



Stillwater

AREA PUBLIC SCHOOLS
Independent School District 834

2017-2018

REVISED BUDGET

**Stillwater, Minnesota
January 2018**



Stillwater
AREA PUBLIC SCHOOLS

**2017-18
REVISED BUDGET**

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

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January 2018

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SECTION I

Introduction

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SCHOOL BOARD

Mr. George Hoeppner	Board Chair
Ms. Paula O'Loughlin	Vice Chair
Ms. Jennifer Pelletier	Clerk
Mr. Tom Lehmann	Treasurer
Ms. Shelley Pearson	Director
Dr. Michael Ptacek	Director
Ms. Sarah Stivland	Director

ADMINISTRATION

Ms. Denise Pontrelli	Superintendent of Schools
Ms. Kristen Hoheisel	Executive Director of Finance and Operations
Dr. Bob McDowell	Executive Director of Learning and Innovation
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
Dr. George Nolan	Director of Personalized Learning
Mr. John Perry	Director of Learning, Technology and Design Systems
Ms. Annette Sallman	Director of Community Education and Community Relations

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Your Dreams, Your Future



STRATEGIC PLAN (2013-2018)

Developed by Community and Staff of the Stillwater Area Public Schools

BELIEFS

An expression of fundamental values; ethical code, overriding convictions, inviolable principles.

We believe that...

all people have inherent value.
helping others leads to a greater sense of self-worth.
a community thrives when everybody's contributions are respected.
curiosity is essential for lifelong learning.
our future is dependent on outstanding leadership.
encouraging diverse perspectives promotes innovation.
success requires perseverance and learning from failure.
all people deserve the environment and opportunity to discover and maximize their potential.
relationships based on caring, honesty, and respect strengthen our community.



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.

OBJECTIVES

An uncompromising commitment to achieve specific, measurable, observable, or demonstrable results that exceed its present capability.

- Each student will have the skills and abilities to compete in an ever-changing world.
- Each student will be an active participant in his or her community.
- Each student will contribute to a safe, caring and healthy environment.
- Each student will have a sense of belonging.
- Each student will be personally engaged in service to others.
- Each student will have a passion for learning.
- Each student will identify and pursue his or her passions.

PARAMETERS

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

We will always provide timely communication with our stakeholders.
Excellence will always be our expectation.
We will always encourage and support courageous leadership.

Approved by School Board – February 21, 2013

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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 8,200 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 63,865.

Transportation services are provided to over 8,100 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 4,000 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.

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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2017-18 REVISED BUDGET OVERVIEW

Introduction

The revised budget typically adopted by the Board of Education each winter is an update to the annual preliminary budget approved the previous June. 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. 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. This was due to using an intentionally conservative planning and budgeting process. The philosophical approach to budgeting conservatively has changed. Budgeting assumptions and projections are being adjusted to reflect trend data, economic environments and cautious optimism.

Budget Timeline

The school district's budget timeline reflects many overlapping processes. The general timeline is listed below.

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 conservative assumptions on those variables in order to avoid deficits. Examples of the variables with additional information are listed below.

Enrollment Trends and Enrollment Projections

Enrollment in the district decreased for the 2017-18 school year. Figure 1 shows the enrollment trends for each level over the last five years.

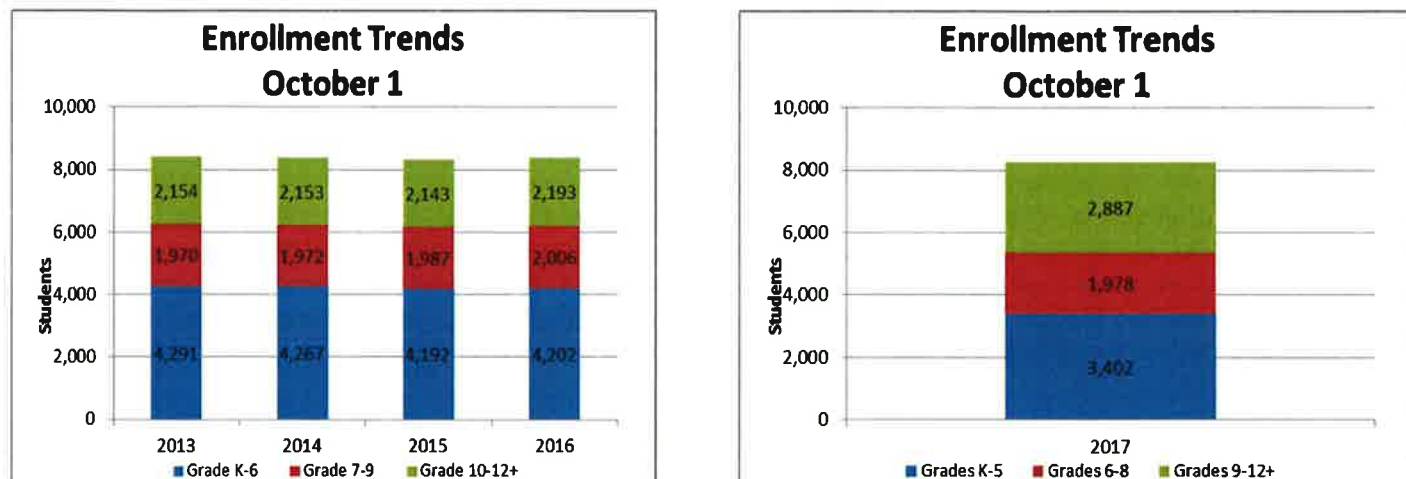


Figure 1

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 revised budget includes renewed contracts for 2017-18, but does not include parameters for contracts that have expired (open contracts). For 2017-18 the district will continue with a self-funded health insurance plan. Insurance rates will increase for single insurance.

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 revised 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 not conservative when developing the special education expenditure budget. Due to the unknown number of students that will be identified as special education, the district estimates the number of eligible students based on the prior year. Should the district serve more students than identified in the previous year, the increased cost implication is reflected in the revised budget. In 2006-07 the state mandated a change as to how school districts serving non-resident special education students received revenue. This is known as special education tuition billing. 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 will return to 23.1%.

Finally, the 2017-18 Revised Budget is reflective of the 2017 Legislative session.

Summary – 2017-18 Revised Budgets

The 2017-18 Revised Budget reflects a decrease in the unassigned fund balance for the general fund compared to the 2016-17 fiscal year end. This decrease indicates that projected revenue is below 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 (58%) of the total district revenues (see Figure 2). This percentage has changed dramatically from prior years due to the sale of voter approved bonds.

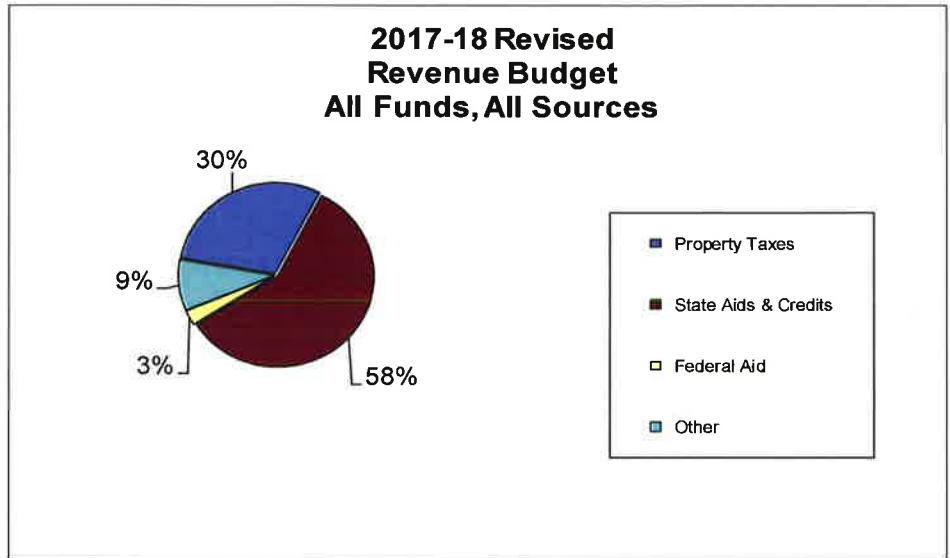


Figure 2

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 2017-18, salaries and benefits make up 74% of the district's general fund budget and 58% of the district's total budget as shown in Figure 3. Purchased services (such as heating, electricity, insurance and telecommunication costs) comprise 14% of the budget. Supplies, materials, capital and other expenditures total 28% of the total budget. Historically, the district's budget managers monitor expenditures closely and typically come in under budget.

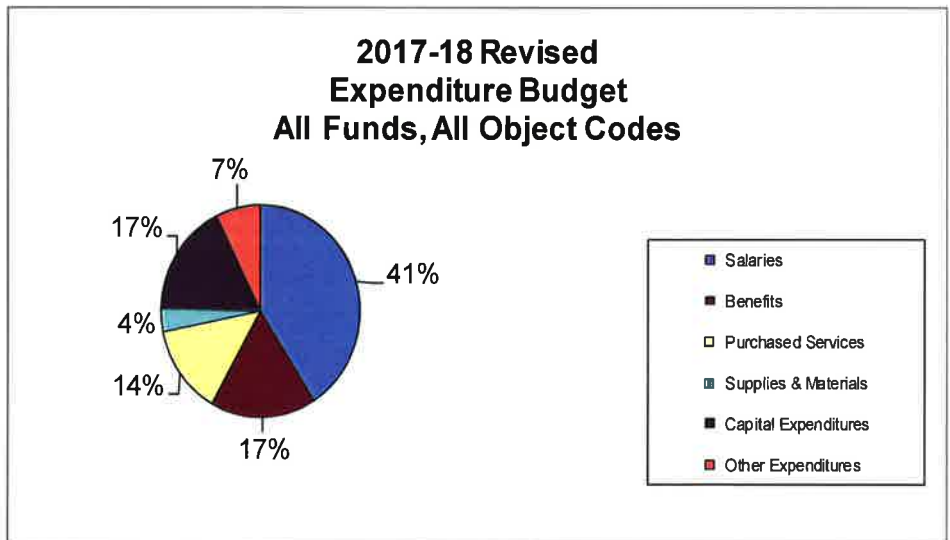


Figure 3

SECTION II

2017-18

Revised Budget

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2017-18 REVISED 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 2017-18 for the general education aid from the state is \$6,188 per pupil unit (weighted student counts depending on grade level of enrollment).

Of all the district's general fund expenditures, 74% 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.

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 2017-18 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*		
	2016-17	2017-18
Kindergarten – Gr. 1	21.42	21.42
Grades 2-3	25.42	25.42
Grades 4-6	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 2016-17 and 2017-18. The supply/material and library/media allocations have been increased from the 2016-17 levels as part of the Board approved budget parameters, with a hold-back of 2.5%. An adjustment was made on October 1, based on the enrollment at that time.

Supply and Material Allocations Per Student		
<u>Elementary</u>	<u>2016-17</u>	<u>2017-18</u>
Supply and Material	\$26.84	\$27.38
Library/Media	9.40	9.59
Capital	16.77	17.11
<u>Secondary</u>	<u>2016-17</u>	<u>2017-18</u>
Supply and Material	\$51.49	\$52.52
Library/Media	13.68	13.95
Capital	25.14	25.64

Table 2

Staff development

Funds to be used for staff development are allocated to the district's Learning and Innovation Department for use and approval of staff development activities. The total allocated directly to the Learning and Innovation Department is \$550,000. The remaining dollars will be used for instructional coaches to support teacher's professional development.

2017-18 Revised 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. The capital expenditure account information is listed on page 3.

General Fund	2016-17 Actual	2017-18 Preliminary Budget	2017-18 Revised Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	16,160,123	21,291,257	21,291,257	0	0.00%
Revenues	105,778,285	103,750,672	104,995,602	1,244,930	1.20%
Expenditures	100,647,152	104,641,501	107,511,394	2,869,893	2.74%
Revenues less Expenditures	5,131,133	(890,829)	(2,515,792)	(1,624,963)	
Ending Fund Balance	21,291,257	20,400,428	18,775,465	(1,624,963)	-7.97%

Comparison of 2017-18 Preliminary Budget to 2017-18 Revised Budget

Revenue

Revised 2017-18 revenue estimates are \$1,244,930 more than the 2017-18 Preliminary Budget. This is primarily due to an increase in state aids. State aid increases include additional dollars provided legislatively on the general education formula plus additional special education revenue. Also contributing to the increase is the addition of grants net a decrease for Title Programs, Medical Assistance and lease revenue.

Expenditures

Revised 2017-18 expenditures increased by \$2,869,893 from the 2017-18 Preliminary Budget. This is primarily due to budgeting actual staff, the addition of grants, transportation and tuition billing less a decrease in Title Programs and lease payments. 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 long term facilities management, operating capital, staff development and other committed funds. The net revenue budget after subtracting these categorical components is \$96,405,975. The net expenditure budget after subtracting these categorical components is \$98,094,465. Expenditures exceed revenues. The unassigned fund balance decreases from a projected 6.67% to 6.50% of total expenditures. The Board's goal of reaching a 5% unassigned fund balance has been met.

The total fund balance for the general fund is projected to decrease from \$20.4 million to \$18.8 million in the revised 2017-18 budget. The unassigned fund balance (the amount of unallocated funds) is projected to decrease from \$7.2 million to \$7.0 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 the elimination of New Heights rent net an increase in state aid revenue. The expenditures are decreasing primarily due to the termination of the Alternative Learning Center lease. The projected fund balance will decrease from \$3.6 million to \$3.5 million compared to the 2017-18 Preliminary Budget.

General Fund	2016-17	2017-18	2017-18	Rev. / Prel.	Rev. / Prel.
Capital Expenditure Account	Actual	Preliminary Budget	Revised Budget	Change	% Change
Beginning Fund Balance	1,781,237	3,590,970	3,590,970	0	0.00%
Revenues	4,761,428	3,188,260	3,048,708	(139,552)	-4.38%
Expenditures	2,951,695	3,216,362	3,105,929	(110,433)	-3.43%
Revenues less Expenditures	1,809,733	(28,102)	(57,221)	(29,119)	
Ending Fund Balance	3,590,970	3,562,868	3,533,749	(29,119)	-0.82%

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 2017-18 Revised Budget to the 2017-18 Preliminary Budget.

General Fund	2016-17	2017-18	2017-18	Prel. / Rev.	Prel. / Rev.
	Actual	Preliminary Budget	Revised Budget	Change	% Change
Administration	3,687,102	3,528,195	3,575,221	47,026	1.33%
District Support Services	4,273,631	3,257,875	3,297,519	39,644	1.22%
Regular & Vocational Instruction	46,996,945	46,863,619	46,836,218	(27,401)	-0.06%
Special Education Instruction	17,660,774	16,640,835	18,073,377	1,432,542	8.61%
Instructional Support Services	7,055,599	7,205,469	8,079,463	873,994	12.13%
Pupil Support Services	3,747,145	3,568,637	4,048,175	479,538	13.44%
Transportation (Pupil Support)	7,350,908	7,836,958	7,941,445	104,487	1.33%
Operations and Maintenance	9,636,324	15,442,413	15,389,976	(52,437)	-0.34%
Fiscal and Other Fixed Costs	238,724	297,500	270,000	(27,500)	-9.24%
Total	100,647,152	104,641,501	107,511,394	2,869,893	2.74%

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 \$47,026 from the 2017-18 Preliminary Budget is primarily due to actual staff being budgeted and dues and memberships.

District Support Services

This program accounts for expenditures related to the Executive Director of Finance, 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 \$39,644 from the 2017-18 Preliminary Budget is primarily due to an increase for administrative chargebacks net a decrease for actual staff being budgeted.

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 decrease of \$27,401 from the 2017-18 Preliminary Budget is primarily due to a decrease in Title Programs and Career and Technical Education tuition net an increase for actual staff being budgeted.

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 \$1,432,542 from the 2017-18 Preliminary Budget is primarily due to actual staff being budgeted and federal programs.

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 increase of \$873,994 from the 2017-18 Preliminary Budget is primarily due to an increase for grants, actual staff being budgeted and Integration.

Pupil Support Services (Including Transportation)

This program accounts for expenditures related to counselors, lunchroom supervision (not accounted for in the food service fund), related support staff and related supply and materials for these departments.

The increase of \$584,025 from the 2017-18 Preliminary Budget is primarily due to actual staff being budgeted, tuition billing and transportation.

Operations and Maintenance

This program tracks expenditures related to custodial staff, grounds staff, related support staff, utilities, and related supply and materials for these departments.

The decrease of \$52,437 from the 2017-18 Preliminary Budget is primarily due to the termination of the Alternative Learning Center lease, actual staff being budgeted net an increase in Long Term Facility Maintenance (LTFM).

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 decrease of \$27,500 is due to the reduction of 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	2016-17 Actual	2017-18 Preliminary Budget	2017-18 Revised Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	166,528	236,956	236,956	0	0.00%
Revenues	4,042,221	4,144,865	4,222,625	77,760	1.88%
Expenditures	3,971,793	4,128,658	4,222,605	93,947	2.28%
Revenues less Expenditures	70,428	16,207	20	(16,187)	
Ending Fund Balance	236,956	253,163	236,976	(16,187)	-6.39%

Revenues are increasing primarily due to the addition of Pankalo. Expenditures are increasing due to a planned one-time Mealviewer software purchase and actual staff being budgeted.

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	2016-17 Actual	2017-18 Preliminary Budget	2017-18 Revised Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	884,703	1,020,808	1,020,808	0	0.00%
Revenues	5,495,186	5,851,627	6,226,488	374,861	6.41%
Expenditures	5,359,081	5,838,996	6,179,020	340,024	5.82%
Revenues less Expenditures	136,105	12,631	47,468	34,837	
Ending Fund Balance	1,020,808	1,033,439	1,068,276	34,837	3.37%

Revenues are increasing primarily due to increased enrollment in School Readiness programs along with the addition of St. Croix Valley Foundation and SHIP grants. Expenditures are increasing primarily due to increased staff for expanded programming and the new Pony Activity Center and for grant purchases.

Building Construction Fund

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

Building Construction Fund	2016-17 Actual	2017-18 Preliminary Budget	2017-18 Revised Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	82,458,600	23,717,471	23,717,471	0	0.00%
Revenues	415,294	25,000	152,803	127,803	511.21%
Expenditures	59,156,423	26,118,936	20,571,316	(5,547,620)	-21.24%
Revenues less Expenditures	(58,741,130)	(26,093,936)	(20,418,513)	5,675,423	
Ending Fund Balance	23,717,471	(2,376,465)	3,298,958	5,675,423	-238.82%

Revenues are increasing due to a projected increase in interest. Expenditures are decreasing to reflect timing of bond projects.

Debt Service Fund

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	2016-17 Actual	2017-18 Preliminary	2017-18 Revised	Rev. / Prel. Change	Rev. / Prel. % Change
		Budget	Budget		
Beginning Fund Balance	7,040,358	1,577,334	1,577,334	0	0.00%
Revenues	4,549,383	4,814,725	4,816,725	2,000	0.04%
Expenditures	10,012,407	4,903,758	4,903,758	0	0.00%
Revenues less Expenditures	(5,463,024)	(89,033)	(87,033)	2,000	
Ending Fund Balance	1,577,334	1,488,301	1,490,301	2,000	0.13%

There was a small increase from the 2017-2018 Preliminary Budget due to projected interest.

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	2016-17 Actual	2017-18 Preliminary	2017-18 Revised	Rev. / Prel. Change	Rev. / Prel. % Change
		Budget	Budget		
Beginning Fund Balance	300,996	574,226	574,226	0	0.00%
Revenues	5,424,291	5,218,360	5,233,360	15,000	0.29%
Expenditures	5,151,060	4,966,165	4,966,165	0	0.00%
Revenues less Expenditures	273,231	252,195	267,195	15,000	
Ending Fund Balance	574,226	826,421	841,421	15,000	1.82%

The combination of the two debt service categories make up the total Debt Service Fund.

Trust Fund

Previously, the trust fund primarily accounted for the revenues and expenditures of the Partnership Plan. Since the 2005-06 school year the trust fund has primarily been used for scholarships.

Trust Fund	2016-17	2017-18	2017-18	Rev. / Prel.	Rev. / Prel.
	Actual	Preliminary Budget	Revised Budget	Change	% Change
Beginning Fund Balance	168,825	153,273	153,273	0	0.00%
Revenues	14,489	25,000	25,000	0	0.00%
Expenditures	30,040	25,000	25,000	0	0.00%
Revenues less Expenditures	(15,551)	0	0	0	
Ending Fund Balance	153,273	153,273	153,273	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, 2017 the net position balance in the OPEB trust account was \$9,073,735.

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, 2017 the net position balance in the internal service fund for health and dental insurance was \$2,490,759.

2017-18 REVISED BUDGET SUMMARY

PROJECTED REVENUES, EXPENDITURES AND FUND BALANCE BY FUND 2017-18

Fund	Actual Fund Balance 6/30/17	2017-18 Revenue Budget	2017-18 Expenditure Budget	Proj. Fund Balance 6/30/18
General Fund	21,291,257	104,995,602	107,511,394	18,775,465
Food Service Fund	236,956	4,222,625	4,222,605	236,976
Community Service Fund	<u>1,020,808</u>	<u>6,226,488</u>	<u>6,179,020</u>	<u>1,068,276</u>
Sub-Total Operating Funds	22,549,021	115,444,715	117,913,019	20,080,717
Building Construction Fund	23,717,471	152,803	20,571,316	3,298,958
Debt Service Fund	<u>2,151,560</u>	<u>10,050,085</u>	<u>9,869,923</u>	<u>2,331,722</u>
Sub-Total Non-Operating Funds	25,869,031	10,202,888	30,441,239	5,630,680
Trust Fund	<u>153,273</u>	<u>25,000</u>	<u>25,000</u>	<u>153,273</u>
Total All Funds	48,571,325	125,672,603	148,379,258	25,864,670

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SECTION III

Summary

SUMMARY OF REVENUES BY SOURCE CATEGORY AND FUND

Fund	Source Category	2016-17 Actual	Pct. of Total	2017-18 Prel. Bud.	2017-18 Revised Budget	Pct. of Total	Preliminary - Revised Percent Change	Revised Amount Change
01	General Fund							
	Property Taxes	26,092,174	24.67%	26,442,456	26,498,775	25.24%	0.21%	56,319
	State Aids & Credits	71,627,596	67.71%	71,009,530	72,395,468	68.95%	1.95%	1,385,938
	Federal Aid	2,475,674	2.34%	2,463,990	2,250,566	2.14%	-8.66%	(213,424)
	Other	5,582,842	5.28%	3,834,696	3,850,793	3.67%	0.42%	16,097
	Total General Fund	105,778,285	100.00%	103,750,672	104,995,602	100.00%	1.20%	1,244,930
02	Food Service							
	Property Taxes	0	0.00%	0	0	0.00%	0.00%	0
	State Aids & Credits	172,769	4.27%	193,000	187,300	4.44%	-2.95%	(5,700)
	Federal Aid	1,211,871	29.98%	1,136,500	1,160,250	27.48%	2.09%	23,750
	Other	2,657,581	65.75%	2,815,365	2,875,075	68.09%	2.12%	59,710
	Total Food Service	4,042,221	100.00%	4,144,865	4,222,625	100.00%	1.88%	77,760
04	Community Service							
	Property Taxes	925,078	16.83%	941,024	936,687	15.04%	-0.46%	(4,337)
	State Aids & Credits	827,905	15.07%	796,663	817,840	13.13%	2.66%	21,177
	Federal Aid	2,221	0.04%	2,221	2,583	0.04%	16.30%	362
	Other	3,739,981	68.06%	4,111,719	4,469,378	71.78%	8.70%	357,659
	Total Comm. Service	5,495,186	100.00%	5,851,627	6,226,488	100.00%	6.41%	374,861
06	Building Construction							
	Other	415,294	100.00%	25,000	152,803	100.00%	511.21%	127,803
	Total Bldg Construction	415,294	100.00%	25,000	152,803	100.00%	511.21%	127,803
07&47	Debt Service							
	Property Taxes	9,865,167	98.91%	9,995,085	9,995,085	99.45%	0.00%	0
	State Aids & Credits	15,419	0.15%	17,500	15,000	0.15%	-14.29%	(2,500)
	Other	93,089	0.93%	20,500	40,000	0.40%	95.12%	19,500
	Total Debt Service	9,973,674	100.00%	10,033,085	10,050,085	100.00%	0.17%	17,000
08	Trust							
	Other	14,489	100.00%	25,000	25,000	100.00%	0.00%	0
	All Funds							
	Property Taxes	36,882,418	29.34%	37,378,565	37,430,547	29.78%	0.14%	51,982
	State Aids & Credits	72,643,688	57.78%	72,016,693	73,415,608	58.42%	1.94%	1,398,915
	Federal Aid	3,689,766	2.93%	3,602,711	3,413,399	2.72%	-5.25%	(189,312)
	Other	12,503,275	9.95%	10,832,280	11,413,049	9.08%	5.36%	580,769
	Total All Funds	125,719,148	100.00%	123,830,249	125,672,603	100.00%	1.49%	1,842,354

SUMMARY OF EXPENDITURES BY OBJECT CATEGORY AND FUND

Fund	Object Category	2016-17	Pct. of	2017-18	2017-18	Pct. of	Preliminary - Revised	
		Actual	Total	Prel. Bud.	Revised Budget	Total	Percent Change	Amount Change
01	General Fund							
	Salaries	53,004,863	52.66%	54,108,611	55,623,893	51.74%	2.80%	1,515,282
	Benefits	23,600,541	23.45%	23,120,632	23,865,977	22.20%	3.22%	745,345
	Purchased Services	18,059,817	17.94%	17,044,547	17,437,519	16.22%	2.31%	392,972
	Supplies & Materials	3,154,107	3.13%	3,213,229	3,164,719	2.94%	-1.51%	(48,510)
	Capital Expenditures	1,461,545	1.45%	6,212,785	6,419,863	5.97%	3.33%	207,078
	Debt Service	823,038	0.82%	818,912	818,912	0.76%	0.00%	0
	Other Expenditures	543,240	0.54%	122,785	180,511	0.17%	47.01%	57,726
	Total General Fund	100,647,152	100.00%	104,641,501	107,511,394	100.00%	2.74%	2,869,893
02	Food Service							
	Salaries	1,345,324	33.87%	1,348,931	1,381,561	32.72%	2.42%	32,630
	Benefits	632,400	15.92%	642,617	648,866	15.37%	0.97%	6,249
	Purchased Services	288,093	7.25%	281,970	293,066	6.94%	3.94%	11,096
	Supplies & Materials	1,580,133	39.78%	1,662,340	1,717,187	40.67%	3.30%	54,847
	Capital Expenditures	120,461	3.03%	183,000	175,675	4.16%	-4.00%	(7,325)
	Other Expenditures	5,382	0.14%	9,800	6,250	0.15%	-36.22%	(3,550)
	Total Food Service	3,971,793	100.00%	4,128,658	4,222,605	100.00%	2.28%	93,947
04	Community Service							
	Salaries	3,133,896	58.48%	3,410,913	3,662,326	59.27%	7.37%	251,413
	Benefits	1,038,156	19.37%	1,034,337	1,075,271	17.40%	3.96%	40,934
	Purchased Services	840,409	15.68%	961,214	971,978	15.73%	1.12%	10,764
	Supplies & Materials	272,830	5.09%	333,090	356,561	5.77%	7.05%	23,471
	Capital Expenditures	45,728	0.85%	73,992	87,192	1.41%	17.84%	13,200
	Other Expenditures	28,062	0.52%	25,450	25,692	0.42%	0.95%	242
	Total Comm. Service	5,359,081	100.00%	5,838,996	6,179,020	100.00%	5.82%	340,024
06	Building Construction							
	Salaries	200,040	0.34%	0	0	0.00%	0.00%	0
	Benefits	81,467	0.14%	0	0	0.00%	0.00%	0
	Purchased Services	5,358,062	9.06%	971,727	1,628,399	7.92%	67.58%	656,672
	Supplies & Materials	26,433	0.04%	0	0	0.00%	0.00%	0
	Capital Expenditures	53,490,421	90.42%	25,147,209	18,942,917	92.08%	-24.67%	(6,204,292)
	Total Bldg. Const.	59,156,423	100.00%	26,118,936	20,571,316	100.00%	-21.24%	(5,547,620)
07&47	Debt Service							
	Other	15,163,467	100.00%	9,869,923	9,869,923	100.00%	0.00%	0
08	Trust							
	Other	30,040	100.00%	25,000	25,000	100.00%	0.00%	0
	All Funds							
	Salaries	57,684,124	31.29%	58,868,455	60,667,780	40.89%	3.06%	1,799,325
	Benefits	25,352,565	13.75%	24,797,586	25,590,114	17.25%	3.20%	792,528
	Purchased Services	24,546,381	13.32%	19,259,458	20,330,962	13.70%	5.56%	1,071,504
	Supplies & Materials	5,033,502	2.73%	5,208,659	5,238,467	3.53%	0.57%	29,808
	Capital Expenditures	55,118,155	29.90%	31,616,986	25,625,647	17.27%	-18.95%	(5,991,339)
	Other Expenditures	16,593,228	9.00%	10,871,870	10,926,288	7.36%	0.50%	54,418
	Total All Funds	184,327,956	100.00%	150,623,014	148,379,258	100.00%	-1.49%	(2,243,756)

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BUDGET DETAIL SUMMARY

REVENUE BY SOURCE

SRC DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
GENERAL FUND				
001 Property Tax Levy-General	26,035,418	26,385,700	26,442,019	
005 Reemployment Compensation Levy	56,756	56,756	56,756	
021 Tuition from MN School Dists	386,611	0	0	
022 SPED Purch Serv from Oth MN	42,123	43,000	43,000	
041 Tuition-Out of State	10,190	0	0	
050 Fees from Patrons	1,084,949	1,091,100	1,043,500	
051 Parking Fees	173,464	160,000	186,422	
052 Criminal Background Check Fees	390	1,000	400	
053 Transcript Fees	9,977	10,000	10,000	
060 Admission/Student Act Revenue	202,965	132,000	160,000	Increased to better reflect projected for donations.
071 Medical Assistance Revenue	226,469	700,000	450,000	Decreased to better reflect projected.
088 E-Rate Revenue	90,695	135,000	90,000	Decreased to better reflect projected.
092 Interest Earnings	121,710	34,500	132,500	Increased to better reflect projected interest rates.
093 Rent for School Facilities	309,994	395,411	163,455	Decreased to reflect the sale of Washington School (New Heights).
096 Gifts & Bequests	752,655	460,000	942,831	Increased due to the addition of grants and to better reflect projected for donations.
099 Miscellaneous Local Revenue	426,099	406,685	404,685	
201 Endowment Fund Apportionment	276,057	295,892	323,567	
211 General Education Aid	58,923,690	58,662,722	59,730,413	
212 Literacy Incentive Aid	427,633	427,633	427,633	
213 Shared Time Aid	26,588	26,588	23,237	
227 Abatement Aid	3,792	1,436	3,486	
234 Agricultural Mrkt Value Credit	11,940	11,945	12,711	
300 State Aids Rec'd from DOE	2,149,421	2,163,314	2,304,421	Increased for Integration and Q-Comp.
360 Special Education Aid	9,403,306	9,100,000	9,500,000	Increased to better reflect projected.
370 Other Aid from DOE	109,489	320,000	70,000	Decreased to better reflect projected.
397 TRA/PERA Special Funding Revenue	295,681	0	0	
400 Federal Aids rec'd thru DOE	2,314,093	2,459,506	2,234,952	Decreased primarily to reflect reduction of federal Title I funds.
405 Federal Aid rec'd thru Other	9,303	0	10,616	
500 Federal Aids rec'd from Fed	152,277	4,484	4,998	
619 Cost of Materials for Profit	-77,598	-115,000	-100,000	
620 Sales of Materials for Profit	231,649	300,000	250,000	Decreased to better reflect projected.
621 Sale of Materials Purch-Resale	60,021	75,000	70,000	

REVENUE BY SOURCE

SRC DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
623 Sale of Real Property	1,528,647	0	0	
624 Sale of Equipment	1,101	6,000	4,000	
625 Insurance Recovery	732	0	0	
Total	105,778,285	103,750,672	104,995,602	

FOOD SERVICE FUND

021 Mahtomedi / Pankalo	555,638	568,500	651,030	Increased to reflect addition of Pankalo.
050 Fees from Patrons	1,144	750	2,000	
092 Interest Earnings	1,399	350	1,400	
096 Gifts & Bequests	400	0	0	
099 Miscellaneous Local Revenue	4,289	7,500	4,500	
300 State Aids Rec'd from DOE	171,527	193,000	186,000	
397 TRA/PERA Special Funding Revenue	1,242	0	1,300	
471 School Lunch Program	258,516	265,000	260,000	
472 Special Assist.-Needy Child Program	474,914	475,000	475,000	
473 Commodity Cash Rebate Program	38,774	1,000	750	
474 Commodity Distribution Program	260,867	256,500	256,500	
476 School Breakfast Program	120,685	98,000	130,000	Increased to reflect increased participation.
479 Summer Food Service Program	58,116	41,000	38,000	
601 Food Service Sales to Pupils	1,906,646	2,099,750	2,034,850	
602 Food Service Sale of Milk	29,056	24,100	28,000	
606 Food Service Sales to Adults	33,827	27,915	33,295	
608 Special Function Food Sales	116,891	85,000	118,000	Increased to better reflect projected.
624 Sale of Equipment	8,291	1,500	2,000	
Total	4,042,221	4,144,865	4,222,625	

COMMUNITY SERVICE FUND

001 Property Tax Levy-General	925,078	941,024	936,687	
021 Tuition from MN School Dists	112,850	90,000	154,050	Increased number of slot fees from ECSE and NE Metro 916 for School Readiness.
040 Tuition	483,858	514,000	757,526	Increased enrollment in School Readiness.
050 Fees from Patrons	2,426	101,500	101,500	
092 Interest Earnings	8,546	3,000	3,000	
096 Gifts & Bequests	3,775	2,250	84,500	SCVF and SHIP grants expected in Early Childhood and School Readiness.

REVENUE BY SOURCE

SRC DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
099 Miscellaneous Local Revenue	147,374	156,200	140,300	Fewer awarded scholarships.
227 Abatement Aid	603	0	0	
234 Agricultural Mkt Value Credit	1,447	0	0	
300 State Aids Rec'd from DOE	524,708	528,668	543,863	
301 Nonpublic Aid	78,755	91,490	91,490	
370 Other Aid from DOE	215,434	176,505	182,487	
397 TRA/PERA Special Funding Revenue	6,959	0	0	
405 Federal Aid Rec'd thru Other	2,221	2,221	2,583	
510 Adults with Disabilities	1,568	2,200	2,200	
549 Aquatics	59,900	61,850	55,770	
551 Adult Athletics	78,194	74,850	78,000	
552 Adult Enrichment	63,362	55,760	55,760	
553 Youth Athletics	67,107	73,000	71,000	
554 Camps and Clinics	139,664	140,000	140,000	
562 Instructional Music	30,099	35,000	26,624	Reduction in programming.
564 Special Events	25,923	41,000	41,000	
570 School Age Care Tuition	1,883,270	2,041,216	2,067,632	
571 School Age Care Preschool	104,491	175,993	133,560	Decreased based on current enrollment.
585 Youth Development/Youth Serv	319,608	315,000	320,000	
591 Facilities Use	207,175	216,663	229,517	
592 Turf Fields Use	792	12,237	7,439	
Total	5,495,186	5,851,627	6,226,488	

BUILDING CONSTRUCTION FUND

092 Interest Earnings	324,474	25,000	152,803	Increased to better reflect projected.
625 Insurance Recovery	90,819	0	0	
Total	415,294	25,000	152,803	

REVENUE BY SOURCE

SRC DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
DEBT SERVICE FUND				
001 Property Tax Levy-General	9,865,167	9,995,085	9,995,085	
021 Valley Crossing Payout	49,491	0	0	
092 Interest Earnings	43,598	20,500	40,000	
234 Agricultural Mkt Value Credit	15,419	17,500	15,000	
Total	9,973,674	10,033,085	10,050,085	
TRUST FUND				
All Gift Directed Revenues	14,489	25,000	25,000	
Total	14,489	25,000	25,000	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
GENERAL FUND				
100 Administrators	1,458,572	1,523,830	1,654,129	Increased due to the addition of a student support services assistant director.
101 School Board	33,829	33,750	33,750	
110 Principals	2,163,091	1,979,710	2,088,021	Increased due to the addition of an assistant principal at the high school.
120 Supervisors	472,953	524,931	490,769	Shift of one position from object 143 and shift of two positions to object 120.
121 Confidential/Specialists	915,534	1,001,511	1,097,670	Shift of two positions from object 120.
122 Subs-Health Specialists	13,434	12,000	13,500	
140 Teachers	31,238,932	32,137,986	32,785,226	
141 Paraprofessionals	701,406	754,934	787,602	
142 Subs-Paraprofessionals	168,553	150,350	160,150	
143 Coordinators	1,579,262	1,588,810	1,361,863	Decreased due to the elimination of two positions and the shift of one position to object 120.
144 Librarians	196,999	197,697	212,118	
145 Subs-Teacher	641,722	646,500	643,500	
150 Subs-Teacher School Business	278,574	207,381	327,057	Increase primarily in Title Programs and Staff Development.
151 Occupational Therapists	237,017	228,816	244,979	
152 Speech Language Pathologists	1,263,269	1,264,486	1,287,702	
154 School Nurse	291,955	289,303	351,760	Added a nurse coordinator.
155 Health Care Specialists	258,826	261,695	268,784	
156 School Social Worker	320,788	320,786	338,607	
157 Psychologists	763,612	763,611	799,502	
161 Paraprofessionals - Certified	2,322,737	2,128,435	2,470,548	Increased to reflect current staffing levels.
162 Paraprofessionals - One-to-One	230,801	88,944	123,298	Increased to reflect current staffing levels.
165 School Counselors	886,847	895,912	1,027,634	Added two additional counselors at the high school.
170 Tech Support	2,110,096	2,104,252	2,235,165	Increased to reflect current staffing levels.
171 Subs-Tech Support	16,737	21,600	23,300	
172 Custodians	2,147,797	2,415,329	2,400,816	
173 Overtime	90,710	83,500	88,100	
174 DAPE Specialists	168,474	168,799	167,542	
176 Subs-Custodian	61,219	40,000	60,000	Increased to better reflect projected.
177 Crossing Guards	10,914	9,586	11,142	
178 Lunchroom Supervisors-Licensed	17,881	24,000	24,000	
179 Lunchroom Supervisors-Non-Licensed	24,859	13,641	5,025	
180 Coaches	650,030	661,516	666,516	
185 Advisors	165,368	180,319	185,319	
186 Other Salary Payments-Non-Licensed	184,100	128,236	209,215	Increased primarily in Integration.

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
189 Other Salary Payments-Licensed	917,966	1,256,455	979,584	Decreased to reflect shift for Integration to object 140 along with a reduction for Q-Comp.
210 FICA	3,930,203	3,949,125	4,135,808	
214 PERA	802,334	789,437	822,958	
218 TRA	3,097,016	3,118,400	3,165,810	
220 Health Insurance	10,683,478	10,522,576	10,877,083	
225 Dental Insurance	633,726	649,821	677,359	
230 Life Insurance	163,910	171,718	174,160	
235 LTD Insurance	251,468	264,231	268,164	
236 Short Term Disability	70,827	0	0	
240 Legal Insurance	-340	0	0	
250 TSA	997,145	1,015,724	972,244	
251 Severance TSA	266,750	214,000	245,000	Increased to better reflect projected.
252 Severance Health	120,720	86,000	110,000	Increased to better reflect projected.
253 Health Care Savings Plan	531,877	489,578	538,697	Increased to better reflect projected.
254 VEBA Contribution	924,655	940,290	1,027,068	
270 Workers Compensation	413,256	305,167	310,106	
280 Reemployment Comp Insurance	37,954	70,000	60,000	
291 OPEB (pay as you go)	640,554	487,605	432,160	
297 Tuition/Classes	13,085	13,400	13,400	
298 Contract Dues	16,146	21,560	21,560	
299 Other Employee Benefits	5,777	12,000	14,400	
302 Background Check	11,518	22,789	22,789	
303 Federal Contracts < \$25,000	46,680	45,832	81,700	Increased for planned developmental design training in Title II.
304 Federal Contracts > \$25,000	0	0	38,177	Increased for planned developmental design training in Title II.
305 Consulting/Service Fees	1,234,675	1,633,160	1,701,292	
306 Audit Services	81,521	76,000	76,000	
307 Legal Services	134,501	133,178	143,244	
308 Printing Services	104,674	166,943	109,943	Decreased to better reflect projected.
309 Credit Card Fees	49,555	52,000	52,000	
310 Snow Removal/Lawn Services	163,593	189,955	192,955	
312 Officials/Judges	70,317	65,200	65,153	
313 Laundry Services	17,867	22,825	18,125	
314 On-Line Courses	258,612	10,000	20,000	
315 Computer/Tech Repair & Maint	117,447	0	0	
319 Computer and Technology Services	76,032	0	0	
320 Communication Services	309,896	266,331	266,531	
329 Postage	53,909	51,650	59,850	
330 Electricity	1,150,569	1,108,300	1,148,350	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
331 Natural Gas	309,248	417,600	409,550	
332 Water and Sewer	126,069	140,100	137,350	
333 Garbage Collection	54,131	73,700	67,700	
340 Insurance	238,724	297,500	270,000	
350 Repair/Maintenance Services	573,026	864,748	1,026,278	Increased primarily in Long-Term Facility Maintenance (LTFM).
357 Interpreter for Deaf Services	5,130	200	200	
358 Foreign Language Interpreter	3,718	23,300	11,097	
360 Transportation Contracts	7,504,231	7,865,863	8,026,694	
362 Mental Health Practitioner Services	10,000	30,000	0	
365 Transportation Chargebacks	-570	-9,500	-9,725	
366 Travel and Conferences	430,402	499,209	479,733	
368 Out-Of-State Travel - Federal	1,231	5,000	1,200	
369 Entry Fees/Student Travel Expenditures	636,969	677,125	629,325	
370 Rentals and Leases	924,735	671,705	573,392	Decreased due to the termination of the Alternative Learning Center lease.
371 Equipment Leases	2,237	2,000	2,000	
372 Graduation Expense	41,169	40,000	40,000	
380 Computer/Tech Related Hardware Rental	4,350	0	0	
390 Tuition To Oth MN School Districts	280,148	151,425	280,200	Increased to better reflect projected.
391 Pmt To MN Sch-Cost Share Agreement	2,354,039	752,972	732,610	
392 Tuition To Out-of-State School Districts	169	0	0	
393 Sped Contracted Services - Non Sch Dist	114,628	76,300	96,000	Increased to better reflect projected.
394 Payments to Other Agencies	300,249	527,802	540,056	
396 Sped Salaries Purchase from Oth Districts	407,080	298,400	277,500	
397 Sped Benefits Purchase from Oth Districts	187,712	194,935	188,250	
398 Administrative Chargebacks	-330,373	-400,000	-350,000	Decreased to better reflect projected.
401 Non-Instructional Supplies	706,392	758,866	719,269	
404 ID Badges	2,634	2,800	2,800	
405 Non-Instructional Annual License Software	356,469	247,961	223,731	
406 Instructional Software License	100,332	99,751	84,051	
409 Uniforms	5,774	9,000	9,000	
410 Custodial/Repair Supplies	413,535	653,000	504,000	Decreased primarily in Long-Term Facility Maintenance (LTFM).
430 Instructional Supplies	252,562	241,181	530,011	Increased primarily for the addition of grants and planned expenditures in Learning & Innovation.
433 Individualized Instructional Supplies	43,632	81,732	100,703	
440 Fuel For Buildings	6,683	52,000	46,000	
442 Gasoline	23,349	33,750	33,100	
455 Non-Instructional Technology Supplies	122,348	8,000	8,600	
456 Instructional Technology Supplies	162,166	0	300	
460 Textbooks and Workbooks	197,879	676,629	528,226	Decreased primarily for planned expenditures in Learning & Innovation.

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
461 Standardized Tests	253,409	265,000	265,000	
465 Non-Instructional Technology Devices	20,123	0	800	
466 Instructional Technology Devices	445,309	44,975	61,044	
470 Media Resources	20,675	25,900	25,900	
490 Food	20,836	12,684	22,184	
505 Non-Instructional Technology Software	53,524	5,500	5,500	
506 Instructional Technology Software	0	0	15,000	
520 Bldg Acquisition/Construction	591,111	4,775,000	4,692,000	
522 Vandalism	7,017	15,000	15,000	
530 Other Equipment Purchased	491,835	637,385	897,957	Increased primarily for the addition of grants.
550 Other Vehicles Purchased	0	12,000	12,000	
555 Capitalized Non-Instruct Tech Hardware	282,914	754,900	779,406	
556 Capitalized Instruct Tech Hardware	33,427	13,000	3,000	
590 Other Capital Expenditures	1,718	0	0	
730 Loan Principal	505,000	520,000	520,000	
740 Loan Interest	318,038	298,912	298,912	
820 Dues and Memberships	106,463	75,385	124,511	Increased to better reflect projected.
891 TRA/PERA Special Funding Pension Exp	295,681	0	0	
895 Federal Indirect Costs	-3,750	-12,600	-4,000	
896 Taxes, Special Assessments and Interest	144,846	60,000	72,000	
Total	100,647,152	104,641,501	107,511,394	

FOOD SERVICE FUND

120 Supervisors	152,303	155,273	159,740	
160 Cooks	1,079,174	1,110,674	1,121,903	
161 Cashiers	3,511	0	0	
162 Subs-Cook	20,731	14,600	23,550	
170 Tech Support	38,266	38,266	39,859	
172 Custodians	18,169	2,268	2,258	
173 Overtime	0	0	1,401	
189 Other Salary Payments	33,169	27,850	32,850	
210 FICA	96,872	107,301	103,261	
214 PERA	99,099	101,201	101,236	
218 TRA	0	250	0	
220 Health Insurance	326,297	325,915	333,015	
225 Dental Insurance	19,980	19,569	22,411	
230 Life Insurance	1,198	1,139	1,231	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
235 LTD Insurance	3,158	2,982	3,346	
236 Short Term Disability	1,785	1,500	1,800	
250 TSA	18,448	19,527	18,926	
253 Health Care Savings Plan	2,621	3,000	3,000	
254 VEBA Contribution	21,875	20,313	19,938	
270 Workers Compensation	41,068	39,920	40,702	
305 Consulting/Service Fees	3,500	3,500	1,200	
309 Credit Card Fees	72,815	75,000	75,000	
320 Communication Services	938	920	1,000	
329 Postage	568	750	650	
333 Garbage Collection	17,610	21,000	17,000	
350 Repair/Maintenance Services	53,430	50,000	55,000	
366 Travel and Conferences	5,935	5,800	6,216	
398 Administrative Chargebacks	133,295	125,000	137,000	
401 Non-Instructional Supplies	59,726	46,190	64,010	Increased to better reflect projected.
402 Promotions	0	1,000	2,500	
403 Small Equipment	5,386	6,450	17,000	
405 Non-Instructional Annual License Software	0	3,000	42,477	Increased to reflect one-time Mealviewer software purchase.
442 Gasoline	389	500	400	
490 Food	1,109,532	1,210,700	1,184,500	
491 Commodities	260,867	256,500	256,500	
495 Milk	144,234	138,000	149,800	
505 Non-Instructional Tech Software	3,810	6,000	25,675	Shifted expense from object 530.
530 Other Equipment Purchased	116,227	175,000	150,000	Shifted expense to object 505.
555 Capitalized Non-Instruct Tech Hardware	424	2,000	0	
820 Dues and Memberships	4,140	9,800	5,000	
891 TRA/PERA Special Funding Pension Exp	1,242	0	1,250	
Total	3,971,793	4,128,658	4,222,605	

COMMUNITY SERVICE FUND

100 Administrators	132,822	142,400	140,289	
120 Supervisors	402,013	447,660	383,718	Shift of two coordinators to object 121 and one to object 125.
121 Confidential/Specialists	14,531	15,941	37,790	Shift from object 120 of two coordinators.
123 SAC Site Leaders	317,483	315,520	307,214	
125 Schl Readiness/ABE Supervisor	106,766	98,715	134,677	Shift from object 120 of one coordinator.

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
140 Teachers	580,652	680,472	773,970	Added teachers in School Readiness and Early Childhood due to increased enrollment.
141 Community Ed Assistants	870,448	848,828	1,129,221	Added assistants and shifted from object code 186.
142 Subs-Community Ed Assistants	709	1,000	3,000	
143 Coordinators	0	0	9,105	
145 Subs-Teacher	9,458	7,100	17,100	
150 Subs-Teacher School Business	3,391	2,000	2,000	
154 School Nurse	8,155	13,102	13,102	
156 School Social Worker	16,884	17,378	0	Removed Student Advocate positions due to general chargeback change.
165 School Counselors	14,812	14,758	14,758	
170 Tech Support	298,890	316,912	318,605	
171 Subs-Tech Support	4,006	1,500	3,800	
172 Custodians	31,310	33,757	32,647	
173 Overtime	47,663	44,000	39,500	
186 Casual/Other Pmts Non-Licensed	115,469	241,700	132,524	Shifted to object code 141.
189 Casual and Other Payments-Licensed	158,435	168,170	169,306	
210 FICA	234,313	211,755	229,136	
214 PERA	135,362	163,232	173,460	
218 TRA	71,370	82,829	91,059	
220 Health Insurance	396,029	415,518	391,299	
225 Dental Insurance	25,901	28,934	29,719	
230 Life Insurance	6,862	7,277	7,586	
235 LTD Insurance	7,560	11,226	11,828	
236 Short Term Disability	5,831	3,000	0	
250 TSA	23,949	25,620	32,648	
251 Severance TSA	20,329	0	0	
252 Severance Health	8,712	0	0	
253 Health Care Savings Plan	24,890	15,781	35,326	Increased due to school readiness teachers eligibility.
254 VEBA Contribution	51,031	49,325	52,037	
270 Workers Compensation	16,765	17,630	18,773	
297 Tuition/Classes	9,080	2,000	2,000	
298 Contract Dues	0	35	0	
299 Other Employee Benefits	175	175	400	
304 Advertising Services	235	100	79	
305 Consulting/Service Fees	310,844	342,773	334,513	
308 Printing Services	33,199	37,445	36,950	
309 Credit Card Fees	108,778	131,971	140,212	
310 Snow Removal/Lawn Services	1,834	1,300	1,300	
320 Communication Services	3,849	4,190	4,670	
329 Postage	13,356	16,275	19,700	
330 Electricity	18,083	21,300	21,300	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
331 Natural Gas	4,563	4,500	4,500	
332 Water and Sewer	5,798	6,600	6,600	
333 Garbage Collection	673	900	900	
350 Repair/Maintenance Services	6,362	12,785	5,300	
360 Transportation Contracts	59,169	59,800	45,617	Decreased to reflect efficiencies in Adult Basic Ed (ABE) bussing.
365 Transportation Chargebacks	570	500	700	
366 Travel and Conferences	22,412	24,585	32,385	
369 Entry Fees/Student Travel Exp	35,526	40,500	41,000	
370 Rentals and Leases	18,078	22,975	23,043	Increased from 4.25% to 4.6% for the general fund chargeback.
398 Administrative Chargebacks	197,078	232,715	253,209	
401 Non-Instructional Supplies	90,580	114,650	120,866	
405 Non-Instructional Annual License Software	0	4,000	3,500	
410 Custodial/Repair Supplies	3,543	4,000	4,000	
430 Instructional Supplies	25,330	17,275	58,570	Increased due to St. Croix Valley Foundation (SCVF) grant.
460 Textbooks and Workbooks	30,471	42,285	42,285	
461 Standardized Tests	4,930	0	0	
465 Non-Instructional Technology Devices	1,197	13,300	12,100	
490 Food	116,779	137,580	115,240	School Readiness eliminated the snack program.
530 Other Equipment Purchased	45,651	73,992	87,192	Increased due to St. Croix Valley Foundation (SCVF) grant.
555 Capitalized Non-Instruct Tech Hardware	77	0	0	
820 Dues and Memberships	17,353	21,093	21,335	
891 TRA/PERA Special Funding Pension Exp	6,959	0	0	
895 Federal Indirect Costs	3,750	4,357	4,357	
Total	5,359,081	5,838,996	6,179,020	

BUILDING CONSTRUCTION FUND

100 Administrators	39,437	0	0
110 Principals	126,744	0	0
120 Supervisors	21,305	0	0
170 Tech Support	12,555	0	0
210 FICA	14,634	0	0
214 PERA	5,497	0	0
218 TRA	9,506	0	0
220 Health Insurance	32,958	0	0
225 Dental Insurance	1,953	0	0
230 Life Insurance	728	0	0
235 LTD Insurance	1,064	0	0
250 TSA	4,974	0	0

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2016-17 ACTUAL	2017-18 PRELIM	2017-18 REVISED	NOTES
253 Health Care Savings Plan	1,078	0	0	
254 VEBA Contribution	6,093	0	0	
270 Workers Compensation	2,078	0	0	
298 Contract Dues	903	0	0	
305 Consulting/Service Fees	5,013,194	951,982	1,388,899	Increased to reflect planned bond project.
340 Insurance	11,199	6,245	2,000	
350 Repair/Maintenance Services	333,670	13,500	237,500	
401 Non-Instructional Supplies	24,245	0	0	
410 Custodial Repair Supplies	2,187	0	0	
510 Site or Grounds Acquisition	8,004	0	3,500,000	Increased due to planned site purchase for transportation terminal.
520 Bldg Acquisition/Construction	53,114,301	24,178,609	14,392,917	Decreased as we near completion of bond projects.
530 Other Equipment Purchased	368,117	968,600	1,050,000	
Total	59,156,423	26,118,936	20,571,316	
DEBT SERVICE FUND				
710 Bond-Principal	9,090,000	5,735,000	5,735,000	
720 Bond-Interest	6,071,472	4,132,923	4,132,923	
790 Oth Debt Service Expenditures	1,995	2,000	2,000	
Total	15,163,467	9,869,923	9,869,923	
TRUST				
All Gift Directed Expenditures	30,040	25,000	25,000	
Total	30,040	25,000	25,000	

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.
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.
625	<u>Insurance Recovery</u> Record revenue from insurance recoveries for losses of school property.

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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