

ADMINISTRATIVE REPORT

DATE: March 23, 2023
TOPIC: 8.3 - 2022-23 Revised Budget Approval
PRESENTER: Dan Pyan, Executive Director of Finance and Operations
REFERENCE TO POLICY/STATUTE: Policy 701, 702

A. PURPOSE OF REPORT

- a. School Districts revise their budgets annually after student counts, state & federal allocations and labor expenses are better known than when the preliminary budget was compiled in June of the previous year.
- b. The School Board was presented with the 2022-23 revised budget. Variances from the preliminary budget were highlighted.

B. RECOMMENDATION

- a. Administration recommends approval of the 2022-23 revised budget.



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

| Fund | Audited Balance June 30, 2022 | Preliminary Budget | | | Adjustments | Projected Balance June 30, 2023 | Percent of Expenditures |
|---|-------------------------------------|--------------------|--------------------|---------------------|-------------|---------------------------------------|----------------------------|
| | | Revenues | Expenditures | Net Impact | | | |
| General Fund | | | | | | | |
| Unrestricted | | | | | | | |
| Unassigned, Assigned & Committed | 19,942,450 | 243,373,577 | 239,321,471 | 4,052,106 | (2,880,808) | 21,113,748 | |
| Restricted | - | | | | | | |
| Capital projects | 216,907 | 2,690,277 | 2,240,673 | 449,604 | - | 666,511 | |
| LTFM | (1,158,769) | 9,086,597 | 9,084,992 | 1,605 | - | (1,157,164) | |
| Operating capital | 549,994 | 3,939,927 | 4,792,845 | (852,918) | - | (302,924) | |
| Staff Development | 1,487,060 | 2,796,313 | 3,508,297 | (711,984) | - | 775,076 | |
| State-approved alternative programs | 1,183,622 | 943,777 | 354,936 | 588,841 | - | 1,772,463 | |
| Safe schools | 665,637 | 1,024,634 | 767,733 | 256,901 | - | 922,538 | |
| Student activities | 621,294 | 410,650 | 480,000 | (69,350) | - | 551,944 | |
| Community arts center | 30,683 | - | - | - | - | 30,683 | |
| Other | 245,137 | 15,425,706 | 18,551,651 | (3,125,945) | 2,880,808 | - | |
| Nonspendable | 3,549,624 | - | - | - | - | 3,549,624 | |
| Total General Fund | 27,333,639 | 279,691,458 | 279,102,598 | 588,860 | - | 27,922,499 | 10.0% |
| Food Service Fund | | | | | | | |
| Restricted | 2,754,424 | 11,331,142 | 12,171,990 | (840,848) | - | 1,913,576 | |
| Nonspendable | 242,652 | - | - | - | - | 242,652 | |
| Total Food Service Fund | 2,997,076 | 11,331,142 | 12,171,990 | (840,848) | - | 2,156,228 | 17.7% |
| Community Education Fund | | | | | | | |
| Restricted | | | | | | | |
| Community education | 3,169,698 | 8,371,762 | 7,227,488 | 1,144,274 | - | 4,313,972 | |
| Early childhood family education | (1,916) | 1,414,870 | 1,299,838 | 115,032 | - | 113,116 | |
| School readiness | (1,223,087) | 2,426,129 | 2,388,929 | 37,200 | - | (1,185,887) | |
| Adult basic education | 127,869 | 647,384 | 614,617 | 32,767 | - | 160,636 | |
| Community service | (1,274,397) | 1,614,843 | 2,234,996 | (620,153) | - | (1,894,550) | |
| Nonspendable | 164,947 | - | - | - | - | 164,947 | |
| Total Community Education Fund | 963,114 | 14,474,988 | 13,765,868 | 709,120 | - | 1,672,234 | 12.1% |
| Building Construction Fund | | | | | | | |
| Restricted | | | | | | | |
| Long term facilities maintenance | 35,810,937 | 1,350,000 | 13,530,000 | (12,180,000) | - | 23,630,937 | |
| Projects funded by certificates of participation | 1,056,023 | - | - | - | - | 1,056,023 | |
| Building construction | 32,288 | 50,000 | - | 50,000 | - | 82,288 | |
| Total Building Construction Fund | 36,899,248 | 1,400,000 | 13,530,000 | (12,130,000) | - | 24,769,248 | |
| Debt Service Fund | 6,718,407 | 32,940,140 | 32,944,280 | (4,140) | - | 6,714,267 | |
| Internal Service Fund | | | | | | | |
| Severance benefits | (185,574) | 15,000 | 150,000 | (135,000) | - | (320,574) | |
| Pension benefits | (185,575) | 95,000 | 296,250 | (201,250) | - | (386,825) | |
| Total Internal Service Fund | (371,149) | 110,000 | 446,250 | (336,250) | - | (707,399) | |
| Custodial Fund | 45,727 | 21,000 | 21,000 | - | - | 45,727 | |
| OPEB Trust Fund | 3,125,163 | 200,000 | 270,000 | (70,000) | - | 3,055,163 | |
| Total All Funds | 77,711,225 | 340,168,728 | 352,251,986 | (12,083,258) | - | 65,627,967 | |

South Washington County Schools 2022-23 Revised Budget

GENERAL FUND BUDGET SUMMARY (Reserved & Unreserved)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------|
| Revenues | | | | |
| Local Revenues | \$ 70,400,050 | \$ 74,566,139 | \$ 76,655,810 | 2.80% |
| State Aids | 190,953,953 | 197,018,981 | 195,578,632 | -0.73% |
| Federal Aids | 10,302,640 | 7,644,817 | 7,307,129 | -4.42% |
| Other Revenues | 447,779 | 89,973 | 149,887 | 66.59% |
| Total Revenues | \$ 272,104,421 | \$ 279,319,910 | \$ 279,691,458 | 0.13% |
| Expenditures | | | | |
| Salaries | \$ 146,876,094 | \$ 157,671,084 | \$ 156,059,045 | -1.02% |
| Benefits | 57,786,629 | 64,347,047 | 62,391,473 | -3.04% |
| Services | 37,802,181 | 38,661,083 | 40,517,035 | 4.80% |
| Supplies | 10,583,368 | 8,152,152 | 11,197,952 | 37.36% |
| Equipment & Capital | 7,919,624 | 7,383,019 | 7,582,952 | 2.71% |
| Other | 1,667,903 | 1,748,004 | 1,354,141 | -22.53% |
| Transfers | 0 | 0 | 0 | 0.00% |
| Total Expenditures | \$ 262,635,799 | \$ 277,962,389 | \$ 279,102,598 | 0.41% |
| Fund Balance Projection | | | | |
| Beginning | \$ 17,865,017 | \$ 27,333,639 | \$ 27,333,639 | 0.00% |
| Revenues | 272,104,421 | 279,319,910 | 279,691,458 | 0.13% |
| Expenditures | -262,635,799 | -277,962,389 | -279,102,598 | 0.41% |
| Projected Fund Balance | \$ 27,333,639 | \$ 28,691,160 | \$ 27,922,499 | -2.68% |
| | | | | |
| Percent of Expenditures | 10.41% | 10.32% | 10.00% | |

Note: 2022 Actual beginning and ending Fund Balance reflect audited fund balances

South Washington County Schools 2022-23 Revised Budget

GENERAL FUND EXPENDITURES BY PROGRAM

ADMINISTRATION (PRO 000's)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|---------------------|---------------------|----------------------|---------------------|-----------------|
| Salaries | \$ 6,537,595 | \$ 6,666,779 | \$ 6,533,684 | -2.00% |
| Benefits | 2,823,244 | 2,945,160 | 2,999,074 | 1.83% |
| Services | 234,179 | 213,080 | 245,980 | 15.44% |
| Supplies | 44,448 | 24,932 | 24,082 | -3.41% |
| Equipment & Capital | 489 | 452 | 452 | 0.00% |
| Other | 112,409 | 120,887 | 116,387 | -3.72% |
| Total | \$ 9,752,364 | \$ 9,971,290 | \$ 9,919,659 | -0.52% |

DISTRICT SUPPORT SERVICES (PRO 100's)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|---------------------|----------------------|----------------------|---------------------|-----------------|
| Salaries | \$ 3,391,441 | \$ 3,673,381 | \$ 3,604,589 | -1.87% |
| Benefits | 1,417,826 | 1,770,066 | 1,663,451 | -6.02% |
| Services | 597,159 | 1,037,937 | 965,687 | -6.96% |
| Supplies | 4,652,227 | 1,633,700 | 1,742,250 | 6.64% |
| Equipment & Capital | 935,007 | 924,015 | 924,015 | 0.00% |
| Other | -836,306 | -426,280 | -866,543 | 103.28% |
| Total | \$ 10,157,353 | \$ 8,612,819 | \$ 8,033,449 | -6.73% |

ELEMENTARY & SECONDARY REGULAR INSTRUCTION (PRO 200's)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|---------------------|-----------------------|-----------------------|-----------------------|-----------------|
| Salaries | \$ 77,266,403 | \$ 81,800,802 | \$ 81,043,906 | -0.93% |
| Benefits | 29,712,160 | 32,643,706 | 31,090,229 | -4.76% |
| Services | 5,834,185 | 4,850,085 | 5,472,593 | 12.83% |
| Supplies | 2,189,133 | 2,817,562 | 5,280,945 | 87.43% |
| Equipment & Capital | 543,326 | 1,006,229 | 1,301,640 | 29.36% |
| Other | 828,853 | 695,097 | 733,497 | 5.52% |
| Total | \$ 116,374,059 | \$ 123,813,481 | \$ 124,922,810 | 0.90% |

South Washington County Schools 2022-23 Revised Budget

GENERAL FUND EXPENDITURES BY PROGRAM

VOCATIONAL EDUCATION INSTRUCTION (PRO 300's)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|---------------------|---------------------|----------------------|---------------------|-----------------|
| Salaries | \$ 850,999 | \$ 714,972 | \$ 830,752 | 16.19% |
| Benefits | 349,102 | 285,648 | 279,143 | -2.28% |
| Services | 889,378 | 925,900 | 1,011,267 | 9.22% |
| Supplies | 54,538 | 57,522 | 91,464 | 59.01% |
| Equipment & Capital | 39,112 | 17,000 | 5,024 | -70.45% |
| Other | 5,656 | 6,000 | 6,000 | 0.00% |
| Total | \$ 2,188,785 | \$ 2,007,042 | \$ 2,223,650 | 10.79% |

SPECIAL EDUCATION INSTRUCTION (PRO 400's)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|---------------------|----------------------|----------------------|----------------------|-----------------|
| Salaries | \$ 32,764,163 | \$ 37,349,899 | \$ 36,186,445 | -3.12% |
| Benefits | 12,069,173 | 14,121,892 | 13,390,491 | -5.18% |
| Services | 4,016,245 | 3,833,147 | 4,154,208 | 8.38% |
| Supplies | 453,371 | 313,255 | 521,646 | 66.52% |
| Equipment & Capital | 0 | 2,200 | 4,700 | 113.64% |
| Other | 986,485 | 990,000 | 992,000 | 0.20% |
| Total | \$ 50,289,437 | \$ 56,610,393 | \$ 55,249,490 | -2.40% |

COMMUNITY SERVICE (PRO 500's)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|--------------|--------------------|----------------------|---------------------|-----------------|
| Salaries | \$ 93,729 | \$ 270,000 | \$ 270,000 | 0.00% |
| Benefits | 48,079 | 43,746 | 43,746 | 0.00% |
| Total | \$ 141,807 | \$ 313,746 | \$ 313,746 | 0.00% |

South Washington County Schools 2022-23 Revised Budget

GENERAL FUND EXPENDITURES BY PROGRAM

INSTRUCTIONAL SUPPORT SERVICES (PRO 600's)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|---------------------|----------------------|----------------------|----------------------|-----------------|
| Salaries | \$ 8,378,336 | \$ 8,409,624 | \$ 8,631,814 | 2.64% |
| Benefits | 2,607,186 | 2,690,296 | 2,890,427 | 7.44% |
| Services | 231,993 | 735,583 | 920,583 | 25.15% |
| Supplies | 501,386 | 550,466 | 776,400 | 41.04% |
| Equipment & Capital | 4,502 | 232,000 | 10,000 | -95.69% |
| Other | 82,885 | 82,200 | 82,200 | 0.00% |
| Total | \$ 11,806,288 | \$ 12,700,169 | \$ 13,311,424 | 4.81% |

PUPIL SUPPORT SERVICES (PRO 700's)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|---------------------|----------------------|----------------------|----------------------|-----------------|
| Salaries | \$ 11,054,670 | \$ 11,950,258 | \$ 12,200,555 | 2.09% |
| Benefits | 5,937,242 | 6,949,810 | 7,003,805 | 0.78% |
| Services | 8,388,465 | 9,275,502 | 9,427,990 | 1.64% |
| Supplies | 1,479,259 | 1,444,265 | 1,460,715 | 1.14% |
| Equipment & Capital | 1,449,099 | 1,028,309 | 1,169,307 | 13.71% |
| Other | 51,407 | 55,100 | 55,100 | 0.00% |
| Total | \$ 28,360,140 | \$ 30,703,244 | \$ 31,317,472 | 2.00% |

SITES & BUILDINGS (PRO 800's + 940)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|---------------------|----------------------|----------------------|----------------------|-----------------|
| Salaries | \$ 6,538,760 | \$ 6,835,369 | \$ 6,757,300 | -1.14% |
| Benefits | 2,822,617 | 2,896,723 | 3,031,107 | 4.64% |
| Services | 17,610,579 | 17,789,849 | 18,318,727 | 2.97% |
| Supplies | 1,209,004 | 1,310,450 | 1,300,450 | -0.76% |
| Equipment & Capital | 4,948,090 | 4,172,814 | 4,167,814 | -0.12% |
| Other | 429,014 | 212,500 | 212,500 | 0.00% |
| Total | \$ 33,558,065 | \$ 33,217,705 | \$ 33,787,898 | 1.72% |

South Washington County Schools 2022-23 Revised Budget

GENERAL FUND EXPENDITURES BY PROGRAM

TRANSFERS (PRO 910)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|--------------|--------------------|----------------------|---------------------|-----------------|
| Transfers | 0 | 0 | 0 | 0.00% |
| Total | \$ 0 | \$ 0 | \$ 0 | 0.00% |

SCHOLARSHIPS (PRO 960)

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|--------------|--------------------|----------------------|---------------------|-----------------|
| Scholarships | 7,500 | 12,500 | 23,000 | 84.00% |
| Total | \$ 7,500 | \$ 12,500 | \$ 23,000 | 84.00% |

TOTALS

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|--------------------------|-----------------------|-----------------------|-----------------------|-----------------|
| Salaries | \$ 146,876,094 | \$ 157,671,084 | \$ 156,059,045 | -1.02% |
| Benefits | 57,786,629 | 64,347,047 | 62,391,473 | -3.04% |
| Services | 37,802,181 | 38,661,083 | 40,517,035 | 4.80% |
| Supplies | 10,583,368 | 8,152,152 | 11,197,952 | 37.36% |
| Equipment & Capital | 7,919,624 | 7,383,019 | 7,582,952 | 2.71% |
| Other | 1,660,403 | 1,735,504 | 1,331,141 | -23.30% |
| Transfers & Scholarships | 7,500 | 12,500 | 23,000 | 84.00% |
| Grand Total | \$ 262,635,799 | \$ 277,962,389 | \$ 279,102,598 | 0.41% |

South Washington County Schools 2022-23 Revised Budget

FOOD SERVICE FUND

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|------------------------------------|----------------------|----------------------|----------------------|-----------------|
| Revenues | | | | |
| Local Revenues | \$ 1,490,242 | \$ 6,444,320 | \$ 5,914,800 | -8.22% |
| State Aids | 337,744 | 441,320 | 432,000 | -2.11% |
| Federal Aids | 11,384,751 | 4,116,563 | 4,984,342 | 21.08% |
| Transfers | 0 | 0 | 0 | 0.00% |
| Total Revenues | \$ 13,212,738 | \$ 11,002,203 | \$ 11,331,142 | 2.99% |
| Expenditures | | | | |
| Salaries | \$ 3,448,726 | \$ 3,792,700 | \$ 3,755,910 | -0.97% |
| Benefits | 1,264,219 | 1,304,105 | 1,356,467 | 4.02% |
| Services | 242,080 | 435,200 | 433,600 | -0.37% |
| Supplies | 5,143,562 | 4,935,825 | 5,090,000 | 3.12% |
| Equipment & Capital | 345,794 | 380,000 | 630,000 | 65.79% |
| Other | 845,080 | 451,545 | 906,013 | 100.65% |
| Total Expenditures | \$ 11,289,462 | \$ 11,299,375 | \$ 12,171,990 | 7.72% |
| Fund Balance Projection | | | | |
| Beginning | \$ 1,073,800 | \$ 2,997,076 | \$ 2,997,076 | 0.00% |
| Revenues | 13,212,738 | 11,002,203 | 11,331,142 | 2.99% |
| Expenditures | -11,289,462 | -11,299,375 | -12,171,990 | 7.72% |
| Projected Fund Balance | \$ 2,997,076 | \$ 2,699,904 | \$ 2,156,228 | -20.14% |
| Percent of Expenditures | 26.55% | 23.89% | 17.71% | |

Note: 2022 Actual beginning and ending Fund Balance reflect audited fund balances

South Washington County Schools 2022-23 Revised Budget

COMMUNITY EDUCATION FUND

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|--------------------------------|----------------------|----------------------|----------------------|-----------------|
| Revenues | | | | |
| Local Revenues | \$ 10,147,372 | \$ 10,411,673 | \$ 11,594,289 | 11.36% |
| State Aids | 2,436,837 | 2,537,522 | 2,543,893 | 0.25% |
| Federal Aids | 608,089 | 29,000 | 336,806 | 1061.40% |
| Transfers | 400,000 | 0 | 0 | 0.00% |
| Total Revenues | \$ 13,592,299 | \$ 12,978,195 | \$ 14,474,988 | 11.53% |
| Expenditures | | | | |
| Salaries | \$ 7,981,878 | \$ 8,037,138 | \$ 8,569,221 | 6.62% |
| Benefits | 2,413,210 | 2,553,792 | 2,552,551 | -0.05% |
| Services | 1,669,653 | 1,374,702 | 1,796,970 | 30.72% |
| Supplies | 613,880 | 678,775 | 694,535 | 2.32% |
| Equipment & Capital | 102,210 | 130,605 | 145,496 | 11.40% |
| Other | 6,645 | 32,805 | 7,095 | -78.37% |
| Total Expenditures | \$ 12,787,476 | \$ 12,807,817 | \$ 13,765,868 | 7.48% |
| Fund Balance Projection | | | | |
| Beginning | \$ 158,291 | \$ 963,114 | \$ 963,114 | 0.00% |
| Revenues | 13,592,299 | 12,978,195 | 14,474,988 | 11.53% |
| Expenditures | -12,787,476 | -12,807,817 | -13,765,868 | 7.48% |
| Projected Fund Balance | \$ 963,114 | \$ 1,133,492 | \$ 1,672,234 | 47.53% |
| Percent of Expenditures | 7.53% | 8.85% | 12.15% | |

Note: 2022 Actual beginning and ending Fund Balance reflect audited fund balances

South Washington County Schools 2022-23 Revised Budget

CUSTODIAL FUND

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|--------------------------------|--------------------|----------------------|---------------------|-----------------|
| Revenues | | | | |
| Local Revenues | \$ 17,145 | \$ 15,500 | \$ 21,000 | 35.48% |
| Total Revenues | \$ 17,145 | \$ 15,500 | \$ 21,000 | 35.48% |
| Expenditures | | | | |
| Other | \$ 11,500 | \$ 15,500 | \$ 21,000 | 35.48% |
| Total Expenditures | \$ 11,500 | \$ 15,500 | \$ 21,000 | 35.48% |
| Fund Balance Projection | | | | |
| Beginning | \$ 40,082 | \$ 45,727 | \$ 45,727 | 0.00% |
| Revenues | 17,145 | 15,500 | 21,000 | 35.48% |
| Expenditures | -11,500 | -15,500 | -21,000 | 35.48% |
| Projected Fund Balance | \$ 45,727 | \$ 45,727 | \$ 45,727 | 0.00% |
| | | | | |
| Percent of Expenditures | 397.63% | 295.01% | 217.75% | |

Note: 2022 Actual beginning and ending Fund Balance reflect audited fund balances

**South Washington County Schools
2022-23 Revised Budget**

OPEB TRUST FUND

| | <u>2022 Actual</u> | <u>2023 Original</u> | <u>2023 Revised</u> | <u>% Change</u> |
|--------------------------------|---------------------|----------------------|---------------------|-----------------|
| Revenues | | | | |
| Local Revenues | \$ -517,418 | \$ 200,000 | \$ 200,000 | 0.00% |
| Total Revenues | \$ -517,418 | \$ 200,000 | \$ 200,000 | 0.00% |
| Expenditures | | | | |
| Benefits | \$ 240,934 | \$ 401,062 | \$ 250,000 | -37.67% |
| Services | 19,596 | 25,000 | 20,000 | 0.00% |
| Total Expenditures | \$ 260,530 | \$ 426,062 | \$ 270,000 | -36.63% |
| Fund Balance Projection | | | | |
| Beginning | \$ 3,903,111 | \$ 3,125,163 | \$ 3,125,163 | 0.00% |
| Revenues | -517,418 | 200,000 | 200,000 | 0.00% |
| Expenditures | -260,530 | -426,062 | -270,000 | -36.63% |
| Projected Fund Balance | \$ 3,125,163 | \$ 2,899,101 | \$ 3,055,163 | 5.38% |
| Percent of Expenditures | 1199.54% | 680.44% | 1131.54% | |

Note: 2022 Actual beginning and ending Fund Balance reflect audited fund balances