

2021-2022 FINAL BUDGET

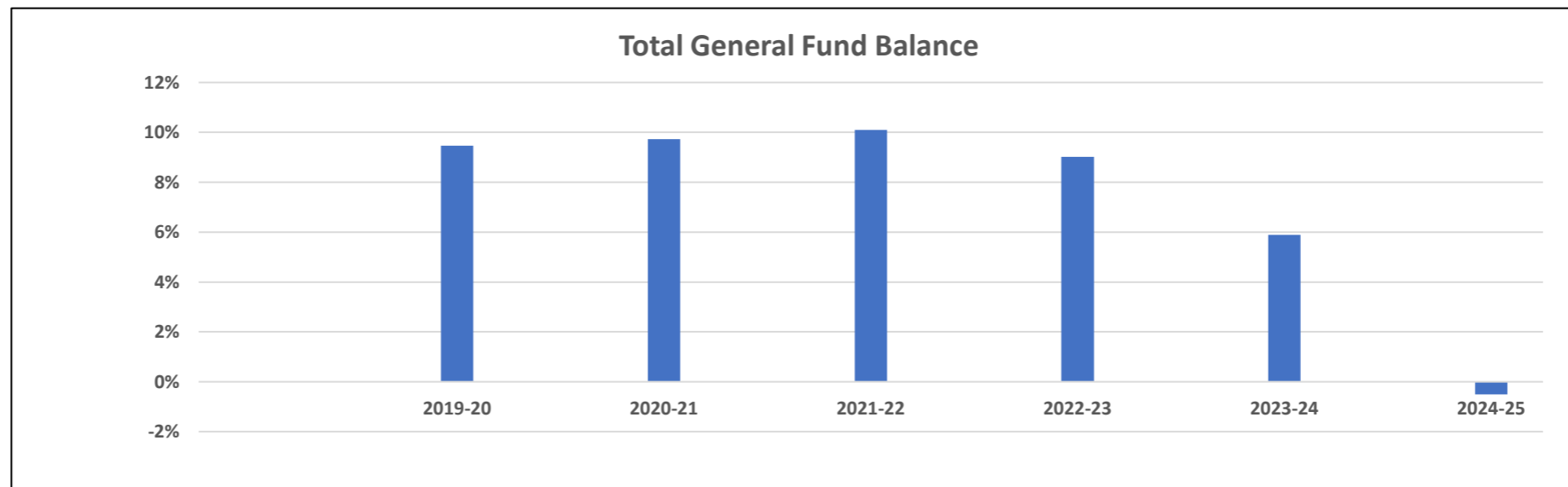
**PRESENTED TO THE
SCHOOL BOARD
APRIL 11, 2022**

Owatonna Public Schools
Independent School District No. 761
515 West Bridge Street
Owatonna, MN 55060

The logo for Owatonna Public Schools features the word "OWATONNA" in a large, bold, black sans-serif font. Above the letter "O" is a small blue icon of a graduation cap. Below "OWATONNA" is the words "PUBLIC SCHOOLS" in a smaller, bold, black sans-serif font. At the bottom of the logo is the tagline "INSPIRING EXCELLENCE • EVERY LEARNER • EVERY DAY" in a very small, black, all-caps sans-serif font.**OWATONNA**
PUBLIC SCHOOLS
INSPIRING EXCELLENCE • EVERY LEARNER • EVERY DAY

Fund Balance Forecast as of April 11, 2022 (General Fund Only)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
General Fund						
Unassigned Fund Balance	\$ 5,899,575	\$ 6,167,288	\$ 6,790,722	\$ 6,311,102	\$ 4,274,859	\$ (380,339)
Restricted Fund Balance	3,802,223	4,808,093	5,033,484	5,033,484	5,033,484	5,033,484
Nonspendable Fund Balance	214,828	474,856	474,856	474,856	474,856	474,856
Total Fund Balance	\$ 9,916,626	\$ 11,450,237	\$ 12,299,062	\$ 11,819,442	\$ 9,783,199	\$ 5,128,001
Total Revenues	\$ 63,330,116	\$ 64,974,395	\$ 68,119,896	\$ 69,482,294	\$ 70,524,528	\$ 70,082,396
Total Expenditures	\$ 62,336,934	\$ 63,440,784	\$ 67,271,071	\$ 69,961,914	\$ 72,560,771	\$ 74,737,594
Total Fund Balance as a % of Total Expenditures	15.91%	18.05%	18.28%	16.89%	13.48%	6.86%
Unassigned Fund Balance as a % of Total Expenditures	9.46%	9.72%	10.09%	9.02%	5.89%	-0.51%



Assumptions:

- 1) 2.45% increase in state aid for 2021-2022 and 2% for 2023-24 and beyond
- 2) 4% increase in expenditures for 2023-24 and 3% for 2024-2025 and beyond
- 3) Add \$500,000 in expenditures in 2023-24 for Career Pathways Program at new OHS
- 4) Our current operating levy renewal goes through June 30, 2031. No levy increase assumed for this forecast.
- 5) \$3,131,092 of ESSER Funding is included in the 21-22 budget

Notes:

- 1) Board Target for Unassigned Fund Balance is 8%-10%

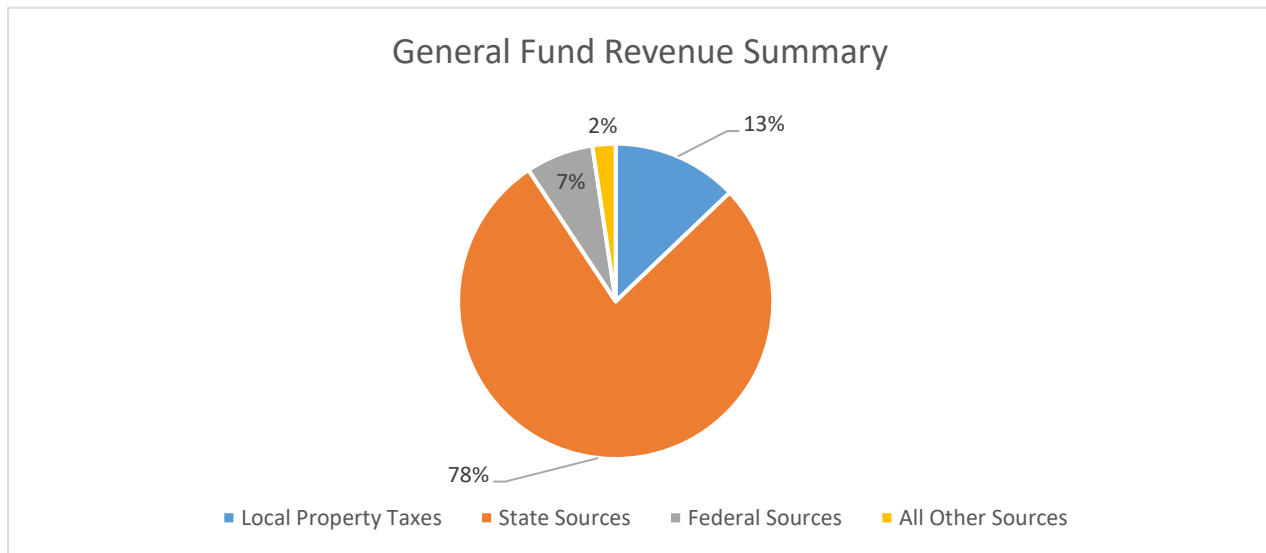
REVENUES

General Fund

	Actual 2020-2021	Preliminary 2021-2022	Revised 2021-2022	Change Preliminary to Revised
Local Property Taxes	\$ 7,967,821	\$ 8,756,670	\$ 8,770,169	\$ 13,499
State Sources	51,499,349	51,241,786	52,992,798	1,751,012
Federal Sources	3,936,288	3,713,923	4,739,032	1,025,109
All Other Sources	1,473,568	1,379,451	1,617,897	238,446
Total Revenues	\$ 64,877,026	\$ 65,091,830	\$ 68,119,896	\$ 3,028,066

Detailed State Sources

Endowment	\$ 205,825	\$ 205,825	\$ 200,061	\$ (5,764)
General Education Aid	41,859,875	40,988,810	42,834,326	1,845,516
Literacy Aid	223,963	223,963	223,963	-
Shared Time Aid	19,635	25,044	19,767	(5,277)
Abatement Aid	17,299	17,299	139	(17,160)
Disparity Reduction Aid	6,893	6,893	8,775	1,882
Homestead/Ag Market Value Credit	11,974	11,975	14,759	2,784
Achievement and Integration Aid	342,708	401,236	383,532	(17,704)
State Aids and Grants	1,091,215	1,150,241	1,125,490	(24,751)
Special Education	7,496,279	8,000,000	7,971,486	(28,514)
Miscellaneous Revenue from MDE	31,457	20,000	20,000	-
Direct TRA/PERA Aid	192,226	190,500	190,500	-
Total State Sources	\$ 51,499,349	\$ 51,241,786	\$ 52,992,798	\$ 1,751,012



REVENUES

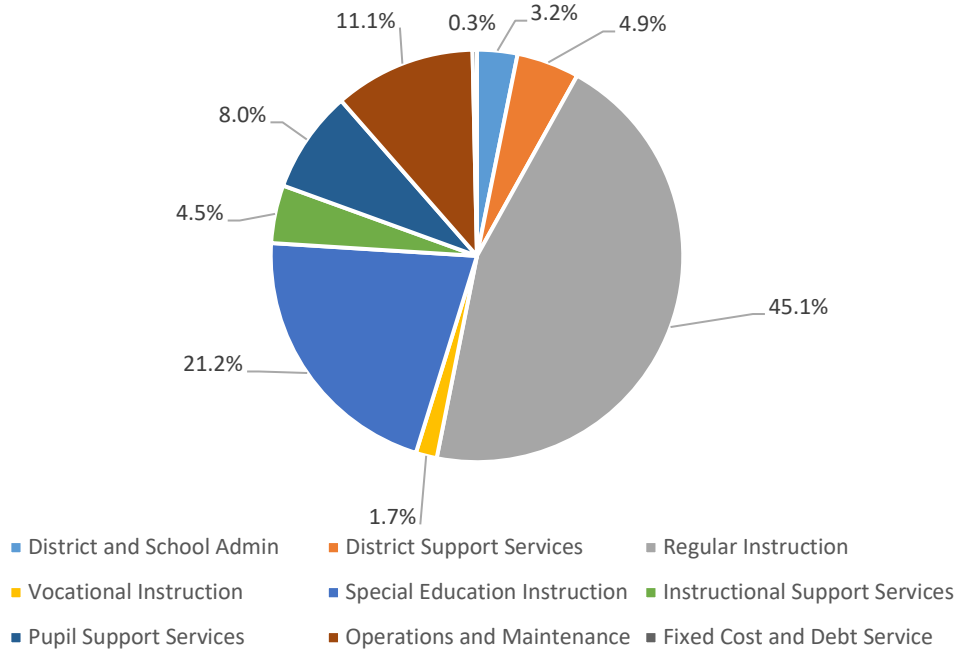
	Actual 2020-2021	Preliminary 2021-2022	Revised 2021-2022	Change Preliminary to Revised
Food Service Fund				
State Sources	\$ 33,653	\$ 59,606	\$ 98,423	\$ 38,817
Federal Sources	2,341,704	3,166,754	3,390,369	223,615
All Other Sources	57,069	311,450	330,575	19,125
Total Revenues	\$ 2,432,426	\$ 3,537,810	\$ 3,819,367	\$ 281,557
Community Service Fund				
Local Property Taxes	\$ 306,756	\$ 302,374	\$ 302,969	\$ 595
State Sources	2,223,071	2,277,533	2,269,007	(8,526)
Federal Sources	129,385	156,383	158,473	2,090
All Other Sources	525,660	635,957	635,957	-
Total Revenues	\$ 3,184,872	\$ 3,372,247	\$ 3,366,406	\$ (5,841)
OHS Building Construction Fund	\$ 1,141,863	\$ 900,000	\$ 1,420,000	\$ 520,000
Building Construction Fund	\$ 2,227	\$ -	\$ 1,500	\$ 1,500
Debt Service Fund	\$ 9,828,207	\$ 10,136,363	\$ 9,423,463	\$ (712,900)

EXPENDITURES

General Fund

	Actual 2020-2021	Preliminary 2021-2022	Revised 2021-2022	Change Preliminary to Revised
Salaries	\$ 36,501,109	\$ 36,774,027	\$ 38,808,772	\$ 2,034,745
Employee Benefits	14,069,946	14,438,505	14,230,120	(208,385)
Purchased Services	8,204,104	8,974,598	8,617,851	(356,747)
Supplies and Materials	3,197,523	3,066,100	3,235,815	169,715
Capital Expenditures	1,138,217	1,165,226	2,057,680	892,454
Other Expenditures	329,885	360,211	320,833	(39,378)
Total Expenditures	<u>\$ 63,440,784</u>	<u>\$ 64,778,667</u>	<u>\$ 67,271,071</u>	<u>\$ 2,492,404</u>
District and School Admin	\$ 2,140,480	\$ 2,103,513	\$ 2,131,394	\$ 27,881
District Support Services	3,276,184	3,042,774	3,300,553	257,779
Regular Instruction	29,303,131	29,039,500	30,310,537	1,271,037
Vocational Instruction	1,009,372	999,731	1,113,685	113,954
Special Education Instruction	12,805,029	13,583,843	14,267,178	683,335
Instructional Support Services	3,088,274	3,047,364	3,057,905	10,541
Pupil Support Services	5,285,571	5,114,369	5,395,758	281,389
Operations and Maintenance	6,308,982	7,635,758	7,461,928	(173,830)
Fixed Cost and Debt Service	223,761	211,815	232,133	20,318
Total Expenditures	<u>\$ 63,440,784</u>	<u>\$ 64,778,667</u>	<u>\$ 67,271,071</u>	<u>\$ 2,492,404</u>

General Fund Expenditure Summary



EXPENDITURES

	Actual 2020-2021	Preliminary 2021-2022	Revised 2021-2022	Change Preliminary to Revised
Food Service Fund				
Salaries	\$ 998,953	\$ 1,201,150	\$ 1,173,580	\$ (27,570)
Employee Benefits	366,585	423,025	394,093	(28,932)
Purchased Services	38,271	67,100	66,450	(650)
Supplies and Materials	1,097,569	1,656,572	1,935,011	278,439
Capital Expenditures	-	60,000	60,000	-
Other Expenditures	2,670	4,927	4,927	-
Total Expenditures	\$ 2,504,048	\$ 3,412,774	\$ 3,634,061	\$ 221,287
Community Service Fund				
Salaries	\$ 1,013,120	\$ 1,133,566	\$ 1,084,888	\$ (48,678)
Employee Benefits	316,579	376,294	331,504	(44,790)
Purchased Services	1,563,099	1,691,165	1,721,058	29,893
Supplies and Materials	178,789	194,646	190,835	(3,811)
Capital Expenditures	11,172	9,509	9,509	-
Other Expenditures	11,893	14,375	16,875	2,500
Total Expenditures	\$ 3,094,652	\$ 3,419,555	\$ 3,354,669	\$ (64,886)
OHS Building Construction Fund	\$ 7,036,640	\$ 46,516,766	\$ 46,522,272	\$ 5,506
Building Construction Fund	\$ 1,575,228	\$ -	\$ 3,113,445	\$ 3,113,445
Debt Service Fund	\$ 9,472,405	\$ 9,307,650	\$ 9,307,650	\$ -

BUDGET SUMMARY - YEAR ENDED JUNE 30, 2022

	<u>General Fund</u>	<u>Food Service Fund</u>	<u>Community Service Fund</u>	<u>OHS Building Construction Fund</u>	<u>Building Construction Fund</u>	<u>Debt Service Fund</u>	<u>Trust Fund</u>	<u>Health Internal Service Fund</u>	<u>Dental Internal Service Fund</u>
Revenues	\$ 68,119,896	\$ 3,819,367	\$ 3,366,406	\$ 1,420,000	\$ 1,500	\$ 9,423,463	\$ 1,510	\$ 9,411,307	\$ 550,250
Expenditures	<u>(67,271,071)</u>	<u>(3,634,061)</u>	<u>(3,354,669)</u>	<u>(46,522,272)</u>	<u>(3,113,445)</u>	<u>(9,307,650)</u>	<u>(753)</u>	<u>(9,410,807)</u>	<u>(550,000)</u>
Net Change in Fund Balance	848,825	185,306	11,737	(45,102,272)	(3,111,945)	115,813	757	500	250
FUND BALANCE									
Beginning of Year	<u>11,450,237</u>	<u>598,683</u>	<u>1,586,697</u>	<u>124,657,688</u>	<u>3,111,945</u>	<u>1,688,266</u>	<u>4,648</u>	<u>135,262</u>	<u>246,643</u>
End of Year	<u>\$ 12,299,062</u>	<u>\$ 783,989</u>	<u>\$ 1,598,434</u>	<u>\$ 79,555,416</u>	<u>\$ -</u>	<u>\$ 1,804,079</u>	<u>\$ 5,405</u>	<u>\$ 135,762</u>	<u>\$ 246,893</u>
Restricted Fund Balance	\$ 5,033,484	\$ 716,780	\$ 1,575,663	\$ 79,555,416	\$ -	\$ 1,804,079	\$ 5,405	\$ 135,762	\$ 246,893
Nonspendable Fund Balance	474,856	67,209	22,771	65,824	-	-	-	-	-
Unassigned Fund Balance	<u>6,790,722</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>\$ 12,299,062</u>	<u>\$ 783,989</u>	<u>\$ 1,598,434</u>	<u>\$ 79,621,240</u>	<u>\$ -</u>	<u>\$ 1,804,079</u>	<u>\$ 5,405</u>	<u>\$ 135,762</u>	<u>\$ 246,893</u>
Unassigned Fund Balance as a Percentage of Expenditures	<u>10.09%</u>	<u>21.57%</u>	<u>47.65%</u>	<u>171.01%</u>	<u>0.00%</u>	<u>19.38%</u>	<u>717.80%</u>	<u>1.44%</u>	<u>44.89%</u>
Total Fund Balance as a Percentage of Expenditures	<u>18.28%</u>	<u>21.57%</u>	<u>47.65%</u>	<u>171.15%</u>	<u>0.00%</u>	<u>19.38%</u>	<u>717.80%</u>	<u>1.44%</u>	<u>44.89%</u>

**Budget Adjustments Since FY '22 Preliminary Budget Approved in June 2021
As of April 11, 2022 (General Fund Only)**

2021-22 FINAL BUDGET	<u>Item</u>	<u>Revenues 1</u>	<u>Expenditures 2</u>	<u>Comments</u>
	1 Adjust Tax Levy	13,499		Adjust Tax Levy to actual
	2 Adjust Endowment State Aid	(5,764)		Adjust Endowment Aid to actual
	2 Adjust General Education State Aid	1,845,516		Adjust State Aid to actual based on updated enrollment
	3 Adjust Federal Grant Revenue/Expenditure	1,025,109		Budget for ESSER and ARP funding
	4 Adjust Tax Credit Aid Revenue	(12,494)		Decrease to match tax credit aid entitlement for 2021-22
	5 Adjust Special Education State Aid	(28,514)		Decrease to match aid entitlement for 2021-22
	6 Adjust Miscellaneous State Aid Revenue	(47,732)		Decrease to match Achievement and Integration, American Indian, and Career and Tech aid entitlement for 2021-22
	8 Adjust Miscellaneous Local Revenues and Donations	238,446		Increase for Wenger music donation and student activity revenue
	9 Adjust salaries and benefits		1,826,360	Adjust for contract settlements and Owatonna Online staffing
	10 Adjust purchased services		(356,747)	Adjust for purchased service changes - mainly LTFM and contracted substitute staff expenditures
	11 Adjust supplies and materials		169,715	Adjust for supplies and materials changes - mainly technology expenditures
	12 Adjust capital expenditures		892,454	Adjust for capital expenditures changes - mainly LTFM projects
	13 Adjust dues and memberships		(39,378)	Add expenditures for taxes and assessments
	Total Impact to Preliminary Budget	<u>3,028,066</u>	<u>2,492,404</u>	535,662
		-	-	Net Adjustment

June 30, 2021 Ending General Fund Balance \$ 11,450,237
FY '22 Preliminary Budget Surplus (Deficit) \$ 313,163
FY '22 Final Budget Surplus (Deficit) \$ 848,825
June 30, 2022 Ending General Fund Balance \$ 12,299,062

Note: Reference for 1 and 2 above.

1 A positive number in revenues indicates the revenue budget is being increased. A negative number in revenues indicates the revenue budget is being decreased.

2 A positive number in expenditures indicates the expenditure budget is being increased. A negative number in expenditures indicates a savings in expenditures.