



Excellence. For each and every student.

BOARD OF EDUCATION
Working Meeting - June 23, 2025 - 4:00 PM
Creekside
16000 41st Ave N.
Plymouth, MN 55446

AGENDA

1. **ROLL CALL/CALL TO ORDER**
 - A. **Teaching and Learning Reports**
 1. Q-Comp/Peer Coach Presentation (30 minutes) 2
 - B. **Finance and Operation Reports**
 1. 2025-26 Budget Presentation (45 minutes) 18
 2. Facilities Update with Wold & KA (30 Minutes) 50
 - C. **School Board Reports**
2. **ADJOURN**

In case of inclement weather, the meeting will be held on the next business day at the same time and same place, unless a quorum of the board is not available.

2024-2025 QComp School Board Presentation

Peer Coaching



Peer Coaching Mission Statement

To cultivate a culture of continuous **self-directed learning** and **growth** among our staff through a **coaching partnership** that focuses on **reflective conversations** rooted in collected **data**, with the ultimate goal of **positively impacting student achievement and experience.**

Peer Coach Survey Data Summary

	2023	2024	2025
I value the choices I have in the peer coaching program to direct my own professional growth .	94%	94%	95%
My peer coach provides (data/feedback) that helps me reflect on my professional practices.	91%	93%	95%
As a result of the peer coach process, I have tried new teaching practices .	83%	85%	90%
Working with my peer coach has positively impacted student learning and experience .	87%	87%	92%

*Percentages indicate staff that agree or strongly agree 4



PREDICTING



**Examine the image
or text closely.**



**Ask, “What do I
notice?”**



**Write, “What do I
wonder?”**



**Share your
prediction with
others.**

Program Shift Highlights



Examine the image or text closely.



Ask, "What do I notice?"



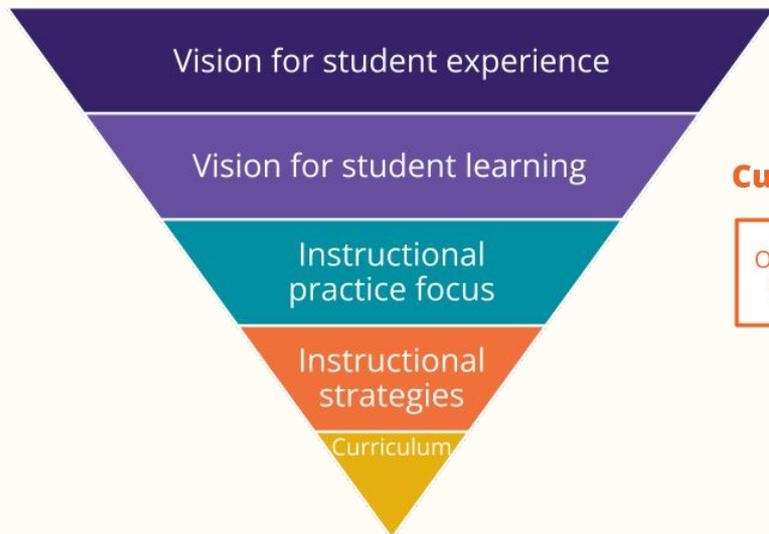
Write, "What do I wonder?"



Share your prediction with others.

- ★ Embedding Center for Educational Leadership (CEL) coaching techniques
- ★ Deepening system-wide SMART Goal/Collaborative Inquiry Question connections
- ★ Collaborating with PLCs, Literacy Coaches, Professional Learning Leads, Family Partnership Leads, & BILT
- ★ Supporting staff with Culturally Responsive Protocols, Basic Needs, Interdependent Learning, and Portrait of a Wayzata Graduate
- ★ Fostering shifts in thinking and practice through intentional questioning

Embedding CEL Coaching Techniques



Current state → **Deliberate practice** → **Ideal state**

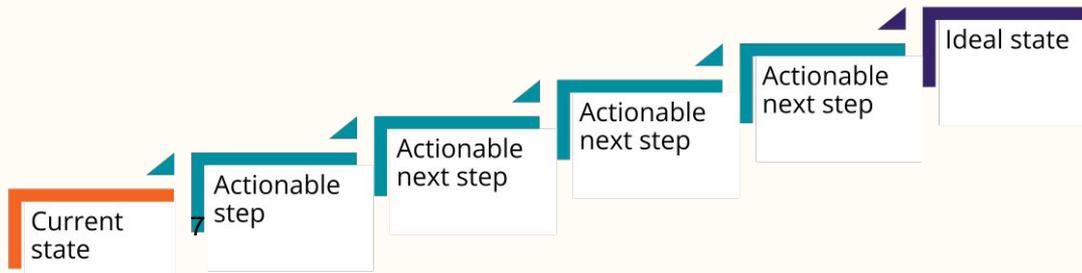
Observable evidence

Deliberate practice:

- Feedback
- Coaching
- Intentional learning

Informed by:

- Student voice
- School/district vision
- Standards
- Frameworks



Helping staff identify what they can do and what they're on the verge of.

Peer coaching allows me to:

"Think about where my current state is and a next step I hope to take to grow."

"Have productive conversations that include reflection as well as proactive steps to move forward."

"Reflect upon instruction to formatively guide my next steps with the whole group, small group & individual students."

Deepening System-Wide SMART Goal and Collaborative Inquiry Question Connections



Verbatims from Peer Coach Survey

"I think the current flexibility is integral to making the time meaningful. I know that collaborative inquiry questions are currently a choice, but I wonder about making them the norm, so that constant evaluation and taking the next right step can become our practice."

"One thing that I did not know was an option until the last couple of years was doing collaborative PC goals with a group. This year I worked on one of my goals with my PLC - this year we collaborated on reviewing an assessment method in our classes and it was helpful to do it as a group."

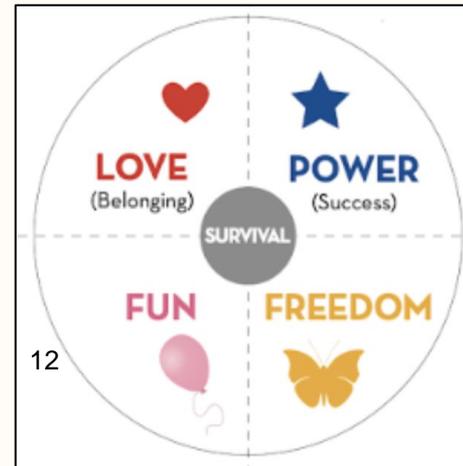
Collaboration

"I see value in pairing peer coaching, literacy coaching and Family Partnership Leads (in buildings where they exist). The work has overlap (hearing ideas multiple times helps to cement learning) and is very powerful!"

- Literacy Coaches
- Family Partnership Leads
- Building Instructional Leadership Teams (BILTs)

Supporting staff with district initiatives

- **PLC collaboration** around **responsive planning** for use of various **protocols**
- **Observations** and **data collection** for culturally responsive protocols used within classrooms
- Discuss how **basic needs** are a function of behavior and how to **align instructional choices with students' needs**
- Helping **students make connections** between instruction and the development of the **Portrait of a Wayzata Grad**



Peer Coach Collaborative Inquiry Question

How will increasing my use of intentional coaching questions during coaching conversations impact a change in staff practice/mindset (as indicated in the reflection conversation)?

<u>Pre/Post</u>	<u>Question Asked</u>	<u>Observed reactions</u>	<u>Cognitive Shift:</u> 5 states of mind
Post ▾	[New Learning] "Your teaching practice goal was in modeling with visuals and gradually releassing the cognitive resposibility to students while supporting as needed. What is some new learning about your gradual release of scaffolds that you want to take with you ?"	- "It's really making me realize that I have some biases, because.." <i>teacher notes that their knowing students for multiple years and their speech patterns has caused them to miss the grammatical mistakes they're still making</i> - "I need to be really explicit about..."	Consciousnes ▾
Pre ▾	"Once you have the data, what might you do with it?"	- "activated" - "I'd really like to.." - "It would tell me if I need to..."	Efficacy ▾

Peer coaching allows me to:

"Think about where things could be better for my students and their ability to reach the learning goals. My peer coach also challenges me to consider what my students need me to get better at and why."

"Be open about trying new ideas in the classroom and reflect on what worked and what did not work. I felt safe to take a risk and try something new."

"Reflect on best practices, have the time and space to talk through new ideas, and really dive into what I want to improve in my classroom with my particular set of students and their diverse needs."

Next Actionable Steps

**Shift to
Collaborative
Inquiry Framework**

**Embed CEL into
Cognitive
Coaching**

**Strengthen
Collaboration with
Varied Roles**

**Leverage District
Professional
Learning Through
Coaching**

**Continue
Responsiveness to
Staff Needs**



DRAW 1, 2, 3



Draw 1 picture of what you heard or learned.



Add 1 speech or thought bubble.



Write 1 word that is a reflection of today's learning.



Share and compare with a partner.



Thank you!

Thoughts or questions?





FY2025-26 Preliminary Budget Presentation

June 23, 2025
Special School Board Meeting

Agenda



- Background information along with Assumptions & Components that go into the creation of the budgets
- Overview information of the Preliminary FY2025-26 Budgets
- Review of following budgets:
 - Fund 01 (General Fund)
 - Fund 02 (Food Service)
 - Fund 04 (Community Ed)
 - Fund 06 (Construction Fund)
 - Fund 07 (Debt Service)
- Questions

FY2025-26 Preliminary Wayzata Public Schools Budget

OVERVIEW & BACKGROUND INFORMATION



Government Fund Structure



General Fund

Used to account for the general operations of the school district. This fund includes salaries and benefits for teachers, principals, custodians, secretaries, paraprofessionals, and administrators; cost of supplies, textbooks, transportation contracts, utilities, repairs, and equipment. This fund is also used for long-term facility maintenance projects of less than \$2,000,000 and for the capital projects (technology) levy.

Food Service Fund

Used for all expenditures related to operating Wayzata Cafés, including food, salaries, benefits, supplies, and equipment. Food Service revenues typically come primarily from the sale of meals to students and adults. This year, the Minnesota Legislature enacted free meals for all students. State aid now provides a greater portion of revenue.

Community Services Fund

Used for expenditures related to community education programs such as Early Childhood Family Education, Adult Basic Education, Wayzata Kids (afterschool and summer childcare programs), youth classes and Community Ed programs.

Community Services revenue primarily comes from fees charged for the programs and property tax revenue dedicated to community services.

Building Construction Fund

Used for expenditures of major building projects. Proceeds from the sale of bonds authorized in an election are placed in this fund. This fund is also used for long-term facility maintenance projects exceeding \$2,000,000.

Debt Service Fund

Used to accumulate and account for resources that fund principal and interest payments on bonds sold to finance construction. These are akin to a homeowner's payments on a mortgage.

Refresher on Fund Balance Categories

Restricted – legally enforceable constraints

- Operating Capital
- Capital Projects Levy
- Long Term Facility Maintenance (LTFM)
 - *Levy adjusted*

Non-spendable – not in spendable form or legal requirement

- Prepaid items
- Inventories

Committed – used for specific purpose by formal board action

Assigned – district's intent for specific purpose

- Separation/retirement
- Q-comp
- Site carryover

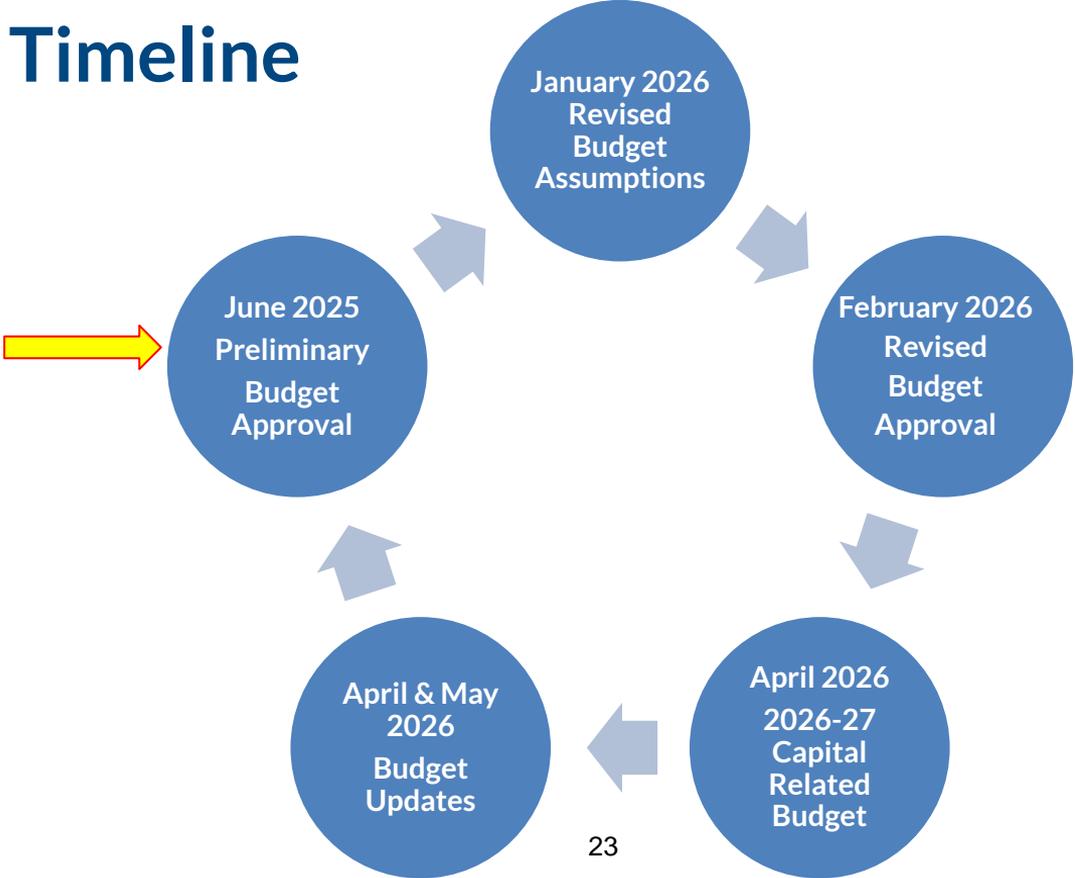
Unassigned – for all other purposes not described by other categories

- Used to calculate Statutory Operating Debt (SOD)
- The fund balance mostly widely referred to by individuals

** *Assigned and Unassigned are components of the Unrestricted Fund Balance*

22

Budget Timeline

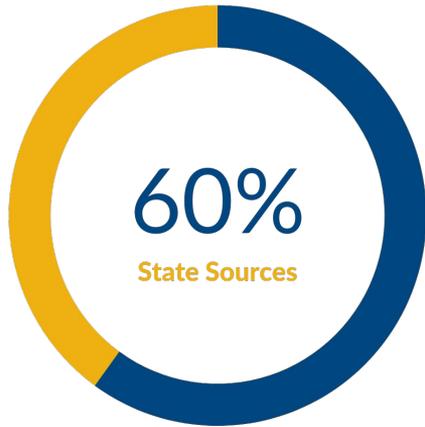


FY2025-26 Preliminary General Fund Budget

Key Budget Assumption(s)



General Fund – Source of Revenue 2025-26 *(estimated)*



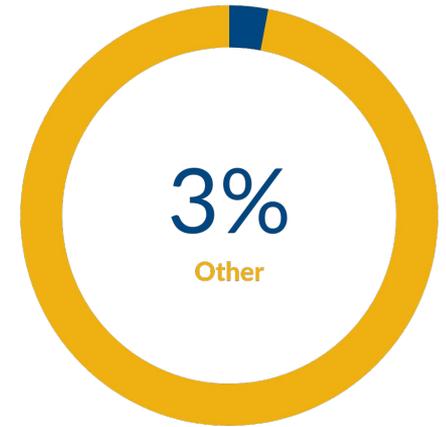
2.74% increase



4.00% increase
(before adjustments)



0% increase



2% increase

Key Budget Assumption

Formula Allowance

Fiscal Year	Formula Increase	Formula Amount	Formula Increase Amount
FY24	4.0%	\$7,138	\$275
FY25	2.0%	\$7,281	\$143
FY26	2.74%	\$7,481	\$200
FY27	3.00% Estimated	\$7,705	\$224

Formula Allowance for FY2025-26:

- The dollar amount per pupil unit used to calculate each district’s basic general education revenue.
- The district received 2% on the formula in FY2024-25 but **will now see that adjusted to 2.74% for FY2025-26.**

FY26 and FY27, and beyond: actual increase equal to Consumer Price Index Urban (CPI-U) with a floor of 2.00% and cap of 3.00%. CPI-U determined based upon prior two fourth quarter totals. Language including inflationary increases does not prevent future legislatures from additional increases in the formula.

FY2025-26 Revenue Projection information

Enrollment Increases for FY2025-26

- Using enrollment of 13,186 for FY2025-26 which is up from 12,760 used for the FY2024-25 Revised Budget
- This is an increase of 426 students

Formula Allowance (roughly 60% of Revenue Budget)

- 2.74% in FY2025-26 which is up from 2% in FY2024-25
- \$7,281 PPU to \$7,481 PPU for FY2025-26 (\$200 increase)

Levy Dollars (roughly 30% of Revenue Budget)

- Roughly 4% increase with adjustments for FY2025-26

Special Education Cross Subsidy & Federal to pay tuition bills

- Special Education cross-subsidy continues at roughly 75% reimbursement (25% still not covered)
 - Despite the additional cross-subsidy aid, costs continue to rise resulting in impacting the unassigned general fund dollars
- Utilizing \$1.5M of Federal dollars to pay Special Education tuition bills

Federal allocations & COVID related dollars

- Forecasting similar revenues to current year ²⁷
- COVID related dollars came to an end in FY2024-25 (9/30/24)

Key Budget Assumption(s)

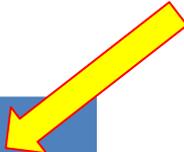
FY2025-26 Enrollment Projection

- Enrollment is one of the key driver for projecting revenue (Pupil driven revenue system)
- Projections were based on most recent Demographic Study presented in the Fall of 2024.
 - Original Assumptions: High Migration / Low Kindergarten
 - Updated Assumptions based on enrollment we are experiencing along with the new enrollment studies provide by TeamWorks, Hazel Reinhardt, and Ehlers
 - Reminder: FY24-25 increased from 12,684 to 12,760
 - 76 increase from the FY2024-25 preliminary budget to revised budget
 - For the FY25-26 Preliminary Budget, the district is using an estimate of 13,186
 - This is a 426 increase over PY revised estimate
- Growing enrollment is a key factor that generates additional revenue that can create a cushion against the General Education Formula Allowance not keeping pace with inflation & expenditures. It can also allow districts to avoid cuts and offer such things as smaller class sizes and new programs that without the growth would not be possible or very challenging. WPS experienced this first hand at the onset of the pandemic when we not only didn't see the estimated 250 new students, but lost 200 students. This had a crippling effect on our finances for years to come.

FY2025-26 Actual GenEd Formula Allowance:	\$7,481
Increased student projection for FY2025-26 Prelim Budget:	426
Estimated Revenue from increased projected enrollment:	\$3,186,906

Estimated Revenue Generated Per Pupil (factoring in Formula Allowance & Levy)	\$10,000
Increased student projection for FY2025-26 Prelim Budget:	426
Estimated Revenue from increased projected enrollment:	\$4,260,000

Quick Recap: Budget Assumptions - Revenue



Category	FY 2024-25	FY 2025-26
State Aid	2.00%	2.74%
Levy (General Fund)	3.80%	*4.00%
Other	2.00%	2.00%
Federal	0.00%	0.00%

**Not including Levy Adjustments*

FY2025-26 Expenditure Projection Information

Salaries & Benefits:

- Salaries: Per Settled Contract or Board Parameters
 - Currently negotiating with multiple groups that will impact the FY2025-26 Budget
 - Budget built within board parameters
- 7% increase in Health Insurance Costs
- 2% increase in Dental Insurance Costs

Transportation:

- Budgeted an increase of roughly 6% from FY2024-25

Utilities:

- Budgeted an overall increase of roughly 2% from FY2024-25

LTFM:

- Projecting similar expenditures as current year (planning for roughly \$15M)
- ***Budgeted/Factored in LTFM adjustment of over \$8M in the FY2025-26 Preliminary Budget***

Special Education:

- Budgeted an increase of more than 10% due to higher projected needs and increases expected into the future along with shifting \$1.5M of costs from Federal to State Special Education
 - This costs are mainly captured inside the Salaries & Benefits portion of the budget.

Technology:

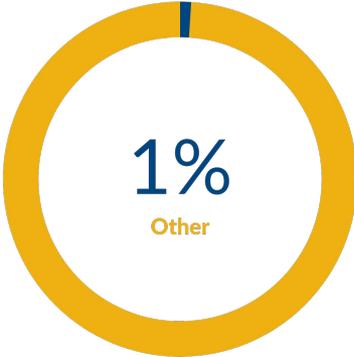
- Increase in Expenditures but offset with increased Revenues

Quick Recap: Budget Assumptions - Expenditures

Category	FY 2024-25	FY 2025-26
Salaries	Per Contract or Board Parameters	Per Contract or Board Parameters
Health Insurance	7.00%	7.00%
Dental Insurance	5.00%	2.00%
TRA Rate (July 1)	8.75%	9.81% <i>(increased 1.06% from LY)</i>
PERA Rate (July 1)	7.50%	7.50% <i>(remains same as LY)</i>
Supplies	3.0%	2.00%
Fuel/Utilities	6.00%	est. 2.00%
Transportation	6.00%	est. 6.00%



General Fund – Expenditures 2025-26 *(estimated)*



LTFM Information & Adjustment for FY2025-26

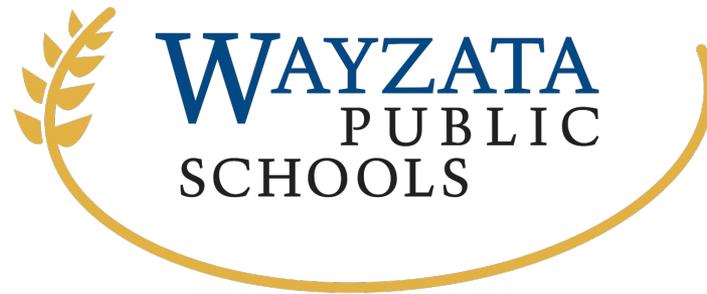
- **Background of LTFM (PayGo)**
 - What does PayGo or being an Alternative Facilities district mean?
 - Annually Wayzata Public Schools reviews and revises an approved 10 year long-term facilities maintenance plan which allows the district to levy for future Fiscal Year LTFM expenditures. These expenditures are for replacement and maintenance costs (like for like).
 - Amount the district typically spends on LTFM annually
 - Ranges from \$7.5M to \$16.5M Annually
 - Challenges faced due to pandemic
 - At the same time, Covid-related shutdowns rapidly rotated consumer demand towards goods and away from in-person services. This collision of pandemic-induced supply shocks and strong demand for goods generated inflationary pressure across the global economy. As suppliers were unable to meet elevated demand, the true cost of highly-efficient, but fragile global supply chains became clear.
[Article: "https://www.whitehouse.gov/cea/written-materials/2023/11/30/issue-brief-supply-chain-resilience/"](https://www.whitehouse.gov/cea/written-materials/2023/11/30/issue-brief-supply-chain-resilience/)
 - Challenges of fiscal year ending June 30th
- **Adjustment Amount factored into this budget**
 - \$-8,811,304.00 due to a 2022-2023 Fiscal Year Adjustment
 - 2 year lag on the adjustment
 - Sits in a Restricted Fund Balance that is then taken back on the levy
 - Long Term Facilities Maintenance Fund Balance was \$16,212,641 as of June 30th, 2024.
 - Essentially just a cash flow impact but not a bottom line impact



Cross-Subsidy Reduction Aid

- This Cross-Subsidy Reduction Aid component began in SFY 2020, and was created to limit the difference between the amount districts spend on special education and the revenue provided to districts specifically for special education purposes.
- The amount of *general education dollars used to cover this difference* is referred to as the “cross-subsidy.”
- The initial cross-subsidy is the total special education expenditures (including transportation), minus the total special education aid (with the tuition billing adjustment), minus the general education revenue generated by students receiving special education services if receiving more than 60 percent of their special education services outside of a regular classroom (i.e., a federal instructional setting greater than two).
- The cross-subsidy reduction aid is calculated by first determining a district’s initial cross-subsidy from the previous fiscal year; then applying 6.43 percent.
 - This percent increased for SFYs 2024 through 2026 to 44 percent, and 50 percent starting in SFY 2027 and later.

Preliminary FY2025-26 General Fund Budget



FY2025-26 General Fund Budget (Fund 01)

All areas included (LTFM Adjustment)

General Fund Information:

The General Fund contains all revenue and expenses for the general, day-to-day operations of the school district. This includes salaries and benefits for teachers, administrators, custodians, administrative professionals, and para-professionals; instructional supplies, technology, transportation, textbooks, and money spent to operate and repair district buildings. In some ways, it is clearer to express the General Fund in terms of what it does not cover. The General Fund does not cover Wayzata Cafés; Community Services; debt service payments on bonds issued by the District; and the cost of major construction projects financed through the issuance of bonds.

The General Fund includes expenses associated with the capital projects (technology) levy. The focus of this program is curriculum and classroom technology, particularly expansion of classroom tools: projection and sound systems, smartboards, and software. The General Fund also includes expenses funded with the Long-Term Facility Maintenance (LTFM) levy for projects less than \$2.0 million. Projects over \$2 million are recorded in the Building Construction Funds. 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.

The level of spending is set with a number of 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 equal to at least 5% to 7% of one year's expenditures. This balance could be considered to be the District's "savings account."

Maintaining a prudent fund balance is important for the stability of the district, and is a key measure that bond rating agencies examine when assigning a credit rating to a district's debt issuances. The projected unassigned General Fund balance as of June 30, 2024 is projected to be about \$20M. This is roughly 8.95% of the FY25 expenditure budget, or about five weeks of operations. Unanticipated events that could occur that would require the District to dip into its unassigned fund balance include:

- Property tax delinquencies and abatements
- Enrollment fluctuations
- Unanticipated price increases for essential purchases, e.g. fuel for heating, other utilities, transportation
- State aid revenue reductions
- Federal sequestration
- Unforeseen public health emergencies or severe weather/natural disaster

2025-26 Preliminary Budget (LTFM included)				
	2024-25 Revised Budget	Change (\$)	Change (%)	2025-26 Preliminary Budget
Revenue				
Local Property Taxes	\$72,529,683	\$2,957,419	4.08%	\$75,487,102
State Aid	\$138,074,156	\$7,162,893	5.19%	\$145,237,049
Federal Aid	\$4,087,953	-\$243,280	-5.95%	\$3,844,673
Other Local Revenues	\$6,561,243	\$592,045	9.02%	\$7,153,288
Total Revenues	\$221,253,035	\$10,469,077	4.73%	\$231,722,112
Expenditures				
Salaries and Benefits	\$157,539,044	\$13,573,092	8.62%	\$171,112,136
Purchased Services	\$35,681,260	\$243,732	0.68%	\$35,924,992
Supplies and Materials	\$9,147,658	-\$1,277,047	-13.96%	\$7,870,611
Capital	\$19,403,024	\$1,818,903	9.37%	\$21,221,927
Misc./Other	\$1,801,976	-\$635,495	-35.27%	\$1,166,481
Transfers to Other Funds	\$0	\$0		\$0
Total Expenditures	\$223,572,962	\$13,723,185	6.14%	\$237,296,147
Revenue over Expenditures:	-\$2,319,927	-\$3,254,108		-\$5,574,035

** The projected expenditure over revenue amount includes a negative LTFM adjustment of \$5,430,026. This doesn't accurately portray a true picture of the district operations. The next slide provides a more accurate picture of the operations.

FY2025-26 General Fund Budget (Fund 01)

2025-26 Preliminary Budget (Excluding LTFM)

	2024-25 Revised Budget	2025-26 Preliminary Budget
Revenue		
Local Property Taxes	\$64,013,482	\$68,906,628
State Aid	\$138,074,156	\$145,237,049
Federal Aid	\$4,087,953	\$3,844,673
Other Local Revenues	\$6,561,243	\$7,153,288
Total Revenues	\$212,736,834	\$225,141,638
Expenditures		
Salaries and Benefits	\$157,389,944	\$170,957,054
Purchased Services	\$30,183,260	\$30,815,118
Supplies and Materials	\$9,111,308	\$7,838,145
Capital	\$11,008,952	\$11,384,327
Misc./Other	\$1,796,976	\$1,166,481
Transfers to Other Funds	\$0	\$0
Total Expenditures	\$209,490,440	\$222,161,125
Revenue over Expenditures:	\$3,246,394	\$2,980,513

The district is expected to increase the Unassigned Fund Balance by \$2.9M for FY2025-26. This will be key in continuing to come out of Cost Containment, staying ahead of expenditures outpacing revenues, and creating a sustainable financial situation for the district.

Important items to point out on projected \$2.9M Revenue over Expenditures:

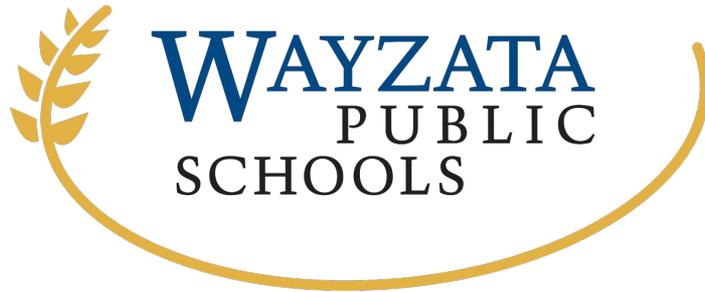
- As you recall from an earlier slide, our projected increase of 426 student will bring in a estimated additional \$4.26M when factoring in formula aid and levy aid. This is right at what we are projecting for Revenues over Expenditures. If this student projection doesn't come to fruition, this changes the budget projection significantly.
- The \$2.6M cost containment for FY2024-25 is instrumental in the whole process to help get us back on solid ground from the devastating financial impact of the pandemic. Although we are showing \$2.9M, if we add back additional staffing or use part of the projected amount before we see the students arrive, it will put us back into a perpetual cost containment situation. The costs continue to compound on an annual basis. If we add \$1M or \$1.5M back, that amount then adds to the expenditures and outpaces the revenues immediately and compounds annually at a higher rate than our revenues. We are at 2.74% for FY2025-26 on the formula and then back to a max of 3% into future years.
- The district will be continually monitoring the enrollment changes and will deploy hotspot teachers as determined by district staff working in collaboration with principals.

Key reasons why the district is rebounding from the devastating impacts due to the Pandemic:

- Cost Containment: Addressed very quickly and ahead of most other districts
- Student growth returning to pre-pandemic levels
- Special Education Cross-Subsidy increase
- Long-term fiscal/budget planning knowing **several variables can quickly change the current projections and situation:**
 - Student growth slows or stops
 - Negotiations with staff (Salary & Benefit costs)
 - Special Education cost increases despite new Cross-Subsidy Aid
 - Referendum(s) failing
 - Tech Levy failing
 - Expenditures continuing to outpace Revenues
 - Continued challenges of the GenEd Formula not keeping pace with inflation

**** This excludes LTFM (PayGo levy) and LTFM levy adjustment to show a more realistic view of the FY2025-26 Preliminary Budget**

Preliminary FY2025-26 Wayzata Cafés (Fund 02) & Community Ed (Fund 04) Budgets



FY2025-26 Wayzata Cafés Budget (Fund 02)

The Food Service Fund is used to record financial activities of a school district's food service program. Food service includes activities for the purpose of preparation and service of milk, meals, and snacks in connection with school and community service activities. All expenditures relating to meal preparation must be recorded in the Food Service Fund. Eligible expenditures include application processing, meal accountability, food preparation, meal service, and kitchen custodial service (Minn. Stat. 124D.111, subd. 3 [2023]).

2025-26 Preliminary Budget (Wayzata Cafés Fund 02)			
	2024-25 Revised Budget	Change	2025-26 Preliminary Budget
Revenue			
Meal Sales	\$1,497,465	\$44,930	\$1,542,395
Federal Aid	\$2,554,297	\$68,543	\$2,622,840
State Aid	\$5,936,250	\$208,750	\$6,145,000
Total Revenues	\$9,988,012	\$322,223	\$10,310,235
Expenditures			
Salaries and Benefits	\$4,050,809	\$319,624	\$4,370,433
Food	\$4,588,772	\$207,608	\$4,795,840
Misc./Other	\$1,269,000	\$1,153,250	\$2,422,250
Total Expenditures	\$9,908,581	\$1,680,482	\$11,588,523
Revenue over Expenditures:	\$79,431	-\$1,358,259	-\$1,278,288

FY2025-26 Community Ed Budget (Fund 04)

The Community Service Fund is used to record all financial activities of the Community Service program. The Community Service Fund is comprised of five components, each with its own fund balance:

- Community Education, Restricted/Reserved Fund Balance 431
- Community Education, Restricted Fund Balance 464
- Early Childhood Family Education (ECFE), Restricted/Reserved Fund Balance 432
- School Readiness, Restricted/Reserved Fund Balance 444
- Adult Basic Education (ABE), Restricted/Reserved Fund Balance 447

Community Education includes only those activities authorized in Minnesota Statutes 2023, section 124D.19.

The focus of these activities is enrichment programs for any age level that are not part of the K-12 education program. This section may also be used for K-12 summer school enrichment activities which, although educational in nature, are not for credit and are not required for graduation. A district may spend up to 10% of its community education revenue (levy, aids, and fees) to purchase or lease computers and related items, equipment for instructional programs, and library books used exclusively for community education (Minn. Stat. 124D.20, subd. 8 [2023]).

2025-26 Preliminary Budget (Community Ed Fund 04)

	2024-25 Revised Budget	Change	2025-26 Preliminary Budget
Revenue			
Local Property Taxes	\$2,026,197	\$92,428	\$2,118,625
State Aids	\$1,685,263	\$227,774	\$1,913,037
Fee Based Revenues	\$11,714,178	\$1,167,712	\$12,881,890
Total Revenues	\$15,425,638	\$1,487,914	\$16,913,552
Expenditures			
Salaries and Benefits	\$12,059,291	\$1,370,344	\$13,429,635
Purchase Services, Supplies, Education Materials	\$3,031,809	\$276,527	\$3,308,336
Capital & Technology	129,500	-\$78,000	51,500
Dues & Memberships	\$5,205	\$1,145	\$6,350
Total Expenditures	\$15,225,805	\$1,567,726	\$16,795,821
Revenue over Expenditures:	40	\$199,833	-\$79,812

Preliminary FY2025-26 Debt Service (Fund 07) & Construction (Fund 06) Budgets



FY2025-26 Construction Budget (Fund 06)

The Building Construction Fund is used to record all operations of a district's building construction program that are funded by the sale of bonds, capital loans, or major capital projects costing \$2,000,000 or more. Construction for buildings and additions may be comprised of the following: expenditures for general construction; advertisement for contracts; payments on contracts of construction; installations of plumbing, heating, lighting, ventilating and electrical systems; expenditures for lockers, elevators, and other equipment; architectural and engineering services; travel expenses; paint and decorating expenses, technology and technology upgrades; and any other related costs. Include the costs of floating the bond issue in this fund by reclassification from the General Fund. Note: This is a partial list of items.

The remaining funds inside the Construction Fund are related to the Abatement Bonds. These funds are projected to be used in the FY2025-26 budget cycle.

As a reminder, the General Fund includes expenses funded with the Long-Term Facility Maintenance (LTFM) levy for projects less than \$2.0 million. However, projects over \$2 million are recorded in the Building Construction Fund (Fund 06). As noted earlier, 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.

2025-26 Preliminary Budget (Construction Fund 06)

	2024-25 Revised Budget	Change	2025-26 Preliminary Budget
Revenue			
Local Property Taxes	\$0	\$0	\$0
Sale of Bonds	\$0	\$0	\$0
State Aids	\$0	\$0	\$0
Other Local Revenues	\$291,000	-\$291,000	\$0
Total Revenues	\$291,000	-\$291,000	\$0
Expenditures			
Salaries and Benefits	\$0	\$0	\$0
Purchased Services	\$750,000	-\$500,000	\$250,000
Supplies and Materials	\$0	\$0	\$0
Capital	\$3,750,000	-\$2,170,000	\$1,580,000
Misc./Other	\$0	\$0	\$0
Transfers to Other Funds	\$0	\$0	\$0
Total Expenditures	\$4,500,000	-\$2,670,000	\$1,830,000
	42		
Revenue over Expenditures:	-\$4,209,000	\$2,379,000	-\$1,830,000



FY2024-25 Debt Service Budget (Fund 07)

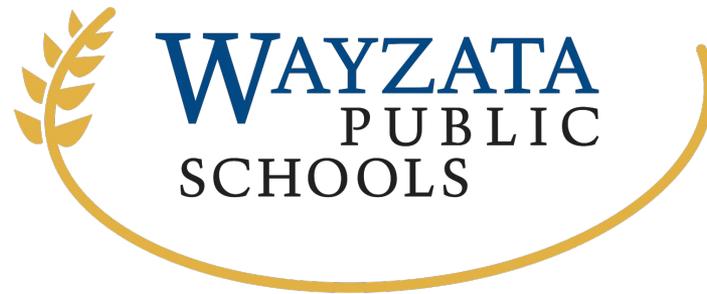
The Debt Service Fund is used to record revenues and expenditures for a school district's outstanding bonded indebtedness, whether for building construction or operating capital, and whether for initial or refunding bonds.

2025-26 Preliminary Budget (Debt Service Fund 07)			
	2024-25 Revised Budget	Change	2025-26 Preliminary Budget
Revenue			
Local Property Taxes	\$17,732,354	\$984,861	\$18,717,215
Sale of Bonds	\$0	\$0	\$0
State Aids	\$9,000	\$405	\$9,405
Other Local Revenues	\$0	\$0	\$0
Total Revenues	\$17,741,354	\$985,266	\$18,726,620
Expenditures			
Bond Principal	\$12,235,000	\$1,385,000	\$13,620,000
Bond Interest	\$5,273,500	-\$484,325	\$4,789,175
Bond Refunding Payments	\$0	\$0	\$0
Bank Fees	\$2,900	\$0	\$2,900
Misc./Other	\$0	\$0	\$0
Transfers to Other Funds	\$0	\$0	\$0
Total Expenditures	\$17,511,400	\$900,675	\$18,412,075
	43		
Revenue over Expenditures:	\$229,954	\$84,591	\$314,545



Preliminary FY2025-26 Budgets

All Funds



2025-26 Preliminary Budgets (All Funds)

	2024-25 Revised Budget	Change	2025-26 Preliminary Budget
Revenue			
General Fund (Fund 01)	\$221,253,035	\$10,469,077	\$231,722,112
Wayzata Cafes (Fund 02)	\$9,988,012	\$322,223	\$10,310,235
Community Ed (Fund 04)	\$15,425,638	\$1,487,914	\$16,913,552
Construction (Fund 06)	\$291,000	-\$291,000	\$0
Debt Service (Fund 07)	\$17,741,354	\$985,266	\$18,726,620
Total Revenues	\$264,699,039	\$12,973,480	\$277,672,519
Expenditures			
General Fund (Fund 01)	\$223,572,962	\$13,723,185	\$237,296,147
Wayzata Cafes (Fund 02)	\$9,908,581	\$1,679,942	\$11,588,523
Community Ed (Fund 04)	\$15,225,805	\$1,570,016	\$16,795,821
Construction (Fund 06)	\$4,500,000	-\$2,670,000	\$1,830,000
Debt Service (Fund 07)	\$17,511,400	\$900,675	\$18,412,075
Total Expenditures	\$270,718,748	\$15,203,818	\$285,922,566
Revenue over Expenditures:	-\$6,019,709	-\$2,230,338	-\$8,250,047

* General Fund (Fund 01) includes negative \$8.8M adjustment

* Construction (Fund 06) is a planned spend down of the Abatement Bonds

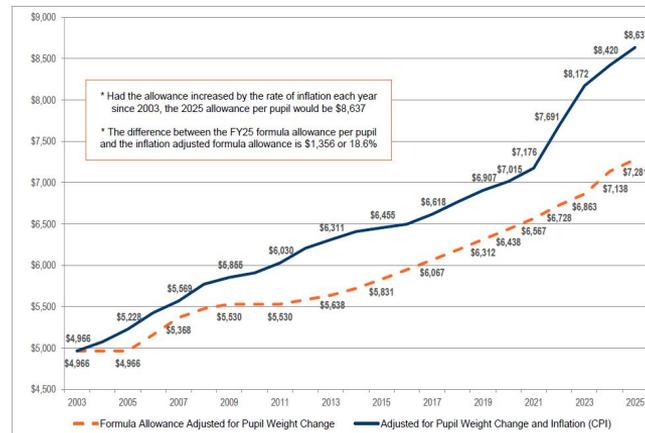
Continued Planning & Monitoring



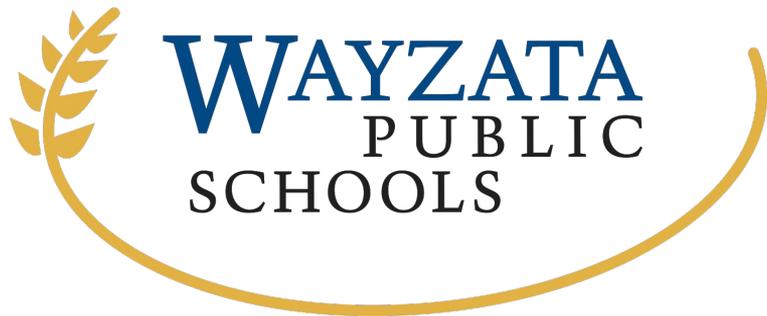
Areas/items/concerns that impact and will continue to impact the long-term fiscal health of the district

Variables/things that could quickly change the current projections & situation:

- Balancing the current needs of the district and community while keeping the long-fiscal sustainability of the district in mind
- Adding back expenditures without consideration and understanding of the long-term fiscal impacts
- Closely monitoring student enrollment and planning/adjusting accordingly
- Continued challenges of the per pupil Formula Allowance not keeping pace with inflation
 - Expenditures outpacing Revenues
 - GenEd Formula not keeping pace with inflation
 - Continued Unfunded Mandates
 - Still waiting to see the true impacts of the Summer Unemployment
- Current and future staff negotiations
 - We are a service oriented organization so 70+% of our costs are Salaries and Benefits
- Changes in legislation



Source: MDE June 2023 Inflation Estimates and Minnesota Laws 2023



Questions?



THANK YOU

Wayzata Public Schools Finance Team



Potential April 2026 Bond Referendum Planning/Decision Timeline

	April 2026
Facility Steering Committee <i>Ongoing oversight of facilities needs</i>	Ongoing (monthly)
Needs Analysis and Options Exploration	Weekly meetings, March 2025 – June 2025
Community Survey #1 <i>Test Climate / Needs / Awareness</i>	March – April 2025
Update to School Board - enrollment & survey	May 2025
Plan Refinement and Preparation for Task Force <i>Work with SLT every two weeks</i> Meeting 1 - June 24 from 9:30 - 11:30 am: Review enrollment projections (presented by Jen Welk) and pick planning targets; overall timeline; Community Survey #1 takeaway; questions Meeting 2 - July 15 from 9:30 - 11:30 am : Capacity & Growth needs / criteria development to inform solutions Meeting 3 - July 29 from 9:30 - 11:30 am: Capacity & Growth solutions review; Ed Adequacy needs / criteria development Meeting 4 - August 12 from 9:30 - 11:30 am: Solutions review / prioritization discussion Meeting 5 - August 29 from 9:30 - 11:30 am: Recommendation of concept bond scope for testing in Community Survey #2 and to review with Task Force	June – August 2025
Board Work Sessions	June 23 worksession: 4-6pm <i>Review timeline and process (survey, Task Force, SLT work, upcoming Board interactions)</i> August 2025 <i>Review background knowledge / foundations of need</i> <i>Review Task Force process in greater detail</i> <i>Prepare what should go into Survey #2</i>
Establish Task Force	late August 2025
Task Force (Community Input on Plan) <i>Membership: cross-section of the community</i> - CFAC participation - Members of other current advisory committees - Leadership/admin across buildings	September – October 2025, +/- 3 meetings - Meeting 1: mid September 2025 - background knowledge of challenges & proposed solutions - Meeting 2: early October 2025 - survey results from Morris-Leatherman; prioritization / curation of plan - Meeting 3: Agreement on recommendation of plan to Superintendent Anderson
Community Survey #2 <i>Test Proposed Plan</i>	50 August – September 2025 - Preparation work in August

	<ul style="list-style-type: none"> - Survey calls made in early Sept - Outcomes ready for Task Force in early October
Report to Board - Recommendation	Late October 2025
Board Work Session (if needed)	Early November 2025
Board Finalize Proposal	On or before November 10, 2025
Submit Review and Comment to MDE	On or before November 25, 2025
Community Survey #3 <i>Optional: Test Messaging</i>	February – March 2026
Early Voting Begins <i>(46 days before election)</i>	March 2, 2026
Special Election	April 14, 2026

Commission No. 9999