



Stillwater

AREA PUBLIC SCHOOLS
Independent School District 834

2018-2019

REVISED BUDGET

**Stillwater, Minnesota
December 2018**



Stillwater

AREA PUBLIC SCHOOLS

2018-19 REVISED BUDGET

INDEPENDENT SCHOOL DISTRICT NO. 834 STILLWATER, MINNESOTA

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December 2018

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SECTION I

Introduction

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SCHOOL BOARD

Ms. Jennifer Pelletier	Board Chair
Ms. Sarah Stivland	Vice Chair
Ms. Paula O'Loughlin	Clerk
Ms. Shelley Pearson	Treasurer
Mr. George Hoepfner	Director
Mr. Don Hovland	Director
Dr. Michael Ptacek	Director

ADMINISTRATION

Ms. Denise Pontrelli	Superintendent of Schools
Ms. Kristen Hoheisel	Executive Director of Finance and Operations
Dr. Bob McDowell	Executive Director of Learning and Innovation
Ms. Cathy Moen	Executive Director of Administrative Services
Ms. Rachel Larson	Director of Learning and Student Engagement
Mr. Paul Lee	Director of Student Support Services
Dr. George Nolan	Director of Personalized Learning
Mr. John Perry	Director of Learning, Technology and Design Systems
Ms. Annette Sallman	Director of Community Education and Community Relations

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Curiosity Thrives Here

OUR STRATEGIC PLAN 2018-2021

Developed by stakeholders of the Stillwater Area Public Schools

OUR MISSION

A declaration of the unique identity to which the organization aspires; its specific purpose; and the means by which it will achieve its purpose.

The mission of Stillwater Area Public Schools, in **partnership** with students, family and **community**, is to develop **curious** individuals who are active and engaged **leaders** in an **ever-changing world** by **challenging** all students as they travel along their **personalized** learning pathways.

OUR VISION

What we commit to creating for our students.

A Stillwater Area Public Schools student will be an effective:

Communicator: Can express themselves effectively in both written and oral communications. Listens actively to others and treats them with kindness and respect. Shows cultural understanding and global awareness when engaging with others.

Collaborator: Builds strong relationships and works effectively and respectfully with diverse teams. Seeks out diverse ideas and perspectives. Values the individual contributions made by each team member.

Critical Thinker: Show empathy for others. Can solve complex problems and is able to discern accurate and relevant information. Reasons effectively to make sound judgments and decisions.

Creator: Is courageous, takes risks and learns from failure. Is open minded and responsive to new and diverse perspectives. Is flexible and can adapt to new environments and situations. Carefully considers ideas in order to improve and maximize creative efforts.

Self-Advocate: Remains curious and loves to learn new things. Understands personal strengths and weaknesses and is motivated and confident. Follows their passions and interests.

OUR GOALS: WORLD'S BEST WORKFORCE

Specific, measurable, observable or demonstrable results designed to increase student performance.

- All children are ready for school
- All third graders can read at grade level
- All racial and economic achievement gaps are closed
- All students are ready for career and college
- All students graduate from high school
- *All students will be engaged in their learning
- *All students will be supported in their social, emotional and behavioral development
- All students are seen, served and supported



OUR PARAMETERS

Boundaries within which the organization will accomplish its mission; self-imposed limitations.

In our decision-making, we will always consider what is desirable, equitable, feasible and sustainable.

We will build relationships with our shareholders and engage with our community by utilizing the board approved Decision-Making and Public Participation models.

* Goals unique to our district

Approved by the School Board - May 10, 2018

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A BRIEF HISTORY OF DISTRICT 834

Stillwater Area Public Schools – Independent School District #834 – has a long and proud tradition. Minnesota's first schoolhouse was built in Stillwater in 1848, a year before Minnesota became a territory. Stillwater became the state's first school district just two years later. The district has a tradition of high expectations, high standards and outstanding achievement. It is also a system dedicated to continuous improvement.

From the first one-room schoolhouse, Stillwater Area Public Schools has grown to serve more than 8,500 students in seven elementary schools (K-5), two middle schools (grades 6-8), one high school (grades 9-12), one transition programming center serving students ages 18 to 21, and an early childhood family center which serves families with young children, from birth to age 5.

The district stretches 30 miles along the St. Croix River from Marine on St. Croix south to Afton, and covers approximately 150 square miles. The district encompasses 18 communities, including: Afton, Bayport, Baytown Township, Grant, a portion of Hugo, Lake Elmo, Lakeland, Lakeland Shores, Lake St. Croix Beach, Marine on St. Croix, May Township, Oak Park Heights, St. Mary's Point, Stillwater, Stillwater Township, West Lakeland Township, Withrow and a portion of Woodbury. The area population is approximately 64,046.

Transportation services are provided to over 8,250 public, non-public and charter school students. Buses are scheduled to make over 3,200 stops every day as they transport students to and from over 20 sites, both within and outside the district. Beginning in 2009, transportation registration is required for Stillwater Area High School students and for all non-public and charter school students yearly. Families may also decline transportation if they will not need to be transported. Students in grades Kindergarten through 10th grade receive annual school bus safety training. On each school day, District 834 schools serve approximately 4,100 meals (lunches). Breakfast is also served in ten (10) school buildings.

Stillwater has built and maintained an exceptional reputation for excellence across the state and nation. Our schools are recognized as a leader in innovative education. Our students and our staff members are consistently recognized for their successes in academics, fine arts and athletics.

The district offers the best of both worlds. It is large enough to provide a wide variety of opportunities for students, while maintaining a personal, caring and individualized education. The district strives to develop learners who are innovative, creative, and prepared for a rapidly changing world. Expectations are high and students of all abilities are challenged, supported and motivated at every level – from early childhood through high school.

We offer learning opportunities for students of all abilities, including exceptional programs for Special Education and Gifted and Talented students. Because of our experience, our expertise, and our size, we are able to offer our learners opportunities to grow and develop at their own pace.

Welcome to a community and a school system built on a solid tradition of excellence!

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2018-19 REVISED BUDGET OVERVIEW

Introduction

The revised budget typically adopted by the Board of Education each winter is an update to the annual preliminary budget approved the previous June. The preliminary budget, which gives the district expenditure authority to begin the fiscal year, is built on anticipated enrollment projections and estimates of revenues. During the middle of the fiscal year, the Board will adopt a revised budget which is updated based on the October 1 student enrollment and revised revenue estimates. Since the revised budget is based on October 1 enrollment and projected attendance of those students, the budget is still a projection. It may be revised again during the spring, primarily to update federal program revenues and expenditures and contract settlements that have occurred during the year.

Education finance can vary greatly due to many uncontrollable variables. Budgets are developed with several assumptions and projections. Historically, the actual revenues have been greater than projected revenues and actual expenditures are less than projected expenditures, leaving the district with additional funds in the fund balance. This was due to using an intentionally conservative planning and budgeting process. The philosophical approach to budgeting conservatively has changed. Budgeting assumptions and projections are being adjusted to reflect trend data, economic environments and cautious optimism.

Budget Timeline

The school district's budget timeline reflects many overlapping processes. The general timeline is listed below.

Spring

- Administration completes preparation of preliminary budget for the next school year, including: compiling capital requests, completing a three year general fund forecast and developing recommendations through a Budget Development Committee.
- Board of Education takes action on capital budget for the next school year.
- Board of Education takes action on budget assumptions and timeline for the next school year.

Summer

- Board of Education reviews and approves preliminary budget by June 30 for the next school year.
- Administration submits proposed local property tax levy for next calendar year to Minnesota Department of Education.
- Administration closes district's financial books and begins audit process for the previous school year.

Fall

- Board of Education approves preliminary property tax levy in September for next calendar year and next school year.
- Administration and audit firm complete district audit and financial report for the previous school year, and report is approved by the Board of Education.
- Administration completes preparation of the revised budget for the current school year.

Winter

- Board of Education approves the revised budget for current school year.
- Board of Education holds a truth-in-taxation hearing in December for the proposed property tax levy and certifies final property tax levy for the next school year.
- Administration prepares capital budget for next school year.
- Administration begins preparation of preliminary budget for next school year.

Budget Assumptions

Many variables comprise the district's budget. The district makes conservative assumptions on those variables in order to avoid deficits. Examples of the variables with additional information are listed below.

Enrollment Trends and Enrollment Projections

Enrollment in the district increased for the 2018-19 school year. Figure 1 shows the enrollment trends for each level over the last five years.

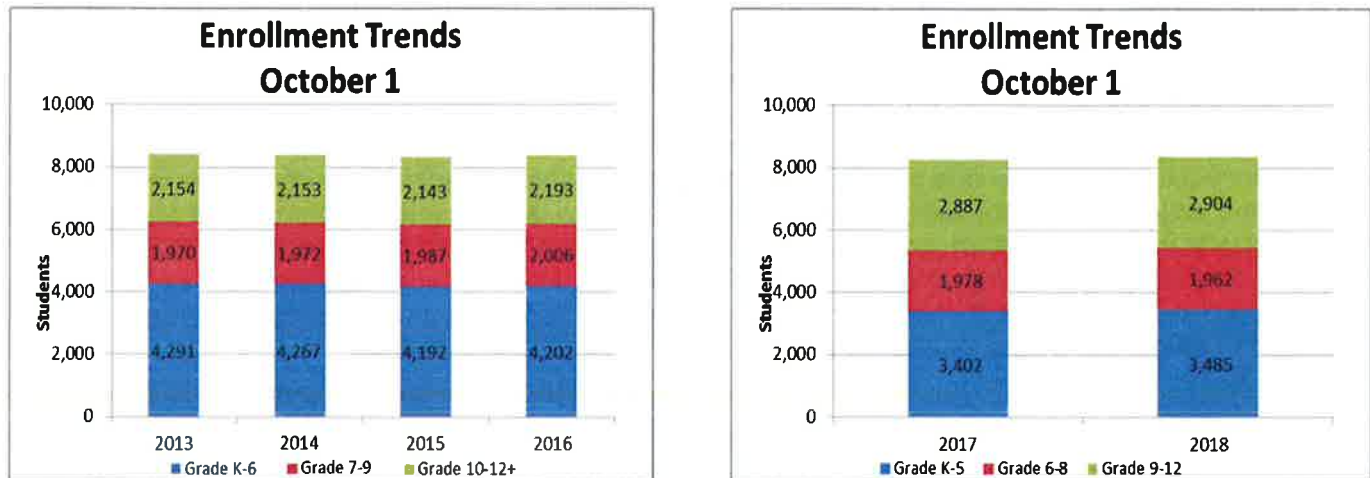


Figure 1

The district revises the enrollment projections based on new information, actual enrollment on October 1 and any other changes that affect enrollment each fall. Since enrollment drives most of the district's revenue, cautious optimism (estimating using trend data of who will attend District 834 schools) is used for enrollment projections.

Employee Contracts

The revised budget includes renewed contracts for 2018-19, but does not include parameters for contracts that have expired (open contracts). For 2018-19 the district will continue with a self-funded health insurance plan. Insurance rates will increase for both single and family insurance.

General Education Revenue

This is the largest component of state aids. It is developed by actual number of students and formula allowances set by the legislature. The revenue projections are based on the projected October 1 enrollment with assumptions for "in-out" migration.

School Allocations

The district builds the revised budget on enrollment projections. For staffing purposes, elementary school staffing allocations are provided through the allocation of sections, based on projected enrollments. Enrollments are periodically reviewed and revised to ensure consistency with Board approved staffing ratios. Secondary school staffing allocations are distributed based on projected enrollments. Allocations are adjusted as needed to address changes in enrollment throughout the school year.

Special Education Revenue

Some special education revenue calculations, such as special education excess cost aid, are based on the general education revenue estimate. Also, the district is not conservative when developing the special education expenditure budget. Due to the unknown number of students that will be identified as special education, the district estimates the number of eligible students based on the prior year. Should the district serve more students than identified in the previous year, the increased cost implication is reflected in the revised budget. In 2006-07 the state mandated a change as to how school districts serving non-resident special education students received revenue. This is known as special education tuition billing. Data is not finalized until well into the next fiscal year, leaving some variability in revenue estimates.

Payment Delays, Tax Shifts and Legislative Changes

The 2011 Legislature enacted legislation that increased the payment delay to school districts. Included in the legislation are payment delays and two accounting shifts that had an impact on the cash flow of the school district but not a significant impact on the overall budget. As required by Minnesota Laws 2013, Chapter 116, Article 7, Section 20, on September 30, 2013, Minnesota Management and Budget certified a positive unrestricted state general fund balance significant enough to return districts to a 90/10 payment schedule.

Additionally, beginning in 2010-11, a very large property tax revenue shift occurred. School districts receive property tax revenue in May and October of each calendar year. This revenue is used for the following school year. Per this legislation, school districts were required to recognize 48.6% of the revenue received in May for the current fiscal year. This allowed the state to postpone state aid payments until the following fiscal year. Based on the aforementioned law, the property tax recognition shift will return to 23.1%.

Finally, the 2018-19 Revised Budget is reflective of the 2018 Legislative session.

Summary – 2018-19 Revised Budgets

The 2018-19 Revised Budget reflects a decrease in the unassigned fund balance for the general fund compared to the 2017-18 fiscal year end. This decrease indicates that projected revenue is below projected expenditures.

Revenues

Legislative changes over the years have changed the portion of revenue that is received from the state. Currently, the state is responsible for a large percentage (58%) of the total district revenues (see Figure 2). This percentage has changed dramatically from prior years due to the sale of voter approved bonds.

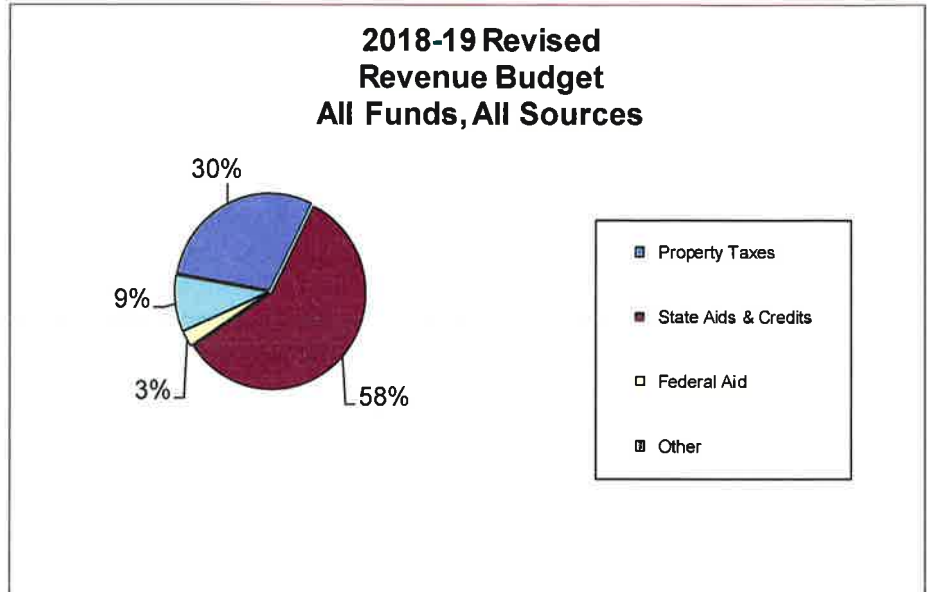


Figure 2

Expenditures

In a service organization, like a public school district, most expenditures consist of salaries and benefits for employees who provide direct or indirect services to students, i.e., teachers, principals, administrators, support staff (custodians, food service workers, paraprofessionals, technical support, and coordinators/supervisors/specialists). For 2018-19, salaries and benefits make up 73% of the district's general fund budget and 63% of the district's total budget as shown in Figure 3. Purchased services (such as heating, electricity, insurance and telecommunication costs) comprise 15% of the budget. Supplies, materials, capital and other expenditures total 22% of the total budget. Historically, the district's budget managers monitor expenditures closely and typically come in under budget.

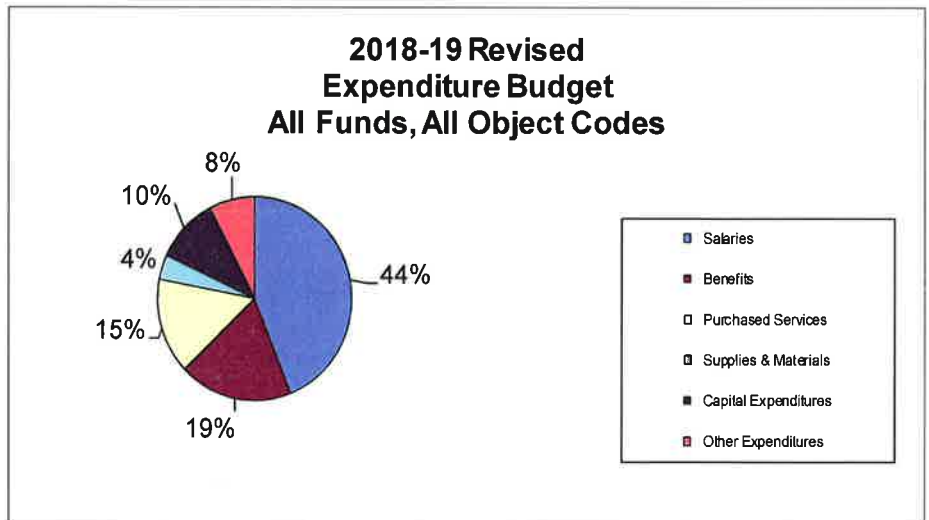


Figure 3

SECTION II

2018-19

Revised Budget

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2018-19 REVISED BUDGET

Budget Process and Assumptions

School district budgets are comprised of revenues and expenditures. Revenues are primarily received based on student enrollment and actual expenditures. The largest percentage of the school district's revenue comes from the state through formulas based on student enrollment. The formula allowance in 2018-19 for the general education aid from the state is \$6,312 per pupil unit (weighted student counts depending on grade level of enrollment).

Of all the district's general fund expenditures, 73% are salaries and benefits for district employees. As an educational service organization serving students, it is expected that employee costs would be the largest portion of the budget. The budget reflects steps and lanes for all qualifying employees.

Below are some of the processes and assumptions that are included in the budgeting cycle.

Enrollment

The preliminary budget is based on a projected enrollment for October 1. The revised budget is based on the actual October 1 enrollment and is estimated to follow historical trends for actual year-end ADM (average daily membership) in which the district receives revenue.

Staffing allocations

Staff are allocated to buildings on a student to staff ratio determined by the Board of Education. The staffing ratios for 2018-19 are listed in Table 1. Staffing ratios do not equate to average class sizes and are only used to determine the number of FTE (full time equivalent) assigned to each building.

Staffing Allocations*		
	2017-18	2018-19
Kindergarten – Gr. 1	21.42	21.42
Grades 2-3	25.42	25.42
Grades 4-5	29.42	29.42
Grade 6	29.42	29.42
Grades 7-12	33.08	33.08

Table 1

*This does not represent average class size.

Non-salary budgets

School budgets for purposes other than employee salary and benefits are based on a system of allocation formulas. These formulas are adjusted as determined by the Board of Education during the budgeting process. Table 2 shows the supply and material per-pupil allocations for 2017-18 and 2018-19. The supply/material and library/media allocations have been increased from the 2017-18 levels as part of the Board approved budget parameters, with a hold-back of 2.5%. An adjustment was made on October 1, based on the enrollment at that time.

Supply and Material Allocations Per Student		
Elementary	2017-18	2018-19
Supply and Material	\$27.38	\$27.93
Library/Media	9.59	9.78
Capital	17.11	17.45
Secondary	2017-18	2018-19
Supply and Material	\$52.52	\$53.57
Library/Media	13.95	14.23
Capital	25.64	26.15

Table 2

Staff development

Funds to be used for staff development are allocated based on 2% of the district's general education aid. The Learning and Innovation Department uses the allocation for professional development activities and professional development support. Professional development activities receive approximately \$550,000 of the allocation. The remaining allocation goes to professional development support (i.e. instructional coaches).

2018-19 Revised Budget – Fund Detail

General Fund

The general fund is the primary operating budget for the district. It accounts for the revenues and expenditures of the district operations. The general fund includes accounts for capital expenditures and transportation. By statute, the district is obligated to account for capital expenditures separately from the general fund. The capital expenditure account information is listed on page 3.

General Fund	2017-18 Actual	2018-19 Preliminary Budget	2018-19 Revised Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	21,291,257	20,038,644	20,038,644	0	0.00%
Revenues	106,030,919	106,299,801	107,742,343	1,442,542	1.36%
Expenditures	107,283,532	110,521,084	112,095,229	1,574,145	1.42%
Revenues less Expenditures	(1,252,613)	(4,221,283)	(4,352,886)	(131,603)	
Ending Fund Balance	20,038,644	15,817,361	15,685,758	(131,603)	-0.83%

Comparison of 2018-19 Preliminary Budget to 2018-19 Revised Budget

Revenue

Revised 2018-19 revenue estimates are \$1,442,542 more than the 2018-19 Preliminary Budget primarily due to an increase in state aids (pupil units and special education) and both federal and non-federal grants.

Expenditures

Revised 2018-19 expenditures increased by \$1,574,145 from the 2018-19 Preliminary Budget primarily due to staff budgeting, contracted sub teachers, and both federal and non-federal grants. The detailed changes in the expenditures are listed on the following pages in the descriptions of program expenditure categories.

The total revenues and total expenditures for the general fund include reserved categories for LTFM (Long Term Facility Maintenance), operating capital and staff development. The net revenue budget after subtracting these categorical revenues is \$99,012,453. The net expenditure budget after subtracting these categorical expenditures is \$101,875,742. The unassigned fund balance increases to 4.00% of expenditures. The Board's goal of reaching a 5% unassigned fund balance has not been met.

The total fund balance for the general fund is projected to decrease from \$15.8 million to \$15.7 million in the revised 2018-19 budget. The unassigned fund balance (the amount of unallocated funds) is projected to increase from \$4.1 million to \$4.5 million.

Capital Expenditure Account

Included within the general fund is the capital expenditure account. Listed below are the reserved revenues and expenditures projected in the capital expenditure account. The revenue is increasing in state aids. The expenditures are increasing slightly. The projected fund balance will increase from \$3.5 million to \$3.7 million compared to the 2018-19 Preliminary Budget.

General Fund Capital Expenditure Account	2017-18	2018-19 Preliminary	2018-19 Revised	Rev. / Prel.	Rev. / Prel.
	Actual	Budget	Budget	Change	% Change
Beginning Fund Balance	3,918,195	4,100,341	4,100,341	0	0.00%
Revenues	2,805,607	2,912,394	3,080,086	167,692	5.76%
Expenditures	2,623,460	3,495,432	3,512,172	16,740	0.48%
Revenues less Expenditures	182,146	(583,038)	(432,086)	150,952	
Ending Fund Balance	4,100,341	3,517,303	3,668,255	150,952	4.29%

Expenditures by Program

The district tracks expenditures by program series defined in UFARS (Uniform Financial Accounting and Reporting Standards) which is mandated by the State of Minnesota. The table below shows the total general fund sorted by program series and compares the 2018-19 Revised Budget to the 2018-19 Preliminary Budget.

General Fund	2017-18	2018-19 Preliminary	2018-19 Revised	Prel. / Rev.	Prel. / Rev.
	Actual	Budget	Budget	Change	% Change
Administration	3,544,838	3,710,486	3,682,792	(27,694)	-0.75%
District Support Services	4,580,746	3,809,207	4,110,418	301,211	7.91%
Regular & Vocational Instruction	47,745,017	48,154,123	48,051,888	(102,235)	-0.21%
Special Education Instruction	18,706,782	18,531,384	19,578,679	1,047,295	5.65%
Instructional Support Services	7,170,917	7,727,550	7,781,632	54,082	0.70%
Pupil Support Services	4,113,522	4,173,774	4,448,807	275,033	6.59%
Transportation (Pupil Support)	7,741,414	8,132,816	8,065,478	(67,338)	-0.83%
Operations and Maintenance	13,398,146	15,992,744	16,077,435	84,691	0.53%
Fiscal and Other Fixed Costs	282,149	289,000	298,100	9,100	3.15%
Total	107,283,532	110,521,084	112,095,229	1,574,145	1.42%

Administration

This program accounts for the expenditures related to the Board of Education, Superintendent, learning and innovation administrators, school principals, support staff and related supply and materials for these departments.

The decrease of \$27,694 from the 2018-19 Preliminary Budget is primarily due to staff budgeting.

District Support Services

This program accounts for expenditures related to the Executive Director of Finance and Operations, finance support staff, Executive Director of Administrative Services, human resources support staff, Director of Learning, Technology and Design Systems, technology support staff and related supply and materials for these departments.

The increase of \$301,211 from the 2018-19 Preliminary Budget is primarily due to an increase in operating capital technology net a decrease for staff budgeting.

Regular and Vocational Instruction

This program accounts for elementary, secondary and vocational teachers, instructional paraprofessionals, extra and co-curricular staff, and related supply and materials for these departments.

The decrease of \$102,235 from the 2018-19 Preliminary Budget is primarily due to staff budgeting net an increase in contracted sub teachers, tuition and grants.

Special Education Instruction

This program accounts for all student support services administrators, special education teachers, special education paraprofessionals, special education support staff, psychologists, and related supply and materials for these departments.

The increase of \$1,047,295 from the 2018-19 Preliminary Budget is primarily due to staff budgeting and contracted sub teachers based on last year expenditures.

Instructional Support Services

This program accounts for the expenditures related to assistant principals, assistant principals' support staff, instructional support services staff, and librarians. This program also accounts for curriculum expenditures and related staff development as well as related supply and materials for these departments.

The increase of \$54,082 from the 2018-19 Preliminary Budget is primarily due to an increase for grants, integration and actual staff budgeting net a decrease for operating capital technology.

Pupil Support Services (Including Transportation)

This program accounts for expenditures related to counselors, lunchroom supervision, related support staff and related supply and materials for these departments.

The increase of \$207,695 from the 2018-19 Preliminary Budget is primarily due to staff budgeting including a 1.0 FTE increase in social workers net a decrease for transportation and tuition.

Operations and Maintenance

This program tracks expenditures related to Long Term Facility Maintenance (LTFM), custodial staff, grounds staff, related support staff, utilities, and related supply and materials for these departments.

The increase of \$84,691 from the 2018-19 Preliminary Budget is primarily due to planned equipment purchases.

Fiscal and Other Fixed Costs

This program accounts for expenditures related to the premiums for the district’s property and liability and errors and omissions insurance as well as payments of principal and interest for the retirement of long-term and non-bonded obligations.

The increase of \$9,100 from the 2018-19 Preliminary Budget is due to an expected increase in property and liability insurance.

Food Service Fund

The food service fund accounts for revenues and expenditures for providing food services in schools. Since 2004-05, Stillwater Area Public Schools has provided food services to Mahtomedi Schools on a fee basis. The additional revenue from this partnership allows the district to employ a nutritionist to plan menus and work on healthy lunch options as well as support the District 834 food service program.

Food Service Fund	2017-18 Actual	2018-19 Preliminary Budget	2018-19 Revised Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	236,956	518,705	518,705	0	0.00%
Revenues	4,308,180	4,187,255	4,221,330	34,075	0.81%
Expenditures	4,026,431	4,144,470	4,171,542	27,072	0.65%
Revenues less Expenditures	281,749	42,785	49,788	7,003	
Ending Fund Balance	518,705	561,490	568,493	7,003	1.25%

Revenues and expenditures are increasing slightly to better reflect projections.

Community Service Fund

The community service fund is used to track all revenues and expenditures related to providing a community education program.

Community Service Fund	2017-18	2018-19	2018-19	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Preliminary Budget	Revised Budget		
Beginning Fund Balance	1,020,808	1,340,492	1,340,492	0	0.00%
Revenues	6,484,882	6,665,202	7,093,805	428,603	6.43%
Expenditures	6,165,196	6,670,519	7,076,648	406,129	6.09%
Revenues less Expenditures	319,685	(5,317)	17,157	22,474	
Ending Fund Balance	1,340,492	1,335,175	1,357,649	22,474	1.68%

Revenues are projected to increase primarily due to increased enrollment in Adventure Club. Expenditures are projected to increase primarily due to the need for additional preschool teachers and casual employees for the gymnastics and theatre programs.

Building Construction Fund

The building construction fund is used to track the revenues and expenditures for building bond construction projects.

Building Construction Fund	2017-18	2018-19	2018-19	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Preliminary Budget	Revised Budget		
Beginning Fund Balance	23,717,471	9,623,516	9,623,516	0	0.00%
Revenues	243,934	50,000	50,000	0	0.00%
Expenditures	14,337,889	7,928,000	8,395,000	467,000	5.89%
Revenues less Expenditures	(14,093,955)	(7,878,000)	(8,345,000)	(467,000)	
Ending Fund Balance	9,623,516	1,745,516	1,278,516	(467,000)	-26.75%

Expenditures reflect planned bond projects.

Debt Service Fund

The debt service fund is used to account for the district's principal and interest payments as well as the revenue received for such payments. The principal and interest payments are for the district's long-term debt or approved bond issues.

Debt Service Fund	2017-18	2018-19	2018-19	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Preliminary Budget	Revised Budget		
Beginning Fund Balance	1,577,334	1,508,511	1,508,511	0	0.00%
Revenues	4,834,929	5,183,550	5,203,550	20,000	0.39%
Expenditures	4,903,753	4,894,858	4,896,358	1,500	0.03%
Revenues less Expenditures	(68,823)	288,692	307,192	18,500	
Ending Fund Balance	1,508,511	1,797,203	1,815,703	18,500	1.03%

Revenues are increasing slightly. Expenditures reflect actual bond and interest payments.

OPEB Debt Service Fund

The OPEB debt service fund is used to record the levy proceeds and the repayment of the Other Post-Employment Benefits (OPEB) bonds. Listed below are the reserved revenues and expenditures projected in the OPEB debt service fund.

OPEB Debt Service Fund	2017-18	2018-19	2018-19	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Preliminary Budget	Revised Budget		
Beginning Fund Balance	574,226	870,542	870,542	0	0.00%
Revenues	5,270,061	5,176,116	5,206,116	30,000	0.58%
Expenditures	4,973,746	4,959,563	4,959,563	0	0.00%
Revenues less Expenditures	296,316	216,553	246,553	30,000	
Ending Fund Balance	870,542	1,087,095	1,117,095	30,000	2.76%

The combination of the two debt service categories make up the total Debt Service Fund.

Trust Fund

Previously, the trust fund primarily accounted for the revenues and expenditures of the Partnership Plan. Since the 2005-06 school year the trust fund has primarily been used for scholarships.

Trust Fund	2017-18	2018-19	2018-19	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Preliminary Budget	Revised Budget		
Beginning Fund Balance	153,273	165,695	165,695	0	0.00%
Revenues	33,088	25,000	25,000	0	0.00%
Expenditures	20,666	25,000	25,000	0	0.00%
Revenues less Expenditures	12,422	0	0	0	
Ending Fund Balance	165,695	165,695	165,695	0	0.00%

OPEB Trust

In February 2009, \$19.2 million of general obligation taxable OPEB (Other Post Employment Benefits) bonds were sold to be used to help offset future retirement expenditures. The funds were placed in an irrevocable trust meaning these funds can only be used for this purpose. As of June 30, 2018 the net position balance in the OPEB trust account was \$8,336,123.

Internal Service Fund

On July 1, 2012 the district went to self-funded insurance for health insurance. The activity for both health and dental insurance are now in an internal service fund. As of June 30, 2018 the net position balance in the internal service fund for health and dental insurance was \$2,595,443.

2018-19 REVISED BUDGET SUMMARY

PROJECTED REVENUES, EXPENDITURES AND FUND BALANCE BY FUND 2018-19

Fund	Actual Fund Balance 6/30/18	2018-19 Revenue Budget	2018-19 Expenditure Budget	Proj. Fund Balance 6/30/19
General Fund	20,038,644	107,742,343	112,095,229	15,685,758
Food Service Fund	518,705	4,221,330	4,171,542	568,493
Community Service Fund	<u>1,340,492</u>	<u>7,093,805</u>	<u>7,076,648</u>	<u>1,357,649</u>
Sub-Total Operating Funds	21,897,841	119,057,478	123,343,419	17,611,900
Building Construction Fund	9,623,516	50,000	8,395,000	1,278,516
Debt Service Fund	<u>2,379,053</u>	<u>10,409,666</u>	<u>9,855,921</u>	<u>2,932,798</u>
Sub-Total Non-Operating Funds	12,002,569	10,459,666	18,250,921	4,211,314
Trust Fund	<u>165,695</u>	<u>25,000</u>	<u>25,000</u>	<u>165,695</u>
Total All Funds	34,066,105	129,542,144	141,619,340	21,988,909

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SECTION III

Summary

SUMMARY OF REVENUES BY SOURCE CATEGORY AND FUND

Fund	Source Category	2017-18 Actual	Pct. of Total	2018-19 Prel. Bud.	2018-19 Revised Budget	Pct. of Total	Preliminary - Revised Percent Change	Revised Amount Change
01	General Fund							
	Property Taxes	26,718,148	25.20%	27,009,118	26,995,461	25.06%	-0.05%	(13,657)
	State Aids & Credits	73,123,309	68.96%	73,565,476	74,589,599	69.23%	1.39%	1,024,123
	Federal Aid	1,861,343	1.76%	2,239,950	2,354,954	2.19%	5.13%	115,004
	Other	4,328,119	4.08%	3,485,257	3,802,329	3.53%	9.10%	317,072
	Total General Fund	106,030,919	100.00%	106,299,801	107,742,343	100.00%	1.36%	1,442,542
02	Food Service							
	Property Taxes	0	0.00%	0	0	0.00%	0.00%	0
	State Aids & Credits	168,498	3.91%	173,250	168,450	3.99%	-2.77%	(4,800)
	Federal Aid	1,177,539	27.33%	1,161,750	1,151,250	27.27%	-0.90%	(10,500)
	Other	2,962,143	68.76%	2,852,255	2,901,630	68.74%	1.73%	49,375
	Total Food Service	4,308,180	100.00%	4,187,255	4,221,330	100.00%	0.81%	34,075
04	Community Service							
	Property Taxes	938,569	14.47%	942,217	942,219	13.28%	0.00%	2
	State Aids & Credits	812,793	12.53%	799,695	799,446	11.27%	-0.03%	(249)
	Federal Aid	2,583	0.04%	2,583	2,600	0.04%	0.66%	17
	Other	4,730,936	72.95%	4,920,707	5,349,540	75.41%	8.71%	428,833
	Total Comm. Service	6,484,882	100.00%	6,665,202	7,093,805	100.00%	6.43%	428,603
06	Building Construction							
	Other	243,934	100.00%	50,000	50,000	100.00%	0.00%	0
	Total Bldg Construction	243,934	100.00%	50,000	50,000	100.00%	0.00%	0
07&47	Debt Service							
	Property Taxes	10,016,081	99.12%	10,304,666	10,304,666	98.99%	0.00%	0
	State Aids & Credits	14,902	0.15%	15,000	35,000	0.34%	133.33%	20,000
	Other	74,008	0.73%	40,000	70,000	0.67%	75.00%	30,000
	Total Debt Service	10,104,991	100.00%	10,359,666	10,409,666	100.00%	0.48%	50,000
08	Trust							
	Other	33,088	100.00%	25,000	25,000	100.00%	0.00%	0
	All Funds							
	Property Taxes	37,672,798	29.62%	38,256,001	38,242,346	29.52%	-0.04%	(13,655)
	State Aids & Credits	74,119,503	58.27%	74,553,421	75,592,495	58.35%	1.39%	1,039,074
	Federal Aid	3,041,466	2.39%	3,404,283	3,508,804	2.71%	3.07%	104,521
	Other	12,372,227	9.73%	11,373,219	12,198,499	9.42%	7.26%	825,280
	Total All Funds	127,205,994	100.00%	127,586,924	129,542,144	100.00%	1.53%	1,955,220

SUMMARY OF EXPENDITURES BY OBJECT CATEGORY AND FUND

Fund	Object Category	2017-18	Pct. of	2018-19	2018-19	Pct. of	Preliminary - Revised	
		Actual	Total	Prel. Bud.	Revised Budget	Total	Percent Change	Amount Change
01	General Fund							
	Salaries	54,439,355	50.74%	56,330,671	56,646,232	50.53%	0.56%	315,561
	Benefits	24,264,558	22.62%	24,560,999	24,824,100	22.15%	1.07%	263,101
	Purchased Services	19,358,402	18.04%	19,116,522	19,938,035	17.79%	4.30%	821,513
	Supplies & Materials	5,478,842	5.11%	3,410,704	3,521,884	3.14%	3.26%	111,180
	Capital Expenditures	2,458,817	2.29%	6,105,527	6,164,528	5.50%	0.97%	59,001
	Debt Service	825,413	0.77%	813,800	813,800	0.73%	0.00%	0
	Other Expenditures	458,146	0.43%	182,861	186,650	0.17%	2.07%	3,789
	Total General Fund	107,283,532	100.00%	110,521,084	112,095,229	100.00%	1.42%	1,574,145
02	Food Service							
	Salaries	1,362,647	33.84%	1,398,523	1,345,889	32.26%	-3.76%	(52,634)
	Benefits	642,005	15.94%	664,387	639,967	15.34%	-3.68%	(24,420)
	Purchased Services	242,870	6.03%	273,463	260,100	6.24%	-4.89%	(13,363)
	Supplies & Materials	1,705,379	42.35%	1,686,761	1,706,165	40.90%	1.15%	19,404
	Capital Expenditures	67,990	1.69%	115,435	213,520	5.12%	84.97%	98,085
	Other Expenditures	5,540	0.14%	5,901	5,901	0.14%	0.00%	0
	Total Food Service	4,026,431	100.00%	4,144,470	4,171,542	100.00%	0.65%	27,072
04	Community Service							
	Salaries	3,676,021	59.63%	4,011,855	4,275,384	60.42%	6.57%	263,529
	Benefits	1,111,426	18.03%	1,157,519	1,154,879	16.32%	-0.23%	(2,640)
	Purchased Services	989,504	16.05%	1,073,961	1,190,437	16.82%	10.85%	116,476
	Supplies & Materials	317,683	5.15%	349,567	387,861	5.48%	10.95%	38,294
	Capital Expenditures	37,389	0.61%	53,700	42,000	0.59%	-21.79%	(11,700)
	Other Expenditures	33,174	0.54%	23,917	26,087	0.37%	9.07%	2,170
	Total Comm. Service	6,165,196	100.00%	6,670,519	7,076,648	100.00%	6.09%	406,129
06	Building Construction							
	Purchased Services	1,374,964	9.59%	188,000	205,000	2.44%	9.04%	17,000
	Capital Expenditures	12,962,925	90.41%	7,740,000	8,190,000	97.56%	5.81%	450,000
	Total Bldg. Const.	14,337,889	100.00%	7,928,000	8,395,000	100.00%	5.89%	467,000
07&47	Debt Service							
	Other	9,877,498	100.00%	9,854,421	9,855,921	100.00%	0.02%	1,500
08	Trust							
	Other	20,666	100.00%	25,000	25,000	100.00%	0.00%	0
	All Funds							
	Salaries	59,478,023	41.97%	61,741,049	62,267,505	43.97%	0.85%	526,456
	Benefits	26,017,989	18.36%	26,382,905	26,618,946	18.80%	0.89%	236,041
	Purchased Services	21,965,739	15.50%	20,651,946	21,593,572	15.25%	4.56%	941,626
	Supplies & Materials	7,501,904	5.29%	5,447,032	5,615,910	3.97%	3.10%	168,878
	Capital Expenditures	15,527,121	10.96%	14,014,662	14,610,048	10.32%	4.25%	595,386
	Other Expenditures	11,220,437	7.92%	10,905,900	10,913,359	7.71%	0.07%	7,459
	Total All Funds	141,711,213	100.00%	139,143,494	141,619,340	100.00%	1.78%	2,475,846

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BUDGET DETAIL SUMMARY

REVENUE BY SOURCE

SRC DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
GENERAL FUND				
001 Property Tax Levy-General	26,613,850	26,904,819	26,891,162	
005 Reemployment Compensation Levy	104,299	104,299	104,299	
021 Tuition from MN School Dists	1,140	0	0	
022 SPED Purch Serv from Oth MN	83,707	43,000	43,000	
041 Tuition-Out of State	10,600	0	0	
050 Fees from Patrons	1,173,084	1,045,500	1,091,500	
051 Parking Fees	193,362	165,000	162,500	
052 Criminal Background Check Fees	505	400	400	
053 Transcript Fees	9,613	10,000	10,000	
060 Admission/Student Act Revenue	240,406	152,000	155,000	
071 Medical Assistance Revenue	262,293	450,000	300,000	Decreased to better reflect projected.
088 E-Rate Revenue	367,593	150,000	200,000	Increased to better reflect projected.
092 Interest Earnings	344,842	147,500	242,500	Increased to better reflect projected.
093 Rent for School Facilities	194,531	163,172	165,672	
096 Gifts & Bequests	730,462	650,000	850,072	Increased to better reflect projected.
099 Miscellaneous Local Revenue	403,094	324,685	339,685	
201 Endowment Fund Apportionment	389,921	325,643	332,091	
211 General Education Aid	59,992,546	60,715,579	61,434,370	
212 Literacy Incentive Aid	424,728	424,727	445,095	
213 Shared Time Aid	23,237	23,237	20,606	
227 Abatement Aid	3,485	3,486	318	
234 Agricultural Mrkt Value Credit	12,711	12,711	11,935	
300 State Aids Rec'd from DOE	2,207,007	2,240,093	2,275,184	
360 Special Education Aid	9,686,099	9,750,000	10,000,000	
370 Other Aid from DOE	79,795	70,000	70,000	
397 TRA/PERA Special Funding Revenue	303,780	0	0	
400 Federal Aids rec'd thru DOE	1,834,972	2,234,952	2,324,729	
405 Federal Aid rec'd thru Other	21,377	0	24,263	
500 Federal Aids rec'd from Fed	4,995	4,998	5,962	
619 Cost of Materials for Profit	-93,982	-100,000	-100,000	
620 Sales of Materials for Profit	262,098	250,000	270,000	
621 Sale of Materials Purch-Resale	62,439	30,000	60,000	

REVENUE BY SOURCE

SRC DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
623 Sale of Real Property	29,529	0	0	
624 Sale of Equipment	31,117	4,000	12,000	
625 Insurance Recovery	21,686	0	0	
Total	106,030,919	106,299,801	107,742,343	
FOOD SERVICE FUND				
021 Mahtomedi / Pankalo	654,540	634,670	648,000	
050 Fees from Patrons	4,103	2,100	4,100	
092 Interest Earnings	4,446	1,450	4,400	
096 Gifts & Bequests	484	500	0	
099 Miscellaneous Local Revenue	3,000	3,000	3,000	
300 State Aids Rec'd from DOE	167,253	172,000	167,250	
397 TRA/PERA Special Funding Revenue	1,245	1,250	1,200	
471 School Lunch Program	253,264	257,000	253,000	
472 Special Assist.-Needy Child Program	482,197	490,000	482,000	
473 Commodity Cash Rebate Program	7,950	0	0	
474 Commodity Distribution Program	255,067	240,750	240,750	
476 School Breakfast Program	137,394	136,000	137,500	
479 Summer Food Service Program	41,667	38,000	38,000	
601 Food Service Sales to Pupils	2,139,477	2,096,840	2,126,614	
602 Food Service Sale of Milk	25,941	25,650	25,450	
606 Food Service Sales to Adults	25,683	23,545	25,386	
608 Special Function Food Sales	98,296	64,000	64,000	
624 Sale of Equipment	6,174	500	680	
Total	4,308,180	4,187,255	4,221,330	
COMMUNITY SERVICE FUND				
001 Property Tax Levy-General	938,569	942,217	942,219	
021 Tuition from MN School Dists	126,375	176,000	170,000	
040 Tuition	807,137	1,030,480	984,821	
050 Fees from Patrons	147,413	207,407	223,158	
092 Interest Earnings	22,834	3,000	3,000	
096 Gifts & Bequests	34,170	45,500	65,500	Increased to include additional revenue from Whitson Endowment.

REVENUE BY SOURCE

SRC DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
099 Miscellaneous Local Revenue	196,091	131,100	131,500	
227 Abatement Aid	322	0	0	
234 Agricultural Mrkt Value Credit	1,396	0	0	
300 State Aids Rec'd from DOE	540,606	521,318	522,510	
301 Nonpublic Aid	79,522	99,472	99,472	
370 Other Aid from DOE	182,487	178,905	177,464	
397 TRA/PERA Special Funding Revenue	8,459	0	0	
405 Federal Aid Rec'd thru Other	2,583	2,583	2,600	
510 Adults with Disabilities	639	180	496	
548 Gymnastics	-10,957	29,070	65,267	
549 Aquatics	56,058	58,937	58,937	
551 Adult Athletics	88,177	99,775	93,500	
552 Adult Enrichment	89,245	60,845	71,797	
553 Youth Athletics	75,257	75,000	76,000	
554 Camps and Clinics	148,021	114,000	114,000	
562 Instructional Music	25,812	25,000	32,500	
564 Special Events	48,412	101,000	100,660	
570 School Age Care Tuition	2,094,604	2,025,735	2,348,152	Increased enrollment in Adventure Club.
571 School Age Care Preschool	156,902	166,327	186,868	
585 Youth Development/Youth Serv	373,316	325,000	365,000	
591 Facilities Use	249,663	239,348	252,294	
592 Turf Fields Use	1,767	7,003	6,090	
Total	6,484,882	6,665,202	7,093,805	
BUILDING CONSTRUCTION FUND				
092 Interest Earnings	243,934	50,000	50,000	
Total	243,934	50,000	50,000	

REVENUE BY SOURCE

SRC DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NCTES
DEBT SERVICE FUND				
001 Property Tax Levy-General	10,016,081	10,304,666	10,304,666	
092 Interest Earnings	74,008	40,000	70,000	
234 Agricultural Mrkt Value Credit	14,902	15,000	15,000	
258 Other State Credits	0	0	20,000	
Total	10,104,991	10,359,666	10,409,666	
TRUST FUND				
All Gift Directed Revenues	33,088	25,000	25,000	
Total	33,088	25,000	25,000	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
GENERAL FUND				
100 Administrators	1,649,090	1,692,109	1,697,884	
101 School Board	33,673	33,750	33,750	
110 Principals	2,110,541	2,202,235	2,192,922	
120 Supervisors	448,079	504,161	614,980	Shift coding from object 121.
121 Confidential/Specialists	1,105,502	1,129,512	982,506	Shift coding to object 120.
122 Subs-Health Specialists	28,558	15,000	25,000	Increased to better reflect projected.
140 Teachers	32,443,598	33,963,544	33,793,083	
141 Paraprofessionals	682,773	958,137	853,213	
142 Subs-Paraprofessionals	119,301	250	21,250	
143 Coordinators	1,348,928	1,366,576	1,375,026	
144 Librarians	188,596	224,654	200,565	
145 Subs-Teacher	472,122	6,500	100,000	Increased to account for long-term and in-house subs.
150 Subs-Teacher School Business	198,672	112,499	46,263	Sub budgets removed from Federal and Gifted & Talented and shifted to contracted service codes.
151 Occupational Therapists	247,187	259,457	266,439	
152 Speech Language Pathologists	1,317,894	1,363,805	1,454,070	
154 School Nurse	352,522	372,548	406,193	
155 Health Care Specialists	258,705	277,030	318,708	
156 School Social Worker	383,831	358,619	473,028	Increased by 1.0 FTE.
157 Psychologists	778,551	833,517	854,578	
161 Paraprofessionals - Certified	2,436,411	2,367,321	2,456,717	
162 Paraprofessionals - One-to-One	74,187	127,171	166,635	Increased due to student need.
165 School Counselors	1,011,748	1,062,241	1,084,683	
170 Tech Support	2,185,666	2,259,890	2,222,452	
171 Subs-Tech Support	17,831	29,625	9,200	Decreased to better reflect projected.
172 Custodians	2,249,286	2,514,373	2,497,382	
173 Overtime	120,126	94,700	103,034	
174 DAPE Specialists	170,607	177,444	176,075	
176 Subs-Custodian	94,616	63,000	95,000	Increased to better reflect projected.
177 Crossing Guards	12,888	11,800	9,888	
178 Lunchroom Supervisors-Licensed	10,466	10,000	10,000	
179 Lunchroom Supervisors-Non-Licensed	4,991	5,025	1,655	
180 Coaches	665,070	693,081	693,081	
185 Advisors	184,748	192,965	192,965	
186 Other Salary Payments-Non-Licensed	295,921	184,510	260,111	Increased to better reflect projected.

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
189 Other Salary Payments-Licensed	736,672	863,622	957,896	
210 FICA	4,024,784	4,278,443	4,253,593	
214 PERA	829,180	845,134	822,808	
218 TRA	3,177,517	3,277,928	3,399,820	
220 Health Insurance	11,483,986	11,234,743	11,259,619	
225 Dental Insurance	746,935	689,489	781,181	Increased to better reflect projected.
230 Life Insurance	167,865	181,967	183,656	
235 LTD Insurance	265,343	279,083	282,871	
236 Short Term Disability	114,294	0	7,054	
240 Legal Insurance	-172	0	0	
250 TSA	981,563	1,023,793	1,020,388	
251 Severance TSA	169,637	220,000	200,000	
252 Severance Health	65,799	110,000	100,000	
253 Health Care Savings Plan	592,571	554,300	589,763	
254 VEBA Contribution	922,023	1,030,921	1,103,780	
270 Workers Compensation	361,284	321,576	314,795	
280 Reemployment Comp Insurance	29,978	60,000	50,000	
291 OPEB (pay as you go)	302,349	403,612	403,612	
297 Tuition/Classes	9,057	14,400	14,400	
298 Contract Dues	14,584	22,410	22,560	
299 Other Employee Benefits	5,981	13,200	14,200	
300 Contracted Services - Non Subs (L&I)	0	0	192,500	Added object code to track non-sub contracted services for L & I.
301 Contracted Service - Subs	200,697	520,000	600,000	Increased to reflect projected expenses for shift to Teachers On Call.
302 Background Check	12,159	22,789	22,789	
303 Federal Contracts < \$25,000	54,548	81,700	117,300	Increased for Federal Special Ed expenditures.
304 Federal Contracts > \$25,000	8,815	38,177	81,703	Increased for Federal Title expenditures.
305 Consulting/Service Fees/Subs	1,687,648	2,133,898	2,005,512	
306 Audit Services	70,275	85,000	85,000	
307 Legal Services	153,983	149,499	132,244	
308 Printing Services	96,829	117,243	119,050	
309 Credit Card Fees	58,245	52,000	61,000	
310 Snow Removal/Lawn Services	276,981	194,300	200,200	
312 Officials/Judges	62,517	67,508	64,650	
313 Laundry Services	19,088	19,625	20,525	
314 On-Line Courses	23,492	25,000	30,000	
315 Computer/Tech Repair & Maint	49,725	101,150	55,150	Decreased to better reflect projected.
317 Contracted Subs - SPED	165,143	120,000	425,000	Increased to reflect projected expenses for shift to Teachers On Call.
318 Data-Processing and Data Entry Services	765	0	1,000	
319 Computer and Technology Services	394,163	25,000	25,000	
320 Communication Services	285,810	361,491	340,447	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
327 Contracted Subs - SPED School Business	9,680	735	5,000	
329 Postage	54,636	58,410	60,109	
330 Electricity	1,274,983	1,143,200	1,190,400	
331 Natural Gas	354,721	403,400	386,400	
332 Water and Sewer	146,531	147,400	151,300	
333 Garbage Collection	70,268	72,900	72,900	
340 Insurance	282,149	289,000	298,100	
350 Repair/Maintenance Services	1,622,084	961,614	1,257,825	Increased for Long Term Facility Maintenance and Transportation.
357 Interpreter for Deaf Services	1,891	200	200	
358 Foreign Language Interpreter	9,145	11,550	7,000	
360 Transportation Contracts	7,824,731	8,213,542	8,071,790	Decreased to better reflect projected.
362 Mental Health Practitioner Services	15,000	0	0	
365 Transportation Chargebacks	-560	-4,850	-7,850	
366 Travel and Conferences	326,496	414,711	412,296	
368 Out-Of-State Travel - Federal	1,799	200	4,006	
369 Entry Fees/Student Travel Expenditures	689,235	611,250	665,308	
370 Rentals and Leases	1,010,754	912,902	910,150	
371 Equipment Leases	1,790	2,000	2,000	
372 Graduation Expense	50,542	40,000	40,000	
376 Licensed Nursing Services	6,874	6,900	6,500	
380 Computer/Tech Related Hardware Rental	4,336	0	2,000	
390 Tuition To Oth MN School Districts	172,253	280,196	200,000	Decreased to better reflect projected.
391 Pmt To MN Sch-Cost Share Agreement	741,989	704,069	751,524	
393 Sped Contracted Services - Non Sch Dist	125,820	48,402	125,000	Increased due to student need in Early Childhood Special Ed.
394 Payments to Other Agencies	681,547	439,104	568,500	Increased due to student need in Special Ed and to better reflect projected tuition.
396 Sped Salaries Purchase from Oth Districts	418,731	394,500	319,200	Decreased due to student need.
397 Sped Benefits Purchase from Oth Districts	210,823	200,807	209,307	
398 Administrative Chargebacks	-370,728	-350,000	-350,000	
401 Non-Instructional Supplies	702,651	723,136	712,362	
404 ID Badges	3,060	2,800	2,800	
405 Non-Instructional Annual License Software	386,367	378,675	505,575	Increased to better reflect projected.
406 Instructional Software License	298,208	263,500	228,686	
409 Uniforms	7,576	8,000	8,000	
410 Custodial/Repair Supplies	665,986	544,900	545,500	
430 Instructional Supplies	798,929	494,420	681,283	Increased primarily in Learning and Innovation.
433 Individualized Instructional Supplies	81,826	114,485	84,139	
440 Fuel For Buildings	7,544	49,000	41,000	
442 Gasoline	24,685	33,100	33,300	
455 Non-Instructional Technology Supplies	315,484	11,750	11,650	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
456 Instructional Technology Supplies	362,304	400	17,545	
460 Textbooks and Workbooks	653,106	422,500	209,882	Decreased to better reflect projected.
461 Standardized Tests	297,236	260,000	314,187	Increased to better reflect projected.
465 Non-Instructional Technology Devices	58,059	500	3,000	
466 Instructional Technology Devices	763,292	60,809	79,469	
470 Media Resources	14,214	23,100	23,526	
490 Food	38,317	19,629	19,980	
505 Non-Instructional Technology Software	166,238	31,100	5,500	
506 Instructional Technology Software	0	15,000	0	
520 Bldg Acquisition/Construction	1,440,711	4,476,000	4,376,000	
522 Vandalism	25,851	25,000	25,000	
530 Other Equipment Purchased	777,255	819,541	999,794	Increased primarily for the addition of grants.
533 Special Ed Equipment	200	0	8,000	
550 Other Vehicles Purchased	0	12,000	12,000	
555 Capitalized Non-Instruct Tech Hardware	48,382	723,706	323,100	Shift coding to object 556.
556 Capitalized Instruct Tech Hardware	180	3,180	415,134	Shift coding from object 555.
730 Loan Principal	520,000	530,000	530,000	
740 Loan Interest	305,413	283,800	283,800	
820 Dues and Memberships	87,104	111,861	115,650	
891 TRA/PERA Special Funding Pension Exp	303,780	0	0	
895 Federal Indirect Costs	-3,787	-4,000	-4,000	
896 Taxes, Special Assessments and Interest	71,048	75,000	75,000	
Total	107,283,532	110,521,084	112,095,229	

FOOD SERVICE FUND

120 Supervisors	159,740	164,000	169,307	
160 Cooks	1,112,373	1,167,677	1,108,685	Decreased to correct as original budget was too high.
162 Subs-Cook	32,023	25,021	20,505	
170 Tech Support	40,690	39,500	40,000	
172 Custodians	2,257	2,325	2,361	
173 Overtime	1,401	0	31	
189 Other Salary Payments	14,163	0	5,000	
210 FICA	97,761	105,259	98,434	
214 PERA	100,577	99,996	95,872	
220 Health Insurance	329,737	339,241	346,055	
225 Dental Insurance	21,884	24,898	23,006	
230 Life Insurance	1,215	1,286	1,271	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
235 LTD Insurance	3,338	3,438	3,453	
236 Short Term Disability	0	1,835	0	
250 TSA	19,038	21,252	17,747	
251 Severance TSA	4,579	0	0	
253 Health Care Savings Plan	3,025	3,000	3,025	
254 VEBA Contribution	19,688	20,667	11,250	
270 Workers Compensation	41,164	43,515	39,854	
305 Consulting/Service Fees	1,080	200	200	
309 Credit Card Fees	83,793	74,000	86,000	
320 Communication Services	960	1,000	1,000	
329 Postage	671	1,000	650	
333 Garbage Collection	18,447	18,000	18,600	
350 Repair/Maintenance Services	18,757	34,000	30,000	
366 Travel and Conferences	5,243	5,513	5,650	
398 Administrative Chargebacks	113,918	139,750	118,000	To better reflect projected expense.
401 Non-Instructional Supplies	62,115	63,571	64,725	
402 Promotions	3,696	1,000	3,750	
403 Small Equipment	25,788	21,000	28,500	
405 Non-Instructional Annual License Software	42,477	20,990	17,165	
442 Gasoline	892	1,500	1,325	
490 Food	1,188,883	1,211,500	1,214,500	
491 Commodities	255,067	245,000	245,000	
495 Milk	126,462	122,200	131,200	
505 Non-Instructional Tech Software	32,170	15,435	30,520	New POS monitors for all schools.
530 Other Equipment Purchased	35,820	100,000	183,000	Dishwasher for the high school.
820 Dues and Memberships	4,295	4,601	4,601	
891 TRA/PERA Special Funding Pension Exp	1,245	1,300	1,300	
Total	4,026,431	4,144,470	4,171,542	

COMMUNITY SERVICE FUND

100 Administrators	140,289	145,683	145,683
120 Supervisors	387,907	421,934	421,934
121 Confidential/Specialists	38,953	54,107	54,107
123 SAC Site Leaders	310,772	318,655	325,220
125 Schl Readiness/ABE Supervisor	133,509	157,581	162,581

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
140 Teachers	811,617	861,306	1,026,262	Increase in preschool teachers for additional pre-k sections and student support staff.
141 Community Ed Assistants	1,083,915	1,248,069	1,220,378	
142 Subs-Community Ed Assistants	1,317	4,000	0	
143 Coordinators	9,105	0	0	
145 Subs-Teacher	20,466	22,300	0	Sub expenses moved to object 301.
150 Subs-Teacher School Business	903	2,500	2,000	
154 School Nurse	15,112	11,924	11,924	
156 School Social Worker	656	0	0	
165 School Counselors	16,103	15,000	15,000	
170 Tech Support	333,393	338,868	335,014	
171 Subs-Tech Support	9,822	3,000	4,000	
172 Custodians	25,004	32,647	32,647	
173 Overtime	43,378	43,000	47,000	
186 Casual/Other Pmts Non-Licensed	156,643	171,526	308,068	PAC and facilities employees changed from assistants (object 141) to casual employees, additional casual employees necessary for gymnastics and theatre programs.
189 Casual and Other Payments-Licensed	137,155	159,755	163,566	
210 FICA	273,439	251,064	260,843	
214 PERA	151,531	192,824	201,845	
218 TRA	87,608	100,373	103,855	
220 Health Insurance	388,910	405,243	380,867	
225 Dental Insurance	28,523	31,848	30,938	
230 Life Insurance	7,752	8,465	8,660	
235 LTD Insurance	7,882	13,123	13,517	
236 Short Term Disability	1,131	0	1,200	
250 TSA	31,297	30,803	30,666	
251 Severance TSA	15,596	0	0	
252 Severance Health	5,757	0	0	
253 Health Care Savings Plan	36,455	46,238	47,138	
254 VEBA Contribution	50,743	52,100	50,775	
270 Workers Compensation	19,984	20,538	21,190	
297 Tuition/Classes	4,417	4,500	2,985	
299 Other Employee Benefits	400	400	400	
301 Contracted Service Subs	13,417	0	26,800	Sub expenses moved from object 145.
304 Advertising Services	78	100	100	
305 Consulting/Service Fees	362,526	365,907	407,325	
308 Printing Services	33,793	36,750	41,750	
309 Credit Card Fees	139,059	163,404	178,867	
310 Snow Removal/Lawn Services	2,894	1,500	1,500	
320 Communication Services	4,246	4,700	5,340	
329 Postage	11,836	15,350	15,350	
330 Electricity	16,321	21,300	21,200	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
331 Natural Gas	4,652	5,000	5,000	
332 Water and Sewer	6,979	8,000	8,500	
333 Garbage Collection	803	900	900	
350 Repair/Maintenance Services	3,508	6,100	6,100	
360 Transportation Contracts	46,730	62,750	53,411	
365 Transportation Chargebacks	560	570	540	
366 Travel and Conferences	23,347	36,310	45,228	
369 Entry Fees/Student Travel Exp	37,551	39,300	43,975	
370 Rentals and Leases	24,393	32,875	31,375	
398 Administrative Chargebacks	256,810	273,145	297,176	
401 Non-Instructional Supplies	139,034	129,082	138,334	
405 Non-Instructional Annual License Software	0	3,500	3,500	
410 Custodial/Repair Supplies	2,151	4,000	4,000	
430 Instructional Supplies	27,024	38,125	40,525	
460 Textbooks and Workbooks	25,294	46,010	45,510	
461 Standardized Tests	5,358	5,000	2,330	
465 Non-Instructional Technology Devices	20,616	13,900	42,900	Purchasing new walkie talkies and computers for Adventure Club.
490 Food	98,206	109,950	110,762	
530 Other Equipment Purchased	37,389	53,700	42,000	
820 Dues and Memberships	20,928	19,180	21,350	
891 TRA/PERA Special Funding Pension Exp	8,459	0	0	
895 Federal Indirect Costs	3,787	4,737	4,737	
Total	6,165,196	6,670,519	7,076,648	
BUILDING CONSTRUCTION FUND				
305 Consulting/Service Fees	1,295,689	188,000	205,000	
350 Repair/Maintenance Services	79,275	0	0	
510 Site or Grounds Acquisition	25,071	5,000,000	5,000,000	
520 Bldg Acquisition/Construction	11,587,144	2,740,000	3,190,000	
530 Other Equipment Purchased	1,350,710	0	0	
Total	14,337,889	7,928,000	8,395,000	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2017-18 ACTUAL	2018-19 PRELIM	2018-19 REVISED	NOTES
DEBT SERVICE FUND				
710 Bond-Principal	5,735,000	5,795,000	5,795,000	
720 Bond-Interest	4,132,923	4,049,921	4,049,921	
790 Oth Debt Service Expenditures	9,576	9,500	11,000	
Total	9,877,498	9,854,421	9,855,921	
TRUST				
All Gift Directed Expenditures	20,666	25,000	25,000	
Total	20,666	25,000	25,000	

SECTION IV

Glossary

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GLOSSARY

Revenue Codes Local Revenue (Source 001-199, 510-591)

001	<p><u>Property Tax Levy - General</u> This levy represents the local property tax effort in each fund. The property tax levy is reduced by the amount of state tax credits, fiscal disparities and county apportionment revenue.</p>
005	<p><u>Reemployment Compensation Levy</u> The reemployment compensation levy is based on the estimated expenditure during the year in which the levy will be received. The levy is reduced (increased) by any appropriated balance (deficit) projected.</p>
021	<p><u>Tuition from Other Minnesota School Districts</u> Tuition receipts received from other Minnesota school districts for services provided by ISD 834 during regular and summer sessions.</p>
022	<p><u>SPED Purchased Services from Other Minnesota School Districts</u> Record reimbursement and revenue from a Minnesota school district for all special education costs that have been sold to another district.</p>
040 & 041	<p><u>Tuition</u> Revenue from students, parents or guardians for tuition.</p>
050	<p><u>Fees from Patrons</u> Fees consist of various charges made to students, parents or guardians for the rental or use of school equipment, and all other charges permitted by law.</p>
051	<p><u>Parking Fees</u> Fees charged to students for the use of the student parking lots.</p>
052	<p><u>Criminal Background Checks</u> Revenue for the collection of criminal background check fees.</p>
053	<p><u>Transcript Fees</u> Fees charged for copies of transcripts.</p>
060	<p><u>Admissions and Student Activity Revenue</u> This revenue source is from district admission charges for athletic and fine arts events.</p>
071	<p><u>Medical Assistance Revenue</u> Revenue received from billing medical assistance for the provisions of IEP.</p>
088	<p><u>E-Rate</u> Federal reimbursement for telecommunications services.</p>
092	<p><u>Interest Earnings</u> This is income from temporary investments in government bonds, treasury certificates, or other investments authorized by statute.</p>
093	<p><u>Rent for School Facilities</u> This revenue is from rental of district facilities. Examples include gyms and pools.</p>
096	<p><u>Gifts & Bequests</u> This revenue reflects contributions from local philanthropic foundations, local private individuals, or local private organizations for which no repayment or special service to the contributor is expected.</p>

099	<u>Miscellaneous Local Revenue</u> This revenue source includes other miscellaneous revenue from local sources not classified elsewhere.
510-592	<u>Miscellaneous Community Service Program Revenue</u> This is revenue received from patrons for community service programs and services.

State Revenue (Source 200-399)

201	<u>Endowment Fund Apportionment</u> Revenue received from the permanent school fund. The amount of the revenue is determined by dividing the earnings by the number of pupil units in average daily attendance in the State of Minnesota. General education aid is reduced by the amount of revenue from this source.
211	<u>General Education Aid</u> This aid represents the state share of the basic general education revenue. It is based on the difference between the local tax effort and the total revenue allowed in the general education formula. This includes the sum of basic, basic skills (compensatory, assurance of mastery and limited English proficiency), training and experience, transportation sparsity, operating capital, equity and supplemental aids.
212	<u>Literacy Incentive Aid</u> This state aid is based on schools enrolling third and fourth grade students and with MCA test results from the prior year.
213	<u>Shared Time Aid</u> Shared time aid represents state revenue received for a student that attends both public and nonpublic school. State revenue is based on the percentage of the student time attending the public school.
227	<u>Abatement Aid</u> This state aid is received from the state for a calculated percentage of the net revenue loss in prior years due to county abatements of property tax levies.
234	<u>Agricultural Market Value Credit</u> This is revenue received for agricultural market value credit.
258	<u>Other State Credits</u> Various other reimbursements which are received from the state, to replace property taxes on specific types of property which receive tax credits through state formulas.
300	<u>State Aids Received from MN Department of Education</u> This revenue code is used to record state aids and grants for projects specifically defined by the MN Department of Education.
301	<u>Nonpublic School Aid</u> Revenues received from the state for services and materials provided to nonpublic school students. Textbooks, instructional materials, guidance services and nursing services are examples of items that may be provided.
360	<u>State Aid for Special Education</u> Partial reimbursement for expenditures in special education is received from this state aid. This aid represents a percentage of both salary and equipment costs of the district.
370	<u>Miscellaneous Revenue from MN Department of Education</u> This represents miscellaneous revenue received from the MN Department of Education.
397	<u>TRA and PERA Special Funding Situations Revenue</u> Record the support received from the State of Minnesota per GASB Statement No. 68.

Federal Revenues (Source 400-499, 599)

400	<u>Federal Aids Received through the MN Department of Education</u> This revenue code is used to record revenue from federal aids and grants received through the MN Department of Education for specifically defined projects.
405	<u>Federal Aids Received through Other Agencies</u> This is federal aid received from agencies other than the MN Department of Education.
471	<u>School Lunch Program</u> This is federal aid received as part of the federal school lunch program.
472	<u>Free and Reduced Lunch Program</u> This federal aid provides for free or reduced-price lunches for qualifying students.
473	<u>Commodity Cash Rebate Program</u> This is used to record the cash rebate payment received from the Food and Nutrition Service of the MN Department of Education for the value of the USDA Commodities contained in approved commercial products purchased by the district.
474	<u>Commodity Distribution Program</u> This represents federal surplus food commodities provided to the school district. The quantities are based on average daily participation in the food service program from the prior year.
476	<u>School Breakfast Program</u> This federal aid provides for free, reduced-price and paid breakfasts for students.
479	<u>Summer Food Service Program</u> Record federal revenue earned from the summer food service program.
500	<u>Miscellaneous Federal Direct Aid</u> This represents miscellaneous federal revenue received directly from the federal government.

Other Revenue (Source 600-699)

601	<u>Food Service Sales to Pupils</u> This revenue represents sales of lunches to students less any federal aid for free and reduced-price lunches.
602	<u>Food Service Sale of Milk</u> This revenue represents sales of milk.
606	<u>Food Service Sales to Adults</u> This revenue source represents sales of adult lunches.
608	<u>Special Function Food Sales</u> Record revenue generated from food services provided for school-related meetings and lunch functions not related to the National School Lunch Program.
619	<u>Cost of Materials for Revenue Producing Activities (Contra Revenue)</u> Record the cost of the materials that were purchased for the purpose of producing an object for sale or for reselling of the material at a profit.
620	<u>Sales of Materials from Revenue Producing Activities</u> Record the revenue generated from the sale of goods and services under the control of the Board of Education.

621	<u>Sale of Materials Purchased for Resale</u> Record revenue from sales of materials and supplies to pupils.
623	<u>Sale of Real Property</u> Record proceeds from the sale or exchange of school buildings or real property of a school.
624	<u>Sale of Equipment</u> Record proceeds from the sale of equipment.
625	<u>Insurance Recovery</u> Record revenue from insurance recoveries for losses of school property.

Expenditure Object Codes

100-199	<p><u>Salaries and Wages</u> These are expenditures that are related to all full and part-time employees of the district. They do not include self-employed personnel or independent contractors.</p>
200-299	<p><u>Employee Benefits</u> These are all the non-salary costs of benefits paid on behalf of district employees. These include FICA, PERA, TRA, workers' compensation, dental insurance, health insurance, life insurance, long-term disability insurance and reemployment insurance.</p>
300-399	<p><u>Purchased Services</u> These accounts are used for budgeted expenditures related to contracted personnel and other purchased services. The account includes expenditures for legal services, telecommunication services, transportation contracts, tuition paid to other Minnesota school districts, insurance and utility costs.</p>
400-499	<p><u>Supplies and Materials</u> These expenditures relate to tangible items of an expendable nature. The majority of these expenses are budgeted at the building level from per pupil allocations. These expenses include textbooks, instructional, general office supplies, lunchroom supplies and food for preparing student meals. Other costs relate to the facilities department for building upkeep and maintenance.</p>
500-599	<p><u>Capital Expenditures</u> The cost of purchasing instructional and non-instructional equipment, refurbishing and remodeling buildings, construction of portable buildings, and other major maintenance projects are budgeted in the 500 series accounts. Installment payments for the principal and interest amounts of purchased equipment are also charged to this area.</p>
700-799	<p><u>Debt Service</u> These expenditures cover debt service principal, interest and other associated costs for debt.</p>
800-899	<p><u>Other Expenditures</u> Other expenses are other miscellaneous expenses not elsewhere categorized, including indirect cost allocations, dues and memberships.</p>

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