

**WHITE BEAR LAKE AREA SCHOOLS
ANNUAL OPERATING PLAN**



FISCAL YEAR 2021-22

SCHOOL BOARD

	Term Expires
Don Mullin, Chairperson	2021
Kim Chapman, Vice Chairperson	2021
Deb Beloyed, Treasurer	2021
Jessica Ellison, Clerk	2021
Scott Arcand, Director	2023
Margaret Newmaster, Director	2023
Angela Thompson, Director	2023

DISTRICT ADMINISTRATION

Superintendent	Dr. Wayne A. Kazmierczak
Assistant Superintendent for Finance & Operations	Timothy Wald
Assistant Superintendent for Teaching & Learning	Dr. Alison Gillespie
Director of Communications & Community Relations	Marisa Vette
Director of Community Services & Recreation	Timothy Maurer
Director of Curriculum & Instruction	Jennifer Babiash
Director of Equity & Engagement	Dr. Marcellus Davis
Director of Finance	Andi Johnson
Director of Human Resources and General Counsel	Matt Mons
Director of Student Support Services	Lisa Ouren
Director of Technology & Innovation	Steve Asper

SCHOOL ADMINISTRATION

Normandy Park Education Center – Early Childhood Programs	Darcy Rodriguez
Normandy Park Education Center – Early Childhood Special Education	Angela Drange
Birch Lake Elementary School	Jonathan Luknic
Hugo Elementary School	Brian Morris
Lakeaires Elementary School	Cary Krusemark
Lincoln Elementary School	Dan Schmidt
Matoska Elementary School	John Leininger
Oneka Elementary School	Lori Mosser
Otter Lake Elementary School	Cynthia Mueller
Vadnais Heights Elementary School	Sara Svir
Willow Lane Elementary School	Matthew Menier
Central Middle School	Cathryn Peterson
Sunrise Park Middle School	Christina Pierre
White Bear Lake Area High School North Campus	Angela Nelson
White Bear Lake Area High School South Campus	Don Bosch
White Bear Lake Area Learning Center	Gretchen Harriman
Transition Education Center	Sara Derby
Distance Learning Academy	Amber Walsh

WHITE BEAR LAKE AREA SCHOOLS INDEPENDENT SCHOOL DISTRICT 624

MISSION STATEMENT

The mission of the White Bear Lake Area School District, the community at the forefront of educational excellence, honoring our legacy and courageously building the future, is to ensure each student realizes their unique talents and abilities, and makes meaningful contributions with local and global impact through a vital system distinguished by:

- Students who design and create their own future
- A culture that respects diverse people and ideas
- Safe, nurturing and inspiring experiences
- Exceptional staff and families committed to student success
- Abundant and engaged community partners

EQUITY COMMITMENT

To nurture the whole student, we disrupt systemic inequities by recognizing, honoring, and embracing all cultures with humility and respect.

4-Way Equity Decision Making Protocol:

1. How does this help to provide opportunities to students who have been marginalized within the system in the past?
2. How does this help to ensure equitable access for all?
3. How does this help to eliminate barriers based on race/ethnicity, gender, disability, age, or other protected groups?
4. How does this ensure that the same rigorous standards for academic performance exist for all students?

THE SCHOOL ENTITY

In January 1857, James F. Murray and other White Bear Lake settlers decided to establish their own school district. Upon approval from the county for this new district, Murray donated property along Bald Eagle Lake for a new school. At a cost of \$100, and with the help of community labor, the first schoolhouse in White Bear Lake was opened in 1857, a year before Minnesota became the 32nd state in the Union.

The District, which is located about 15 miles northeast of St. Paul, Minnesota, the state capital, was officially formed in its current structure through legislative action in 1957. The governing body consists of a seven-member Board of Education elected from within the District's boundaries. The District serves about 8,707 students in pre-kindergarten through Grade 12. Geographically, the District's boundaries include portions of Anoka, Ramsey, and Washington counties, and serves all or part of the following municipalities: Birchwood, Gem Lake, Hugo,

Lino Lakes, Little Canada, North Oaks, Vadnais Heights, White Bear Lake, and White Bear Township.

The District provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through Grade 12. This includes regular and enriched academic education and special education for exceptional children. Nutrition services and transportation are provided as support programs. The District's community education program includes early childhood and extended day programs, along with a myriad of classes for lifelong learning experiences for children and adults.

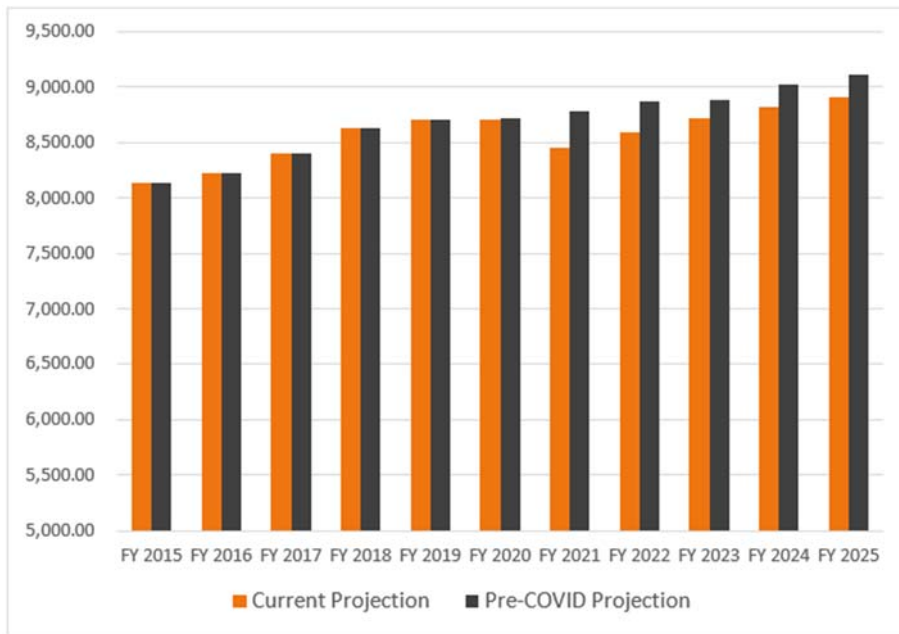
BUDGET PROCESS



ENROLLMENT

Enrollment is a key variable in calculating school district revenue. Enrollment projections are determined using a variety of methods, including analyzing historical trends and known growth in new construction throughout the district. Kindergarten projections are based on birth rate data received from Ramsey, Washington, and Anoka Counties. The birth rates are then analyzed based on historical trends in capture rates in the district to project the number of kindergarteners expected to enroll.

White Bear Lake Area Schools, like most schools nationwide, felt the impact of the COVID-19 pandemic on student enrollment. As can be seen in the figure below, the district experienced a 4% decrease in enrollment during the 2020-21 school year. The current projection projects a gradual increase in enrollment over the next several years towards pre-pandemic levels. The 2021-22 budget reflects an estimated 8,595.26 Average Daily Membership (ADM). The district will continue to closely monitor enrollment and adjust operations accordingly.



	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025
Current Projection	8,136.55	8,219.50	8,405.27	8,633.04	8,707.39	8,706.83	8,457.00	8,595.26	8,723.48	8,822.88	8,907.69
Pre-COVID Projection	8,136.55	8,219.50	8,405.27	8,633.04	8,707.39	8,720.70	8,781.60	8,873.80	8,887.30	9,023.90	9,104.00
Decrease in Enrollment Projection						(13.87)	(324.60)	(278.54)	(163.82)	(201.02)	(196.31)

GENERAL FUND

The General Fund is used to account for all revenue and expenses related to the general day-to-day operations of the school district. This includes instructional and student support programs, district administration, operations and maintenance, transportation, and capital expenditures.

REVENUE

The General Fund receives its revenue from three broad sources: local sources, state aids and federal aids. More information on each of these revenue sources can be found below. Detailed information can be found in [Minnesota School Finance: A Guide for Legislators](#), a document provided by the Minnesota House Research Department.

General Fund	Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
1 Revenue				
2 Local sources				
3 Property taxes	\$ 25,808,561	\$ 26,104,301	\$ 28,700,245	\$ 32,584,934
4 Investment earnings	447,891	260,057	10,000	10,000
5 Other	3,608,643	3,398,967	2,667,408	2,774,000
6 State sources	67,373,177	68,399,641	67,225,237	67,855,114
7 Special Education	13,687,904	14,483,294	16,202,245	16,479,370
8 Federal sources	3,378,693	2,996,975	2,920,287	2,927,287
9 Federal COVID-19 relief funding		287,160	5,390,142	2,901,965
10 Total revenue	114,304,869	115,930,395	123,115,564	125,532,670

PROPERTY TAXES

LINE 3

Property taxes account for 26% of the revenue in the general fund. There are several components of property taxes including voter-approved operating referendum, voter-approved capital projects levy, operating capital, and Long-Term Facilities Maintenance (LTFM). Taxpayers approved a 10-year capital projects levy in November 2013 and a 10-year operating referendum in November 2017. The district's capital projects levy is equal to 2.2% of the district's net tax capacity and generates approximately \$2.1 million for FY2021-22. The operating referendum is annually adjusted by an inflation factor provided by the Minnesota Department of Education; the operating referendum is equal to \$1,286.04 per pupil unit for FY2021-22 and generates approximately \$11.1 million.

INVESTMENT EARNINGS

LINE 4

Interest rates were favorable for the last several years but have drastically fallen as a result of the COVID-19 pandemic.

OTHER

LINE 5

Other revenue includes donations, participation fees for extracurricular activities, ticket sales from activity events, concessions, and other miscellaneous sources.

STATE SOURCES

LINE 6

State sources (including Special Education) account for approximately 67% of total revenue. This aid is comprised of several components, each with its own formula to calculate the amount the district can expect to receive from the Department of Education in a given fiscal year. The state general education aid is the single largest source of revenue for the school district; it is calculated by multiplying the district's pupil units by the general education formula allowance:

	2018-19	2019-20	2020-21	2021-22
General Education Formula Allowance	6,312	6,438	6,567	6,567 *

* As of June 9, 2021, the 2021-22 formula allowance had not yet been approved by the state legislature.

SPECIAL EDUCATION

LINE 7

This state aid is provided to Districts to partially fund the costs associated with providing required services to students with disabilities. White Bear Lake Area Schools serves approximately 1,600 students with disabilities.

FEDERAL SOURCES

LINE 8

The district receives several federal grants, both directly and through the State of Minnesota, the largest of which help to fund the district's Title I and Special Education programs.

FEDERAL COVID-19 RELIEF FUNDING

LINE 9

This category is comprised of one-time relief afforded to school districts by the federal government to reduce the impact of the COVID-19 pandemic on school operations.

EXPENDITURES

The majority of general fund expenditures are salaries and benefits, which account for 80% of the budget. All district employment agreements expire on June 30, 2021; an appropriate estimated increase has been incorporated into the 2021-22 preliminary budget.

Due to the decrease in enrollment as a result of the COVID-19 pandemic referenced above, the school board has approved \$4.3 million of budget reductions that have been incorporated into the 2021-22 budget.

The district records expenses in the following six sub-categories:

- SALARIES – Expenditures in this category include salary payments to board members, administrators, teachers, paraprofessionals, clerical support, maintenance employees, bus drivers or any individual who is deemed to be an employee of the school district.
- EMPLOYEE BENEFITS – Benefit expenditures include employer portions of payroll taxes, retirement contributions, employer paid insurance premiums, and all benefits agreed to within negotiated union contracts and labor policies.
- PURCHASED SERVICES – This category includes payments to individuals or organizations for professional services such as auditors, attorneys, contracted service providers, or consultants. This category also includes postage, communication services, utilities, travel and training costs, operating leases, tuition payments, chargebacks, and transportation contracts.
- SUPPLIES AND MATERIALS – This category includes supplies purchased for both instructional and non-instructional purposes. This category includes items such as classroom and office supplies, textbooks, standardized tests, media resources, and electronic replacements of instructional resources (such as applications for electronic devices).
- CAPITAL EXPENDITURES – Expenditures in this category would include the purchase of land, improvements made to buildings, vehicles, machinery, equipment, and all other

assets that are used in operations that have lives extending beyond a single reporting period.

- OTHER EXPENDITURES – The Minnesota Department of Education provides for a miscellaneous category of expenditure for those items that do not fit within the other categories. Examples of this type of expenditure are dues, memberships, licenses, debt service, transfers, and other miscellaneous expenditures.

ADMINISTRATION

LINES 14-20

This includes all costs for general administration, instructional administration and school site administration for the school district, including activities of the school board, superintendent, assistant superintendents and building principals.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
14	Administration				
15	Salaries	3,286,260	3,298,410	3,372,088	3,343,044
16	Employee benefits	1,042,186	1,032,364	1,180,690	1,200,310
17	Purchased services	272,612	217,652	262,081	262,081
18	Supplies and materials	75,980	116,338	17,341	17,341
19	Other expenditures	90,206	89,513	62,224	62,224
20	Total administration	4,767,244	4,754,277	4,894,424	4,885,000

DISTRICT SUPPORT SERVICES

LINES 22-29

This includes all district-level support services including business office, human resources, communications and technology.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
22	District support services				
23	Salaries	1,228,247	1,451,409	1,343,359	1,374,009
24	Employee benefits	486,333	507,709	547,329	561,011
25	Purchased services	687,074	428,608	592,652	564,152
26	Supplies and materials	67,525	59,635	117,730	117,730
27	Capital expenditures	5,948	39,334	–	–
28	Other expenditures	12,329	(3,523)	25,543	25,543
29	Total district support services	2,487,456	2,483,172	2,626,613	2,642,445

ELEMENTARY AND SECONDARY REGULAR INSTRUCTION

LINES 31-40

Regular instruction includes all activities dealing directly with the teaching of students, interaction between teachers and students in the classroom and co-curricular activities and athletics.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
31	Elementary and secondary regular				
32	instruction				
33	Salaries	34,588,444	35,254,730	37,566,683	36,152,150
34	Employee benefits	12,129,929	12,531,474	13,776,505	13,886,334
35	Purchased services	1,534,360	1,683,903	1,504,070	1,913,877
36	Supplies and materials	2,941,319	2,172,337	2,885,431	2,777,195
37	Capital expenditures	198,618	291,403	685,358	684,520
38	Other expenditures	497,244	462,828	275,018	249,889
39	Total elementary and secondary				
40	regular instruction	51,889,914	52,396,675	56,693,065	55,663,965

VOCATIONAL EDUCATION INSTRUCTION**LINES 42-50**

This includes courses which develop knowledge, skills, attitudes, and behavioral characteristics for students seeking career exploration and employability.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
42	Vocational education instruction				
43	Salaries	1,029,123	915,782	705,905	723,551
44	Employee benefits	420,691	387,208	353,315	362,144
45	Purchased services	288,868	229,248	361,954	361,954
46	Supplies and materials	37,743	28,419	31,915	31,915
47	Capital expenditures	–	5,000	–	–
48	Other expenditures	5,351	5,858	–	–
49	Total vocational education				
50	instruction	1,781,776	1,571,515	1,453,089	1,479,564

SPECIAL EDUCATION INSTRUCTION**LINES 52-59**

This includes activities providing learning experiences for any student with a disability who would benefit by educational programs differentiated from those provided for students in regular or vocational instruction.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
52	Special education instruction				
53	Salaries	16,515,974	16,662,992	16,841,550	16,962,705
54	Employee benefits	6,474,057	6,575,246	6,901,213	6,982,498
55	Purchased services	574,189	767,675	612,519	612,519
56	Supplies and materials	136,877	160,156	146,823	146,823
57	Capital expenditures	54,996	184,939	50,000	50,000
58	Other expenditures	99,509	103,135	33,155	33,155
59	Total special education instruction	23,855,602	24,454,143	24,585,260	24,787,700

INSTRUCTIONAL SUPPORT SERVICES**LINES 61-68**

This includes instructional support services for assisting teachers with the content and process of providing learning experiences for students. This includes curriculum and instruction support, media centers, instruction-related technology and professional development.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
61	Instructional support services				
62	Salaries	4,930,056	4,659,325	3,807,808	3,829,177
63	Employee benefits	1,707,635	1,392,706	1,536,600	1,580,877
64	Purchased services	186,257	120,634	317,126	402,543
65	Supplies and materials	79,310	85,300	368,334	112,748
66	Capital expenditures	1,161,810	1,551,843	1,149,929	1,100,180
67	Other expenditures	776,518	589,227	625,931	516,781
68	Total instructional support services	8,841,586	8,399,035	7,805,728	7,542,306

PUPIL SUPPORT SERVICES**LINES 70-77**

This includes all services provided to students which do not qualify as instruction services, including school counselors, nursing/health services, and social workers.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
70	Pupil support services				
71	Salaries	3,215,522	3,665,743	4,086,231	3,726,933
72	Employee benefits	1,248,112	1,274,613	1,394,010	1,357,072
73	Purchased services	139,150	134,959	316,009	516,009
74	Supplies and materials	146,709	152,370	78,254	78,254
75	Capital expenditures	–	–	–	–
76	Other expenditures	84,151	214,647	94,690	94,690
77	Total pupil support services	4,833,644	5,442,332	5,969,194	5,772,958

TRANSPORTATION**LINES 79-86**

This includes all costs to transport students to and from school.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
79	Transportation				
80	Salaries	1,609,263	1,599,323	1,226,420	1,688,500
81	Employee benefits	538,788	555,974	460,693	587,000
82	Purchased services	5,274,727	4,761,087	4,773,456	4,539,150
83	Supplies and materials	517,781	423,400	446,439	451,367
84	Capital expenditures	317,626	147,123	230,000	200,000
85	Other expenditures	1,445	–	1,100	–
86	Total transportation	8,259,630	7,486,907	7,138,108	7,466,017

SITES AND BUILDINGS**LINES 88-95**

This includes all costs related to the maintenance of district buildings and grounds, including custodial costs as well as utilities such as electricity, water, sewer, trash, etc. This includes costs related to the district's Long Term Facilities Maintenance (LTFM) program.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
88	Sites and buildings				
89	Salaries	3,347,590	3,347,067	3,426,797	3,507,680
90	Employee benefits	1,256,907	1,236,025	1,366,454	1,399,878
91	Purchased services	2,914,016	2,396,482	2,627,059	2,620,963
92	Supplies and materials	1,010,790	1,011,974	1,849,023	1,119,055
93	Capital expenditures	774,000	342,987	584,050	4,029,109
94	Other expenditures	29,152	35,305	16,349	16,349
95	Total sites and buildings	9,332,455	8,369,840	9,869,732	12,693,034

FISCAL AND OTHER FIXED COST PROGRAMS**LINES 97-98**

This includes costs related to the district's property and liability and workers' compensation insurance programs.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
97	Fiscal and other fixed cost programs				
98	Purchased services	(18,464)	796,848	853,034	847,372

DEBT SERVICE**LINES 100-103**

This includes costs related to the district's general fund portion of debt issued to finance building additions funded through lease levy revenue.

		Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
100	Debt service				
101	Principal	717,193	745,262	915,382	915,382
102	Interest and fiscal charges	353,548	325,494	151,848	151,848
103	Total debt service	1,070,741	1,070,756	1,067,230	1,067,230

FUND BALANCES

LINES 107-124

The district has several fund balance categories as required by state statute and Governmental Accounting Standards Board (GASB) Statement No. 54. The majority of General Fund activity closes to the Unassigned Fund Balance. The School Board has adopted School Board Policy 714 – Fund Balances to ensure the financial stability of the district. Policy 714 requires a minimum Unassigned General Fund balance of 8%. The district is projecting an Unassigned General Fund Balance of 6.7% for 2021-22; administration has developed a plan to address the structural imbalance with a goal of achieving the fund balance minimum by 2023-24.

	Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
107 Net change in fund balances	(2,796,715)	(1,295,105)	160,087	685,079
108				
109 Fund balances				
110 Beginning of year	19,874,330	17,077,615	15,782,510	15,942,597
111 Prior Period Adjustment				
112 End of year	\$ 17,077,615	\$ 15,782,510	\$ 15,942,597	\$ 16,627,676
113				
114 Ending Fund Balance (Assigned - General Fund)	3,030,000	2,000,000	2,000,000	–
115 Ending Fund Balance (Assigned for Student Activities)	314,748	294,880	294,880	294,880
116 Ending Fund Balance (Restricted for Medical Assistance)	854,211	730,553	730,553	–
117 Ending Fund Balance (Restricted for Operating Capital)	2,234,319	3,065,789	3,065,789	2,796,342
118 Ending Fund Balance (Restricted for Capital Projects)	635,363	243,739	243,739	279,262
119 Ending Fund Balance (Restricted for LTFM)		2,205,584	2,205,584	4,892,642
120 Ending Fund Balance (Nonspendable)	407,677	14,573	14,573	14,573
121 Ending Fund Balance (Unassigned)	9,601,297	7,227,392	7,387,479	8,349,977
122 Ending Fund Balance (Unassigned as % of expenditures)	8.2%	6.2%	6.0%	6.7%
123				
124 Fund Balance Policy 714 Minimum				8%

NUTRITION SERVICES FUND

The Nutrition Services Fund is used to record financial activities of the district's food service program.

MISSION STATEMENT

The mission of the WBLAS Nutrition Services, an exceptional team vital to our district dedicated to the nutritional needs of our students, is to ensure nutritionally enticing meals in a safe and welcoming environment that acknowledges and values each student through a system distinguished by:

- A student driven menu
- Sustainable and locally sourced foods
- Innovative equipment and technology
- Knowledgeable staff; and
- Students with life-long healthy eating habits

NUTRITION SERVICES SUMMARY

Only costs related to food preparation and service, application processing, meal accountability and kitchen custodial service may be accounted for in this fund.

Due to the impact that the COVID-19 pandemic has had on families, the U.S. Department of Agriculture (USDA) has approved free meals for students for the 2020-21 and 2021-22 school years.

The multiple changes in learning models between in-person, hybrid and distance learning throughout the 2020-21 school year have greatly impacted the Nutrition Services Fund, which relies on stable student participation to maintain cost-neutral operations. For 2021-22, the Nutritional Services Fund is projecting positive operations assuming fewer, if any, transitions in learning model for the school year.

	Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
<i>125</i> Nutritional Services Fund				
<i>126</i> Revenues	4,610,762	3,982,047	3,902,779	5,842,854
<i>127</i> Expenditures	4,552,813	4,148,747	4,798,638	5,520,000
<i>128</i>				
<i>129</i> Excess (deficiency) of revenue over expenditures	57,949	(166,700)	(895,859)	322,854
<i>130</i> Ending Fund Balance	\$ 746,910	\$ 580,210	\$ (315,649)	\$ 7,205
<i>131</i> Ending Fund Balance (as % of expenditures)	16.4%	14.0%	-6.6%	0.1%

COMMUNITY SERVICES FUND

Community Services programs offer opportunities for youth and adults throughout the district to connect and engage in lifelong learning.

MISSION STATEMENT

The mission of Community Services & Recreation, a dynamic department at the leading edge of community programming, is to connect and engage individuals and the community in lifelong learning and enrichment through a vital system distinguished by:

- Safe, nurturing environments and accessible spaces
- Inclusive, varied programs and experiences
- Participants, volunteers, and staff who reflect and embrace the diversity of our community
- Synergistic partnerships and meaningful relationships
- Dedicated, qualified, and supported staff and volunteers

COMMUNITY SERVICES SUMMARY

Community Services and Recreation offers a wide variety of programs including adult enrichment classes, adult recreation, Adult Basic Education, adults with disabilities programming, senior programs, youth enrichment and development, youth recreation, driver education, middle school athletics, Early Childhood programs, Extended Day School Age Care and provides facility reservation options for community members and organizations.

The COVID-19 pandemic and the Governor’s stay-at-home order drastically impacted the Community Services Fund, which relies on registration fees as a significant portion of the fund’s revenue. As programming is becoming more available as the state continues to rebound from the pandemic, the Community Services Fund is anticipated to rebound as well.

	Actual 2018-19	Actual 2019-20	Revised 2020-21	Preliminary 2021-22
<i>132</i> Community Services Fund				
<i>133</i> Revenues	6,544,785	6,390,641	5,604,067	6,729,637
<i>134</i> Expenditures	6,905,050	6,908,649	5,874,223	6,840,866
<i>135</i>				
<i>136</i> Excess (deficiency) of revenue over expenditures	(360,265)	(518,008)	(270,156)	(111,229)
<i>137</i> Ending Fund Balance	<u>\$ 1,221,426</u>	<u>\$ 703,418</u>	<u>\$ 433,262</u>	<u>\$ 322,033</u>
<i>138</i> Ending Fund Balance (as % of expenditures)	17.7%	10.2%	7.4%	4.7%