



Stillwater
AREA PUBLIC SCHOOLS

2020-21 PRELIMINARY BUDGET

**Stillwater, Minnesota
April 2020**



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AREA PUBLIC SCHOOLS

**2020-21
PRELIMINARY BUDGET**

**INDEPENDENT SCHOOL DISTRICT NO. 834
STILLWATER, MINNESOTA**

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April 2020

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SECTION I

Introduction

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SCHOOL BOARD

Ms. Sarah Stivland	Board Chair
Ms. Shelley Pearson	Vice Chair
Dr. Michael Ptacek	Clerk
Ms. Tina Riehle	Treasurer
Mr. Mark Burns	Director
Ms. Jennifer Pelletier	Director
Ms. Liz Weisberg	Director

ADMINISTRATION

Ms. Denise Pontrelli	Superintendent of Schools
Dr. Bob McDowell	Assistant Superintendent
Ms. Kristen Hoheisel	Executive Director of Finance and Operations
Ms. Cathy Moen	Executive Director of Administrative Services
Ms. Rachel Larson	Director of Learning and Student Engagement
Mr. Paul Lee	Director of Student Support Services
Mr. John Perry	Director of Learning, Technology and Design Systems
Ms. Annette Sallman	Director of Community Education and Community Relations

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Curiosity Thrives Here

OUR STRATEGIC PLAN 2018-2021

Developed by stakeholders of the Stillwater Area Public Schools

OUR MISSION

A declaration of the unique identity to which the organization aspires; its specific purpose; and the means by which it will achieve its purpose.

The mission of Stillwater Area Public Schools, in **partnership** with students, family and **community**, is to develop **curious** individuals who are active and engaged **leaders** in an **ever-changing world** by **challenging** all students as they travel along their **personalized** learning pathways.

OUR VISION

What we commit to creating for our students.

A Stillwater Area Public Schools student will be an effective:

Communicator: Can express themselves effectively in both written and oral communications. Listens actively to others and treats them with kindness and respect. Shows cultural understanding and global awareness when engaging with others.

Collaborator: Builds strong relationships and works effectively and respectfully with diverse teams. Seeks out diverse ideas and perspectives. Values the individual contributions made by each team member.

Critical Thinker: Show empathy for others. Can solve complex problems and is able to discern accurate and relevant information. Reasons effectively to make sound judgments and decisions.

Creator: Is courageous, takes risks and learns from failure. Is open minded and responsive to new and diverse perspectives. Is flexible and can adapt to new environments and situations. Carefully considers ideas in order to improve and maximize creative efforts.

Self-Advocate: Remains curious and loves to learn new things. Understands personal strengths and weaknesses and is motivated and confident. Follows their passions and interests.

OUR GOALS: WORLD'S BEST WORKFORCE

Specific, measurable, observable or demonstrable results designed to increase student performance.

- All children are ready for school
- All third graders can read at grade level
- All racial and economic achievement gaps are closed
- All students are ready for career and college
- All students graduate from high school
- *All students will be engaged in their learning
- *All students will be supported in their social, emotional and behavioral development
- All students are seen, served and supported

OUR PARAMETERS

Boundaries within which the organization will accomplish its mission; self-imposed limitations.

In our decision-making, we will always consider what is desirable, equitable, feasible and sustainable.

We will build relationships with our shareholders and engage with our community by utilizing the board approved Decision-Making and Public Participation models.

* Goals unique to our district



Approved by the School Board - May 10, 2018

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A BRIEF HISTORY OF DISTRICT 834

Stillwater Area Public Schools – Independent School District #834 – has a long and proud tradition. Minnesota's first schoolhouse was built in Stillwater in 1848, a year before Minnesota became a territory. Stillwater became the state's first school district just two years later. The district has a tradition of high expectations, high standards and outstanding achievement. It is also a system dedicated to continuous improvement.

From the first one-room schoolhouse, Stillwater Area Public Schools has grown to serve more than 8,600 students in seven elementary schools (K-5), two middle schools (grades 6-8), one high school (grades 9-12), one transition programming center serving students ages 18 to 21, and an early childhood family center which serves families with young children, from birth to age 5.

The district stretches 30 miles along the St. Croix River from Marine on St. Croix south to Afton, and covers approximately 150 square miles. The district encompasses 18 communities, including: Afton, Bayport, Baytown Township, Grant, a portion of Hugo, Lake Elmo, Lakeland, Lakeland Shores, Lake St. Croix Beach, Marine on St. Croix, May Township, Oak Park Heights, St. Mary's Point, Stillwater, Stillwater Township, West Lakeland Township, Withrow and a portion of Woodbury. The area population is approximately 64,046.

Transportation services are provided to over 8,400 public, non-public and charter school students. Buses are scheduled to make over 3,200 stops every day as they transport students to and from over 20 sites, both within and outside the district. Beginning in 2009, transportation registration is required for Stillwater Area High School students and for all non-public and charter school students yearly. Families may also decline transportation if they will not need to be transported. Students in grades Kindergarten through 10th grade receive annual school bus safety training. On each school day, District 834 schools serve approximately 3,900 meals (lunches). Breakfast is also served in ten (10) school buildings.

Stillwater has built and maintained an exceptional reputation for excellence across the state and nation. Our schools are recognized as a leader in innovative education. Our students and our staff members are consistently recognized for their successes in academics, fine arts and athletics. In addition, our district has received the Certificate of Excellence in Financial reporting award for sixteen consecutive years. This award validates the credibility of the school system's operations and measures the integrity and technical competence of the business staff.

The district offers the best of both worlds. It is large enough to provide a wide variety of opportunities for students, while maintaining a personal, caring and individualized education. The district strives to develop learners who are innovative, creative, and prepared for a rapidly changing world. Expectations are high and students of all abilities are challenged, supported and motivated at every level – from early childhood through high school.

We offer learning opportunities for students of all abilities, including exceptional programs for Special Education and Gifted and Talented students. Because of our experience, our expertise, and our size, we are able to offer our learners opportunities to grow and develop at their own pace.

Welcome to a community and a school system built on a solid tradition of excellence!

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2020-21 PRELIMINARY BUDGET OVERVIEW

Introduction

The preliminary budget is adopted by the Board of Education by June 30. The preliminary budget, which gives the district expenditure authority to begin the fiscal year, is built on anticipated enrollment projections and estimates of revenues. During the middle of the fiscal year, the Board will adopt a revised budget which is updated based on the October 1 student enrollment and revised revenue estimates. Since the revised budget is based on October 1 enrollment and projected attendance of those students, the budget is still a projection. It is typically revised again during the spring, primarily to update federal program revenues and expenditures and contract settlements that have occurred during the year.

Education finance can vary greatly due to many uncontrollable variables. Budgets are developed with several assumptions and projections that are based on trend data, economic environments and cautious optimism. Historically, the actual revenues have been greater than projected revenues and actual expenditures are less than projected expenditures, leaving the district with additional funds in the fund balance beyond what was projected.

Budget Timeline

The school district's budget timeline reflects many overlapping processes. The general timeline is listed to provide an understanding of the annual budgeting process. Deviations from the general timeline may exist depending on annual circumstances and events.

Spring

- Administration completes preparation of preliminary budget for the next school year, including: compiling capital requests, completing a three year general fund forecast and developing recommendations through a Budget Development Committee.
- Board of Education takes action on capital budget for the next school year.
- Board of Education takes action on budget assumptions and timeline for the next school year.

Summer

- Board of Education reviews and approves preliminary budget by June 30 for the next school year.
- Administration submits proposed local property tax levy for next calendar year to Minnesota Department of Education.
- Administration closes district's financial books and begins audit process for the previous school year.

Fall

- Board of Education approves preliminary property tax levy in September for next calendar year and next school year.
- Administration and audit firm complete district audit and financial report for the previous school year, and report is approved by the Board of Education.
- Administration completes preparation of the revised budget for the current school year.

Winter

- Board of Education approves the revised budget for current school year.
- Board of Education holds a truth-in-taxation hearing in December for the proposed property tax levy and certifies final property tax levy for the next school year.
- Administration prepares capital budget for next school year.
- Administration begins preparation of preliminary budget for next school year.

Budget Assumptions

Many variables comprise the district's budget. The district makes committee based assumptions on those variables. Examples of the variables with additional information are listed below.

Enrollment Trends and Enrollment Projections

Enrollment in the district increased for the 2019-20 school year and is projected to remain relatively constant for 2020-21. Figure 1 shows the enrollment trends for each level over the last seven years.

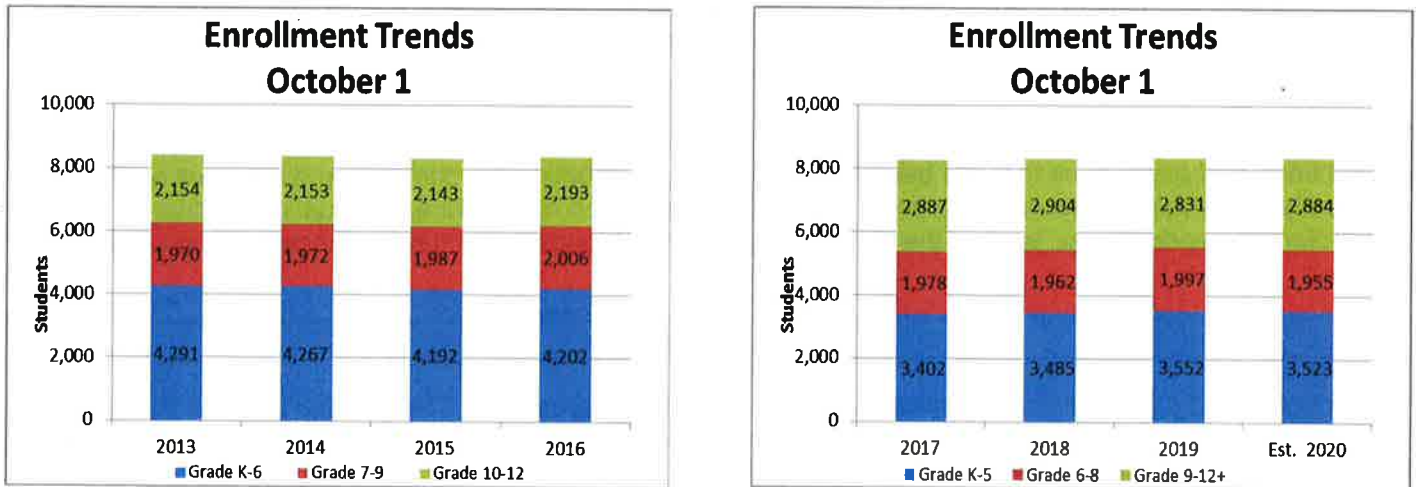


Figure 1

The district revises the enrollment projections based on new information, actual enrollment on October 1 and any other changes that affect enrollment each fall. Since enrollment drives most of the district's revenue, cautious optimism (estimating using trend data of who will attend District 834 schools) is used for enrollment projections.

Employee Contracts

The preliminary budget includes renewed contracts for 2020-21 and steps and lanes for expired contracts (open contracts), but does not include parameters for contracts that have expired. Steps and lanes are based on years of experience and level of education. For 2020-21, the district will continue with a self-funded health insurance plan. Insurance rates will increase for both single and family insurance. However, the budget is only reflective of the increase to single insurance as this has a financial impact to the district.

General Education Revenue

This is the largest component of state aids. It is developed by actual number of students and formula allowances set by the legislature. The revenue projections are based on the projected October 1 enrollment with assumptions for "in-out" migration.

School Allocations

The district builds the preliminary budget on enrollment projections. For staffing purposes, elementary school staffing allocations are provided through the allocation of sections, based on projected enrollments. Enrollments are periodically reviewed and revised to ensure consistency with Board approved staffing ratios. Secondary school staffing allocations are distributed based on projected enrollments. Allocations are adjusted as needed to address changes in enrollment throughout the school year.

Special Education Revenue

Some special education revenue calculations, such as special education excess cost aid, are based on the general education revenue estimate. Also, the district is conservative when developing the special education expenditure budget. Due to the unknown number of students that will be identified as special education students, the district tries to estimate liberally, potentially generating a larger than expected expenditure budget for the preliminary budget. Special Education data is not finalized until well into the next fiscal year, leaving some variability in revenue estimates.

Payment Delays, Tax Shifts and Legislative Changes

The 2011 Legislature enacted legislation that increased the payment delay to school districts. Included in the legislation are payment delays and two accounting shifts that had an impact on the cash flow of the school district but not a significant impact on the overall budget. As required by Minnesota Laws 2013, Chapter 116, Article 7, Section 20, on September 30, 2013, Minnesota Management and Budget certified a positive unrestricted state general fund balance significant enough to return districts to a 90/10 payment schedule.

Additionally, beginning in 2010-11, a very large property tax revenue shift occurred. School districts receive property tax revenue in May and October of each calendar year. This revenue is used for the following school year. Per this legislation, school districts were required to recognize 48.6% of the revenue received in May for the current fiscal year. This allowed the state to postpone state aid payments until the following fiscal year. Based on the aforementioned law, the property tax recognition shift returned to 23.1%.

Finally, the 2020-21 Preliminary Budget includes a two percent (2%) increase in the general education revenue formula from the 2019 Legislative session. When the 2020 Legislative session is finalized, any changes will be reflected in the 2020-21 Revised Budget.

Summary – 2020-21 Preliminary Budgets

The 2020-21 Preliminary Budget reflects an increase in the unassigned fund balance for the general fund compared to the 2019-20 Revised Budget. This increase indicates that projected revenue is above projected expenditures.

Revenues

Legislative changes over the years have changed the portion of revenue that is received from the state. Currently, the state is responsible for a large percentage (59%) of the total district revenues (see Figure 2). This loss of aid was replaced with an increase in property taxes as property taxpayers made up for the waning state support for public education.

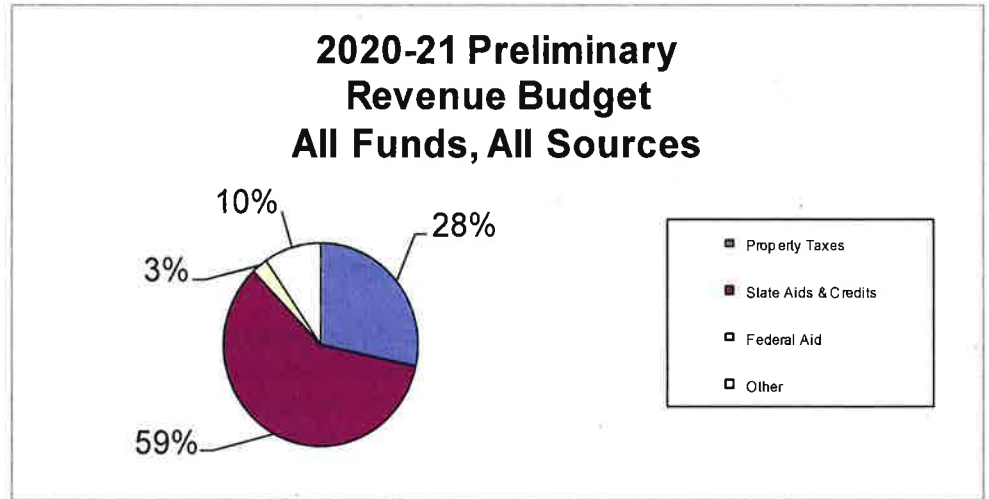


Figure 2

Expenditures

In a service organization, like a public school district, most expenditures consist of salaries and benefits for employees who provide direct or indirect services to students, i.e., teachers, principals, administrators, support staff (custodians, food service workers, paraprofessionals, technical support, and coordinators/supervisors/specialists). For 2020-21, salaries and benefits make up 73% of the district's general fund budget and 66% of the district's total budget as shown in Figure 3. Purchased services (such as heating, electricity, insurance and telecommunication costs) comprise 16% of the budget. Supplies, materials, capital and other expenditures total 18% of the total budget. Historically, the district's budget managers monitor expenditures closely and typically come in under budget.

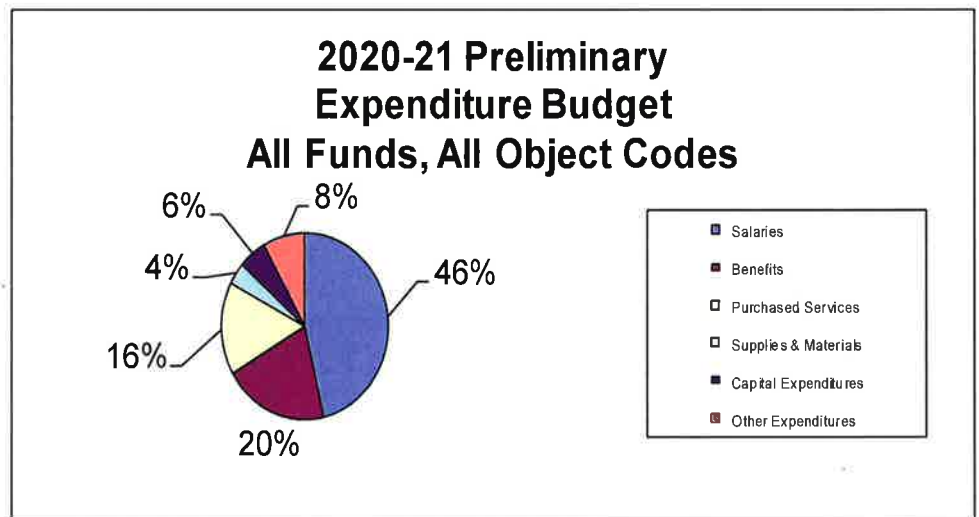


Figure 3

SECTION II

2020-21

Preliminary Budget

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2020-21 PRELIMINARY BUDGET

Budget Process and Assumptions

School district budgets are comprised of revenues and expenditures. Revenues are primarily received based on student enrollment and actual expenditures. The largest percentage of the school district's revenue comes from the state through formulas based on student enrollment. The formula allowance in 2020-21 for the general education aid from the state is estimated to be \$6,567 per pupil unit (weighted student counts depending on grade level of enrollment).

Of all the district's general fund expenditures, 73% are salaries and benefits for district employees. As an educational service organization serving students, it is expected that employee costs would be the largest portion of the budget. The budget reflects steps and lanes for all qualifying employees, however does not include any percentage increase on open contracts.

Below are some of the processes and assumptions that are included in the budgeting cycle.

Enrollment

The preliminary budget is based on a projected enrollment for October 1. The revised budget is based on the actual October 1 enrollment and is estimated to follow historical trends for actual year-end ADM (average daily membership) in which the district receives revenue.

Staffing allocations

Staff are allocated to buildings on a student to staff ratio determined by the Board of Education. The staffing ratios for 2020-21 are listed in Table 1. Staffing ratios do not equate to average class sizes and are only used to determine the number of FTE (full time equivalent) assigned to each building.

Staffing Allocations*		
	2019-20	2020-21
Kindergarten – Gr. 1	21.42	21.42
Grades 2-3	25.42	25.42
Grades 4-5	29.42	29.42
Grade 6	29.42	29.42
Grades 7-12	33.08	33.08

Table 1

*This does not represent average class size.

Non-salary budgets

School budgets for purposes other than employee salary and benefits are based on a system of allocation formulas. These formulas are adjusted as determined by the Board of Education during the budgeting process. Table 2 shows the supply and material per-pupil allocations for 2019-20 and 2020-21. The supply/material and library/media allocations have been increased by two percent (2%) from the 2019-20 levels, with a hold-back of 2.5%. An adjustment will be made on October 1, based on the enrollment at that time.

Supply and Material Allocations Per Student		
Elementary	2019-20	2020-21
Supply and Material	\$27.37	\$27.92
Library/Media	9.58	9.77
Capital	0.00	0.00
Secondary	2019-20	2020-21
Supply and Material	\$52.50	\$53.55
Library/Media	13.95	14.23
Capital	0.00	0.00

Table 2

Staff development

Funds to be used for staff development are allocated based on two percent (2%) of the district's general education aid. Two percent (2%) is projected to be approximately \$1,225,213. The Learning and Innovation Department uses the allocation for professional development support and professional development days. Professional development support (i.e. instructional coaches) accounts for approximately \$348,000 of the allocation. The vast majority of the remaining allocation goes to professional development days.

2020-21 Preliminary Budget – Fund Detail

General Fund

The general fund is the primary operating budget for the district. It accounts for the revenues and expenditures of the district operations. The general fund includes accounts for capital expenditures and transportation. By statute, the district is obligated to account for capital expenditures separately from the general fund. Although all three accounts comprise the general fund and are reported to the state as such, the preliminary budget information is broken apart and is located in the tables below.

General Fund	2018-19 Actual	2019-20 Revised Budget	2020-21 Preliminary Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	20,038,645	20,999,539	21,495,902	496,363	2.36%
Revenues	111,021,043	113,975,831	113,519,211	(456,620)	-0.40%
Expenditures	110,060,150	113,479,468	114,645,874	1,166,406	1.03%
Revenues less Expenditures	960,894	496,363	(1,126,663)	(1,623,026)	
Ending Fund Balance	20,999,539	21,495,902	20,369,239	(1,126,663)	-5.24%

Comparison of 2020-21 Preliminary Budget to 2019-20 Revised Budget

Revenue

Preliminary 2020-21 revenue estimates are \$456,620 less than the 2019-20 Revised Budget primarily due to a decrease in tax levy revenue, safe school revenue and the absence of non-federal grants as they are not predictable net an increase in state aids (primarily anticipated formula increase and special education).

Expenditures

Preliminary 2020-21 expenditures increased by \$1,166,406 from the 2019-20 Revised Budget primarily due to steps and lanes, transportation and health insurance to correct participation levels net a decrease in long term facility maintenance and safe schools. The detailed changes in the expenditures are listed on the following pages in the descriptions of program expenditure categories.

The total revenues and total expenditures for the general fund include reserved categories for LTFM (Long Term Facility Maintenance) and operating capital. The net revenue budget without these categorical revenues is \$106,599,809. The net expenditure budget without these categorical expenditures is \$104,236,884. As a result, the projected unassigned fund balance increases to 10.44% of expenditures for 2020-21, up from the projected unassigned fund balance of 8.47% for 2019-20. The Board's goal of a 5% unassigned fund balance has been met.

The total fund balance for the general fund includes the categorical revenues and expenditures listed above. Due to LTFM project schedules, 2020-21 LTFM categorical expenditures will exceed LTFM categorical revenues. Consequently, the total fund balance for the general fund is projected to decrease from \$21.5 million to \$20.4 million in the preliminary 2020-21 budget. Nevertheless, the unassigned fund balance (the amount of unallocated funds) is projected to increase from \$9.6 million to \$12.0 million.

Capital Expenditure Account

Included within the general fund is the capital expenditure account. Listed below are the reserved revenues and expenditures projected in the capital expenditure account. The revenue is decreasing primarily due to levy adjustments. The expenditures are increasing slightly. The projected fund balance will decrease from \$5.2 million to \$4.7 million compared to the 2019-20 Revised Budget.

General Fund Capital Expenditure Account	2018-19	2019-20	2020-21	Rev. / Prel.	Rev. / Prel.
	Actual	Revised Budget	Preliminary Budget	Change	% Change
Beginning Fund Balance	4,100,342	5,550,528	5,193,503	(357,025)	-6.43%
Revenues	4,261,254	3,088,325	2,981,693	(106,632)	-3.45%
Expenditures	2,811,068	3,445,350	3,500,990	55,640	1.61%
Revenues less Expenditures	1,450,186	(357,025)	(519,297)	(162,272)	
Ending Fund Balance	5,550,528	5,193,503	4,674,206	(519,297)	-10.00%

Expenditures by Program

The district tracks expenditures by program series defined in UFARS (Uniform Financial Accounting and Reporting Standards) which is mandated by the State of Minnesota. The table below shows the total general fund sorted by program series and compares the 2019-20 Revised Budget to the 2020-21 Preliminary Budget.

General Fund	2018-19	2019-20	2020-21	Rev. / Prel.	Rev. / Prel.
	Actual	Revised Budget	Preliminary Budget	Change	% Change
Administration	3,628,236	3,526,499	3,564,925	38,426	1.09%
District Support Services	3,774,731	3,841,149	3,918,261	77,112	2.01%
Regular & Vocational Instruction	47,804,953	47,474,156	48,792,402	1,318,246	2.78%
Special Education Instruction	19,527,685	20,297,323	20,902,085	604,762	2.98%
Community Service	75,000	0	0	0	0.00%
Instructional Support Services	7,248,996	7,118,022	6,611,179	(506,843)	-7.12%
Pupil Support Services	4,436,486	4,639,797	4,404,975	(234,822)	-5.06%
Transportation (Pupil Support)	7,676,044	8,088,434	8,860,733	772,299	9.55%
Operations and Maintenance	15,589,401	18,168,088	17,249,814	(918,274)	-5.05%
Fiscal and Other Fixed Costs	328,737	326,000	341,500	15,500	4.75%
Total	110,090,268	113,479,468	114,645,874	1,166,406	1.03%

Administration

This program accounts for the expenditures related to the Board of Education, Superintendent, learning and innovation administrators, school principals, support staff and related supply and materials for these departments.

The increase of \$38,426 from the 2019-20 Revised Budget is primarily for health insurance to correct participation levels along with steps.

District Support Services

This program accounts for expenditures related to the Executive Director of Finance and Operations, finance support staff, Executive Director of Administrative Services, human resources staff, Director of Learning, Technology and Design Systems and related supply and materials for these departments.

The increase of \$77,112 from the 2019-20 Revised Budget is primarily for health insurance to correct participation levels along with steps.

Regular and Vocational Instruction

This program accounts for elementary, secondary and vocational teachers, instructional paraprofessionals, extra and co-curricular staff, and related supply and materials for these departments.

The increase of \$1,318,246 from the 2019-20 Revised Budget is primarily due to steps and lanes net a decrease for projected retiree savings.

Special Education Instruction

This program accounts for all student support services administrators, special education teachers, special education paraprofessionals, special education support staff, psychologists, and related supply and materials for these departments.

The increase of \$604,762 from the 2019-20 Revised Budget is primarily due to steps and lanes along with an increase for health insurance to correct participation levels.

Instructional Support Services

This program accounts for the expenditures related to assistant principals, assistant principals' support staff, instructional support services staff, and librarians. This program also accounts for curriculum expenditures and related staff development as well as related supply and materials for these departments.

The decrease of \$506,843 from the 2019-20 Revised Budget is primarily due to a change in coding for comp basic expenditures and the absence of grants as they are not predictable.

Pupil Support Services (Including Transportation)

This program accounts for expenditures related to counselors, lunchroom supervision, related support staff and related supply and materials for these departments.

The increase of \$537,477 from the 2019-20 Revised Budget is primarily due to an increase for transportation, steps and lanes net a decrease for safe schools.

Operations and Maintenance

This program tracks expenditures related to Long Term Facility Maintenance (LTFM), custodial staff, grounds staff, related support staff, utilities, and related supply and materials for these departments.

The decrease of \$918,274 from the 2019-20 Revised Budget is primarily due to a decrease for Long Term Facility Maintenance (LTFM) net an increase for steps.

Fiscal and Other Fixed Costs

This program accounts for expenditures related to the premiums for the district's property and liability and errors and omissions insurance as well as payments of principal and interest for the retirement of long-term and non-bonded obligations.

The increase of \$15,500 from the 2019-20 Revised Budget is due to an expected increase in property and liability insurance.

Food Service Fund

The food service fund accounts for revenues and expenditures for providing food services in schools. Since 2004-05, Stillwater Area Public Schools has provided food services to Mahtomedi Schools on a fee basis. The additional revenue from this partnership allows the district to employ a nutritionist to plan menus and work on healthy lunch options as well as support the District 834 food service program.

Food Service Fund	2018-19 Actual	2019-20 Revised Budget	2020-21 Preliminary Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	518,705	953,757	1,163,466	209,709	21.99%
Revenues	4,437,611	4,467,651	4,492,367	24,716	0.55%
Expenditures	4,002,558	4,257,942	4,425,385	167,443	3.93%
Revenues less Expenditures	435,052	209,709	66,982	(142,727)	
Ending Fund Balance	953,757	1,163,466	1,230,448	66,982	5.76%

Revenues are increasing slightly. Expenditures are increasing primarily due to an expected increase in food costs along with an increase in credit card fees due to using a new vendor.

Community Service Fund

The community service fund is used to track all revenues and expenditures related to providing a community education program.

Community Service Fund	2018-19 Actual	2019-20 Revised Budget	2020-21 Preliminary Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	1,340,493	1,473,702	1,286,811	(186,891)	-12.68%
Revenues	7,096,516	7,467,253	7,611,700	144,447	1.93%
Expenditures	6,963,307	7,654,144	7,786,169	132,025	1.72%
Revenues less Expenditures	133,209	(186,891)	(174,469)	12,422	
Ending Fund Balance	1,473,702	1,286,811	1,112,342	(174,469)	-13.56%

Revenues are projected to increase slightly, primarily due to additional program revenue generated (primarily PAC) and an increase in special education students in preschool. Expenditures are projected to increase slightly primarily due to increased staffing costs along with an increase in credit card fees.

Building Construction Fund

The building construction fund is used to track the revenues and expenditures for building bond construction projects.

Building Construction Fund	2018-19 Actual	2019-20 Revised Budget	2020-21 Preliminary Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	9,623,517	4,342,920	1,404,940	(2,937,980)	-67.65%
Revenues	126,867	75,000	20,000	(55,000)	-73.33%
Expenditures	5,407,464	3,012,980	477,000	(2,535,980)	-84.17%
Revenues less Expenditures	(5,280,597)	(2,937,980)	(457,000)	2,480,980	
Ending Fund Balance	4,342,920	1,404,940	947,940	(457,000)	-32.53%

Revenues and expenditures are decreasing due to near completion of bond projects.

Debt Service Fund

The debt service fund is used to account for the district's principal and interest payments as well as the revenue received for such payments. The principal and interest payments are for the district's long-term debt or approved bond issues.

Debt Service Fund	2018-19	2019-20	2020-21	Rev. / Prel.	Rev. / Prel.
	Actual	Revised Budget	Preliminary Budget	Change	% Change
Beginning Fund Balance	1,508,511	2,962,013	2,891,642	(70,371)	-2.38%
Revenues	6,350,350	10,042,887	10,475,402	432,515	4.31%
Expenditures	4,896,848	10,113,258	10,127,608	14,350	0.14%
Revenues less Expenditures	1,453,502	(70,371)	347,794	418,165	
Ending Fund Balance	2,962,013	2,891,642	3,239,436	347,794	12.03%

Revenues and expenditures are increasing to reflect actual bond and interest payments.

OPEB Debt Service Fund

The OPEB debt service fund is used to record the levy proceeds and the repayment of the Other Post-Employment Benefits (OPEB) bonds. Listed below are the reserved revenues and expenditures projected in the OPEB debt service fund.

OPEB Debt Service Fund	2018-19	2019-20	2020-21	Rev. / Prel.	Rev. / Prel.
	Actual	Revised Budget	Preliminary Budget	Change	% Change
Beginning Fund Balance	870,542	0	0	0	0.00%
Revenues	5,228,102	0	0	0	0.00%
Expenditures	6,098,644	0	0	0	0.00%
Revenues less Expenditures	(870,542)	0	0	0	
Ending Fund Balance	0	0	0	0	0.00%

The last of the OPEB Debt Service refunding bonds were paid off in February 2019. The remaining fund balance was transferred to the Debt Service Fund at the end of FY 2018-2019.

Trust Fund

Due to the implementation of GASB (Governmental Accounting Standards Board) No. 84, our scholarships that had previously been in the Trust Fund (fund 8) must now be moved to either the General Fund (fund 1) or the Custodial Fund (fund 18). The scholarships that the district has control over have been moved to the General Fund. Scholarships that have been moved to the Custodial Fund represent money the district receives and distributes, but has no financial benefit from or control over.

Former Trust Fund	2018-19	2019-20	2020-21	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Revised Budget	Preliminary Budget		
Beginning Fund Balance	165,695	0	0	0	0.00%
Revenues	215,409	0	0	0	0.00%
Expenditures	30,117	0	0	0	0.00%
Revenues less Expenditures	185,292	0	0	0	
Ending Fund Balance	350,987	0	0	0	0.00%

Former Trust Fund moving to General Fund	2018-19	2019-20	2020-21	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Revised Budget	Preliminary Budget		
Beginning Fund Balance	0	275,773	275,773	0	0.00%
Revenues	0	16,000	16,000	0	0.00%
Expenditures	0	16,000	16,000	0	0.00%
Revenues less Expenditures	0	0	0	0	
Ending Fund Balance	0	275,773	275,773	0	0.00%

Custodial Fund (Scholarships)	2018-19	2019-20	2020-21	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Revised Budget	Preliminary Budget		
Beginning Fund Balance	0	75,214	75,214	0	0.00%
Revenues	0	5,000	5,000	0	0.00%
Expenditures	0	5,000	5,000	0	0.00%
Revenues less Expenditures	0	0	0	0	
Ending Fund Balance	0	75,214	75,214	0	0.00%

OPEB Trust

In February 2009, \$19.2 million of general obligation taxable OPEB (Other Post Employment Benefits) bonds were sold to be used to help offset future retirement expenditures. The funds were placed in an irrevocable trust meaning these funds can only be used for this purpose. As of June 30, 2019 the net position balance in the OPEB trust account was \$7,591,507.

Internal Service Fund

On July 1, 2012 the district went to self-funded insurance for health insurance. The activity for both health and dental insurance are now in an internal service fund. As of June 30, 2019 the net position balance in the internal service fund for health and dental insurance was \$3,434,621.

2020-21 PRELIMINARY BUDGET SUMMARY

PROJECTED REVENUES, EXPENDITURES AND FUND BALANCE BY FUND 2020-21

Fund	Proj. Fund Balance 6/30/20	2020-21 Revenue Budget	2020-21 Expenditure Budget	Proj. Fund Balance 6/30/21
General Fund	21,495,902	113,519,211	114,645,874	20,369,239
Food Service Fund	1,163,466	4,492,367	4,425,385	1,230,448
Community Service Fund	1,286,811	7,611,700	7,786,169	1,112,342
Sub-Total Operating Funds	23,946,179	125,623,278	126,857,428	22,712,029
Building Construction Fund	1,404,940	20,000	477,000	947,940
Debt Service Fund	2,891,642	10,475,402	10,127,608	3,239,436
Sub-Total Non-Operating Funds	4,296,582	10,495,402	10,604,608	4,187,376
Trust Fund	75,214	5,000	5,000	75,214
Total All Funds	28,317,975	136,123,680	137,467,036	26,974,619

SECTION III

Summary

SUMMARY OF REVENUES BY SOURCE CATEGORY AND FUND

Fund	Source Category	2018-19 Actual	Pct. of Total	2019-20 Rev. Bud.	2020-21 Prelim. Budget	Pct. of Total	Revised - Preliminary Percent Change	Amount Change
01	General Fund							
	Property Taxes	27,016,037	24.33%	29,137,972	27,142,252	23.91%	-6.85%	(1,995,720)
	State Aids & Credits	76,676,589	69.06%	78,076,890	79,836,432	70.33%	2.25%	1,759,542
	Federal Aid	2,018,811	1.82%	2,401,157	2,387,989	2.10%	-0.55%	(13,168)
	Other	5,309,606	4.78%	4,359,812	4,152,538	3.66%	-4.75%	(207,274)
	Total General Fund	111,021,043	100.00%	113,975,831	113,519,211	100.00%	-0.40%	(456,620)
02	Food Service							
	Property Taxes	0	0.00%	0	0	0.00%	0.00%	0
	State Aids & Credits	180,572	4.07%	182,275	182,500	4.06%	0.12%	225
	Federal Aid	1,196,285	26.96%	1,202,436	1,187,000	26.42%	-1.28%	(15,436)
	Other	3,060,753	68.97%	3,082,940	3,122,867	69.51%	1.30%	39,927
	Total Food Service	4,437,611	100.00%	4,467,651	4,492,367	100.00%	0.55%	24,716
04	Community Service							
	Property Taxes	1,108,351	15.62%	1,134,179	1,164,642	15.30%	2.69%	30,463
	State Aids & Credits	786,038	11.08%	810,338	837,359	11.00%	3.33%	27,021
	Federal Aid	3,400	0.05%	2,600	2,600	0.03%	0.00%	0
	Other	5,198,727	73.26%	5,520,136	5,607,099	73.66%	1.58%	86,963
	Total Comm. Service	7,096,516	100.00%	7,467,253	7,611,700	100.00%	1.93%	144,447
06	Building Construction							
	Other	126,867	100.00%	75,000	20,000	100.00%	-73.33%	(55,000)
	Total Bldg Construction	126,867	100.00%	75,000	20,000	100.00%	-73.33%	(55,000)
07	Debt Service							
	Property Taxes	10,239,038	88.43%	9,940,887	10,332,402	98.63%	3.94%	391,515
	State Aids & Credits	54,538	0.47%	42,000	88,000	0.84%	109.52%	46,000
	Other	1,284,876	11.10%	60,000	55,000	0.53%	-8.33%	(5,000)
	Total Debt Service	11,578,452	100.00%	10,042,887	10,475,402	100.00%	4.31%	432,515
08	Former Trust Fund							
	Other	215,409	100.00%	0	0	100.00%	0.00%	0
18	Custodial Fund							
	Other	0	100.00%	5,000	5,000	100.00%	0.00%	0
	All Funds							
	Property Taxes	38,363,426	28.53%	40,213,038	38,639,296	28.39%	-3.91%	(1,573,742)
	State Aids & Credits	77,697,738	57.78%	79,111,503	80,944,291	59.46%	2.32%	1,832,788
	Federal Aid	3,218,495	2.39%	3,606,193	3,577,589	2.63%	-0.79%	(28,604)
	Other	15,196,239	11.30%	13,102,888	12,962,504	9.52%	-1.07%	(140,384)
	Total All Funds	134,475,898	100.00%	136,033,622	136,123,680	100.00%	0.07%	90,058

SUMMARY OF EXPENDITURES BY OBJECT CATEGORY AND FUND

Fund	Object Category	2018-19 Actual	Pct. of Total	2019-20 Rev. Bud.	2020-21 Prelim. Budget	Pct. of Total	Revised - Preliminary Percent Change	Amount Change
01	General Fund							
	Salaries	56,274,930	51.13%	56,882,317	57,588,954	50.23%	1.24%	706,637
	Benefits	25,017,788	22.73%	24,623,828	25,766,898	22.48%	4.64%	1,143,070
	Purchased Services	19,270,024	17.51%	19,855,441	20,389,003	17.78%	2.69%	533,562
	Supplies & Materials	3,540,961	3.22%	3,198,310	3,150,202	2.75%	-1.50%	(48,108)
	Capital Expenditures	4,675,635	4.25%	7,881,530	6,687,798	5.83%	-15.15%	(1,193,732)
	Debt Service	822,413	0.75%	825,290	840,589	0.73%	1.85%	15,299
	Other Expenditures	458,400	0.42%	212,752	222,430	0.19%	4.55%	9,678
	Total General Fund	110,060,150	100.00%	113,479,468	114,645,874	100.00%	1.03%	1,166,406
02	Food Service							
	Salaries	1,362,144	34.03%	1,400,159	1,435,950	32.45%	2.56%	35,791
	Benefits	623,046	15.57%	641,767	658,690	14.88%	2.64%	16,923
	Purchased Services	271,165	6.77%	281,010	337,275	7.62%	20.02%	56,265
	Supplies & Materials	1,669,938	41.72%	1,734,791	1,832,100	41.40%	5.61%	97,309
	Capital Expenditures	71,337	1.78%	195,000	158,500	3.58%	-18.72%	(36,500)
	Other Expenditures	4,929	0.12%	5,215	2,870	0.06%	-44.97%	(2,345)
	Total Food Service	4,002,558	100.00%	4,257,942	4,425,385	100.00%	3.93%	167,443
04	Community Service							
	Salaries	4,150,633	59.61%	4,585,796	4,680,392	60.11%	2.06%	94,596
	Benefits	1,221,306	17.54%	1,357,865	1,404,743	18.04%	3.45%	46,878
	Purchased Services	1,170,949	16.82%	1,302,867	1,291,105	16.58%	-0.90%	(11,762)
	Supplies & Materials	378,848	5.44%	344,141	346,342	4.45%	0.64%	2,201
	Capital Expenditures	16,758	0.24%	36,617	37,500	0.48%	2.41%	883
	Other Expenditures	24,811	0.36%	26,858	26,087	0.34%	-2.87%	(771)
	Total Comm. Service	6,963,307	100.00%	7,654,144	7,786,169	100.00%	1.72%	132,025
06	Building Construction							
	Purchased Services	130,079	2.41%	20,000	10,000	2.10%	-50.00%	(10,000)
	Capital Expenditures	5,277,385	97.59%	2,992,980	467,000	97.90%	-84.40%	(2,525,980)
	Total Bldg. Const.	5,407,464	100.00%	3,012,980	477,000	100.00%	-84.17%	(2,535,980)
07	Debt Service							
	Other	10,995,491	100.00%	10,113,258	10,127,608	100.00%	0.14%	14,350
08	Former Trust Fund							
	Other	30,118	100.00%	0	0	100.00%	0.00%	0
18	Custodial Fund							
	Other	0	100.00%	5,000	5,000	100.00%	0.00%	0
	All Funds							
	Salaries	61,787,707	44.95%	62,868,272	63,705,296	46.34%	1.33%	837,024
	Benefits	26,862,139	19.54%	26,623,460	27,830,331	20.25%	4.53%	1,206,871
	Purchased Services	20,842,218	15.16%	21,459,318	22,027,383	16.02%	2.65%	568,065
	Supplies & Materials	5,589,747	4.07%	5,277,242	5,328,644	3.88%	0.97%	51,402
	Capital Expenditures	10,041,115	7.30%	11,106,127	7,350,798	5.35%	-33.81%	(3,755,329)
	Other Expenditures	12,336,162	8.97%	11,188,373	11,224,584	8.17%	0.32%	36,211
	Total All Funds	137,459,088	100.00%	138,522,792	137,467,036	100.00%	-0.76%	(1,055,756)

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BUDGET DETAIL SUMMARY

REVENUE BY SOURCE

SRC DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
GENERAL FUND				
001 Property Tax Levy-General	27,000,395	29,122,330	27,142,727	Decreased to reflect levy amount.
005 Reemployment Compensation Levy	15,642	15,642	-475	
022 SPED Purch Serv from Oth MN	83,824	43,000	43,000	
041 Tuition-Out of State	10,600	0	0	
050 Fees from Patrons	1,114,828	1,128,000	1,128,000	
051 Parking Fees	174,072	160,000	160,000	
052 Criminal Background Checks	991	400	400	
053 Transcript Fees	7,825	10,000	10,000	
060 Admission/Student Act Revenue	204,814	170,000	170,000	
071 Medical Assistance Revenue	331,640	300,000	300,000	
088 E-Rate Revenue	111,759	120,000	120,000	
092 Interest Earnings	592,141	476,000	476,000	
093 Rent for School Facilities	172,648	378,114	419,338	Increased primarily for bus garage net a decrease for cell tower.
096 Gifts & Bequests	706,245	814,498	566,000	Decreased due to the absence of grant budgets as they are not predictable.
099 Miscellaneous Local Revenue	726,071	517,800	517,800	
201 Endowment Fund Apportionment	295,317	370,995	371,000	
211 General Education Aid	61,883,638	62,888,811	64,442,055	Increased to reflect a change in formula and an increase in APU's.
212 Literacy Incentive Aid	445,095	445,000	434,000	
213 Shared Time Aid	20,606	23,922	24,000	
227 Abatement Aid	666	1,517	1,500	
234 Homestd/Agr Mrkt Value Credit	11,936	12,000	12,000	
300 State Aids Rec'd from DOE	2,216,137	2,664,645	2,381,877	Decreased due to the reduction of safe schools revenue.
360 Special Education Aid	11,305,661	11,600,000	12,100,000	Increased to better reflect projected revenue.
370 Other Aid from DOE	157,612	70,000	70,000	
397 TRA/PERA Special Funding Revenue	339,922	0	0	
400 Federal Aids rec'd thru DOE	1,986,577	2,382,026	2,382,026	
405 Federal Aid rec'd thru Other	26,272	13,168	0	
500 Federal Aids rec'd from Fed	5,962	5,963	5,963	
619 Cost of Materials for Profit	-81,738	-100,000	-100,000	
620 Sales of Materials for Profit	207,991	270,000	270,000	
621 Sale of Materials Purch-Resale	46,137	60,000	60,000	

REVENUE BY SOURCE

SRC DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
623 Sale of Real Property	889,197	0	0	
624 Sale of Equipment	10,561	12,000	12,000	
Total	111,021,043	113,975,831	113,519,211	
FOOD SERVICE FUND				
021 Sales to Mahtomedi	637,860	649,000	652,000	
050 Fees from Patrons	980	1,000	1,000	
092 Interest Earnings	15,516	15,700	16,000	
096 Gifts & Bequests	860	1,500	3,000	
099 Miscellaneous Local Revenue	3,506	3,000	4,000	
300 State Aids Rec'd from DOE	180,572	182,275	182,500	
471 School Lunch Program	257,475	260,000	261,000	
472 Free and Reduced Lunch Program	499,796	500,000	501,000	
473 Commodity Cash Rebate Program	13,594	0	0	
474 Commodity Distribution Program	242,317	252,436	250,000	
476 School Breakfast Program	153,662	155,000	155,000	
479 Summer Food Service Program	29,442	35,000	20,000	Summer Program will only be 3 weeks this year.
601 Food Service Sales to Pupils	2,254,682	2,286,000	2,303,700	
602 Food Service Sale of Milk	17,207	17,550	17,850	
606 Food Service Sales to Adults	23,974	23,940	30,317	
608 Special Function Food Sales	105,016	85,000	95,000	
624 Sale of Equipment	1,154	250	0	
Total	4,437,611	4,467,651	4,492,367	
COMMUNITY SERVICE FUND				
001 Property Tax Levy-General	941,836	964,179	964,642	
021 Tuition from MN School Dists	166,515	170,000	200,000	Increase in special education students in preschool.
040 Tuition	968,122	1,163,025	1,210,110	Increase in the number of families paying the full cost of preschool.
050 Fees from Patrons	271,914	275,275	346,199	Increase in revenue generated by our programs, primarily the PAC.
092 Interest Earnings	46,416	3,000	3,000	
096 Gifts & Bequests	45,864	68,500	46,000	Less funds available from the Whitson endowment.
099 Miscellaneous Local Revenue	125,774	131,500	62,500	Expecting fewer families to receive financial assistance in preschool.
227 Abatement Aid	59	590	590	
234 Homestd/Agr Mrkt Value Credit	1,320	0	0	
300 State Aids Rec'd from DOE	532,688	551,257	575,577	
301 Nonpublic Aid	74,508	81,027	83,728	
370 Other Aid from DOE	177,464	177,464	177,464	

REVENUE BY SOURCE

SRC DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
405 Federal Aid Rec'd thru Other	3,400	2,600	2,600	
510 Adults with Disabilities	390	0	0	
548 Gymnastics	63,208	62,035	56,141	
549 Aquatics	55,217	59,208	60,980	
551 Adult Athletics	98,646	76,757	74,722	
552 Adult Enrichment	106,083	102,500	102,500	
553 Youth Athletics	84,664	80,000	82,000	
554 Camps and Clinics	103,054	117,000	125,000	
562 Instructional Music	35,458	35,500	35,550	
564 Special Events	96,031	112,736	110,159	
570 School Age Care Tuition	2,252,803	2,337,265	2,355,619	
571 School Age Care Preschool	186,298	228,783	241,273	Increase in the number of preschoolers enrolling in school age care.
585 Youth Development/Youth Serv	403,101	400,000	410,000	
591 Facilities Use	253,687	262,003	278,545	Increased rental rates.
592 Turf Fields Use	1,996	5,049	6,801	
Total	7,096,516	7,467,253	7,611,700	
BUILDING CONSTRUCTION FUND				
092 Interest Earnings	126,867	75,000	20,000	
Total	126,867	75,000	20,000	
DEBT SERVICE FUND				
001 Property Tax Levy-General	10,239,038	9,940,887	10,332,402	
092 Interest Earnings	136,795	60,000	55,000	
234 Homestd/Agr Mrkt Value Credit	14,397	7,000	13,000	
258 Other State Credits	40,141	35,000	75,000	
649 Permanent Transfers	1,148,081	0	0	
Total	11,578,452	10,042,887	10,475,402	
FORMER TRUST FUND				
All Gift Directed Revenues	215,409	0	0	
Total	215,409	0	0	
CUSTODIAL FUND (SCHOLARSHIPS)				
All Gift Directed Revenues	0	5,000	5,000	
Total	0	5,000	5,000	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
GENERAL FUND				
100 Administrators	1,697,884	1,589,629	1,601,533	
101 School Board	32,727	33,750	33,750	
110 Principals	2,210,146	2,202,069	2,209,511	
120 Supervisors	668,786	693,807	699,692	
121 Confidential/Specialists	997,574	1,032,971	1,043,059	
122 Subs-Health Specialists	8,413	25,000	25,000	
140 Teachers	33,948,632	34,057,268	34,757,934	Increased primarily to reflect planned steps and lanes.
141 Paraprofessionals	882,856	909,256	901,132	
142 Subs-Paraprofessionals	3,115	21,150	21,000	
143 Coordinators	1,361,299	1,256,037	1,269,968	
144 Librarians	200,565	202,948	205,859	
145 Subs-Teacher	38,004	100,000	100,000	
150 Subs-Teacher School Business	14,810	35,722	27,858	
151 Occupational Therapists	266,438	271,128	275,017	
152 Speech Language Pathologists	1,442,596	1,552,767	1,596,473	
154 School Nurse	275,651	176,748	206,188	
155 Health Care Specialists	314,499	322,508	325,868	
156 School Social Worker	470,769	481,353	454,050	
157 Psychologists	853,981	868,251	877,956	
161 Paraprofessionals - Certified	2,342,495	2,672,241	2,766,270	
162 Paraprofessionals - One-to-One	169,525	167,675	170,557	
165 School Counselors	1,076,521	1,147,304	1,112,786	
170 Tech Support	2,169,801	2,180,249	2,202,430	
171 Subs-Tech Support	19,200	11,077	11,477	
172 Custodians	2,309,464	2,344,956	2,431,348	
173 Overtime	182,086	123,498	132,928	
174 DAPE Specialists	176,217	216,265	212,544	
176 Subs-Custodian	131,566	95,000	95,000	
177 Crossing Guards	8,452	10,453	10,636	
178 Lunchroom Supervisors-Licensed	10,297	10,000	10,000	
179 Lunchroom Supervisors-Non-Licensed	1,638	1,730	1,759	
180 Coaches	731,091	724,795	724,795	
185 Advisors	183,554	179,407	179,407	
186 Other Salary Payments-Non-Licensed	297,460	326,804	330,438	
189 Other Salary Payments-Licensed	776,820	838,501	814,731	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
195 Teacher Retirement Pay Differential	0	0	-250,000	Decreased to reflect projected retiree savings.
210 FICA	4,137,161	4,303,526	4,376,807	
214 PERA	834,742	837,664	853,855	
218 TRA	3,423,745	3,519,426	3,662,479	Increased primarily to reflect rate increase.
220 Health Insurance	11,708,170	11,114,459	11,668,228	Increased to reflect planned expenditures along with a projected rate increase.
225 Dental Insurance	785,199	772,478	795,914	
230 Life Insurance	173,508	179,429	188,821	
235 LTD Insurance	263,593	145,267	151,736	
236 Short Term Disability	138,803	0	15,416	
240 Legal Insurance	-1,556	0	0	
250 TSA	1,035,169	1,037,536	1,077,866	
251 Severance TSA	174,232	180,000	180,000	
252 Severance Health	40,767	100,000	100,000	
253 Health Care Savings Plan	628,679	600,481	674,837	Increased to better reflect planned expenditures.
254 VEBA Contribution	1,116,215	1,099,768	1,185,452	Increased to better reflect planned expenditures.
270 Workers Compensation	290,027	316,028	327,556	
280 Reemployment Comp Insurance	29,494	46,388	46,388	
291 OPEB (pay as you go)	216,843	324,908	415,073	Increased to better reflect planned expenditures.
297 Tuition/Classes	803	14,400	14,400	
298 Contract Dues	14,497	17,870	17,870	
299 Other Employee Benefits	7,696	14,200	14,200	
300 Contracted Services Not Subs	187,457	107,700	121,700	
301 Contracted Service Subs	575,427	600,000	600,000	
302 Background Check	9,925	22,789	22,789	
303 Federal Contracts < \$25,000	49,547	109,706	107,706	
304 Federal Contracts > \$25,000	0	25,000	25,000	
305 Consulting/Service Fees	1,699,193	2,025,809	1,793,962	Decreased due to the reduction of safe schools revenue.
306 Audit Services	75,574	75,000	85,000	
307 Legal Services	123,076	132,244	133,750	
308 Printing Services	59,426	102,750	106,750	
309 Credit Card Fees	55,032	0	0	
310 Snow Removal/Lawn Services	291,704	232,400	248,500	
312 Officials/Judges	63,383	64,250	65,600	
313 Laundry Services	19,018	20,525	20,825	
314 On-Line Courses	18,520	30,000	30,000	
315 Computer/Tech Repair and Maint	19,437	26,540	26,514	
317 Contracted Subs for SPED Program	319,834	375,000	375,000	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
318 Data Processing & Entry Services	7,022	2,000	2,000	
319 Computer/Tech Services	53,996	25,000	40,000	Increased to better reflect planned expenditures.
320 Communication Services	270,205	292,527	291,556	
327 Contracted Subs SPED Prog Sch Bus	16,739	3,780	1,560	
329 Postage	37,878	59,123	50,574	
330 Electricity	1,296,662	1,178,900	1,236,700	Increased to better reflect planned expenditures.
331 Natural Gas	399,223	380,400	395,100	
332 Water and Sewer	156,675	147,400	153,200	
333 Garbage Collection	66,169	68,800	71,300	
340 Insurance	298,619	310,000	325,500	
350 Repair/Maintenance Services	1,737,657	1,679,718	1,473,058	Decreased for planned long term facility maintenance projects.
357 Interpreter for Deaf Services	488	366	800	
358 Foreign Language Interpreter	9,019	7,000	7,000	
360 Transportation Contracts	7,702,938	8,078,645	8,849,823	Increased to reflect projected transportation contract costs.
362 Mental Health Practitioner Services	15,000	15,000	15,000	
365 Transportation Chargebacks	-450	-7,800	-8,000	
366 Travel and Conferences	197,556	311,894	316,747	
368 Out Of State Travel - Federal	4,629	1,200	1,200	
369 Entry Fees/Student Travel Exp	569,498	640,900	640,275	
370 Rentals and Leases	886,054	837,036	877,401	Increased for ice time and NE 916 lease levy.
371 Equipment Leases	1,342	1,700	1,700	
372 Graduation Expense	54,711	40,000	42,000	
380 Computer/Tech Hardware Rental	4,004	2,000	2,000	
390 Tuition To Oth MN Sch District	178,846	180,000	180,000	
391 Pmt To MN Sch-Cost Share Agmt	631,053	702,972	707,246	
393 Sped Cont Serv - Non Sch Dist	160,035	125,000	125,000	
394 Payments to Oth Agencies	816,314	744,000	749,000	
396 Sped Sal Purchase fr Oth Dist	365,767	301,067	301,067	
397 Sped Bens Purchase fr Oth Dist	173,579	177,100	177,100	
398 Administrative Chargebacks	-407,756	-400,000	-400,000	
401 Non-Instructional Supplies	708,755	905,404	878,958	
404 ID Badges	2,778	2,800	2,800	
405 Non-Instructional Annual Software License	519,263	327,517	327,517	
406 Instructional Software License	185,120	355,358	355,358	
409 Uniforms	7,419	8,000	8,000	
410 Custodial/Repair Supplies	512,823	502,500	473,800	
430 Instructional Supplies	675,536	344,215	338,348	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
433 Individualized Instructional Supplies	76,911	90,559	98,452	
440 Fuel For Buildings	45,925	38,000	38,100	
442 Gasoline	21,474	32,000	31,607	
455 Non-Instructional Technology Supplies	28,674	12,500	15,900	
456 Instructional Technology Supplies	22,972	20,700	23,700	
460 Textbooks and Workbooks	114,096	259,423	258,114	
461 Standardized Tests	287,265	165,000	165,000	
465 Non-Instructional Technology Devices	49,327	500	0	
466 Instructional Technology Devices	242,662	92,134	91,644	
470 Library Books	19,644	17,125	18,125	
490 Food	20,315	24,575	24,779	
520 Bldg Acquisition/Construction	3,887,405	6,314,714	5,320,700	Decreased for planned long term facility maintenance projects.
522 Vandalism	18,096	25,000	25,000	
530 Other Equipment Purchased	624,202	819,469	616,853	Decreased due to the absence of grant budgets as they are not predictable.
533 Sped Equipment	8,746	0	2,898	
555 Technology Equipment	102,131	305,100	305,100	
556 SPED Tech Equipment	35,055	417,247	417,247	
730 Loan Principal	530,000	550,102	595,000	Increased to reflect COP (Certificates of Participation) payments.
740 Loan Interest	292,413	275,188	245,589	Decreased to reflect COP (Certificates of Participation) payments.
820 Dues and Memberships	116,216	125,752	135,430	
891 TRA/PERA Special Funding Expenditures	339,922	0	0	
895 Federal Indirect Costs	-3,548	-4,000	-4,000	
896 Taxes, Special Assessments and Interest	5,810	75,000	75,000	
898 Scholarships	0	16,000	16,000	
Total	110,060,150	113,479,468	114,645,874	

FOOD SERVICE FUND

120 Supervisors	164,307	171,500	176,500	
160 Cooks	1,131,662	1,160,309	1,182,600	
162 Subs-Cook	23,340	18,500	23,500	
170 Tech Support	38,800	43,000	45,000	
172 Custodians	2,402	5,000	6,000	
173 Overtime	143	300	750	
186 Event Pay	942	1,550	1,600	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
189 Other Salary Payments	548	0	0	
210 FICA	96,980	99,715	102,380	
214 PERA	101,096	103,320	107,125	
220 Health Insurance	325,309	333,622	338,750	
225 Dental Insurance	21,582	22,424	23,500	
230 Life Insurance	1,176	1,247	1,320	
235 LTD Insurance	3,047	3,065	3,280	
250 TSA	18,451	20,103	20,655	
253 Health Care Savings Plan	2,698	2,752	3,000	
254 VEBA Contribution	11,500	13,450	15,150	
270 Workers Compensation	41,207	42,069	43,530	
305 Consulting/Service Fees	110	112	125	
309 Credit Card Fees	87,553	89,305	125,000	New vendor with an increased fee.
320 Communication Services	960	1,100	1,500	
329 Postage	318	325	350	
333 Garbage Collection	19,920	20,318	21,000	
350 Repair/Maintenance Services	40,504	45,000	55,000	Increased for preventative maintenance on some equipment.
366 Travel and Conferences	3,659	3,850	4,300	
398 Administrative Chargebacks	118,143	121,000	130,000	
401 Non-Instructional Supplies	58,419	63,300	70,700	
402 Promotions	254	4,000	2,750	
403 Small Equipment	9,573	30,000	40,000	Increased smallware needs.
405 Non-Instructional Annual License/Software	26,204	17,165	17,500	
442 Gasoline	277	1,490	850	
455 Non-Instructional Technology Supplies	28	250	500	
465 Non-Instructional Technology Devices	2,388	250	1,000	
490 Food	1,206,980	1,239,000	1,314,000	Increased prices.
491 Commodities	242,317	252,436	250,000	
495 Milk	123,498	126,900	134,800	
505 Non-Instructional Technology Software	6,358	40,000	6,000	FY 19-20 purchased new POS (point of sale) screens for all schools.
530 Other Equipment Purchased	64,979	155,000	152,500	
820 Dues and Memberships	4,929	5,215	2,870	
Total	4,002,558	4,257,942	4,425,385	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
COMMUNITY SERVICE FUND				
100 Administrators	148,183	145,683	148,597	
120 Supervisors	421,816	464,872	488,460	
121 Confidential/Specialists	54,107	55,082	56,183	
123 SAC Site Leaders	327,273	358,925	365,754	
125 Schl Readiness/ABE Supervisor	164,367	171,434	177,190	
140 Teachers	945,427	1,066,343	1,089,789	
141 Community Ed Assistants	1,203,701	1,333,982	1,358,232	
145 Subs-Teacher	0	1,500	0	
150 Subs-Teacher School Business	0	1,250	1,250	
154 School Nurse	10,133	12,798	13,895	
165 School Counselors	11,719	11,000	12,000	
170 Tech Support	321,884	374,416	388,832	
171 Subs-Tech Support	3,576	1,000	500	
172 Custodians	34,063	34,380	35,068	
173 Overtime	54,782	61,365	56,315	
186 Casual/Other Pmts Non-Licensed	299,808	334,310	333,308	
189 Casual and Other Payments-Licensed	149,793	157,456	155,019	
210 FICA	316,422	347,391	353,351	
214 PERA	192,730	235,478	239,931	
218 TRA	104,273	111,218	120,770	
220 Health Insurance	396,703	427,823	455,867	Changes in employees and their benefits.
225 Dental Insurance	32,136	39,127	39,190	
230 Life Insurance	8,590	8,787	7,808	
235 LTD Insurance	8,855	11,610	7,219	
236 Short Term Disability	6,382	1,200	1,200	
250 TSA	35,231	36,754	37,700	
251 Severance TSA	-66	0	0	
253 Health Care Savings Plan	39,881	49,739	51,399	
254 VEBA Contribution	53,900	58,985	62,027	
270 Workers Compensation	22,950	21,953	22,781	
297 Tuition/Classes	3,039	7,500	5,200	
298 Contract Dues	30	0	0	
299 Other Employee Benefits	250	300	300	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
301 Contracted Service Subs	23,713	43,000	29,000	FY 19-20 increased to cover long-term sub.
304 Advertising Services	294	500	500	
305 Consulting/Service Fees	444,759	473,404	458,594	
308 Printing Services	38,044	52,175	42,200	FY 19-20 increased for special project.
309 Credit Card Fees	160,498	177,879	197,052	Projecting an increase in credit card fees due to revenue increase.
310 Snow Removal/Lawn Services	3,556	1,500	3,000	
320 Communication Services	3,434	4,140	4,240	
329 Postage	11,281	15,325	15,325	
330 Electricity	21,172	23,200	23,200	
331 Natural Gas	5,411	5,000	5,000	
332 Water and Sewer	3,071	7,000	7,500	
333 Garbage Collection	990	1,000	1,000	
350 Repair/Maintenance Services	0	7,100	4,600	
358 Foreign Language Interpreter	0	250	250	
360 Transportation Contracts	54,655	62,110	61,100	
365 Transportation Chargebacks	450	800	1,100	
366 Travel and Conferences	30,658	26,100	25,300	
369 Entry Fees/Student Travel Exp	47,721	53,450	54,040	
370 Rentals and Leases	31,627	36,295	36,685	
398 Administrative Chargebacks	289,613	312,639	321,419	
401 Non-Instructional Supplies	162,605	150,135	150,223	
405 Non-Instructional Annual License Software	4,106	4,150	4,300	
410 Custodial/Repair Supplies	9,127	4,000	4,000	
430 Instructional Supplies	27,985	11,900	9,150	
460 Textbooks and Workbooks	30,255	36,846	36,919	
461 Standardized Tests	3,246	200	200	
465 Non-Instructional Devices	33,757	18,700	33,500	Replacing auditory systems.
490 Food	107,767	118,210	108,050	Adjusting to better reflect trends in spending for school age care.
530 Other Equipment Purchased	16,758	36,617	37,500	
820 Dues and Memberships	21,263	23,000	22,100	
895 Federal Indirect Costs	3,548	3,858	3,987	
Total	6,963,307	7,654,144	7,786,169	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2018-19 ACTUAL	2019-20 REVISED	2020-21 PRELIM.	NOTES
BUILDING CONSTRUCTION FUND				
305 Consulting/Service Fees	119,218	10,000	0	
307 Legal Services	0	10,000	10,000	
350 Repair/Maintenance Services	10,860	0	0	
510 Site or Grounds Acquisition	4,311,892	0	0	
520 Bldg Acquisition/Construction	904,327	2,990,610	467,000	Decreased to reflect planned bond projects.
530 Other Equipment Purchased	61,167	2,370	0	
Total	5,407,464	3,012,980	477,000	
DEBT SERVICE FUND				
710 Bond-Principal	5,795,000	6,165,000	6,470,000	
720 Bond-Interest	4,049,920	3,946,258	3,655,108	
790 Oth Debt Service Expenditures	2,490	2,000	2,500	
910 Permanent Transfers	1,148,081	0	0	
Total	10,995,491	10,113,258	10,127,608	
FORMER TRUST FUND				
All Gift Directed Expenditures	30,118	0	0	
Total	30,118	0	0	
CUSTODIAL FUND (SCHOLARSHIPS)				
All Gift Directed Expenditures	0	5,000	5,000	
Total	0	5,000	5,000	

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SECTION IV

Glossary

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GLOSSARY

Revenue Codes Local Revenue (Source 001-199, 510-591)

001	<u>Property Tax Levy - General</u> This levy represents the local property tax effort in each fund. The property tax levy is reduced by the amount of state tax credits, fiscal disparities and county apportionment revenue.
005	<u>Reemployment Compensation Levy</u> The reemployment compensation levy is based on the estimated expenditure during the year in which the levy will be received. The levy is reduced (increased) by any appropriated balance (deficit) projected.
021	<u>Tuition from Other Minnesota School Districts</u> Tuition receipts received from other Minnesota school districts for services provided by ISD 834 during regular and summer sessions.
022	<u>SPED Purchased Services from Other Minnesota School Districts</u> Record reimbursement and revenue from a Minnesota school district for all special education costs that have been sold to another district.
040 & 041	<u>Tuition</u> Revenue from students, parents or guardians for tuition.
050	<u>Fees from Patrons</u> Fees consist of various charges made to students, parents or guardians for the rental or use of school equipment, and all other charges permitted by law.
051	<u>Parking Fees</u> Fees charged to students for the use of the student parking lots.
052	<u>Criminal Background Checks</u> Revenue for the collection of criminal background check fees.
053	<u>Transcript Fees</u> Fees charged for copies of transcripts.
060	<u>Admissions and Student Activity Revenue</u> This revenue source is from district admission charges for athletic and fine arts events.
071	<u>Medical Assistance Revenue</u> Revenue received from billing medical assistance for the provisions of IEP.
088	<u>E-Rate</u> Federal reimbursement for telecommunications services.
092	<u>Interest Earnings</u> This is income from temporary investments in government bonds, treasury certificates, or other investments authorized by statute.
093	<u>Rent for School Facilities</u> This revenue is from rental of district facilities. Examples include gyms and pools.
096	<u>Gifts & Bequests</u> This revenue reflects contributions from local philanthropic foundations, local private individuals, or local private organizations for which no repayment or special service to the contributor is expected.

099	<u>Miscellaneous Local Revenue</u> This revenue source includes other miscellaneous revenue from local sources not classified elsewhere.
510-592	<u>Miscellaneous Community Service Program Revenue</u> This is revenue received from patrons for community service programs and services.

State Revenue (Source 200-399)

201	<u>Endowment Fund Apportionment</u> Revenue received from the permanent school fund. The amount of the revenue is determined by dividing the earnings by the number of pupil units in average daily attendance in the State of Minnesota. General education aid is reduced by the amount of revenue from this source.
211	<u>General Education Aid</u> This aid represents the state share of the basic general education revenue. It is based on the difference between the local tax effort and the total revenue allowed in the general education formula. This includes the sum of basic, basic skills (compensatory, assurance of mastery and limited English proficiency), training and experience, transportation sparsity, operating capital, equity and supplemental aids.
212	<u>Literacy Incentive Aid</u> This state aid is based on schools enrolling third and fourth grade students and with MCA test results from the prior year.
213	<u>Shared Time Aid</u> Shared time aid represents state revenue received for a student that attends both public and nonpublic school. State revenue is based on the percentage of the student time attending the public school.
227	<u>Abatement Aid</u> This state aid is received from the state for a calculated percentage of the net revenue loss in prior years due to county abatements of property tax levies.
234	<u>Agricultural Market Value Credit</u> This is revenue received for agricultural market value credit.
258	<u>Other State Credits</u> Various other reimbursements which are received from the state, to replace property taxes on specific types of property which receive tax credits through state formulas.
300	<u>State Aids Received from MN Department of Education</u> This revenue code is used to record state aids and grants for projects specifically defined by the MN Department of Education.
301	<u>Nonpublic School Aid</u> Revenues received from the state for services and materials provided to nonpublic school students. Textbooks, instructional materials, guidance services and nursing services are examples of items that may be provided.
360	<u>State Aid for Special Education</u> Partial reimbursement for expenditures in special education is received from this state aid. This aid represents a percentage of both salary and equipment costs of the district.
370	<u>Miscellaneous Revenue from MN Department of Education</u> This represents miscellaneous revenue received from the MN Department of Education.
397	<u>TRA AND PERA Special Funding Situations Revenue</u> Record the support received from the State of Minnesota per GASB Statement No. 68.

Federal Revenues (Source 400-499, 599)

400	<u>Federal Aids Received through the MN Department of Education</u> This revenue code is used to record revenue from federal aids and grants received through the MN Department of Education for specifically defined projects.
405	<u>Federal Aids Received through Other Agencies</u> This is federal aid received from agencies other than the MN Department of Education.
471	<u>School Lunch Program</u> This is federal aid received as part of the federal school lunch program.
472	<u>Free and Reduced Lunch Program</u> This federal aid provides for free or reduced-price lunches for qualifying students.
473	<u>Commodity Cash Rebate Program</u> This is used to record the cash rebate payment received from the Food and Nutrition Service of the MN Department of Education for the value of the USDA Commodities contained in approved commercial products purchased by the district.
474	<u>Commodity Distribution Program</u> This represents federal surplus food commodities provided to the school district. The quantities are based on average daily participation in the food service program from the prior year.
476	<u>School Breakfast Program</u> This federal aid provides for free, reduced-price and paid breakfasts for students.
479	<u>Summer Food Service Program</u> Record federal revenue earned from the summer food service program.
500	<u>Miscellaneous Federal Direct Aid</u> This represents miscellaneous federal revenue received directly from the federal government.

Other Revenue (Source 600-699)

601	<u>Food Service Sales to Pupils</u> This revenue represents sales of lunches to students less any federal aid for free and reduced-price lunches.
602	<u>Food Service Sale of Milk</u> This revenue represents sales of milk.
606	<u>Food Service Sales to Adults</u> This revenue source represents sales of adult lunches.
608	<u>Special Function Food Sales</u> Record revenue generated from food services provided for school-related meetings and lunch functions not related to the National School Lunch Program.
619	<u>Cost of Materials for Revenue Producing Activities (Contra Revenue)</u> Record the cost of the materials that were purchased for the purpose of producing an object for sale or for reselling of the material at a profit.
620	<u>Sales of Materials from Revenue Producing Activities</u> Record the revenue generated from the sale of goods and services under the control of the Board of Education.

621	<u>Sale of Materials Purchased for Resale</u> Record revenue from sales of materials and supplies to pupils.
623	<u>Sale of Real Property</u> Record proceeds from the sale or exchange of school buildings or real property of a school.
624	<u>Sale of Equipment</u> Record proceeds from the sale of equipment.
649	<u>Permanent Transfers</u> Record transfers from one fund to another.

Expenditure Object Codes

100-199	<u>Salaries and Wages</u> These are expenditures that are related to all full and part-time employees of the district. They do not include self-employed personnel or independent contractors.
200-299	<u>Employee Benefits</u> These are all the non-salary costs of benefits paid on behalf of district employees. These include FICA, PERA, TRA, workers' compensation, dental insurance, health insurance, life insurance, long-term disability insurance and reemployment insurance.
300-399	<u>Purchased Services</u> These accounts are used for budgeted expenditures related to contracted personnel and other purchased services. The account includes expenditures for legal services, telecommunication services, transportation contracts, tuition paid to other Minnesota school districts, insurance and utility costs.
400-499	<u>Supplies and Materials</u> These expenditures relate to tangible items of an expendable nature. The majority of these expenses are budgeted at the building level from per pupil allocations. These expenses include textbooks, instructional, general office supplies, lunchroom supplies and food for preparing student meals. Other costs relate to the facilities department for building upkeep and maintenance.
500-599	<u>Capital Expenditures</u> The cost of purchasing instructional and non-instructional equipment, refurbishing and remodeling buildings, construction of portable buildings, and other major maintenance projects are budgeted in the 500 series accounts. Installment payments for the principal and interest amounts of purchased equipment are also charged to this area.
700-799	<u>Debt Service</u> These expenditures cover debt service principal, interest and other associated costs for debt.
800-899	<u>Other Expenditures</u> Other expenses are other miscellaneous expenses not elsewhere categorized, including indirect cost allocations, dues and memberships.

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