School District 622
NORTH ST. PAUL | MAPLEWOOD | OAKDALE
Ready for tomorrow

District 622 Finance Committee

6:00 pm
October 1, 2024
District 622 Education Center

Agenda

- Welcome
- Introductions
- Purpose
- Main Topic: Budget Overview
  - School Finance 101
    - Building Blocks
    - Enrollment
    - FY 25

Introductions

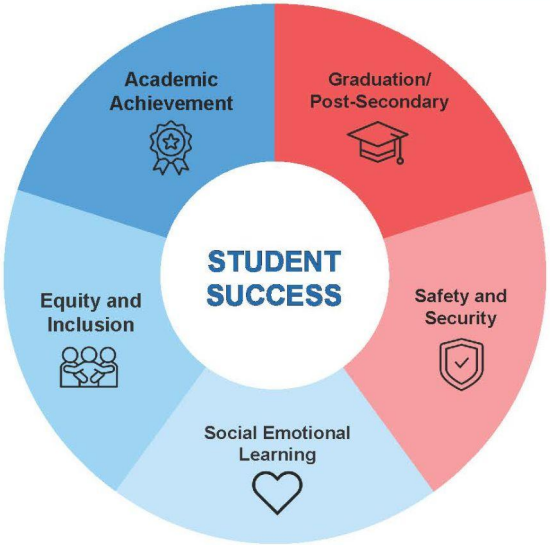
- Please introduce yourself
  - Role (staff or community member)
  - # of years affiliated, either working or living in ISD 622
  - What do you hope to learn?

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District 622 Strategic Plan 2024-2029

OUR MISSION

District 622 will inspire lifelong learners who thrive in diverse communities.



GOALS

Academic Achievement
- Students will successfully meet academic standards.

Graduation/Post Secondary
- Students will graduate fully prepared for post-secondary success.

Safety & Security
- Students and staff will feel physically and emotionally safe at school.

Social Emotional Learning
- Students and staff will work and learn in a positive school culture that promotes personal well-being.

Equity and Inclusion
- Students, staff, and families will feel welcomed and included as valued members of our diverse school community.

Our values are the foundation of our community and guide our actions.

Inclusion • Innovation • Excellence • Growth • Collaboration • Curiosity

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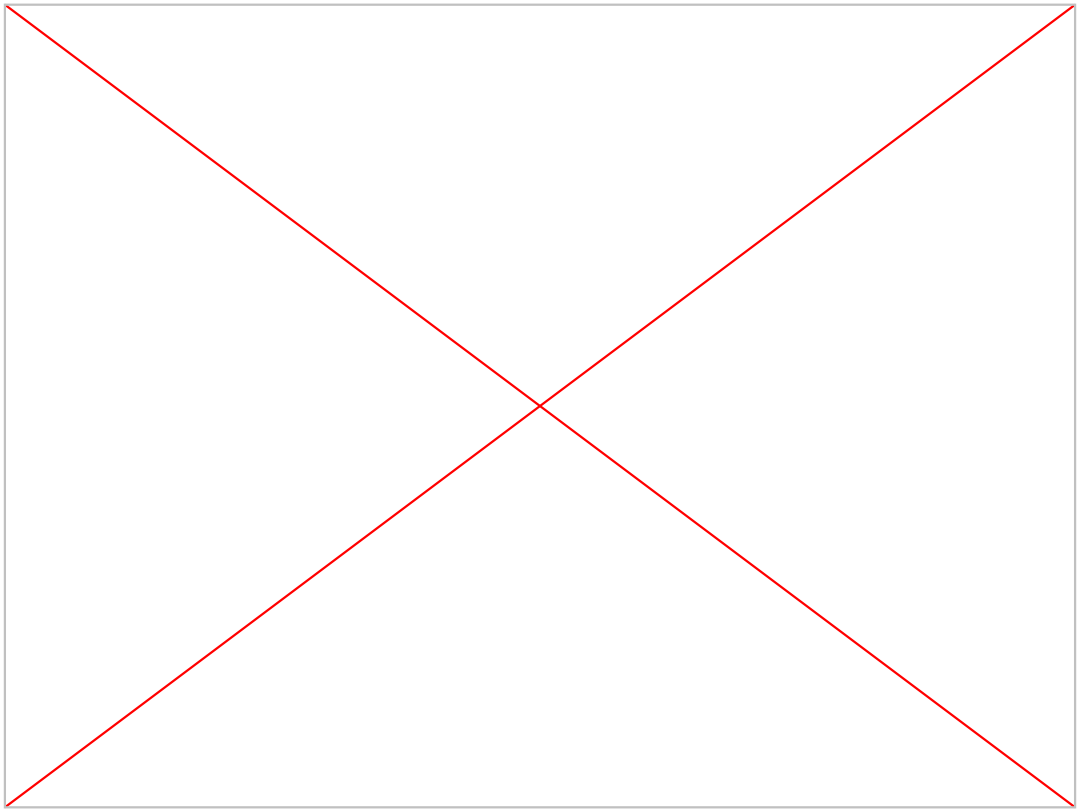
Purpose

The purpose of the District 622 Finance Committee is to provide community-based input and feedback on district financial issues. The committee members are liaisons between the community and the school district.

Budget Timeline

Fall	Winter	Spring	Summer
Proposed Tax Levy	Truth-In-Taxation	Budget revisions/ assumptions	Current year budget revisions
Audit	Audit wrap-up	Capital Budget	Approve following year budget by June 30
	Next year budget preparations		
	Current year budget revisions		

Main Topic: Budget Overview





FY25 Budget

2024-2025 school year

July 1- June 30 Fiscal Year



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Enrollment Projections in ISD 622

Enrollment Projected by End of the Year Adjusted ADM								Using a	3 Year We
	Enrollment History								Enr
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
ECSE	140.9	155.7	156.0	133.7	142.0	158.7	131.2	162.9	157.1
Pre K	97.4	109.5	108.3	94.3	121.1	157.5	177.3	161.7	155.9
HK	114.3	126.2	119.3	105.7	107.1	126.2	163.1	157.9	152.2
K	594.8	608.3	623.0	562.2	564.7	579.4	585.5	566.7	546.4
1	673.4	743.7	760.9	716.9	688.2	693.0	711.3	763.2	738.7
2	700.9	668.1	728.6	724.9	728.5	679.9	693.6	710.6	762.5
3	761.6	699.6	679.7	714.4	731.8	725.2	671.1	689.1	706.1
4	767.1	757.2	689.4	662.4	718.1	720.3	726.3	668.6	686.6
5	789.8	777.9	753.5	675.5	696.6	721.8	712.0	729.6	671.7
6	781.4	797.2	754.0	718.2	653.2	684.1	703.0	694.6	711.7
7	750.9	798.7	795.8	758.4	721.9	659.8	686.9	707.4	698.9
8	803.6	746.9	770.3	783.0	775.4	709.3	655.2	683.1	703.5
9	867.8	912.2	855.5	862.3	866.6	886.2	863.3	769.2	802.0
10	915.3	867.0	912.6	850.7	889.3	900.7	896.9	884.3	788.0
11	879.3	884.8	854.1	882.1	843.5	883.4	886.1	886.4	873.9
12	994.2	983.0	1,001.7	1,060.7	1,015.1	950.7	932.3	970.4	970.8
K-12	10,394.4	10,370.9	10,298.3	10,077.4	10,000.1	9,919.8	9,886.4	9,881.1	9,812.9
ECSE-12	10,632.7	10,636.0	10,562.6	10,305.4	10,263.2	10,235.9	10,194.9	10,205.7	10,125.9
Adjusted Pupil Units	11,674.9	11,674.5	11,600.6	11,344.9	11,285.5	11,234.0	11,179.1	11,185.9	11,093.3
% Change K-12		-0.23%	-0.70%	-2.15%	-0.77%	-0.80%	-0.34%	-0.05%	-0.69%

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Enrollment as of September 30

Grade	Totals
K	732
1	769
2	722
3	709
4	706
5	751
6	706
7	724
8	710
9	830
10	899
11	908
12	944
K-12 Totals	10110

Budget Funds

- General Fund (Fund 1)
- Food Service Fund (Fund 2)
- Community Service Fund (Fund 4)
- Building Construction Fund (Fund 6)
- Debt Service Fund (Fund 7)
- Self-Insured Health (Fund 20)
- Self-Insured Dental (Fund 21)
- OPEB Trust (Fund 45)
- OPEB Funds (Fund 47)

History of the Basic Formula Allowance

School Year	Formula Allowance
2024-25	$7,281
2023-24	$7,138
2022-23	$6,863
2021-22	$6,728
2020-21	$6,567
2019-20	$6,438

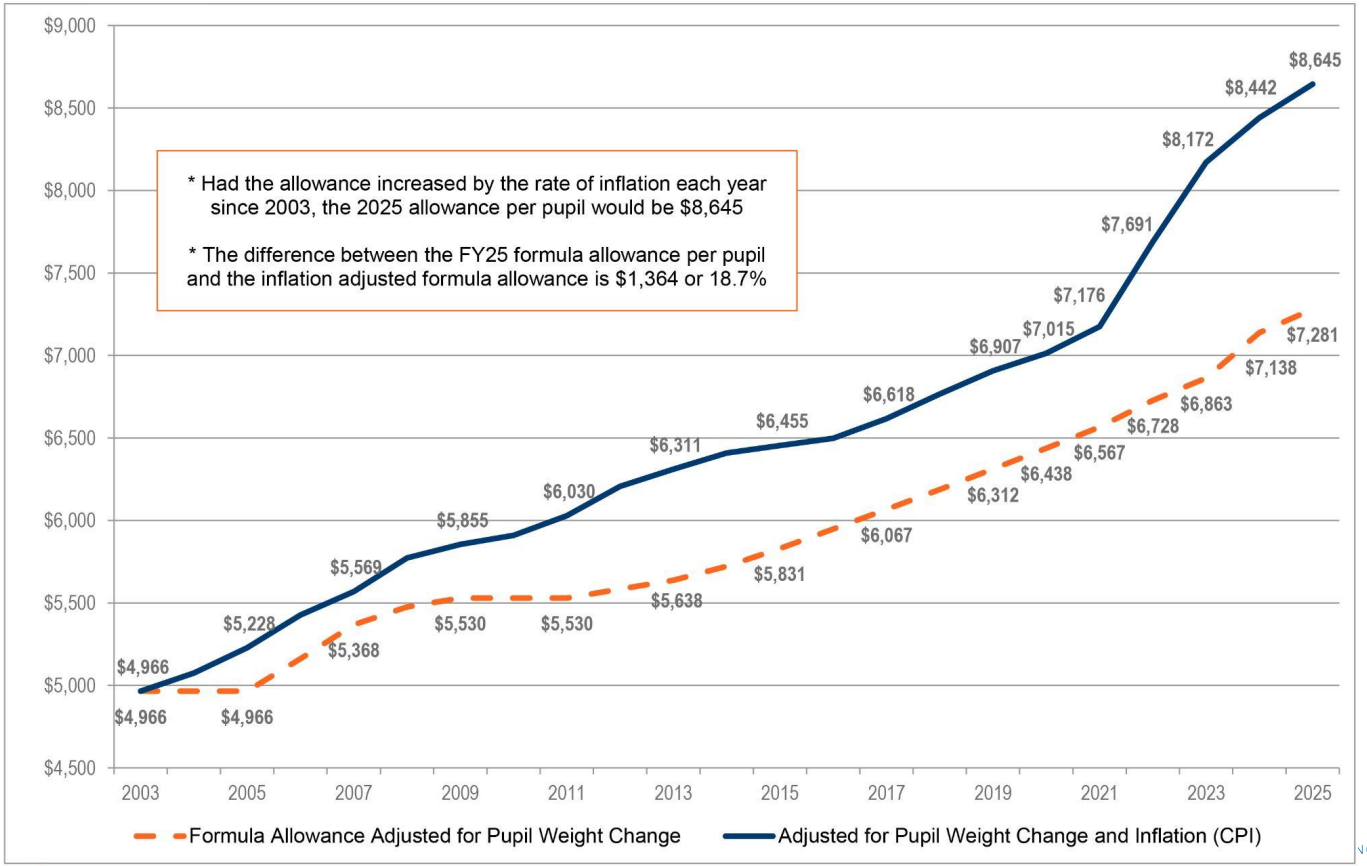
FYI - Basic General Education Formula

- Since 2002-03, state General Education Revenue formula has not kept pace with inflation.
- For Fiscal Year 2023-24, an increase of 4.00% or $275 over previous year was approved.
- For Fiscal Year 2024-25, an increase of 2.00% or $143 over previous year was approved.

Per-pupil allowance for Fiscal Year 2024-25 of $7,281 would need to increase by another $1,356 (18.6%) to have kept pace with inflation since 2002-03, resulting in an allowance of $8,637.

General Education Formula Allowance, 2003-2025

Adjusted for Pupil Weight Change and Inflation (CPI)



Source: MDE June 2024 Inflation Estimates and Minnesota Laws 2023

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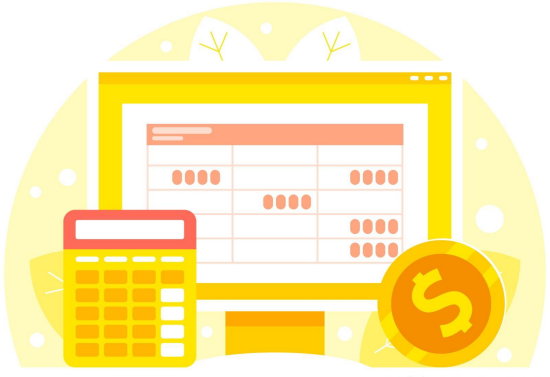
FY25 Budget Assumptions

Basic Formula Allowance	2% increase
Enrollment	Flat
Compensatory revenue	$2.1 million increase
ESSER reduction	$4 million decrease
Utilities	9-9.5% increase
Salaries/Benefits	Varies depending on contract settlements
Property Liability Insurance	20% increase
Contracted Transportation	15% increase
Workers Comp Insurance	5% increase
Fuel	6% increase
Inflation	3-5%

FY25 Budget - Pop Quiz

Q: For FY25, what is the approximate board approved budget amount?

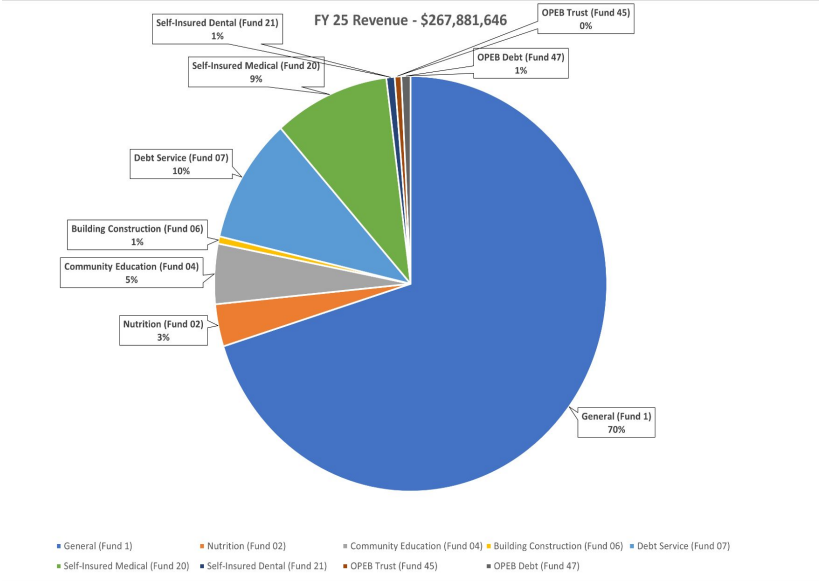
A. 189 million
B. 228 million
C. 267 million
D. 321 million
E. 356 million



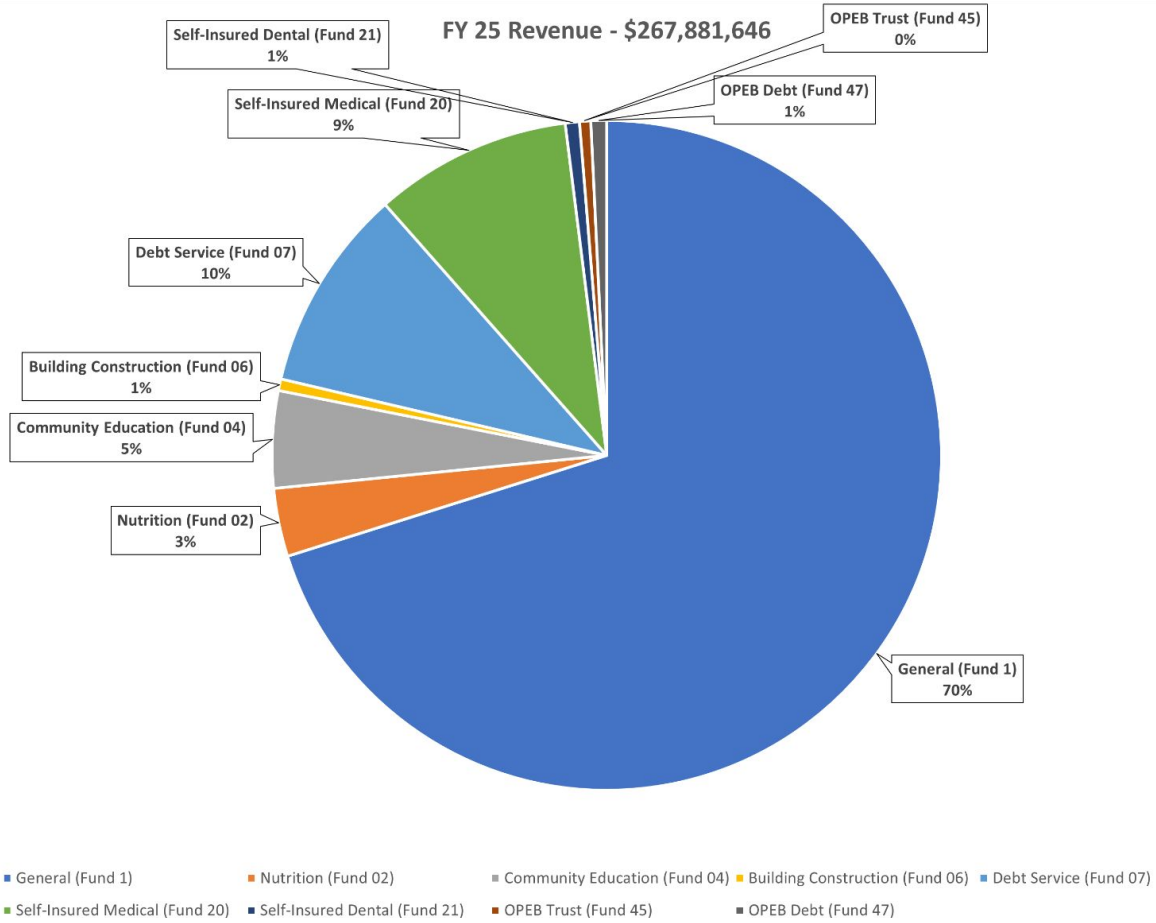
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2024-25 Budget - $267,881,646

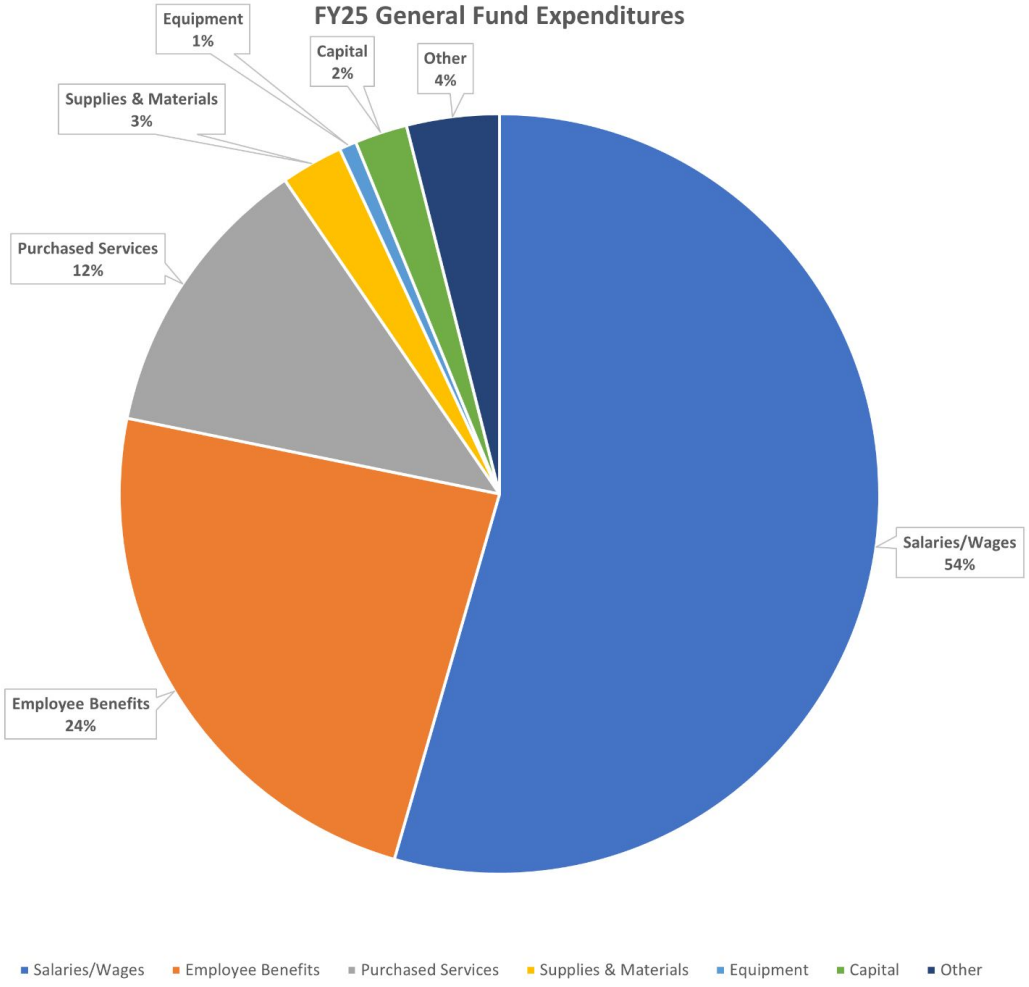
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Budget Reductions - FY25

$6.7 million deficit (General Fund, Fund 01)

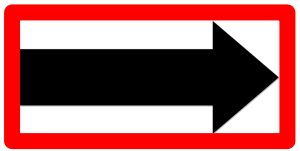
- Reductions
  - Approx $4 million reductions (staff, supplies, technology, operations, etc)
  - Approx $2.7 million fund balance contribution

General Fund Budget Overview (Fund 1)

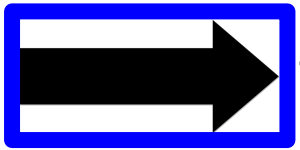
Definitions	Projected 2024-2025
Revenue	$187,869,384
Expenditures	$190,499,393
Revenue Over (Under) Expenditures	($2,630,009)
Fund Balance	$31,719,618
Assigned Fund Balance	$14,228,015
Unassigned Fund Balance	$17,491,603
Percent Unassigned	9.2%
Unassigned Target Fund Balance %	8.0%
Minimum Unassigned Fund Balance	$15,239,951
Fund Balance Over (Under) Target	$2,251,652

Proposed Tax Levy - 24 Pay 25

Fall 2024 approval is…



For property taxes collected in **2025**



The basis for property tax revenue when building our **FY26** budget

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Preliminary Levy Certification



Approval is required by the state



Deadline is September 30



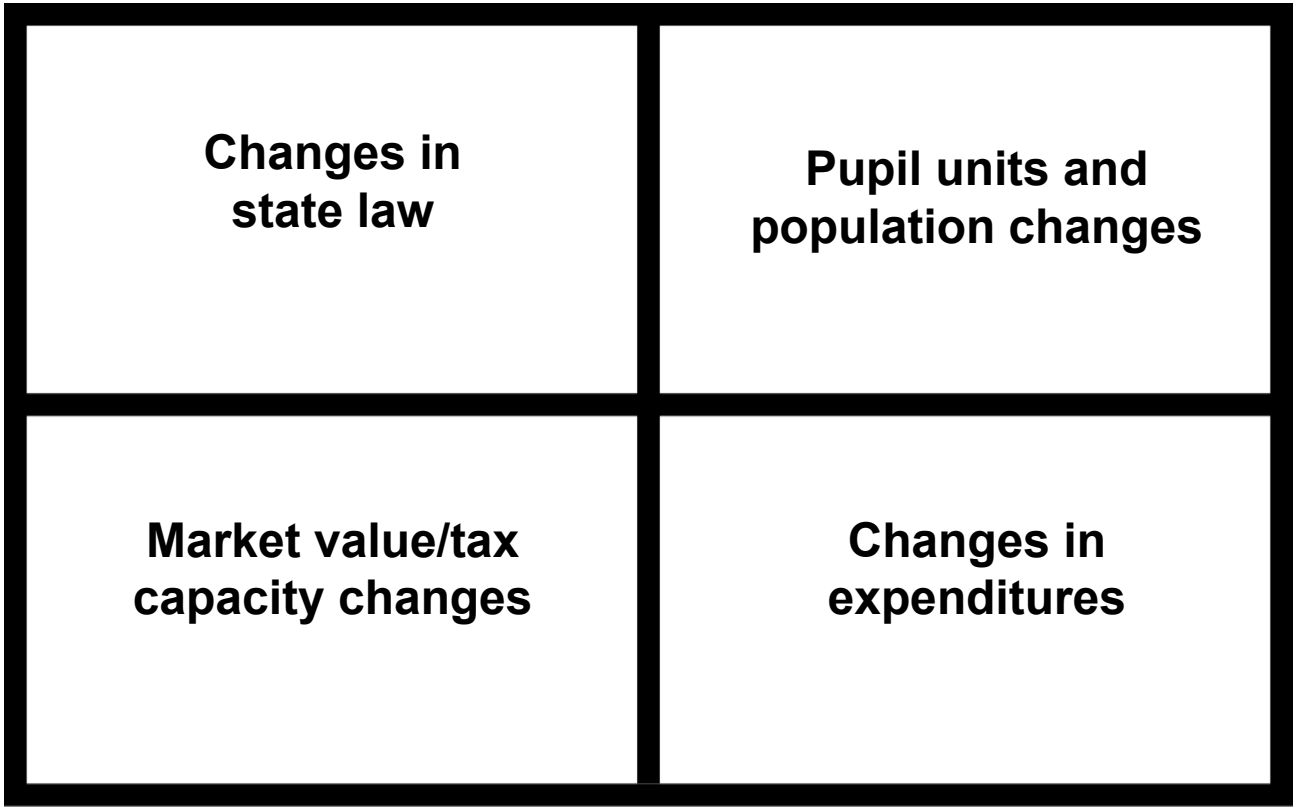
Provides information to County Auditors for proposed tax statements



Final levy certification takes place in December

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Changes in the levy



ISD 622 North St. Paul-Maplewood-Oakdale Schools
Proposed Levy Certification 2024 Pay 2025

General Fund (Fund 1)	Pay 2024	Proposed Pay 2025	$ Change	% Change
Operating Referendum	$ 11,180,088	$ 11,372,889	$ 192,801	
Local Optional	$ 7,922,173	$ 8,071,009	$ 148,836	
Equity	$ 1,349,524	$ 1,371,482	$ 21,958	
Transition	$ 150,314	$ 149,900	$ (414)	
Operating Capital	$ 1,418,068	$ 1,537,952	$ 119,884	
Q Comp	$ 939,904	$ 951,541	$ 11,637	
Achievement & Integration	$ 862,732	$ 896,727	$ 33,995	
Reemployment Insurance	$ 100,000	$ 100,000	$ -	
Safe Schools	$ 402,926	$ 401,818	$ (1,108)	
Safe Schools - Intermediate	$ 167,886	$ 167,424	$ (462)	
Ice Arena	$ 222,527	$ 217,051	$ (5,476)	
Career & Technical	$ 670,842	$ 702,292	$ 31,450	
Annual OPEB	$ 750,000	$ 1,400,000	$ 650,000	
Long Term Facilities Maintenance (LTFM	$ 6,375,563	$ 5,953,425	$ (422,138)	
Building/Land Lease	$ 2,243,053	$ 2,109,242	$ (133,811)	
Econ Dev Abatement (Woodbury)	$ 290,757	$ 336,550	$ 45,793	
Adjustments and Abatements	$ (98,096)	$ 777,878		
General Fund Total Levy	**$ 34,948,261**	**$ 36,517,178**	**$ 1,568,917**	**4.5**

Community Service (Fund 4)	Pay 2024	Proposed Pay 2025	$ Change	% Change
Basic Community Educaton	$ 551,189	$ 525,203	$ (25,986)	
Early Childhoold Education	$ 294,367	$ 318,350	$ 23,983	
Home Visiting	$ 9,186	$ 10,278	$ 1,092	
Adults with Disabilities	$ 8,819	$ 8,440	$ (379)	
School-age Care	$ 700,000	$ 499,443	**$ (200,557)**	
Adjustments and Abatements	$ (12,461)	$ 14,657		
Community Service Fund Total Levy	**$ 1,551,100**	**$ 1,376,370**	**$ (174,730)**	**(11.3)**

Debt Service (Fund 7)	Pay 2024	Proposed Pay 2025	$ Change	% Change
Voter Approved Debt Service	$ 16,157,506	$ 15,067,760		
Non-Voter Approved Debt Service	$ 10,793,911	$ 12,289,227		
Adjustments and Abatements	$ (667,069)	$ -		
Debt Service Fund Total Levy	**$ 26,284,348**	**$ 27,356,987**	**$ 1,072,639**	**4.1**

OPEB Debt Service (Fund 47)	Pay 2024	Proposed Pay 2025	$ Change	% Change
Debt Service	$ 2,106,001	$ 2,104,384		
Adjustments and Abatements	$ (71,430)	$ (128,868)		
OPEB Debt Service Fund Total Levy	**$ 2,034,571**	**$ 1,975,516**	**$ (59,055.00)**	**(2.9)**

	Pay 2024	Proposed Pay 2025	$ Change	% Change
Grand Total All Funds	**64,818,280**	**$ 67,226,051**	**$ 2,407,771**	**3.7**

Next Steps

- Approval of the proposed levy at the maximum: September 17
- Truth in Taxation hearing: December 17
- Approval of the final levy: December 17

Summary

Fund	Pay 2024	Proposed Pay 2025 Levy	Increase/ Decrease	% Difference
General	$34,948,261	$36,517,178	$1,568,917	4.5%
Community Service	$1,551,100	$1,376,370	$174,730	-11.3%
Debt Service	$26,284,348	$27,356,987	$1,072,639	4.1%
OPEB	$2,034,571	$1,975,516	*$(59,055)*	-2.9%
Total	**$64,818,280**	**$67,226,051**	**$2,407,771**	**3.7%**

as of 9/17/24

Resources

- School Finance Guide for Legislators
- School Finance Acronyms
- A Guide to the MN Property Tax System
- Why Property Taxes Vary from Year to Year
- UFARS (Uniform Financial Accounting and Reporting Standards)
- AMSD Districts - Combined Operating and Capital Projects, 2024-25

QUESTIONS



Upcoming Meetings

- December 10, 2024, 6-7 p.m.
  - *Audit update/Enrollment Projections/Budget Assumptions*
- March 25, 2025, 6-7 p.m.
  - *Budget/Staffing*
- May 13, 2025, 6-7 p.m.
  - *FY 26 budget*