

# Finance Advisory Committee

May 16, 2024





**We prepare every student to achieve their personal best, engage in lifelong learning, and be a thoughtful and responsible citizen.**



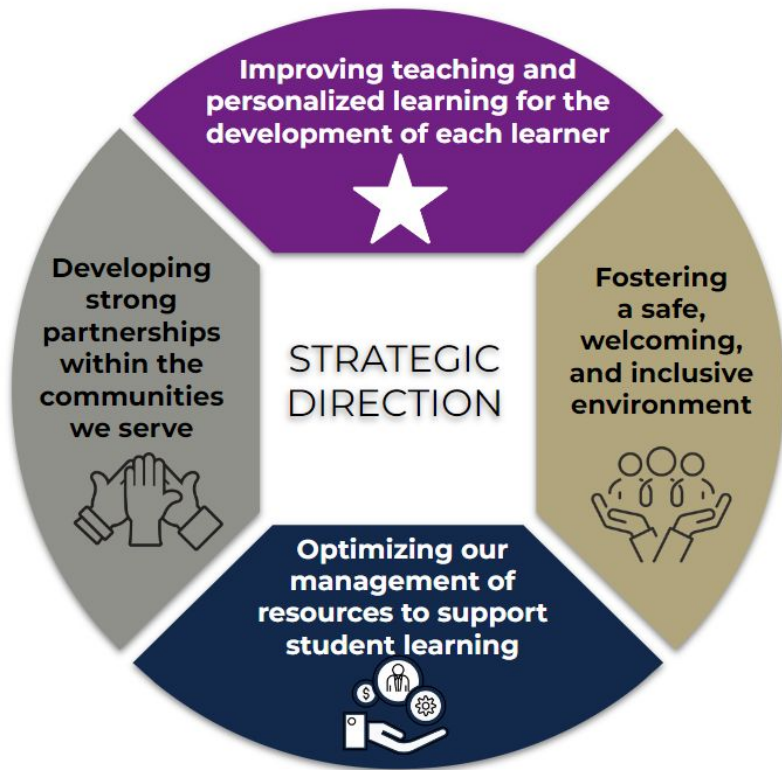


## **Finance Advisory Committee**

**Purpose:** The Eastern Carver County Schools Finance Advisory Committee's purpose is to advise Administration on district financial matters and to work as a liaison between the school district and community.



# STRATEGIC DIRECTION



# Committee Norms

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In order to facilitate our work together, we agree to:

- Listen for understanding, contribute individual perspectives, and assume good intent;
- Be fully present;
- Make and keep promises;
- Share concerns directly with person involved if a communication or relationship breakdown occurs;
- Have fun!

# Agenda

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Welcome and Introductions



FY 25 Budget Calendar



FY 24 Budget Revisions



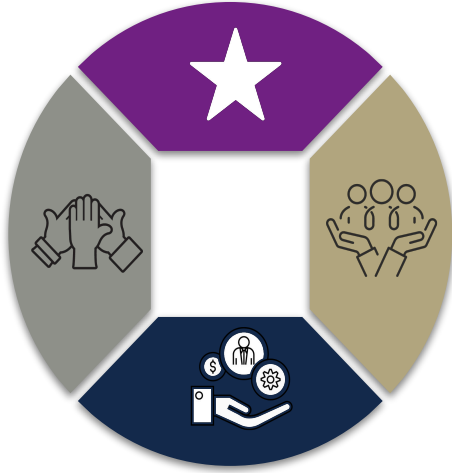
FY 25 Capital and Other Budgets



FY 25 Remaining process



Strategies / Frameworks for Budgeting and / or Cost Containment

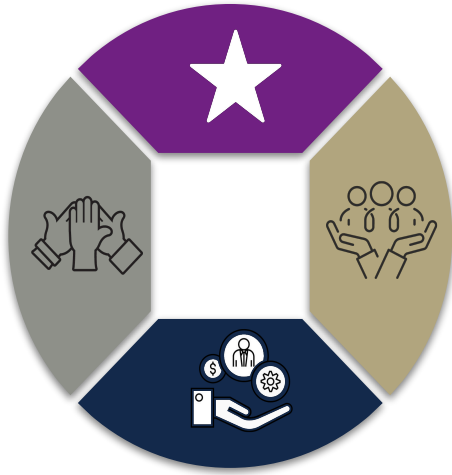


# FY25 Budget Calendar

# Budget Development Cycle

	Dec	Jan	Feb	Mar	Apr	May	June
<b>ADMINISTRATION</b>	Finalize FY 23 Audit		Review FY25 Enrollment Projections, Complete FY24 Budget Revisions, Develop FY25 Budget Assumptions, Develop Develop Site, Department & Capital Budgets		Proposed FY25 Capital Budget	Finalize all Budgets	Prepare Final Budgets & Review Updated 5-Year Projection
<b>SCHOOL BOARD</b>	Certify Final Tax Levy (Dec 4 mtg)		Review Budget Calendar (Feb 12 ws)  Review FY25 Preliminary Budget Assumptions (Feb 26 mtg)	FY24 Budget Revisions, Approve FY25 Assumptions (March 18 mtg)	Proposed FY25 Capital Budget (April 8 <u>ws</u> )  Approve Proposed FY25 Capital Budget (April 22 mtg)	Proposed FY25 Special Revenue, Debt Servic & Trust Funds Budgets (May 6 ws)	Final Budget Assumptions, Proposed FY25 General Fund Budget, 5 Year Projection (June 10 <u>ws</u> )  Approve FY 25 Budget & 5 Year Projection (June 24 mtg)
<b>FINANCE ADVISORY COMMITTEE</b>				Review Budget Calendar, Audit, FY 25 Assumptions		Review Capital and Special Budgets	





# FY24 Budget Revisions

# General Fund

General Fund	Audited Fund Balance FY 2023	Revenue			Expense			Projected Fund Balance FY 2024
		Adopted Revenue Budget July 2023	Spring Revenue Revision	Revised Revenue Budget March 2024	Adopted Expense Budget July 2023	Spring Expense Revision	Revised Expense Budget March 2024	
<b>Non-Spendable Fund Balance:</b>	\$ 96,263	\$ -		\$ -	\$ -		\$ -	\$ 96,263
<b>Restricted</b>								
Achievement & Integration	-	981,224		981,224	981,224		981,224	-
Basic Skills	-	2,623,849		2,623,849	2,314,925	(250,711)	2,064,214	559,635
Capital Projects	297,783	2,903,673		2,903,673	2,903,673		2,903,673	297,783
Long Term Facilities Maint-LTFM	(602,913)	8,716,059		8,716,059	9,403,982	(1,290,836)	8,113,146	(0)
Medical Assistance	436,928	300,000		300,000	471,925		471,925	265,003
Operating Capital	516,765	2,265,172		2,265,172	2,669,792		2,669,792	112,145
Staff Development	-	1,438,790		1,438,790	1,438,790		1,438,790	-
Student Support	-		123,192	123,192		123,192	123,192	-
Library Aid	-		166,217	166,217		166,217	166,217	-
English Learner	-		250,711	250,711		250,711	250,711	-
Safe Schools	91,715	344,344		344,344	344,344		344,344	91,715
Student Activities	209,997	177,410		177,410	177,410		177,410	209,997
Other Restricted	79,987	4,662,400		4,662,400	6,665,942	(1,923,555)	4,742,387	0



# General Fund

General Fund	Audited Fund Balance FY 2023	Revenue			Expense			Projected Fund Balance FY 2024
		Adopted Revenue Budget July 2023	Spring Revenue Revision	Revised Revenue Budget March 2024	Adopted Expense Budget July 2023	Spring Expense Revision	Revised Expense Budget March 2024	
<b>Assigned</b>								
Future Use-Donations/Sale of Property	6,606,505	-	1,516,970	1,516,970	-		-	8,123,475
Separation/Retirement	1,700,000	-		-	250,000		250,000	1,450,000
Q-Comp	346,728	2,443,119		2,443,119	2,691,800		2,691,800	98,047
Energy Efficiency	213,786	-		-			-	213,786
Capital Maintenance-VFH	80,000	-		-	-		-	80,000
Construction-Nutrition Services Needs	200,000	-		-	-		-	200,000
MTSS ADSIS	766,358			-			-	766,358
Site Carryover	602,886	-		-	-	602,886	602,886	-
<b>Unassigned Fund Balance</b>	14,798,045	120,734,451	415,488	121,149,939	115,115,409	2,238,786	117,354,195	18,593,789
<b>Total General Fund Balance</b>	<b>\$ 26,440,834</b>	<b>\$ 147,590,491</b>	<b>\$ 2,472,578</b>	<b>\$ 150,063,069</b>	<b>\$ 145,429,216</b>	<b>\$ (83,310)</b>	<b>\$ 145,345,906</b>	<b>\$ 31,157,997</b>

## Notes/Cause:

## Revenue:

## Expense:

NEW English Learner Aid	\$ 250,711
NEW Student Support Aid	123,192
New School Library Aid	166,217
Sale of East Union Elementary	1,516,970
Summer Unemployment	415,488
	<u>\$ 2,472,578</u>

Site Carryover	\$ 602,886
LTFM -Move to Construction	-1,290,836
Student Support Aid	123,192
Additional Library books	66,000
Summer Unemployment	415,488
	<u>\$ (83,270)</u>



# Construction Fund

Construction Fund	Audited Fund Balance FY 2023	Revenue			Expense			Projected Fund Balance FY 2024
		Adopted Revenue Budget July 2023	Spring Revenue Revision	Revised Revenue Budget March 2024	Adopted Expense Budget July 2023	Spring Expense Revision	Revised Expense Budget March 2024	
<b>Restricted</b>								
Construction (Carver Addition)	\$ 712,957	\$ -		\$ -	\$ 500,000		\$ 500,000	\$ 212,957
Capital Projects Levy	718,072	2,386,301		2,386,301	2,386,301	760,010	3,146,311	(41,938)
LT Facility Maintenance Bond	30,476,898	600,000		600,000	13,099,817	1,290,836	14,390,653	16,686,245
<b>Total Construction Fund</b>	<b>\$ 31,907,926</b>	<b>\$ 2,986,301</b>	<b>\$ -</b>	<b>\$ 2,986,301</b>	<b>\$ 15,986,118</b>	<b>\$ 2,050,846</b>	<b>\$ 18,036,964</b>	<b>\$ 16,857,263</b>

Notes/Cause:

Revenue:

Expense:

\$ 760,010

1,290,836

\$ 2,050,846

Expense increase: \$2,050,846

- Capital Projects: \$760,010
- LTFM projects: \$1,290,836





# FY25 Capital and Other Budgets

# Funds



General Fund



Nutrition Services



Community Service



Construction



Debt Service



Internal Service



Fiduciary



# Capital Related Budgets Summary

	Actual FY 2023 Fund Balance	Revised Budget FY 2024 Revenue	Revised Budget FY 2024 Expense	Estimated FY 2024 Fund Balance	Proposed Budget FY 2025 Revenue	Proposed Budget FY 2025 Expense	Estimated FY 2025 Fund Balance
<b>General Fund</b>							
Category							
Operating Capital	\$ 516,765	\$ 2,265,172	\$ 2,669,792	\$ 112,145	\$ 2,197,094	\$ 2,290,518	\$ 18,721
Long-Term Facility Maintenance	(602,913)	8,716,059	8,113,146	0	7,844,855	7,843,720	1,135
Capital Projects	297,783	2,903,673	2,903,673	297,783	3,926,000	3,976,000	247,783
Total	\$ 211,635	\$ 13,884,904	\$ 13,686,611	\$ 409,929	\$ 13,967,949	\$ 14,110,238	\$ 267,640



# Capital Related Budgets Summary

	Actual FY 2023	Revised Budget FY 2024	Revised Budget FY 2024	Estimated FY 2024	Proposed Budget FY 2025	Proposed Budget FY 2025	Estimated FY 2025
<b>Construction Fund</b>	Fund Balance	Revenue	Expense	Fund Balance	Revenue	Expense	Fund Balance
Category							
Carver Addition	\$ 712,957	\$ -	\$ 500,000	\$ 212,957	\$ 100	\$ 213,057	\$ 0
Long-Term Facility Maintenance	30,476,898	600,000	14,390,653	16,686,245	12,085,000	23,172,500	5,598,745
Capital Projects	718,072	2,386,301	3,146,311	(41,938)	2,500,000	2,450,000	8,062
Total	\$ 31,907,926	\$ 2,986,301	\$ 18,036,964	\$ 16,857,263	\$ 14,585,100	\$ 25,835,557	\$ 5,606,807





# Special Revenue - Nutrition Services



## Revenue Assumptions

- Revenue and participation consistent with FY24 – MN Free School Meals

## Expense Assumptions

- Large increase in equipment for CMSE
- Refacing Pioneer Ridge and Victoria elementary schools
- \$650k in district chargebacks

# Nutrition Services Fund Balance



Projected Fund Balance 6/30/2024	Revenue	Expense	Projected Fund Balance 6/30/2025
\$4,633,637	\$7,931,976	\$7,954,472	\$4,611,141

# Special Revenue - Community Services



## Revenue Assumptions

- Increase in participation – 6%
  - PreK-12 Enrichment
  - Preschool Enrollment

## Expenditure Assumptions

- Salaries & benefits per contracts
- 3-5% Supply Cost Increase

# Community Service Fund Balance



Category	Projected Fund Balance 6/30/2024	Revenue	Expense	Projected Fund Balance 6/30/2025
School Readiness & EFCE	308,836	1,161,881	1,218,046	252,671
Community Ed	2,394,336	7,946,030	8,125,770	2,214,596
Other Restricted	-1,270	1,042,629	1,041,359	-
<b>Total</b>	<b>\$2,701,902</b>	<b>\$10,150,540</b>	<b>\$10,385,175</b>	<b>\$2,467,267</b>

# Debt Service



Revenue	Amount
Property Tax	\$19,062,937
Other	275,000
—	—
<b>Total Revenue</b>	<b>\$19,337,937</b>

Expense	Amount
Principal	\$13,625,000
Interest	4,440,750
Service Charges	9,000
<b>Total Expense</b>	<b>\$18,074,750</b>

# Debt Service Fund Balance



<b>Fund</b>	<b>Projected Fund Balance 6/30/2024</b>	<b>Revenue</b>	<b>Expense</b>	<b>Projected Fund Balance 6/30/2025</b>
Debt Service	\$3,461,428	\$19,593,220	\$19,003,232	\$4,051,416
<b>Total Debt</b>	<b>\$3,461,428</b>	<b>\$19,593,220</b>	<b>\$19,003,232</b>	<b>\$4,051,416</b>

# Internal Service Funds



- Health
- Dental
- Chromebooks

# Assumptions



## Revenue Assumptions:

Health - premium increase of 7.4%

Dental - premium increase of 4.4%

Chromebooks - no change in premium

## Expenditure Assumptions:

- Health – 7.4% increase in claims
- Dental – 4.4% increase in claims



# Internal Service Funds



Fund	Projected Fund Balance 6/30/2024	Revenue	Expense	Projected Fund Balance 6/30/2025
Health	\$6,141,056	\$11,949,367	\$11,838,592	\$6,251,831
Dental	355,305	799,572	862,150	292,727
Chromebooks	94,266	40,150	40,150	94,266
<b>Total</b>	<b>\$6,590,627</b>	<b>\$12,789,089</b>	<b>\$12,740,892</b>	<b>\$6,638,824</b>

# Fiduciary Funds



- **OPEB Trust**
- **Custodial Trust**

# Fiduciary Funds



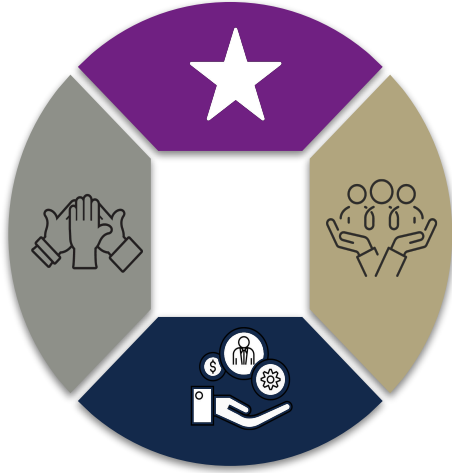
<b>Fund</b>	<b>Projected Fund Balance 6/30/2024</b>	<b>Revenue</b>	<b>Expense</b>	<b>Projected Fund Balance 6/30/2025</b>
OPEB Trust	\$5,341,107	\$400,000	\$680,265	\$5,060,842
Custodial Trust	157,110	64,100	65,500	155,710
<b>Total</b>	<b>\$5,498,217</b>	<b>\$464,100</b>	<b>\$745,765</b>	<b>\$5,216,552</b>

# Next Steps



**June 10, 2024  
Budget Review -  
General Fund**

**June 24, 2024  
Budget Review and  
Approval -  
All Funds**



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Strategies / Frameworks for Budgeting and /  
or Cost Containment

# Closing

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Set Meeting Schedule for Next School Year (October, November, February, April)



Final Questions or Comments



Thank You!

