



Budget Advisory Council

January 10, 2024



DISTRICT196[®]
One District. Infinite Possibilities.

Agenda



1. Public Input (15 minutes total and each speaker up to 3 minutes)
2. Review Agenda and Approve the November 8, 2023 Minutes
3. Superintendent Update
4. Review Financial Documents – Danny DuChene
 - 2022-23 ACFR
 - 2023-24 Final Budget
5. FY2024-25 Financial Projections
6. Facilities Update – Christopher Onyango-Robshaw
7. OPEB Update – Christopher Onyango-Robshaw
8. Legislative Advocacy Opportunities
 - Legislative Forum (with local legislators) Apple Valley High School – Jan 23, 2024
 - Day at the Capitol – April 2, 2024 9am-3pm
9. Next Meeting – March 13, 2024
10. Adjournment



Review Financial Documents

2022-23 ACFR-Audit Findings & Results



FINDINGS

Financial Statements:

1. None noted

Federal Awards:

1. None noted

Minnesota Legal Compliance:

1. None noted

AUDIT OF FEDERAL FUNDS

- All entities with federal award expenditures of \$750,000+ in a year are required to obtain an annual audit
- Single audit – considers compliance with rules and regulation of applicable federal awards
- The District received unmodified opinions on compliance for the major federal awards programs report
 - ESSER
 - Child Nutrition
 - Special Education



During 2023, the District expended approximately \$30.9 million in Federal awards.

2022-23 Fund Balances



Fund Description	2022-23 Beginning Fund Balance	2022-23 Ending Fund Balance	2022-23 Change In Fund Balance
General Fund	\$94,094,796	\$91,651,293	(\$2,443,503)
Food Service Fund	\$8,272,064	\$7,865,287	(\$406,777)
Community Education Fund	\$3,209,951	\$3,858,245	\$648,294
Building Construction Fund	\$298,599	(\$61,747)	(\$360,346)
Debt Service Funds	\$4,543,913	\$5,776,224	\$1,232,311
Internal Service Funds	\$16,715,600	\$12,508,873	(\$4,206,727)
Fiduciary Funds	\$54,513,180	\$55,307,861	\$794,681
Totals	\$181,648,104	\$176,906,033	(\$4,742,071)

2022-23 General Fund

BUDGET TO ACTUAL

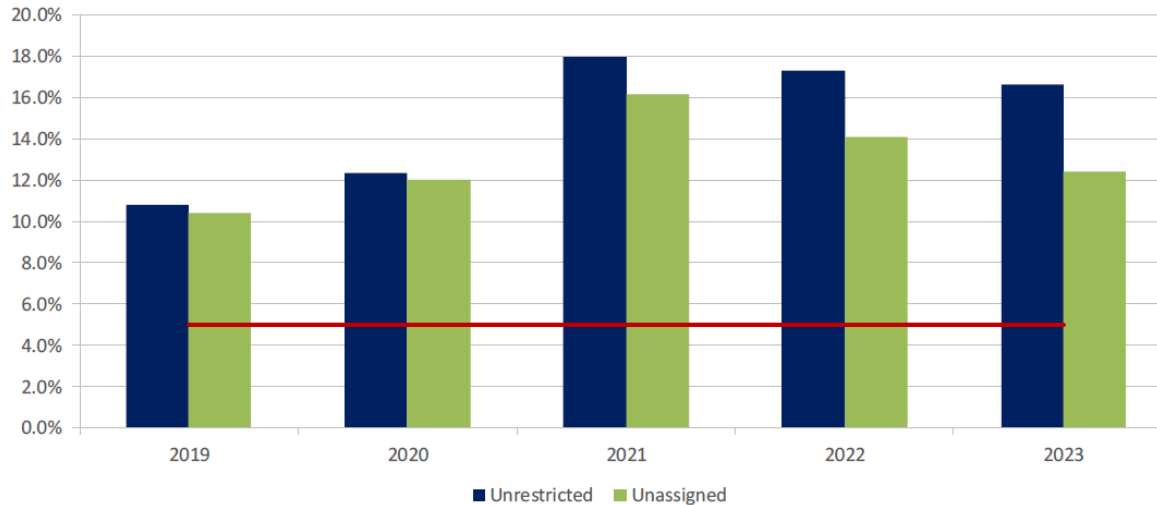
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Local property tax levies	\$ 105,625,990	\$ 105,829,432	\$ 106,195,718	\$ 366,286
Other local and county sources	5,894,469	9,943,360	10,746,135	802,775
Investment earnings	-	4,900,000	4,602,414	(297,586)
Rental income	-	-	134,081	134,081
State sources	307,135,479	309,915,652	314,703,870	4,788,218
Federal sources	26,360,942	23,682,027	21,457,130	(2,224,897)
Sales and other conversion of assets	81,663	371,005	328,127	(42,878)
Total revenues	445,098,543	454,641,476	458,167,475	3,525,999
Expenditures				
Current				
Administration	19,867,804	20,714,923	19,634,436	1,080,487
District support services	15,950,068	16,567,256	14,074,008	2,493,248
Regular instruction	212,225,294	224,478,422	213,682,467	10,795,955
Vocational instruction	5,374,523	5,766,949	5,695,353	71,596
Special education instruction	90,699,932	92,967,906	89,884,344	3,083,562
Instructional support services	23,263,236	22,802,640	27,604,925	(4,802,285)
Pupil support services	36,372,393	37,877,400	38,515,802	(638,402)
Sites and buildings	25,806,794	25,825,433	30,975,242	(5,149,809)
Fiscal and other fixed cost programs	1,587,575	1,567,575	1,517,915	49,660
Debt Service				
Principal	3,513,626	3,742,630	6,415,338	(2,672,708)
Interest	1,163,298	1,163,298	1,267,711	(104,413)
Capital outlay	19,681,321	21,638,659	14,357,478	7,281,181
Total expenditures	455,505,864	475,113,091	463,625,019	11,488,072
Deficiency of Revenues over (under) Expenditures	(10,407,321)	(20,471,615)	(5,457,544)	15,014,071
Other Financing Sources (Uses)				
Transfer out	(94,000)	(164,746)	(211,175)	(46,429)
Sale of property	10,000	795,000	778,465	(16,535)
Insurance recovery	-	60,000	98,736	38,736
Subscription based IT arrangements	-	-	2,277,418	2,277,418
Leases	-	-	70,597	70,597
Total Other Financing Sources (Uses)	(84,000)	690,254	3,014,041	2,323,787
Net Change in Fund Balance	\$ (10,491,321)	\$ (19,781,361)	(2,443,503)	\$ 17,337,858
Fund Balance, Beginning of Year			94,094,796	
Fund Balance, End of Year			\$ 91,651,293	



2022-23 General Fund

UNRESTRICTED AND UNASSIGNED FUND BALANCE

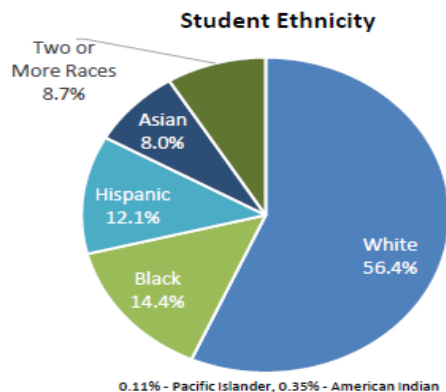
The District's unrestricted fund balance and unassigned fund balance as a percentage of expenditures in the General Fund for the last 5 years:



The maroon lines indicate the District's fund balance policy of maintaining an unassigned fund balance of 5% of expenditures.



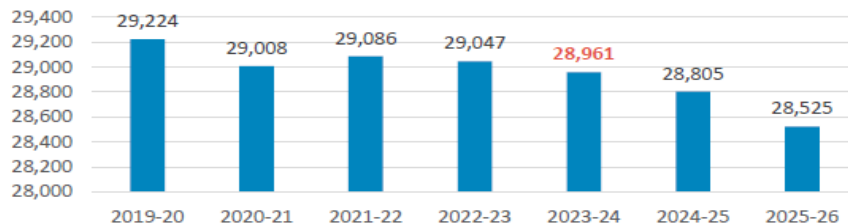
2023-24 Final Budget



Total Students: **28,961**

- 3rd largest public school district in Minnesota
- Grades K-5: 11,597 (40.0%)
- Grades 6-8: 6,303 (21.8%)
- Grades 9-12: 9,164 (31.6%)
- Center-based Special Education: 1,264 (4.4%)
- Early Childhood Special Education: 581 (2.0%)
- Adult Basic Education: 46 (0.2%)

Enrollment History & Projections



2023 - 24 Final Budget



Fund	Fund Balance 7/1/2023	Revenues	Expenditures	Fund Balance Transfer	Projected Fund Balance 6/30/2024
General Fund					
Operating	126,167,976	364,176,096	332,663,979	(159,496)	157,680,093
Transportation	(593,684)	26,119,475	26,546,886	-	(1,021,095)
Capital Expenditure	6,075,533	12,539,845	15,586,759	-	3,028,619
LTFM	3,246,615	14,030,876	15,226,783	-	2,050,708
Special Education	(41,664,504)	65,713,735	99,290,351	-	(75,241,120)
Quality Compensation	(1,580,646)	7,682,675	7,830,358	-	(1,728,329)
Total General Fund	91,651,290	490,262,702	497,145,116	(159,496)	84,768,876
Special Revenue Funds					
Food Service	7,865,288	19,747,500	17,517,474	-	10,095,314
Community Service	3,858,244	10,419,854	10,378,063	159,496	3,900,035
Total Special Revenue Funds	11,723,532	30,167,354	27,895,537	159,496	13,995,349
Building Construction Fund					
Turf Fields Projects	-	-	-	-	-
Series 2016A Bond	(61,747)	311,300,000	36,252,269	-	274,985,984
Total Building Construction Fund	(61,747)	311,300,000	36,252,269	-	274,985,984

2023 - 24 Final Budget



<u>Fund</u>	<u>Fund Balance 7/1/2023</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance Transfer</u>	<u>Projected Fund Balance 6/30/2024</u>
Debt Service Funds					
Regular, excludes refunding	5,776,224	17,488,253	16,670,900	-	6,593,577
OPEB Bonds	-	-	-	-	-
Total Debt Service Funds	5,776,224	17,488,253	16,670,900	-	6,593,577
Internal Service Funds					
GASB #16	(1,849,867)	2,000,000	699,999	-	(549,866)
Self-Insured Dental	330,722	477,000	460,000	-	347,722
Self-Insured Health	14,028,018	68,545,000	67,905,000	-	14,668,018
Total Internal Service Funds	12,508,873	71,022,000	69,064,999	-	14,465,874
Custodial & Fiduciary Funds					
OPEB Irrevocable Trust	55,307,861	1,600,000	3,500,000	-	53,407,861
Total Trust	55,307,861	1,600,000	3,500,000	-	53,407,861
Total All Funds	176,906,033	921,840,309	650,528,821	-	448,217,521

2023 - 24 Final Budget



<u>Fund</u>	<u>Fund Balance</u> <u>7/1/2023</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Projected</u> <u>Fund Balance</u> <u>6/30/2024</u>
General Fund				
Unrestricted - Unassigned	56,839,874	453,132,214	455,771,811	54,200,277
Operating Capital	5,564,329	12,539,845	15,586,759	2,517,415
Capital Projects Levy	1,820,113	8,688,962	8,688,962	1,820,113
LTFM	3,223,671	14,030,876	15,226,783	2,027,764
Medical Assistance	2,602,952	1,500,000	1,499,996	2,602,956
Student Activity Accounts	327,272	370,805	370,805	327,272
Site Carry-over	10,757,589	-	-	10,757,589
Negative Budget Assigned FB	8,701,308	-	-	8,701,308
Non-Spendable	1,814,179	-	-	1,814,179
Total General Fund	91,651,290	490,262,702	497,145,116	84,768,876

→ 10.9%

Rev Change in Budget (Pre-Final)	4.4%	Exp Change in Budget (Pre-Final)	3.4%
Rev Change in Budget (Final to Final)	7.6%	Exp Change in Budget (Final to Final)	4.6%



FY2024-25 Financial Projections

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Facilities Update



OPEB Update

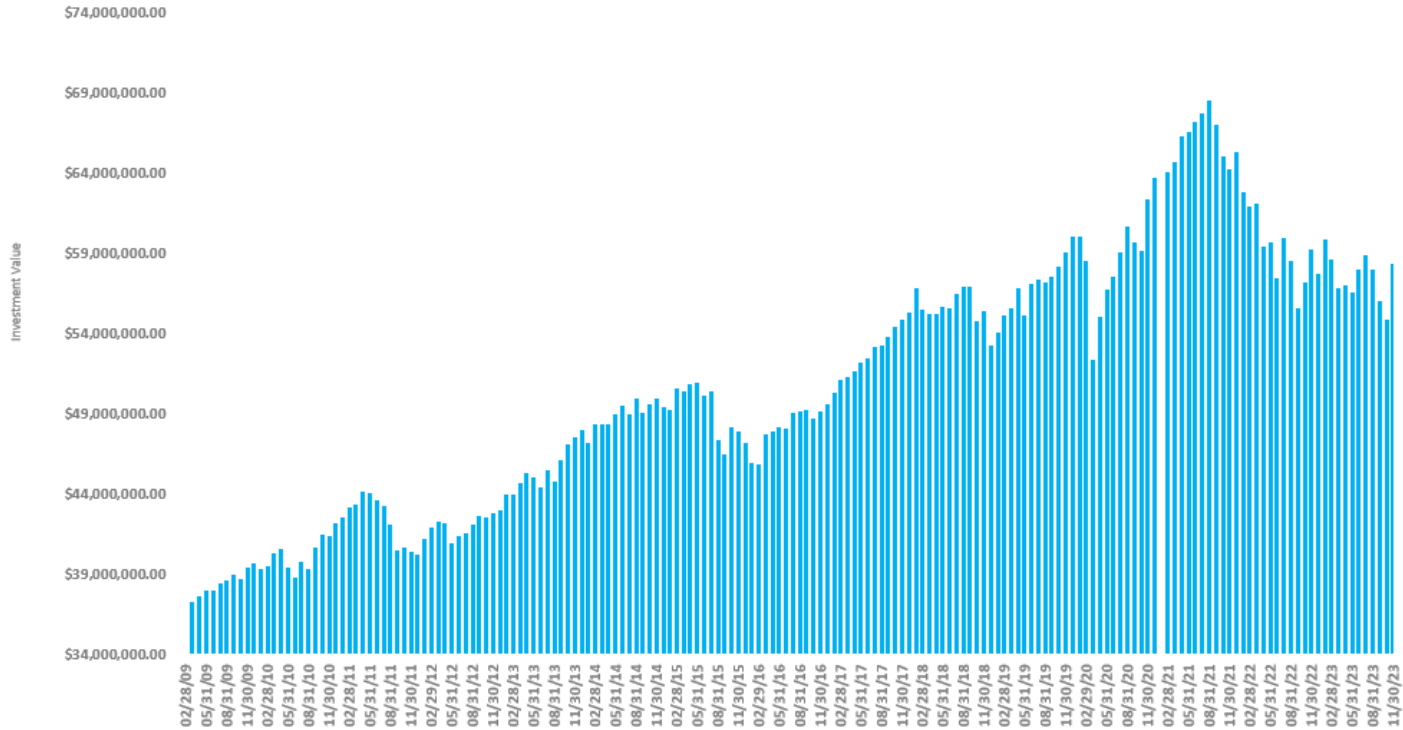
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OPEB Update

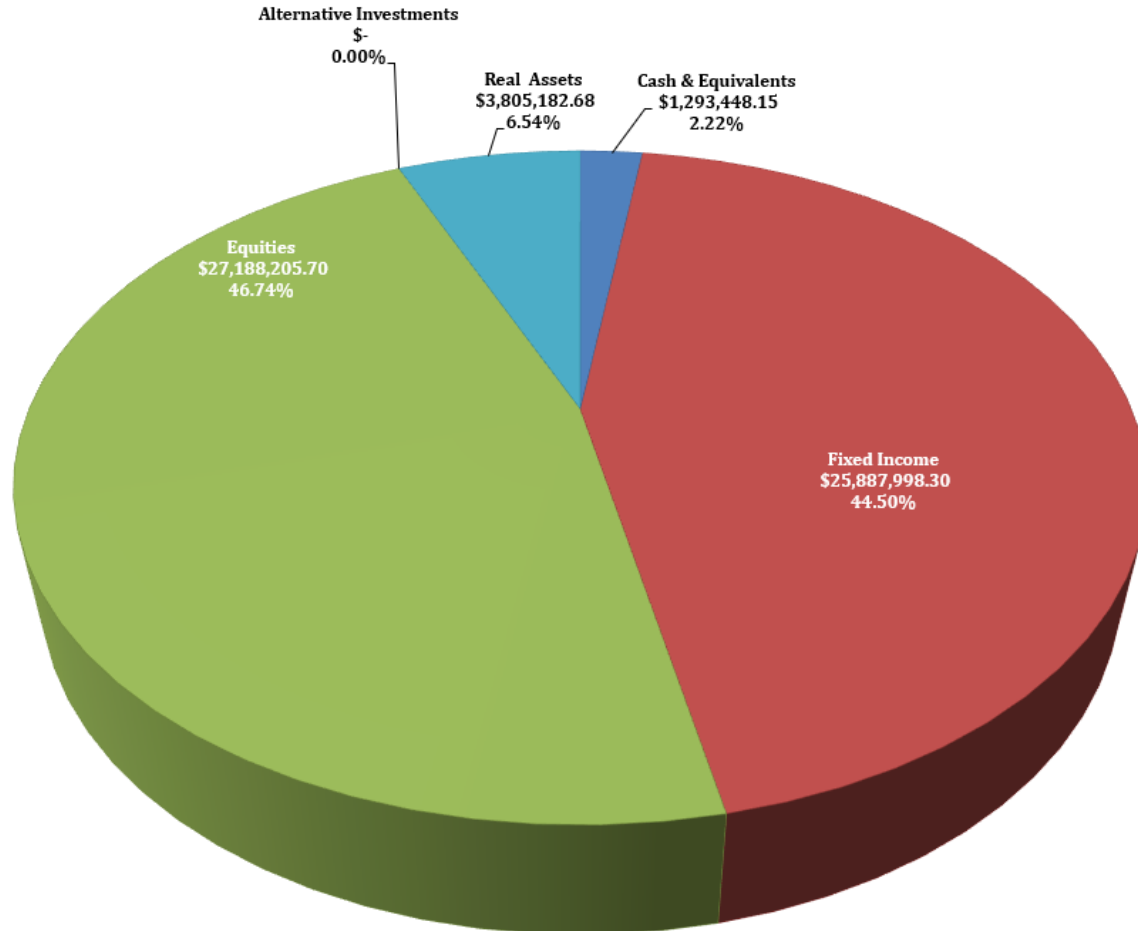
District 196 OPEB Trust Performance

TOTAL VALUE
\$58,174,834.83

11/30/2023



OPEB Update



Legislative Advocacy Opportunities



January 23, 2024 - Legislative Forum with local legislators at Apple Valley High School

April 9, 2024 – Day at the Capitol from 9am-3pm

Next Meeting & Adjournment

March 13, 2024

