FINANCE COMMITTEE MINUTES

This meeting was held remotely via Google Meet
June 8, 2026 at 7:31 a.m.

Members in Attendance: Ashley Benhart, Jamie Bente, Lynda Boudreau, Rob Dehnert, Dick Dotterweich, Stacy Fox, Meghan Knutson, Brett Martindale, Barbie Roessler, and Chad Wolff

Others in Attendance: Mike Berding & Grant Wilson

Members Absent: John Bellingham & Jason Engbrecht

This meeting was called to order at 7:31 a.m.

I. Business Items
   a. Approval of the agenda
      i. Action: Approved (Bente/Wolff)
   b. Approval of the previous meeting minutes
      i. Action: Approved (Dotterweich/Bente)

II. Contracts, Agreements, Bids and Grants for Review
   a. Approval of the Student Device Lease with TRAFERA for FY27 - Presented by Mike Berding, Director of Education Technology and Innovation:
      i. Details: 4-year Chromebook lease for FHS students ($157,099 annually). Includes a $1.00 buy-out option at term-end to repurpose devices for elementary schools.
      ii. Rationale: Switched from iPads based on student/staff polls and longer security update windows (10 years from manufacture). Interest rate to be updated.
      iii. Action: Approved (Wolff/Dotterweich).
   b. Approval of the P&C Insurance/Workers Compensation Recommendations With Heartman Insurance for FY27 - Presented by Grant Wilson with Heartman Insurance:
      i. Workers' Comp: Experience mod rose from 1.0 to 1.08 ($2,106 cost increase for FY27), largely offset.
      ii. Property & Casualty: Property values raised 5% for replacement alignment; overall cost increased by 5% ($33,000 for FY27).
      iii. Action: Approved (Bente/Boudreau).
   c. Approval of the Contracted Meals/Vended Meals Agreements for FY27 - Presented by Barbie Roessler:
      i. Details: Two CACFP agreements (Three Rivers Head Start, Little Scholars); two Joint Agreements (CVSEC, Nerstrand); two Vended Meal contracts with standard markup (Discovery, Surad Academy).
      ii. Action: Approved (Dotterweich/Boudreau).

III. Financial Performance

a. May Student Counts: Enrollment rose by 4 students from April to May, but sits 35 students below budget (3,022 actual vs. 3,057 budgeted). State ADM calculations finalize in December.
b. May Investment Financial Report: Cash and investments increased from $19M to $24M, securing strong liquidity.
c. May Comparative Financial Report: Utilities showed zero activity due to a $103k HVAC/electricity credit. Self-insurance net positive ($306k revenue vs. $113k expenses); fund balance is healthy.
d. May Analytics: Year-to-date spending is at 80% of budget (revenues at 72%). Overspending in food service and construction is intentional to spend down fund balances.

IV. Financial Strategies
  a. Approval of the FY27 Adopted Budget - Presented by Barbie Roessler:
    i. Enrollment & Revenue: Projected decline to 2,970 students. General Ed funding formula increased 2.7% (+$1.3M). Compensatory revenue decreased by $278k; English Learner funding increased by $578k. Board-approved $1M in reductions and $55k in enhancements.
    ii. Expenditures: Negotiated salaries increased by $2M; transportation increased by $681k; other costs increased by $567k.
    iii. Fund Balance Projections:
      1. *General Ed (Unassigned):* $7,478,261 (10.57%, beating the 9.5% mandate).
      2. *Food Service:* $1.040M (down $379k, intentional).
      3. *Community Ed:* $665k (down $334k).
      4. *Construction:* $0 (intentional).
      5. *Debt Service:* $1.089M (up $296k).
      6. *Internal Service Fund:* $966k (up $69k).
      7. *OBEB:* $2.537M (up $10k).
      8. *Total (All Funds):* $15.771M (net decrease of $2.076M).
    iv. Outlook: Continued enrollment drops will require an estimated $2M in cuts for FY28.
    v. Action: Approved (Fox/Boudreau).

V. Next Meeting: July 13, 2026, at 7:30 am.

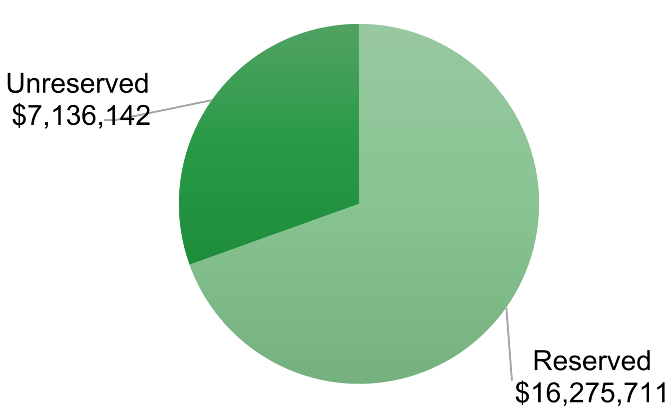
VI. Adjournment at 8:33 am
  a. Action: Approved (Fox/Dotterweich)

Respectfully submitted by Brett Martindale

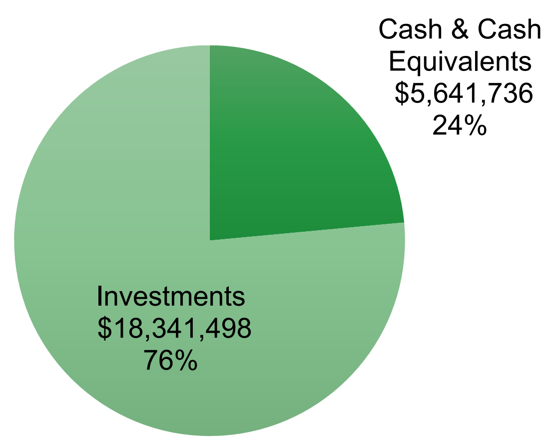
FARIBAULT PUBLIC SCHOOLS
Investment Balances
As of June 30, 2026

	Ending Balance 5/31/2026	Ending Balance 6/30/2026	Interest/Div Earned
RELIANCE - MAIN CHECKING	750,000.00	750,000.00	
RELIANCE - SAVINGS	2,229,676.40	3,297,089.56	2,936.18
MSDLAF+LIQUID MONEY MARKET	443,342.67	640,836.20	1,544.06
MSDLAF+ MAX MONEY MARKET	2,216,310.90	2,233,467.22	6,555.61
MN TRUST OPERATIONS	11,739,837.73	9,861,352.83	33,939.77
MN TRUST INVESTMENTS	2,882,033.04	2,905,833.04	55,463.57
MN TRUST MAINTENANCE BONDS	425,020.56	426,260.80	1,240.24
US BANK - IRREVOCABLE TRUST	2,834,216.37	2,834,216.37	
US BANK - ROOSEVELT DEBT	186.41	186.41	
FIRST UNITED BANK CD	150,000.00	150,000.00	
PREMIER BANK CD	160,204.06	160,204.06	
RELIANCE BANK CD	-	-	
STATE BANK OF FARIBAULT CD	150,000.00	150,000.00	
PETTY CASH	2,406.00	2,406.00	
TOTAL CASH AND INVESTMENTS	$ 23,983,234.14	$ 23,411,852.49	$ 101,679.43

Asset Reservations



Liquidity



Faribault Public Schools
Comparative Financial Report - Select General Fund Expenditure Accounts
As of June 30, 2026

EXPENDITURES:	FY25 June 2025	FY26 June 2026	FY25 YTD Through June 2025	FY26 YTD Through June 2026	FY25 FIN Budget	FY26 FIN Budget	FY25 % of Budget through June 2025	FY26 % of Budget through June 2026
HVAC	12,044	(102,028)	304,582	244,274	289,000	297,500	105.39%	82.11%
Water	15,566	8,764	92,607	89,964	67,200	83,500	137.81%	107.74%
Electric	(10,245)	55,269	565,875	619,767	639,000	683,816	88.56%	90.63%
Snow Removal	-	-	48,721	83,788	100,200	83,261	48.62%	100.63%
Total Expenditures	17,365	(37,996)	1,011,786	1,037,792	1,095,400	1,148,077	92.37%	90.39%

Faribault Public Schools
Comparative Financial Report - Self Insurance Fund
As of June 30, 2026

REVENUES:	FY25 June 2025	FY26 June 2026	FY25 YTD Through June 2025	FY26 YTD Through June 2026	FY25 FIN Budget	FY26 FIN Budget	FY25 % of Budget through June 2025	FY26 % of Budget through June 2026
District Contributions	201,281	284,609	2,684,005	2,989,424	2,536,426	2,916,890	105.82%	102.49%
Employee Contributions	25,854	44,436	276,285	376,720	264,673	304,374	104.39%	123.77%
Retirees Contributions	6,264	5,010	86,215	61,212	85,261	53,386	101.12%	114.66%
Cobra Contributions	-	2,745	2,862	2,745	11,130	20,665	25.72%	13.28%
Total Revenue	233,399	$336,800	$3,049,367	$3,430,101	$2,897,490	$3,295,315	105.24%	104.09%
EXPENDITURES:								
Medical Claims	162,602	43,599	2,570,151	2,041,979	2,782,154	2,515,070	92.38%	81.19%
Administrative Fees	36,578	39,713	525,056	477,727	403,787	525,617	130.03%	90.89%
Additional Charges	2,248	-	52,884	34,913	84,357	60,000	62.69%	58.19%
Total Expenditures	$201,429	$83,312	$3,148,092	2,554,619	$3,270,298	$3,100,687	96.26%	82.39%
				$875,482				

Faribault Public Schools ISD 656
Exp/Rev Summary - Fd
Period Ending June 30, 2026

Sequence: L, Fd

		Description	26FIN Annual Budget	Period 202612	Year To Date	% YTD	Encumbrances	% YTD + Enc	Remaining Balance
E		Expenditure							
	01	General	70,951,780.00	10,907,765.43	67,628,003.84	95%	553,012.25	96%	2,770,763.91
	02	Food Service	3,226,558.00	285,310.43	2,741,002.02	85%	31.18	85%	485,524.80
	04	Community Service	7,484,057.00	867,568.32	5,804,303.33	78%	22,107.57	78%	1,657,646.10
	06	Building Construction	2,523,211.00	4,680.00	2,441,189.43	97%	0.00	97%	82,021.57
	07	Debt Redemption	2,379,350.00	475.00	2,379,300.00	100%	0.00	100%	50.00
	20	Internal Service	3,100,687.00	83,311.77	2,554,619.00	82%	0.00	82%	546,068.00
	45	OPEB Irrevocable Trust	158,000.00	11,087.18	133,270.49	84%	202.78	84%	24,526.73
	50	Student Activities	110,000.00	9,136.28	101,916.11	93%	1,471.30	94%	6,612.59
E		**Expenditure**	89,933,643.00	12,169,334.41	83,783,604.22	93%	576,825.08	94%	5,573,213.70
R		Revenue							
	01	General	(69,739,665.00)	(5,815,476.19)	(59,236,185.12)	85%	610.00	85%	(10,504,089.88)
	02	Food Service	(2,715,717.00)	(30,754.87)	(2,454,435.33)	90%	0.00	90%	(261,281.67)
	04	Community Service	(7,038,298.00)	(341,770.55)	(4,293,931.64)	61%	0.00	61%	(2,744,366.36)
	06	Building Construction	(164,327.00)	0.00	(124,523.15)	76%	0.00	76%	(39,803.85)
	07	Debt Redemption	(2,569,387.00)	(498,320.08)	(2,274,771.54)	89%	0.00	89%	(294,615.46)
	20	Internal Service	(3,295,315.00)	(336,799.78)	(3,430,100.74)	104%	0.00	104%	134,785.74
	45	OPEB Irrevocable Trust	(168,000.00)	0.00	(329,143.45)	196%	0.00	196%	161,143.45
	50	Student Activities	(112,000.00)	(8,277.68)	(115,867.12)	103%	0.00	103%	3,867.12
R		**Revenue**	(85,802,709.00)	(7,031,399.15)	(72,258,958.09)	84%	610.00	84%	(13,544,360.91)
		Report Totals:	4,130,934.00	5,137,935.26	11,524,646.13	279%	577,435.08	293%	(7,971,147.21)

Faribault Public Schools ISD 656
Multi Year Guideline by Object Series

Sequence: Fd, O/S

Description	202412 Budget 24FIN	202412 Year to Date	202412 %	202512 Budget 25REV	202512 Year to Date	202512 %	202612 Budget 26FIN	202612 Year to Date	202612 %
01 General									
100 Salaries & Wages	36,691,729.00	34,773,734.85	95%	35,400,605.00	34,940,942.58	99%	37,447,675.00	36,710,961.29	98%
200 Employee Benefits	12,743,620.00	12,738,056.85	100%	13,187,389.00	13,382,685.18	101%	15,160,114.00	14,772,498.76	97%
300 Purchased Services	9,419,104.00	9,282,934.83	99%	10,442,726.00	9,995,706.23	96%	12,088,436.00	10,840,108.24	90%
400 Supplies & Materials	2,870,733.00	2,260,099.51	79%	2,864,209.00	2,356,492.21	82%	2,639,347.00	1,896,179.96	72%
500 Capital Expenditures	2,066,851.00	2,026,996.11	98%	2,053,292.00	1,997,624.25	97%	3,125,362.00	3,096,909.56	99%
800 Other Expenditures	621,589.00	271,617.92	44%	428,579.00	220,235.99	51%	424,274.00	244,774.31	58%
900 Other Financing Uses	0.00	0.00	0%	0.00	0.00	0%	66,572.00	66,571.72	100%
01 General	64,413,626.00	61,353,440.07	95%	64,376,800.00	62,893,686.44	98%	70,951,780.00	67,628,003.84	95%
Report Totals:	64,413,626.00	61,353,440.07	95%	64,376,800.00	62,893,686.44	98%	70,951,780.00	67,628,003.84	95%