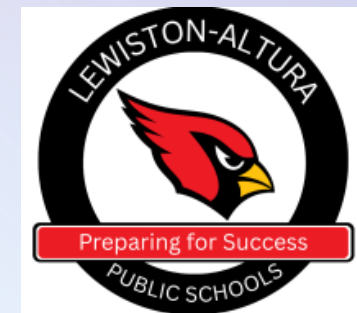


**2025-2026 2nd Revised Budget
Review & FY27 Adopted Budget
Review
June 1, 2026**





Agenda



Budget Development
Parameters

Projected Budgets FY26

2nd Revised Budget 2025-2026

Projected Budget Comparison
FY27

Questions



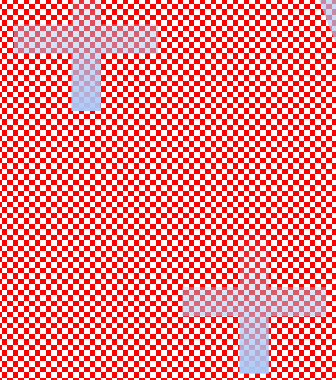
2026-2027 School Year Budget Development Parameters

School Board adoption date: June 8, 2026

| Parameter Area | Proposed Parameter Details |
|-----------------------------|---|
| Student Enrollment | We will continue to project enrollment based on actual enrollment numbers, student/grade progression, most recent census information, and projections from other sources, while continuing to be aware of additional relevant factors. Enrollment projection for the 26-27 school year shows a decrease of around 13 students. Using updated information as it is available, we will be conservative in the enrollment numbers used for 2026-2027. |
| General Fund Balance | Audited 2024-2025 general fund balance was at 1.98%. Adopted Budget 2025-2026 general fund balance increased by \$382,638. The fund balance after the FY25 audit came in higher which resulted in the Revised Budget for 2025-2026 projecting a decrease to the general fund of \$4,920, with a general fund balance to 7.86%. Revised Budget 2 for 2025-2026 projects a final fund balance of 8.90%. FY27 Adopted Budget is projected to have an ending general fund balance of 9.23% with a slight increase to the general fund balance of \$25,615. |
| Personnel Costs | Staffing levels will be determined as consistently as possible to align with all enrollment needs and class size targets/guidelines. We will continue to be diligent in negotiating fair and equitable contracts with all the bargaining units and individuals. We will decrease costs with changes in personnel in our high school science & middle school math teachers, Superintendent & reduction of a 1.0 elementary teacher. We will also decrease contracted services costs by around \$20,000 by hiring a Speech Teacher within the district. |
| Inflationary Costs | Estimated inflation rate 2.6% for 2025 and 2.1-2.7% in 2026. |
| State Foundation Aid | <p>The November forecast released shows a projected surplus of \$616 million for the end of fiscal year 2026-2027 and a projected \$5 billion deficit for 2028-2029. February forecast released shows the FY 2026-27 balance is \$3.7 billion — \$1.3 billion higher than the November estimates.</p> <ul style="list-style-type: none"> • What this means financially for MN School Districts: This forecast creates opportunities and caution. In the near term, the surplus could allow the Legislature to address existing funding pressures — including special education and compensatory funding — including the opportunity to repeal or modify the \$250 million reduction and include a hold harmless provision for compensatory |

| | |
|---|---|
| | <p>aid. Lawmakers may also consider targeted investments in priority areas such as school safety, special education cross-subsidy relief, or mandate adjustments. At the same time, legislators are likely to hesitate before creating new, ongoing spending commitments given the structural imbalance in the out-years.</p> <p>We received a 2.69% increase in General Ed funding for 2026-2027, \$7,683 per pupil.</p> |
| State Foundation Aid | <ul style="list-style-type: none"> • Funding changes for FY27: <ul style="list-style-type: none"> ○ Reduced Library Aid (\$20k) ○ Compensatory -Hold Harmless – No loss ○ Loss of State Unemployment Aid |
| State Special Education Funding | <p>Special education funding models are still a “work-in-progress”, and predictability of future funding is an ongoing challenge. We did see an increase in Special Education Cross Subsidy funding in 2024-2025 and looks to continue through 2026-2027.</p> |
| Overall Budget Adjustment Target | <p>On a [very] preliminary basis, we are projecting an increase in the general fund budget for the 2026-2027 school year. However, many additional factors could need to be considered and could end up <u>impacting</u> this preliminary outlook:</p> <ol style="list-style-type: none"> 1) Student programming – for example, staffing changes based on continued changing enrollment. 2) Compensatory revenue for FY28 is projected to decrease. 3) Continued technology plan implementation. 4) Loss of state revenue for Summer Unemployment. 5) Enrollment projection fluctuations. 6) General Ed funding increase is not keeping up with inflation. 7) Curriculum costs increase with additional mandates, for example Read Act. 8) Minnesota Paid Leave started 1/1/2026. Paid leave premium split between district and employee at .44% each. Cost to the district with this change. 9) Reduction of SMS contract by using a more remote model which will also include less costs for travel time. 10) Reductions of around \$200,000 in FY27 were within personnel, benefits, contracted services and administration. |

2025-2026 Projected Budgets



Projected Budgets FY26

| Fund | Adopted FY26 | Revised FY26 | 2nd Revised FY26 | %of Budget |
|-------------------|-----------------|-----------------|------------------|------------|
| General | \$1,884,136.00 | \$2,067,785.00 | \$1,933,999.00 | 12.62% |
| Activities | \$136,959.00 | \$118,875.00 | \$202,315.00 | 1.32% |
| Food Service | \$155,277.00 | \$180,328.00 | \$196,116.00 | 1.28% |
| Community Service | \$203,667.00 | \$75,728.00 | \$128,331.00 | 0.84% |
| Construction | \$9,974,725.00 | \$10,759,508.00 | \$12,859,908.00 | 83.92% |
| Debt Service | \$139,281.00 | \$179,447.00 | \$2,770.00 | 0.02% |
| Total | \$12,494,044.00 | \$13,381,670.00 | \$15,323,438.00 | 100.00% |

2025- 2026 2nd Revised Budget

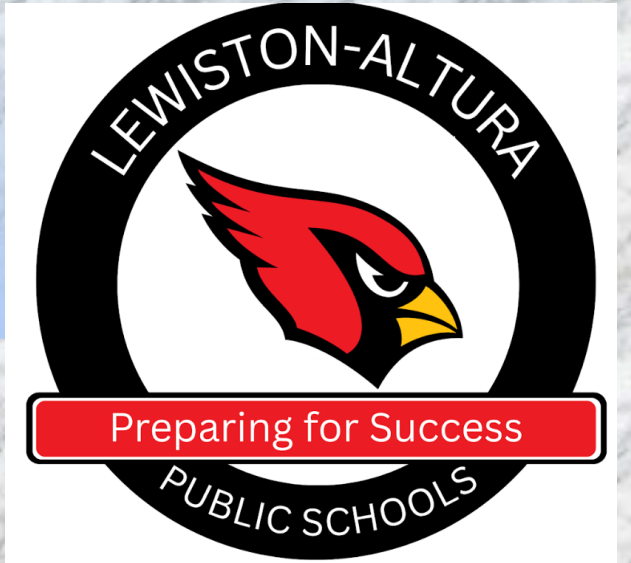


Lewiston Altura
Budget / Fund Balance Overview (BUDGET)
 FY26 2nd Revised Budget

| <i>General Fund - 01</i> | Beginning Fund Balance | Revenues | Expenditures | Transfers | End of Year Proj. Balance | Net Increase or Decrease |
|--|---------------------------|------------------|------------------|----------------|------------------------------|-----------------------------|
| 422 Unassigned Fund Balance | 743,005 | 8,437,820 | 8,172,505 | (150,000) | 858,321 | 115,316 |
| | 8.29% | - | | | 8.90% | |
| Restricted | | | | | | |
| 403 Staff Development | - | 89,838 | 89,838 | - | (0) | (0) |
| 424 Operating Capital | 405,812 | 142,533 | 221,155 | - | 327,190 | (78,622) |
| 428 Learning and Development Basic Skills | - | 107,057 | 107,057 | - | - | - |
| English Learners | - | 362,909 | 362,909 | - | - | - |
| Literacy Incentive Aid | 23,439 | 30,295 | 30,295 | - | (0) | (0) |
| Safe Skills | - | 22,479 | 45,918 | - | - | (23,439) |
| School Library Aid | - | 18,739 | 18,739 | - | - | - |
| Achievement & Integration Aid | - | 20,000 | 20,000 | - | - | - |
| Student Support Aid/COOP Aid | - | 28,861 | 28,861 | - | (0) | (0) |
| Gifted & Talented | - | 80,000 | 80,000 | - | - | - |
| Paraprofessional Training | - | 7,806 | 7,806 | - | (0) | (0) |
| READ Act Literacy Aid | 166 | 5,542 | 5,542 | - | (0) | (0) |
| READ Act Teacher Training | 7,343 | - | 166 | - | - | (166) |
| 467 Long-Term Facilities Maint | 359,423 | - | 7,343 | - | - | (7,343) |
| Nonspendable | 42,920 | 171,082 | 245,726 | - | 284,779 | (74,644) |
| 472 Medical Assistance | 79,213 | - | - | - | 42,920 | - |
| | - | 13,429 | 60,000 | - | 32,642 | (46,571) |
| Subtotal Restricted | 918,316 | 1,100,569 | 1,331,355 | - | 687,529 | (230,787) |
| Assigned Funds | | | | | | |
| Assigned-Scholarships | 85,649 | - | - | - | 85,649 | - |
| Assigned-Vehicles | 175,000 | - | 137,500 | - | 37,500 | (137,500) |
| Assigned-Instructional Tech | 25,000 | - | - | 50,000 | 75,000 | 50,000 |
| Assigned - Facilities/Capital | 25,000 | - | - | 25,000 | 50,000 | 25,000 |
| Assigned-Technology | 25,000 | - | - | 50,000 | 75,000 | 50,000 |
| Assigned-Curriculum | 40,000 | - | - | 25,000 | 65,000 | 25,000 |
| Subtotal Assigned - 462 | 375,649 | - | 137,500 | 150,000 | 388,149 | 12,500 |
| Total General Fund | 2,036,970 | 9,538,389 | 9,641,360 | - | 1,933,999 | (102,971) |

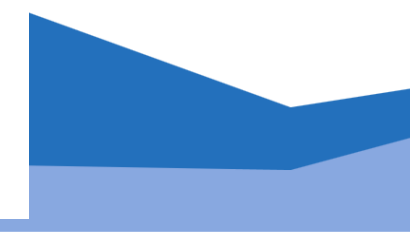
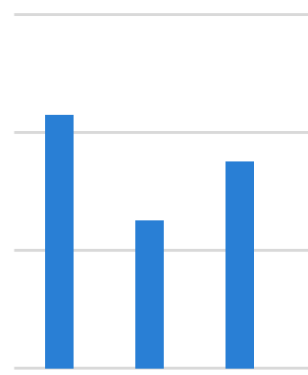
| | | | | | | |
|----------------------------------|-----------------------|-------------------|-------------------|----------|-------------------|--------------------|
| Activites Fund - 30 | | | | | | |
| Restricted/Reserved - Subtotal | 118,875 | 277,731 | 194,291 | - | 202,315 | 83,440 |
| Total Activities Fund | 118,875 | 277,731 | 194,291 | - | 202,315 | 83,440 |
| Food Service Fund - 02 | | | | | | |
| 460 Nonspendable | 11,901 | - | - | - | 11,901 | - |
| 464 Restricted | 235,344 | 625,550 | 676,679 | - | 184,215 | (51,129) |
| Total Food Service | 247,245 | 625,550 | 676,679 | - | 196,116 | (51,129) |
| Community Services - 04 | | | | | | |
| 464 Restricted | 9,855 | 209,263 | 218,919 | - | 199 | (9,656) |
| Restricted / Reserved | | | | | | |
| 432 Early Childhood | 65,873 | 42,000 | 35,000 | - | 72,873 | 7,000 |
| Preschool Screening | - | 1,750 | 750 | - | 1,000 | 1,000 |
| 444 School Readiness | 46,359 | 36,400 | 28,500 | - | 54,259 | 7,900 |
| Restricted/Reserved - Subtotal | 112,232 | 80,150 | 64,250 | - | 128,132 | 15,900 |
| Total Community Education | 122,087 | 289,413 | 283,169 | - | 128,331 | 6,244 |
| Construction - 06 | | | | | | |
| 464 Restricted | 19,335,083 | - | 7,084,111 | - | 12,250,972 | (7,084,111) |
| LTFM Fund 06 | 354,419 | - | - | - | 354,419 | - |
| Prepaid Fund 06 | 254,517 | - | - | - | 254,517 | - |
| Total Construction Fund | 19,944,019 | - | 7,084,111 | - | 12,859,908 | (7,084,111) |
| Debt Service - 07 | | | | | | |
| 464 Restricted | 120,883 | 1,896,651 | 2,014,764 | - | 2,770 | (118,113) |
| Total Debt Service Fund | 120,883 | 1,896,651 | 2,014,764 | - | 2,770 | (118,113) |
| Total All Funds: | 22,590,078 | 12,627,733 | 19,894,373 | - | 15,323,438 | (7,266,641) |
| | Matches YE Audit FY25 | | | | | |

2026-2027 Projected Budget Comparison



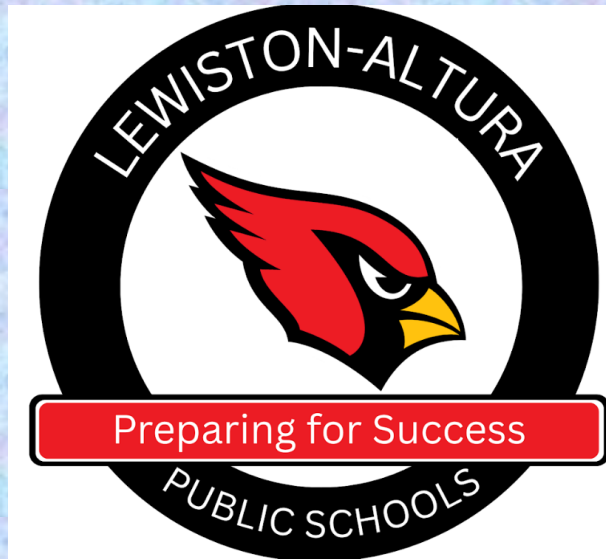
2026-2027 Projected Budget Comparison

| Fund | 2nd Revised FY26 | FY27 Adopted | % of Budget |
|-------------------|------------------|----------------|-------------|
| General | \$1,933,999.00 | \$1,916,656.00 | 55.34% |
| Activities | \$202,315.00 | \$273,569.00 | 7.90% |
| Food Service | \$196,116.00 | \$145,698.00 | 4.21% |
| Community Service | \$128,331.00 | \$127,726.00 | 3.69% |
| Construction | \$12,859,908.00 | \$1,000,000.00 | 28.87% |
| Debt Service | \$2,770.00 | \$0.00 | 0.00% |
| Total | \$15,323,439.00 | \$3,463,648.00 | 100.00% |



2026-2027

Adopted Budget



Lewiston Altura
Budget / Fund Balance Overview (BUDGET)
FY27 Adopted Budget

| General Fund - 01 | Beginning | | | | End of Year | Net Increase |
|------------------------------------|---------------------|------------------|---------------------|------------------|----------------------|---------------------|
| 422 Unassigned Fund Balance | Fund Balance | Revenues | Expenditures | Transfers | Proj. Balance | or Decrease |
| | 858,321 | 8,456,516 | 8,430,901 | - | 883,936 | 25,615 |
| | 8.90% | - | | | 9.23% | |
| Restricted | | | | | | |
| 403 Staff Development | - | 89,838 | 89,838 | - | - | (0) |
| 424 Operating Capital | 327,190 | 142,533 | 150,000 | - | 319,723 | (7,467) |
| 428 Learning and Development | - | 107,057 | 107,057 | - | - | - |
| Basic Skills | - | 362,909 | 362,909 | - | - | - |
| English Learners | - | 30,295 | 30,295 | - | - | (0) |
| Literacy Incentive Aid | - | 22,479 | 22,479 | - | - | - |
| Safe Skills | - | 18,739 | 18,739 | - | - | - |
| School Library Aid | - | 20,000 | 20,000 | - | - | - |
| Achievement & Integration Aid | - | 28,861 | 28,861 | - | - | (0) |
| Student Support Aid/COOP Aid | - | 80,000 | 80,000 | - | - | - |
| Gifted & Talented | - | 7,806 | 7,806 | - | - | (0) |
| Paraprofessional Training | - | 5,542 | 5,542 | - | - | (0) |
| READ Act Literacy Aid | - | - | - | - | - | - |
| READ Act Teacher Training | - | - | - | - | - | - |
| 467 Long-Term Facilities Maint | 284,779 | 171,082 | 200,000 | - | 255,861 | (28,918) |
| Nonspendable | 42,920 | - | - | - | 42,920 | - |
| 472 Medical Assistance | 32,642 | 13,429 | 20,000 | - | 26,071 | (6,571) |
| Subtotal Restricted | 687,529 | 1,100,569 | 1,143,526 | - | 644,575 | (42,957) |
| Assigned Funds | | | | | | |
| Assigned-Scholarships | 85,649 | - | - | - | 85,649 | - |
| Assigned-Vehicles | 37,500 | - | - | - | 37,500 | - |
| Assigned-Instructional Tech | 75,000 | - | - | - | 75,000 | - |
| Assigned - Facilities/Capital | 50,000 | - | - | - | 50,000 | - |
| Assigned-Technology | 75,000 | - | - | - | 75,000 | - |
| Assigned-Curriculum | 65,000 | - | - | - | 65,000 | - |
| Subtotal Assigned - 462 | 388,149 | - | - | - | 388,149 | - |
| Total General Fund | 1,933,999 | 9,557,084 | 9,574,427 | - | 1,916,656 | (17,343) |

| | | | | | | |
|---------------------------------------|-------------------|-------------------|-------------------|----------|------------------|---------------------|
| Activites Fund - 30 | | | | | | |
| Restricted/Reserved - Subtotal | 202,315 | 315,636 | 244,382 | - | 273,569 | 71,254 |
| Total Activities Fund | 202,315 | 315,636 | 244,382 | - | 273,569 | 71,254 |
| Food Service Fund - 02 | | | | | | |
| 460 Nonspendable | 11,901 | - | - | - | 11,901 | - |
| 464 Restricted | 184,215 | 625,550 | 675,968 | - | 133,797 | (50,418) |
| Total Food Service | 196,116 | 625,550 | 675,968 | - | 145,698 | (50,418) |
| Community Services - 04 | | | | | | |
| 464 Restricted | 199 | 202,414 | 218,919 | - | (16,306) | (16,505) |
| Restricted / Reserved | | | | | | |
| 432 Early Childhood | 72,873 | 42,000 | 35,000 | - | 79,873 | 7,000 |
| Preschool Screening | 1,000 | 1,750 | 750 | - | 2,000 | 1,000 |
| 444 School Readiness | 54,259 | 36,400 | 28,500 | - | 62,159 | 7,900 |
| Restricted/Reserved - Subtotal | 128,132 | 80,150 | 64,250 | - | 144,032 | 15,900 |
| Total Community Education | 128,331 | 282,564 | 283,169 | - | 127,726 | (605) |
| Construction - 06 | | | | | | |
| 464 Restricted | 12,250,972 | - | 11,250,972 | - | 1,000,000 | (11,250,972) |
| LTFM Fund 06 | 354,419 | - | 354,419 | - | - | (354,419) |
| Prepaid Fund 06 | 254,517 | - | 254,517 | - | - | (254,517) |
| Total Construction Fund | 12,859,908 | - | 11,859,908 | - | 1,000,000 | (11,859,908) |
| Debt Service - 07 | | | | | | |
| 464 Restricted | 2,770 | 1,895,931 | 1,898,701 | - | (0) | (2,770) |
| Total Debt Service Fund | 2,770 | 1,895,931 | 1,898,701 | - | (0) | (2,770) |
| Total All Funds: | 15,323,438 | 12,676,765 | 24,536,555 | - | 3,463,648 | (11,859,790) |

Questions?
Thank you



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