

---

# Budget Update

June 10, 2025 School Board Study Session



St. Louis Park  
Public Schools

# Presentation Purpose

---

The purpose of this presentation is to prepare the School Board to take action at its June 24, 2025 business meeting to approve:

1. final updates to the FY2025 General Fund budget;  
and
2. the initial FY2026 budget.

FY2026 Budget Planning Timeline for Operating Fund Budgets			
Operating Funds: General, School Nutrition, Community Service			
	Date	Who	Outcome
	Grey shading denotes FAC Meeting		Orange shading denotes School Board ( <b>Bold</b> = school board budget-related action)
D a t a  G a t h e r i n g	August 22, 2024	Budget Managers	Review YTD Expenditures
	September 10, 2024	School Board Regular Meeting	Review Preliminary Levy Process
	September 11, 2024	Budget Managers	Review YTD Expenditures
	September 24, 2024	School Board Regular Meeting	Approve preliminary Pay 2025 levy
	September 25, 2024	Finance Advisory Committee	1. Overview of plan/expectations 2. Understand Budget Timeline
	October 9, 2024	Budget Managers	Review YTD Expenditures
	October 23, 2024	Finance Advisory Committee	Begin budget analysis
	November 13, 2024	Budget Managers	Review YTD Expenditures
	November 27, 2024	Finance Advisory Committee	Enrollment focus
	December 10, 2024	School Board Regular Meeting	1. Tax Hearing 2. Approve final Pay 2026 levy
	December 11, 2024	Budget Managers	Review YTD Expenditures
	December 18, 2024	Finance Advisory Committee	1. FY2026 enrollment projections 2. FY2026 Fund Balance assumptions 3. FY2026 other assumptions
P r e p a r a t i o n	January 22, 2025	Budget Managers	Review YTD Expenditures
	January 22, 2025	Finance Advisory Committee	1. Draft final budget assumptions 2. Begin draft of Spring 2025 FAC Report
	January 28, 2025	School Board Regular Meeting	Accept FY2024 Audit Results
	February 19, 2025	Finance Advisory Committee	1. Finalize budget assumptions 2. Spring 2025 FAC Report
	February 25, 2025	School Board Regular Meeting	FAC Presentation
	March 6, 2025	Budget Managers	Review YTD Expenditures
A p p r o v a l	March 11, 2025	School Board Study Session	1. Discuss FY2026 Budget Assumptions 2. Discuss FY2025 Mid Year Budget Update
	March 25, 2025	School Board Regular Meeting	1. Approve FY2025 Mid Year Budget Update 2. Approve FY2026 budget assumptions
	March 26, 2025	Finance Advisory Committee	Continue Expenditure analysis and plan for next year
	April 8, 2025	School Board Study Session	Discuss FY2025 Mid Year Budget Update for School Nutrition & Community Service Funds
	April 9, 2025	Budget Managers	Review YTD Expenditures
	April 22, 2025	School Board Regular Meeting	Approve FY2025 Mid Year Budget Update for School Nutrition & Community Service Funds
	May 14, 2025	Budget Managers	Review YTD Expenditures
	May 19, 2025	MN Legislative session ends	Special session
	June 10, 2025	School Board Study Session	Preview final FY2026 Budgets for all funds; prepare to take action at June 24 regular meeting
	June 24, 2025	School Board Regular Meeting	Approve final FY2026 budget for all funds
	July 2025	Business Services	Prepare for FY2025 Audit

June 10, 2025 School Board Meeting



St. Louis Park  
Public Schools

March 11, 2025	School Board Study Session	1. Discuss FY2026 Budget Assumptions 2. Discuss FY2025 Mid Year Budget Update
<b>March 25 ,2025</b>	<b>School Board Regular Meeting</b>	<b>1. Approve FY2025 Mid Year Budget Update 2. Approve FY2026 budget assumptitons</b>
March 26, 2025	Finance Advisory Committee	Continue Expenditure analysis and plan for next year
April 8, 2025	School Board Study Session	Discuss FY2025 Mid Year Budget Update for School Nutrition & Community Service Funds
April 9, 2025	Budget Managers	Review YTD Expenditures
<b>April 22 ,2025</b>	<b>School Board Regular Meeting</b>	<b>Approve FY2025 Mid Year Budget Update for School Nutrition &amp; Community Service Funds</b>
May 14, 2025	Budget Managers	Review YTD Expenditures
May 19, 2025	MN Legislative session ends	Special session
June 10, 2025	School Board Study Session	Preview final FY2026 Budgets for all funds; prepare to take action at June 24 regular meeting
<b>June 24, 2025</b>	<b>School Board Regular Meeting</b>	<b>Approve final FY2026 budget for all funds</b>
July 2025	Business Services	Prepare for FY2025 Audit

---

# FY 2026 Initial Budget

June 10, 2025 School Board Meeting



# Budget assumptions used to prepare FY2026 budget

(approved at March 25, 2025 School Board Meeting)

✗	Fund Balance Minimum	8% of unassigned general fund expenditures
✓	General Education Funding Formula	2.74% in current funding bill
✓	Student Enrollment Projection	4,326 302 Kindergarten
✓	Local Revenue	<ul style="list-style-type: none"><li>• Add technology fee (not budgeted)</li><li>• Increase Community Ed premium space rental fees</li></ul>
✓	Focus on Cost Drivers	<ul style="list-style-type: none"><li>• understand, reduce, or stabilize</li><li>• retention of direct student facing positions</li><li>• return on investment for budget changes</li></ul>



# Budget assumptions used to prepare FY2026 budget

(routine assumptions)

---

1. Special Education revenue increased to reflect FY2025 expenditures
2. Employee contract settlements reflect historical patterns
3. Market-based increase in operating costs (transportation, utilities, property/liability insurance)
4. General Fund Contingency
  - a. Set aside \$400,000 to address class size or other unforeseen needs

---

# Budget Overview

## All Funds



St. Louis Park  
Public Schools



# FY2026 Budget Overview by Fund

---

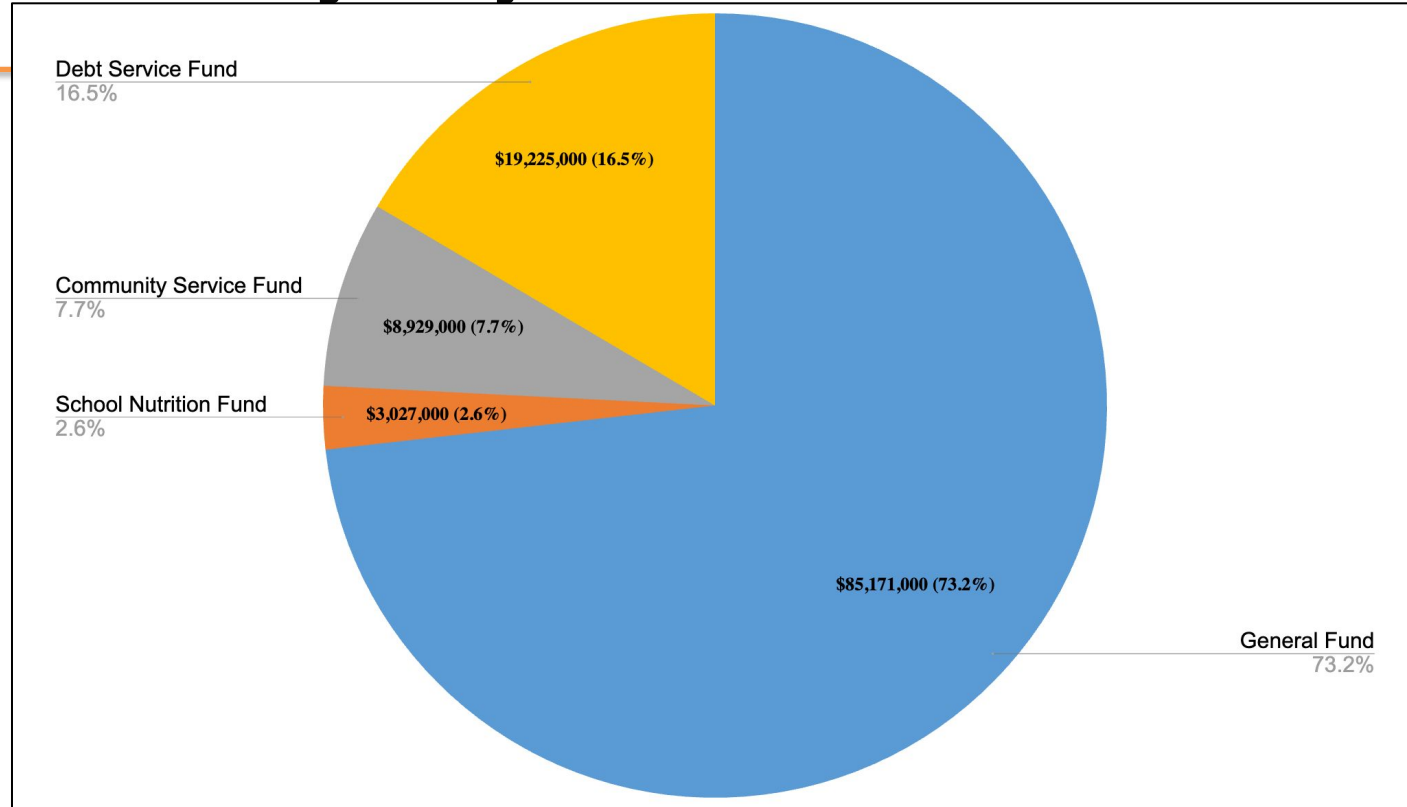
	FY2025 Budget Beginning Balance	FY2026 Budgeted Revenue	FY2026 Budgeted Expenditures	FY2026 Budget Ending Balance
<b>General Fund</b>	\$10,383,094	\$85,171,000	\$85,982,000	\$9,572,094
<b>School Nutrition Fund</b>	\$918,608	\$3,027,000	\$3,090,000	\$855,608
<b>Community Service Fund</b>	\$1,517,257	\$8,929,000	\$8,064,000	\$2,382,257
<b>Debt Service Fund</b>	\$3,839,037	\$19,225,000	\$18,555,000	\$4,209,037

# FY2026 All Funds Revenue Budget

---

	Budget				Actual	
	FY2026	FY2025 Mid-Year	Change		FY2024	FY2023
General Fund	\$85,171,000	\$82,822,700	\$2,348,300	2.84%	\$79,441,801	\$73,791,189
School Nutrition Fund	\$3,027,000	\$3,027,000	\$0	0.00%	\$2,789,943	\$2,366,208
Community Service Fund	\$8,929,000	\$8,243,800	\$685,200	8.31%	\$8,643,705	\$8,055,784
Debt Service Fund	\$19,225,000	\$19,171,000	\$54,000	0.28%	\$19,235,042	\$12,804,098

# Revenue by Major Fund



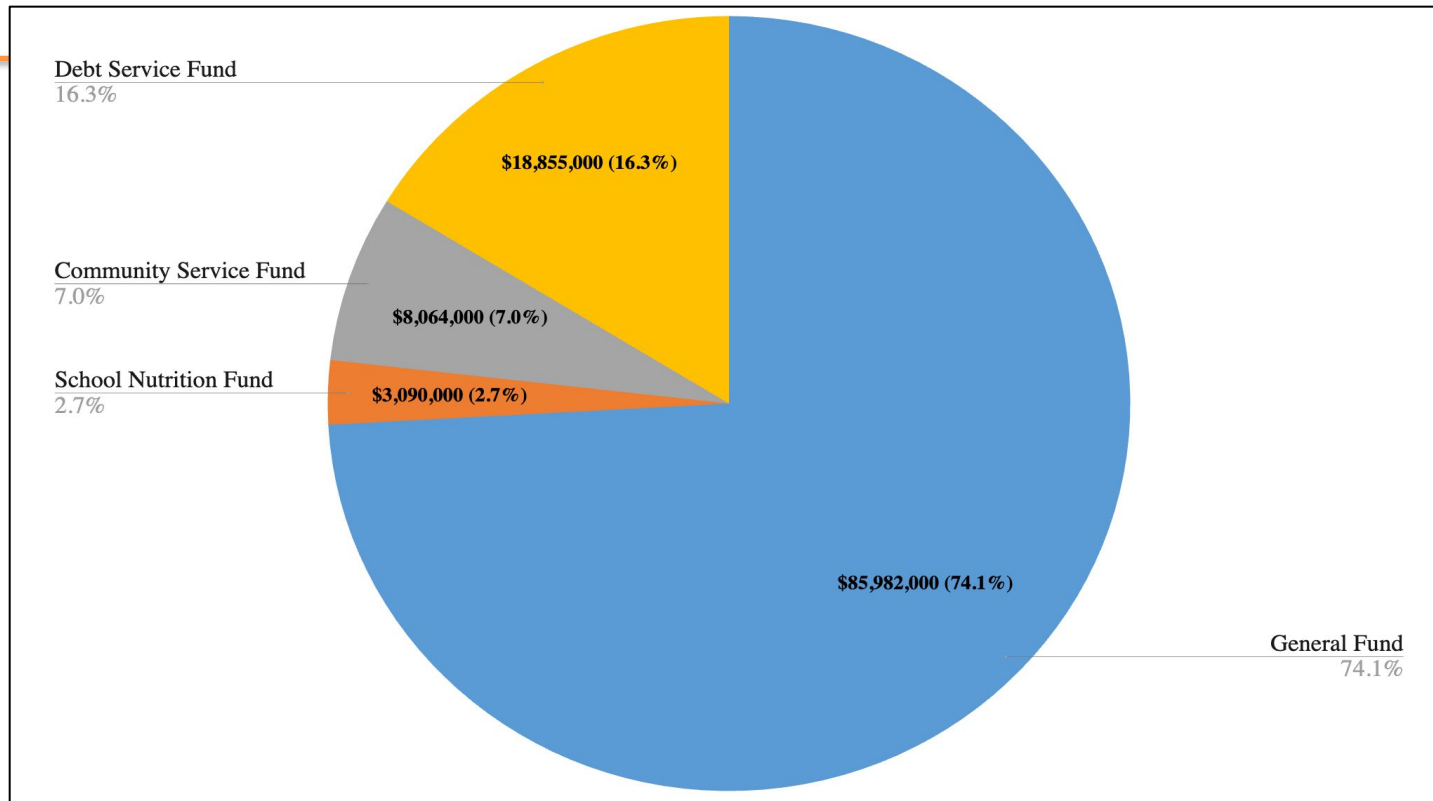
# FY2026 All Funds Expenditure Budget

---

	Budget				Actual	
	FY2026	FY2025 Mid-Year	Change		FY2024	FY2023
General Fund	\$85,982,000	\$84,107,300	\$1,874,300	2.23%	\$79,832,497	\$76,852,975
School Nutrition Fund	\$3,090,000	\$2,963,000	\$127,000	4.29%	\$2,866,173	\$2,305,475
Community Service Fund	\$8,064,000	\$8,001,200	\$62,800	0.78%	\$7,972,732	\$7,568,413
Debt Service Fund	\$18,855,000	\$18,783,000	\$72,000	0.38%	\$18,469,109	\$12,367,534



# Expenditures by Major Fund



---

# General Fund Details

# General Fund Balances

Fund	FY2025 Budget Ending Balance	FY2026 Rev Budget	FY2026 Expense Budget	FY2026 Budget Ending Balance	Change
<b>Unassigned</b>					
General Unassigned	5,614,000	67,851,000	67,884,000	5,581,268	(33,000)
Federal Funds	-	2,314,000	2,314,000	-	-
<b>Fund Balance Policy %</b>	<b>8.20%</b>			<b>7.95%</b>	-0.25%
<b>Assigned</b>					
Donations/Gifts	-	-	-	-	-
Severance	676,578	-	400,000	276,578	(400,000)
<b>Non-Spendable (Prepaid)</b>	-	-	-	-	-
<b>Restricted</b>					
Non-Capital Finance Codes	-	7,535,000	7,535,000	-	-
Lease Levy	-	1,241,000	1,241,000	-	-
Capital Projects Levy	1,667,026	4,145,000	4,145,000	1,667,026	-
LTFM	1,371,598	958,000	1,343,000	986,598	(385,000)
Operating Capital	943,187	1,127,000	1,120,000	950,187	7,000
Student Activities	110,437	-	-	110,437	-
<b>Total</b>	<b>10,383,094</b>	<b>85,171,000</b>	<b>85,982,000</b>	<b>9,572,094</b>	<b>(811,000)</b>

# General Fund Revenue Detail

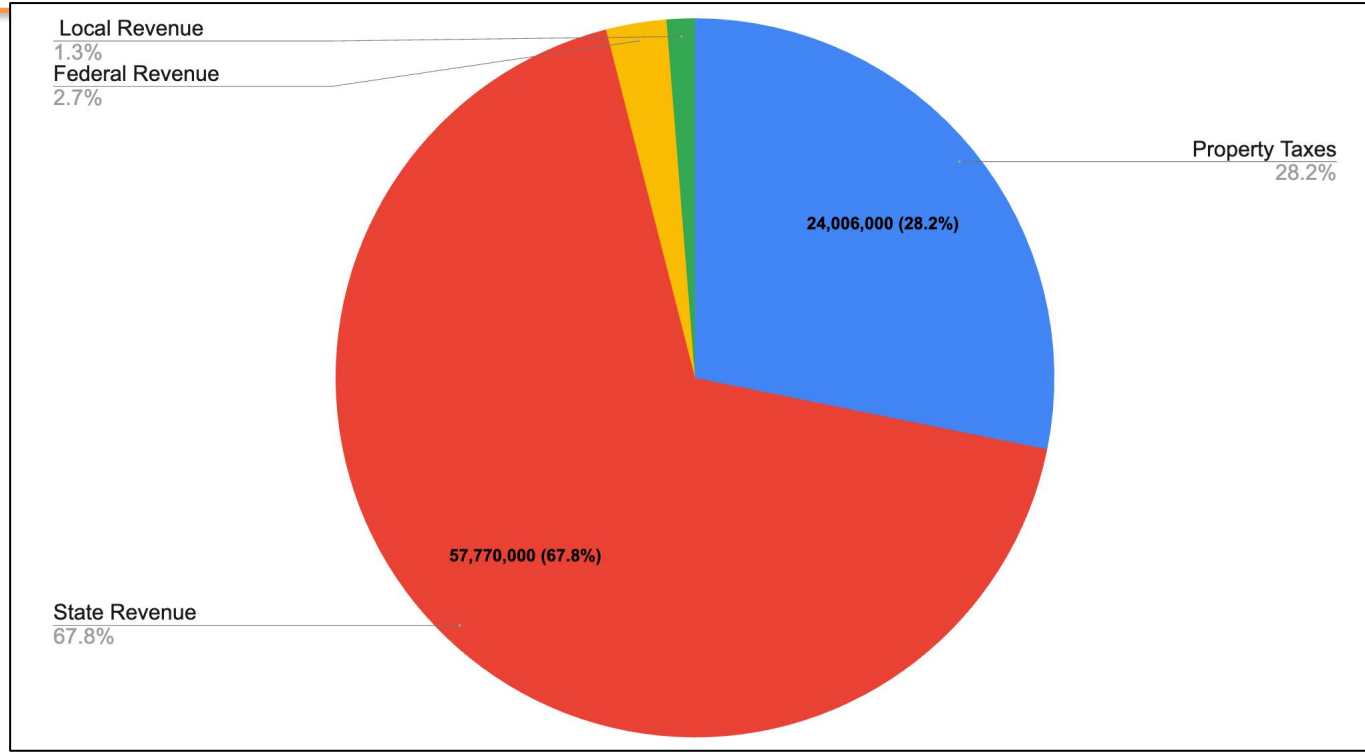
---

	Budget				Actual	
	FY2026	FY2025 Mid-Year	Change		FY2024	FY2023
Property Taxes	24,006,000	23,527,000	479,000	2.04%	23,031,079	21,615,813
State Revenue	57,770,000	55,878,200	1,891,800	3.39%	51,962,595	47,149,378
Federal Revenue	2,314,000	2,265,700	48,300	2.13%	2,379,237	3,223,300
Local Revenue	1,081,000	1,151,800	-70,800	-6.15%	2,068,890	1,802,698
Total Revenue	85,171,000	82,822,700	2,348,300	2.84%	79,441,801	73,791,189



# FY2026 Budget

## General Fund Revenue Detail (\$85,171,000)



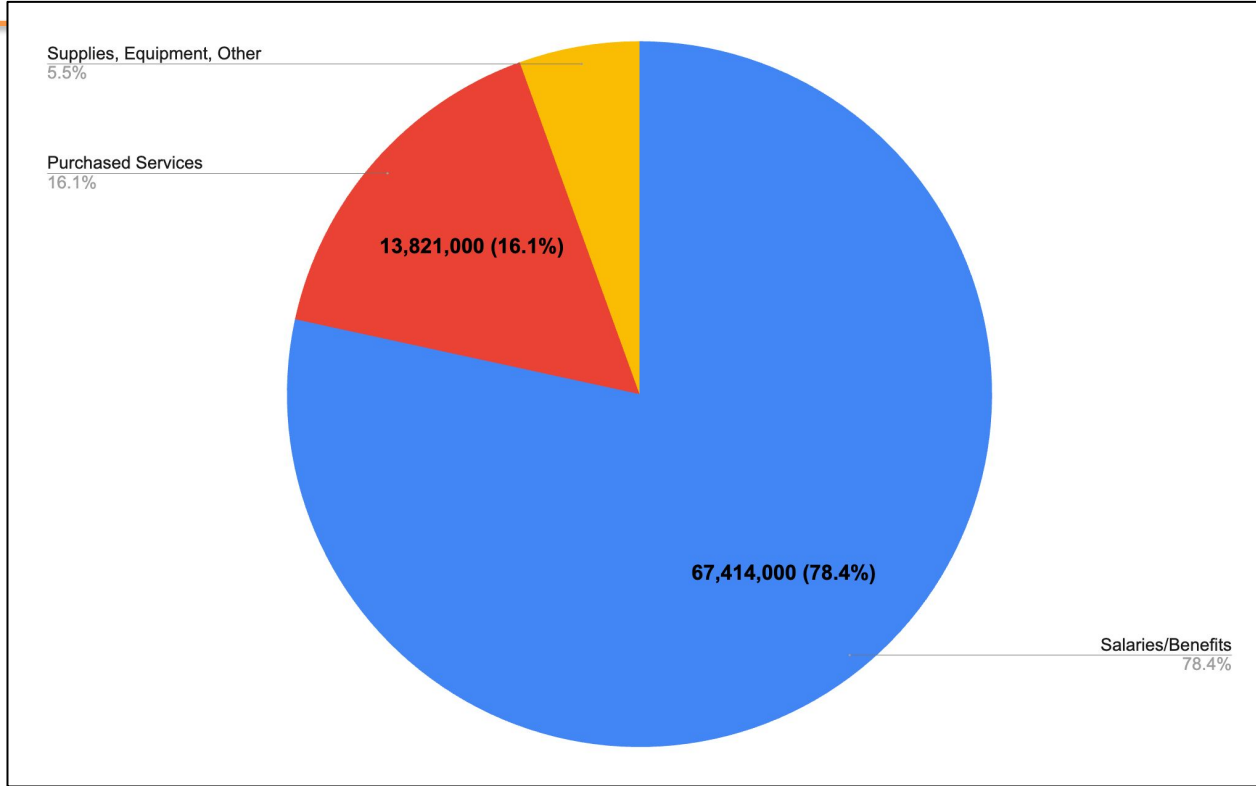
# General Fund Expenditure Detail

---

	Budget				Actual	
	FY2026	FY2025 Mid-Year	Change		FY2024	FY2023
Salaries/Benefits	67,414,000	65,284,700	2,129,300	3.26%	59,652,771	58,079,773
Purchased Services	13,821,000	14,131,500	-310,500	-2.20%	15,543,116	13,126,469
Supplies, Equipment, Other	4,747,000	4,691,100	55,900	1.19%	4,636,610	5,646,734
Total Expenditures	85,982,000	84,107,300	1,874,700	2.23%	79,832,497	76,852,975

# FY2026 Budget

## Expenditures Detail (\$85,982,000)



# FY2026 Budget Reductions

---

Instruction & Learning reorganization	-641,000
Elementary staffing changes due to enrollment	-540,000
High School staffing changes due to schedule	-324,000
Middle School staffing changes due to schedule	-167,000
Reduce sub costs	-271,000
Paraprofessional Reduction	-239,000
Pause Design Team Work	-5,000
Total	-2,184,000

# Long Term Stability

---

- 10-Year Operating Referendum (2017)
  - at cap
- 10-Year Capital Projects Levy for Technology (2022)
- Long Term Facilities Maintenance (LTFM)
  - at cap; new roofing funding in 2025 session
- OPEB Trust (2009)
  - annual levy since 2020

# Ongoing Budget Attention

---

- Continued Efficiencies
  - Staffing adjustments to reflect enrollment
  - Energy efficiency
  - Self-Funded medical/dental
- Ongoing Cost Containment
  - Budget manager meetings
  - Attention to cost drivers in subs, additional salary, transportation
- Budget Reductions
  - Expenditure reductions to reflect available funds

---

# FY2025 Final Budget Adjustment



St. Louis Park  
Public Schools

# Final FY2025 Budget Amendment

---

Adjust current year budget for known items

- Fund 01 General Fund
  - Reclassify revenue and expenditures for end of year for GASB 68 pension adjustment (~\$190,000)
- Fund 04 Community Service
  - Adjust Nonpublic Pupil Aid and expenses to match current allocation and activity (~\$200,000)
- Fund 20/21 Internal Service
  - Create budget for self-funded medical and dental (~\$10m)



# Next Steps

---

	Fiscal Year 2026
June 24, 2025	Approve FY2026 Budget & FY2025 Final Budget Adjustment
Monthly through FY2026	Budget Managers Review FY2026 Budget
September 2025	Preliminary Levy for FY2027 (Payable 2026)
October 2025	Fall enrollment for FY2026 Budget Update
November 2025	FY2025 Audit Results
December 2025	Final Levy for FY2027 (Payable 2026)
March 2026	FY2026 Mid-Year Budget Update

# Questions

---

