



**MAHTOMEDI**  
PUBLIC SCHOOLS

Mahtomedi Public Schools, ISD 832  
Commissioner Approval for 3 Year Deficit in FB 424

March 23, 2026

Dear Commissioner Jett:

Please consider this revised request for Mahtomedi Public Schools (ISD 832) to allow a 3 year deficit in Fund Balance 424, Reserve for Operating Capital. The deficit would include fiscal years 2025, 2026 and 2027.

Our projected expenditures grew faster than our projected revenues due to overall inflationary pressures on salaries/wages, health insurance, transportation and the loss of federal pandemic related funding.

In fiscal 2024, we updated needed Smart Board technology for the classroom and that is the main driver of the deficit in our Reserve for Operating Capital.

We currently have set aside \$700,000 in assigned fund balance for purposes of reducing the deficit. We will use another \$620,000 of assigned fund balance in fiscal 2027 to eliminate the deficit. Our board has approved the revised deficit elimination plan and the transfer from assigned fund balance to the Reserve for Operating Capital. Moving forward, expenditures will be aligned with revenue.

Please see the attached information on Exhibit A for more financial information.

Respectfully,

Tim Erickson  
Director of Business Services  
Mahtomedi Public Schools

