

Business Meeting

Tuesday, January 20, 2026 5:30 PM

Oak Park Learning Center, 6355 Osman Avenue North, Stillwater, MN 55082

I. Public Comment	Speaker (s) : Ms. Alison Sherman, School Board Chair
II. Call to Order	Speaker (s) : Ms. Alison Sherman, School Board Chair
III. Roll Call	Speaker (s) : Ms. Alison Sherman, School Board Chair
IV. Pledge of Allegiance	Speaker (s) : Ms. Alison Sherman, School Board Chair
V. Approval of Agenda	Speaker (s) : Ms. Alison Sherman, School Board Chair
VI. Student Report	Speaker (s) : Mr. Zach Cody and Ms. Aurora Swenson, Student Representatives
VII. Superintendent Report	Speaker (s) : Dr. Mike Funk, Superintendent
VIII. Board Chair Report	Speaker (s) : Ms. Alison Sherman, School Board Chair
IX. Consent Agenda	
IX.A. School Board Meeting Minutes, December 16, 2025	
IX.B. School Board Meeting Minutes, January 6, 2026	
IX.C. Payment of Invoices, January 3 - 16, 2026; Gifts & Donations and Treasurer's Reports for June, July, August, September, October, and November 2025	
IX.D. School Board Member Committee Assignments 2026	
IX.E. New network hardware for the two new Elementary Schools and Oak-Land Middle School	
IX.F. Human Resources Personnel Report	
X. Strategic Direction A: Ensure the learning process is adaptable to meet individual student needs	
XI. Strategic Direction B: Foster a safe, welcoming and inclusive environment for all staff and students	
XII. Strategic Direction C: Utilize systems and align resources in an efficient manner to support learning	
XII.A. Report: Bond Set Sale	Speaker (s) : Ms. Marie Schrul, Chief Financial Officer and Mr. Mark Drommerhausen, Executive Director of

		Operations
XII.B.	Report: Fiscal Forecast	Speaker (s) : Ms. Marie, Chief Financial Officer
XII.C.	Report: First Reading Policy 613 - Graduation Requirements	Speaker (s) : Mr. Paul Lee, Executive Director of Student Support Services and Mr. Rob Bach, Stillwater Area High School Principal
XII.D.	Action: Resolution Directing District Administration to Make Budget Reductions	Speaker (s) : Ms. Alison Sherman, School Board Chair
XIII.	Strategic Direction D: Develop strong partnerships with the communities we serve	
XIII.A.	Action: Legislative Platform	Speaker (s) : Ms. Carissa Keister Chief of Staff
XIV.	Adjournment	Speaker (s) : Ms. Alison Sherman, School Board Chair

- I. Recognition: The board recognized the girls’ high school soccer team for winning the state tournament over Wayzata. They also recognized the adaptive soccer team for qualifying for the state tournament for the fifth consecutive year.
- II. Public Comment: Kate Niemann, Nick Leverson, Ted Snaza-boundaries; Peter Schuna, Amy Sonnek-Calendar; Shari Mogren-Sale of Lake Elmo Elementary
- III. Call to Order: The meeting was called to order at 5:55 p.m.
- IV. Roll Call: Present: Sarah Grcevich, Katie Hockert, Pete Kelzenberg, Chris Lauer, Robert Parker, Alison Sherman, Andrew Thelander.
- V. Pledge of Allegiance
- VI. Approval of Agenda: Motion by Hockert, second by Thelander, carried 7-0.
- VII. Student Report: Aurora shared a report on academics and extracurricular activities.
- VIII. Superintendent Report: The Superintendent provided a long-term perspective on the district, reflecting on the instability that existed prior to his arrival in 2022, when the district had six superintendents in 13 years. That level of turnover matters; it leads to a lack of coherence and clarity across systems, and ultimately students feel those effects. With this context in mind, the leadership team conducted a comprehensive review of the district, examining the past 20 years of teaching and learning, operations, and facilities. During periods of financial constraint, curriculum purchases were delayed, and professional development opportunities were reduced. The Board also heard concerns related to literacy, long-standing systemic challenges, and the limitations of a six-period high school day that has restricted flexibility and opportunities to better meet student needs. In response, the district has established clearer priorities. This year has brought significant changes, including a new start time, a revised calendar, combination classes, schedule adjustments, and the implementation of a new elementary science curriculum aligned to state standards, along with strengthened professional development. Each of these decisions was made with student learning at the forefront.
- IX. Board Chair Report: Nothing to report.
- X. Consent Agenda: A. School Board Meeting Minutes, November 18, 2025; B. School Board Meeting Minutes, December 2, 2025; C. Payment of Invoices, November 29 - December 12, 2025; D. Human Resources Personnel Report. Motion by Sherman, second by Kelzenberg, carried 7-0.
- XI. Strategic Direction A: Ensure the Learning Process is Adaptable to Meet Individual Student Needs. Nothing to report.
- XII. Strategic Direction B: Foster a Safe, Welcoming and Inclusive Environment for all Staff and Students. Nothing to report.
- XIII. Strategic Direction C: Utilize Systems and Align Resources in an Efficient Manner to Support Learning.

A. The board voted to certify the 2025 Payable 2026 Property Tax Levy.

General Fund	\$45,122,334.60
Community Service Fund	\$ 1,322,474.12
Debt Service	\$20,120,971.30
Total	\$66,565,780.02

Motion by Sherman, second by Thelander, carried 7-0.

B. Motion by Sherman to approve the resolution approving purchase agreement of Lake Elmo Elementary School, second by Kelzenberg, carried 7-0.

- C. Motion by Parker to postpone the 2027-28 school calendar until November 2026 and second by Kelzenberg, failed 2-5. Motion by Sherman to approve the 2027-28 school calendar, second by Thelander, carried, 5-2.
 - D. The board voted to approve the boundary change. Motion by Hockert, second by Thelander, carried 5-1-1(abstain).
 - E. There have been no changes to Policy 605 - Alternative Program since its first reading on November 18.
 - F. Motion by Sherman to approve Policy 605 - Alternative Program and second by Lauer, passed 7-0. Motion by Sherman to approve the 2025-2027custodial master contract and second by Hockert, passed 7-0.
 - G. Negotiations with SCEA are ongoing. The district and SCEA will be submitting a joint request to the Bureau of Mediation Services (BMS) to enter mediation. Both sides remain committed to continuing to work together toward a mutually acceptable settlement. Two more meetings are scheduled after the winter break.
- XIV. Strategic Direction D: Develop Strong Partnerships with the Communities We Serve. Nothing to report. Nothing to report.
- XV. Motion by Sherman at 7:17 p.m. to move to a closed session Pursuant to § Minnesota Statute 13D.03(b). The governing body of a public employer may, by a majority vote in a public meeting, decide to hold a closed meeting to consider strategy for labor negotiations, including negotiation strategies or developments or discussion and review of labor negotiation proposals, conducted pursuant to sections 179A.01 to 179A.25 and second by Grcevich, carried 7-0. Present: Hockert, Grcevich, Kelzenberg, Lauer, Parker, Sherman, Thelander, Funk, Carlston, Schrul. Motion by Sherman at 7:51p.m. to adjourn to open meeting and second by Thelander, carried 7-0.
- XVI. Adjourn
- A. The meeting adjourned at 7:52 p.m.
Respectfully submitted, Katie Hockert, School Board Clerk

Independent School District 834 – Stillwater Area Public Schools
Oak Park Learning Center, 6355 Osman Avenue North, Stillwater, MN 55082
Organizational Meeting, Tuesday, January 6, 2026 5:30 PM

- I. Call to Order: The meeting was called to order at 5:30 p.m.
- II. Roll Call: Present: Sarah Grcevich, Katie Hockert, Pete Kelzenberg, Chris Lauer, Robert Parker, Alison Sherman, Andrew Thelander
- III. Pledge of Allegiance
- IV. Approval of Agenda: Motion made by Sherman and seconded by Hockert, Carried 7-0.
- V. Board of Organization.
 - A. Thelander nominated Sherman as Board Chair. Sherman accepted the nomination, carried 7-0.
 - B. Hockert nominated Thelander as Vice Chair. Thelander accepted the nomination, carried 7-0.
 - C. Sherman nominated Grcevich as clerk. Grcevich accepted the nomination, carried 7-0.
 - D. Thelander nominated Lauer as Treasurer. Lauer accepted the nomination, carried 7-0.
 - E. The board will review and approve the 2026 School Board Committee Assignments and Working Groups at the next board meeting.
 - F. The board reviewed Policy 209-Code of Ethics as part of the annual review process.
 - G. Designate District Depositories of Major Accounts
 - H. Authorizing Use of Facsimile Signature
 - I. Authorizing Administration to Develop Specifications and Solicit Bids
 - J. Authorizing Chief Financial Officer/ Supervisor of Financial Services and District Accountant to Make Electronic Fund Transfers
 - K. Designate Official Publication
 - L. Authorizing Administration to lease, purchase, and contract for goods and services
 - M. Authorizing Administration to Utilize Joint Purchasing Agreements
 - N. Designate Deputy Board Treasurer and Deputy Clerk
 - O. Designation of an Identified Official with Authority for Education Identity Access ManagementMotion to approve items G-O by Hockert, second by Lauer, Carried 7-0.
- VI. Motion by Sherman to approve consent agenda: A.Payment of Invoices, December 13, 2025 - January 2, 2026; B. Policy 203.6 - Consent Agenda and second by Kelzenberg, Carried 7-0.
- VII. The district is required to have an annual independent financial audit and to submit audited financial data to the commissioner of the Minnesota Department of Education and to the Office of the State Auditor. This year’s audit was conducted by LB Carlson and the district received a clean or "unmodified" opinion on its annual audit of basic financial statements. Motion by Sherman to approve the 2024-25 Comprehensive Annual Financial Report, upon which the annual audit is based and second by Thelander, carried 7-0.
- VIII. Adjourn
 - A. The meeting adjourned at 5:57 p.m.

Respectfully submitted, Sarah Grcevich, Board Clerk

Committee Structure 1/26

A. School Board Representation to Advisory Groups:

The designated school board member(s) connects the work of the board and district to the efforts of the following community and district groups as well as outside organizations.

Org./District Committee:	Frequency	Board Director(s)
Association of Metropolitan School Districts (AMSD)	Monthly	Alison Sherman Chris Lauer
Community Education Advisory Council	Quarterly	Robert Parker
Community Finance Advisory Group	Quarterly	Chris Lauer
MN State High School League (MSHSL)		Pete Kelzenberg
Northeast Metro 916	Monthly	Andrew Thelander
Partnership Plan	Monthly	Chris Lauer
PTO/PTA Leadership Council	2-4 times annually	Alison Sherman
Special Education Advisory Committee (SEAC)	2-4 times annually	Sarah Grcevich
Curriculum Advisory Committee(CAC) / World's Best WorkForce (WBWF)	3-4 meetings annually	Katie Hockert

B. School Board Standing Committees:

Policy - Meets regularly throughout the calendar year to make recommendations for board discussion and action that keep the district's policy library compliant and current.

Policy
Alison Sherman
Pete Kelzenberg
Sarah Grcevich

Legislative - Meets prior to the legislative session to discuss and recommend the district's annual legislative platform for board discussion and action.

Legislative
Chris Lauer
Robert Parker
Andrew Thelander



EXPENDITURE APPROVAL FORM
Fiscal Year 2026-27

Instructions: This form is to be completed any time a lease, purchase, or contract for goods or services exceeds \$175,000.00

REQUESTED BY: Mark Drommerhaussen, Executive Director of Operations, and Eric Simmons, Executive Director of Technology **DATE: January 20, 2026**

DESCRIPTION OF REQUEST

School board approval for the installation and hardware for switches and wireless access points for the new elementary schools and Oak-Land remodel, totaling \$632,557.00 through Calian for the 26-27 school year. There are no annual costs. One-time implementation cost and setup fees are included in the implementation total. This agreement utilizes the E-Rate Request for Funds Proposal process.

FINANCIAL IMPACT

Budget(s) Impacted: \$632,557.00, 50% of which is covered by Federal E-Rate dollars. ~\$316,279 in Bond Levy .

Is This a One-Time Expenditure?

Yes, once implemented there will be no ongoing costs
No, it will need to be funded indefinitely (annually)
No, it will need to be funded for Fiscal Years

Is there an off-setting revenue source(s)?

Yes List Source(s): Bond Levy & Federal E-rate Funding
No

RETIREMENT/RESIGNATION/RELEASE

NAME	STATUS	ASSIGNMENT	GROUP	EFFECTIVE DATE
Calverley, Chase	Resignation	Paraprofessional, 6.5 hours/day Lake Elmo Elementary	SCPA	December 23, 2025
Cho Solis, Diliana	Resignation	Hispanic Student, Family & Community Engagement Specialist, 7 hours/day Lake Elmo Elementary	Technical Support	December 17, 2025
Nidersson, Nanda	Resignation	Community Education Program Assistant, 3.5 hours/day Afton-Lakeland Elementary	Community Education	December 19, 2025
Rivas Medina, Brayan	Resignation	Nutrition Services Employee, 4.0 hours/day Mahtomedi Middle School	Nutrition Services	December 17, 2025
Romig, Shannon	Resignation	Nutrition Services Employee, 6.5 hours/day Stillwater Area High School	Nutrition Services	December 23, 2025
Shilts, Torey	Resignation	Custodian, 8.0 hours/day District Wide	Custodial	December 5, 2025
Thorne, Stacee	Resignation	Nutrition Services Employee, 5.75 hours/day Lake Elmo Elementary	Nutrition Services	January 9, 2026
Wurm, Lloyd	Retirement 32 Years	Physical Education Teacher, 1.0 FTE Lake Elmo Elementary	SCEA	May 26, 2026

HIRES/REHIRES

NAME	ASSIGNMENT	SALARY PLACEMENT/ HOURLY RATE	REASON	GROUP	EFFECTIVE DATE
Collis, Regina	Paraprofessional, 6.5 hours/week Lily Lake Elementary	\$21.00 / hour	2025-2026 Staffing	SCPA	January 6, 2026
Dwyer, Elizabeth	Special Education Teacher, .50 FTE Afton-Lakeland Elementary	\$14,243.76	2025-2026 Staffing	SCEA	January 19, 2026
Gervais, Taylor	Paraprofessional, 6.0 hours/day Rutherford Elementary	\$21.00 / hour	2025-2026 Staffing	SCPA	January 6, 2026
Guinee, Adam	Community Education Program Assistant, 3.5 hours/day Stonebridge Elementary	\$19.06 / hour	2025-2026 Staffing	Community Education	January 6, 2026
Hall, Ashley	Elementary Education Teacher, 1.0 FTE Stonebridge Elementary	\$39,810.26	2025-2026 Staffing	SCEA	January 5, 2026
Hermes, Lindee	Paraprofessional (temporary), 6.25 hours/day Lily Lake Elementary	\$21.00 / hour	2025-2026 Staffing	SCPA	January 6, 2026 - May 22, 2026
Kaiser, Samantha	Nutrition Services Employee, 5.75 hours/day Mahtomedi High School	\$18.92 / hour	2025-2026 Staffing	Nutrition Services	January 7, 2026
Mack-Hafermann, Jessica	Special Education Teacher, 1.0 FTE Lily Lake Elementary	\$39,931.94	2025-2026 Staffing	SCEA	January 9, 2026
Maharaj, Brian	Custodian VI, 8.0 hours/day Stillwater Area High School	\$25.35 / hour	2025-2026 Staffing	Custodial	January 13, 2026
Mason, Alexander	Boys Basketball Coach Stillwater Middle School	\$2,030.00	2025-2026 Staffing	Co-Curricular	January 6, 2026
Mockovak, Eric	Paraprofessional, 6.5 hours/day Lake Elmo Elementary	\$21.00 / hour	2025-2026 Staffing	SCPA	January 6, 2026
Morrell, Haley	Paraprofessional, 6.5 hours/day Lily Lake Elementary	\$21.00 / hour	2025-2026 Staffing	SCPA	January 6, 2026
Rivas Medina, Brayan	Nutrition Services Employee, 4.0 hours/day Mahtomedi Middle School	\$18.92 / hour	2025-2026 Staffing	Nutrition Services	December 17, 2025
Smith, Erin	Temporary Paraprofessional, 5.5 hours/day Afton-Lakeland Elementary	\$21.00 / hour	2025-2026 Staffing	SCPA	January 12, 2026 - May 8, 2026
Weaver, Andrew	Science Teacher (LTS), 1.0 FTE Stillwater Area High School	\$29,835.19	2025-2026 Staffing	SCEA	January 5, 2026

LEAVES OF ABSENCE

NAME	STATUS	ASSIGNMENT	GROUP	EFFECTIVE DATE
Anderson, Sam	Approved	Physical Education Teacher, 1.0 FTE Oak-Land Middle School	SCEA	01/05/26 - 3/27/26
Crisp, Jessica	Approved	Speech Language Pathologist, .60 FTE Stonebridge Elementary	SCEA	01/28/26 - 04/29/26
Fox, Jennifer	Approved	Kindergarten, 1.0 FTE Lake Elmo Elementary	SCEA	2/18/26 - 4/15/26
Shern, Alec	Approved	School Counselor, 1.0 FTE Stillwater Area High School	SCEA	01/05/26 - 3/27/26

ASSIGNMENT CHANGES

NAME	FROM	TO	REASON	GROUP	EFFECTIVE DATE
Carlson, Jennifer	Nutrition Services Employee, 4.75 hours/day Oak-Land Middle School	Nutrition Services Employee, 5.5 hours/day Andersen Elementary	SCPA	Nutrition Services	December 22, 2025
Farmer, Alicia	Instructional Coach, 1.0 FTE Oak Park Learning Center	Instructional Coach, 1.10 FTE Oak Park Learning Center	2025-2026 Staffing	SCEA	January 06, 2026 - May 26, 2026
Harris, Millie	Community Education Aide, .75 hours / day Rutherford Elementary	Community Education Program Assistant, .75 hours / day Rutherford Elementary	2025-2026 Staffing	Community Education	December 16, 2025
Kelly, Candice	Nutrition Services Employee, 4.0 hours/day Oak-Land Middle School	Nutrition Services Employee, 4.75 hours/day Oak-Land Middle School	2025-2026 Staffing	Nutrition Services	December 9, 2025
Long, Douglas	Instructional Coach, 1.0 FTE Oak Park Learning Center	Instructional Coach, .80 FTE, Science Teacher, .40 FTE Oak Park Learning Center, Stillwater Area High School	2025-2026 Staffing	SCEA	January 06, 2026 - May 26, 2026
Merry, Katherine	Instructional Coach, 1.0 FTE Oak Park Learning Center	Instructional Coach, 1.10 FTE Oak Park Learning Center	2025-2026 Staffing	SCEA	January 06, 2026 - May 26, 2026
Nichols, Shelley	Paraprofessional, 6.25 hours/day Lily Lake Elementary	Paraprofessional, 4.0 hours/day Lily Lake Elementary	2025-2026 Staffing	SCPA	January 6, 2026
Schultz, Kayla	Paraprofessional, 6.25 hours/day Lily Lake Elementary	Paraprofessional, 6.5 hours/day Lily Lake Elementary	2025-2026 Staffing	SCPA	December 12, 2025

ADDITIONAL ASSIGNMENTS

NAME	POSITION	REASON	GROUP	EFFECTIVE DATE
O'Hara, Meghan	ECSE Paraprofessional, 2.5 hours/week Early Childhood Family Center	2025-2026 Staffing	SCPA	January 9, 2026

January 20, 2026

PRE-SALE REPORT FOR

Independent School District No. 834 (Stillwater Area Public Schools), Minnesota

\$90,335,000 General Obligation School Building and Facilities Maintenance Bonds, Series 2026A



Prepared by:

Ehlers
3001 Broadway Street, Suite 320
Minneapolis, MN 55413

Advisors:

Jodie Zesbaugh, Senior Municipal Advisor
Matthew Hammer, Senior Municipal Advisor
Greg Crowe, President and CEO

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$90,335,000 General Obligation School Building and Facilities Maintenance Bonds, Series 2026A

District voters authorized the issuance of up to \$174,845,000 in school building bonds in a bond referendum election held on November 7, 2023 and the District issued \$100,000,000 of the authority on February 1, 2024. On July 15, 2025, the School Board authorized the issuance of the remaining \$74,845,000 of school building bonds and \$15,490,000 in facilities maintenance bonds, for a total of \$90,335,000.

Purposes:

The proposed issue will finance the acquisition and betterment of school sites and facilities as authorized by voters in an election held on November 7, 2023 and deferred maintenance projects included in the District's ten year facilities plan as approved by the Commissioner of Education.

Authority:

The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475 and Sections 123B.59 and 475.67. The Bonds will be general obligations of the District for which its full faith, credit and taxing powers are pledged.

Debt service will be paid from annual property tax levies.

Term/Call Feature:

The Bonds are being issued for a term of 19 years and 11 months. Principal on the Bonds will be due on February 1 in the years 2027 through 2046. Interest will be due every six months beginning February 1, 2027.

The Bonds maturing on February 1, 2035 and later will be subject to prepayment at the discretion of the District on February 1, 2034 or any date thereafter.

State Credit Enhancement:

By resolution the District will covenant and obligated itself to be bound by the provisions of Minnesota Statutes, Section 126C.55, which provides for payment by the State of Minnesota in the event of a potential default of a school district obligation.

To qualify for the credit enhancement, the District must submit an application to the State. Ehlers will coordinate the application process to the State on your behalf.

Rating:

Under current bond ratings, the state credit enhancement would bring a Moody's "Aa1" rating. The District's most recent bond issues were rated by Moody's Investors Service. The current rating on those bonds are "Aa1" (credit enhanced rating) and "A1" (underlying rating). The District will request a new rating for the Bonds.

If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the District's bond rating in the event that the bond rating of the insurer is higher than that of the District.

Basis for Recommendation:

Based on your objectives, financial situation and need, risk tolerance, liquidity needs, experience with the issuance of Bonds and long-term financial capacity, as well as the tax status considerations related to the Bonds and the structure, timing and other similar matters related to the Bonds, we are recommending the issuance of Bonds as a suitable option.

Method of Sale/Placement:

We are recommending the Bonds be issued as municipal securities and offered through a competitive underwriting process. You will solicit competitive bids, which we will compile on your behalf, for the purchase of the Bonds from underwriters and banks.

An allowance for discount bidding will be incorporated in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, investors in municipal bonds prefer "premium" pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered "reoffering premium." Any net premium received may be used to reduce the principal amount of the Bonds, increase the net proceeds for the project, or to fund a portion of the interest on the Bonds.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the District and find that there are no refunding opportunities at this time.

We will continue to monitor the market and the call dates for the District's outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

The District will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the “MSRB”), as required by rules of the Securities and Exchange Commission (SEC). The District is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

Arbitrage Monitoring:

The District must ensure compliance with certain sections of the Internal Revenue Code and Treasury Regulations (“Arbitrage Rules”) throughout the life of the issue to maintain the tax-exempt status of the Bonds. These Arbitrage Rules apply to amounts held in construction, escrow, reserve, debt service account(s), etc., along with related investment income on each fund/account. IRS audits will verify compliance with rebate, yield restriction and records retention requirements within the Arbitrage Rules. The District’s specific arbitrage responsibilities will be detailed in the Tax Certificate (the “Tax Compliance Document”) prepared by your Bond Attorney and provided at closing.

The Bonds may qualify for one or more exception(s) to the Arbitrage Rules by meeting 1) small issuer exception, 2) spend down requirements, 3) bona fide debt service fund limits, 4) reasonable reserve requirements, 5) expenditure within an available period limitations, 6) investments yield restrictions, 7) de minimis rules, or; 8) borrower limited requirements. An Ehlers arbitrage expert will contact the District within 30 days after the sale date to review the District’s specific responsibilities for the Bonds. The District is currently receiving arbitrage services from Ehlers in relation to the Bonds.

Investment of Bond Proceeds:

Ehlers can assist the District in developing a strategy to invest your Bond proceeds until the funds are needed to pay project costs.

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

Bond Counsel: Kennedy & Graven, Chartered

Paying Agent: Bond Trust Services Corporation

Rating Agency: Moody’s Investors Service, Inc.

PROPOSED DEBT ISSUANCE SCHEDULE

School Board Approved Resolution Authorizing Sale of the Bonds:	July 15, 2025
Ehlers Presents Pre-Sale Report to School Board:	January 20, 2026
Due Diligence Call to Review Official Statement:	Week of February 2, 2026
Conference with Rating Agency:	Week of February 2, 2026
Distribute Official Statement:	February 5, 2026
Ehlers Receives and Evaluates Proposals for Purchase of Bonds:	February 17, 2026
School Board Meeting to Award Sale of Bonds:	February 17, 2026
Estimated Closing Date:	March 12, 2026

Attachments

- Estimated Combined Sources and Uses of Funds
- Estimated Combined Debt Service Schedule
- Estimated Debt Service Schedule for School Building Bonds Portion
- Estimated Debt Service Schedule for Facilities Maintenance Bonds
- Updated Long-Term Financing Plan for Debt and Capital Payments and Levies

EHLERS' CONTACTS

Jodie Zesbaugh, Senior Municipal Advisor	(651) 697-8526
Matthew Hammer, Senior Municipal Advisor	(651) 697-8592
Greg Crowe, President and CEO	(651) 697-8522
Emily Wilkie, Senior Public Finance Analyst	(651) 697-8588
Brian Shannon, Senior Finance Manager	(651) 697-8515

ESTIMATES PRIOR TO BOND SALE

Stillwater Area Public Schools, ISD 834

January 13, 2026

Estimated Sources and Uses of Funds

General Obligation School Building and Facilities Maintenance Bonds

Description	School Building	Facilities Maintenance	Total
Authorized Bond Amount	\$74,845,000	\$15,490,000	\$90,335,000
Number of Years	20	13	
Dated Date	3/12/2026	3/12/2026	3/12/2026
Sources of Funds			
Par Amount	\$74,845,000	\$15,490,000	\$90,335,000
Investment Earnings ¹	310,706	163,720	474,426
Reoffering Premium ²	588,861	1,060,942	1,649,802
Total Sources	\$75,744,567	\$16,714,662	\$92,459,228
Uses of Funds			
Underwriter's Discount ³	\$598,760	\$123,920	\$722,680
Legal and Fiscal Costs ⁴	265,709	54,991	320,700
Net Available for Project Costs	74,880,098	16,535,750	91,415,848
Total Uses	\$75,744,567	\$16,714,662	\$92,459,228
Initial Deposit to Construction Fund	\$74,569,392	\$16,372,030	\$90,941,422

- 1 Estimated investment earnings are based on an average interest rate of 1.0%, and an average life of 5 months for the School Building Bond portion and an average life of 12 months for the Facilities Maintenance Bonds portion.
- 2 The underwriter of the bonds may receive a reoffering premium in the sale of the bonds. They will retain a portion of the premium as their compensation, or underwriter's discount. The remainder of the premium will be either be used to reduce the par amount of the bonds, pay a portion of the first year's interest on the bonds, or deposited in the construction fund and used to fund a portion of the project costs.
- 3 The underwriter's discount is an estimate of the compensation taken by the underwriter who provides the lowest true interest cost as part of the competitive bidding process and purchases the bonds. Ehlers provides independent municipal advisory services as part of the bond sale process and is not an underwriting firm.
- 4 Includes fees for municipal advisor, bond counsel, rating agency, paying agent and county certificate.

ESTIMATES PRIOR TO BOND SALE

I.S.D. No. 834 (Stillwater), MN

\$90,335,000 G.O. School Building and Facilities Maintenance Bonds, Series 2026A

Issue Summary

Dated: March 12, 2026

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
03/12/2026	-	-	-	-	-
02/01/2027	435,000.00	5.000%	3,630,705.14	4,065,705.14	4,065,705.14
08/01/2027	-	-	2,037,798.75	2,037,798.75	-
02/01/2028	3,050,000.00	5.000%	2,037,798.75	5,087,798.75	7,125,597.50
08/01/2028	-	-	1,961,548.75	1,961,548.75	-
02/01/2029	1,030,000.00	5.000%	1,961,548.75	2,991,548.75	4,953,097.50
08/01/2029	-	-	1,935,798.75	1,935,798.75	-
02/01/2030	1,635,000.00	5.000%	1,935,798.75	3,570,798.75	5,506,597.50
08/01/2030	-	-	1,894,923.75	1,894,923.75	-
02/01/2031	1,115,000.00	5.000%	1,894,923.75	3,009,923.75	4,904,847.50
08/01/2031	-	-	1,867,048.75	1,867,048.75	-
02/01/2032	2,430,000.00	5.000%	1,867,048.75	4,297,048.75	6,164,097.50
08/01/2032	-	-	1,806,298.75	1,806,298.75	-
02/01/2033	1,705,000.00	5.000%	1,806,298.75	3,511,298.75	5,317,597.50
08/01/2033	-	-	1,763,673.75	1,763,673.75	-
02/01/2034	2,330,000.00	5.000%	1,763,673.75	4,093,673.75	5,857,347.50
08/01/2034	-	-	1,705,423.75	1,705,423.75	-
02/01/2035	2,195,000.00	5.000%	1,705,423.75	3,900,423.75	5,605,847.50
08/01/2035	-	-	1,650,548.75	1,650,548.75	-
02/01/2036	2,975,000.00	5.000%	1,650,548.75	4,625,548.75	6,276,097.50
08/01/2036	-	-	1,576,173.75	1,576,173.75	-
02/01/2037	3,325,000.00	4.000%	1,576,173.75	4,901,173.75	6,477,347.50
08/01/2037	-	-	1,509,673.75	1,509,673.75	-
02/01/2038	5,975,000.00	4.000%	1,509,673.75	7,484,673.75	8,994,347.50
08/01/2038	-	-	1,390,173.75	1,390,173.75	-
02/01/2039	6,630,000.00	4.000%	1,390,173.75	8,020,173.75	9,410,347.50
08/01/2039	-	-	1,257,573.75	1,257,573.75	-
02/01/2040	5,090,000.00	4.000%	1,257,573.75	6,347,573.75	7,605,147.50
08/01/2040	-	-	1,155,773.75	1,155,773.75	-
02/01/2041	5,315,000.00	4.250%	1,155,773.75	6,470,773.75	7,626,547.50
08/01/2041	-	-	1,042,830.00	1,042,830.00	-
02/01/2042	5,525,000.00	4.250%	1,042,830.00	6,567,830.00	7,610,660.00
08/01/2042	-	-	925,423.75	925,423.75	-
02/01/2043	5,745,000.00	4.500%	925,423.75	6,670,423.75	7,595,847.50
08/01/2043	-	-	796,161.25	796,161.25	-
02/01/2044	9,735,000.00	4.600%	796,161.25	10,531,161.25	11,327,322.50
08/01/2044	-	-	572,256.25	572,256.25	-
02/01/2045	11,860,000.00	4.750%	572,256.25	12,432,256.25	13,004,512.50
08/01/2045	-	-	290,581.25	290,581.25	-
02/01/2046	12,235,000.00	4.750%	290,581.25	12,525,581.25	12,816,162.50
Total	\$90,335,000.00	-	\$57,910,075.14	\$148,245,075.14	-

Yield Statistics

Bond Year Dollars	\$1,282,896.85
Average Life	14.202 Years
Average Coupon	4.5140087%
Net Interest Cost (NIC)	4.4417408%
True Interest Cost (TIC)	4.4044453%
Bond Yield for Arbitrage Purposes	4.3250494%
All Inclusive Cost (AIC)	4.4391955%

IRS Form 8038

Net Interest Cost	4.3573541%
Weighted Average Maturity	14.037 Years

2026A PRESALE | Issue Summary | 1/13/2026 | 12:10 PM



ESTIMATES PRIOR TO BOND SALE

I.S.D. No. 834 (Stillwater), MN

\$74,845,000 G.O. School Building and Facilities Maintenance Bonds, Series 2026A

School Building Bond Portion

Dated: March 12, 2026 - Purpose 1 of 2

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S	Fiscal Total
03/12/2026	-	-	-	-	-	-
02/01/2027	395,000.00	5.000%	2,973,476.53	3,368,476.53	3,368,476.53	3,368,476.53
08/01/2027	-	-	1,667,948.75	1,667,948.75	1,667,948.75	-
02/01/2028	-	-	1,667,948.75	1,667,948.75	1,667,948.75	3,335,897.50
08/01/2028	-	-	1,667,948.75	1,667,948.75	1,667,948.75	-
02/01/2029	-	-	1,667,948.75	1,667,948.75	1,667,948.75	3,335,897.50
08/01/2029	-	-	1,667,948.75	1,667,948.75	1,667,948.75	-
02/01/2030	-	-	1,667,948.75	1,667,948.75	1,667,948.75	3,335,897.50
08/01/2030	-	-	1,667,948.75	1,667,948.75	1,667,948.75	-
02/01/2031	-	-	1,667,948.75	1,667,948.75	1,667,948.75	3,335,897.50
08/01/2031	-	-	1,667,948.75	1,667,948.75	1,667,948.75	-
02/01/2032	-	-	1,667,948.75	1,667,948.75	1,667,948.75	3,335,897.50
08/01/2032	-	-	1,667,948.75	1,667,948.75	1,667,948.75	-
02/01/2033	1,165,000.00	5.000%	1,667,948.75	2,832,948.75	2,832,948.75	4,500,897.50
08/01/2033	-	-	1,638,823.75	1,638,823.75	1,638,823.75	-
02/01/2034	1,595,000.00	5.000%	1,638,823.75	3,233,823.75	3,233,823.75	4,872,647.50
08/01/2034	-	-	1,598,948.75	1,598,948.75	1,598,948.75	-
02/01/2035	1,500,000.00	5.000%	1,598,948.75	3,098,948.75	3,098,948.75	4,697,897.50
08/01/2035	-	-	1,561,448.75	1,561,448.75	1,561,448.75	-
02/01/2036	2,035,000.00	5.000%	1,561,448.75	3,596,448.75	3,596,448.75	5,157,897.50
08/01/2036	-	-	1,510,573.75	1,510,573.75	1,510,573.75	-
02/01/2037	2,275,000.00	4.000%	1,510,573.75	3,785,573.75	3,785,573.75	5,296,147.50
08/01/2037	-	-	1,465,073.75	1,465,073.75	1,465,073.75	-
02/01/2038	4,880,000.00	4.000%	1,465,073.75	6,345,073.75	6,345,073.75	7,810,147.50
08/01/2038	-	-	1,367,473.75	1,367,473.75	1,367,473.75	-
02/01/2039	5,495,000.00	4.000%	1,367,473.75	6,862,473.75	6,862,473.75	8,229,947.50
08/01/2039	-	-	1,257,573.75	1,257,573.75	1,257,573.75	-
02/01/2040	5,090,000.00	4.000%	1,257,573.75	6,347,573.75	6,347,573.75	7,605,147.50
08/01/2040	-	-	1,155,773.75	1,155,773.75	1,155,773.75	-
02/01/2041	5,315,000.00	4.250%	1,155,773.75	6,470,773.75	6,470,773.75	7,626,547.50
08/01/2041	-	-	1,042,830.00	1,042,830.00	1,042,830.00	-
02/01/2042	5,525,000.00	4.250%	1,042,830.00	6,567,830.00	6,567,830.00	7,610,660.00
08/01/2042	-	-	925,423.75	925,423.75	925,423.75	-
02/01/2043	5,745,000.00	4.500%	925,423.75	6,670,423.75	6,670,423.75	7,595,847.50
08/01/2043	-	-	796,161.25	796,161.25	796,161.25	-
02/01/2044	9,735,000.00	4.600%	796,161.25	10,531,161.25	10,531,161.25	11,327,322.50
08/01/2044	-	-	572,256.25	572,256.25	572,256.25	-
02/01/2045	11,860,000.00	4.750%	572,256.25	12,432,256.25	12,432,256.25	13,004,512.50
08/01/2045	-	-	290,581.25	290,581.25	290,581.25	-
02/01/2046	12,235,000.00	4.750%	290,581.25	12,525,581.25	12,525,581.25	12,816,162.50
Total	\$74,845,000.00	-	\$53,354,746.53	\$128,199,746.53	\$128,199,746.53	-

Yield Statistics

Bond Year Dollars	\$1,183,975.99
Average Life	15.819 Years
Average Coupon	4.5064045%
Net Interest Cost (NIC)	4.5072406%
True Interest Cost (TIC)	4.4946193%
All Inclusive Cost (AIC)	4.5266432%
Bond Yield for Arbitrage Purposes	4.3250494%

IRS Form 8038

Net Interest Cost	4.4503952%
Weighted Average Maturity	15.718 Years

Dated 3/12/2026

First Available Call Date

2026A PRESALE | School Building Bond Port | 1/13/2026 | 12:10 PM



ESTIMATES PRIOR TO BOND SALE

I.S.D. No. 834 (Stillwater), MN

\$15,490,000 G.O. School Building and Facilities Maintenance Bonds, Series 2026A

Facilities Maintenance Portion

Dated: March 12, 2026 - Purpose 2 of 2

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S	Fiscal Total
03/12/2026	-	-	-	-	-	-
02/01/2027	40,000.00	5.000%	657,228.61	697,228.61	697,228.61	697,228.61
08/01/2027	-	-	369,850.00	369,850.00	369,850.00	-
02/01/2028	3,050,000.00	5.000%	369,850.00	3,419,850.00	3,419,850.00	3,789,700.00
08/01/2028	-	-	293,600.00	293,600.00	293,600.00	-
02/01/2029	1,030,000.00	5.000%	293,600.00	1,323,600.00	1,323,600.00	1,617,200.00
08/01/2029	-	-	267,850.00	267,850.00	267,850.00	-
02/01/2030	1,635,000.00	5.000%	267,850.00	1,902,850.00	1,902,850.00	2,170,700.00
08/01/2030	-	-	226,975.00	226,975.00	226,975.00	-
02/01/2031	1,115,000.00	5.000%	226,975.00	1,341,975.00	1,341,975.00	1,568,950.00
08/01/2031	-	-	199,100.00	199,100.00	199,100.00	-
02/01/2032	2,430,000.00	5.000%	199,100.00	2,629,100.00	2,629,100.00	2,828,200.00
08/01/2032	-	-	138,350.00	138,350.00	138,350.00	-
02/01/2033	540,000.00	5.000%	138,350.00	678,350.00	678,350.00	816,700.00
08/01/2033	-	-	124,850.00	124,850.00	124,850.00	-
02/01/2034	735,000.00	5.000%	124,850.00	859,850.00	859,850.00	984,700.00
08/01/2034	-	-	106,475.00	106,475.00	106,475.00	-
02/01/2035	695,000.00	5.000%	106,475.00	801,475.00	801,475.00	907,950.00
08/01/2035	-	-	89,100.00	89,100.00	89,100.00	-
02/01/2036	940,000.00	5.000%	89,100.00	1,029,100.00	1,029,100.00	1,118,200.00
08/01/2036	-	-	65,600.00	65,600.00	65,600.00	-
02/01/2037	1,050,000.00	4.000%	65,600.00	1,115,600.00	1,115,600.00	1,181,200.00
08/01/2037	-	-	44,600.00	44,600.00	44,600.00	-
02/01/2038	1,095,000.00	4.000%	44,600.00	1,139,600.00	1,139,600.00	1,184,200.00
08/01/2038	-	-	22,700.00	22,700.00	22,700.00	-
02/01/2039	1,135,000.00	4.000%	22,700.00	1,157,700.00	1,157,700.00	1,180,400.00
Total	\$15,490,000.00	-	\$4,555,328.61	\$20,045,328.61	\$20,045,328.61	-

Yield Statistics

Bond Year Dollars	\$98,920.86
Average Life	6.386 Years
Average Coupon	4.6050232%

Net Interest Cost (NIC)	3.6577795%
True Interest Cost (TIC)	3.5208406%
All Inclusive Cost (AIC)	3.5831301%
Bond Yield for Arbitrage Purposes	4.3250494%

IRS Form 8038

Net Interest Cost	3.3118438%
Weighted Average Maturity	6.375 Years

Dated	3/12/2026
First Available Call Date	

ESTIMATES PRIOR TO BOND SALE

Stillwater Area Public Schools, ISD 834
Preliminary Financing Plan for Future Projects

Remaining Authority for Voter-Approved Bonds
Facilities Maintenance Bonds Authorized in Summer 2025
Future Facilities Maintenance Bond Issues

January 13, 2026

Future Bond Issues

Type of Bond	Amount	Dated	Int. Rate
School Building	\$74,845,000	03/12/26	4.49%
Facilities Maintenance	\$15,490,000	03/12/26	3.52%
Facilities Maintenance	\$19,275,000	02/01/28	4.50%
Facilities Maintenance	\$16,560,000	02/01/30	4.50%
Facilities Maintenance	\$8,565,000	02/01/32	4.50%
Facilities Maintenance	\$6,060,000	02/01/34	4.50%
Facilities Maintenance	\$6,580,000	02/01/36	4.50%
Facilities Maintenance	\$3,340,000	02/01/38	4.50%

Levy Pay	Fiscal Year	Est. Tax Capacity Value ¹	Est. Tax % Chg	Debt Service Levies - Existing Bonds ²					Other Levies		Voter-Approved Building Bonds (2nd Issue)				Facilities Maintenance Funding				Combined Totals		
				Building Bonds	FM Bonds	Est. Debt Excess ³	Net Levy	Tax Rate	Lease Levy ⁴	Capital Project Levy ⁵	Principal	Interest	Addl. Debt Excess ³	Net Levy	General Fund Revenue	Principal	Interest	Addl. Debt Excess ³	Debt Levy	Total Levy	Tax Rate
2022	2023	121,359	5.9%	10,173,634	-	(593,521)	9,580,113	7.89	1,257,900	4,700,000	-	-	-	-	4,054,152	-	-	-	-	19,592,165	16.14
2023	2024	149,310	23.0%	10,171,272	252,810	(670,269)	9,753,813	6.53	1,258,900	5,210,402	-	-	-	-	10,751,990	-	-	-	-	26,975,104	18.07
2024	2025	170,528	14.2%	17,028,199	252,810	(183,440)	17,097,569	10.03	1,250,500	6,319,386	-	-	-	-	8,677,813	-	-	-	-	33,345,268	19.55
2025	2026	166,768	-2.2%	17,821,335	552,848	(453,661)	17,920,522	10.75	1,255,900	7,186,623	-	-	-	-	6,802,160	-	-	-	-	33,165,204	19.89
2026	2027	176,277	5.7%	15,889,336	552,848	(654,939)	15,787,245	8.96	1,254,500	7,087,370	395,000	2,973,477	-	3,536,926	6,353,774	40,000	657,229	-	731,903	34,751,718	19.71
2027	2028	179,803	2.0%	15,928,448	552,848	(739,898)	15,741,398	8.75	1,255,600	7,491,494	-	3,335,898	-	3,502,692	3,464,127	3,050,000	739,700	-	3,979,185	35,434,496	19.71
2028	2029	181,601	1.0%	15,811,898	552,848	(741,658)	15,623,088	8.60	1,249,900	7,641,324	-	3,335,898	-	3,502,692	5,794,114	1,030,000	1,454,575	6	1,978,804	35,789,922	19.71
2029	2030	183,417	1.0%	10,920,998	4,437,847	(736,414)	14,622,431	7.97	533,400	7,717,737	-	3,335,898	(157,621)	3,345,071	6,829,160	1,635,000	1,403,075	(89,046)	3,100,933	36,148,732	19.71
2030	2031	185,251	1.0%	11,122,073	4,007,347	(691,148)	14,438,272	7.79	534,300	7,794,914	-	3,335,898	(150,528)	3,352,164	7,187,101	1,115,000	2,066,525	(139,542)	3,201,059	36,507,811	19.71
2031	2032	187,103	1.0%	13,021,523	947,070	(680,824)	13,287,769	7.10	535,000	7,872,864	-	3,335,898	(150,847)	3,351,845	7,309,813	2,430,000	2,010,775	(144,048)	4,518,766	36,876,057	19.71
2032	2033	188,974	1.0%	13,845,248	945,390	(628,587)	14,162,051	7.49	535,500	7,951,592	1,165,000	3,335,898	(150,833)	4,575,109	7,148,085	655,000	2,274,700	(203,344)	2,872,841	37,245,178	19.71
2033	2034	190,864	1.0%	13,683,548	947,941	(665,579)	13,965,910	7.32	535,800	8,031,108	1,595,000	3,277,648	(205,880)	4,910,400	7,009,313	895,000	2,242,525	(129,278)	3,165,123	37,617,655	19.71
2034	2035	190,864	0.0%	13,501,373	949,291	(658,417)	13,792,247	7.23	535,900	8,111,419	1,500,000	3,197,898	(220,968)	4,711,824	7,109,205	860,000	2,471,275	(142,431)	3,355,408	37,616,004	19.71
2035	2036	190,864	0.0%	12,815,985	944,161	(650,280)	13,109,866	6.87	535,800	8,111,419	2,035,000	3,122,898	(212,032)	5,203,760	7,037,445	1,160,000	2,429,100	(150,993)	3,617,562	37,615,852	19.71
2036	2037	190,864	0.0%	12,255,548	964,195	(619,207)	12,600,536	6.60	535,500	8,111,419	2,275,000	3,021,148	(234,169)	5,326,786	7,037,445	1,300,000	2,688,300	(162,790)	4,003,925	37,615,611	19.71
2037	2038	190,864	0.0%	9,751,035	1,219,641	(594,888)	10,375,788	5.44	-	8,111,419	4,880,000	2,930,148	(239,705)	7,960,950	7,037,445	1,490,000	2,615,050	(180,177)	4,130,126	37,615,727	19.71
2038	2039	190,864	0.0%	10,298,085	-	(493,680)	9,804,405	5.14	-	8,111,419	5,495,000	2,734,948	(358,243)	8,283,202	7,037,445	1,645,000	2,703,775	(185,856)	4,380,358	37,616,829	19.71
2039	2040	190,864	0.0%	8,084,423	-	(463,414)	7,621,009	3.99	-	8,111,419	5,090,000	2,515,148	(372,744)	7,612,661	10,137,445	1,490,000	2,635,425	(197,116)	4,134,580	37,617,114	19.71
2040	2041	190,864	0.0%	7,949,760	-	(363,799)	7,585,961	3.97	-	8,111,419	5,315,000	2,311,548	(342,570)	7,665,305	10,137,445	1,530,000	2,568,375	(186,056)	4,117,238	37,617,368	19.71
2041	2042	190,864	0.0%	7,985,040	-	(357,739)	7,627,301	4.00	-	8,111,419	5,525,000	2,085,660	(344,939)	7,646,254	10,137,445	1,575,000	2,499,525	(185,276)	4,092,976	37,615,395	19.71
2042	2043	190,864	0.0%	8,023,470	-	(359,327)	7,664,143	4.02	-	8,111,419	5,745,000	1,850,848	(344,081)	7,631,558	10,137,445	1,625,000	2,428,650	(184,184)	4,072,149	37,616,714	19.71
2043	2044	190,864	0.0%	2,058,420	-	(361,056)	1,697,364	0.89	-	8,111,419	9,735,000	1,592,323	(343,420)	11,550,268	10,137,445	2,785,000	2,355,525	(183,247)	5,214,305	36,710,801	19.23
2044	2045	190,864	0.0%	-	-	-	-	-	-	8,111,419	11,860,000	1,144,513	(596,143)	13,058,595	10,137,445	3,140,000	2,230,200	(234,644)	5,404,066	36,711,525	19.23
2045	2046	190,864	0.0%	-	-	-	-	-	-	8,111,419	12,235,000	581,163	(587,637)	12,869,334	10,137,445	3,470,000	2,088,900	(243,183)	5,593,662	36,711,860	19.23
2046	2047	190,864	0.0%	-	-	-	-	-	-	8,111,419	-	-	-	-	10,137,445	13,885,000	1,932,750	(830,835)	15,777,803	34,026,667	17.83
2047	2048	190,864	0.0%	-	-	-	-	-	-	8,111,419	-	-	-	-	10,137,445	14,395,000	1,307,925	(710,001)	15,778,070	34,026,934	17.83
2048	2049	190,864	0.0%	-	-	-	-	-	-	8,111,419	-	-	-	-	10,137,445	14,670,000	660,150	(710,013)	15,386,644	33,635,509	17.62
2049	2050	190,864	0.0%	-	-	-	-	-	-	8,111,419	-	-	-	-	10,137,445	-	-	-	-	18,248,864	9.56
2050	2051	190,864	0.0%	-	-	-	-	-	-	8,111,419	-	-	-	-	10,137,445	-	-	-	-	18,248,864	9.56
2051	2052	190,864	0.0%	-	-	-	-	-	-	8,111,419	-	-	-	-	10,137,445	-	-	-	-	18,248,864	9.56
2052	2053	190,864	0.0%	-	-	-	-	-	-	8,111,419	-	-	-	-	10,137,445	-	-	-	-	18,248,864	9.56
Totals				258,140,651	18,079,895	(12,361,745)	263,858,801		13,064,400	239,121,778	74,845,000	53,354,747	(5,012,361)	129,597,398	258,564,817	75,870,000	46,444,029	(5,192,059)	122,607,484	1,026,814,678	

1 Tax capacity values include the actual value for taxes payable through 2025. Taxes payable 2026 is an estimate using preliminary information from Washington County. Estimated percentage changes for later years are as shown above.
 2 Initial debt service levies are set at 105 percent of the principal and interest payments during the next fiscal year.
 3 The debt excess adjustments for taxes payable through 2026 are actual amounts and for taxes payable in 2027 is based on the audited debt service fund balance as of June 30, 2025. Estimates for future years are based on 4.5% of the prior years' total debt service levy.
 4 Lease levy amounts for future years are based on the best available estimates of future payments for all current and planned future capital leases.
 5 Assumes that the current Capital Project Levy would be renewed at the same tax rate when it expires.
 6 A portion of interest payment due during the first year for the Facilities Maintenance bonds expected to be issued in 2028 would be paid from bond proceeds.

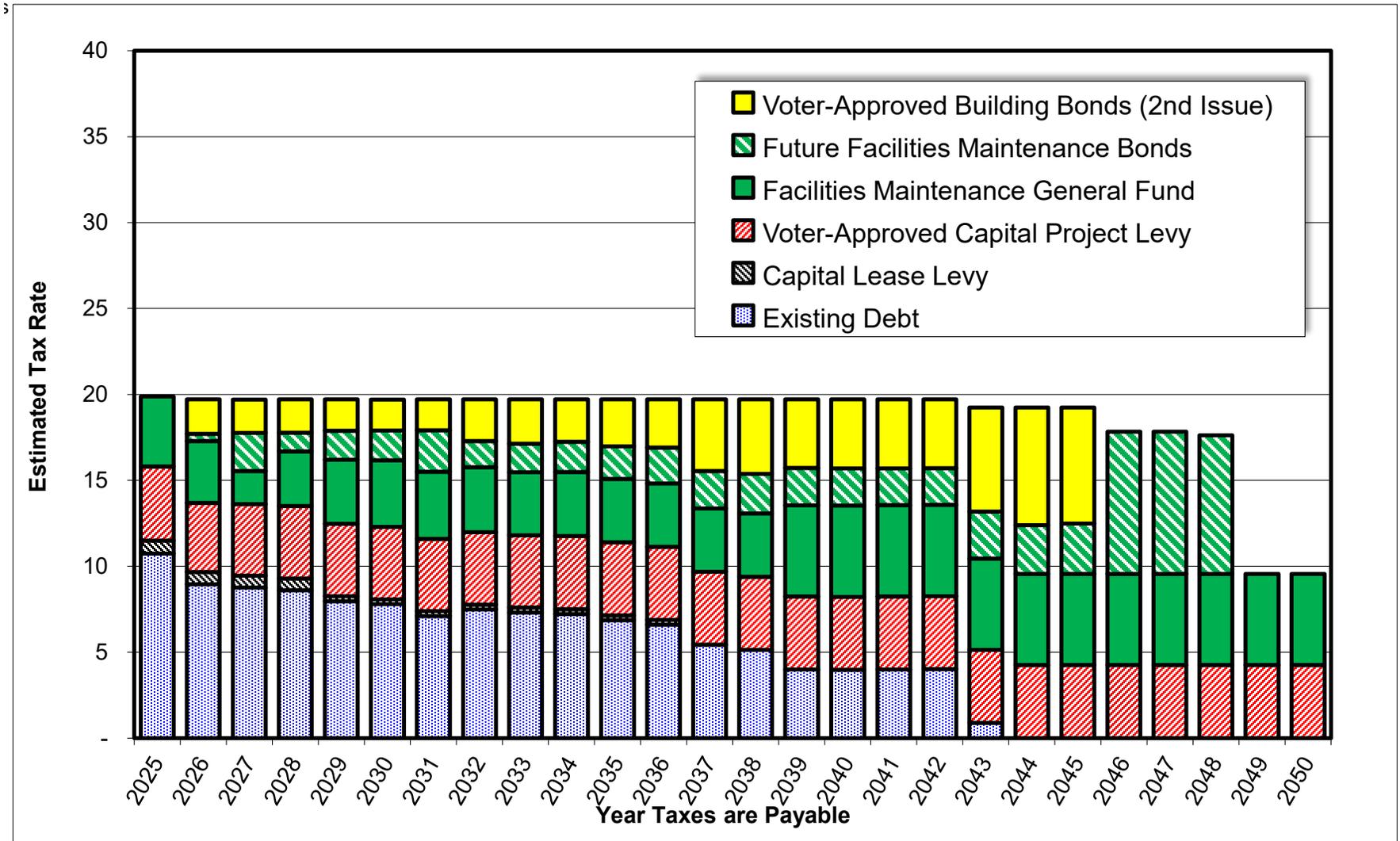


ESTIMATES PRIOR TO BOND SALE

Stillwater Area Public Schools, ISD 834
Estimated Tax Rates for Capital and Debt Service Levies

Remaining Authority for Voter-Approved Bonds
 Facilities Maintenance Bonds Authorized in Summer 2025
 Future Facilities Maintenance Bond Issues

Date Prepared: January 13, 2026





Expect
More.

Fiscal Forecast

**Presented to the School Board
Jan. 20, 2026**

Marie Schrul
Chief Financial Officer



Influencing Factors

- Priority-Based Budgeting framework – aligning resources to strategic plan priorities
- Enrollment changes
- Inflation
- Fiscal year-end projected vs. actual revenue, expenditures and fund balance
- Contractual settlements
- Legislative changes can impact revenue and/or expenditures
- Funding that is one-time only, or expires after a given time period



Enrollment Projections

	2026-27	2027-28	2028-29
K-12 Budgeted	8,081	8,162	8,243
K-12 Operational	8,238	8,394	8,525

General Fund Fiscal Forecast Assumptions: Revenue (in millions)

Current fiscal year (FY26) is the baseline budget year

Revenue Category	FY26 Revised Budget	FY27 Projected	Difference	Projection Assumptions
State Aid <i>(excluding Comp Ed, Sped, EL)</i>	\$74.9	\$76.8	\$1.9	Projected 2.7% increase to general ed. basic aid formula for FY27
Compensatory Education	1.9	1.8	-0.1	Projected revenue is pending FY27 formula recommendations from the 2025 Legislative session Compensatory Ed working group
Special Education	23.6	25.4	1.8	Projection includes current law – pending outcomes from the 2025 Legislative session Special Education funding working group
English Learner (EL)	0.5	0.7	0.2	Projection includes EL cross-subsidy revenue
Levy	46.6	45.3	-1.3	Based on the certified Pay 2026 levy, current law & projected enrollment
Federal	2.3	2.3	0.0	Projection assumes similar funding for FY27
Other	<u>4.1</u>	<u>3.7</u>	<u>-0.4</u>	Projection is lower than FY26 levels (includes student activity funds, athletics, interest, grants)
Total	\$153.9	\$156.0	\$2.1	



General Fund Fiscal Forecast Assumptions: Expenditures (in millions)

Current fiscal year (FY26) is the baseline budget year

Expenditure Category		FY26 Revised	FY27 Projected	Difference	Projection Assumptions
Salaries		\$75.9	\$79.2	\$3.3	Assuming current FY26 staffing levels as of 7/1/25, negotiated agreements, (steps and lanes, where applicable), COLA % included
Benefits	FICA, PERA, TRA	12.0	12.7	0.7	Employee benefit costs (assuming FY26 staffing levels and negotiated agreements)
	Health & Dental Insurance	17.6	19.3	1.7	
	Paid FMLA	0.2	0.4	0.2	
	OPEB	1.0	1.6	0.6	
	Work Comp, Life, TSA, VEBA, other	<u>6.3</u>	<u>6.9</u>	<u>0.6</u>	
		37.1	40.9	3.8	
Purchased Services		28.3	29.1	0.8	Cost of inflation included in projections Includes utilities & insurance
Supplies, Materials, Other		<u>12.6</u>	<u>12.3</u>	<u>-0.3</u>	Cost of inflation included in projections
Total		\$153.9	\$161.5	\$7.6	



General Fund Fiscal Forecast FY27-FY29 (in millions)

	FY26 Revised Budget	FY27 Projected	FY28 Projected	FY29 Projected
Revenue	\$153.9	\$156.0	\$158.4	\$161.4
Expenditures	-153.9	-161.5	-168.5	-175.7
Surplus/(Shortfall)	\$0.0	\$-5.5	\$-10.1	\$-14.3

Worst Case Scenario:
If we do nothing

FY27-FY29 Projected Shortfall amounts reflect a cumulative impact over a 3-year period



Three Most Significant Cost Drivers

- Employee salaries and benefits
- Transportation
- Special Education



What We're Already Doing

- Insurance contributions cost containment
- Soft hiring freeze
- Transportation efficiencies
- High school strategic investments
- Recruitment and marketing efforts
- Employee negotiations



Implications for Employee Negotiations

- Financial reality limits new ongoing commitments
- Compensation discussions must be:
 - Affordable
 - Sustainable
 - Aligned with long-term stability
- District priority is protecting student learning



Identifying Cost Savings (Next 3 Years)

- Multi-year planning
- Areas of focus:
 - Program alignment and scale
 - Staffing models: Aligning staffing to student enrollment
 - Operational efficiencies
 - Special Education efficiencies
- Decisions phased to minimize disruption



Potential Revenue-Generating Opportunities

- **Local optional revenue:**

Proposed legislation would increase current LOR of \$724/pupil to \$947/pupil = \$2 million annually

- **Voter approved levy:**

Could generate an additional \$448/pupil = approximately \$4 million annually



Next Steps

February:

- Board work session on Priority-Based Budgeting (PBB) with focus on cost mitigation

March:

- Board work session on fiscal priorities with identified dollar amounts
- Board meeting to include staffing adjustments

April/May:

- Board meetings to include PBB updates

June:

- Board meeting to include approval of 2026-27 preliminary budget



Questions

Educational Programs

POLICY TITLE	POLICY NUMBER	ADOPTED	REVIEW FREQUENCY
Graduation Requirements	613	10/10/2023	Three Years

I. PURPOSE

The purpose of this policy is to set forth requirements for graduation from the school district.

II. GENERAL STATEMENT OF POLICY

The policy of the school district is that all students must demonstrate, as determined by the school district, their satisfactory completion of the credit requirements and their understanding of academic standards. The school district must adopt graduation requirements that meet or exceed state graduation requirements established in law or rule.

III. DEFINITIONS

- A. "Credit" means a student's successful completion of one semester of study or a student's mastery of the applicable subject matter, as determined by the school district.
- B. "Individualized Education Program" or "IEP" means a written statement developed for a student eligible by law for special education and services.
- C. "Multi-Lingual Learners" or "ML" student means an individual whose first language is not English and whose test performance may be negatively impacted by lack of English language proficiency.
- D. "Required standard" means: (1) a statewide adopted expectation for student learning in the content areas of language arts, mathematics, science, social studies, physical education, and the arts, and (2) a locally adopted expectation for student learning in health until statewide rules implementing health standards under Minnesota Statutes, section 120B.021, subdivision 3, are required to be implemented in the classroom.

IV. DISTRICT DATA AND ASSESSMENT COORDINATOR

The Data and Assessment Coordinator shall be in charge of all test procedures and shall bring recommendations to the school board annually for approval.

V. GRADUATION REQUIREMENTS

Students' state graduation requirements, based on a longitudinal, systematic approach to student education and career planning, assessment, instructional support, and evaluation, include the following:

- A. Achievement which reflects students' ability to succeed in college or career without the need for post-secondary remediation;

1. Students not meeting the state graduation requirements under this section must receive targeted, relevant, academically rigorous, and resourced instruction which may include a targeted instruction and intervention plan focused on improving the student's knowledge and skills in core subjects so that the student has a reasonable chance to succeed in a career or college without the need for postsecondary remediation.
- B. Career and college readiness in mathematics, reading, and writing, as measured against a continuum of empirically derived, clearly defined benchmarks focused on students' attainment of knowledge and skills
- C. Age-appropriate exploration and planning activities and career assessments to encourage students to identify personally relevant career interests and aptitudes and help students **and their families** develop a regularly reexamined transition plan for postsecondary education or employment without the need for postsecondary remediation.
 1. Students in grades 11 and 12, who are identified as academically ready for a career or college, shall be encouraged to enroll in courses and programs in high school that award college credit.

VI. GRADUATION CREDIT REQUIREMENTS

Students must successfully complete, as determined by the school district, the following high school level credits for graduation:

- A. Eight credits of language arts sufficient to satisfy all academic standards in English language arts;
- B. Six credits of mathematics, including two credits of algebra II or its equivalent and two credits of geometry, sufficient to satisfy all of the academic standards in mathematics;
- C. Six credits of science, including at least: (a) two credits of biology; (b) two credits of chemistry or physics; and two credits of Integrated Earth Science.
- D. Eight credits of social studies, encompassing at least United States history, geography, government and citizenship, world history, and economics sufficient to satisfy all of the academic standards in social studies;
- E. Two credits in the arts sufficient to satisfy all of the state or local academic standards in the arts;
- F. One credit of Personal Finance starting with the graduating class of 2028
- G. One credit of 9th Grade Seminar starting with the graduating class of 2030
 1. Students who transfer to SAHS after their 9th grade year are exempt from this requirement and would be required to complete the total number of required credits to graduate
- H. One credit of senior capstone starting with the graduating class of 2028.
- I. One Health credit; and
- J. One PE credit
- K. A minimum of 17 elective credits for the graduating class of 2030 and beyond, a minimum of 16 elective credits for the graduating class of 2029, and a minimum of 14 elective credits for the graduating class of 2028.

VII. Based on appropriate state guidelines, students with an IEP may satisfy state graduation

requirements by meeting their IEP goals.

A. Credit equivalencies

1. Two credits of economics taught in a school's agricultural, food, and natural resources education or business education program or department may fulfill one credit in social studies under Paragraph E., above, if the credit is sufficient to satisfy all of the academic standards in economics.
2. An agriculture science or career and technical education credit may fulfill the elective science credit required under Paragraph D., above, if the credit meets the state physical science, life science, earth and space science, chemistry, or physics academic standards or a combination of these academic standards as approved by the school district. An agriculture or career and technical education credit may fulfill the credit in chemistry or physics required under Paragraph D., above, if the credit meets the state chemistry or physics academic standards as approved by the school district. A student must satisfy either all of the chemistry or physics academic standards prior to graduation. An agriculture science or career and technical education credit may not fulfill the required biology credit under Paragraph D., above.
3. A career and technical education credit may fulfill a mathematics or arts credit requirement under Paragraph B. or Paragraph F., above.
4. A computer science credit may fulfill a mathematics credit requirement under Paragraph B., above, if the credit meets state academic standards in mathematics.
5. A Project Lead the Way credit may fulfill a mathematics or science credit requirement under Paragraph B. or Paragraph D., above, if the credit meets the state academic standards in mathematics or science.
6. An ethnic studies course may fulfill a social studies, language arts, arts, math, or science credit if the course meets the applicable state academic standards. An ethnic studies course may fulfill an elective credit if the course meets applicable local standards or other requirements.

VIII. GRADUATION STANDARDS REQUIREMENTS

- A. Academic standards in world languages and career and technical education will be reviewed on a periodic basis. A school district must use the current world languages standards developed by the American Council on the Teaching of Foreign Languages.
- B. All students must satisfactorily complete the following required Graduation Standards in accordance with the standards developed by the Minnesota Department of Education (MDE):
 1. Minnesota Academic Standards, English Language Arts K-12;
 2. Minnesota Academic Standards, Mathematics K-12;
 3. Minnesota Academic Standards, Science K-12;
 4. Minnesota Academic Standards, Social Studies K-12; and
 5. Minnesota Academic Standards, Physical Education K-12.
 6. Minnesota Academic Standards, Health K-12 (TBD)
- C. State standards in the Arts K-12 are available, or school districts may choose to develop their own standards.
- D. The academic standards for language arts, mathematics, and science apply to all students

except the very few students with extreme cognitive or physical impairments for whom an IEP team has determined that the required academic standards are inappropriate. An IEP team that makes this determination must establish alternative standards.

IX. EARLY GRADUATION

Students may be considered for early graduation, as provided for within Minnesota Statutes section 120B.07, upon meeting the following conditions:

- A. All course or standards and credit requirements must be met;
- B. The principal or designee shall conduct an interview with the student and parent or guardian, familiarize the parties with opportunities available in post-secondary education, and arrive at a timely decision; and
- C. The principal's decision shall be in writing and may be subject to review by the superintendent and school board.

Legal References:

Minn. Stat. § 120B.018 (Definitions)

Minn. Stat. § 120B.02 (Educational Expectations and Graduation Requirements for Minnesota's Students)

Minn. Stat. § 120B.021 (Required Academic Standards)

Minn. Stat. § 120B.023 (Benchmarks)

Minn. Stat. § 120B.024 (Credits)

Minn. Stat. § 120B.07 (Early Graduation)

Minn. Stat. § 120B.11 (School District Process for Reviewing Curriculum, Instruction, and Student Achievement Goals; Striving for Comprehensive Achievement and Civic Readiness)

Minn. Stat. § 120B.125 (Planning for Students' Successful Transition to Postsecondary Education and Employment; Personal Learning Plans)

Minn. Stat. § 120B.30 (General Requirements; Statewide Assessments)

Minn. Stat. § 120B.303 (Assessment Graduation Requirements)

Minn. Stat. § 120B.307 (College and Career Readiness)

Minn. Rules Part 3501.0660 (Academic Standards For Kindergarten through Grade 12)

Minn. Rules Parts 3501.0700-3501.0745 (Academic Standards for Mathematics)

Minn. Rules Part 3501.0820 (Academic Arts Standards for Kindergarten through Grade 12)

Minn. Rules Parts 3501.0900-3501.0960 (Academic Standards in Science)

Minn. Rules Parts 3501.1200-1210 (Academic Standards for English Language Development)

Minn. Rules Parts 3501.1300-3501.1345 (Academic Standards for Social Studies)

Minn. Rules Parts 3501.1400-3501.1410 (Academic Standards for Physical Education)

20 U.S.C. § 6301, *et seq.* (Every Student Succeeds Act)

Cross References:

MSBA/MASA Model Policy 104 (School District Mission Statement)

MSBA/MASA Model Policy 601 (School District Curriculum and Instruction Goals)

MSBA/MASA Model Policy 614 (School District Testing Plan and Procedure)

MSBA/MASA Model Policy 615 (Testing Accommodations, Modifications, and Exemptions for IEPs,

Section 504 Plans, and LEP Students)
MSBA/MASA Model Policy 616 (School District System Accountability)



Stillwater Area Public Schools (ISD 834)

2026 LEGISLATIVE PRIORITIES

Who We Are:

The Stillwater Area Public School District serves about 8,300 students from 18 unique communities along the St. Croix River – from Marine to Afton and a portion of Woodbury. Our boundaries stretch 30 miles and cover approximately 150 square miles.

Thank you for your ongoing support of our students, staff and schools!

2025-26 School Board

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Education Funding Priorities

Increase Local Optional Revenue (LOR)

- Increase LOR to \$947 per pupil and link it to the general education formula.
- Generates \$223 per student annually (\approx \$2 million for Stillwater).
- LOR has not increased since 2019, significantly reducing purchasing power.

Restore Special Education Funding

- Repeal cuts to special education cross-subsidy aid and transportation reimbursement.
- Special education is the fastest-growing mandated cost in the district.
- The impact of reducing the special education transportation reimbursement by 5% in FY26 is \$350,000. In FY27, the reduction is projected to be at 10% less, or \$725,000.

Increase Transportation Sparsity Aid

- Stillwater spends \$14.1 million annually (9.2% of the general fund) to transport 7,500 riders across 150 square miles.
- Transportation costs have exceeded the budget by more than \$1.5 million annually for several years.

Maintain Compensatory Education Funding

- Hold districts harmless to current funding levels.
- Without hold harmless, Stillwater would lose \$300,000, directly impacting targeted student supports.

Allow Renewal of Existing Technology Levies

- Permit school boards to renew voter-approved capital projects (technology) levies at the same rate.
- Ensures continuity of Stillwater's \$4.7 million technology levy while reducing election costs and administrative burden.

Safety and Security

Increase the Safe Schools Levy

- Increase the levy from \$36 to \$100 per pupil.
- Generates approximately \$578,000 for Stillwater.
- The levy has not been increased since 2013, despite growing safety and mental health needs.

Fund Non-Exclusionary Discipline Requirements

- Provide funding for mandated non-exclusionary discipline practices.
- Effective implementation requires additional staff such as behavior specialists, deans, and assistant principals.

Policy Priorities

Address Minnesota Paid Leave (MPL) Impacts

- MPL has increased staffing instability, substitute costs, and instructional disruption with no funding offset.

Modernize Hours-of-Instruction Requirements

- Provide flexibility to support Pathways College and Career programming, including work-based and competency-based learning.

Replace the High School MCA with the ACT

- The ACT meets federal requirements, reduces redundant testing, and provides more meaningful college- and career-readiness data.
- The high school Math MCA assessment, given junior year, has an opt out rate of 18%.