



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.

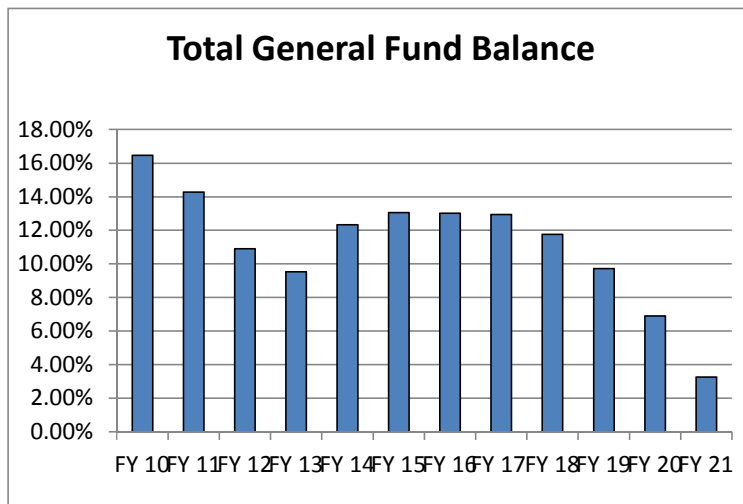
2015-16 FINAL BUDGET

**PRESENTED TO THE
BOARD OF EDUCATION**

DECEMBER 14, 2015

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					\$44.453	\$48.466	\$47.871	\$48.749	\$49.940	\$51.129	\$51.896	\$52.675
Operating Revenue					\$3.900	\$5.700	\$5.814	\$5.930	\$6.049	\$6.170	\$6.293	\$6.419
Total Revenue	\$46.219	\$47.079	\$46.325	\$47.158	\$48.353	\$54.166	\$53.685	\$54.679	\$55.989	\$57.299	\$58.190	\$59.094
Total Expenditures	\$46.754	\$47.939	\$47.943	\$47.822	\$47.108	\$53.044	\$53.635	\$54.595	\$56.420	\$58.270	\$59.727	\$61.220
Fund Balance Change	-\$0.535	-\$0.860	-\$1.618	-\$0.664	\$1.245	\$1.122	\$0.050	\$0.084	-\$0.431	-\$0.971	-\$1.537	-\$2.126
Fund Balance	\$7.703	\$6.843	\$5.225	\$4.561	\$5.806	\$6.928	\$6.978	\$7.062	\$6.632	\$5.661	\$4.124	\$1.997
Percent	16.48%	14.27%	10.90%	9.54%	12.32%	13.06%	13.01%	12.94%	11.75%	9.71%	6.90%	3.26%



Overview and Assumptions

- 1a. The above values represent updates made in the 2015 legislative session, the FY 16 Preliminary Budget, and FY 15 audit results.
- 1b. The above values also account for a slightly higher enrollment in FY 16 than previously expected.
- 1c. In FY 15, there was roughly \$600,000 carry forward in compensatory and \$300,000 in staff development, creating the fund balance increase.
- 1d. In FY 16, \$200,000 of this compensatory and \$341,000 in this staff development was added to the expense budget.
- 1e. These amounts were then taken out of the FY 17 budget recognizing these expenses will not be made twice.
- 1f. Finally, \$130,000 in expense was added to the FY 16 budget to account for the anticipated OHS chimney and bleacher repair, and another \$85,000 for security.
- 1g. \$1.1 MM in new revenue reserved for long term facility maintenance is added in FY 17, 18, and 19.
- 1h. Corresponding expense was also added in FY 17, 18, and 19 to off-set the additional LTFM revenue.
2. Growth of 2.50 percent applied to all expenditures for FY 17 and beyond.
3. Growth of 1.5 percent applied to all revenue for FY 17 and beyond. This does account for increasing enrollment currently forecasted of roughly 30 students per year for the next several years. This is a 0.1 percent increase from the FY 16 Prelim budget.
4. Added \$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 average expense of 1.0 teaching FTE is approximately \$83,827.

**OWATONNA PUBLIC SCHOOLS, ISD #761
GENERAL FUND REVENUE (Funds 1, 10, and 11)
2015-16 FINAL BUDGET**

GENERAL FUND REVENUE (Funds 1, 10, and 11)	2014-15 Actual Revenues	2015-16 Preliminary Budget	2015-16 Final Budget	Difference
Tax Levy	\$ 5,965,186	\$ 5,835,788	\$ 5,835,788	\$ -
Delinquent Taxes	55,235	55,000	55,000	-
County Apportionment	92,067	82,000	82,000	-
Miscellaneous County Tax Revenue	14,047	11,000	11,000	-
Revenue from Other MN ISD's for Special Ed.	87,477	95,000	95,000	-
Tuition from Patrons	85,153	55,000	55,000	-
Fees from Patrons	208,793	228,783	228,783	-
Admissions/Student Activity Revenue	139,021	139,573	139,573	-
Medical Assistance Reimbursement	182,098	225,000	225,000	-
Interest Earnings	8,863	15,000	15,000	-
Rent	26,962	18,000	18,000	-
Gifts and Bequests	151,256	108,097	108,097	-
Miscellaneous Revenue	666,549	244,438	244,438	-
Endowment	146,753	132,522	134,816	2,294
General Education Aid	37,776,592	38,330,192	39,083,730	753,538
Literacy Aid	258,497	258,496	244,279	(14,217)
Shared Time	103,325	96,128	96,128	-
Abatement Aid	12,711	12,710	549	(12,161)
Disparity Reduction Aid	14,408	14,408	14,202	(206)
Homestead/Ag Market Value Credit	9,976	9,976	17,884	7,908
State Aids and Grants	391,080	368,038	266,038	(102,000)
Special Education	4,872,334	4,772,856	4,772,856	-
Miscellaneous Revenue from MDE	80,129	15,000	15,000	-
Federal Aids and Grants	1,696,897	1,839,476	1,926,571	87,095
Sale of Equipment	60,750	-	-	-
Insurance Recovery Proceeds	499,745	-	-	-
Capital Lease Proceeds	559,889	-	-	-
TOTAL GENERAL FUND REVENUES	<u>\$ 54,165,793</u>	<u>\$ 52,962,481</u>	<u>\$ 53,684,732</u>	<u>\$ 722,251</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
FOOD SERVICE FUND REVENUE (Fund 2)
2015-16 FINAL BUDGET**

FOOD SERVICE FUND REVENUE (Fund 2)	2014-15 Actual Revenues	2015-16 Preliminary Budget	2015-16 Final Budget	Difference
Interest Earnings	\$ 454	\$ 150	\$ 150	\$ -
Miscellaneous Revenue	12,098	3,500	3,500	-
State Aids and Grants	186,792	159,900	159,900	-
School Lunch Program	171,776	78,107	78,107	-
Special Assistance	725,814	826,650	826,650	-
Commodity Rebates	73	-	-	-
Commodity Distribution	118,500	142,533	142,533	-
Special Milk Program	162	160	160	-
School Breakfast Program	387,178	304,541	304,541	-
Summer School	36,612	32,000	32,000	-
Sales to Pupils	1,197,769	1,171,079	1,171,079	-
Sales to Adults	30,137	25,627	25,627	-
Special Function Food Sales	23,539	7,000	7,000	-
TOTAL FOOD SERVICE FUND REVENUES	<u>\$ 2,890,904</u>	<u>\$ 2,751,247</u>	<u>\$ 2,751,247</u>	<u>\$ -</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
COMMUNITY SERVICE FUND REVENUE (Fund 4)
2015-16 FINAL BUDGET**

COMMUNITY SERVICE FUND REVENUE (Fund 4)	2014-15 Actual Revenues	2015-16 Preliminary Budget	2015-16 Final Budget	Difference
Tax Levy	\$ 314,071	\$ 309,385	\$ 309,385	\$ -
Delinquent Taxes	3,173	3,000	3,000	-
Miscellaeous County Tax Revenue	584	-	-	-
Tuition from Patrons	356,271	326,000	326,000	-
Fees from Patrons	411,811	392,000	392,000	-
Interest Earnings	1,542	700	700	-
Rent	-	-	-	-
Gifts and Bequests	4,240	24,200	24,200	-
Miscellaneous Revenue	44,517	11,150	11,150	-
Abatement Aid	301	301	14	(287)
Disparity Reduction Aid	2,334	2,334	2,345	11
Homestead/Ag Market Value Credit	1,616	1,616	2,953	1,337
State Aids and Grants	1,573,085	1,720,655	1,785,851	65,196
Non-Public Aid	73,812	75,000	73,812	(1,188)
Federal Aids and Grants	69,875	66,763	62,185	(4,578)
Permanent Fund Transfer	1,603	19,000	19,000	-
TOTAL COMMUNITY SERVICE FUND REVENUES	<u>\$ 2,858,835</u>	<u>\$ 2,952,104</u>	<u>\$ 3,012,595</u>	<u>\$ 60,491</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
DEBT SERVICE FUND REVENUE (Fund 7)
2015-16 FINAL BUDGET**

DEBT SERVICE FUND REVENUE (Fund 7)	2014-15 Actual Revenues	2015-16 Preliminary Budget	2015-16 Final Budget	Difference
Tax Levy	\$ 2,251,351	\$ 2,225,049	\$ 2,225,049	\$ -
Delinquent Taxes	24,479	30,000	30,000	-
Miscellaneous County Tax Revenue	4,169	5,000	5,000	-
Interest Earnings	2,226	1,328	1,328	-
Disparity Reduction Aid	16,701	16,702	16,897	195
Homestead/Ag Market Value Credit	11,564	11,564	21,276	9,712
Other Property Tax Credit	-	-	-	-
TOTAL DEBT SERVICE FUND REVENUES	<u>\$ 2,310,490</u>	<u>\$ 2,289,643</u>	<u>\$ 2,299,550</u>	<u>\$ 9,907</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
TOTAL REVENUES
2015-16 FINAL BUDGET**

<u>Fund Name</u>	<u>2015-16 Preliminary Budget</u>	<u>2015-16 Final Budget</u>	<u>Difference</u>
<u>Total Operating Funds Revenue:</u>			
General Fund (Funds 1, 10, and 11)	\$ 52,962,481	\$ 53,684,732	\$ 722,251
Food Service Fund (Fund 2)	2,751,247	2,751,247	-
Community Service Fund (Fund 4)	2,952,104	3,012,595	60,491
Total Operating Funds Revenue	<u>\$ 58,665,832</u>	<u>\$ 59,448,574</u>	<u>\$ 782,742</u>
<u>Total Non-Operating Funds Revenue:</u>			
Debt Service Fund (Fund 7)	\$ 2,289,643	\$ 2,299,550	\$ 9,907
Total Non-Operating Funds Revenue	<u>\$ 2,289,643</u>	<u>\$ 2,299,550</u>	<u>\$ 9,907</u>
TOTAL REVENUE	<u><u>\$ 60,955,475</u></u>	<u><u>\$ 61,748,124</u></u>	<u><u>\$ 792,649</u></u>

OWATONNA PUBLIC SCHOOLS, ISD #761
GENERAL FUND EXPENDITURES (Funds 1, 10, and 11)
2015-16 FINAL BUDGET

GENERAL FUND EXPENDITURES (Funds 1, 10, and 11)	2014-15 Actual Expenditures	2015-16 Preliminary Budget	2015-16 Final Budget	Difference
<u>Administrative and District Support Services</u>				
Salaries	\$ 2,277,956	\$ 2,358,639	\$ 2,358,639	\$ -
Benefits	806,646	816,130	816,130	-
Purchased Services	700,651	440,762	490,411	49,649
Supplies and Materials	181,443	144,426	150,929	6,503
Capital Expenditures	807,341	729,713	729,713	-
Other Expenditures	35,056	43,530	43,530	-
Total Administrative and District Support Services	<u>\$ 4,809,093</u>	<u>\$ 4,533,200</u>	<u>\$ 4,589,352</u>	<u>\$ 56,152</u>
<u>Instructional</u>				
Salaries	\$ 23,318,200	\$ 24,189,301	\$ 24,049,436	\$ (139,865)
Benefits	8,739,069	8,984,764	9,029,887	45,123
Purchased Services	1,327,636	1,836,309	2,085,592	249,283
Supplies and Materials	897,603	949,764	986,656	36,892
Capital Expenditures	793,243	296,245	329,245	33,000
Other Expenditures	18,248	45,254	45,254	-
Total Instructional	<u>\$ 35,093,999</u>	<u>\$ 36,301,637</u>	<u>\$ 36,526,070</u>	<u>\$ 224,433</u>
<u>Instructional and Pupil Support</u>				
Salaries	\$ 2,177,140	\$ 2,344,382	\$ 2,444,270	\$ 99,888
Benefits	710,586	797,970	881,803	83,833
Purchased Services	2,908,355	3,015,025	3,205,225	190,200
Supplies and Materials	251,860	279,131	281,631	2,500
Capital Expenditures	20,856	17,871	17,871	-
Other Expenditures	17,109	21,671	21,671	-
Total Instructional and Pupil Support	<u>\$ 6,085,906</u>	<u>\$ 6,476,050</u>	<u>\$ 6,852,471</u>	<u>\$ 376,421</u>
<u>Operations, Maintenance, and Fixed</u>				
Salaries	\$ 1,610,909	\$ 1,626,961	\$ 1,626,961	\$ -
Benefits	708,151	714,783	714,783	-
Purchased Services	2,467,940	2,142,529	2,272,529	130,000
Supplies and Materials	743,468	635,805	635,805	-
Capital Expenditures	1,274,394	366,938	366,938	-
Other Expenditures	249,663	49,756	49,756	-
Total Operations, Maintenance, and Fixed	<u>\$ 7,054,525</u>	<u>\$ 5,536,772</u>	<u>\$ 5,666,772</u>	<u>\$ 130,000</u>
TOTAL GENERAL FUND EXPENDITURES	<u>\$ 53,043,523</u>	<u>\$ 52,847,659</u>	<u>\$ 53,634,665</u>	<u>\$ 787,006</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
FOOD SERVICE FUND EXPENDITURES (Fund 2)
2015-16 FINAL BUDGET**

FOOD SERVICE FUND EXPENDITURES (Fund 2)	2014-15 Actual Expenditures	2015-16 Preliminary Budget	2015-16 Final Budget	Difference
Salaries	\$ 932,127	\$ 984,312	\$ 984,312	\$ -
Benefits	295,959	317,882	317,882	-
Purchased Services	71,345	82,935	82,935	-
Supplies and Materials	1,515,653	1,350,288	1,350,288	-
Capital Expenditures	55,064	33,000	33,000	-
Other Expenditures	714	1,000	1,000	-
TOTAL FOOD SERVICE EXPENDITURES	<u>\$ 2,870,862</u>	<u>\$ 2,769,417</u>	<u>\$ 2,769,417</u>	<u>\$ -</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
COMMUNITY SERVICE FUND EXPENDITURES (Fund 4)
2015-16 FINAL BUDGET**

COMMUNITY SERVICE FUND EXPENDITURES (Fund 4)	2014-15 Actual Expenditures	2015-16 Preliminary Budget	2015-16 Final Budget	Difference
Salaries	\$ 800,530	\$ 955,311	\$ 987,847	\$ 32,536
Benefits	225,517	253,936	259,944	6,008
Purchased Services	1,592,255	1,669,864	1,665,286	(4,578)
Supplies and Materials	106,105	57,841	93,109	35,268
Capital Expenditures	25,306	20,694	20,694	-
Other Expenditures	3,980	4,400	4,400	-
TOTAL COMMUNITY SERVICE EXPENDITURES	<u>\$ 2,753,693</u>	<u>\$ 2,962,046</u>	<u>\$ 3,031,280</u>	<u>\$ 69,234</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
DEBT SERVICE FUND EXPENDITURES (Fund 7)
2015-16 FINAL BUDGET**

DEBT SERVICE FUND EXPENDITURES (Fund 7)	2014-15 Actual Expenditures	2015-16 Preliminary Budget	2015-16 Final Budget	Difference
Bond Principal	\$ 2,230,000	\$ 2,255,000	\$ 2,255,000	\$ -
Bond Interest	74,200	51,375	51,375	-
Other Debt Service Expenditures	495	3,000	3,000	-
TOTAL DEBT SERVICE EXPENDITURES	<u>\$ 2,304,695</u>	<u>\$ 2,309,375</u>	<u>\$ 2,309,375</u>	<u>\$ -</u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
TOTAL EXPENDITURES
2015-16 FINAL BUDGET**

<u>Fund Name</u>	<u>2015-16 Preliminary Budget</u>	<u>2015-16 Final Budget</u>	<u>Difference</u>
<u>Total Operating Funds Expenditures:</u>			
General Fund (Funds 1, 10, and 11)	\$ 52,847,659	\$ 53,634,665	\$ 787,006
Food Service Fund (Fund 2)	2,769,417	2,769,417	-
Community Service Fund (Fund 4)	2,962,046	3,031,280	69,234
Total Operating Funds Expenditures	<u>\$ 58,579,122</u>	<u>\$ 59,435,362</u>	<u>\$ 856,240</u>
<u>Total Non-Operating Funds Expenditures:</u>			
Debt Service Fund (Fund 7)	\$ 2,309,375	\$ 2,309,375	\$ -
Building Construction Fund (Fund 6)	-	-	-
Total Non-Operating Funds Expenditures	<u>\$ 2,309,375</u>	<u>\$ 2,309,375</u>	<u>\$ -</u>
TOTAL EXPENDITURES	<u><u>\$ 60,888,497</u></u>	<u><u>\$ 61,744,737</u></u>	<u><u>\$ 856,240</u></u>

**OWATONNA PUBLIC SCHOOLS, ISD #761
REVENUES vs. EXPENDITURES ANALYSIS
2015-16 FINAL BUDGET**

<u>Category</u>	<u>2015-16 Preliminary Budget</u>	<u>2015-16 Final Budget</u>	<u>Difference</u>
<u>Includes General Fund, Food Service Fund, and Community Service Fund:</u>			
Total Operating Revenues	\$ 58,665,832	\$ 59,448,574	\$ 782,742
Total Operating Expenditures	58,579,122	59,435,362	856,240
Total Revenues less Expenditures	<u>\$ 86,710</u>	<u>\$ 13,212</u>	<u>\$ (73,498)</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.

<u>Category</u>	<u>2015-16 Preliminary Budget</u>	<u>2015-16 Final Budget</u>	<u>Difference</u>
<u>Includes General Fund Only:</u>			
Total Revenues	\$ 52,962,481	\$ 53,684,732	\$ 722,251
Total Expenditures	52,847,659	53,634,665	787,006
Total Revenues less Expenditures	<u>\$ 114,822</u>	<u>\$ 50,067</u>	<u>\$ (64,755)</u>

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

**OWATONNA PUBLIC SCHOOLS, ISD #761
FUND BALANCE ANALYSIS
2015-16 PROPOSED FINAL BUDGET**

JUNE 30, 2015 ACTUAL ENDING FUND BALANCES

<u>Fund</u>	6/30/2014 Balance	2014-15 Revenues	2014-15 Expenditures	6/30/2015 Balance
General - Unassigned	4,736,284	45,922,750	44,979,216	5,679,818
General - Restricted/Reserved	831,872	8,243,043	7,986,360	1,088,555
General - Nonspendable	238,720	-	77,947	160,773
Food Service	323,175	2,890,904	2,870,862	343,217
Community Service	558,973	2,858,835	2,753,693	664,115
Building Construction	-	-	-	-
Debt Service	543,057	2,310,490	2,304,695	548,852
Trust	5,370	251	1,013	4,608
Internal Service	203,414	289	-	203,703
Total	7,440,865	62,226,562	60,973,786	8,693,641

JUNE 30, 2016 PROJECTED ENDING FUND BALANCES

<u>Fund</u>	6/30/2015 Balance	2015-16 Revenues	2015-16 Expenditures	6/30/2016 Balance
General - Unassigned	5,679,818	44,181,672	43,229,178	6,632,312
General - Restricted/Reserved	1,088,555	9,503,060	10,405,487	186,128
General - Nonspendable	160,773	-	-	160,773
Food Service	343,217	2,751,247	2,769,417	325,047
Community Service	664,115	3,012,595	3,031,280	645,430
Building Construction	-	-	-	-
Debt Service	548,852	2,299,550	2,309,375	539,027
Trust	4,608	1,502	1,918	4,192
Internal Service	203,703	188	-	203,891
Total	8,693,641	61,749,814	61,746,655	8,696,800

JUNE 30, 2016 FUND BALANCE COMPARISON PROJECTION

<u>Fund</u>	6/30/2015 Balance	6/30/2016 Balance	Difference
General - Unassigned	5,679,818	6,632,312	952,494
General - Restricted/Reserved	1,088,555	186,128	(902,427)
General - Nonspendable	160,773	160,773	-
Food Service	343,217	325,047	(18,170)
Community Service	664,115	645,430	(18,685)
Debt Service	548,852	539,027	(9,825)
Trust	4,608	4,192	(416)
Internal Service	203,703	203,891	188
Total	8,693,641	8,696,800	3,159

2015-16 REVENUE/EXPENDITURE COMPARISON

<u>Fund</u>	Revenues			Expenditures		
	6/30/2015 Actual	6/30/2016 Final	Difference	6/30/2015 Actual	6/30/2016 Final	Difference
General - Unassigned	45,922,750	44,181,672	(1,741,078)	44,979,216	43,229,178	(1,750,038)
General - Restricted/Reserved	8,243,043	9,503,060	1,260,017	7,986,360	10,405,487	2,419,127
General - Nonspendable	-	-	-	77,947	-	(77,947)
Food Service	2,890,904	2,751,247	(139,657)	2,870,862	2,769,417	(101,445)
Community Service	2,858,835	3,012,595	153,760	2,753,693	3,031,280	277,587
Building Construction	-	-	-	-	-	-
Debt Service	2,310,490	2,299,550	(10,940)	2,304,695	2,309,375	4,680
Trust	251	1,502	1,251	1,013	1,918	905
Internal Service	289	188	(101)	-	-	-
Total	62,226,562	61,749,814	(476,748)	60,973,786	61,746,655	772,869

The above table contains the final budget for the 2015-16 school year. This is the budget the Board will be asked to approve at the December 14, 2015 board meeting. Included in the final budget is a permanent transfer from the General Fund for the Kids First Program and Central Enrollment for FY'16. By approving the final budget, the Board is also approving the permanent transfer

**Budget Adjustments Since FY '16 Preliminary Budget Approved in June 2015
As of December 14, 2015 (General Fund Only)**

<u>Item</u>	<u>Revenues ¹</u>	<u>Expenditures ²</u>	<u>Comments</u>
1 State Aid Adjustment	755,832		Increase ADM to reflect enrollment forecast and increase basic formula by .5%
2 Adjust Federal Grant Revenue	87,095		Increase to the amount actually allocated on the MDE SERVS system
3 Adjust Literacy Aid	(14,217)		Decrease to match aid entitlement for FY 2016
4 Adjust Tax Credit Aid	(4,459)		Decrease to match aid entitlement for FY 2016
5 Adjust TDE Revenue	(102,000)		Adjust allocation to zero. There is no aid for TDE in FY 2016
6 Adjust Repairs and Maintenance Expense		130,000	Adjust for additional repairs and maintenance expense needed at OHS
7 Adjust Security Expenditures		85,000	Add additional expenditures for CSO's and SRO's
8 Adjust Federal Grant Expenditures		(24,384)	Adjust expenditures to agree to Federal Revenue allocations
9 Adjust Compensatory Expenditures		200,000	Add expenditures for Compensatory Carryforward
10 Adjust TDE Expenditures		60,750	Add expenditures for TDE carryforward
11 Adjust Staff Development		280,791	Add expenditures for Staff Development Carryforward
12 Adjust Election Expenditures		54,849	Add additional election expenditures
Total Impact to Preliminary Budget	<u>722,251</u>	<u>787,006</u>	(64,755) Net Adjustment

June 30, 2015 Ending General Fund Balance \$ 6,929,146
FY '16 Preliminary Budget Surplus (Deficit) \$ 114,822
FY '16 Final Budget Surplus (Deficit) \$ 50,067
June 30, 2016 Ending General Fund Balance \$ 6,979,213

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.