

# Financial Update

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# Financial Update - Enrollment

- Enrollment continues to be a major financial issue
- Only relief bill still active provides about half of what we lost
- Enrollment dropping over 280 students from last year
- Next year shows a decrease of another 132 students

Enrollment Projections for budget purposes				(as of 3/25/21)		
	Actual	Actual	Projected	Projected	Projected	Projected
	18-19	19-20	20-21	21-22	22-23	23-24
Pre-K	269.71	280.38	260.00	260.00	260.00	260.00
K	1,325.2	1,382.01	1,231.43	1,331.00	1,314.81	1,292.41
PK/SR	41.22	35.22	40.00	40.00	40.00	40.00
1	1,350.37	1,366.47	1,373.14	1,260.00	1,451.19	1,433.55
2	1,366.24	1,367.19	1,337.43	1,368.00	1,289.27	1,484.91
3	1,387.75	1,411.13	1,341.86	1,341.00	1,404.74	1,323.90
4	1,402.44	1,437.13	1,399.86	1,346.00	1,368.89	1,433.96
5	1,463.79	1,430.10	1,430.29	1,400.00	1,370.88	1,394.19
6	1,405.22	1,438.74	1,336.71	1,449.00	1,375.32	1,346.71
7	1,464.47	1,438.86	1,424.71	1,335.00	1,465.08	1,390.58
8	1,415.48	1,464.52	1,438.71	1,437.00	1,343.19	1,474.06
9	1,431.06	1,463.55	1,525.00	1,490.00	1,495.60	1,397.96
10	1,462.91	1,438.72	1,462.86	1,525.00	1,495.95	1,501.57
11	1,349.14	1,425.05	1,387.43	1,364.00	1,481.25	1,453.03
12	1,409.71	1,374.92	1,480.00	1,391.00	1,380.71	1,499.39
	18,544.69	18,753.99	18,469.43	18,337.00	18,536.88	18,726.23
	-0.12%	1.13%	-1.52%	-0.72%	1.09%	1.02%
WADM	20,251.24	20,475.11	20,213.17	20,045.40	20,269.23	20,469.55
New Revenue				\$ (1,761,600)	\$ 2,350,254	\$ 2,103,278
		Budget	18,926			
		Difference	-456.57			
			\$ (4,794,000)			
		LY Difference	-284.56			
			\$ (2,987,895)			



# Financial Update – Capital Financing

## Previous School Board Meeting

Discussed improvements to Central Park

South Washington Schools leases space at Central Park

Leases are funded through levies

Brought to questions various Capital Funding

Rest of the update will focus on Capital Funding



# Minnesota Public School Capital Funding Sources

Building Bonds – Require approval from School District Citizens

LTFM (Long Term Facilities Maintenance)

- Board Approves Plan

- MDE approves Plan

- Combination of Levy and Aid

Lease Levy

Operating Capital

Capital Projects Levy

Unassigned General Fund



# Building Bonds

Used for new construction including remodeling

Requires approval by vote of the School District Citizens

Requires Review and Comment from MDE (Mn Dept of Education)

Elections may only be held on 5 dates

Ballot Questions regulated

- Must include tax impacts

- Funds may only be spent on purpose specified in question

Bonds generally run 20 years

Bonds are often refunded



# LTFM (Long-Term Facility Maintenance)

May only be used to repair or replace

Requires 10-year Plan approval by School Board (annually)

MDE Approves Plan

Combination of State Aid and Local Levy

Typical Uses:

HVAC

Plumbing

Electrical

Building Envelope

Parking Lots

Roofs

Artificial Turf

Bleachers and Auditorium Seating



# LTFM (Long-Term Facility Maintenance)

Amounts in 10-Year Plan

2020-21	\$ 15,005,750
2021-22	\$ 24,025,000
2022-23	\$ 24,815,000
2023-24	\$ 24,862,000
2024-25	\$ 24,852,000
2025-26	\$ 22,667,500
2026-27	\$ 24,215,000
2027-28	\$ 23,960,000
2028-29	\$ 22,190,000
2029-30	\$ 20,600,000



# Lease Levy

Used to Lease and rent Instructional Space

SWCS is limited to about \$4,429,316 a year in lease costs

May not be used for restrooms

Common Uses:

Buildings – Valley Crossing, Liberty Ridge II

Additions – Woodbury Middle School (land lease)

Ice Arena Rental

Golf Course and Bowling Alley rentals

Authorized by School Board

Uses approved by MDE





## South Washington County Schools Lease Levy - Payable 2021

• City of Woodbury ECFE - Central Park	\$ 81,000
• City of Cottage Grove Ice arena for PHS and ERHS	\$ 99,000
• City of Woodbury (2) Ice arena for WHS	\$ 126,000
• River Oaks (3) Golf course for PHS	\$ 6,300
• Eagle Valley Golf course for WHS	\$ 7,200
• Prestwick (For MD) (3) Golf course for ERHS	\$ 5,400
• Banc of America Liberty Ridge Site II	\$ 339,357
• LannCo, LLC Next Step	\$ 114,000
• Valley Creek Mall Pathways	\$ 120,000
• US Bank Valley Crossing	\$ 1,194,750
• US Bank Woodbury Middle School	\$ 580,043
• Total	\$ 2,673,050
• Room under cap	\$ 1,756,266

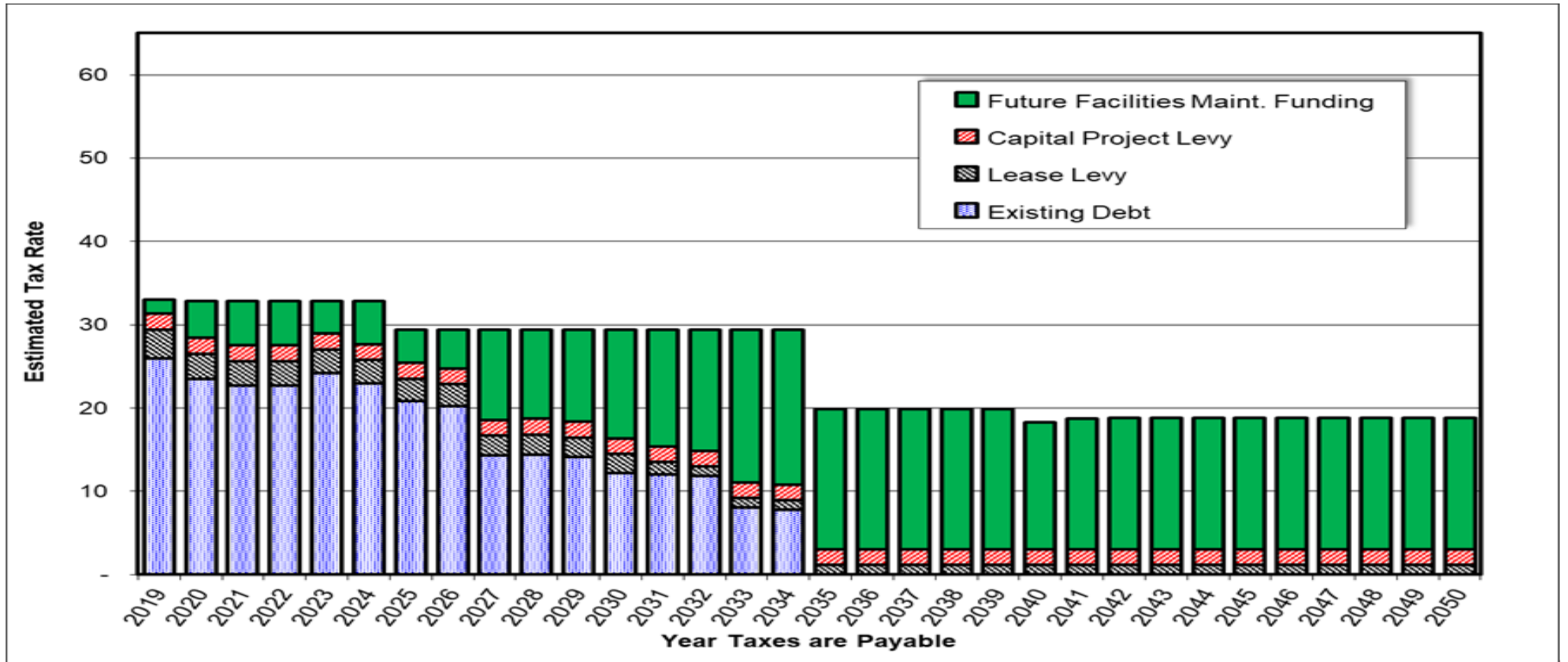


# South Washington County Schools Lease Levy - Payable 2020

• NE Metro #916 (1) WELS North	\$ 14,489
• NE Metro #916 (1) Auditory Oral	\$ 8,295
• NE Metro #916 (1) Hugo/South Campus (07/01/12 - 06/30/13)	\$ 86,422
• NE Metro #916 (1) Quora	\$ 321,126
• NE Metro #916 (1) Pankalo	\$ 289,268
• NE Metro #916 (1) Bellaire (07/01/12 - 06/30/13)	\$ 45,780
• NE Metro #916 (1) Karner Blue (07/01/12 - 06/30/13)	\$ 238,410
	<b>Total \$ 1,003,790</b>
	<b>Total Lease Levy \$ 3,673,840</b>



# South Washington County Schools Debt Plan



# Operating Capital

Used to purchase equipment, textbooks, building improvements, musical instruments, technology equipment, and other durable items with a useful life of as least five years

SWCS receives about \$4,600,000 a year combined in state aid and local levy

Restricted portion of fund balance

MDE formula based on average building age



# Operating Capital Budget

EXPENDITURE TYPE	2020-21	2021-22
Building and Grounds	\$ 2,400,000	\$ 2,000,000
Textbooks	\$ 1,000,000	\$ 1,000,000
Technology Costs	\$ 750,000	\$ 250,000
Allocations to Schools	\$ 500,000	0
Media Centers and Curriculum Contingency	\$ 325,000	\$ 325,000
School Improvements	\$ 245,000	\$ 150,000
Activities and Athletics	\$ 130,000	\$ 130,000
Musical Instruments	\$ 80,000	\$ 80,000
Property Insurance Deductible	\$ 50,000	\$ 50,000
TOTAL	\$ 5,480,000	\$ 3,985,000



# Capital Projects Levy

Approved by Voters

SWCS was approved by voters for \$ 2,000,000 levy per year

Increases based on tax capacity (now \$2,522,921)

Must be used for technology infrastructure and staff

Could take pressure off Operating Capital



# Unassigned Fund Balance

Also known as General Fund Balance

Uses not restricted as long as legal

Example of SWCS use:

2013 Operating Referendum (\$6,000,000 for 10 Years)

\$1,500,000 devoted to Technology Infrastructure each year

\$1,500,000 devoted to Secured Entrances at Schools

For Secured Entrances, the debt payments are made with the annual funding



# Questions and Comments

