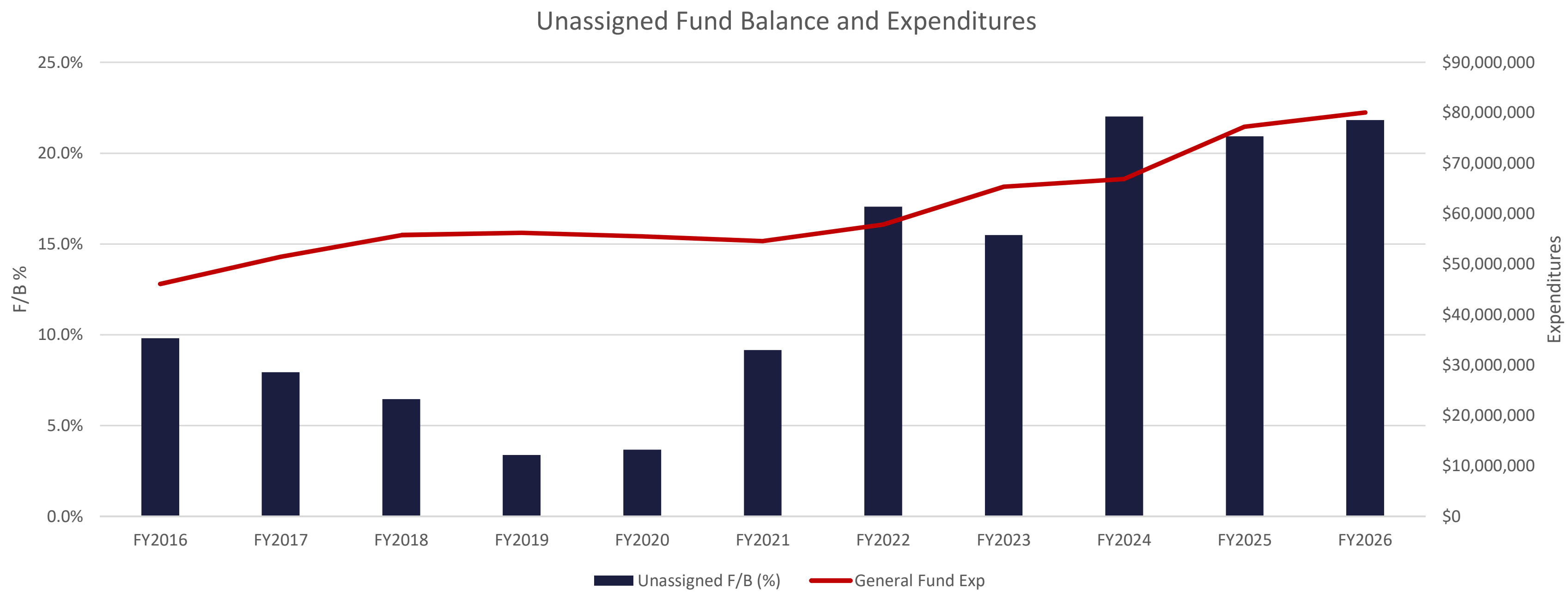
General Fund Summary

General Fund (01, 03, 05, & 21) Description	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Preliminary	Variance Revised
REVENUE						
Operating Funds (01 & 03)	$ 62,198,303	$ 65,533,615	$ 70,937,638	$ 72,649,341	$ 75,120,953	$ 2,471,612
Facilities/Capital (05)	4,511,518	4,235,669	3,528,959	3,547,577	3,448,891	(98,686)
Student Activity Accounts (21)	294,237	338,239	349,491	346,471	346,704	232
Total General Fund Revenues	67,004,059	70,107,524	74,816,089	76,543,389	78,916,548	2,373,159
EXPENSES						
Operating Funds (01 & 03)	55,792,276	61,674,748	63,978,567	73,601,448	76,062,147	2,460,698
Facilities/Capital (05)	1,749,691	3,900,442	2,566,097	3,299,686	3,920,219	620,533
Student Activity Accounts (21)	331,478	307,020	311,337	348,912	358,433	9,521
Total General Fund Expenses	57,873,445	65,882,210	66,856,001	77,250,047	80,340,799	3,090,752
NET REVENUES						
Operating Funds (01 & 03)	6,406,027	3,858,867	6,959,071	(952,107)	(941,193)	10,914
Facilities/Capital (05)	2,761,828	335,228	962,862	247,890	(471,328)	(719,219)
Student Activity Accounts	(37,241)	31,218	38,154	(2,441)	(11,730)	(9,289)
GENERAL FUND NET REVENUES	***$ 9,130,614***	***$ 4,225,313***	***$ 7,960,087***	***$ (706,658)***	***$ (1,424,252)***	***$ (717,593)***

Fund Balance

General Fund (01, 03, 05, & 21) Acct	Description	Beginning Balance	Revenue	Expenses	Fund Bal $	Fund Bal %
401	Student Activities	$ 342,089	$ 346,704	$ 358,433	$ 330,359	*0.41%*
403	Staff Development	199,798	797,931	797,931	199,798	*0.25%*
412	Literacy Incentive	668	206,354	206,354	668	-
420	American Indian Aid	13,875	100,500	100,500	13,875	*0.02%*
424	Operating Capital	3,072,120	2,362,971	2,333,631	3,101,459	*3.86%*
428	Learning and Development	2,020,663	1,034,057	1,034,057	2,020,663	*2.52%*
434	Area Learning Center	1,440	820,505	820,505	1,440	-
438	Gifted and Talented	-	69,330	69,330	-	-
441	Basic Skills Programs	742	2,922,254	2,922,254	742	-
443	School Library Aid	-	86,659	86,659	-	-
449	Safe Schools	-	191,770	191,770	-	-
460	Nonspendable	351,630	-	-	351,630	*0.44%*
462	Assigned	3,842,344	-	2,239,106	1,603,238	*2.00%*
467	LTFM	4,152,607	1,085,920	1,586,588	3,651,939	*4.55%*
471	Student Support Aid	58,749	91,877	91,877	58,749	*0.07%*
472	Medical Assistance	446,835	450,000	450,000	446,835	*0.56%*
	Subtotal	14,503,559	10,566,831	13,288,995	11,781,394	*14.66%*
422	**Unassigned**	**16,158,458**	**68,349,717**	**67,051,804**	**17,456,371**	***21.73%***
	Total Balance	$ 30,662,017	$ 78,916,548	$ 80,340,799	$ 29,237,765	*36.39%*

Fund Balance



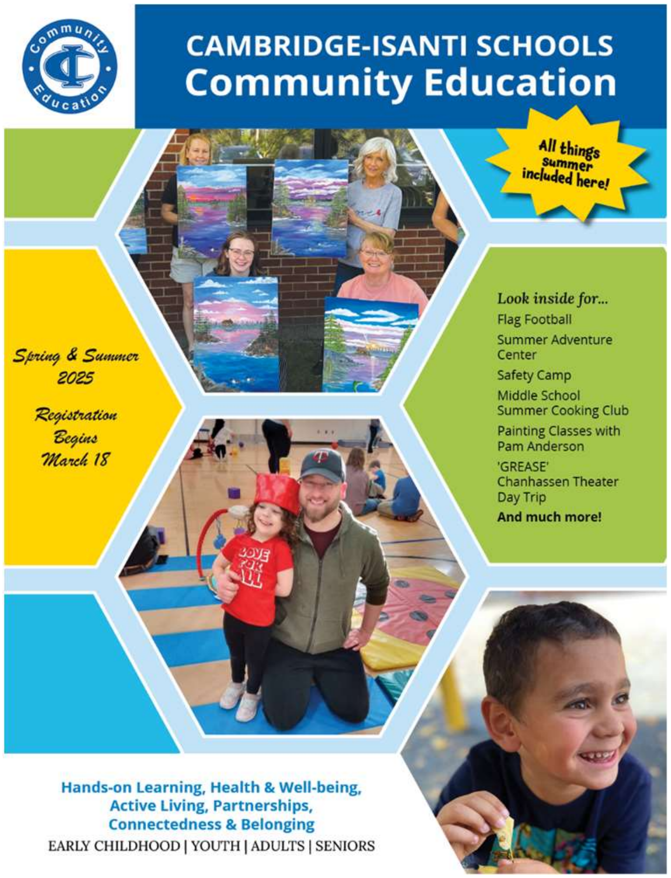
Why the Budget may be Wrong

- Special Education Funding – based on previous year expenditures and current year tuition payments
- MA Revenue – majority of revenue comes in at year-end
- Enrollment – largest impact to revenue
- Wages and Staffing – over 1,000 employees
- Bus Purchases – delayed purchases will inflate current year financials with financial impact on future periods
- Snow Removal – it's Minnesota
- Workers Compensation – experiencing heightened number of claims
- Paid Family Medical Leave – many uncertainties
- Negotiations

Food Service

Food Service (02) Description	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Preliminary	Variance Revised
REVENUE						
Lunch Program	$ 2,441,786	$ 2,097,008	$ 2,578,517	$ 3,004,272	$ 2,902,333	$ (101,940)
Breakfast Program	708,117	350,809	889,930	909,470	977,345	67,875
A La Carte/Other	293,955	330,789	439,511	216,777	189,707	(27,070)
Total Food Service Revenues	3,443,858	2,778,606	3,907,958	4,130,519	4,069,384	(61,135)
EXPENSES						
Lunch Program	2,436,608	2,245,633	2,571,937	3,086,306	3,107,708	21,403
Breakfast Program	537	134,342	285,271	338,395	330,826	(7,569)
Interdepartment Chargebacks	-	24,711	24,903	24,711	25,576	865
A La Carte/Other	135,872	176,406	251,057	72,882	71,843	(1,039)
Summer Program	15,829	180,968	217,649	218,646	217,824	(822)
Lunchroom Supervision	-	139,140	177,965	163,141	168,851	5,710
Total Food Service Expenses	2,588,846	2,901,199	3,528,781	3,904,080	3,922,628	18,548
FOOD SERVICE NET REVENUES	***$ 855,012***	***$ (122,593)***	***$ 379,177***	***$ 226,439***	***$ 146,756***	***$ (79,683)***
Fund Balance						
Beginning Fund Balance	51,732	906,743	784,150	1,163,327	1,389,766	
Plus: Revenues	3,443,858	2,778,606	3,907,958	4,130,519	4,069,384	
Less: Expenses	(2,588,846)	(2,901,199)	(3,528,781)	(3,904,080)	(3,922,628)	
Ending Fund Balance	$ 906,743	$ 784,150	$ 1,163,327	$ 1,389,766	$ 1,536,521	

Community Education



Providing Opportunities for our Learners, Families, and Community Members through Expanded Programming in every area

Funding

- Receiving State Aid for general Community Education
- Adult and Youth Enrichment and Recreation continue to grow
- Less revenue from DHS Great Start Grants than projected

Expenses

- Salary and benefit costs have increased across the board
- Investments in Early Learning/Preschool program
- Continue to support district-wide initiatives
- Increase enrollment & participation = Increase labor and other expenses
- DHS Great Start Grant revenues must all go directly to staff wages
- Other reductions to staffing

Community Education

Community Education (04) Description	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Preliminary	Variance Revised
COMM ED REVENUES & EXPENSES						
Revenue	$ 2,976,670	$ 3,190,858	$ 3,653,460	$ 3,655,656	$ 3,765,328	$ 109,672
Expenses	2,541,305	3,197,160	3,678,745	3,614,872	3,723,319	108,447
COMMUNITY ED NET REVENUES	$ 435,365	$ (6,301)	$ (25,285)	$ 40,784	$ 42,009	$ 1,225
PROGRAM NET REVENUE						
General Community Ed	(53,111)	(8,189)	(26,125)	43,575	157,177	113,602
Adult Enrichment	(17,026)	(33,392)	(11,523)	(35,471)	(57,040)	(21,569)
Adults with Disabilities	9,079	(13,407)	(12,183)	1,965	5,107	3,142
Adult Basic Education	(8,624)	(13,067)	(5,638)	8,968	24,332	15,364
Drivers Ed - Classroom	24,594	7,724	31,825	13,929	17,435	3,507
Drivers Ed - Behind the Wheel	78,781	(80,066)	27,084	13,407	(3,479)	(16,886)
Recreation	81,980	(59,313)	135,600	(29,470)	8,865	38,335
School Age Care	297,362	135,375	112,387	67,408	(20,775)	(88,183)
ECFE - Early Childhood	39,712	34,726	(87,907)	(14,234)	(88,956)	(74,722)
School Readiness	(77,430)	110,922	(386,842)	(75,682)	(163,611)	(87,929)
Preschool Health Screening	(1,272)	16,970	13,549	(2,682)	(1,697)	985
Preschool	57,065	(140,579)	170,841	18,115	151,809	133,694
Youth Development	4,108	35,996	13,647	(8,774)	12,841	21,615
COMMUNITY ED NET REVENUES	***$ 435,220***	***$ (6,301)***	***$ (25,285)***	***$ 1,053***	***$ 42,009***	***$ 40,956***
Fund Balance						
Beginning Fund Balance	60,425	495,789	489,488	464,203	504,987	
Plus: Revenues	2,976,670	3,190,858	3,653,460	3,655,656	3,765,328	
Less: Expenses	(2,541,305)	(3,197,160)	(3,678,745)	(3,614,872)	(3,723,319)	
Ending Fund Balance	$ 495,789	$ 489,488	$ 464,203	$ 504,987	$ 546,996	

Debt Service

Debt Service (07) Description		FY2022 Actual		FY2023 Actual		FY2024 Actual		FY2025 Budget		FY2026 Preliminary		Variance Revised
REVENUE												
Local Property Taxes	$	4,601,098	$	4,436,120	$	5,163,533	$	5,852,896	$	6,046,028	$	193,133
State Aid		733,208		737,458		975,024		819,494		794,318		(25,177)
Bond Sale/Other		15,586,800		948,898		5,747,133		-		-		-
Total Debt Service Revenue		20,921,106		6,122,476		11,885,690		6,672,390		6,840,346		167,956
EXPENSES												
Bond Principal		4,245,000		4,485,000		4,145,000		5,100,000		5,270,000		170,000
Bond Interest		1,305,325		1,656,415		1,563,375		1,539,222		1,380,200		(159,022)
Other Debt Service		15,470,900		4,875		5,736,958		5,000		5,000		-
Total Debt Service Expenses		21,021,225		6,146,290		11,445,333		6,644,222		6,655,200		10,978
DEBT SERVICE NET REVENUES	***$***	***(100,119)***	***$***	***(23,814)***	***$***	***440,357***	***$***	***28,168***	***$***	***185,146***	***$***	***156,978***
Fund Balance												
Beginning Fund Balance		1,302,944		1,202,825		1,179,010		1,619,367		1,647,535		
Plus: Revenues		20,921,106		6,122,476		11,885,690		6,672,390		6,840,346		
Less: Expenses		(21,021,225)		(6,146,290)		(11,445,333)		(6,644,222)		(6,655,200)		
Ending Fund Balance	$	1,202,825	$	1,179,010	$	1,619,367	$	1,647,535	$	1,832,681		

CAMBRIDGE
ISANTI Schools

EVERY STUDENT, EVERY DAY