

# AITKIN PUBLIC SCHOOLS



Public Hearing  
2025-2026 Budget  
and  
Proposed 2026 Property Taxes  
December 15, 2025  
Heather Hipp, Business Manager



## TRUTH IN TAXATION HEARING

- MS 275.065: All school districts are required to hold hearings on proposed tax levies for taxes payable in 2026
  - Payable 2026 levy
  - Fiscal year 2026 Budget
  - Public Comment



## BACKGROUND INFORMATION

- Fiscal Year '26: July 2025 – June 2026
  - Nearly half through our fiscal year
  - Budget set at the June 2025 Board meeting
  - Final revisions must be approved by June 30, 2026
- Fiscal Year '27: July 2026 – June 2027
  - Preliminary Levy was set at “maximum” in September
  - Final Levy is set in December 2025
  - Preliminary budget will be approved in June 2026



## TIMELINE

FY25: Audit  
2024-2025

FY26: Operations  
2025-2026

### 2025 PAYABLE 2026 LEVY

Summer  
Levy

Sept 2025  
Set Proposed Levy

Dec 2025  
Set Final Levy

2026  
Taxes Paid

Funds 2026 – 2027  
School Year

## HOW DOES OUR LEVY BECOME TAXES?

- Legislature sets tax policy and education funding support
  - Establish formulas; components such as:
    - Tax capacity rates
    - Property class rates
    - Exclusions
- Determines education funding per pupil, LTFM, etc.



## HOW DOES OUR LEVY BECOME TAXES?

- MN Department of Education calculates the levy limit for every school district
  - Enrollment
  - Property values
  - Leases
  - Referendums
- This determines our September proposed levy, which we certify at “MAXIMUM”
- School Board approves a final levy in December



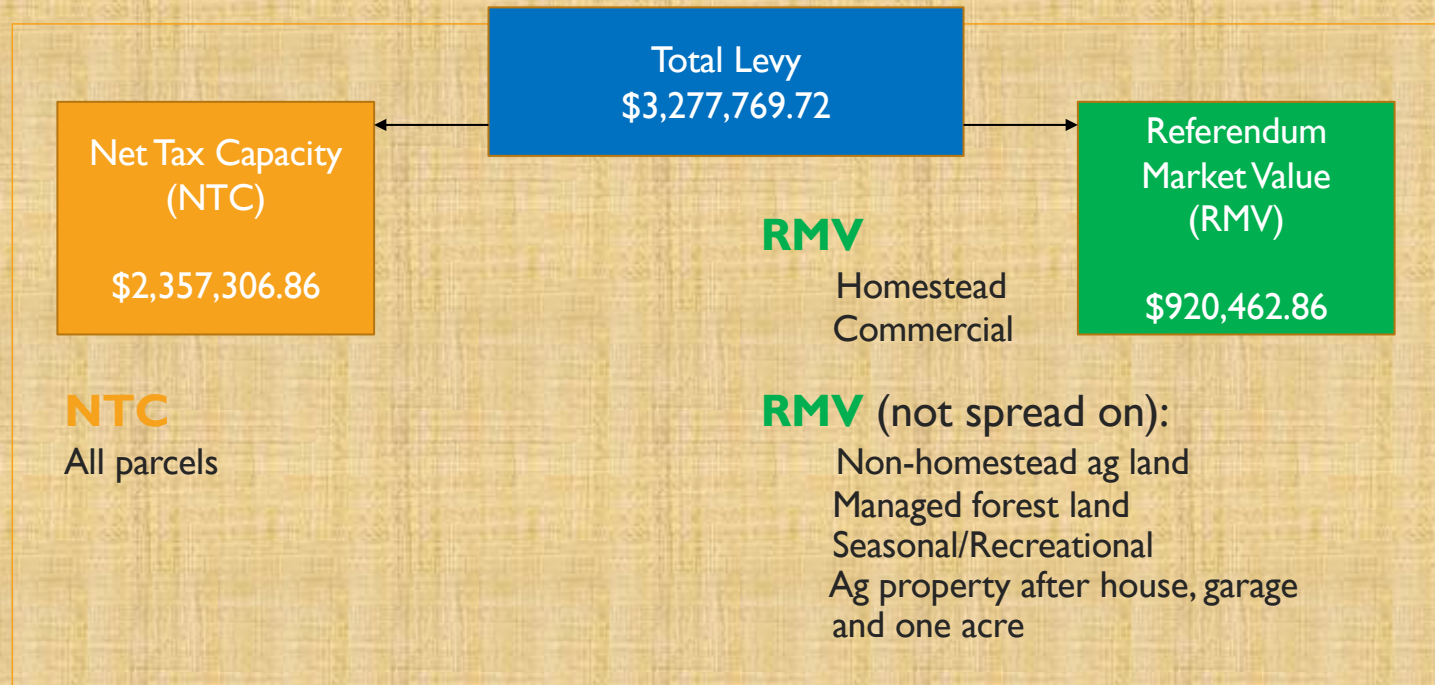
## HOW DOES OUR LEVY BECOME TAXES?

- The final levy is certified and reported to the County Auditor
- County Auditor calculates the taxes
  - The levy amount is allocated to each parcel based on value and classification
- County Assessor determines values and classifications
- County Treasurer collects them (2026) and distributes to the various jurisdictions





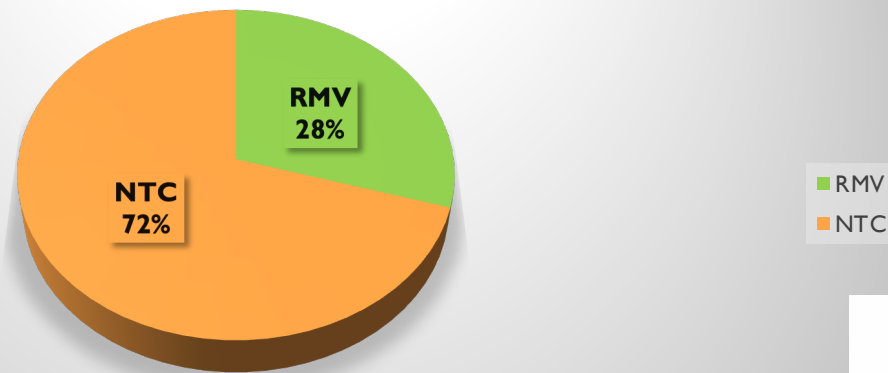
## SPLITTING THE LEVY





## SPLITTING THE LEVY

Subtotals by Tax Base



# SPLITTING THE LEVY

It's all about your "share of the pie":



Aitkin County

City of Aitkin

Wealthwood Township

Glen Township

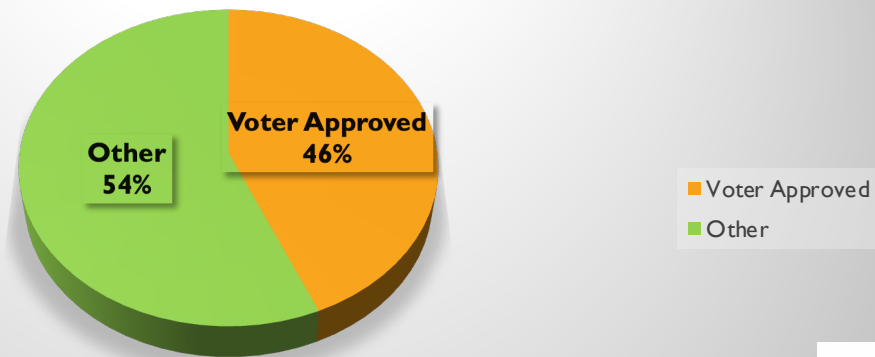
ISD #1 - NTC

ISD #1 - RMV

ISD #1 - RMV

## PAYABLE 2026 LEVY BY VOTER APPROVED OR OTHER

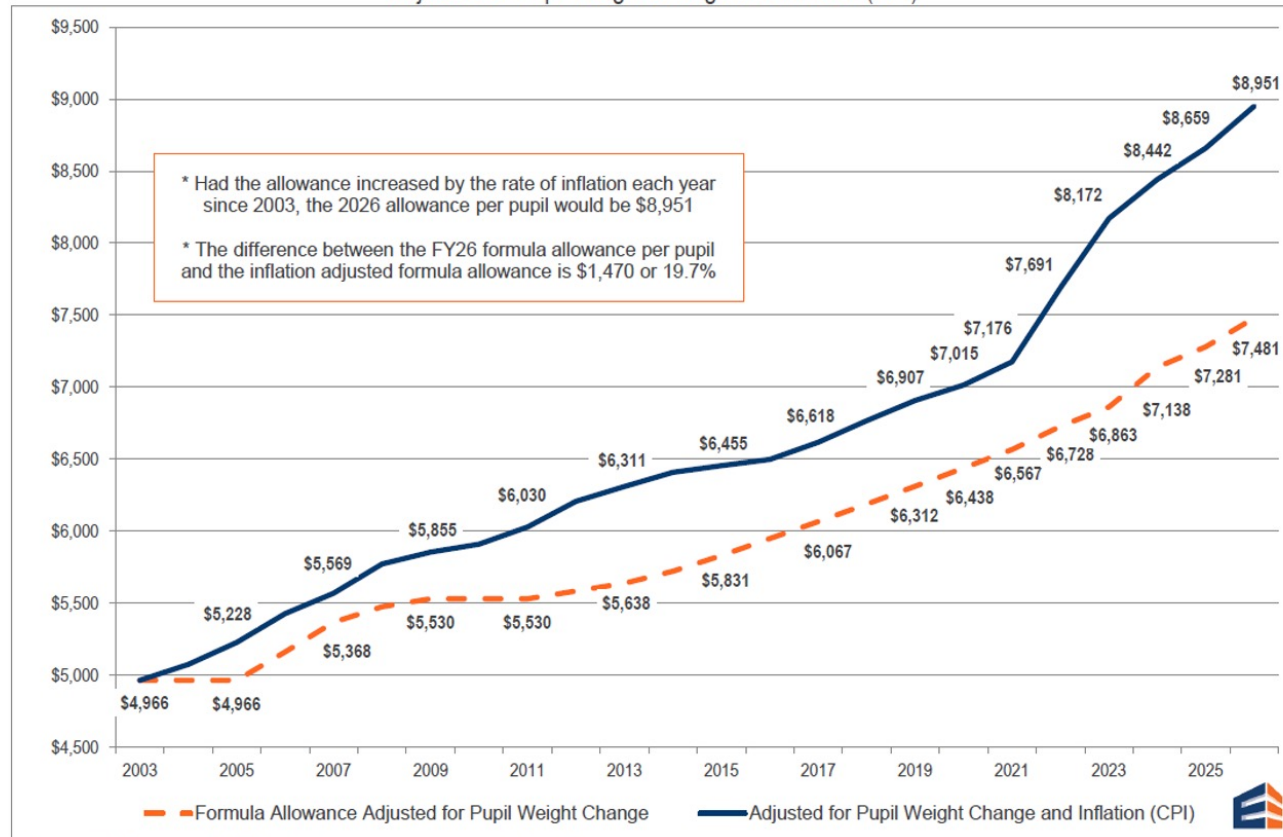
### Subtotals by Truth in Taxation Category



Funding will trail inflation by \$1,470 per pupil in FY26

## General Education Formula Allowance, 2003-2026

Adjusted for Pupil Weight Change and Inflation (CPI)



# BUDGET

- School financials are separated by fund
  - 01 – General Fund
    - Includes 03 – Transportation and 05 – Capital
  - 04 – Community Service
  - 06 - Construction
  - 07 – Debt Service
  - 02 – Food Service
  - 18 – Custodial (Scholarships)
  - 45 - OPEB



## FY26 BUDGETED REVENUES BY FUND

01	-	General	\$13,749,810.00
02	-	Food Service	\$852,740.00
03	-	Transportation	\$863,471.00
04	-	Community Service	\$504,322.00
05	-	Capital Expenditure	\$1,842,324.00
06	-	Building Fund	\$1,950.00
07	-	Debt Service	\$246,651.00
18	-	Custodial	\$16,875.00
45	-	Other Post Employment Benefits (OPEB)	\$103,000.00
		<b>Total Revenues</b>	<b>\$18,181,143.00</b>



## REVENUE SOURCES

FY26 Adopted Revenue Budget	\$18,181,143.00	
Pay 25 Total Levy	\$3,336,986.74	18%
All Other Budgeted Revenue	\$14,844,156.26	82%

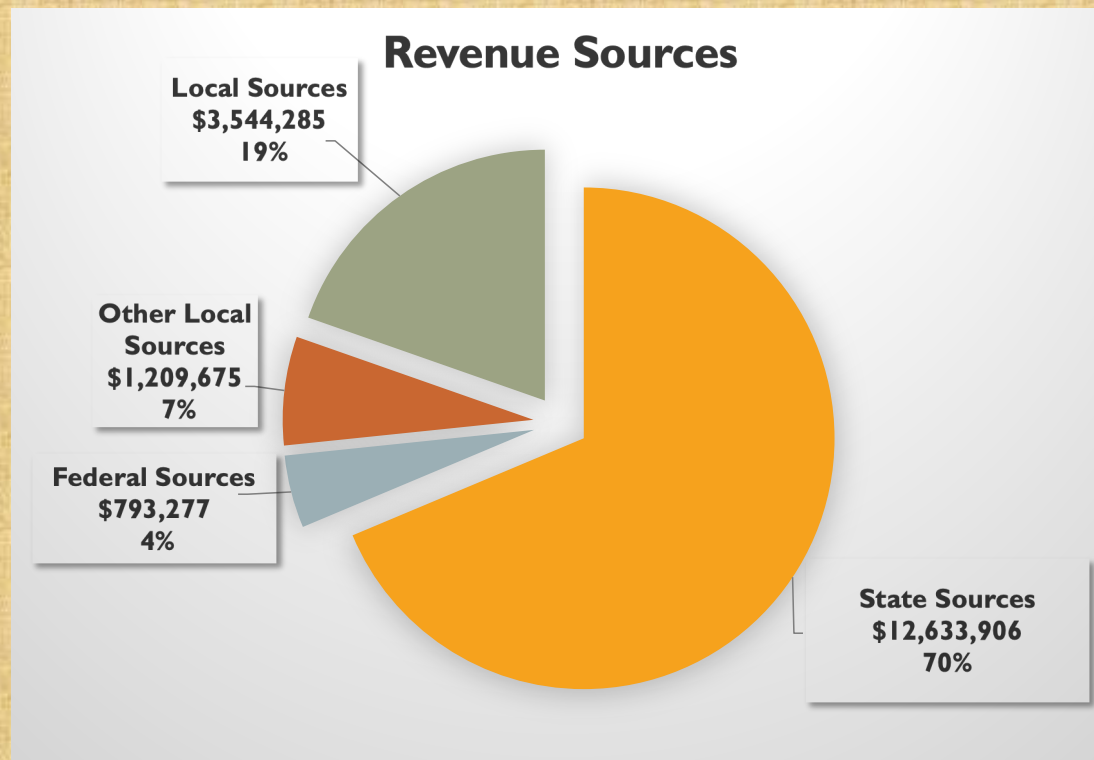
What is 'other'?

- State and federal funding, taconite production tax, user fees, interest, and miscellaneous





## REVENUES BY SOURCE CODE



## BUDGETED EXPENDITURES BY FUND

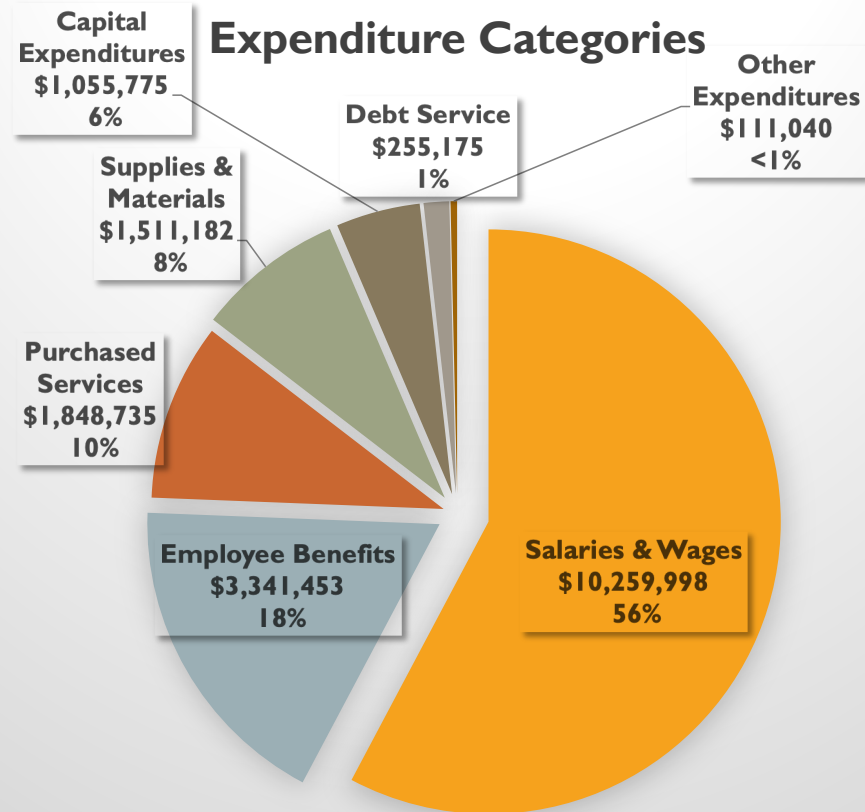
01	-	General	\$13,968,603.00
02	-	Food Service	\$967,581.00
03	-	Transportation	\$1,053,796.00
04	-	Community Service	\$625,909.00
05	-	Capital Expenditure	\$1,338,894.00
06	-	Building Fund	\$0
07	-	Debt Service	\$255,175.00
18	-	Custodial	\$19,300.00
45	-	Other Post Employment Benefits (OPEB)	\$ 154,100.00
		<b>Total Expenditures</b>	<b>\$18,383,358.00</b>

## BUDGETED EXPENDITURES BY AREA

Salaries and Wages	\$10,259,998.00	56%	74%
Employee Benefits	\$3,341,453.00	18%	
Purchased Services	\$1,848,735.00	10%	
Supplies and Materials	\$1,511,182.00	8%	
Capital Expenditures	\$1,055,775.00	6%	
Debt Service	\$255,175.00	1%	
Other Expenditures	\$111,040.00	<1%	
Totals	\$18,383,358.00	100%	

## EXPENDITURES BY AREA

### Expenditure Categories



## BUDGET SUMMARY

FY26 Adopted Budget			
Fund	Revenues	Expenditures	+/-
01	\$13,749,810	\$13,968,603	-\$218,793
02	\$852,740	\$967,581	-\$114,841
03	\$863,471	\$1,053,796	-\$190,325
04	\$504,322	\$625,909	-\$121,587
05	\$1,842,324	\$1,338,894	\$503,430
06	\$1,950	\$0	\$1,950
07	\$246,651	\$255,175	-\$8,524
18	\$16,875	\$19,300	-\$2,425
45	\$103,000	\$154,100	-\$51,100
Total	\$18,181,143	\$18,383,358	-\$202,215

Summary		
General Fund		
01	General	-\$218,793
03	Transportation	-\$190,325
05	Capital	<u>\$503,430</u>
		\$94,312
Deficits are planned or preferable		
45	OPEB	-\$51,100
Self-Sustaining Funds		
02	Food Service	-\$114,841
04	Community Service	-\$121,587
06	Bldg Construction	\$1,950
07	Debt Service	-\$8,524
18	Scholarships	<u>-\$2,425</u>
		-\$245,427

## LEVY CERTIFICATION

Recommended Levy  
Certification Amount

**\$3,277,769.72**



THANK YOU FOR ATTENDING!

Public Comments/Questions?