

Duluth Public Schools #709 - COW Budget 06.09.26 (3rd Reading)
Proposed Budget Summary - Fiscal Year 2027 (FY27)

Overview/Definitions:

General Fund includes General (01), Transportation (03), and Operating Capital (05).
Within the General and Operating Capital funds, certain revenues will have reserve requirements.

Additional funds include Food Service Fund (02), Community Service Fund (04), Construction Fund (06), Debt Service Fund (07), Trust Fund (08), Internal Service Fund (20).

The process for General Fund Revenue budgeting will include projecting and analyzing current Federal, State, and Local revenues along with forecasting legislative or local district changes to revenues.

Review of Budget provisions made for FY27:

- **Strive for Fiscal Stability & Sustainability for future years**
We will continue to prioritize fund balance growth to meet the District Policy of 8% of the General Fund. This will be supported by district-wide operational budget realignments and reductions.
- **Local Levy**
Increase of 13.75%, \$2,359,004.47 (General fund)
- **State Aid Increase**
Due to a 2.69% increase over last year the district will receive a Basic Formula Allowance increase of \$2,734,592.00 The basic formula amount per adm for next year is \$7,683.00
- **American Indian Education aid**
\$413,000 (Fy 26 funding, Fy 27 TBD by MDE)
- **Literacy Incentive Aid**
\$388,659
- **Title funding: 14% decrease over FY 26: Total FY 27: Approximately \$2,747,058**
- **MTSS grant**
No grant for FY 27
- **ADSIS state funding - 55% reimbursement of expenditures: Approximately FY 27 \$581,245.37**
- **Paraprofessional Training**
\$65,589.05
- **Hourly Worker Unemployment: \$670,718.77**

FY 27 Pupil Counts are estimated at 8175, an increase of 50 adjusted enrollment over FY 26 which was 8125.

Food and Nutrition: Free breakfast and lunch for all students will continue in FY27- the Application for Educational Benefits (Free and Reduced Meal Form) are mostly direct certified. Applications are still required. There is a permanent decrease in state funding beginning July 1, 2026 by .06 cents per meal.

Other local revenues are estimated by prior year funding amounts.

Notes:

- Local revenue includes property tax levy, miscellaneous tax revenues, county apportionment, tuition, fees, admissions, medical assistance, interest earnings, rent, gifts & bequests, insurance recovery, sale of materials and equipment, and other miscellaneous revenues.
- State revenue includes payments by the MN Dept. of Education, and other state agencies.
- Federal revenue includes aids awarded through state agencies or directly from federal sources.

Restricted Revenues require a reserved fund balance if funding is not all spent in the allocated fiscal year. Most restricted revenues are intended to be spent in full in the allocated fiscal year. Restricted/Reserved Revenues come from state and local sources (aid and levy).

Undesignated Revenues come from federal, state, and local sources, the largest of which is the basic formula allowance (General Education Aid). Undesignated Revenues may have individual calculations, but do not have a required reserve fund balance.

Federal Sources are often reimbursements and have allowable carryover provisions to subsequent fiscal years. Use of federal funds has limitations.

Duluth
Public Schools

Timeline

- Jan-Feb, 2026 | Individual board member meetings occurred to review the 5-year forecast and preliminary budget
- April 7, 2026 | Committee of the Whole – Budget First reading [Public Meeting Agenda: April 7, 2026 at 4:30 PM - Monthly Committee of the Whole Board Meeting](#)
- May 5, 2026 | Committee of the Whole - Budget Second reading [Public Meeting Agenda: May 5, 2026 at 4:30 PM - Monthly Committee of the Whole Board Meeting](#)
- June 8, 2026 | HR/Business Services - present budget adoption resolution
- June 9, 2026 / Committee of the Whole –Budget Third reading (include categorical aid breakdowns and basic formula aid update)
- June 16, 2026 | Regular Board Meeting – Budget Adoption

Projected Enrollment for FY27

- Analysis completed May 2026
- Due to FY25 final counts of 8,255.88, we are using the ADM count of 8,175 for FY27 budget planning

	Actual ADM			Projected ADM			
	FY23	FY24	FY25	FY26	FY27	FY28	FY29
Early Childhood/VPK	174.64	182.53	187.70	169.67	173.94	177.70	178.30
Grades K-5	3,583.41	3,586.28	3,555.77	3,582.80	3,534.86	3,484.26	3,450.12
Grades 6-8	1,671.25	1,758.80	1,771.33	1,824.20	1,807.19	1,812.11	1,769.01
Grades 9-12	2,690.77	2,709.13	2,741.08	2,653.71	2,671.97	2,699.36	2,756.88
Total ADM	8,120.07	8,236.74	8,255.88	8,230.38	8,187.96	8,173.43	8,154.31
Change		116.67	19.14	-25.50	-42.42	-14.53	-19.12
% Change		1.44%	0.23%	-0.31%	-0.52%	-0.18%	-0.23%
ADMWE	8,000	8,000	8,050	8,100	8,175	8,200	8,243



Revenue Budget Summary - General Fund Categorical Aid FY27	
Undesignated	\$68,117,478.00
Federal Programs	\$5,936,058.00
Special Education	\$32,955,988.74
Transportation	\$4,863,404.21
Telecom Access	\$140,000.00
American Indian	\$413,000.00
Medical Assistance	\$1,200,000.00
Literacy Incentive Aid	\$388,659.82
	<hr/>
	\$114,014,588.77
Restricted/Reserved:	
Staff Development	\$1,361,951.58
Operating Capital	\$1,990,996.31
Basic Skills & Comp Ed.	\$9,379,085.44
Gifted & Talented	\$115,258.00
Learning & Dev.	\$1,977,552.00
Alt. Learning Ctr.	\$1,245.09
LTFM	\$2,403,836.17
Achiev. & Integrat.	\$1,671,452.51
Safe Schools	\$330,246.00
Total Restricted:	<hr/>
	\$19,231,623.10
Total General Fund:	\$133,246,211.87

Duluth
Public Schools

PROPOSED FISCAL YEAR 2026/2027 BUDGET

REVENUES	Proposed FY 2027 Budget	EXPENDITURES	Proposed FY 2027 Budget	Dollar Change	Estimated budget reductions
01 General Fund	\$154,322,705.00	01 General Fund	\$158,179,470.00	-\$3,856,765	\$4,200,000.00
02 Food Service	\$6,283,279.00	02 Food Service	\$6,365,884.00	-\$82,605	
04 Community Service	\$7,983,518.00	04 Community Service	\$7,855,857.00	\$127,661	
06 Construction		06 Construction		\$0	
07 Debt Service	\$28,913,419.00	07 Debt Service	\$28,453,464.00	\$459,955	
08 Trust (Insurance)	\$305,000.00	08 Trust	\$285,842.00	\$19,158	
20 Internal Service (Dent:	\$1,201,126.00	20 Internal Service	\$1,309,828.00	-\$108,702	
79 Student Activities	\$523,886.00	79 Student Activities	\$438,705.00	\$85,181	
Subtotal - Revenues	\$199,532,933.00	Subtotal - Expenditures	\$202,889,050.00	-\$3,356,117	

FY27 Proposed Budget - Finances at a Glance



View Filters
No filters selected

\$199,009,047
2027 Proposed Revenues

\$202,450,346
2027 Proposed Expenses

\$15,100,674
Fund Balance as of 6/30/25

\$53,409,919
2027 Revenues - Local Sources

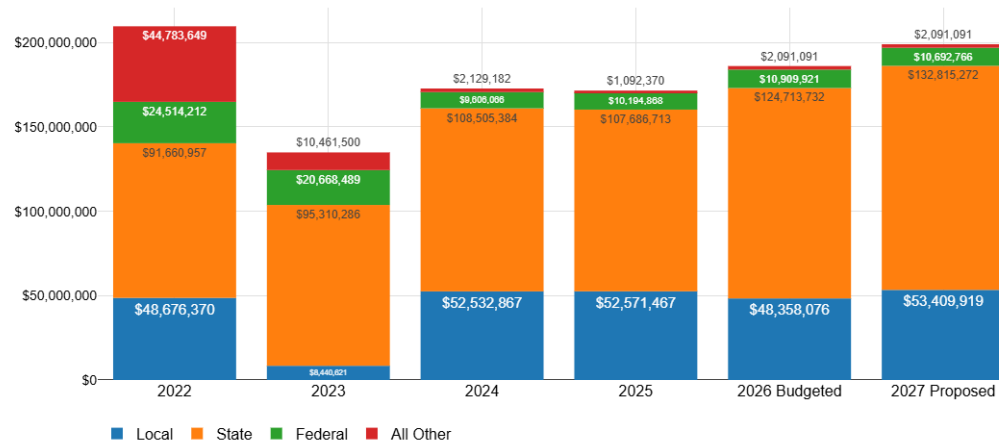
\$132,815,272
2027 Revenues - State Sources

\$100,551,782
2027 Expenses - Salaries

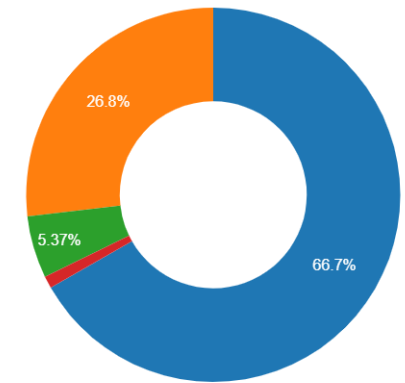
\$47,284,485
2027 Expenses - Benefits

\$15,785,588
FY27 Expenses - Purchased Serv.

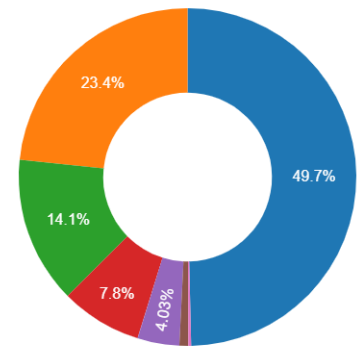
Revenues by Source



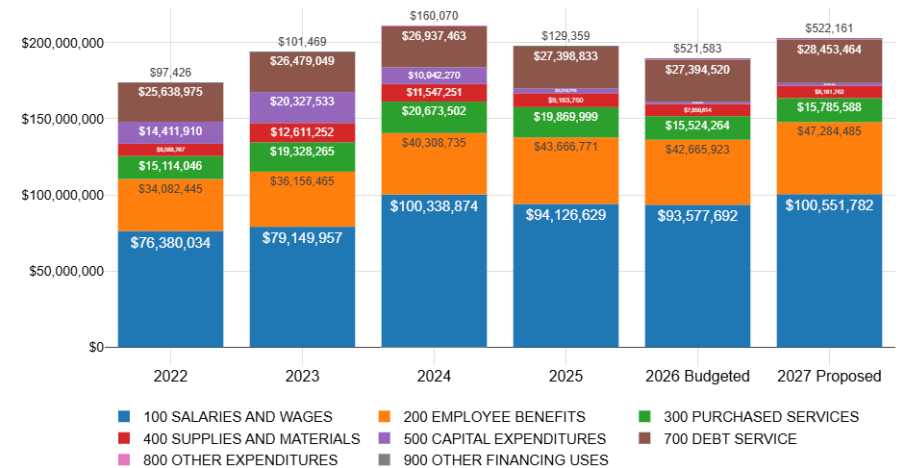
Proposed Budget Revenues by Source



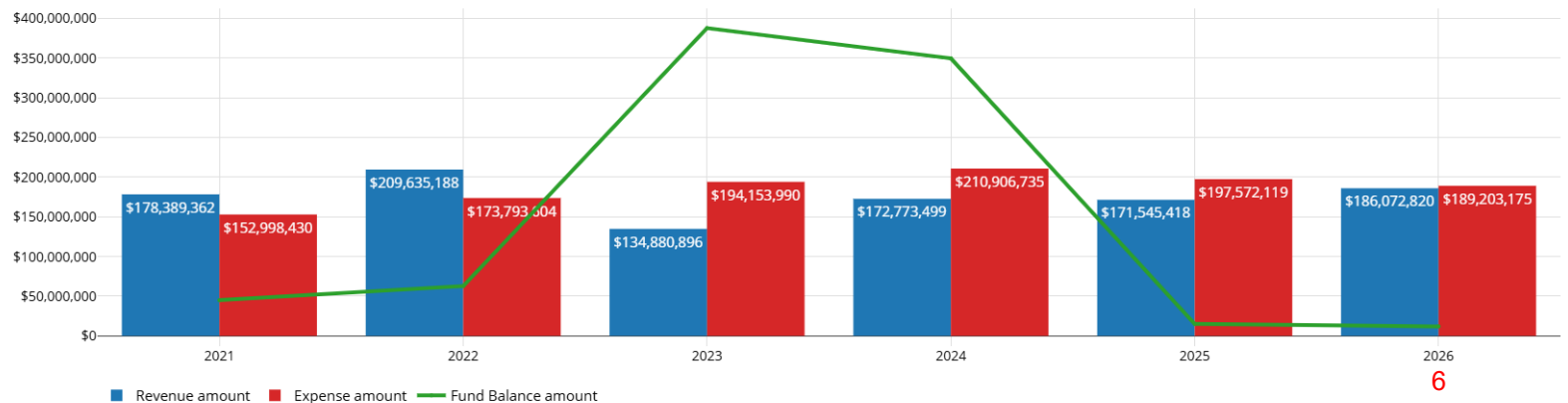
Proposed Budget Expenses by Object



Expenses by Object



Historical Revenues, Expenses and Fund Balance



FY27 Proposed Budget - Finances at a Glance



View Filters

- Fund
 - 01 GENERAL FUND

\$154,322,705
2027 Proposed Revenues

\$158,179,470
2027 Proposed Expenses

\$603,660
Fund Balance as of 6/30/25

\$22,340,679
2027 Revenues - Local Sources

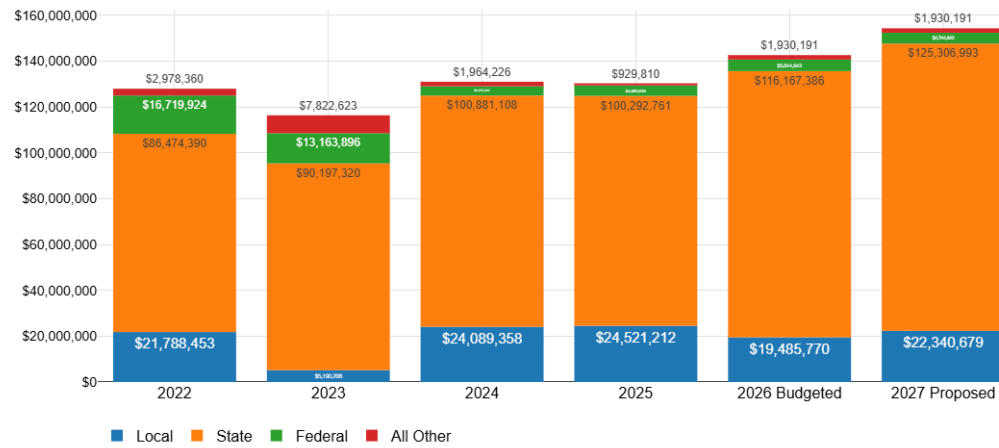
\$125,306,993
2027 Revenues - State Sources

\$94,424,403
2027 Expenses - Salaries

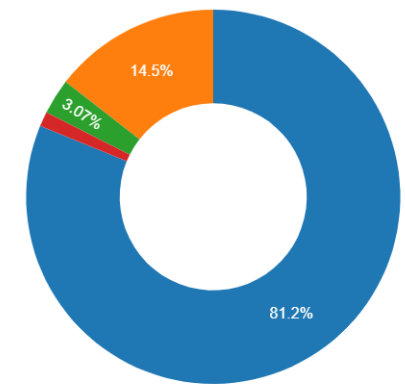
\$42,390,230
2027 Expenses - Benefits

\$15,164,357
FY27 Expenses - Purchased Serv.

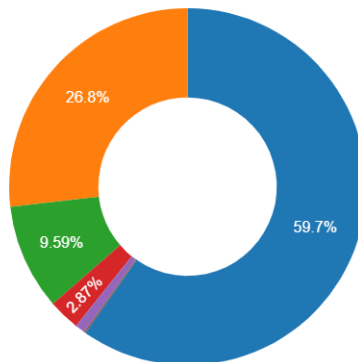
Revenues by Source



Proposed Budget Revenues by Source

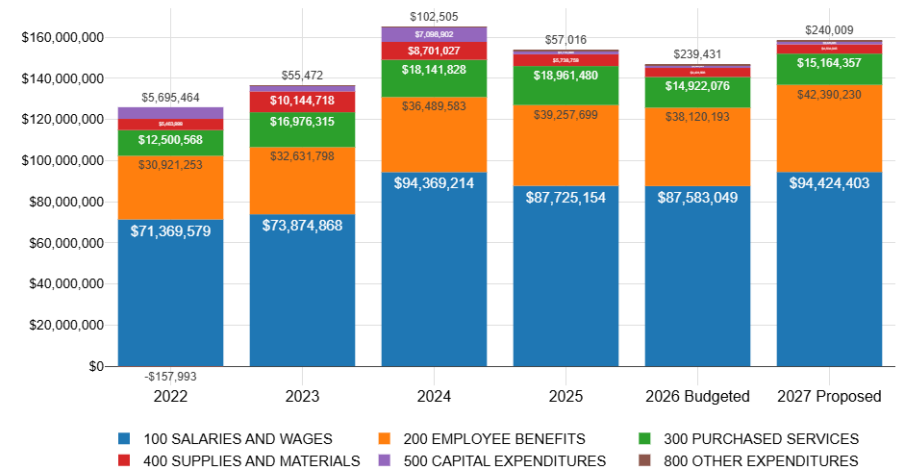


Proposed Budget Expenses by Object

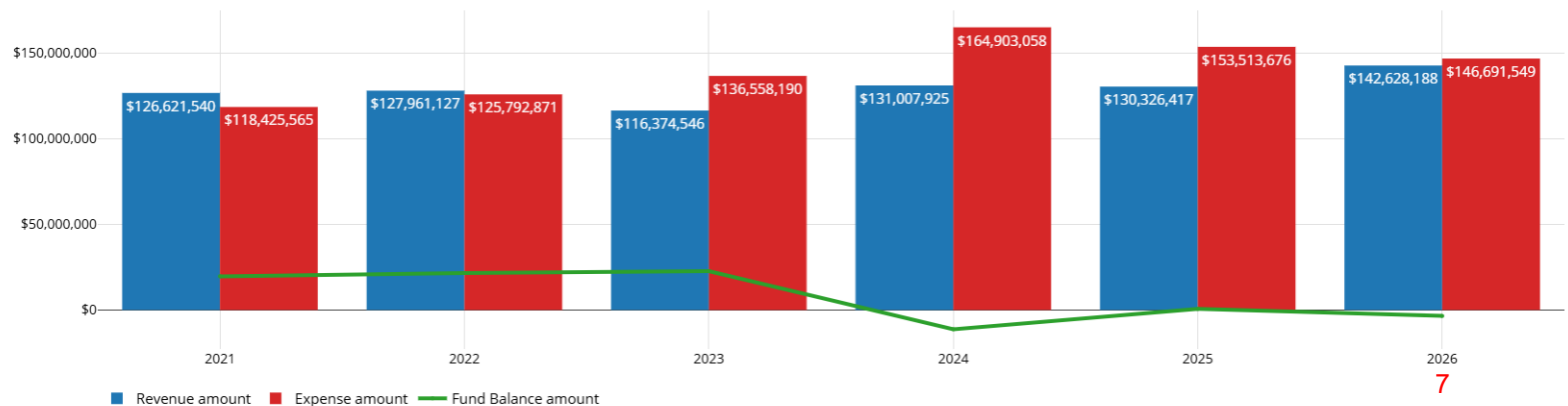


- 100 SALARIES AND WAGES
- 200 EMPLOYEE BENEFITS
- 300 PURCHASED SERVICES
- 400 SUPPLIES AND MATERIALS
- 500 CAPITAL EXPENDITURES
- 800 OTHER EXPENDITURES

Expenses by Object



Historical Revenues, Expenses and Fund Balance



FY27 Proposed Budget - Finances at a Glance



View Filters

- Fund
 - 02 FOOD SERVICE FUND

\$6,283,279
2027 Proposed Revenues

\$6,365,884
2027 Proposed Expenses

\$2,737,147
Fund Balance as of 6/30/25

\$0
2027 Revenues - Local Sources

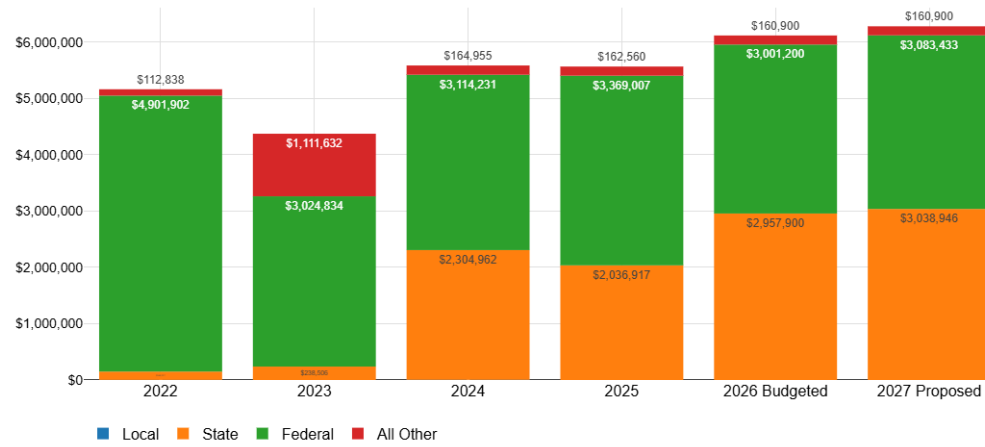
\$3,038,946
2027 Revenues - State Sources

\$1,784,176
2027 Expenses - Salaries

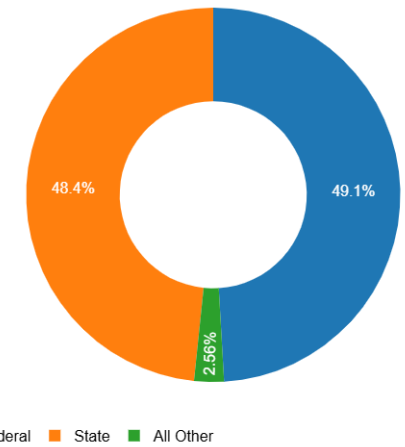
\$1,064,044
2027 Expenses - Benefits

\$15,700
FY27 Expenses - Purchased Serv.

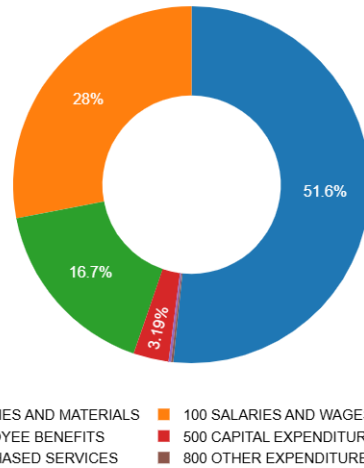
Revenues by Source



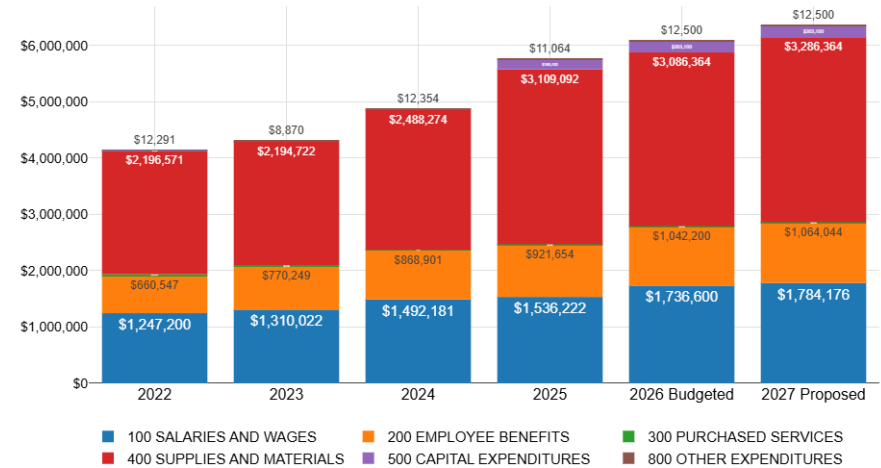
Proposed Budget Revenues by Source



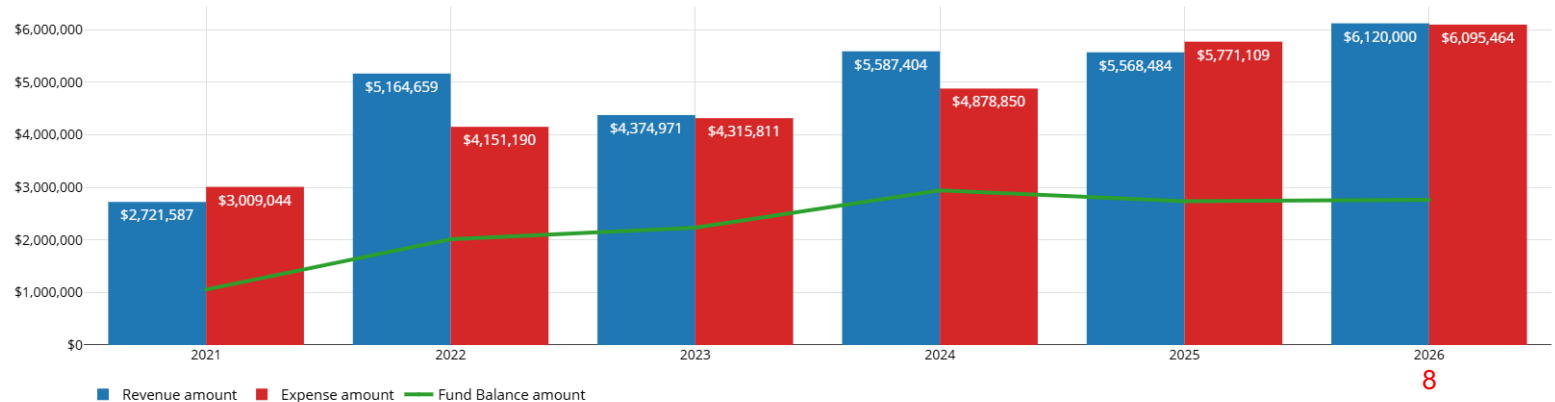
Proposed Budget Expenses by Object



Expenses by Object



Historical Revenues, Expenses and Fund Balance



FY27 Proposed Budget - Finances at a Glance



View Filters

- Fund
 - 04 COMMUNITY SERVICE FUND

\$7,983,518
2027 Proposed Revenues

\$7,855,857
2027 Proposed Expenses

\$805,687
Fund Balance as of 6/30/25

\$1,718,954
2027 Revenues - Local Sources

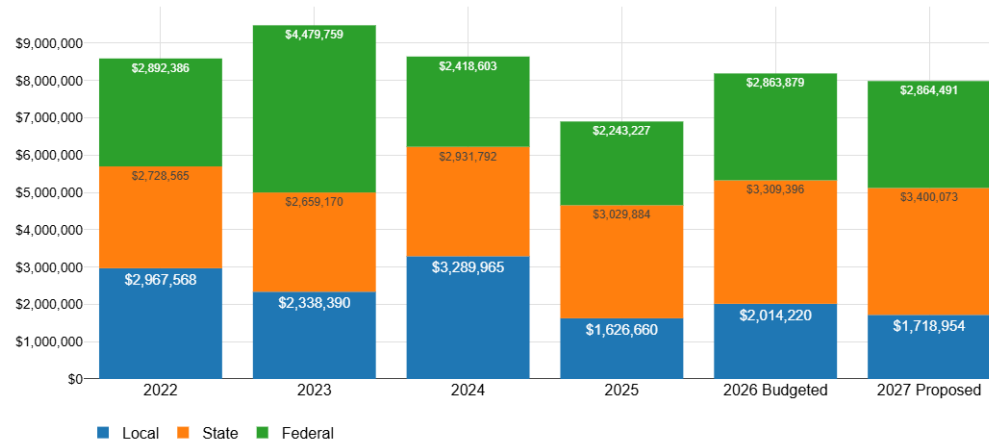
\$3,400,073
2027 Revenues - State Sources

\$4,343,203
2027 Expenses - Salaries

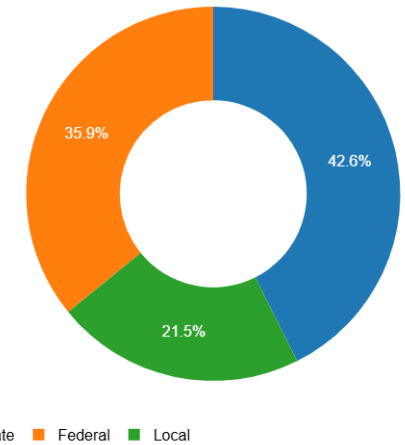
\$2,317,677
2027 Expenses - Benefits

\$522,396
FY27 Expenses - Purchased Serv.

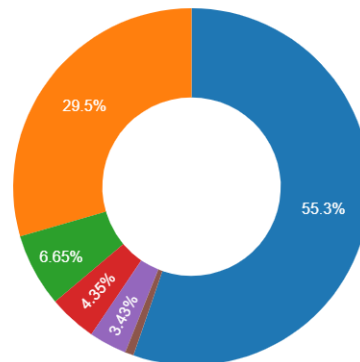
Revenues by Source



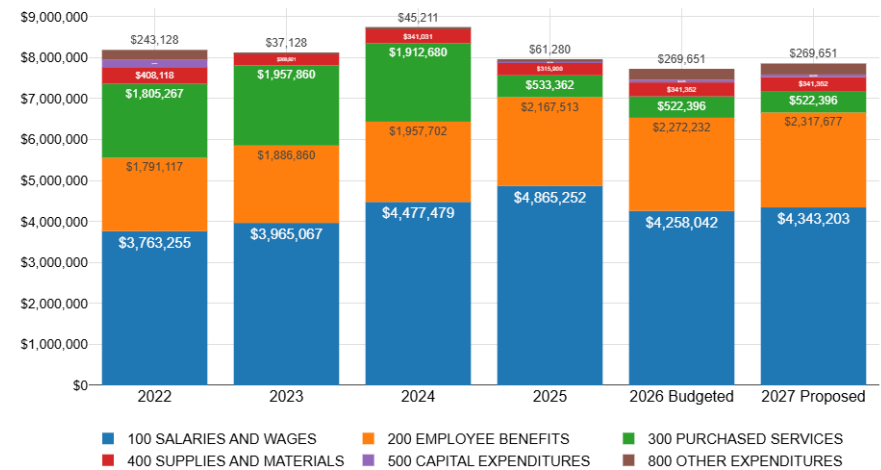
Proposed Budget Revenues by Source



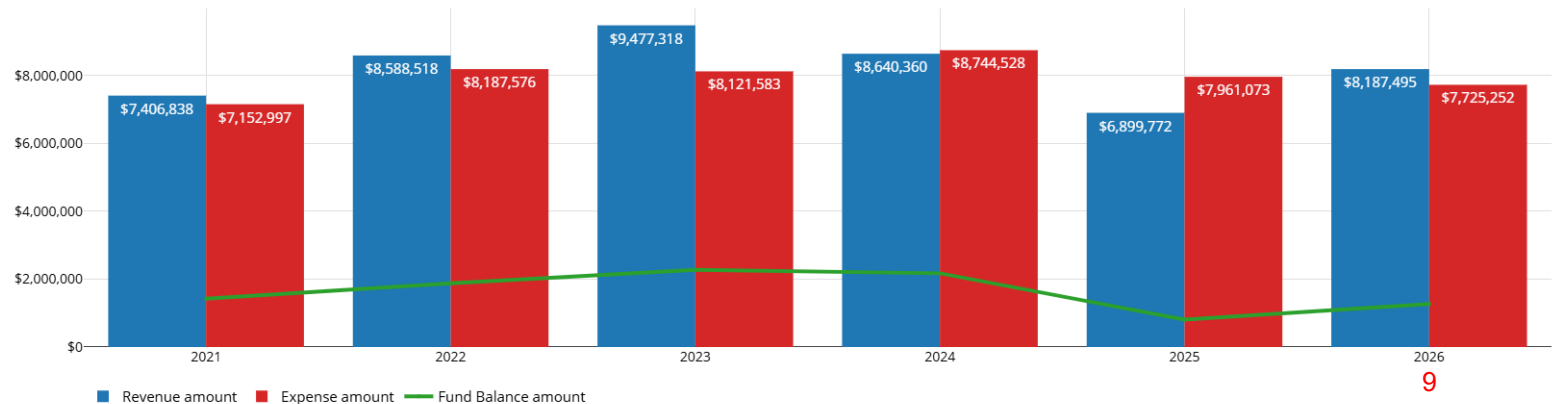
Proposed Budget Expenses by Object



Expenses by Object



Historical Revenues, Expenses and Fund Balance



FY 2027 Budget Summary - Revenue

Duluth Public School ISD 709

Local Revenue

\$53,409,919

FY 2027 Budgeted

10.45% Change from Prior Year

State Revenue

\$132,815,272

FY 2027 Budgeted

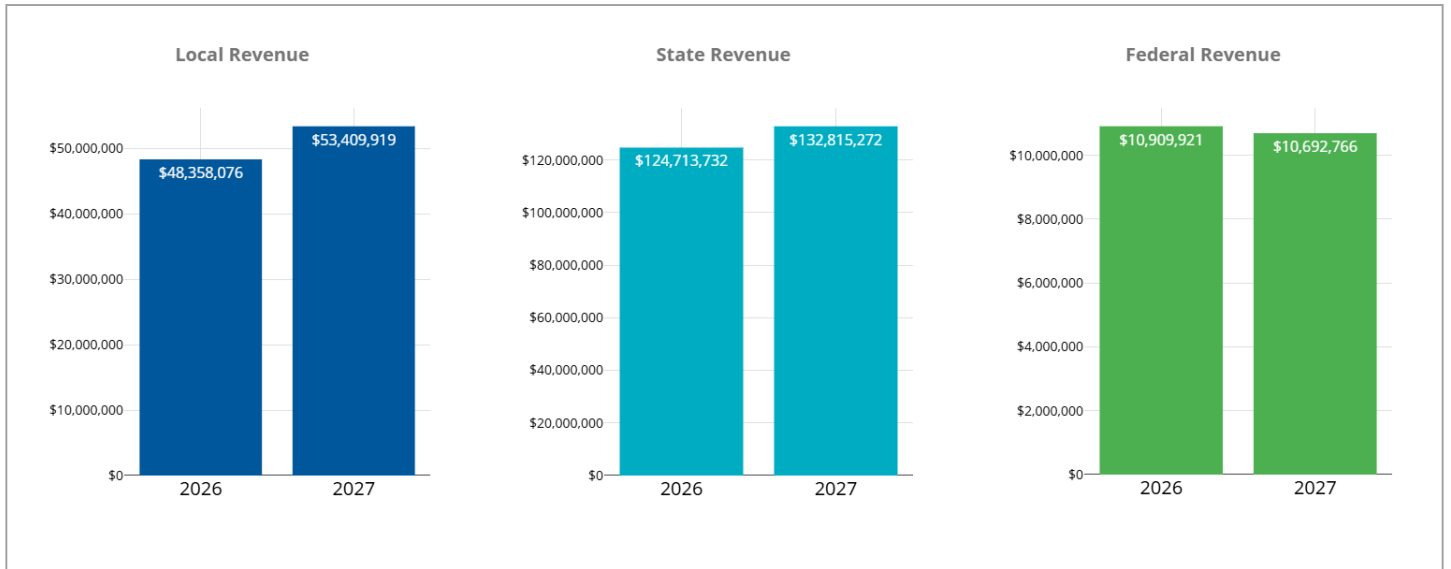
6.50% Change from Prior Year

Federal Revenue

\$10,692,766

FY 2027 Budgeted

-1.99% Change from Prior Year



	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Local Revenue					
Property Tax Levy	\$42,650,307	\$43,236,938	\$48,062,490	11.16%	\$4,825,552
Admission and Student Activities Revenue	\$229,004	\$0	\$0	0.00%	\$0
All Other Local Revenue	\$9,692,156	\$5,121,138	\$5,347,428	4.42%	\$226,290
TOTAL LOCAL REVENUE	\$52,571,467	\$48,358,076	\$53,409,919	10.45%	\$5,051,842
State Revenue					
General Education Aid	\$70,826,504	\$86,165,801	\$88,394,735	2.59%	\$6,910,674
State Aid for Special Education	\$24,449,310	\$26,085,315	\$32,995,989	26.49%	\$6,910,674
All Other State Revenue	\$12,410,899	\$12,462,616	\$11,424,549	-8.33%	\$-1,038,067
TOTAL STATE REVENUE	\$107,686,713	\$124,713,732	\$132,815,272	6.50%	\$8,101,540
Federal Revenue					
Other Revenue Sources	\$1,092,370	\$2,091,091	\$2,091,091	0.00%	\$0
TOTAL REVENUE	\$171,545,418	\$186,072,820	\$199,009,047	6.95%	\$12,936,227

FY 2027 Revenue Budget Insight:

Revenue for FY 2027 is budgeted at \$199,009,047, which is a difference of \$12,936,227 or 6.95% from last fiscal year. **Local** Revenue is budgeted to change by \$5,051,842 to \$53,409,919. **State** Revenue is budgeted to change by \$8,101,540 to \$132,815,272 and **Federal** Revenue is budget to change by \$-217,155 to \$10,692,766.

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No filters selected



FY 2027 Budget Summary - Expense

Duluth Public School ISD 709

Salaries and Benefits
\$147,836,267
 FY 2027 Budgeted
 8.51% Change from Prior Year

Purchased Services
\$15,785,588
 FY 2027 Budgeted
 1.68% Change from Prior Year

Supplies and Equipment
\$8,161,762
 FY 2027 Budgeted
 3.84% Change from Prior Year



	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Salaries and Benefits					
Salaries and Wages	\$94,126,629	\$93,577,692	\$100,551,782	7.45%	\$6,974,090
Employee Benefits	\$43,666,771	\$42,665,923	\$47,284,485	10.82%	\$4,618,562
TOTAL SALARIES AND BENEFITS	\$137,793,400	\$136,243,615	\$147,836,267	8.51%	\$11,592,652
All Other Expenses					
Purchased Services	\$19,869,999	\$15,524,264	\$15,785,588	1.68%	\$261,324
Supplies and Materials	\$9,163,750	\$7,859,614	\$8,161,762	3.84%	\$302,148
Capital Expenditures	\$3,216,776	\$1,659,579	\$1,691,104	1.90%	\$31,525
Debt Service	\$27,398,833	\$27,394,520	\$28,453,464	3.87%	\$1,058,944
Other Expenditures	\$129,359	\$521,583	\$522,161	0.11%	\$578
Other Financing Uses	\$0	\$0	\$0	0.00%	\$0
TOTAL ALL OTHER	\$59,778,718	\$52,959,560	\$54,614,079	3.12%	\$1,654,519
TOTAL EXPENSES	\$197,572,119	\$189,203,175	\$202,450,346	7.00%	\$13,247,171

FY 2027 Expense Budget Insight:

Expense for FY 2027 is budgeted at \$202,450,346, which is a difference of \$13,247,171 or 7.00% from last fiscal year. **Salaries and Benefits** are budgeted to change by \$11,592,652 or 8.51% to \$147,836,267. **Purchased Services** are budgeted to change by \$261,324 to \$15,785,588 and **Supplies and Equipment** is budgeted to change by \$302,148 to \$8,161,762.

View Filters
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FY 2027 Budget Summary - Revenue

Duluth Public School ISD 709

Local Revenue

\$22,340,679

FY 2027 Budgeted

14.65% Change from Prior Year

State Revenue

\$125,306,993

FY 2027 Budgeted

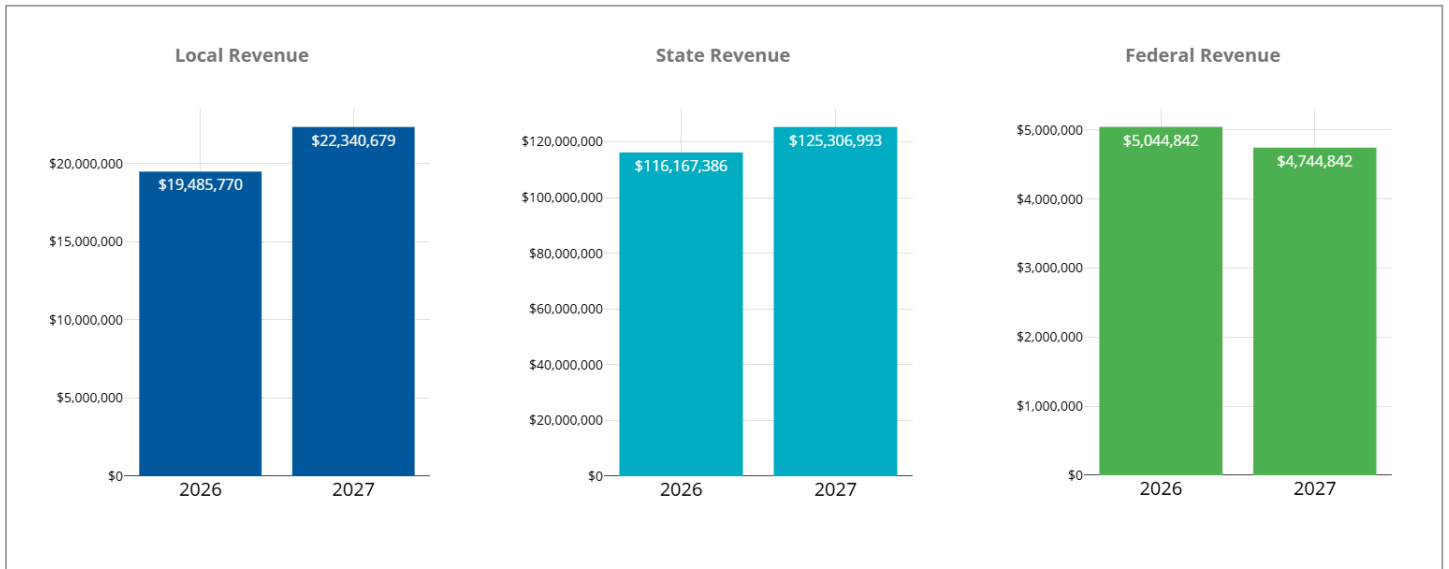
7.87% Change from Prior Year

Federal Revenue

\$4,744,842

FY 2027 Budgeted

-5.95% Change from Prior Year



	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Local Revenue					
Property Tax Levy	\$16,879,084	\$16,656,061	\$19,510,970	17.14%	\$2,854,909
Admission and Student Activities Revenue	\$229,004	\$0	\$0	0.00%	\$0
All Other Local Revenue	\$7,413,124	\$2,829,709	\$2,829,709	0.00%	\$0
TOTAL LOCAL REVENUE	\$24,521,212	\$19,485,770	\$22,340,679	14.65%	\$2,854,909
State Revenue					
General Education Aid	\$70,826,504	\$86,165,801	\$88,394,735	2.59%	\$6,910,674
State Aid for Special Education	\$24,449,310	\$26,085,315	\$32,995,989	26.49%	\$6,910,674
All Other State Revenue	\$5,016,946	\$3,916,270	\$3,916,270	0.00%	\$0
TOTAL STATE REVENUE	\$100,292,761	\$116,167,386	\$125,306,993	7.87%	\$9,139,607
Federal Revenue	\$4,582,634	\$5,044,842	\$4,744,842	-5.95%	-\$300,000
Other Revenue Sources	\$929,810	\$1,930,191	\$1,930,191	0.00%	\$0
TOTAL REVENUE	\$130,326,417	\$142,628,188	\$154,322,705	8.20%	\$11,694,517

FY 2027 Revenue Budget Insight:

Revenue for FY 2027 is budgeted at \$154,322,705, which is a difference of \$11,694,517 or 8.20% from last fiscal year. **Local Revenue** is budgeted to change by \$2,854,909 to \$22,340,679. **State Revenue** is budgeted to change by \$9,139,607 to \$125,306,993 and **Federal Revenue** is budget to change by -\$300,000 to \$4,744,842.

View Filters

- Fund
 - 01 GENERAL FUND



FY 2027 Budget Summary - Expense

Duluth Public School ISD 709

Salaries and Benefits
\$136,814,633
 FY 2027 Budgeted
 8.84% Change from Prior Year

Purchased Services
\$15,164,357
 FY 2027 Budgeted
 1.62% Change from Prior Year

Supplies and Equipment
\$4,534,045
 FY 2027 Budgeted
 2.30% Change from Prior Year



	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Salaries and Benefits					
Salaries and Wages	\$87,725,154	\$87,583,049	\$94,424,403	7.81%	\$6,841,354
Employee Benefits	\$39,257,699	\$38,120,193	\$42,390,230	11.20%	\$4,270,036
TOTAL SALARIES AND BENEFITS	\$126,982,853	\$125,703,243	\$136,814,633	8.84%	\$11,111,390
All Other Expenses					
Purchased Services	\$18,961,480	\$14,922,076	\$15,164,357	1.62%	\$242,281
Supplies and Materials	\$5,738,759	\$4,431,898	\$4,534,045	2.30%	\$102,148
Capital Expenditures	\$1,773,568	\$1,394,901	\$1,426,426	2.26%	\$31,525
Debt Service	\$0	\$0	\$0	0.00%	\$0
Other Expenditures	\$57,016	\$239,431	\$240,009	0.24%	\$578
Other Financing Uses	\$0	\$0	\$0	0.00%	\$0
TOTAL ALL OTHER	\$26,530,823	\$20,988,307	\$21,364,838	1.79%	\$376,531
TOTAL EXPENSES	\$153,513,676	\$146,691,549	\$158,179,470	7.83%	\$11,487,921

FY 2027 Expense Budget Insight:

Expense for FY 2027 is budgeted at \$158,179,470, which is a difference of \$11,487,921 or 7.83% from last fiscal year. **Salaries and Benefits** are budgeted to change by \$11,111,390 or 8.84% to \$136,814,633. **Purchased Services** are budgeted to change by \$242,281 to \$15,164,357 and **Supplies and Equipment** is budgeted to change by \$102,148 to \$4,534,045.

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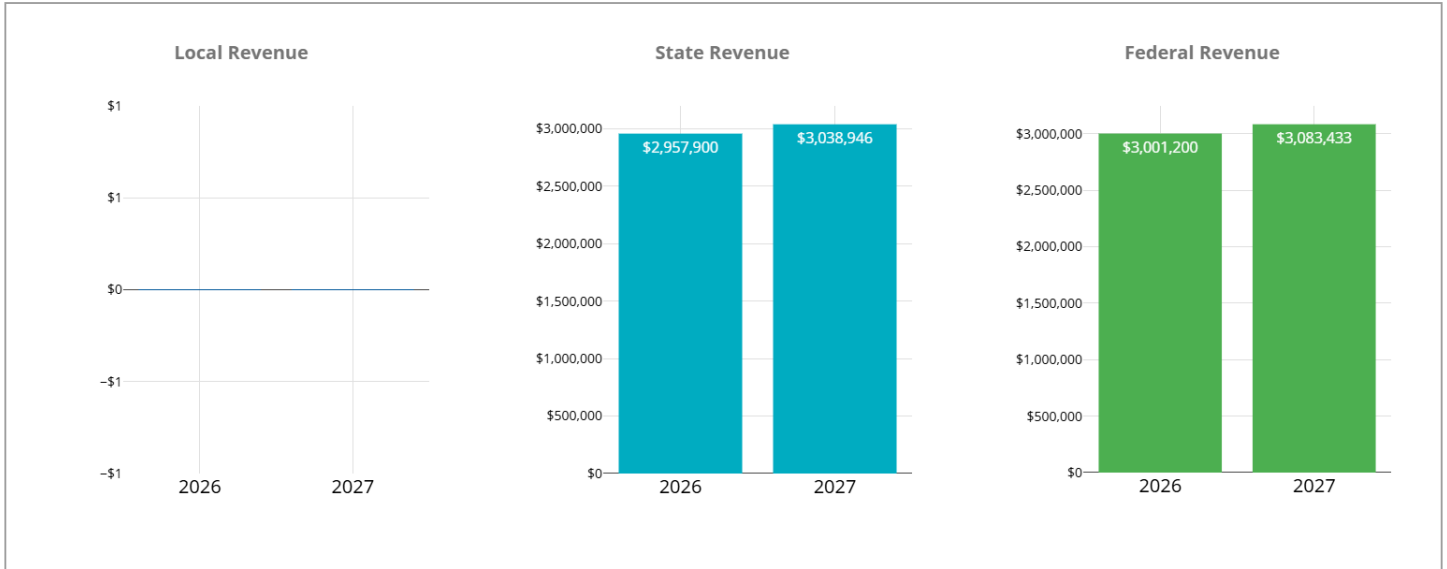
- Fund
 - 01 GENERAL FUND



FY 2027 Budget Summary - Revenue

Duluth Public School ISD 709

<p>Local Revenue</p> <p>\$0</p> <p>FY 2027 Budgeted</p> <p>0.00% Change from Prior Year</p>	<p>State Revenue</p> <p>\$3,038,946</p> <p>FY 2027 Budgeted</p> <p>2.74% Change from Prior Year</p>	<p>Federal Revenue</p> <p>\$3,083,433</p> <p>FY 2027 Budgeted</p> <p>2.74% Change from Prior Year</p>
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	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Local Revenue					
Property Tax Levy	\$0	\$0	\$0	\$0	\$0
Admission and Student Activities Revenue	\$0	\$0	\$0	\$0	\$0
All Other Local Revenue	\$0	\$0	\$0	0.00%	\$0
TOTAL LOCAL REVENUE	\$0	\$0	\$0	0.00%	\$0
State Revenue					
General Education Aid	\$0	\$0	\$0	\$0	\$0
State Aid for Special Education	\$0	\$0	\$0	\$0	\$0
All Other State Revenue	\$2,036,917	\$2,957,900	\$3,038,946	2.74%	\$81,046
TOTAL STATE REVENUE	\$2,036,917	\$2,957,900	\$3,038,946	2.74%	\$81,046
Federal Revenue	\$3,369,007	\$3,001,200	\$3,083,433	2.74%	\$82,233
Other Revenue Sources	\$162,560	\$160,900	\$160,900	0.00%	\$0
TOTAL REVENUE	\$5,568,484	\$6,120,000	\$6,283,279	2.67%	\$163,279

FY 2027 Revenue Budget Insight:

Revenue for FY 2027 is budgeted at \$6,283,279, which is a difference of \$163,279 or 2.67% from last fiscal year. **Local** Revenue is budgeted to change by \$0 to \$0. **State** Revenue is budgeted to change by \$81,046 to \$3,038,946 and **Federal** Revenue is budget to change by \$82,233 to \$3,083,433.

View Filters

- Fund
 - 02 FOOD SERVICE FUND



FY 2027 Budget Summary - Expense

Duluth Public School ISD 709

<p>Salaries and Benefits</p> <p>\$2,848,220</p> <p>FY 2027 Budgeted</p> <p>2.50% Change from Prior Year</p>	<p>Purchased Services</p> <p>\$15,700</p> <p>FY 2027 Budgeted</p> <p>6.80% Change from Prior Year</p>	<p>Supplies and Equipment</p> <p>\$3,286,364</p> <p>FY 2027 Budgeted</p> <p>6.48% Change from Prior Year</p>
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	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Salaries and Benefits					
Salaries and Wages	\$1,536,222	\$1,736,600	\$1,784,176	2.74%	\$47,576
Employee Benefits	\$921,654	\$1,042,200	\$1,064,044	2.10%	\$21,844
TOTAL SALARIES AND BENEFITS	\$2,457,877	\$2,778,800	\$2,848,220	2.50%	\$69,420
All Other Expenses					
Purchased Services	\$12,925	\$14,700	\$15,700	6.80%	\$1,000
Supplies and Materials	\$3,109,092	\$3,086,364	\$3,286,364	6.48%	\$200,000
Capital Expenditures	\$180,153	\$203,100	\$203,100	0.00%	\$0
Debt Service	\$0	\$0	\$0	\$0	\$0
Other Expenditures	\$11,064	\$12,500	\$12,500	0.00%	\$0
Other Financing Uses	\$0	\$0	\$0	\$0	\$0
TOTAL ALL OTHER	\$3,313,233	\$3,316,664	\$3,517,664	6.06%	\$201,000
TOTAL EXPENSES	\$5,771,109	\$6,095,464	\$6,365,884	4.44%	\$270,420

FY 2027 Expense Budget Insight:

Expense for FY 2027 is budgeted at \$6,365,884, which is a difference of \$270,420 or 4.44% from last fiscal year. **Salaries and Benefits** are budgeted to change by \$69,420 or 2.50% to \$2,848,220. **Purchased Services** are budgeted to change by \$1,000 to \$15,700 and **Supplies and Equipment** is budgeted to change by \$200,000 to \$3,286,364.

View Filters

- Fund
 - 02 FOOD SERVICE FUND



FY 2027 Budget Summary - Revenue

Duluth Public School ISD 709

Local Revenue

\$1,718,954

FY 2027 Budgeted

-14.66% Change from Prior Year

State Revenue

\$3,400,073

FY 2027 Budgeted

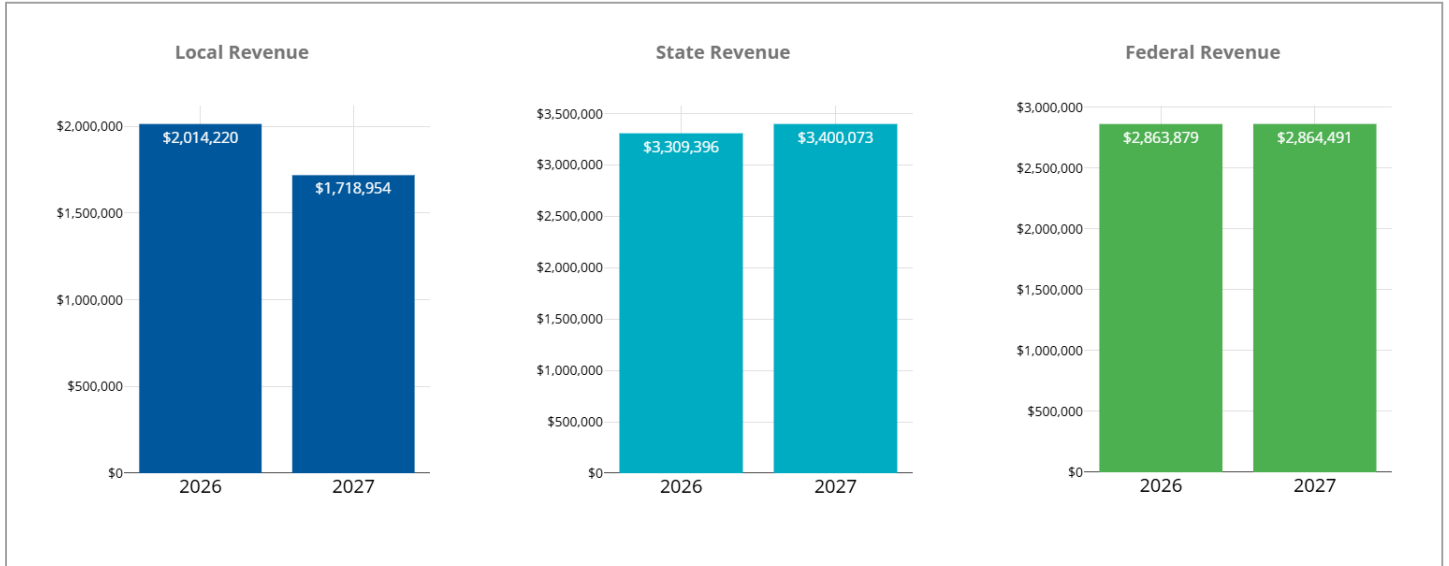
2.74% Change from Prior Year

Federal Revenue

\$2,864,491

FY 2027 Budgeted

0.02% Change from Prior Year



	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Local Revenue					
Property Tax Levy	\$825,293	\$1,002,627	\$707,360	-29.45%	\$-295,267
Admission and Student Activities Revenue	\$0	\$0	\$0	\$0	\$0
All Other Local Revenue	\$801,368	\$1,011,593	\$1,011,593	0.00%	\$0
TOTAL LOCAL REVENUE	\$1,626,660	\$2,014,220	\$1,718,954	-14.66%	\$-295,267
State Revenue					
General Education Aid	\$0	\$0	\$0	\$0	\$0
State Aid for Special Education	\$0	\$0	\$0	\$0	\$0
All Other State Revenue	\$3,029,884	\$3,309,396	\$3,400,073	2.74%	\$90,677
TOTAL STATE REVENUE	\$3,029,884	\$3,309,396	\$3,400,073	2.74%	\$90,677
Federal Revenue					
Other Revenue Sources	\$2,243,227	\$2,863,879	\$2,864,491	0.02%	\$612
TOTAL REVENUE	\$6,899,772	\$8,187,495	\$7,983,518	-2.49%	\$-203,977

FY 2027 Revenue Budget Insight:

Revenue for FY 2027 is budgeted at \$7,983,518, which is a difference of \$-203,977 or -2.49% from last fiscal year. **Local Revenue** is budgeted to change by \$-295,267 to \$1,718,954. **State Revenue** is budgeted to change by \$90,677 to \$3,400,073 and **Federal Revenue** is budget to change by \$612 to \$2,864,491.

View Filters

- Fund
 - 04 COMMUNITY SERVICE FUND



FY 2027 Budget Summary - Expense

Duluth Public School ISD 709

<p>Salaries and Benefits</p> <p>\$6,660,880</p> <p>FY 2027 Budgeted</p> <p>2.00% Change from Prior Year</p>	<p>Purchased Services</p> <p>\$522,396</p> <p>FY 2027 Budgeted</p> <p>0.00% Change from Prior Year</p>	<p>Supplies and Equipment</p> <p>\$341,352</p> <p>FY 2027 Budgeted</p> <p>0.00% Change from Prior Year</p>
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	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Salaries and Benefits					
Salaries and Wages	\$4,865,252	\$4,258,042	\$4,343,203	2.00%	\$85,161
Employee Benefits	\$2,167,513	\$2,272,232	\$2,317,677	2.00%	\$45,445
TOTAL SALARIES AND BENEFITS	\$7,032,766	\$6,530,274	\$6,660,880	2.00%	\$130,605
All Other Expenses					
Purchased Services	\$533,362	\$522,396	\$522,396	0.00%	\$0
Supplies and Materials	\$315,900	\$341,352	\$341,352	0.00%	\$0
Capital Expenditures	\$17,766	\$61,578	\$61,578	0.00%	\$0
Debt Service	\$0	\$0	\$0	\$0	\$0
Other Expenditures	\$61,280	\$269,651	\$269,651	0.00%	\$0
Other Financing Uses	\$0	\$0	\$0	\$0	\$0
TOTAL ALL OTHER	\$928,308	\$1,194,978	\$1,194,978	0.00%	\$0
TOTAL EXPENSES	\$7,961,073	\$7,725,252	\$7,855,857	1.69%	\$130,605

FY 2027 Expense Budget Insight:

Expense for FY 2027 is budgeted at \$7,855,857, which is a difference of \$130,605 or 1.69% from last fiscal year. **Salaries and Benefits** are budgeted to change by \$130,605 or 2.00% to \$6,660,880. **Purchased Services** are budgeted to change by \$0 to \$522,396 and **Supplies and Equipment** is budgeted to change by \$0 to \$341,352.

View Filters

- Fund
 - 04 COMMUNITY SERVICE FUND



FY 2027 Budget Summary - Revenue

Duluth Public School ISD 709

Local Revenue

\$27,844,160

FY 2027 Budgeted

8.86% Change from Prior Year

State Revenue

\$1,069,259

FY 2027 Budgeted

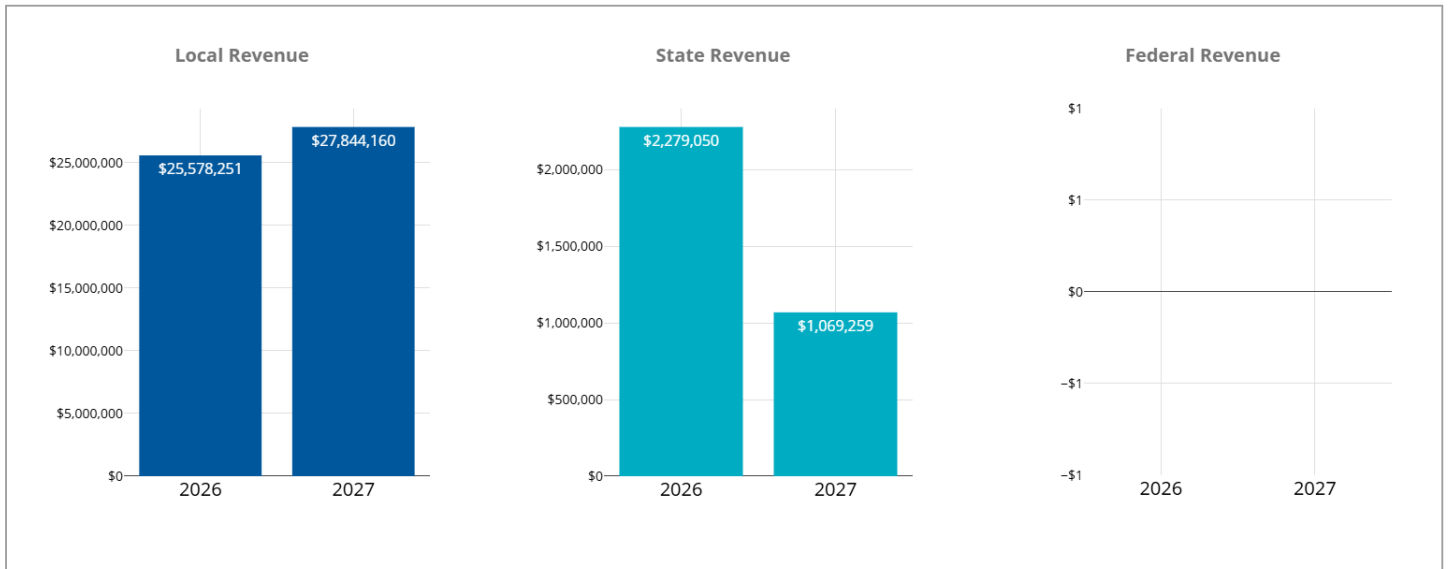
-53.08% Change from Prior Year

Federal Revenue

\$0

FY 2027 Budgeted

0.00% Change from Prior Year



	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Local Revenue					
Property Tax Levy	\$24,945,930	\$25,578,251	\$27,844,160	8.86%	\$2,265,909
Admission and Student Activities Revenue	\$0	\$0	\$0	\$0	\$0
All Other Local Revenue	\$300,765	\$0	\$0	0.00%	\$0
TOTAL LOCAL REVENUE	\$25,246,695	\$25,578,251	\$27,844,160	8.86%	\$2,265,909
State Revenue					
General Education Aid	\$0	\$0	\$0	\$0	\$0
State Aid for Special Education	\$0	\$0	\$0	\$0	\$0
All Other State Revenue	\$2,327,151	\$2,279,050	\$1,069,259	-53.08%	\$-1,209,791
TOTAL STATE REVENUE	\$2,327,151	\$2,279,050	\$1,069,259	-53.08%	\$-1,209,791
Federal Revenue					
Other Revenue Sources	\$0	\$0	\$0	0.00%	\$0
TOTAL REVENUE	\$27,573,846	\$27,857,301	\$28,913,419	3.79%	\$1,056,118

FY 2027 Revenue Budget Insight:

Revenue for FY 2027 is budgeted at \$28,913,419, which is a difference of \$1,056,118 or 3.79% from last fiscal year. **Local Revenue** is budgeted to change by \$2,265,909 to \$27,844,160. **State Revenue** is budgeted to change by \$-1,209,791 to \$1,069,259 and **Federal Revenue** is budgeted to change by \$0 to \$0.

View Filters

- Fund
 - 07 DEBT SERVICE FUND



FY 2027 Budget Summary - Expense

Duluth Public School ISD 709

<p>Salaries and Benefits</p> <p>\$0</p> <p>FY 2027 Budgeted</p> <p>\$0 Change from Prior Year</p>	<p>Purchased Services</p> <p>\$0</p> <p>FY 2027 Budgeted</p> <p>\$0 Change from Prior Year</p>	<p>Supplies and Equipment</p> <p>\$0</p> <p>FY 2027 Budgeted</p> <p>\$0 Change from Prior Year</p>
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	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Salaries and Benefits					
Salaries and Wages	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0
TOTAL SALARIES AND BENEFITS	\$0	\$0	\$0	\$0	\$0
All Other Expenses					
Purchased Services	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0
Capital Expenditures	\$0	\$0	\$0	\$0	\$0
Debt Service	\$27,398,833	\$27,394,520	\$28,453,464	3.87%	\$1,058,944
Other Expenditures	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	\$0	\$0	\$0	0.00%	\$0
TOTAL ALL OTHER	\$27,398,833	\$27,394,520	\$28,453,464	3.87%	\$1,058,944
TOTAL EXPENSES	\$27,398,833	\$27,394,520	\$28,453,464	3.87%	\$1,058,944

FY 2027 Expense Budget Insight:

Expense for FY 2027 is budgeted at \$28,453,464, which is a difference of \$1,058,944 or 3.87% from last fiscal year. **Salaries and Benefits** are budgeted to change by \$0 or \$0 to \$0. **Purchased Services** are budgeted to change by \$0 to \$0 and **Supplies and Equipment** is budgeted to change by \$0 to \$0.

View Filters

- Fund
 - 07 DEBT SERVICE FUND



FY 2027 Budget Summary - Revenue

Duluth Public School ISD 709

Local Revenue

\$305,000

FY 2027 Budgeted

-4.69% Change from Prior Year

State Revenue

\$0

FY 2027 Budgeted

\$0 Change from Prior Year

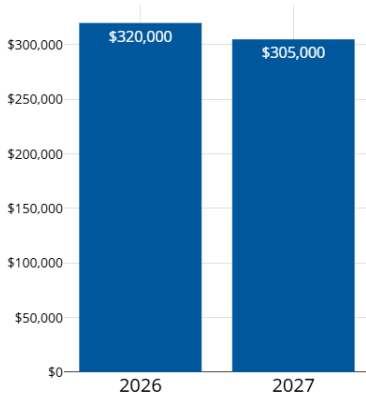
Federal Revenue

\$0

FY 2027 Budgeted

\$0 Change from Prior Year

Local Revenue



	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Local Revenue					
Property Tax Levy	\$0	\$0	\$0	\$0	\$0
Admission and Student Activities Revenue	\$0	\$0	\$0	\$0	\$0
All Other Local Revenue	\$2,209	\$320,000	\$305,000	-4.69%	\$-15,000
TOTAL LOCAL REVENUE	\$2,209	\$320,000	\$305,000	-4.69%	\$-15,000
State Revenue					
General Education Aid	\$0	\$0	\$0	\$0	\$0
State Aid for Special Education	\$0	\$0	\$0	\$0	\$0
All Other State Revenue	\$0	\$0	\$0	\$0	\$0
TOTAL STATE REVENUE	\$0	\$0	\$0	\$0	\$0
Federal Revenue					
Other Revenue Sources	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$2,209	\$320,000	\$305,000	-4.69%	\$-15,000

FY 2027 Revenue Budget Insight:

Revenue for FY 2027 is budgeted at \$305,000, which is a difference of \$-15,000 or -4.69% from last fiscal year. **Local** Revenue is budgeted to change by \$-15,000 to \$305,000. **State** Revenue is budgeted to change by \$0 to \$0 and **Federal** Revenue is budget to change by \$0 to \$0.

View Filters

- Fund
 - 08 TRUST FUND



FY 2027 Budget Summary - Expense

Duluth Public School ISD 709

<p>Salaries and Benefits</p> <p>\$285,842</p> <p>FY 2027 Budgeted</p> <p>5.54% Change from Prior Year</p>	<p>Purchased Services</p> <p>\$0</p> <p>FY 2027 Budgeted</p> <p>\$0 Change from Prior Year</p>	<p>Supplies and Equipment</p> <p>\$0</p> <p>FY 2027 Budgeted</p> <p>\$0 Change from Prior Year</p>
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	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Salaries and Benefits					
Salaries and Wages	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$270,842	\$285,842	5.54%	\$15,000
TOTAL SALARIES AND BENEFITS	\$0	\$270,842	\$285,842	5.54%	\$15,000
All Other Expenses					
Purchased Services	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0
Capital Expenditures	\$0	\$0	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0	\$0	\$0
Other Expenditures	\$0	\$0	\$0	0.00%	\$0
Other Financing Uses	\$0	\$0	\$0	\$0	\$0
TOTAL ALL OTHER	\$0	\$0	\$0	0.00%	\$0
TOTAL EXPENSES	\$0	\$270,842	\$285,842	5.54%	\$15,000

FY 2027 Expense Budget Insight:

Expense for FY 2027 is budgeted at \$285,842, which is a difference of \$15,000 or 5.54% from last fiscal year. **Salaries and Benefits** are budgeted to change by \$15,000 or 5.54% to \$285,842. **Purchased Services** are budgeted to change by \$0 to \$0 and **Supplies and Equipment** is budgeted to change by \$0 to \$0.

View Filters

- Fund
 - 08 TRUST FUND



FY 2027 Budget Summary - Revenue

Duluth Public School ISD 709

Local Revenue

\$1,201,126

FY 2027 Budgeted

25.14% Change from Prior Year

State Revenue

\$0

FY 2027 Budgeted

\$0 Change from Prior Year

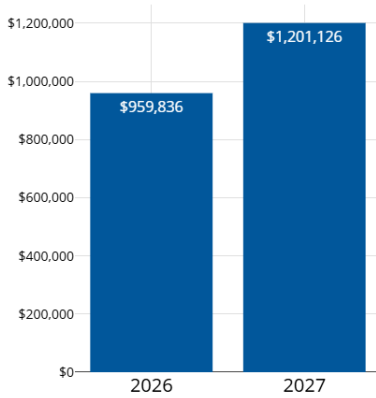
Federal Revenue

\$0

FY 2027 Budgeted

\$0 Change from Prior Year

Local Revenue



	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Local Revenue					
Property Tax Levy	\$0	\$0	\$0	\$0	\$0
Admission and Student Activities Revenue	\$0	\$0	\$0	\$0	\$0
All Other Local Revenue	\$1,174,691	\$959,836	\$1,201,126	25.14%	\$241,290
TOTAL LOCAL REVENUE	\$1,174,691	\$959,836	\$1,201,126	25.14%	\$241,290
State Revenue					
General Education Aid	\$0	\$0	\$0	\$0	\$0
State Aid for Special Education	\$0	\$0	\$0	\$0	\$0
All Other State Revenue	\$0	\$0	\$0	\$0	\$0
TOTAL STATE REVENUE	\$0	\$0	\$0	\$0	\$0
Federal Revenue					
Other Revenue Sources	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$1,174,691	\$959,836	\$1,201,126	25.14%	\$241,290

FY 2027 Revenue Budget Insight:

Revenue for FY 2027 is budgeted at \$1,201,126, which is a difference of \$241,290 or 25.14% from last fiscal year. **Local** Revenue is budgeted to change by \$241,290 to \$1,201,126. **State** Revenue is budgeted to change by \$0 to \$0 and **Federal** Revenue is budget to change by \$0 to \$0.

View Filters

- Fund
 - 20 INTERNAL SERVICE FUND



FY 2027 Budget Summary - Expense

Duluth Public School ISD 709

<p>Salaries and Benefits</p> <p>\$1,226,693</p> <p>FY 2027 Budgeted</p> <p>27.72% Change from Prior Year</p>	<p>Purchased Services</p> <p>\$83,135</p> <p>FY 2027 Budgeted</p> <p>27.72% Change from Prior Year</p>	<p>Supplies and Equipment</p> <p>\$0</p> <p>FY 2027 Budgeted</p> <p>\$0 Change from Prior Year</p>
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	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Salaries and Benefits					
Salaries and Wages	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$1,319,905	\$960,456	\$1,226,693	27.72%	\$266,237
TOTAL SALARIES AND BENEFITS	\$1,319,905	\$960,456	\$1,226,693	27.72%	\$266,237
All Other Expenses					
Purchased Services	\$67,183	\$65,092	\$83,135	27.72%	\$18,043
Supplies and Materials	\$0	\$0	\$0	\$0	\$0
Capital Expenditures	\$0	\$0	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0	\$0	\$0
Other Expenditures	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	\$0	\$0	\$0	\$0	\$0
TOTAL ALL OTHER	\$67,183	\$65,092	\$83,135	27.72%	\$18,043
TOTAL EXPENSES	\$1,387,088	\$1,025,548	\$1,309,828	27.72%	\$284,280

FY 2027 Expense Budget Insight:

Expense for FY 2027 is budgeted at \$1,309,828, which is a difference of \$284,280 or 27.72% from last fiscal year. **Salaries and Benefits** are budgeted to change by \$266,237 or 27.72% to \$1,226,693. **Purchased Services** are budgeted to change by \$18,043 to \$83,135 and **Supplies and Equipment** is budgeted to change by \$0 to \$0.

View Filters

- Fund
 - 20 INTERNAL SERVICE FUND





2026 Legislative Session Update

School Finance and Government Relations | Summer 2026

Agenda

- Legislative Session Overview
- School Finance Changes and Update
- Policy and Other Funding

2026 Session Overview

- 2024 Election – Split House
- Start of 2026 Legislative Session
 - House
 - Senate
- End of Legislative Session

School Finance

Compensatory Revenue

- For Fiscal Year 2027 (FY27) only, Compensatory Revenue will be calculated using the following formula components:
- The greater of:
 - The direct certification only formula enacted in the 2023 legislative session
 - Prorated FY26 revenue adjusted for fall enrollment
- The entitlement for FY27 is based on the February 2026 forecast plus \$10 million investment from the 2026 legislature
- Extends 40% building allocation requirement to FY28.
- District runs are available. Site runs are being created and a spreadsheet will be posted on the school finance web page with calculation details

[Chapter 117](#)

Permanent School Trust Fund

- A November election will ask voters to consider a constitutional amendment to allow an increase to be paid from the permanent school trust fund (PSTF) to schools, districts, and charters and increasing the statutory distribution amount up to 4.5%.
 - Tribally-Controlled Schools would see future increased appropriations from PSTF if constitutional amendment is passed on the ballot in November.

[Chapter 114](#)

Other School Finance Items

- Capital operating revenue usages expanded to pay utility service costs.
- School district fund transfers from building construction fund to the reserved account for operating capital for: West St. Paul-Mendota Heights-Eagan and Maple Lake.
- Forecast adjustments.

[Chapter 109](#)

5/31/2026

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7

Seasonal Tax Base Replacement Aid

- New school district aid stream to reduce a portion of voter approved operating referendum in districts with seasonal recreational property.
- One-year FY27 aid of \$2.542M for onetime district seasonal tax base replacement aid.

[Chapter 128](#)

5/31/2026

Minnesota Department of Education | education.mn.gov

8

School Finance Updates

- Summer-term unemployment funding
- English-Learner Cross Subsidy Adjustment
- Literacy Aid
- Cybersecurity & Security Grants round 2

**These items did not end up in any final legislation*

Policy and Other Funding

Student and School Safety (1)

- Anonymous Threat Reporting System requirements. By June 30, 2027, the board of a school district or charter school must adopt a policy at a school board meeting to implement the use of an anonymous threat reporting system, and inform MDE which of the following options the board selected:
 - Local anonymous threat reporting system;
 - Used and promoted the statewide system; or
 - Neither implemented a local anonymous threat reporting system nor used and promoted the statewide system.
- MDE will annually report to the legislature beginning January 15, 2028, the list of districts and charter schools that reported their selection and the selection type.
- Schools electing to use a reporting system must implement either the local or the statewide anonymous threat reporting system by July 1, 2028.

[Chapter 117](#)

5/31/2026

Minnesota Department of Education | education.mn.gov

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Student and School Safety (2)

- Anonymous Threat Reporting System Grants funded at \$4,000,000 one-time in FY 27; administered by the Minnesota Department of Public Safety (DPS).
 - Grants available up to \$10,000 per district; and up to \$2,500 per charter, nonpublic, and Tribally-Controlled school.
 - Funds may be used to fund expenses associated with the development, purchase, implementation, operation, and maintenance of an anonymous threat reporting system, and including staff compensation.
- Bureau of Criminal Apprehension (BCA) receives \$1,000,000 for staffing and operating costs related to threat assessment and investigation.

[Chapter 117](#)

5/31/2026

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Student and School Safety (3)

- Mobile Crisis Grants funded at \$3,800,000 one-time. Available in FY 27 and dollars able to be expended until June 30, 2029
- School-Linked Behavioral Health Grants funded at \$12,500,000 one time. Available in FY 27 and dollars able to be expended until June 30, 2029

[Chapter 127](#)

Student and School Safety (4)

- Grooming Prevention and Criminal Laws
 - The Professional Educators Licensing and Standards Board (PELSB) granted authority to suspend or revoke teacher's license for license holders convicted of grooming.
 - Requires local police departments and county sheriffs to notify the appropriate statewide staff licensing agency whenever a licensed educator is charged with certain crimes, including grooming.
 - Adds grooming as a felony in the criminal sexual conduct statute, with new provisions addressing cases involving school employees.
 - Department of Children, Youth, and Families, in consultation with MDE, must update mandated reporter training to reflect grooming.
 - Appropriations to MDE: \$1,450,000 annually to increase investigator capacity of Student Maltreatment Program (SMP) team.

[Chapter 108](#)

READ Act (1)

- Definition of literacy specialist amended to clarify that district literacy specialist can be any teacher license holder.
- Definition of oral language amended to clarify "oral language" includes "expressive" and "receptive" languages.
- Defines "parent" within the parameters of Read Act statute to mean "parent or legal guardian".
- Screening statute repetitive language removed, English Learner dyslexia screening modified to align with vendor assessment guidelines.
- Makes clear that students not reading at grade level in grades 4 and above must continue to be annually screened and their parents notified.

[Chapter 125](#)

5/31/2026

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READ Act (2)

- Local literacy plans, beginning school year (SY) 2026-27, must include information on how schools will use library media centers to complement foundational reading skills.
- Student literacy screening accommodations must be aligned to student's documented accommodation plan.
- Hours of instruction reduction for Read Act professional development time extended to SY 2026-27; early childhood educator candidates exempt from additional training if graduated after certain date.
- Accessibility standards codified for professional development and curricular resources.
- MDE Ongoing review of literacy materials requirements.

[Chapter 125](#)

5/31/2026

Minnesota Department of Education | education.mn.gov

16

Statewide Office of Inspector General (impact to MDE)

- Shifts MDE OIG team to statewide OIG but maintains all team members at MDE to continue working on education matters.
- Maintains sanction authority under MDE and updates language.
- Funding to MDE for data sharing preparation related to statewide OIG.
 - \$262K in FY27, \$348K in FY28, \$348K in FY29

[Chapter 92](#)

Other Policy Items

- Local education agencies (LEAs) can issue High School Diploma for Veterans of Korean and Vietnam wars.
- Teacher prep programs must require supervised early literacy field experience.

[Chapter 125](#)

- Highly qualified paraprofessionals: LEAs can use a competency grid to verify the qualifications of paraprofessionals, including those in a Title I-A funded program.
 - MDE will release guidance for schools on how to validate these competencies by Aug. 1, 2026.

[Chapter 107](#), [Chapter 109](#) (same language)

Other Policy and Funding Items

- Requires each district operating a school-age community education program to give enrollment priority to children in foster care. Allows a district to require a letter or documentation verifying that a child is in foster care.

[Chapter 127](#)

- Gender-neutral single-user restroom grant expenditure period extended to the end of FY29, and MDE reporting deadlines changed.

[Chapter 109](#)

Bonding Bills

- Library Construction Grants funded at \$2,000,000. Available to public library jurisdictions for renovation, construction and improvement projects that result in more accessible library facilities.
- East Grand Forks Education Learning Center Grant funded at \$6,500,000. Grant dollars to be used to predesign, design, construct, renovate, furnish, and equip a regional education learning center to serve students in a Level 4 regional special education program.

[Chapter 130](#)

- Lower Sioux Indian Community Dakota Language immersion School predesign and design funded with \$808,000.

[Chapter 129](#)

Questions?

Thank you!

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