



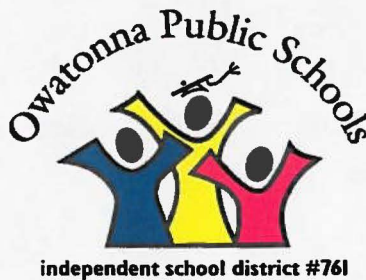
independent school district #761

Owatonna Public Schools will inspire all learners to excel in a dynamic society by creating a world class education within an innovative learning community.

2012-13 FINAL BUDGET

**PRESENTED TO THE
BOARD OF EDUCATION**

DECEMBER 10, 2012



December 10, 2012

To: Owatonna Public School Board Members

From: Tom Sager, Director of Finance and Operations
Amanda Heilman, Controller

Cc: Peter Grant, Interim Superintendent

The following is the proposed final District budget for the 2012-13 school year. The preliminary budget for this year was presented to you and approved in June 2012. The District's annual audit was completed and presented to you in November for FY '12.

The final FY '13 budget shows an unassigned general fund balance of \$3,092,973. During our presentation, we will address any adjustments made from the preliminary budget in June. You can see all related adjustments at the end of the final budget report.

In summary, for FY '13 the final budget shows total general fund expenditures exceeding revenues by \$1,957,407. This deficit spend down will bring our unassigned general fund balance to an estimated 7.8% of estimated unassigned general fund expenditures for FY '13.

At the December 10th school board meeting, the board will be asked to approve this final FY '13 budget. By approving the final budget, the Board will be approving a \$14,000 permanent transfer from the General Fund to the Community Service Fund for the Kids First program. If needed, we will present a revised final budget to the board in February 2013.

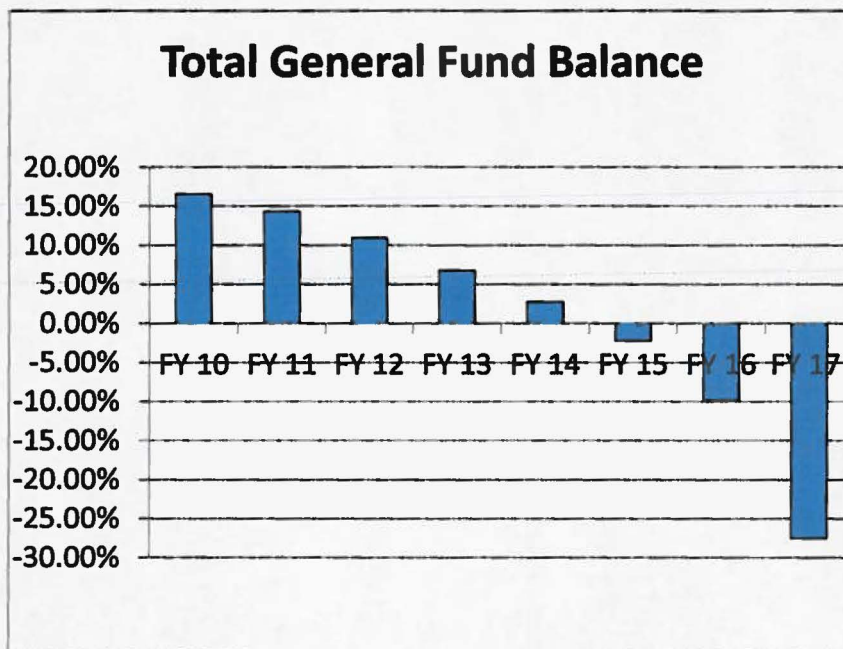
Please call Tom Sager at 444-8605 or Amanda Heilman at 444-8608, if you have any questions.

Thank you.

Revenue and Expenditure Long Range Forecast

Reduce by Reduce by
\$1.2m \$1.0m

(in millions)	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17
Total Revenue	\$46.219	\$47.079	\$46.325	\$46.701	\$46.973	\$46.973	\$46.973	\$42.97
Total Expenditures	\$46.754	\$47.939	\$47.943	\$48.658	\$48.918	\$49.385	\$50.867	\$52.39
Fund Balance Change	-\$0.535	-\$0.860	-\$1.618	-\$1.957	-\$1.945	-\$2.412	-\$3.894	-\$9.42
Fund Balance	\$7.703	\$6.843	\$5.225	\$3.268	\$1.323	-\$1.089	-\$4.983	-\$14.40
Percent	16.48%	14.27%	10.90%	6.72%	2.71%	-2.21%	-9.80%	-27.49%



Overview and assumptions

1. The above values represent FY 12 audit results and FY 13 final budget.
2. District is forecasting a slight increase in enrollment for FY 14, and declining enrollment after that.
Overall assumption used is flat enrollment for next 4 years.
3. Increase in revenue starting in FY 14 is the result of OPEB levy.
4. Growth rate of 3.0 percent applied to all expenditures.
5. A tapered "step down" of the fund balance will result in 2.71 percent after FY 14.
6. The amount of planned reductions for each year is highlighted at the top of each column.
7. The average cost of 1.0 FTE is approximately \$78,600.

Forecast Scenario Using Two Year Hard Freeze on All Payroll

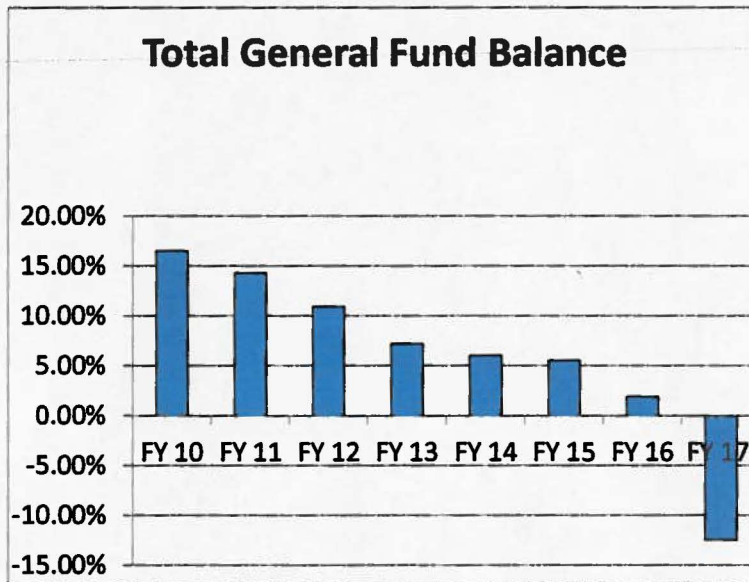
1. In FY 13, the district could "save" \$330,000 if all non-teacher contracts settled at a hard freeze.
2. In FY 14, the district could "save" another \$1.1 million if all contracts remained at a hard freeze.
3. In FY 15, the district could "save" another \$780,000 if the teacher contract settled at a hard freeze.
4. The amount of planned reductions is highlighted at the top of each column.

Below is the revised updated forecast should these conditions apply.

This scenario would allow the district to manage through FY 16, the expiration of the existing operating levy.

Revenue and Expenditure Long Range Forecast

					Reduce by \$1.2m	Reduce by \$1.0m		
(In millions)	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17
Total Revenue	\$46.219	\$47.079	\$46.325	\$46.701	\$46.973	\$46.973	\$46.973	\$42.97
Total Expenditures	\$46.754	\$47.939	\$47.943	\$48.441	\$47.594	\$47.242	\$48.659	\$50.12
Fund Balance Change	-\$0.535	-\$0.860	-\$1.618	-\$1.740	-\$0.621	-\$0.269	-\$1.686	-\$7.15
Fund Balance	\$7.703	\$6.843	\$5.225	\$3.485	\$2.864	\$2.595	\$0.908	-\$6.24
Percent	16.48%	14.27%	10.90%	7.19%	6.02%	5.49%	1.87%	-12.45%



The above graph implies that an additional operating levy of \$1.269 (1.0+0.269) million in November 2013, payable in FY 15 would be needed to balance the FY 15 budget.

The existing \$4 million operating levy would need to be renewed no later than November 2015.

The total operating levy's value would become \$5.269 million.

The renewal or addition of any operating levies is **not** reflected in the above graph.

OWATONNA PUBLIC SCHOOLS, ISD #761
GENERAL FUND REVENUE (Funds 1, 10, and 11)
2012-13 FINAL BUDGET

GENERAL FUND REVENUE (Funds 1, 10, and 11)	2011-12 Actual Revenue	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
Tax Levy	\$ 4,926,356	\$ 7,072,821	\$ 5,060,964	\$ (2,011,857)
Delinquent Taxes	52,236	45,000	45,000	-
County Apportionment	82,310	86,700	82,000	(4,700)
Miscellaneous County Tax Revenue	12,997	17,000	17,000	-
Tuition and Reimbursements from MN ISD's	3,503	-	-	-
Revenue from Other MN ISD's for Special Ed.	119,178	95,000	95,000	-
Tuition from Patrons	106,697	50,000	50,000	-
Fees from Patrons	186,174	173,774	173,774	-
Admissions/Student Activity Revenue	169,128	152,225	152,225	-
Medical Assistance Reimbursement	181,186	300,000	300,000	-
Interest Earnings	2,112	3,300	3,300	-
Rent	18,945	13,130	13,130	-
Gifts and Bequests	132,235	211,633	211,633	-
Miscellaneous Revenue	338,547	201,518	189,039	(12,479)
Endowment	146,904	131,146	131,857	711
General Education Aid	32,752,658	31,468,471	33,748,615	2,280,144
Literacy Aid	-	256,342	254,751	(1,591)
Shared Time	93,874	77,096	82,863	5,767
Abatement Aid	4,107	3,937	1,253	(2,684)
Disparity Reduction Aid	11,835	11,835	12,153	318
Homestead/Ag Market Value Credit	114,797	8,908	9,194	286
Other State Credits	8,814	424	-	(424)
State Aids and Grants	202,600	232,075	232,075	-
Special Education	3,811,320	3,545,715	3,626,827	81,112
Miscellaneous Revenue from MDE	-	15,000	15,000	-
Federal Aids and Grants	2,819,076	2,049,529	2,193,297	143,768
Sale of Materials	47	-	-	-
Sale of Equipment	-	12,000	-	(12,000)
Judgments for District	28,333	-	-	-
Capital Lease Proceeds	-	-	-	-
TOTAL GENERAL FUND REVENUES	\$ 46,325,969	\$ 46,234,579	\$ 46,700,950	\$ 466,371

OWATONNA PUBLIC SCHOOLS, ISD #761
FOOD SERVICE FUND REVENUE (Fund 2)
2012-13 FINAL BUDGET

FOOD SERVICE FUND REVENUE (Fund 2)	2011-12 Actual Revenue	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
Interest Earnings	\$ 192	\$ 155	\$ 155	\$ -
Miscellaneous Revenue	11,104	6,000	6,000	-
State Aids and Grants	136,743	135,938	135,938	-
School Lunch Program	139,196	74,575	74,575	-
Special Assistance	608,500	671,476	671,476	-
Commodity Rebates	28,153	5,000	5,000	-
Commodity Distribution	103,480	147,700	147,700	-
Special Milk Program	6,410	6,786	6,786	-
School Breakfast Program	284,517	251,665	251,665	-
Summer School	32,260	25,000	25,000	-
Sales to Pupils	1,214,835	1,258,765	1,258,765	-
Sales to Adults	34,730	26,162	26,162	-
Special Function Food Sales	20,947	10,000	10,000	-
TOTAL FOOD SERVICE FUND REVENUES	<u>\$ 2,621,067</u>	<u>\$ 2,619,222</u>	<u>\$ 2,619,222</u>	<u>\$ -</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
COMMUNITY SERVICE FUND REVENUE (Fund 4)
2012-13 FINAL BUDGET**

COMMUNITY SERVICE FUND REVENUE (Fund 4)	2011-12 Actual Revenue	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
Tax Levy	\$ 293,288	\$ 463,465	\$ 309,930	\$ (153,535)
Delinquent Taxes	-	-	-	-
Miscellaneous County Tax Revenue	-	-	-	-
Tuition from Patrons	245,230	235,500	235,500	-
Fees from Patrons	356,142	340,000	340,000	-
Interest Earnings	142	321	321	-
Rent	745	500	500	-
Gifts and Bequests	23,399	350	350	-
Miscellaneous Revenue	9,813	3,400	253,400	250,000
Abatement Aid	97	-	28	28
Disparity Reduction Aid	2,311	2,311	2,309	(2)
Homestead/Ag Market Value Credit	22,409	1,737	1,747	10
Other State Credits	596	-	-	-
State Aids and Grants	1,406,239	1,329,134	1,476,420	147,286
Non-Public Aid	60,221	75,064	75,064	-
Federal Aids and Grants	50,147	51,733	34,956	(16,777)
Permanent Fund Transfer	27,688	14,000	14,000	-
Capital Lease Proceeds	-	-	-	-
TOTAL COMMUNITY SERVICE FUND REVENUES	<u>\$ 2,498,467</u>	<u>\$ 2,517,515</u>	<u>\$ 2,744,525</u>	<u>\$ 227,010</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
BUILDING CONSTRUCTION FUND REVENUE (Fund 6)
2012-13 FINAL BUDGET**

BUILDING CONSTRUCTION FUND CERTIFICATES OF PARTICIPATION (Fund 6)	2011-12 Actual Revenue	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
Certificates of Participation	\$ 38	\$ -	\$ -	\$ -
TOTAL BUILDING CONSTRUCTION FUND REVENUES	\$ 38	\$ -	\$ -	\$ -

**OWATONNA PUBLIC SCHOOLS, ISD #761
DEBT SERVICE FUND REVENUE (Fund 7)
2012-13 FINAL BUDGET**

DEBT SERVICE FUND REVENUE (Fund 7)	2011-12 Actual Revenue	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
Tax Levy	\$ 2,367,847	\$ 2,637,829	\$ 2,637,371	\$ (458)
Delinquent Taxes	26,406	15,000	15,000	-
Miscellaneous County Tax Revenue	4,665	5,000	5,000	-
Interest Earnings	492	1,328	1,328	-
Miscellaneous Revenue	-	-	-	-
Disparity Reduction Aid	19,298	19,298	19,516	218
Homestead/Ag Market Value Credit	187,193	14,525	14,765	240
Other State Credits	4,976	700	-	(700)
TOTAL DEBT SERVICE FUND REVENUES	<u>\$ 2,610,877</u>	<u>\$ 2,693,680</u>	<u>\$ 2,692,980</u>	<u>\$ (700)</u>

OWATONNA PUBLIC SCHOOLS, ISD #761
TOTAL REVENUES
2012-13 FINAL BUDGET

Fund Name	2011-12 Actual Revenue	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
<u>Total Operating Funds Revenue:</u>				
General Fund (Funds 1, 10, and 11)	\$ 46,325,969	\$ 46,234,579	\$ 46,700,950	\$ 466,371
Food Service Fund (Fund 2)	2,621,067	2,619,222	2,619,222	-
Community Service Fund (Fund 4)	2,498,467	2,517,515	2,744,525	227,010
Total Operating Funds Revenue	<u>\$ 51,445,503</u>	<u>\$ 51,371,316</u>	<u>\$ 52,064,697</u>	<u>\$ 693,381</u>
<u>Total Non-Operating Funds Revenue:</u>				
Building Construction Fund (Fund 6)	\$ 38	\$ -	\$ -	\$ -
Debt Service Fund (Fund 7)	2,610,877	2,693,680	2,692,980	(700)
Total Non-Operating Funds Revenue	<u>\$ 2,610,915</u>	<u>\$ 2,693,680</u>	<u>\$ 2,692,980</u>	<u>\$ (700)</u>
TOTAL REVENUE	<u>\$ 54,056,418</u>	<u>\$ 54,064,996</u>	<u>\$ 54,757,677</u>	<u>\$ 692,681</u>

OWATONNA PUBLIC SCHOOLS, ISD #761
GENERAL FUND EXPENDITURES (Funds 1, 10, and 11)
2012-13 FINAL BUDGET

GENERAL FUND EXPENDITURES (Funds 1, 10, and 11)	2011-12 Actual Expenditures	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
<u>Administrative and District Support Services</u>				
Salaries	\$ 2,413,004	\$ 2,355,536	\$ 2,310,457	\$ (45,079)
Benefits	815,695	844,898	846,864	1,966
Purchased Services	787,242	348,781	351,981	3,200
Supplies and Materials	107,909	112,490	112,490	-
Capital Expenditures	863,079	1,050,662	890,662	(160,000)
Other Expenditures	(35,702)	(43,155)	(19,760)	23,395
Total Administrative and District Support Services	\$ 4,951,227	\$ 4,669,212	\$ 4,492,694	\$ (176,518)
<u>Instructional</u>				
Salaries	\$ 21,250,162	\$ 21,496,925	\$ 22,119,816	\$ 622,891
Benefits	7,596,117	7,874,690	8,036,372	161,682
Purchased Services	1,405,456	1,485,803	1,398,551	(87,252)
Supplies and Materials	842,381	1,149,548	904,248	(245,300)
Capital Expenditures	262,975	253,549	264,203	10,654
Other Expenditures	80,182	100,267	75,423	(24,844)
Total Instructional	\$ 31,437,273	\$ 32,360,782	\$ 32,798,613	\$ 437,831
<u>Instructional and Pupil Support</u>				
Salaries	\$ 2,471,214	\$ 2,252,350	\$ 2,252,837	\$ 487
Benefits	805,495	720,834	739,011	18,177
Purchased Services	2,700,022	2,767,774	2,817,664	49,890
Supplies and Materials	245,065	273,439	273,413	(26)
Capital Expenditures	13,058	120,628	120,628	-
Other Expenditures	9,713	7,358	87,590	80,232
Total Instructional and Pupil Support	\$ 6,244,567	\$ 6,142,383	\$ 6,291,143	\$ 148,760
<u>Operations, Maintenance, and Fixed</u>				
Salaries	\$ 1,322,706	\$ 1,336,626	\$ 1,331,359	\$ (5,267)
Benefits	641,520	659,100	656,743	(2,357)
Purchased Services	2,364,532	1,939,212	1,989,882	50,670
Supplies and Materials	618,633	597,555	597,555	-
Capital Expenditures	279,719	304,338	464,338	160,000
Other Expenditures	83,127	36,030	36,030	-
Total Operations, Maintenance, and Fixed	\$ 5,310,237	\$ 4,872,861	\$ 5,075,907	\$ 203,046
TOTAL GENERAL FUND EXPENDITURES	\$ 47,943,304	\$ 48,045,238	\$ 48,658,357	\$ 613,119

**OWATONNA PUBLIC SCHOOLS, ISD #761
FOOD SERVICE FUND EXPENDITURES (Fund 2)
2012-13 FINAL BUDGET**

FOOD SERVICE FUND EXPENDITURES (Fund 2)	2011-12 Actual Expenditures	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
Salaries	\$ 879,433	\$ 897,768	\$ 893,744	\$ (4,024)
Benefits	304,844	317,290	325,669	8,379
Purchased Services	62,769	72,386	72,386	-
Supplies and Materials	1,255,040	1,384,088	1,384,088	-
Capital Expenditures	52,603	78,908	78,908	-
Other Expenditures	414	1,000	1,000	-
TOTAL FOOD SERVICE EXPENDITURES	<u>\$ 2,555,103</u>	<u>\$ 2,751,440</u>	<u>\$ 2,755,795</u>	<u>\$ 4,355</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
COMMUNITY SERVICE FUND EXPENDITURES (Fund 4)
2012-13 FINAL BUDGET**

COMMUNITY SERVICE FUND EXPENDITURES (Fund 4)	2011-12 Actual Expenditures	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
Salaries	\$ 737,736	\$ 740,242	\$ 731,878	\$ (8,364)
Benefits	217,509	238,633	240,778	2,145
Purchased Services	1,290,973	1,446,868	1,382,189	(64,679)
Supplies and Materials	157,829	86,160	87,631	1,471
Capital Expenditures	10,752	5,417	5,417	-
Other Expenditures	1,829	1,950	1,950	-
TOTAL COMMUNITY SERVICE EXPENDITURES	<u>\$ 2,416,628</u>	<u>\$ 2,519,270</u>	<u>\$ 2,449,843</u>	<u>\$ (69,427)</u>

OWATONNA PUBLIC SCHOOLS, ISD #761
BUILDING CONSTRUCTION FUND EXPENDITURES (Fund 6)
2012-13 FINAL BUDGET

BUILDING CONSTRUCTION FUND CERTIFICATES OF PARTICIPATION (Fund 6)	2011-12 Actual Expenditures	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
Certificates of Participation	\$ 76,712	\$ -	\$ -	\$ -
TOTAL BUILDING CONSTRUCTION EXPENDITURES	\$ 76,712	\$ -	\$ -	\$ -

**OWATONNA PUBLIC SCHOOLS, ISD #761
DEBT SERVICE FUND EXPENDITURES (Fund 7)
2012-13 FINAL BUDGET**

DEBT SERVICE FUND EXPENDITURES (Fund 7)	2011-12 Actual Expenditures	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
Bond Principal	\$ 2,225,000	\$ 2,320,000	\$ 2,320,000	\$ -
Bond Interest	462,353	390,853	390,853	-
Other Debt Service Expenditures	19,035	3,000	3,000	-
TOTAL DEBT SERVICE EXPENDITURES	\$ 2,706,388	\$ 2,713,853	\$ 2,713,853	\$ -

**OWATONNA PUBLIC SCHOOLS, ISD #761
TOTAL EXPENDITURES
2012-13 FINAL BUDGET**

Fund Name	2011-12 Actual Expenditures	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
<u>Total Operating Funds Expenditures:</u>				
General Fund (Funds 1, 10, and 11)	\$ 47,943,304	\$ 48,045,238	\$ 48,658,357	\$ 613,119
Food Service Fund (Fund 2)	2,555,103	2,751,440	2,755,795	4,355
Community Service Fund (Fund 4)	2,416,628	2,519,270	2,449,843	(69,427)
Total Operating Funds Expenditures	<u>\$ 52,915,035</u>	<u>\$ 53,315,948</u>	<u>\$ 53,863,995</u>	<u>\$ 548,047</u>
<u>Total Non-Operating Funds Expenditures:</u>				
Building Construction Fund (Fund 6)	\$ 76,712	\$ -	\$ -	\$ -
Debt Service Fund (Fund 7)	2,706,388	2,713,853	2,713,853	-
Total Non-Operating Funds Expenditures	<u>\$ 2,783,100</u>	<u>\$ 2,713,853</u>	<u>\$ 2,713,853</u>	<u>\$ -</u>
TOTAL EXPENDITURES	<u>\$ 55,698,135</u>	<u>\$ 56,029,801</u>	<u>\$ 56,577,848</u>	<u>\$ 548,047</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
REVENUES vs. EXPENDITURES ANALYSIS
2012-13 FINAL BUDGET**

Category	2011-12 Actual Expenditures	2012-13 Preliminary Budget	2012-13 Final Budget	2012-13 Budgeted Difference
<u>Includes General Fund, Food Service Fund, and Community Service Fund:</u>				
Total Operating Revenues	\$ 51,445,503	\$ 51,371,316	\$ 52,064,697	\$ 693,381
Total Operating Expenditures	52,915,035	53,315,948	53,863,995	548,047
Total Revenues less Expenditures	<u>\$ (1,469,532)</u>	<u>\$ (1,944,632)</u>	<u>\$ (1,799,298)</u>	<u>\$ 145,334</u>

The above chart shows the difference between revenues and expenditures for the operating funds, which includes the general fund, food service fund, and community service fund.

Includes General Fund Only:

Total Revenues	\$ 46,325,969	\$ 46,234,579	\$ 46,700,950	\$ 466,371
Total Expenditures	47,943,304	48,045,238	48,658,357	613,119
Total Revenues less Expenditures	<u>\$ (1,617,335)</u>	<u>\$ (1,810,659)</u>	<u>\$ (1,957,407)</u>	<u>\$ (146,748)</u>

The above chart shows the difference between revenues and expenditures for the general fund only.

**OWATONNA PUBLIC SCHOOLS, ISD #761
FUND BALANCE ANALYSIS
2012-13 FINAL BUDGET**

JUNE 30, 2012 ENDING FUND BALANCES

Fund	6/30/2011 Balance	2011-12 Revenues	2011-12 Expenditures	6/30/2012 Balance
General - Unassigned	6,235,655	38,150,231	39,559,063	4,826,823
General - Restricted/Reserved	429,468	8,173,923	8,329,188	274,223
General - Nonspendable	178,919	1,815	55,073	125,861
Food Service	488,094	2,621,069	2,555,104	554,059
Community Service	227,879	2,498,489	2,416,630	309,718
Building Construction	76,674	38	76,712	-
Debt Service	725,059	2,610,877	2,706,386	629,550
Trust	2,136	5,723	2,452	5,407
Internal Service	251,746	115	-	251,861
Total	8,615,630	54,062,260	55,700,588	6,977,302

JUNE 30, 2013 PROJECTED ENDING FUND BALANCES (Based on the Final Budget)

Fund	6/30/2012 Balance	2012-13 Revenues	2012-13 Expenditures	6/30/2013 Balance
General - Unassigned	4,826,823	38,175,376	39,909,226	3,092,973
General - Restricted/Reserved	274,223	8,525,574	8,749,131	50,666
General - Nonspendable	125,861	-	-	125,861
Food Service	554,059	2,619,222	2,755,795	417,486
Community Service	309,718	2,744,525	2,449,843	804,400
Debt Service	629,550	2,692,980	2,713,853	808,677
Trust	5,407	1,002	1,002	5,407
Internal Service	251,861	188	-	252,049
Total	6,977,302	54,758,867	56,578,850	5,157,319

JUNE 30, 2013 FUND BALANCE COMPARISON PROJECTION

Fund	6/30/2012 Balance	6/30/2013 Balance	Difference
General - Unreserved	4,826,823	3,092,973	(1,733,850)
General - Designated	274,223	50,666	(223,557)
General - Reserved	125,861	125,861	-
Food Service	554,059	417,486	(136,573)
Community Service	309,718	804,400	294,682
Building Construction	-	-	-
Debt Service	629,550	808,677	(20,873)
Trust	5,407	5,407	-
Internal Service	251,861	252,049	188
Total	6,977,302	5,157,319	(1,819,983)

2012-13 REVENUE/EXPENDITURE COMPARISON

Fund	Revenues			Expenditures		
	6/30/2012 Actual	6/30/2013 Final Budget	Difference	6/30/2012 Actual	6/30/2013 Final Budget	Difference
General - Unassigned	38,150,231	38,175,376	25,145	39,559,083	39,909,226	350,183
General - Restricted/Reserved	8,173,923	8,525,574	351,651	8,329,168	8,749,131	419,963
General - Nonspendable	1,815	-	(1,815)	55,073	-	(55,073)
Food Service	2,621,069	2,619,222	(1,847)	2,555,104	2,755,795	200,691
Community Service	2,498,469	2,744,525	246,056	2,416,830	2,449,843	33,213
Building Construction	38	-	(38)	76,712	-	(76,712)
Debt Service	2,610,877	2,692,980	82,103	2,706,388	2,713,853	7,467
Trust	5,723	1,002	(4,721)	2,452	1,002	(1,450)
Internal Service	115	188	73	-	-	-
Total	54,062,260	54,758,867	696,607	55,700,588	56,578,850	878,262

Note: The above table contains the final budget for the 2012-13 school year. This is the budget the Board is being asked to approve at the December 10, 2012 board meeting. Included in the final budget is a permanent transfer from the General Fund to the Community Service Fund of \$14,000 for the Kids First program for FY '13. By approving the final budget, the Board is also approving the permanent transfer of \$14,000.

**Budget Adjustments Since FY '13 Preliminary Budget Approved in June 2012
As of December 10, 2012 (General Fund Only)**

<u>Item</u>	<u>Revenues ¹</u>	<u>Expenditures ²</u>	<u>Comments</u>
1 Pupil Unit Adjustment	241,491		Increase ADM by 30 and LEP ADM by 54
2 Adjust Federal Grant Revenue	143,768		Increase to the amount actually allocated on the MDE SERVS system
3 Increase in Special Ed Funding	81,112		New Projection done off of existing budget, with updated tuition numbers
4 Adjust Compensatory Expenditures		229,528	Add in carryforward balance to expenditure budget
5 Adjust for Hard Freeze		(113,029)	For 57 employees whose contracts are settled
6 Adjust for Reductions Not Made in FY 13 Preliminary Budget Planning		345,000	Reduction target of \$1.8 million not met
7 Bring Insurance Budget to Actual		50,670	Match budget to actual premium
8 Increase ECSE Transportation Expenditures		53,950	Greater Need for ECSE Transportation
9 Adjust for Additional LEP Expenditures		47,000	Adjust expenditures with increase of 54 LEP ADM
Total Impact to Preliminary Budget	<u>466,371</u>	<u>613,119</u>	(146,748) Net Adjustment

June 30, 2012 Ending General Fund Fund Balance \$ 5,226,707
 FY '13 Preliminary Budget Surplus (Deficit) \$ (1,810,659)
 FY '13 Final Budget Surplus (Deficit) \$ (1,957,407)
 June 30, 2013 Ending General Fund Fund Balance \$ 3,269,300

Note: Reference for 1 and 2 above.

- ¹ A positive number in revenues indicates the revenue budget is being increased. A negative number in revenues indicates the revenue budget is being decreased.
- ² A positive number in expenditures indicates the expenditure budget is being increased. A negative number in expenditures indicates a savings in expenditures.