



# *2024-25 Budget Presentation*

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**NORTH BRANCH**  
**AREA PUBLIC SCHOOLS**  
Inspire Dreams, Build Integrity, Instill Hope

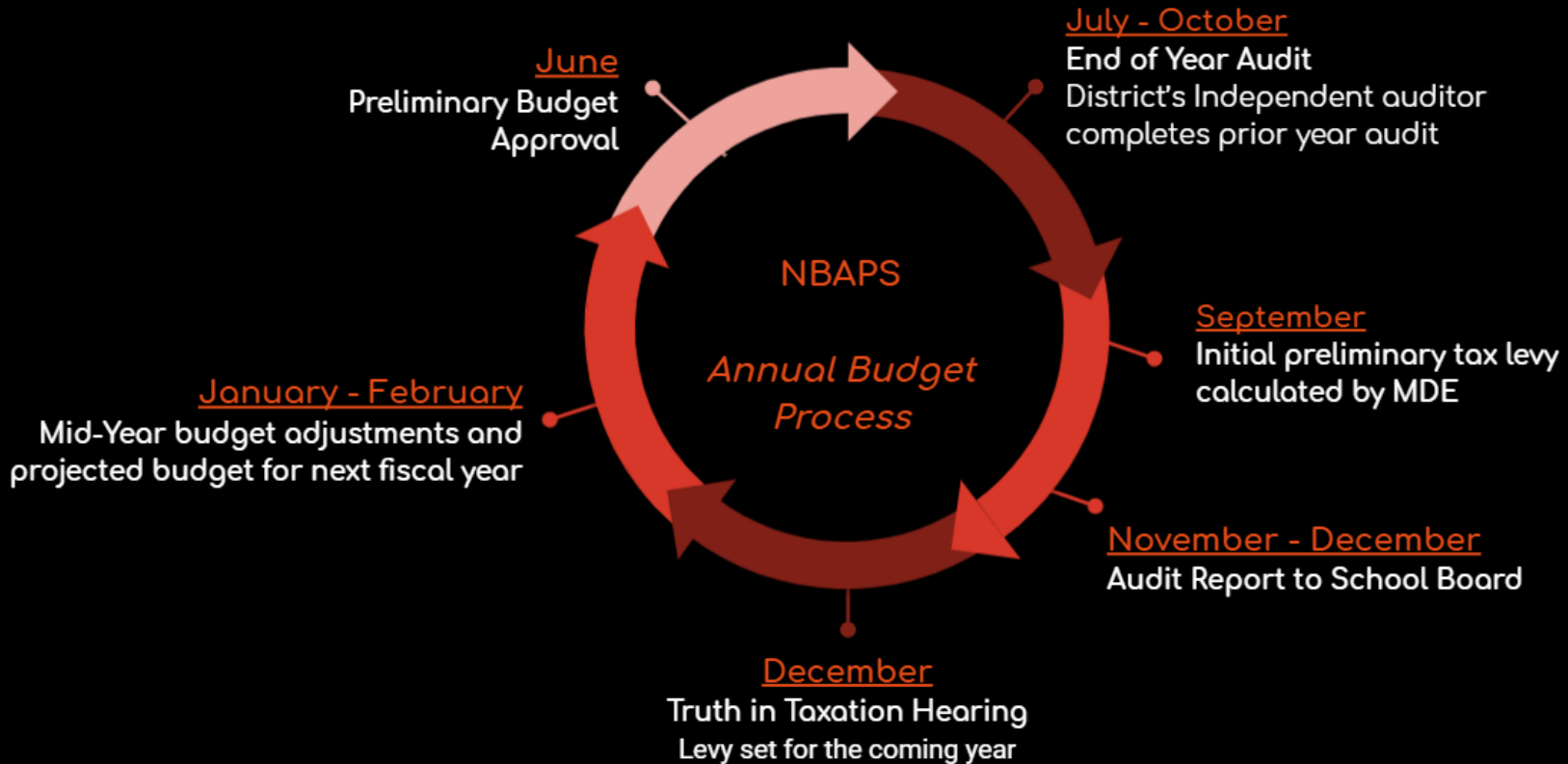
MAY 22, 2025

*Todd Tetzlaff, Director of Finance and Human Resources*

# Overview

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- Revised budget information for the current year (FY 25)
- Proposed budget for next year (FY 26)
- Purpose of the presentation is provide context regarding board action in June.



# Current Year – Revised Budget

**The current year revised budget is based on actual revenue and expenditures through March and projections through June 30<sup>th</sup>.**

# Key Budget Drivers – FY25 Revisions

- Enrollment adjustments
- SPED cross subsidy changes
- Loss of pandemic-era federal funding
- Capital improvement costs and use of reserved fund balances

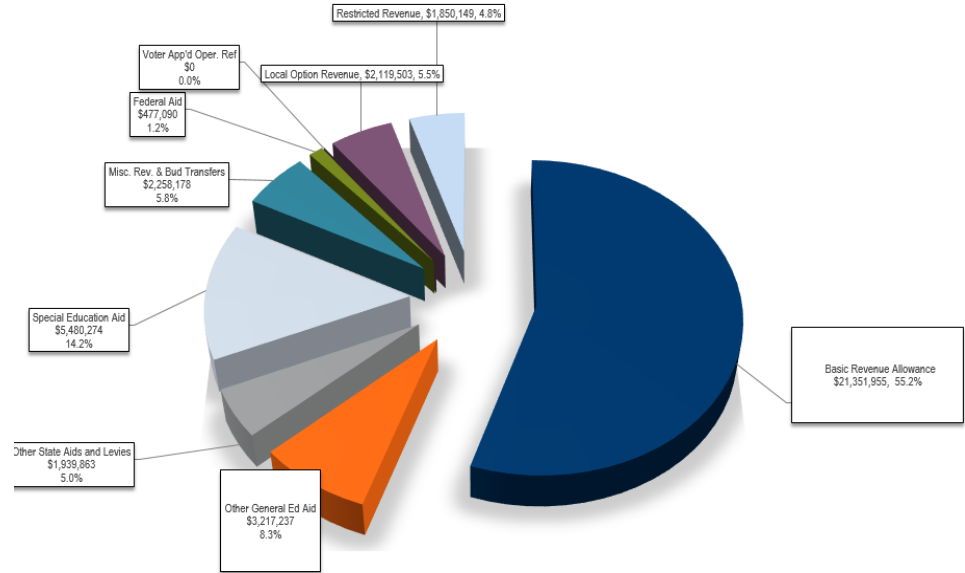
# Current Year Revised Budget – Fund 01 General Fund Revenue

## SOURCES OF REVENUE:

Basic Revenue Allowance	\$21,315,055
Other General Education Aid	\$3,217,237
Voter Approved Operating Referendum	\$0
Local Optional Revenue	\$2,119,503
Special Education Aid	\$5,480,274
Other State Aids and Levies	\$1,939,863
Federal Aid	\$477,090
Miscellaneous Revenue	\$2,258,178
Budget Transfers	\$0
Adjustment to General Ledger	\$36,900
Capital Projects Revenue	\$974,390
Operating Capital Revenue	\$495,905
Safe Schools Revenue	\$97,869
LTFM Revenue	\$204,415
Medical Assistance/3rd Party Revenue	\$77,570
<b>TOTAL REVENUE</b>	<b>\$38,694,248</b>

## North Branch Public School District

Fiscal Year 2024-25 General Fund Revenue

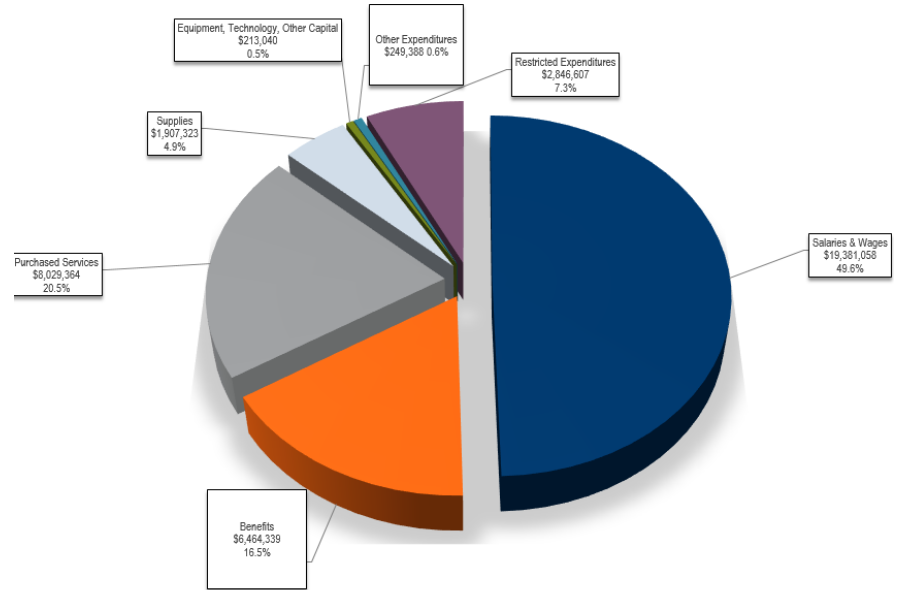


# Current Year Revised Budget – Fund 01 General Fund Expenses

## USES OF REVENUE:

Salaries & Wages	\$19,381,058
Benefits	\$6,464,339
Purchased Services	\$8,029,364
Supplies	\$1,907,323
Equipment, Technology, Other Capital	\$213,040
Debt Service	\$0
Other Expenditures	\$249,388
Transfers to Other Funds	\$0
Budget Additions	\$0
Budget Reductions	\$0
Capital Projects Expenditures	\$353,553
Operating Capital Expenditures	\$1,212,503
Safe Schools Expenditures	\$165,437
LTFM Expenditures	\$1,078,072
Medical Assistance/3rd Party Expenditures	\$37,042
<b>TOTAL USES OF REVENUE</b>	<b>\$39,091,119</b>

North Branch Public School District  
Fiscal Year 2024-25 General Fund Expenditures



## Current Year Revised Budget – All Funds Revenue

			Revenue		
			FY 25 Original	FY 25 Revised	Difference
Fund 01	General Fund		\$ 38,451,591.00	\$ 38,694,248.00	\$ 242,657.00
Fund 02	Food Service		\$ 1,559,614.00	\$ 2,087,064.00	\$ 527,450.00
Fund 04	Comm Ed		\$ 1,863,365.00	\$ 1,939,386.00	\$ 76,021.00
Fund 07	Debt Service		\$ 5,466,299.00	\$ 5,451,569.00	\$ (14,730.00)
Fund 20	Internal Svc		\$ 270,159.00	\$ 270,159.00	\$ -
Fund 45	Irrevocable Trust		\$ 199,779.00	\$ 199,779.00	\$ -
Fund 47	OPEB Debt Svc		\$ 407,601.00	\$ 407,601.00	\$ -
	All Revenue		\$ 48,218,408.00	\$ 49,049,806.00	\$ 831,398.00



## Current Year Revised Budget – All Funds Expenses

			Expenses		
			FY 25 Original	FY 25 Revised	Difference
Fund 01	General Fund		\$ 38,000,454.00	\$ 39,091,119.00	\$ 1,090,665.00
Fund 02	Food Service		\$ 1,668,763.00	\$ 1,808,589.00	\$ 139,826.00
Fund 04	Comm Ed		\$ 1,600,868.00	\$ 2,007,995.00	\$ 407,127.00
Fund 07	Debt Service		\$ 5,305,830.00	\$ 5,305,830.00	\$ -
Fund 20	Internal Svc		\$ 185,000.00	\$ 185,000.00	\$ -
Fund 45	Irrevocable Trust		\$ 418,180.00	\$ 418,180.00	\$ -
Fund 47	OPEB Debt Svc		\$ 429,220.00	\$ 429,220.00	\$ -
	All Expenses		\$ 47,608,315.00	\$ 49,245,933.00	\$ 1,637,618.00

# Next Year – Proposed Budget

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- **Next year's proposed budget is based on our current understanding of legislative changes and projections based on prior years.**

## 2025 – 2026 Proposed Budget – All Funds Revenue

			Revenue		
			FY 25 Revised	FY 26 Proposed	Difference
Fund 01	General Fund		\$ 38,694,248.00	\$ 39,210,398.00	\$ 516,150.00
Fund 02	Food Service		\$ 2,087,064.00	\$ 2,120,064.00	\$ 33,000.00
Fund 04	Comm Ed		\$ 1,939,386.00	\$ 1,995,497.00	\$ 56,111.00
Fund 07	Debt Service		\$ 5,451,569.00	\$ 5,372,018.00	\$ (79,551.00)
Fund 20	Internal Svc		\$ 270,159.00	\$ 275,500.00	\$ 5,341.00
Fund 45	Irrevocable Trust		\$ 199,779.00	\$ 179,850.00	\$ (19,929.00)
Fund 47	OPEB Debt Svc		\$ 407,601.00	\$ -	\$ (407,601.00)
	All Revenue		\$ 49,049,806.00	\$ 49,153,327.00	\$ 103,521.00

## 2025 – 2026 Proposed Budget – All Funds Expenses

			Expenses		
			FY 25 Revised	FY 26 Proposed	Difference
Fund 01	General Fund		\$ 39,091,119.00	\$ 39,938,496.00	\$ 847,377.00
Fund 02	Food Service		\$ 1,808,589.00	\$ 1,825,970.00	\$ 17,381.00
Fund 04	Comm Ed		\$ 2,007,995.00	\$ 2,040,095.00	\$ 32,100.00
Fund 07	Debt Service		\$ 5,305,830.00	\$ 5,305,830.00	\$ -
Fund 20	Internal Svc		\$ 185,000.00	\$ 241,235.00	\$ 56,235.00
Fund 45	Irrevocable Trust		\$ 418,180.00	\$ 327,000.00	\$ (91,180.00)
Fund 47	OPEB Debt Svc		\$ 429,220.00	\$ 429,220.00	\$ -
	All Expenses		\$ 49,245,933.00	\$ 50,107,846.00	\$ 861,913.00

# Summary for 2024-25: Food Service (Fund 02)

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- Breakfast and lunch is provided for all students across the state.
- A la carte items are available to students for purchase.
- The District is paying for milk for students who do not take a meal and choose to have a milk.
  - Total cost is projected at \$3,000 for the year and this cost is paid by the General fund, Fund 01, through an end of year fund transfer.
  - The School Board will be asked to decide if they wish to continue this practice for next year at the June meeting.
- We had a Food Service Review and Site Visit by MDE in April.

# Summary for 2024-25: Community Education (Fund 04)

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## School Age Care programming

- Registration for School Age Care continues to be strong. This is an important service to our new and returning families.
- Staffing levels are adjusted based on student enrollment and we have some current openings to serve our students this summer.

## Early Childhood programming

- Enrollment in our Parent Aware 4 Star Rated Early Childhood programming is very good, and we have capacity to welcome more families.
- Staffing levels are adjusted based on student enrollment and a parent educator position was added this year.

# Debt Service - Bond Payments

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Bond Series	Total Bond Amount	Bond Type	Final Maturity
2016A	1,770,000	Facility	2/1/2031
2017A	67,590,000	Gen Obligation	2/1/2043
2017B	2,260,000	OPEB	2/1/2025
2018A	6,385,000	Facility	2/1/2029

# Long Term Facilities Maintenance Ten Year Plan

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- Plan must be adopted by the school board for submission to MDE to access funding through levy certification process
- LTFM revenue and expenditure plan and spreadsheets will be brought to the school board for approval at the June meeting and needs to be submitted to MDE prior to the end of July.
- Plan reflects Facility Bond, Series 2018A
- Beginning two years ago, the school board was also asked to levy an additional amount to be used by SCRED to maintain their facilities.



# Challenges and Opportunites

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- Challenges
  - Expenses are projected to increase more than our revenue
- Opportunities
  - Enrollment is a critical component of our financial projection
  - We did not have to define a budget cut target
  - Sustaining student programs and teaching staff
  - We continue to look for opportunities for grant funding and expanded partnerships
  - Recent bond rating calls, financial audits and program audits have all been favorable

# School Board Action in June

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Board action will finalize budget assumptions that affect staffing, programming, and community investments

- Action to adopt the revised FY 25 budget
- Action to adopt the proposed FY 26 budget
- Action to approve LTFM budget for FY 26
- Action to approve student fees and meal prices for FY 26



# *Questions?*

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*MAY 22, 2025*

*Todd Tetzlaff, Director of Finance and Human Resources*