



Budget Advisory Council

June 14, 2023



DISTRICT196®

One District. Infinite Possibilities.

AGENDA

1. Public Input (15 minutes total and each speaker up to 3 minutes)
2. Review Agenda and Approve March 8, 2023 Minutes
3. BAC Membership Update
4. Preliminary Budget Review – Christopher Onyango-Robshaw
5. Bond Update – Mark Stotts
6. OPEB Update
7. BAC Representative for the LAC
8. Future Meetings
9. Adjournment



BAC Membership Update





Preliminary Budget Review

**Preliminary Budget Summary
For Fiscal Year Ending June 30, 2024**

Fund	Projected Fund Balance 7/1/2023	Revenues	Expenditures	Fund Balance Transfer	Projected Fund Balance 6/30/2024
General Fund					
Unrestricted - UnAssigned	46,235,068	432,705,267	441,406,575	(135,061)	37,533,760
Operating Capital	1,982,479	12,510,454	13,831,224	-	661,709
Capital Projects Levy	3,127,950	8,688,962	8,688,962	-	3,127,950
Long-Term Facilities Maintenance	2,687,860	13,982,349	15,150,001	-	1,520,208
Medical Assistance	2,258,963	1,500,000	1,500,000	-	2,258,963
Student Activity Accounts	344,575	347,163	347,163	-	344,575
Site Carry-over	9,083,165	-	-	-	9,083,165
Negative NY Budget	4,661,000	-	-	-	4,661,000
Non-Spendable	3,932,377	-	-	-	3,932,377
Total General Fund	74,313,437	469,734,195	480,923,925	(135,061)	63,123,707
Special Revenue Funds					
Food Service	5,533,196	19,747,500	16,541,238	-	8,739,458
Community Service	2,942,768	10,163,530	10,458,172	135,061	2,648,126
Total Special Revenue Funds	8,475,964	29,911,030	26,999,410	135,061	11,387,584
Building Construction Fund					
Turf Fields Projects	406	-	-	-	406
Series 2016A Bond	271,792	275,300,000	36,000,000	-	239,571,792
Total Building Construction Fund	272,199	275,300,000	36,000,000	-	239,572,199
Debt Service Funds					
Regular, excludes refunding	3,540,892	17,505,094	16,670,900	-	4,375,086
OPEB Bonds	2,263,632	-	-	-	2,263,632
Total Debt Service Funds	5,804,524	17,505,094	16,670,900	-	6,638,718
Internal Service Funds					
GASB #16	(2,193,596)	2,000,000	699,999	-	(893,595)
Self-Insured Dental	351,593	477,000	460,000	-	368,593
Self-Insured Health	18,547,104	65,045,000	65,005,000	-	18,587,104
Total Internal Service Funds	16,705,101	67,522,000	66,164,999	-	18,062,102
Custodial & Fiduciary Funds					
OPEB Irrevocable Trust	53,013,180	1,600,000	3,500,000	-	51,113,180
Total Trust	53,013,180	1,600,000	3,500,000	-	51,113,180
Total All Funds	158,584,404	861,572,319	630,259,234	-	389,897,489



**Preliminary Budget Summary - by Fund
For Fiscal Year Ending June 30, 2024**

Fund	Projected Fund Balance 7/1/2023	Revenues	Expenditures	Fund Balance Transfer	Projected Fund Balance 6/30/2024
General Fund					
Operating	119,667,356	356,528,964	318,605,581	(135,061)	157,590,739
Transportation	(687,609)	22,879,277	27,060,074	-	(4,868,406)
Operating Capital	1,982,479	12,510,454	13,831,224	-	661,709
Long-Term Facilities Maintenance	2,687,860	13,982,349	15,150,001	-	1,520,208
Special Education	(48,426,007)	56,150,476	98,307,059	-	(90,582,590)
Quality Compensation	(910,642)	7,682,675	7,969,986	-	(1,197,953)
Total General Fund	74,313,437	469,734,195	480,923,925	(135,061)	63,123,707
Special Revenue Funds					
Food Service	5,533,196	19,747,500	16,541,238	-	8,739,458
Community Service	2,942,768	10,163,530	10,458,172	135,061	2,648,126
Total Special Revenue Funds	8,475,964	29,911,030	26,999,410	135,061	11,387,584
Building Construction Fund					
Turf Fields Projects	406	-	-	-	406
Series 2016A Bond	271,792	275,300,000	36,000,000	-	239,571,792
Total Building Construction Fund	272,199	275,300,000	36,000,000	-	239,572,199
Debt Service Funds					
Regular, excludes refunding	3,540,892	17,505,094	16,670,900	-	4,375,086
OPEB Bonds	2,263,632	-	-	-	2,263,632
Total Debt Service Funds	5,804,524	17,505,094	16,670,900	-	6,638,718
Internal Service Funds					
GASB #16	(2,193,596)	2,000,000	699,999	-	(893,595)
Self-Insured Dental	351,593	477,000	460,000	-	368,593
Self-Insured Health	18,547,104	65,045,000	65,005,000	-	18,587,104
Total Internal Service Funds	16,705,101	67,522,000	66,164,999	-	18,062,102
Custodial & Fiduciary Funds					
OPEB Irrevocable Trust	53,013,180	1,600,000	3,500,000	-	51,113,180
Total Trust	53,013,180	1,600,000	3,500,000	-	51,113,180
Total All Funds	158,584,404	861,707,380	630,124,173	-	389,897,489



**Final to Preliminary Budget Comparisons
For Fiscal Year Ending June 30, 2024**

Fund	Projected Fund Balance 7/1/2023	FY23 Final Bdgt Revenues	FY24 Prelim Bdgt Revenues	Change from Prior Budget	FY23 Final Bdgt Expenditures	FY24 Prelim Bdgt Expenditures	Change from Prior Budget	Projected Fund Balance 6/30/2024
General Fund								
Operating	119,667,356	345,906,617	356,528,964	10,622,347	321,074,148	318,605,581	(2,468,567)	157,590,739
Transportation	(687,609)	22,310,722	22,879,277	568,555	25,608,921	27,060,074	1,451,153	(4,868,406)
Operating Capital	1,982,479	12,501,513	12,510,454	8,941	15,397,357	13,831,224	(1,566,133)	661,709
Long-Term Facilities Maintenance	2,687,860	11,926,526	13,982,349	2,055,823	12,000,000	15,150,001	3,150,001	1,520,208
Special Education	(48,426,007)	55,318,793	56,150,476	831,683	93,308,499	98,307,059	4,998,560	(90,582,590)
Quality Compensation	(910,642)	7,532,305	7,682,675	150,370	7,888,912	7,969,986	81,074	(1,197,953)
Total General Fund	74,313,437	455,496,476	469,734,195	14,237,719	475,277,837	480,923,925	5,646,088	63,123,707
		Change in Budget 3.1%			Change in Budget 1.2%			
Special Revenue Funds								
Food Service	5,533,196	13,290,800	19,747,500	6,456,700	16,029,669	16,541,238	511,569	8,739,458
Community Service	2,942,768	9,768,827	10,163,530	394,703	10,036,009	10,458,172	422,163	2,648,126
Total Special Revenue Funds	8,475,964	23,059,627	29,911,030	6,851,403	26,065,678	26,999,410	933,732	11,387,584
Building Construction Fund								
Turf Fields Projects	406	100	-	(100)	-	-	-	406
Series 2016A Bond	271,792	3,500	275,300,000	275,296,500	30,000	36,000,000	35,970,000	239,571,792
Total Building Construction Fund	272,199	3,600	275,300,000	275,296,400	30,000	36,000,000	35,970,000	239,572,199
Debt Service Funds								
Regular, excludes refunding	3,540,892	18,190,611	17,505,094	(685,517)	16,930,000	16,670,900	(259,100)	4,375,086
OPEB Bonds	2,263,632	-	-	-	-	-	-	2,263,632
Total Debt Service Funds	5,804,524	18,190,611	17,505,094	(685,517)	16,930,000	16,670,900	(259,100)	6,638,718
Internal Service Funds								
GASB #16	(2,193,596)	1,670,000	2,000,000	330,000	699,999	699,999	-	(893,595)
Self-Insured Dental	351,593	477,000	477,000	-	455,000	460,000	5,000	368,593
Self-Insured Health	18,547,104	63,007,500	65,045,000	2,037,500	64,010,000	65,005,000	995,000	18,587,104
Total Internal Service Funds	16,705,101	65,154,500	67,522,000	2,367,500	65,164,999	66,164,999	1,000,000	18,062,102
Custodial & Fiduciary Funds								
OPEB Irrevocable Trust	53,013,180	3,000,000	1,600,000	(1,400,000)	4,500,000	3,500,000	(1,000,000)	51,113,180
Total Trust	53,013,180	3,000,000	1,600,000	(1,400,000)	4,500,000	3,500,000	(1,000,000)	51,113,180
Total All Funds	158,584,404	564,904,814	861,572,319	296,667,505	587,968,514	630,259,234	42,290,720	389,897,489



General Education Formula Allowance

Fiscal Year (FY)	Formula Increase %	Formula Increase Amount	Formula Change per APU from PY
FY24	4.00%	\$7,138	\$275
FY25	2.00%	\$7,281	\$143
FY26	2.00% estimated (CPI est. 1.98%, subject to floor)	\$7,427	\$146
FY27	2.17% estimated (CPI est. 2.17%)	\$7,589	\$162

FY26 and FY27, and beyond: actual increase equal to Consumer Price Index – Urban (CPI-U) with a floor of 2.00% and cap of 3.00%. CPI-U determined based upon prior two fourth quarter totals. Language including inflationary increases does not prevent future legislatures from additional increases in the formula.

Source: 2023 Legislative Session Update. MN Department of Education. June 2023



E-12 Education Bills: Special Ed Cross Subsidy

Aid Factor Change:

FY24–26: 44%

FY27: 50%

Increase from FY23 at 6.43%

Cross Subsidy Reduction Aid:

FY24–25: \$662,823,000

FY26–27: \$821,218,000

- The “Initial Cross Subsidy” is defined as:
- the nonfederal cost of special education, including transportation, minus
- the state special education aid received after tuition adjustments, minus
- the general ed revenue attributable to students receiving SpEd services outside of the regular classroom for more than 60% of the school day (portion attributable to instruction outside of the regular classroom).



E- 12 Education Bills: English Learner Aid & Cross Subsidy

English Learner Aid, EL Concentration Aid and EL Cross Subsidy Reduction Aid:

- FY24–26:** \$1,228 times the greater of 20 or total English Learner ADM; and \$436 times English Learner Pupil Units (concentration).
- FY27:** \$1,775 times the greater of 20 or total English Learner ADM; and \$630 times English Learner Pupil Units (concentration); and 25% EL Cross Subsidy Aid Reduction based on second prior year qualifying services.

Current Aid Calculations FY23: \$704 for English Learner Aid, \$250 EL Concentration

English Learner and Concentration Aid + Cross Subsidy Reduction Aid:

FY24–25: \$86,909,000

FY26–27: \$171,877,000



E- 12 Education Bills: Free School Meals Program

Universal Meals

- Session Law 2023, Chapter 18, created the Free School Meals program
- MDE must provide to every Minnesota school participating in the free school meals program state funding for each school lunch and breakfast served to a student, with a maximum of one breakfast and one lunch per student per school day.
- State aid equals the difference between the applicable federal reimbursement rate at that school site for a free meal, as determined annually by the United States Department of Agriculture, and the actual federal reimbursement received by the participating school for the breakfast or lunch served to the student. Districts will continue to receive the 12.5 cent state contribution per meal (as in prior years).
- Districts should review the law to understand the Community Eligibility Provision (CEP) program impacts to funding. Chapter 18 also includes the Compensatory Revenue provision for FY25.

School Meals:

FY24–25:

\$190,863,000

FY26–27:

\$197,902,000

Lunch:

Breakfast:

\$25,731,000

\$26,538,000



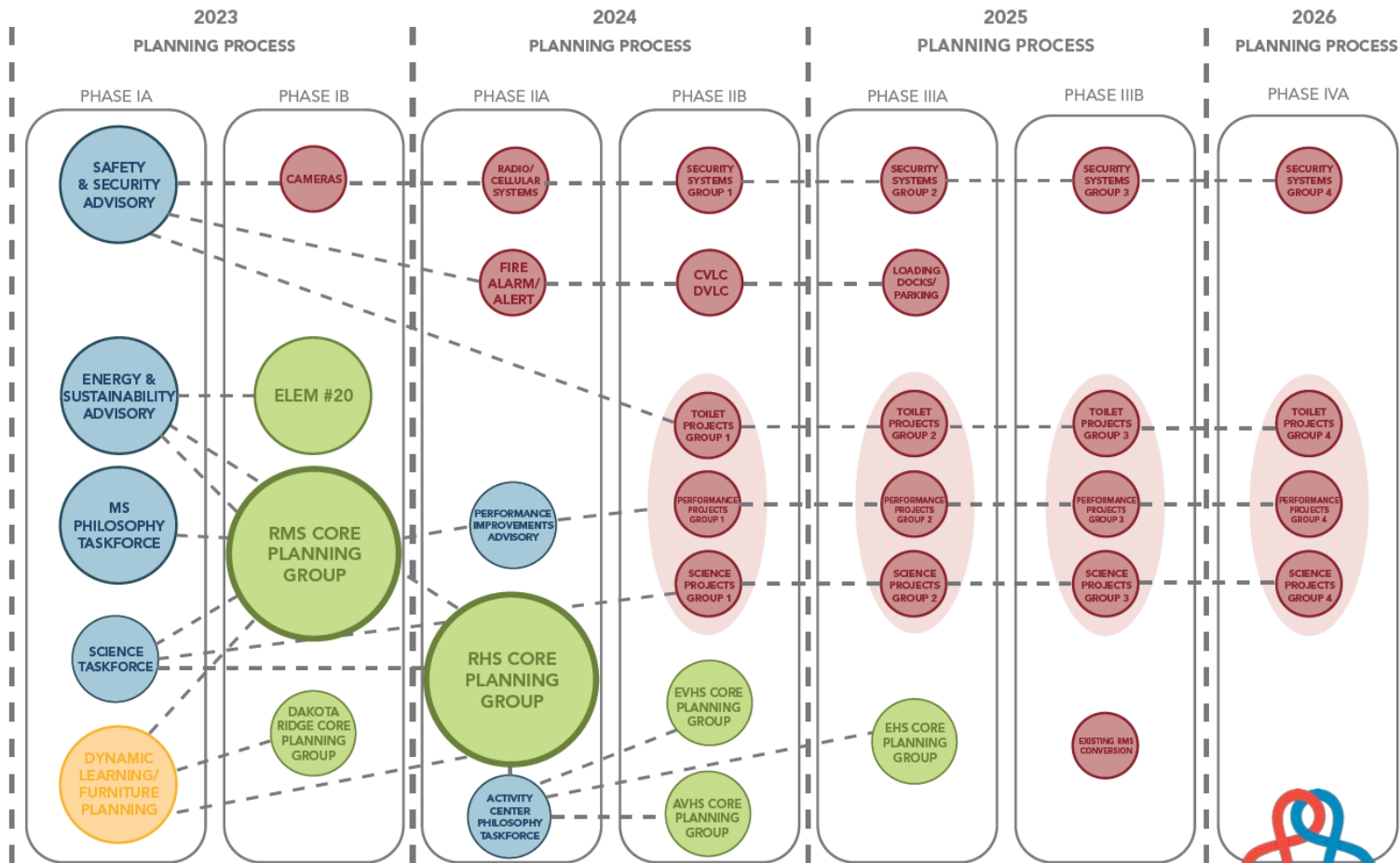
BUILDING OUR FUTURE

INVESTING IN SCHOOLS & COMMUNITY









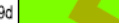


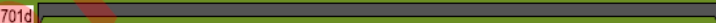
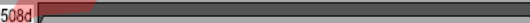







Bond Referendum | May 9, 2023





Line	Name	Finish	2023				2024				2025				2026				2027			
			J	A	O	D	F	A	J	A	O	D	F	A	J	A	O	D	F	A	J	A
1	ISD 196 - 2023 Bond Referendum	8/27/2027 5:00 PM																				
2	New Elementary School	9/12/2025 5:00 PM																				
3	Design	1/29/2024 5:00 PM																				
4	New Elementary Construction (\$50.87M)	9/12/2025 5:00 PM																				
5	New Middle School	11/10/2026 5:00 PM																				
6	Design	6/7/2024 5:00 PM																				
7	New Middle School Construction (\$134.93M)	8/18/2026 5:00 PM																				
8	Rosemount MS - Repurpose (\$2M)	11/10/2026 5:00 PM																				
9	Rosemount HS	8/13/2027 5:00 PM																				
10	Design	1/7/2025 5:00 PM																				
11	Rosemount HS Addition Construction (\$101M)	4/1/2027 5:00 PM																				
12	IAQ Renovation (multiple phases)	8/13/2027 5:00 PM																				
13	Dakota Ridge	5/5/2025 5:00 PM																				
14	Design	12/21/2023 5:00 PM																				
15	Dakota Ridge Construction (\$8.06M)	5/5/2025 5:00 PM																				
16	Eagan HS / Dakota Hills MS	8/27/2027 5:00 PM																				
17	Design	1/5/2026 5:00 PM																				
18	Eagan HS Activity Center Addition / Parking (\$31.4M)	8/16/2027 5:00 PM																				
19	Eagan HS Interior Renovations (\$6.91M)	8/27/2027 5:00 PM																				

Line	Name	Finish	2023				2024				2025				2026				2027			
			J	A	O	D	F	A	J	A	O	D	F	A	J	A	O	D	F	A	J	A
20	Dakota Hills MS Renovation (\$7.04M)	8/27/2027 5:00 PM	60d [] Dakota Hills MS Renovation (\$7.04M)																			
21	Eastview HS	8/28/2026 5:00 PM	172d [] Eastview HS																			
22	Design	11/15/2024 5:00 PM	172d [] Design																			
23	Eastview HS Activity Center (\$30.4M)	5/29/2026 5:00 PM	270d [] Eastview HS Activity Center (\$30.4M)																			
24	Eastview HS Interior Renovation (\$4.5M)	8/28/2026 5:00 PM	65d [] Eastview HS Interior Renovation (\$4.5M)																			
25	Apple Valley HS	8/24/2026 5:00 PM	588d [] Apple Valley HS																			
26	Design	11/1/2024 5:00 PM	127d [] Design																			
27	AV HS Activity Center (\$32.9M)	6/1/2026 5:00 PM	275d [] AV HS Activity Center (\$32.9M)																			
28	AV HS Interior Renovation (\$4.5M)	8/24/2026 5:00 PM	60d [] AV HS Interior Renovation (\$4.5M)																			
29	Privacy Restrooms	8/28/2026 5:00 PM	573d [] Privacy Restrooms																			
30	Design	12/27/2024 5:00 PM	145d [] Design																			
31	Transition Plus Restrooms (\$219k)	9/2/2025 5:00 PM	60d [] Transition Plus Restrooms (\$219k)																			
32	School of Environmental Studies Restrooms (\$338k)	9/2/2025 5:00 PM	60d [] School of Environmental Studies Restrooms (\$338k)																			
33	Black Hawk MS Restrooms (\$1M)	8/28/2026 5:00 PM	60d [] Black Hawk MS Restrooms (\$1M)																			
34	ALC Restrooms (\$338k)	8/28/2026 5:00 PM	60d [] ALC Restrooms (\$338k)																			
35	Secure Entries	8/26/2024 5:00 PM	[] Secure Entries																			
36	Design	12/6/2023 5:00 PM	[] Design																			
37	CVLC Secure Entry (\$729K)	8/26/2024 5:00 PM	60d [] CVLC Secure Entry (\$729K)																			
38	DVCL Secure Entry (\$729k)	8/26/2024 5:00 PM	60d [] DVCL Secure Entry (\$729k)																			

Line	Name	Finish	2023				2024				2025				2026				2027			
			J	A	O	D	F	A	J	A	O	D	F	A	J	A	O	D	F	A	J	A
39	Loading Docks	8/27/2027 5:00 PM	877d 																			
40	Design	10/1/2024 5:00 PM	129d  Design																			
41	Rosemount ES Loading Dock	8/25/2025 5:00 PM	60d  Rosemount ES Loading Dock																			
42	Westview ES Loading Dock	8/25/2025 5:00 PM	60d  Westview ES Loading Dock																			
43	Northview ES Loading Dock (\$1.38M)	8/27/2027 5:00 PM	60d  Northview ES Loading Dock (\$1.38M)																			
44	Parking Lot / Drives	8/25/2025 5:00 PM	332d  Parking Lot / Drives																			
45	Design	11/5/2024 5:00 PM	129d  Design																			
46	Southview ES Drive Widening (\$108k)	8/25/2025 5:00 PM	60d  Southview ES Drive Widening (\$108k)																			
47	Thomas Lake ES Bus Loop (\$2.39M)	8/25/2025 5:00 PM	60d  Thomas Lake ES Bus Loop (\$2.39M)																			
48	Secondary Schools	2/24/2027 5:00 PM	701d  Secondary Schools																			
49	Scott Highlands MS	5/29/2026 5:00 PM	508d  Scott Highlands MS																			
50	Design	12/4/2024 5:00 PM	129d  Design																			
51	Scott Highlands MS Science Addition (\$13.02M)	5/29/2026 5:00 PM	250d  Scott Highlands MS Science Addition (\$13.02M)																			
52	Valley MS	2/24/2027 5:00 PM	572d  Valley MS																			
53	Design	6/6/2025 5:00 PM	129d  Design																			
54	Valley MS Science Addition (4.93M)	2/24/2027 5:00 PM	215d  Valley MS Science Addition (4.93M)																			
55	Falcon Ridge MS	8/28/2026 5:00 PM	60d  Falcon Ridge MS																			
56	Falcon Ridge MS Restroom / Bus Loop (\$1.18M)	8/28/2026 5:00 PM	60d  Falcon Ridge MS Restroom / Bus Loop (\$1.18M)																			

OPEB Update

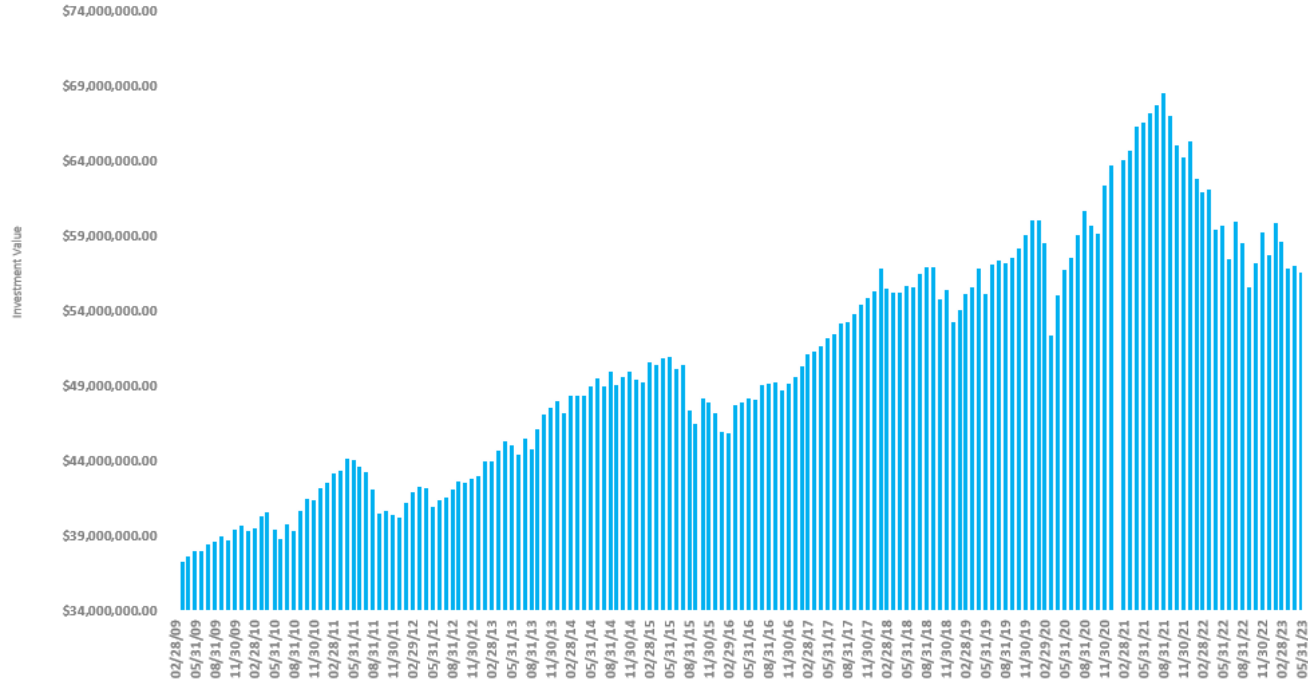


OPEB Update

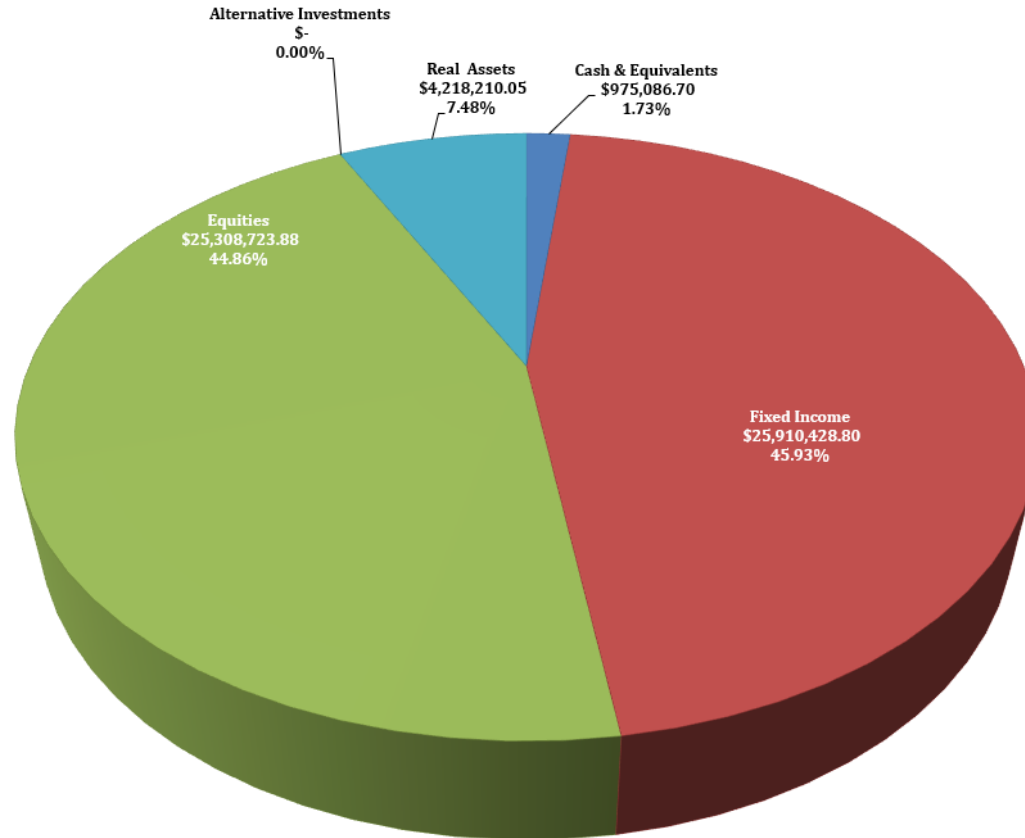
District 196 OPEB Trust Performance

TOTAL VALUE
\$56,412,449.43

05/31/2023



OPEB Update



BAC Representative for the LAC



Future Meetings

September 13, 2023

November 8, 2023 – Joint BAC/LAC; meeting begins at 6pm

January 10, 2024

March 13, 2024

June 12, 2024



HAVE A WONDERFUL SUMMER!

Next Meeting: September 13, 2023

