

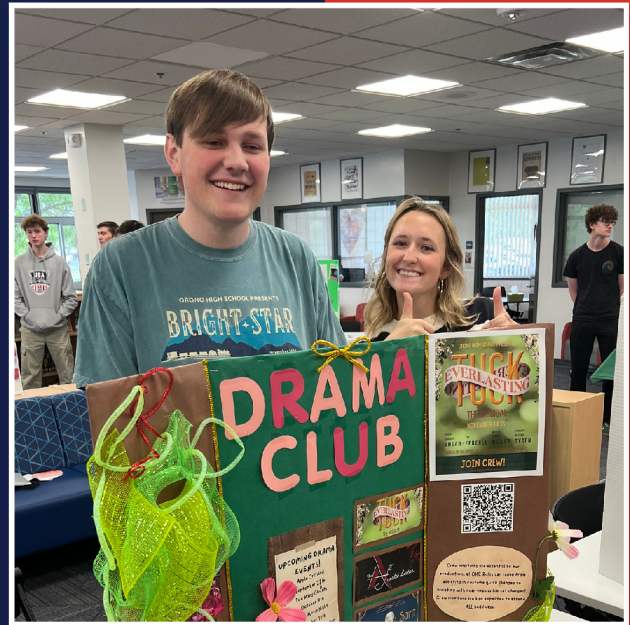


REVISED BUDGET

2025-2026

Orono Public Schools • ISD #278
685 Old Crystal Bay Road North
Orono, Minnesota 55356

oronoschools.org





Orono Schools Strategic Plan

Where Excellence is a Tradition and a Goal

Vision

Our highest aspiration

Orono Schools will inspire lifelong learners and ethical citizens who positively impact our world.

Mission

The unique purpose of our school district

Inspiring and empowering every student to achieve their highest potential through exceptional experiences.



Strategic Goals

Desirable end results for students, staff, and the community

Scholarship

Through personalized and rigorous learning across all disciplines, we will ensure all students possess the knowledge, skills, and dispositions to thrive in any post-secondary experience and achieve their life goals.

Character

We will instill in every child a strong foundation of ethical decision making, responsibility, and integrity, nurturing them to become caring and trustworthy individuals who contribute to their communities.

Connectedness

We will foster a connected learning community in which empathy, belonging, and strong relationships are cultivated to empower students and staff.



Orono Public Schools

685 Old Crystal Bay Road North, Long Lake, MN 55356

952-449-8300 | www.aronoschools.org

Strategic Plan adopted June 2024

Values

The fundamental convictions of our school district

Excellence

Strive for the highest quality in everything we do through commitment to continuous improvement.

Resilience

Develop the grit to meet challenges with courage, perseverance, and determination.

Relationships

Build healthy connections of trust, respect, care, and understanding in our learning community.

Inclusion

Embrace unique needs, backgrounds, ideas, and talents.

Global Perspective

Inspire learners to be engaged and adaptive citizens in our interconnected world.

Stewardship

Demonstrate accountability through ethical management of finances, facilities, and human resources.

Community

Create connections and support where all individuals grow, thrive, and positively contribute to our collective well-being.



Strategies

Established guidelines to accomplish district mission and goals

Personalized Learning

Orono Schools will ensure excellence by providing student-centered, responsive instructional practices that provide rigor and relevance for every student. These practices will be centered in critical thinking, complex problem solving, and application of skills in authentic environments.

Continuous Improvement

Orono Schools is a learning organization centered on research-based practices. We will foster a culture of collaborative learning, innovation, and professional growth, allowing our schools and individuals to excel. We will implement a data-driven, continuous improvement model in all facets of organizational work including student outcomes, financial management, and capital improvements.

Human Development

Orono Schools will capitalize on the complementary roles of research and best practices to attract and retain the highest quality staff and develop their collective capabilities and contributions. We will promote and celebrate students and staff to create a thriving educational environment.

Cultural Competence

We will ensure that inclusive, culturally competent practices underlie all classroom and organizational efforts. These practices will be grounded in a commitment to helping all students belong and achieve high levels of success.

Family Partnership

We will strengthen social bonds, active engagement, and a sense of belonging with our families. We will use highly effective communication strategies to help build partnerships, promote active listening, show empathy, and demonstrate adaptability to varied perspectives.

Community Engagement

Orono Schools is the center of a connected community. We will seek partnerships with community members, organizations, businesses, cities, and alumni for the benefit of our students. Our connections will foster a community uplifted through belonging, well-being, and resilience.



Profile

of an Orono Graduate

A graduate of Orono Schools is the embodiment of our strategic goals, with demonstrated strengths in academics, character, and connectedness.



A graduate of Orono Schools will identify with a fulfilling path for their life based on...

Scholarship

- Motivated, lifelong learner
- Scholar of rigorous academic content
- Flexible, critical thinker
- Creative problem solver
- Designer of innovative solutions
- Effective oral and written communicator
- Curious and confident learner

Character

- Ethical decision maker
- Empathetic and caring
- Resilient and persistent
- Trustworthy
- Self-aware
- Self-managing and responsible
- Civic-minded citizen
- Humble

Connectedness

- Kind and connected
- Collaborative team-player
- Adaptive problem solver
- Respectful and encouraging of others
- Culturally competent
- Socially aware
- Leader and consensus-builder
- Effective conflict manager





Governmental Fund Structure

To understand this document and the District's budget, it is helpful to know that there are several legal restrictions on how school districts must spend and account for the public funds that they receive. Per Generally Accepted Accounting Principles of the United States (GAAP), local government organizations are required to use fund accounting. Orono Public Schools separates its revenue and expenditure budgets into eight governmental funds:

- **General Fund**
Used to account for all financial resources except those required to be accounted for in another fund. The District maintains two internal accounts within the General Fund. The Operating Account is used to account for the general operations of the District. The Capital Expenditure Account is used to account for the maintenance of facilities, equipment purchases, and pay-as-you-go long-term facilities maintenance projects. This fund includes the salaries and benefits of teachers, principals, custodians, administrative support staff, paraprofessionals, and administrators; costs of supplies, textbooks, contracted services, utilities, repairs, equipment, etc.
- **Food Service Fund**
Used to account for all revenues and expenditures related to operating the District's child nutrition programs, including food, salaries, benefits, supplies, and equipment. Food Service revenues come primarily from state and federal reimbursements. The District receives additional revenue via the sale of à la carte meals to students and adults.
- **Community Services Fund**
Used to account for revenues and expenditures related to programs such as Early Childhood Family Education, Adult Basic Education, Spartan Kids (school-age care), youth programs, and other community education programs. Community Service revenues primarily come from fees charged for program participation and property tax revenue dedicated to the Community Services Fund.
- **Building Construction Fund**
Used to account for major facility projects. Proceeds from the sale of bonds authorized in an election, lease levy property tax authority, or for bonded LTFM projects are placed in this fund.
- **Debt Service Fund**
Used to accumulate and account for resources that fund principal and interest payments on bonds sold to finance construction. These are similar to a homeowner's payments on a mortgage. The District maintains a separate Other Post-Employment Benefits (OPEB) Debt Service Account within the Debt Service Fund to account for OPEB-related debt activity.

Mid-Year Budget Adjustment Executive Summary



- **Internal Service Funds**

Used to account for the financing of goods or services provided by one department to other departments or agencies of the District, or to other governments, on a cost-reimbursement basis. The District's internal service funds are used to account for and finance the self-insured risk of loss of the District's employee dental and medical healthcare plans.

- **Fiduciary Funds**

Used to account for Custodial and Post-Employment Benefits Trust Funds. The Custodial Fund is used as a flow through mechanism in which the District receives funds and distributes these funds to an outside organization, with no financial benefit to the District. The Post-Employment Benefits Trust Fund is used to administer assets held in an irrevocable trust to fund post-employment insurance benefits for eligible employees.

Why is this information important? It is important to understand the fund structure because, with very few exceptions, money cannot be transferred from one fund to another. For example, raising a la carte prices or Spartan Kids tuition is not a solution to a shortfall in the General Fund. Similarly, the resources of the Debt Service Fund or the Building Construction Fund cannot be used for paraprofessional salaries. Additionally, there are intra-fund restrictions embedded in state statute. For example, the capital projects levy cannot be used to pay for instructional salaries or special education.

Mid-Year Budget Adjustment Executive Summary



Expenditures By Program

- **Administration**
Includes all costs for general administration, instructional administration and school site administration. This area also covers the school board, superintendent, principals, and directors.
- **District Support Services**
Consists of activities related to general administrative support not listed in the administration category. This area covers federal programs, human resources, business and finance, government relations, school elections, and miscellaneous district administration not otherwise classified.
- **Elementary and Secondary Regular Instruction**
Elementary and secondary regular instruction consists of all activities dealing directly with the instruction of students, the interaction between instructional staff and students in the classroom and co-curricular activities at the kindergarten, elementary and secondary levels.
- **Vocational Instruction**
Courses and activities which develop knowledge, skills, attitudes, and behavioral characteristics for students seeking career exploration and employability.
- **Special Education Instruction**
Activities providing learning experiences for students of any age who, because of certain characteristics or conditions, need, or who would benefit by, educational programs differentiated from those provided to students in regular or vocational instruction.
- **Instructional Support Services**
Activities for assisting instructional staff with curriculum development, curriculum implementation, and the process of providing learning experiences for pupils in kindergarten through twelfth grade.
- **Pupil Support Services**
Includes services provided to students that do not qualify to be classified as instructional services such as counseling and guidance, health, psychological, social work, transportation, etc.
- **Sites and Buildings**
Activities related to the acquisition, operation, maintenance, repair and remodeling of all physical plant, facilities, and grounds of the District.
- **Fiscal and Other Fixed Costs**
Fiscal and fixed cost activities that are not recorded elsewhere.

Mid-Year Budget Adjustment Executive Summary



Expenditures By Object

The school district budget consists of the following types of expenditures:

- **Salaries**
Salaries related to personnel positions, extra-curricular assignments, overtime, substitute staff costs, and severance payments.
- **Benefits**
Medical, dental, life, long-term disability, workers' compensation, state pension contributions, deferred compensation contributions, and post-retirement benefits for eligible persons.
- **Purchased Services**
Includes consultants, postage, insurance, repair and maintenance services, utilities, student transportation contracts, travel/conferences, payments to other districts, and tuition.
- **Supplies and Materials**
Textbooks, instructional supplies, office and custodial supplies, computer software, and related copier costs. Includes fuel for buildings.
- **Capital**
Building construction, equipment, facility repair and maintenance, vehicles, technology equipment, and other items with a useful life of more than one year.
- **Debt Service**
Principal and interest payments for bonded debt.
- **Other Expenditures**
All other expenditures not classified in other categories.

Mid-Year Budget Adjustment Executive Summary



Budget Overview

	Mid-Year Budget Fiscal Year 2026		
	FY2025 Actual Results	FY2026 Original Budget	FY2026 Revised Budget
Revenues:			
General Fund - Operating	\$44,988,840	\$46,643,072	\$46,655,735
General Fund - Capital	3,754,674	3,840,646	3,861,797
Food Service	2,444,194	2,214,750	2,484,250
Community Service	4,127,083	4,195,000	4,469,572
Debt Service	8,205,318	7,959,267	7,557,000
Internal Service	5,172,136	5,300,000	5,300,000
Fiduciary Fund - OPEB Trust	135,388	150,000	125,000
Total Excluding Construction	68,827,633	70,302,735	70,453,354
Building Construction	5,455,543	208,000	175,000
Total Revenue	\$74,283,176	\$70,510,735	\$70,628,354
Expenditures:			
General Fund - Operating	\$44,759,730	\$46,420,053	\$46,482,747
General Fund - Capital	3,950,602	3,626,068	3,398,887
Food Service	2,431,505	2,233,190	2,420,300
Community Service	4,215,800	4,175,000	4,468,950
Debt Service	7,874,770	7,988,165	7,996,215
Internal Service	5,232,030	5,300,000	5,300,000
Fiduciary Fund - OPEB Trust	370,000	370,000	395,000
Total Excluding Construction	68,834,437	70,112,476	70,462,099
Building Construction	3,571,619	1,500,000	1,186,000
Total Expenditures	\$72,406,056	\$71,612,476	\$71,648,099

The annual budget presented includes an analysis of the actual financial results of the District at June 30, 2025, and the anticipated positions at June 30, 2026.

The budget was prepared in accordance with GAAP, the Uniform Financial Accounting and Reporting Standards (UFARS) for Minnesota school districts, and District Policy 717. The budget includes all governmental and proprietary funds operated by the District. Each fund is treated as an

Mid-Year Budget Adjustment Executive Summary



independent accounting entity in accordance with statutory requirements and state and federal regulations governing the District's various revenue sources and expenditure purposes.

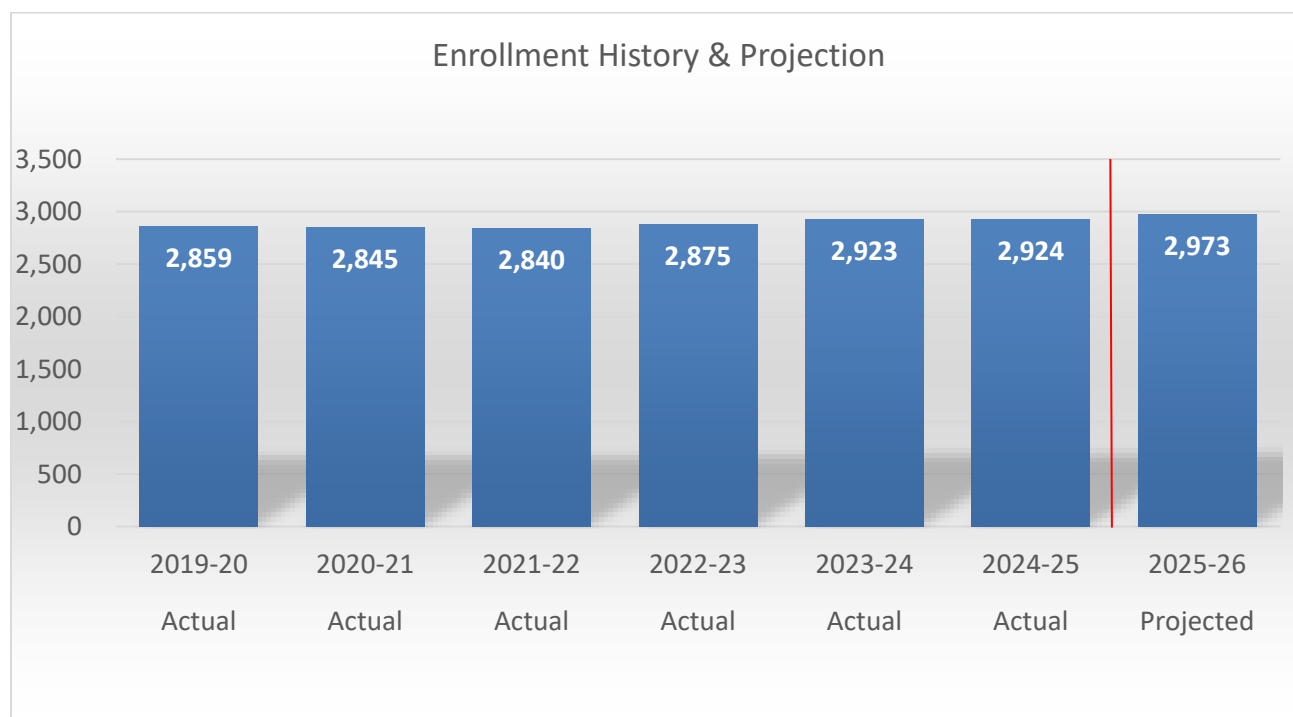
Minnesota Education Laws 2023 were used as the basis for building the fiscal year (FY) 2026 budget which includes \$7,481 of state basic education revenue per pupil unit (an increase of 2.74% or \$200 per pupil unit from FY2025), and operating referendum revenue of \$2,273 per pupil (an increase of 3.8% or \$84 per pupil unit from FY2025). The District will also experience a 13% increase to the capital projects levy, directly proportional to the increase of the net tax capacity of the District from 2022 to 2023.

A school district's budget can be one of the most meaningful and useful documents in public school administration. It depicts the priorities of the School Board, administration, staff, and community.



Enrollment History & Projections

During the 2020-21 school year the District, like many throughout the state and country, experienced a one-time enrollment loss due to the COVID-19 pandemic. Due to demand for District's programming, enrollment stabilized and grew beyond pre-pandemic levels starting FY2023, with a steady increase of 1-2% annually thereafter. The District anticipates modest growth for FY2026 to 2,973, or 1% increase from FY2025.



Mid-Year Budget Adjustment Executive Summary



General Fund – Operating Overview

	Mid-Year Budget Adjustments Fiscal Year 2026		
	FY2025	FY2026	FY2026
	Actual Results	Original Budget	Revised Budget
Revenues:			
Property taxes	\$10,559,116	\$11,319,528	\$11,555,339
Investment earnings	286,846	100,000	176,500
State sources	30,963,739	32,641,811	32,292,279
Federal sources	703,705	687,233	691,117
Other revenues	2,475,434	1,894,500	1,940,500
Total Revenue	\$44,988,840	\$46,643,072	\$46,655,735
Expenditures:			
Salaries and benefits	\$36,824,646	\$37,915,581	\$38,095,587
Purchased services	6,029,426	6,402,200	6,427,610
Supplies and materials	1,206,926	1,602,372	1,419,600
Capital outlay	357,706	349,200	371,950
Other expenditures	341,025	150,700	168,000
Total Expenditures	\$44,759,730	\$46,420,053	\$46,482,747
Fund Balances:			
Net Change in Fund Balance	229,110	223,019	172,988
Beginning of Year	3,821,616	4,050,726	4,050,726
End of Year	4,050,726	4,273,745	4,223,714
Nonspendable Fund Balance	309,148	300,000	300,000
Restricted Fund Balance	1,029,004	903,499	653,499
Assigned Fund Balance	453,704	336,041	236,041
Unassigned Fund Balance	2,258,870	2,734,205	3,034,174
Total Fund Balance	4,050,726	4,273,745	4,223,714
Fund Balance Calculations:			
Statutory Operating Debt (SOD)	6.76%	7.26%	7.68%
Unassigned Fund Balance Percentage	5.05%	5.89%	6.53%



General Fund – Operating Overview

The General Fund contains all revenue and expenditures for the general, day-to-day operations of the District. This includes salaries and benefits for teachers, administrators, custodians, administrative support staff, and paraprofessionals; instructional supplies, technology, transportation, textbooks, and money spent to operate District buildings. The General Fund – Operating does not account for Food Service, Community Service programs, debt service payments on voter-approved bonds issued by the District, capital projects levy and long-term facilities maintenance, and the cost of major construction projects financed through the issuance of bonds.

Fund Balance Overview

The level of spending is set with several considerations in mind, but one of the primary considerations is to maintain an adequate level of reserves for unanticipated events. The District has a formal policy calling for an unassigned fund balance in the General Fund - Operating equal to at least 5.0% of total unassigned expenditures. This balance could be considered to be the District's insurance policy against the unforeseen. Maintaining an adequate fund balance is important for the stability of the District and is a key measure that credit rating agencies examine when assigning a credit rating to a District, which can have a material impact to resident taxpayers. The projected unassigned General Fund - Operating balance as of June 30, 2026 is \$2,684,174. This is 5.77% of the unassigned expenditure budget, or about three weeks of operations. Unanticipated events that could occur that would require the District to use its unassigned fund balance include:

- Property tax delinquencies and abatements
- Enrollment fluctuations
- Unanticipated price increases for essential purchases including fuel, utilities, property and liability insurance, software licenses fees, inflation, etc.
- State revenue reductions or “pro-rations”
- Unforeseen public/health safety emergencies or severe weather/natural disasters
- Future unfunded mandates imposed by the state legislature

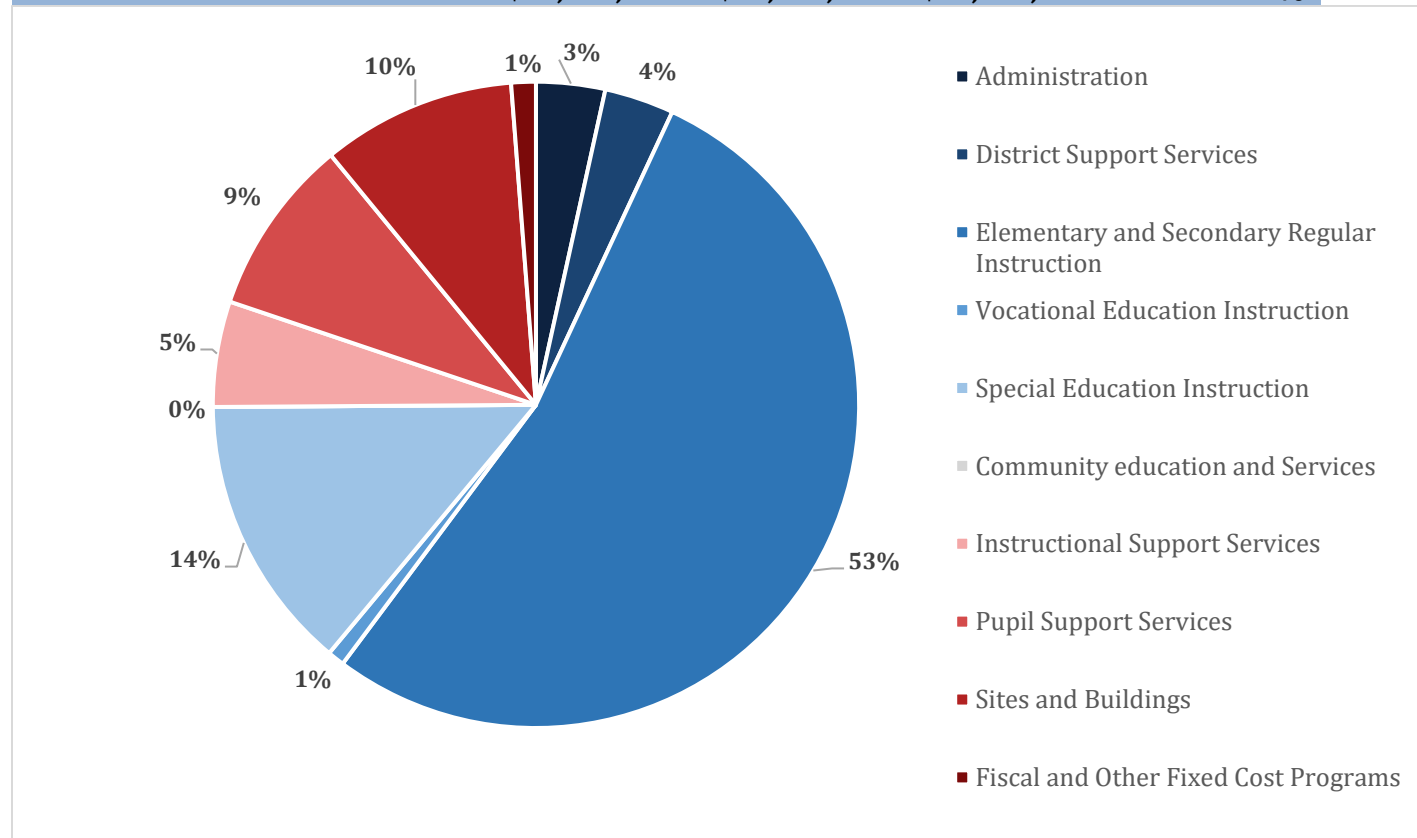
Mid-Year Budget Adjustment Executive Summary



General Fund – Operating Expenditures by Program

For the Fiscal Year Ended June 30, 2026

Program Description	FY2025 Actual Results	FY2026 Original Budget	FY2026 Revised Budget	Percentage by Program
Administration	\$1,449,559	\$1,578,320	\$1,605,430	3.45%
District Support Services	1,585,642	1,691,204	1,618,150	3.48%
Elementary and Secondary Regular Instruction	23,909,457	24,205,364	24,761,878	53.27%
Vocational Education Instruction	329,629	345,740	393,590	0.85%
Special Education Instruction	6,026,391	6,860,272	6,433,809	13.84%
Community education and Services	29,536	0	0	0.00%
Instructional Support Services	2,684,807	2,614,553	2,454,340	5.28%
Pupil Support Services	3,882,768	4,059,900	4,127,600	8.88%
Sites and Buildings	4,375,785	4,350,700	4,516,450	9.72%
Fiscal and Other Fixed Cost Programs	486,155	714,000	571,500	1.23%
Total	\$44,759,730	\$46,420,053	\$46,482,747	100.00%



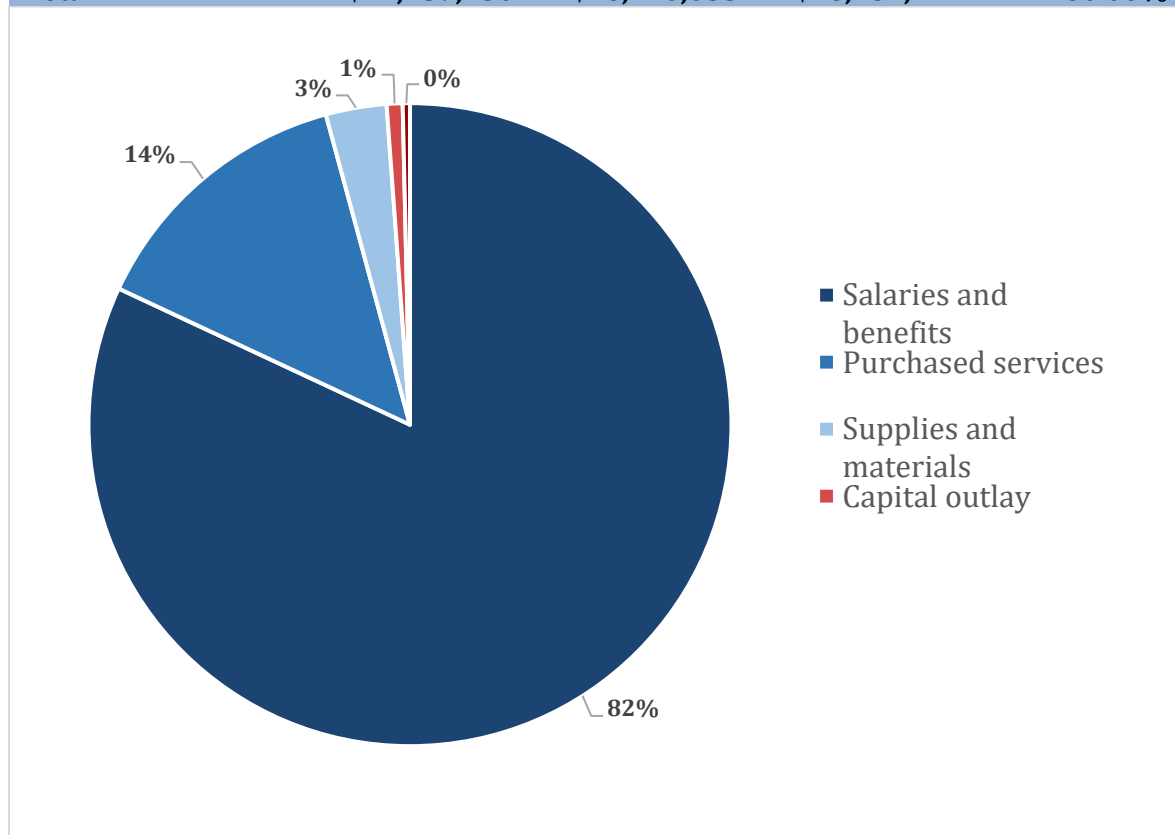
Mid-Year Budget Adjustment Executive Summary



General Fund – Operating Expenditures by Object

For the Fiscal Year Ended June 30, 2026

Object Description	FY2025 Actual Results	FY2026 Original Budget	FY2026 Revised Budget	Percentage by Object
Salaries and benefits	\$36,824,646	\$37,915,581	\$38,095,587	81.96%
Purchased services	6,029,426	6,402,200	6,427,610	13.83%
Supplies and materials	1,206,926	1,602,372	1,419,600	3.05%
Capital outlay	357,706	349,200	371,950	0.80%
Other expenditures	341,025	150,700	168,000	0.36%
Total	\$44,759,730	\$46,420,053	\$46,482,747	100.00%



Mid-Year Budget Adjustment Executive Summary



General Fund – Capital Overview

For the Fiscal Year Ended June 30, 2026

	Mid-Year Budget Adjustments Fiscal Year 2026		
	FY2025	FY2026	FY2026
	Actual Results	Original Budget	Revised Budget
Revenues:			
Property taxes	\$3,615,926	\$3,620,646	\$3,833,797
Investment earnings	0	0	0
State sources	135,527	220,000	28,000
Federal sources	0	0	0
Other revenues	3,221	0	0
Total Revenue	\$3,754,674	\$3,840,646	\$3,861,797
Expenditures:			
Salaries and benefits	\$938,740	\$947,947	\$966,687
Purchased services	631,700	467,500	1,277,200
Supplies and materials	603,536	751,700	612,000
Capital outlay	1,776,625	1,458,921	543,000
Other expenditures	0	0	0
Total Expenditures	\$3,950,602	\$3,626,068	\$3,398,887
Fund Balances:			
Net Change in Fund Balance	(195,928)	214,578	462,910
Beginning of Year	881,171	685,243	685,243
End of Year	685,243	899,821	1,148,153
 Nonspendable Fund Balance	 277,429	 300,000	 300,000
Restricted Fund Balance	775,573	775,573	775,573
Assigned Fund Balance	0	0	0
Unassigned Fund Balance	(171,831)	(175,752)	72,580
Total Fund Balance	881,171	899,821	1,148,153

Mid-Year Budget Adjustment Executive Summary



General Fund – Capital Overview

The General Fund - Capital includes expenditures associated with the capital projects levy or “tech levy”, which funds virtually all of the technology infrastructure and technology staff in the District, annual operating capital levy, and the annual levy for Long Term Facilities Maintenance (LTFM) projects. It is important to note that LTFM expenditures can fluctuate considerably from year to year and can impact the overall view of the District’s funding picture.

Mid-Year Budget Adjustment Executive Summary



Food Service Fund Overview

	Mid-Year Budget Adjustments Fiscal Year 2026		
	FY2025	FY2026	FY2026
	Actual Results	Original Budget	Revised Budget
Revenues:			
Investment earnings	\$46,391	\$15,000	\$30,000
Primary meal sales	611,722	644,750	619,250
State sources	1,316,087	1,260,000	1,375,000
Federal sources	469,993	295,000	460,000
Total Revenue	\$2,444,194	\$2,214,750	\$2,484,250
Expenditures:			
Salaries and benefits	\$934,529	\$994,940	\$1,007,800
Purchased services	190,653	57,150	52,000
Supplies and materials	1,173,413	1,010,400	1,192,000
Capital outlay	130,469	168,000	166,000
Other expenditures	2,441	2,700	2,500
Total Expenditures	\$2,431,505	\$2,233,190	\$2,420,300
Fund Balances:			
Net Change in Fund Balance	12,689	(18,440)	63,950
Beginning of Year	1,121,853	1,134,542	1,134,542
End of Year	1,134,542	1,116,102	1,198,492
Nonspendable Fund Balance	37,264	40,000	40,000
Restricted Fund Balance	1,097,277	1,076,102	1,158,492
Total Fund Balance	1,134,541	1,116,102	1,198,492

The District's food service operation, provides meals and nutrition services that fully comply with regulations set forth by the United States Department of Agriculture. All revenues and expenditures associated with the program must be accounted for in this separate fund. By law, revenues generated by the program can only be used to provide meals and to pay for certain closely related expenditures. During the 2023 legislative session a bill to provide free meals to all students attending public schools was enacted, effective July 1, 2023. All students of the District will receive one free breakfast and one free lunch each school day. This program will continue in FY2026.

Mid-Year Budget Adjustment Executive Summary



Community Services Fund Overview

	Mid-Year Budget Adjustments Fiscal Year 2026		
	FY2025	FY2026	FY2026
	Actual Results	Original Budget	Revised Budget
Revenues:			
Property taxes	\$328,921	\$369,000	\$331,272
Investment earnings	71,679	0	70,000
State sources	269,511	329,000	264,000
Federal sources	121,375	90,000	120,000
Tuition and fees	3,335,598	3,407,000	3,684,300
Total Revenue	\$4,127,083	\$4,195,000	\$4,469,572
Expenditures:			
Salaries and benefits	\$3,094,784	\$3,133,150	\$3,216,600
Purchased services	885,188	767,050	989,600
Supplies and materials	213,751	234,150	231,150
Capital outlay	3,832	4,000	9,000
Other expenditures	18,244	36,650	22,600
Total Expenditures	\$4,215,800	\$4,175,000	\$4,468,950
Fund Balances:			
Net Change in Fund Balance	(88,717)	20,000	622
Beginning of Year	1,443,814	1,355,097	1,355,097
End of Year	1,355,097	1,375,097	1,355,719
Nonspendable Fund Balance	1,937	5,000	5,000
Restricted Fund Balance	1,353,161	1,370,097	1,350,719
Total Fund Balance	1,355,098	1,375,097	1,355,719

Community service programs exist to help students and families thrive and be successful in school and life. The District's Community Ed department designs, operates and participates in hundreds of important programs year-round that make life and learning better for all people who live, work and attend school in the District. Programs include Spartan Kids childcare, facility rentals, youth camps and classes, adult classes, adult basic education, and volunteering opportunities. Community Ed also operates the Discovery Center which offers early childhood family education, full-day and part-day preschool, early childhood screening, and intervention and outreach for the community's youngest learners.

Mid-Year Budget Adjustment Executive Summary



Building Construction Fund Overview

Mid-Year Budget Adjustments Fiscal Year 2026			
	FY2025	FY2026	FY2026
	Actual Results	Original Budget	Revised Budget
Revenues:			
Investment earnings	\$83,815	\$208,000	\$175,000
Debt issued	5,371,727	0	0
Premium on debt issued	0	0	0
Total Revenue	\$5,455,543	\$208,000	\$175,000
Expenditures:			
Purchased services	\$221,610	\$511,000	\$550,000
Supplies and materials	6,356	0	0
Capital expenditures	3,242,812	884,000	636,000
Debt service	100,840	105,000	0
Total Expenditures	\$3,571,619	\$1,500,000	\$1,186,000
Fund Balances:			
Net Change in Fund Balance	1,883,924	(1,292,000)	(1,011,000)
Beginning of Year	3,231,496	5,115,420	5,115,420
End of Year	5,115,420	3,823,420	4,104,420
Restricted Fund Balance	5,115,420	3,823,420	4,104,420
Total Fund Balance	5,115,420	3,823,420	4,104,420

Mid-Year Budget Adjustment Executive Summary



Building Construction Fund Overview

The Building Construction Fund is used for two purposes:

- to account for construction project expenditures financed with bond or bond-like proceeds
- to account for the expenditures of LTFM projects that are greater than \$2,000,000 per site.

There can be no borrowing from the Building Construction Fund; any cash or investment balance in the fund must be used for authorized construction or LTFM projects.

Expenditures relating to projects financed by bonds issued in prior years are reflected in the reduction of fund balance over time as projects progress to completion.

During the FY2023 the District issued G.O. Facilities Maintenance bonds in the aggregate par amount of \$5,555,000 to finance indoor air quality projects to the elementary buildings as well as the middle school. The project was substantially completed during FY2025. During the FY2025 the District issued G.O. Facilities Maintenance, Capital Facilities, and Tax Abatement bonds in the aggregate par amount of \$4,920,000 to finance LTFM and capital related projects around the district as well as parking lot improvements.

Mid-Year Budget Adjustment Executive Summary



Internal Services Fund Overview

	Mid-Year Budget Adjustments Fiscal Year 2026		
	FY2025	FY2026	FY2026
	Actual Results	Original Budget	Revised Budget
Revenues:			
Charges for services	\$5,000,868	\$5,300,000	\$5,300,000
Investment earnings	171,268	0	0
Total Revenue	\$5,172,136	\$5,300,000	\$5,300,000
Expenditures:			
Administrative expenses	\$42,043	\$0	\$0
Dental benefit claims	359,013	350,000	350,000
Medical benefit claims	4,830,974	4,950,000	4,950,000
Total Expenditures	\$5,232,030	\$5,300,000	\$5,300,000
Fund Balances:			
Net Change in Fund Balance	(59,894)	0	0
Beginning of Year	3,560,836	3,500,942	3,500,942
End of Year	3,500,942	3,500,942	3,500,942
Restricted Fund Balance	3,500,942	3,500,942	3,500,942
Total Fund Balance	3,500,942	3,500,942	3,500,942

Internal service funds are used as an accounting device to accumulate and allocate costs internally among the District's various functions. The District uses its internal service funds to account for its self-insured dental and medical benefits activities.

Mid-Year Budget Adjustment Executive Summary



Debt Service Fund Overview

	Mid-Year Budget Adjustments Fiscal Year 2026		
	FY2025	FY2026	FY2026
	Actual Results	Original Budget	Revised Budget
Revenues:			
Property taxes	\$7,997,172	\$7,911,267	\$7,450,000
Investment earnings	166,652	10,000	107,000
State sources	41,494	38,000	0
Total Revenue	\$8,205,318	\$7,959,267	\$7,557,000
Expenditures:			
Principal	\$6,060,000	\$6,020,000	\$6,280,000
Interest	1,806,920	1,960,833	1,708,165
Fiscal charges and other	7,850	7,332	8,050
Total Expenditures	\$7,874,770	\$7,988,165	\$7,996,215
Fund Balances:			
Net Change in Fund Balance	330,548	(28,898)	(439,215)
Beginning of Year	1,114,349	1,444,897	1,444,897
End of Year	1,444,897	1,415,999	1,005,682
Restricted Fund Balance	1,444,897	1,415,999	1,005,682
Total Fund Balance	1,444,897	1,415,999	1,005,682

The Debt Service Fund exists to account for revenues and expenditures associated with repayment of the District's bonded indebtedness. The District issues bonds primarily for the purposes of financing the acquisition, construction, betterment and equipping of the District's buildings. Also, the District occasionally issues bonds to refund or refinance existing debt at more favorable interest rates. By state law, revenues and expenditures for debt service must be maintained in a separate fund. Borrowing from the Debt Service Fund is not allowed; all resources held by the fund are held exclusively for the purposes of debt repayment and related activities.

The District's underlying credit rating by Moody's Investors Service, most recently affirmed in April 2025, is Aa3.

Mid-Year Budget Adjustment Executive Summary



Scheduled Debt Service Activity

For the Fiscal Year Ended June 30, 2026

Debt Issue	Issue Date	Coupon Rate	Final Maturity	Balance at June 30, 2025	Principal Payments	Interest Payments	Balance at June 30, 2026
G.O. Refunding Bonds, Series 2016A	8/4/2016	2.50-4.00%	2/1/2029	14,170,000.00	3,360,000.00	405,138.00	10,810,000.00
G.O. Building Bonds, Series 2017A	2/22/2017	3.00-5.00%	2/1/2033	23,135,000.00	845,000.00	789,750.00	22,290,000.00
G.O. Facilities Maintenance, Series 2017B	5/18/2017	4.00-5.00%	2/1/2027	685,000.00	335,000.00	27,400.00	350,000.00
G.O. Taxable OPEB Refunding, Series 2018A	11/7/2018	2.95-3.80%	2/1/2029	1,295,000.00	310,000.00	47,310.00	985,000.00
G.O. Tax Abatement Bonds, Series 2018B	11/7/2018	3.00-5.00%	2/1/2029	865,000.00	205,000.00	30,050.00	660,000.00
G.O. Facilities Maintenance, Series 2021A	12/2/2021	2.00-3.00%	2/1/2030	1,300,000.00	215,000.00	34,000.00	1,085,000.00
G.O. Facilities Maintenance, Series 2023A	6/1/2023	4.00-5.00%	2/1/2032	4,165,000.00	1,010,000.00	204,250.00	3,155,000.00
G.O. Facilities Maintenance, Series 2025A	6/5/2025	5.00%	2/1/2034	4,920,000.00	-	161,267.00	4,920,000.00
Total				50,535,000.00	6,280,000.00	1,699,165.00	44,255,000.00