



2025-26 Budget Reduction and Reallocation Timeline

*All dates and corresponding activities are subject to change as FY26 budget process evolves.

June 2024

Date	Event
June 10, 2024	Share Draft Process with Duluth Leadership Team and Solicit Input
June 13, 2024	COW - Share Process with Board and Solicit Input
June 2024	Revise Process based on Admin and Board Input
June 2024	Draft Parameters, Identify Reduction Targets, Design Stakeholder Input Structures

July 2024

Date	Event
July 2024	Initial planning and framework setting with senior leadership (internal)
July 9, 2024	HR/Business Services
July 23, 2024	Regular School Board

August 2024

Date	Event
August 2024	Continue initial planning and framework setting with senior leadership (internal)
August 2024	Regular board small group meetings for budget reductions and reallocations
August 15, 2024	COW
August 12, 2024	HR/Business Services
August 20, 2024	Regular School Board
August 2024	Board Budget Work Session

September 2024

Date	Event
September 2024	Principals and department leadership meetings (internal)
September 2024	Stakeholder Voice - Group discussions for budget reductions
September 5, 2024	COW
September 10, 2024	HR/Business Services
September 17, 2024	Regular School Board
September 2024	Principals and department leadership meetings (internal)

October 2024

Date	Event
October 2024	Stakeholder Voice - Group discussions for budget reductions
October 2024	Potential public engagement session
October 1, 2024	COW

October 8, 2024	HR/Business Services
October 15, 2024	Regular School Board
October 2024	Initial program review and comment decisions for budget reductions

November 2024

Date	Event
November 2024	Stakeholder Voice - Group discussions for budget reductions
November 2024	Superintendent Virtual Forum
Early November 2024	Board Budget Work Session
November 19, 2024	COW - Design Team Recommendation Shared
November 12, 2024	HR/Business Services
November 26, 2024	Regular School Board - Board Votes on Budget Reductions and Reallocations - <i>Tentative</i>

December 2024

Date	Event
December 2024	Truth and Taxation Hearing and Audit Presentation
December 3, 2024	COW
December 10, 2024	HR/Business Services
December 17, 2024	Regular School Board

January 2025

Date	Event
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January 14, 2025	COW
January 21, 2025	HR/Business Services
January 28, 2025	Regular School Board
January 2025	Meet and inform staff of budget reductions and reallocations

February 2025

Date	Event
February 4, 2025	COW
February 11, 2025	HR/Business Services
February 25, 2025	Regular School Board
February 2025	Meet and inform staff of budget reductions and reallocations

March 2025

Date	Event
March 4, 2025	COW
March 11, 2025	HR/Business Services
March 18, 2025	Regular School Board
March 2025	Fy 26 budget projections

April 2025

Date	Event
April 8, 2025	COW - First reading of the budget for FY 26
April 15, 2025	HR/Business Services
April 22, 2025	Regular School Board

May 2025

Date	Event
May 6, 2025	COW
May 13, 2025	HR/Business Services
May 20, 2025	Regular School Board
May 2025	Small group budget meetings

June 2025

Date	Event
June 12, 2025	COW - Final reading for FY 26 budget
June 10, 2025	HR/Business Services
June 17, 2025	Regular School Board Adopt Fy 26 budget

GUIDING CHANGE

Focus Statement: *Achieving necessary budget adjustments while aligning resources to the district priorities and positioning us to make effective decisions now and into the future.*

Reality “The Why”
<ul style="list-style-type: none">• Enrollment trend stable• Elimination of federal pandemic relief funds by June 30th• Employee contract settlements• Inflation costs• New unfunded legislative mandates requiring resources• Prior budget adjustments for FY24 utilizing fund balance and restricted fund balances• Estimated \$6.9M shortfall for FY25 to be covered by assigned fund balance and a minimum of \$2.6M in overloads, summer extension, overtime, travel, floating subs and attrition• FY25 Priority areas supporting every student, advancing equity and improving systems including new MS and HS new schedule and model, early literacy work• Maintained counselors, behavioral support specialists.• Added Special services programming for Setting III and IV and other related service personnel• Mitigating some financial impacts through Long-Term Facilities and Maintenance fund balance• No remaining unassigned fund balance• Current projected deficit for FY26 \$7.5M• Other impacts:<ul style="list-style-type: none">◦ FY26 deficit will be reduced to \$4.9M if goal of \$2.6M in FY25 reductions is met and maintained
Unacceptable Means “The Not How”
<ul style="list-style-type: none">• Violate laws, regulations & contracts• Going into Statutory Operating Debt• Expend below the 8% fund balance policy• Violate board policy• Violate November 2023 referendum commitments<ul style="list-style-type: none">◦ Maintain most social emotional and mental health supports◦ Implement new HS schedule• Not follow through with other district stated commitments, i.e. middle school model• Make quick decisions without conversations
Results “The What
<ul style="list-style-type: none">• Balanced budget for 2024-25• Prioritize and protect classrooms as much as possible• Alignment of funding and operations to district priorities<ul style="list-style-type: none">◦ Continue to support student needs throughout the district◦ Continue to advance equity work throughout the district (e.g. (Allocate resources to learners who need them most.)◦ Continue to improve systems throughout the district• Develop and forecast balanced budgets• Examine all legacy practices with a lens of fiscal accountability