



ISD #727 – Big Lake 2025-2026 Original Budget

June 25th, 2025

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www.biglakeschools.org

ISD 727 Big Lake 2025-2026 Budget

Minnesota statutes require
School Board approval of
revenue and expenditure
budget by June 30th



25-26 GENERAL FUND

**Beginning Unassigned Fund Balance:
\$9,456,477**

Fund Balance Available for General Operations

Ending Unassigned Fund Balance \$7,513,925

- 17.6% of 25-26 unassigned expenditures
- In compliance with 9-12% minimum operating fund balance policy
- Unassigned Fund Balance Deficit of \$1,942,522
 - General education aid increase of 2.74%
 - Legislative changes, including cuts, incorporated in budget
 - ✓ Special education transportation
 - ✓ School library aid and student support personnel aid



ISD #727 Original 2025-2026 Budget

June 2025

	Budgeted	Revenue	Expenditure	Projected			Budgeted
	Fund Balance	Budget	Budget	Net Change			Fund Balance
	June 30,2025	25-26	25-26	Incr(Decr)	Transfers		June 30,2026
				in Fund Balance			
General:							
Restricted -							
Long Term Facilities Maintenance	\$ 91,757	\$ 1,568,038	\$ 2,077,862	\$ (509,824)	\$ 500,000		\$ 81,933
Operating Capital	\$ 648,789	\$ 780,564	\$ 1,229,203	\$ (448,639)	\$ -		\$ 200,150
Capital Projects Levy	\$ 431,176	\$ 930,816	\$ 1,361,623	\$ (430,807)	\$ -		\$ 369
Staff Development	\$ 253,949	\$ 518,912	\$ 510,988	\$ 7,924	\$ -		\$ 261,873
Basic Skills	\$ 473,345	\$ 1,843,135	\$ 2,200,037	\$ (356,902)	\$ -		\$ 116,443
School Library Aid	\$ 37,954	\$ 35,629	\$ 41,579	\$ (5,950)	\$ -		\$ 32,004
Literacy Aid (Ongoing Aid)	\$ 11,461	\$ 146,588	\$ 158,049	\$ (11,461)	\$ -		\$ -
Literacy Aid (READ Act)	\$ 126,091	\$ -	\$ -	\$ -	\$ (7,191)		\$ 118,900
READ Act Training	\$ 33,898	\$ -	\$ 41,089	\$ (41,089)	\$ 7,191		\$ -
American Indian Education Aid	\$ 5,160	\$ 63,500	\$ 63,500	\$ -	\$ -		\$ 5,160
Third Party/Medical Assistance	\$ 467,552	\$ 110,000	\$ 194,719	\$ (84,719)	\$ -		\$ 382,833
Area Learning Center (ALC)	\$ 91,353	\$ 351,593	\$ 412,951	\$ (61,358)	\$ -		\$ 29,995
Scholarships	\$ 18,761	\$ 18,000	\$ 20,000	\$ (2,000)	\$ -		\$ 16,761
Student Activities	\$ 15,495	\$ 3,850	\$ 8,380	\$ (4,530)	\$ -		\$ 10,965
Committed for Severance	\$ 1,208,292	\$ -	\$ 19,775	\$ (19,775)	\$ -		\$ 1,188,517
Assigned for Q Comp	\$ 101,041	\$ 799,384	\$ 834,802	\$ (35,418)	\$ -		\$ 65,623
Assigned for Athletics and Activities	\$ 78,245	\$ 1,343,955	\$ 1,422,200	\$ (78,245)	\$ -		\$ -
Assigned for Building Level Activities	\$ 165,618	\$ 32,400	\$ 38,333	\$ (5,933)	\$ -		\$ 159,685
Other Assigned Fund Balances	\$ 2,042,075	\$ 5,500	\$ 320,310	\$ (314,810)	\$ (500,000)		\$ 1,227,265
Nonspendable for Prepaid Items	\$ 67,718	\$ -	\$ -	\$ -	\$ -		\$ 67,718
Unassigned Fund Balance	\$ 9,456,447	\$ 40,745,823	\$ 42,688,345	\$ (1,942,522)	\$ -		\$ 7,513,925
Subtotal	\$ 15,826,177	\$ 49,297,687	\$ 53,643,745	\$ (4,346,058)	\$ -		\$ 11,480,119
Food Service:							
Restricted	\$ 700,510	\$ 2,615,476	\$ 2,723,593	\$ (108,117)	\$ -		\$ 592,393
Nonspendable for Inventory	\$ 45,846	\$ -	\$ -	\$ -	\$ -		\$ 45,846
Subtotal	\$ 746,356	\$ 2,615,476	\$ 2,723,593	\$ (108,117)	\$ -		\$ 638,239
Community Service:							
Restricted -							
Community Education	\$ 1,121,238	\$ 2,543,720	\$ 2,623,282	\$ (79,562)	\$ -		\$ 1,041,676
ECFE	\$ 138,649	\$ 309,594	\$ 285,961	\$ 23,633	\$ -		\$ 162,282
School Readiness	\$ (68,978)	\$ 494,248	\$ 539,591	\$ (45,343)	\$ -		\$ (114,321)
Preschool Screening	\$ 49,810	\$ 21,613	\$ 18,531	\$ 3,082	\$ -		\$ 52,892
Subtotal	\$ 1,240,719	\$ 3,369,175	\$ 3,467,365	\$ (98,190)	\$ -		\$ 1,142,529
Building Construction Fund							
Restricted -							
Long-Term Facilities Maintenance	\$ -			\$ -	\$ -		\$ -
Referendum Projects	\$ 2,298,207	\$ 25,000	\$ 2,323,207	\$ (2,298,207)	\$ -		\$ -
	\$ 2,298,207	\$ 25,000	\$ 2,323,207	\$ (2,298,207)	\$ -		\$ -
Debt Service - Restricted	\$ 1,987,866	\$ 4,870,863	\$ 4,482,775	\$ 388,088	\$ -		\$ 2,375,954
OPEB Irrevocable Trust Fund	\$ 1,346,331	\$ 65,000	\$ 138,688	\$ (73,688)	\$ -		\$ 1,272,643
Total	\$ 23,445,656	\$ 60,243,201	\$ 66,779,373	\$ (6,536,172)	\$ -		\$ 16,909,484

General Fund Revenues

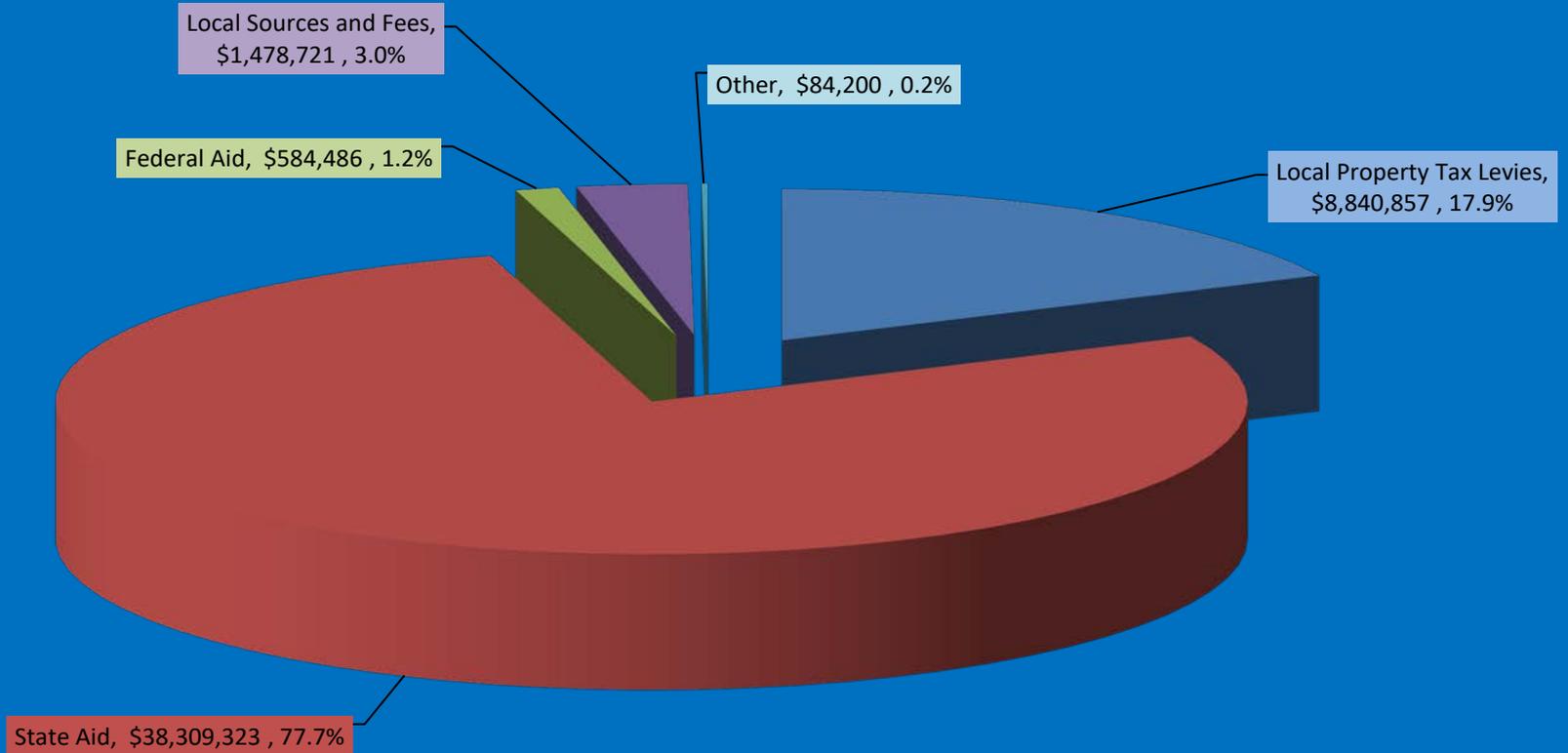
Total Revenues: \$49,297,587

- **General Education Aid \$29,855,495**
 - 2.74% formula allowance increase to \$7,481/adjusted pupil unit
 - Compensatory & English Learner aid \$1,889,893
 - Total budgeted ADM: 3,180; Kindergarten assumption: 222
 - 19 adm decrease due to smaller kindergarten vs prior year grade 12
- **Special Education Aid \$ 7,425,751**
 - Special education cross-subsidy remains at 44%; aid based on 2025 costs
 - 95% proration of SPED transportation aid
- **Property Tax Levy \$ 8,840,857**
 - Includes \$1,300,000 for LTFM pool indoor air quality project
- **Federal Aid: \$ 584,486**
 - Title grants, PCN grant, Federal Special Aid through SPED coop
 - 45% decrease in Title I funding; decrease in students identified as poverty

2025-2026 General Fund Budget

Revenues by Major Source

Budget \$ 49,297,857

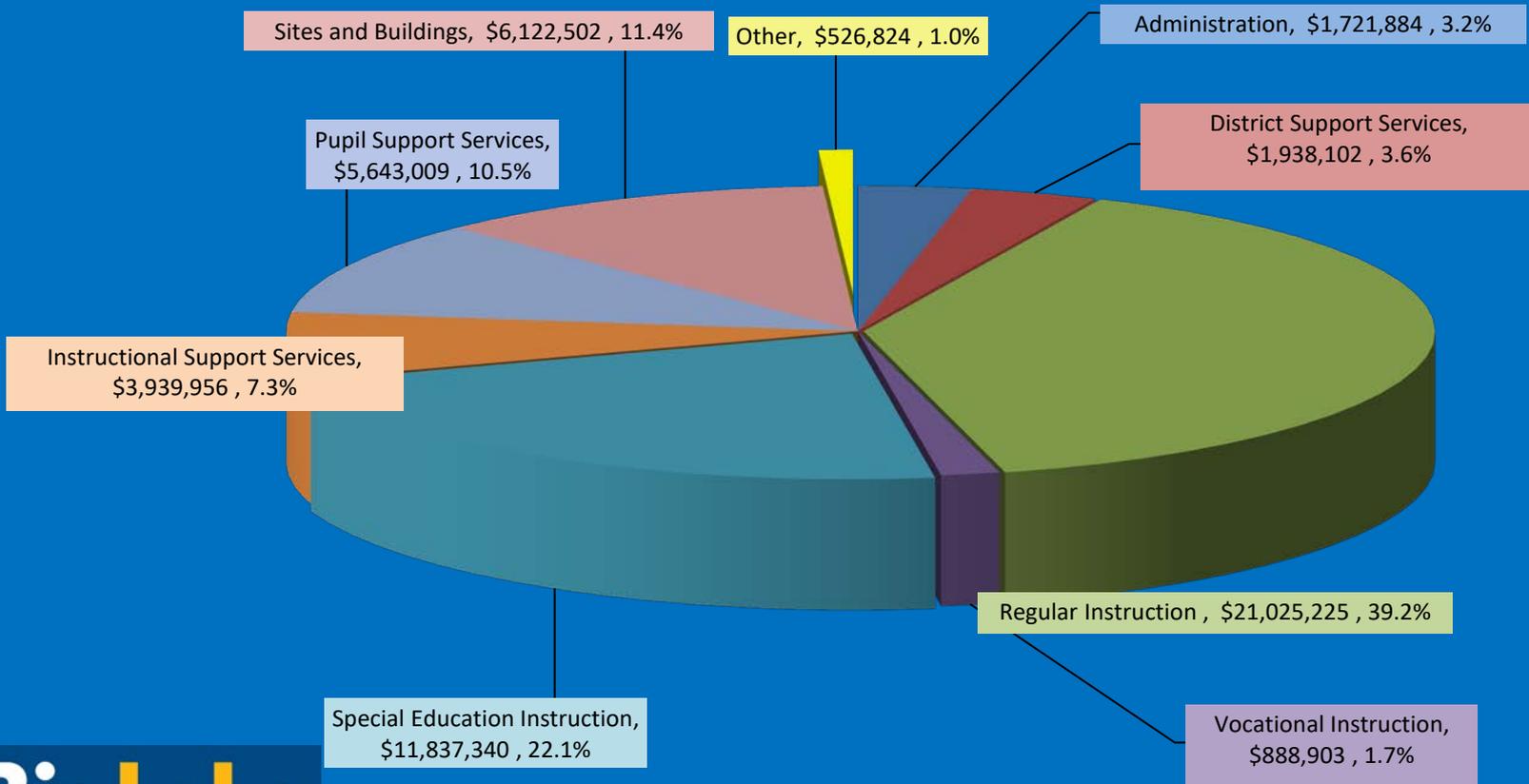


General Fund Expenditures

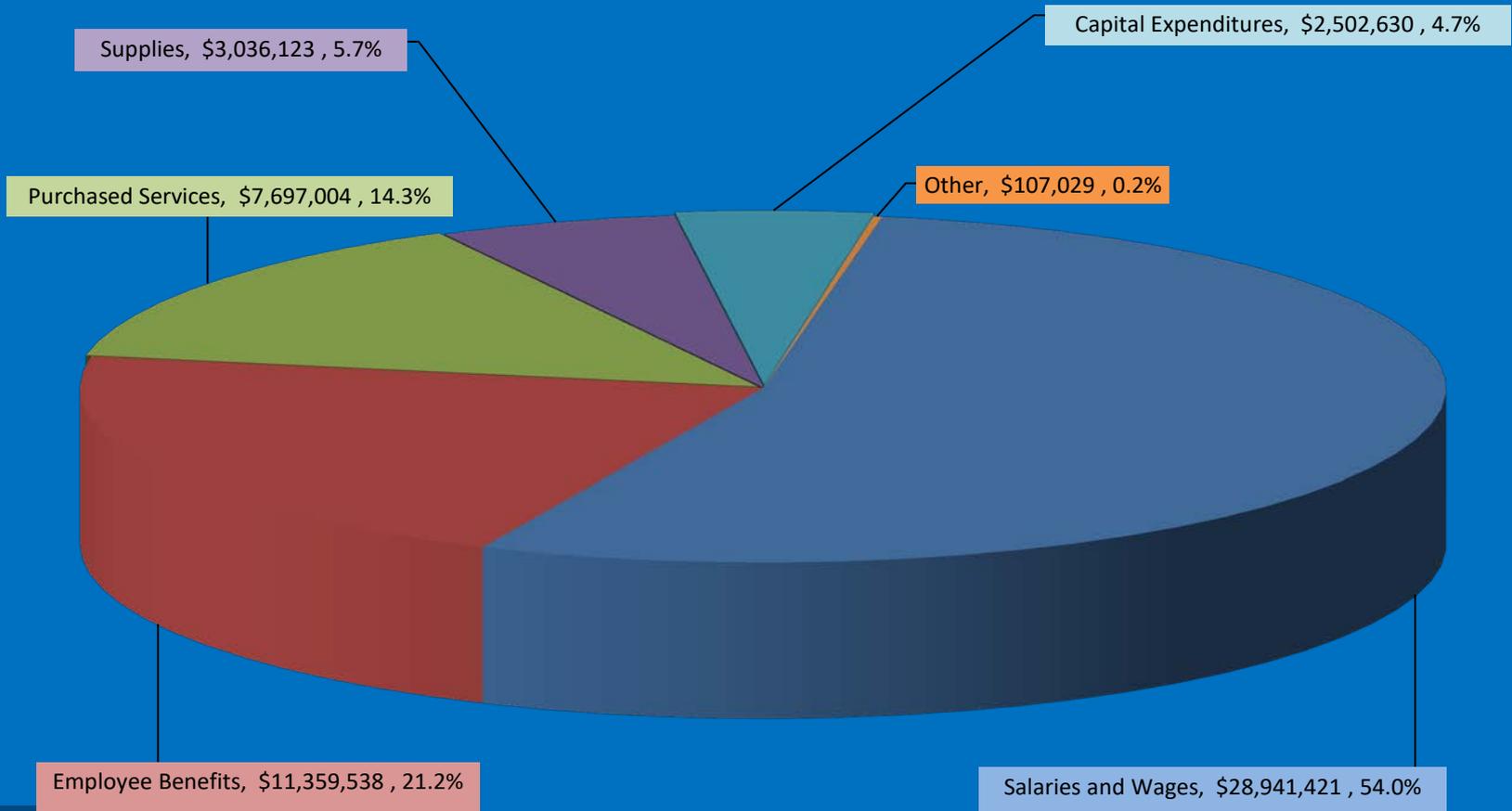
Total Expenditures: \$53,643,745

- **Salaries/Benefits: \$40.3 million**
 - New positions approved by the School Board:
 - 1 FTE DCD/ASD Teacher
 - 1 FTE Elementary Teacher
 - Summer Term Unemployment Costs: \$300,000
 - Fully funded for summer 2025 due to recent legislation
- **Purchased Services: \$7.7 million**
 - Transportation, utilities, repairs, property/liability insurance
 - New rates for year 1 of transportation contract
- **Supplies, Capital, Other: \$5.6 million**
 - Curriculum, technology, and capital projects
 - LTFM pool dehumidification project \$1.8 million

2025-2026 General Fund Budget Expenditures by Program Area Budget \$ 53,643,745



2025-2026 General Fund Budget Expenditures by Object Category Budget \$ 53,643,745



General Fund Results

- **\$4,346,058 planned general fund deficit**
 - Unassigned deficit \$1,942,522
 - \$ 1,389,370 decrease in LTFM, operating capital, & tech levy reserves
 - Pool dehumidification project, curriculum purchases, and significant technology purchases for iPads and Chromebooks replacements
 - \$1,014,166 decrease in Other Restricted/Assigned Fund Balance reserves
 - Additional curriculum purchases & planned spenddown of Basic Skills and Third Party/Medical Assistance reserves
- **Unassigned Fund Balance: \$7,513,925**
 - 17.6% of Unassigned expenditures
 - In compliance with fund balance policy

Food Service Fund

- Revenue: \$ 2,615,476
- Expenditures: \$ 2,723,593
- Deficit \$ 108,117

- Total Restricted Fund Balance: \$ 592,393

- 3rd year of universal free meals
- \$302,238 equipment investment
 - Liberty & MS kitchen flooring, MS dishwasher, MS &HS walk-in freezers & coolers, MS kettles

Community Service Fund

- Revenue: \$ 3,369,175
 - Expenditures: \$ 3,467,365
 - Deficit \$ 98,190
-
- Projected ending fund balance: \$ 1,142,529
 - Reviewing fees in preschool program
 - Budget was reviewed by Community Education Advisory Council in May

Building Construction Fund

- Revenue: \$ 25,000
- Expenditures: \$ 2,323,207
- Construction Projects:
 - Final year of November 2021 bond referendum projects
 - Middle School Renovations
 - Media Center, Special Education areas, CTE improvements



Other Funds

- Debt Service
 - District mortgage payments
 - Revenues = \$4,870,863
 - Expenditures = \$4,482,775
 - Fund Balance regulated by MDE

Other Funds

- OPEB Irrevocable Trust Fund
 - Other Post Employment Benefits
 - Proceeds from 2009 OPEB bonds
 - 2009 bonds are paid
 - Revenues = \$ 65,000
 - Expenditures = \$ 138,688
 - Projected Ending Fund Balance: \$1,272,643
 - Available for future other post employment benefit liabilities

Factors bearing on the District's Future

Projected Ending Unassigned Fund Balance \$7,513,925

- Uncertainty of compensatory funding beyond fiscal year 25-26
 - Districts were held harmless in FY 25-26
 - Legislators have created a task force to evaluate how compensatory revenue is allocated
- General education aid increases tied to inflation in 2025-2026 and beyond
 - Minimum 2% Maximum 3%
 - There was legislative discussion during the 2025 session that put this provision at risk
- Blue Ribbon Commission on Special Education
 - Must find \$250 million in savings or SPED cross subsidy aid will decrease
- Labor negotiations: Big Lake Education Association in fiscal year 2026
- Outcome of November 2025 operating levy and bond referendum election

The General Fund Unassigned Fund Balance complies with the District's fund balance policy and is acceptable to bond rating agencies



School Board Action

Approval of 2025-2026 District revenue and expenditure budgets

Total Revenue:	\$ 60,243,201
Total Expenditures:	<u>\$ 66,779,373</u>
Deficit	\$ (6,536,172)
Construction & Capital Project Deficits	<u>\$ 3,687,477</u>
Net District Deficit	\$ (2,848,695)

