



MAHTOMEDI
PUBLIC SCHOOLS

Proposed Budget Reductions and Adjustments FY 2025-26

Presentation to the
Mahtomedi School Board

March 24, 2025

Experience Excellence



Proposal: Use of Fund Balance

\$759,500 of Fund Balance to address the budget deficit.

Fund Balance is outlined in [Mahtomedi School Board Policy 714](#).

The fund balance policy should be used to provide stability for District 832 students, staff, taxpayers and bond rating agencies.

The school board shall strive to maintain a minimum unassigned general fund balance of 8% of the total general fund expenditures.

The Projected Fund Balance Percentage after using \$759,500 is projected to be 8.18%.

8% represents 29 days of cash on hand to pay expenses.

Proposal: Revenue Adjustments

- **5% increase in activity fees**, which have not been increased for several years. **Revenue estimate \$14,000**
- **Return class size to pre-pandemic levels for K-5, adjust 8th grade core class size** based on resident and open enrollment applications. **Revenue estimate \$561,000**
- **Community Education cost sharing** for facilities and staffing **Revenue estimate \$48,000.**

Estimate Total: \$623,000

Proposal Expense Adjustments to Staffing

- **Reduce the number of sections in elementary** based on current enrollment. **Estimate \$160,000.**
- **Reduce High School and Middle School sections** based on enrollment and student course choices. **Estimate \$112,000.**
- **Other Staffing:** Reduce Facilities and Grounds staff hours, add special education time, restructure technology support, reduce extra service contracts. **Estimate \$100,000.**

Estimate Total: \$372,000

Proposal: Expense Adjustments (Continued)

- **Purchased Services**
 - Reduce purchased services for classroom substitutes, utilities costs, commercial insurance, travel for professional development. **Estimate \$90,500**
 - Reduce transportation costs in Athletics/Activities. **Estimate \$20,000.**
- **Supplies:** Reduce supplies for Facilities and Grounds. **Estimate \$35,000.**
- **Other:** Reductions in Teaching and Learning to include curriculum resources and planning. **Estimate \$100,000.**

Purchased Services
Estimate Total: \$110,500

Supplies
Estimate Total: \$35,000

Other
Estimate Total: \$100,000

Board of Education

Proposed Budget Adjustments for Fiscal Year 2025-2026

Summary

March 24th, 2025

Revenue Adjustments

Activity Registration Fees	14,000
Return of Class Sizes to Pre-Pandemic Levels	561,000
Facility Cost Sharing with Community Ed.	48,000
Total Increases-Revenue	623,000

Expense Adjustments

Staffing	372,000
Purchased Services	110,500
Supplies	35,000
Other	100,000
Total Decreases-Expenditures	617,500

Total Adjustments 1,240,500

Projected Budget Deficit 2,000,000

Use of Fund Balance -759,500

Projected Fund Balance Percentage 8.18%

(includes Assigned FB for budget deficit)

The above amounts are projections and estimates based on information at this time



Timeline

- **February 10:** Board receives budget reduction and adjustment options
- **February 24:** Board takes action on options for fiscal year 2025-26 budget reductions and adjustments
- **April 28:** Board approves operating and facility amounts
- **May 12:**
 - Board reviews preliminary budget 2025-26
 - Board takes action on ballot language
- **June 9:** Study Session for additional opportunity to discuss Preliminary 2025-26 Budget
- **June 23:** Take action on 2025-26 Budget