

2019-2020 PRELIMINARY BUDGET

**PRESENTED TO
THE BOARD
OF EDUCATION**

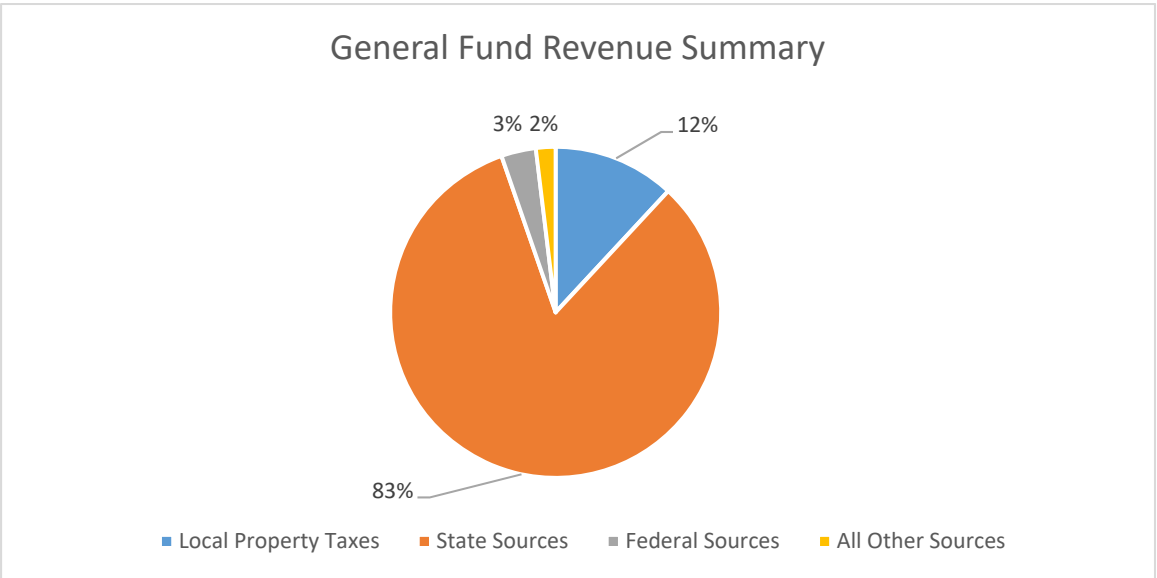
JUNE 10, 2019

Owatonna Public Schools
Independent School District No. 761
515 West Bridge Street
Owatonna, MN 55060

**OWATONNA**
PUBLIC SCHOOLS
INSPIRING EXCELLENCE • EVERY LEARNER • EVERY DAY

REVENUES

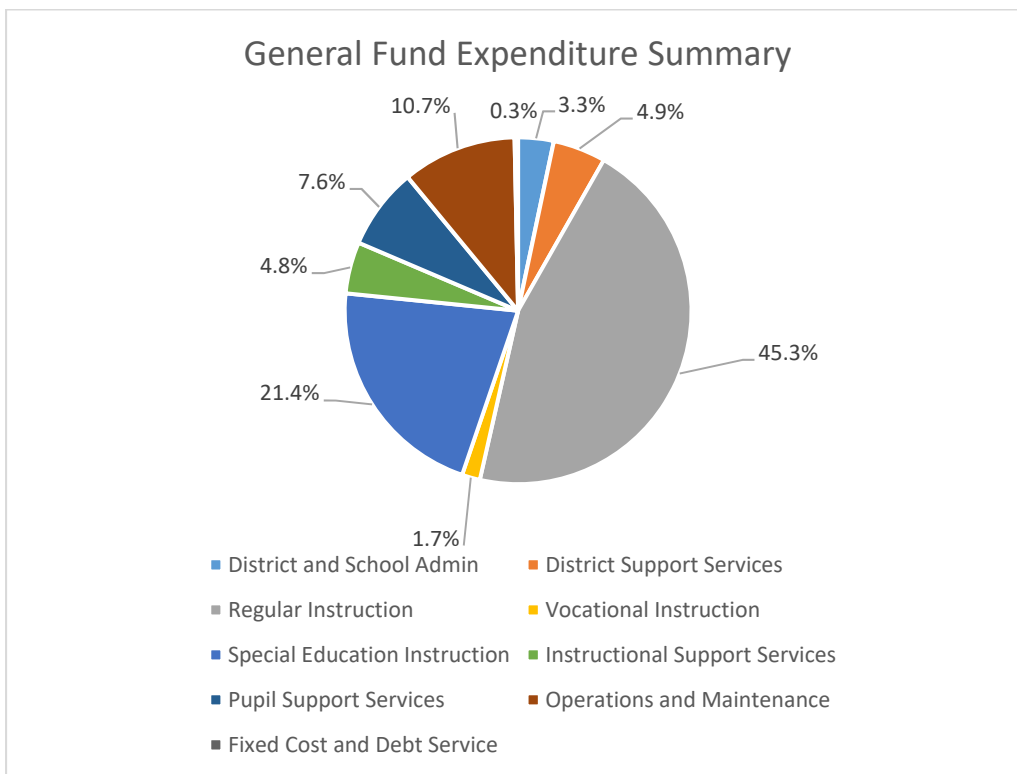
General Fund	Final 2018-2019	Preliminary 2019-2020	Change from Final to Preliminary
Local Property Taxes	\$ 6,826,726	\$ 7,380,977	\$ 554,251
State Sources	49,590,098	51,290,561	1,700,463
Federal Sources	2,258,055	2,096,913	(161,142)
All Other Sources	1,300,928	1,189,627	(111,301)
Total Revenues	\$ 59,975,807	\$ 61,958,078	\$ 1,982,271
Detailed State Sources			
Endowment	\$ 172,905	\$ 193,949	\$ 21,044
General Education Aid	41,362,153	42,524,250	1,162,097
Literacy Aid	262,276	262,276	-
Shared Time Aid	35,086	35,086	-
Abatement Aid	1,836	1,836	-
Disparity Reduction Aid	9,217	9,217	-
Homestead/Ag Market Value Credit	16,124	16,124	-
Achievement and Integration Aid	-	393,835	393,835
State Aids and Grants	1,144,488	1,144,488	-
Special Education	6,387,013	6,500,000	112,987
Miscellaneous Revenue from MDE	199,000	209,500	10,500
Total State Sources	\$ 49,590,098	\$ 51,290,561	\$ 1,700,463



	Final	Preliminary	Change from Final
	2018-2019	2019-2020	to Preliminary
Food Service Fund			
State Sources	\$ 199,795	\$ 190,846	\$ (8,949)
Federal Sources	1,625,024	1,616,781	(8,243)
All Other Sources	1,220,775	1,178,796	(41,979)
Total Revenues	<u>\$ 3,045,594</u>	<u>\$ 2,986,423</u>	<u>\$ (59,171)</u>
Community Service Fund			
Local Property Taxes	\$ 309,474	\$ 306,070	\$ (3,404)
State Sources	2,107,248	2,114,775	7,527
Federal Sources	76,933	76,933	-
All Other Sources	793,083	779,083	(14,000)
Total Revenues	<u>\$ 3,286,738</u>	<u>\$ 3,276,861</u>	<u>\$ (9,877)</u>
Building Construction Fund	<u>\$ 235,000</u>	<u>\$ 120,000</u>	<u>\$ (115,000)</u>
Debt Service Fund	<u>\$ 6,081,085</u>	<u>\$ 5,881,860</u>	<u>\$ (199,225)</u>

EXPENDITURES

General Fund	Final	Preliminary	Change from Final
	2018-2019	2019-2020	to Preliminary
Salaries	\$ 35,659,336	\$ 37,403,929	\$ 1,744,593
Employee Benefits	13,438,177	14,188,675	750,498
Purchased Services	8,829,524	8,921,434	91,910
Supplies and Materials	2,773,866	2,618,514	(155,352)
Capital Expenditures	851,189	553,957	(297,232)
Other Expenditures	290,196	373,089	82,893
Total Expenditures	\$ 61,842,288	\$ 64,059,598	\$ 2,217,310
District and School Admin	\$ 2,095,226	\$ 2,124,059	\$ 28,833
District Support Services	3,026,037	3,150,116	124,079
Regular Instruction	28,453,467	29,026,406	572,939
Vocational Instruction	1,119,528	1,082,334	(37,194)
Special Education Instruction	12,282,015	13,690,110	1,408,095
Instructional Support Services	3,136,923	3,084,270	(52,653)
Pupil Support Services	4,690,502	4,860,106	\$ 169,604
Operations and Maintenance	6,825,750	6,837,541	11,791
Fixed Cost and Debt Service	212,840	204,656	(8,184)
Total Expenditures	\$ 61,842,288	\$ 64,059,598	\$ 2,217,310



	Final 2018-2019	Preliminary 2019-2020	Change from Final to Preliminary
Food Service Fund			
Salaries	\$ 1,108,296	\$ 1,164,526	\$ 56,230
Employee Benefits	393,133	419,286	26,153
Purchased Services	72,500	58,750	(13,750)
Supplies and Materials	1,421,911	1,332,460	(89,451)
Capital Expenditures	50,000	10,000	(40,000)
Other Expenditures	5,750	5,700	(50)
Total Expenditures	<u>\$ 3,051,590</u>	<u>\$ 2,990,722</u>	<u>\$ (60,868)</u>
Community Service Fund			
Salaries	\$ 1,128,589	\$ 1,159,458	\$ 30,869
Employee Benefits	355,596	358,718	3,122
Purchased Services	1,661,889	1,668,921	7,032
Supplies and Materials	109,757	110,500	743
Capital Expenditures	27,031	22,837	(4,194)
Other Expenditures	8,525	9,075	550
Total Expenditures	<u>\$ 3,291,387</u>	<u>\$ 3,329,509</u>	<u>\$ 38,122</u>
Building Construction Fund	<u>\$ 14,936,254</u>	<u>\$ 4,510,086</u>	<u>\$ (10,426,168)</u>
Debt Service Fund	<u>\$ 5,865,100</u>	<u>\$ 5,862,445</u>	<u>\$ (2,655)</u>

FUND BALANCE SUMMARY

Below is the table that contains the proposed budget for the 2019-20 school year. This is the budget the Board is being asked to approve for fiscal year 2020. Included in the preliminary budget is a permanent transfer from the General Fund to the Community Service Fund of \$5,000 for central enrollment. By approving the preliminary budget, the Board is also approving the permanent transfer of \$5,000.

	Year Ended June 30, 2020								
	General Fund	Food Service Fund	Community Service Fund	Building Construction Fund	Debt Service Fund	Trust Fund	Health Internal Service Fund	Dental Internal Service Fund	
Revenues	\$ 61,958,078	\$ 2,986,423	\$ 3,271,861	\$ 120,000	\$ 5,881,860	\$ 1,500	\$ 1,000	\$ 480,000	
Expenditures	(64,054,598)	(2,990,722)	(3,329,509)	(4,510,086)	(5,862,445)	(3,096)	(27,600)	(480,000)	
Operating Transfers In (Out) *	(5,000)	-	5,000	-	-	-	-	-	
Net Change in Fund Balance	(2,101,520)	(4,299)	(52,648)	(4,390,086)	19,415	(1,596)	(26,600)	-	
FUND BALANCE									
Beginning of Year	7,303,319	681,071	1,090,989	4,390,086	1,289,016	2,672	159,161	-	
End of Year	\$ 5,201,799	\$ 676,772	\$ 1,038,341	\$ -	\$ 1,308,431	\$ 1,076	\$ 132,561	\$ -	
Restricted Fund Balance	\$ 1,228,230	\$ 637,090	\$ 1,019,227	\$ -	\$ 1,308,431	\$ 1,076	\$ 132,561	\$ -	
Nonspendable Fund Balance	97,649	39,682	19,114	-	-	-	-	-	
Unassigned Fund Balance	3,875,920	-	-	-	-	-	-	-	
Total Fund Balance	\$ 5,201,799	\$ 676,772	\$ 1,038,341	\$ -	\$ 1,308,431	\$ 1,076	\$ 132,561	\$ -	
Unassigned Fund Balance as									
a Percentage of Expenditures	6.05%	21.30%	30.61%	0.00%	22.32%	34.75%	480.29%	0.00%	
Total Fund Balance as									
a Percentage of Expenditures	8.12%	22.63%	31.23%	0.00%	22.32%	34.75%	480.29%	0.00%	

The 2019 auditing process will validate the actual financial performance of the District and those results could change the listed ending fund balances for 2018-19. As always, any such adjustments will be used in the 2019-20 final budget, which the Board typically approves in February.

OWATONNA PUBLIC SCHOOLS, ISD #761				
OPERATING CAPITAL EXPENDITURES (FIN 302)				
2019-20 PRELIMINARY BUDGET				
Projected Beginning Balance				\$ 197,893
Revenue				
	Operating Capital - Aid		931,769	
	Operating Capital - Levy		192,226	
	Lease Levy		<u>366,839</u>	
Total Revenue				1,490,833
Expenditures				
Fixed				
	Taxes/Assessments		87,665	
	Four Seasons Lease		58,000	
	Gymnastic's Lease		5,000	
	CVSEC		250,000	
	Copiers			
	- District wide		39,865	
	- Lincoln		3,403	
	- McKinley		3,403	
	- Washington		3,403	
	- Wilson		3,403	
	- Oms		10,174	
	- OHS		19,249	
	- ALC		1,896	
	- Special Services		1,885	
	Postage Machine		1,428	
	District Van		<u>4,680</u>	
Total Fixed Expense			493,455	
Operating Capital Allocation				
	OHS	\$ 15.00	1,851.60	27,774
	OMS	\$ 15.00	1,359.60	20,394
	All Elementary Specialists			3,600
	K-5			27,810
	ALC	\$ 15.00	120.00	<u>1,800</u>
Total Building Operating Capital Allocations				81,378
Program Operating Capital Allocations				
	Athletics			36,000
	Curriculum			155,000
	Curriculum- F&P Purchase			25,000
	District Administration			40,000
	Finance			10,000
	Operations & Maintenance/ Safety			100,000
	Infinite Campus			62,000
	Technology - LCM			455,000
	Technology - Instructional Software			<u>33,000</u>
Total Program Operating Capital Allocations				916,000
Total Expenditures				1,490,833
Addition (Reduction) To Fund Balance				<u>0</u>
Projected Ending Balance				\$ 197,893

SUPPLEMENTAL INFORMATION

ACTIVITIES PROGRAM

OHS Activities Expenditure Budget

	<u>2016-17</u> <u>Actual</u>	<u>2017-18</u> <u>Actual</u>	<u>2018-19</u> <u>Budget</u>	<u>2019-20</u> <u>Budget</u>
Adaptive Athletics	15,901	12,623	16,251	14,904
<u>Boys Athletics</u>				
Baseball	28,925	28,465	29,579	31,205
Basketball *	44,098	45,708	52,579	56,427
Cross Country	13,238	13,373	13,080	14,073
Football *	72,937	68,287	78,455	77,124
Soccer	34,295	33,194	34,576	36,914
Golf	14,210	13,501	15,546	13,753
Hockey *	32,872	34,519	39,276	38,350
Swimming *	20,427	22,164	24,057	24,777
Tennis	9,152	14,961	16,571	16,429
Track	25,186	29,303	27,782	31,674
Wrestling *	37,626	30,250	35,988	36,264
LaCrosse *	21,946	21,577	26,801	28,277
Total Boys Athletics	354,912	355,302	394,290	405,267
<u>Girls Athletics</u>				
Basketball *	41,154	38,498	39,520	51,288
Cross Country	13,753	14,295	13,929	14,973
Soccer	27,699	26,909	27,881	30,527
Golf	10,331	7,055	17,351	12,865
Hockey *	24,762	25,441	33,125	36,201
Swimming *	22,799	22,210	23,766	24,996
Tennis	21,591	15,106	15,444	17,573
Track	23,831	24,472	38,466	31,566
Softball	23,670	24,274	26,215	27,822
Gymnastics *	21,897	24,415	25,223	22,654
Volleyball *	30,154	32,904	37,875	37,487
Cheerleading	17,558	17,068	19,220	19,694
LaCrosse *	19,580	18,057	23,811	24,548
Dance *	-	21,598	31,213	29,658
Total Girls Athletics	298,779	312,302	373,039	381,852
<u>Activities</u>				
Publishing	5,117	5,213	5,348	5,492
Link Crew	2,250	2,088	2,122	2,178
Magnet (Newspaper)	16,164	15,606	17,164	16,924
Yearbook	6,375	6,502	6,783	6,958
Robotics	2,050	2,086	3,002	3,076
Speech	9,761	11,569	9,660	14,997
Drama *	44,562	35,106	65,700	38,506
Other	24,993	26,657	32,311	34,412
Total Activities	111,272	104,827	142,090	122,543
<u>Other</u>				
Auditorium Management	7,524	7,503	6,374	5,951
Weight Room	2,053	19,805	27,287	26,364
Athletic Training	39,851	42,096	45,272	49,413
Operating Capital	25,896	41,593	36,000	36,000
Activities Admin., Office Support, Etc.	271,334	360,033	326,227	327,460
Total Other	346,658	471,030	441,160	445,188
TOTAL ACTIVITIES BUDGET	<u>1,127,522</u>	<u>1,256,084</u>	<u>1,366,830</u>	<u>1,369,754</u>

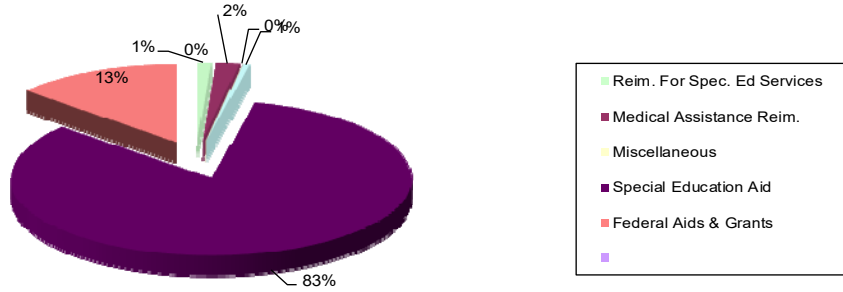
* Revenue generating activities

SPECIAL EDUCATION

Special Education Revenues by Source

Source	Description	2016-17 Actual	2017-18 Actual	2018-19 Budget	2019-20 Budget	Change %	Change Amount
022	Reim. For Spec. Ed Services	\$ 111,631	\$ 130,019	\$ 96,425	\$ 83,870	-13.0%	\$ (12,555)
071	Medical Assistance Reim.	702,455	129,568	200,000	150,000	-25.0%	(50,000)
099	Miscellaneous	-	200	-	-	0.0%	-
211	Other General Ed. Aid	-	-	48,169	42,259	-12.3%	(5,910)
360	Special Education Aid	5,882,263	6,191,532	6,387,013	6,500,000	1.8%	112,987
400	Federal Aids & Grants	1,019,509	1,420,050	1,113,518	1,054,899	-5.3%	(58,619)
Special Education Totals		\$ 7,715,858	\$ 7,871,369	\$ 7,845,125	\$ 7,831,028	-0.18%	\$ (14,097)

2019-20 Special Education Revenue

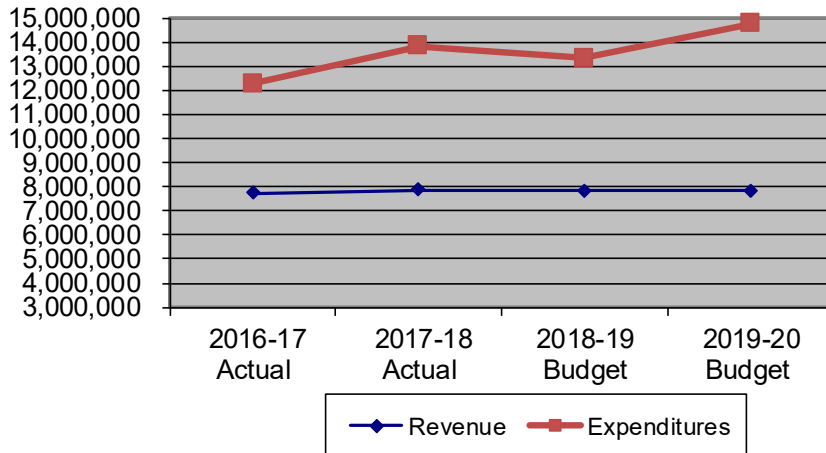


Special Education Expenditures by Program

Program	Description	2016-17	2017-18	2018-19	2019-20	Change	Change
		Actual	Actual	Budget	Budget	%	Amount
030	Instructional Administration	\$ 29,148	\$ 26,872	\$ 27,029	\$ 15,751	-41.7%	\$ (11,278)
400	General Special Ed.	659,634	411,845	371,743	300,698	-19.1%	(71,045)
401	Speech/Lang. Impaired	554,833	662,372	980,719	1,064,365	8.5%	83,646
402	Mild-Mod. Mentally Imp.	746,747	377,782	920,544	1,038,213	12.8%	117,669
403	Mod.-Severe Mentally Imp.	466,892	88,660	279,458	277,229	-0.8%	(2,229)
404	Physically Impaired	492,375	166,638	81,121	127,180	56.8%	46,059
405	Deaf - Hard of Hearing	128,061	198,781	105,229	100,149	-4.8%	(5,080)
406	Visually Impaired	152,266	148,363	178,378	182,518	2.3%	4,140
407	Specific Learning Disability	1,434,484	1,944,432	1,937,261	2,315,185	19.5%	377,924
408	Emot/Behavioral Disorder	1,750,030	1,221,150	1,673,848	1,771,868	5.9%	98,020
409	Deaf - Blind	15,182	593	10,000	-	-100.0%	(10,000)
410	Other Health Impaired	130,677	826,662	184,074	189,674	3.0%	5,600
411	Autism	675,991	775,397	913,416	1,018,320	11.5%	104,904
412	Early Childhood Spec. Ed.	1,363,464	2,137,619	1,337,928	1,958,905	46.4%	620,977
414	Traumatic Brain Inj	20	26,891	59	119	101.7%	60
416	Multiple Handicap	72,078	62,983	70,944	72,650	2.4%	1,706
420	Special Education General	1,500,009	2,497,475	2,487,089	2,587,134	4.0%	100,045
422	Special Ed Students w/o Disabilities	652,948	694,120	709,204	644,903	-9.1%	(64,301)
640	Staff Development	-	-	1,330	1,365	2.6%	35
760	Pupil Transportation	1,412,493	1,565,235	1,071,638	1,103,787	3.0%	32,149
850	Capital Facilities	22,027	1,836	-	-	0.0%	-
Special Education Totals		\$ 12,259,359	\$ 13,835,706	\$ 13,341,012	\$ 14,770,013	10.7%	\$ 1,429,001

	2016-17 Actual	2017-18 Actual	2018-19 Budget	2019-20 Budget
Revenues	7,715,858	7,871,369	7,845,125	7,831,028
Expenditures	12,259,359	13,835,706	13,341,012	14,770,013

Special Education Revenue Expenditure Comparison



Fund

The Minnesota Department of Education breaks school district financial reporting into several funds. Each fund is a fiscal and accounting entity with a self-balancing set of accounts. Transfers between funds are allowed only as specified by statute. In general, revenues may be transferred from the General Fund to any operating fund only to eliminate a deficit; such a transfer requires board action.

List of ISD 761 Funds:**Operating Funds**

General Fund

Accounts for all revenues and expenditure of the district not accounted for elsewhere. Special Services is accounted for separately, but is part of the General Fund.

Food Service Fund

Records the financial activities of the district's food service program.

Community Service Fund

Records the financial activities of Community Service program.

Non-Operating Funds

Building Construction Fund

Records all operations of the district's building construction programs that are funded by the sale of bonds, capital loans, or the Alternative Bonding Program.

Debt Service Fund

Records revenues and expenditures for the district's outstanding bond indebtedness, whether for building construction or operating capital.

Fiduciary Funds

Trust Fund

Records the activities for trust agreements where the board has accepted the responsibility to serve as trustee. ISD 761 uses this fund for the OHS Museum.

Health Internal Service Fund

Accounts for the financing of goods or services provided by one department to another within the district. The Health internal service fund that is currently inactive except for interest earned on the balance.

This balance is a carryover of funds remaining from self-insured health plan activities and are being held in the event the district decides to self-insure for health in the future.

Dental Internal Service Fund

Accounts for the financing of goods or services provided by one department to another within the district. The Dental internal service fund that is currently active for the self-insured dental plan the district operates.

PROGRAM

The program dimension of district accounting is used to designate the programmatic areas in which financial activity takes place. The ten categories of the program series are as follows:

1. Administration

This budget category includes all costs associated with District management. It includes all budgets associated with the school board, superintendent, special services and ALC. It also includes costs related to head principals and head secretaries.

2. District Support Services

This budget category includes all costs associated with district support services including district level administrative support, business office support, human resource office support, information technology departments, legal, communications, offset, and elections.

3. Elementary and Secondary Regular Instruction

This budget category includes all costs associated with classroom activities including teachers and teacher aides and instructional supplies. It also includes all costs associated with the extracurricular program.

4. Vocational Education Instruction

Vocational teachers and expenses.

5. Special Education Instruction

This budget category includes all costs associated with the special education programs and services including teachers, and program assistants.

6. Community Education and Services

All expenses related to Community Education

7. Instructional Support Services

This budget category includes curriculum, educational media, staff development, and assistant principals.

8. Pupil Support Services

This budget category includes all costs associated with the provision of special services that enhance student attendance and performance in school. Pupil Support Services includes counseling, health services, social workers, assistant secretaries, and transportation.

9. Sites and Buildings

This budget category includes all costs associated with the maintenance and upkeep of our various buildings and grounds. Personnel, utilities, and supplies are included within these costs.

10. Fiscal and Other Fixed Costs Programs

This budget category includes costs associated with retirement of long-term obligations, severance pay and benefits, technology, property insurance, and special projects involving purchases exceeding \$500.