

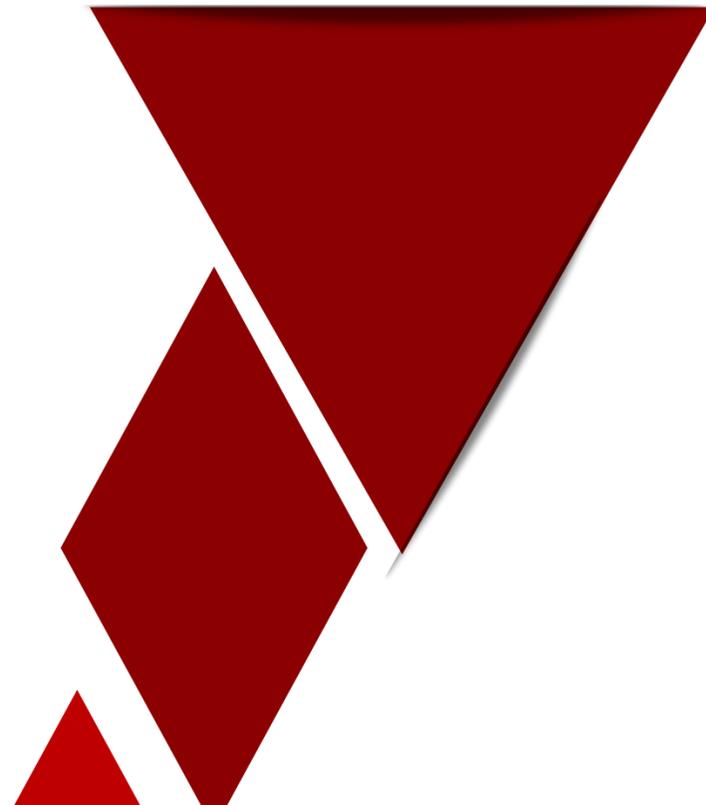


Intermediate School District 917

# Fiscal Year 2026

# Adopted Budget

June 10, 2025



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→ 13 A

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# FY26 Adopted Budget: Key Items



## Stewardship

Managing financial and human resources carefully and responsibly

### Special Education:

- Update all staffing rosters and estimate of student hours
- Add 112 new student facing positions, primarily ESP's to accommodate student intakes
- Student hours increase 15% over FY25 Revised Budget and 27% over FY24 actual
- Hourly billing rate to member districts increases 3%
- Assumes 3% wage escalation for FY26 contract negotiations

### Secondary:

- DCALS net profit loss is significantly reduced, primarily due to staffing realignment
- CTE billing rate to member districts has material reduction. Utilizing MSC grant and levy funds for DCTC occupancy cost have significantly lowered billing rates
- Projecting 25% lower CTE student hours, adversely impacts the billing rate

### Unassigned Fund Balance:

- Board target is a ratio of fund balance to annual expense of 15.0%
- Preliminary budget projects an increase from 16.7% at the end of FY25 to 17.4% at the end of FY26
- FY26 would be the first year the fund balance has increased since FY21

# FY26 Adopted Budget:



## Stewardship

Managing financial and human resources carefully and responsibly

### Changes from Preliminary Budget:

- Increase expense for the following items that should have been included in the Preliminary Budget:  
This caused the Unassigned Fund Balance to decrease from 18.0% in the Preliminary Budget to 17.4% in the Adopted Budget
    - Other Post Employment Benefits      \$115,000
    - Property Insurance                      \$110,000
    - Transfer School lunch loss to Fund 02   \$ 52,000
- Total Added Expense  
\$277,000
- Re-distribute Safe School funds between Fund 01 and Fund 02
    - Move \$254,000 of revenue from Fund 01 to Fund 02
    - This had no impact to the Unassigned Fund Balance

# FY26 Adopted Budget: Key Metrics



## ISD 917 Hours and Rate Comparison

**Special Education Programs:**

	FY24 Actual	FY25 Revised Budget	FY26 Adopted Budget	% Change	Change in ADM's
Special Education Resource Program Average Rate	\$76.25	\$83.59	\$86.15	3.07%	
Purchase of Services Agreements Average Cost per FTE	\$124,611	\$134,378	\$141,174	5.06%	
Special Education Resource Student Billable Hours	379,981	417,999	483,427	15.65%	61 ADM's
Special Education Purchase of Service Billable Hours	40,292	38,864	43,500	11.93%	3 FTE's
<b>Total Student Billable Hours</b>	<b>420,273</b>	<b>456,863</b>	<b>526,927</b>	<b>15.34%</b>	

**Secondary Technical Center Programs:**

	FY24 Actual	FY25 Revised Budget	FY26 Adopted Budget	% Change	Change in ADM's
Career & Technical Programs Average Hourly Rate	\$18.66	\$19.81	\$12.47	-37.05%	
CTE Billable Hours	68,488	60,550	45,000	-25.68%	(14) ADM's
DCALS Main Student Billable Hours (unweighted)	74,831	57,306	54,062	-5.66%	(3) ADM's
DCALS North Student Billable Hours (unweighted)	60,169	52,873	54,062	2.25%	1 ADM's
DCALS Ext. Day Student Billable Hours (unweighted)	6,856	6,488	6,488	0.01%	0 ADM's
<b>Total DCALS Hours</b>	<b>141,856</b>	<b>116,667</b>	<b>114,612</b>	<b>-1.76%</b>	<b>(24)</b>
DCALS Avg Cost per Hour	\$ 14.93	\$ 18.52	\$ 14.70	-20.63%	

### Special Education:

- Student hours increase 16% vs FY25 Revised Budget and 27% over FY24 actual
- Average billing rate is held to 3% increase

### Secondary:

- Significant reduction in the billing rate for CTE
- CTE rate reduction is realized, even though student hours are projected to decrease
- DCALS staff restructuring is resulting in lower cost per hour

# Unassigned Fund Balance Roll-Forward

Fund #	Fund Name	Actual Fund Balance 6/30/2024	Actual Fund Balance 6/30/2025
1	Secondary	3,054,578	2,294,842
2	Special Education	6,570,606	6,704,784
5	Gen Capital Exp.	23,467	32,067
10	Institutional Support		0
13	Secondary Resale	6,680	6,680
14	Special Ed Resale	18,746	19,046
15	917 Support Services		0
50	Student Activities	6,108	2,807
	<b>Total Operating Fund</b>	<b>9,680,185</b>	<b>9,060,226</b>
3	Food and Nutrition	16,826	16,826
20	Internal Service Fund	-443,021	-222,827
21	Self Funded Dental Ins. Plan	609,938	537,902
22	Self Funded Health Ins. Plan	6,484,106	7,119,092
	<b>Total All Funds</b>	<b>16,348,034</b>	<b>16,511,219</b>

FY26 Projected Revenues	FY26 Projected Expenditures	FY26 Net Income / (Loss)	Actual Fund Balance 6/30/2026
3,290,140	3,622,544	-332,404	1,962,438
51,519,001	50,310,828	1,208,173	7,912,957
475,050	477,400	-2,350	29,717
45,800	47,252	-1,452	-1,452
3,500	9,250	-5,750	930
17,450	16,250	1,200	20,246
			0
4,750	4,750	0	2,807
<b>55,355,691</b>	<b>54,488,274</b>	<b>867,417</b>	<b>9,927,643</b>
256,125	256,125	0	16,826
80,000	86,000	-6,000	-228,827
468,810	540,756	-71,946	465,956
4,996,417	4,616,777	379,640	7,498,732
<b>61,157,043</b>	<b>59,987,932</b>	<b>1,169,111</b>	<b>17,680,330</b>

- FY24 ended with an Unassigned fund balance of \$9,061,155 or **21.1%**
- FY25 Revised Budget projects ending FY25 a balance of \$8,593,226 or **16.7%**
  - Loss in Secondary (DCALS) combined with the increased expenditures in Special Ed. are impacting the Fund balance ratio
- FY26 projects the balance increasing to \$9,734,703 or **17.4%**
  - Includes Appeal rate of \$2.0M versus \$1.9M in FY25 and \$1.2M in FY24

	FY24 Actual	FY25 Rev Bud
Total Operating Fund	9,680,185	9,060,226
Restricted/Assigned/Nonspendable	619,030	467,000
Unassigned Fund Balance	9,061,155	8,593,226
Total General Fund Expenditures	42,967,646	51,355,199
Unassigned Fund Balance Ratio	21.1%	16.7%

FY26 Adopt Bud
9,927,643
467,000
9,460,643
54,488,274
17.4%

# Expenditures: FY26 vs FY25

Fund #	Description	FY 25 Revised Budget	FY26 Prelim	FY26 Final	Difference (Final v FY25)	Percent Change
1	Secondary	4,567,277	3,600,544	3,622,544	-944,733	-20.68%
2	Special Ed.	46,033,876	50,055,216	50,310,828	4,276,952	9.29%
5	Capital Improvements	525,900	477,400	477,400	-48,500	-9.22%
10	Institutional Support	202,865	47,252	47,252	-155,613	-76.71%
13	Secondary Resale	9,250	9,250	9,250	0	0.00%
14	Special Ed Resale	9,800	16,250	16,250	6,450	65.82%
15	917 Support Services				0	
50	Student Activities	6,231	4,750	4,750	-1,481	-23.77%
	<b>Total Operating Fund Exp.</b>	<b>51,355,199</b>	<b>54,210,662</b>	<b>54,488,274</b>	<b>3,133,075</b>	<b>6.10%</b>
3	Food and Nutrition	245,175	256,125	256,125	10,950	4.47%
20	Internal Service Fund	11,151	86,000	86,000	74,849	671.23%
21	Self Funded Dental Ins. Plan	529,140	540,756	540,756	11,616	2.20%
22	Self Funded Health Ins. Plan	4,321,860	4,616,777	4,616,777	294,917	6.82%
	<b>Total Expense: All Funds</b>	<b>56,462,525</b>	<b>59,710,320</b>	<b>59,987,932</b>	<b>3,525,407</b>	<b>6.24%</b>

Total FY26 Expenditures are \$3.2M higher than FY25 Revised Budget

## Highlight of Significant Variances:

### Fund 1 Secondary \$945k reduction:

- DCALS staff restructuring 3 position reductions \$390k
- CTE MSC grant used for staffing \$375k
- CORE Program \$65k, Building occupancy \$40k, Fund 10 allocations \$20k

### Fund 2 Special Education \$4.3M increase:

- Staffing 112 new student facing positions (majority are ESP's)
- Non staffing cost are \$335k lower than FY25 Revised Budget

Fund 20: Severance liability assumptions

Fund 21: Dental Claims cost assumptions

# Revenue: FY26 vs FY25

Fund #	Description	FY24 Actual	FY25 Revised Budget	FY26 Prelim	FY26 Final	Difference (Final v FY25)	Percent Change
1	Secondary	3,756,181	3,807,541	3,539,034	3,290,140	-517,401	-13.59%
2	Special Ed	38,034,231	46,168,054	51,266,555	51,519,001	5,350,947	11.59%
5	Capital Improvements	541,095	534,500	475,050	475,050	-59,450	-11.12%
10	Institutional Support	246,589	202,865	45,800	45,800	-157,065	-77.42%
13	Secondary Resale	1,082	9,250	3,500	3,500	-5,750	-62.16%
14	Special Ed Resale	12,686	10,100	17,450	17,450	7,350	72.77%
15	917 Support Services	0	0	0	0	0	
50	Student Activities	2,841	2,930	4,750	4,750	1,820	62.12%
	<b>Total Operating Revenue</b>	<b>42,594,706</b>	<b>50,735,240</b>	<b>55,352,139</b>	<b>55,355,691</b>	<b>4,620,451</b>	<b>9.11%</b>
3	Food and Nutrition	225,164	245,175	256,125	256,125	10,950	4.47%
20	Internal Service Fund	222,487	231,345	80,000	80,000	-151,345	-65.42%
21	Self Funded Dental Ins. Plan	496,075	457,104	468,810	468,810	11,706	2.56%
22	Self Funded Health Ins Plan	4,463,117	4,956,846	4,996,417	4,996,417	39,571	0.80%
	<b>Total Revenue: All Funds</b>	<b>48,001,549</b>	<b>56,625,710</b>	<b>61,153,491</b>	<b>61,157,043</b>	<b>4,531,333</b>	<b>8.00%</b>

Total Revenue in FY26 is projected to increase \$4.5M

## Highlight of Significant Variances:

### Fund 1 Secondary:

- Lease Levy for DCTC \$271k higher (FY25 was \$0)
- Safe Schools and Compensatory is \$120k lower (shift between Fund 1 and 2)
- CTE billable cost is down \$655k. Student hours are down 30%
- DCALS student count and revenue is projected to be the same as FY25

### Fund 2 Special Ed:

- Increase is driven by 12% increase in student hours and a slight increase (3%) in the billing rate

### Fund 21 & 22 Dental & Health Plans:

- Less than 3% increases in rates charged to employees. Also impacted by the

### Interest Income:

FY26 has incorporated two Fed. rate reductions. Total Interest Income:

FY26 Adopted \$470k  
 FY25 Revised \$600k  
 FY24 Actual \$705k

# Funding Sources: FY26 vs FY25

	FY25 Revised Budget	FY26 Prelim Budget	FY26 Final Budget	Variance
Safe Schools	854,820	851,271	838,107	(3,549)
Compensatory	1,122,404	1,020,828	1,020,828	(101,576)
MDE Innovation Grant	1,128,322	471,254	471,254	(657,068)
Medical Assistance	486,133	504,646	504,646	18,513
Student Aid	172,909	177,119	177,119	4,210
Separate Sites	242,163	273,190	273,190	31,027
CTIC Dakota County Grant	16,000	17,000	17,000	1,000
LCTS Dakota County	25,219	25,009	25,009	(210)
Title I Hasting Funds for JSC	130,000	124,708	124,708	(5,292)
DEED Drive for Five	550,000	225,000	225,000	(325,000)
SPED Pipeline	237,437	210,297	210,297	(27,140)
MDE Apprentice	60,000	120,000	120,000	60,000
MSC Grant	439,875	439,708	439,708	(167)
Perkins	247,446	213,659	213,659	(33,787)
<b>Total</b>	<b>5,712,728</b>	<b>4,673,689</b>	<b>4,660,525</b>	<b>(1,039,039)</b>

## Highlight of Significant Variances:

- Compensatory funding does not have a material impact for ISD 917
- MDE Innovation Grant had carry over funds in FY25 that are not expected to re-occur in FY26
- DEED, SPED Pipeline & MDE are all related to providing education to staff to obtain teacher's licensure
- MSC & Perkins are for CTE

# Thank You!

Questions?

