

# Preliminary Budget Executive Summary

FISCAL YEAR 2026



# Edina Public Schools Strategic Plan

# 2020-30

## MISSION

Edina Public Schools is a dynamic learning community delivering educational excellence and preparing all students to realize their full potential.

Through academics, activities and opportunities, we encourage creativity, foster curiosity, and develop critical thinking skills. We support every student's educational journey by creating a caring and inclusive school culture that supports the whole student.

## VISION

For each and every student to discover their possibilities and thrive.

### We are guided by our **CORE VALUES:**

Integrity, Compassion, Courage, Commitment, Appreciation, and Responsibility

### School Board

Karen Gabler, Chair  
*Term Expires: January 2026*

Erica Allenburg, Vice Chair  
*Term Expires: January 2026*

Jennifer Huwe, Treasurer  
*Term Expires: January 2028*

Cheryl Barry, Clerk  
*Term Expires: January 2028*

Michael Birdman, Assistant Treasurer  
*Term Expires: January 2026*

Dan Arom, Assistant Clerk  
*Term Expires: January 2026*

Elliot Mann, Assistant Clerk  
*Term Expires: January 2028*

Dr. Daniel Bittman, Ex-Officio

## We are committed to these **CORE BELIEFS**:

### **Academic Excellence**

We believe each student deserves access to academic excellence which includes challenging and rich curricula, high expectations, and inspiring instruction that meets their individual needs.

### **Equity**

We believe it is critical to eliminate barriers to success and provide the supports, opportunities and environments so all students can reach their full potential.

### **Family, School, & Community**

We believe students learn best when students, families, educators, and the community partner to provide dynamic support and share responsibility for learning.

### **Healthy Learning Environment**

We believe students thrive in a balanced, healthy environment that promotes the free exchange of ideas and support students' physical, social-emotional and intellectual needs.

### **Inclusion**

We believe in the inherent dignity of all people, we celebrate individuality, and we value and appreciate diversity.

### **Life Skills**

We believe that inspiring students to grow as critically thinking collaborative learners will prepare them to be productive, accountable, self-motivated, and responsible citizens.

### **Operational Excellence**

We believe in high performance of governance, administration, and partnerships, and effective and efficient use of time, human, financial, and physical resources in support of the mission.

### **Professional Excellence**

We believe our educators and staff are essential to student success. We value and support them in advancing strategic and innovative initiatives grounded in best practices.



## **Priority Strategies**

### **Strategy A**

**Advance Academic Excellence, Growth and Readiness**

### **Strategy B**

**Ensure an Equitable and Inclusive School Culture**

### **Strategy C**

**Foster Positive Learning Environments and Whole Student Support**

### **Strategy D**

**Develop Leadership Throughout the District**

### **Strategy E**

**Engage Parents, Schools and Community**





# Preliminary Budget Executive Summary

## Edina Public Schools Awarded for Outstanding Financial Reporting

For its Annual Comprehensive Financial Report, Edina Public Schools was awarded the Certificate of Excellence in Financial Reporting (COE) by The Association of School Business Officials International (ASBO). ASBO International's COE recognizes districts that have met the program's high standards for financial reporting and transparency.

"For over half a century, ASBO International's Certificate of Excellence in Financial Reporting has been the gold standard in promoting and recognizing excellence in financial reporting," according to ASBO International Executive Director Jim Rowan, CAE, SFO. "Communicating the financial and economic state of a district is so important when engaging with the school community and building their trust. Districts that receive the COE Award have demonstrated their ability to do that at the highest level."

By participating in the COE program, school districts demonstrate their commitment to financial transparency. Applicants submit their ACFR for review by a team of financial professionals who provide feedback to improve future documents. If the report meets the requirements of the program, it may receive the Certificate of Excellence. A district's participation in the COE program can facilitate bond rating and continuing bond disclosure processes.



## Ratings Update

**Moody's Ratings assigns Aaa underlying & Aa1 enhanced ratings to Edina ISD 273, MN's 2024 bonds**

The Aaa issuer rating reflects the district's growing local economy in the Twin Cities metro area with a very strong full value per capita of more than \$300,000 and resident incomes exceeding 200% of the US. Enrollment is positive post-pandemic and will remain strong given the district's strong competitive position. The reserve position, while below peers at just 15% of revenues, is very stable and management is proactive in balancing revenues and expenditures. Fiscal 2025 is expected to be positive and fund balance will grow. The leverage is above-average but manageable.

# Preliminary Budget Executive Summary

## Authors

Dr. Daniel Bittman – Interim Superintendent

Mert Woodard – Director, Finance & Operations

## Governmental Fund Structure

To understand this document and the District's budget, it is helpful to know that there are several legal restrictions on how school districts must spend and account for the public funds that they receive. Per Generally Accepted Accounting Principles of the United States (GAAP), local government organizations are required to use fund accounting. Edina Public Schools separates its revenue and expenditure budgets into five major areas:

### ▪ General Fund

Used to account for the general operations of the District. This fund includes the salaries and benefits of teachers, principals, custodians, bus drivers, administrative support staff, paraprofessionals, and administrators; costs of supplies, textbooks, contracted services, utilities, repairs, equipment, etc. This fund is also used for long-term facilities maintenance (LTFM) projects of less than \$2,000,000 per site and for the capital projects (technology) levy. Any revenue or expenditure that cannot otherwise be accounted for in a different fund is recorded in the General Fund.

### ▪ Food Service Fund

Used to account for all revenues and expenditures related to operating the District's child nutrition programs, including food, salaries, benefits, supplies, and equipment. Food Service revenues come primarily from state and federal reimbursements. The District receives additional revenue via the sale of à la carte meals to students and adults.

### ▪ Community Services Fund

Used to account for revenues and expenditures related to such as Early Childhood Family Education, Adult Basic Education, Kids Club (school-age care), youth enrichment classes, and other community education programs. Community Service revenues primarily come from fees charged for program participation and property tax revenue dedicated to the Community Service Fund.

### ▪ Building Construction Fund

Used to account for major facility projects. Proceeds from the sale of bonds authorized in an election, against lease levy authority, or for LTFM projects are placed in this fund. This fund is also used for LTFM projects exceeding \$2,000,000 per site.

### ▪ Debt Service Fund

Used to accumulate and account for resources that fund principal and interest payments on bonds sold to finance construction. These are similar to a homeowner's payments on a mortgage.

It is important to understand the fund structure because, with very few exceptions, money cannot be transferred from one fund to another. For example, raising a la carte prices or Kids Club tuition is not a solution to a shortfall in the General Fund. Similarly, the resources of the Debt Service Fund or the Building Construction Fund cannot be used to pay paraprofessional salaries. Additionally, there are additional intra-fund restrictions embedded in state statute. For example, the capital projects levy cannot be used to pay for instructional salaries or special education services.

# Preliminary Budget Executive Summary

## Expenditures By Program

- **Administration**  
Includes all costs for general administration, instructional administration and school site administration. This area also covers the school board, superintendent, principals, and directors.
- **District Support Services**  
Consists of activities related to general administrative support not listed in the administration category. This area covers federal programs, human resources, business and finance, government relations, school elections, and miscellaneous district administration not otherwise classified.
- **Elementary and Secondary Regular Instruction**  
Elementary and secondary regular instruction consists of all activities dealing directly with the instruction of students, the interaction between instructional staff and students in the classroom and co-curricular activities at the kindergarten, elementary and secondary levels.
- **Vocational Instruction**  
Courses and activities which develop knowledge, skills, attitudes, and behavioral characteristics for students seeking career exploration and employability.
- **Special Education Instruction**  
Activities providing learning experiences for students of any age who, because of certain characteristics or conditions, need, or who would benefit by, educational programs differentiated from those provided to students in regular or vocational instruction.
- **Instructional Support Services**  
Activities for assisting instructional staff with curriculum development, curriculum implementation, and the process of providing learning experiences for pupils in kindergarten through twelfth grade.
- **Pupil Support Services**  
Includes services provided to students that do not qualify to be classified as instructional services (counseling and guidance, health, psychological, social work, transportation, etc.).
- **Sites and Buildings**  
Activities related to the acquisition, operation, maintenance, repair and remodeling of all physical plant, facilities, and grounds of the District.
- **Fiscal and Other Fixed Costs**  
Fiscal and fixed cost activities that are not recorded elsewhere.

## Expenditures By Object

The school district budget consists of the following types of expenditures:

- **Salaries**  
Salaries related to personnel positions, extra-curricular assignments, overtime, substitute staff costs, and severance payments.
- **Benefits**  
Medical, dental, life, long-term disability, workers' compensation, state pension contributions, deferred compensation contributions, and post-retirement benefits for eligible persons.
- **Purchased Services**  
Includes consultants, postage, insurance, repair and maintenance services, utilities, student transportation contracts, travel/conferences, payments to other districts, and tuition.
- **Supplies and Materials**  
Textbooks, instructional supplies, office and custodial supplies, computer software, and related copier costs. Includes fuel for buildings.
- **Capital**  
Building construction, equipment, facility repair and maintenance, vehicles, technology equipment, and other items with a useful life of more than one year.
- **Debt Service**  
Principal and interest payments for bonded debt.
- **Other Expenditures**  
All other expenditures not classified in other categories.

# Preliminary Budget Executive Summary

|                                     | Preliminary Budget Fiscal Year 2026 |                          |                              |
|-------------------------------------|-------------------------------------|--------------------------|------------------------------|
|                                     | FY2024<br>Audited Results           | FY2025<br>Revised Budget | FY2026<br>Preliminary Budget |
| <b>Revenues:</b>                    |                                     |                          |                              |
| General Fund                        | \$ 160,909,167                      | \$ 164,895,014           | \$ 167,614,828               |
| Food Service                        | 4,935,862                           | 5,100,214                | 5,265,078                    |
| Community Service                   | 12,302,679                          | 13,296,079               | 13,772,932                   |
| Debt Service                        | 14,442,888                          | 115,011,011              | 18,113,179                   |
| Internal Service                    | 916,164                             | 910,000                  | 910,000                      |
| <b>Total Excluding Construction</b> | <b>193,506,760</b>                  | <b>299,212,318</b>       | <b>205,676,017</b>           |
| Building Construction               | 5,107,604                           | 14,722,786               | 2,536,805                    |
| <b>Total Revenue</b>                | <b>\$ 198,614,364</b>               | <b>\$ 313,935,104</b>    | <b>\$ 208,212,822</b>        |
| <b>Expenditures:</b>                |                                     |                          |                              |
| General Fund                        | 154,891,232                         | 161,351,016              | 165,031,168                  |
| Food Service                        | 4,049,458                           | 4,871,973                | 5,058,082                    |
| Community Service                   | 11,738,030                          | 13,095,398               | 13,299,050                   |
| Debt Service                        | 14,619,573                          | 114,697,405              | 17,636,304                   |
| Internal Service                    | 933,558                             | 910,000                  | 910,000                      |
| <b>Total Excluding Construction</b> | <b>186,231,851</b>                  | <b>294,925,792</b>       | <b>201,934,604</b>           |
| Building Construction               | 18,139,834                          | 9,594,142                | 8,208,672                    |
| <b>Total Expenditures</b>           | <b>\$ 204,371,685</b>               | <b>\$ 304,519,934</b>    | <b>\$ 210,143,276</b>        |

For presentation purposes, throughout this document other financing sources are depicted as revenues and other financing uses as expenditures

## Budget Overview

The annual budget presented includes an analysis of the actual financial results of the District at June 30, 2024, and the anticipated positions at June 30, 2025 and June 30, 2026. Also included in the appendices is an updated, five-year financial forecast through June 30, 2030.

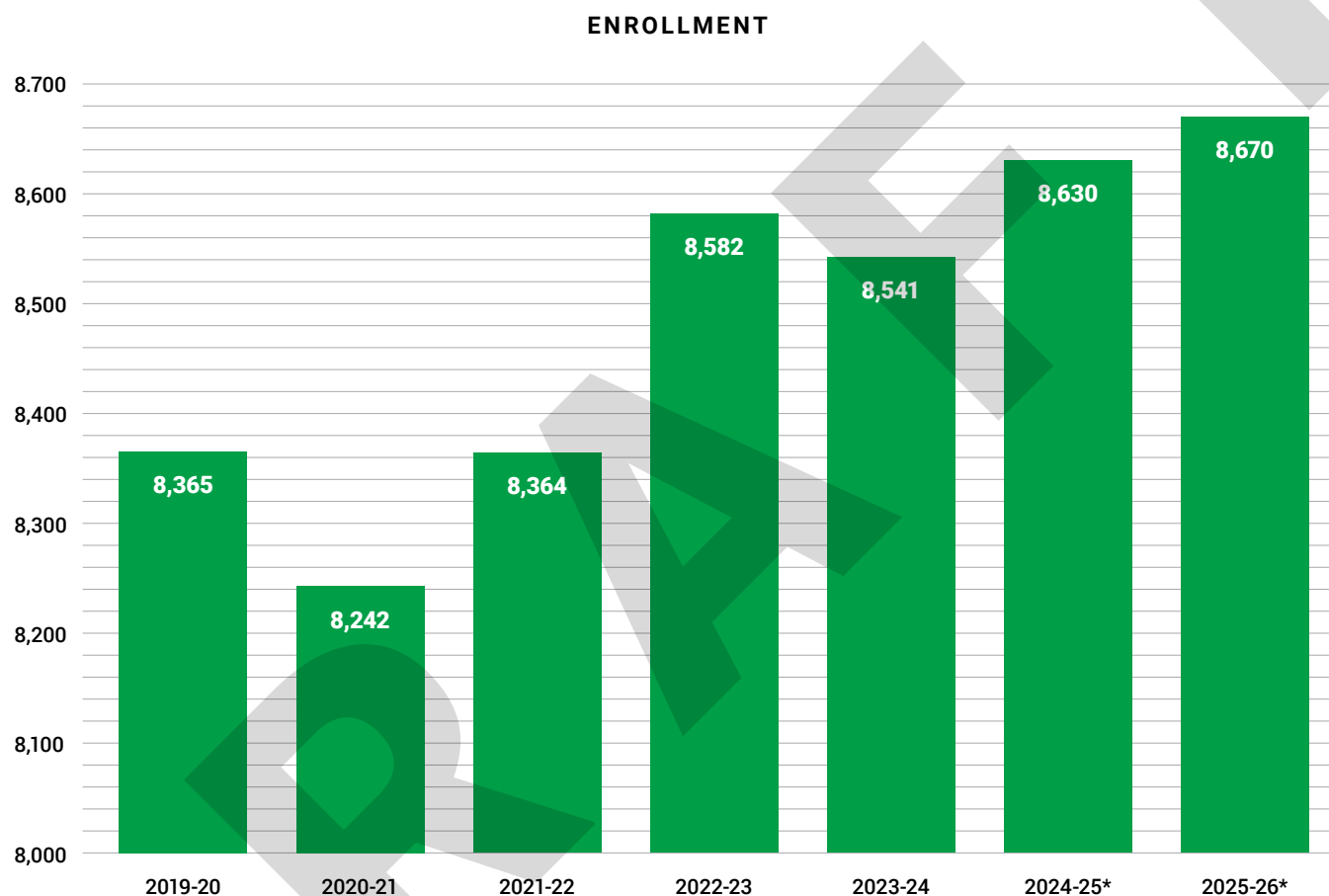
The budget was prepared in accordance with GAAP, the Uniform Financial Accounting and Reporting Standards (UFARS) for Minnesota school districts, and District Policy 701. The budget includes all governmental and proprietary funds operated by the District. Each fund is treated as an independent accounting entity in accordance with statutory requirements and state and federal regulations governing the District's various revenue sources and expenditure purposes.

Minnesota Education Laws 2023 and information from the in-progress Legislative Session of 2025 were used as the basis for building the fiscal year (FY) 2026 budget which assumes \$7,481 of state basic education revenue per pupil unit (an increase of 2.74% or \$200 per pupil unit from FY2025), education cross-subsidy aid of 44.0%, and operating referendum revenue of \$2,261 per pupil (an increase of 2.58% or \$57 per pupil unit from FY2025). The District will also experience a 8.36% increase to the capital projects levy, directly proportional to the increase of the net tax capacity of the District from 2022 to 2023.

A school district's budget can be one of the most meaningful and useful documents in public school administration. It depicts the priorities of the School Board, administration, staff, and community. The District's preliminary budget for fiscal year 2026 is shown above.

### Enrollment History & Projections

During the 2020-21 school year the District, like many throughout the state and country, experienced a one-time enrollment loss due to the COVID-19 pandemic. Due to demand for District's programming, enrollment stabilized and grew beyond pre-pandemic levels during FY2023 and FY2024. The District anticipates modest growth for FY2026 to 8,670.



\*The enrollment figures for the 2024-25 and 2025-26 school years are estimates. The enrollment figures for the other years that are presented represent actual student enrollment (average daily membership).



# Preliminary Budget Executive Summary

|                            | Preliminary Budget Fiscal Year 2026 |             |                |             |                    |
|----------------------------|-------------------------------------|-------------|----------------|-------------|--------------------|
|                            | FY2024                              |             | FY2025         |             | FY2026             |
|                            | Audited Results                     |             | Revised Budget |             | Preliminary Budget |
| Revenues:                  |                                     |             |                |             |                    |
| Local Property Taxes       | \$                                  | 53,561,813  | \$             | 56,342,166  | \$ 56,503,097      |
| Investment Earnings        |                                     | 2,217,384   |                | 1,494,970   | 1,656,495          |
| Other Local Revenue        |                                     | 5,111,698   |                | 2,400,455   | 3,323,235          |
| State Sources              |                                     | 97,586,832  |                | 101,061,195 | 103,833,904        |
| Federal Sources            |                                     | 2,413,802   |                | 2,084,618   | 2,298,097          |
| Other Financing Sources    |                                     | 17,638      |                | 1,511,610   | -                  |
| Total Revenue              |                                     | 160,909,167 |                | 164,895,014 | 167,614,828        |
| Expenditures:              |                                     |             |                |             |                    |
| Salaries and Benefits      |                                     | 119,803,421 |                | 124,522,806 | 129,980,491        |
| Purchased Services         |                                     | 12,943,623  |                | 11,755,013  | 11,284,313         |
| Supplies and Materials     |                                     | 4,473,488   |                | 5,166,968   | 5,277,198          |
| Capital                    |                                     | 12,323,746  |                | 11,730,970  | 15,382,731         |
| Other                      |                                     | 572,405     |                | 570,384     | 569,630            |
| Other Financing Uses       |                                     | 4,774,549   |                | 7,604,875   | 2,536,805          |
| Total Expenditures         | \$                                  | 154,891,232 | \$             | 161,351,016 | \$ 165,031,168     |
| Fund Balances:             |                                     |             |                |             |                    |
| Net Change in Fund Balance |                                     | 6,017,935   |                | 3,543,998   | 2,583,660          |
| Beginning of Year          |                                     | 20,591,585  |                | 26,609,520  | 30,153,518         |
| End of Year                |                                     | 26,609,520  |                | 30,153,518  | 32,737,178         |

## General Fund

The General Fund contains all revenue and expenditures for the general, day-to-day operations of the school district. This includes salaries and benefits for teachers, administrators, bus drivers, custodians, administrative support staff, and paraprofessionals; instructional supplies, technology, transportation, textbooks, and money spent to operate and repair District buildings. In some ways, it is clearer to express the General Fund in terms of what it does not cover. The General Fund does not account for Food Service, Community Service programs, debt service payments on voter-approved bonds issued by the District, and the cost of major construction projects financed through the issuance of bonds.

The General Fund includes expenditures associated with the capital projects levy or "tech levy", which funds virtually all of the technology infrastructure and staff in the District, the annual levy for LTFM projects less than \$2,000,000 per site. Projects over \$2,000,000 are accounted for in the Building Construction Fund. It is important to note that LTFM expenditures can fluctuate considerably from year to year and can impact the overall view of the District's funding picture.

## Fund Balance Policy

The level of spending is set with several considerations in mind, but one of the primary considerations is to maintain an adequate level of reserves for unanticipated events. The District has a formal policy calling for an unassigned fund balance in the General Fund equal to at least 6.0% to 10.0% of total unassigned expenditures. This balance could be considered to be the District's insurance policy against the unforeseen. Maintaining an adequate fund balance is important for the stability of the District, and is a key measure that credit rating agencies examine when assigning a credit rating to a District, which can have a material impact to resident taxpayers. The projected unassigned General Fund balance as of June 30, 2026 is \$11,807,406. This is 8.9% of the unassigned expenditure budget, or about two weeks of operations. Board policy dictates an additional committed fund balance of 2.0% of unassigned expenditures. Unanticipated events that could occur that would require the District to dip into its unassigned fund balance include:

- Property tax delinquencies and abatements
- Enrollment fluctuations
- Unanticipated price increases for essential purchases including fuel, utilities, property and liability insurance, software licenses fees, etc.
- State revenue reductions or "pro-rations"
- Unforeseen public/health safety emergencies or severe weather/natural disasters
- Elevated wage inflation
- Underfunded government mandates

# Preliminary Budget Executive Summary

| Preliminary Budget Fiscal Year 2026 |                           |                          |                              |
|-------------------------------------|---------------------------|--------------------------|------------------------------|
|                                     | FY2024<br>Audited Results | FY2025<br>Revised Budget | FY2026<br>Preliminary Budget |
| <b>Revenues:</b>                    |                           |                          |                              |
| Lunch Sales                         | \$ 800,504                | \$ 897,720               | \$ 855,696                   |
| Federal Sources                     | 1,634,692                 | 1,777,001                | 1,477,038                    |
| State Sources                       | 2,435,453                 | 2,351,543                | 2,862,344                    |
| Other                               | 65,213                    | 73,950                   | 70,000                       |
| <b>Total Revenue</b>                | <b>4,935,862</b>          | <b>5,100,214</b>         | <b>5,265,078</b>             |
| <b>Expenditures:</b>                |                           |                          |                              |
| Salaries and Benefits               | -                         | -                        | -                            |
| Purchased Services                  | 3,363,398                 | 4,421,973                | 4,608,082                    |
| Supplies and Materials              | 636,157                   | 350,000                  | 350,000                      |
| Other Expenditures                  | 8,575                     | -                        | -                            |
| Capital Outlay                      | 41,328                    | 100,000                  | 100,000                      |
| <b>Total Expenditures</b>           | <b>\$ 4,049,458</b>       | <b>\$ 4,871,973</b>      | <b>\$ 5,058,082</b>          |
| <b>Fund Balances:</b>               |                           |                          |                              |
| Net Change in Fund Balance          | 886,404                   | 228,241                  | 206,996                      |
| Beginning of Year                   | 1,166,019                 | 2,052,423                | 2,280,664                    |
| End of Year                         | 2,052,423                 | 2,280,664                | 2,487,660                    |

## Food Service Fund

The District's food service operation, managed by a food service management firm, provides meals and nutrition services that fully comply with regulations set forth by the United States Department of Agriculture. All revenues and expenditures associated with the program must be accounted for in this separate fund. By law, revenues generated by the program can only be used to provide meals and to pay for certain closely related expenditures.

During the 2023 legislative session a bill to provide free meals to all students attending public schools was enacted, effective July 1, 2023. All students of the District will receive one free breakfast and one free lunch each school day. This program is anticipated to continue in FY2026.

# Preliminary Budget Executive Summary

|                            | Preliminary Budget Fiscal Year 2026 |                          |                              |
|----------------------------|-------------------------------------|--------------------------|------------------------------|
|                            | FY2024<br>Audited Results           | FY2025<br>Revised Budget | FY2026<br>Preliminary Budget |
| <b>Revenues:</b>           |                                     |                          |                              |
| Local Property Taxes       | \$ 1,236,358                        | \$ 1,397,326             | \$ 1,534,104                 |
| Tuition and Fees           | 10,138,135                          | 11,069,810               | 11,416,350                   |
| Other Local Revenues       | 155,903                             | 38,900                   | 50,000                       |
| State Sources              | 772,283                             | 789,963                  | 772,478                      |
| <b>Total Revenue</b>       | <b>12,302,679</b>                   | <b>13,296,079</b>        | <b>13,772,932</b>            |
| <b>Expenditures:</b>       |                                     |                          |                              |
| Salaries and Benefits      | 8,506,609                           | 9,520,765                | 9,674,724                    |
| Purchased Services         | 2,288,746                           | 2,684,995                | 2,672,487                    |
| Supplies and Materials     | 571,194                             | 645,838                  | 699,439                      |
| Other Expenditures         | 150,898                             | 40,300                   | 40,400                       |
| Capital Outlay             | 220,583                             | 203,500                  | 212,000                      |
| <b>Total Expenditures</b>  | <b>\$ 11,738,030</b>                | <b>\$ 13,095,398</b>     | <b>\$ 13,299,050</b>         |
| <b>Fund Balances:</b>      |                                     |                          |                              |
| Net Change in Fund Balance | 564,649                             | 200,681                  | 473,882                      |
| Beginning of Year          | 1,710,124                           | 2,274,773                | 2,475,454                    |
| End of Year                | 2,274,773                           | 2,475,454                | 2,949,336                    |

## Community Services Fund

Community service programs exist to help our E-12 students and families thrive and be successful in school and life. The District's Community Ed department designs, operates and participates in hundreds of important programs year-round that make life and learning better for all people who live, work and attend school in the District. Programs include Kid's Club childcare, facility rentals, youth camps and classes, adult classes, adult basic education, and volunteering. Community Ed also operates the Edina Early Learning School which offers early childhood family education, full-and part-day preschool, early childhood screening, intervention and outreach for our community's youngest learners.

# Preliminary Budget Executive Summary

|                                   | Preliminary Budget Fiscal Year 2026 |                          |                              |
|-----------------------------------|-------------------------------------|--------------------------|------------------------------|
|                                   | FY2024<br>Audited Results           | FY2025<br>Revised Budget | FY2026<br>Preliminary Budget |
| <b>Revenues:</b>                  |                                     |                          |                              |
| Investment Earnings               | \$ 333,055                          | \$ 489,362               | \$ 300,000                   |
| Debt Issued                       | -                                   | 6,628,549                | -                            |
| Transfers In                      | 4,774,549                           | 7,604,875                | 2,536,805                    |
| <b>Total Revenue</b>              | <b>\$ 5,107,604</b>                 | <b>\$ 14,722,786</b>     | <b>\$ 2,836,805</b>          |
| <b>Expenditures:</b>              |                                     |                          |                              |
| Salaries and Benefits             | 4,146                               | -                        | -                            |
| Purchased Services                | 678,974                             | 33,883                   | -                            |
| Capital Outlay                    | 17,252,264                          | 9,560,259                | 8,208,672                    |
| Interest and Fiscal Charges       | 204,450                             | -                        | -                            |
| <b>Total Expenditures</b>         | <b>\$ 18,139,834</b>                | <b>\$ 9,594,142</b>      | <b>\$ 8,208,672</b>          |
| <b>Fund Balances:</b>             |                                     |                          |                              |
| <i>Net Change in Fund Balance</i> | <i>(13,032,230)</i>                 | <i>5,128,644</i>         | <i>(5,371,867)</i>           |
| <i>Beginning of Year</i>          | <i>16,312,313</i>                   | <i>3,280,083</i>         | <i>8,408,727</i>             |
| <i>End of Year</i>                | <i>3,280,083</i>                    | <i>8,408,727</i>         | <i>3,036,860</i>             |

## Building Construction Fund

The Building Construction Fund is used for two purposes:

- to account for construction project expenditures financed with bond or bond-like proceeds
- to account for the expenditures of LTFM projects that are greater than \$2,000,000 per site

There can be no borrowing from the Building Construction Fund; any cash or investment balance in the fund must be used for authorized construction or LTFM projects.

Expenditures relating to projects financed by bonds issued in prior years are reflected in the reduction of fund balance over time as projects progress to completion.

During the FY2023 the District issued certificates of participation in the aggregate par amount of \$14,200,000 to finance the addition to Countryside Elementary, which will host the District's Spanish dual-language program. The project was substantially completed during FY2024.



# Preliminary Budget Executive Summary

|                            | Preliminary Budget Fiscal Year 2026 |                          |                              |
|----------------------------|-------------------------------------|--------------------------|------------------------------|
|                            | FY2024<br>Audited Results           | FY2025<br>Revised Budget | FY2026<br>Preliminary Budget |
| <b>Revenues:</b>           |                                     |                          |                              |
| Local Property Taxes       | \$ 14,327,938                       | \$ 14,677,524            | \$ 17,909,166                |
| Investment Earnings        | 114,950                             | 179,613                  | 204,013                      |
| Debt Issued                | -                                   | 100,153,874              | -                            |
| <b>Total Revenue</b>       | <b>14,442,888</b>                   | <b>115,011,011</b>       | <b>18,113,179</b>            |
| <b>Expenditures:</b>       |                                     |                          |                              |
| Principal                  | 7,625,000                           | 7,797,906                | 10,020,000                   |
| Interest                   | 6,982,785                           | 6,631,771                | 7,599,504                    |
| Fiscal Charges and Other   | 11,788                              | 742,728                  | 16,800                       |
| Other Financing Uses       | -                                   | 99,525,000               | -                            |
| <b>Total Expenditures</b>  | <b>\$ 14,619,573</b>                | <b>\$ 114,697,405</b>    | <b>\$ 17,636,304</b>         |
| <b>Fund Balances:</b>      |                                     |                          |                              |
| Net Change in Fund Balance | (176,685)                           | 313,606                  | 476,875                      |
| Beginning of Year          | 3,453,905                           | 3,277,220                | 3,590,826                    |
| End of Year                | 3,277,220                           | 3,590,826                | 4,067,701                    |

## Debt Service Fund

Debt Service Fund - The Debt Service Fund exists to account for revenues and expenditures associated with repayment of the District's bonded indebtedness. The District issues bonds primarily for the purposes of financing the acquisition, construction, betterment and equipping of the District's buildings. Also, the District occasionally issues bonds to refund or refinance existing debt at more favorable interest rates. By state law, revenues and expenditures for debt service must be maintained in a separate fund. Borrowing from the Debt Service Fund is not allowed; all resources held by the fund are held exclusively for the purposes of debt repayment and related activities.

In October of 2024 the District issued the General Obligation Facilities Maintenance, Capital Notes, and Alternative Facilities and School Building Refunding Bonds, Series 2024A, in part with the intention of refunding outstanding general obligation bonds from 2014 and 2015. The refunding was a massive success, saving taxpayers of the District \$8,004,830, beginning with taxes payable in 2026 and ending with taxes payable in 2036.

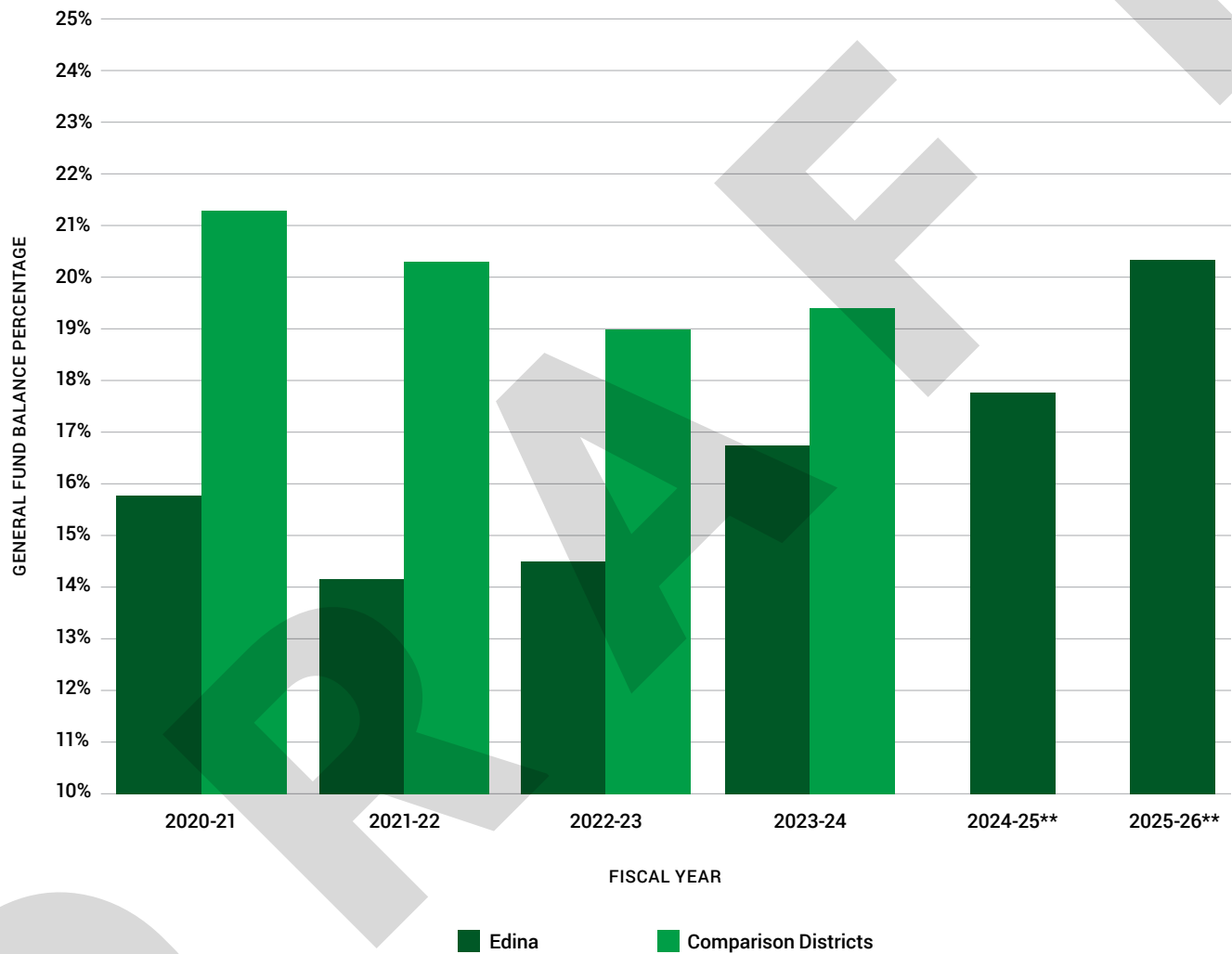
The District's underlying credit rating by Moody's Ratings®, most recently affirmed in **October 2024**, is Aaa - the highest rating possible. The District is one of only three school districts in the State of Minnesota and one of approximately 90 across the United States to hold the coveted rating.

# Preliminary Budget Executive Summary

## Fund Balance Report

|  | Fiscal Year 2024     |                         |                             |                                   | Fiscal Year 2025     |                       |                          |                                | Fiscal Year 2026                 |  |  |  |
|--|----------------------|-------------------------|-----------------------------|-----------------------------------|----------------------|-----------------------|--------------------------|--------------------------------|----------------------------------|--|--|--|
|  | Ending Fund Balances | Final Budgeted Revenues | Final Budgeted Expenditures | Final Budgeted Transfers In/(Out) | Ending Fund Balances | Preliminary Revenues  | Preliminary Expenditures | Preliminary Transfers In/(Out) | Preliminary Ending Fund Balances |  |  |  |
| <b>General Fund:</b>   |                      |                         |                             |                                   |                      |                       |                          |                                |                                  |  |  |  |
| Nonspendable - Inventory   | \$ 23,064            | \$ -                    | \$ -                        | \$ -                              | \$ 23,064            | \$ -                  | \$ -                     | \$ -                           | \$ 23,064                        |  |  |  |
| Nonspendable - Prepaid Items   | 6,559                | -                       | -                           | -                                 | 6,559                | -                     | -                        | -                              | 6,559                            |  |  |  |
| <b>Total Nonspendable</b>  | <b>29,623</b>        | <b>-</b>                | <b>-</b>                    | <b>-</b>                          | <b>29,623</b>        | <b>-</b>              | <b>-</b>                 | <b>-</b>                       | <b>29,623</b>                    |  |  |  |
| Restricted - Achievement & Integration                                   | -                    | 1,401,456               | 1,401,456                   | -                                 | -                    | 1,395,430             | 1,455,355                | 59,925                         | -                                |  |  |  |
| Restricted - Alternative Program   | -                    | -                       | 455,764                     | 455,764                           | -                    | -                     | 430,506                  | 430,506                        | -                                |  |  |  |
| Restricted - Area Learning Center  | -                    | -                       | -                           | -                                 | -                    | -                     | 442,261                  | 442,261                        | -                                |  |  |  |
| Restricted - Alternative Teacher Compensation                            | -                    | 2,217,301               | 2,223,853                   | 6,552                             | -                    | 2,215,732             | 2,223,024                | 7,292                          | -                                |  |  |  |
| Restricted - American Indian Education Aid                               | 37,243               | 69,000                  | 66,961                      | -                                 | 39,282               | 77,500                | 77,500                   | -                              | 39,282                           |  |  |  |
| Restricted - Basic Skills  | -                    | 1,545,049               | 1,545,049                   | -                                 | -                    | 1,360,577             | 1,360,577                | -                              | -                                |  |  |  |
| Restricted - Capital Projects Levy                                       | 67,931               | 8,476,346               | 8,445,410                   | -                                 | 98,867               | 9,184,594             | 9,275,273                | -                              | 8,188                            |  |  |  |
| Restricted - English Learner   | -                    | 551,505                 | 798,153                     | 246,648                           | -                    | 568,865               | 1,553,612                | 984,747                        | -                                |  |  |  |
| Restricted - Gifted & Talented   | -                    | 123,555                 | 1,163,920                   | 1,040,365                         | -                    | 123,339               | 1,243,992                | 1,120,653                      | -                                |  |  |  |
| Restricted - Learning & Development                                      | -                    | 1,939,167               | 1,939,167                   | -                                 | -                    | 1,974,313             | 1,974,313                | -                              | -                                |  |  |  |
| Restricted - Literary Aid  | -                    | 343,843                 | 343,843                     | -                                 | -                    | -                     | -                        | -                              | -                                |  |  |  |
| Restricted - Literacy Incentive Aid                                      | -                    | 512,283                 | 543,841                     | 31,558                            | -                    | 178,596               | 552,148                  | 373,552                        | -                                |  |  |  |
| Restricted - Long-Term Facilities Maintenance                            | -                    | 11,331,524              | 3,726,649                   | (7,604,875)                       | -                    | 10,149,974            | 7,613,169                | (2,536,805)                    | -                                |  |  |  |
| Restricted - Medical Assistance  | 318,462              | -                       | 51,500                      | -                                 | 266,962              | 300,000               | 112,467                  | -                              | 454,495                          |  |  |  |
| Restricted - Operating Capital   | 5,207,729            | 5,854,011               | 4,132,283                   | -                                 | 6,929,457            | 4,044,323             | 3,554,772                | -                              | 7,419,008                        |  |  |  |
| Restricted - Safe Schools  | -                    | 480,576                 | 982,568                     | 501,992                           | -                    | 491,247               | 913,970                  | 422,723                        | -                                |  |  |  |
| Restricted - School Library Aid  | -                    | 152,240                 | 152,240                     | -                                 | -                    | 152,842               | 152,842                  | -                              | -                                |  |  |  |
| Restricted - Staff Development   | 582,764              | 1,383,895               | 1,966,659                   | -                                 | -                    | 1,419,385             | 1,150,850                | -                              | 268,535                          |  |  |  |
| Restricted - Student Activities  | 34,583               | -                       | -                           | -                                 | 34,583               | -                     | -                        | -                              | 34,583                           |  |  |  |
| Restricted - Student Support Personnel Aid                               | -                    | 161,397                 | 161,397                     | -                                 | -                    | 502,320               | 451,453                  | -                              | 50,867                           |  |  |  |
| Restricted - Teacher Compensation READ Act Aid                           | -                    | 310,441                 | 310,441                     | -                                 | -                    | -                     | -                        | -                              | -                                |  |  |  |
| <b>Total Restricted</b>  | <b>6,248,712</b>     | <b>36,853,589</b>       | <b>30,411,154</b>           | <b>(5,321,996)</b>                | <b>7,369,151</b>     | <b>34,139,037</b>     | <b>34,538,084</b>        | <b>1,304,854</b>               | <b>8,274,958</b>                 |  |  |  |
| Committed Fund Balance   | 2,484,388            | -                       | -                           | -                                 | 2,484,388            | -                     | -                        | 62,744                         | 2,547,132                        |  |  |  |
| Assigned - Department/Site Carryover                                     | 1,872,667            | 493,475                 | 500,075                     | -                                 | 1,866,067            | 603,700               | 599,676                  | -                              | 1,870,091                        |  |  |  |
| Assigned - OPEB & Severance  | 4,983,033            | -                       | -                           | 250,000                           | 5,233,033            | -                     | -                        | 250,000                        | 5,483,033                        |  |  |  |
| Assigned - Literacy  | 863,824              | -                       | -                           | -                                 | 863,824              | -                     | -                        | -                              | 863,824                          |  |  |  |
| Assigned - Paid Family Medical Leave                                     | 600,000              | -                       | -                           | 150,000                           | 750,000              | -                     | -                        | 300,000                        | 1,050,000                        |  |  |  |
| Assigned - Unemployment Insurance  | 325,000              | -                       | -                           | 75,000                            | 400,000              | -                     | -                        | 300,000                        | 700,000                          |  |  |  |
| <b>Total Assigned</b>  | <b>8,644,524</b>     | <b>493,475</b>          | <b>500,075</b>              | <b>475,000</b>                    | <b>9,112,924</b>     | <b>603,700</b>        | <b>599,676</b>           | <b>850,000</b>                 | <b>9,966,948</b>                 |  |  |  |
| Unassigned Fund Balance  | 9,202,273            | 127,547,950             | 122,834,912                 | (2,757,879)                       | 11,157,432           | 132,872,091           | 127,356,603              | (4,754,403)                    | 11,918,517                       |  |  |  |
| <b>Total General Fund</b>  | <b>\$ 26,609,520</b> | <b>\$ 164,895,014</b>   | <b>\$ 153,746,141</b>       | <b>(7,604,875)</b>                | <b>\$ 30,153,518</b> | <b>\$ 167,614,828</b> | <b>\$ 162,494,363</b>    | <b>(2,536,805)</b>             | <b>\$ 32,737,178</b>             |  |  |  |
| <b>Food Service Fund:</b>  |                      |                         |                             |                                   |                      |                       |                          |                                |                                  |  |  |  |
| Nonspendable - Inventory   | 113,966              | -                       | -                           | -                                 | 113,966              | -                     | -                        | -                              | 113,966                          |  |  |  |
| Restricted - Food Service  | 1,938,457            | 5,100,214               | 4,871,973                   | -                                 | 2,166,698            | 5,265,078             | 5,058,082                | -                              | 2,373,694                        |  |  |  |
| <b>Total Food Service Fund</b>   | <b>2,052,423</b>     | <b>5,100,214</b>        | <b>4,871,973</b>            | <b>-</b>                          | <b>2,280,664</b>     | <b>5,265,078</b>      | <b>5,058,082</b>         | <b>-</b>                       | <b>2,487,660</b>                 |  |  |  |
| <b>Community Service Fund:</b>   |                      |                         |                             |                                   |                      |                       |                          |                                |                                  |  |  |  |
| Restricted - Community Education   | 1,736,480            | 12,052,968              | 11,955,654                  | -                                 | 1,833,794            | 12,505,804            | 12,086,317               | -                              | 2,253,281                        |  |  |  |
| Restricted - Early Childhood Family Education                            | 300,629              | 666,091                 | 666,948                     | -                                 | 299,772              | 747,979               | 728,591                  | -                              | 319,160                          |  |  |  |
| Restricted - School Readiness  | 93,538               | 263,041                 | 262,053                     | -                                 | 94,526               | 265,507               | 265,255                  | -                              | 94,778                           |  |  |  |
| Restricted - Community Service   | 144,126              | 313,979                 | 210,743                     | -                                 | 247,362              | 253,642               | 218,087                  | -                              | 282,117                          |  |  |  |
| <b>Total Community Service Fund</b>                                      | <b>2,274,773</b>     | <b>13,296,079</b>       | <b>13,095,398</b>           | <b>-</b>                          | <b>2,475,454</b>     | <b>13,772,932</b>     | <b>13,299,050</b>        | <b>-</b>                       | <b>2,949,336</b>                 |  |  |  |
| <b>Building Construction Fund:</b>                                       |                      |                         |                             |                                   |                      |                       |                          |                                |                                  |  |  |  |
| Restricted - Building Construction                                       | 932,285              | -                       | -                           | -                                 | 932,285              | -                     | -                        | -                              | 932,285                          |  |  |  |
| Restricted - Long-Term Facilities Maintenance                            | 2,347,798            | 7,117,911               | 9,594,142                   | 7,604,875                         | 7,476,442            | 300,000               | 8,208,672                | 2,536,805                      | 2,104,575                        |  |  |  |
| Restricted - Building Projects Funded by COPs                            | -                    | -                       | -                           | -                                 | -                    | -                     | -                        | -                              | -                                |  |  |  |
| <b>Total Building Construction Fund</b>                                  | <b>3,280,083</b>     | <b>7,117,911</b>        | <b>9,594,142</b>            | <b>7,604,875</b>                  | <b>8,408,727</b>     | <b>300,000</b>        | <b>8,208,672</b>         | <b>2,536,805</b>               | <b>3,036,860</b>                 |  |  |  |
| <b>Debt Service Fund:</b>  |                      |                         |                             |                                   |                      |                       |                          |                                |                                  |  |  |  |
| Restricted - Debt Service  | 3,277,220            | 115,011,011             | 114,697,405                 | -                                 | 3,590,826            | 18,113,179            | 17,636,304               | -                              | 4,067,701                        |  |  |  |
| <b>Total Debt Service Fund</b>   | <b>3,277,220</b>     | <b>115,011,011</b>      | <b>114,697,405</b>          | <b>-</b>                          | <b>3,590,826</b>     | <b>18,113,179</b>     | <b>17,636,304</b>        | <b>-</b>                       | <b>4,067,701</b>                 |  |  |  |
| <b>Internal Service Fund:</b>  |                      |                         |                             |                                   |                      |                       |                          |                                |                                  |  |  |  |
| Internal Service Fund  | 468,007              | 910,000                 | 910,000                     | -                                 | 468,007              | 910,000               | 910,000                  | -                              | 468,007                          |  |  |  |
| <b>Total Internal Service Fund</b>                                       | <b>468,007</b>       | <b>910,000</b>          | <b>910,000</b>              | <b>-</b>                          | <b>468,007</b>       | <b>910,000</b>        | <b>910,000</b>           | <b>-</b>                       | <b>468,007</b>                   |  |  |  |
| <b>Total Governmental Funds</b>  | <b>\$ 37,962,026</b> | <b>\$ 306,330,229</b>   | <b>\$ 296,915,059</b>       | <b>\$ -</b>                       | <b>\$ 47,377,196</b> | <b>\$ 205,976,017</b> | <b>\$ 207,606,471</b>    | <b>\$ -</b>                    | <b>\$ 45,746,742</b>             |  |  |  |
| <b>Fund Balance Calculation</b>  | <b>FY2024</b>        | <b>FY2025</b>           | <b>FY2026</b>               |                                   |                      |                       |                          |                                |                                  |  |  |  |
| Statutory Operating Debt Calculation (SOD):                              | 16.75%               | 18.55%                  | 19.21%                      |                                   |                      |                       |                          |                                |                                  |  |  |  |
| Unassigned Fund Balance Percentage:                                      | 7.40%                | 9.08%                   | 8.87%                       |                                   |                      |                       |                          |                                |                                  |  |  |  |
| Committed Fund Balance Percentage:                                       | 2.00%                | 2.00%                   | 2.00%                       |                                   |                      |                       |                          |                                |                                  |  |  |  |
| Comparable school district average SOD calculation for fiscal year 2024: | 18.26%               |                         |                             |                                   |                      |                       |                          |                                |                                  |  |  |  |

## GENERAL FUND BALANCE HISTORY AND COMPARISONS



\* The fund balance categories included in the stated figures are those used by the Department of Education to calculate statutory operating debt.

\*\* Comparison school district data was not available at the time of reporting.

# Preliminary Budget Executive Summary

## Adopted Revenue, Expenditures, and Changes in Fund Balances – Governmental Funds

For the Fiscal Year Ended June 30, 2026

|  | General Fund          | Capital Projects -<br>Building<br>Construction Fund | Debt<br>Service Fund | Non-Major Funds -<br>Special<br>Revenue Funds | Total<br>Governmental Funds |
|--|-----------------------|---|----------------------|---|-----------------------------|
| <b>Revenue</b>                                   |                       |   |                      |   |                             |
| Local Sources                                    |                       |   |                      |   |                             |
| Property Taxes                                   | \$ 56,503,097         | \$ -  | \$ 17,909,166        | \$ 1,534,104                                  | \$ 75,946,367               |
| Investment Earnings                              | 1,656,495             | 300,000   | 204,013              | 120,000                                       | 2,280,508                   |
| Other  | 3,323,235             | -   | -                    | 12,272,046                                    | 15,595,281                  |
| State Sources                                    | 103,833,904           | -   | -                    | 3,634,822                                     | 107,468,726                 |
| Federal Sources                                  | 2,298,097             | -   | -                    | 1,477,038                                     | 3,775,135                   |
| <b>Total Revenue</b>                             | <b>167,614,828</b>    | <b>300,000</b>                                      | <b>18,113,179</b>    | <b>19,038,010</b>                             | <b>205,066,017</b>          |
| <b>Expenditures</b>                              |                       |   |                      |   |                             |
| Current  |                       |   |                      |   |                             |
| Administration                                   | 4,407,201             | -   | -                    | -   | 4,407,201                   |
| District Support Services                        | 3,090,644             | -   | -                    | -   | 3,090,644                   |
| Elementary and Secondary Regular Instruction     | 72,239,587            | -   | -                    | -   | 72,239,587                  |
| Vocational Education Instruction                 | 450,872               | -   | -                    | -   | 450,872                     |
| Special Education Instruction                    | 30,587,521            | -   | -                    | -   | 30,587,521                  |
| Instructional Support Services                   | 11,374,013            | -   | -                    | -   | 11,374,013                  |
| Pupil Support Services                           | 12,465,848            | -   | -                    | -   | 12,465,848                  |
| Sites and Buildings                              | 11,060,033            | -   | -                    | -   | 11,060,033                  |
| Fiscal and Other Fixed Cost Programs             | 1,435,913             | -   | -                    | -   | 1,435,913                   |
| Food Service                                     | -                     | -   | -                    | 5,058,082                                     | 5,058,082                   |
| Community Service                                | -                     | -   | -                    | 13,299,050                                    | 13,299,050                  |
| Capital Outlay                                   | 13,624,590            | 8,208,672   | -                    | -   | 21,833,262                  |
| Debt Service                                     |                       |   |                      |   |                             |
| Principal  | 1,099,674             | -   | 10,020,000           | -   | 11,119,674                  |
| Interest   | 658,467               | -   | 7,616,304            | -   | 8,274,771                   |
| <b>Total Expenditures</b>                        | <b>\$ 162,494,363</b> | <b>\$ 8,208,672</b>                                 | <b>\$ 17,636,304</b> | <b>\$ 18,357,132</b>                          | <b>\$ 206,696,471</b>       |
| Excess (Deficiency) of Revenue Over Expenditures | 5,120,465             | (7,908,672)   | 476,875              | 680,878                                       | (1,630,454)                 |
| <b>Other Financing Sources (Uses)</b>            |                       |   |                      |   |                             |
| Transfers In                                     | -                     | 2,536,805   | -                    | -   | 2,536,805                   |
| Transfers (Out)                                  | (2,536,805)           | -   | -                    | -   | (2,536,805)                 |
| <b>Total Other Financing Sources (Uses)</b>      | <b>(2,536,805)</b>    | <b>2,536,805</b>                                    | <b>-</b>             | <b>-</b>                                      | <b>-</b>                    |
| <b>Net Change in Fund Balances</b>               | <b>\$ 2,583,660</b>   | <b>\$ (5,371,867)</b>                               | <b>\$ 476,875</b>    | <b>\$ 680,878</b>                             | <b>\$ (1,630,454)</b>       |

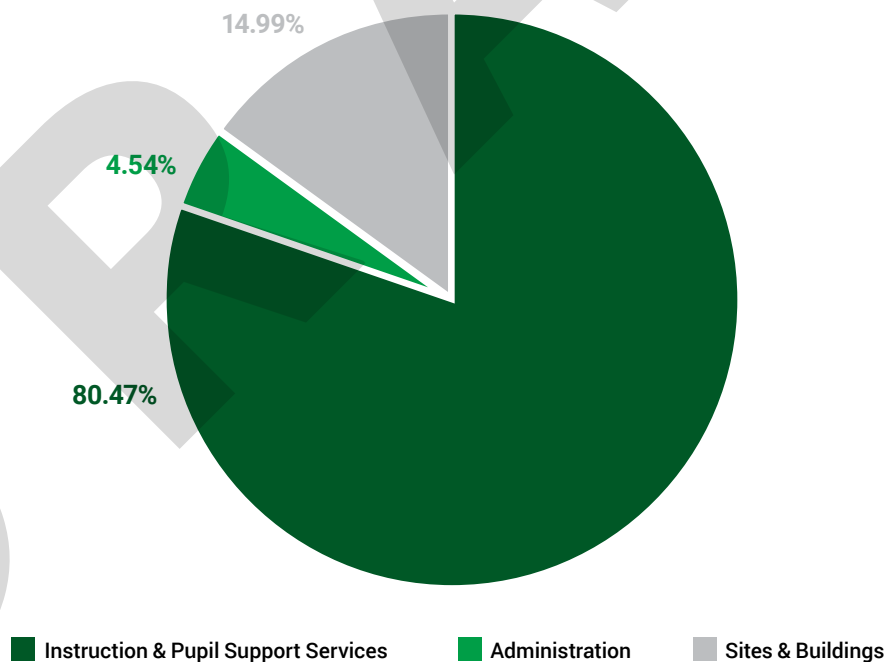


# Preliminary Budget Executive Summary

## General Fund Expenditures by Program

For the Fiscal Year Ended June 30, 2026

| Program Description                          | FY2024 Audited        | FY2025 Budgeted       | FY2026 Budgeted       | Percentage by Program |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Administration                               | \$ 4,481,162          | \$ 4,577,785          | \$ 4,407,201          | 2.67%                 |
| District Support Services                    | 3,105,578             | 3,366,278             | 3,090,644             | 1.87%                 |
| Elementary and Secondary Regular Instruction | 66,145,066            | 68,550,374            | 72,474,587            | 43.92%                |
| Vocational Education Instruction             | 772,098               | 532,634               | 450,872               | 0.27%                 |
| Special Education Instruction                | 26,619,424            | 28,729,275            | 30,597,521            | 18.54%                |
| Instructional Support Services               | 14,514,100            | 15,902,358            | 16,632,934            | 10.08%                |
| Pupil Support Services                       | 13,522,973            | 13,509,715            | 12,638,461            | 7.66%                 |
| Sites and Buildings                          | 24,961,726            | 25,174,117            | 23,303,035            | 14.12%                |
| Fiscal and Other Fixed Cost Programs         | 769,105               | 1,008,480             | 1,435,913             | 0.87%                 |
| <b>Total</b>                                 | <b>\$ 154,891,232</b> | <b>\$ 161,351,016</b> | <b>\$ 165,031,168</b> | <b>100.00%</b>        |

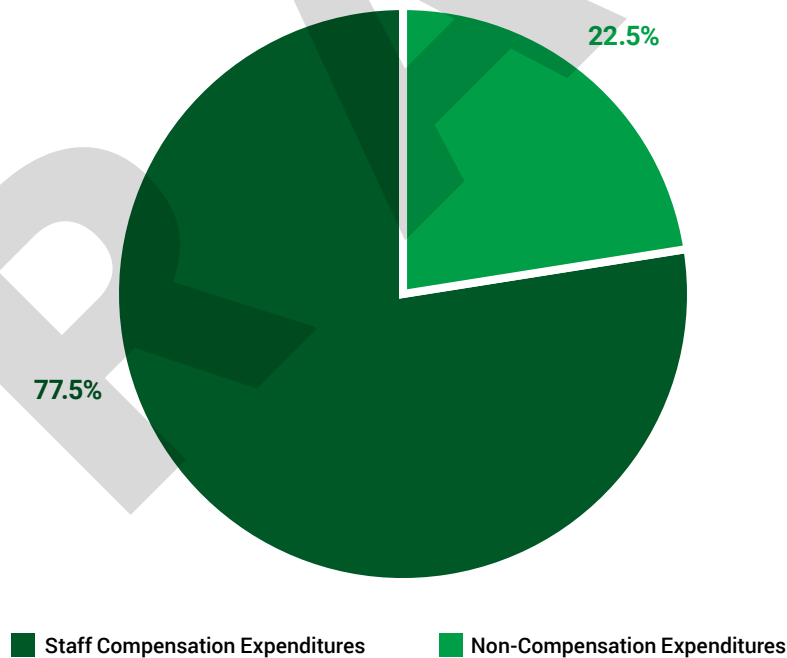


# Preliminary Budget Executive Summary

## General Fund Expenditures by Object

For the Fiscal Year Ended June 30, 2026

| Program Description    | FY2024 Audited        | FY2025 Budgeted       | FY2026 Budgeted       | Percentage by Object |
|------------------------|-----------------------|-----------------------|-----------------------|----------------------|
| Salaries and Wages     | \$ 91,327,677         | \$ 93,717,730         | \$ 97,156,704         | 57.99%               |
| Employee Benefits      | 28,475,744            | 30,805,076            | 32,823,787            | 19.52%               |
| Purchased Services     | 12,943,623            | 11,755,013            | 11,284,313            | 7.19%                |
| Supplies and Materials | 4,473,488             | 5,166,968             | 5,277,198             | 2.98%                |
| Capital Expenditures   | 12,323,746            | 11,730,970            | 15,382,731            | 7.17%                |
| Other Expenditures     | 572,405               | 570,384               | 569,630               | 0.36%                |
| Other Financing Uses   | 4,774,549             | 7,604,875             | 2,536,805             | 4.79%                |
| <b>Total</b>           | <b>\$ 154,891,232</b> | <b>\$ 161,351,016</b> | <b>\$ 165,031,168</b> | <b>100.00%</b>       |



# Preliminary Budget Executive Summary

## Scheduled Debt Service Activity

For the Fiscal Year Ended June 30, 2026

| Debt Issue                                  | Issue Date | Coupon Rate | Final Maturity | Balance at June 30, 2025 | Principal Payments   | Interest Payments   | Balance at June 30, 2026 |
|---|------------|-------------|----------------|--------------------------|----------------------|---------------------|--------------------------|
| General Obligation Bonds, Series 2017A      | 4/13/17    | 2.50%-4.00% | 2/1/31         | \$ 15,685,000            | \$ 1,935,000         | \$ 487,175          | \$ 13,750,000            |
| General Obligation Bonds, Series 2019A      | 5/2/19     | 3.00%-5.00% | 2/1/36         | 24,075,000               | -                    | 789,250             | 24,075,000               |
| General Obligation Bonds, Series 2020A      | 11/5/20    | 3.00%-4.00% | 2/1/26         | 4,205,000                | 4,205,000            | 168,200             | -                        |
| General Obligation Bonds, Series 2021A      | 5/27/21    | 2.00%-3.00% | 2/1/31         | 9,315,000                | 1,810,000            | 217,800             | 7,505,000                |
| General Obligation Bonds, Series 2021B      | 9/28/21    | 2.00%-3.00% | 2/1/35         | 7,000,000                | -                    | 143,300             | 7,000,000                |
| General Obligation Bonds, Series 2023A      | 5/11/23    | 4.00%-5.00% | 2/1/37         | 6,920,000                | 120,000              | 285,050             | 6,800,000                |
| General Obligation Bonds, Series 2024A      | 12/1/24    | 3.00%-5.00% | 2/1/37         | 99,545,000               | 1,950,000            | 5,508,729           | 97,595,000               |
| Certificates of Participation, Series 2011C | 11/17/11   | 2.00%-3.75% | 4/1/27         | 265,000                  | 130,000              | 9,775               | 135,000                  |
| Certificates of Participation, Series 2022A | 11/9/22    | 4.00%-5.00% | 4/1/38         | 13,075,000               | 740,000              | 616,100             | 12,335,000               |
| Capital Leases (Various)                    | Various    | 2.69%-5.20% | Various        | 968,513                  | 229,674              | 32,591              | 738,839                  |
| <b>Total</b>                                |            |             |                | <b>\$181,053,513</b>     | <b>\$ 11,119,674</b> | <b>\$ 8,257,971</b> | <b>\$169,933,839</b>     |

# Preliminary Budget Executive Summary

## Five-Year General Fund Forecast

Fiscal Years 2026 through 2030

|                            | Fiscal Year          |                      |                      |                      |                     |                        |
|----------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|------------------------|
|                            | 2025                 | 2026                 | 2027                 | 2028                 | 2029                | 2030                   |
| <b>Revenue</b>             |                      |                      |                      |                      |                     |                        |
| Property Taxes             | \$ 56,342,166        | \$ 56,503,097        | \$ 54,492,560        | \$ 55,387,696        | \$ 54,915,531       | \$ 55,784,676          |
| State Sources              | 101,061,195          | 103,833,904          | 106,065,411          | 108,405,280          | 110,463,097         | 112,612,297            |
| Federal Sources            | 2,084,618            | 2,298,097            | 2,355,246            | 2,355,246            | 2,355,246           | 2,355,246              |
| Miscellaneous Local        | 3,895,425            | 4,979,730            | 4,395,228            | 4,318,129            | 4,248,740           | 3,624,238              |
| Other Financing Sources    | 1,511,610            | -                    | -                    | -                    | -                   | -                      |
| <b>Total Revenue</b>       | <b>164,895,014</b>   | <b>167,614,828</b>   | <b>167,308,445</b>   | <b>170,466,352</b>   | <b>171,982,615</b>  | <b>174,376,457</b>     |
| <b>Expenditures</b>        |                      |                      |                      |                      |                     |                        |
| Salaries                   | 93,842,109           | 97,156,704           | 102,066,131          | 106,617,691          | 110,175,143         | 114,828,688            |
| Benefits                   | 30,680,697           | 32,823,787           | 34,189,356           | 35,453,092           | 36,610,691          | 37,917,884             |
| Purchased Services         | 11,755,013           | 11,284,313           | 11,972,630           | 12,642,147           | 13,265,431          | 13,923,071             |
| Supplies & Materials       | 5,166,968            | 5,277,198            | 5,540,044            | 5,817,517            | 6,108,808           | 6,414,646              |
| Capital Expenditures       | 11,730,970           | 15,382,731           | 15,813,351           | 16,109,439           | 16,562,044          | 16,768,985             |
| Other Expenditures         | 570,384              | 569,630              | 586,719              | 604,322              | 622,451             | 641,127                |
| Other Financing Uses       | 7,604,875            | 2,536,805            | 1,635,281            | 1,612,200            | 1,474,253           | 1,412,584              |
| <b>Total Expenditures</b>  | <b>161,351,016</b>   | <b>165,031,168</b>   | <b>171,803,512</b>   | <b>178,856,408</b>   | <b>184,818,821</b>  | <b>191,906,985</b>     |
| Change in Fund Balance     | 3,543,998            | 2,583,660            | (4,495,067)          | (8,390,056)          | (12,836,207)        | (17,530,528)           |
| <b>Fund Balances</b>       |                      |                      |                      |                      |                     |                        |
| Nonspendable               | 29,623               | 29,623               | 29,623               | 29,623               | 29,623              | 29,623                 |
| Restricted                 | 7,369,151            | 8,274,958            | 7,324,975            | 8,352,769            | 9,246,729           | 10,219,393             |
| Committed                  | 2,484,388            | 2,547,132            | 2,807,646            | 2,906,620            | 3,029,666           | 2,978,988              |
| Assigned                   | 9,112,924            | 9,966,948            | 7,166,697            | 7,166,697            | 7,166,697           | 7,166,697              |
| Unassigned                 | 11,157,432           | 11,918,517           | 10,913,170           | 1,396,347            | (12,456,867)        | (30,909,380)           |
| <b>Total Fund Balances</b> | <b>\$ 30,153,518</b> | <b>\$ 32,737,178</b> | <b>\$ 28,242,112</b> | <b>\$ 19,852,055</b> | <b>\$ 7,015,849</b> | <b>\$ (10,514,679)</b> |
| Unassigned Fund Balance    | 9.39%                | 8.87%                | 7.77%                | 0.96%                | (8.22%)             | (20.75%)               |

Disclaimer: This forecast **should not** be used as a budget appropriations document.

The District administration has utilized the combination of "level services" and "revenue based" budgeting approaches to update its five-year General Fund forecast for fiscal years 2026 through 2030. This means, in basic terms, that the District plans to offer the same educational programming and support services that it currently offers, adjusted for the revenue it anticipates generating in 2025-26 and beyond, as well as inflationary increases to existing expenditures. This form of budgeting is common in school districts and other local government organizations.

The administration has applied conservative assumptions for both revenues and expenditures in future years. Generally, the administration has assumed that enrollment will remain flat and both appropriations from the state and taxing authority will be mostly flat. For expenditures, the administration is assuming that salaries, benefits, purchased services, and supplies will all increase at rates that are greater than revenues. This has been typical in public education for decades.

A more detailed description of the administration's forecasting methodology can be found among past [School Board Reports](#).