

AGENDA ITEM: **Approval of Fiscal Year 2017 Preliminary Budget**

MEETING DATE: **June 13, 2016**

SUGGESTED DISPOSITION: **Operational Item**

CONTACT PERSON(S): **Dr. Wayne A. Kazmierczak, Assistant Superintendent for Finance & Operations**

**BACKGROUND:**

Attached please find the District’s Fiscal Year 2017 Preliminary Budget that will be presented for approval at the June 13, 2016 School Board meeting. The budget was discussed at the May 23, 2016 work-study meeting; the figures remain unchanged from this previous discussion. The following is a summary of the preliminary budget:

	Beginning Fund Balance	Revenues and Other Sources	Expenditures	Ending Fund Balance
General Fund (01, 03, 05)	16,322,373	101,726,595	101,683,402	16,365,566
Food Service Fund (02)	318,756	4,434,266	4,425,682	327,340
Community Service Fund (04)	1,489,063	5,342,008	5,342,008	1,489,063
Debt Service (07)	1,421,500	4,815,800	5,059,666	1,177,634
Other Post Employment Benefits Debt Service (47)	874,017	6,171,522	5,887,663	1,157,876

**RECOMMENDATION:**

Suggested Action: Move to approve the fiscal year 2017 Preliminary Budget as presented.

**White Bear Lake Area Schools**  
**Preliminary FY17 and Projected FY18, FY19 & FY20 Budgets**  
**General, Nutritional Services, and Community Services Funds--Revenues and Expenditures Summary**

	Actual 2014	Actual 2015	Revised 2016	Preliminary 2017	Projected 2018	Projected 2019	Projected 2020
<b>1 General Fund</b>							
<b>2 Revenue</b>							
<b>3 Local sources</b>							
4 Property taxes	\$ 12,956,296	\$ 23,587,670	\$ 23,772,000	\$ 23,656,597	\$ 23,893,163	\$ 24,132,095	\$ 24,373,416
5 Investment earnings	20,131	49,506	50,000	76,000	80,000	85,000	90,000
6 Other	1,601,805	1,309,465	3,291,845	1,660,682	1,700,000	1,700,000	1,700,000
7 State sources	63,533,412	55,952,733	60,118,609	61,022,425	61,937,761	63,021,672	63,966,997
8 Special Education	9,066,468	10,437,669	11,055,000	11,276,100	11,501,622	11,731,654	11,966,288
9 Federal sources	2,844,272	2,725,971	2,698,078	2,784,791	2,784,791	2,784,791	2,784,790
10 Total revenue	90,022,384	94,063,014	100,985,532	100,476,595	101,897,337	103,455,212	104,881,491
<b>11 Expenditures</b>							
<b>12 Current</b>							
14 Administration	4,360,452	4,368,076	4,602,104	4,762,993	4,855,889	4,951,280	5,048,735
15 District support services	1,642,913	1,662,845	1,880,134	1,932,873	1,961,331	1,990,401	2,020,101
16 Elementary and secondary regular instruction	41,901,372	41,958,720	45,843,632	46,303,343	47,061,976	47,977,055	48,911,824
17 Vocational education instruction	827,110	951,749	1,004,140	959,050	1,026,156	1,038,832	1,051,775
18 Special education instruction	18,603,528	18,802,623	19,872,893	20,345,243	20,678,783	21,073,694	21,477,178
19 Instructional support services	5,682,729	7,784,273	7,665,794	7,280,347	7,481,809	7,604,260	7,721,068
20 Pupil support services	2,867,753	3,891,907	4,161,823	4,255,797	4,349,933	4,435,584	4,523,070
21 Transportation	4,937,462	4,987,958	5,400,052	5,506,304	5,610,615	5,676,197	5,791,938
22 Sites and buildings	16,559,644	9,129,257	9,406,084	8,946,492	9,039,024	8,632,529	8,727,772
23 Fiscal and other fixed cost programs	383,556	181,837	200,000	320,000	320,000	320,000	320,000
24 Debt service							
25 Principal	293,817	499,918	734,130	664,080	690,180	717,120	745,270
26 Interest and fiscal charges	142,506	483,178	435,090	406,880	381,000	353,840	325,780
27 Total expenditures	98,202,842	94,702,341	101,205,876	101,683,402	103,456,696	104,770,792	106,664,511
28 Excess (deficiency) of revenue over expenditures	(8,180,458)	(639,327)	(220,344)	(1,206,807)	(1,559,359)	(1,315,580)	(1,783,020)
<b>29 Other financing sources (uses)</b>							
36 District Reserves							
37 Assigned for Secondary Facilities			1,000,000	500,000	500,000	-	-
38 Assigned for Construction & Capital Improvements			197,595	250,000	250,000	250,000	250,000
39 Assigned for Carryovers			500,000	250,000	125,000	125,000	125,000
40 Assigned for Strategic Priorities			250,000	250,000	50,000	50,000	50,000
41 Capital lease issued	8,000,000						
44 Proceeds from sale of assets	630	13,129					
45 Prior Period Adjustment	10,405,920						
46 Transfer to Community Service Fund	(388,000)	(250,000)	(75,000)	-	-	-	-
47 Total other financing sources (uses)	18,018,550	(236,871)	1,872,595	1,250,000	925,000	425,000	425,000
48 Net change in fund balances	9,838,092	(876,198)	1,652,251	43,193	(634,359)	(890,580)	(1,358,020)
<b>51 Fund balances</b>							
52 Beginning of year	18,529,448	28,367,540	27,491,342	29,143,593	29,186,786	28,552,428	27,661,848
54 Ending Fund Balance (Assigned and Unassigned)	\$ 28,367,540	\$ 27,491,342	\$ 29,143,593	\$ 29,186,786	\$ 28,552,428	\$ 27,661,848	\$ 26,303,828
55 Ending Fund Balance (Unassigned)	\$ 12,888,284	\$ 14,670,122	\$ 16,322,373	\$ 16,365,566	\$ 15,731,207	\$ 14,840,628	\$ 13,482,608
56 Ending Fund Balance (Unassigned as % of expenditures)	13.1%	15.5%	16.1%	16.1%	15.2%	14.2%	12.6%
<b>58 Nutritional Services</b>							
59 Revenues	4,204,291	4,208,560	4,424,632	4,434,266	4,479,619	4,524,415	4,569,659
60 Expenditures	4,205,461	4,245,505	4,339,028	4,425,682	4,553,176	4,684,239	4,817,924
62 Excess (deficiency) of revenue over expenditures	(1,170)	(36,945)	85,604	8,584	(73,557)	(159,824)	(248,265)
63 Ending Fund Balance	270,097	233,152	318,756	327,340	253,783	93,959	(154,306)
64 Ending Fund Balance (as % of expenditures)	6.4%	5.5%	7.3%	7.4%	5.6%	2.0%	-3.2%
<b>66 Community Services</b>							
67 Revenues	4,621,755	4,772,075	4,921,313	5,342,008	5,448,848	5,557,825	5,668,982
68 General Fund Transfer	388,000	250,000	75,000	-	-	-	-
69 Expenditures	4,445,004	4,515,800	4,885,215	5,342,008	5,448,848	5,557,825	5,668,982
71 Excess (deficiency) of revenue over expenditures	564,751	506,275	111,098	-	-	-	-
72 Ending Fund Balance	\$ 871,690	\$ 1,377,965	\$ 1,489,063	\$ 1,489,063	\$ 1,489,063	\$ 1,489,063	\$ 1,489,063
73 Ending Fund Balance (as % of expenditures)	19.6%	30.5%	30.5%	27.9%	27.3%	26.8%	26.3%

**DRAFT--FOR DISCUSSION PURPOSES**

**White Bear Lake Area Schools**  
**Preliminary FY17 and Projected FY18, FY19 & FY20 Budgets**  
**General Fund--Detailed Revenues and Expenditures**

	Actual 2014	Actual 2015	Revised 2016	Preliminary 2017	Projected 2018	Projected 2019	Projected 2020
1 Revenue							
2 Local sources							
3 Property taxes	\$ 12,956,296	\$ 23,587,670	\$ 23,772,000	\$ 23,656,597	\$ 23,893,163	\$ 24,132,095	\$ 24,373,416
4 Investment earnings	20,131	49,506	50,000	76,000	80,000	85,000	90,000
5 Other	1,601,805	1,309,465	3,291,845	1,660,682	1,700,000	1,700,000	1,700,000
6 State sources	63,533,412	55,952,733	60,118,609	61,022,425	61,937,761	63,021,672	63,966,997
7 Special Education	9,066,468	10,437,669	11,055,000	11,276,100	11,501,622	11,731,654	11,966,288
8 Federal sources	2,844,272	2,725,971	2,698,078	2,784,791	2,784,791	2,784,791	2,784,790
9 Total revenue	90,022,384	94,063,014	100,985,532	100,476,595	101,897,337	103,455,212	104,881,491
10							
11 Expenditures							
12 Current							
13 Administration							
14 Salaries	3,098,410	3,082,025	3,168,159	3,231,522	3,296,155	3,362,076	3,429,320
15 Employee benefits	1,001,674	1,014,640	1,124,797	1,150,159	1,178,922	1,208,392	1,238,603
16 Purchased services	175,651	178,745	200,438	271,278	270,778	270,778	270,778
17 Supplies and materials	28,676	35,654	42,500	42,500	42,500	42,500	42,500
18 Other expenditures	56,041	57,012	66,210	67,534	67,534	67,534	67,534
19 Total administration	4,360,452	4,368,076	4,602,104	4,762,993	4,855,889	4,951,280	5,048,735
20							
21 District support services							
22 Salaries	795,562	821,313	882,686	956,340	975,467	994,976	1,014,875
23 Employee benefits	289,785	294,012	339,550	373,138	382,469	392,030	401,831
24 Purchased services	466,211	489,417	571,068	491,068	491,068	491,068	491,068
25 Supplies and materials	59,936	45,423	62,000	87,000	87,000	87,000	87,000
26 Capital expenditures	5,250	-	-	-	-	-	-
27 Other expenditures	26,169	12,680	24,830	25,327	25,327	25,327	25,327
28 Total district support services	1,642,913	1,662,845	1,880,134	1,932,873	1,961,331	1,990,401	2,020,101
29							
30 Elementary and secondary regular instruction							
31 Salaries	28,505,825	29,354,377	30,765,429	31,872,211	32,418,378	33,051,690	33,697,663
32 Employee benefits	9,880,518	10,232,305	10,909,045	11,217,720	11,495,611	11,777,378	12,066,174
33 Purchased services	2,235,811	1,172,408	1,332,734	1,269,952	1,271,952	1,271,952	1,271,952
34 Supplies and materials	1,087,560	834,607	1,760,246	1,527,085	1,459,838	1,459,838	1,459,838
35 Capital expenditures	171,693	188,815	510,681	231,178	231,000	231,000	231,000
36 Other expenditures	19,965	176,208	565,497	185,197	185,197	185,197	185,197
37 Total elementary and secondary regular instruction	41,901,372	41,958,720	45,843,632	46,303,343	47,061,976	47,977,055	48,911,824
38							
39 Vocational education instruction							
40 Salaries	326,692	367,893	392,669	408,701	420,872	429,289	437,873
41 Employee benefits	136,542	151,726	161,925	165,271	170,206	174,465	178,824
42 Purchased services	340,954	393,557	409,900	359,900	409,900	409,900	409,900
43 Supplies and materials	22,922	38,573	39,646	25,178	25,178	25,178	25,178
44 Capital expenditures	-	-	-	-	-	-	-
45 Other expenditures	-	-	-	-	-	-	-
46 Total vocational education instruction	827,110	951,749	1,004,140	959,050	1,026,156	1,038,832	1,051,775
47							
48 Special education instruction							
49 Salaries	12,518,354	12,948,975	13,530,404	13,858,678	14,118,361	14,382,239	14,651,403
50 Employee benefits	5,156,238	5,126,142	5,601,742	5,752,966	5,881,043	6,012,076	6,146,396
51 Purchased services	641,929	491,506	509,969	503,029	448,809	448,809	448,809
52 Supplies and materials	203,240	176,980	165,278	159,500	159,500	159,500	159,500
53 Capital expenditures	81,677	28,020	35,000	40,000	40,000	40,000	40,000
54 Other expenditures	2,090	31,000	30,500	31,070	31,070	31,070	31,070
55 Total special education instruction	18,603,528	18,802,623	19,872,893	20,345,243	20,678,783	21,073,694	21,477,178
56							
57 Instructional support services							
58 Salaries	3,381,605	3,738,896	3,833,872	3,969,949	4,057,094	4,138,237	4,221,003
59 Employee benefits	1,126,055	1,271,418	1,393,310	1,450,892	1,488,454	1,525,662	1,563,804
60 Purchased services	246,372	255,599	398,540	319,740	398,540	398,540	398,540
61 Supplies and materials	64,922	65,697	82,452	69,697	69,697	73,797	69,697
62 Capital expenditures	863,585	2,452,663	1,437,420	939,464	937,420	937,420	937,420
63 Other expenditures	190	-	520,200	530,604	530,604	530,604	530,604
64 Total instructional support services	5,682,729	7,784,273	7,665,794	7,280,347	7,481,809	7,604,260	7,721,068
65							
66 Pupil support services							
67 Salaries	2,048,982	2,572,490	2,817,482	2,821,356	2,936,253	2,994,982	3,054,882
68 Employee benefits	801,332	957,646	1,026,093	1,052,467	1,076,153	1,103,075	1,130,661
69 Purchased services	-	77,348	198,406	242,853	198,406	198,406	198,406
70 Supplies and materials	17,439	40,013	40,167	29,610	29,610	29,610	29,610
71 Capital expenditures	-	-	-	-	-	-	-
72							

**DRAFT--FOR DISCUSSION PURPOSES**

	Actual 2014	Actual 2015	Revised 2016	Preliminary 2017	Projected 2018	Projected 2019	Projected 2020
75 Other expenditures	–	244,410	79,675	109,511	109,511	109,511	109,511
76 Total pupil support services	2,867,753	3,891,907	4,161,823	4,255,797	4,349,933	4,435,584	4,523,070
77							
78 Transportation							
79 Salaries	1,192,175	1,198,716	1,547,750	1,578,705	1,610,280	1,642,486	1,675,336
80 Employee benefits	345,160	342,090	415,951	424,271	432,757	443,576	454,666
81 Purchased services	2,747,879	3,048,663	2,615,351	2,871,908	2,925,734	2,937,658	2,996,410
82 Supplies and materials	651,845	398,489	510,000	520,200	530,604	541,216	552,040
83 Capital expenditures	403	–	310,000	110,200	110,200	110,200	112,404
84 Other expenditures	–	–	1,000	1,020	1,040	1,061	1,082
85 Total transportation	4,937,462	4,987,958	5,400,052	5,506,304	5,610,615	5,676,197	5,791,938
86							
87 Sites and buildings							
88 Salaries	2,941,905	2,921,098	2,961,230	3,020,452	3,081,833	3,143,472	3,206,339
89 Employee benefits	1,078,001	1,101,109	1,199,775	1,237,728	1,268,879	1,300,605	1,333,121
90 Purchased services	2,955,188	2,881,480	2,978,984	2,869,544	2,869,544	2,869,544	2,869,544
91 Supplies and materials	824,198	941,062	929,900	929,900	929,900	929,900	929,900
92 Capital expenditures	8,758,167	1,273,510	1,322,795	875,200	875,200	375,340	375,200
93 Other expenditures	2,185	10,998	13,400	13,668	13,668	13,668	13,668
94 Total sites and buildings	16,559,644	9,129,257	9,406,084	8,946,492	9,039,024	8,632,529	8,727,772
95							
96 Fiscal and other fixed cost programs							
97 Purchased services	383,556	181,837	200,000	320,000	320,000	320,000	320,000
98							
99 Debt service							
100 Principal	293,817	499,918	734,130	664,080	690,180	717,120	745,270
101 Interest and fiscal charges	142,506	483,178	435,090	406,880	381,000	353,840	325,780
102 Total debt service	436,323	983,096	1,169,220	1,070,960	1,071,180	1,070,960	1,071,050
103							
104 Total expenditures	98,202,842	94,702,341	101,205,876	101,683,402	103,456,696	104,770,792	106,664,511
105							
106 Excess (deficiency) of revenue over							
107 expenditures	(8,180,458)	(639,327)	(220,344)	(1,206,807)	(1,559,359)	(1,315,580)	(1,783,020)
108						1,477,259	1,009,819
109 Other financing sources (uses)							
110 District Reserves							
111 Assigned for Secondary Facilities			1,000,000	500,000	500,000		
112 Assigned for Construction			197,595	250,000	250,000	250,000	250,000
113 Assigned for Carryovers			500,000	250,000	125,000	125,000	125,000
114 Assigned for Strategic Priorities			250,000	250,000	50,000	50,000	50,000
115 Capital lease issued	8,000,000						
119 Proceeds from sale of assets	630	13,129					
120 Transfers (out)	(388,000)	(250,000)	(75,000)	–	–	–	–
121 Total other financing sources (uses)	7,612,630	(236,871)	1,872,595	1,250,000	925,000	425,000	425,000
122							
123 Net change in fund balances	(567,828)	(876,198)	1,652,251	43,193	(634,359)	(890,580)	(1,358,020)
124							
125 Fund balances							
126 Beginning of year	18,529,448	28,367,540	27,491,342	29,143,593	29,186,787	28,552,428	27,661,848
127 Prior period adjustment	10,405,920						
128 End of year	\$ 28,367,540	\$ 27,491,342	\$ 29,143,593	\$ 29,186,787	\$ 28,552,428	\$ 27,661,848	\$ 26,303,828

DRAFT--FOR DISCUSSION PURPOSES

**White Bear Lake Area Schools**  
**Preliminary FY17 and Projected FY18, FY19 & FY20 Budgets**  
**Nutritional Services Fund--Detailed Revenues and Expenditures**

	Actual 2014	Actual 2015	Revised 2016	Preliminary 2017	Projected 2018	Projected 2019	Projected 2020
1 Revenue							
2 Local sources							
3 Investment earnings	99	65	100	100	100	100	100
4 Other - primarily meal sales	2,389,877	2,270,735	2,548,650	2,405,675	2,430,743	2,455,050	2,479,602
5 State sources	150,656	203,990	156,000	265,835	268,493	271,179	273,891
6 Federal sources	1,663,659	1,733,770	1,719,882	1,762,656	1,780,283	1,798,085	1,816,066
7 Total revenue	4,204,291	4,208,560	4,424,632	4,434,266	4,479,619	4,524,415	4,569,659
8							
9 Expenditures							
10 Current							
11 Salaries	1,305,797	1,333,924	1,497,822	1,545,689	1,576,603	1,608,135	1,640,298
12 Employee benefits	369,666	378,813	446,825	444,337	453,224	462,288	471,534
13 Purchased services	440,787	424,737	325,361	358,975	366,155	373,478	380,947
14 Supplies and materials	2,009,007	2,046,457	1,940,157	1,988,281	2,028,047	2,068,608	2,109,980
15 Other expenditures	4,138	9,297	7,137	77,300	78,846	80,423	82,031
16 Capital Outlay	76,066	52,277	121,726	11,100	50,302	91,308	133,134
17 Total expenditures	4,205,461	4,245,505	4,339,028	4,425,682	4,553,176	4,684,239	4,817,924
18							
19 Excess (deficiency) of revenue over							
20 expenditures	(1,170)	(36,945)	85,604	8,584	(73,557)	(159,824)	(248,265)
21							
22 Fund balances							
23 Beginning of year	271,267	270,097	233,152	318,756	327,340	253,783	93,959
24							
25 End of year	\$ 270,097	\$ 233,152	\$ 318,756	\$ 327,340	\$ 253,783	\$ 93,959	\$ (154,306)

**DRAFT--FOR DISCUSSION PURPOSES**

**White Bear Lake Area Schools**  
**Preliminary FY17 and Projected FY18, FY19 & FY20 Budgets**  
**Community Services Fund--Detailed Revenues and Expenditures**

	Actual 2014	Actual 2015	Revised 2016	Preliminary 2017	Projected 2018	Projected 2019	Projected 2020
1 Revenue							
2 Local sources							
3 Property Taxes	559,095	1,080,555	1,050,963	999,957	1,019,956	1,040,355	1,061,162
4 Investment earnings	74	275	—	500	510	520	531
5 Other - primarily tuition and fees	3,124,923	3,194,068	3,340,800	3,787,352	3,863,099	3,940,361	4,019,168
6 State sources	937,663	497,177	529,550	554,199	565,283	576,589	588,120
7 Total revenue	4,621,755	4,772,075	4,921,313	5,342,008	5,448,848	5,557,825	5,668,982
8							
9 Expenditures							
10 Current							
11 Salaries	2,637,645	2,689,589	2,892,750	3,233,702	3,298,376	3,364,344	3,431,630
12 Employee benefits	760,455	749,090	841,412	995,636	1,015,549	1,035,860	1,056,577
13 Purchased services	699,876	759,371	803,604	822,820	839,276	856,062	873,183
14 Supplies and materials	313,938	295,339	314,089	259,200	264,384	269,672	275,065
15 Other expenditures	6,603	6,103	14,860	6,650	6,783	6,919	7,057
16 Capital Outlay	26,487	16,308	18,500	24,000	24,480	24,970	25,469
17 Total expenditures	4,445,004	4,515,800	4,885,215	5,342,008	5,448,848	5,557,825	5,668,981
18							
19 Other financing sources (uses)							
20 Transfers In	388,000	250,000	75,000	—	—	—	—
21							
22 Excess (deficiency) of revenue over expenditures	564,751	506,275	111,098	—	—	—	—
23							
24							
25 Fund balances							
26 Beginning of year	306,939	871,690	1,377,965	1,489,063	1,489,063	1,489,063	1,489,063
27							
28 End of year	\$ 871,690	\$ 1,377,965	\$ 1,489,063	\$ 1,489,063	\$ 1,489,063	\$ 1,489,063	\$ 1,489,063

**DRAFT--FOR DISCUSSION PURPOSES**