



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.

2013-14 FINAL BUDGET

**PRESENTED TO THE
BOARD OF EDUCATION**

DECEMBER 9, 2013



December 9, 2013

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 2013-14 school year. The preliminary budget for this year was presented to you and approved in June 2013. The District's annual audit was completed and presented to you in November for FY '13.

The final FY '14 budget shows an unassigned general fund balance of \$4,261,327. 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 '14 the final budget shows total general fund expenditures exceeding revenues by \$166,934. This deficit spend down will bring our total general fund balance to an estimated 9.18% of estimated general fund expenditures for FY '14.

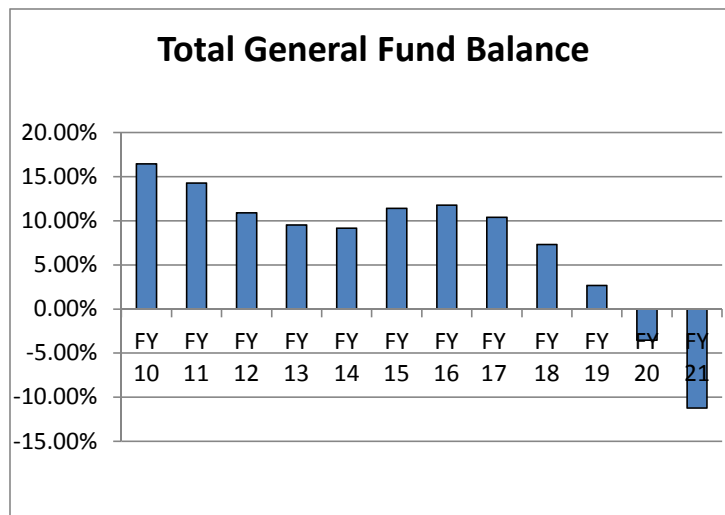
At the December 9th school board meeting, the board will be asked to approve this final FY '14 budget. By approving the final budget, the Board will be approving a \$14,000 permanent transfer from the General Fund to the Community Service Fund for the Kids First program. If needed, we will present a revised final budget to the board in February 2014.

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

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
(in millions)												
Base Revenue					\$43.801	\$44.241	\$44.49	\$44.74	\$44.99	\$45.24	\$45.49	\$45.75
Operating Revenue					\$3.90	\$5.70	\$5.81	\$5.93	\$6.05	\$6.17	\$6.29	\$6.42
Total Revenue	\$46.219	\$47.079	\$46.325	\$47.158	\$47.701	\$49.941	\$50.303	\$50.67	\$51.04	\$51.41	\$51.79	\$52.17
Total Expenditures	\$46.754	\$47.939	\$47.943	\$47.822	\$47.868	\$48.765	\$49.984	\$51.23	\$52.51	\$53.83	\$55.17	\$56.55
Fund Balance Change	-\$0.535	-\$0.860	-\$1.618	-\$0.664	-\$0.167	\$1.176	\$0.319	-\$0.57	-\$1.48	-\$2.42	-\$3.39	-\$4.38
Fund Balance	\$7.703	\$6.843	\$5.225	\$4.561	\$4.394	\$5.570	\$5.889	\$5.32	\$3.85	\$1.43	-\$1.96	-\$6.34
Percent	16.48%	14.27%	10.90%	9.54%	9.18%	11.42%	11.78%	10.39%	7.33%	2.66%	-3.54%	-11.21%



Overview and Assumptions

1. The above values represent updates made after FY 13 audit, the 2013 legislative session, expenses in FY 14 related to FY 13 compensatory carry forward, and projected FY 14 actuals for enrollment.
2. Growth of 2.50 percent applied to all expenditures for FY 15 and beyond.
3. Growth of 0.56 percent applied to all revenue for FY 15 and beyond. This accounts for declining enrollment currently forecasted of roughly 20 students per year for the next several years.
4. Add \$1.8 million from operating levy starting in FY 15.
5. Operating levy amount planned to increase by 2.0 percent per year.
6. The expense related to currently unsettled contracts is budgeted to increase by 2.50 percent per year, same as # 2 above.
7. The average expense of 1.0 FTE is approximately \$79,176.

**OWATONNA PUBLIC SCHOOLS, ISD #761
GENERAL FUND REVENUE (Funds 1, 10, and 11)
2013-14 FINAL BUDGET**

GENERAL FUND REVENUE (Funds 1, 10, and 11)	2012-13 Actual Revenue	2013-14 Preliminary Budget	2013-14 Final Budget	2013-14 Budgeted Difference
Tax Levy	\$ 5,089,081	\$ 5,241,257	\$ 5,241,257	\$ -
Delinquent Taxes	59,249	50,000	50,000	-
County Apportionment	90,565	90,000	90,000	-
Miscellaneous County Tax Revenue	11,524	15,000	15,000	-
Tuition and Reimbursements from MN ISD's	-	-	-	-
Revenue from Other MN ISD's for Special Ed.	130,127	95,000	95,000	-
Tuition from Patrons	75,151	50,000	50,000	-
Fees from Patrons	187,776	193,774	193,774	-
Admissions/Student Activity Revenue	165,314	152,225	152,225	-
Medical Assistance Reimbursement	42,175	300,000	300,000	-
Interest Earnings	3,705	6,000	6,000	-
Rent	25,444	13,130	13,130	-
Gifts and Bequests	206,467	117,243	117,243	-
Miscellaneous Revenue	244,314	174,077	174,077	-
Endowment	144,157	132,050	132,075	25
General Education Aid	33,726,277	34,819,405	34,658,827	(160,578)
Literacy Aid	254,751	250,000	280,353	30,353
Shared Time	93,856	84,106	84,106	-
Abatement Aid	1,253	1,253	604	(649)
Disparity Reduction Aid	12,153	12,153	15,121	2,968
Homestead/Ag Market Value Credit	9,194	9,194	10,840	1,646
Other State Credits	-	-	-	-
State Aids and Grants	223,246	256,095	256,095	-
Special Education	4,341,502	3,820,532	3,820,532	-
Miscellaneous Revenue from MDE	-	18,000	18,000	-
Federal Aids and Grants	1,748,422	1,614,973	1,926,622	311,649
Sale of Materials	19,500	-	-	-
Sale of Equipment	-	-	-	-
Judgments for District	-	-	-	-
Capital Lease Proceeds	266,136	-	-	-
TOTAL GENERAL FUND REVENUES	<u>\$ 47,171,339</u>	<u>\$ 47,515,467</u>	<u>\$ 47,700,881</u>	<u>\$ 185,414</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
FOOD SERVICE FUND REVENUE (Fund 2)
2013-14 FINAL BUDGET**

FOOD SERVICE FUND REVENUE (Fund 2)	2012-13 Actual Revenue	2013-14 Preliminary Budget	2013-14 Final Budget	2013-14 Budgeted Difference
Interest Earnings	\$ 376	\$ 155	\$ 155	\$ -
Miscellaneous Revenue	11,141	4,500	4,500	-
State Aids and Grants	123,038	128,987	128,987	-
School Lunch Program	160,738	83,873	83,873	-
Special Assistance	637,125	728,174	728,174	-
Commodity Rebates	7,561	-	-	-
Commodity Distribution	145,059	136,893	136,893	-
Special Milk Program	4,141	4,785	4,785	-
School Breakfast Program	277,780	268,473	268,473	-
Summer School	15,383	25,000	25,000	-
Sales to Pupils	1,148,990	1,145,722	1,145,722	-
Sales to Adults	36,125	23,840	23,840	-
Special Function Food Sales	17,347	8,000	8,000	-
TOTAL FOOD SERVICE FUND REVENUES	<u>\$ 2,584,804</u>	<u>\$ 2,558,402</u>	<u>\$ 2,558,402</u>	<u>\$ -</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
COMMUNITY SERVICE FUND REVENUE (Fund 4)
2013-14 FINAL BUDGET**

COMMUNITY SERVICE FUND REVENUE (Fund 4)	2012-13 Actual Revenue	2013-14 Preliminary Budget	2013-14 Final Budget	2013-14 Budgeted Difference
Tax Levy	\$ 310,302	\$ 318,573	\$ 318,573	\$ -
Delinquent Taxes	3,371	3,000	3,000	-
Miscellaneous County Tax Revenue	-	-	-	-
Tuition from Patrons	229,581	234,000	234,000	-
Fees from Patrons	392,816	340,000	340,000	-
Interest Earnings	674	700	700	-
Rent	950	-	-	-
Gifts and Bequests	310	350	350	-
Miscellaneous Revenue	275,261	2,050	2,050	-
Abatement Aid	28	-	17	17
Disparity Reduction Aid	2,309	2,309	2,330	21
Homestead/Ag Market Value Credit	1,747	1,747	1,670	(77)
Other State Credits	-	-	-	-
State Aids and Grants	1,481,297	1,466,185	1,466,185	-
Non-Public Aid	64,076	75,754	77,424	1,670
Federal Aids and Grants	34,956	34,956	69,151	34,195
Permanent Fund Transfer	14,000	14,000	14,000	-
Capital Lease Proceeds	-	-	-	-
TOTAL COMMUNITY SERVICE FUND REVENUES	<u>\$ 2,811,678</u>	<u>\$ 2,493,624</u>	<u>\$ 2,529,450</u>	<u>\$ 35,826</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
 BUILDING CONSTRUCTION FUND REVENUE (Fund 6)
 2013-14 FINAL BUDGET**

BUILDING CONSTRUCTION FUND CERTIFICATES OF PARTICIPATION (Fund 6)	2012-13 Actual Revenue	2013-14 Preliminary Budget	2013-14 Final Budget	2013-14 Budgeted Difference
G.O. Capital Equipment Notes	\$ 772,802	\$ -	\$ -	\$ -
TOTAL BUILDING CONSTRUCTION FUND REVENUES	\$ 772,802	\$ -	\$ -	\$ -

**OWATONNA PUBLIC SCHOOLS, ISD #761
DEBT SERVICE FUND REVENUE (Fund 7)
2013-14 FINAL BUDGET**

DEBT SERVICE FUND REVENUE (Fund 7)	2012-13 Actual Revenue	2013-14 Preliminary Budget	2013-14 Final Budget	2013-14 Budgeted Difference
Tax Levy	\$ 2,614,742	\$ 2,200,728	\$ 2,200,728	\$ -
Delinquent Taxes	29,057	30,000	30,000	-
Miscellaneous County Tax Revenue	4,968	3,600	3,600	-
Interest Earnings	5,418	1,328	1,328	-
Miscellaneous Revenue	-	-	-	-
Disparity Reduction Aid	19,516	19,516	16,527	(2,989)
Homestead/Ag Market Value Credit	14,765	14,765	11,848	(2,917)
Other State Credits	-	-	-	-
Sale of Bonds	8,690,000	-	-	-
Bond Premium	93,014	-	-	-
TOTAL DEBT SERVICE FUND REVENUES	<u>\$ 11,471,480</u>	<u>\$ 2,269,937</u>	<u>\$ 2,264,031</u>	<u>\$ (5,906)</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
TOTAL REVENUES
2013-14 FINAL BUDGET**

<u>Fund Name</u>	<u>2012-13 Actual Revenue</u>	<u>2013-14 Preliminary Budget</u>	<u>2013-14 Final Budget</u>	<u>2013-14 Budgeted Difference</u>
<u>Total Operating Funds Revenue:</u>				
General Fund (Funds 1, 10, and 11)	\$ 47,171,339	\$ 47,515,467	\$ 47,700,881	\$ 185,414
Food Service Fund (Fund 2)	2,584,804	2,558,402	2,558,402	-
Community Service Fund (Fund 4)	2,811,678	2,493,624	2,529,450	35,826
Total Operating Funds Revenue	<u>\$ 52,567,821</u>	<u>\$ 52,567,493</u>	<u>\$ 52,788,733</u>	<u>\$ 221,240</u>
<u>Total Non-Operating Funds Revenue:</u>				
Building Construction Fund (Fund 6)	\$ 772,802	\$ -	\$ -	\$ -
Debt Service Fund (Fund 7)	11,471,480	2,269,937	2,264,031	(5,906)
Total Non-Operating Funds Revenue	<u>\$ 12,244,282</u>	<u>\$ 2,269,937</u>	<u>\$ 2,264,031</u>	<u>\$ (5,906)</u>
TOTAL REVENUE	<u>\$ 64,812,103</u>	<u>\$ 54,837,430</u>	<u>\$ 55,052,764</u>	<u>\$ 215,334</u>

OWATONNA PUBLIC SCHOOLS, ISD #761
GENERAL FUND EXPENDITURES (Funds 1, 10, and 11)
2013-14 FINAL BUDGET

GENERAL FUND EXPENDITURES (Funds 1, 10, and 11)	2012-13 Actual Expenditures	2013-14 Preliminary Budget	2013-14 Final Budget	2013-14 Budgeted Difference
<u>Administrative and District Support Services</u>				
Salaries	\$ 2,264,306	\$ 2,287,979	\$ 2,287,979	\$ -
Benefits	742,118	792,157	792,157	-
Purchased Services	431,899	387,642	387,642	-
Supplies and Materials	113,727	120,061	120,061	-
Capital Expenditures	659,232	710,362	710,362	-
Other Expenditures	32,028	(24,786)	(24,786)	-
Total Administrative and District Support Services	\$ 4,243,310	\$ 4,273,415	\$ 4,273,415	\$ -
<u>Instructional</u>				
Salaries	\$ 21,585,411	\$ 21,767,719	\$ 22,095,604	\$ 327,885
Benefits	7,836,735	7,861,551	7,887,648	26,097
Purchased Services	1,278,005	1,345,018	1,466,880	121,862
Supplies and Materials	794,398	669,345	797,915	128,570
Capital Expenditures	165,106	246,119	277,975	31,856
Other Expenditures	67,979	99,515	87,129	(12,386)
Total Instructional	\$ 31,727,634	\$ 31,989,267	\$ 32,613,151	\$ 623,884
<u>Instructional and Pupil Support</u>				
Salaries	\$ 2,194,733	\$ 2,170,716	\$ 2,133,647	\$ (37,069)
Benefits	715,952	660,305	644,140	(16,165)
Purchased Services	2,785,258	2,773,885	2,857,885	84,000
Supplies and Materials	245,805	293,147	299,147	6,000
Capital Expenditures	98,834	19,849	19,849	-
Other Expenditures	21,818	10,010	10,010	-
Total Instructional and Pupil Support	\$ 6,062,400	\$ 5,927,912	\$ 5,964,678	\$ 36,766
<u>Operations, Maintenance, and Fixed</u>				
Salaries	\$ 1,368,997	\$ 1,321,987	\$ 1,321,987	\$ -
Benefits	672,788	689,272	689,272	-
Purchased Services	2,273,988	1,917,559	1,957,664	40,105
Supplies and Materials	604,334	592,937	592,937	-
Capital Expenditures	500,881	406,831	406,831	-
Other Expenditures	367,607	47,880	47,880	-
Total Operations, Maintenance, and Fixed	\$ 5,788,595	\$ 4,976,466	\$ 5,016,571	\$ 40,105
TOTAL GENERAL FUND EXPENDITURES	\$ 47,821,939	\$ 47,167,060	\$ 47,867,815	\$ 700,755

**OWATONNA PUBLIC SCHOOLS, ISD #761
FOOD SERVICE FUND EXPENDITURES (Fund 2)
2013-14 FINAL BUDGET**

FOOD SERVICE FUND EXPENDITURES (Fund 2)	2012-13 Actual Expenditures	2013-14 Preliminary Budget	2013-14 Final Budget	2013-14 Budgeted Difference
Salaries	\$ 846,451	\$ 824,942	\$ 824,942	\$ -
Benefits	270,733	283,524	283,524	-
Purchased Services	69,335	76,892	76,892	-
Supplies and Materials	1,400,195	1,386,322	1,386,322	-
Capital Expenditures	146,265	73,390	73,390	-
Other Expenditures	614	1,000	1,000	-
TOTAL FOOD SERVICE EXPENDITURES	<u>\$ 2,733,593</u>	<u>\$ 2,646,070</u>	<u>\$ 2,646,070</u>	<u>\$ -</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
COMMUNITY SERVICE FUND EXPENDITURES (Fund 4)
2013-14 FINAL BUDGET**

COMMUNITY SERVICE FUND EXPENDITURES (Fund 4)	2012-13 Actual Expenditures	2013-14 Preliminary Budget	2013-14 Final Budget	2013-14 Budgeted Difference
Salaries	\$ 733,422	\$ 789,644	\$ 789,644	\$ -
Benefits	233,330	315,381	315,381	-
Purchased Services	1,356,492	1,503,046	1,536,817	33,771
Supplies and Materials	90,664	96,753	96,684	(69)
Capital Expenditures	31,417	17,297	17,297	-
Other Expenditures	1,869	1,820	1,820	-
TOTAL COMMUNITY SERVICE EXPENDITURES	<u>\$ 2,447,194</u>	<u>\$ 2,723,941</u>	<u>\$ 2,757,643</u>	<u>\$ 33,702</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
 BUILDING CONSTRUCTION FUND EXPENDITURES (Fund 6)
 2013-14 FINAL BUDGET**

BUILDING CONSTRUCTION FUND CERTIFICATES OF PARTICIPATION (Fund 6)	2012-13 Actual Expenditures	2013-14 Preliminary Budget	2013-14 Final Budget	2013-14 Budgeted Difference
G.O. Capital Equipment Notes	\$ 162,647	\$ 750,155	\$ 610,155	\$ (140,000)
TOTAL BUILDING CONSTRUCTION EXPENDITURES	<u>\$ 162,647</u>	<u>\$ 750,155</u>	<u>\$ 610,155</u>	<u>\$ (140,000)</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
DEBT SERVICE FUND EXPENDITURES (Fund 7)
2013-14 FINAL BUDGET**

DEBT SERVICE FUND EXPENDITURES (Fund 7)	2012-13 Actual Expenditures	2013-14 Preliminary Budget	2013-14 Final Budget	2013-14 Budgeted Difference
Bond Principal	\$ 11,010,000	\$ 2,320,000	\$ 2,350,000	\$ 30,000
Bond Interest	390,853	390,853	117,118	(273,735)
Other Debt Service Expenditures	91,440	3,000	3,000	-
TOTAL DEBT SERVICE EXPENDITURES	<u>\$ 11,492,293</u>	<u>\$ 2,713,853</u>	<u>\$ 2,470,118</u>	<u>\$ (243,735)</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
TOTAL EXPENDITURES
2013-14 FINAL BUDGET**

<u>Fund Name</u>	<u>2012-13 Actual Expenditures</u>	<u>2013-14 Preliminary Budget</u>	<u>2013-14 Final Budget</u>	<u>2013-14 Budgeted Difference</u>
<u>Total Operating Funds Expenditures:</u>				
General Fund (Funds 1, 10, and 11)	\$ 47,821,939	\$ 47,167,060	\$ 47,867,815	\$ 700,755
Food Service Fund (Fund 2)	2,733,593	2,646,070	2,646,070	-
Community Service Fund (Fund 4)	2,447,194	2,723,941	2,757,643	33,702
Total Operating Funds Expenditures	<u>\$ 53,002,726</u>	<u>\$ 52,537,071</u>	<u>\$ 53,271,528</u>	<u>\$ 734,457</u>
<u>Total Non-Operating Funds Expenditures:</u>				
Building Construction Fund (Fund 6)	\$ 162,647	\$ 750,155	\$ 610,155	\$ (140,000)
Debt Service Fund (Fund 7)	11,492,293	2,713,853	2,470,118	(243,735)
Total Non-Operating Funds Expenditures	<u>\$ 11,654,940</u>	<u>\$ 3,464,008</u>	<u>\$ 3,080,273</u>	<u>\$ (383,735)</u>
TOTAL EXPENDITURES	<u>\$ 64,657,666</u>	<u>\$ 56,001,079</u>	<u>\$ 56,351,801</u>	<u>\$ 350,722</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
REVENUES vs. EXPENDITURES ANALYSIS
2013-14 FINAL BUDGET**

<u>Category</u>	<u>2012-13 Actual Expenditures</u>	<u>2013-14 Preliminary Budget</u>	<u>2013-14 Final Budget</u>	<u>2013-14 Budgeted Difference</u>
<u>Includes General Fund, Food Service Fund, and Community Service Fund:</u>				
Total Operating Revenues	\$ 52,567,821	\$ 52,567,493	\$ 52,788,733	\$ 221,240
Total Operating Expenditures	53,002,726	52,537,071	53,271,528	734,457
Total Revenues less Expenditures	<u>\$ (434,905)</u>	<u>\$ 30,422</u>	<u>\$ (482,795)</u>	<u>\$ (513,217)</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	\$ 47,171,339	\$ 47,515,467	\$ 47,700,881	\$ 185,414
Total Expenditures	47,821,939	47,167,060	47,867,815	700,755
Total Revenues less Expenditures	<u>\$ (650,600)</u>	<u>\$ 348,407</u>	<u>\$ (166,934)</u>	<u>\$ (515,341)</u>

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

**OWATONNA PUBLIC SCHOOLS, ISD #761
FUND BALANCE ANALYSIS
2013-14 FINAL BUDGET**

JUNE 30, 2013 ENDING FUND BALANCES

Fund	6/30/2012 Balance	2012-13 Revenues	2012-13 Expenditures	6/30/2013 Balance
General - Unassigned	4,826,823	40,046,117	40,865,920	4,007,020
General - Restricted/Reserved	274,223	7,116,197	6,969,179	421,241
General - Nonspendable	125,661	9,025	840	133,846
Food Service	554,059	2,584,804	2,733,593	405,270
Community Service	309,718	2,811,678	2,447,194	674,202
Building Construction	-	772,802	162,647	610,155
Debt Service	629,550	11,471,480	11,492,293	608,737
Trust	5,407	1,579	2,202	4,784
Internal Service	251,861	186	-	252,047
Total	6,977,302	64,813,868	64,673,868	7,117,302

JUNE 30, 2014 PROJECTED ENDING FUND BALANCES (Based on the Final Budget)

Fund	6/30/2013 Balance	2013-14 Revenues	2013-14 Expenditures	6/30/2014 Balance
General - Unassigned	4,007,020	40,531,874	40,277,567	4,261,327
General - Restricted/Reserved	421,241	7,169,007	7,590,248	-
General - Nonspendable	133,846	-	-	133,846
Food Service	405,270	2,558,402	2,646,070	317,602
Community Service	674,202	2,529,450	2,757,643	446,009
Building Construction	610,155	-	610,155	-
Debt Service	608,737	2,264,031	2,470,118	402,650
Trust	4,784	1,202	1,837	4,149
Internal Service	252,047	188	65,000	187,235
Total	7,117,302	55,054,154	56,418,638	5,752,818

JUNE 30, 2014 FUND BALANCE COMPARISON PROJECTION

Fund	6/30/2013 Balance	6/30/2014 Balance	Difference
General - Unassigned	4,007,020	4,261,327	254,307
General - Restricted/Reserved	421,241	-	(421,241)
General - Nonspendable	133,846	133,846	-
Food Service	405,270	317,602	(87,668)
Community Service	674,202	446,009	(228,193)
Building Construction	610,155	-	(610,155)
Debt Service	608,737	402,650	(206,087)
Trust	4,784	4,149	(635)
Internal Service	252,047	187,235	(64,812)
Total	7,117,302	5,752,818	(1,364,484)

2013-14 REVENUE/EXPENDITURE COMPARISON

Fund	Revenues			Expenditures		
	6/30/2013 Actual	6/30/2014 Final Budget	Difference	6/30/2013 Actual	6/30/2014 Final Budget	Difference
General - Unassigned	40,046,117	40,531,874	485,757	40,865,920	40,277,567	(588,353)
General - Restricted/Reserved	7,116,197	7,169,007	52,810	6,969,179	7,590,248	621,069
General - Nonspendable	9,025	-	(9,025)	840	-	(840)
Food Service	2,584,804	2,558,402	(26,402)	2,733,593	2,646,070	(87,523)
Community Service	2,811,678	2,529,450	(282,228)	2,447,194	2,757,643	310,449
Building Construction	772,802	-	(772,802)	162,647	610,155	447,508
Debt Service	11,471,480	2,264,031	(9,207,449)	11,492,293	2,470,118	(9,022,175)
Trust	1,579	1,202	(377)	2,202	1,837	(365)
Internal Service	186	188	2	-	65,000	65,000
Total	64,813,868	55,054,154	(9,759,714)	64,673,868	56,418,638	(8,255,230)

Note: The above table contains the final budget for the 2013-14 school year. This is the budget the Board is being asked to approve at the December 9, 2013 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 '14. By approving the final budget, the Board is also approving the permanent transfer of \$14,000.

**Budget Adjustments Since FY '14 Preliminary Budget Approved in June 2013
As of December 09, 2013 (General Fund Only)**

<u>Item</u>	<u>Revenues ¹</u>	<u>Expenditures ²</u>	<u>Comments</u>
1 Pupil Unit Adjustment	(156,588)		Decrease ADM by 36
2 Adjust Federal Grant Revenue	311,649		Increase to the amount actually allocated on the MDE SERVS system
3 Adjust Literacy Aid	30,353		Increase in Literacy Aid due to updated MCA results
4 Adjust Compensatory Expenditures		312,235	Add in carryforward balance to expenditure budget
5 Adjust Federal Grant Expenditures		311,649	Add in additional expenditures due to increased revenue
6 Bring Insurance Budget to Actual		40,105	Match budget to actual premium
7 Adjust Staff Development		36,766	Add in carryforward balance to expenditure budget
Total Impact to Preliminary Budget	<u>185,414</u>	<u>700,755</u>	(515,341) Net Adjustment

June 30, 2013 Ending General Fund Fund Balance \$ 4,562,107
FY '14 Preliminary Budget Surplus (Deficit) \$ 348,407
FY '14 Final Budget Surplus (Deficit) \$ (166,934)
June 30, 2014 Ending General Fund Fund Balance \$ 4,395,173

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.