



ROBBINSDALE AREA SCHOOLS

INDEPENDENT SCHOOL DISTRICT #281 NEW HOPE, MINNESOTA

Serving the communities of
Brooklyn Center, Brooklyn Park, Crystal, Golden Valley,
New Hope, Plymouth and Robbinsdale

2021-2022 BUDGET

The Robbinsdale Area Schools District's fiscal year commences July 1 of each year, which is consistent with most school districts and is law in Minnesota. The School Board, by law, must have a budget adopted for the upcoming fiscal year prior to July 1.

The budget sets forth the financial plan for the forthcoming fiscal year. It is based on the projected financial needs of the District and serves to allocate limited resources in the best possible way to provide the best educational opportunities to students.

FINANCIAL STRUCTURE

The financial activity of the District is accounted for in several funds. Each fund is an independent accounting entity having its own set of accounts, assets, liabilities, fund balances, revenues and expenditures. The Budget, approved by the School Board, reports on the following funds: General, Child Nutrition, Community Service, Building Construction, Debt Service, Self-Insured Medical and Dental, and OPEB Trust Funds.

GENERAL FUND

The General Fund is used to account for K-12 educational activities, instruction and student support programs. Administrative, operational, building maintenance and legal expenditures not specifically designated to be accounted for in any other fund are also recorded within the General Fund.

Transportation Services

The General Fund is also used to show all financial activities of the District's pupil transportation program. Chargebacks will be made against other operating funds when appropriate.

Capital Expenditures

Revenue for total operating capital and the capital lease levy must be recorded in the reserve for operating capital in the General Fund. Revenue for Health and Safety through Long Term Facilities Maintenance (LTFM) funding must be recorded in the LTFM reserve in the General Fund. Revenue and expenses from the Technology Levy are also recorded in the appropriate reserve in the general fund.

Proceeds from the sale or exchange of school buildings or real property must be used according to the requirements of M.S. 123.36, Subd. 13. This statute permits deposit of the proceeds in the Reserve for Operating Capital in the General Fund.

CHILD NUTRITION FUND

The Child Nutrition Fund is used to record financial activities of a school district's food service program. Food service includes preparation and service of milk, meals and snacks in connection with school and community service activities.

All expenditures relating to meal preparation must be recorded in the Child Nutrition Fund. Eligible expenditures include application processing, meal accountability, food preparation, and meal service.

COMMUNITY SERVICE FUND

The Community Service Fund is used to record all financial activities of the Community Service program.

The focus of Community Education is enrichment programs for any age level that are not part of the K-12 education program. Community Education programming may also include K-12 summer school enrichment activities which, although educational in nature, are not for credit and are not required for graduation. A district may spend up to 10 percent of its community education revenue (levy, aids and fees) to purchase or lease computers and related items, equipment for instructional programs and library books used exclusively for community education.

BUILDING CONSTRUCTION FUND

The Building Construction Fund is used to record all operations of a district's building construction program that are funded by the sale of bonds or by capital loans. Revenues and expenses relating to the District's state approved Long Term Facility Maintenance (LTFM) Program are recorded in this fund when bonds have been issued for project costs or if a single project cost is \$2,000,000 or greater using pay-as-you-go LTFM levy.

Construction costs for buildings and additions consist of the following: expenditures for general construction, advertisement for contracts, payments on contracts for construction, installations of plumbing, heating, lighting, ventilation and electrical systems, expenditures for lockers, elevators, and other equipment, architectural and engineering services, paint and decorating expenses, and any other related costs.

DEBT SERVICE FUND

The Debt Service Fund is used to record revenue and expenditures for a school district's outstanding bonded indebtedness, whether for building construction or operating capital, and whether for initial or refunding bonds.

When a bond issue is sold, the school board must levy a direct general tax upon the property of the District for the payment of principal and interest. The revenue from such a tax and related state aid must be separately accounted for in a Debt Service Fund.

REVENUE ASSUMPTIONS

GENERAL FUND REVENUE ASSUMPTIONS (Fund 01)

Estimated Revenue \$184,266,789

State General Education Aid

State Basic General Education Aid is budgeted at \$79,950,633. Under current law the basic formula amount is derived from estimated adjusted pupil units served times \$6,567. The basic formula is assumed to be flat when compared to the 2020-21 school year amount of \$6,567. The basic general education aid serves as the district's primary funding source, accounting for 43.39% of the general operating fund revenue.

Per-Pupil-Unit Allocation-Basic General Education:

School Year	Basic Formula	Formula Change
2017-18	\$6,188	2.0%
2018-19	\$6,312	2.0%
2019-20	\$6,438	2.0%
2020-21	\$6,567	2.0%
2021-22	\$6,567	0.0%

Other components of General Education Aid amount to \$14,766,331. Other components of General Education Aid are listed below:

Other General Education Aid		2021-22
Pension Adjustment		\$512,803
Gifted and Talented		\$157,874
Extended Time		\$614,040
Compensatory Revenue		\$11,589,856
Limited English Program		\$961,290
Declining Enrollment		\$930,468
	TOTAL	\$14,766,331

Enrollment

Pupil Units-The district has projected annual average daily membership served to be 11,036 for the 2021-22 school year. The average daily membership (ADM) is based upon enrollment and is the basis for the calculation of general education aid.

ADM calculates actual “membership time” rather than simple enrollment counts at a given point in time. This also includes the net impact of “open enrollment” agreements with other Minnesota districts.

ADM includes students who leave the district through tuition agreements and excludes students who enter the district with a tuition agreement.

Projected enrollment for the 2021-22 school year:

Grade Level	ADM	Weight	Pupil Units
Pre K	81	1.00	81.00
Voluntary PreK - *	0	1.00	0.00
Handicapped K	85	1.00	85.00
Kindergarten	483	1.00	483.00
Grade 1-3	2,361	1.00	2,361.00
Grade 4-6	2,334	1.00	2,334.00
Grade 7-12	5,692	1.20	6,830.00
Totals	11,036		12,174.00

Extended Time Pupil Units 120.00

*Voluntary Pre-K program will run, but funding is assumed to be discontinued.

Property Taxes

Property tax revenue is budgeted at \$44,227,071. Revenue from property taxes provides the second largest source of revenue for the General Fund, representing 24.00% of total revenue. Levy portion of the current operating referendum and prior year adjustments are estimated at \$21,868,789, and account for 49.45% of General Fund property tax revenue. The district's operating referendum authority for the 2021-22 school year is estimated at \$1,782 per pupil unit served.

General Fund Designated Levies	
	2021-22
Equity	\$ 881,117
Referendum	\$21,868,789
Transition	\$ 240,194
Integration	\$ 851,916
Safe Schools	\$ 35,039
Career Technical	\$ 364,887
Local Option Levy	\$ 8,819,112
Re-employment	\$ 150,000
Alternative Compensation	\$ 1,166,817
Adjustments	(436,492)
Tech Levy	\$ 5,279,520
Operating Capital	\$ 4,264,683
LTFM	\$ 141,489
TOTAL	\$44,227,071

Other State (Categorical) Aid

State supported programs are budgeted at \$27,138,499. Special education categorical aid makes up 70.72% of this category and is estimated at \$19,191,075. State aid for special education is a formula that is based upon district special education expenditures and statewide funding limits. Other State Aid components are listed below:

Other State Categorical Aid	
	2021-22
Special Education (regular)	\$19,191,075
Integration	1,978,200
Indian Education	80,000
Nonpublic Transportation	315,000
Integration Transportation	2,000,000
Foster Transportation	200,000
Alternative Compensation	1,819,538
Operating Capital	1,554,686
Total	\$27,138,49

Federal Sources

Federal Revenue is budgeted at \$14,586,546. Title Programs-Entitlement computations use federal funding limits, enrollment data and the number of pupils in various programs. Expenditures will match total revenues in the Federal Programs. (Includes \$9.2 million in funds for CARES I and CARES II carried over from 20-21).

Local Tuition, Fees and Admissions

Revenue in this category is budgeted to be \$3,597,709. Items in this category include misc. fees, admissions, gate receipts and interest revenue.

CAPITAL FUND REVENUE ASSUMPTIONS (Fund 05)

Capital Fund 5 was rolled into the general fund many years ago and is now reflected in the General Fund budget – Fund 01.

FOOD SERVICE FUND REVENUE ASSUMPTIONS (Fund 02)

Revenue in the food service fund is budgeted to be \$9,000,000

Prices for breakfast, lunch and milk are:

Meal Costs *

Elementary Lunch	\$2.65
Middle School Lunch	\$2.85
High School Lunch	\$3.00
Breakfast	\$1.40
Milk/Juice	\$.50/\$.40

*All meals will be free of charge in 21-22 regardless of income.

State and federal reimbursements rates for the 2020-21 school year are shown in the table below. Schools that serve at least 40% lunches at free/reduced prices qualify for Severe Need (SV) breakfast rates.

	<u>Federal Rate</u>	<u>State Rate</u>
Lunch-Paid	\$0.35	\$0.125
Lunch-Reduced Rate	\$3.13	\$0.525
Lunch-Free	\$3.53	\$0.125
Breakfast Paid	\$0.32	\$0.55
Breakfast Reduced	\$1.59	\$0.30
Breakfast Free	\$1.89	
Breakfast Paid (SV)	\$0.32	\$.55
Breakfast Reduced (SV)	\$1.96	\$.30
Breakfast Free (SV)	\$2.26	

COMMUNITY ED REVENUE ASSUMPTIONS (FUND 4)

Total revenue for the community education fund is budgeted at \$9,474,598.

CONSTRUCTION FUND REVENUE ASSUMPTIONS (Fund 06)

The Construction Fund is used to account for Long-Term Facilities Maintenance projects. Long-Term Facility Maintenance Bonds will be sold soon to fund state approved projects for the current year. A bond amount of roughly \$22.2 Million will fund projects for the 2021-22 and part of 2022-23 fiscal years.

DEBT SERVICE FUND REVENUE ASSUMPTIONS (Fund 07)

Debt service fund revenue is estimated to be at \$18,000,000. The revenue is directly linked to the debt service principal and interest bond payment schedule.

EXPENDITURE ASSUMPTIONS

GENERAL FUND EXPENDITURE ASSUMPTIONS (Fund 01)

The total General Fund expenditure budget is estimated to be \$183,166,791. This includes the following for 2021-22:

The **salaries and employee benefits** budget (approximately \$142 million) includes salary and benefits for all employee groups covered in the general fund. The salaries and wages and employee benefits budget includes:

- a) Increased salary and wage costs for longevity, education, pay rates and other items included in bargaining agreements. All agreements except SEIU Custodial expire June 30, 2021.
- b) Salaries and benefits relatively flat other than CARES funded positions, as strategic realignments and attrition are expected to be offset by labor agreement changes
- c) Increased costs for statutory benefits (TRA, PERA, FICA, unemployment and workers compensation).
- d) Expenditures for Alternative Compensation Program.

Other District Staffing Assumptions

Student to Staff Ratio:

ELEMENTARY

	Range
KINDERGARTEN	(18-25)
1 ST GRADE	(19-26)
2 ND GRADE	(21-28)
3 RD GRADE	(21-28)
4 TH GRADE	(23-30)
5 TH GRADE	(24-31)

MIDDLE SCHOOL STUDENT TO TEACHER RATIO

GRADE 6-8	25.22
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HIGH SCHOOL STUDENT TO TEACHER RATIO

GRADE 9-12	28.10
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Special Education Staffing Ratios:

The special education department will utilize the same staffing ratios in planning for 2021-22 as were utilized for 2020-21. They are as follows:

Weighted student numbers (based on amount of special education service received):

- Federal setting I – 1.0
- Federal setting II – 1.25
- Federal setting III – 1.5

Licensed resource-level teachers: Elementary 18:1 (weighted student #)
 Middle School 18:1 (weighted student #)
 High School 20:1 (weighted student #)

Center-based classrooms (ASD, DCD, EBD): 8:1; can be adjusted based on the amount of time students participate in the mainstream.

Early Childhood Special Education classrooms: 8:1

Speech/Language: 50:1

Psychologist: 1,500 students: 1.0 (total student population): additional allocation based on number of center-based classrooms in the building.

Social Workers: Elementary 100:1 (weighted student #)
 Middle School 200:1 (weighted student #)
 High School 250:1 (weighted student #)

Occupational Therapists: 50:1

Physical Therapists: 50:1

Adapted Physical Ed: 6 students = 1 class/.1 FTE
 Center-based classrooms DCD/CID 2 classes = .15 FTE
 EBD 2 classes = .10 FTE

Non-staff expenditures are budgeted at \$34,673,452 representing 15.8% of total General Fund Expenditures. Expenditures in this area include building operations/utilities, supplies, capital expenditures and transportation contracted services.

GENERAL FUND ESTIMATED FUND BALANCE RESERVES

Category	FY 22 Begin	Rev	Exp	FY22 End
Inventory	\$ 391,697	\$ -		\$ 391,697
Prepaid	\$ 321,817	\$ -		\$ 321,817
Tech Levy	\$ 805,990	\$ 5,273,882	\$ 5,273,882	\$ 805,990
Op Cap	\$ 3,781,498	\$ 5,805,054	\$ 5,805,054	\$ 3,781,498
Basic Skills	\$ 626,401	\$ 12,551,156	\$ 12,551,156	\$ 626,401
MA	\$ 140,000	\$ 700,000	\$ 700,000	\$ 140,000
Bldg Carryover	\$ 584,228			\$ 584,228
Q-Comp	\$ 277,664	\$ 2,993,012	\$ 2,993,012	\$ 277,664
LCTS	\$ 645,937	\$ 165,000	\$ 165,000	\$ 645,937
H&S / LTFM	\$ 191,057	\$ 896,877	\$ 896,877	\$ 191,057
Safe Schools	\$ (17,952)	\$ 611,407	\$ 611,407	\$ (17,952)
Unassigned	\$ 1,730,946	\$ 155,270,403	\$ 154,170,403	\$ 2,830,946
TOTAL	\$ 9,479,283	\$ 184,266,791	\$ 183,166,791	\$ 10,579,283
		\$ 184,266,791	\$ 183,166,791	
		\$ -	\$ -	

GENERAL FUND UNASSIGNED DETAIL

Unassigned Detail:	Revenue	Expense
Unassigned	\$ 109,811,647	\$ 93,563,886
STAFF D	\$ 1,583,929	\$ 1,583,929
CARES	\$ 8,727,405	\$ 8,727,405
ALC	\$ 2,250,000	\$ 2,250,000
A&I	\$ 2,677,837	\$ 2,677,837
A&I INCENTIVE	\$ 122,804	\$ 122,804
INDIAN ED	\$ 80,000	\$ 80,000
L&D	\$ 2,500,000	\$ 2,500,000
G&T	\$ 157,874	\$ 715,000
TITLE I	\$ 2,150,836	\$ 2,150,836
TITLE II	\$ 455,458	\$ 455,458
TITLE III	\$ 152,058	\$ 152,058
TITLE IV	\$ 60,000	\$ 60,000
FED SPED	\$ 2,000,000	\$ 2,000,000
SPED PRESCHOOL	\$ 44,939	\$ 44,939
SPED BIRTH TO 2	\$ 68,243	\$ 68,243
VOLUNTARY CEIS	\$ 50,196	\$ 50,196
MANDATORY CEIS	\$ 285,412	\$ 285,412
TITLE III IMMIGRANT	\$ 1,500	\$ 1,500
INDIAN ED	\$ 40,500	\$ 40,500
PERKINS	\$ 50,000	\$ 50,000
TRANSPORT INTEGRATION	\$ 2,000,000	\$ 2,000,000
Foster Trans	\$ 200,000	\$ 200,000
Title 8		
REGULAR TRANSPORT	\$ 315,000	\$ 315,000
STATE SPED	\$ 19,191,075	\$ 33,275,400
CTE	\$ 293,690	\$ 800,000
TOTALS	\$ 155,270,403	\$ 154,170,403

CAPITAL FUND EXPENDITURE ASSUMPTIONS (Fund 01)

Capital Fund 5 was rolled into the general fund many years ago and is now reflected in the General Fund budget – Fund 01.

FOOD SERVICE FUND EXPENDITURE ASSUMPTIONS (Fund 02)

Expenditures in the food service fund are budgeted at \$7,600,000.

Salary and benefits include step and percentage increases of the Nutrition Services contract offset by attrition as fewer staff are needed for lower student population.

Food Prices have also been on the rise as production bottlenecks due to prior COVID closures impact the supply chain.

COMMUNITY EDUCATION EXPENDITURE ASSUMPTIONS (Fund 04)

Total expenses for the community education fund are budgeted at \$9,575,655. Changes impacting expenses include:

- Salaries and benefits will reflect bargaining group agreements. If contracts are not in place, modest salary/benefits increases are budgeted.
- Community Education programs space lease costs are \$7.01/square foot (1.5% decrease from the prior year) for dedicated office and classroom space.

CONSTRUCTION FUND EXPENDITURE ASSUMPTIONS (Fund 06)

Deferred maintenance projects that are funded through the Long-Term Facilities Maintenance (LTFM) program are projected to be roughly \$19,500,000. Budgeted expenditures follow a plan that is annually approved by the Minnesota Department of Education.

DEBT SERVICE FUND EXPENDITURE ASSUMPTIONS (Fund 07/Fund 47 OPEB)

Debt service fund expenditures are estimated at \$18,000,000. The expenditures are directly linked to the debt service principal and interest bond payment schedule.

OTHER FUNDS

Self-Insured Medical

Expected ending 21	- \$1,750,000
Expected revenue 22	+ \$21,300,000
Expected claims 22	+ \$19,600,000

Expected ending 22	- \$ 350,000

Self-Insured Dental

Expected ending 21	+ \$1,100,000
Expected revenue 22	+ \$1,500,000
Expected claims 22	+ \$1,700,000

Expected ending 22	+ \$ 900,000

OPEB Trust Fund

Expected ending 21	+ \$16,000,000
Expected revenue 22	+ \$700,000
Expected payouts 22	+ \$500,000

Expected ending 22	+ \$16,200,000
Actuarial Liability	+ \$10,750,000

Actuarial Surplus	+ 5,450,000

OPEB Debt Service Fund

Expected Revenues	+ \$2,600,000
Expected Expenditures	+ \$2,600,000