



SUMMARY BUDGET

2026-2027

6/15/2026



Budget Timeline Fiscal Year 2026-2027

January/February 2026

- Minnesota legislative session began their work February 17th – non-funding year
- Enrollment projections and trends presented to board
- School Board discussion on budget assumptions, parameters and timelines
- Staffing process begins and allocations are distributed
- Preliminary budget assumptions are developed

March 2026

- General fund financial update & projections
- Budget assumptions are presented
- School sites submit a draft version of staffing

April 2026

- Budget development process continues

May 2026

- Draft budget presented to the board
- Minnesota legislative session adjourns May 18th

June 2026

- School board adopts the FY 2026-2027 budget

**ROCKFORD AREA SCHOOLS
BUDGET SUMMARY - ALL FUNDS
2026-2027**

	<u>REVENUE</u>	<u>EXPENDITURES</u>	
General Fund	\$24,954,570	\$24,950,149	
Nutrition Service Fund	1,322,177	1,366,928	(Note 1)
Community Service Fund	1,547,649	1,495,459	
Building Construction Fund	5,000	564,099	(Note 2)
Debt Service Fund	<u>5,226,945</u>	<u>4,840,875</u>	
Total All Funds	<u><u>\$33,056,341</u></u>	<u><u>\$33,217,510</u></u>	

Note 1: Reserved and unreserved fund balance in these funds will provide resources.

Note 2: Bond reserves will provide resources for the Building Construction Fund.

General Fund

Budget Assumptions

Enrollment

The table below shows the actual Average Daily Membership (ADM) for 2024-25, the budgeted ADM for 2025-26 and the projected ADM for 2026-27.

Grade	2024-25 Actual	2025-26 Revised Budget	2026-27 Projected
ECSE (1)	17	10	10
K-4	582	557	535
5-8	490	471	471
9-12	477	482	469
Total	1,565	1520	1,485

(1) ECSE = Early Childhood Special Education

Revenue

1. Property Tax Levy – Property taxes are budgeted based on the 2025 Payable 2026 Levy that was approved by the School Board on December 15, 2025.

2. State Aids – The following primary state funding sources have been budgeted:
 - a. General Education Revenue – the budget is based on \$7,683 per pupil unit, which is a 2.69% increase over the 2025-26 level of \$7,481.
 - b. Compensatory Revenue – the budget is based on the MDE’s entitlement report, which is based on the October 1, 2025, Free/Reduced student count.
 - c. Special Education Revenue – the budget is based on the special education formula and projected operating expenditures.
 - d. Other State Funding – budgets have been projected based on the approved state funding formulas, projected enrollment and MDE estimates.

3. Federal Revenues – The district receives funding for Title I, Title II, Title III and Special Education. The district has budgeted for all federal programs at a similar or slightly lower level as 2025-26.

4. Local Revenues – The primary source of revenue in this area is participation and admission fees. Revenue is based on the fees approved by the School Board. Other sources include interest revenue, E-Rate, and third-party billing revenue.

Expenditures

1. Salaries and Employee Benefits – Employee compensation is based on current collective bargaining agreements and estimates are used for any contracts that are currently in negotiations.
2. Other Line Items (Purchase services, supplies, etc.) – Budget lines were increased for programs and services subject to a larger budget increase due to inflation, market demands, or previously agreed agreements. All other lines were increased 2%.

**ROCKFORD AREA SCHOOLS
GENERAL FUND FINANCIAL PROJECTION
(All Fund Balances)**

	1546 ADM 2024-2025 Actual	1531 ADM 2025-2026 Adopted	1520 ADM 2025-2026 Revised	1485 ADM 2026-27 Projected	1444 ADM 2027-28 Projected
Revenue	\$ 23,583,026	\$ 23,572,600	\$ 23,572,600	\$ 24,954,570	\$ 25,353,036
Expenditure	22,794,789	23,353,031	23,353,031	24,950,149	25,921,704
<i>Expenditure Adjustments</i>	-	-	367,081	-	(550,000)
Revised Expenditures	<u>\$ 22,794,789</u>	<u>\$ 23,353,031</u>	<u>\$ 23,720,112</u>	<u>\$ 24,950,149</u>	<u>\$ 25,371,704</u>
Difference	788,237	219,569	(147,512)	4,421	(18,668)
Beginning Fund Balance	<u>5,846,307</u>	<u>6,634,544</u>	<u>6,634,544</u>	<u>6,487,032</u>	<u>6,491,453</u>
Ending Fund Balance Projections	<u><u>\$ 6,634,544</u></u>	<u><u>\$ 6,854,113</u></u>	<u><u>\$ 6,487,032</u></u>	<u><u>\$ 6,491,453</u></u>	<u><u>\$ 6,472,786</u></u>
<i>One month of operating expenditures</i>	\$ 1,899,566	\$ 1,946,086	\$ 1,976,676	\$ 2,079,179	\$ 2,114,309
<i>2 months of fund balance needed - Recommended Minimum</i>	\$ 3,799,132	\$ 3,892,172	\$ 3,953,352	\$ 4,158,358	\$ 4,228,617
<i>Percentage of fund balance</i>	29%	29%	27%	26%	26%
<i>Fund balance policy variance from recommended</i>	\$ 2,835,413	\$ 2,961,941	\$ 2,533,680	\$ 2,333,095	\$ 2,244,168

**ROCKFORD AREA SCHOOLS
GENERAL FUND**

General Description

The General Fund is used to account for educational activities, district instructional and student support programs, expenditures for the superintendent, district administration, normal operations and maintenance, pupil transportation, capital expenditures, and legal school district expenditures not specifically designated to be accounted for in any other fund. A district may use General Fund balances for capital purposes except when the requirements for a specific categorical revenue state that it may not be used for capital purchases. The General Fund is used to account for all revenues and expenditures of the school district not accounted for elsewhere.

2026 Legislation

The 2026 Legislature enacted a one-year hold harmless provision for FY27 compensatory revenue. Under this provision, FY27 compensatory revenue will be calculated using the greater of the direct certification-only formula (established in the 2023 legislative session) or the prorated building-level compensatory revenue adjusted for fall enrollment. The Legislature approved a ballot question to amend the State Constitution that, if passed this November, will increase the funding schools receive from the Permanent School Fund (PSF). Authorizes a school district to use operating capital revenue to pay utility service costs.

Budget Information

	2025-2026 Revised Budget	2026-2027 Proposed Budget	% Of Budget
	<u> </u>	<u> </u>	<u> </u>
Revenue:			
Property Tax Levy	\$ 3,620,286	\$ 5,086,494	20.4%
State Aids	18,878,180	19,036,942	76.3%
Federal Revenues	356,134	356,134	1.4%
Interest Earnings	350,000	100,000	0.4%
Local Revenues	<u>368,000</u>	<u>375,000</u>	<u>1.5%</u>
 Total Revenue	 \$ <u>23,572,600</u>	 \$ <u>24,954,570</u>	 <u>100.0%</u>
 Expenditures:			
Salaries	\$ 12,754,994	\$ 13,295,515	53.3%
Benefits	4,035,012	4,345,839	17.4%
Purchased Services	5,876,834	6,218,811	24.9%
Supplies & Materials	863,036	890,615	3.6%
Capital Expenditures	177,973	186,233	0.7%
Other	87,263	88,886	0.4%
Chargeback from Food Service Fund	<u>(75,000)</u>	<u>(75,750)</u>	<u>-0.3%</u>
 Total Expenditures	 \$ <u>23,720,112</u>	 \$ <u>24,950,149</u>	 <u>100.0%</u>
 Excess Revenue Over Expenditures	 \$ (147,512)	 \$ 4,421	
Beginning Fund Balance	<u>6,634,544</u>	<u>6,487,032</u>	
 Ending Fund Balance	 \$ <u><u>6,487,032</u></u>	 \$ <u><u>6,491,453</u></u>	

**ROCKFORD AREA SCHOOLS
PROPOSED GENERAL FUND EXPENDITURE DETAILS
2026-2027**

PROGRAM	2024-2025 ACTUAL	2025-2026 REVISED	2026-2027 PROPOSED	\$ DIFF.	% DIFF.
DISTRICT & SCHOOL ADMINISTRATION:					
SCHOOL BOARD	64,005	75,602	76,955	1,353	1.8%
OFFICE OF SUPERINTENDENT	394,030	389,646	409,792	20,146	5.2%
SCHOOL BUILDING ADMINISTRATION	715,345	744,824	767,327	22,503	3.0%
TOTAL DISTRICT & SCHOOL ADMINISTRATION	1,173,380	1,210,072	1,254,074	44,002	3.6%
DISTRICT SUPPORT SERVICES:					
FINANCE & SUPPORT SERVICES	764,238	771,000	819,877	48,877	6.3%
TECHNOLOGY	630,691	675,568	503,053	(172,515)	-25.5%
HUMAN RESOURCES & OTHER SUPPORT POSITIONS	150,120	143,329	146,728	3,399	2.4%
TOTAL DISTRICT SUPPORT SERVICES	1,545,049	1,589,897	1,469,658	(120,239)	-7.6%
REGULAR & VOC. ED. INSTRUCTION:					
K-12 INSTRUCTION	7,415,504	7,736,351	8,206,066	469,715	6.1%
GIFTED & TALENTED	121,727	138,877	145,580	6,703	4.8%
FEDERAL INSTRUCTIONAL PROGRAMS	202,566	236,207	208,634	(27,573)	-11.7%
CO-CURRICULAR	1,042,905	976,463	976,221	(242)	0.0%
UNEMPLOYMENT COMPENSATION	113,393	100,000	180,000	80,000	80.0%
CAREER AND TECHNICAL EDUCATION	256,141	269,374	297,426	28,052	10.4%
REGULAR & VOC. ED. INSTRUCTION	9,152,236	9,457,272	10,013,927	556,655	5.9%
EXCEPTIONAL INSTRUCTION:					
ADSIS	542,437	530,882	554,436	23,554	4.4%
SPECIAL EDUCATION DISTRICT WIDE	3,205,169	3,208,612	3,313,880	105,268	3.3%
TOTAL EXCEPTIONAL INSTRUCTION	3,747,606	3,739,494	3,868,316	128,822	3.4%
INSTRUCTIONAL SUPPORT:					
INSTRUCTIONAL SUPPORT	280,115	247,960	261,679	13,719	5.5%
CURRICULUM SUPPORT	62,026	176,875	185,074	8,199	4.6%
MEDIA CENTERS	190,806	161,811	206,408	44,597	27.6%
STAFF DEVELOPMENT	688,400	623,748	606,955	(16,793)	-2.7%
TOTAL INSTRUCTIONAL SUPPORT	1,221,347	1,210,394	1,260,116	49,722	4.1%
PUPIL SUPPORT SERVICES:					
PUPIL SUPPORT	354,230	338,471	390,284	51,813	15.3%
HEALTH SERVICES	198,586	214,569	225,833	11,264	5.2%
SCHOOL SAFETY	168,838	166,804	169,470	2,666	1.6%
TRANSPORTATION	3,079,435	3,160,820	3,333,596	172,776	5.5%
TOTAL PUPIL SUPPORT SERVICES	3,801,089	3,880,664	4,119,183	238,519	6.1%

**ROCKFORD AREA SCHOOLS
PROPOSED GENERAL FUND EXPENDITURE DETAILS
2026-2027
(Continued)**

PROGRAM	2024-2025 ACTUAL	2025-2026 AMENDED	2026-2027 PROPOSED	\$ DIFF.	% DIFF.
SITE & BUILDINGS:					
OPERATIONS & MAINTENANCE	1,063,167	1,283,849	1,292,028	8,179	0.6%
OPERATING CAPITAL	127,790	177,973	151,233	(26,740)	-15.0%
LONG-TERM FACILITIES MAINTENANCE	171,333	278,765	317,379	38,614	13.9%
UTILITIES	559,952	648,300	670,379	22,079	3.4%
TOTAL SITE & BUILDINGS	1,922,242	2,388,887	2,431,019	42,132	1.8%
CAPITAL PROJECT LEVY					
CAPITAL PROJECT LEVY	-	-	250,000	250,000	NA
TOTAL INSURANCE & BENEFITS	-	-	250,000	250,000	NA
INSURANCE & BENEFITS:					
PROPERTY & LIABILITY INSURANCE	231,840	243,432	283,856	40,424	16.6%
TOTAL INSURANCE & BENEFITS	231,840	243,432	283,856	40,424	16.6%
TOTAL GENERAL FUND	<u>22,794,789</u>	<u>23,720,112</u>	<u>24,950,149</u>	<u>1,230,037</u>	<u>5.2%</u>



ROCKFORD AREA SCHOOLS
GENERAL FUND - PROJECTED FUND BALANCE SUMMARY



	6/30/2026 Beginning Fund Balance (Projected)	Adopted Budget		Fund Balance Buildup/(Usage)	6/30/2027 Ending Fund Balance (Projected)
		2026-27 Revenues	2026-27 Expenditures		
General Fund					
Unassigned	4,090,699	21,849,499	21,462,416	185,962	4,276,661
Nonspendable	6,546	-	-	-	6,546
Assigned:					
Q Comp Program	12,557	406,900	406,900	-	12,557
Future Capital	700,000	50,000	-	50,000	750,000
Machine Shop	840	-	-	-	840
Scholarships	13,960	-	-	-	13,960
-	-	-	-	-	-
Assigned	727,357	456,900	406,900	50,000	777,357
Restricted:					
Student Activities	-	98,817	98,817	-	-
Literacy Aid	45,528	71,077	71,077	-	45,528
Achievement & Integration	-	221,711	221,711	-	-
Building Lease Aid	-	27,147	27,147	-	-
Gifted & Talented	-	21,133	21,133	-	-
Career & Tech Program	-	84,048	285,169	-	-
American Indian Education Aid	1,708	44,500	44,500	-	1,708
Learning & Development	-	339,149	339,149	-	-
Basic Skills	580,861	612,786	612,786	-	580,861
English Learner	97,603	162,384	162,384	-	97,603
Medical Assistance	127,735	40,000	34,340	5,660	133,395
READ Act	45,642	-	45,642	(45,642)	-
Staff Development	374,459	249,790	355,315	(105,525)	268,934
Safe Schools	-	56,901	56,901	-	-
School Library Aid	2,966	40,000	40,000	-	2,966
Student Support Aid	-	40,000	40,000	-	-
Student Support Aid - Coop	-	40,000	40,000	-	-
Operating Capital	256,172	225,147	267,383	(42,236)	213,936
Long-Term Facilities Maintenance	129,756	273,581	317,379	(43,798)	85,958
Total Restricted	1,662,430	2,648,171	3,080,833	(231,541)	1,430,889
Total General Fund	6,487,032	24,954,570	24,950,149	4,421	6,491,453
<i>Unassigned Fund Balance %</i>	16.40%				17.14%
Food Service					
Restricted	631,142	1,322,177	1,366,928	(44,751)	586,391
Total Food Service	631,142	1,322,177	1,366,928	(44,751)	586,391
Community Education					
Restricted:					
Regular Community Education	72,492	820,673	766,293	54,380	126,872
Early Childhood Family Education	(10,837)	114,615	133,588	(18,973)	(29,810)
School Readiness	20,809	374,861	376,624	(1,763)	19,046
Adult Basic Education	17	6,000	3,213	2,787	2,804
Restricted for Community Education	147,221	231,500	215,741	15,759	162,980
Total Community Education	229,702	1,547,649	1,495,459	52,190	281,892
Building Projects Fund					
Restricted Fund Balance	559,099	5,000	564,099	-	-
Total Capital Projects	559,099	5,000	564,099	-	-
Debt Service					
Restricted:					
General Debt Service	674,680	5,226,945	4,840,875	386,070	1,060,750
Total Debt Service	674,680	5,226,945	4,840,875	386,070	1,060,750
Total All Funds	8,581,655	33,056,341	33,217,510	397,930	8,420,486

**ROCKFORD AREA SCHOOLS
NUTRITION SERVICE FUND**

General Description

The nutrition service fund is used to record financial activities of the school district's food service program. This includes activities for the purpose of preparation and service of milk, meals and snacks in connection with the school and community service activities. Expenditures include application processing, meal accountability, food preparation, meal service and kitchen custodial service.

2026 Legislation

Lowers the additional state funding for school lunch (above the amount established by federal rule for free lunch) from \$12.5 cents to \$6.25 cents per meal served beginning in 2028. It also requires a school to allow a student to purchase a second breakfast or lunch if the student has already selected a reimbursable breakfast or lunch.

<u>Budget Information</u>	2025-2026 Revised Budget	2026-2027 Proposed Budget	% Of Budget
Revenue:			
Local Sales	\$ 152,000	\$ 155,987	11.8%
State Aids	650,100	663,908	50.2%
Federal Aids	420,186	421,211	31.9%
Commodities	70,113	81,071	6.1%
Total Revenue	\$ 1,292,399	\$ 1,322,177	100.0%
Expenditures:			
Purchased Services	\$ 582,354	\$ 594,885	43.5%
Food & Milk	515,729	526,957	38.6%
Commodities	70,113	81,071	5.9%
Supplies & Other	41,871	38,265	2.8%
Capital	0	50,000	3.7%
Chargeback to the General Fund	0	75,750	5.5%
Total Expenditures	\$ 1,210,067	\$ 1,366,928	100.0%
Excess Revenue Over Expenditures	\$ 82,332	\$ (44,751)	
Beginning Fund Balance	548,810	631,142	
Ending Fund Balance	\$ 631,142	\$ 586,391	

**ROCKFORD AREA SCHOOLS
COMMUNITY SERVICE FUND**

General Description

The Community Service Fund is used to record financial activities of the school district's community service program. The fund is comprised of five components, each with its own fund balance. Community Education includes programs and services for any age level that are not part of the K-12 education program. Early Childhood Family Education includes activities to improve parenting skills of new and expectant parents and to provide learning experiences for parents and their pre-school children. School Readiness Education includes social services, a development and learning plan, health referral services, a nutrition component and parental involvement. Adult Basic Education includes all activities in adult basic education and adult high school graduation programs.

2026 Legislation

There were no financial changes from the 2026 legislature.

<u>Budget Information</u>	<u>2025-2026 Revised Budget</u>	<u>2026-2027 Proposed Budget</u>	<u>% Of Budget</u>
Revenue:			
Property Tax Levy	\$ 137,152	\$ 125,947	8.1%
State Aids	186,732	219,527	14.2%
Local Revenues	<u>1,209,658</u>	<u>1,202,175</u>	<u>77.7%</u>
 Total Revenue	 <u>\$ 1,533,542</u>	 <u>\$ 1,547,649</u>	 <u>100.0%</u>
 Expenditures:			
Salaries	\$ 993,100	\$ 956,740	64.0%
Benefits	297,976	315,831	21.1%
Other Purchased Services	188,200	184,888	12.4%
Supplies & Other	41,300	38,000	2.5%
Capital	<u>7,000</u>	<u>0</u>	<u>0.0%</u>
 Total Expenditures	 <u>\$ 1,527,576</u>	 <u>\$ 1,495,459</u>	 <u>100.0%</u>
 Excess Revenue Over Expenditures	 <u>\$ 5,966</u>	 <u>\$ 52,190</u>	
Beginning Fund Balance	<u>223,736</u>	<u>229,702</u>	
 Ending Fund Balance	 <u><u>\$ 229,702</u></u>	 <u><u>\$ 281,892</u></u>	

**ROCKFORD AREA SCHOOLS
COMMUNITY SERVICE FUND - REVENUE**

<u>REVENUE BY PROGRAM:</u>	<u>2025-2026 Revised Budget</u>	<u>2026-2027 Proposed Budget</u>	<u>% Of Budget</u>
000 Community Education - RCC	\$ 187,000	\$ 211,000	13.6%
321 Community Education	826,215	802,142	51.8%
362 Youth Programs	10,071	18,531	1.2%
322 Adult Education	3,708	6,000	0.4%
798 School Age Care	15,000	15,000	1.0%
325 Early Childhood Family Education	113,761	112,773	7.3%
328 Home Visiting	1,867	1,842	0.1%
337 Pathways II	37,500	37,500	2.4%
344 School Readiness	331,520	337,361	21.8%
354 Early Childhood Screening	<u>6,900</u>	<u>5,500</u>	<u>0.4%</u>
Total Revenue	\$ <u><u>1,533,542</u></u>	\$ <u><u>1,547,649</u></u>	<u><u>100.0%</u></u>

**ROCKFORD AREA SCHOOLS
COMMUNITY SERVICE FUND - EXPENDITURES**

<u>EXPENDITURE BY PROGRAM:</u>	<u>2025-2026 Revised Budget</u>	<u>2026-2027 Proposed Budget</u>	<u>% Of Budget</u>
000 Community Education - RCC	\$ 196,421	\$ 206,347	13.8%
321 Community Education	750,146	693,520	46.4%
362 Youth Programs	10,071	18,531	1.2%
322 Adult Education	3,708	3,213	0.2%
798 School Age Care	15,000	15,000	1.0%
325 Early Childhood Family Education	133,485	133,588	8.9%
328 Home Visiting	1,867	1,842	0.1%
337 Pathways II	37,500	37,500	2.5%
344 School Readiness	378,378	376,624	25.2%
354 Early Childhood Screening	<u>1,000</u>	<u>9,294</u>	<u>0.6%</u>
 Total Expenditures	 \$ <u><u>1,527,576</u></u>	 \$ <u><u>1,495,459</u></u>	 <u><u>100.0%</u></u>

**ROCKFORD AREA SCHOOLS
BUILDING CONSTRUCTION FUND**

General Description

The Building Construction Fund is used to record all operations of the district's building construction program that are funded by the sale of bonds, capital loans, or Long-Term Facilities Maintenance program if bonds are sold or a single project exceeds \$2 million.

2026 Legislation

There were no financial changes from the 2026 legislative session.

<u>Budget Information</u>	2025-2026 Revised Budget	2026-2027 Proposed Budget	% Of Budget
	_____	_____	_____
Revenue:			
Bond Investment Interest	\$ 5,000	\$ 5,000	100%
Total Revenue	\$ 5,000	\$ 5,000	100%
Expenditures:			
Capital Improvements	\$ 940,503	\$ 564,099	100%
Total Expenditures	\$ 940,503	\$ 564,099	100%
Excess Revenue Over Expenditures	\$ (935,503)	\$ (559,099)	
Beginning Fund Balance	1,494,602	559,099	
Ending Fund Balance	\$ 559,099	\$ 0	

June 15, 2026

**ROCKFORD AREA SCHOOLS
BUILDING CONSTRUCTION FUND**

	Revised Budget <u>2025-2026</u>	Projected Budget <u>2026-2027</u>
Revenue:		
Bond Investment Interest	\$ <u>5,000</u>	\$ <u>5,000</u>
Total Revenue	\$ <u><u>5,000</u></u>	\$ <u><u>5,000</u></u>
Expenditures:		
Capital Improvements	\$ 940,503	\$ 564,099
	<u>-</u>	<u>-</u>
Total Expenditures	\$ <u><u>940,503</u></u>	\$ <u><u>564,099</u></u>

**ROCKFORD AREA SCHOOLS
DEBT SERVICE FUND**

General Description

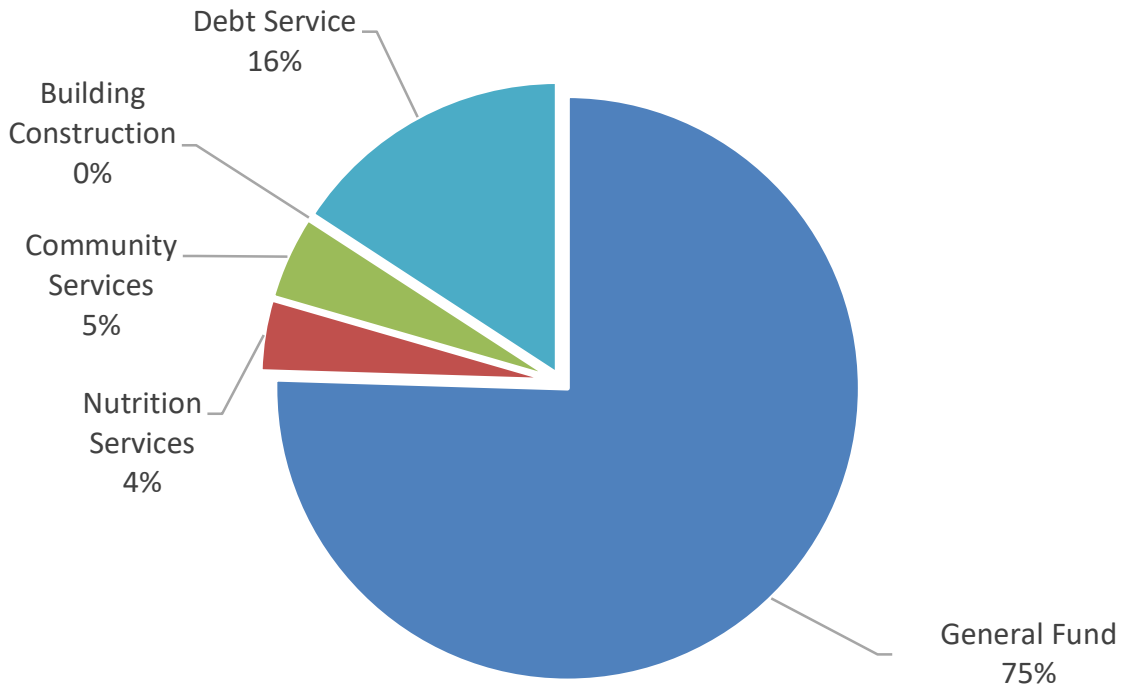
The Debt Service Fund is used to record revenues and expenditures for a school district's outstanding bonded indebtedness, whether for building construction or operating capital, and whether for initial or refunding bonds. When a bond issue is sold, the school board must levy a direct general tax upon the property of the district for the payment of principal and interest on such bonds as due. The amount levied is 105% of the principal and interest due on such bonds, which allows for delinquencies. When an amount is accumulated in the Restricted Debt Service Fund due to interest earnings, lower than anticipated tax delinquency, or excess building funds, the accumulations must be used to reduce debt levies.

2026 Legislation

There were no financial changes from the 2026 legislative session.

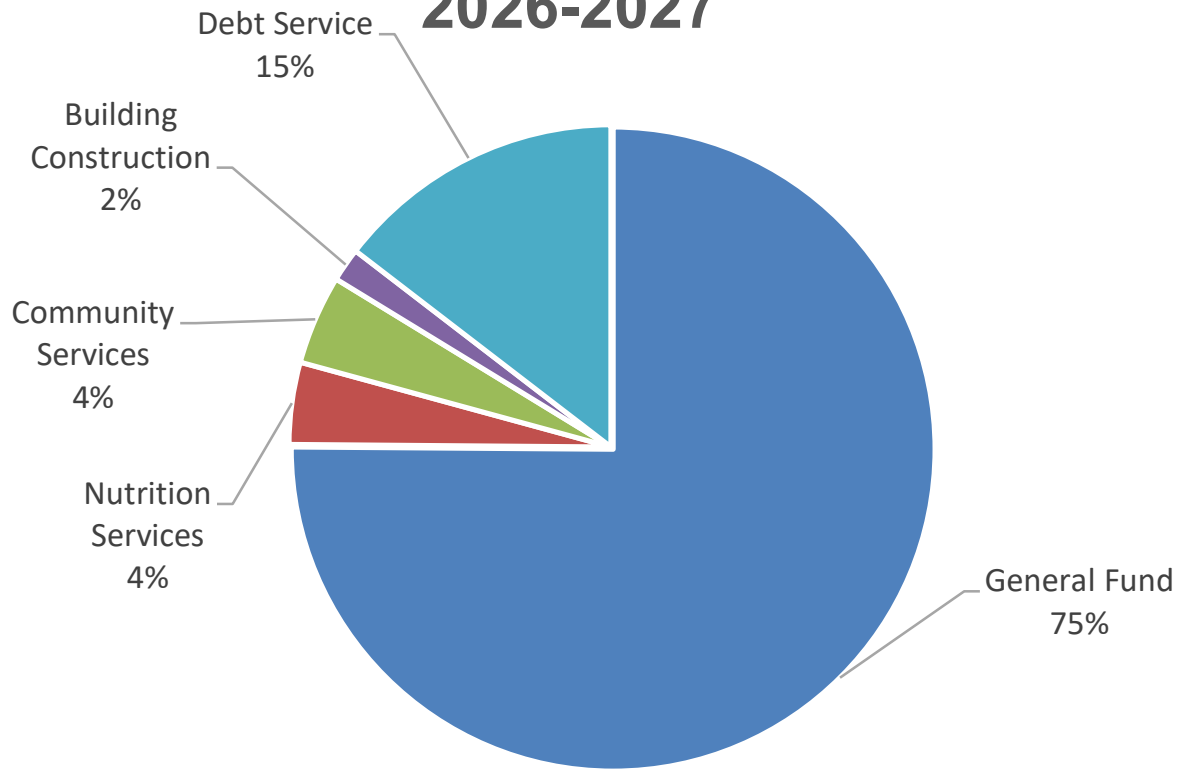
<u>Budget Information</u>	2025-2026 Revised Budget	2026-2027 Proposed Budget	% Of Budget
Revenue:			
Local Property Taxes	\$ 4,982,508	\$ 4,997,207	95.6%
State Aids	78,702	229,738	4.4%
Total Revenue	\$ 5,061,210	\$ 5,226,945	100.0%
Expenditures:			
Principal Payments	4,185,000	4,280,000	88.4%
Interest Payments	649,125	555,375	11.5%
Other Bond Charges	5,000	5,500	0.1%
Total Expenditures	\$ 4,839,125	\$ 4,840,875	100.0%
Excess Revenue Over Expenditures	\$ 222,085	\$ 386,070	
Beginning Fund Balance	452,595	674,680	
Ending Fund Balance	\$ 674,680	\$ 1,060,750	

Revenues - All Funds 2026-2027



Total Revenues: \$ 33,056,341

Expenditures - All Funds 2026-2027



Total Expenditures: \$ 33,217,510