



Fridley Public Schools

Adopted Budget Fiscal Year 2025-26

June 17, 2025



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INTRODUCTORY SECTION

Organizational Overview

Fridley School Board

Board Member	Position
Jake Karnopp	Chair
Nikki Auna	Vice Chair
Sara Jones	Treasurer
Avonna Starck	Clerk
Erik Keeler	Director
Ross Meisner	Director

Fridley Administrative Team

Position	Name
Superintendent	Dr. Brenda Lewis
Assistant Superintendent	Rochelle Cox
Senior Officer of Academics and Innovation	Harold Scott
Senior Officer of Human Resources	Bouakham Moua
Senior Information Officer	Justin Hennes
Director of Special Services	Laura Seifert
Assistant Director of Special Services	Dr. Danielle Thompson
Director of Administrative Services	Lori Andler
Director of Nutritional Services	Renee Arbogast
Director of Community Education	Stephen Keeler
Director of Finance	Center for Effective School Operations (CESO)
Transportation Coordinator	Johnny Robertson
High School Principal	Kelly McConville
High School Assistant Principal	Lamii Zarlee
High School Activities Director	Justin Reese
Middle School Principal	Dr. Amy Cochran
Middle School Assistant Principal	Matthew Engelhardt
Principal of Alternative Services & PreK	Kari Varichak
Hayes Elementary Principal	Angaelika Iverson
Hayes Elementary Assistant Principal	Greg Beeck
Stevenson Elementary Principal	Veronica Mathison
Stevenson Elementary Assistant Principal	Abby Jensen

Budget Executive Section

Classroom Staffing:

Based on estimated enrollment and Fridley Maximum Class Size:

Grade	Class Size
Pre-Kindergarten	20
Kindergarten	24
Grades 1-2	25
Grade 3-4	28
Grades 5	25
Grades 6-8	34
Grades 9-12	34

Financial Overview

Overview of Funds

To understand this budget document, it is helpful to know that there are significant legal restrictions on how school districts must spend and account for the public funds that are received. It is important to be aware of the fund structure discussed below because, **with very few exceptions, money cannot be transferred from one fund to another.** There are also revenue streams within the funds that are restrictive; Integration Aid, for example, can only be spent for items as noted in the District Integration plan, and may not be used for general classroom expenses. The district's 2026 fiscal year coincides with the school year, spanning from July 1, 2025 through June 30, 2026.

General Fund:

The General Fund contains all revenue and expenses for the general, day-to-day operations of the district. This includes salaries and benefits for teachers, paraprofessionals, administrators, custodians, and clerical; instructional supplies, technology, transportation, textbooks, and money spent to operate and repair District buildings. The district breaks out portions of this activity for internal tracking and budgeting purposes. Internal funds include General Fund (01), Transportation (03), Student Activities (51), and Capital Outlay (05).

The Transportation Fund contains all revenue and expenses for regular "to and from" school day transportation; it does not include special education costs or extracurricular trips.

The Student Activity Fund is used to account for those activity groups that are for the students and run by the students. These groups have adult advisors, but the nature of activities is dictated by the students. Revenues usually consist of fundraisers and donations, while expenses are most often food, clothing, and travel.

The Capital Outlay Fund is used to track the restricted revenue sources of Operating Capital and Long-Term Facilities Maintenance, which are a combination of state aid and local property taxes. Operating Capital is allocated to each building based on enrollment and is used for building-level long term program goals (textbooks, furniture, software, and hardware purchases). The remaining amounts are allocated between curriculum, technology, and grounds. Long-Term Facilities Maintenance revenue is dedicated to finance long term building repair projects, including but not limited to roofing, parking lots, HVAC systems and fire suppression systems.

Food Service Fund:

The Food Service Fund (02) contains all revenue and expenses for the school breakfast, lunch, and summer feeding programs. The funding for these programs includes local fees, state aid and federal aid. The Minnesota Department of Education (MDE) requires all funding to follow federal guidelines and therefore is extremely restrictive on allowable expenses. For example, the fund could be used to purchase an oven for the kitchen but may not be used to purchase cafeteria tables.

Community Service Fund:

The Community Service Fund (04) is used to track revenue and expenses for community education programs such as Early Childhood Family Education, School Readiness (preschool), Adult Basic Education, Key Club and Tiny Tigers Kid Care (childcare programs), and youth and adult enrichment and recreation. The fund is also used to track nonpublic school state aid flow through for textbooks, health, and counseling. Revenues primarily come from fees charged for programs, supplemented by local property taxes and state aid.

Building Construction Fund:

The Building Construction Fund (06) is used to track expenses for major building projects and for Long-Term Facility Maintenance projects exceeding \$2,000,000. Proceeds from debt issuances are placed in this fund and then spent down.

Debt Service Fund:

The district has two debt service funds: Debt Service Fund (07) and OPEB Debt Service Fund (47). The 'regular' debt service fund is used to pay the debt service on bonds sold to finance construction or maintenance projects. The OPEB debt service fund is used to pay the debt service on bonds that were sold to finance the district's severance and other post-employment benefits such as health insurance for retirees.

OPEB Revocable Trust Fund:

The OPEB Revocable Trust Fund (25) contains the proceeds from the bond that was issued to finance retiree benefits related to health insurance. Each year the district transfers a portion of the investments to the General Fund to pay for retiree benefits.

Other Information**State Basic General Education Aid**

The largest single funding source for the district is basic General Education Aid. The State Legislature sets the basic formula allowance for each year; total basic general education revenue is then calculated by multiplying the formula allowance by the number of pupil units. Pupil units are calculated using a weighting system applied to the average daily membership. For example, a 1st grader that is enrolled all year is assigned a weight of 1.0, and so generates \$7,681 in basic formula revenue. A 9th grader that is enrolled all year is assigned a weight of 1.2 and would generate \$9,137 in basic formula revenue.

Historical General Education Aid Formula Allowance		
Year	Amount	Percent Increase
2017	\$6,067	2.0%
2018	6,188	2.0%
2019	6,312	2.0%
2020	6,438	2.0%
2021	6,567	2.0%
2022	6,728	2.5%
2023	6,863	2.0%
2024	7,138	4.0%
2025	7,281	2.0%
2026	7,614	2.74%

Historical Enrollment and Estimated Enrollment for 2025-2026 (Average Daily Membership):

Grade	20-21	21-22	22-23	23-24	24-25*	25-26 Budget
K	200	182	189	196	183	188
1	198	203	182	180	189	189
2	186	186	186	173	188	188
3	181	185	190	173	170	171
4	194	169	185	181	184	184
5	189	190	151	163	175	179
6	228	183	192	164	187	187
7	234	221	184	181	177	179
8	208	233	231	175	189	187
9	237	236	230	230	217	217
10	262	247	252	234	240	234
11	240	225	221	238	207	212
12	198	215	193	194	206	202
TOTAL ADM	2,755	2,676	2,586	2,482	2,512	2,527

Grades	20-21	21-22	22-23	23-24	24-25	25-26* Budget
K-5	1,148	1,115	1,084	1,066	1,089	1,099
6-8	670	638	607	520	553	553
9-12	937	923	895	896	870	865
Total	2,755	2,676	2,586	2,482	2,512	2,527

FINANCIAL SECTION

Fund Balance

The level of spending is set with several considerations in mind, but one of the chief items is to maintain an adequate level of reserves for unanticipated events. The district's goal is to achieve an unassigned fund balance in operating funds between 7 and 10 percent of the annual operating budget. The balance can be considered the district's savings account and maintaining a prudent fund balance is important for the stability of the district. The projected unassigned general fund balance (01) for June 30, 2026 is (\$1,323,765). This represents -2.86% of the operating expenditures.

Unanticipated events that could require the district to use unassigned fund balance include:

- Property tax delinquencies and abatements
- Enrollment fluctuations
- Unanticipated price increases for essential purchases (e.g. utilities, health insurance)
- State revenue reductions or aid "pro-rations"
- Federal sequestration
- Pandemics

General Fund

Budget amounts are shown first at summary level for the General Fund, and then broken out by building level. The expenditures include all operations, including staff wages and benefits, supplies, and services. Overall, expenditures would be expected to increase with anticipated contract settlements as staff wages and benefits represent 80% of the overall budget. Also considered are rising utility costs, rising transportation costs, and new staff positions. The majority of new staff positions are related to special education services. Fridley Public schools will be opening a secondary Federal Setting IV program which will be staffed similarly to our VISTA Educational Program. There will also be an increased FTE of building substitutes to cover absences and which will mitigate expenses for loss prep time (teachers having to cover an absent teacher's class, resulting in the loss of their own prep time). These building substitutes will also ensure that our students receiving special education services receive those services.

FINANCIAL SECTION

Fund Balance Summary				
Fund	FY25 Projected Fund Balance	FY26 Revenues	FY26 Expenditures	FY26 Projected Fund Balance
General Fund	\$592,449	\$56,412,804	\$56,708,453	\$296,800
Food Service Fund	\$604,154	\$2,550,500	\$2,993,672	\$160,982
Community Ed Fund	(\$537,441)	\$2,585,791	\$2,611,693	(\$563,343)
Building Fund	\$10,593	\$1,017,827	\$1,017,827	\$10,593
Debt Service Fund	\$1,168,345	\$5,954,139	\$5,040,085	\$2,082,399
Internal Service Fund	\$5,554,300	\$7,423,803	\$7,811,934	\$5,166,169
OPEB Revocable Trust Fund	\$3,225,953	\$340,000	\$561,250	\$3,004,703
Total All Funds	\$10,618,353	\$76,284,864	\$76,744,914	\$10,158,303

Fund Balance Detail - General Fund				
Fund	FY25 Projected Fund Balance	FY26 Revenue	FY26 Expenditures	FY26 Projected Fund Balance
General Fund				
Unassigned General Fund	(\$607,231)	\$42,712,735	\$43,429,269	(\$1,323,765)
Non-Spendable	\$214,945	-	-	\$214,945
Restricted				
Student Activities	\$85,301	\$50,000	\$47,500	\$87,801
Staff Development	\$187,241	412,512	558,816	140,937
Capital Project Levy	(\$59,668)	1,346,895	1,194,910	164,377
Operating Capital	262,861	1,074,903	1,186,218	501,546
Learning and Development	(208,062)	563,407	355,345	-
Area Learning Center	328,980	236,495	236,495	328,980
Gifted and Talented	-	36,553	36,553	-
Basic Skills	-	7,452,431	7,452,431	-
Achievement & Integration	(65,276)	781,314	716,038	-
Student Support Personnel	35,801	134,351	150,000	20,152
Safe Schools	12,889	97,248	110,137	-
Long-Term Facilities Maintenance	(132,454)	727,349	550,000	44,895
Medical Assistance	877,396	400,000	604,081	673,315
Career & Technical Education	(513,955)	171,960	-	(341,995)
Total Restricted	\$811,054	\$13,485,418	\$13,064,173	\$1,097,948
Assigned				
Students	\$173,321	\$80,300	\$80,660	\$173,321
Total Assigned	\$173,321	\$80,300	\$80,660	\$173,321
Total General Fund	\$592,449	\$56,412,804	\$56,708,453	\$296,800

Summary

	Description	2024-2025 Revised	2025-2026 Adopted	Increase / (Decrease)
Revenues:				
	Levy	\$8,735,289	\$9,317,788	\$582,499
	Education Aids	29,808,576	30,810,076	1,001,500
	Categorical State Aids	11,560,581	12,680,513	1,119,932
	Local Revenues	1,245,163	1,263,451	18,288
	Federal Programs	2,818,514	2,206,625	(611,889)
	Total Revenues	\$54,168,123	\$56,278,453	\$2,110,330
Expenditures:				
	Salaries and Wages	\$30,853,812	\$31,658,447	\$804,635
	Employee Benefits	10,818,237	11,562,093	743,856
	Purchased Services	10,043,390	9,681,291	(362,099)
	Supplies and Materials	1,844,596	1,837,246	(7,350)
	Capital Expenditures	1,716,572	805,888	(910,684)
	Other Expenditures	289,260	288,260	(1,000)
	Other Financing Uses	1,025,228	875,228	(150,000)
	Total Expenditures	\$56,591,095	\$56,708,453	\$117,358
	Change in Fund Balance	(\$2,422,972)	(\$430,000)	\$1,992,972

Revenues:

Overall revenues are increasing by 3.90%, due in part to increasing enrollment and state aid and increased tax levy. Increases for levy and state education aid are due to the 2.74% increase in the basic per pupil formula for General Education Aid and continued increases in property value. The largest categorical state aid is Special Education funding of which the legislature approved additional Special Education Aid in 2023 to help cover the difference between expenses incurred for these services and the previous funding level of about 60%. Local revenues continue to remain stable.

Expenditures:

Overall expenditures are increasing by 0.21%, largely due to cost containment of the budget. Salaries and wages, along with employee benefits, are increasing by \$1.5 million, or 3.72%. Part of the cost containment strategy is to shift deferred maintenance building items to the bond, which is noticed in the capital expenditure reduction of \$910,684. The improved budget for FY25-26 is a great step in the right direction, and work will continue to reduce budget items and right size the district expenses in order to build back fund balance.

INFORMATIONAL SECTION

Levy Summary

A portion of the district's funding comes from local property taxes, for the General Fund this revenue makes up approximately 16% of funding. The district receives general education revenue from both state aid payments and local property taxes; the mix of aid and levy is designed to equalize local tax burdens between wealthier and less wealthy districts. In the debt service fund, amounts are levied to repay bonds that were used to finance building projects. There are also specific levies to support community education programming. For the 2026 budget, the School Board approved final levy amounts in December 2024, tax payments are collected throughout the 2025 calendar year, and amounts are recognized as revenue for fiscal year 2026. The following page shows the breakdown of the levy categories by fund.

Levy Summary				
Description	2022 Pay 23 Levy	2023 Pay 24 Levy	2024 Pay 25 Levy	Change
General	\$7,915,765	\$8,353,434	\$8,912,577	\$559,143
Community Service	349,660	354,005	337,958	(16,047)
General Debt Service	3,695,681	4,395,827	5,490,511	1,094,684
OPEB Debt Service	539,304	-	-	-
Total Levy	\$12,500,410	\$13,103,266	\$14,741,046	\$1,637,780
Percent Increase				12.50%

Levy Summary					
Fund Level Category	2022 Pay 23 Levy	2023 Pay 24 Levy	2024 Pay 25 Levy	\$ Change	% Change
General Fund					
Voter Approved Operating Referendum	\$1,678,485	\$1,695,969	\$2,887,630	\$1,191,661	
Local Optional Revenue	1,883,553	1,926,031	1,924,783	(1,248)	
Equity	410,358	396,450	341,227	(55,223)	
Voter Approved Capital Project Levy	1,080,189	1,272,850	1,346,895	74,045	
Operating Capital	231,363	275,215	285,900	10,685	
Alternative Teacher Compensation	267,958	250,065	242,533	(7,532)	
Achievement & Integration	231,175	225,198	226,379	1,181	

Levy Summary

Fund Level Category	2022 Pay 23 Levy	2023 Pay 24 Levy	2024 Pay 25 Levy	\$ Change	% Change
Long Term Facilities Maintenance	1,113,525	1,284,078	617,869	(666,209)	
Instructional Lease	613,804	609,592	601,709	(7,883)	
Other	387,541	403,646	466,076	62,430	
Prior Year Adjustments	17,813	14,339	(28,425)	(42,764)	
Total General Fund	\$7,915,765	\$8,353,434	\$8,912,577	\$559,143	6.69%
Community Service					
Basic Community Education	\$132,835	\$98,898	\$90,118	(\$8,780)	
Early Childhood Family Education	54,739	52,817	54,625	1,808	
School Age Care	160,000	160,000	175,000	15,000	
Other	1,477	3,363	3,301	(62)	
Prior Year Adjustments	610	38,927	14,914	(24,013)	
Total Community Service	\$349,661	\$354,005	\$337,958	(\$16,047)	(4.53%)
Debt Service					
Debt Service-Voter Approved	\$2,278,080	\$2,863,981	3,042,593	\$178,612	
Other	260,295	263,865	435,120	171,255	
Long-Term Facilities Maintenance	1,457,144	1,496,815	2,143,918	647,103	
OPEB Bond	569,993	-	-	-	
Reduction for Debt Excess	(342,499)	(245,304)	(195,487)	49,817	
Prior Year Adjustments	11,973	16,471	64,368	47,897	
Total Debt Service	\$4,234,986	\$4,395,827	\$5,490,511	\$1,094,684	24.90%
Total Levy, All Funds	\$12,500,410	\$13,103,266	\$14,741,046	\$1,637,780	12.50%
Subtotal by Truth in Taxation Categories:					
Voter Approved	\$5,040,591	\$5,758,786	\$7,217,278	\$1,458,492	
Other	7,459,820	7,344,480	7,523,768	179,288	
Total	\$12,500,410	\$13,103,266	\$14,741,046	\$1,637,780	12.50%