

2019-2020 FINAL BUDGET

**PRESENTED TO
SCHOOL BOARD**

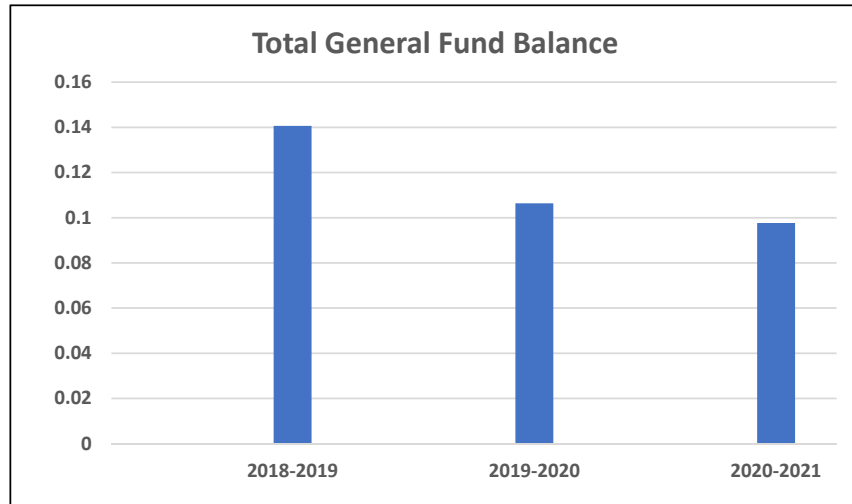
FEBRUARY 10, 2020

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

The logo for Owatonna Public Schools features the word "OWATONNA" in a large, bold, black sans-serif font. Above the letter "O" is a small blue icon of a graduation cap. Below "OWATONNA" are the words "PUBLIC SCHOOLS" in a smaller, bold, black sans-serif font. At the bottom of the logo is the tagline "INSPIRING EXCELLENCE • EVERY LEARNER • EVERY DAY" in a very small, black, all-caps sans-serif font.**OWATONNA**
PUBLIC SCHOOLS
INSPIRING EXCELLENCE • EVERY LEARNER • EVERY DAY

Fund Balance Forecast as of February 10, 2020 (General Fund Only)

	2018-2019	2019-2020	2020-2021
General Fund			
Unassigned Fund Balance	\$ 5,996,615	\$ 4,003,332	\$ 3,437,379
Restricted Fund Balance	2,527,361	2,632,356	2,632,356
Nonspendable Fund Balance	170,646	170,646	170,646
Total Fund Balance	\$ 8,694,622	\$ 6,806,334	\$ 6,240,381
Total Revenues	\$ 59,975,807	\$ 62,101,643	\$ 63,343,676
Total Expenditures	\$ 61,842,288	\$ 63,989,931	\$ 63,909,629
Total Fund Balance as a % of Total Expenditures	<u>14.06%</u>	<u>10.64%</u>	<u>9.76%</u>
Unassigned Fund Balance as a % of Total Expenditures	<u>9.70%</u>	<u>6.26%</u>	<u>5.38%</u>



Assumptions:

- 1) 2% increase in revenues for 2019-2020 and 2020-2021
- 2) 3% increase in expenditures for 2019-2020 and 2020-2021
- 3) Added \$563,000 for Achievement & Integration grant in Revenue and Expenditures in 2019-2020 and 2020-2021
- 4) Board Target for Unassigned Fund Balance is 8%-10%
- 5) Current operating levy expires on June 30, 2021. 2019-2020 per pupil levy amount is \$1,188.36.

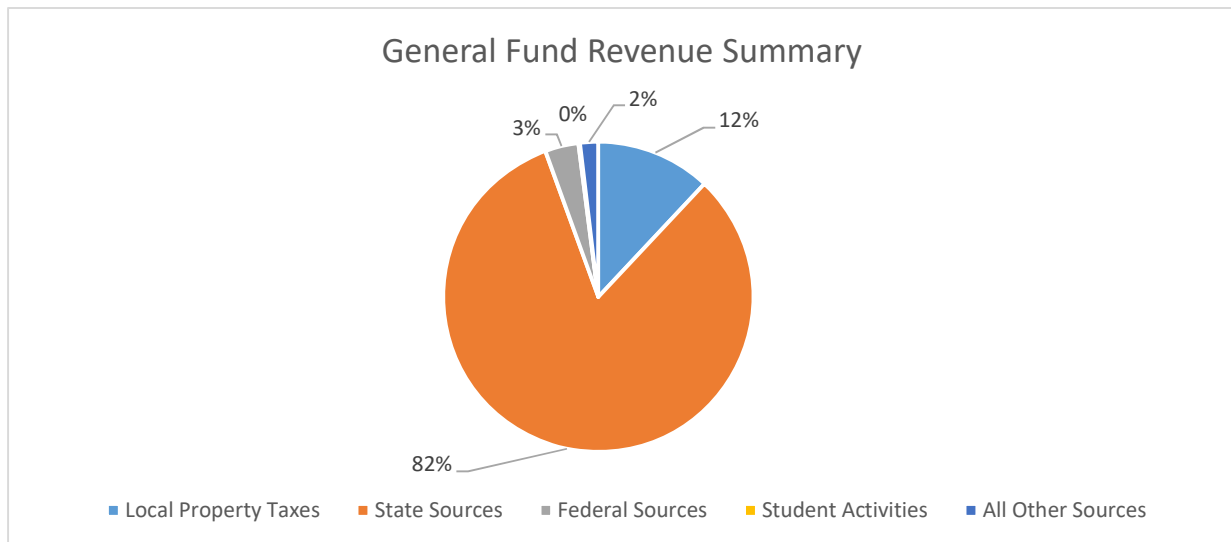
REVENUES

General Fund

	Actual 2018-2019	Preliminary 2019-2020	Revised 2019-2020	Change Preliminary to Revised
Local Property Taxes	\$ 6,836,523	\$ 7,380,977	\$ 7,458,612	\$ 77,635
State Sources	50,135,866	51,290,561	51,201,175	(89,386)
Federal Sources	2,393,682	2,096,913	2,162,144	65,231
Student Activities	-	-	98,518	98,518
All Other Sources	1,908,745	1,189,627	1,181,194	(8,433)
Total Revenues	\$ 61,274,816	\$ 61,958,078	\$ 62,101,643	\$ 143,565

Detailed State Sources

Endowment	\$ 203,521	\$ 193,949	\$ 216,025	\$ 22,076
General Education Aid	41,770,143	42,524,250	41,735,144	(789,106)
Literacy Aid	262,276	262,276	236,475	(25,801)
Shared Time Aid	23,039	35,086	23,039	(12,047)
Abatement Aid	2,163	1,836	4,099	2,263
Disparity Reduction Aid	9,217	9,217	9,216	(1)
Homestead/Ag Market Value Credit	15,810	16,124	14,787	(1,337)
Other State Credits	314	-	-	-
State Aids and Grants	1,159,526	1,538,323	1,752,890	214,567
Special Education	6,459,412	6,500,000	7,000,000	500,000
Miscellaneous Revenue from MDE	43,887	24,000	24,000	-
Direct TRA/PERA Aid	186,558	185,500	185,500	-
Total State Sources	\$ 50,135,866	\$ 51,290,561	\$ 51,201,175	\$ (89,386)

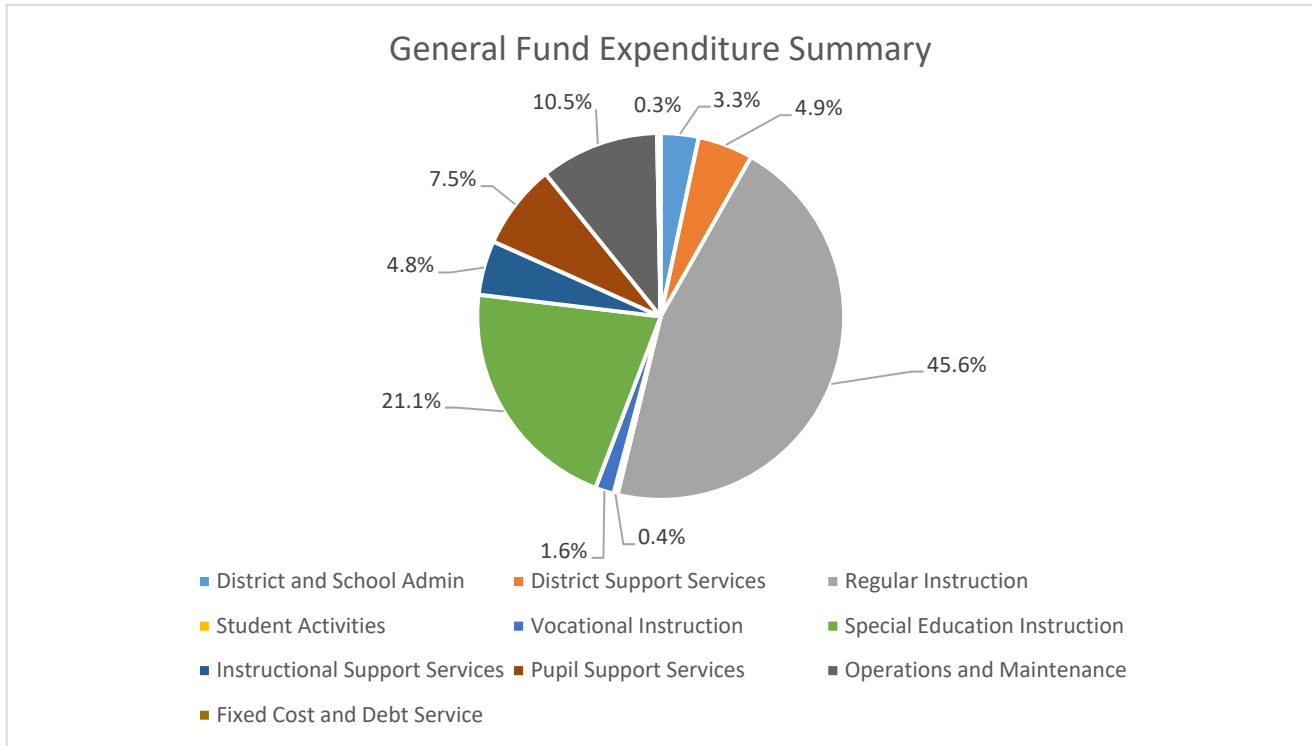


REVENUES

	Actual 2018-2019	Preliminary 2019-2020	Revised 2019-2020	Change Preliminary to Revised
Food Service Fund				
State Sources	\$ 184,735	\$ 190,846	\$ 181,088	\$ (9,758)
Federal Sources	1,600,519	1,616,781	1,606,178	(10,603)
All Other Sources	1,192,529	1,178,796	1,164,699	(14,097)
Total Revenues	<u>\$ 2,977,783</u>	<u>\$ 2,986,423</u>	<u>\$ 2,951,965</u>	<u>\$ (34,458)</u>
Community Service Fund				
Local Property Taxes	\$ 307,325	\$ 306,070	\$ 306,204	\$ 134
State Sources	2,038,823	2,114,775	2,185,929	71,154
Federal Sources	76,435	76,933	177,147	100,214
All Other Sources	950,716	779,083	779,083	-
Total Revenues	<u>\$ 3,373,299</u>	<u>\$ 3,276,861</u>	<u>\$ 3,448,363</u>	<u>\$ 171,502</u>
OHS Building Construction Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 133,375,730</u>	<u>\$ 133,375,730</u>
Building Construction Fund	<u>\$ 207,062</u>	<u>\$ 120,000</u>	<u>\$ 120,000</u>	<u>\$ -</u>
Debt Service Fund	<u>\$ 6,117,628</u>	<u>\$ 5,881,860</u>	<u>\$ 5,881,859</u>	<u>\$ (1)</u>

EXPENDITURES

General Fund	Actual 2018-2019	Preliminary 2019-2020	Revised 2019-2020	Change Preliminary to Revised
Salaries	\$ 35,853,356	\$ 37,403,929	\$ 36,988,430	\$ (415,499)
Employee Benefits	13,318,313	14,188,675	14,074,975	(113,700)
Purchased Services	8,734,864	8,918,889	9,107,106	188,217
Supplies and Materials	2,692,363	2,610,522	2,878,459	267,937
Capital Expenditures	867,845	564,494	564,893	399
Other Expenditures	283,249	373,089	376,068	2,979
Total Expenditures	\$ 61,749,990	\$ 64,059,598	\$ 63,989,931	\$ (69,667)
District and School Admin	\$ 2,134,008	\$ 2,124,059	\$ 2,136,813	\$ 12,754
District Support Services	2,609,951	3,150,116	3,116,123	(33,993)
Regular Instruction	28,792,619	29,032,723	29,164,264	131,541
Student Activities	-	-	237,852	237,852
Vocational Instruction	1,122,725	1,076,017	1,041,775	(34,242)
Special Education Instruction	12,910,284	13,690,110	13,510,066	(180,044)
Instructional Support Services	2,944,898	3,084,270	3,077,092	(7,178)
Pupil Support Services	5,000,002	4,860,106	4,787,924	(72,182)
Operations and Maintenance	6,080,065	6,837,541	6,708,367	(129,174)
Fixed Cost and Debt Service	155,438	204,656	209,655	4,999
Total Expenditures	\$ 61,749,990	\$ 64,059,598	\$ 63,989,931	\$ (69,667)



EXPENDITURES

	Actual 2018-2019	Preliminary 2019-2020	Revised 2019-2020	Change Preliminary to Revised
Food Service Fund				
Salaries	\$ 1,050,417	\$ 1,164,526	\$ 1,112,847	\$ (51,679)
Employee Benefits	382,194	419,286	377,569	(41,717)
Purchased Services	54,026	58,750	59,027	277
Supplies and Materials	1,397,505	1,332,460	1,348,248	15,788
Capital Expenditures	27,494	10,000	10,000	-
Other Expenditures	1,839	5,700	5,700	-
Total Expenditures	<u>\$ 2,913,475</u>	<u>\$ 2,990,722</u>	<u>\$ 2,913,391</u>	<u>\$ (77,331)</u>
Community Service Fund				
Salaries	\$ 1,026,293	\$ 1,159,458	\$ 1,155,813	\$ (3,645)
Employee Benefits	320,612	358,718	324,650	(34,068)
Purchased Services	1,680,043	1,668,921	1,770,067	101,146
Supplies and Materials	182,523	110,500	111,160	660
Capital Expenditures	27,436	22,837	22,837	-
Other Expenditures	11,968	9,075	9,075	-
Total Expenditures	<u>\$ 3,248,875</u>	<u>\$ 3,329,509</u>	<u>\$ 3,393,602</u>	<u>\$ 64,093</u>
OHS Building Construction Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,655,000</u>	<u>\$ 1,655,000</u>
Building Construction Fund	<u>\$ 9,689,951</u>	<u>\$ 4,510,086</u>	<u>\$ 5,338,365</u>	<u>\$ 828,279</u>
Debt Service Fund	<u>\$ 5,865,095</u>	<u>\$ 5,862,445</u>	<u>\$ 5,862,445</u>	<u>\$ -</u>

BUDGET SUMMARY - YEAR ENDED JUNE 30, 2020

	<u>General Fund</u>	<u>Food Service Fund</u>	<u>Community Service Fund</u>	<u>OHS Building Construction Fund</u>	<u>Building Construction Fund</u>	<u>Debt Service Fund</u>	<u>Trust Fund</u>	<u>Health Internal Service Fund</u>	<u>Dental Internal Service Fund</u>
Revenues	\$ 62,101,643	\$ 2,951,965	\$ 3,443,363	\$ 133,375,730	\$ 120,000	\$ 5,881,859	\$ 1,500	\$ 1,000	\$ 500,000
Expenditures	(63,984,931)	(2,913,391)	(3,393,602)	(1,655,000)	(5,338,365)	(5,862,445)	(3,095)	(27,600)	(500,000)
Operating Transfers In (Out) *	(5,000)	-	5,000	-	-	-	-	-	-
Net Change in Fund Balance	(1,888,288)	38,574	54,761	131,720,730	(5,218,365)	19,414	(1,595)	(26,600)	-
FUND BALANCE									
Beginning of Year	8,694,622	751,374	1,220,063	-	5,218,365	1,325,564	2,917	167,111	43,421
End of Year	<u>\$ 6,806,334</u>	<u>\$ 789,948</u>	<u>\$ 1,274,824</u>	<u>\$ 131,720,730</u>	<u>\$ -</u>	<u>\$ 1,344,978</u>	<u>\$ 1,322</u>	<u>\$ 140,511</u>	<u>\$ 43,421</u>
Restricted Fund Balance	\$ 2,632,356	\$ 742,981	\$ 1,247,824	\$ 131,720,730	\$ -	\$ 1,344,978	\$ 1,322	\$ 140,511	\$ 43,421
Nonspendable Fund Balance	170,646	46,967	27,000	-	-	-	-	-	-
Unassigned Fund Balance	4,003,332	-	-	-	-	-	-	-	-
Total Fund Balance	<u>\$ 6,806,334</u>	<u>\$ 789,948</u>	<u>\$ 1,274,824</u>	<u>\$ 131,720,730</u>	<u>\$ -</u>	<u>\$ 1,344,978</u>	<u>\$ 1,322</u>	<u>\$ 140,511</u>	<u>\$ 43,421</u>
Unassigned Fund Balance as a Percentage of Expenditures	<u>6.26%</u>	<u>27.11%</u>	<u>37.62%</u>	<u>7958.96%</u>	<u>0.00%</u>	<u>22.94%</u>	<u>42.71%</u>	<u>509.10%</u>	<u>8.68%</u>
Total Fund Balance as a Percentage of Expenditures	<u>10.64%</u>	<u>27.11%</u>	<u>37.62%</u>	<u>7958.96%</u>	<u>0.00%</u>	<u>22.94%</u>	<u>42.71%</u>	<u>509.10%</u>	<u>8.68%</u>

* Transfer from General Fund to Community Service Fund for the administration of central enrollment. Approval of the FY 20 budget indicates approval for the permanent fund transfer to the community service fund.

**Budget Adjustments Since FY '20 Preliminary Budget Approved in June 2019
As of February 10, 2020 (General Fund Only)**

2019-20 FINAL BUDGET

Item	Revenues ¹	Expenditures ²	Comments
1 Adjust Tax Levy	77,635		Adjust Tax Levy to actual
2 Adjust General Education State Aid	(789,106)		Adjust State Aid to actual
3 Adjust Federal Grant Revenue/Expenditure	65,231		Increase to the amount actually budgeted on the MDE SERVS system
4 Adjust Long-Term Facilities Maintenance Revenue	(11,013)		Decrease to match aid entitlement for FY 2020
5 Adjust Special Education State Aid	500,000		Increase to match aid entitlement for FY 2020
6 Adjust Miscellaneous State Aid Revenue	199,720		Increase to match aid entitlement for FY 2020
7 Adjust Student Activities	98,518	234,486	GASB 87 required Student Activities to be under board control
8 Adjust Miscellaneous Local Revenues and Donations	2,580		Increase donations and miscellaneous collections
9 Adjust salaries and benefits		(529,199)	Adjust for benefit elections and actual new hire salaries
10 Adjust purchased services		129,710	Adjust for purchased service changes
11 Adjust supplies and materials		91,958	Adjust for supplies and materials changes
12 Adjust capital expenditures		399	Adjust for capital expenditures changes
13 Adjust dues and memberships		2,979	Add expenditures for dues and memberships
Total Impact to Preliminary Budget	<u>143,565</u>	<u>(69,667)</u>	213,232
	-	-	Net Adjustment

June 30, 2019 Ending General Fund Balance \$ 8,694,622
FY '20 Preliminary Budget Surplus (Deficit) \$ (2,101,520)
FY '20 Final Budget Surplus (Deficit) \$ (1,888,288)
June 30, 2020 Ending General Fund Balance \$ 6,806,334

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.