



Financial Update

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Principles of Finance

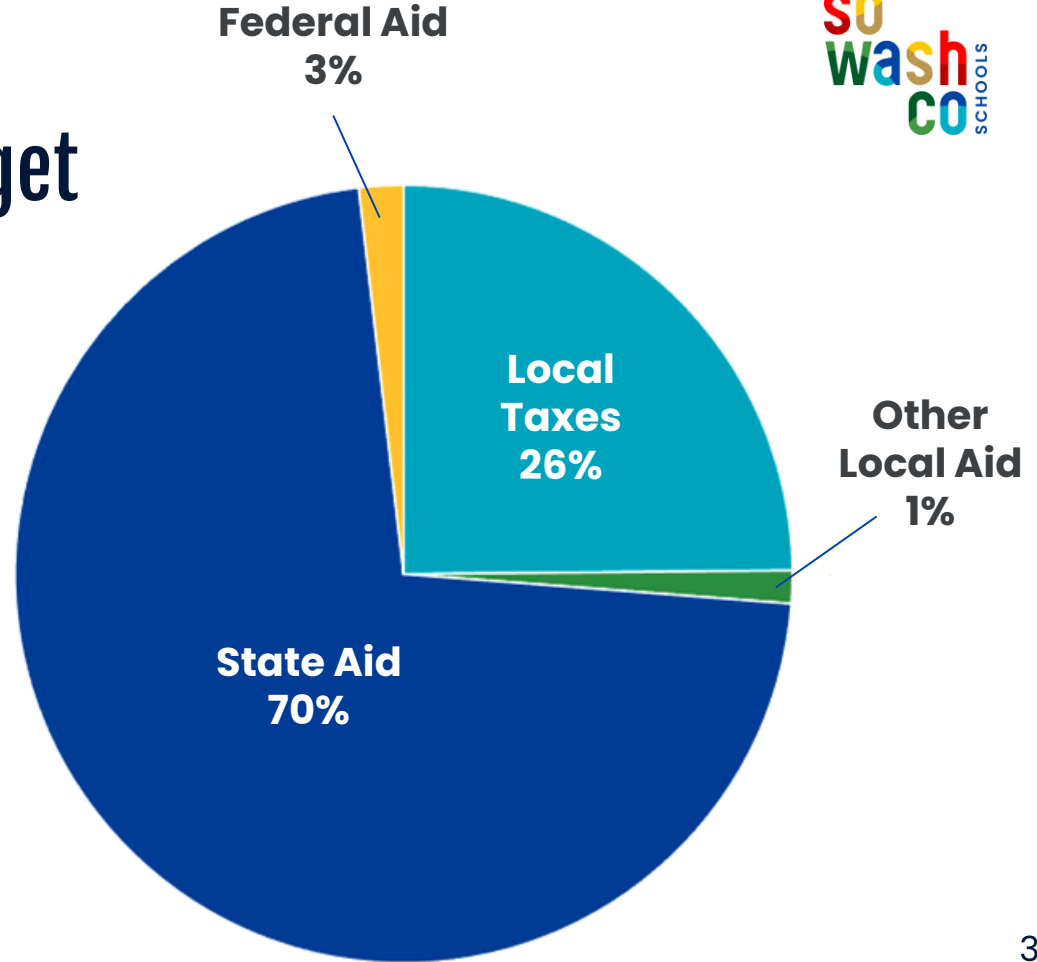
- **Integrity:** Audits, fair representation of financial standing
- **Ethical:** Follow the letter of the law
- **Conservatism:** Forecast the worst, expect the forecast
- **Security:** Safeguard all assets
- **Mission-driven Expenditures:** All public expenditures serve a public purpose

MN Education Funding SoWashco 2022-23 Budget

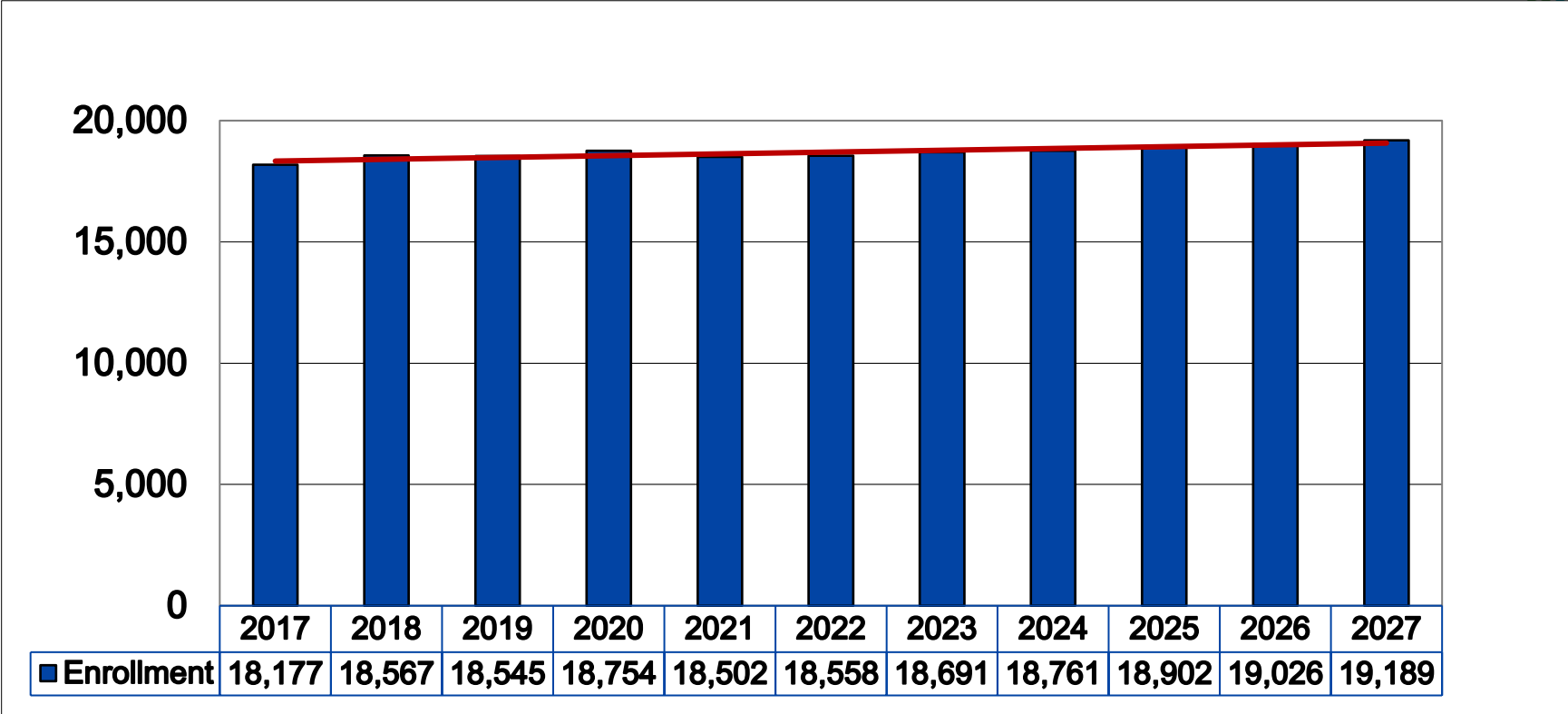


- **State Aids** \$ 197,390,560
- **Local Levies** \$ 71,497,944
- **Federal Aids** \$ 7,644,817
- **Local Fees** \$ 3,158,168

- **TOTAL** \$ 279,319,910



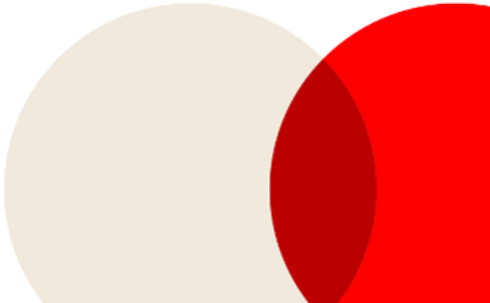
Budget Enrollment



Enrollment Implications

	Enrollment	Capacity	% Used
Elementary	8,330	9,946	83.8%
Middle School	4,157	4,574	90.9%
High School	6,130	5,891	104.1%
Total	18,617	20,411	91.2%

Enrollment Implications

- Grey Cloud and Pine Hill elementary schools are over 100% of capacity
 - Bailey, Red Rock and Valley Crossing elementary schools are over 95% of capacity
 - 5 elementary schools have over 30% open seats
 - Oltman and Lake Middle schools are at 96% utilization
 - East Ridge High School – 118%
 - Woodbury High School – 103%
 - Park High School – 94%
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- Two large overlapping circles are located in the bottom right corner. The left circle is light beige and the right circle is red.

Expenditures by Object Code



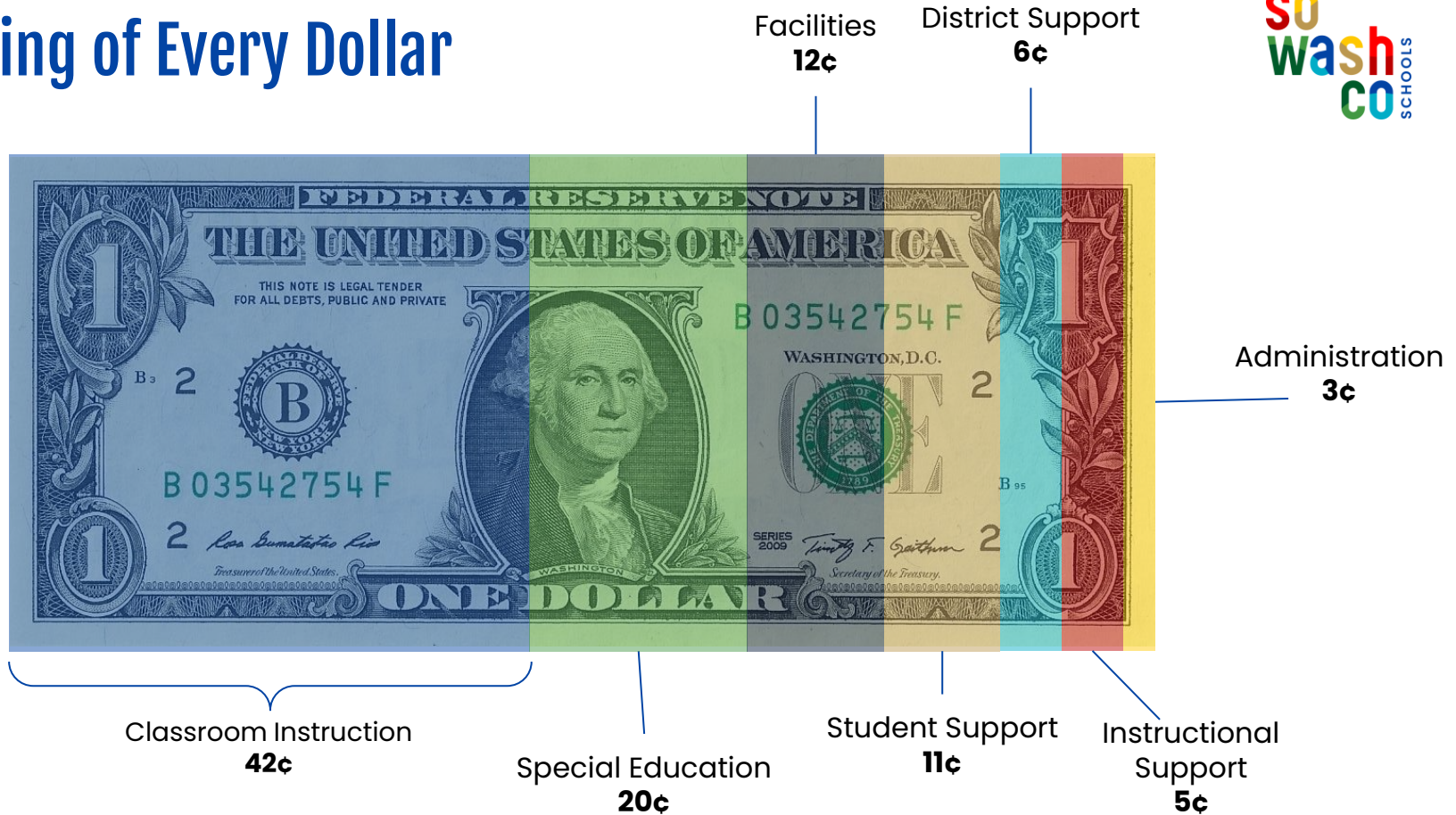
	2022-23	2021-22	2020-21	2019-20	2018-19			
	Revised Budget	FY Activity	FY Activity	FY Activity	FY Activity			
						4-year Increase	4-Year %	AVE %
Salaries	\$ 157,671,084	\$ 147,265,282	\$ 149,127,055	\$ 142,416,584	\$ 138,589,261	\$ 19,081,823	13.77%	3.44%
Benefits	\$ 64,347,047	\$ 59,217,436	\$ 59,220,298	\$ 55,886,769	\$ 53,371,285	\$ 10,975,762	20.56%	5.14%
Services	\$ 38,661,083	\$ 37,979,997	\$ 30,873,004	\$ 29,076,847	\$ 25,337,989	\$ 13,323,094	52.58%	13.15%
Supplies	\$ 8,152,152	\$ 8,946,484	\$ 11,433,270	\$ 8,446,967	\$ 8,842,863	\$ (690,711)	-7.81%	-1.95%
Capital	\$ 7,383,019	\$ 9,157,889	\$ 9,081,215	\$ 9,612,565	\$ 8,060,834	\$ (677,815)	-8.41%	-2.10%
Other	\$ 1,748,004	\$ 2,490,466	\$ 2,147,778	\$ 5,784,785	\$ 1,406,573	\$ 341,431	24.27%	6.07%
	\$ 277,962,389	\$ 265,057,555	\$ 261,882,619	\$ 251,224,517	\$ 235,608,804	\$ 42,353,585	17.98%	4.49%
Enrollment	18,691	18,470	18,502	18,754	18,545	146	0.79%	0.20%
Per Pupil Spending	\$ 14,871	\$ 14,351	\$ 14,154	\$ 13,396	\$ 12,705	\$ 2,167	17.05%	4.26%

Expenditures by Program Area



	2022-23	2021-22	2020-21	2019-20	2018-19			
	Revised Budget	FY Activity	FY Activity	FY Activity	FY Activity			
						4-year Increase	4-Year %	AVE %
Administration	\$ 9,973,490	\$ 9,764,540	\$ 9,320,291	\$ 9,144,403	\$ 8,904,211	\$ 1,069,279	12.01%	3.00%
District Support	\$ 18,017,682	\$ 21,628,901	\$ 18,413,003	\$ 18,232,170	\$ 16,476,121	\$ 1,541,561	9.36%	2.34%
Regular Instruction	\$ 116,971,139	\$ 110,835,026	\$ 112,249,171	\$ 108,936,009	\$ 107,033,983	\$ 9,937,156	9.28%	2.32%
Special Education	\$ 56,610,393	\$ 49,241,719	\$ 48,244,767	\$ 45,976,532	\$ 42,977,581	\$ 13,632,812	31.72%	7.93%
Instructional Support	\$ 12,580,743	\$ 11,191,816	\$ 13,347,638	\$ 11,352,195	\$ 10,871,936	\$ 1,708,807	15.72%	3.93%
Pupil Support	\$ 31,226,737	\$ 29,477,890	\$ 27,229,115	\$ 26,837,141	\$ 24,076,544	\$ 7,150,193	29.70%	7.42%
Facilities	\$ 32,582,205	\$ 32,917,664	\$ 33,078,635	\$ 30,746,067	\$ 25,268,428	\$ 7,313,777	28.94%	7.24%
	\$ 277,962,389	\$ 265,057,555	\$ 261,882,619	\$ 251,224,517	\$ 235,608,804	\$ 42,353,585	17.98%	4.49%

Spending of Every Dollar



Expenditures – Trends

- District expenses have risen by \$42.3 million or 18 % over the last four years, an average of 4.5%
- Special education instruction costs have increased \$13.6 million or 31.7% over the last four years, an average of 7.3%
- Special education child count in 2017-18 was 2,910, most recent count in 2021-22 is 3,381 an increase of 16.2%
- Pupil Support has also increased 7.4% per year, mainly in the area of special education transportation.

Fund Balance (Unassigned)

- Similar to a family emergency account
- SoWashCo Schools has a fund balance to manage risk and to respond to unforeseen circumstances without having to borrow money
- Risk is assessed to determine how large the fund balance should be
- The more risk a school district faces, the larger its fund balance

Fund Balance (Unassigned)

EXAMPLES OF CURRENT RISKS

- Bond ratings
- State aid lagging behind inflation
- State aid funding shifts
- Federal funding reductions
- Contract settlements
- Uncertain utility and service costs
- Major HVAC breakdowns

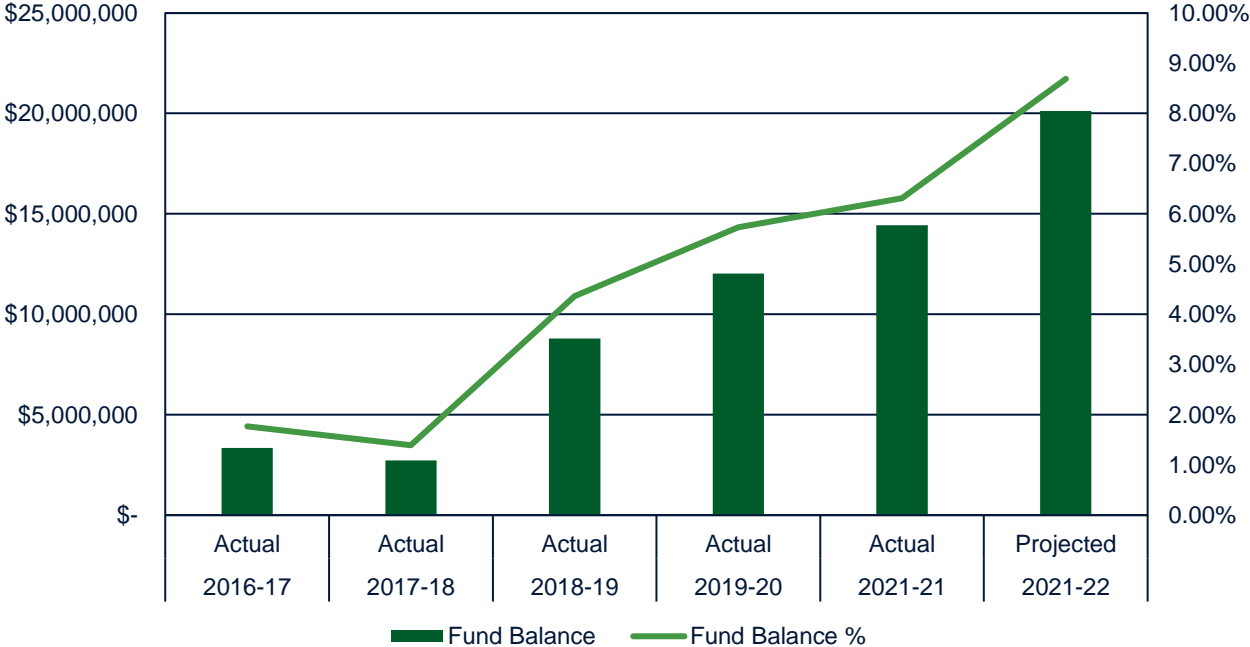
Fund Balance (Unassigned)



	2022-23	2021-22	2020-21	2019-20	2018-19			
	Revised Budget	FY Activity	FY Activity	FY Activity	FY Activity			
						4-year Increase	4-Year %	AVE %
Revenues	\$ 279,319,910	\$ 270,441,444	\$ 263,734,400	\$ 250,680,186	\$ 243,165,172	\$ 36,154,738	14.87%	3.72%
Expenditures	\$ 277,962,389	\$ 265,057,555	\$ 261,882,619	\$ 251,224,517	\$ 235,608,804	\$ 42,353,585	17.98%	4.49%
Net Change	\$ 1,357,521	\$ 5,383,889	\$ 1,851,781	\$ (544,331)	\$ 7,556,368			
	Projected	Projected						
Unassigned Fund Balance	\$ 21,471,400	\$ 20,113,879	\$ 14,437,545	\$ 12,022,842	\$ 8,790,153			
	9.09%	8.69%	6.31%	5.73%	4.36%			

Fund Balance

History





Questions?

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