






DETROIT LAKES PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT #22



2022-2023 BUDGET

June 27, 2022

Laker PRIDE

	<p>Purpose our intention, what drives us</p>	<p style="text-align: center;">Deliver educational excellence.</p>
	<p>Relationships the ways we connect and behave toward each other</p>	<p>Care and communicate positively and respectfully within and across our schools and community.</p> <ul style="list-style-type: none"> ● District ↔ parents and community members ● District ↔ building ● Building ↔ teacher ● Building ↔ parents ● Teacher ↔ parent ● Teacher ↔ students
	<p>Innovation the creation, development and implementation of a new idea or concept to enhance educational opportunities</p>	<p>Embrace creativity and critical thinking.</p> <ul style="list-style-type: none"> ● Renew and bring up to date all systems and practices ● Utilize growth mindset to hone existing intentions/objectives and explore new ideas ● Support diverse ways of thinking and doing ● Embed equity continually in every facet of our work
	<p>Development a process that creates growth, progress, positive change or the addition of physical, economic, environmental, social and demographic components</p>	<p>Foster the academic, social, emotional, and cultural needs of all learners.</p> <ul style="list-style-type: none"> ● Implement and sustain PBIS at all levels ● Hone our support for social/emotional health ● Further learning and implementation of equitable feedback, assessment, grading and reporting ● Provide professional development that supports PRIDE
	<p>Equity the quality of being fair (not equal) and impartial</p>	<p>Ensure that our values, policies, and practices are equitable for our students, staff, and community.</p> <ul style="list-style-type: none"> ● Clarify and support understanding of equity vs. equality for all ● Actively promote equity (institutional, personal, and instructional) ● Remove systemic barriers ● Accommodate different learning styles ● Give students a voice

DETROIT LAKES PUBLIC SCHOOLS

INDEPENDENT SCHOOL DISTRICT #22

Detroit Lakes, Minnesota

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DETROIT LAKES PUBLIC SCHOOLS

INDEPENDENT SCHOOL DISTRICT #22 Detroit Lakes, Minnesota

2022-23 Budget

This document includes the Detroit Lakes Public Schools initial budget for the upcoming 2022-23 school year. The budget is primarily driven by the Average Daily Membership (ADM). The ADM is a yearlong moving average based on the number of students served by the District at reporting times set by the Minnesota Department of Education. Projecting the ADM for upcoming years is far from a simple science. Many factors can come into play such as difference in class size of the outgoing senior class and incoming kindergarten class, changes in open enrollment, change in pre-kindergarten enrollment, student mobility, and the year to year retention ratios. The projected district ADMs for 2021-22 are based on kindergarten registration numbers, as well as past enrollment trends. We are predicting a kindergarten class size of 195 students in 2022-23.

In addition to ADMs, the initial budget for 2022-23 have been prepared based on planning parameters such as employee compensation increases, utility changes, liability and workers' compensation insurance cost projections, changes in special education funding, General Education formula changes, and updates to anticipated other revenues/expenditures.

The Covid-19 pandemic continues to have a significant impact in the school district. The 2022-23 budget includes previous and new revenue streams provided through the America Rescue Plan paired with expenditures. These funds initially were targeted on purchases necessary to keep our staff and students safe and now focus on providing resources for lost instructional time and mental health. These funds will continue to be part of the District budget through 2024.

2022-23 Initial Budget

GENERAL FUND

Unassigned General Fund is projected to have a deficit of \$189,952. This budget reflects estimated revenues of \$35,422,583 and expenditures of \$35,612,535 with a projected year-end fund balance of \$6,061,980.

Revenue changes include increases to the general education formula aid & levy. The General Education formula revenue was increased \$135 (2%) to \$6,863 per student. The District's Average Daily Member (ADM) was estimated at 2704 for the 2022-23 budget. Student projections are based on historical grade by grade progression, incoming kindergarten class size and the latest demographers report. The kindergarten class is estimated at 195. Additional revenue from an increase in extended time ADMs and the net effect of various America Rescue Plan revenue streams are a significant part of the revenue projections.

DETROIT LAKES PUBLIC SCHOOLS

INDEPENDENT SCHOOL DISTRICT #22 Detroit Lakes, Minnesota

Expenditure changes include an increase in services, maintaining current staffing levels, increased mental health services, increases of salary (including fringe benefits), expenditures associated with the America Rescue Plan, and operation costs of District buildings taking new space created through the building project into consideration.

OPERATING CAPITAL FUND

Restricted Operating Capital is projected to have a deficit of \$388,386. The budgeted expenditures of \$1,175,500 include significant costs associated with technology equipment and routine building maintenance.

2022-23 Initial Budget

Restricted Long Term Facilities Maintenance Revenue (LTFM) is projected to have a surplus of \$608,813. Past LTFM projects have utilized existing General Fund Unassigned fund balance to cover the cost up front and will be replenished by future LTFM aid. The revenue stream is based on \$380 per adjusted pupil unit. Taking the prior negative balance and the estimated current year surplus, the anticipated year-end fund balance will be negative \$339,995 and expected to be recovered over the next two years.

TOTAL GENERAL FUND

The Total Restricted General Fund is projected to have a surplus of \$107,882 based on revenues of \$4,434,287 and expenditures of \$4,326,405 with an ending combined fund balance of \$2,898,669. The surplus is mainly due to Long Term Facilities Maintenance revenue in excess of expenditures.

The Total Committed for Severance Pay and Other Post-Employment Benefits General Fund is budget neutral with a projected year-end fund balance of \$2,619,414.

The Total Assigned General Fund is projected to be revenue and expenditure neutral resulting in a year-end fund balance of \$2,364,446.

The Total Unassigned General Fund is projected to have a deficit of \$189,852 with a year-end fund balance of \$6,061,980.

The Total Restricted, Committed, Assigned, and Unassigned General Fund is projected to have a deficit of \$82,070 based on revenues of \$39,856,870 and expenditures of \$39,938,940 with a year-end fund balance of \$14,004,992.

DETROIT LAKES PUBLIC SCHOOLS

INDEPENDENT SCHOOL DISTRICT #22 Detroit Lakes, Minnesota

FOOD SERVICE FUND

The Food Service Fund is projected to have a deficit of \$78,513 based on revenues of \$2,080,931 and expenditures of \$2,159,444 and a year-end fund balance of \$726,484. In previous years, the District has provided free breakfast for PreK-12 during the regular school year and meals at summer school with funding from the General Fund. It is expected that the access to free meals for all students will not continue for the 2022-23 school year. The budget was developed with meal price increases for Student and Adult lunches.

2022-23 Initial Budget

COMMUNITY SERVICES FUND

The Community Services fund is comprised of five sub-components:

1. Restricted for Early Childhood/Family Education is projected to have a deficit of \$38,544 and a year-end fund balance of \$17,898.
2. Restricted for Community Education is projected to have a deficit of \$20,485 and a year-end fund balance of \$119,103.
3. Restricted for School Readiness is projected to have a surplus of \$53,329 and a year-end fund balance of \$375,922.
4. Restricted for Adult Basic Education (ABE) is projected to have a deficit of \$21,048 and a year-end fund balance of \$21,907.
5. Restricted for Community Services - Unassigned is projected to have a balanced budget with no ending fund balance.

Overall, all five components of the Community Education Fund combined are predicted to have a deficit of \$26,748 bringing the overall fund balance to \$534,830.

BUILDING FUND

The Building Fund is projected to have a deficit of \$2,968,000 with revenues of \$250,000 and expenditures of \$3,218,000. The projected year-end fund balance is negative \$6,110,639. The Building Fund is reporting all activity related to the Abatement Bond, Referendum Bond, and Facilities Maintenance bond projects. After the project is complete, a permanent transfer from the General Fund to refund the ending negative fund balance.

DETROIT LAKES PUBLIC SCHOOLS

INDEPENDENT SCHOOL DISTRICT #22 Detroit Lakes, Minnesota

DEBT SERVICE FUND

The Debt Service Fund is projected to have a surplus of \$96,048 with a year-end fund balance of \$722,560. The fund is servicing payments for the Abatement bonds issued in 2018, the Referendum GO Bonds issued in 2019 and the Facilities Maintenance Bonds issued in 2020.

2022-23 Initial Budget

CUSTODIAL FUND

The Custodial Fund is projected to be revenue and expenditure neutral with a year-end fund balance of \$92,531. The fund records fiduciary activities by acting as a flow through mechanism for revenue and expenditures from outside organizations not resulting in a financial benefit to the District.

STUDENT ACITIVITIES FUND

The Student Activities Fund is projected to have a deficit of \$5,434 with a year-end fund balance of \$278,494. The fund records transactions related to student extracurricular activity accounts at the Middle School and High School.

TOTAL (FUNDS 1,2,3,4,5,6,7,18 and 88)

At the District Wide level, the fund balance of the School District is projected to have a deficit of \$3,064,717 with a year-end Fund Balance of \$10,340,253 based on combined revenues of \$47,717,608 and expenditures of \$50,782,325. The deficit is significantly impacted as a result of the building project. Taking the Building Fund out of the District total changes the net results to a deficit of \$96,717.

DETROIT LAKES PUBLIC SCHOOLS

INDEPENDENT SCHOOL DISTRICT #22 Detroit Lakes, Minnesota

SUMMARY OF 2022-2023 INITIAL BUDGET

The total Unassigned General Fund, representing the largest portion of our School District's operating expenses, is predicted to have a deficit of \$189,952.

Maintaining a healthy fund balance is essential for future success. Table 1 below gives a brief history of the Unassigned General Fund Balance and Expenditures. District Policy 714 establishes the desired fund balance in the range of 15% to 25% of the annual Statutory Operating Debt (SOD) expenditures as calculated by Minnesota Department of Education. The 2022-23 estimated fund balance to expenditure percentage is 17.02%.

	General Fund Unassigned Fund Balance**	General Fund SOD Expenditures**	Unassigned Fund Balance As a % Expenditures**
2009-10	\$3,957,382	\$22,374,770	17.69%
2010-11	\$4,211,311	\$23,087,157	18.24%
2011-12	\$4,696,033	\$23,905,847	19.64%
2012-13	\$4,944,900	\$24,017,431	20.59%
2013-14	\$4,797,193	\$24,433,679	19.63%
2014-15	\$5,707,848	\$25,114,947	22.73%
2015-16	\$5,882,356	\$26,323,158	22.35%
2016-17	\$6,015,088	\$27,907,492	21.55%
2017-18	\$5,425,230	\$29,394,094	18.46%
2018-19	\$5,393,503	\$31,624,477	17.05%
2019-20	\$5,038,918	\$32,384,773	15.56%
2020-21	\$6,336,201	\$34,725,049	18.24%
2021-22	\$6,251,932	\$36,179,932	17.28%
2022-23	\$6,061,980	\$35,612,535	\$17.02%

** Projected using General Fund and Transportation Unassigned Fund balance and non-restricted expenditures

DETROIT LAKES PUBLIC SCHOOLS

Statement of Changes in Fund Balance

For the Year Ending 06/30/23

		Projected Fund Balance 7/1/2022	2022-2023 Estimated Revenues	2022-2023 Estimated Expenditures	Fund Balance Adjustments	Est. Fund Balance 6/30/23	Net Change
01 GENERAL FUND							
460	Non-Spendable	\$ 60,483	\$ -	\$ -		\$ 60,483	\$ -
403	Restricted for Staff Development	\$ 603,269	\$ 420,405	\$ (550,243)	\$ -	\$ 473,431	\$ (129,838)
428 & 441	Restricted for Compensatory & Learning Development	-	1,773,345	(1,773,345)		-	-
434	Restricted-ALC	-	-	-		-	-
472	Restricted MA/Special Education	1,325,760	125,000	(66,473)		1,384,287	58,527
449	Restricted for Safe Schools Levy	243,393	113,910	(123,442)		233,861	(9,532)
406	Restricted for Health & Safety	-	-	-	-	-	-
467	Restricted for Long Term Facility Maintenance	(948,808)	1,173,313	(564,500)	-	(339,995)	608,813
424	Restricted for Operating Capital	1,519,080	787,114	(1,175,500)	-	1,130,694	(388,386)
438	Restricted for Gifted & Talented	48,093	41,200	(72,902)		16,391	(31,702)
	Total General Fund Restricted	\$ 2,790,787	\$ 4,434,287	\$ (4,326,405)	\$ -	\$ 2,898,669	\$ 107,882
418	Committed Fund Balance-Severance and OPEB Liabilities	\$ 2,619,414	\$ -	\$ -		\$ 2,619,414	\$ -
	Assigned Fund Balance - Other	\$ -	\$ -	\$ -		-	-
	Assigned Fund Balance - Green House	\$ -	\$ -	\$ -		-	-
	Assigned of Building Construction	\$ 2,364,446	\$ -	\$ -	\$ -	\$ 2,364,446	\$ -
		\$ 2,364,446	\$ -	\$ -	\$ -	\$ 2,364,446	\$ -
422	Unassigned	6,251,932	35,422,583	(35,612,535)	-	6,061,980	(189,952)
	Total General Fund Unassigned	\$ 6,251,932	\$ 35,422,583	\$ (35,612,535)	\$ -	\$ 6,061,980	\$ (189,952)
	Grand Total General Fund	\$ 14,087,062	\$ 39,856,870	\$ (39,938,940)	\$ -	\$ 14,004,992	\$ (82,070)
02 - FOOD SERVICE							
460	Non-Spendable	\$ 81,927	\$ -	\$ -		\$ 81,927	\$ -
464	Restricted	804,997	2,080,931	(2,159,444)		726,484	(78,513)

Total Food Service	\$ 886,924	\$ 2,080,931	\$ (2,159,444)		\$ 808,411	\$ (78,513)
04 - COMMUNITY SERVICES						
432 Restricted for ECFE	\$ 56,442	\$ 165,445	\$ (203,989)		\$ 17,898	\$ (38,544)
431 Restricted for Community Education	139,588	404,159	(424,644)		119,103	(20,485)
444 Restricted for School Readiness	322,593	435,564	(382,235)		375,922	53,329
447 Restricted for ABE	42,955	272,691	(293,739)		21,907	(21,048)
Total Community Services Restricted	\$ 561,578	\$ 1,277,859	\$ (1,304,607)	\$ -	\$ 534,830	\$ (26,748)
464 Restricted - Community Services	\$ 9,074	\$ 41,468	\$ (41,468)		\$ 9,074	\$ -
Grand Total Community Services	\$ 570,652	\$ 1,319,327	\$ (1,346,075)	\$ -	\$ 543,904	\$ (26,748)
06 - BUILDING CONSTRUCTION						
539 Building Fund	\$ (3,142,639)	\$ 250,000	\$ (3,218,000)	\$ -	\$ (6,110,639)	\$ (2,968,000)
07- DEBT SERVICE						
464 Debt Service Fund	\$ 626,512	\$ 3,942,979	\$ (3,846,931)		\$ 722,560	\$ 96,048
18- CUSTODIAL FUNDS						
401 Custodial Funds	\$ 92,531	\$ 81,000	\$ (81,000)		\$ 92,531	\$ -
88- STUDENT ACTIVITIES						
401 Student Activities	\$ 283,928	\$ 186,501	\$ (191,935)		\$ 278,494	\$ (5,434)
GRAND TOTAL ALL FUNDS	\$ 13,404,970	\$ 47,717,608	\$ (50,782,325)	\$ -	\$ 10,340,253	\$ (3,064,717)

**DETROIT LAKES PUBLIC SCHOOLS
ENROLLMENT HISTORY AND PROJECTIONS
6/15/2022**

Average Daily Membership (ADM) /Grade	Actual 2015-16	Actual 2016-17	Actual 2017-18	Actual 2018-19	Actual 2019-20	Actual 2020-21	Projected 2021-22	Projected ADM for Budget 2022-23	Projected ADM for Budget 2023-24	Projected ADM for Budget 2024-25
Pre K	65.23	55.27	61.03	72.00	51.81	41.09	45.00	45.00	45.00	45.00
HK	41.50	52.92	42.39	46.74	50.45	37.53	41.00	45.00	45.00	45.00
K	182.05	173.78	166.50	170.82	150.55	138.34	153.00	150.00	150.00	150.00
Kindergarten Total	223.55	226.70	208.89	217.56	201.00	175.87	194.00	195.00	195.00	195.00
1	214.22	226.49	216.57	206.18	212.58	181.28	177.00	194.00	195.00	195.00
2	207.58	212.82	226.22	212.20	214.31	198.01	184.00	177.00	194.00	195.00
3	240.69	214.73	206.97	227.05	208.18	188.35	208.00	184.00	177.00	194.00
4	245.05	244.27	215.50	212.31	223.54	196.60	195.00	208.00	184.00	177.00
5	234.80	248.66	242.36	207.73	206.30	204.82	211.00	195.00	208.00	184.00
Elementary Total	1,142.34	1,146.97	1,107.62	1,065.47	1,064.91	969.06	975.00	958.00	958.00	945.00
6	224.73	245.19	254.48	246.59	210.27	191.59	197.00	211.00	195.00	208.00
7	241.89	225.52	244.99	250.35	251.00	194.25	179.00	197.00	211.00	195.00
8	214.86	239.08	219.86	233.33	248.62	230.43	187.00	179.00	197.00	211.00
Middle School Total	681.48	709.79	719.33	730.27	709.89	616.27	563.00	587.00	603.00	614.00
9	217.23	236.13	242.81	232.12	248.39	245.69	256.00	187.00	179.00	197.00
10	231.52	214.54	232.42	246.82	226.37	230.02	245.00	256.00	187.00	179.00
11	213.52	219.97	212.71	222.10	241.45	206.13	231.00	245.00	256.00	187.00
12	208.14	205.85	216.84	207.91	206.37	203.04	179.00	231.00	245.00	256.00
High school Total	870.41	876.49	904.78	908.95	922.58	884.88	911.00	919.00	867.00	819.00
Total ADM	2,983.01	3,015.22	3,001.65	2,994.25	2,950.19	2,687.17	2,688.00	2,704.00	2,668.00	2,618.00

INDEPENDENT SCHOOL DISTRICT #22

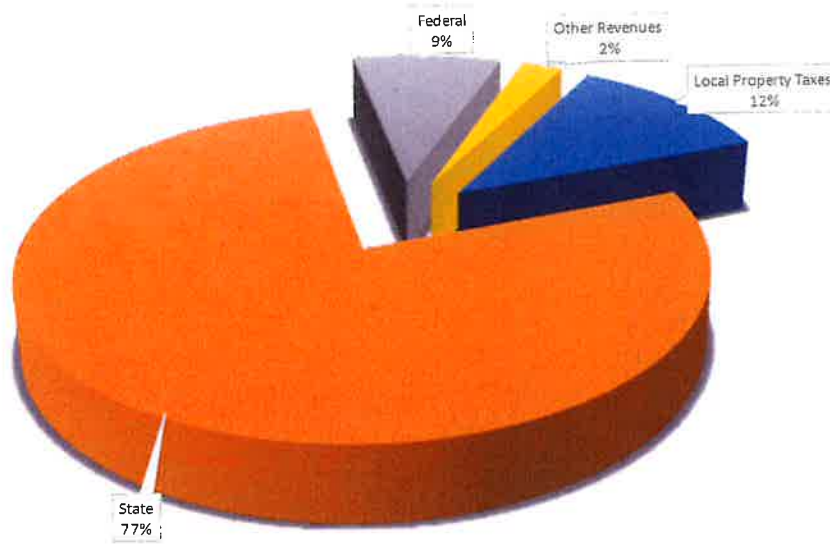
Detroit Lakes Public Schools

Revenue and Expenditure Budget Summary by Fund

2021-22 BUDGET			
	2021-22 Revenue	2021-22 Expenditures	Difference
General Fund	\$ 40,514,382.00	\$ 40,800,239.00	\$ (285,857.00)
Food Service	\$ 1,708,823.00	\$ 1,901,850.00	\$ (193,027.00)
Community Education	\$ 1,387,483.00	\$ 1,303,818.00	\$ 83,665.00
Building Fund	\$ 260,000.00	\$ 10,050,668.00	\$ (9,790,668.00)
Debt Service	\$ 3,894,655.00	\$ 3,702,531.00	\$ 192,124.00
Custodial Accounts	\$ 70,000.00	\$ 70,000.00	\$ -
Student Activities	\$ 395,720.00	\$ 356,095.00	\$ 39,625.00
TOTAL ALL FUNDS	\$ 48,231,063.00	\$ 58,185,201.00	\$ (9,954,138.00)

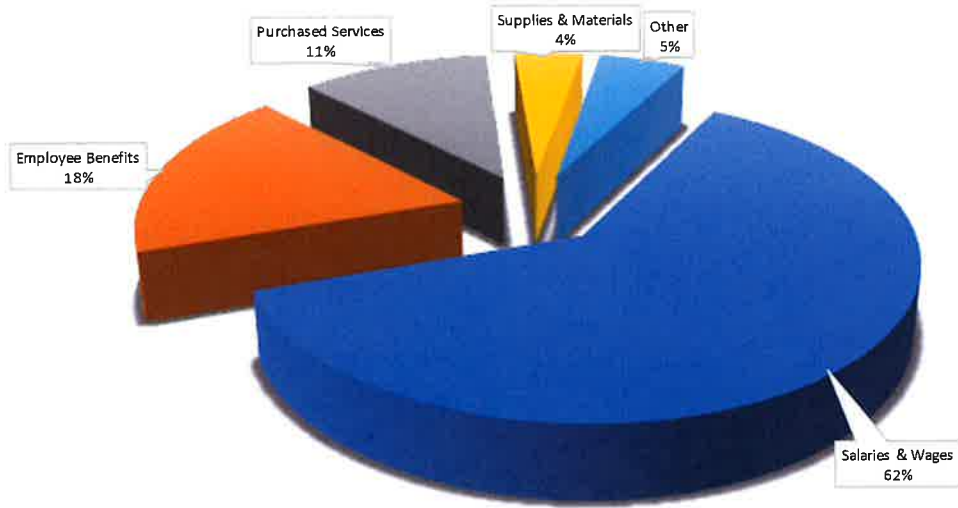
2022-23 BUDGET			
	2022-23 Revenue	2022-23 Expenditures	Difference
General Fund	\$ 39,856,870.00	\$ 39,938,940.00	\$ (82,070.00)
Food Service	\$ 2,080,931.00	\$ 2,159,444.00	\$ (78,513.00)
Community Education	\$ 1,319,327.00	\$ 1,346,075.00	\$ (26,748.00)
Building Fund	\$ 250,000.00	\$ 3,218,000.00	\$ (2,968,000.00)
Debt Service	\$ 3,942,979.00	\$ 3,846,931.00	\$ 96,048.00
Custodial Accounts	\$ 81,000.00	\$ 81,000.00	\$ -
Student Activities	\$ 186,501.00	\$ 191,935.00	\$ (5,434.00)
TOTAL ALL FUNDS	\$ 47,717,608.00	\$ 50,782,325.00	\$ (3,064,717.00)

**Independent School District #22
2022-23 General Fund Revenues By Major Source**



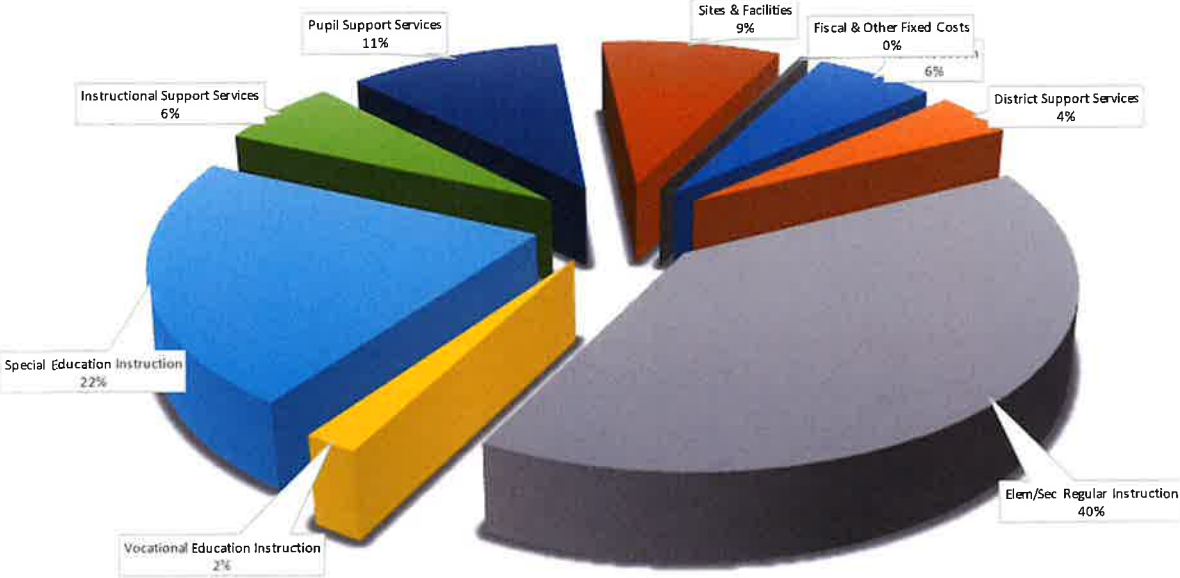
Local Property Taxes	\$	4,689,102.00	12%
State	\$	30,859,047.00	77%
Federal	\$	3,396,543.00	9%
Other Revenues	\$	912,178.00	2%
Total Revenue	\$	39,856,870.00	

**Independent School District #22
2022-23 General Fund Expenditures By Object**



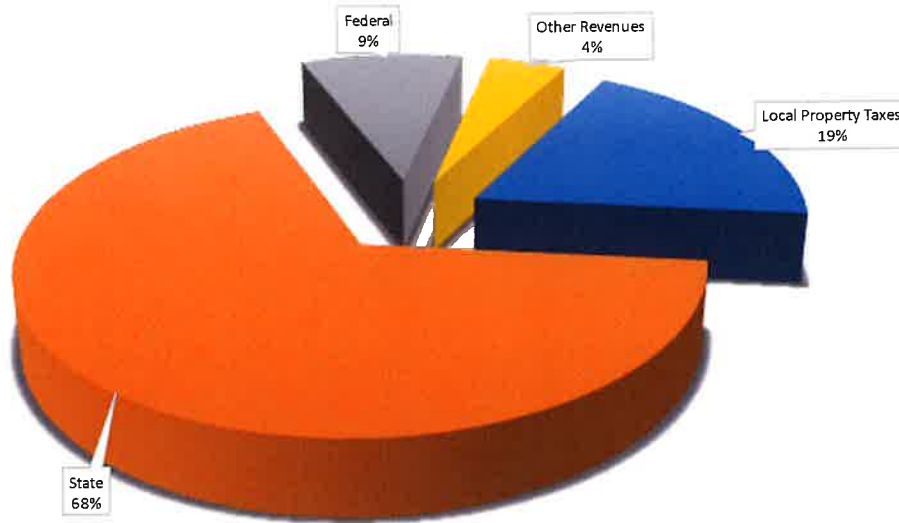
Salaries & Wages	\$	24,762,143	62%
Employee Benefits	\$	7,189,009	18%
Purchased Services	\$	4,393,283	11%
Supplies & Materials	\$	1,597,558	4%
Other	\$	1,996,947	5%
Total Expenditures	\$	39,938,940.00	

**Independent School District #22
2022-23 General Fund Expenditures By Program**



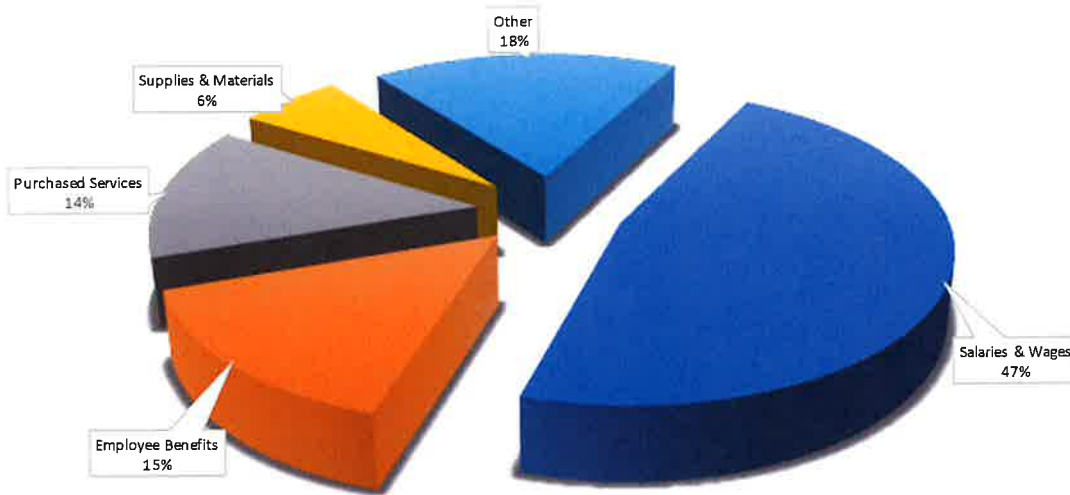
Administration	\$	2,396,336	6%
District Support Services	\$	1,597,558	4%
Elem/Sec Regular Instruction	\$	15,975,576	40%
Vocational Education Instruction	\$	798,779	2%
Special Education Instruction	\$	8,786,567	22%
Instructional Support Services	\$	2,396,336	6%
Pupil Support Services	\$	4,233,528	11%
Sites & Facilities	\$	3,594,505	9%
Fiscal & Other Fixed Costs	\$	159,756	0%
Total Expenditures	\$	39,938,940.00	100%

**Independent School District #22
2022-23 Revenues By Major Source (All Funds)**



Local Property Taxes	\$	8,829,611.21	19%
State	\$	31,401,165.94	67%
Federal	\$	4,311,818.62	9%
Other Revenues	\$	2,033,731.00	4%
Total Revenue	\$	46,576,326.77	

**Independent School District #22
2022-23 Expenditures By Object (All Funds)**



Salaries & Wages	\$	23,867,693	47%
Employee Benefits	\$	7,617,349	15%
Purchased Services	\$	7,109,526	14%
Supplies & Materials	\$	3,046,940	6%
Other	\$	9,140,819	18%
Total Expenditures	\$	50,782,325.00	100%