



Stillwater
AREA PUBLIC SCHOOLS

2021-22
PRELIMINARY BUDGET

Stillwater, Minnesota
June 2021



Stillwater

AREA PUBLIC SCHOOLS

2021-22 PRELIMINARY BUDGET

INDEPENDENT SCHOOL DISTRICT NO. 834 STILLWATER, MINNESOTA

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June 2021

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SECTION I

Introduction

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SCHOOL BOARD

Ms. Beverly Petrie	Board Chair
Ms. Alison Sherman	Vice Chair
Dr. Annie Porbeni	Clerk
Mr. Matt Onken	Treasurer
Ms. Katie Hockert	Director
Ms. Tina Riehle	Director
Ms. Liz Weisberg	Director

ADMINISTRATION

Ms. Malinda Lansfeldt	Superintendent of Schools
Dr. Jennifer Cherry	Assistant Superintendent
Dr. John Thein	Director of Finance
Mr. Mark Drommerhausen	Director of Operations
Ms. Cynthia Gustafson	Director of Human Resources
Ms. Carissa Keister	Director of Communications
Ms. Rachel Larson	Director of Learning and Student Engagement
Mr. Paul Lee	Director of Student Support Services
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, one 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 8,200 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 5,765 public, non-public, and charter school students. Buses are scheduled to make over 1,875 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 3,900 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. In addition, our district has received the Certificate of Excellence in Financial Reporting award for sixteen consecutive years. This award validates the credibility of the school system's operations and measures the integrity and technical competence of the business staff.

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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2021-22 PRELIMINARY BUDGET OVERVIEW

Introduction

The preliminary budget is adopted by the Board of Education by June 30. 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 is typically 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 that are based on trend data, economic environments and cautious optimism. 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 beyond what was projected.

Budget Timeline

The school district's budget timeline reflects many overlapping processes. The general timeline is listed to provide an understanding of the annual budgeting process. Deviations from the general timeline may exist depending on annual circumstances and events.

Spring

- Administration completes preparation of preliminary budget for the next school year, including compiling capital requests and completing a three year general fund forecast.
- 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

The district makes assumptions based on a number of variables which comprise the district's budget. Examples of the variables with additional information are listed below.

Enrollment Trends and Enrollment Projections

Enrollment in the district decreased for the 2020-21 school year and is projected to remain relatively constant for 2021-22 and beyond. Figure 1 shows the enrollment trends for each level over the last four years.

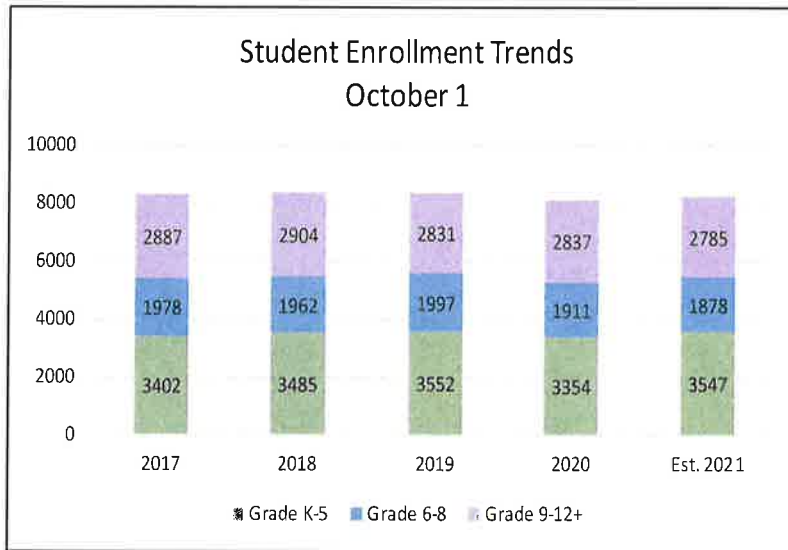


Figure 1

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 preliminary budget does not include renewed contracts for 2021-22 and steps and lanes for expired contracts (open contracts). For 2021-22, the district will continue with a self-funded health insurance plan. Insurance rates will remain flat 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 preliminary 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 conservative when developing the special education expenditure budget. Due to the unknown number of students that will be identified as special education students, the district tries to estimate liberally, potentially generating a larger than expected expenditure budget for the preliminary budget. Special education data is not finalized until well into the next fiscal year, leaving some variability in revenue estimates.

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 returned to 23.1%.

The 2021-22 Preliminary Budget includes a zero percent (0%) increase in the general education revenue formula from the 2020 Legislative session. When the 2021 Legislative session is finalized, any changes will be reflected in the 2021-22 Revised Budget.

Summary – 2021-22 Preliminary Budgets

The 2021-22 Preliminary Budget reflects a slight decrease in the unassigned fund balance for the general fund compared to the 2020-21 Budget. This decrease indicates that projected revenue is less than 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 (56%) of the total district revenues (see Figure 2).

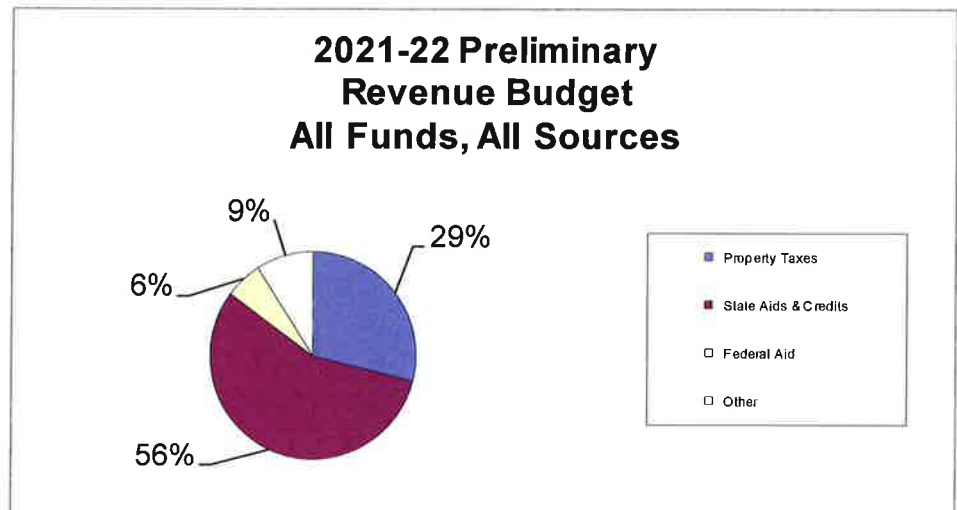


Figure 2

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 2021-22, salaries and benefits make up 73% of the district's general fund budget and 67% 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 18% of the total budget.

Historically, the district's budget managers monitor expenditures closely and typically come in under budget.

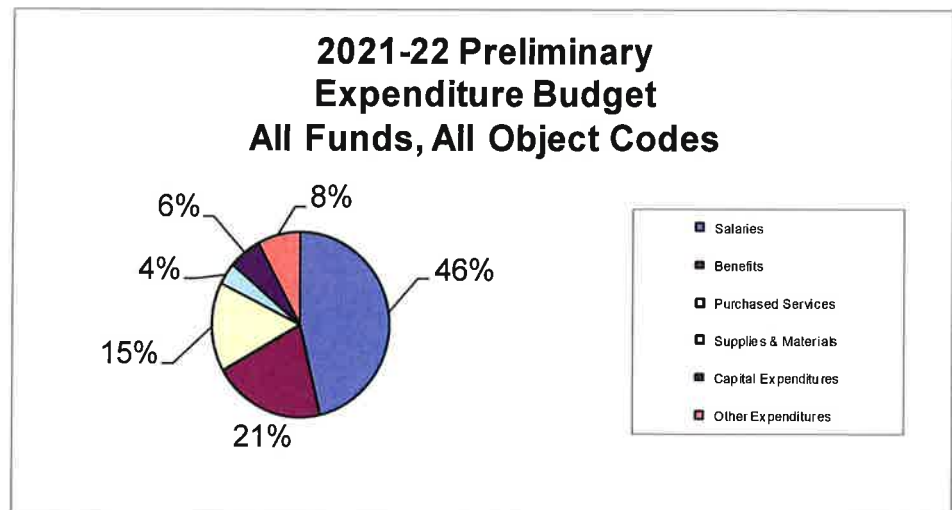


Figure 3

SECTION II

2021-22

Preliminary Budget

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2021-22 PRELIMINARY 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 2021-22 for the general education aid from the state is estimated to be \$6,567 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. However, it does not include any percentage increase on open contracts.

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 2021-22 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*		
	2020-21	2021-22
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 2020-21 and 2021-22. The supply/material and library/media allocations will remain the same for the 2021-22 budget, with a hold-back of 2.5%. An adjustment will be made on October 1, based on the enrollment at that time.

Supply and Material Allocations Per Student		
	2020-21	2021-22
<u>Elementary</u>		
Supply and Material	\$27.92	\$27.92
Library/Media	9.77	9.77
Capital	0.00	0.00
<u>Secondary</u>		
Supply and Material	\$53.55	\$53.55
Library/Media	14.23	14.23
Capital	0.00	0.00

Table 2

Staff development

Funds to be used for staff development are allocated based on two percent (2%) of the district's general education aid. Two percent (2%) is projected to be approximately \$1,222,561. The Learning and Innovation Department uses the allocation for professional development support and professional development days. Professional development support (i.e., instructional coaches) accounts for approximately \$350,000 of the allocation. The vast majority of the remaining allocation goes to professional development days.

2021-22 Preliminary 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. Although all three accounts comprise the general fund and are reported to the state as such, the preliminary budget information is broken apart and is located in the tables below.

General Fund	2019-20	2020-21	2021-22	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Revised Budget	Preliminary Budget		
Beginning Fund Balance	20,999,537	28,717,124	27,590,461	(1,126,663)	-3.92%
Revenues	114,809,400	113,519,211	116,564,184	3,044,973	2.68%
Expenditures	107,091,813	114,645,874	117,755,295	3,109,421	2.71%
Revenues less Expenditures	7,717,587	(1,126,663)	(1,191,111)	(64,448)	
Ending Fund Balance	28,717,124	27,590,461	26,399,350	(1,191,111)	-4.32%

Comparison of 2021-22 Preliminary Budget to 2020-21 Revised (Preliminary) Budget

Revenue

Preliminary 2021-22 revenue estimates are \$3,044,973 more than the 2020-21 Revised (Preliminary) Budget primarily due to an increase in tax levy revenue for Long Term Facility Maintenance (LTFM) and an expected increase for additional federal COVID funds along with a decrease in state aids due to a projected change in enrollment.

Expenditures

Preliminary 2021-22 expenditures increased by \$3,109,421 from the 2020-21 Revised (Preliminary) Budget primarily due to contract settlement costs, LTFM, and terminal lease payments net a decrease for staffing level changes, projected retiree cost savings and a reduction for Certificate of Participation (COP) payments. 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 and operating capital. The net revenue budget without these categorical revenues is \$106,253,963. The net expenditure budget without these categorical expenditures is \$106,507,695. As a result, the projected unassigned fund balance decreases to 4.63% of expenditures for 2021-22, down from the projected unassigned fund balance of 4.72% for 2020-21. The Board’s goal of a 5% unassigned fund balance has not been met.

The total fund balance for the general fund is expected to decrease from \$27.6 million to \$26.4 million in the preliminary 2021-22 budget. The unassigned fund balance (the amount of unallocated funds) is projected to decrease from \$5.7 million to \$5.4 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 slightly. The expenditures are decreasing primarily due to a reduction in COP payments. The projected fund balance will decrease from \$5.7 million to \$5.3 million compared to the 2020-21 Revised (Preliminary) Budget.

General Fund Capital Expenditure Account	2019-20 Actual	2020-21 Revised Budget	2021-22 Preliminary Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	5,550,528	6,246,890	5,727,593	(519,297)	-8.31%
Revenues	3,081,227	2,981,693	3,000,599	18,906	0.63%
Expenditures	2,384,865	3,500,990	3,381,600	(119,390)	-3.41%
Revenues less Expenditures	696,362	(519,297)	(381,001)	138,296	
Ending Fund Balance	6,246,890	5,727,593	5,346,592	(381,001)	-6.65%

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 2020-21 Revised (Preliminary) Budget to the 2021-22 Preliminary Budget.

General Fund	2019-20 Actual	2020-21 Revised Budget	2021-22 Preliminary Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Administration	3,596,442	3,564,925	3,464,205	(100,720)	-2.83%
District Support Services	3,985,326	3,918,261	3,749,313	(168,948)	-4.31%
Regular & Vocational Instruction	46,598,647	49,124,512	50,451,028	1,326,516	2.70%
Special Education Instruction	20,240,620	20,916,691	21,882,302	965,611	4.62%
Instructional Support Services	6,455,302	6,264,463	6,410,530	146,067	2.33%
Pupil Support Services	4,310,420	4,404,975	4,452,464	47,489	1.08%
Transportation (Pupil Support)	7,779,007	8,860,733	8,948,381	87,648	0.99%
Operations and Maintenance	13,707,877	17,249,814	17,931,072	681,258	3.95%
Fiscal and Other Fixed Costs	418,171	341,500	466,000	124,500	36.46%
Total	107,091,813	114,645,874	117,755,295	3,109,421	2.71%

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 \$100,720 from the 2020-21 Revised (Preliminary) Budget is primarily reflective of current staffing levels.

District Support Services

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

The decrease of \$168,948 from the 2020-21 Revised (Preliminary) Budget is primarily reflective of current staffing levels as well as a planned reduction in OPEB pay-as-you-go costs.

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 increase of \$1,326,516 from the 2020-21 Revised (Preliminary) Budget is primarily due to contract settlement costs net a decrease for a reduction in staffing (due to enrollment decreases) and projected retiree savings.

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 \$965,611 from the 2020-21 Revised (Preliminary) Budget is primarily due to contract settlement costs.

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 \$146,067 from the 2020-21 Revised (Preliminary) Budget is primarily due to contract settlement costs net a decrease in projected integration funding.

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 \$135,137 from the 2020-21 Revised (Preliminary) Budget is primarily due to an increase for transportation terminal rental net a decrease because of the elimination of two transportation coordinators.

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 \$681,258 from the 2020-21 Revised (Preliminary) Budget is primarily due to an increase for LTFM and settlement costs net a decrease in COP payments.

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 \$124,500 from the 2020-21 Revised (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	2019-20 Actual	2020-21 Revised Budget	2021-22 Preliminary Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	953,757	1,133,841	1,200,823	66,982	5.91%
Revenues	3,924,484	4,492,367	4,553,894	61,527	1.37%
Expenditures	3,744,400	4,425,385	4,475,524	50,139	1.13%
Revenues less Expenditures	180,084	66,982	78,370	11,388	
Ending Fund Balance	1,133,841	1,200,823	1,279,193	78,370	6.53%

Revenues are increasing slightly due to the expanded summer program. The overall increase in expenditures is primarily due to contract settlement costs and an expected increase in food costs net a decrease in equipment purchases and packaging supplies.

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	2019-20 Actual	2020-21 Revised Budget	2021-22 Preliminary Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	1,473,702	585,308	410,839	(174,469)	-29.81%
Revenues	6,133,641	7,611,700	7,116,232	(495,468)	-6.51%
Expenditures	7,022,035	7,786,169	7,053,544	(732,625)	-9.41%
Revenues less Expenditures	(888,394)	(174,469)	62,688	237,157	
Ending Fund Balance	585,308	410,839	473,527	62,688	15.26%

Revenues are projected to decrease, primarily due to anticipation of low enrollment in many programs including school-age care and the Pony Activity Center (PAC). Expenditures are projected to decrease as a result of the anticipated low enrollments.

Building Construction Fund

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

Building Construction Fund	2019-20 Actual	2020-21 Revised Budget	2021-22 Preliminary Budget	Rev. / Prel. Change	Rev. / Prel. % Change
Beginning Fund Balance	4,342,920	1,372,200	915,200	(457,000)	-33.30%
Revenues	43,840	20,000	1,000	(19,000)	-95.00%
Expenditures	3,014,559	477,000	492,000	15,000	3.14%
Revenues less Expenditures	(2,970,720)	(457,000)	(491,000)	(34,000)	
Ending Fund Balance	1,372,200	915,200	424,200	(491,000)	-53.65%

Revenues are decreasing due to near completion of bond projects. Expenditures are expected to increase slightly from the prior year.

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	2019-20	2020-21	2021-22	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Revised Budget	Preliminary Budget		
Beginning Fund Balance	2,962,013	2,860,179	3,207,973	347,794	12.16%
Revenues	16,077,749	10,475,402	9,284,306	(1,191,096)	-11.37%
Expenditures	16,179,582	10,127,608	10,094,163	(33,445)	-0.33%
Revenues less Expenditures	(101,834)	347,794	(809,857)	(1,157,651)	
Ending Fund Balance	2,860,179	3,207,973	2,398,116	(809,857)	-25.25%

Revenues and expenditures are decreasing to reflect actual bond and interest payments.

Trust Fund

Due to the implementation of GASB (Governmental Accounting Standards Board) No. 84, our scholarships that had previously been in the Trust Fund (fund 8) must now be moved to either the General Fund (fund 1) or the Custodial Fund (fund 18). The scholarships that the district has control over have been moved to the General Fund. Scholarships that have been moved to the Custodial Fund represent money the district receives and distributes, but has no financial benefit from or control over.

Custodial Fund (Scholarships)	2019-20	2020-21	2021-22	Rev. / Prel. Change	Rev. / Prel. % Change
	Actual	Revised Budget	Preliminary Budget		
Beginning Fund Balance	0	75,214	75,214	0	0.00%
Revenues	0	5,000	15,000	10,000	200.00%
Expenditures	0	5,000	15,000	10,000	200.00%
Revenues less Expenditures	0	0	0	0	
Ending Fund Balance	0	75,214	75,214	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, 2020 the net position balance in the OPEB trust account was \$6,894,859.

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, 2020 the net position balance in the internal service fund for health and dental insurance was \$5,262,284.

2021-22 PRELIMINARY BUDGET SUMMARY

PROJECTED REVENUES, EXPENDITURES AND FUND BALANCE BY FUND 2021-22

Fund	Proj. Fund Balance 6/30/21	2021-22 Revenue Budget	2021-22 Expenditure Budget	Proj. Fund Balance 6/30/22
General Fund	27,590,461	116,564,184	117,755,295	26,399,350
Food Service Fund	1,200,823	4,553,894	4,475,524	1,279,193
Community Service Fund	410,839	7,116,232	7,053,544	473,527
Sub-Total Operating Funds	29,202,123	128,234,310	129,284,363	28,152,070
Building Construction Fund	915,200	1,000	492,000	424,200
Debt Service Fund	3,207,973	9,284,306	10,094,163	2,398,116
Sub-Total Non-Operating Funds	4,123,173	9,285,306	10,586,163	2,822,316
Trust Fund	75,214	15,000	15,000	75,214
Total All Funds	33,400,510	137,534,616	139,885,526	31,049,600

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SECTION III

Summary

SUMMARY OF REVENUES BY SOURCE CATEGORY AND FUND

Fund	Source Category	2019-20 Actual	Pct. of Total	2020-21 Rev. Bud.	2021-22 Prelim. Budget	Pct. of Total	Revised - Preliminary Percent Change	Revised - Preliminary Amount Change
01	General Fund							
	Property Taxes	29,103,777	25.35%	27,142,252	29,589,143	25.38%	9.02%	2,446,891
	State Aids & Credits	79,050,192	68.85%	79,836,432	76,133,550	65.31%	-4.64%	(3,702,882)
	Federal Aid	1,861,877	1.62%	2,387,989	6,815,391	5.85%	185.40%	4,427,402
	Other	4,793,554	4.18%	4,152,538	4,026,100	3.45%	-3.04%	(126,438)
	Total General Fund	114,809,400	100.00%	113,519,211	116,564,184	100.00%	2.68%	3,044,973
02	Food Service							
	Property Taxes	0	0.00%	0	0	0.00%	0.00%	0
	State Aids & Credits	126,211	3.22%	182,500	182,500	4.01%	0.00%	0
	Federal Aid	1,369,481	34.90%	1,187,000	1,242,460	27.28%	4.67%	55,460
	Other	2,428,792	61.89%	3,122,867	3,128,934	68.71%	0.19%	6,067
	Total Food Service	3,924,484	100.00%	4,492,367	4,553,894	100.00%	1.37%	61,527
04	Community Service							
	Property Taxes	937,211	15.28%	964,642	1,008,027	14.17%	4.50%	43,385
	State Aids & Credits	843,954	13.76%	837,359	868,512	12.20%	3.72%	31,153
	Federal Aid	3,103	0.05%	2,600	4,933	0.07%	89.73%	2,333
	Other	4,349,373	70.91%	5,807,099	5,234,760	73.56%	-9.86%	(572,339)
	Total Comm. Service	6,133,641	100.00%	7,611,700	7,116,232	100.00%	-6.51%	(495,468)
06	Building Construction							
	Other	43,840	100.00%	20,000	1,000	100.00%	-95.00%	(19,000)
	Total Bldg Construction	43,840	100.00%	20,000	1,000	100.00%	-95.00%	(19,000)
07	Debt Service							
	Property Taxes	9,830,382	61.14%	10,332,402	9,146,306	98.51%	-11.48%	(1,186,096)
	State Aids & Credits	88,460	0.55%	88,000	88,000	0.95%	0.00%	0
	Other	6,158,907	38.31%	55,000	50,000	0.54%	-9.09%	(5,000)
	Total Debt Service	16,077,749	100.00%	10,475,402	9,284,306	100.00%	-11.37%	(1,191,096)
18	Custodial Fund							
	Other	82,409	100.00%	5,000	15,000	100.00%	200.00%	10,000
	All Funds							
	Property Taxes	39,871,370	28.26%	38,439,296	39,743,476	28.90%	3.39%	1,304,180
	State Aids & Credits	80,108,817	56.79%	80,944,291	77,272,562	56.18%	-4.54%	(3,671,729)
	Federal Aid	3,234,461	2.29%	3,577,589	8,062,784	5.86%	125.37%	4,485,195
	Other	17,856,873	12.66%	13,162,504	12,455,794	9.06%	-5.37%	(706,710)
	Total All Funds	141,071,522	100.00%	136,123,680	137,534,616	100.00%	1.04%	1,410,936

SUMMARY OF EXPENDITURES BY OBJECT CATEGORY AND FUND

Fund	Object Category	2019-20		2020-21 Rev. Bud.	2021-22		Revised - Preliminary	
		Actual	Pct. of Total		Prelim. Budget	Pct. of Total	Percent Change	Amount Change
01	General Fund							
	Salaries	55,804,095	52.11%	57,588,954	58,923,934	50.04%	2.32%	1,334,980
	Benefits	25,027,426	23.37%	25,766,898	26,771,427	22.73%	3.90%	1,004,529
	Purchased Services	17,366,092	16.22%	20,389,003	20,188,623	17.14%	-0.98%	(200,380)
	Supplies & Materials	3,424,780	3.20%	3,150,202	3,200,771	2.72%	1.61%	50,569
	Capital Expenditures	4,103,615	3.83%	6,687,798	7,733,660	6.57%	15.64%	1,045,862
	Debt Service	825,188	0.77%	840,589	723,400	0.61%	-13.94%	(117,189)
	Other Expenditures	540,618	0.50%	222,430	213,480	0.18%	-4.02%	(8,950)
	Total General Fund	107,091,813	100.00%	114,645,874	117,755,295	100.00%	2.71%	3,109,421
02	Food Service							
	Salaries	1,415,868	37.81%	1,435,950	1,500,630	33.53%	4.50%	64,680
	Benefits	653,068	17.44%	658,690	655,815	14.65%	-0.44%	(2,875)
	Purchased Services	210,323	5.62%	337,275	326,150	7.29%	-3.30%	(11,125)
	Supplies & Materials	1,385,454	37.00%	1,832,100	1,883,459	42.08%	2.80%	51,359
	Capital Expenditures	77,421	2.07%	158,500	107,000	2.39%	-32.49%	(51,500)
	Other Expenditures	2,265	0.06%	2,870	2,470	0.06%	-13.94%	(400)
	Total Food Service	3,744,400	100.00%	4,425,385	4,475,524	100.00%	1.13%	50,139
04	Community Service							
	Salaries	4,377,098	62.33%	4,680,392	4,274,613	60.60%	-8.67%	(405,779)
	Benefits	1,307,591	18.62%	1,404,743	1,281,443	18.17%	-8.78%	(123,300)
	Purchased Services	1,049,342	14.94%	1,291,105	1,146,327	16.25%	-11.21%	(144,778)
	Supplies & Materials	241,933	3.45%	346,342	296,488	4.20%	-14.39%	(49,854)
	Capital Expenditures	23,999	0.34%	37,500	27,500	0.39%	-26.67%	(10,000)
	Other Expenditures	22,074	0.31%	26,087	27,173	0.39%	4.16%	1,086
	Total Comm. Service	7,022,035	100.00%	7,786,169	7,053,544	100.00%	-9.41%	(732,625)
06	Building Construction							
	Purchased Services	170,750	5.66%	10,000	20,000	4.07%	100.00%	10,000
	Capital Expenditures	2,843,809	94.34%	467,000	472,000	95.93%	1.07%	5,000
	Total Bldg. Const.	3,014,559	100.00%	477,000	492,000	100.00%	3.14%	15,000
07	Debt Service							
	Other	16,179,582	100.00%	10,127,608	10,094,163	100.00%	-0.33%	(33,445)
18	Custodial Fund							
	Other	13,532	100.00%	5,000	15,000	100.00%	200.00%	10,000
	All Funds							
	Salaries	61,597,061	44.94%	63,705,296	64,699,177	46.25%	1.56%	993,881
	Benefits	26,988,085	19.69%	27,830,331	28,708,685	20.52%	3.16%	878,354
	Purchased Services	18,796,507	13.71%	22,027,383	21,681,100	15.50%	-1.57%	(346,283)
	Supplies & Materials	5,052,167	3.69%	5,328,644	5,380,718	3.85%	0.98%	52,074
	Capital Expenditures	7,048,844	5.14%	7,350,798	8,340,160	5.96%	13.46%	989,362
	Other Expenditures	17,583,258	12.83%	11,224,584	11,075,686	7.92%	-1.33%	(148,898)
	Total All Funds	137,065,921	100.00%	137,467,036	139,885,526	100.00%	1.76%	2,418,490

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BUDGET DETAIL SUMMARY

REVENUE BY SOURCE

SRC DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
GENERAL FUND				
001 Property Tax Levy-General	28,879,308	27,142,727	29,540,537	
004 TIF	144	0	0	
005 Reemployment Compensation Levy	-475	-475	48,606	
010 County Apportionment	223,647	0	0	
019 Misc. County Tax Revenue	1,153	0	0	
021 Tuition from MN School Districts	1,013	0	0	
022 SPED Purch Serv from Oth MN	81,553	43,000	80,000	Increased to better reflect projected revenue.
041 Tuition-Out of State	10,791	0	0	
050 Fees from Patrons	681,801	1,128,000	835,000	Decreased to better reflect projected revenue.
051 Parking Fees	127,934	160,000	160,000	
052 Criminal Background Checks	180	400	200	
053 Transcript Fees	6,505	10,000	10,000	
060 Admission/Student Act Revenue	153,173	170,000	150,000	
071 Medical Assistance Revenue	311,405	300,000	300,000	
088 E-Rate Revenue	85,800	120,000	100,000	
092 Interest Earnings	497,748	476,000	478,000	
093 Rent for School Facilities	512,822	419,338	398,900	
096 Gifts & Bequests	1,444,872	566,000	716,000	Increased to better reflect projected revenue.
099 Miscellaneous Local Revenue	571,228	517,800	527,000	
201 Endowment Fund Apportionment	507,110	371,000	350,000	
211 General Education Aid	63,168,534	64,442,055	61,128,050	Decreased primarily to reflect projected change in enrollment.
212 Literacy Incentive Aid	434,194	434,000	434,000	
213 Shared Time Aid	23,922	24,000	24,000	
227 Abatement Aid	1,607	1,500	1,500	
234 Homestd/Agr Mrkt Value Credit	11,275	12,000	12,000	
258 Other State Credits	-40	0	0	
300 State Aids Rec'd from DOE	2,537,450	2,381,877	2,324,000	
360 Special Education Aid	12,129,014	12,100,000	11,800,000	
370 Other Aid from DOE	-79,839	70,000	60,000	
397 TRA/PERA Special Funding Revenue	316,963	0	0	
400 Federal Aids Rec'd thru DOE	1,842,808	2,382,026	6,809,428	Increased to reflect additional COVID funds.
405 Federal Aid Rec'd thru Other	13,106	0	0	
500 Federal Aids Rec'd from Fed	5,963	5,963	5,963	
619 Cost of Materials for Profit	-68,991	-100,000	-90,000	

REVENUE BY SOURCE

SRC DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
620 Sales of Materials for Profit	335,486	270,000	320,000	
621 Sale of Materials Purch-Resale	39,457	60,000	40,000	
624 Sale of Equipment	777	12,000	1,000	
Total	114,809,400	113,519,211	116,564,184	
FOOD SERVICE FUND				
021 Sales to Mahtomedi	642,385	652,000	690,929	
050 Fees from Patrons	0	1,000	1,000	
092 Interest Earnings	18,076	16,000	18,000	
096 Gifts & Bequests	4,625	3,000	1,000	
099 Miscellaneous Local Revenue	3,060	4,000	3,200	
300 State Aids Rec'd from DOE	126,211	182,500	182,500	
471 School Lunch Program	193,107	261,000	261,000	
472 Free and Reduced Lunch Program	381,482	501,000	501,000	
474 Commodity Distribution Program	205,268	250,000	250,460	
476 School Breakfast Program	107,569	155,000	155,000	
479 Summer Food Service Program	482,054	20,000	75,000	Due to COVID waivers summer program will be larger than anticipated.
601 Food Service Sales to Pupils	1,656,052	2,303,700	2,282,350	
602 Food Service Sale of Milk	13,847	17,850	19,100	
606 Food Service Sales to Adults	13,395	30,317	18,355	
608 Special Function Food Sales	76,996	95,000	95,000	
624 Sale of Equipment	357	0	0	
Total	3,924,484	4,492,367	4,553,894	
COMMUNITY SERVICE FUND				
001 Property Tax Levy-General	937,211	964,642	1,008,027	
021 Tuition from MN School Dists	160,390	200,000	223,000	
040 Tuition	832,058	1,210,110	1,292,000	
050 Fees from Patrons	233,006	346,199	206,789	Anticipating low enrollment in the Pony Activity Center (PAC).
092 Interest Earnings	33,490	3,000	3,000	
096 Gifts & Bequests	68,070	46,000	52,500	
099 Miscellaneous Local Revenue	56,535	62,500	52,500	
227 Abatement Aid	139	590	590	
234 Homestd/Agr Mrkt Value Credit	1,165	0	0	
258 Other State Credits	-4	0	0	
300 State Aids Rec'd from DOE	588,875	575,577	565,253	

REVENUE BY SOURCE

SRC DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
301 Nonpublic Aid	71,855	83,728	106,532	Added Chesterton Academy.
370 Other Aid from DOE	181,924	177,464	196,137	Anticipating an increase in funding for the Adult Basic Ed (ABE) program.
405 Federal Aid Rec'd thru Other	3,103	2,600	4,933	
548 Gymnastics	31,252	56,141	56,046	
549 Aquatics	35,899	60,980	66,510	
551 Adult Athletics	62,850	74,722	24,720	Anticipating low enrollment in the Adult Athletics program.
552 Adult Enrichment	92,777	102,500	84,867	Anticipating low enrollment in the Adult Enrichment program.
553 Youth Athletics	56,999	82,000	77,000	
554 Camps and Clinics	77,718	125,000	130,000	
562 Instructional Music	34,892	35,550	35,500	
564 Special Events	54,692	110,159	114,237	
570 School Age Care Tuition	1,812,663	2,355,619	1,999,641	Anticipating low enrollment in the school-age care program.
571 School Age Care Preschool	186,310	241,273	232,260	
585 Youth Development/Youth Serv	296,868	410,000	362,700	Anticipating low enrollment in the Youth Dev/Youth Serv program.
591 Facilities Use	219,419	278,545	216,352	Anticipating reduction in facility use.
592 Turf Fields Use	3,484	6,801	5,138	
Total	6,133,641	7,611,700	7,116,232	
BUILDING CONSTRUCTION FUND				
092 Interest Earnings	43,840	20,000	1,000	
Total	43,840	20,000	1,000	
DEBT SERVICE FUND				
001 Property Tax Levy-General	9,830,382	10,332,402	9,146,306	
092 Interest Earnings	104,828	55,000	50,000	
234 Homestd/Agr Mrkt Value Credit	12,317	13,000	13,000	
258 Other State Credits	76,143	75,000	75,000	
631 Sale of Bonds	6,054,079	0	0	
Total	16,077,749	10,475,402	9,284,306	
CUSTODIAL FUND (SCHOLARSHIPS)				
All Gift Directed Revenues	82,409	5,000	15,000	
Total	82,409	5,000	15,000	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
GENERAL FUND				
100 Administrators	1,618,488	1,601,533	1,581,069	
101 School Board	34,329	33,750	33,750	
110 Principals	2,189,094	2,209,511	2,246,498	
120 Supervisors	650,734	699,692	695,676	
121 Confidential/Specialists	1,014,517	1,043,059	938,765	Decreased primarily due to loss of two transportation coordinators.
122 Subs-Health Specialists	8,446	25,000	25,000	
140 Teachers	33,573,006	34,757,934	37,000,914	Increased to reflect contract settlement costs.
141 Paraprofessionals	934,976	901,132	1,091,219	Increased to reflect contract settlement costs.
142 Subs-Paraprofessionals	5,632	21,000	21,000	
143 Coordinators	1,199,552	1,269,968	1,270,625	
144 Librarians	194,439	205,859	198,664	
145 Subs-Teacher	35,021	100,000	100,000	
150 Subs-Teacher School Business	7,763	27,858	41,456	
151 Occupational Therapists	266,438	275,017	330,583	Increased to reflect current staffing levels along with contract settlement costs.
152 Speech Language Pathologists	1,535,112	1,596,473	1,596,032	
154 School Nurse	222,741	206,188	235,860	
155 Health Care Specialists	310,627	325,868	289,443	
156 School Social Worker	439,886	454,050	466,689	
157 Psychologists	855,722	877,956	903,690	
161 Paraprofessionals - Certified	2,662,022	2,766,270	2,875,523	
162 Paraprofessionals - One-to-One	166,521	170,557	203,821	Increased to reflect current staffing levels along with contract settlement costs.
165 School Counselors	1,118,710	1,112,786	1,113,544	
170 Tech Support	2,137,935	2,202,430	2,165,386	
171 Subs-Tech Support	13,733	11,477	11,900	
172 Custodians	2,099,934	2,431,348	2,457,746	
173 Overtime	160,702	132,928	138,750	
174 DAPE Specialists	207,351	212,544	216,821	
176 Subs-Custodian	181,372	95,000	95,000	
177 Crossing Guards	10,426	10,636	21,844	
178 Lunchroom Supervisors-Licensed	7,242	10,000	10,000	
179 Lunchroom Supervisors-Non-Licensed	1,751	1,759	1,750	
180 Coaches	690,730	724,795	724,795	
185 Advisors	184,415	179,407	181,407	
186 Other Salary Payments-Non-Licensed	249,319	330,438	184,544	Decreased to better reflect planned expenditures.

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
189 Other Salary Payments-Licensed	815,405	814,731	829,670	
195 Teacher Retirement Pay Differential	0	-250,000	-1,375,500	Decreased due to staffing level changes and to reflect projected retiree savings.
210 FICA	4,080,205	4,376,807	4,575,081	
214 PERA	853,640	853,855	865,540	
218 TRA	3,489,336	3,662,479	3,938,096	
220 Health Insurance	12,030,490	11,668,228	12,129,498	
225 Dental Insurance	777,956	795,914	780,611	
230 Life Insurance	160,747	188,821	199,497	
235 LTD Insurance	142,970	151,736	159,765	
236 Short Term Disability	116,800	15,416	14,116	
240 Legal Insurance	-11	0	0	
250 TSA	1,046,084	1,077,866	1,144,005	
251 Severance TSA	68,668	180,000	180,000	
252 Severance Health	18,288	100,000	100,000	
253 Health Care Savings Plan	667,126	674,837	729,131	
254 VEBA Contribution	1,170,916	1,185,452	1,286,215	Increased to better reflect planned expenditures.
270 Workers Compensation	313,165	327,556	333,572	
280 Reemployment Comp Insurance	65,436	46,388	46,388	
291 OPEB (pay as you go)	0	415,073	243,442	Decreased to better reflect planned expenditures.
297 Tuition/Classes	4,831	14,400	14,400	
298 Contract Dues	15,271	17,870	17,870	
299 Other Employee Benefits	5,508	14,200	14,200	
300 Contracted Services Not Subs	175,081	121,700	121,700	
301 Contracted Service Subs	678,811	600,000	600,000	
302 Background Check	8,991	22,789	22,789	
303 Federal Contracts < \$25,000	27,309	107,706	107,706	
304 Federal Contracts > \$25,000	0	25,000	25,000	
305 Consulting/Service Fees	1,465,616	1,509,962	1,205,936	Decreased primarily for planned long term facility maintenance projects.
306 Audit Services	64,532	85,000	70,000	
307 Legal Services	220,965	133,750	114,225	
308 Printing Services	59,928	106,750	63,200	Decreased to better reflect planned expenditures.
309 Credit Card Fees	6,086	0	0	
310 Snow Removal/Lawn Services	189,634	248,500	229,500	
312 Officials/Judges	49,320	65,600	65,600	
313 Laundry Services	19,581	20,825	21,125	
314 On-Line Courses	17,240	30,000	30,000	
315 Computer/Tech Repair and Maint	28,901	26,514	26,564	
316 Special Ed Litigation	2,171	0	2,171	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
317 Contracted Subs for SPED Program	259,253	375,000	375,000	
318 Data Processing & Entry Services	1,294	2,000	2,000	
319 Computer/Tech Services	45,704	40,000	40,000	
320 Communication Services	269,382	291,556	290,226	
321 Other Contracted Security Services	0	74,000	74,000	
322 School Resource Officer	0	350,484	350,538	
327 Contracted Subs SPED Prog Sch Bus	15,570	1,560	18,887	
329 Postage	33,808	50,574	29,170	Decreased to better reflect planned expenditures.
330 Electricity	1,120,225	1,236,700	1,231,200	
331 Natural Gas	317,996	395,100	377,100	
332 Water and Sewer	143,680	153,200	152,700	
333 Garbage Collection	97,053	71,300	78,200	
340 Insurance	308,676	325,500	450,000	Increase expected in property and liability insurance.
350 Repair/Maintenance Services	1,268,173	1,473,058	1,461,184	
357 Interpreter for Deaf Services	763	800	763	
358 Foreign Language Interpreter	15,583	7,000	7,000	
360 Transportation Contracts	7,618,038	8,849,823	8,887,159	
362 Mental Health Practitioner Services	7,500	15,000	15,000	
365 Transportation Chargebacks	-185	-8,000	-4,875	
366 Travel and Conferences	112,162	316,747	298,885	
368 Out Of State Travel - Federal	0	1,200	1,200	
369 Entry Fees/Student Travel Exp	229,083	640,275	535,175	Decreased to better reflect planned expenditures.
370 Rentals and Leases	775,127	877,401	1,124,149	Increased to reflect transportation terminal rental.
371 Equipment Leases	1,790	1,700	0	
372 Graduation Expense	37,977	42,000	42,000	
376 Licensed Nursing Services	0	0	1,075	
380 Computer/Tech Hardware Rental	4,336	2,000	2,000	
390 Tuition To Oth MN Sch District	170,454	180,000	200,707	
391 Pmt To MN Sch-Cost Share Agmt	630,085	566,762	517,200	
392 Tuition Out of State Sch Dist	1,190	0	0	
393 Sped Cont Serv - Non Sch Dist	169,644	125,000	187,800	Increased to better reflect planned expenditures.
394 Payments to Oth Agencies	695,664	749,000	728,263	
396 Sped Sal Purchase fr Oth Dist	280,021	301,067	309,401	
397 Sped Bens Purchase fr Oth Dist	114,029	177,100	100,000	Decreased to better reflect planned expenditures.
398 Administrative Chargebacks	-392,150	-400,000	-400,000	
401 Non-Instructional Supplies	793,456	878,958	864,509	
404 ID Badges	2,352	2,800	2,800	
405 Non-Instructional Annual Software License	646,122	327,517	334,834	
406 Instructional Software License	412,036	355,358	355,258	
409 Uniforms	6,511	8,000	8,000	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
410 Custodial/Repair Supplies	497,377	473,800	518,100	
430 Instructional Supplies	326,295	338,348	333,018	
433 Individualized Instructional Supplies	59,306	98,452	114,972	
440 Fuel For Buildings	16,319	38,100	25,500	
442 Gasoline	15,225	31,607	31,507	
455 Non-Instructional Technology Supplies	88,577	15,900	11,550	
456 Instructional Technology Supplies	39,035	23,700	30,600	
460 Textbooks and Workbooks	47,943	258,114	258,094	
461 Standardized Tests	147,806	165,000	155,000	
465 Non-Instructional Technology Devices	59,793	0	9,350	
466 Instructional Technology Devices	228,647	91,644	107,400	
470 Library Books	20,032	18,125	17,125	
490 Food	17,947	24,779	23,154	
520 Bldg Acquisition/Construction	3,373,702	5,320,700	6,389,200	Increased for planned long term facility maintenance projects.
522 Vandalism	11,724	25,000	25,000	
530 Other Equipment Purchased	369,222	616,853	584,513	
533 Sped Equipment	7,640	2,898	7,600	
555 Technology Equipment	126,246	305,100	310,100	
556 SPED Tech Equipment	215,082	417,247	417,247	
730 Loan Principal	550,000	595,000	550,000	Decreased to reflect COP (Certificates of Participation) payments.
740 Loan Interest	275,188	245,589	173,400	Decreased to reflect COP (Certificates of Participation) payments.
820 Dues and Memberships	113,298	135,430	124,180	
891 TRA/PERA Special Funding Expenditures	316,963	0	0	
895 Federal Indirect Costs	-3,422	-4,000	-4,000	
896 Taxes, Special Assessments and Interest	4,283	75,000	77,300	
898 Scholarships	109,496	16,000	16,000	
Total	107,091,813	114,645,874	117,755,295	
FOOD SERVICE FUND				
120 Supervisors	164,307	176,500	179,500	
160 Cooks	1,191,476	1,182,600	1,254,280	Increased to reflect full staffing and contract settlement costs.
162 Subs-Cook	14,599	23,500	17,250	
170 Tech Support	38,976	45,000	40,000	
172 Custodians	5,784	6,000	8,000	
173 Overtime	308	750	0	
186 Event Pay	418	1,600	1,600	
210 FICA	100,308	102,380	100,820	
214 PERA	104,191	107,125	104,035	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
220 Health Insurance	341,279	336,750	343,115	
225 Dental Insurance	21,688	23,500	21,675	
230 Life Insurance	1,195	1,320	1,211	
235 LTD Insurance	1,744	3,280	1,764	
236 Short Term Disability	1,367	0	0	
250 TSA	20,652	20,655	20,613	
253 Health Care Savings Plan	3,075	3,000	3,100	
254 VEBA Contribution	14,750	15,150	17,550	
270 Workers Compensation	42,818	43,530	41,932	
305 Consulting/Service Fees	398	125	400	
309 Credit Card Fees	71,505	125,000	125,000	
320 Communication Services	960	1,500	1,000	
329 Postage	123	350	200	
333 Garbage Collection	13,880	21,000	20,000	
350 Repair/Maintenance Services	22,428	55,000	45,000	
366 Travel and Conferences	2,489	4,300	1,550	
398 Administrative Chargebacks	98,540	130,000	133,000	
401 Non-Instructional Supplies	69,770	70,700	56,200	Prepackaging costs were higher than expected last year due to COVID.
402 Promotions	613	2,750	1,150	
403 Small Equipment	15,742	40,000	39,000	
405 Non-Instructional Annual License/Software	17,165	17,500	17,500	
442 Gasoline	208	850	600	
455 Non-Instructional Technology Supplies	0	500	500	
465 Non-Instructional Technology Devices	0	1,000	1,000	
490 Food	945,057	1,314,000	1,380,000	Food costs expected to increase along with participation.
491 Commodities	205,268	250,000	250,459	
495 Milk	131,631	134,800	137,050	
505 Non-Instructional Technology Software	35,496	6,000	6,000	
530 Other Equipment Purchased	41,925	152,500	101,000	Decrease in expected equipment purchases.
820 Dues and Memberships	2,265	2,870	2,470	
Total	3,744,400	4,425,385	4,475,524	
COMMUNITY SERVICE FUND				
100 Administrators	148,143	148,597	150,368	
120 Supervisors	413,941	488,460	438,596	Over projected expenditures in Youth Serv/Youth Dev in FY 20-21.
121 Confidential/Specialists	54,107	56,183	55,908	
123 SAC Site Leaders	364,072	365,754	360,358	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
125 SchI Readiness/ABE Supervisor	163,755	177,190	170,367	
140 Teachers	1,044,525	1,089,789	1,061,015	
141 Community Ed Assistants	1,366,268	1,358,232	1,185,661	Reduced school-age care staff because of anticipated low enrollment.
142 Subs-Comm Ed Assts	0	0	2,000	
143 Coordinators	22,716	0	0	
150 Subs-Teacher School Business	0	1,250	1,250	
154 School Nurse	10,922	13,895	17,633	
165 School Counselors	13,401	12,000	23,454	
170 Tech Support	320,136	388,832	314,840	Eliminated a position from Early Childhood and youth programs support.
171 Subs-Tech Support	0	500	500	
172 Custodians	34,611	35,068	34,484	
173 Overtime	38,852	56,315	46,225	
186 Casual/Other Pmts Non-Licensed	279,825	333,308	311,469	
189 Casual/Other Pmts Licensed	101,824	155,019	100,485	Reduced staffing hours in several programs due to anticipated low enrollment and reduced school readiness expense as a result of a staff leave.
210 FICA	325,797	353,351	325,137	
214 PERA	194,307	239,931	214,570	
218 TRA	107,369	120,770	113,480	
220 Health Insurance	448,356	455,867	445,470	
225 Dental Insurance	35,659	39,190	35,589	
230 Life Insurance	8,802	7,808	7,515	
235 LTD Insurance	4,670	7,219	5,909	
236 Short Term Disability	3,041	1,200	1,200	
250 TSA	40,884	37,700	31,961	
251 Severance TSA	17,056	0	0	
253 Health Care Savings Plan	39,846	51,399	21,044	
254 VEBA Contribution	58,509	62,027	58,650	
270 Workers Compensation	22,658	22,781	20,618	
297 Tuition/Classes	332	5,200	0	
299 Other Employee Benefits	305	300	300	
301 Contracted Service Subs	43,154	29,000	44,000	Increased to better reflect planned expenditures.
304 Advertising Services	46	500	500	
305 Consulting/Service Fees	367,649	458,594	416,044	Anticipating fewer independent contractors and a reduction in program enrollment.
308 Printing Services	43,905	42,200	36,550	
309 Credit Card Fees	133,981	197,052	170,985	Decreased based on reduction in fees associated with enrollment.
310 Snow Removal/Lawn Services	1,852	3,000	3,000	
320 Communication Services	3,561	4,240	4,020	
329 Postage	11,722	15,325	14,825	
330 Electricity	18,552	23,200	23,200	
331 Natural Gas	4,471	5,000	5,000	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
332 Water and Sewer	3,276	7,500	7,500	
333 Garbage Collection	1,456	1,000	1,000	
350 Repair/Maintenance Services	0	4,600	1,600	
358 Foreign Language Interpreter	0	250	250	
360 Transportation Contracts	44,397	61,100	39,500	Reduction in field trips due to COVID.
365 Transportation Chargebacks	185	1,100	550	
366 Travel and Conferences	17,682	25,300	23,650	
369 Entry Fees/Student Travel Exp	32,449	54,040	23,700	Reduction in field trips due to COVID.
370 Rentals and Leases	27,396	36,685	40,095	
398 Administrative Chargebacks	293,609	321,419	290,358	
401 Non-Instructional Supplies	110,062	150,223	131,557	Reduction in expenditures due to budgetary concerns.
405 Non-Instructional Annual License Software	4,106	4,300	4,500	
410 Custodial/Repair Supplies	9,872	4,000	5,000	
430 Instructional Supplies	9,080	9,150	8,150	
460 Textbooks and Workbooks	23,162	36,919	42,784	
461 Standardized Tests	5,188	200	200	
465 Non-Instructional Devices	4,484	33,500	12,300	Reduction in expenditures due to budgetary concerns.
490 Food	75,979	108,050	91,997	Reduced snack expenditures due to anticipated low enrollment.
530 Other Equipment Purchased	23,999	37,500	27,500	
820 Dues and Memberships	18,652	22,100	22,100	
895 Federal Indirect Costs	3,422	3,987	5,073	
Total	7,022,035	7,786,169	7,053,544	
BUILDING CONSTRUCTION FUND				
305 Consulting/Service Fees	49,907	0	0	
307 Legal Services	120,093	10,000	20,000	
401 Non Instructional Supplies	750	0	0	
520 Bldg Acquisition/Construction	2,837,203	467,000	472,000	
530 Other Equipment Purchased	6,606	0	0	
Total	3,014,559	477,000	492,000	

EXPENDITURE BY OBJECT

OBJ DESCRIPTION	2019-20 ACTUAL	2020-21 REVISED	2021-22 PRELIM.	NOTES
DEBT SERVICE FUND				
710 Bond-Principal	6,165,000	6,470,000	6,735,000	
720 Bond-Interest	3,946,258	3,655,108	3,356,663	
790 Oth Debt Service Expenditures	98,325	2,500	2,500	
920 Bond Refunding Payments	5,970,000	0	0	
Total	16,179,582	10,127,608	10,094,163	
CUSTODIAL FUND (SCHOLARSHIPS)				
All Gift Directed Expenditures	13,532	5,000	15,000	
Total	13,532	5,000	15,000	

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>
004	<p><u>Revenue from Municipalities for Tax Increment Finance</u> Record all revenues received from cities or counties for tax increment financing district payments.</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>
010	<p><u>County Apportionment</u> Record revenue that the county auditor apportions to school districts at the time of the March and November settlements.</p>
019	<p><u>Miscellaneous Tax Revenues</u> Record miscellaneous county tax revenues.</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	<u>Interest Earnings</u> This is income from temporary investments in government bonds, treasury certificates, or other investments authorized by statute.
093	<u>Rent for School Facilities</u> This revenue is from rental of district facilities. Examples include gyms and pools.
096	<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.
099	<u>Miscellaneous Local Revenue</u> This revenue source includes other miscellaneous revenue from local sources not classified elsewhere.
548-592	<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 skill (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.
631	<u>Sale of Bonds</u> Record proceeds received from the sale of bonds.
649	<u>Permanent Transfers</u> Record transfers from one fund to another.

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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