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Fiscal Year 2018 Preliminary Budget

School Board Meeting
June 12, 2017

WHITE BEAR LAKE AREA SCHOOLS



Revenue Adjustments

General Education Revenue

– Formula Allowance

- Increases by 2.0% in FY18 (up \$121 to \$6,188)
- Increases by 2.0% in FY19 (up \$124 to \$6,312)

– Other Categories

- Revenue categories impacted by the 2017 legislative session will be considered for the mid-year budget adjustment. (ex. School Readiness Plus)



General Fund Budget (Fund 1, 3, 5)

Preliminary FY18

- Revenues: \$106.17 million (\$104.72 million General Education revenue plus \$1.45 million Other Sources)
- Expenses: \$106.06 million
- Revenues projected to exceed expenses by approximately **\$110,000**
- Balanced budget for 2017-18
- Fund balance projected to be 15.0% at the end of FY18, which is within District policy (12.5-16.7%)



General Fund Budget (Fund 1, 3, 5)

Projected FY19

- Revenues: \$107.82 million (\$107.14 million General Education revenues plus \$680,000 Other Sources)
- Expenses: \$108.32 million
- Expenses projected to exceed revenues by approximately (\$493,000)

Projected FY20

- Revenues: \$109.72 million (\$109.20 million General Education revenues plus \$520,000 Other Sources)
- Expenses: \$110.37 million
- Expenses projected to exceed revenues by approximately (\$649,000)



Nutrition Services Budget (Fund 2)

Preliminary FY18

- Revenues: \$4.57 million
- Expenses: \$4.56 million
- Revenues projected to exceed expenses by approximately \$12,000

Notes:

- Meal price increase proposed for 2017-2018
 - Increase due to Federal requirement for weighted-average price in 2017-18
 - Proposed action later during this meeting



Community Services Budget (Fund 4)

Preliminary FY18

- Revenues: \$5.22 million
- Expenses: \$5.30 million
- Expenses projected to exceed revenues by approximately (\$79,000)

Notes:

- General Fund transfer phased out effective with FY17
- Voluntary Pre-K (VPK) or School Readiness Plus revenue remains a possibility for 2017-18



Budget Planning

Key Milestones in 2017-2018 (FY18)

- Preliminary levy approval in September 2017
- Operating levy renewal referendum November 2017
- Auditor presentation of FY17 audit in November or December 2017
- Final levy certification in December 2017
- Revised FY18 budget presented mid-year (December 2017)
- Projected FY19 & FY20 budgets refined and presented in December 2017
- Health insurance renewal January 1, 2018



Board Action on Preliminary Budget

Board action required by June 30, 2017



2017-2018 Meal Prices

- USDA's Paid Lunch Equity Tool, determines weighted-average price for meals that schools must charge

MEAL	2016-2017 PRICE	2017-2018 PRICE (PROPOSED)	INCREASE
Breakfast	\$1.70	\$1.70	\$0.00
Adult breakfast	\$1.90	\$2.00	\$0.10
Elementary lunch	\$2.60	\$2.70	\$0.10
Secondary lunch	\$2.95	\$3.00	\$0.05
Adult lunch	\$4.00	\$4.00	\$0.00



Property and Casualty Insurance

Minnesota Insurance Scholastic Trust (MIST)

- 22 member school districts as of June 30, 2017
- 2012-13 premium \$451,638 (+13.5% over prior year)
- 2013-14 premium \$446,000 (-1.24%)
- ***2014-15 premium \$305,558 (-31.5%)**
- ***2015-16 premium \$315,286 (+3.22%)**
- ***2016-17 premium \$314,951 (-0.11%)**
- ***2017-18 premium \$282,176 (-10.41%)**

**WBL part of Minnesota Insurance Scholastic Trust (MIST)*



Workers' Compensation Insurance

Workers' Compensation

- 2014-15 premium \$686,867 (+6.32% over prior year)
- 2015-16 premium \$691,998 (+0.74%)
- 2016-17 premium \$702,760 (+1.55%)
- **2017-18 premium \$579,684 (-17.5%)**
- Action taken at the May 8, 2017 School Board meeting
- Experience modification rate decreased from 1.29 to 1.10



Operating Levy Renewal Referendum

- Existing authority of **\$1,545 per student**
- Originally approved in 2007
 - 63% of voters supported the measure
- Renewed in 2011
 - 73% of voters supported the measure
- Expires after the 2018-2019 school year



Operating Levy Renewal Referendum

- Renewal for a period of up to 10 years
- Subject to annual inflationary adjustments
- Recommendation will be a renewal of the existing amount which will result in no tax increase
- Election date: November 7, 2017
- Action on ballot question at the July 10, 2017 School Board meeting