



Agenda  
General Fund Budget Hearing  
Tuesday, May 26, 2026  
6:00 PM

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



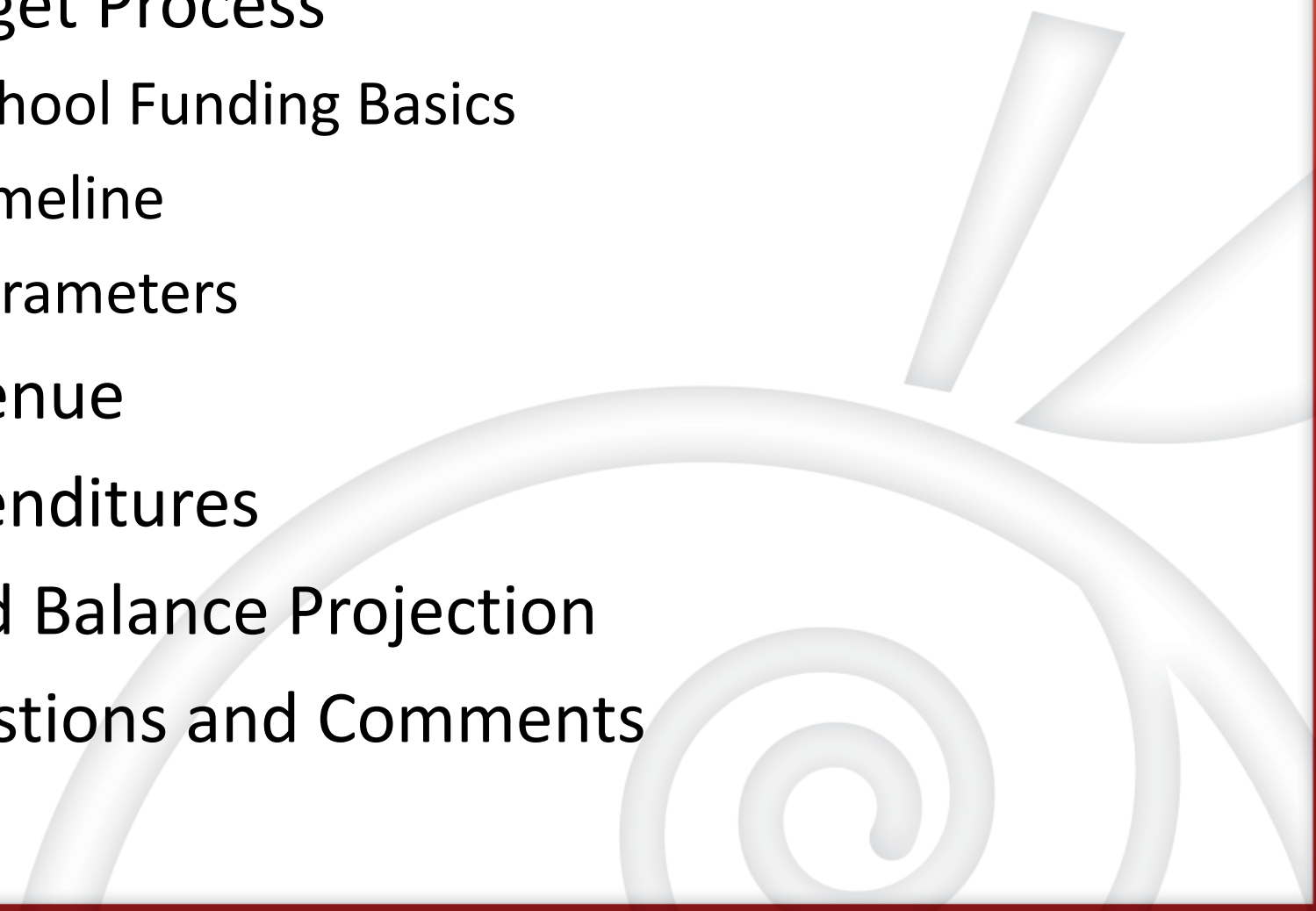
**Roseville Area Schools**

*Quality Teaching & Learning for All...Equity in All We Do*

# 2026-2027 General Fund Budget Hearing

May 26, 2026

# 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 which 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

# Budget Timelines for 2026-2027

<b>Date</b>	<b>Budget Event</b>	<b>Action</b>
<b>June 2025</b>	2025-2026 Budget Approved	Board Approval
<b>September 25, 2025</b>	Preliminary Levy set (Payable 2026; 2026-27 Revenue)	Board Approval
<b>December 9, 2025</b>	Final Levy set (Payable 2025; 2026-27 Revenue)	Board Approval
<b>January 26, 2026</b>	Cabinet review of 2026-2027 budget timeline and parameters.	Cabinet
<b>January 27, 2026</b>	Approve 2026-2027 budget timeline and parameters.	Board Approval
<b>February 10, 2026</b>	Approve 2025-2026 mid-year budget revisions	Board Approval
<b>February 18, 2026</b>	Finance Advisory Committee – revised current year budget, 2026-2027 budget parameters and timeline	Finance Advisory Committee
<b>March - April</b>	Update the School Board on budget development as needed	Administrative report to School Board
<b>May 12, 2026</b>	Budget update (as needed)	School Board
<b>May 13, 2026</b>	Finance Advisory Council – budget review	Finance Advisory Committee
<b>May 26, 2026</b>	Prior to the regular School Board meeting, the district holds a public hearing to share the 2026-2027 DRAFT general fund budget and collect any public comment	Administrative report to the public
<b>June 23, 2026</b>	School Board formally adopts 2026-2027 Budget	Board Approval

# Budget Assumptions - Revenue

The MN Statute 2025, section 126C.10, subdivision 2 sets the general education formula allowance. The inflation adjusted formula allowance for FY27:

- The proposed per-pupil basic general education formula allowance for 2026-2027 is \$7,683, an increase of 2.69% 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 \$2,093 per pupil unit
- Levy revenue will be based on the 2025 Pay 2026-27 Certified Levy approved in December 2025.

# Budget Assumptions – Revenue (Contd)

- Compensatory/Basic Skills Revenue is decreasing \$1 million from current year (\$9M in FY 26 vs. \$8M in FY 27)
- Capital Projects Levy for Safety & Technology (approved in November 2025) will generate \$6 million annually to offset costs of technology salaries, hardware, safety improvements. Communications, and software.
- Associated revenues and expenditures will be held in a separate General Fund Reserve Account

# 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 decline in enrollment, will experience “right sizing” adjustments/reductions
- Mental health and social emotional learning will be maintained

# Budget Assumptions - Expenditures

- 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 an increase in contracted costs.
- 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 since the 22-23 school year
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 25-26. Current staffing based on this number	Actual Enrollment as of Feb 1, 2026	Difference between projections and actual	Enrollment Projections for 2026-2027
Elementary including PV 7/8	3,819	3,779	-40	3,686
RAMS	876	865	-11	870
RAHS	2,260	2,238	-22	2,242
FAHS	85	86	+1	85
TOTALS	7,040	6,968	-72	6,883

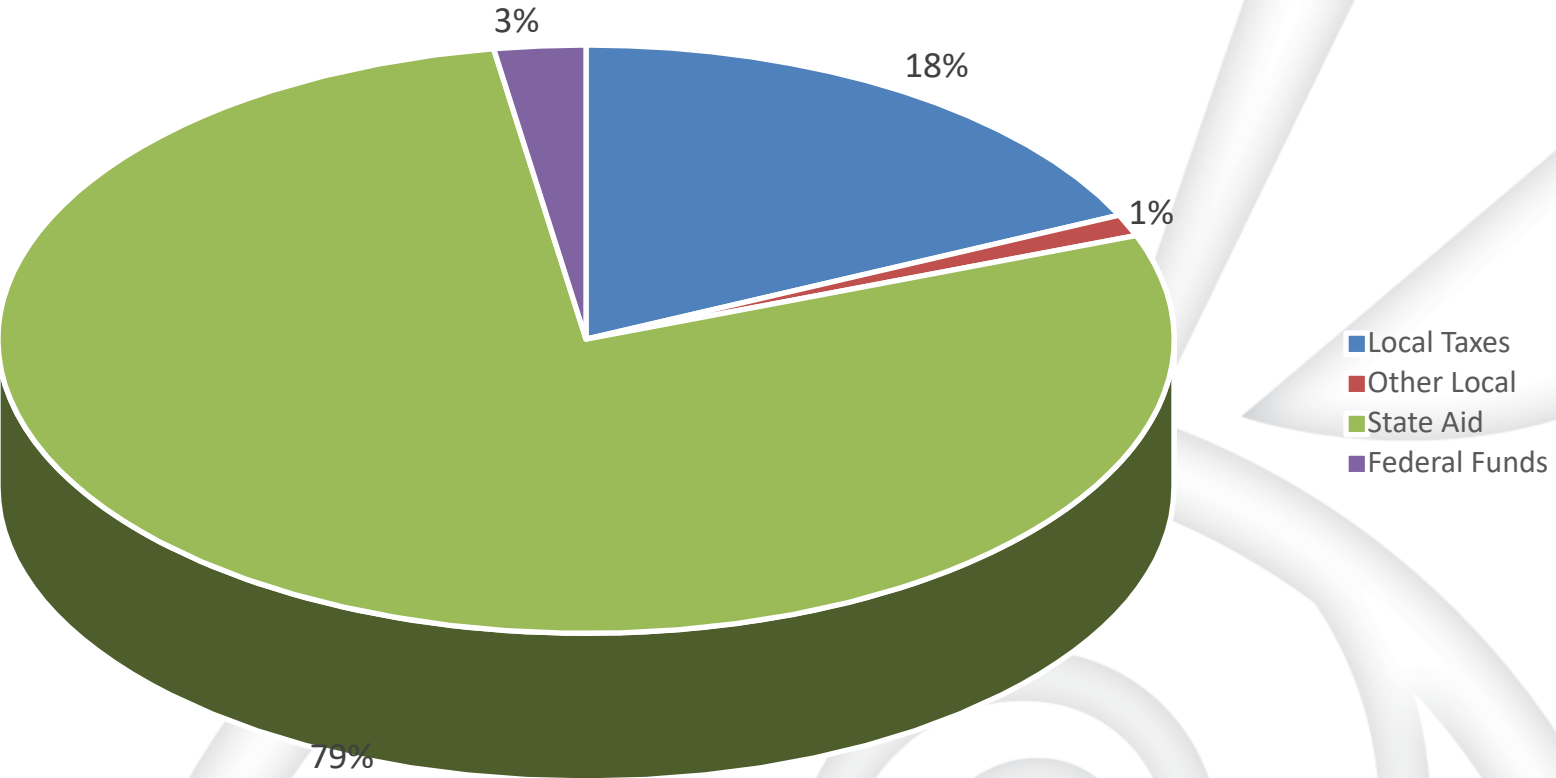
# Revenue Budget

Source	Description	2025-26 Revised Budget	2026-27 Original Budget	\$ Difference	% Difference
1	MAINTENANCE LEVY	21,832,502	21,325,322	(507,180)	-2.32%
2	MOBILE HOME TAX	20,000	20,000	0	0.00%
5	UNEMPLOYMENT LEVY	53,748	19,923	(33,825)	-62.93%
9	FISCAL DISPARITIES	3,000,000	3,000,000	0	0.00%
10	COUNTY APPORTIONMENT	300,000	300,000	0	0.00%
15	INTEREST ON LEVY PYMENT	5,000	5,000	0	0.00%
	<b>Subtotal Local Taxes</b>	<b>25,211,250</b>	<b>24,670,245</b>	<b>(541,005)</b>	<b>-2.15%</b>
50	FEES FROM PATRONS	284,000	284,000	0	0.00%
51	FEES/USAGE	250,000	250,000	0	0.00%
60	ADMISSIONS & STUD ACT REVENUE	70,000	70,000	0	0.00%
71	MA CLAIMS REVENUE	400,000	600,000	200,000	50.00%
92	INTEREST EARNINGS	35,000	35,000	0	0.00%
93	RENT OF SCHOOL FACILITY	30,000	30,000	0	0.00%
95	LEASE REVENUE	10,000	10,000	0	0.00%
96	GIFTS AND BEQUESTS	55,000	55,000	0	0.00%
99	MISCELLANEOUS LOCAL REV	340,600	292,000	(48,600)	-14.27%
	<b>Subtotal Other Local Revenue</b>	<b>1,474,600</b>	<b>1,626,000</b>	<b>151,400</b>	<b>10.27%</b>

# Revenue Budget

Source	Description	2025-26 Revised Budget	2026-27 Original Budget	\$ Difference	% Difference
201	ENDOWMENT AID	486,459	499,858	13,399	2.75%
211	GENERAL ED REVENUE	74,689,516	74,722,887	33,371	0.04%
212	LITERACY INCENTIVE AID	187,129	187,129	0	0.00%
227	ABATEMENT AID	73,361	73,361	0	0.00%
300	STATE AIDS & GRANTS	2,823,108	3,553,404	730,296	25.87%
360	STATE AID SPECIAL ED	25,231,513	27,417,162	2,185,649	8.66%
369	MISC OTHER DEPTS	195,362	195,362	0	0.00%
370	MISC GRANTS - MDE	139,500	140,000	500	0.36%
	<b>Subtotal State Aids &amp; Grants</b>	<b>103,825,948</b>	<b>106,789,163</b>	<b>2,963,215</b>	<b>%</b>
400	FEDERAL AIDS & GRANTS	3,963,013	3,407,017	(555,996)	-14.03%
405	SUB GRANT FROM FED FUNDS	25,000	25,000	0	0.00%
	<b>Subtotal Federal Aids &amp; Grants</b>	<b>3,988,013</b>	<b>3,432,017</b>	<b>(555,996)</b>	<b>-13.94%</b>
	<b>TOTAL GENERAL FUND</b>	<b>134,499,811</b>	<b>136,517,425</b>	<b>1,086,878</b>	<b>0.81%</b>

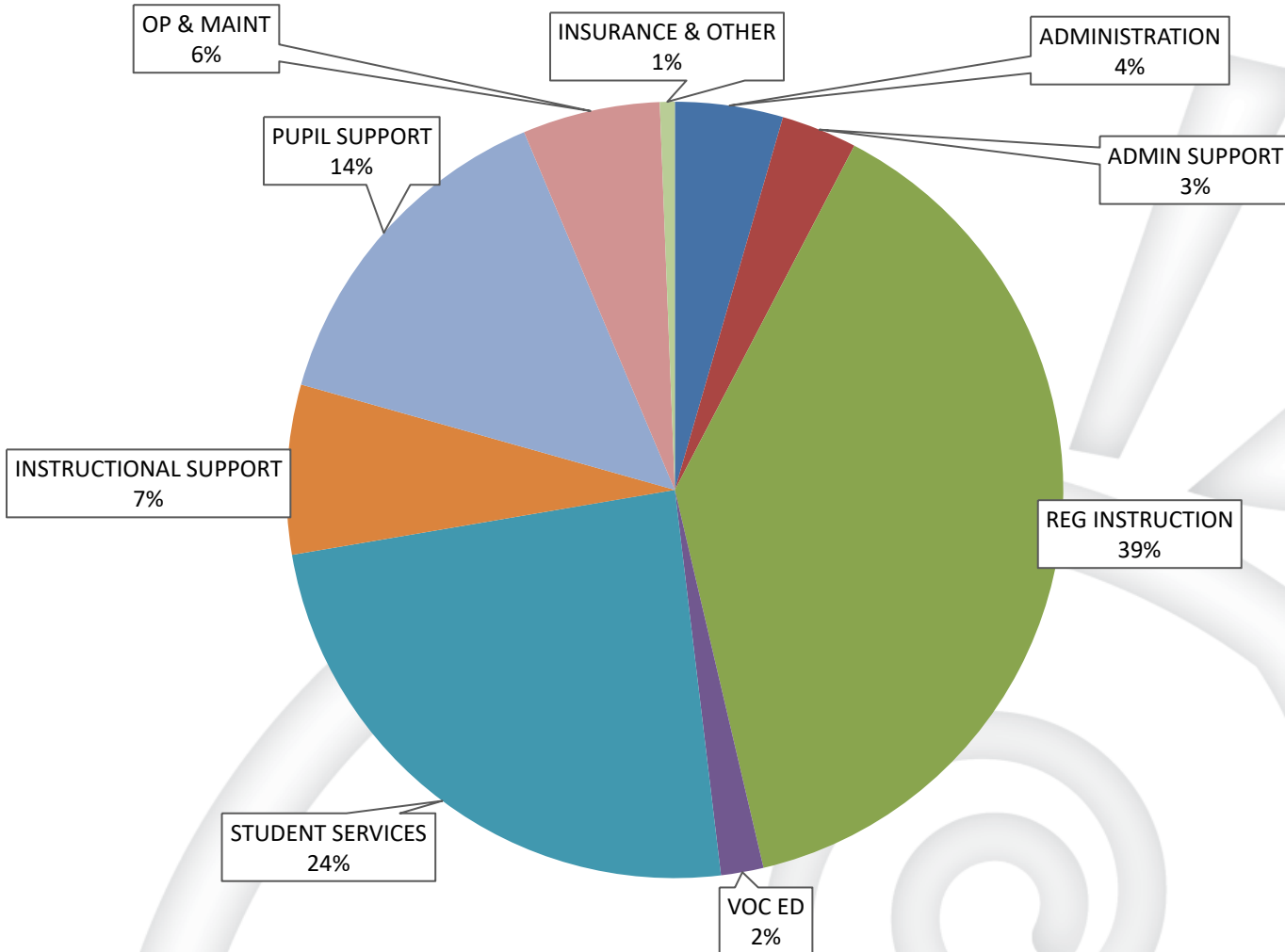
# Revenue Budget



# Expenditures by Program Area

	2025-26	2026-27	2026-27	%
<b>PROGRAM</b>	<b>Revised Budget</b>	<b>Original Budget</b>	<b>Budget Inc/Dec</b>	<b>Change</b>
ADMINISTRATION	\$ 6,072,560	6,312,407	239,847	4%
ADMIN SUPPORT	\$ 5,155,563	4,429,980	-725,583	-14%
REG INSTRUCTION	\$ 52,752,191	54,345,007	1,592,816	3%
VOC ED	\$ 2,475,898	2,486,941	11,043	0%
STUDENT SERVICES	\$ 32,167,348	34,022,726	1,855,378	6%
INSTRUCTIONAL SUPPORT	\$ 10,518,452	9,910,337	-608,115	-6%
PUPIL SUPPORT	\$ 19,288,403	20,055,146	766,743	4%
OP & MAINT	\$ 8,020,501	8,042,013	21,512	0%
INSURANCE & OTHER	\$ 1,082,000	872,380	-209,620	-19%
<b>TOTAL GEN FUND EXPENSES</b>	<b>\$ 137,532,916</b>	<b>\$ 140,476,937</b>	<b>2,944,021</b>	<b>2%</b>
EXCLUDING OPERATING CAPITAL, CAPITAL PROJECTS AND				
LONG TERM FACILITIES MAINTENANCE				

# Expenses by Program Area



# Fund Balance Projection

ROSEVILLE AREA SCHOOLS						
Budget Summary - Proposed Projections						
2026 - 2027						
	Estimated Fund Balance June 30, 2026	2026-2027 Proposed Revenue	2026-2027 Proposed Expenditures	Revenue Excess/(Deficit) Over Expenses	Estimated Fund Balance June 30, 2027	
<b>General Fund</b>						
Unassigned Fund Balance	\$ 12,206,973	\$ 121,990,371	\$ 125,949,883	\$ (3,959,512)	\$ 8,247,461	
	\$ 12,206,973				\$ 8,247,461	6.5%
<b>Nonspendable (Inventories &amp; Prepaid)</b>						
	\$ 260,265				\$ 260,265	
					\$ 8,507,726	
<b>Restricted for:</b>						
Staff Development	\$ -	\$ 1,169,629	\$ 1,169,629	\$ -	\$ -	
Compensatory Ed	\$ -	\$ 11,313,357	\$ 11,313,357	\$ -	\$ -	
Learning & Development	\$ -	\$ 1,548,320	\$ 1,548,320	\$ -	\$ -	
Gifted and Talented	\$ -	\$ 98,593	\$ 98,593	\$ -	\$ -	
School Safety	\$ -	\$ 397,155	\$ 397,155	\$ -	\$ -	
Operating Capital	\$ 54,424			\$ -	\$ 54,424	
Long-term Facilities Maintenance (LTFM)	\$ -			\$ -	\$ -	
<b>Subtotal, Restricted</b>	\$ 54,424	\$ 14,527,054	\$ 14,527,054	\$ -	\$ 54,424	
<b>Total, General Fund</b>	\$ 12,521,662	\$ 136,517,425	\$ 140,476,937	\$ (3,959,512)	\$ 8,562,150	

# Safety & Technology Restricted Fund


## Revenues:

Capital Projects Levy for Safety & Security \$6,000,000

## Expenditures:

CAP PROJ LEVY	130	COMMUNICATIONS	\$	-	\$	900,000	\$	900,000
CAP PROJ LEVY	108	INFRASTRUCTURE / CYBERSECURITY	\$	-	\$	2,400,000	\$	2,400,000
CAP PROJ LEVY	630	STUDENT LEARNING	\$	-	\$	1,800,000	\$	1,800,000
CAP PROJ LEVY	850	BUILDING SAFETY / SECURITY	\$	-	\$	900,000	\$	900,000
<b>CAPITAL PRJ LEVY Total</b>			<b>\$</b>	<b>-</b>	<b>\$</b>	<b>6,000,000</b>	<b>\$</b>	<b>6,000,000</b>

# Questions and Comments

- Shari Thompson
  - Director of Business Services
  - (651)635-1615
  - [shari.thompson@isd623.org](mailto:shari.thompson@isd623.org)
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- A decorative graphic in the bottom right corner of the slide. It features a large, light gray, semi-transparent spiral that starts from the bottom center and curves upwards and to the right. Overlapping the spiral are several light gray, semi-transparent shapes: a long, thin, tapered wedge pointing upwards and to the right, and a larger, more complex shape that resembles a stylized leaf or a curved arrow pointing towards the top right.