

School Board Special Meeting
Tuesday, May 26, 2026 4:00 PM Central

District Office Conference Room, Room 164
Austin High School
401 3rd Ave. NW
Austin, MN 55912

1. Call to order/roll call
2. Request approval of agenda (Action)
3. Overview of 2026-27 student handbooks
4. Request approval of contract with Kelly Services (Action)
5. Overview and request approval of FY26 revised budget (Action)
6. Request approval of Construction Manager as Advisor contract (CMA) (Action)
7. Facilities discussion and possible action on submission of Review and Comment for facility repairs
8. Graduation ceremony procedures for School Board
9. Adjournment (Action)



DATE: May 26, 2026

TITLE: Kelly Services

TYPE: Action

PRESENTER: Sue Stark, Director of Human Resources

BACKGROUND:

During the 2025–2026 school year, the district established a Substitute Task Force to address the ongoing need for consistent classroom coverage by substitutes. The task force includes 38 members representing teachers, administrators, clerical staff, and substitute teachers. The purpose of the group was to examine the district’s current substitute system and identify opportunities to strengthen and improve substitute coverage across the district.

The task force focused its work around the guiding question: *How can the district strengthen systems, staffing, and support to ensure consistent classroom coverage in ways that are sustainable, effective, and student-centered?*

As part of this work, Kelly Services presented information to the task force regarding substitute staffing solutions. Their presentation highlighted strategies to improve substitute fill rates, expand the substitute pool, increase consistency through training, and create a more predictable and reliable daily coverage system.

RATIONALE:

The district continues to experience challenges in securing consistent substitute coverage, which can impact student learning, staff workload, and daily school operations. Improving substitute staffing systems is necessary to ensure classrooms are consistently supported by qualified personnel and to reduce disruptions caused by unfilled absences.

Through the work of the Substitute Task Force, the district identified a need for stronger systems and additional supports to improve substitute recruitment, training, and placement processes. Kelly Services’ proposal offers potential solutions to these challenges by increasing access to a larger substitute pool, improving fill rates, and providing more structured training and support for substitutes. These improvements would help create a more sustainable, efficient, and student-centered substitute coverage system across the district.

Kelly Services will also provide and fund Red Rover absence management for our school.

RECOMMENDATION:

I recommend contracting with Kelly Services for substitute staffing services.



DATE: May 26, 2026

TITLE: Approval of the 2025-2026 Revised Budget

TYPE: Action

PRESENTER: Todd Lechtenberg, Executive Director of Finance and Operations

BACKGROUND:

Minnesota Statute 123B.77 Accounting, Budgeting, and Reporting Requirement provides guidance for the adoption of School District budgets each year. Statute 123B.77 subdivision 4 notes budget approval is required prior to July 1 of each year. This statute also provides for the necessity for budget amendments prior to the end of each fiscal year.

RATIONALE:

The 2025-2026 Revised Budget was prepared in accordance with school board decisions. The parameters used to develop the budget are detailed in the budget presentation outlining the significant assumptions including:

1. Projected decrease in enrollment of 62 students over the original adopted budget
2. Negotiations settlements from our 5 union contracts
3. Staff changes that were approved during the year
4. Timing of projects (parking lots and playgrounds)

School board policy 714 requires that the District maintain an unassigned operating fund balance of 8.33% which equates to one month's expenditures. The 2025-2026 revised budget estimates year end unassigned fund balance of approximately 12.39%.

The unassigned fund balance, as shown above, exceeds the goal established in school board policy 714.

RECOMMENDATION:

To approve 2025-2026 Revised Budget.

2025-2026 Revised Budget

Todd Lechtenberg
May 26, 2026

AUSTIN PUBLIC SCHOOLS STRATEGIC PLAN

OUR MISSION

(Our Core Purpose)

Inspire. Empower. Accelerate.

OUR VISION

(What We Intend to Create)

Preparing all learners to make a difference in the world.

Our Core Values

(Drivers of Our Words and Actions)

- Responsible: Demonstrates accountability to self and others
- Resilient: Develops perseverance and self-confidence
- Learner: Challenges self to think critically
- Communicator: Listens actively and shares learning and experiences
- Contributor: Engages as a productive member of the community and global society

OUR STRATEGIC PRIORITIES

(Drivers of Our Continuous Improvement)

1. Support and resources to ensure a safe and welcoming learning environment
2. Packer Profile for all learners
3. District-wide multi-tiered systems of support for all learners
4. Excellence in resource management



STUDENTS

I am supported and challenged in my learning and believe I will be successful

- Teachers and all staff are approachable, listen and respond to my needs
- My teachers have time to talk through and help answer questions or help solve problems I have
- I am trusted to make good choices, be engaged in my learning, and held accountable but not overwhelmed

I feel that school is safe and that school is challenging and fun

- I am heard and respected for who I am by school staff and students
- The school and my interactions with students and staff are safe, positive and inclusive
- I enjoy coming to school every day and have time to be with friends during school
- I understand what is expected from me at school
- I am supported in my mental health needs

I am an engaged learner at school and in our community

- I have a voice and choice in how and what I learn
- My learning is hands-on, meaningful, challenging and helps me prepare for my future
- My teachers like me and believe in me
- I have teachers and staff that work with me in a way that benefits all students
- I am physically comfortable in the school setting
- This school should be about me not the teachers



FAMILIES

I am part of my child's education and feel welcomed, valued, and respected as a family

- o My child is physically and emotionally safe at school
- o My child feels a sense of belonging at school, is cared for, and valued
- o My student can voice their thoughts and ideas without being discriminated against so they continue to learn

My child enjoys coming to school and is safe, included and respected so they are learning every day

- o My child is challenged (not overwhelmed) in learning and development, listened to, and provided choice and voice in learning options
- o Teachers know my child well and creates a fun, interactive approach to learning which is responsive to my child's and family needs

I am engaged in a partnership with my child's school so I know what to do to help my child continue to grow and learn

- o I will feel welcome, informed and encouraged to collaborate with the teachers and staff at the school to help my child grow
- o My child's teachers, my child and myself have open communication about their academic progress, social development and well-being
- o District and school information is easy to understand and easily accessible
- o My child is taught the life skills necessary to be successful in whatever path they choose after high school





STAFF

I am seen, valued, and respected for who I am and the work I do

- I work in a collaborative not competitive environment that honors the unique strengths of each individual
- I am seen as a professional and given the flexibility and support to provide students what they need to be successful
- I am listened to, heard and know that I matter
- I have a level of freedom and innovation within reasonable parameters

I receive the support and resources to do my job well so I am able to create a healthy and safe learning environment

- I am a valued member of a caring, engaged, and collaborative team
- I receive constructive feedback in regards to my position so I can be the best version of myself
- I am treated with respect and fairness with reasonable expectations for work, performance, time, and employment
- I enjoy my job and have flexibility, satisfaction, and recognition

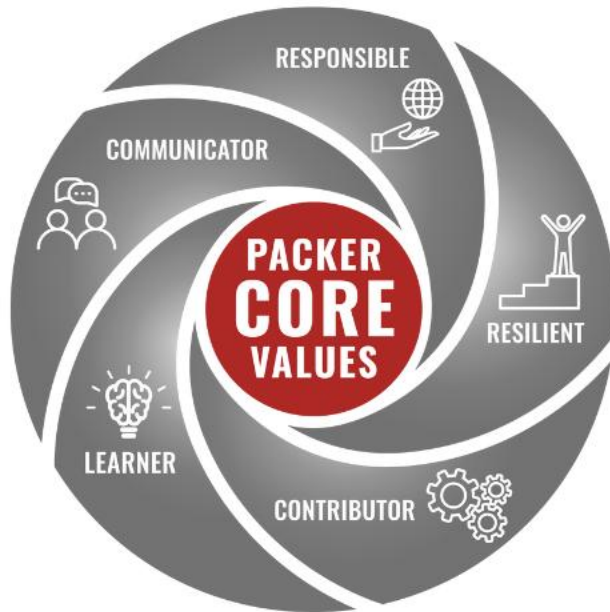
I work in a district that is willing to adapt and change when necessary to best meet the needs of all students

- Diversity, equality, inclusion and equity for everyone
- I have the resources and materials I need in my classroom and for families so they know what they can do to support learning at home
- There is effective communication across the district and community so staff and families have the information they need
- I have adequate training for various aspects of my job



WHAT OUGHT TO BE

The **Desired Daily Experience** sets the foundation of descriptions of the student, family, and staff experiences *if* the strategic plan is successfully implemented in APS.



OUR CORE VALUES

(Drivers of Our Words and Actions)

- **Responsible:** Demonstrates accountability to self and others
- **Resilient:** Develops perseverance and self-confidence
- **Learner:** Challenges self to think critically
- **Communicator:** Listens actively and shares learning and experiences
- **Contributor:** Engages as a productive member of the community and global society

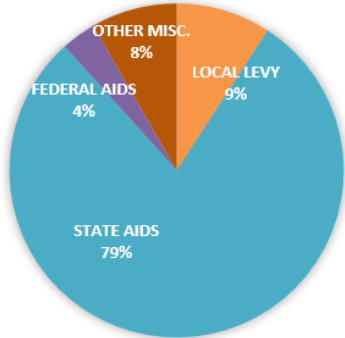
Changes to Budget Assumptions

- Enrollment
 - Adopted Budget K-12 4,953
 - Revised Budget K-12 4,891
- Staff Changes
 - Lane changes
 - Negotiations Settlements
- Timing of Projects
 - Track resurfacing won't finish until September 2026

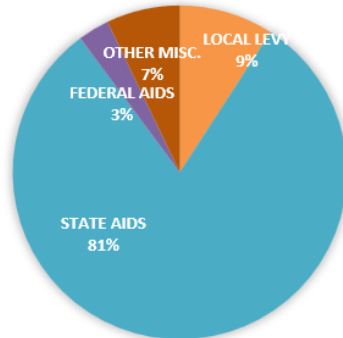
2025-26 Revised Budget

General Fund Revenues By Source

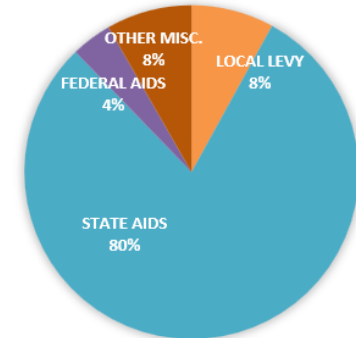
2025-26 REVISED BUDGET
GENERAL FUND REVENUES BY SOURCE



2025-26 ORIGINAL BUDGET
GENERAL FUND REVENUES BY SOURCE



2024-25 ACTUALS
GENERAL FUND REVENUES BY SOURCE



2025-2026 REVISED BUDGET GENERAL FUND REVENUES AND PERCENTAGE BY SOURCE

REVENUE SOURCES	REVISED		ORIGINAL		ACTUALS	
	25-26 BUDGET	25-26 PERCENT	25-26 BUDGET	25-26 PERCENT	24-25 REVENUE	24-25 PERCENT
LOCAL LEVY	8,597,487	9.17%	8,597,487	9.14%	7,729,481	8.01%
STATE AIDS	74,224,530	79.16%	75,941,078	80.71%	76,983,336	79.78%
FEDERAL AIDS	3,143,630	3.35%	2,858,430	3.04%	3,796,499	3.93%
OTHER MISC.	7,801,280	8.32%	6,691,378	7.11%	7,982,580	8.27%
TOTAL REVENUES	93,766,926	100%	94,088,372	100%	96,491,896	100.00%

2025-26 Revised Budget

General Fund Expenditures By Program

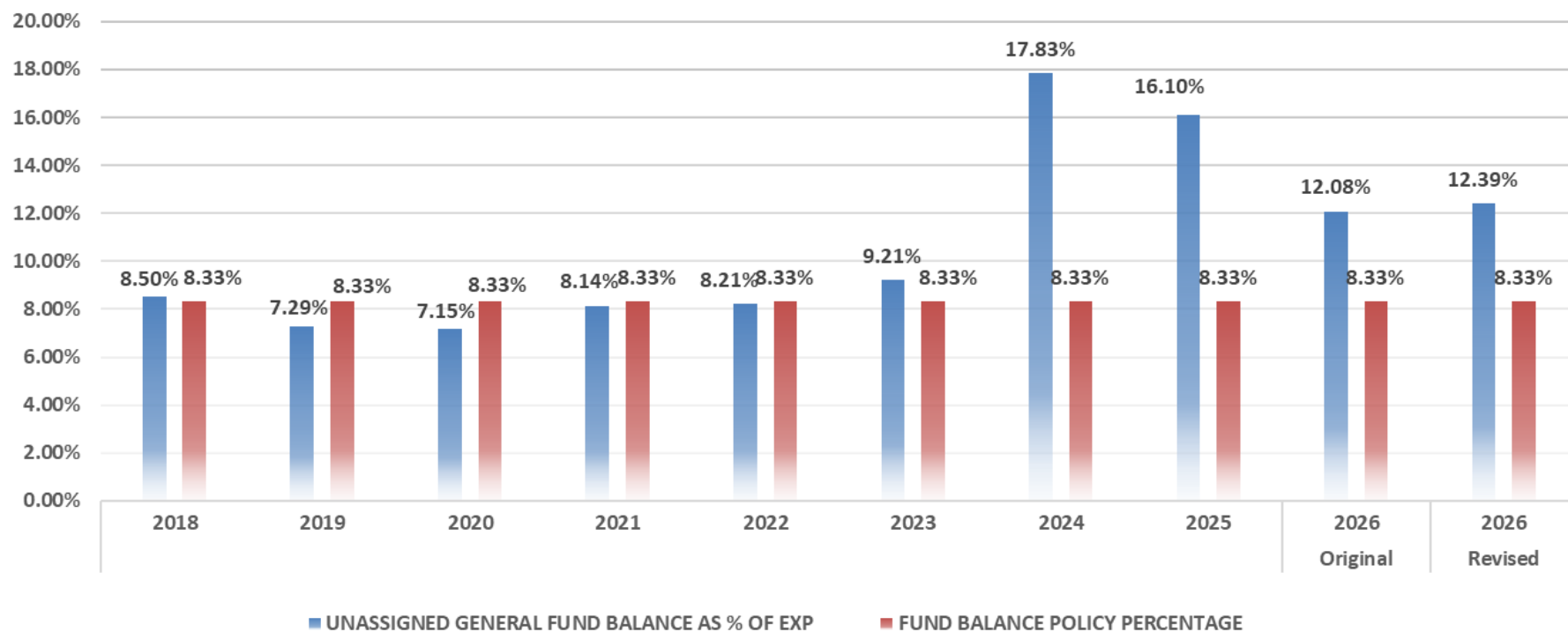
2025-2026 REVISED BUDGET GENERAL FUND EXPENSES AND PERCENTAGE BY PROGRAM

PROGRAM EXPENSES	ORIGINAL		ORIGINAL		ACTUALS	
	25-26 BUDGET	25-26 PERCENT	25-26 BUDGET	25-26 PERCENT	24-25 EXPENSES	24-25 PERCENT
ADMINISTRATION	3,210,466	3.29%	3,359,336	3.47%	3,075,707	3.49%
DISTRICT SUPPORT	3,501,976	3.59%	3,369,408	3.48%	2,958,447	3.36%
REGULAR INSTRUCTION	39,350,399	40.32%	38,867,042	40.14%	35,605,000	40.40%
VOCATIONAL INSTRUCTION	1,018,789	1.04%	1,081,472	1.12%	971,599	1.10%
SPECIAL EDUCATION	24,112,770	24.70%	24,280,453	25.08%	21,829,931	24.77%
INSTRUCTIONAL SUPPORT	5,118,597	5.24%	4,870,986	5.03%	4,798,640	5.44%
PUPIL SUPPORT	9,425,897	9.66%	9,147,024	9.45%	8,907,393	10.11%
SITES & BUILDINGS	10,329,467	10.58%	10,351,768	10.69%	9,301,130	10.55%
OTHER FIXED COSTS & TRANSFERS	1,535,409	1.57%	1,495,286	1.54%	690,483	0.78%
SUBTOTAL PROGRAM EXPENSES	97,603,771	100.00%	96,822,775	100.00%	88,138,330	100.00%
TRANSFERS	-		-		-	
TOTAL PROGRAM EXPENSES	97,603,771		96,822,775		88,138,330	

25-26 Budgeted Revenues/Expenditures

	6/30/2025 Actual Fund Balance	Budgeted Revenues	Budgeted Expenditures	Gain(Loss)	Fund Transfers Transfer In or Out	6/30/2026 Budgeted Fund Balance
General Fund:						
Restricted - ALC-Regular Year	73,119.03	715,000.00	476,275.66	238,724.34	-	311,843.37
Restricted - ALC-Summer	103,102.05	120,000.00	91,024.50	28,975.50	-	132,077.55
Restricted - Targeted Summer/Regular Year	842,317.72	450,000.00	691,926.64	(241,926.64)	-	600,391.08
Restricted - Staff Development	(0.00)	821,036.76	821,036.76	-	-	(0.00)
Restricted - Basic Skills	1,978,297.66	9,351,271.80	9,794,527.56	(443,255.76)	-	1,535,041.90
Restricted - English Learner	410,911.49	1,528,289.81	1,786,187.71	(257,897.90)	-	153,013.59
Restricted - Literacy Incentive Aid	358,035.03	198,167.66	282,770.08	(84,602.42)	-	273,432.61
Restricted - School Library Aid	105,170.12	56,346.44	78,376.60	(22,030.16)	-	83,139.96
Restricted - Literacy Aid	204,842.04	-	165,565.57	(165,565.57)	-	39,276.47
Restricted - Teacher Comp for READ Act	13,912.45	-	13,912.45	(13,912.45)	-	0.00
Restricted - Gifted & Talented	8,171.52	71,410.04	77,048.67	(5,638.63)	-	2,532.89
Restricted - Learning & Development	368,037.12	1,107,117.20	1,227,059.42	(119,942.22)	-	248,094.90
Restricted - American Indian Education Aid	3,087.68	58,000.00	58,000.00	-	-	3,087.68
Restricted - Achievement & Integration	(0.00)	1,142,343.48	1,142,343.48	-	-	(0.00)
Restricted - Safe Schools	(0.00)	191,727.72	261,700.00	(69,972.28)	69,972.28	(0.00)
Restricted - Scholarships	12,368.16	93,644.00	96,123.00	(2,479.00)	-	9,889.16
Assigned - Student Support Personnel	2,945.98	165,301.44	168,247.42	(2,945.98)	-	(0.00)
Restricted - Operating Capital	1,176,367.77	2,218,975.55	2,630,260.19	(411,284.64)	-	765,083.13
Restricted - LTFM	1,162,160.00	1,736,317.73	1,991,861.68	(255,543.95)	-	906,616.05
Restricted - Student Activities	225,483.80	93,166.00	95,782.00	(2,616.00)	-	222,867.80
Assigned - Student Athletics	117,300.35	70,361.91	70,528.00	(166.09)	-	117,134.26
Assigned - Separation Benefits / OPEB	2,124,260.30	-	-	-	-	2,124,260.30
Assigned - Technology	750,000.00	-	-	-	-	750,000.00
Assigned - Health Insurance	2,748,220.00	-	-	-	-	2,748,220.00
Assigned - Curriculum	750,000.00	-	-	-	-	750,000.00
Assigned - Facilities	3,000,000.00	-	-	-	-	-
Assigned - Wescott Facilities	1,000,000.00	-	-	-	-	-
Nonspendable - Prepaid Expenses	417,843.26	-	-	-	(1,646.44)	416,196.82
Unassigned-Professional Development Accts	33,611.32	31,825.62	67,083.38	(35,257.76)	1,646.44	(0.00)
Unassigned-Site-Co-Curricular Funds	648,117.27	226,268.00	333,773.31	(107,505.31)	92,292.75	632,904.71
Unassigned	12,890,172.60	73,320,354.88	75,182,357.06	(1,862,002.18)	(162,265.03)	10,865,905.39
Total General Fund	31,527,854.72	93,766,926.04	97,603,771.14	(3,836,845.10)	-	23,691,009.62
					Net Change	(1,975,443.33)
					Fund Balance %	12.39%

Unassigned Fund Balance



*ISD 492 Fund Balance Policy 714 guides budgeting practice in meeting or exceeding Unassigned Fund Balance targets.

Food Service

Todd Lechtenberg

Changes to Budget Assumptions

- Investment in Kitchen Upgrades
 - AHS Dish room, cooking equipment and walk in cooler and freezer
 - Ellis-Dish room and updated hood
 - Southgate-Serving line with new carts, Dish room updates, and new cooking equipment
 - Neveln-Serving line with new carts, demo of walls to create larger opening, dish room updates, and new cooking equipment

Food Service Revised Budget

2025-2026 REVISED BUDGET FOOD SERVICE REVENUES AND PERCENTAGE BY SOURCE

REVENUE SOURCES	REVISED		ORIGINAL		ACTUALS	
	25-26 BUDGET	25-26 PERCENT	25-26 BUDGET	25-26 PERCENT	24-25 EXPENSES	24-25 PERCENT
STATE AIDS	776,550	16.50%	1,100,000	25.17%	702,838	15.37%
FEDERAL AIDS	3,766,972	80.02%	3,051,972	69.83%	3,707,372	81.05%
PUPIL SALES & MISC.	163,849	3.48%	218,688	5.00%	163,930	3.58%
TOTAL REVENUES	4,707,371	100.00%	4,370,661	100.00%	4,574,140	100.00%

2025-2026 REVISED BUDGET FOOD SERVICE EXPENSES AND PERCENTAGE BY OBJECT

OBJECT EXPENSES	REVISED		ORIGINAL		ACTUALS	
	25-26 BUDGET	25-26 PERCENT	25-26 BUDGET	25-26 PERCENT	24-25 EXPENSES	24-25 PERCENT
SALARIES	1,262,194	21.58%	1,267,662	26.74%	1,209,692	28.57%
EMPLOYEE BENEFITS	482,600	8.25%	441,061	9.30%	406,214	9.59%
PURCHASED SERVICES	69,000	1.18%	28,000	0.59%	13,893	0.33%
SUPPLIES/MATERIALS	2,648,547	45.27%	2,530,072	53.37%	2,243,733	53.00%
CAPITAL EXPENDITURES	1,278,215	21.85%	408,515	8.62%	325,242	7.68%
OTHER EXPENSE	109,609	1.87%	65,600	1.38%	35,055	0.83%
TOTAL OBJECT EXPENSES	5,850,165	100.00%	4,740,910	100.00%	4,233,828	100.00%

	6/30/2025 Actual	Budgeted Revenues	Budgeted Expenditures	Gain(Loss)	Fund Transfer	Transfers In or Out	6/30/2026 Budgeted Fund Balance
Food Service Fund	Fund Balance						Fund Balance
Nonspendable - Inventory	47,122.81	-	-	-	-	-	47,122.81
Restricted	2,449,876.20	4,707,371.44	5,850,165.15	(1,142,793.71)	-	-	1,307,082.49
Total Food Service Fund	2,496,999.01	4,707,371.44	5,850,165.15	(1,142,793.71)	-	-	1,354,205.30

Community Service

Todd Lechtenberg

Changes to Budget Assumptions

- Adult Basic Education
 - Staff impact of moving teachers onto the master teacher contract

2025-26 Revised Budget Community Service Fund Revenues By Source

2025-2026 REVISED COMMUNITY SERVICES
REVENUES AND PERCENTAGE BY SOURCE

REVENUE SOURCES	REVISED		ORIGINAL		ACTUALS	
	25-26 BUDGET	25-26 PERCENT	25-26 BUDGET	25-26 PERCENT	24-25 EXPENSES	24-25 PERCENT
LOCAL LEVY	244,710	8.40%	244,710	8.78%	238,074	8.46%
STATE AIDS	1,099,519	37.73%	990,972	35.56%	989,935	35.17%
FEDERAL AIDS	28,985	0.99%	34,257	1.23%	34,257	1.22%
OTHER/TUITION & FEES	1,048,616	35.98%	1,001,551	35.94%	1,016,854	36.12%
OTHER/STATE ABE	492,227	16.89%	514,946	18.48%	535,744	19.03%
TOTAL REVENUES	2,914,057	100.00%	2,786,436	100.00%	2,814,864	100.00%

2025-26 Revised Budget Community Service Fund Expenditures By Program

2025-2026 REVISED BUDGET COMMUNITY SERVICES EXPENSES AND PERCENTAGE BY PROGRAM

PROGRAM EXPENSES	REVISED		ORIGINAL		ACTUALS	
	25-26 BUDGET	25-26 PERCENT	25-26 BUDGET	25-26 PERCENT	24-25 EXPENSES	24-25 PERCENT
GENERAL COMMUNITY ED	200,699	6.66%	193,861	7.11%	158,740	6.30%
ADULTS W/ DISABILITIES	41,074	1.36%	41,118	1.51%	45,422	1.80%
ADULT BASIC EDUCATION	716,256	23.78%	693,289	25.43%	652,094	25.89%
SUMMER SCHOOL	47,562	1.58%	44,251	1.62%	25,550	1.01%
KIDS KORNER	811,407	26.94%	781,479	28.66%	705,158	28.00%
EARLY CHILDHOOD FAMILY ED	322,297	10.70%	267,133	9.80%	167,998	6.67%
SCHOOL READINESS	618,588	20.54%	568,647	20.86%	537,534	21.34%
PRE-SCHOOL SCREENING	27,540	0.91%	25,782	0.95%	23,863	0.95%
OTHER COMMUNITY SERVICES	226,816	7.53%	110,844	4.07%	202,004	8.02%
TOTAL PROGRAM EXPENSES	3,012,238	100.00%	2,726,405	100.00%	2,518,363	100.00%

2024-25 Revised Budget Community Services

	6/30/2025 Actual	Budgeted	Budgeted		Fund Transfers		6/30/2026 Budgeted
Community Service Fund:	Fund Balance	Revenues	Expenditures	Gain(Loss)	Transfer	In or Out	Fund Balance
Restricted - Community Education	727,659.78	1,263,315.11	1,210,750.04	52,565.07	-	-	780,224.85
Restricted - ECFE	387,175.44	303,417.31	320,066.01	(16,648.70)	-	-	370,526.74
Restricted - School (Learning) Readiness	181,008.79	595,246.80	615,260.22	(20,013.42)	-	-	160,995.37
Restricted - Adult Basic Ed	121,862.94	604,711.65	716,256.23	(111,544.58)	-	-	10,318.36
Nonspendable - Prepaid Expenses	14,328.85	-	-	-	-	-	14,328.85
Unassigned	31,731.23	147,365.71	149,905.71	(2,540.00)	-	-	29,191.23
Total Community Service Fund	1,463,767.03	2,914,056.58	3,012,238.21	(98,181.63)	-	-	1,365,585.40

Other Funds

Todd Lechtenberg

2025-26 Revised Budget

Other Funds

	6/30/2025 Actual Fund Balance	Budgeted Revenues	Budgeted Expenditures	Gain(Loss)	Fund Transfers Transfer In or Out	6/30/2026 Budgeted Fund Balance
Building Constr. Fund						
Restricted - COP-AHS Music	(0.00)	-	-	-	40,110.43	40,110.43
Restricted - COP-Tennis Court Project	-	580,317.73	541,799.55	38,518.18	(38,518.18)	(0.00)
Restricted - Lease Purchase FIN 791	(0.00)	-	-	-	-	(0.00)
Restricted - Capital Facilities	0.00	-	-	-	-	0.00
Restricted - Capital Facilities Lighting Project	0.00	2,869,940.65	986,611.57	1,883,329.08	(1,883,329.08)	-
Nonspendable - Prepaid Expenses	-	-	-	-	-	-
Unassigned - Building Construction	(1,881,736.83)	-	151,167.00	(151,167.00)	1,881,736.83	(151,167.00)
Total Building Constr. Fund	(1,881,736.83)	3,450,258.38	1,679,578.12	1,770,680.26	-	(111,056.57)

	6/30/2025 Actual Fund Balance	Budgeted Revenues	Budgeted Expenditures	Gain(Loss)	Fund Transfers Transfer In or Out	6/30/2026 Budgeted Fund Balance
Debt Service Fund						
Restricted - QZAB Sinking Fund	-	-	-	-	-	-
Restricted	918,606.85	3,666,520.67	3,746,044.90	(79,524.23)	-	839,082.62
Total Debt Service Fund	918,606.85	3,666,520.67	3,746,044.90	(79,524.23)	-	839,082.62

Trust Fund						
Unassigned	118,554.12	5,040.00	500.00	4,540.00	-	123,094.12
Total Trust Fund	118,554.12	5,040.00	500.00	4,540.00	-	123,094.12

Custodial Fund						
Unassigned	-	228,530.00	228,530.00	-	-	-
Total Custodial Fund	-	228,530.00	228,530.00	-	-	-

Internal Service - Insurance Trust Fund						
Unassigned	2,502,983.42	16,532,966.00	16,532,966.00	-	-	2,502,983.42
Total Internal Service Fund - Insur. Trust	2,502,983.42	16,532,966.00	16,532,966.00	-	-	2,502,983.42

Internal Service - OPEB Trust						
Unassigned	123,600.00	54,040.00	-	54,040.00	-	177,640.00
Total Internal Service Fund - OPEB Trust	123,600.00	54,040.00	-	54,040.00	-	177,640.00

Questions



DATE: May 26, 2026

TITLE: Construction Manager as Advisor Contract

TYPE: Action

PRESENTER: Superintendent Dr. Joey Page

BACKGROUND: Austin Public Schools completed a review and interview process for Construction Manager as Advisor (CMA) services to support potential referendum planning and future district facility improvements. The process considered firm experience, K-12 construction management experience, referendum support, cost structure, project controls, staffing capacity, local familiarity, responsiveness, financial considerations, and interview performance.

RATIONALE: Hiring a CMA will provide the district with specialized support for planning, cost estimating, scheduling, procurement, project controls, reporting, and construction coordination. This support is especially important as the district considers a potential referendum and a multi-year facilities program that may involve multiple sites, occupied school buildings, tight construction windows, and significant public investment.

RECOMMENDATION: A motion and a second will be requested to approve the CMA.



DATE: May 26, 2026

TITLE: Facilities Discussion

TYPE: Action

PRESENTERS: Dr. Joey Page, Superintendent
Todd Lechtenberg, Executive Director of Finance and Operations

BACKGROUND:

Austin Public Schools has been reviewing their facilities needs since the building referendum failed in November 2025. Partnering with ISG and PTMA, we have reviewed all priorities 1 and 2 of the facilities study.

RATIONALE:

Since November, Austin Public Schools has reviewed all Priority 1 and Priority 2 items identified in the previous facilities study and explored a variety of funding mechanisms to address these needs.

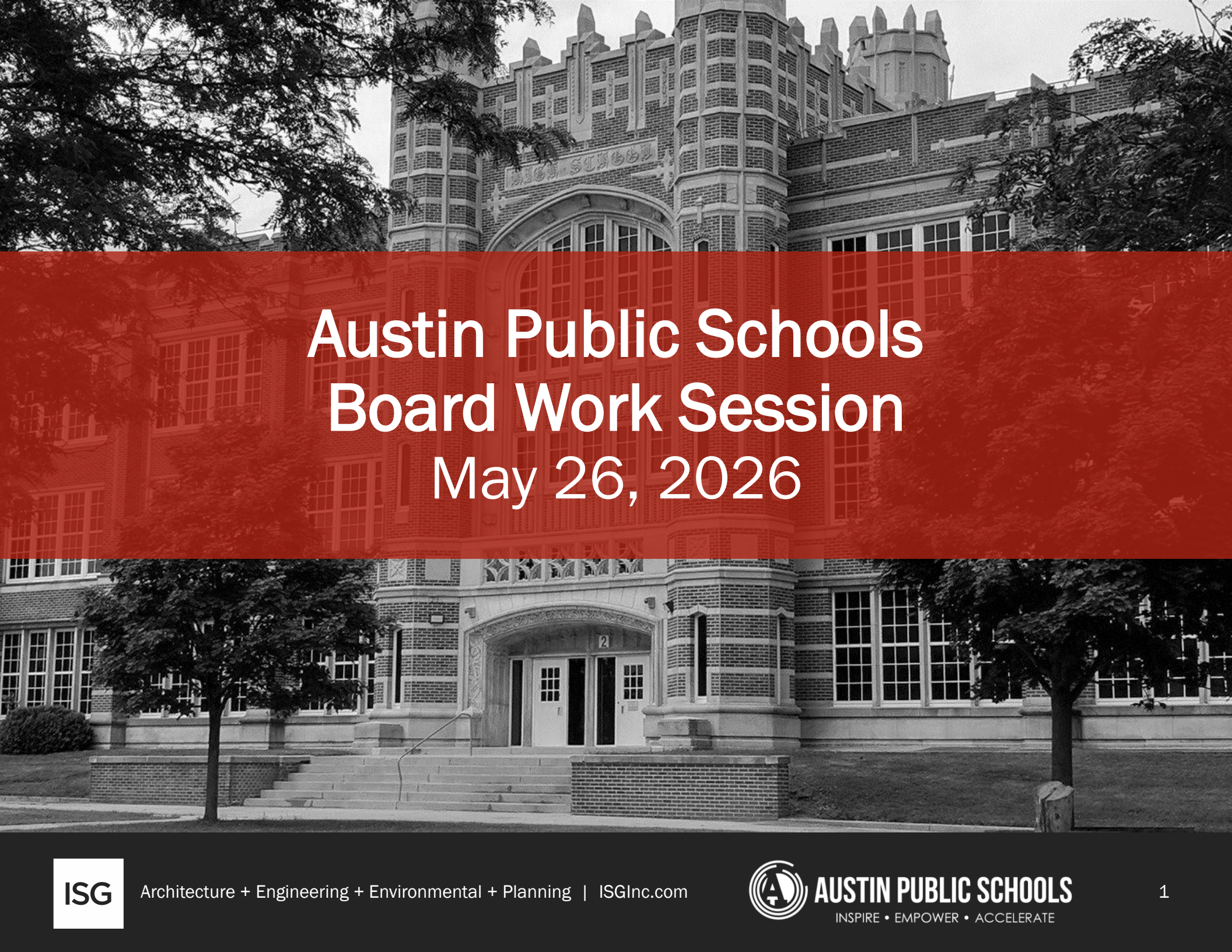
The APS Board has committed \$3 million from the district’s unassigned fund balance to improve restroom facilities at the elementary schools.

In addition, the APS Board has approved the use of Long-Term Facilities Maintenance (LTFM) and Indoor Air Quality bonds to complete additional facility improvements across the district, with the majority of this work scheduled during the summers of 2027 and 2028.

Even with these investments, approximately \$20–30 million in facility improvements remain without an identified funding source. As a result, the APS Board may need to consider a referendum in November 2026 to address these remaining needs.

RECOMMENDATION:

Motion and second to recommend submitting a Review and Comment document to Minnesota Department of Education.

A black and white photograph of a large, ornate brick building with a central entrance and a prominent tower. The building is surrounded by trees and a lawn. A red semi-transparent banner is overlaid on the middle of the image, containing the text for the Board Work Session.

Austin Public Schools Board Work Session May 26, 2026

Board Authorized Projects

Building	Description of Work	Board Approved Bond Funding	Board Approved Bond Funding Options
			Scenario B
Banfield Elementary	Qualifying FCA Items for IAQ +	\$74,600	\$254,730
	Qualifying FCA Items for LTFM Roofing	\$0	
	Abatement Bonds/ Parking Lots	\$44,990	
	Former Computer Lab Finishes, ceiling, lighting	\$135,140	
Neveln Elementary	Qualifying FCA Items for IAQ	\$2,850,300	\$3,003,000
	Qualifying FCA Items for LTFM Roofing	\$0	
	Abatement Bonds/ Parking Lots	\$0	
	Wall paint at perimeter areas	\$152,700	
	Restrooms Remodel		
Southgate Elementary	Qualifying FCA Items for IAQ	\$202,000	\$210,700
	Qualifying FCA Items for LTFM Roofing	\$8,700	
	Abatement Bonds/ Parking Lots	\$0	
	Restrooms Remodel		
Sumner Elementary	Qualifying FCA Items for IAQ	\$0	\$0
	Qualifying FCA Items for LTFM Roofing	\$0	
	Restrooms Remodel		
Woodson	Abatement Bonds/ Parking Lots	\$18,600	\$18,600
	Qualifying FCA Items for IAQ	\$0	
Ellis Middle School	Qualifying FCA Items for IAQ	\$5,303,800	\$10,524,300
	Abatement Bonds/ Parking Lots	\$20,500	
	Locker Rooms - Qualifying FCA Items for IAQ	\$5,200,000	
High School	Qualifying FCA Items for IAQ	\$758,600	\$806,370
	Abatement Bonds/ Parking Lots	\$47,770	
HS Annex	Qualifying FCA Items for IAQ	\$4,096,100	\$4,096,100
	Abatement Bonds/ Parking Lots	\$0	
Total Project Cost			\$18,913,800

Recommendation: Address Remaining Priority 1 Projects

- Critical work that needs to be completed in 1 – 3 years.
- Projects that if not completed could cause greater damage and expense.
- Remaining projects will need to be addressed in 5-7 years.
- District financial forecast will have a drop in debt at that time, reducing tax impact for those projects to be considered.
- Requesting a bond approx. 1/3 the size of the last referendum, acknowledges the need to reduce the ask and focus on high-priority projects only.

Recommendation: Address Remaining Priority 1 Projects

Austin Public Schools - Facility Planning Summary										Question 1	Question 2
	Woodson Education Center	Banfield Elementary	Neveln Elementary	Southgate Elementary	Sumner Elementary	Ellis Middle School	High School	HS Annex			Ellis Pool (Question 2)
Project Area Breakdown										Totals by Priority	
Priority 1	\$936,900	\$2,610,700	\$1,125,800	\$2,620,400	\$2,531,200	\$895,500	\$8,388,990	\$246,300	\$19,355,790	\$19,355,790	\$5,040,600
Totals	\$936,900	\$2,610,700	\$1,125,800	\$2,620,400	\$2,531,200	\$895,500	\$8,388,990	\$246,300		\$19,355,790	\$5,040,600




Recommendation: Address Remaining Priority 1 Projects

Building	Description of Work	
Banfield Elementary	Window sill repairs	\$2,610,700
	Ceiling replacement	
	Interior door replacement	
	Gym flooring	
	Classroom casework	
	Locker replacement	
	Restroom renovation	
Neveln Elementary	Exterior wall repairs	\$1,125,800
	Interior door replacement	
	Locker replacement	
	Main electrical service upgrade	
	Secure entry improvements	
	Domestic water piping	
Southgate Elementary	Masonry & wall repairs	\$2,620,400
	Exterior wall stucco repairs	
	Interior door replacement	
	Limited ceiling replacement	
Sumner Elementary	Interior door replacement	\$2,531,200
	Casework replacement	
	Accessible route to 2nd floor south wing classrooms	
	Locker replacement	
	Secure entrance remodel	

Recommendation: Address Remaining Priority 1 Projects

Building	Description of Work	
Woodson	Masonry/ wall repairs	\$936,900
	Partial interior door replacement	
	Restroom updates	
	Electrical panel replacement	
Ellis Middle School	Skylight replacement	\$895,500
	Masonry/ wall repairs	
	Theatre flooring	
Indoor Pool	Masonry/ wall repairs	\$5,040,600
	Diving well reconfiguration	
	Pool equipment replacement	
	Pool area finish replacement	
	Roofing	
High School	Skylight replacement	\$8,388,990
	Masonry/ wall repairs	
	Partial interior finishes update (corridors)	
	Partial Interior door replacement (corridors & fire rated)	
	Locker replacement	
	Locker room remodeling	
	Restroom updates	
	Water heater replacement	
HS Annex	Interior door replacement	\$246,300
Total Project Cost		\$24,396,390



Funding Structure and Tax Impact



BOARD APPROVED STRUCTURE

Level Payments

Project Amount
Term of Bond

LTFM & Abatement
\$18,913,800
20

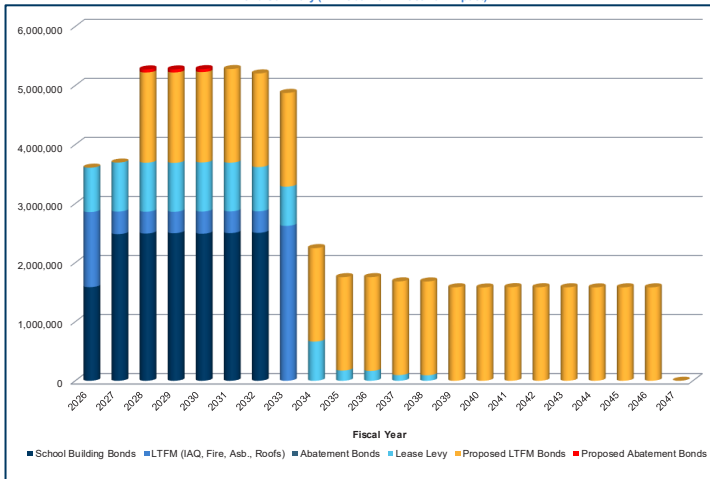
Property
Type

Est. Market Value

Estimated Annual Tax
Increase

Property Type	Est. Market Value	Estimated Annual Tax Increase
Residential Homestead	\$75,000	\$23
	100,000	32
	150,000	61
	200,000	89
	250,000	117
	300,000	146
	400,000	202

Bond Summary (All Debt with Direct Tax Impact)



- Estimated interest rates as of February 25, 2026 plus 0.75%.
- No growth assumed in net tax capacity.

Wraparound Payments

Project Amount
Term of Bond

LTFM & Abatement
\$18,913,800
20

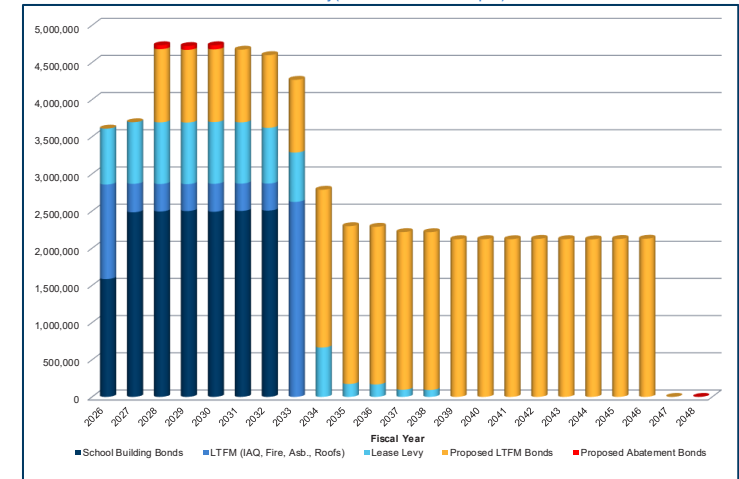
Property
Type

Est. Market Value

Estimated Annual Tax
Increase

Property Type	Est. Market Value	Estimated Annual Tax Increase
Residential Homestead	\$75,000	\$16
	100,000	22
	150,000	41
	200,000	60
	250,000	79
	300,000	98
	400,000	137

Bond Summary (All Debt with Direct Tax Impact)

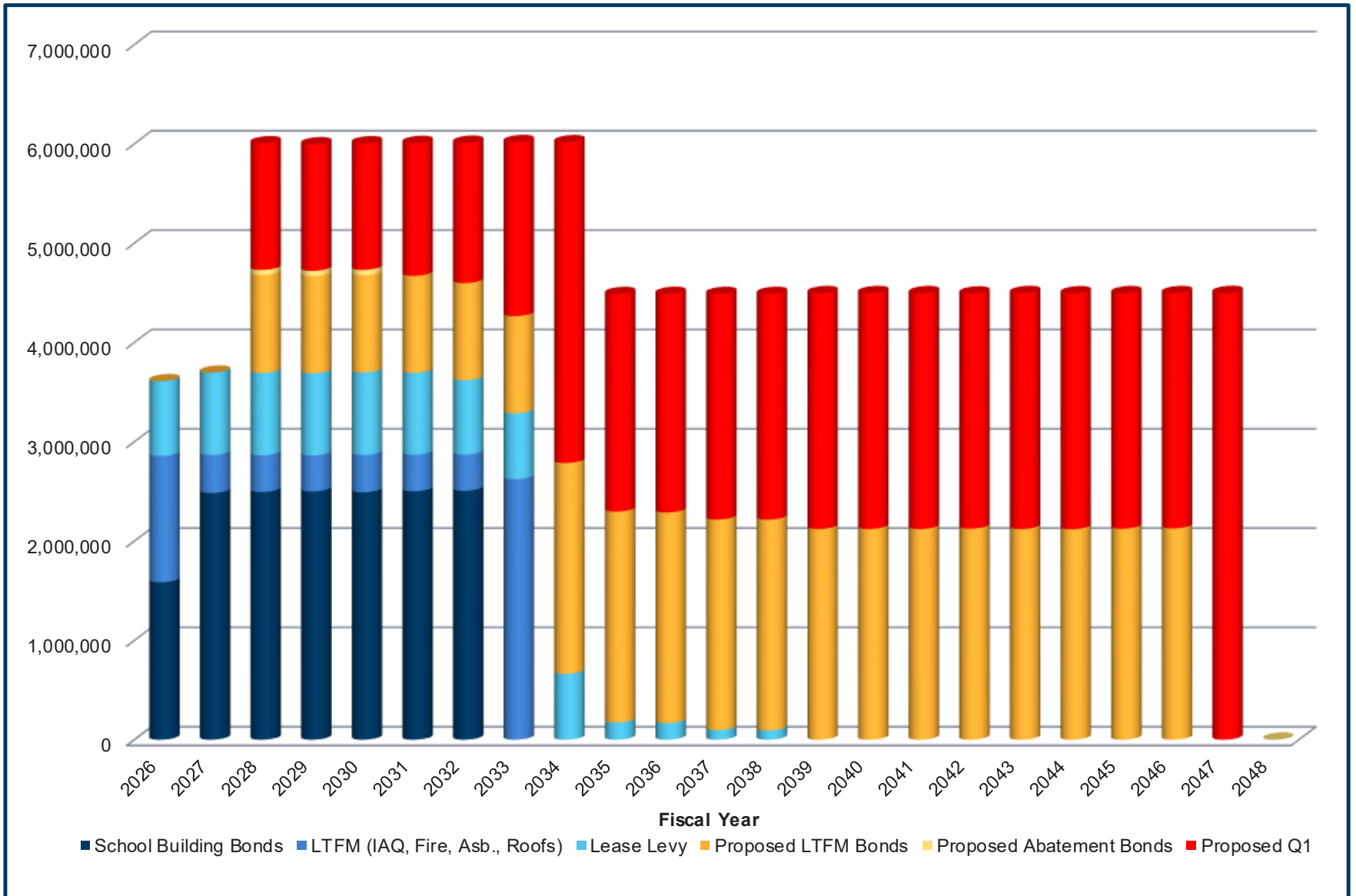


- Estimated interest rates as of May 19, 2026 plus 0.75%.
- No growth assumed in net tax capacity.



QUESTION 1 - \$24.9 MILLION

Bond Summary (All Debt with Direct Tax Impact)





TAX IMPACT - \$24.9 MILLION

Project Amount Term of Bond		Board Approved LTFM & Abatement	Voter Approved Question 1		
		\$18,913,800 20	\$24,900,000 20		
Property Type	Est. Market Value	Estimated Annual Tax Increase		Combined Total	
				Annual	Monthly
Residential Homestead	\$75,000	\$16	\$20	\$36	\$3
	100,000	22	28	49	4
	150,000	41	52	93	8
	200,000	60	75	136	11
	250,000	79	99	179	15
	300,000	98	123	222	18
	400,000	137	171	308	26
Commercial - Industrial	\$250,000	\$149	\$187	\$336	\$28
	500,000	325	407	732	61
	750,000	500	627	1,128	94
	1,000,000	676	847	1,523	127
Agricultural Homestead*	\$/acre \$9,000	\$0.47	\$0.59	\$1.07	\$0.09
	10,000	0.53	0.66	1.19	0.10
	11,000	0.58	0.73	1.31	0.11
	12,000	0.63	0.79	1.42	0.12

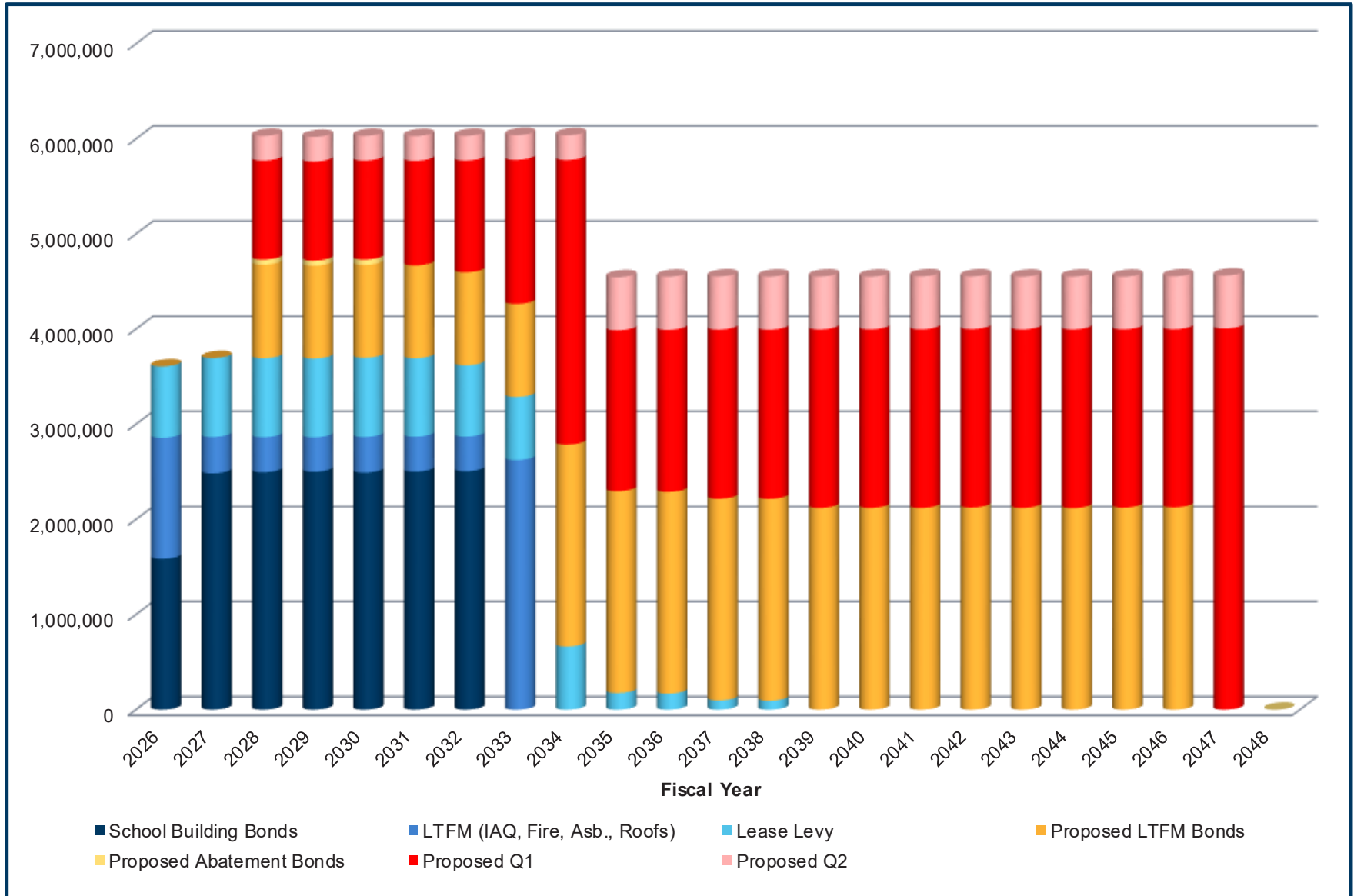
- Estimated interest rates as of May 19, 2026 plus 0.75%.
- No growth assumed in net tax capacity.



QUESTION 1 - \$19.9 MILLION

QUESTION 2 - \$5 MILLION

Bond Summary (All Debt with Direct Tax Impact)





TAX IMPACT – TWO QUESTIONS

Project Amount Term of Bond		Board Approved LTFM & Abatement	Voter Approved Question 1	Voter Approved Question 2		
		\$18,913,800 20	\$19,900,000 20	\$5,000,000 20		
Property Type	Est. Market Value	Estimated Annual Tax Increase			Combined Total	
					Annual	Monthly
Residential Homestead	\$75,000	\$16	\$16	\$4	\$36	\$3
	100,000	22	22	5	49	4
	150,000	41	41	10	93	8
	200,000	60	60	15	136	11
	250,000	79	80	20	179	15
	300,000	98	99	25	222	18
	400,000	137	137	34	308	26
Commercial - Industrial	\$250,000	\$149	\$150	\$37	\$336	\$28
	500,000	325	326	81	732	61
	750,000	500	502	125	1,128	94
	1,000,000	676	678	169	1,523	127
Agricultural Homestead*	\$/acre					
	\$9,000	\$0.47	\$0.48	\$0.12	\$1.07	\$0.09
	10,000	0.53	0.53	0.13	1.19	0.10
	11,000	0.58	0.58	0.15	1.31	0.11
	12,000	0.63	0.63	0.16	1.42	0.12

- Estimated interest rates as of May 19, 2026 plus 0.75%.
- No growth assumed in net tax capacity.

Voter-Approved Referendum Key Dates

June 16 – Deadline to Submit Review and Comment to MDE

August 11 – Deadline to Adopt Formal Resolution Calling Election

November 3 – Election Day

Board Direction

- Choose a 1 or 2 Question Ballot
- Direct the Team to submit Review and Comment to MDE.



Thank You!



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