



Agenda
General Fund Budget Hearing
Tuesday, May 27, 2025
6:00 PM

1. General Fund Budget Hearing
Speaker(s): Shari Thompson



ROSEVILLE AREA SCHOOLS

**2025–2026 General Fund
Budget Hearing**

May 27, 2025

Agenda

- **Budget Process**
 - ▶ **School Funding Basics**
 - ▶ **Timeline**
 - ▶ **Parameters**
- **Revenue**
- **Expenditures**
- **Fund Balance Projection**
- **Questions and Comments**

MN Legislature Must Set Funding for Minnesota Public Schools

Minnesota Constitution ARTICLE XIII

MISCELLANEOUS SUBJECTS

Section 1

“UNIFORM SYSTEM OF PUBLIC SCHOOLS. The stability of a republican form of government depending mainly upon the intelligence of the people, it is the duty of the legislature to establish a general and uniform system of public schools. The legislature shall make such provisions by taxation or otherwise as will secure a thorough and efficient system of public schools throughout the state.”

Funding is Highly Regulated

State sets:

- Formulas that determine revenue – most revenue based on specified amounts per pupil
- Tax policy for local schools
- Maximum authorized property tax levy – districts can levy less but not more than amount authorized by state, unless approved by voters in November)

State also authorizes school board to submit referendums for operating and capital needs to voters for approval.

2025-2026 Budget Timelines

Date	Budget Event	Action
June 2024	2024-2025 Budget Approved	Board Approval
September 24, 2024	Preliminary Levy set (Payable 2025; 2025-26 Revenue)	Board Approval
December 10, 2024	Final Levy set (Payable 2025; 2025-26 Revenue)	Board Approval
January 27, 2025	Cabinet review of 2025-2026 budget timeline and parameters.	Cabinet
January 29, 2025	Approve 2024-2025 budget timeline and parameters.	Board Approval
February 23, 2025	Finance Advisory Committee – revised current year budget, 2025-2026 budget parameters and timeline	
March - April	Update the School Board on budget development as needed	Administrative report to School Board
May 13, 2025	Finance Advisory Council – budget review	Finance Advisory Committee
May 13, 2025	Budget update (as needed)	School Board
May 27, 2025	Prior to the regular School Board meeting, the district holds a public hearing to share the 2025-2026 DRAFT general fund budget and collect any public comment	Administrative report to the public
June 24, 2025	School Board formally adopts 2025-2026 Budget	Board Approval

Budget Assumptions – Revenue

The 2026 MN Legislature has not completed their budget for the next biennium. In the interim, we will use the following parameters (current law):

- The proposed per-pupil basic general education formula allowance for 2025–2026 is \$7,281, an increase of 2.74% over the current year.
- Operating referendum revenue continues to be based on Adjusted Pupil Units (APU) to an amount based on APU and equal to \$2,034 per pupil unit
- Levy revenue will be based on the 2024 Pay 2025–26 Certified Levy approved in December 2024.
- Compensatory/Basic Skills Revenue is decreasing \$369,000 from current year

Budget Assumptions – Expenditures

- Focus resources on equity and student achievement.
- Staffing adjustments will match enrollment changes and align with class size staffing targets. No changes in class size targets
- Due to slight decline in enrollment, will experience “right sizing” adjustments/reductions.
- Mental health and social emotional learning will be maintained.

Budget Assumptions – Expenditures

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- Estimated salary and benefit settlements for upcoming contract negotiations are included.
- Utility costs will be based on multiple year average usage with consideration given to current rates.
- Contracted transportation costs are estimated to increase due to both an increase in contracted costs and an increased number of homeless students.
- All mandated reserve expense categories (i.e., Staff Development, Health & Safety, Safe Schools, Operating Capital) will be spent in compliance with statute.

Average Class Size Targets

	Average Class Size Ratio for 2018-2019	Average Class Size Ratio for 2019-2020	Average Class Size Ratio for 2020-2021	Average Class Size Ratio for 2021-2022	Average Class Size Ratio for 22-23 23-24 24-25 and 25-26
Kindergarten	22	22	22	22	22
Grades 1-3	27	27.5	28	28	26
Grades 4-6	32	32.5	33	33	31
RAMS & PV 7/8	34.2	34.7	35.2	35.2	33.2
RAHS	35.4	35.9	36.4	36.4	34.4

Enrollment

	Enrollment Projections for 24-25. Current staffing based on this number	Actual Enrollment as of Feb 1, 2025	Difference between projections and actual	Enrollment Projections for 2025-2026
Elementary including PV 7/8	3,997	3,913	-84	3,819
RAMS	868	856	-12	876
RAHS	2,279	2,242	-37	2,260
FAHS	85	84	-1	85
TOTALS	7,229	7,095	-134	7,040

Revenue Budget

Source	Description	2024-25 Revised Budget	2025-26 Original Budget	\$ Difference	% Difference
1	Maintenance Levy	20,841,234	21,832,922	991,688	4.76%
2	Mobile Home Tax	20,000	20,000	-	0.00%
5	Unemployment Levy	(25,966)	53,748	79,714	-306.99%
9	Fiscal Disparities	3,000,000	3,000,000	-	0.00%
10	County Apportionment	250,000	300,000	50,000	20.00%
15	Interest On Levy Pymnt	5,000	5,000	-	0.00%
	Subtotal Local Taxes	24,090,268	25,211,670	1,121,402	4.66%
50	Fees From Patrons	280,000	275,000	(5,000)	-1.79%
51	Fees/Usage	250,000	250,000	-	0.00%
60	Admissions & Stud Act Revenue	70,000	70,000	-	0.00%
71	MA Claims Revenue	400,000	400,000	-	0.00%
92	Interest Earnings	10,000	35,000	25,000	83.33%
93	Rent Of School Facility	30,000	30,000	-	0.00%
95	Lease Revenue	10,000	10,000	-	0.00%
96	Gifts And Bequests	55,000	55,000	-	0.00%
98	Misc Student Fundraising	0	0	-	0.00%
99	Miscellaneous Local Rev	340,600	340,000	(600)	0.00%
	Subtotal Other Local Revenue	1,445,600	1,465,000	19,400	1.34%

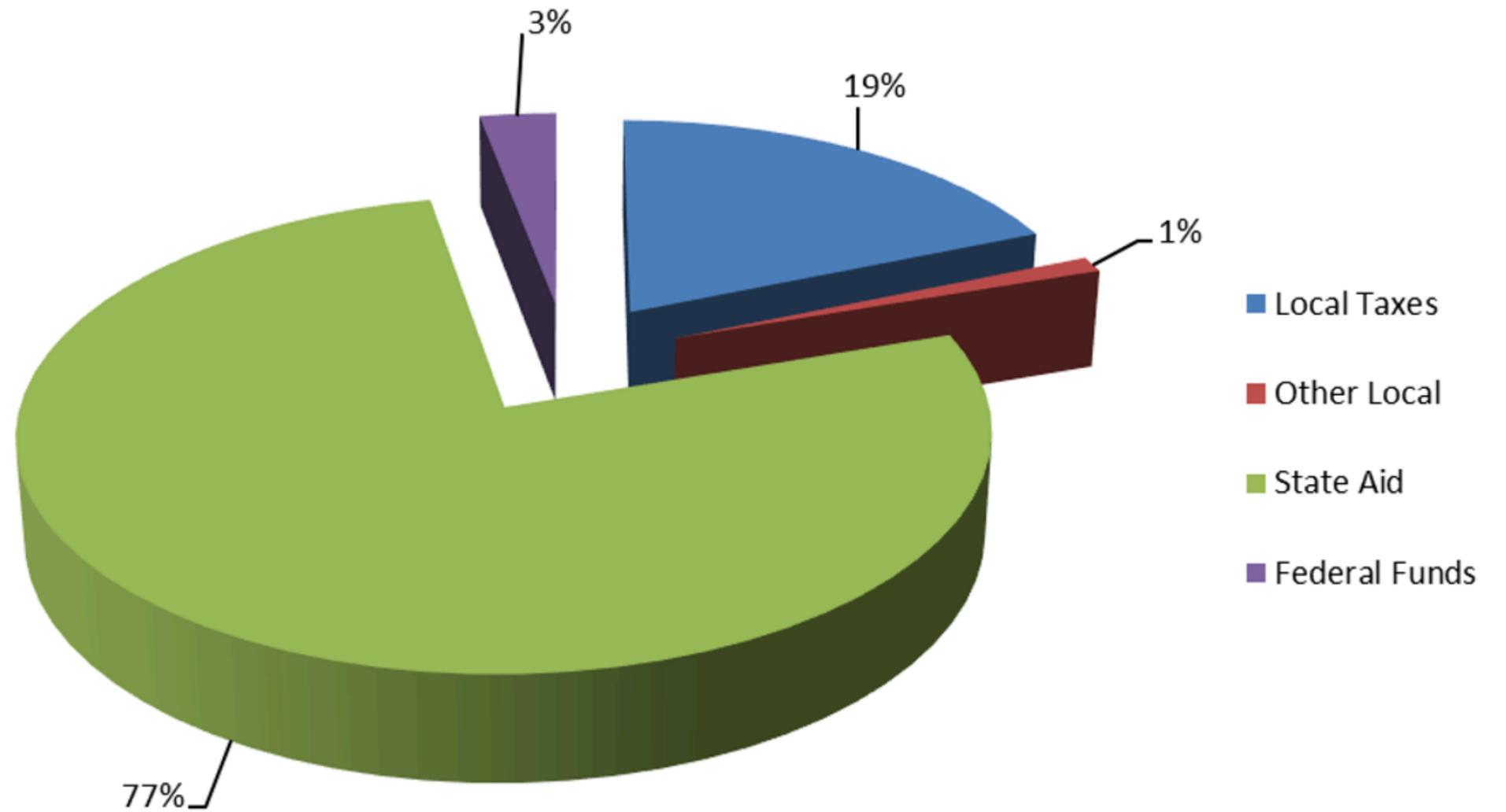
Revenue Budget

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201	Endowment Aid	486,518	486,459	(59)	-0.01%
211	General Ed Revenue	73,863,735	74,689,516	825,781	1.12%
212	Literacy Incentive Aid	394,512	187,129	(207,383)	-52.57%
213	Shared Time	-	-	-	0.00%
227	Abatement Aid	73,361	73,361	-	0.00%
300	State Aids & Grants	2,520,228	2,769,168	248,940	9.88%
360	State Aid Special Ed	24,718,588	25,231,513	512,925	2.08%
369	Misc. Other Depts MN	53,940	53,940	-	
370	Misc State Grants	317,862	334,862	17,000	5.35%
	Subtotal State Aids & Grants	102,428,744	103,825,948	1,397,204	1.36%
400	FEDERAL AIDS & GRANTS	4,872,562	3,971,093	(901,469)	-18.50%
405	SUB GRANT FROM FED FUNDS	25,000	25,000	-	0.00%
	Subtotal Federal Aids & Grants	4,897,562	3,996,093	(901,469)	-18.41%
	TOTAL GENERAL FUND	132,862,174	134,498,711	1,636,537	1.23%

Revenue Budget

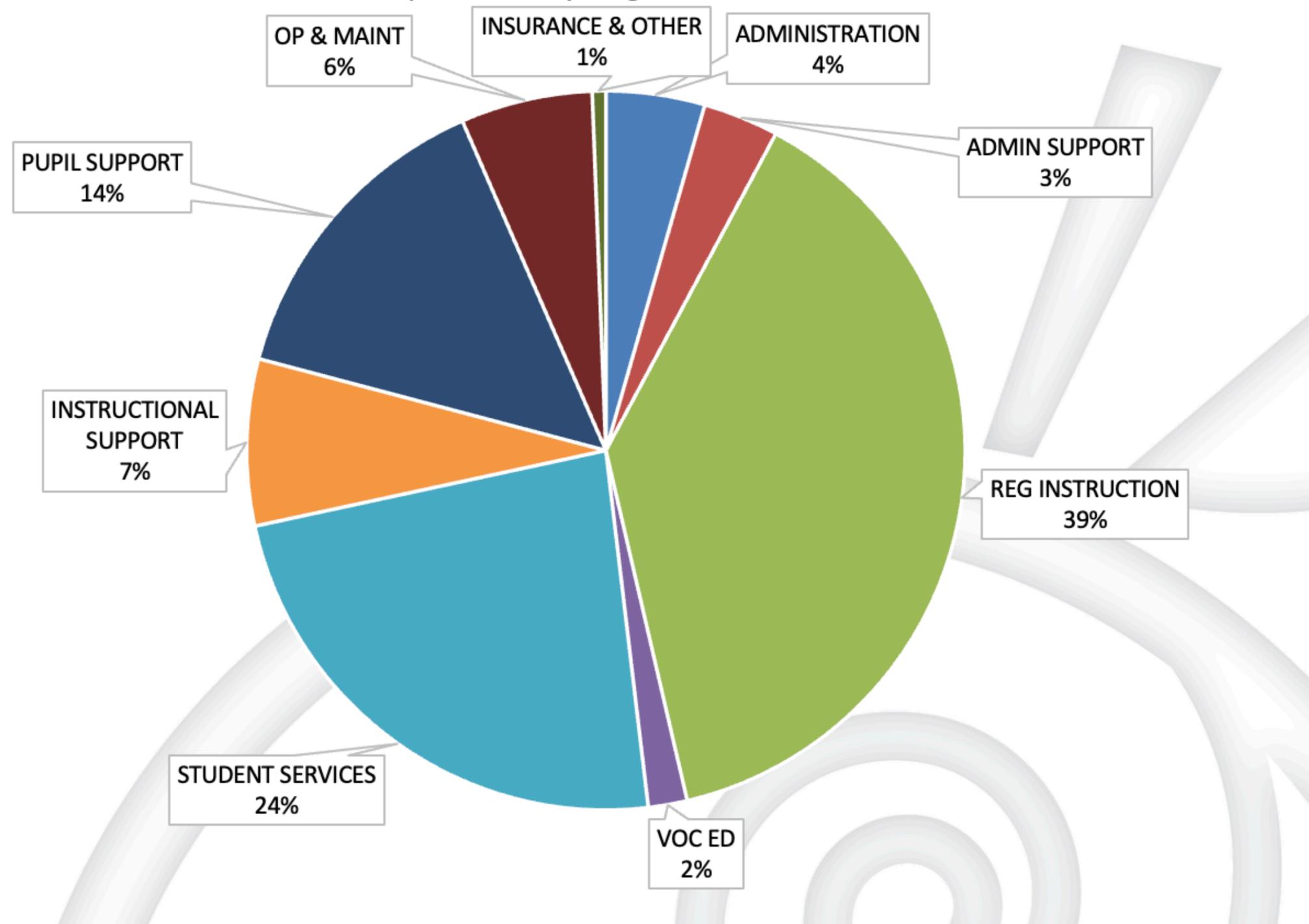
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Expenditures by Program Area

	2024-25	2025-26		%
PROGRAM	Revised Budget	Original Budget	Budget Inc/Dec	Change
ADMINISTRATION	5,760,234	6,064,037	303,803	5%
ADMIN SUPPORT	4,754,180	4,641,412	(112,768)	-2%
REG INSTRUCTION	53,235,612	52,539,084	(696,528)	-1%
VOC ED	2,330,112	2,390,690	60,578	3%
STUDENT SERVICES	31,143,842	32,072,093	928,251	3%
INSTRUCTIONAL SUPPORT	10,103,539	10,209,752	106,213	1%
PUPIL SUPPORT	19,027,870	19,573,293	545,423	3%
OP & MAINT	7,652,831	8,098,272	445,441	6%
INSURANCE & OTHER	748,000	832,000	84,000	11%
Totals	134,756,220	136,420,633	1,664,413	1%
TOTAL GEN FUND EXPENDITURES	134,756,220	136,420,633		
EXCLUDING OPERATING CAPITAL AND LONG TERM FACILITIES MAINTENANCE				

Expenditures by Program Area



Fund Balance Projection

	Estimated Fund Balance June 30, 2025	2025-2026 Proposed Revenue	2025-2026 Proposed Expenditures	Revenue Excess/(Deficit) Over Expenses	Estimated Fund Balance June 30, 2026	
General Fund						
Unassigned Fund Balance	\$ 14,269,576	\$ 120,851,507	\$ 122,773,429	\$ (1,921,922)	\$ 12,347,654	
	\$ 14,269,576				\$ 12,347,654	10.1%
Nonspendable (Inventories & Prepaid)	\$ 260,265				\$ 260,265	
					\$ 12,607,919	
Restricted for:						
Staff Development	\$ -	\$ 1,163,026	\$ 1,163,026	\$ -	\$ -	
Compensatory Ed	\$ -	\$ 10,394,316	\$ 10,394,316	\$ -	\$ -	
Learning & Development	\$ -	\$ 1,606,458	\$ 1,606,458	\$ -	\$ -	
Gifted and Talented	\$ -	\$ 101,067	\$ 101,067	\$ -	\$ -	
School Safety	\$ -	\$ 382,337	\$ 382,337	\$ -	\$ -	
Operating Capital	\$ 54,317	\$ -	\$ -	\$ -	\$ 54,317	
Long-term Facilities Maintenance (LTFM)	\$ -	\$ -	\$ -	\$ -	\$ -	
Subtotal, Restricted	\$ 54,317	\$ 13,647,204	\$ 13,647,204	\$ -	\$ 54,317	
Total, General Fund	\$ 14,584,158	\$ 134,498,711	\$ 136,420,633	\$ (1,921,922)	\$ 12,662,236	

Questions & Comments



Roseville
Area Schools

Excellence, Innovation & Equity in All We Do

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Director of Business Services

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