

### ADMINISTRATIVE REPORT

**DATE:** June 16, 2022  
**TOPIC:** 8.2 2022-23 Preliminary Budget  
**PRESENTER:** Dan Pyan, Director of Finance and Operations  
**REFERENCE TO POLICY/STATUTE:** 701, 701.2

**A. PURPOSE OF REPORT**

- a. Minnesota school districts are required to have a revenue and expenditure budget approved by June 30 of the preceding fiscal year.
- b. The Finance Department has prepared the 2022-23 budget for school board approval.
- c. The 2022-2023 General Fund, School Nutrition Fund, and Community Education Fund budgets were presented to the School Board on June 2, 2022.

**B. RECOMMENDATION**

- a. Administration is recommending approval of the 2022-23 Preliminary Budget.

	REVENUES	EXPENDITURES	FUND BALANCE	
General Fund	\$ 279,319,910	\$ 277,962,389	\$ 20,027,336	7.2 %
School Nutrition Fund	11,002,203	11,299,375	1,796,516	15.9 %
Community Education Fund	12,978,195	12,807,817	775,075	6.1 %
Building Construction Fund	30,000	13,530,000	25,027,964	
Debt Service Fund	33,018,464	32,944,280	10,386,227	
Internal Service Fund	30,000	53,750	76,652	
Custodial Fund	15,500	15,500	40,082	
OPEB Trust Fund	200,000	426,062	3,661,008	
<b>Total</b>	<b>\$ 336,594,272</b>	<b>\$ 349,039,173</b>	<b>\$ 61,790,860</b>	



**South Washington County Schools**  
 Independent School District 833  
 Original Budget  
 For The Period Ended June 30, 2023

Fund	Projected Balance June 30, 2022	Preliminary Budget			Adjustments	Projected Balance June 30, 2023	Percent of Expenditures
		Revenues	Expenditures	Net Impact			
<b>General Fund</b>							
Unrestricted							
Unassigned, Assigned & Committed	11,970,571	243,954,579	241,484,186	2,470,393	(1,772,347)	12,668,617	
Restricted	-						
Capital projects	132,161	2,690,277	2,240,673	449,604	-	581,765	
LTFM	(783,999)	9,088,537	9,135,180	(46,643)	-	(830,642)	
Operating capital	198,643	3,828,820	3,886,345	(57,525)	-	141,118	
Staff Development	1,033,531	2,796,163	2,824,228	(28,065)	-	1,005,466	
State-approved alternative programs	723,392	437,823	446,283	(8,460)	-	714,932	
Safe schools	907,085	1,025,364	535,000	490,364	-	1,397,449	
Student Activities	442,368	215,200	355,000	(139,800)	-	302,568	
Community arts center	30,683	-	-	-	-	30,683	
Other	-	15,283,147	17,055,494	(1,772,347)	1,772,347	-	
Nonspendable	4,015,380	-	-	-	-	4,015,380	
<b>Total General Fund</b>	<b>18,669,815</b>	<b>279,319,910</b>	<b>277,962,389</b>	<b>1,357,521</b>	<b>-</b>	<b>20,027,336</b>	<b>7.2%</b>
<b>Food Service Fund</b>							
Restricted	1,661,440	11,002,203	11,299,375	(297,172)	-	1,364,268	
Nonspendable	832,248	-	-	-	-	832,248	
<b>Total Food Service Fund</b>	<b>2,093,688</b>	<b>11,002,203</b>	<b>11,299,375</b>	<b>(297,172)</b>	<b>-</b>	<b>1,796,516</b>	<b>15.9%</b>
<b>Community Service Fund</b>							
Restricted							
Community education	2,561,738	7,394,347	6,921,062	473,285	-	3,035,023	
Early childhood family education	9,526	1,412,698	1,648,055	(235,357)	-	(225,831)	
School readiness	(996,393)	2,312,259	2,039,464	272,795	-	(723,598)	
Adult basic education	197,035	626,788	598,701	28,087	-	225,122	
Community service	(1,258,988)	1,232,103	1,600,535	(368,432)	-	(1,627,420)	
Nonspendable	91,779	-	-	-	-	91,779	
<b>Total Community Service Fund</b>	<b>604,697</b>	<b>12,978,195</b>	<b>12,807,817</b>	<b>170,378</b>	<b>-</b>	<b>775,075</b>	<b>6.1%</b>
<b>Building Construction Fund</b>							
Restricted							
Long term facilities maintenance	37,431,713	30,000	13,530,000	(13,500,000)	-	23,931,713	
Projects funded by certificates of participation	1,056,023	-	-	-	-	1,056,023	
Building construction	40,228	-	-	-	-	40,228	
<b>Total Building Construction Fund</b>	<b>38,527,964</b>	<b>30,000</b>	<b>13,530,000</b>	<b>(13,500,000)</b>	<b>-</b>	<b>25,027,964</b>	
<b>Debt Service Fund</b>	<b>10,312,043</b>	<b>33,018,464</b>	<b>32,944,280</b>	<b>74,184</b>	<b>-</b>	<b>10,386,227</b>	
<b>Internal Service Fund</b>							
Severance benefits	(84,616)	15,000	315,000	(300,000)	-	(384,616)	
Pension benefits	185,018	15,000	(261,250)	276,250	-	461,268	
<b>Total Internal Service Fund</b>	<b>100,402</b>	<b>30,000</b>	<b>53,750</b>	<b>(23,750)</b>	<b>-</b>	<b>76,652</b>	
<b>Custodial Fund</b>	<b>40,082</b>	<b>15,500</b>	<b>15,500</b>	<b>-</b>	<b>-</b>	<b>40,082</b>	
<b>OPEB Trust Fund</b>	<b>3,887,070</b>	<b>200,000</b>	<b>426,062</b>	<b>(226,062)</b>	<b>-</b>	<b>3,661,008</b>	
<b>Total All Funds</b>	<b>74,235,761</b>	<b>336,594,272</b>	<b>349,039,173</b>	<b>(12,444,901)</b>	<b>-</b>	<b>61,790,860</b>	

# 2022-23 Preliminary Budget

*South Washington County Schools*  
Independent School District 833



# South Washington County Schools 2022-23 Preliminary Budget

## DISTRICT ADMINISTRATION

Superintendent of Schools .....	Julie Nielsen
Assistant Superintendent for Academic Excellence and Accountability .....	Tyrone Brookins
Assistant Superintendent for Academic Excellence and Accountability .....	Kelly Jansen
Assistant Superintendent for Academic Excellence and Accountability .....	Kristine Schaefer
Director of Communications and Community Relations.....	Pepe Barton
Director of Community Education.....	Bob Lawrence
Director of Finance and Operations .....	Dan Pyan
Director of Human Services.....	Vacant
Director of Nutrition Services.....	Wendy Peterson
Director of Program Evaluation, Research and Assessment .....	Mao Jacobson
Director of Special Services .....	Anna Braun
Director of Teaching and Learning Services for Secondary Schools.....	Tia Clasen
Director of Teaching and Learning Services for Elementary Schools .....	Arthur Williams
Director of Technology .....	Bob Berkowitz
Director of Transportation .....	Carrie Olson

## BUILDING ADMINISTRATION

East Ridge High School Principal .....	Jim Smokrovich
Park High School Principal.....	Todd Herber
Woodbury High School Principal.....	Sarah Sorenson-Wagner
South Washington Alternative High School Principal .....	Ashley Ruka
SoWashCo Online High School Principal .....	Nick Falde
Cottage Grove Middle School Principal.....	Harold Scott
Lake Middle School Principal.....	Molly Roeske
Oltman Middle School Principal.....	Joni Hagebock
Woodbury Middle School Principal.....	Kari Lopez
Armstrong Elementary School Principal.....	Andrew Cafilisch
Bailey Elementary School Principal .....	Kristine McDonald
Cottage Grove Elementary School Principal.....	Candace Gram
Crestview Elementary School Principal .....	Jodi Husting
Grey Cloud Elementary School Principal .....	Laura Loshek
Hillside Elementary School Principal .....	Erin Shadick
Liberty Ridge Elementary School Principal.....	Michael Moore
Middleton Elementary School Principal .....	Vacant
Newport Elementary School Principal.....	Rich Romano
Nuevas Fronteras Spanish Immersion School .....	Cynthia Maldonado
Pine Hill Elementary School Principal.....	Jolaine Mast
Pullman Elementary School Principal.....	Ed Ross
Red Rock Elementary School Principal .....	Jennifer Holt
Royal Oaks Elementary School Principal .....	Susan Risius
Valley Crossing Elementary School Principal.....	Connha Classon
Woodbury Elementary School Principal.....	Tony Mosser

# South Washington County Schools 2022-23 Preliminary Budget

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# South Washington County Schools 2022-23 Preliminary Budget

## I. Budget Process

Compiling the annual budget is a process that takes several months and collects input from several different sources. When reading this budget document, it is important to have a general understanding of how and when data is gathered, how projects are prioritized, and how the general fiscal cycle works. Below is a brief timeline of the budget process.

- November 2021 – Discussion of budget projections and changes needed
- January 2022 – Preliminary staffing allocations calculated
- March 2022 – Staffing workshops and allocations finalized; non-renewed staff are notified
- March 2022 – Debt Service, Construction, Trust Fund and Facilities-related budgets approved
- April 2022 – 2020-21 Revised Budget calculated
- April 2022 – Approval of 2021-22 Revised Budget
- May 2022 – Calculation and compilation of budgets for revenue and expenditure amounts for all funds (General, Food Service, Community Service, Building Construction, Debt Service, Custodial, Internal Service, and OPEB Trust Funds)
- June 2022 – Approval of 2022-23 Preliminary Budgets for all funds
- July through September 2022 – Prepare for annual audit
- December 2022 – Annual audit results for 2021-22 presented by auditing firm and accepted by the School Board

## II. General Fund

The General Fund of all school districts in the State of Minnesota is used to account for an array of initiatives including regular K-12 instruction, special education, transportation, district administration, capital, maintenance, staff development, media centers, athletics, and the majority of all school district functions. Examples of items that are NOT included in the general fund include:

- Food Service
- Community Service
- Building Construction projects that are funded through selling bonds or capital loans
- Debt Service transactions
- Custodial transactions
- Internal Services transactions

Transactions that are accounted for outside of the general fund will be discussed in other sections of this document.

Within the general fund are several requirements to reserve funds for a particular purpose. These reserve requirements are put in place by the State Legislature and compliance is required of all school districts. Examples of required reserves within the general fund include:

- Long term facility maintenance
- Operating capital
- Capital projects
- Staff development
- Safe schools
- Basic skills
- Learning & development
- Vocational education
- Gifted and talented
- Achievement & integration

These reserves are accounted for separately on the District’s books, as required. However, because several of the reserves have expenditures that surpass by far the revenue required to be reserved for them, and no reserve fund balance exists at the end of any given fiscal year for these reserves, they are included in the undesignated/unreserved portion of the general fund budget presentation. Specifically, this includes basic skills, learning and development, gifted and talented, learning center, and vocational education. This point should be kept in mind while reading the general fund budget pages.

### A. Enrollment

Student Enrollment is extremely important as it not only drives staffing decisions, but is also the key factor of the general education revenue funding formula. For this reason, student enrollment projections in and of themselves require many hours of analysis before they are relied upon for making decisions.

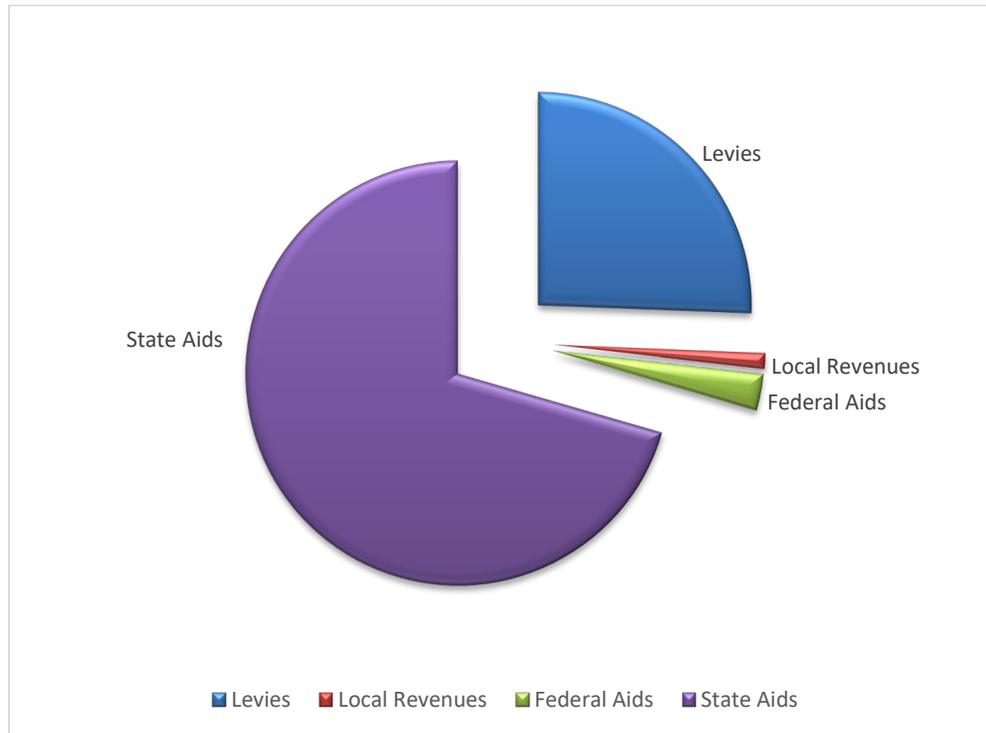
Enrollment projections are determined using separate methods depending on the grade level being projected. Kindergarten projections are based on birth rate data received from Washington County. The birth rates are then modified based on historical trends in capture rates in the district to project the number of kindergarteners expected to enroll. Projections for the remaining grade levels are determined using a historical 10-year cycle process.

The table on the following page provides actual enrollment data from the 2020-21 school year as well as projected enrollment data for the 2021-22 and 2022-23 school years. (Final enrollment data for the 2021-22 school year will not be available until the fall of 2022.) These enrollment projections were used to calculate the expected general education aid which is discussed later in this document.

Grades	Average Daily Membership		
	2020-21 Actual	2021-22 Projection	2022-23 Projection
Pre-K	284.56	283.00	294.00
Kindergarten	1,225.12	1,312.00	1,306.00
Grades 1 – 3	4,033.93	4,068.00	4,195.00
Grades 4 – 6	4,172.83	4,191.00	4,190.00
Grades 7 - 12	8,785.56	8,658.00	8,646.00
<b>Total</b>	<b>18,502.00</b>	<b>18,512.00</b>	<b>18,631.00</b>

## B. Where Does the Money Come From?

The general fund receives its revenue from three very broad sources: state aids, federal aids, and local revenue. More information on each of these revenue sources can be found below. Much of this information has been obtained from the 2020-21 edition of “Financing Education in Minnesota”, a document provided by the Minnesota House of Representatives Fiscal Analysis Department.



### 1. State Aids

#### a) **General Education Aid - \$152,530,120**

General Education Aid is the largest funding source of the school district. This aid is comprised of several components, each with its own formulas to calculate the amount the district can expect to receive from the Department of Education in a given fiscal year.

- **Basic Formula** – This portion of general education aid is calculated by taking the formula allowance (determined by the State Legislature) times the adjusted pupil unit (APU). For the 2022-23 fiscal year, the formula allowance was estimated at \$6,863 per pupil unit. The resulting revenue projection related to the basic formula is \$135,336,021 for the 2022-23 fiscal year.
- **Compensatory** – This portion of general education aid is driven by the number of students eligible to receive either free or reduced lunches based on the financial circumstances of the family. Based on the current funding levels, the district receives approximately \$692 for each pupil eligible for free or reduced lunch. This revenue is required to be used to meet the educational needs of students whose progress is below their appropriate age level. The revenue projection for compensatory revenue is \$2,223,642 for the 2022-23 fiscal year.

- **Local Optional Revenue** – Another benefit to the taxpayers added by the State Legislature is the LOR, which allowed School Board to move \$724 per pupil unit of voter-approved referendum revenue to LOR. This allows SWCS to receive an additional \$1,916,926 in state aid offsetting local taxpayer contributions.
- **Operating Capital** – Recognizing the need for school districts to maintain their facilities, the Legislature includes a component in the general education aid to help address these needs. The formula for operating capital includes a per-pupil amount as well as an amount based on the age of the district’s buildings. The projected operating capital aid for the 2022-23 fiscal year is \$2,916,046.
- **Alternative Attendance Adjustment** – South Washington County Schools provides transportation to public, charter, and non-public students alike. However, general education aid is received only for those students who actually attend SWC Schools. The alternative attendance adjustment is the method used to help fund the cost of transporting charter school students who do not attend SWCS. In the current year, the allowance is \$319.79 per pupil unit less an adjustment for students transported to Minnesota State Academies. The total amount anticipated for the 2022-23 fiscal year is \$164,225.
- **Gifted and Talented** – South Washington County Schools will receive \$13 per adjusted pupil unit to be used to identify gifted and talented students and provide programming for those students. In addition, the funds can be used to provide staff development to those serving the district’s gifted and talented population. The projected gifted and talented aid for 2022-23 is \$264,675.
- **English Learner** – A portion of the general education aid is generated based on the number of students which are not proficient in English. Whether or not a student is considered proficient in English is determined by testing standards set by the Minnesota Department of Education. The Legislature has provided for \$704 per reported English learning student be allocated to school districts to assist in the costs associated with serving the needs of these students. The projected EL revenue for 2022-23 is \$550,323.
- **Extended Time** – The extended time allowance for 2022-23 is \$5,117 per adjusted pupil unit for students with an average daily membership exceeding 1.0 (up to a limit of 1.2). This revenue is generated on students attending summer school or who attend an extended day program. The anticipated revenue for 2022-23 is \$307,020.

b) ***Literacy Incentive Aid - \$1,077,606 (Estimated)***

Literacy Incentive Aid is awarded to districts based on two factors:

- Reading levels of the district's current third graders
- Progress made in reading levels between the third and fourth grade

Each component of this aid is calculated by multiplying \$530 times the average percentage of students meeting proficiency and growth requirements on the reading portion of the Minnesota Comprehensive Assessment (MCA) and then multiplying that by the number of students in the tested grade level.

c) ***Permanent School Fund - \$772,297***

In the mid-1800's, lands were granted to the State by the Federal government and were placed in a trust fund called the Permanent School Fund. The State constitution requires that any revenue generated (from timber, mining, or sale of land) be held in this trust and that any interest earnings of the trust be distributed to school districts based on the number of students served. In 2022-23 the endowment per pupil unit is \$37.93.

d) ***Special Education Aid - \$36,877,427***

Special Education Aid is provided to districts to help fund the additional costs associated with providing required services to students with disabilities. South Washington County Schools serves approximately 3,276 students with disabilities. Special Education Aid is made up of the following components:

- **Initial Aid** – Special Education Initial Aid is awarded to districts based the lowest of three formulas: (1) Prior year 'old formula' expenses at 62% of cost, (2) Prior year all State special education expenses at 50% of cost, or (3) 5% of census-based calculations involving special education student disabilities and free/reduced lunch data.
- **Excess Cost Aid** – Excess Cost Aid is generated by a district with large unreimbursed special education costs relative to district's general education revenue. It is calculated as the greatest of three: 56% difference of unreimbursed costs and 7% of general education revenue, 62% of the difference of unreimbursed 'old formula' costs and 2.5% of general education revenue, or zero.
- **Special Education Transportation** – Prior year expenses in transporting special education students are reimbursed at 100% of cost, however this aid is subject to proration.
- **Cross Subsidy Reduction Aid** – Cross Subsidy Reduction Aid is a new component the goal of which is to hold the state average cross subsidy per pupil at the FY19 level. It is calculated as a percent of the prior year initial cross subsidy.

e) ***Non-Public Pupil Transportation Aid - \$668,214***

Just as the Alternative Attendance Adjustment within General Education Aid provides the district with revenue for transporting charter school students, the Non-Public Pupil Transportation Aid provides for the costs associated with transporting non-public students. The formula for calculating this revenue is based on the cost per pupil transported in the base year; the base year for purposes of calculating the 2022-23 revenue is 2020-21. This cost per student in the base year is then multiplied times the number of non-public students transported in the current year and adjusted for any change in the general education funding allowance.

- f) ***Long Term Facilities Maintenance Aid - \$1,547,482***  
Facilities program established by State Legislature which combined previous alternative facilities funding and health and safety funding. This revenue is a mix of state aid and taxpayer levy. The amounts of each are based on our 10-year facilities plan which is approved by MDE.

## 2. Federal Aids

- a) ***Federal Special Education - \$3,390,009***  
These funds are available to offset the costs of providing special education services to students, ages 3 – 21, including costs not eligible for State funding. The district uses these funds to pay for a special education director and clerical support as well as benefits paid to special education staff.
- b) ***Federal Special Education Preschool - \$65,043***  
Federal early childhood funds are available to provide services to children between the ages of three and five. The district uses these funds for program related clerical support and salary expenses.
- c) ***Federal Special Education Birth to 2 - \$226,145***  
These funds are available to serve the needs of children between birth and the age of two. The district uses these funds for program related clerical support and salary expenses.
- d) ***Title I - \$468,517***  
Title I funds are used to serve students who are struggling academically at our schools with the highest low-income rates. The district uses these funds to provide additional teachers for math and/or reading interventions at identified schools.
- e) ***Title II - \$265,248***  
Title II funds can be used for professional development purposes or class size reduction. The district uses these funds to provide curriculum coordinators who work with licensed staff. A portion of these funds are required to be allocated to the non-public schools for approved non-religious professional development of their staff.
- f) ***Title III - \$117,507***  
Title III funds can be used for professional development or language instruction to help ensure that students whose primary language is not English are able to attain proficiency in English.
- g) ***Other Federal Revenue - \$3,112,348***  
The district receives various other federal funds which may only be used in accordance with the federal grant guidelines specific to the funds received. This includes an estimated \$2,981,491 in federal COVID relief related funds.

### 3. Local Revenue

a) ***Property Tax Levy - \$71,497,944***

The second largest source of revenue for the district is revenue generated from the property tax levy. Much like general education aid, there are several components and calculations related to these funds. The details of these calculations can be found in the 21PAY22 Levy Limitation and Certification report. Property Tax Levy revenue is required to be reserved for several specific purposes as follows:

- Operating Capital - \$912,774
- Capital Projects - \$2,690,277
- Achievement and Integration - \$889,837
- Long Term Facilities Maintenance - \$7,541,055
- Lease Levy - \$3,807,386
- Alternative Teacher Professional Pay System - \$1,649,168
- Safe Schools - \$1,025,364
- Career and Technical Education - \$310,304
- OPEB - \$790,000
- Unreserved General Fund - \$51,881,779

b) ***Third Party Billing - \$800,000***

The district provides certain services to special education students that are deemed to be medical in nature. When the proper paperwork is in place, the district is able to request payment to offset the costs of providing these services.

c) ***E-Rate Funding - \$115,000***

The district receives reimbursement for its eligible telecommunication and internet costs at a rate dependent on the total state appropriation. The amount received is reduced by any Federal E-Rate funding received. This funding source directly offsets expenditures.

d) ***Athletic and Activity Participation Fees - \$452,495***

Students are charged a fee to participate in athletics and activities. These fees are intended to help offset the costs associated with providing coaching staff for the given sport or activity. For families who are eligible for free or reduced lunches, participation fees are also lowered.

e) ***Admission and Other Student Fees - \$884,534***

The district charges admission fees to many activities and other fees, when allowable, including parking permits, lost library books, lost textbooks, class fees, and copies of transcripts.

f) ***Interest Earnings - \$30,200***

Given the current market, the General Fund does not earn a significant amount of interest. When possible, funds are invested in six to twelve-month allowable investments such as certificates of deposit. As market conditions fluctuate, the district monitors the best financial instrument to use for any excess cash balance maintained in the general fund.

g) ***Other Local Revenue - \$990,939***

The district collects revenue from several local sources in the form of donations, grants, fees for services, insurance recoveries, and other miscellaneous revenues.

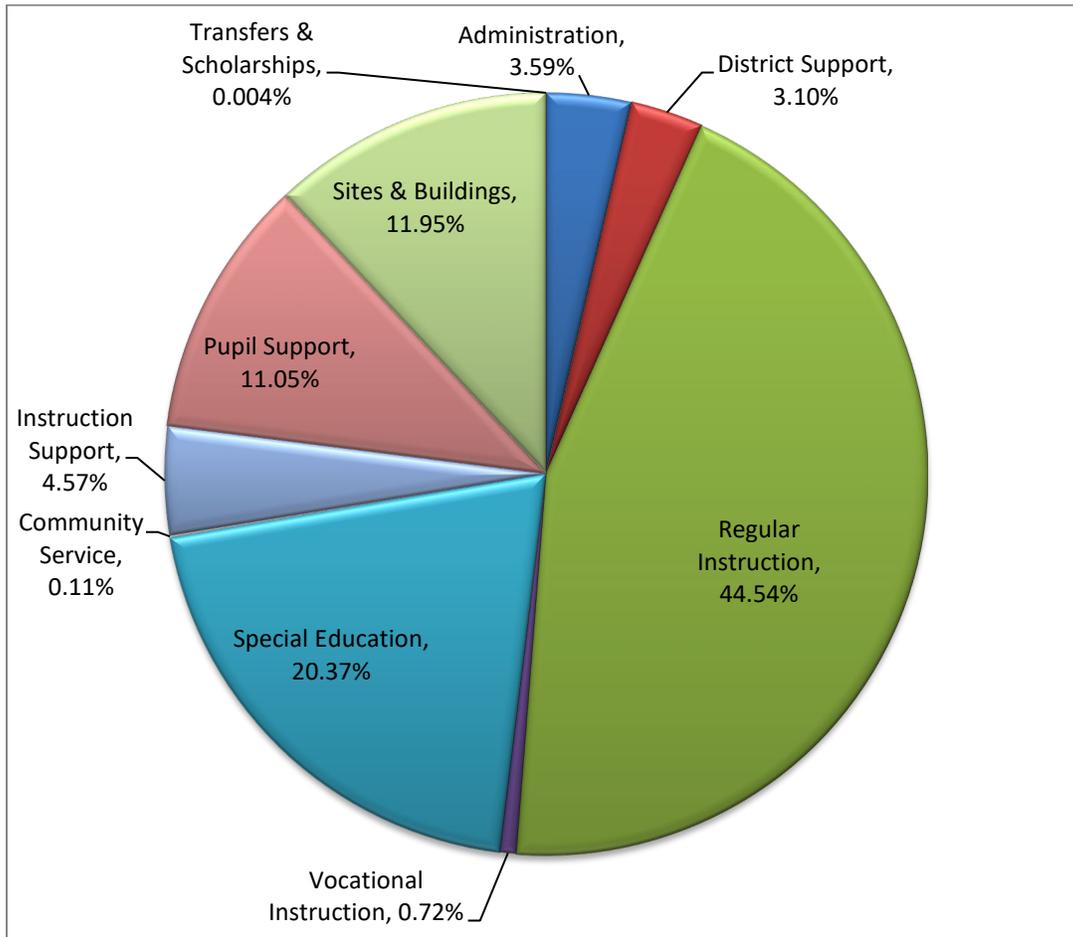
## C. Where Does the Money Get Spent?

There are several types of expenditures made by the school district which can be categorized in six general categories. These categories are specified within the Uniform Financial Accounting and Reporting Standards (UFARS) used by all school districts in the State of Minnesota. The largest expense for any school district is salaries and the associated benefits. For South Washington County Schools, salaries and benefits make up 80% of the 2022-23 general fund budget. The remaining expenditure categories are services, supplies, equipment & capital improvements, and other. These category types will be referred to regularly in this document making it important for the reader to have a clear understanding of the types of expenditures which are included in each category. To that end, examples of each of the expenditure categories are listed below:

- **Salaries** – Expenditures in this category include salary payments to administrators, teachers, educational assistants, clerical support, maintenance employees, or any individual who is deemed to be an employee of the school district (rather than an independent contractor).
- **Benefits** – Benefit expenditures include employer portions of Federal payroll taxes, retirement contributions, employer paid insurance premiums, and all benefits agreed to within negotiated union contracts and labor policies.
- **Services** – Expenditures in this category include a wide variety of costs. This category includes payments to individuals or organizations for professional services such as auditors, professional speakers, attorneys, contracted service providers, or consultants. This category also includes utilities, professional development registrations, travel costs, operating leases, tuition payments, and transportation contracts.
- **Supplies** – Supply expenditures include supplies purchased for both instructional and non-instructional purposes. This includes everything from toner in the district offices to textbooks used by students. This category also includes items such as standardized tests, media resources, electronic replacements of instructional resources (such as applications for electronic devices), and food.
- **Equipment and Capital Improvements** – Expenditures in this category would include the purchase of land, improvements made to buildings, equipment, and capital leases (such as the copy machine leases the district has with Xerox and Metro Sales). One thing to keep in mind is that a “capital” improvement does not mean the purchase is necessarily funded with operating capital dollars. Although operating capital can certainly fund this type of expenditure, this is not the only funding source for this type of expenditure.
- **Other** – The UFARS manual provides for a miscellaneous category of expenditure for those items that do not fit neatly within the other categories. Examples of this type of expenditure are dues, memberships, licenses, sales tax, indirect cost allocations, and other miscellaneous expenditures.

# General Fund Expenditures per Pupil

<u>Program</u>	<u>Expenditures</u>	
Regular Instruction	\$ 6,702.77	44.54%
Special Education	3,064.66	20.37%
Sites & Buildings	1,798.27	11.95%
Pupil Support	1,662.15	11.05%
Instruction Support	687.54	4.57%
Administration	539.81	3.59%
District Support	466.26	3.10%
Vocational Instruction	108.65	0.72%
Community Service	16.98	0.11%
Transfers & Scholarships	0.68	0.004%
	<u>\$ 15,047.77</u>	



## General Fund Expenditures by Program Area

In order to better explain where the school district spends the dollars it has been entrusted with, a discussion of the broad program areas will follow. Keep in mind that within each of these program areas, the revenue that is funding the particular initiative may be coming from state, federal, local, or a combination of funding sources. A brief description of each program area along with a summary of budgeted expenditures is listed below. These summaries include expenditures of the entire general fund which includes both reserved and unreserved amounts.

### 1. Administration

This program area includes the costs of the School Board, the Superintendent's office, and the principal's office in each of the schools.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Salaries	\$ 6,243,602	\$ 6,442,318	\$ 6,666,779	3.48%
Benefits	2,754,925	3,003,004	2,945,160	-1.93%
Services	167,351	241,029	213,080	-11.60%
Supplies	39,198	21,352	24,932	16.77%
Equipment & Capital	57	52	452	769.23%
Other	114,505	118,399	120,887	2.10%
<b>Total</b>	<b>\$ 9,319,638</b>	<b>\$ 9,826,154</b>	<b>\$ 9,971,290</b>	<b>1.48%</b>

### 2. District Support Services

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

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Salaries	\$ 3,458,144	\$ 3,362,878	\$ 3,673,381	9.23%
Benefits	1,440,105	1,717,885	1,770,066	3.04%
Services	495,306	641,850	1,037,937	61.71%
Supplies	4,161,641	3,209,932	1,633,700	-49.10%
Equipment & Capital	1,189,564	2,394,919	924,015	-61.42%
Other	-11,218	-820,623	-426,280	-48.05%
<b>Total</b>	<b>\$ 10,733,543</b>	<b>\$ 10,506,841</b>	<b>\$ 8,612,819</b>	<b>-18.03%</b>

### 3. Elementary and Secondary Regular Instruction

This program category includes kindergarten, elementary, and secondary regular instruction which includes Title I, Title II, and Title III. In addition, all athletics and activities are reported in this program area.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Salaries	\$ 78,893,941	\$ 79,191,340	\$ 81,800,802	3.30%
Benefits	30,758,038	31,009,536	32,643,706	5.27%
Services	2,656,509	5,491,112	4,850,085	-11.67%
Supplies	3,112,801	3,047,010	2,817,562	-7.53%
Equipment & Capital	814,674	943,126	1,006,229	6.69%
Other	729,425	693,787	695,097	0.19%
<b>Total</b>	<b>\$ 116,965,388</b>	<b>\$ 120,375,911</b>	<b>\$ 123,813,481</b>	<b>2.86%</b>

### 4. Vocational Education Instruction

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

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Salaries	\$ 865,215	\$ 874,179	\$ 714,972	-18.21%
Benefits	372,165	352,310	285,648	-18.92%
Services	845,191	1,019,500	925,900	-9.18%
Supplies	47,144	53,350	57,522	7.82%
Equipment & Capital	929	16,000	17,000	100.00%
Other	5,863	6,000	6,000	0.00%
<b>Total</b>	<b>\$ 2,136,507</b>	<b>\$ 2,321,339</b>	<b>\$ 2,007,042</b>	<b>-13.54%</b>

### 5. Special Education Instruction

This program category captures the costs involved with providing services to special education students. However, the cost of providing special transportation to these students is not included in this category.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Salaries	\$ 32,377,919	\$ 33,432,425	\$ 37,349,899	11.72%
Benefits	12,190,553	12,832,848	14,121,892	10.04%
Services	2,924,059	3,863,934	3,833,147	-0.80%
Supplies	241,307	672,126	313,255	-53.39%
Equipment & Capital	22,690	23,000	2,200	-90.43%
Other	488,239	992,712	990,000	-0.27%
<b>Total</b>	<b>\$ 48,244,767</b>	<b>\$ 51,817,045</b>	<b>\$ 56,610,393</b>	<b>9.25%</b>

## 6. Community Education and Services

This program category includes costs associated with the state funded voluntary pre-kindergarten (VPK) program.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Salaries	\$ 170,412	\$ 200,000	\$ 270,000	35.00%
Benefits	86,342	31,560	43,746	38.61%
<b>Total</b>	<b>\$ 256,754</b>	<b>\$ 231,560</b>	<b>\$ 313,746</b>	<b>35.49%</b>

## 7. Instructional Support Services

The instructional support services category includes costs associated with assistant principals, curriculum office, textbooks, media centers, and staff development.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Salaries	\$ 9,351,674	\$ 8,044,647	\$ 8,409,624	4.54%
Benefits	3,035,957	2,778,151	2,690,296	-3.16%
Services	213,153	636,137	735,583	15.63%
Supplies	722,796	832,795	550,466	-33.90%
Equipment & Capital	7,665	11,665	232,000	1888.86%
Other	75,448	128,000	82,200	-35.78%
<b>Total</b>	<b>\$ 13,406,694</b>	<b>\$ 12,431,395</b>	<b>\$ 12,700,169</b>	<b>2.16%</b>

## 8. Pupil Support Services

This program category captures the cost associated with counseling offices, health services, and psychologists serving regular education students, social workers, and transportation of regular and special needs students.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Salaries	\$ 11,081,421	\$ 10,935,966	\$ 11,950,258	9.27%
Benefits	5,789,743	6,514,479	6,949,810	6.68%
Services	7,914,166	8,638,765	9,275,502	7.37%
Supplies	935,412	1,346,193	1,444,265	7.29%
Equipment & Capital	971,500	986,777	1,028,309	4.21%
Other	49,499	55,300	55,100	-0.36%
<b>Total</b>	<b>\$ 26,741,741</b>	<b>\$ 28,477,480</b>	<b>\$ 30,703,244</b>	<b>7.82%</b>

## 9. Sites and Buildings

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

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Salaries	\$ 6,684,728	\$ 6,596,403	\$ 6,835,369	3.62%
Benefits	2,792,469	3,084,888	2,896,723	-6.10%
Services	15,657,267	17,021,241	17,789,849	4.52%
Supplies	2,172,971	1,197,820	1,310,450	9.40%
Equipment & Capital	6,074,135	4,568,381	4,172,814	-8.66%
Other	184,516	210,500	212,500	0.95%
<b>Total</b>	<b>\$ 33,566,088</b>	<b>\$ 32,679,233</b>	<b>\$ 33,217,705</b>	<b>1.65%</b>

## 10. Transfers

The transfer category consists of transfers made to other funds.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Transfers	500,000	0	0	0.00%
<b>Total</b>	<b>\$ 500,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0.00%</b>

## 11. Scholarships

The scholarship category consists of scholarships for which the district has administrative control.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
Scholarships	11,500	10,000	12,500	25.00%
<b>Total</b>	<b>\$ 11,500</b>	<b>\$ 10,000</b>	<b>\$ 12,500</b>	<b>25.00%</b>

# General Fund Budget Summary (Reserved and Unreserved)

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 66,334,434	\$ 68,009,448	\$ 74,566,139	9.64%
State Aids	186,783,810	191,390,560	197,018,981	2.94%
Federal Aids	10,494,911	9,970,946	7,644,817	-23.33%
Other Revenues	121,245	110,802	89,973	-18.80%
<b>Total Revenues</b>	<b>\$ 263,734,400</b>	<b>\$ 269,481,756</b>	<b>\$ 279,319,910</b>	<b>3.65%</b>
<b>Expenditures</b>				
Salaries	\$ 149,127,055	\$ 149,080,156	\$ 157,671,084	5.76%
Benefits	59,220,298	61,324,661	64,347,047	4.93%
Services	30,873,004	37,553,568	38,661,083	2.95%
Supplies	11,433,270	10,380,578	8,152,152	-21.47%
Equipment & Capital	9,081,215	8,943,920	7,383,019	-17.45%
Other	1,636,278	1,384,075	1,735,504	25.39%
Transfers	500,000	0	0	0.00%
Scholarships	11,500	10,000	12,500	25.00%
<b>Total Expenditures</b>	<b>\$ 261,882,619</b>	<b>\$ 268,676,958</b>	<b>\$ 277,962,389</b>	<b>3.46%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ 16,013,236	\$ 17,865,017	\$ 18,669,815	4.50%
Revenues	263,734,400	269,481,756	279,319,910	3.65%
Expenditures	-261,882,619	-268,676,958	-277,962,389	3.46%
<b>Projected Fund Balance</b>	<b>\$ 17,865,017</b>	<b>\$ 18,669,815</b>	<b>\$ 20,027,336</b>	<b>7.27%</b>
<b>Percent of Expenditures</b>	<b>6.82%</b>	<b>6.95%</b>	<b>7.21%</b>	

### III. Food Service Fund

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

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 457,471	\$ 1,403,447	\$ 6,444,320	359.18%
State Aids	0	240,000	441,320	83.88%
Federal Aids	5,768,855	10,921,311	4,116,563	-62.31%
Transfers	0	0	0	0.00%
<b>Total Revenues</b>	<b>\$ 6,226,326</b>	<b>\$ 12,564,758</b>	<b>\$ 11,002,203</b>	<b>-12.44%</b>
<b>Expenditures</b>				
Salaries	\$ 2,166,694	\$ 3,657,931	\$ 3,792,700	3.68%
Benefits	1,144,419	1,230,041	1,304,105	6.02%
Services	197,641	272,830	435,200	59.51%
Supplies	2,442,211	4,906,510	4,935,825	0.60%
Equipment & Capital	209	600,000	380,000	-36.67%
Other	12,981	877,558	451,545	-48.55%
<b>Total Expenditures</b>	<b>\$ 5,964,154</b>	<b>\$ 11,544,870</b>	<b>\$ 11,299,375</b>	<b>-2.13%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ 811,628	\$ 1,073,800	\$ 2,093,688	94.98%
Revenues	6,226,326	12,564,758	11,002,203	-12.44%
Expenditures	-5,964,154	-11,544,870	-11,299,375	-2.13%
<b>Projected Fund Balance</b>	<b>\$ 1,073,800</b>	<b>\$ 2,093,688</b>	<b>\$ 1,796,516</b>	<b>-14.19%</b>
<b>Percent of Expenditures</b>	<b>18.00%</b>	<b>18.14%</b>	<b>15.90%</b>	

## IV. Community Service Fund

The Community Service Fund accounts for the activities related to providing education services for Pre-Kindergarten and Post-Grade 12 students. The fund operates on a principle of breaking even on a year-to-year basis and maintaining a healthy fund balance which protects future programming. Community Service pays the general fund for space used in the district according to formulas outlined in the Uniform Financial Accounting and Reporting Standards (UFARS) Manual. Community Service pays the General Fund for certain overhead costs such as payroll, accounts payable, and technology support. A summary of the complete Community Service budget is listed below. Within Community Service are several Fund Balance requirements which will be discussed in greater detail on the following pages.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 6,549,736	\$ 10,161,971	\$ 10,411,673	2.46%
State Aids	2,486,709	2,507,441	2,537,522	1.20%
Federal Aids	705,224	359,328	29,000	-91.93%
Transfers	400,000	0	0	0.00%
<b>Total Revenues</b>	<b>\$ 10,141,669</b>	<b>\$ 13,028,740</b>	<b>\$ 12,978,195</b>	<b>-0.39%</b>
<b>Expenditures</b>				
Salaries	\$ 6,720,184	\$ 7,970,851	\$ 8,037,138	0.83%
Benefits	2,218,277	2,474,082	2,553,792	3.22%
Services	984,331	1,444,338	1,374,702	-4.82%
Supplies	373,336	519,582	678,775	30.64%
Equipment & Capital	20,687	166,616	130,605	-21.61%
Other	4,509	6,865	32,805	377.86%
<b>Total Expenditures</b>	<b>\$ 10,321,325</b>	<b>\$ 12,582,334</b>	<b>\$ 12,807,817</b>	<b>1.79%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ 337,948	\$ 158,291	\$ 604,697	282.02%
Revenues	10,141,669	13,028,740	12,978,195	-0.39%
Expenditures	-10,321,325	-12,582,334	-12,807,817	1.79%
<b>Projected Fund Balance</b>	<b>\$ 158,291</b>	<b>\$ 604,697</b>	<b>\$ 775,075</b>	<b>28.18%</b>
<b>Percent of Expenditures</b>	<b>1.53%</b>	<b>4.81%</b>	<b>6.05%</b>	

## A. School Readiness Fund Balance

The School Readiness Fund Balance is used to accumulate all revenues and expenditures related to the district's early childhood education program. This program is provided to assess children's cognitive skills, teach educational programming that will strengthen children's cognitive skills and development, and generally prepare children for entry into kindergarten. In addition, this program provides support in the community kids preschool and to provide scholarships to students who are not eligible for the early learning scholarships.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 574,633	\$ 1,645,031	\$ 1,657,031	0.73%
State Aids	652,768	644,571	655,228	1.65%
<b>Total Revenues</b>	<b>\$ 1,227,401</b>	<b>\$ 2,289,602</b>	<b>\$ 2,312,259</b>	<b>0.99%</b>
<b>Expenditures</b>				
Salaries	\$ 996,051	\$ 1,378,592	\$ 1,416,471	2.75%
Benefits	374,189	563,759	576,018	2.17%
Services	18,038	50,076	27,300	-45.48%
Supplies	7,233	11,550	12,550	8.66%
Equipment & Capital	0	7,000	7,000	0.00%
Other	0	125	125	0.00%
<b>Total Expenditures</b>	<b>\$ 1,395,511</b>	<b>\$ 2,011,102</b>	<b>\$ 2,039,464</b>	<b>1.41%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ -1,106,783	\$ -1,274,893	\$ -996,393	-21.84%
Revenues	1,227,401	2,289,602	2,312,259	0.99%
Expenditures	-1,395,511	-2,011,102	-2,039,464	1.41%
<b>Projected Fund Balance</b>	<b>\$ -1,274,893</b>	<b>\$ -996,393</b>	<b>\$ -723,598</b>	<b>-27.38%</b>
<b>Percent of Expenditures</b>	<b>-91.36%</b>	<b>-49.54%</b>	<b>-35.48%</b>	

## B. Early Childhood Family Education Fund Balance

Programming provided for children aged birth to kindergarten and their caretakers are operated under the Early Childhood Family Education Fund Balance. This program provides classes and resources to expectant parents and caretakers of young children which may help them understand a child's learning and development and as a result be able to help children grow. This program also provides parenthood education in secondary schools and outreach work in the community.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 401,058	\$ 470,176	\$ 481,184	2.34%
State Aids	884,443	882,005	931,514	5.61%
<b>Total Revenues</b>	<b>\$ 1,285,501</b>	<b>\$ 1,352,181</b>	<b>\$ 1,412,698</b>	<b>4.48%</b>
<b>Expenditures</b>				
Salaries	\$ 814,392	\$ 1,077,296	\$ 1,138,582	5.69%
Benefits	295,955	387,457	392,400	1.28%
Services	46,868	125,040	71,633	-42.71%
Supplies	7,763	33,150	35,190	6.15%
Equipment & Capital	0	10,000	10,000	0.00%
Other	179	250	250	0.00%
<b>Total Expenditures</b>	<b>\$ 1,165,156</b>	<b>\$ 1,633,193</b>	<b>\$ 1,648,055</b>	<b>0.91%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ 170,194	\$ 290,538	\$ 9,526	-96.72%
Revenues	1,285,501	1,352,181	1,412,698	4.48%
Expenditures	-1,165,156	-1,633,193	-1,648,055	0.91%
<b>Projected Fund Balance</b>	<b>\$ 290,538</b>	<b>\$ 9,526</b>	<b>\$ -225,831</b>	<b>-2470.68%</b>
<b>Percent of Expenditures</b>	<b>24.94%</b>	<b>0.58%</b>	<b>-13.70%</b>	

### C. Adult Basic Education Fund Balance

The Adult Basic Education Fund Balance is used to accumulate the revenues and expenditures related to providing basic skills learning opportunities for individuals 17 years of age or older who are not enrolled in an elementary or secondary school. Funding for this program is dependent upon the number of student contact hours. This program provides K-12 level basic skills to allow participants to achieve their individual academic goals up to the level of high school completion. Adult Basic Education also serves adult immigrants with English language classes in order to improve their English skills, including speaking, reading, writing, and listening. The ultimate goal of the program is to help the functionally illiterate become more employable and productive citizens.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 28,146	\$ 30,000	\$ 30,000	0.00%
State Aids	536,460	567,788	567,788	0.00%
Federal Aids	69,816	29,000	29,000	0.00%
<b>Total Revenues</b>	<b>\$ 634,422</b>	<b>\$ 626,788</b>	<b>\$ 626,788</b>	<b>0.00%</b>
<b>Expenditures</b>				
Salaries	\$ 359,506	\$ 410,945	\$ 463,373	12.76%
Benefits	108,946	117,712	110,472	-6.15%
Services	50,879	60,977	8,051	-86.80%
Supplies	96,626	14,244	14,000	-1.71%
Equipment & Capital	5,774	3,216	2,805	-12.78%
Other	395	360	0	-100.00%
<b>Total Expenditures</b>	<b>\$ 622,126</b>	<b>\$ 607,454</b>	<b>\$ 598,701</b>	<b>-1.44%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ 165,405	\$ 177,701	\$ 197,035	10.88%
Revenues	634,422	626,788	626,788	0.00%
Expenditures	-622,126	-607,454	-598,701	-1.44%
<b>Projected Fund Balance</b>	<b>\$ 177,701</b>	<b>\$ 197,035</b>	<b>\$ 225,122</b>	<b>14.25%</b>
<b>Percent of Expenditures</b>	<b>28.56%</b>	<b>32.44%</b>	<b>37.60%</b>	

## V. Building Construction Fund

The Building Construction Fund accounts for the costs of school construction, addition, and renovation projects which are funded through bonds or certificates of participation (or other specific funding sources). When bonds (or certificates of participation) are issued in connection with a building project, the bond proceeds are recorded as revenue in the Building Construction Fund. The funds are then drawn down as payments are made for work completed on the project(s). The proceeds of bonds can only be used for the purpose for which they were issued.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 76,646	\$ 35,000	\$ 30,000	-14.29%
Other Revenues	0	34,370,000	0	-100.00%
<b>Total Revenues</b>	<b>\$ 76,646</b>	<b>\$ 34,405,000</b>	<b>\$ 30,000</b>	<b>-99.91%</b>
<b>Expenditures</b>				
Salaries	\$ 1,705	\$ 0	\$ 0	0.00%
Benefits	255	26	0	-100.00%
Services	6,480,031	14,505,000	13,530,000	-6.72%
Equipment & Capital	157,277	0	0	0.00%
<b>Total Expenditures</b>	<b>\$ 6,639,267</b>	<b>\$ 14,655,026</b>	<b>\$ 13,530,000</b>	<b>-7.68%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ 25,340,611	\$ 18,777,990	\$ 38,527,964	105.18%
Revenues	76,646	34,405,000	30,000	-99.91%
Expenditures	-6,639,267	-14,655,026	-13,530,000	-7.68%
<b>Projected Fund Balance</b>	<b>\$ 18,777,990</b>	<b>\$ 38,527,964</b>	<b>\$ 25,027,964</b>	<b>-35.04%</b>
<b>Percent of Expenditures</b>	<b>282.83%</b>	<b>262.90%</b>	<b>184.98%</b>	

## VI. Debt Service Fund

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

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 28,303,162	\$ 34,472,351	\$ 30,628,672	-11.15%
State Aids	1,179,994	1,180,876	1,264,792	7.11%
Federal Aids	1,127,432	1,125,000	1,125,000	0.00%
<b>Total Revenues</b>	<b>\$ 30,610,588</b>	<b>\$ 36,778,227</b>	<b>\$ 33,018,464</b>	<b>-10.22%</b>
<b>Expenditures</b>				
Other	31,157,345	32,378,889	32,944,280	1.75%
<b>Total Expenditures</b>	<b>\$ 31,157,345</b>	<b>\$ 32,378,889</b>	<b>\$ 32,944,280</b>	<b>1.75%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ 6,459,461	\$ 5,912,705	\$ 10,312,043	74.40%
Revenues	30,610,588	36,778,227	33,018,464	-10.22%
Expenditures	-31,157,345	-32,378,889	-32,944,280	1.75%
<b>Projected Fund Balance</b>	<b>\$ 5,912,705</b>	<b>\$ 10,312,043</b>	<b>\$ 10,386,227</b>	<b>0.72%</b>
<b>Percent of Expenditures</b>	<b>18.98%</b>	<b>31.85%</b>	<b>31.53%</b>	

## VII. Custodial Fund

The Custodial Fund is used to account for resources from various third parties which are held by the District for donor-directed purposes, such as to award scholarships to former students. The custodial fund is used to record the revenues and expenditures for custodial agreements where the school board has accepted the responsibility to serve as custodian.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 10,900	\$ 15,000	\$ 15,500	3.33%
<b>Total Revenues</b>	<b>\$ 10,900</b>	<b>\$ 15,000</b>	<b>\$ 15,500</b>	<b>3.33%</b>
<b>Expenditures</b>				
Other	\$ 10,030	\$ 15,000	\$ 15,500	3.33%
<b>Total Expenditures</b>	<b>\$ 10,030</b>	<b>\$ 15,000</b>	<b>\$ 15,500</b>	<b>3.33%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ 39,212	\$ 40,082	\$ 40,082	0.00%
Revenues	10,900	15,000	15,500	3.33%
Expenditures	-10,030	-15,000	-15,500	3.33%
<b>Projected Fund Balance</b>	<b>\$ 40,082</b>	<b>\$ 40,082</b>	<b>\$ 40,082</b>	<b>0.00%</b>
<b>Percent of Expenditures</b>	<b>399.62%</b>	<b>267.21%</b>	<b>258.59%</b>	

## VIII. Internal Service Fund

An internal service fund has been established at South Washington County Schools from excess General Fund assets held over the last 14 years. These funds are used to offset the accrued liability related to post-employment benefits such as severance and pension benefits.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 2,206	\$ 3,000	\$ 30,000	900.00%
<b>Total Revenues</b>	<b>\$ 2,206</b>	<b>\$ 3,000</b>	<b>\$ 30,000</b>	<b>900.00%</b>
<b>Expenditures</b>				
Salaries	\$ 151,936	\$ 14,375	\$ 14,375	0.00%
Benefits	151,938	39,375	39,375	0.00%
<b>Total Expenditures</b>	<b>\$ 303,873</b>	<b>\$ 53,750</b>	<b>\$ 53,750</b>	<b>0.00%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ 452,820	\$ 151,152	\$ 100,402	-33.58%
Revenues	2,206	3,000	30,000	900.00%
Expenditures	-303,873	-53,750	-53,750	0.00%
<b>Projected Fund Balance</b>	<b>\$ 151,152</b>	<b>\$ 100,402</b>	<b>\$ 76,652</b>	<b>-23.65%</b>
<b>Percent of Expenditures</b>	<b>49.74%</b>	<b>186.79%</b>	<b>142.61%</b>	

## IX. OPEB Trust Fund

An irrevocable OPEB (other post-employment benefits) trust was created in June 2018 with assets that were set aside for OPEB in previous years to fund post-retirement insurance costs.

	<u>2021 Actual</u>	<u>2022 Revised</u>	<u>2023 Original</u>	<u>% Change</u>
<b>Revenues</b>				
Local Revenues	\$ 855,733	\$ 300,000	\$ 200,000	-33.33%
<b>Total Revenues</b>	<b>\$ 855,733</b>	<b>\$ 300,000</b>	<b>\$ 200,000</b>	<b>-33.33%</b>
<b>Expenditures</b>				
Benefits	\$ 0	\$ 291,042	\$ 401,062	37.80%
Services	19,909	25,000	25,000	0.00%
<b>Total Expenditures</b>	<b>\$ 19,909</b>	<b>\$ 316,042</b>	<b>\$ 426,062</b>	<b>34.81%</b>
<b>Fund Balance Projection</b>				
Beginning	\$ 3,067,288	\$ 3,903,112	\$ 3,887,070	-0.41%
Revenues	855,733	300,000	200,000	-33.33%
Expenditures	-19,909	-316,042	-426,062	34.81%
<b>Projected Fund Balance</b>	<b>\$ 3,903,112</b>	<b>\$ 3,887,070</b>	<b>\$ 3,661,008</b>	<b>-5.82%</b>
<b>Percent of Expenditures</b>	<b>19604.76%</b>	<b>1229.92%</b>	<b>859.27%</b>	

# X. 2023 District Budget and Fund Balance Projection Summary

For School Board Approval June 16, 2022

South Washington County Schools							
Independent School District 833							
Original Budget							
For The Period Ended June 30, 2023							
	Projected Balance					Projected Balance	
	June 30,	Preliminary Budget				June 30,	Percent of
Fund	2022	Revenues	Expenditures	Net Impact	Adjustments	2023	Expenditures
<b>General Fund</b>							
Unrestricted							
Unassigned, Assigned & Committed	11,970,571	243,954,579	241,484,186	2,470,393	(1,772,347)	12,668,617	
Restricted							
Capital projects	132,161	2,690,277	2,240,673	449,604	-	581,765	
LTFM	(783,999)	9,088,537	9,135,180	(46,643)	-	(830,642)	
Operating capital	198,643	3,828,820	3,886,345	(57,525)	-	141,118	
Staff Development	1,033,531	2,796,163	2,824,228	(28,065)	-	1,005,466	
State-approved alternative programs	723,392	437,823	446,283	(8,460)	-	714,932	
Safe schools	907,085	1,025,364	535,000	490,364	-	1,397,449	
Student Activities	442,368	215,200	355,000	(139,800)	-	302,568	
Community arts center	30,683	-	-	-	-	30,683	
Other	-	15,283,147	17,055,494	(1,772,347)	1,772,347	-	
Nonspendable	4,015,380	-	-	-	-	4,015,380	
<b>Total General Fund</b>	<b>18,669,815</b>	<b>279,319,910</b>	<b>277,962,389</b>	<b>1,357,521</b>	<b>-</b>	<b>20,027,336</b>	<b>7.2%</b>
<b>Food Service Fund</b>							
Restricted	1,661,440	11,002,203	11,299,375	(297,172)	-	1,364,268	
Nonspendable	832,248	-	-	-	-	832,248	
<b>Total Food Service Fund</b>	<b>2,093,688</b>	<b>11,002,203</b>	<b>11,299,375</b>	<b>(297,172)</b>	<b>-</b>	<b>1,796,516</b>	<b>15.9%</b>
<b>Community Service Fund</b>							
Restricted							
Community education	2,561,738	7,394,347	6,921,062	473,285	-	3,035,023	
Early childhood family education	9,526	1,412,698	1,648,055	(235,357)	-	(235,831)	
School readiness	(996,393)	2,312,259	2,039,464	272,795	-	(723,598)	
Adult basic education	197,035	626,788	598,701	28,087	-	225,122	
Community service	(1,258,988)	1,232,103	1,600,535	(368,432)	-	(1,627,420)	
Nonspendable	91,779	-	-	-	-	91,779	
<b>Total Community Service Fund</b>	<b>604,697</b>	<b>12,978,195</b>	<b>12,807,817</b>	<b>170,378</b>	<b>-</b>	<b>775,075</b>	<b>6.1%</b>
<b>Building Construction Fund</b>							
Restricted							
Long term facilities maintenance	37,431,713	30,000	13,530,000	(13,500,000)	-	23,931,713	
Projects funded by certificates of participation	1,056,023	-	-	-	-	1,056,023	
Building construction	40,228	-	-	-	-	40,228	
<b>Total Building Construction Fund</b>	<b>38,527,964</b>	<b>30,000</b>	<b>13,530,000</b>	<b>(13,500,000)</b>	<b>-</b>	<b>25,027,964</b>	
<b>Debt Service Fund</b>	<b>10,312,043</b>	<b>33,018,464</b>	<b>32,944,280</b>	<b>74,184</b>	<b>-</b>	<b>10,386,227</b>	
<b>Internal Service Fund</b>							
Severance benefits	(84,616)	15,000	315,000	(300,000)	-	(384,616)	
Pension benefits	185,018	15,000	(261,250)	276,250	-	461,268	
<b>Total Internal Service Fund</b>	<b>100,402</b>	<b>30,000</b>	<b>53,750</b>	<b>(23,750)</b>	<b>-</b>	<b>76,652</b>	
<b>Custodial Fund</b>	<b>40,082</b>	<b>15,500</b>	<b>15,500</b>	<b>-</b>	<b>-</b>	<b>40,082</b>	
<b>OPEB Trust Fund</b>	<b>3,887,070</b>	<b>200,000</b>	<b>426,062</b>	<b>(226,062)</b>	<b>-</b>	<b>3,661,008</b>	
<b>Total All Funds</b>	<b>74,235,761</b>	<b>336,594,272</b>	<b>349,039,173</b>	<b>(12,444,901)</b>	<b>-</b>	<b>61,790,860</b>	

# XI. 2022 District Budget and Fund Balance Projection Summary

*School Board Approved April 21, 2022*

South Washington County Schools							
Independent School District 833							
Revised Budget							
For The Period Ended June 30, 2022							
Fund	Audited Balance	Revised Budget			Projected Balance		Percent of Expenditures
	June 30, 2021	Revenues	Expenditures	Net Impact	Adjustments	June 30, 2022	
<b>General Fund</b>							
Unrestricted							
Unassigned, Assigned & Committed	10,391,482	235,590,792	232,741,384	2,849,408	(1,270,319)	11,970,571	
Restricted							
Capital projects	258,618	2,522,921	2,649,378	(126,457)		132,161	
LTFM	(331,039)	8,307,061	8,760,021	(452,960)		(783,999)	
Operating capital	126,815	3,776,299	3,704,471	71,828		198,643	
Staff Development	1,354,016	2,740,647	3,061,132	(320,485)		1,033,531	
State-approved alternative programs	808,017	437,823	522,448	(84,625)		723,392	
Safe schools	389,289	1,052,796	535,000	517,796		907,085	
Student Activities	582,168	215,200	355,000	(139,800)		442,368	
Community arts center	30,683	-	-	-		30,683	
Other	239,588	14,838,217	16,348,124	(1,509,907)	1,270,319	-	
Nonspendable	4,015,380	-	-	-		4,015,380	
<b>Total General Fund</b>	<b>17,865,017</b>	<b>269,481,756</b>	<b>268,676,958</b>	<b>804,798</b>	<b>-</b>	<b>18,669,815</b>	<b>6.9%</b>
<b>Food Service Fund</b>							
Restricted	241,552	12,564,758	11,544,870	1,019,888	-	1,261,440	
Nonspendable	832,248	-	-	-	-	832,248	
<b>Total Food Service Fund</b>	<b>1,073,800</b>	<b>12,564,758</b>	<b>11,544,870</b>	<b>1,019,888</b>	<b>-</b>	<b>2,093,688</b>	<b>18.1%</b>
<b>Community Service Fund</b>							
Restricted							
Community education	1,784,670	7,141,632	6,364,564	777,068	-	2,561,738	
Early childhood family education	290,538	1,352,181	1,633,193	(281,012)	-	9,526	
School readiness	(1,274,893)	2,289,602	2,011,102	278,500	-	(996,393)	
Adult basic education	177,701	626,788	607,454	19,334	-	197,035	
Community service	(911,504)	1,618,537	1,966,021	(347,484)	-	(1,258,988)	
Nonspendable	91,779	-	-	-	-	91,779	
<b>Total Community Service Fund</b>	<b>158,291</b>	<b>13,028,740</b>	<b>12,582,334</b>	<b>446,406</b>	<b>-</b>	<b>604,697</b>	<b>4.8%</b>
<b>Building Construction Fund</b>							
Restricted							
Long term facilities maintenance	17,691,713	34,395,000	14,655,000	19,740,000	-	37,431,713	
Projects funded by certificates of participation	1,056,023	-	-	-	-	1,056,023	
Building construction	30,254	10,000	26	9,974	-	40,228	
<b>Total Building Construction Fund</b>	<b>18,777,990</b>	<b>34,405,000</b>	<b>14,655,026</b>	<b>19,749,974</b>	<b>-</b>	<b>38,527,964</b>	
<b>Debt Service Fund</b>	<b>5,912,705</b>	<b>36,778,227</b>	<b>32,378,889</b>	<b>4,399,338</b>	<b>-</b>	<b>10,312,043</b>	
<b>Internal Service Fund</b>							
Severance benefits	50,384	15,000	150,000	(135,000)	-	(84,616)	
Pension benefits	100,768	(12,000)	(96,250)	84,250	-	185,018	
<b>Total Internal Service Fund</b>	<b>151,152</b>	<b>3,000</b>	<b>53,750</b>	<b>(50,750)</b>	<b>-</b>	<b>100,402</b>	
<b>Custodial Fund</b>	<b>40,082</b>	<b>15,000</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>40,082</b>	
<b>OPEB Trust Fund</b>	<b>3,903,112</b>	<b>300,000</b>	<b>316,042</b>	<b>(16,042)</b>	<b>-</b>	<b>3,887,070</b>	
<b>Total All Funds</b>	<b>47,882,149</b>	<b>366,576,481</b>	<b>340,222,869</b>	<b>26,353,612</b>	<b>-</b>	<b>74,235,761</b>	