



Winona Area Public Schools
School Year 2020-2021
Revised Budget Book

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The School Board and District Leadership

DISTRICT SCHOOL BOARD

Board Chair.....	Nancy Denzer
Vice Chair.....	Tina Lehnertz
Treasurer.....	Steve Schild
Clerk.....	Michael Hanratty
Board Member.....	Karl Sonneman
Board Member.....	Jim Schul
Board Member.....	Stephanie Smith

2021 DISTRICT ADMINISTRATION

Superintendent of Schools.....	Dr. Annette Freiheit
Director of Finance.....	Kristy Millering
Director of Learning and Teaching.....	Karla Winter
Director of Human Resources.....	Emily Solheid
Director of Special Education.....	Dr. Sarah Knudsen
Director of Information Systems.....	Kevin Flies
Director of Community Education.....	Ann Riebel
Director of Buildings and Grounds.....	Michael McArdle
Director of School Nutrition.....	Jennifer Walters

2021 BUILDING ADMINISTRATION

Winona Senior High School Principal.....	Mark Anderson
Winona Senior High School Assistant Principal.....	Jacob Feldman
Athletics and Activities/Transportation Director.....	Casey Indra
Winona Area Learning Center Principal.....	Emily Casselius
Winona Middle School Principal.....	Mark Winter
Winona Middle School Assistant Principal.....	Jolene Danca
Goodview Elementary Principal.....	Emily Casselius
Jefferson Elementary Principal.....	Maggie Maine
Washington-Kosciusko Elementary Principal.....	Dawn Lueck

District Vision and Strategic Plan

Winona Area Public Schools partnered with TeamWorks International in 2018 to develop a new District Strategic Plan through a unique planning process called “Classroom to Boardroom”. Community, staff, parent and student feedback was vital to the development of the new strategic plan for Winona Area Public Schools.

Our Vision

- One community of lifelong learners, engaged in creating our culture, where all are safe, valued and accountable to one another for success.

Our Mission

- Expect excellence, grounded in compassion, to meet the needs of all learners.

Core Values

- Excellence: Be my best and expect the best of others
- Kindness: Concern, compassion, and advocacy for others
- Respect: Acceptance of self and others as we work together
- Honesty: Say and do the right thing, even if no one is watching
- Responsibility: Do my part and be accountable for what I say and do

Strategic Directions

- Expecting high achievement for all students by improving our practices and building positive relationships
- Understanding and meeting everyone's social-emotional, mental health, and cultural competency needs
- Operating with and communicating clear expectations, support, and accountability
- Implementing safe and secured schools and environments
- Engaging and partnering with parents, families and community
- Securing and managing all of our resources: people, money, facilities, time

Budget Assumptions for Preliminary Budget

- 1. 2% Increase in the General Education Formula** - Given that the legislative session has only just begun, districts do not know what the potential increase will be for the general education formula. This funding makes up approximately 52% of general fund revenues so making an assumption regarding funding levels has a substantial impact on projected revenue and therefore the level of reductions needed for the upcoming year.
- 2. 18-22.4% Increase in Medical Insurance** - For 2020, the district assumed a 7.5% increase in medical insurance costs which was less than what the school district actually incurred. The district had a contract in place stating the increase would be 9.6%. The district will be going out for bid later this year for our Medical Insurance plans. At the time of our last meeting with our Agent, many employers going out for bid for this calendar year were seeing increase between 20 - 25%. The assumption of 22.4% is extremely conservative but could be a real number for calendar year 2021. In this budget cycle a medical insurance budget will be put together to reflect both an 18% increase and a 22.4% increase to understand the dollar impact of the two options. 18% was provided at the work session on Saturday, February 29th.
- 3. Levy Revenue is based on final 19PAY20 Levy Limitation and Certification** - The 19PAY20 levy which was certified by the school board in December 2019 generates the levy revenue fiscal year 2021. These figures will be used in calculating projected revenue for 2020. (This is not an assumption but rather a reminder of how the levy limitation and certification impacts revenue.)
- 4. Salary Adjustments – 2.25%** - All employee contracts and policies are in the process of negotiations. There is currently only one group that has settled with a salary increase of 2.4% in the FY21. The remainder of the groups are still in the process of negotiations. The percentage increase of 2.25% is assuming other groups settle at a lower second year rate than the current settlement. The net of all salary increases are anticipated to be around 2.25%.
- 5. 3.5% Increase in Transportation Contracts** - The district's contract with First Student calls for a 3.5% annual increase in rates. While the district is constantly looking for ways to decrease costs through reduced routes, it is reasonable to assume an increase of 3.5% in costs.
- 6. 6% Increase in Utilities** - Utilities is an area of the budget which can fluctuate dramatically from year to year depending on the severity of the winter season and the market rate for utilities. Administration reviewed the 5-year trend for each utility, by site. The proposed % increases are specific to site and utility type. In cases where there were large fluctuations skewing the five-year trend data, the three-year average was used.
- 7. Enrollment Estimate of 2556.41** - Kindergarten enrollment is projected based on the Winona County birth rates from five years prior and applying an assumed capture rate. Over the course of the last five years, the average capture rate has been 40.23%. However, capture rate for the 2019 school year is 34.46%. The mean of these two rates is 38.02%. In order to be conservative with the kindergarten estimate, a capture rate of 35%

has been applied to the 478 births in Winona County in 2014 to arrive at a projected kindergarten enrollment number of 167.30 for the 2019-2020 school year.

Enrollment for grades 1 through 12 are based on the cohort survival method. This means that from year to year we look at the number of students who are retained with their grade level (for example, the number of 1st graders who move on to 2nd grade within Winona Area Public Schools). These historical trends are then applied to the most recent year to project the following year.

This cohort method was compared to five other enrollment models and the 5-year cohort methodology is in line with those models.

- 8. 0% Increase in Special Education Revenue** - The Special Education funding formula has a \$40 increase per ADM served for fiscal year 2020, the school district should assume the same increase will occur for fiscal year 2021. If the number of ADM served holds stable, this could mean an increase in funding. However, we are seeing proration coming back into play at the State level. (Funding levels at the State are not high enough to cover the revenue due to school districts under the formula. When this happens, the funding is prorated to districts.) Special Education funding is expected to remain relatively flat unless there are drastic changes made to program expenditures or if the funding level at the State is high enough to remove the proration factor.
- 9. 2% Decrease in Federal Funding** - Historically, districts have been seeing a decrease in federal funds around 2%. It was decided at the School Board Work Session on Saturday, February 29th to move forward with a 2% decrease in all federal funding. MDE has been contacted for input and the school board will be notified if a different assumption should be used.

Budget Process and Timeline

The district's budget process is a continuous process made up of multiple steps, beginning with the property tax levy, and ending with the year-end financial audit. Each step requires school board approval and is open to the public comment. These steps are listed below with brief explanations of each.

1. **Property Tax Levy** – This process begins with estimate submission of property tax information to the Minnesota Department of Education (MDE) in mid-July. MDE calculates the maximum levy amount for each school district based on current legislations, voter-approved referendums and formulas. The property tax levy is reviewed, updated, and certified by the School Board in December. The collection of property taxes occurs during the calendar year and is intended to be used during the upcoming school year. For example, property taxes collected on May 15, 2020 and October 15, 2020 are to be used for school year 2020-2021.
2. **Preliminary Budget** – Following the levy certification process the budget development process can begin. This process includes long-range enrollment projections, developing a staffing guideline, and determining revenue and expenditure assumptions for the coming year. The process also includes developing the capital expenditures budget, 10-year LTFM plan and capital projects (tech levy) budgets. Per state law, the School Board must approve a budget by the beginning of the fiscal year (July 1). This provides the district with spending authority as estimates are revised and actual enrollment is determined.
3. **Budget Adjustments** – In the spring budget adjustments are made to reflect changes in information throughout the year. These adjustments are primarily focused on federal and grant programs. These adjustments are made to ensure budget closely align with revenue and expenditures for the year.
4. **Annual Financial Audit and Comprehensive Annual Finance Report** – The last step in the budget process is closing the books and preparing for the financial audit report. This typically occurs in late summer/early fall. During this period, the district undergoes an external, independent audit required by state law. The audit provides an opinion on the district's financial reports and accounting practices. The School Board reviews the audited comprehensive annual financial report in late fall.

School Funding: Revenue Sources

Winona Area Public Schools receives revenue from several sources: state aids, federal aids, property taxes and other local sources. More information on each of these revenue sources can be found below. Much of this information has been obtained from “Financing Education in Minnesota”, a document provided by the Minnesota House of Representatives Fiscal Analysis Department.

State Aids and Credits: \$29,278,570 (59.7%)

These include basic per pupil formula general education aid; special education aid; compensatory aid; literacy incentive aid; and aid related to community education. Minnesota Legislature sets the formulas to determine the amount of funding for school districts.

Federal Aids: \$3,965,318 (8.1%)

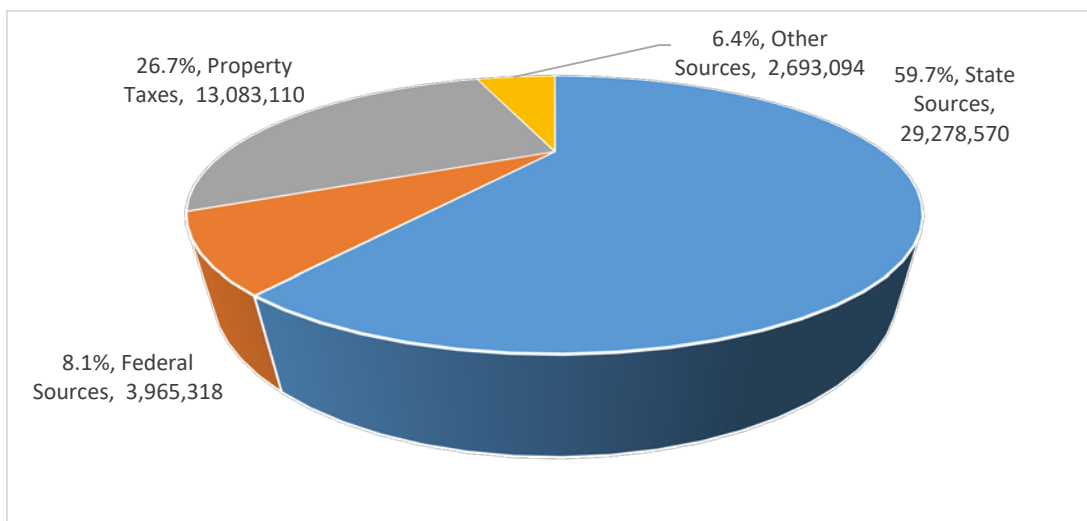
Federal funding includes the districts Title program funding, special education support, school nutrition funding. This fiscal year a significant amount of funding was related to Coronavirus Relief.

Property Taxes: \$13,083,110 (26.7%)

This is the second largest portion funding the district receives. The funds are derived by the collection of local taxes from property owners. The Minnesota State Legislatures determine the maximum amount the district can levy. This process is completed each year in December when the School Board certifies the Levy.

Other Sources: 2,693,094 (6.4%)

These funds include various sources not fitting into one of the three mentioned above. Examples of these revenues are fee to participate in activities, donations, interest earnings, food sales, tuition from other districts and other miscellaneous sources.



Summary of Funds – All Funds

Funds Overview – Below is a summary of all the governmental and fiduciary funds of the district. The governmental funds consist of the general fund, special revenue funds (food service and community education), building construction fund, debt service funds (regular debt service and other post-employment benefits (OPEB) bonds). The fiduciary funds consist of the OPEB trust and custodial fund.

This summary is broken out in more detail in the following pages.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
State Sources	30,017,069	30,992,932	31,071,505	31,117,795	31,167,305	29,534,911	29,278,570
Property Taxes	12,918,998	12,081,547	12,993,634	13,149,363	13,346,335	13,081,043	13,083,110
Federal Sources	2,416,830	2,568,422	2,557,697	2,413,170	2,695,004	2,445,657	3,965,318
Other Local Sources	4,037,197	4,265,466	4,068,766	3,572,141	3,147,850	3,091,214	2,693,094
Total Revenue	49,390,094	49,908,367	50,691,602	50,252,469	50,356,494	48,152,825	49,020,092
Expenditures							
Salaries and Wages	26,583,692	26,678,682	26,503,213	25,518,513	24,925,352	24,015,552	23,682,005
Employee Benefits	10,550,593	10,028,147	10,264,529	9,704,339	9,150,564	9,965,966	9,809,578
Purchased Services	8,240,121	7,981,797	8,603,405	7,951,060	7,770,229	7,834,593	8,212,903
Supplies and Materials	2,117,063	2,550,258	2,634,053	2,593,550	2,554,108	2,127,959	3,032,642
Capital Expenditures	938,591	1,289,967	952,646	717,275	4,974,972	3,683,633	4,011,401
Other Expenditures	299,180	187,569	171,908	762,745	710,174	62,389	91,060
Debt Service	3,891,739	2,893,557	2,900,980	2,883,308	3,449,615	3,260,610	3,260,610
Total Expenditures	52,620,978	51,609,976	52,030,735	50,130,790	53,535,014	50,950,703	52,100,200
Revenue Over (Under) Expenditures	(3,230,883)	(1,701,609)	(1,339,133)	121,679	(3,178,520)	(2,797,878)	(3,080,108)
Other Financing Sources (Uses)							
Proceeds from Capital Lease	-	-	146,215	-	-	-	-
Insurance Recovery	-	307,177	-	-	-	-	-
Sales of Real Property	104,556	-	-	378,055	-	-	-
Proceeds from Sale of Refunding Bonds	6,495,000	-	-	8,460,000	-	-	-
Bond Premium	235,343	-	-	663,741	-	-	-
Payment to Refunding Bond Escrow Agent	(6,618,042)	-	-	-	-	-	-
Transfers In	400,000	329,655	-	53,663	-	-	-
Transfers Out	(400,000)	(329,655)	-	(1,645)	-	-	-
Total Other Financing Sources (Uses)	216,857	307,177	146,215	9,553,814	-	-	-
Net Change in Fund Balances	(3,014,026)	(1,394,432)	(1,192,918)	9,675,493	(3,178,520)	(2,797,878)	(3,080,108)
Fund Balances (Deficits)							
Beginning of Year	13,082,809	10,068,783	8,674,351	7,481,433	17,156,926	13,978,406	13,978,406
End of Year	10,068,783	8,674,351	7,481,433	17,156,926	13,978,406	11,180,528	10,898,298
Note: When compare this report to the Audit report for each year, the different between reports will be the Fiduciary Funds. The Audit Financial Statements do not include Fiduciary funds in their summary report.							

General Fund – All Sub-Accounts

Fund Overview – The general fund is the main operating fund of the district and accounts for the revenue and expenditures associated with student education. Below is a summary of the actual and budgeted general fund activity for the school years 2015-2016 through 2020-2021 with revenues reported by the source and expenditures report by the object.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
State Sources	29,283,365	30,192,901	30,236,059	30,267,135	30,125,608	28,742,567	28,349,226
Property Taxes	9,485,087	8,764,066	9,966,322	10,122,823	9,101,295	9,262,909	9,264,980
Federal Sources	1,442,478	1,571,520	1,571,530	1,482,204	1,552,275	1,489,587	2,454,180
Other Local Sources	1,753,735	2,147,918	2,093,302	1,810,708	1,620,314	1,167,815	1,100,424
Total Revenue	41,964,665	42,676,405	43,867,213	43,682,870	42,399,492	40,662,878	41,168,810
Expenditures							
Salaries and Wages	24,453,170	24,662,252	24,531,372	23,682,641	23,181,654	22,208,021	22,070,560
Employee Benefits	8,661,562	8,715,206	8,762,673	8,366,911	7,997,956	8,630,974	8,574,963
Purchased Services	7,886,190	7,707,348	8,301,065	7,708,539	7,387,108	7,461,832	7,760,789
Supplies and Materials	1,232,271	1,596,487	1,717,213	1,674,768	1,564,207	1,299,492	1,853,271
Capital Expenditures	811,974	1,199,751	878,005	124,331	276,647	647,003	684,646
Other Expenditures	287,550	175,963	160,584	744,875	688,543	58,134	88,025
Debt Service	942,903	-	-	-	-	-	-
Total Expenditures (1)	44,275,621	44,057,006	44,350,910	42,302,065	41,096,115	40,305,455	41,032,254
Revenue Over (Under) Expenditures	(2,310,956)	(1,380,601)	(483,697)	1,380,805	1,303,377	357,423	136,556
Other Financing Sources (Uses) (2)							
Proceeds from Capital Lease			146,215				
Insurance Recovery		307,177					
Sales of Real Property	104,556			378,055			
Proceeds from Sale of Refunding Bonds							
Bond Premium							
Payment to Refunding Bond Escrow Agent							
Transfers In				52,018			
Transfers Out	(400,000)	(329,655)					
Total Other Financing Sources (Uses)	(295,444)	(22,478)	146,215	430,073	-	-	-
Net Change in Fund Balances	(2,606,400)	(1,403,079)	(337,482)	1,810,878	1,303,377	357,423	136,556
Fund Balances (Deficits)							
Beginning of Year	6,674,381	4,067,981	2,664,902	2,327,420	4,138,298	5,441,675	5,441,675
End of Year	4,067,981	2,664,902	2,327,420	4,138,298	5,441,675	5,799,098	5,578,231
Footnotes:							
(1) Total Expenditures include expenses for Central, Rollingstone and Madison - FY16 \$2.8M; FY17 \$3.1M; FY18 \$3.0M; and FY19 \$50K.							
(2) These items are identified at year end and are not a part of the budget process.							

General Fund – All Sub-Accounts Revenue

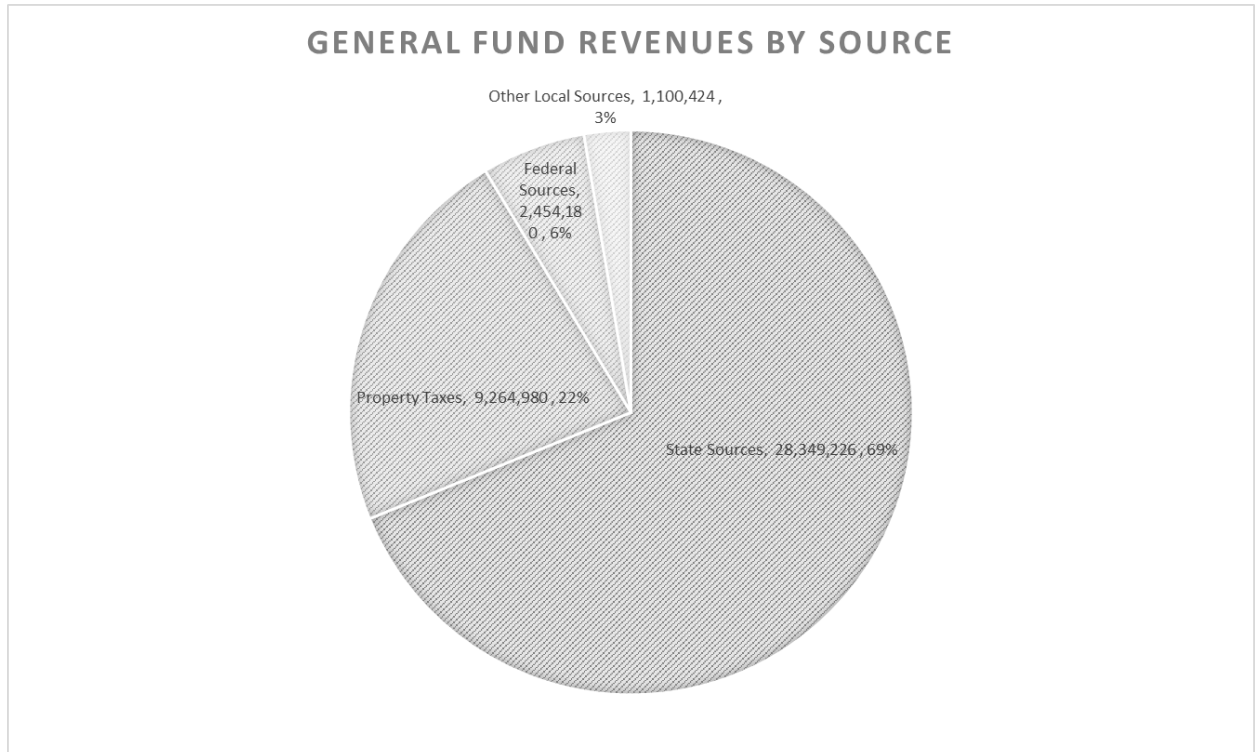
Revenues – Below is a summary of revenue by source for the general fund:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
State Sources	29,283,365	30,192,901	30,236,059	30,267,135	30,125,608	28,742,567	28,349,226
Property Taxes	9,485,087	8,764,066	9,966,322	10,122,823	9,101,295	9,262,909	9,264,980
Federal Sources	1,442,478	1,571,520	1,571,530	1,482,204	1,552,275	1,489,587	2,454,180
Other Local Sources	1,753,735	2,147,918	2,093,302	1,810,708	1,620,314	1,167,815	1,100,424
Total Revenue	41,964,665	42,676,405	43,867,213	43,682,870	42,399,492	40,662,878	41,168,810

The 2020-2021 general fund revenue budget totaled \$41.17 million. This is \$1.2 million or 3% less than last year’s actuals. The primary reasons are as follows:

1. The enrollment for FY21 has seen a reduction of approximately 4.5%.
2. There was a slight increase in our federal funding directly related to Coronavirus Relief Efforts. Winona Area Public Schools received a little over a \$1 million in both one-time money and funding that can be carried over through FY22.

The pie chart below shows the project 2020-2021 general funds revenues. State sources account for the majority of the district’s general fund at approximately 69%. Property taxes are the next largest contributor to the district’s general fund at approximately 22%. The tax levy limits are set by the Minnesota Legislature.



General Fund – All Sub-Accounts Expenditures

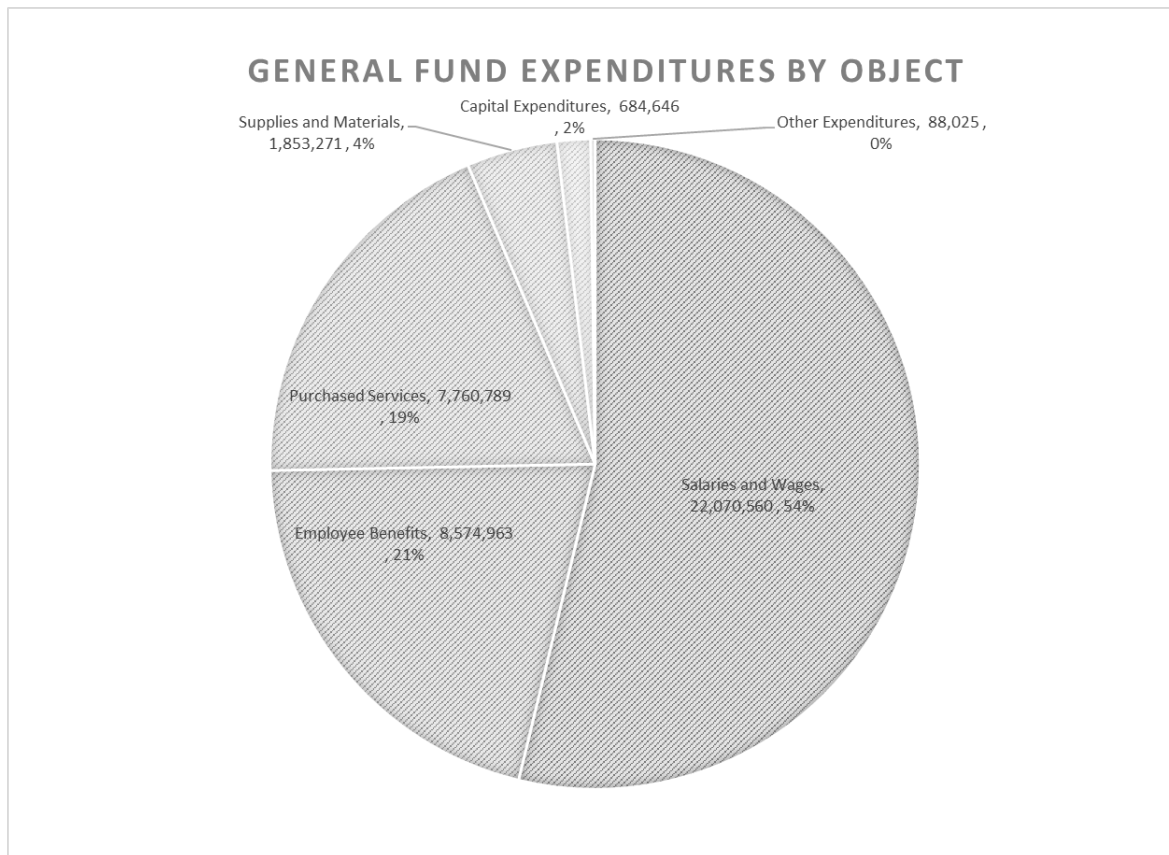
Expenditures – Below is the summary of expenditures by object for the general fund:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Expenditures							
Salaries and Wages	22,524,119	22,679,883	22,605,658	23,682,638	23,181,654	22,208,021	22,070,560
Employee Benefits	8,057,146	8,024,161	8,082,053	8,366,902	7,997,956	8,630,974	8,574,963
Purchased Services	7,694,857	7,400,628	7,974,518	7,708,530	7,387,108	7,461,832	7,760,789
Supplies and Materials	1,158,155	1,515,763	1,626,648	1,674,768	1,564,207	1,299,492	1,853,271
Capital Expenditures	798,295	1,162,977	878,005	687,586	276,647	647,003	684,646
Other Expenditures	287,102	175,805	160,246	181,622	688,543	58,134	88,025
Debt Service	942,903	-	-	-	-	-	-
Total Expenditures	41,462,576	40,959,218	41,327,127	42,302,044	41,096,115	40,305,455	41,032,254

Note: The expense for FY16 - FY19 will not tie to summary table because all expenses from Central, Rollinstone and Madison have been removed.

The 2020-2021 general fund expenditures budget totaled \$41.3 million. This is a \$161,139 or less than 1% increase over last year. This increase is due to our increase expenditures related to the Coronavirus pandemic.

Expenditures – Object categories of the general fund include salaries and wages, employee benefits, purchased services, supplies and materials, capital expenditures, other expenditures and debt service. Salaries and wages is the largest component of general fund expense, accounting for 54% of the budget. Employee benefits are the second largest component at 21%.



General Fund – All Sub-Account Expenditures by Program

The general funds expenditures are broken out by program category below:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Expenditures by Program Area							
Administration	1,467,564	1,576,481	1,544,453	1,583,598	1,588,369	1,620,730	1,640,199
District Support Services	1,699,475	1,927,014	1,571,655	1,595,594	1,417,991	1,255,482	1,828,808
Elementary & Secondary Regular Instruction	15,329,287	15,267,746	15,263,857	15,265,199	14,470,800	12,840,346	13,115,725
Fiscal & Other Fixed Costs	1,079,484	132,225	117,146	125,031	159,158	175,000	229,159
Instructional Support Services	1,952,525	1,937,443	2,316,986	2,211,854	2,058,949	2,518,027	2,566,488
Pupil Support Services	5,147,096	5,291,667	5,502,844	5,613,252	5,434,981	5,424,862	5,446,028
Sites and Buildings	4,794,080	4,320,059	4,784,566	4,612,349	5,184,053	5,056,027	5,355,767
Special Education Instruction	9,659,121	10,066,272	9,789,567	10,907,241	10,338,740	10,954,446	10,389,593
Vocational Education Instruction	333,944	440,310	436,054	387,926	444,074	460,536	460,487
Total Expenditures by Program Area	41,462,576	40,959,218	41,327,127	42,302,044	41,097,115	40,305,455	41,032,254

The program categories for the general fund are as follows:

Administration includes the cost of the School Board, the Superintendent's Office, and the principal's office in each of the schools.

District support services include Human Resources, Information Systems, and the Business Office. In addition, liability and worker's compensation insurance for the entire district is recorded in this program area.

Elementary and secondary regular instruction includes kindergarten, elementary, and secondary regular instruction, which include Title I, Title II, and Title III. Additionally, athletics and activities are reported in this program area.

Vocational education instruction includes the cost of providing classes involving agriculture, health sciences, business, or anything aiming to teach students about specific career options available to them after completing high school. In addition, this program area has a component for special needs students' participation in vocational activities during the school day.

Special education instruction includes the costs involved with providing services to special education students. However, the cost of providing special transportation to these students is not included in this category.

Instructional support services captures costs associated with assistant principals, curriculum office, textbooks, media centers, and staff development.

Pupil support services includes the cost associated with counseling offices, health services, and psychologists serving regular education students, social workers, transportation of regular and special needs students, and the Miller Academic Mentoring Program.

Sites and buildings includes the costs of maintaining the district's buildings and facilities. The salaries and benefits of the buildings and grounds director and clerical support as well as all custodial and maintenance employees are recorded here. In addition, this program category includes expenditures such as electricity, water, sewer, gas, trash removal, snow removal, health & safety projects, and a large portion of the district's capital projects.

Fiscal and other fixed costs are expenditures not recorded elsewhere.

Special Revenue Funds – All Sub-Accounts Combined

Fund Overview – The special revenue fund is made of up two separate funds. They are 1) food service fund, and 2) community service fund. Detailed information pertaining to these two funds are available on the following pages.

Below is a summary of the actual and budgeted special revenue funds for the school years 2015-2016 through 2020-2021 with revenues reported by the source and expenditures report by the object.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
State Sources	671,419	746,523	791,024	740,559	879,972	792,344	765,277
Property Taxes	417,262	483,744	506,356	549,671	550,706	518,424	518,420
Federal Sources	974,352	996,902	986,167	930,966	1,142,729	956,070	1,511,139
Other Local Sources	2,115,134	1,633,906	1,617,879	1,439,924	1,092,536	1,273,399	942,670
Total Revenue	4,178,167	3,861,075	3,901,426	3,661,120	3,665,943	3,540,237	3,737,505
Expenditures							
Salaries and Wages	2,130,521	2,016,430	1,971,841	1,835,872	1,743,698	1,807,532	1,611,445
Employee Benefits	670,302	653,832	677,484	592,402	565,176	609,992	509,615
Purchased Services	322,211	244,743	276,504	219,197	237,696	222,761	302,115
Supplies and Materials	884,792	953,771	916,840	918,782	989,901	828,467	1,179,371
Capital Expenditures	99,759	73,096	53,330	82,110	79,785	49,131	15,604
Other Expenditures	11,630	11,606	11,324	17,870	21,631	4,255	3,035
Debt Service	-	-	-	-	-	-	-
Total Expenditures	4,119,215	3,953,479	3,907,324	3,666,234	3,637,887	3,522,138	3,621,185
Revenue Over (Under) Expenditures	58,953	(92,404)	(5,898)	(5,114)	28,056	18,099	116,320
Other Financing Sources (Uses)							
Transfers In							
Transfers Out							
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-
Net Change in Fund Balances	58,953	(92,404)	(5,898)	(5,114)	28,056	18,099	116,320
Fund Balances (Deficits)							
Beginning of Year	574,501	633,454	541,050	535,152	530,038	558,094	558,094
End of Year	633,454	541,050	535,152	530,038	558,094	576,193	674,414

Special Revenue Funds – Food Service Fund

Fund Overview - The School Nutrition Fund is used to account for the activities related to providing nutrition services to the K-12 academic program as well as catering services provided by the district. The fund operates on the principle of revenues exceeding expenditures on day-to-day operations so that the excess can be used to systematically replace and upgrade kitchen equipment around the district. By operating in this manner, the goal of the School Nutrition program is to be self-sustained and not to pull resources from direct K-12 instructional funds. School Nutrition pays the general fund for certain overhead costs such as payroll, accounts payable, and technology support. A summary of this fund's budget is listed below.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
State Sources	84,964	94,208	96,835	68,002	123,080	87,000	71,400
Property Taxes	-	-	-	-	-	-	-
Federal Sources	971,393	991,370	981,916	927,030	1,119,890	951,750	1,500,000
Other Sources	785,432	696,043	717,489	651,351	455,562	634,200	100,000
Total Revenue	1,841,789	1,781,621	1,796,240	1,646,383	1,698,532	1,672,950	1,671,400
Expenditures							
Salaries and Wages	648,341	636,403	627,589	614,382	592,332	596,088	447,653
Employee Benefits	248,163	250,963	250,349	231,077	212,689	227,792	152,852
Purchased Services	58,263	43,134	56,582	29,784	45,685	38,500	33,181
Supplies and Materials	755,839	822,987	806,227	792,320	877,492	767,300	1,028,694
Capital Expenditures	73,380	58,111	42,862	75,617	71,121	41,000	7,954
Other Expenditures	1,967	1,394	1,219	7,155	7,180	2,270	1,050
Total Expenditures	1,785,953	1,812,993	1,784,829	1,750,336	1,806,499	1,672,950	1,671,384
Revenues Over Expenditures	55,837	(31,372)	11,411	(103,953)	(107,967)	-	16
Other Financing Sources (Uses)							
Other	-	-	-	-	-	-	-
Net Change in fund balance	55,837	(31,372)	11,411	(103,953)	(107,967)	-	16
Fund Balances							
Beginning of Year	205,621	261,458	230,086	241,497	137,544	29,577	29,577
End of Year	261,458	230,086	241,497	137,544	29,577	29,577	29,593

Food Service Revenue – The revenue tied to food service has been significantly altered due to the Coronavirus pandemic. All students received free meals funded by the federal lunch program. It is uncertain at this time how long this will continue. The food service department is actively watching guidance as it is shared to ensure we continue to feed our students.

Food Service Expenditures – The food service program has seen a very large uptick in food expenditures directly due to feeding more students. The cost of food has also increased year over year. Additionally, students have been eating in their classroom leading to a downsize in staff. We anticipate to see staffing back to relatively normal levels next year.

Special Revenue Funds – Community Service Fund

Fund Overview - The Community Education Fund accounts for the activities related to providing education services for Pre-Kindergarten and Post-Grade 12 students. The fund operates on a principle of breaking even on a year-to-year basis and maintaining a healthy fund balance that protects future programming. Community Education pays the general fund for space used in the district according to formulas outlined in the Uniform Financial Accounting and Reporting Standards (UFARS) Manual. In addition, Community Education pays the general fund for certain overhead costs such as payroll, accounts payable, and technology support. A summary of the complete Community Education budget is listed below.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
State Sources	586,455	652,315	694,189	672,557	756,892	705,344	693,877
Property Taxes	417,262	483,744	506,356	549,671	550,706	518,424	518,420
Federal Sources	2,959	5,532	4,251	3,936	22,839	4,320	11,139
Other Sources	1,329,702	937,863	900,390	788,573	636,974	639,199	842,670
Total Revenue	2,336,378	2,079,454	2,105,186	2,014,737	1,967,411	1,867,287	2,066,105
Expenditures							
Salaries and Wages	1,482,180	1,380,027	1,344,252	1,221,490	1,151,366	1,211,443	1,163,792
Employee Benefits	422,139	402,869	427,135	361,325	352,487	382,200	356,763
Purchased Services	263,948	201,609	219,922	189,413	192,011	184,261	268,934
Supplies and Materials	128,953	130,784	110,613	126,462	112,409	61,167	150,677
Capital Expenditures	26,379	14,985	10,468	6,493	8,664	8,131	7,650
Other Expenditures	9,663	10,212	10,105	10,715	14,451	1,985	1,985
Total Expenditures	2,333,262	2,140,486	2,122,495	1,915,898	1,831,388	1,849,188	1,949,801
Revenues Over Expenditures	3,116	(61,032)	(17,309)	98,839	136,023	18,099	116,305
Other Financing Sources (Uses)							
Other	-	-	-	-	-	-	-
Net Change in fund balance	3,116	(61,032)	(17,309)	98,839	136,023	18,099	116,305
Fund Balances							
Beginning of Year	368,880	371,996	310,964	293,655	392,494	528,517	528,517
End of Year	371,996	310,964	293,655	392,494	528,517	546,616	644,821

Community Service Revenues and Expenditures – Similar to Food Service, Community Services has seen some similar changes in the manner of day to day activity. Community Services has seen a slight increase in federal sources to cover costs associated with Tier 1 support from childcare during the pandemic.

Capital Projects – Building Construction Fund

Fund Overview - The Construction Fund accounts for the costs of school construction, addition, and renovation projects which are funded through bonds or certificates of participation (or other specific funding sources). Most recently, this fund has been used to account for the Track Project, One-Day Bond proceeds, and the Energy Projects. When bonds (or certificates of participation) are issued in connection with a building project, the bond proceeds are recorded as revenue in the Construction Fund. The funds are then drawn down as payments are made for work completed on the project(s). The proceeds of bonds can only be used for the purpose for which they were issued.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
Other Local Sources	4,635	-	275	59,500	68,483	125,000	125,000
Total Revenue	4,635	-	275	59,500	68,483	125,000	125,000
Expenditures							
Capital Expenditures	26,858	17,120	21,311	510,834	4,618,540	2,987,500	3,311,151
Debt Service	-	-	-	80,360			
Total Expenditures	26,858	17,120	21,311	591,194	4,618,540	2,987,500	3,311,151
Revenue Over (Under) Expenditures	(22,223)	(17,120)	(21,036)	(531,694)	(4,550,057)	(2,862,500)	(3,186,151)
Other Financing Sources (Uses)							
Proceeds from Sale of Refunding Bonds				8,460,000			
Bond Premium				663,741			
Payment to Refunding Bond Escrow Agent							
Transfers In	400,000	329,655		-			
Transfers Out				(1,645)			
Total Other Financing Sources (Uses)	400,000	329,655	-	9,122,096	-	-	-
Net Change in Fund Balances	377,777	312,535	(21,036)	8,590,402	(4,550,057)	(2,862,500)	(3,186,151)
Fund Balances (Deficits)							
Beginning of Year	(583,370)	(205,593)	106,942	85,906	8,676,308	4,126,251	4,126,251
End of Year	(205,593)	106,942	85,906	8,676,308	4,126,251	1,263,751	940,100

Debt Service Fund – All Sub-Accounts Combined

Fund Overview – The district maintains two debt service funds 1) regular debt service, and 2) other post-employment benefits (OPEB) debt service fund. Below is a schedule of the Debt Service Funds from school year 2015-2016 through 2020-2021.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
State Sources	62,285	53,508	44,422	110,101	161,725	-	164,067
Property Taxes	3,016,649	2,833,737	2,520,956	2,476,869	3,694,334	3,299,710	3,299,710
Federal Sources	-	-	-	-	-	-	-
Other Local Sources	4,198	4,258	4,287	3,265	4,777	-	-
Total Revenue	3,083,132	2,891,503	2,569,665	2,590,235	3,860,836	3,299,710	3,463,777
Expenditures							
Debt Service	2,948,836	2,893,557	2,900,980	2,802,948	3,449,615	3,260,610	3,260,610
Total Expenditures	2,948,836	2,893,557	2,900,980	2,802,948	3,449,615	3,260,610	3,260,610
Revenue Over (Under) Expenditures	134,296	(2,054)	(331,315)	(212,713)	411,221	39,100	203,167
Other Financing Sources (Uses)							
Proceeds from Sale of Refunding Bonds	6,495,000	-	-	-	-	-	-
Bond Premium	235,343	-	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	(6,618,042)	-	-	-	-	-	-
Transfers In	-	-	-	1,645	-	-	-
Transfers Out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	112,301	-	-	1,645	-	-	-
Net Change in Fund Balances	246,597	(2,054)	(331,315)	(211,068)	411,221	39,100	203,167
Fund Balances (Deficits)							
Beginning of Year	492,063	738,660	736,606	405,291	194,223	605,444	605,444
End of Year	738,660	736,606	405,291	194,223	605,444	644,544	808,611

Debt Service Funds – Regular Debt Service Fund

Fund Overview - The Debt Service Fund exists to record the principle and interest payments on long-term debt issued by the district. Annual levies will provide revenue at a rate of 105% of pending debt service payments for a given fiscal year. This rate is specified in statute to ensure that principal and interest payments can be made as scheduled even if there are late property tax payments or delinquencies that may arise. The Debt Service Fund is also monitored by the Minnesota Department of Education for accumulation of excess fund balance. If the debt service fund balance is deemed to be at a level in excess of what is needed to make debt payments, a levy adjustment is made to reduce revenue and bring the fund balance down to a feasible amount.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
State Sources	47,073	39,531	38,551	99,396	147,789	-	155,433
Property Taxes	2,278,868	2,093,405	2,185,424	1,845,127	2,799,266	2,612,434	2,612,434
Other Local Sources	3,331	3,422	3,860	3,357	3,529	-	-
Total Revenue	2,329,272	2,136,358	2,227,835	1,947,880	2,950,584	2,612,434	2,767,867
Expenditures							
Debt Service	2,088,360	2,132,880	2,144,570	2,156,748	2,798,315	2,603,810	2,603,810
Total Expenditures	2,088,360	2,132,880	2,144,570	2,156,748	2,798,315	2,603,810	2,603,810
Revenue Over (Under) Expenditures	240,912	3,478	83,265	(208,868)	152,269	8,624	164,057
Other Financing Sources (Uses)							
Transfers In				1,645			
Transfers Out							
Total Other Financing Sources (Uses)	-	-	-	1,645	-	-	-
Net Change in Fund Balances	240,912	3,478	83,265	(207,223)	152,269	8,624	164,057
Fund Balances (Deficits)							
Beginning of Year	335,475	576,387	579,865	663,130	455,907	608,176	608,176
End of Year	576,387	579,865	663,130	455,907	608,176	616,800	772,233

Debt Service Funds – Other Post-Employment Benefits (OPEB) Debt Service

Fund Overview - The Other Post-Employment Benefit (OPEB) Debt Service Fund is required to be used to record activity related to the levy revenue generated specifically for OPEB debt service and the repayment of the OPEB bonds.

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Adopted Budget	2020-21 Revised Budget
Revenues							
State Sources	15,212	13,977	5,871	10,705	13,936	-	8,633
Property Taxes	737,781	740,332	335,532	631,742	895,068	687,276	687,276
Other Local Sources	867	836	427	(92)	1,248	-	-
Total Revenue	753,860	755,145	341,830	642,355	910,252	687,276	695,909
Expenditures							
Debt Service	860,476	760,677	756,410	646,200	651,300	656,800	656,800
Total Expenditures	860,476	760,677	756,410	646,200	651,300	656,800	656,800
Revenue Over (Under) Expenditures	(106,616)	(5,532)	(414,580)	(3,845)	258,952	30,476	39,109
Other Financing Sources (Uses)							
Proceeds from Sale of Refunding Bonds	6,495,000						
Bond Premium	235,343						
Payment to Refunding Bond Escrow Agent	(6,618,042)						
Total Other Financing Sources (Uses)	112,301	-	-	-	-	-	-
Net Change in Fund Balances	5,685	(5,532)	(414,580)	(3,845)	258,952	30,476	39,109
Fund Balances (Deficits)							
Beginning of Year	156,588	162,273	156,741	(257,839)	(261,684)	(2,732)	(2,732)
End of Year	162,273	156,741	(257,839)	(261,684)	(2,732)	27,744	36,377

Fiduciary Funds – Trust Funds

Fund Overview – Trust funds are used to account for assets held in trust by the district for the benefit of individuals or other entities. The district currently maintains two trust funds – other post-employment benefits trust fund and a custodial fund. These funds will discuss in more detail in the next couple pages.

Below is summary of the fiduciary funds for the district for school years 2015-2016 through 2020-2021.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
Other Local Sources	159,495	479,384	353,023	258,744	361,740	525,000	525,000
Total Revenue	159,495	479,384	353,023	258,744	361,740	525,000	525,000
Expenditures							
Salaries and Wages	-	-	-	-	-	-	-
Employee Benefits	1,218,729	659,109	824,373	745,025	587,432	725,000	725,000
Purchased Services	31,719	29,705	25,836	23,324	145,425	150,000	150,000
Total Expenditures	1,250,448	688,814	850,209	768,350	732,857	875,000	875,000
Revenue Over (Under) Expenditures	(1,090,953)	(209,430)	(497,186)	(509,606)	(371,117)	(350,000)	(350,000)
Other Financing Sources (Uses)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-
Net Change in Fund Balances	(1,090,953)	(209,430)	(497,186)	(509,606)	(371,117)	(350,000)	(350,000)
Fund Balances (Deficits)							
Beginning of Year	5,925,234	4,834,281	4,624,851	4,127,665	3,618,059	3,246,942	3,246,942
End of Year	4,834,281	4,624,851	4,127,665	3,618,059	3,246,942	2,896,942	2,896,942

Fiduciary Funds – Other Post-Employment Benefits (OPEB) Trust Fund

Fund Overview - The Other Post-Employment Benefit (OPEB) Trust Fund was established through the sale of bonds. The proceeds of these bonds were placed in a revocable trust initially managed by the State Board of Investments. During fiscal year 2014, the decision was made to change the trust type from revocable to irrevocable. This does not change the function of the trust but will allow the district to offset the accrued liability related to post-employment benefits against the assets of the trust on the District-wide financial statements at year end. In addition, the funds are currently being managed by PFM and are held by US Bank.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21
	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Revised Budget
Revenues							
Other Local Sources	159,495	479,384	353,023	258,744	236,826	400,000	400,000
Total Revenue	159,495	479,384	353,023	258,744	236,826	400,000	400,000
Expenditures							
Salaries and Wages	-	-	-	-	-	-	-
Employee Benefits	1,218,729	659,109	824,373	745,025	587,432	725,000	725,000
Purchased Services	31,719	29,705	25,836	23,324	20,511	25,000	25,000
Total Expenditures	1,250,448	688,814	850,209	768,350	607,943	750,000	750,000
Revenue Over (Under) Expenditures	(1,090,953)	(209,430)	(497,186)	(509,606)	(371,117)	(350,000)	(350,000)
Other Financing Sources (Uses)							
Transfers In							
Transfers Out							
Total Other Financing Sources (Uses)		-	-	-	-	-	-
Net Change in Fund Balances	(1,090,953)	(209,430)	(497,186)	(509,606)	(371,117)	(350,000)	(350,000)
Fund Balances (Deficits)							
Beginning of Year	5,925,234	4,834,281	4,624,851	4,127,665	3,618,059	3,246,942	3,246,942
End of Year	4,834,281	4,624,851	4,127,665	3,618,059	3,246,942	2,896,942	2,896,942

Fiduciary Funds – Custodial Fund

Fund Overview – This is a new fund being in school year 2019-2020. Formally, our district classified this funds as agency funds. These funds represent a flow through mechanism in which our district receives from and distributes these funds to an organization.

	2019-20	2020-21	2020-21
	Actual	Adpoted Budget	Revised Budget
Revenues			
Other Local Sources	124,914	125,000	125,000
Total Revenue	124,914	125,000	125,000
Expenditures			
Purchased Services	124,914	125,000	125,000
Total Expenditures	124,914	125,000	125,000
Revenue Over (Under) Expenditures	-	-	-
Other Financing Sources (Uses)			
Transfers In			
Transfers Out			
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	-	-	-
Fund Balances (Deficits)			
Beginning of Year	-	-	-
End of Year	-	-	-

2021 District Revised Budget and Fund Balance Projection

Winona Area Public Schools						
District Summary						
For the Period July 1, 2020 to June 30, 2021						
Fund	FY20 Fund Balances Audited	21REV1 Revenue June 30, 2021	21REV1 Expenditures June 30, 2021	21REV1 Budget June 30, 2021	Percent of Expenditure	
General						
Unreserved						
422 Unassigned	2,660,186	34,659,905	34,552,243	2,767,848	8.01%	
441 Basic Skills	69,111	1,565,831	1,565,831	69,111		
428 Learning & Development	-	495,095	495,095	-		
445 Career & Technical	-	101,529	101,529	-		
434 Area Learning Center	-	665,000	665,000	-		
438 Gifted & Talented	-	36,013	36,013	-		
Total Unreserved	2,729,297	37,523,373	37,415,711	2,836,959	7.58%	
Restricted/Reserved						
424 Operating Capital	931,924	625,985	500,186	1,057,723		
467 LTFM	852,189	1,538,416	1,751,664	638,941		
407 Technology Levy	441,914	1,000,000	933,175	508,739		
460 Nonspendable	133,560	-	-	133,560		
403 Staff Development	214,615	378,108	328,591	264,132		
449 Safe Schools	-	102,928	102,928	-		
401 Student Activities	138,176			138,176		
Total Reserved	2,712,378	3,645,437	3,616,544	2,741,271		
Total General	5,441,675	41,168,810	41,032,254	5,578,231		

Fund	FY20 Fund Balances Audited	21REV1 Revenue June 30, 2021	21REV1 Expenditures June 30, 2021	21REV1 Budget June 30, 2021	Percent of Expenditure
School Nutrition	29,578	1,671,400	1,671,384	29,594	1.77%
Community Education Restricted	58,791	212,191	168,987	101,995	
Reserved					
General Community Ed	353,958	1,071,539	1,032,870	392,627	
School Readiness	40,497	273,728	260,358	53,867	
ECFE/Home Visiting	69,121	299,976	299,143	69,954	
Adult Basic Ed	6,153	208,670	188,443	26,380	
Total Community Education	528,520	2,066,104	1,949,801	644,824	33.07%
Building Construction Restricted/Reserved					
Capital Facility Bonds	-	-	-	-	
Referendum Bonds	4,126,251	125,000	3,311,151	940,100	
Total Building Construction	4,126,251	125,000	3,311,151	940,100	
Debt Service	608,176	2,767,867	2,603,810	772,233	
OPEB Trust	3,246,943	400,000	750,000	2,896,943	
OPEB Debt Redemption	(2,732)	695,909	656,800	36,377	
Trust Fund - Collaborative	-	125,000	125,000	-	
Total of All Funds	13,978,411	49,020,090	52,100,200	10,898,301	