Special Finance Committee Meeting

Tuesday, May 5, 2026 5:00 PM
Board Assembly Room, 1250 West Broadway Avenue, Minneapolis, Minnesota 55411

1) **Call to Order and Roll Call**

2) **Approval of the Agenda**

3) **Reports and Discussion**

3)a. FY27 Budget Development Update

4) **Action Items**

4)a. Proposed Fiscal Year 2026-2027 Budget (2026-0036)

4)b. Proposed Fiscal Year 2026-2027 Capital Plan and Budget (2026-0038 and 2026-0039)

5) **Adjournment**

Fiscal Year 27 (2026-27) Budget Development Process Update

Finance Committee Meeting

May 5, 2026



MINNEAPOLIS PUBLIC SCHOOLS

Agenda



1. Impact of Revised State Special Education Projected Revenue
2. Other Change Items Since Last Presentation
3. Proposed Budget Summary
4. Requested Action
5. Questions and Discussion

Impact of Revised State Special Education Projected Revenue

Additional Special Education Revenue: Allocations

Area	Purpose	Amount
Adult Education	One-year transitional fund transfer to restore student-facing positions	$1,613,398
Racially identifiable elementary schools	Student support and Educational Support Professional (ESP) positions	$2,314,414
Secondary schools	Fund additional student support, ESP, and teaching positions	$5,128,626
Internal Service Fund	Address increasing insurance needs	$1,473,414
Longfellow Alternative High School	Increase core content teacher positions and restore one ESP support position	$270,420
	Total	**$10,800,000**

Additional Special Education Revenue: Staffing Impact

Position Type	Added FTE
Educational Support Professionals/ESPs (Associate Educators, Family & Community Liaisons, School Program Support Professionals)	64.2
Adult Education Teachers, TOSAs, and ESP Positions	17.7
Birth to 22 Teacher Positions	13.2
Counselors, Social Workers, and Library Media Specialists	12.0
Total	**107.1**

Other Change Items Since Last Presentation

Change Items

Change	Detail
Davis Center security/front desk attendants	• Will move from contracted services to MPS employees • Contract of $190,000 was reduced in Emergency Management, Safety and Security department budget • Three security monitor positions and associated funding plus needed extended time (total of $206,280) was moved to EMSS, Zone B • $16,280 was moved from the Office of the Deputy Superintendent to cover the minor overage
Recognize tuition billing expense	• New expense item in the Special Education department of $6,995,981 for Special Education tuition billing • This step is needed to maximize state Special Education revenue

Vacant/filled position reconciliation



- Before the final proposed budget is complete, there is one final reconciliation
- This process ensures that the finally approved budget accounts for any changes in positions that have occurred since the budget planning process began in February
- This may mean slight increases or decreases in the budget based on the individual employees assigned to positions, specifically those that are budgeted using actual salaries
- Other than an occasional change due to a 1:1 Special Education Assistant (SEA), this process shouldn't result in an FTE change
- This process will be completed prior to the May 12 first reading

Proposed Budget Summary

Proposed FY27 Budget Balance Sheet

Fund	Revenue	Expenditures	Transfers	Fund Balance Use
General (01)	$737,250,678	$734,664,138	-$2,586,540	$0
Food Service (02)	$24,535,441	$24,535,441	$0	$0
Community Service (04)	$40,245,093	$42,389,002	$1,113,399	-$1,030,510
Sub-Total (Operating Funds)	**$802,031,212**	**$801,588,581**	**-$1,473,141**	**-$1,030,510**
Building Construction (06)	$90,336,000	$148,277,954	$0	-$57,941,954
Debt Service (07)	$102,482,078	$102,482,078	$0	$0
Internal Service (20)	$62,975,850	$65,367,212	$1,473,141	-$918,221
All Funds Total (Operating, Non-Operating, and Proprietary)	**$1,057,825,140**	**$1,117,715,825**	**$0**	**-$59,890,685**

Proposed 2026-27 Budget

budget.mpschools.org



Scan the QR code to visit the budget website

Proposed Operating Budget Overview

- ✓ Aligned to board priorities and values
- ✓ No planned use of unassigned or assigned general fund balance
- ✓ Funds new, lower class size standards
- ✓ Maximizes state Special Education revenue
- ✓ Transparent and accessible access to detailed revenue projections and line-item level expenses for schools and departments via new budget transparency website
- ✓ Minimizes reductions to student-facing services and positions by continuing core predictable staffing and other priority investment areas from the current year

Capital Plan and Budget Overview

- ✓ The capital plan aligns to the strategic plan by providing secure and welcoming spaces to maintain the environment for academic achievement, student well being, effective staff and welcoming environments that are safe and well maintained
- ✓ The capital plan's focus is on Safe & Welcoming Entrances, Building Cooling, Athletics, and Student Dining Experience
- ✓ The plan includes funds for renewal of aging building assets
- ✓ The plan is a roadmap to improvements and can be adjusted from year to year as needed to meet changing strategies and emerging issues

General Obligation Bond Funded Projects

Location	Capital Improvement Projects	FY27	FY28	FY29
Field	Building Cooling	---	---	$12,640,000
Franklin	Safe & Welcoming Entrance	$1,000,000	$4,900,000	---
Howe	Safe & Welcoming Entrance	$1,000,000	$4,045,000	---
Kenwood	Building Cooling / Safe & Welcoming Entry	---	$10,640,000	$6,340,000
Multi-Site	Small Capital Projects	$1,500,000	$1,500,000	$1,500,000
Multi-Site	Title IX Compliance	$1,500,000	---	---
Multi-Site	Strategic Direction / Transformation	$3,000,000	$2,500,000	---
Multi-Site	Security Camera Renewal	$1,400,000	$1,000,000	$1,000,000
Multi-Site	Playground Improvements	$1,500,000	$1,500,000	$1,500,000
Maintenance & Operations	Self-Performed Improvements	$4,000,000	$4,000,000	$4,000,000
Maintenance & Operations	Fleet & Equipment	$250,000	$250,000	$250,000
Northrop	Building Cooling	$10,680,000	---	---
Southwest	Turf Athletic Field	$9,369,000	---	---
Student Placement (Davis)	Entrance & Security Improvements	$500,000	---	---
Transportation	Fleet Vehicles	$1,500,000	$1,500,000	$1,500,000
	General Obligation Bonds Subtotal	**$38,099,000**	**$32,735,000**	**$29,630,000**

Long-Term Facilities Maintenance Bond Funded Projects

Location	Improvement	FY27	FY28	FY29
Multi-Site	Building Envelope	$5,223,700	$5,626,900	$5,768,200
Multi-Site	Hardware & Equipment	$2,611,850	$2,813,450	$2,884,100
Multi-Site	Electrical Systems	$2,611,850	$2,813,450	$2,884,100
Multi-Site	Interior Surfaces	$7,835,550	$8,440,350	$8,652,300
Multi-Site	Mechanical Systems	$18,282,950	$19,694,150	$20,188,700
Multi-Site	Plumbing Systems	$3,917,775	$4,220,175	$4,326,150
Multi-Site	Professional Services	$3,917,775	$4,220,175	$4,326,150
Multi-Site	Roof Systems	$5,223,700	$5,626,900	$5,768,200
Multi-Site	Site Projects	$2,611,850	$2,813,450	$2,884,100
	LTFM Bonds Subtotal	**$52,237,000**	**$56,269,000**	**$57,682,000**

Requested Action

Requested Action

1. **Refer the operating budget resolution (2026-0036) to the full board**
   - First reading at the May 12 regular business meeting
   - Approval at the June 9 regular business meeting

2. **Refer the capital plan and budget resolutions (2026-0038 and 2026-0039) to the full board**
   - First reading at the May 12 regular business meeting
   - Approval at the June 9 regular business meeting

Questions

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0036
June 9, 2026

MINNEAPOLIS
PUBLIC SCHOOLS

Resolution Approving the 2026-2027 Budget

WHEREAS, Minnesota Statutes Sections 128D.06, Subd. 3 and 123B.77, Subd. 4, and MPS Policy 3005 require that a balanced budget be approved for the following year no later than June 15; and

WHEREAS, the recommended budget is available in detail, and itemized by operating and capital fund types, at budget.mpschools.org; and

WHEREAS, the proposed budget includes a planned transfer of $1,113,399 from the General Fund (01) to the Community Service Fund (04); and

WHEREAS, in accordance with Minnesota Statutes Sections 126C.15, Subd. 2, no more than 20 percent of any building's compensatory revenue allocation has been reallocated for the plan adopted by the board as part of the recommended budget to fund a portion of school social worker and school counselor positions with compensatory education revenue; and

WHEREAS, Superintendent recommends adoption of the proposed 2026-2027 budget.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of Special School District No. 1 (Minneapolis Public Schools) hereby approves the 2026-2027 operating and capital budgets in Table 1 below.

Draft

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0036
June 9, 2026

MINNEAPOLIS PUBLIC SCHOOLS

Table 1:

Fund	Revenue	Expenditures	Transfers	Fund Balance Use
General (01)	$737,250,678	$734,664,138	-$2,586,540	$0
Food Service (02)	$24,535,441	$24,535,441	$0	$0
Community Service (04)	$40,245,093	$42,389,002	$1,113,399	-$1,030,510
Sub-Total (Operating Funds)	**$802,031,212**	**$801,588,581**	**-$1,473,141**	**-$1,030,510**
Building Construction (06)	$90,336,000	$148,277,954	$0	-$57,941,954
Debt Service (07)	$102,482,078	$102,482,078	$0	$0
Internal Service (20)	$62,975,850	$65,367,212	$1,473,141	-$918,221
All Funds Total (Operating, Non-Operating, and Proprietary)	**$1,057,825,140**	**$1,117,715,825**	**$0**	**-$59,890,685**

FURTHER BE IT RESOLVED, that the Superintendent and delegated designees are authorized to expend funds on behalf of the district within the approved budgeted amounts.

FURTHER BE IT RESOLVED, that the Superintendent and delegated designees are authorized to transfer funds between schools and departments, and organize administratively within the authorized levels by fund.

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0036
June 9, 2026

MINNEAPOLIS
PUBLIC SCHOOLS

ADOPTED this 9th day of June 2026.

Collin Beachy, Chair

Lori Norvell, Clerk

RECORD OF BOARD VOTE

DIRECTOR	MOVE	SECOND	AYE	NAY	ABSTAIN	ABSENT
Abdi						
El-Amin						
Skjefte						
Cerrillo						
Norvell						
Callahan						
Beachy						
Ellison						
Emerick						

Draft

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0039
June 9, 2026

MINNEAPOLIS
PUBLIC SCHOOLS

Resolution Approving the Fiscal Year 2027 Capital Plan and Budget

WHEREAS, School board policy requires a multi-year capital plan to re-evaluate annually based on investment priorities and emerging needs; and

WHEREAS, in the 2027 plan, an additional year will be added for planning purposes; and

WHEREAS, the capital plan priorities include safe and welcoming entrances, building cooling, student dining, athletics, and long-term facilities maintenance.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of Special School District No. 1 (Minneapolis Public Schools) hereby authorizes the FY27 capital plan and related bond of $90,336,000 as outlined in the MPS Capital Plan FY27 to FY29 (2026-0039A).

ADOPTED this 9th day of June 2026.

Collin Beachy, Chair

Lori Norvell, Clerk

DRAFT

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0039
June 9, 2026

MINNEAPOLIS
PUBLIC SCHOOLS

RECORD OF BOARD VOTE

DIRECTOR	MOVE	SECOND	AYE	NAY	ABSTAIN	ABSENT
Abdi						
El-Amin						
Skjefte						
Cerrillo						
Norvell						
Callahan						
Beachy						
Ellison						
Emerick						

DRAFT

Special School District No. 1

Proposed Capital Plan FY27 to FY29 - to be approved on 6/9/2026 *DRAFT 3/24/2026*

Location	Improvement	FY27	FY28	FY29
	Capital Improvement Projects			
Field	Building Cooling			$12,640,000
Franklin	Safe & Welcoming Entrance	$1,000,000	$4,900,000	
Howe	Safe & Welcoming Entrance	$1,000,000	$4,045,000	
Kenwood	Building Cooling / Safe & Welcoming Entrance		$10,640,000	$6,340,000
Multi-Site	Furniture, Fixtures & Equipment	$900,000	$900,000	$900,000
Multi-Site	Small Capital Projects	$1,500,000	$1,500,000	$1,500,000
Multi-Site	Title IX Compliance	$1,500,000		
Multi-Site	Strategic Direction / Transformation	$3,000,000	$2,500,000	
Multi-Site	Security Camera Renewal	$1,400,000	$1,000,000	$1,000,000
Multi-Site	Playground Improvements	$1,500,000	$1,500,000	$1,500,000
Maintenance & Operations	Self-Performed Improvements	$4,000,000	$4,000,000	$4,000,000
Maintenance & Operations	Fleet & Equipment	$250,000	$250,000	$250,000
Northrop	Building Cooling	$10,680,000		
Southwest	Turf Athletic Field	$9,369,000		
Student Placement Davis Center	Entrance & Security Improvements	$500,000		
Transportation	Fleet Vehicles	$1,500,000	$1,500,000	$1,500,000
	General Obligation Bonds Subtotal	**$38,099,000**	**$32,735,000**	**$29,630,000**
	Long-Term Facilities Maintenance Plan			
Multi-Site	Building Envelope	$5,223,700	$5,626,900	$5,768,200
Multi-Site	Hardware & Equipment	$2,611,850	$2,813,450	$2,884,100
Multi-Site	Electrical Systems	$2,611,850	$2,813,450	$2,884,100
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Multi-Site	Mechanical Systems	$18,282,950	$19,694,150	$20,188,700
Multi-Site	Plumbing Systems	$3,917,775	$4,220,175	$4,326,150
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Multi-Site	Roof Systems	$5,223,700	$5,626,900	$5,768,200
Multi-Site	Site Projects	$2,611,850	$2,813,450	$2,884,100
	LTFM Bonds Subtotal	**$52,237,000**	**$56,269,000**	**$57,682,000**
	Capital Plan Total	**$90,336,000**	**$89,004,000**	**$87,312,000**

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0038
June 9, 2026

MINNEAPOLIS
PUBLIC SCHOOLS

Resolution Relating to General Obligation Long-Term Facilities Maintenance Bonds; Declaring Intent to Issue Bonds To Finance A Facilities Plan; Providing for Approval of the Plan and Approval of Bonds By The Commissioner of Education; And Authorizing the Publication of Notice

BE IT RESOLVED, by the Board of Directors of Special School District No. 1 (Minneapolis Public Schools), Minnesota (the "District"), as follows:

Section 1. Authorization and Approval 1.01.

The District is authorized, pursuant to Minnesota Statutes, Section 123B.595 and Chapter 475, to borrow money by the issuance of its general obligation long-term facilities maintenance bonds. This Board hereby determines that it is necessary and desirable and in the best interest of the District to issue a series of general obligation long-term facilities maintenance bonds (the "Bonds"), pursuant to Minnesota Statutes, Section 123B.595 and Chapter 475. The District will issue the Bonds in a par amount of approximately $52,237,000 to finance projects described in the District's ten-year facilities plan adopted by this Board (the "Plan").

1.02. The Plan has been submitted or will be submitted to the Commissioner of the Department of Education of the State of Minnesota (the "Commissioner of Education") for approval as required by Minnesota Statutes, Section 123B.595, subdivision 4, and such approval has been or will be received prior to the date on which the Bonds will be issued.

Section 2. Notice 2.01. The officers and employees of the District are hereby authorized and directed to cause notice of the intended projects, the amount of the facilities maintenance bonds to be issued, and the total amount of the District's indebtedness to be published in a legal newspaper of general circulation in the District as required by Minnesota Statutes, Section 123B.595, subdivision 5.

DRAFT

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0038
June 9, 2026

MINNEAPOLIS
PUBLIC SCHOOLS

ADOPTED this 9th day of June 2026.

Collin Beachy, Chair

Lori Norvell, Clerk

RECORD OF BOARD VOTE

DIRECTOR	MOVE	SECOND	AYE	NAY	ABSTAIN	ABSENT
Abdi						
El-Amin						
Skjefte						
Cerrillo						
Norvell						
Callahan						
Beachy						
Ellison						
Emerick						

DRAFT

Special School District Number 1
Board of Education Resolution

MINNEAPOLIS
PUBLIC SCHOOLS

Resolution: 2026-0038
June 9, 2026

Certificate of Official Action

The undersigned, being the duly qualified and acting School District Clerk of Special School District No. 1 (Minneapolis Public Schools), Minnesota (the "District"), DOES HEREBY CERTIFY as follow:

Attached hereto is a true and correct copy of a resolution duly adopted by the affirmative vote of a majority of the members of the Board of Education of the District at a lawful meeting duly called and held on June 9, 2026, at which meeting a quorum was present and acting throughout. Such resolution remains in full force and effect in the form in which adopted.

IN WITNESS WHEREOF, the undersigned has hereunto set her/his hand and affixed the official seal of the District, this 9th day of June, 2026.

_____

Lori Norvell, Clerk

DRAFT