

Preliminary BUDGET 2023-2024



Orono Public Schools • ISD #278
685 Old Crystal Bay Road North
Orono, Minnesota 55356

oronoschools.org

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Jim Westrum
Executive Director of Business Services

June 12, 2023

Dear Dr. Flesher,

Attached you will find the 2023-24 Preliminary Budget. We appreciate the collaboration with you and the School Board, which approved the budget assumptions that were foundational to the development of this year's budget. The District's Mission and Values serve to guide our work and our operating budgets are projected to be operating with expenditures equal to or less than the resources projected to be received. This budget demonstrates the administration's commitment to financial stewardship.

Laws 2023 recently passed by the Minnesota State Legislature combined with the 2022 Pay 2023 property tax levy as approved by the School Board on December 12, 2022 provide the basis for determining the district's general fund revenues. It is important to note that 69.4% of the district's general fund revenue comes from the state of Minnesota through funding formulas set by the legislature largely based upon student enrollment. We are projecting 2,900 students for next year which represents an increase of 38 students or 1.3%. The district continues to be in high demand and fall enrollment is projected to remain strong.

The major fiscal changes in this budget include:

- A state general education formula increase of 4% for FY 2024
- Special education cross-subsidy aid increased to reduce the cross-subsidy by 44%
- Proposed staffing allocations include 2.0 additional FTE's for enrollment increases
- Fully paid student meals effective in FY 2024
- \$5.5 million in bond proceeds received in FY 2023 will be expended in FY 2024
- Continued facility and technology improvements demonstrate the prudent fiscal management of the community's investment and continued support of the district

We are grateful for the collaboration with the Superintendent and the School Board to maintain the tradition of strong fiscal health at Orono Schools.

Sincerely,

Jim Westrum
Executive Director of Business Services



ORONO INDEPENDENT SCHOOL DISTRICT #278

COMBINED STATEMENT OF OPERATING AND NON-OPERATING FUNDS JULY 1, 2022 - JUNE 30, 2024

<u>Fund Description</u>	<u>Revised Balance 6/30/22</u>	<u>2022-23 Revised Revenue</u>	<u>2022-23 Revised Expense</u>	<u>Revised Balance 6/30/23</u>	<u>2023-24 Projected Revenue</u>	<u>2023-24 Projected Expense</u>	<u>Projected Balance 6/30/24</u>
Non-Spendable (Inventory & Prepaids)	238,308	-	-	238,308			238,308
Restricted for Student Activities	134,693	150,000	150,000	134,693	150,000	150,000	134,693
Restricted for Scholarships	720,282	56,708	75,000	701,990	75,000	75,000	701,990
Restricted for Staff Development	29,554	-	-	29,554	450,000	450,000	29,554
Restricted for Safe Schools	20,658	-	20,658	-			-
Assigned for Subsequent year's deficit	-	-	-	-			-
Assigned for Building Carryover	-	-	-	-			-
Assigned for Curriculum & Development	91,471	-	-	91,471			91,471
Assigned for Unemployment	-	200,000	-	200,000		250,000	(50,000)
Assigned for Severance Pay	594,110	-	150,000	444,110	155,890		600,000
Assigned for Wellness	110,460	-	-	110,460			110,460
General - Unassigned	2,069,055	40,075,004	39,991,025	2,153,034	41,728,457	41,466,640	2,414,851
Total General Fund	4,008,591	40,481,712	40,386,683	4,103,620	42,559,347	42,391,640	4,271,327
			Unassigned Fund Balance	5.3%			5.7%
Capital Projects Levy (Tech)	109,165	1,195,855	1,305,020	-	1,253,030	1,253,030	-
Long-Term Facilities Maintenance (LTFM)	(38,880)	1,954,994	1,849,170	66,944	1,811,471	1,811,471	66,944
Operating Capital	816,496	878,036	940,729	753,803	726,405	726,405	753,803
Total Capital Fund	886,781	4,028,885	4,094,919	820,747	3,790,906	3,790,906	820,747
	-	-	-	-			-
Operating Fund Total	4,895,372	44,510,597	44,481,602	4,924,367	46,350,253	46,182,546	5,092,074
	0	-	-	4.7%			
Food Service	923,567	1,728,640	1,717,114	935,093	1,904,137	1,904,137	935,093
	-	-	-	-			-
Community Education (Non Spendable - Prepaid)	-	-	-	-			-
Community Education	709,423	2,724,251	2,632,513	801,161	2,881,003	2,765,981	916,183
Early Childhood/Family Education	67,298	209,226	202,497	74,027	195,533	195,533	74,027
Learning Readiness	13,005	324,000	330,000	7,005	361,747	361,747	7,005
Community Service Total	789,726	3,257,477	3,165,010	882,193	3,438,283	3,323,261	997,215
	-	-	-	-			-
Restricted for Technology	-	1,000,125	-	1,000,125	-	1,000,125	-
Restricted for LTFM	901,519	5,012,158	901,519	5,012,158	-	5,012,158	-
Building Construction Total	901,519	6,012,283	901,519	6,012,283	-	6,012,283	-
	-	-	-	-			-
Debt Service	1,058,312	6,250,548	6,039,203	1,269,657	6,024,823	6,140,004	1,154,476
OPEB Debt Service	72,910	363,780	362,438	74,252	368,961	368,033	75,180
Bond Refunding	-	-	-	-	-	-	-
Debt Service Total	1,131,222	6,614,328	6,401,641	1,343,909	6,393,784	6,508,037	1,229,656
	-	-	-	-			-
Dental	193,372	300,000	300,000	193,372	300,000	300,000	193,372
Medical	1,531,921	4,800,000	4,500,000	1,831,921	5,000,000	4,800,000	2,031,921
Internal Service Total	1,725,293	5,100,000	4,800,000	2,025,293	5,300,000	5,100,000	2,225,293
	-	-	-	-			-
OPEB Trust Total	3,453,266	12,000	2,275,000	3,190,266	100,000	275,000	3,015,266
	-	-	-	-			-
GRAND TOTAL - ALL FUNDS	13,819,965	67,235,325	61,741,886	19,313,404	63,486,457	69,305,264	13,494,597



Budget Executive Summary

This budget of Independent School District No. 278, Orono Public Schools, is for the fiscal year beginning July 1, 2023 and ending June 30, 2024 (fiscal year 2024). Prior year data is included for comparative purposes including revised budgeted amounts for 2022-23 and final audited amounts for fiscal years 2019-20 through 2021-22.

The District anticipates ending the 2023-24 fiscal year with a 5.7% unassigned General Fund balance. This fund balance is in keeping with the School Board's Policy 717 which states:

"The school district will maintain as a guideline an unassigned fund balance equal to at least 5% of the expenditure budget for each of the following operating funds: General Fund (excluding capital), Food Service Fund, and Community Service Fund."

Given this fiscal expectation, the School District has proactively planned by keeping a multi-year financial projection model, updated with each budget revision and final audit results.

Assumptions

For the budget being presented, the **2023-24 Budget Assumptions** were an important starting point. These assumptions, as discussed with the School Board, were as follows:

1. Estimated Enrollment

- a. Oct. 1, 2023 Kindergarten-12th grade estimated enrollment of 2,900 (includes 210 kindergarten students) using a five-year weighted average model.

2. State General Funding

- a. A formula increase of 4% for FY 2024 and 2% for FY 2025 with a corresponding \$62,000 decrease in equity levy revenue. Special education cross-subsidy aid increased to reduce the cross-subsidy by 44 percent for FY 2024, FY 2025 and FY 2026. Other categorical revenues were increased slightly and included are the expenditures for these mandates.

3. Fund Balance

- a. Minimum General Fund balance maintained above 5% as directed by the School Board.

4. Classroom Teacher Staffing

- a. The following serves as a guide in determining staffing allocations and is based on estimated enrollment and class size targets across district and by grade. Actual class sizes may exceed these ranges due to actual enrollment and subject of class.

Grade	Target Range
Kindergarten	19 - 21
Grade 1	20 - 22
Grade 2	22 - 24
Grade 3	24 - 26
Grade 4	25 - 27
Grade 5	27 - 29
Grades 6, 7 & 8	28 - 32
Grades 9-12	29 - 34

Budget Executive Summary

Achievement & Integration

- b. Orono is partnering with Wayzata Schools to form an Achievement & Integration (AI) collaborative. This will bring in \$155,000 in revenue for AI programs. 2023-24 is the seventh year of the program.

5. Contract Settlements

- a. The District budget includes an allowance consistent with recent years for employee salary settlements for upcoming contract negotiations.

Timeline

The **timeline** for the creation of the 2023-24 budget is presented below. Budget development is a fluid process. The impact of prior year-end outcomes affects the results for the current year. At the same time decisions made in the current year determine the revenue and expenditure levels for future years. This timeline represents the next 18 months of the budget process.

Date	Budget Event	Action
February 2022	Requests for 2022-23 Capital Funding due to Business Office	Administrative
	2022-23 Capital items which require advance ordering (i.e. capital equipment purchases)	Board Approval
April 2022	Preliminary 2022-23 Budget Assumptions & Budget Timeline	Admin. Report
	Resolution placing continuing contract teachers on unrequested leave	Board Approval
June 2022	2021-22 Final Amended Budget Adoption	Board Approval
	2022-23 Preliminary Budget Adoption	Board Approval
September 2022	Preliminary 2022 Pay 2023 Levy Certification	Board Approval
November 2022	Preliminary 2021-22 Audit Results	Admin. Report
January 2023	Final 2021-22 Audit Report	Board Approval
December 2022	Final Levy Certification (2022 Payable 2023; Fiscal 2023-24 Revenue)	Board Approval
	Truth in Taxation Presentation	Admin. Report
March 2023	Requests for 2023-24 Capital Funding due to Business Office	Administrative
	2023-24 Capital items which require advance ordering (i.e. capital equipment purchases)	Board Approval
March 2023	Preliminary 2023-24 Budget Assumptions & Budget Timeline	Admin. Report
April 2023	Resolution placing continuing contract teachers on unrequested leave.	Board Approval
June 2023	2022-23 Final Amended Budget Adoption	Board Approval
	2023-24 Preliminary Budget Adoption	Board Approval

Budget Executive Summary

ORGANIZATION OVERVIEW

Independent School District No. 278, Orono Schools, is an instrumentality of the State of Minnesota established to function as an educational institution serving students from early childhood through 12th grade, including a transition program. The elected school board is responsible for legislative and fiscal control of Orono Schools. A superintendent is appointed by the board and is responsible for administrative control of the district. There are no other entities for which the district is considered financially accountable.

School Board of Directors

Name	Position	Term Expires
Mike Bash	Chair	December 31, 2024
Sarah Borchers	Vice Chair	December 31, 2026
Ali Howe	Treasurer	December 31, 2024
Laura Wallander	Clerk	December 31, 2024
Wendy Lundsgaard	Director	December 31, 2026
Todd Madson	Director	December 31, 2026

Administrative Team

The make-up of the administrative team at Orono Schools is outlined as follows:

Position	Name
Superintendent	Dr. Kristi Flesher
Exec. Director of Business Services	Jim Westrum
Exec. Director of Learning & Accountability	Dr. Aaron Ruhland
Director of Special Services	Corinna Graner
Exec. Director of Human Resources	Dr. Scott Alger
Director of Communications	Lyssa Campbell

FACILITIES

Students who attend Orono Schools are served in the following grade level configuration:

- **Schumann Elementary:** Kindergarten through Grade 2
- **Orono Intermediate School:** Grades 3 through 5
- **Orono Middle School:** Grades 6 through 8
- **Orono High School:** Grades 9 through 12

The Community Education and Family Education programs are administered by the **Director of Community Education, Tiffany Clifton**. Early Childhood classes are held at the Discovery Center in Maple Plain. Adult Community Education classes and youth classes are held on the

Budget Executive Summary

Orono main campus, the Discovery Center in Maple Plain, and at other locations throughout the District.

Orono Schools contracts the operation of our transportation program. The program is operated from a district-owned **Transportation Center** which houses all vehicles for student transportation, a mechanics shop and Administrative staff from the contracted organization.

COLLECTING INPUT

The process to build the proposed 2023-24 budget included the following input opportunities:

1. School Board – The first official action that begins the process of budget development was the approval of the payable 2023 tax levy, which occurred on December 12, 2022. The Board also provided guidance and input to the budget development process as follows:
 - April 10, 2023 – Approve 2022-23 budget assumptions
 - May 8, 2023 – Approve the 10-year LTFM plan
2. Facilities & Finance Committee – A committee of three School Board members, the Superintendent, and the Executive Director of Business Services. This committee reviews the assumptions included in the financial projection model. These assumptions and committee discussion provide important input into the budget development process.
3. Principals – This group of leaders is essential to the budget development process. They provide input and shared decision making for budget adjustments, staffing and program needs.
4. Superintendent's Cabinet – This group meets weekly. Some part of the budget development process, including discussion of staff and community feedback, is on the agenda each week.
5. Community Education Advisory Council - The Advisory Council provides important feedback and guidance to the district staff and reviewed the budget assumptions and plan for the 2023-24 fiscal year on June 7, 2023.

FINANCIAL OVERVIEW

OVERVIEW OF FUNDS

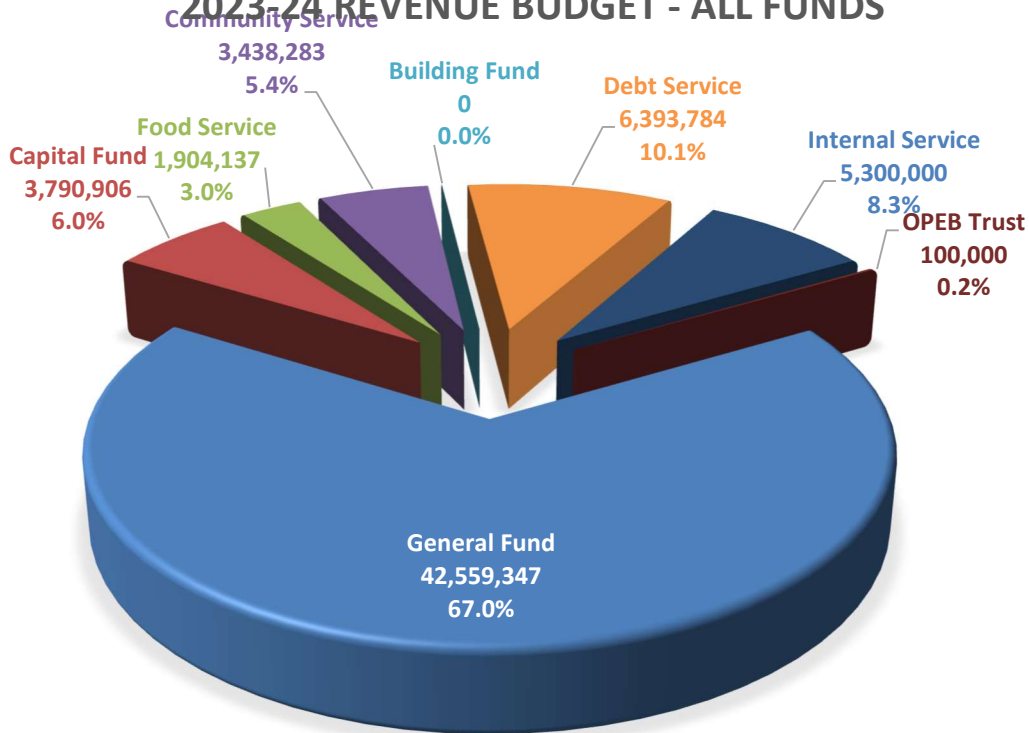
According to State Law, Orono Schools maintains a separation of funds. The **General Fund** is used to account for the basic K-12 educational operations of Orono Schools. The majority of this Executive Summary will focus on the General Fund's fiscal condition. Other funds which are a part of this budget book are separate from the General Fund include:

- Food Service Fund – Revenue and expenditure activity related to the school lunch, milk, concessions, vending and breakfast programs
- Community Service Fund – Revenue and expenditure activity related to the District's Community Education, Early Childhood and Family Education, School Readiness, Preschool Screening, and Non-Public pupil support
- Capital Fund – Capital expenditures (and related revenue) associated with facilities, grounds and equipment; maintained at district level as a separate fund, but "rolled up" as part of the General Fund for state reporting purposes
- Building Construction Fund – The Building Construction Fund is used to record all operations of a district's building construction program that are funded by the sale of bonds. The district issued \$5,555,000 of General Obligation Capital Notes, Facilities Maintenance and Capital Facilities Bonds on June 1, 2023
- Debt Service Fund – Revenue and expenditure activity related to the District's long-term debt payments
- Custodial Fund – Flow through revenue and expenditures that cannot have any oversight from the District
- Internal Service Fund – Revenue and expenditure activity related to the district's self-funded medical and dental plans
- Trust & Agency Fund – Revenue and expenditure activity related to funds that the District holds in trust for others (this includes employee severance, other post-employment benefits, flexible benefits.)

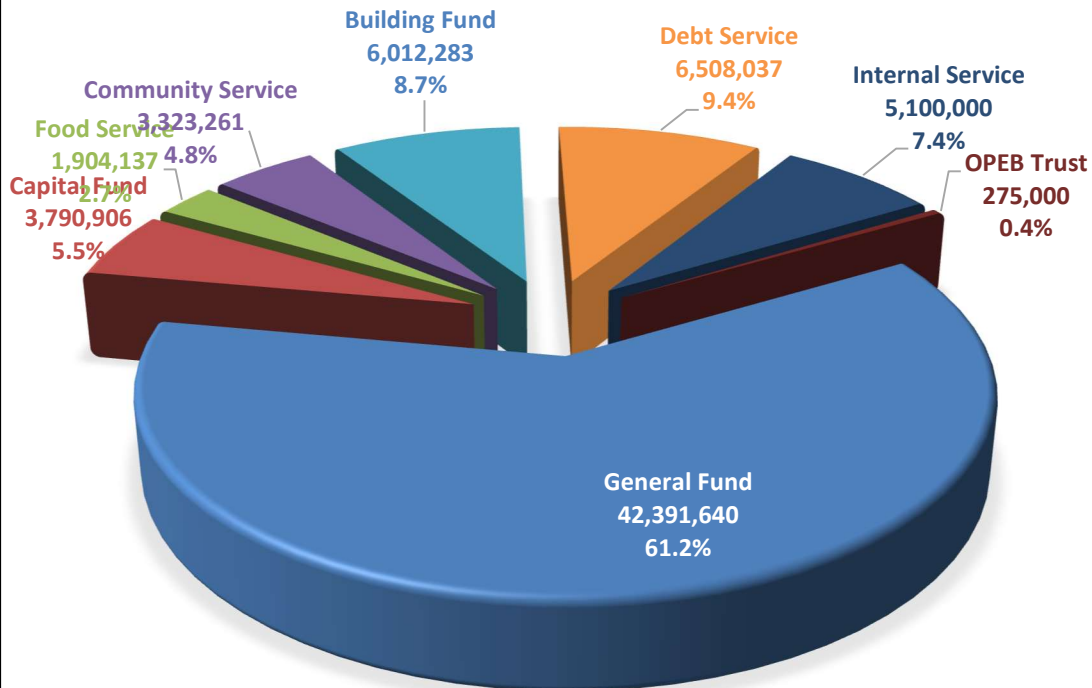
The following graphs give an illustration of the proportional revenues and expenditures budget for each fund in the 2023-24 fiscal year:

Budget Executive Summary

2023-24 REVENUE BUDGET - ALL FUNDS



2023-24 EXPENDITURE BUDGET - ALL FUNDS



Budget Executive Summary

REVENUE ASSUMPTIONS

GENERAL OPERATING FUND (Financial Section)

General Fund revenue is projected to increase by \$2,077,635 or 5.13% from the prior year.

1. **State Basic General Education Aid** serves as the district's primary funding.

(1) Basic General Education Funding Formula - The per-pupil-unit allocation used in this budget is \$7,138 for 2023-24. The table below outlines historical per-pupil-unit funding.

Year	Amount	Explanation
2012-13	\$5,224	\$50 increase in formula
2013-14	\$5,302	1.5% increase in formula
2014-15	\$5,831	1.5% increase in formula + \$25
2015-16	\$5,948	2.0% increase in formula
2016-17	\$6,067	2.0% increase in formula
2017-18	\$6,188	2.0% increase in formula
2018-19	\$6,312	2.0% increase in formula
2019-20	\$6,438	2.0% increase in formula
2020-21	\$6,567	2.0% increase in formula
2021-22	\$6,728	2.45% increase in formula
2022-23	\$6,863	2.0% increase in formula
2023-24	\$7,138	4.0% increase in formula
2024-25	\$7,281	2.0% increase in formula

(2) Pupil Units (see Informational Overview section of this summary for more details) - The district anticipates enrollment for the 2023-24 budget year to be 2,900 for students in attendance in local district facilities (note: this differs from enrollment reported to the state for other purposes which will include students in attendance at facilities outside the district, such as Intermediate District 287, for which the district receives and passes along aid in the form of a tuition payment). The total enrollment of 2,900 represents an increase of 35 students from the October 1, 2022 district enrollment of 2,865. These enrollment numbers create the basis for the State Basic General Education Aid calculation.

Final pupil units are calculated by the Minnesota Department of Education approximately six months after the end of a fiscal year (January 2024 for the 2022-23 fiscal year) through a complex set of data and reporting which includes the following:

- Pupil Units calculate actual “membership time” in Orono Schools multiplied by a State-supplied weighting factor per grade level, rather than simple enrollment counts at a given point in time.
- Pupil Units also includes the net impact of “**enrollment options**” agreements with other Minnesota districts. This accounts for students enrolling into or out of Orono Schools to or from other Minnesota School districts:

Budget Executive Summary

- **Tuition Agreements** with another district = 9
 - **Public Charter Schools** = 13
 - **Online Schools** = 10
 - **Private or Religious Schools** = 325
 - **Homeschool** = 80
 - **Other Public Schools** = 84
- These 521 students are excluded from the Pupil Unit calculations for the district and the 521 students are comparable to the prior year's number of 541 students.

2. Property Tax Revenue

Property taxes are determined by the taxable market value of the property, class rate percentages set in law for each category of property (such as residential homestead, residential non-homestead, apartments, etc.) and state-paid property tax aids and credits (see Informational Tab for details from property tax levy effective for the fiscal year 2023-24).

Property tax revenue in the General Fund is budgeted to increase by \$526,132 or 5.53%, and includes adjustments from previous years. 2023-24 represents year 7 of 10 of the general operating referendum approved in November of 2016 which increases by an inflationary index annually. The remaining increase comes from the valuation of property owned by the Orono taxpayers. This revenue category also includes levies for Q-comp (alternative teacher compensation), safe schools, and reemployment.

3. Other State Sources

State supported programs are anticipated to increase by \$873,638 or 15.08%, primarily due to additional reimbursements associated with special education.

- Special education cross-subsidy reduction aid increased to reduce the cross-subsidy by 44 percent for FY 2024, FY 2025 and FY 2026.
- The remainder of state supported programs includes other categorical programs such as achievement & integration aid, non-public pupil transportation, secondary vocational disabled aid, and Alternative Teacher Compensation (Q-Comp).

4. Federal Sources

Federal revenue is budgeted to decrease by **(\$421,839)** or **-32.67%**. This is attributable to completion of the one-time Coronavirus Relief (ESSER) funds the District received in 2021-22. The federal calculations on entitlement include poverty concentration index within the district among other factors. Federal revenue in the General Fund includes the following:

- Special Education (Section 611, Section 619, and Part C) makes up 72% of federal revenue or \$624,820 in 2023-24
- Title I funding in 2023-24 totals \$95,930 which is 11% of the federal revenue budget
- Title II funding of \$38,700 which is 4.5% of the federal revenue budget
- The remaining consists of other grants including Title IV, Carl Perkins, and CEIS grants totaling \$109,990

5. Local (Tuition, Fees, Admissions, Interest, Donations)

Revenue in this category is budgeted to remain similar in the coming year with pre-pandemic levels. Thus, the District is taking a conservative approach to this budget area as restrictions are removed. Items included in this category are student parking fees, facility rentals and admission fees for activities, miscellaneous grants and interest earnings.

Budget Executive Summary

FOOD SERVICE FUND (Financial Section)

Revenue in the Food Service Fund is budgeted to increase by 10.2% to \$1,904,137 from \$1,728,640 in 2022-23. The following assumptions are included:

1. **Federal and State Revenue** sources will provide 100% of the revenue for student breakfast and lunch due to universal free lunches passed by the Minnesota Legislature in 2023.
2. **Vending and Concession** sales are budgeted to increase \$10,000 in 2023-24. This is due to the concessions program being fully operational in the 2023-24 school year due to the end of the COVID-19 pandemic.

COMMUNITY SERVICE FUND (Financial Section)

The Community Service Fund includes community education and early childhood family education (ECFE). Total revenue for this fund is budgeted to increase by \$180,806 or 5.6% from 2022-23. Changes in this revenue component include the following assumptions:

1. **Property taxes** for Community Education and Family Education programs are decreasing by \$22,561 or 7.0%. This revenue is set by statute and is based on the district's population and includes some negative adjustments from prior years.
2. **State revenue** is budget to increase slightly by \$5,000 or 3.3%.
3. **Local tuition and fees** will increase by \$196,683 or 7.5%. This is mainly due to residents participating in district programming, and increased capacity in School-Aged Child Care.

CAPITAL FUND (Financial Section)

Total capital fund revenue is decreasing by \$237,979 due to the completion of indoor air quality construction projects being performed at the Orono Discover Center in 2023. Details from property tax levy effective for the fiscal year 2023-24 can be found in the Informational Section. Changes in this revenue component include the following assumptions:

1. **Operating Capital** revenue which is based upon building age and square footage, will increase by \$151,631 or 17.3% from 2022-23, due to enrollment growth.
2. The **Capital Projects Levy** is increasing in fiscal year 2023-24 by \$57,175 or 4.8% due to an increase in Adjusted Net Tax Capacity (ANTC) Funds available for fiscal 2023 technology and capital related items are budgeted at \$1,200,700. The 2023-24 school year is the first year of the 10-year levy authorization.
3. **Long-Term Facilities Maintenance (LTFM)** revenue decreased by \$143,523 to \$1,811,471 due to indoor air quality construction projects being performed at the Orono Discover Center in 2023 and the Orono Link, Schumann elementary and Intermediate schools.

Budget Executive Summary

BUILDING CONSTRUCTION FUND (Financial Section)

Revenue for the Building Fund will decrease to \$0. All bonds for the Orono Middle School and Technology were issued in 2022-2023 although the projects will occur in 2023-24. Due to the fact that this activity crosses two fiscal years, it is important to note that these projects are anticipated to be completed in August 2024.

DEBT SERVICE FUND (Financial Section)

Debt Service Fund revenue is budgeted to decrease by (\$220,544) or -3.3% from 2022-23 due to scheduled principal and interest payments. The Informational Tab contains details from the property tax levy effective for the fiscal year 2023-24, as well as the District's current debt schedule.

INTERNAL SERVICE FUND (Financial Section)

The District established Internal Service Funds to account for and finance its uninsured risk of loss for employee medical and dental insurance plans. Under these plans, the Internal Service Fund provides coverage to participating employees and their dependents for various medical and dental costs as described in the plan. Revenue for the two Internal Service Funds is budgeted to increase by \$200,000 or 3.9% due to increases in health premiums.

TRUST & AGENCY FUND (Financial Section)

For 2023-24 revenue is budgeted to be \$100,000 for interest earned on our OPEB Trust account.

Budget Executive Summary

EXPENDITURE ASSUMPTIONS

GENERAL FUND (Financial Section)

The General Fund expenditure budget is increasing by \$2,004,957 or 5.0%, for the most part due to anticipated increases in the costs of salary, benefits, transportation, and utilities from the previous year.

1. The **salaries/wages and employee benefits** budget of \$34,983,570 includes salaries and benefits for all employee groups. This is an increase of \$1,725,943 over the previous year. This budget represents 82.5% of the total General Fund budget. This budget includes:
 - Wage/benefit costs for existing and expected employment agreements including allowances for longevity, education, health & dental benefits and pay rates.
 - An allowance for wage/benefit changes that may result from bargaining agreements that are being negotiated for the 2023-24 budget year.
 - The cost of statutory benefits (TRA, PERA, FICA, etc.), including a 0.21% anticipated increase in TRA.
 - Any changes to staffing levels including the rightsizing of staffing with enrollment in the intermediate school. Two additional FTE's are projected in next years budget.

As of the budget adoption date, the status of general fund employee contracts is as follows:

Bargaining Unit	Current Contract Expiration	Status
Teachers (OEA)	June 30, 2023	Settled
Principals	June 30, 2023	Settled
ESP (Educational Support Personnel)	June 30, 2023	Settled
Para Educators	June 30, 2023	Settled
Custodial	June 30, 2023	Settled
Food Service	June 30, 2023	Settled

2. The **purchased services** budget of \$5,569,530 represents an increase of \$221,680 or 4.15% from the prior year. This budget includes transportation costs as well as tuition payments to other MN districts, contracted services, utilities, property insurance, professional service fees, travel & conferences, and repairs.
3. The **supplies & equipment** budget of \$1,333,750 represents an increase in expenditures of \$56,310 or 4.41% from the prior year. The budget includes both instructional and non-instructional supplies, fuel, and equipment. Most administrators' allocation for departmental and site budgets are included in this category. Budget managers can flex their allocations between categories and mostly do so between supplies and purchased services.
4. The **other expenditures** budget of \$504,790 includes leases and contingency budgets, fund transfers, and expenditures for dues & memberships. This is an increase of 1,024 over the 2022-23 final budget, in which contingency dollars have either been allocated or removed.

No transfers from the General Fund are budgeted for 2023-24

Budget Executive Summary

FOOD SERVICE FUND (Financial Section)

The expenditure budget of \$1,904,137 represents an increase of \$187,023 or 10.9%. Increases across all categories are due to the introduction of universal free lunches that were provided for in the 2023 Minnesota Legislature. This budget includes the following assumptions:

1. **Salaries & wages and employee benefits** budget of \$809,364 include salary and benefits for Food Service employees. This budget represents 47.1% of the total Food Service Budget and includes:
 - Wage/benefit costs for existing employment agreements including allowances for longevity, education, health & dental benefits and pay rates.
 - The cost of statutory benefits (PERA, FICA, etc.)
2. The **purchased services** budget of \$75,050, an increase of \$3,800 or 5.3% includes payments for equipment repairs and maintenance, conferences, etc. The current budget reflects planned use of a portion of this year's revenues to maintain and replace the equipment used in the food service program.
3. The **supplies & equipment** budget of \$1,018,000 represents an increase of \$187,000 or 9.8% from prior year due to the transition to full student participation. This category includes costs for food supplies, kitchen supplies, and cafeteria supplies.

COMMUNITY SERVICE FUND (Financial Section)

The expenditures budget of \$3,323,261 reflects an increase of \$158,251 or 5.0% from prior year primarily due to the recovery from the COVID-19 pandemic and historical trends in program participation. Expenditure changes by category include the following:

1. **Salaries & wages and employee benefits** budget of \$2,600,275 or 78.2% of the Community Service budget reflect:
 - Wage/benefit costs for existing employment agreements including allowances for pay rates, health, dental and other benefits.
 - An allowance for wage/benefit changes that may result from bargaining agreements that are being negotiated for the 2023-24 budget year.
 - The cost of statutory benefits (TRA, PERA, FICA, etc.)
2. The **purchased services** budget of \$497,986 represents an increase of \$1,971 or 0.4%. Items included in this category include contracted services for vendors teaching classes, use of space, registration software, marketing and repairs.
3. The **supplies & equipment** budget of \$175,000 increased by \$7,900 or 4.7% from the prior year and reflects an increase in activities and participation by the community.
4. The **other expenditures** budget of \$50,000 represents an allowance for general Community Ed expenses, dues and memberships. The change is due to the increased participation since the recovery from the COVID-19 pandemic.

Budget Executive Summary

CAPITAL FUND (Financial Section)

The expenditures budget of \$3,790,906 represents a decrease of (\$304,013) or -7.4%. Capital Fund expenses are prioritized within funds available or by state approval, as is the case with Long-Term Facility Maintenance (LTFM) projects.

1. **Operating Capital** – Operating Capital projects totaling \$726,405 include instructional equipment purchases, textbooks, and maintenance projects at each site. This budget also includes certain lease levy expenses, and a \$50,000 contingency for capital expenses that may emerge throughout the year.
2. **Capital Projects Levy (also known as technology levy)** – Fiscal 2023-24 expenditures are budgeted at \$1,253,030. The anticipated expenditures continue to support the integration of technology into the classroom for all grades.
3. **Long-Term Facility Maintenance** budget of \$1,811,471 will primarily be used for routine maintenance projects throughout the District and the pay-as-you go portion of the Link Indoor Air Quality upgrades.

BUILDING CONSTRUCTION FUND (Financial Section)

For 2023-24, the bonded portion of the cost of the Middle School Entry Sequence improvements and Indoor Air Quality upgrades will be paid out of the construction fund. It is important to note that these projects are anticipated to be completed in August 2024. In addition one million dollars in capital notes were issued to accelerate the upgrade of access points and other technology needs of the district.

DEBT SERVICE FUND (Financial Section)

The debt service expenditure budget is \$6,508,037, representing a planned increase of \$106,396 as the district continues to pay off its outstanding bonds. Expenditures in this fund include ongoing principal and interest payments related to voter-approved projects as well as Other Post-Employment Benefits (OPEB) debt service. The Schedule of Bonded Indebtedness is included in the Informational Tab of this budget book.

INTERNAL SERVICE FUND

The Internal Service expenditure budget of \$5,100,000 represents an increase of \$300,000 or - 6.3%. The increase is due to an expected increase in physical visits for benefits-eligible staff who may have postponed certain medical care over the last several years. Expenses include the District's self-funded medical and dental plans.

TRUST & AGENCY FUND (Financial Section)

The Trust & Agency expenditure budget is \$275,000, or no change from the prior year. Expenses include severance and other post-employment benefits.

Budget Executive Summary

INFORMATIONAL OVERVIEW

Enrollment History & Projections by School Site

Building	Grades	2019-20	2020-21	2021-22	2022-23	2023-24
Schumann Elementary	K-2nd	571	569	573	578	597
Orono Intermediate	3rd-5th	629	609	610	636	650
Orono Middle School	6th-8th	699	698	699	697	705
Orono High School	9th-12th	941	944	926	930	923
Total K-12th Grade		2,840	2,820	2,808	2,841	2,875

Past years show historical enrollment data. Current year is based on October 1 data.

Orono Schools is projected to see a 1.3% increase in enrollment this year. The major contributor to enrollment growth is students returning from other options during the previous year and a steady increase in residential population paired with demand for open enrollment placement.

Enrollment History & Projection By Grade

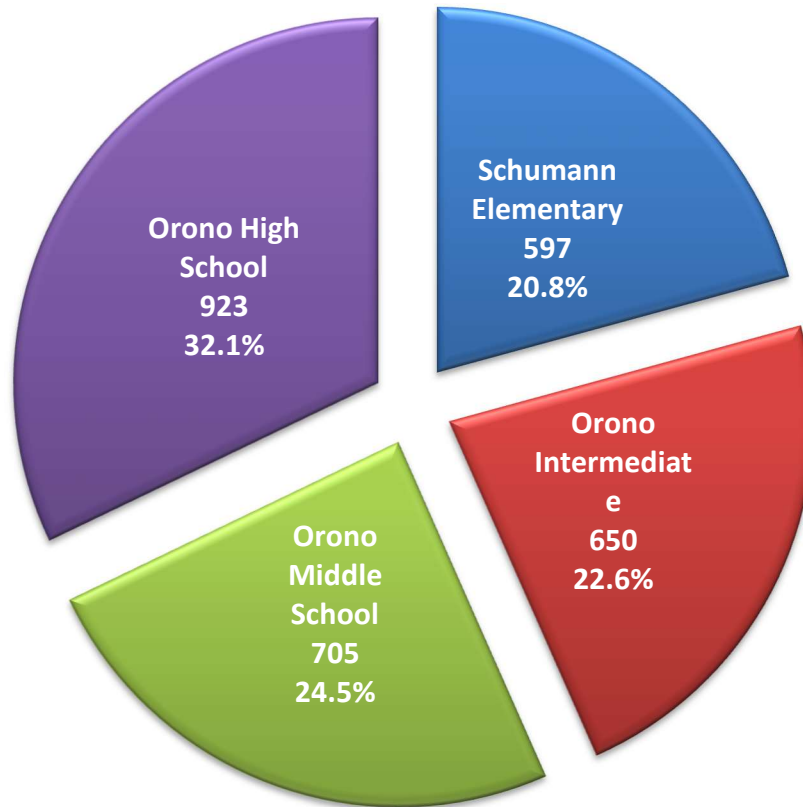
Enrollment History & Projection by Grade					
	Actual	Actual	Actual	1-Oct	Projected
	2019-20	2020-21	2021-22	2022-23	2023-24
Early Childhood	10	14	33	21	25
Kindergarten	184	186	184	180	210
1st Grade	193	189	191	191	185
2nd Grade	193	194	198	207	202
3rd Grade	195	196	196	212	213
4th Grade	214	199	209	204	226
5th Grade	221	214	205	220	211
6th Grade	237	222	221	231	231
7th Grade	225	245	233	228	241
8th Grade	237	231	245	238	233
9th Grade	248	235	223	249	250
10th Grade	239	256	227	230	250
11th Grade	242	240	253	215	216
12th Grade	212	213	223	236	207
K-12th Grade	2,850	2,834	2,841	2,862	2,900
% Change	-0.7%	-0.6%	0.2%	0.7%	1.3%

Note: Historical enrollment based on Oct. 1 data.

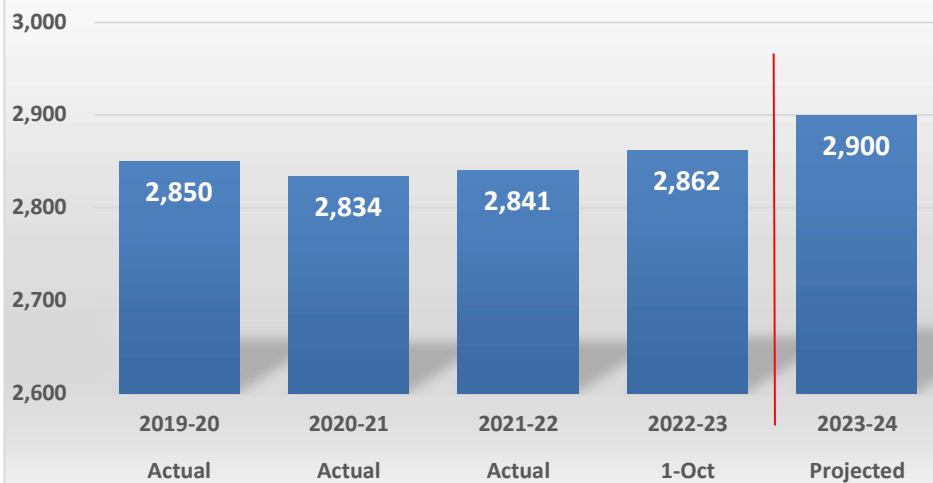
Numbers shown exclude PSEO, Part-Time, On-Line & Shared Time Student

Budget Executive Summary

2023-24 Projected Enrollment Breakdown by School Site



Enrollment History & Projection



Illuminating Possibilities

Orono Schools' **Five-Year Strategic Plan** benefiting students and all stakeholders

Mission

Our core purpose

Our students will maximize their potential in life because of their experiences in Orono Schools.

Strategic Goals

Our intended end results

Scholarship

Through personalized and rigorous learning, students and staff will apply high levels of interdisciplinary knowledge across all content areas.

Character

Students and staff will understand and model core ethical values for a life of integrity.

Relationships

Students and staff will engage in strong academic relationships.



Values

Our fundamental convictions and character



Excellence

Encourage students, staff and administration to reach their highest levels of personal achievement.

Fortitude

Build qualities of courage, perseverance and resilience.

Relationships

Promote respectful and caring relationships.

Inclusion

Embrace diverse and unique needs, backgrounds, ideas and talents.

Global Perspective

Inspire learners to be engaged citizens in the modern world.

Stewardship

Demonstrate constant accountability through responsible planning and use of resources.

The means of accomplishing our goals

Strategies

Teaching and Learning

We will enact student-centered, responsive instructional practices that provide rigor and relevance for every student. These practices will require students to apply critical thinking and complex problem solving.

Human Capital

We will capitalize on the complementary roles of research and practice to promote a model of personalized education for staff and students. Staff members will be selected and developed based on their capacity to promote academic optimism in every student.

Inclusion and Cultural Competence

We will ensure that inclusive, culturally-competent practices underlie all classroom and organizational efforts. These practices will be grounded in a commitment to helping all students achieve high levels of success.

Facilities

We will secure and manage resources to meet the learning, program and community needs of the future.

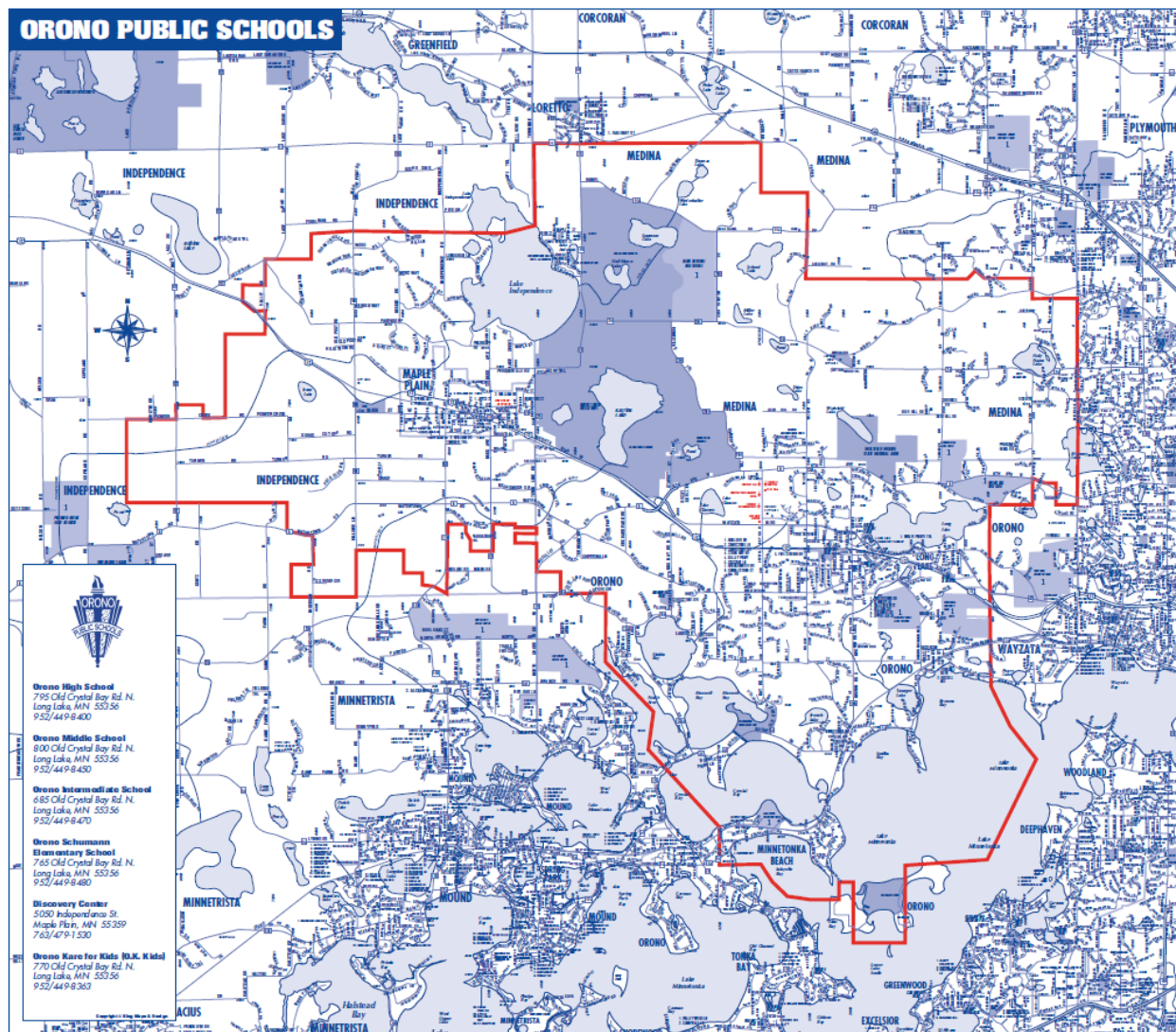
Character

We will embed character development experiences into existing learning activities, as well as responsive classroom management practices and service learning, to develop the critical thinking needed for ethical problem solving.

Relationships

We will value, develop and strengthen relationship skills that lead to lifelong social, emotional and academic success.

District Boundary Map



<http://orono.k12.mn.us/about/maps-directions/>

Orono Schools Campus

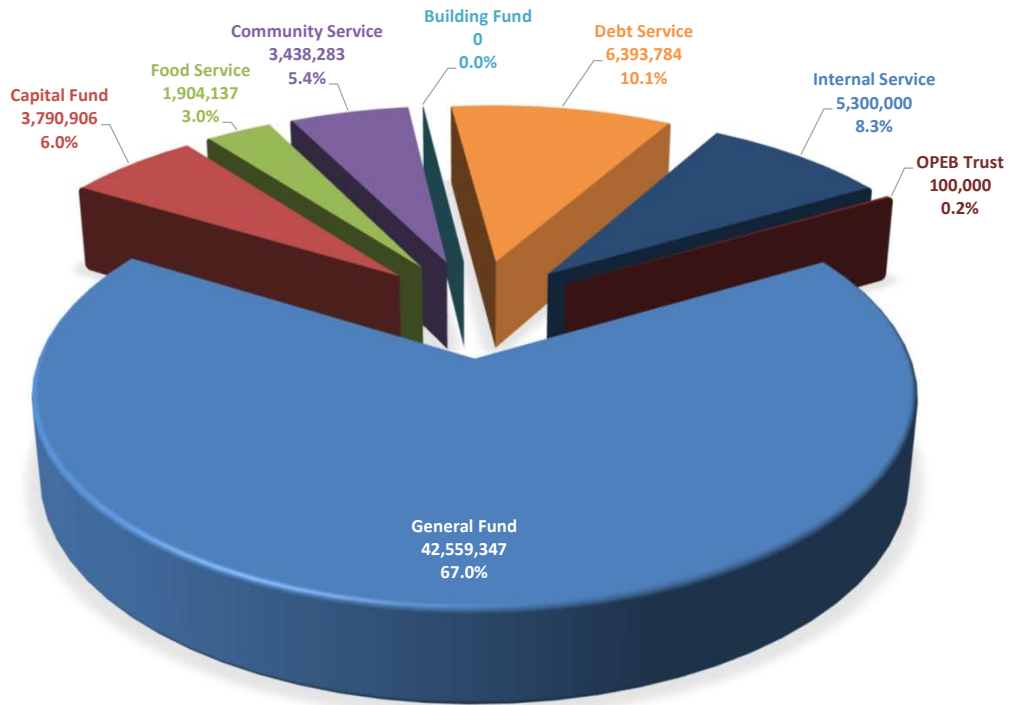




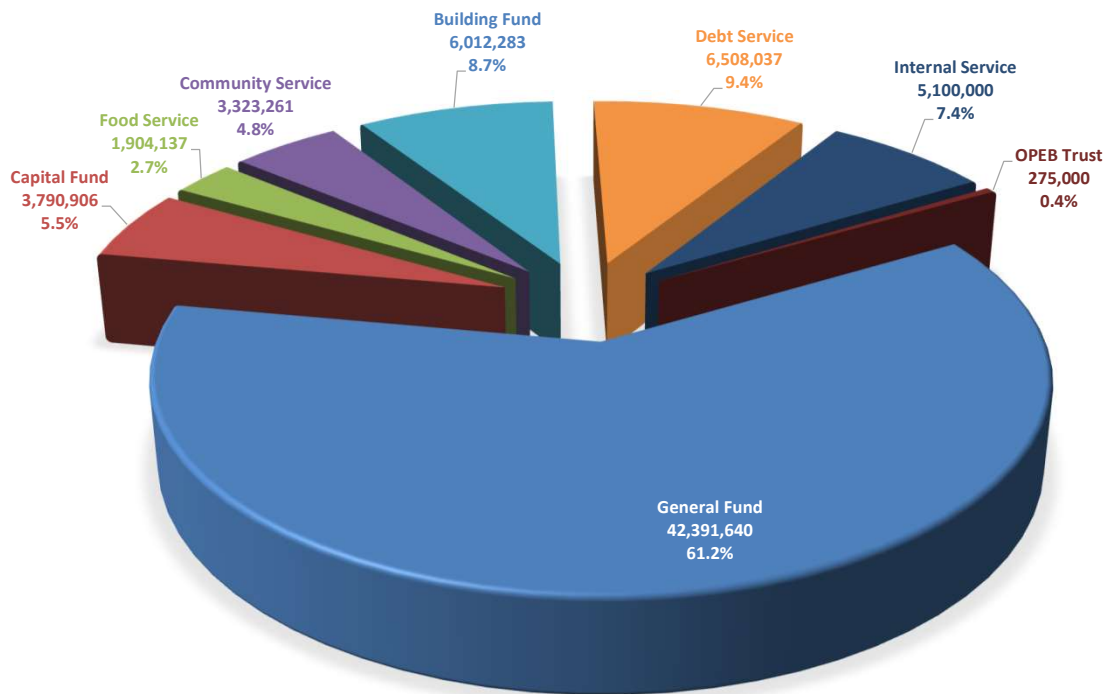
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ALL FUNDS REVENUES and EXPENDITURES

2023-24 REVENUE BUDGET - ALL FUNDS



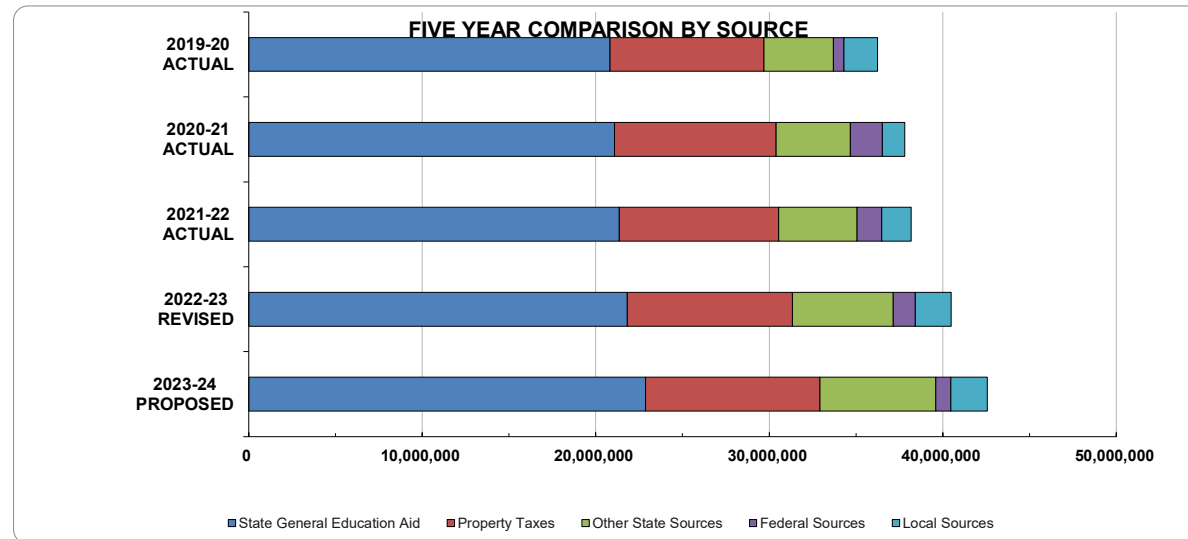
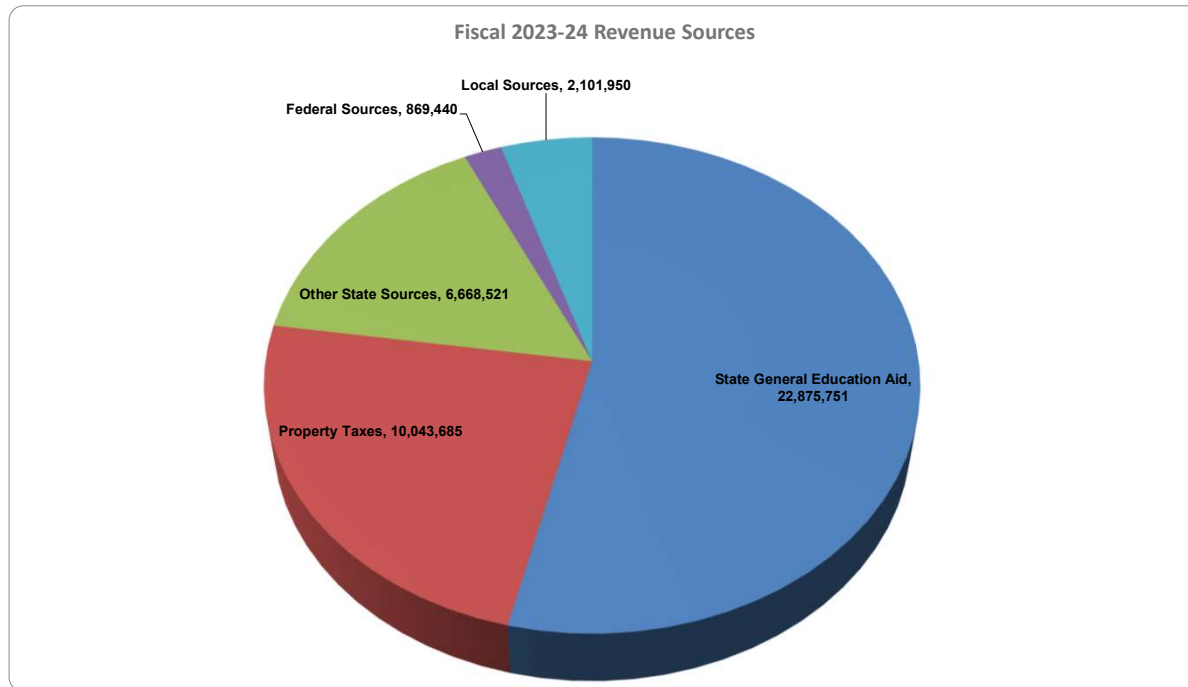
2023-24 EXPENDITURE BUDGET - ALL FUNDS



REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES

2023-24	GENERAL OPERATING	CAPITAL FUND	FOOD SERVICE	COMMUNITY SERVICE	BUILDING FUND	DEBT SERVICE	INTERNAL SERVICE	OPEB TRUST	2023-24 BUDGET
FUND BALANCES - BEGINNING	4,103,620	820,747	935,093	882,193	6,012,283	1,343,909	2,025,293	3,190,266	19,313,404
REVENUES									
LOCAL SOURCES									
PROPERTY TAXES	10,043,685	3,574,427		350,000		6,393,784			20,361,896
TUITION, FEES, INTEREST & OTHER	1,951,950		300,000	2,938,283			5,300,000	100,000	10,590,233
STUDENT ACTIVITIES	150,000								150,000
STATE SOURCES	29,544,272	216,479	1,404,137	150,000		-			31,314,888
FEDERAL SOURCES	869,440		200,000						1,069,440
TOTAL REVENUES	42,559,347	3,790,906	1,904,137	3,438,283	-	6,393,784	5,300,000	100,000	63,486,457
EXPENDITURES									
ADMINISTRATION	1,449,600	-	-		-	-	-	-	1,449,600
DISTRICT SUPPORT SERVICES	1,735,140	-	-		-	-	-	-	1,735,140
REGULAR INSTRUCTION	22,169,240	-	-	200,000	-	-	-	-	22,369,240
VOCATIONAL EDUCATION	346,850	-	-		-	-	-	-	346,850
SPECIAL EDUCATION INSTRUCTION	6,158,940	-	-		-	-	-	-	6,158,940
INSTRUCTIONAL SUPPORT	2,141,030	1,253,030	-		-	-	-	-	3,394,060
PUPIL SUPPORT	3,502,410	-	1,904,137	-	-	-	-	-	5,406,547
SITES AND BUILDINGS	4,249,880	2,537,876	-		6,012,283	-	-	-	12,800,039
FISCAL & OTHER FIXED COSTS	488,550	-	-		-	-	5,100,000	275,000	5,863,550
STUDENT ACTIVITIES	150,000	-	-		-	-	-	-	150,000
COMMUNITY SERVICE	-	-	-	3,123,261	-	-	-	-	3,123,261
DEBT SERVICE									
PRINCIPAL & REFUNDING PMNTS						4,655,000	-	-	4,655,000
INTEREST						1,853,037	-	-	1,853,037
FISCAL CHARGES						-	-	-	-
TOTAL EXPENDITURES	42,391,640	3,790,906	1,904,137	3,323,261	6,012,283	6,508,037	5,100,000	275,000	69,305,264
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	167,707	0	0	115,022	(6,012,283)	(114,253)	200,000	(175,000)	(5,818,807)
NET CHANGE IN FUND BALANCES	167,707	0	0	115,022	(6,012,283)	(114,253)	200,000	(175,000)	(5,818,807)
FUND BALANCES - ENDING	4,271,327	820,747	935,093	997,215	0	1,229,656	2,225,293	3,015,266	13,494,597

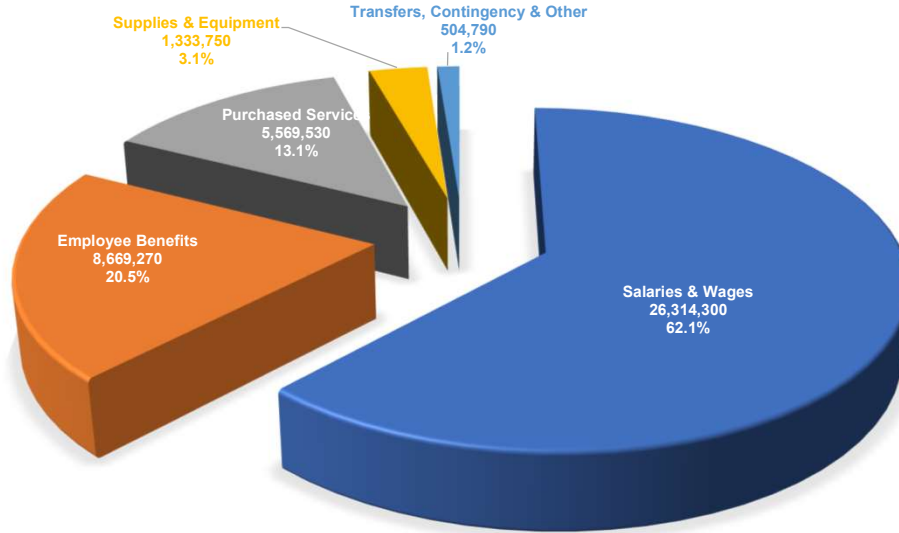
GENERAL FUND REVENUE



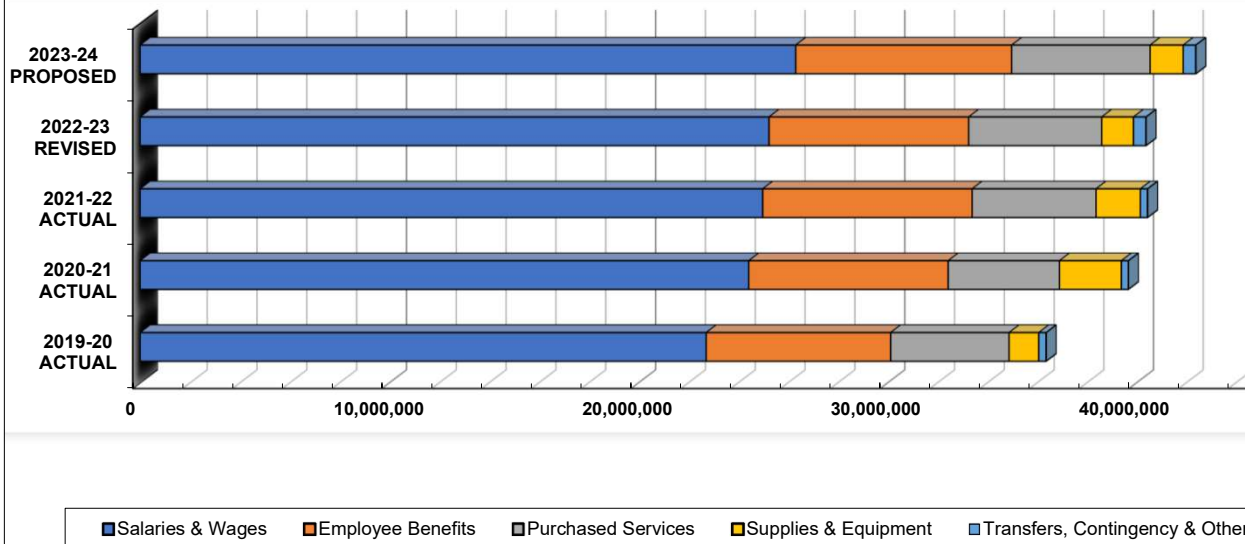
GENERAL OPERATING FUND REVENUE	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 ACTUAL	2022-23 REVISED	2023-24 PROPOSED	CHANGE FROM REVISED	PERCENT CHANGE
State General Education Aid	20,827,267	21,078,414	21,363,877	21,824,340	22,875,751	1,051,411	4.82%
Property Taxes	8,860,768	9,311,991	9,184,475	9,517,553	10,043,685	526,132	5.53%
Other State Sources	4,003,057	4,290,288	4,518,745	5,794,883	6,668,521	873,638	15.08%
Federal Sources	606,386	1,833,631	1,413,452	1,291,279	869,440	(421,839)	-32.67%
Local Sources	1,945,525	1,300,542	1,699,027	2,053,657	2,101,950	48,293	2.35%
(Tuition, Fees, Admissions, Interest, Donations)							
TOTAL	36,243,003	37,814,866	38,179,576	40,481,712	42,559,347	2,077,635	5.13%

GENERAL FUND EXPENDITURES

FISCAL 2023-24 EXPENDITURES



Five Year Comparison by Object



GENERAL FUND EXPENDITURES	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 ACTUAL	2022-23 REVISED	2023-24 PROPOSED	CHANGE FROM PRIOR YEAR	PERCENT CHANGE
Salaries & Wages	22,722,319	24,431,040	24,990,943	25,244,591	26,314,300	1,069,709	4.24%
Employee Benefits	7,402,616	8,003,656	8,405,164	8,013,036	8,669,270	656,234	8.19%
Purchased Services	4,755,916	4,470,877	4,979,825	5,347,850	5,569,530	221,680	4.15%
Supplies & Equipment	1,189,587	2,490,156	1,785,722	1,277,440	1,333,750	56,310	4.41%
Transfers, Contingency & Other	294,516	280,957	286,264	503,766	504,790	1,024	0.20%
TOTAL	36,364,954	39,676,686	39,419,842	40,386,683	42,391,640	2,004,957	4.96%

GENERAL FUND EXPENDITURES (by Object)

	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 ACTUAL	2022-23 REVISED	2023-24 PROPOSED
SALARIES AND WAGES					
ADMINISTRATION	1,002,649	1,134,052	1,056,701	1,086,600	1,116,900
DISTRICT SUPPORT SERVICES	878,099	956,295	989,240	1,029,800	1,056,000
REGULAR INSTRUCTION	13,507,973	14,384,580	14,708,624	15,033,517	15,619,300
VOCATIONAL EDUCATION	233,661	231,835	246,036	251,704	259,500
SPECIAL EDUCATION INSTRUCTION	3,429,820	3,588,444	3,824,120	3,944,320	4,150,700
INSTRUCTIONAL SUPPORT	1,368,717	1,660,127	1,602,829	1,466,040	1,505,100
PUPIL SUPPORT	738,831	874,629	869,746	780,210	830,900
SITE AND BUILDING	1,562,571	1,601,080	1,693,647	1,652,400	1,775,900
TOTAL SALARIES AND WAGES	22,722,319	24,431,042	24,990,943	25,244,591	26,314,300
EMPLOYEE BENEFITS					
ADMINISTRATION	153,189	188,259	183,554	188,510	197,700
DISTRICT SUPPORT SERVICES	180,436	253,586	216,756	199,820	208,040
REGULAR INSTRUCTION	4,529,173	4,938,612	5,322,704	4,929,950	5,200,010
VOCATIONAL EDUCATION	73,380	76,566	77,402	76,020	79,250
SPECIAL EDUCATION INSTRUCTION	1,261,541	1,270,719	1,461,504	1,321,066	1,377,350
INSTRUCTIONAL SUPPORT	376,662	496,738	420,363	432,140	451,120
PUPIL SUPPORT	296,318	250,752	282,623	286,930	293,660
SITE AND BUILDING	508,788	516,570	585,651	557,580	601,090
FISCAL & FIXED COSTS	23,128	11,855	(145,393)	21,020	261,050
TOTAL EMPLOYEE BENEFITS	7,402,616	8,003,657	8,405,164	8,013,036	8,669,270
PURCHASED SERVICES					
ADMINISTRATION	86,364	56,608	65,832	123,500	82,500
DISTRICT SUPPORT SERVICES	218,313	256,625	273,721	354,100	354,100
REGULAR INSTRUCTION	652,328	574,700	872,361	667,000	720,590
VOCATIONAL EDUCATION	15,555	-	5,787	6,800	6,800
SPECIAL EDUCATION INSTRUCTION	202,470	337,640	77,581	519,100	527,880
INSTRUCTIONAL SUPPORT	319,265	78,445	177,936	146,200	146,610
PUPIL SUPPORT	1,781,416	1,785,995	1,977,742	2,221,850	2,356,550
SITE AND BUILDING	1,232,307	1,157,472	1,262,553	1,044,100	1,074,500
FISCAL & FIXED COSTS	247,897	223,391	266,312	265,200	300,000
TOTAL PURCHASED SERVICES	4,755,916	4,470,876	4,979,825	5,347,850	5,569,530
SUPPLIES & EQUIPMENT					
ADMINISTRATION	8,074	3,235	4,086	18,000	17,500
DISTRICT SUPPORT SERVICES	34,696	70,255	106,588	99,000	99,000
REGULAR INSTRUCTION	558,473	518,596	648,187	608,586	607,140
VOCATIONAL EDUCATION	56	-	-	1,300	1,300
SPECIAL EDUCATION INSTRUCTION	47,032	33,582	33,457	103,010	103,010
INSTRUCTIONAL SUPPORT	134,772	290,173	45,063	38,200	38,200
PUPIL SUPPORT	16,253	44,633	69,308	13,044	1,300
SITE AND BUILDING	390,231	1,529,681	879,033	396,300	466,300
TOTAL SUPPLIES & EQUIPMENT	1,189,587	2,490,155	1,785,722	1,277,440	1,333,750
OTHER EXPENDITURES					
ADMINISTRATION	29,959	31,195	31,744	32,000	35,000
DISTRICT SUPPORT SERVICES	3,334	11,768	9,858	20,000	18,000
REGULAR INSTRUCTION	100,165	108,250	120,975	22,200	22,200
VOCATIONAL EDUCATION	1,507	1,547	1,594	-	-
SPECIAL EDUCATION INSTRUCTION	40,271	42,265	42,481	-	-
INSTRUCTIONAL SUPPORT	8,091	8,663	9,032	-	-
PUPIL SUPPORT	54,658	17,834	4,130	20,000	20,000
SITE AND BUILDING (Leases)	5,531	5,879	5,000	332,066	332,090
SCHOLARSHIPS	51,000	53,555	61,450	77,500	77,500
TOTAL OTHER EXPENDITURES	294,516	280,956	286,264	503,766	504,790
GENERAL FUND TOTAL	36,364,954	39,676,686	40,447,918	40,386,683	42,391,640

GENERAL FUND EXPENDITURES (by Program)

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Revised 2022-23	Proposed 2023-24
School Board	117,497	80,982	78,391	114,540	73,400
Office of the Superintendent	322,939	450,884	366,130	372,730	386,480
School Administration	839,799	881,483	897,397	961,340	989,720
Total District & School Administration	1,280,235	1,413,349	1,341,918	1,448,610	1,449,600
General Administrative Support	501,222	609,725	669,150	700,450	721,410
Other Administrative Support	46,315	42,644	-	-	-
Business Services	767,342	896,160	927,012	1,002,270	1,013,730
Total District Support Services	1,314,878	1,548,529	1,596,162	1,702,720	1,735,140
Kindergarten Education	963,052	1,079,774	1,025,949	1,125,590	1,272,720
Elementary Education	5,632,483	6,472,422	5,828,055	5,743,345	5,908,570
Title II, Part A - Improve Teacher Quality	30,934	31,438	43,228	38,637	38,710
Secondary Education	2,306,284	2,276,193	2,562,504	2,367,610	2,525,160
Art Education	545,474	576,708	619,509	646,140	667,200
Title I - Educationally Disadvantaged	71,685	71,823	125,616	95,925	95,940
Gifted and Talented	334,660	308,915	351,868	362,790	375,940
English as Second Language/LEP	72,944	64,310	61,506	190,040	196,600
English (Language Art)	1,790,695	1,818,998	2,099,152	1,930,070	1,981,140
World Languages	898,536	977,844	1,040,258	1,073,250	1,109,080
Health & Physical Education	947,882	1,017,620	1,082,976	1,113,300	1,150,070
Mathematics	1,067,810	1,013,610	1,127,184	1,223,650	1,263,810
Computer Science/Tech Ed	338,127	348,175	459,169	345,446	356,610
Band & Choral	781,147	825,231	854,971	910,000	943,500
Natural Sciences	1,191,518	1,289,344	1,357,816	1,407,740	1,454,730
Social Studies	1,097,739	1,128,145	1,333,371	1,222,520	1,257,620
Total Regular Instruction	18,070,969	19,300,550	19,973,132	19,796,053	20,597,400
Co-curricular Activities	184,683	130,232	311,969	206,780	208,670
General Athletics	525,866	501,831	512,329	661,100	733,210
Boys Athletics	309,703	334,699	447,170	299,000	315,440
Girls Athletics	252,733	253,077	418,266	286,400	302,560
Extra-Curricular	4,157	4,347	9,984	11,920	11,960
Total Co-Curricular & Extra-Curricular	1,277,143	1,224,186	1,699,718	1,465,200	1,571,840
Marketing Education	180,568	179,301	190,905	192,690	199,150
Business & Office Education	126,010	128,632	132,080	133,930	138,400
Special Needs/Vocational Education	17,580	2,015	7,834	9,204	9,300
Total Vocational Education	324,158	309,948	330,819	335,824	346,850
Speech/Language Impaired	234,424	336,536	252,594	273,900	283,730
Mild-Moderate Impaired	407,304	435,220	530,017	564,310	584,940
Moderate-Severe Impaired	28,952	38,488	97,082	44,580	33,930
Physically Impaired	27,543	23,884	2,189	11,350	11,750
Deaf-Hard of Hearing	31,998	32,630	38,839	32,560	33,740
Visually Impaired	1,753	2,535	1,161	-	-
Specific Learning Disability	756,539	796,681	883,641	841,650	870,240
Emotional/Behavioral Disorder	239,345	261,220	278,790	287,700	307,790
Deaf-Blindness	-	-	-	-	-
Other Health Impaired	564,986	552,281	598,626	599,260	620,300
Autistic	830,532	779,076	861,135	920,260	953,270
ECSE	183,204	250,440	216,935	244,950	253,640
Traumatic Brain Injury	15,236	4,469	5,118	5,250	5,540
Severely Multiple Impaired	25,234	15,057	39,889	39,970	41,690
Spec Educ-General	1,380,093	1,744,132	1,633,124	2,021,756	2,158,380
Spec Educ-General-Transition	253,992	-	-	-	-
Total Special Education Instruction	4,981,133	5,272,649	5,439,140	5,887,496	6,158,940

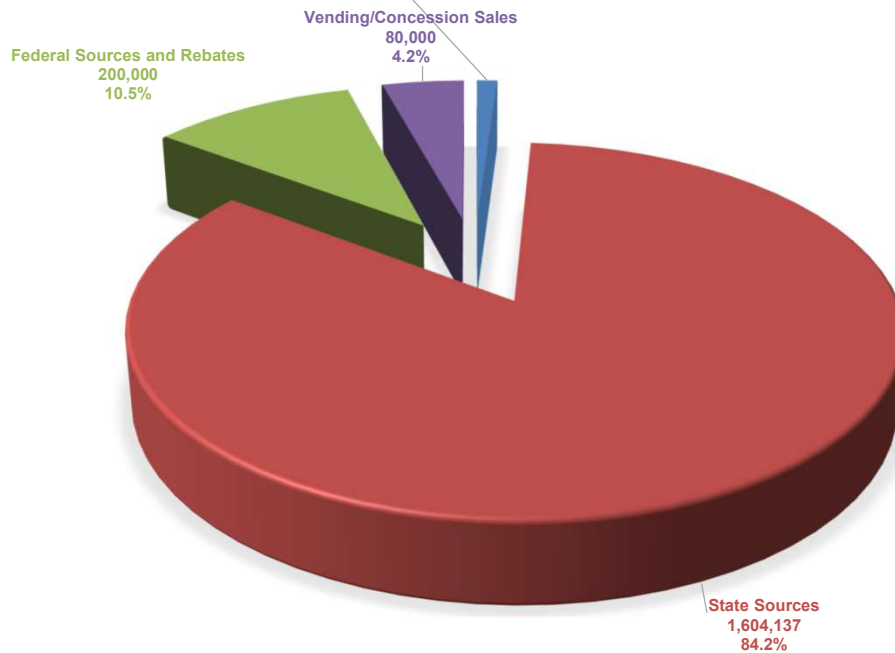
GENERAL FUND EXPENDITURES (by Program)

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Revised 2022-23	Proposed 2023-24
School Age Care	-				
General Instructional Support	1,238,050	1,223,399	1,016,076	1,096,360	1,129,180
Curriculum Development	189,617	224,136	245,292	249,850	255,790
Educational Media	368,080	344,924	327,105	358,240	370,500
Instruction Related Technology	1,299	207,704	6,527	2,100	2,100
Staff Development	410,462	533,984	660,223	376,030	383,460
Total Instructional Support	2,207,508	2,534,147	2,255,223	2,082,580	2,141,030
Counseling & Guidance	618,954	613,090	635,581	659,050	682,120
Health Services	211,256	399,465	380,816	254,044	283,200
Mental Health Services	140	13,629	46,288	46,000	46,000
Social Work	109,147	146,702	124,280	105,310	109,110
Pupil Transportation Regular	1,947,979	1,789,672	2,011,189	2,210,860	2,346,980
Other Pupil Support Services		11,286	5,392	46,770	35,000
Total Pupil Support	2,887,476	2,973,844	3,203,546	3,322,034	3,502,410
Operations & Maintenance	3,801,692	4,353,716	4,183,269	3,811,777	4,079,200
Capital Improvements	(102,264)	456,967	242,623	170,669	170,680
Total Site and Building	3,699,428	4,810,683	4,425,892	3,982,446	4,249,880
Other Benefits/Re-employment	39,165	27,415	(128,472)	21,020	261,050
Post-Employment Benefits	-				
Property & Other Insurance	231,859	207,830	249,392	265,200	300,000
Scholarships	-		61,450	75,000	75,000
Other Non-Recurring	51,000	53,556	-	2,500	2,500
Contingencies & Reserves	-			-	-
Total Fiscal & Other	322,025	288,801	182,370	363,720	638,550
Total General Fund Expenditures	36,364,954	39,676,686	40,447,920	40,386,683	42,391,640

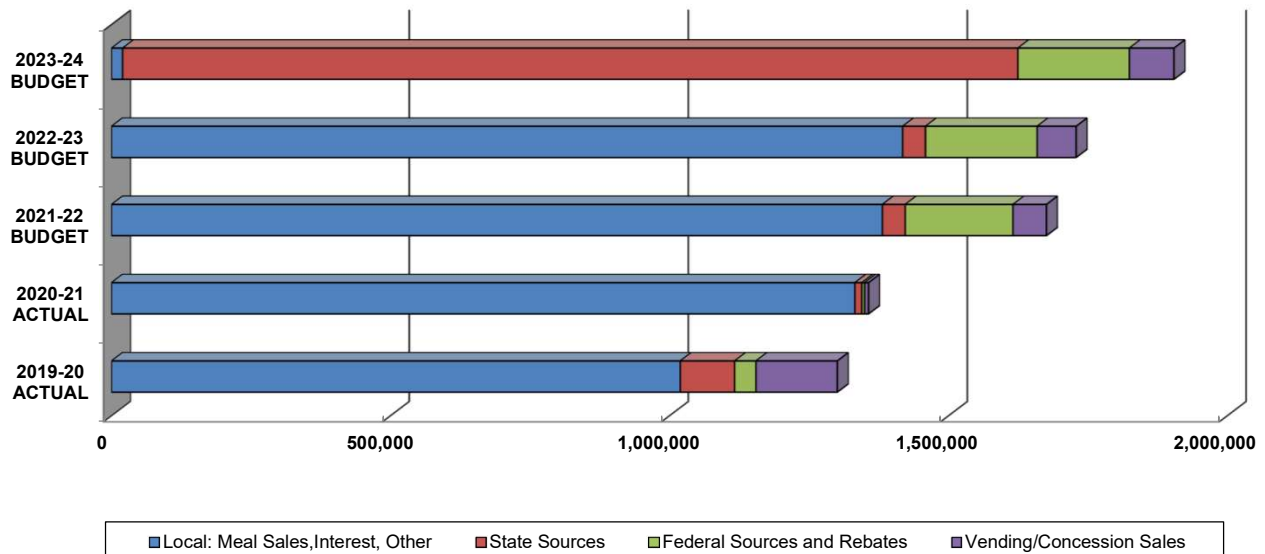
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FOOD SERVICE FUND REVENUE

FISCAL 2024 REVENUE SOURCES



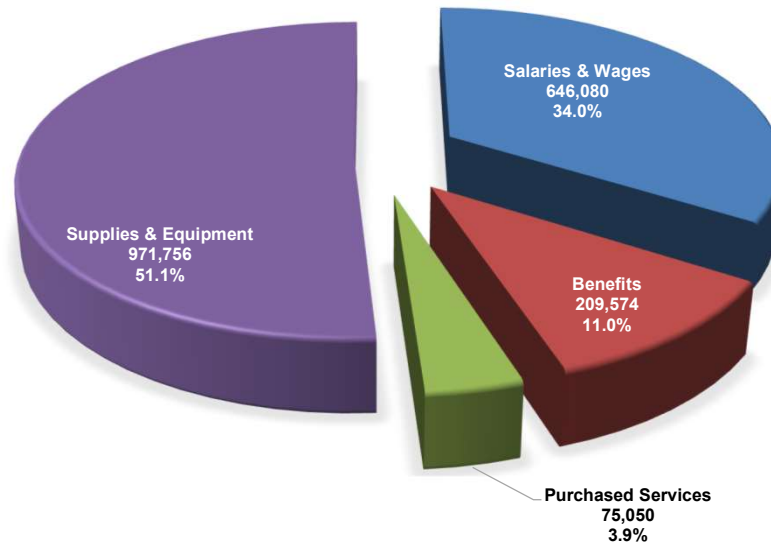
FIVE YEAR COMPARISON BY SOURCE



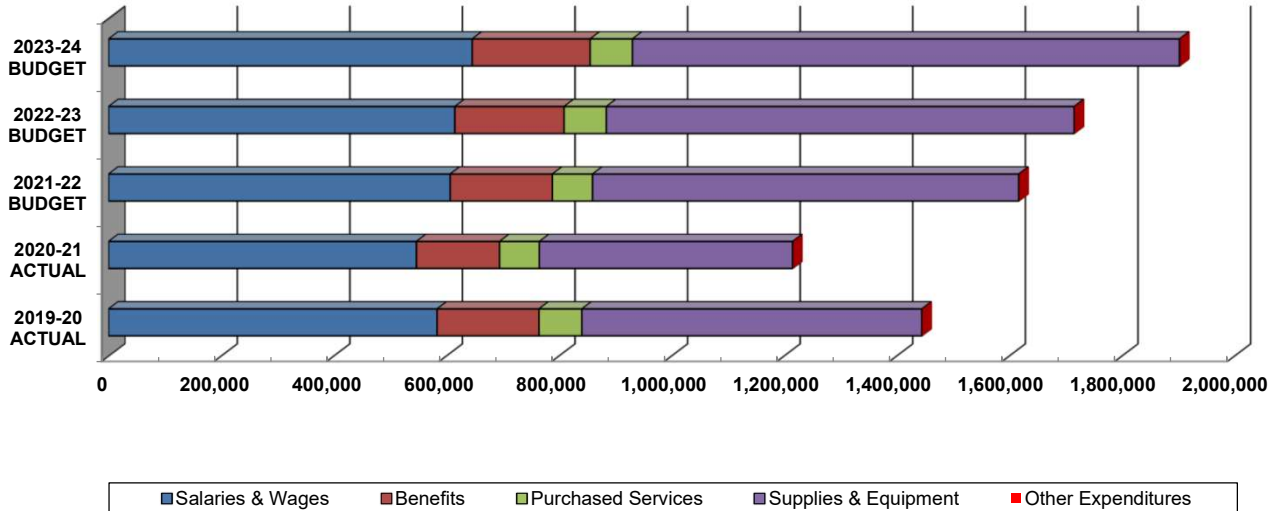
FOOD SERVICE FUND REVENUE	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 BUDGET	2022-23 BUDGET	2023-24 BUDGET	CHANGE FROM BUDGET	PERCENT CHANGE
Local: Meal Sales, Interest, Other	1,019,216	1,332,000	1,381,300	1,417,640	20,000	(1,397,640)	-98.6%
State Sources	97,474	12,500	41,000	41,000	1,604,137	1,563,137	3812.5%
Federal Sources and Rebates	38,119	5,000	193,000	200,000	200,000	0	0.0%
Vending/Concession Sales	145,714	7,000	60,000	70,000	80,000	10,000	14.3%
TOTAL	1,300,523	1,356,500	1,675,300	1,728,640	1,904,137	175,497	10.2%

FOOD SERVICE FUND EXPENDITURES

FISCAL 2024 EXPENDITURES



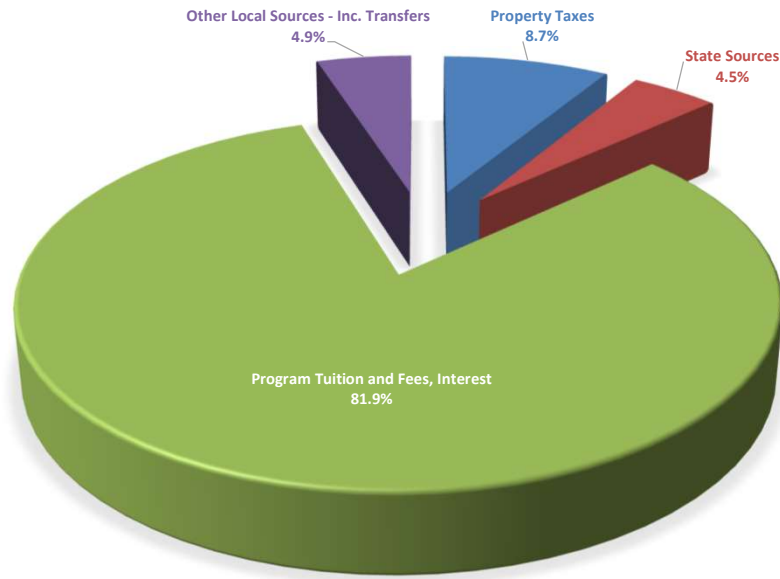
FIVE YEAR COMPARISON BY OBJECT



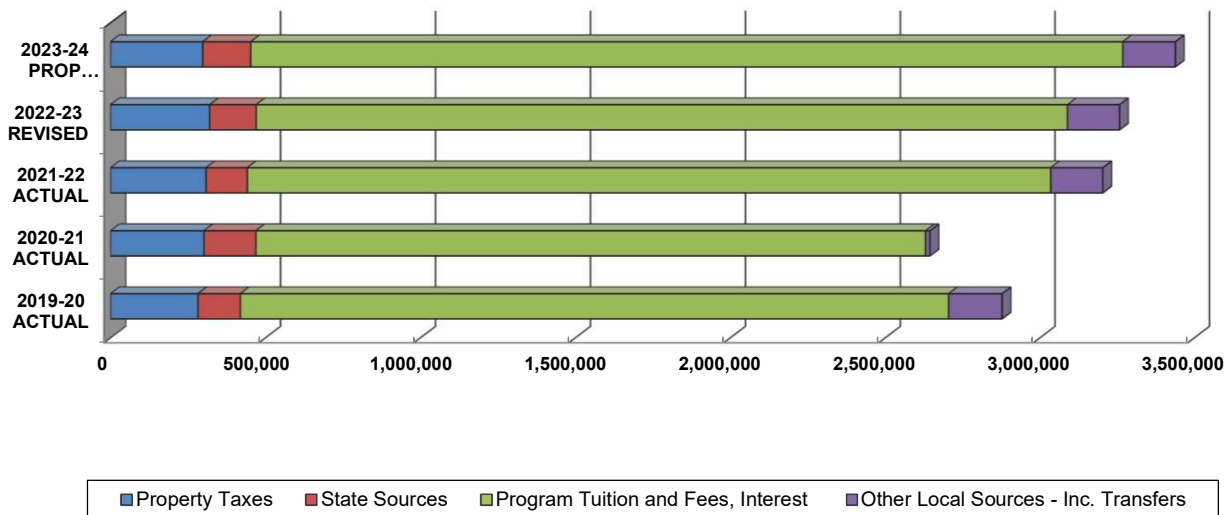
FOOD SERVICE FUND EXPENDITURES	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 BUDGET	2022-23 BUDGET	2023-24 BUDGET	CHANGE FROM BUDGET	PERCENT CHANGE
Salaries & Wages	583,769	546,971	606,973	615,314	646,080	30,766	5.0%
Benefits	181,045	147,758	181,708	194,050	209,574	15,524	8.0%
Purchased Services	76,131	70,750	71,250	75,050	75,050	0	0.0%
Supplies & Equipment	603,918	449,740	757,000	831,000	971,756	140,756	16.9%
Other Expenditures	1,724	1,400	1,700	1,700	1,700	0	0.0%
TOTAL	1,446,588	1,216,619	1,618,631	1,717,114	1,904,160	187,000	10.9%

COMMUNITY SERVICE FUND REVENUE

FISCAL 2024 REVENUE SOURCES



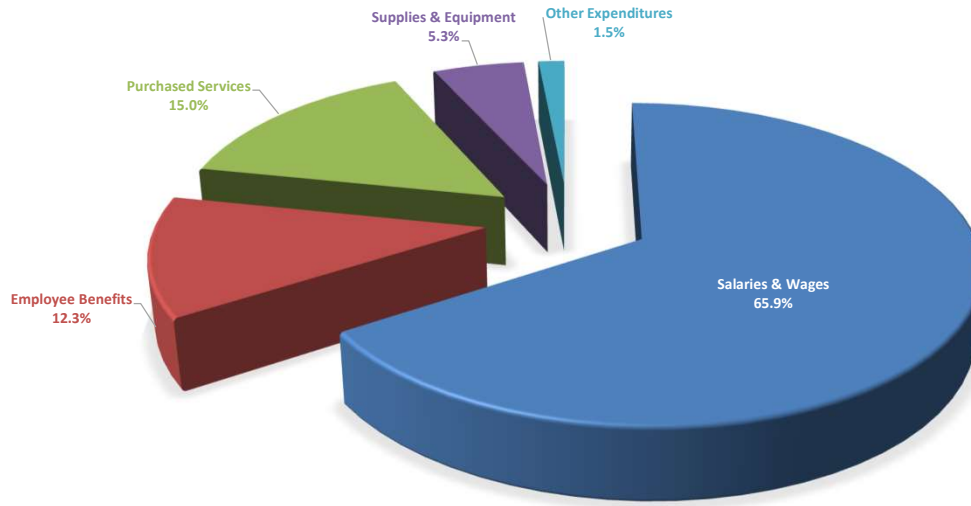
FIVE YEAR COMPARISON BY SOURCE



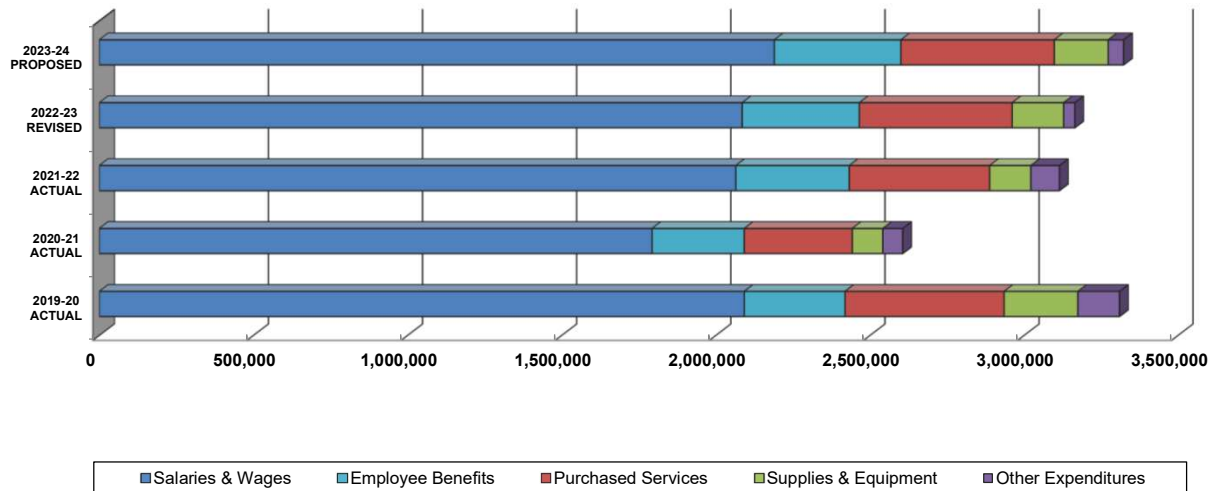
COMMUNITY SERVICE FUND REVENUE	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 ACTUAL	2022-23 REVISED	2023-24 PROPOSE	CHANGE FROM BUDGET	PERCENT CHANGE
Property Taxes	282,389	301,998	308,409	320,328	297,767	(22,561)	-7.0%
State Sources	136,766	167,495	133,175	150,000	155,000	5,000	3.3%
Program Tuition and Fees, Interest	2,285,490	2,160,317	2,593,500	2,618,833	2,815,516	196,683	7.5%
Other Local Sources - Inc. Transfers	172,771	14,247	168,316	168,316	170,000	1,684	1.0%
TOTAL	2,877,416	2,644,057	3,203,400	3,257,477	3,438,283	180,806	5.6%

COMMUNITY SERVICE FUND EXPENDITURES

FISCAL 2024 EXPENDITURES



FIVE YEAR COMPARISON BY OBJECT



COMMUNITY SERVICE FUND EXPENDITURES	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 ACTUAL	2022-23 REVISED	2023-24 PROPOSED	CHANGE FROM BUDGET	PERCENT CHANGE
Salaries & Wages	2,092,569	1,793,372	2,065,027	2,085,595	2,189,875	104,280	5.0%
Employee Benefits	326,591	298,997	367,869	380,000	410,400	30,400	8.0%
Purchased Services	516,175	350,473	455,487	496,015	497,986	1,971	0.4%
Supplies & Equipment	239,541	99,113	133,763	167,100	175,000	7,900	4.7%
Other Expenditures	135,114	64,263	92,775	36,300	50,000	13,700	37.7%
TOTAL	3,309,990	2,606,217	3,114,921	3,165,010	3,323,261	158,251	5.0%

Tech Levy Budget BOE 6-12-2023

		REVISED 2022-23 BUDGET	Proposed 2023-24 BUDGET
BEGINNING FUND BALANCE		109,165	0
REVENUES			
CAPITAL PROJECTS (TECHNOLOGY) LEVY		1,195,855	1,253,030
EXPENDITURES			
SALARIES AND WAGES	(a)	547,400	663,800
EMPLOYEE BENEFITS	(a)	139,920	171,804
PURCHASED SERVICES		76,500	193,000
SUPPLIES & EQUIPMENT	(b)	432,035	200,000
ONE-TIME ACCELERATION OF EQUIPMENT		109,165	24,426
TOTAL EXPENDITURES		1,305,020	1,253,030
REVENUES LESS EXPENDITURES		(109,165)	-
ENDING FUND BALANCE		0	0

Note: To accelerate much needed improvements to classroom technology and access points, the District will issue capital notes in 2023. Principal and Interest will be paid by existing operating capital revenue for four years.

- (a) District-wide network administration staff will be paid from tech levy effective FY 2024.
- (b) Capital notes proceeds of \$1 million allow the supply and equipment budget paid by the technology levy to be reduced to \$200,000 for one year (FY 2024).

Operating Capital Budget 2023-2024

BOE 6-12-2023 Approval

BEGINNING FUND BALANCE		\$ 816,496	\$ 753,803
		2022-23	2023-2024
		<u>Revised</u>	<u>PROJECTION</u>
REVENUE			
R001	LEVY	\$ 429,692	\$ 426,000
R211	STATE AID	303,031	300,405
	LEASE LEVY (Stadium ends 2023)	(a) 145,313	-
TOTAL ANNUAL REVENUE		\$ 878,036	\$ 726,405
EXPENDITURES			
170	Non-Instructional Support Technology	(b) \$ 106,600	
200s	Benefits	(b) 18,600	
405	Non-Instructional Software	(b) 30,000	
460	Textbooks & Workbooks (annual allowance)	225,000	225,000
470	Media Resources	10,000	10,000
505	Non-Instructional Tech Software	(b) 85,000	
511	Site Improvements	50,000	50,000
520	Building Construction	-	-
530	Equipment	20,000	20,000
531	Furniture (\$36,000 per site) Paused 2022-23	(d) 44,000	
	MS- Pause Furniture Expenditures	-	
535/550	Capital Lease- Vehicles (Bus purchase in 22-23)	(d) 100,000	-
555	Non-Instructional Tech Hardware	-	-
580	Capital Lease Principal (OCBR) & (Stadium 2023)	(a) 240,135	98,220
581	Capital Lease Interest (OCBR thru 2026)	(a) 11,394	2,976
599	Contingency	-	38,542
580/581	2023A Capital Bonds/Notes Principal and Interest	(c)	281,667
	Other	-	-
TOTAL EXPENDITURES		\$ 940,729	\$ 726,405
DIFFERENCE		\$ (62,693)	\$ -
ENDING FUND BALANCE		\$ 753,803	\$ 753,803

(a) Stadium was paid off in 2023

(b) Certain technology expenditures shifted to Tech Levy budget

(c) Principal and interest on \$1 million capital notes and \$432,700 capital bonds
will be paid with existing operating capital revenue through Fiscal year 2029

(d) Furniture and equipment replacement cycle will be paused through Fiscal year 2027

Orono Public School District No. 278

Debt Levy Verification for Taxes Payable 2023

Issue Type	Series	Principal	Interest	Total
School Building	2016A	3,100,000.00	657,937.50	3,757,937.50
School Building	2017A	765,000.00	877,500.00	1,642,500.00
Facilities Maintenance-H&S	2017B	35,000.00	6,550.00	41,550.00
Facilities Maintenance-DM	2017B	270,000.00	49,100.00	319,100.00
OPEB	2018A	300,000.00	68,032.50	368,032.50
Abatement	2018B	185,000.00	49,050.00	234,050.00
Facilities Maintenance-H&S	2021A	-	14,200.00	14,200.00
Facilities Maintenance-DM	2021A	-	24,000.00	24,000.00
Total		\$ 4,655,000.00	\$ 1,746,370.00	\$ 6,401,370.00

Summary By Issue Type	Principal & Interest	Required Debt Service Levy (105%)
Abatement	234,050.00	245,752.50
OPEB	368,032.50	386,434.13
School Building	5,400,437.50	5,670,459.38
Facilities Maintenance-H&S	55,750.00	58,537.50
Facilities Maintenance-DM	343,100.00	360,255.00
Total	\$ 6,401,370.00	\$ 6,721,438.50

2022 PAY 2023 Recommend 12-2022

Exhibit I

	Actual 2019 PAY 2020 FY2021	Actual 2020 PAY 2021 FY2022	Actual 2021 PAY 2022 FY2023	Recommended 2022 PAY 2023 FY2024	\$ Change
VOTER APPROVED LEVIES AND LTFM BONDS					
Operating Referendum	5,818,965.00	5,928,033.35	6,030,262.93	6,699,102.60	668,839.67
Operating Referendum Adjust for Prior Years	77,807.08	(102,693.13)	(294,478.94)	277,373.62	571,852.56
Capital Projects - Technology Levy	1,066,451.32	1,122,409.19	1,195,855.69	1,253,030.00	57,174.31
Basic Debt Service	5,663,950.00	5,663,320.00	5,671,300.00	5,670,460.00	(840.00)
Reduction for Debt excess	(294,781.33)	0.00	(109,525.74)	(342,120.86)	(232,595.12)
Abatement	15,162.41	5,016.07	18,804.71	31,938.21	13,133.50
Debt Service Aid	246,382.50	244,703.00	248,063.00	245,753.00	(2,310.00)
LTFM Debt Service	374,745.00	376,845.00	421,906.33	418,793.00	(3,113.33)
TOTAL VOTER APPROVED & LTFM BONDS	12,968,681.98	13,237,633.48	13,182,187.98	14,254,329.57	1,072,141.59
8.13%					
NON-VOTER APPROVED LEVIES					
GENERAL					
Location Optional Revenue	2,267,862.30	2,301,001.54	2,276,507.29	2,256,686.59	(19,820.70)
Equity	231,393.37	229,779.83	226,798.27	223,981.83	(2,816.44)
Transition	2,844.90	2,848.20	2,813.75	2,786.26	(27.49)
Operating Capital	407,222.38	438,386.18	484,455.62	513,908.43	29,452.81
Alternative Teacher Compensation	279,115.16	279,320.76	270,544.80	272,695.25	2,150.45
Achievement & Integration	46,941.79	45,211.10	46,714.14	49,127.82	2,413.68
Unemployment	12,000.00	200,000.00	50,000.00	50,000.00	-
Safe Schools	166,770.00	166,963.80	164,944.20	163,332.60	(1,611.60)
Judgement	0.00	0.00	0.00	0.00	-
Career Technical	81,874.58	91,989.61	91,989.61	87,290.63	(4,698.98)
Annual OPEB	27,993.66	30,000.00	25,740.65	159,484.00	133,743.35
Long-Term Facilities Maintenance (LTFM)	942,983.43	930,808.11	877,768.91	904,240.22	26,471.31
Long-Term Facilities Maintenance (IAQ)	0.00	0.00	1,129,099.00	918,000.00	(211,099.00)
Building/Land Lease	451,129.64	505,256.46	524,777.33	393,767.15	(131,010.18)
Adjustments :					
Local Optional Adjust	10,604.24	19,029.45	(88,529.84)	(145,300.49)	(56,770.65)
Equity Adjust	(3,932.57)	(3,041.63)	(4,558.18)	(8,695.59)	(4,137.41)
Transition Adjust	21.75	(16.06)	(132.15)	(132.01)	0.14
Operating Capital Adj	(27,714.21)	(8,694.59)	20,473.68	(412.73)	(20,886.41)
Alternative Teacher Compensation	4,208.25	(4,152.00)	(16,995.58)	(484.50)	16,511.08
Achievement & Integration	(9,035.31)	(3,265.15)	(7,677.92)	(8,649.23)	(971.31)
Unemployment Adjust	25,908.60	1,181.54	(476.08)	(200,000.00)	(199,523.92)
Safe Schools	1,816.11	1,322.43	(2,275.11)	(7,289.94)	(5,014.83)
Career Tech Adjust	17,150.40	0.00	0.00	(4,698.98)	(4,698.98)
Health Benefits(OPEB) Adjust	0.00	(27,993.66)	0.00	0.00	-
LTFM	18,219.48	(61,434.60)	(51,873.80)	(10,769.20)	41,104.60
Lease	1,761.00	842.40	21,856.49	(3,568.96)	(25,425.45)
Abatement	21,171.22	19,732.34	16,624.48	89,711.48	73,087.00
Abatement - Advance	8,231.33	(11,818.59)	18,150.92	(29,030.29)	(47,181.21)
TOTAL GENERAL	4,986,541.50	5,143,257.47	6,076,740.48	5,665,980.34	(410,760.14)
-6.76%					
COMMUNITY SERVICE					
Basic	96,036.95	96,036.95	101,270.35	101,270.35	-
Early Childhood Family Ed	104,821.76	109,957.12	117,282.55	114,441.25	(2,841.30)
Home Visiting	1,588.59	1,788.06	1,944.65	2,038.21	93.56
School Age Care	93,332.00	93,800.00	93,800.00	98,500.00	4,700.00
Adjustment :					
Early Childhood Family Ed	6,941.78	5,135.36	5,014.70	(2,841.30)	(7,856.00)
Home Visit	34.33	66.64	103.12	154.00	50.88
School Age Care	(1,026.00)	4,616.00	0.00	(17,427.89)	(17,427.89)
Abatement	558.40	518.96	472.71	2,348.74	1,876.03
Abatement - Advance	165.16	(297.76)	440.17	(716.34)	(1,156.51)
TOTAL COMMUNITY SERVICE	302,452.97	311,621.33	320,328.25	297,767.02	(22,561.23)
-7.04%					
OPEB DEBT SERVICE					
OPEB	388,586.63	390,136.00	380,560.00	386,435.00	5,875.00
Debt Excess Reduction for OPEB	(22,871.61)	(27,307.68)	(17,876.06)	(19,410.48)	(1,534.42)
Abatement	890.62	787.58	602.36	2,849.14	2,246.78
Abatement - Adv - OPEB	286.28	(496.28)	493.70	(912.82)	(1,406.52)
TOTAL OPEB DEBT SERVICE	366,891.92	363,119.62	363,780.00	368,960.84	5,180.84
1.42%					
TOTAL NON-VOTER APPROVED	5,655,886.39	5,817,998.42	6,760,848.73	6,332,708.20	(428,140.53)
-6.33%					
TOTAL LEVY	18,624,568.37	19,055,631.90	19,943,036.71	20,587,037.77	644,001.06
Percent Change	3.60%	2.31%	4.66%	3.23%	