



Excellence. For each and every student.

BOARD OF EDUCATION

Special Meeting - June 27, 2022 - 4:45 PM
Wayzata Public Schools District Office
210 County Road 101 North
Plymouth, Minnesota 55447

AGENDA

1. **CALL TO ORDER/ROLL CALL**
2. **ADMINISTRATIVE REPORTS AND RECOMMENDATIONS**
 - A. Superintendent
 1. MDE IOwA Proxy Reauthorization Resolution 2
 - B. Finance and Business Services
 1. FY 2021-2022 Budget Revision 5
 2. FY 2022-23 Preliminary Budget 7
3. **ADJOURN**



Board of Education
Special Meeting – June 27, 2022

AGENDA SECTION: Identified Official with Authority

ITEM: MDE Iowa Reauthorization Resolution

COMMENTS BY: Chace B. Anderson, Superintendent

The Minnesota Department of Education requires that school districts must annually designate an Identified Official with Authority (IOwA) to comply with the MNIT Enterprise Identity and Access Management Standard which states that all user access rights to Minnesota state systems must be reviewed and recertified at least annually. The Identified Official with Authority will assign job duties and authorize external user's access to MDE secure systems for their local education agency (LEA). The Board recommends to authorize Chace Anderson to act as the Identified Official with Authority (IOwA) for Wayzata Public School District 0284-01.

Recommended Action: Approve the attached resolution naming Chace Anderson to act as the Identified Official with Authority (IOwA) for Wayzata Public School District.

Motion by: _____

ROLL CALL

Passed: _____

Second by: _____

Failed: _____

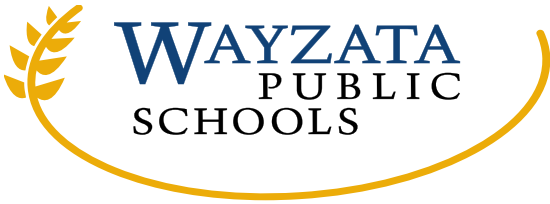
Abstentions: _____



Board of Education Roll Call Vote

AGENDA ITEM: _____

	YES	NO	ABSTAIN	ABSENT
Heidi Kader	_____	_____	_____	_____
Bonita Lucky	_____	_____	_____	_____
Cheryl Polzin	_____	_____	_____	_____
Milind Sohoni	_____	_____	_____	_____
Linda Cohen	_____	_____	_____	_____
Jay Hesby	_____	_____	_____	_____
Sarah Johansen	_____	_____	_____	_____



Education Identity and Access Management Board Resolution

The Minnesota Department of Education (MDE), Professional Educator Licensing Standards Board (PELSB), and Office of Higher Education (OHE) require annual designation of an Identified Official with Authority (IOwA) for each local educational agency that uses the Education Identity and Access Management (EDIAM) system. The IOwA is responsible for authorizing, reviewing, and recertifying user access for their local educational agency in accordance with the State of Minnesota Enterprise Identity and Access Management Standard, which states that all user access rights to Minnesota state systems must be reviewed and recertified at least annually. The IOwA will authorize user access to State of Minnesota Education secure systems in accordance with the user's assigned job duties, and will revoke that user's access when it is no longer needed to perform their job duties.

Your school board or equivalent governing board must designate an IOwA to authorize user access to State of Minnesota Education secure websites for your organization. This EDIAM board resolution must be completed and submitted to the Minnesota Department of Education annually, as well as any time there is a change in the assignment of the Identified Official with Authority.

It is strongly recommended that only one person at the local educational agency or organization (the superintendent or exec. director) is designated as the IOwA. The IOwA will grant the IOwA Proxy role(s).

Designation of the Identified Official with Authority for Education Identity and Access Management

Organization Name: ___ Wayzata Public Schools _____

6-Digit or 9-Digit Organization Number (e.g. 1234-01 or 1234-01-000): ___ 0284-01 _____

Superintendent or Exec. Director Name: ___ Chace Anderson _____

Will act as the IOwA? Yes No

If no, identify below the individual who will act as the IOwA for your organization.

The Superintendent or Exec. Director recommends the Board authorize the below named individual(s) to act as the Identified Official with Authority (IOwA) for this organization:

Print Name: ___ Chace Anderson _____

Title: ___ Superintendent _____

Board Member Signature: _____ Date: _____



BOARD OF EDUCATION
Special Meeting – June 27, 2022

AGENDA SECTION: Finance and Operations Recommendations

ITEM: Fiscal Year 2022 Revised Budget

COMMENTS BY: DeeDee Kahring, Executive Director, Finance and Operations

Fiscal Year 2022 Final Budget Revision

Revenue adjustments within the General Fund reflect actual year to date receipts, revenue estimates, and enrollment adjustments for the fiscal year ending June 30, 2022. Revenue from Federal sources are also adjusted from estimates to actual revenue expected to be received per Minnesota Department of Education as well as federal pandemic relief revenue received through the American Rescue Plan Act (ARPA). The expenditures reflect adjustments due to updated information from the Minnesota Department of Education, actual versus projected staffing and related salaries and benefits, carryover dollars from the 2020-2021 fiscal year, and expenditures made against the federal pandemic relief funds. The Food Service fund revenue and expenditure budgets have been revised to reflect actual results, including increased meal reimbursement amounts from the federal government, federal supply chain assistance funds, and additional revenue captured due to increased participation. The Community Service Fund and Debt Service Fund were revised to their respective final figures in February 2022. The final revised budgets for all funds are as follows:

	Original Budget		Revised Budget		Final Revised Budget	
	Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
General Fund	\$ 183,606,144	\$ 183,577,259	\$ 190,171,431	\$ 192,253,787	\$ 186,940,710	\$ 189,023,065
Food Service Fund	8,015,696	7,219,935	7,489,466	7,219,935	9,556,514	7,929,025
Community Service Fund	12,567,918	11,798,122	12,196,295	11,304,191	12,196,295	11,304,191
Debt Service Fund	14,896,155	14,872,977	152,684,440	152,661,262	152,684,440	152,661,262
Building Construction Fund	-	6,000,000	-	6,000,000	-	6,000,000
Total	\$ 219,085,913	\$ 223,468,293	\$ 362,541,632	\$ 369,439,175	\$ 361,377,959	\$ 366,917,543

Recommended Action: Approve the revised budget for the fiscal year ending June 30, 2022.

Motion by: _____ **ROLL CALL** Passed: _____

Second by: _____ Failed: _____

Abstentions: _____



Board of Education Roll Call Vote

AGENDA ITEM: _____

	YES	NO	ABSTAIN	ABSENT
Cheryl Polzin	_____	_____	_____	_____
Milind Sohoni	_____	_____	_____	_____
Linda Cohen	_____	_____	_____	_____
Jay Hesby	_____	_____	_____	_____
Heidi Kader	_____	_____	_____	_____
Bonita Lucky	_____	_____	_____	_____
Sarah Johansen	_____	_____	_____	_____



BOARD OF EDUCATION
Special Meeting – June 27, 2022

AGENDA SECTION: Finance and Operations Recommendations

ITEM: Fiscal Year 2023 Preliminary Budget

COMMENTS BY: DeeDee Kahring, Executive Director, Finance and Operations

Fiscal Year 2023 Preliminary Budget

The development of the District’s budget for the 2022-2023 school year includes approximately \$5.2M of cost containment measures and \$1.0M of enhancements to the Special Services Budgets (net \$4.2M reduction in expenses).

The cost containment measures include but are not limited to: increasing class sizes by 1 at all grade levels, reducing supply budgets, utilizing more of the capital projects levy, and eliminating administrative positions. The increase in Specialized Services include: para

The District administration recommends the following revenue and expenditure budget, by fund, for the 2022-2023 fiscal year:

	<u>Original Budget</u>	
	<u>Revenue</u>	<u>Expenditures</u>
General Fund	\$ 192,558,288	\$ 195,920,988
Food Service Fund	7,544,062	7,544,062
Community Service Fund	12,994,722	11,836,561
Debt Service Fund	16,517,548	15,678,975
Building Construction Fund	-	6,015,000
Total	\$ 229,614,620	\$ 236,995,586

Recommended Action: Approve the preliminary budget for the 2022-2023 fiscal year.

Motion by: _____ **ROLL CALL** Passed: _____

Second by: _____ Failed: _____

Abstentions: _____



Board of Education Roll Call Vote

AGENDA ITEM: _____

	YES	NO	ABSTAIN	ABSENT
Milind Sohoni	_____	_____	_____	_____
Linda Cohen	_____	_____	_____	_____
Jay Hesby	_____	_____	_____	_____
Heidi Kader	_____	_____	_____	_____
Bonita Lucky	_____	_____	_____	_____
Cheryl Polzin	_____	_____	_____	_____
Sarah Johansen	_____	_____	_____	_____

2022-2023 School Year Preliminary Budget Executive Summary



Excellence. For each and every student.

Dr. Chace B. Anderson, Superintendent
DeeDee Kahring, Executive Director of Finance and Operations
Approved by the School Board June 27, 2022

GUIDING PRINCIPLES

Mission

The mission of the Wayzata School District is to ensure a world-class education that prepares each and every student to thrive today and excel tomorrow in an ever-changing global society.

Vision

The Vision of Wayzata Public Schools is to be a model of excellence where students of all ages discover their unique talents, develop a love and tenacity for learning and demonstrate confidence and capacity for success through:

Exceptional Student Learning, Experiences and Relationships:

- High achievement by each and every student;
- Content-rich, rigorous and personalized education;
- Meaningful relationships with teachers, staff, mentors and peers in a welcoming, nurturing and safe environment where all are valued for who they are and the contributions they make.

Community Trust, Confidence and Partnership:

- Comprehensive learning opportunities meeting diverse learner needs and community aspirations;
- Culture of continuous improvement and responsive innovation;
- Committed to being the first choice for students and families;
- Maintaining the highest levels of satisfaction and pride by staff, parents and community.

Operational Excellence:

- Attraction, development and retention of exemplary, creative and engaged employees;
- Accountability by all staff and clarity in all operations to maximize individual and collective performance;
- Effective and efficient use of time, human, financial and physical resources;
- High performing district governance, management and partnerships.

CORE VALUES

- **Achievement:** Challenging oneself and others for excellence in all we do.
- **Collaboration:** Working together to maximize opportunities and eliminate barriers to learning for all.
- **Community:** Maintaining a sense of belonging to and responsibility for the broader community.
- **Equity:** Meeting the specific needs of all students.
- **Integrity:** Doing the right thing in the right way at the right time, even when no one is aware.
- **Respect:** Valuing others for their diverse talents, backgrounds, cultures and viewpoints.

DISTRICT OFFICIALS

School Board

Sarah Johansen, Chair
Term Expires: January 2025

Linda A. Cohen, Vice Chair
Term Expires: January 2024

Jay Hesby, Treasurer
Term Expires: November 2022

Bonita Lucky, Clerk
Term Expires: January 2024

Heidi Kader, Director
Term Expires: January 2025

Cheryl Polzin, Director
Term Expires: January 2024

Milind Sohoni, Director
Term Expires: January 2025

Chace B. Anderson, Ex-Officio

Administrative Staff

Dr. Chace B. Anderson
Superintendent

Dr. Nathan Flansburg
Associate Superintendent

DeeDee Kahring
*Executive Director
Finance and Operations*

Dana Miller
*Executive Director
Teaching and Learning*

Stacie Vos
*Executive Director
Human Resources*

**Independent School District 284
Wayzata Public Schools
210 County Road 101 N
Wayzata, MN 55391**

GOVERNMENTAL FUND STRUCTURE

To understand this budget document, it is helpful to know that there are several legal restrictions on how school districts must spend and account for the public funds that they receive. Per state requirements and Generally Accepted Accounting Principles of the United States, Wayzata Public Schools separates its money into five major areas.

They are as follows:

General Fund

Used to account for the general operations of the school district. This fund includes salaries and benefits for teachers, principals, custodians, secretaries, paraprofessionals, and administrators; cost of supplies, textbooks, transportation contracts, utilities, repairs, equipment, and so on. This fund is also used for long-term facility maintenance projects of less than \$2,000,000 and for the capital projects (technology) levy.

Food Service Fund

Used for all expenditures related to operating the Wayzata Cafes, including food, salaries, benefits, supplies, and equipment. Food Service revenues come primarily from the sale of meals to students and adults. Some federal and state aid is also provided.

Community Services Fund

Used for expenditures related to community education programs such as Early Childhood Family Education, Adult Basic Education, Wayzata Kids (afterschool and summer childcare programs), youth classes, and Community Education Programs.

Community Services revenue primarily comes from fees charged for the programs, and property tax revenue dedicated to community services.

Building Construction Fund

Used for expenditures of major building projects. Proceeds from sale of bonds authorized in an election are placed in this fund. This fund is also used for long-term facility maintenance projects exceeding \$2,000,000.

Debt Service Fund

Used to accumulate and account for resources that fund principal and interest payments on bonds sold to finance construction. These are akin to a homeowner's payments on a mortgage.

Why is this information important? It is important to understand the fund structure because, with very few exceptions, money cannot be transferred from one fund to another. For example, raising school lunch prices or Wayzata Kids tuition is not a solution to a shortfall in the General Fund. Similarly, the resources of the Debt Service Fund or the Building Construction Fund cannot be used to pay teacher salaries.

STRATEGIC DIRECTION (2019-2023)

Through Focus on Priorities and Strategy Execution, We Achieve Excellence and Realize Our Vision

- 1. Achievement:** By the end of third grade, all students will achieve at or beyond grade level expectations for reading, writing, and mathematics.
- 2. Each and Every:** Student achievement will not be predictable by any demographic classification, i.e. race, socioeconomic status, gender, or disability.
- 3. Personalization:** All students will know and understand their unique talents, have a voice in their educational experiences, and take ownership for their learning, career aspirations, and future success.
- 4. Health and Well-Being:** All students will feel a sense of belonging and connection to their school where social-emotional, physical and mental health is nurtured and valued.

EXPENDITURES BY PROGRAM

The school district budget consists of expenditures made for the following programs or activities:

Administration

Includes all costs for general administration, instructional administration and school site administration. This area also covers the school board, superintendent, principals, and directors.

District Support Services

Consists of activities related to general administrative support not listed above. This area covers federal programs, human resources, business and finance, government relations, school elections, and miscellaneous district administration not otherwise classified. Anticipated salary increases and district contingency reserves have temporarily been budgeted here.

Elementary and Secondary Regular Instruction

Elementary and secondary regular instruction consists of all activities dealing directly with the teaching of pupils, the interaction between teachers and pupils in the classroom and co-curricular activities at the kindergarten, elementary and secondary levels.

Vocational Instruction

Courses and activities which develop knowledge, skills, attitudes and behavioral characteristics for students seeking career exploration and employability.

Special Education Instruction

Activities providing learning experiences for pupils of any age who, because of certain atypical characteristics or conditions, need, or who would benefit by, educational programs different from those provided pupils in regular or vocational instruction.

Instructional Support Services

Activities for assisting the instructional staff with the content and process of providing learning experiences for pupils in kindergarten through twelfth grade.

Pupil Support Services

Includes all services provided to pupils who do not qualify to be classified as instructional services (counseling/guidance, health, psychological, social work, transportation, other).

Sites and Buildings

Activities related to the acquisition, operation, maintenance, repair and remodeling of all physical plant, facilities and grounds of the school district.

Fiscal and Other Fixed Costs

Fiscal and fixed cost activities that are not recorded elsewhere.

EXPENDITURES BY OBJECT

The school district budget consists of the following types of expenditures:

Salaries

Regular salary related to personnel positions, extra-curricular assignments, overtime, and substitute costs.

Benefits

Health, dental, life, long-term disability, workers' compensation, state pension contributions, retirement plans and recording of post-retirement benefits for current employees.

Purchased Services

Includes consultants, postage, insurance, repair and maintenance services, utilities, student transportation contracts, travel/conferences, payments to other districts, and tuition.

Supplies and Materials

Textbooks, instructional supplies, office and custodial supplies, computer software, and related copier costs. Includes fuel for buildings.

Capital

Building construction, equipment, facility repair and maintenance, vehicles, and computer equipment.

Debt Service

Principal and interest payments for bonded debt.

Other Expenditures

All other expenditures not classified in other areas.

BUDGET OVERVIEW

The annual budget presented includes an analysis of the actual financial results of the School District at June 30, 2021, and the anticipated positions at June 30, 2022 and June 30, 2023.

The budget was prepared in accordance with generally accepted accounting principles and includes all governmental funds. Each fund is treated as an independent accounting entity in accordance with statutory requirements and state and federal regulations governing the District's various revenue sources and expenditure purposes. Minnesota Education Laws 2022 were used as the basis for building the fiscal year 2022-2023 budget which includes a 2.0% increase in the state funding formula. With the public's increased demand for accountability, the expanding complexity of Minnesota school district funding, the challenge to do more with less, and responding to the past demands of the COVID-19 pandemic, the administration continues to seek opportunities to effectively manage the financial resources of the District.

A school district's budget can be one of the most meaningful and useful documents in public school administration. It depicts the priorities of the School Board, administration, staff, and the community. The District's preliminary budget for the 2022-2023 school year is shown right.

2022-2023 Preliminary Budget			
	2020-21 Actual Amounts	2021-22 Revised Budget	2022-23 Preliminary Budget
Revenues			
General Fund	\$184,799,045	\$186,940,710	\$192,558,288
Food Service	5,406,962	9,556,514	7,544,062
Community Service	8,110,216	12,196,295	12,994,722
Debt Service	23,883,718	152,684,440	16,517,548
Total Funds Excluding Construction	222,199,941	361,377,959	229,614,620
Construction	4,625,056		
Total Funds Combined	\$226,824,997	\$361,377,959	\$229,614,620
Expenditures			
General Fund	\$189,888,987	\$189,023,065	\$195,920,988
Food Service	5,602,268	7,929,025	7,544,062
Community Service	9,808,959	11,304,191	11,836,561
Debt Fund	23,767,681	152,661,262	15,678,975
Total Funds Excluding Construction	229,067,895	360,917,543	230,980,586
Construction	9,602,503	6,000,000	6,015,000
Total Expenditures All Funds	\$238,670,398	\$366,917,543	\$236,995,586

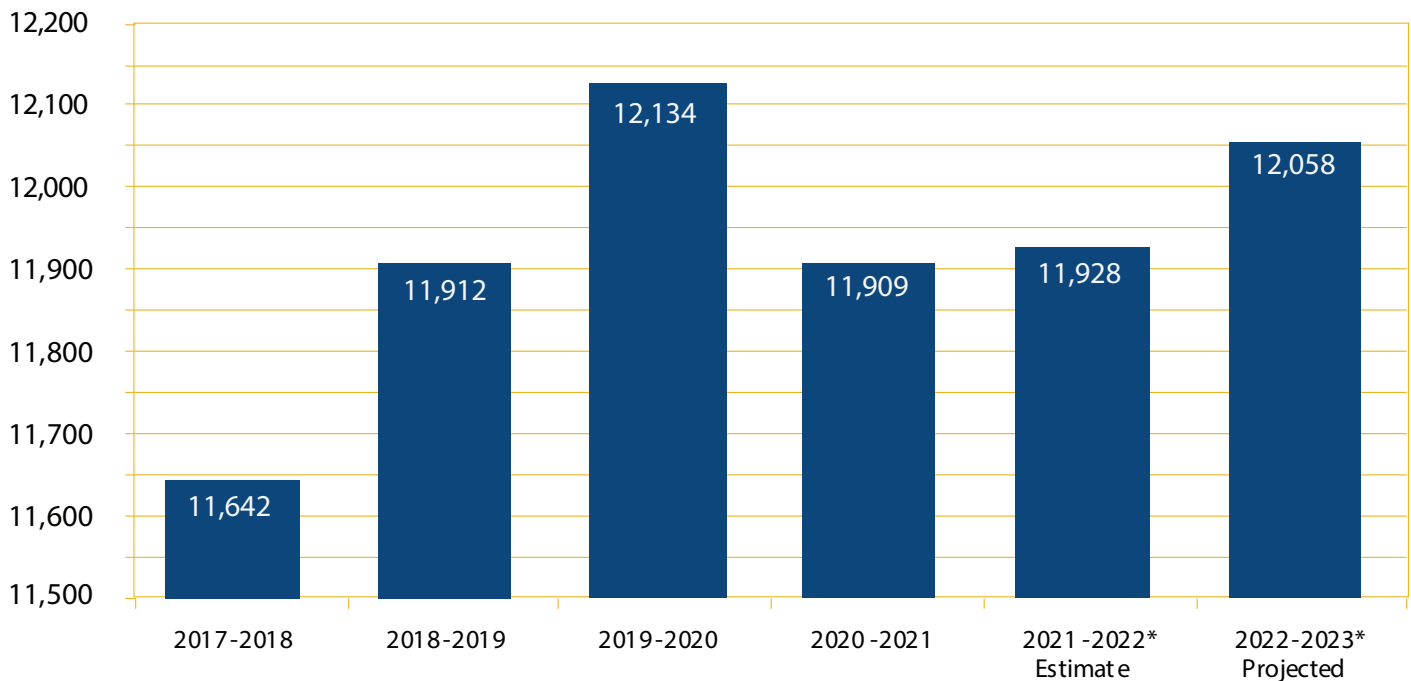
ENROLLMENT HISTORY & PROJECTIONS

During the 2020-21 school year the District experienced a one-time enrollment loss of about 275 students due to the COVID-19 pandemic. In 2022-23 enrollment at Wayzata Public Schools is projected to grow by 130 students to 12,058. Of these students, 60 students are served through tuition agreements by other districts.

In the past the District's student enrollment was projected to grow at an annual rate of 2.0-2.5%. Due to the COVID-19 pandemic the enrollment growth has been minimal.

Enrollment projections are based upon demographic studies commissioned by the District that are updated annually and monitored regularly in regards to capacity at school buildings.

K-12 ENROLLMENT



* The enrollment figures for the 2021-22 and 2022-23 school years are estimates. The enrollment figures for the other years that are presented represent actual student enrollment (average daily membership).

GENERAL FUND

The General Fund contains all revenue and expense for the general, day-to-day operations of the school district. This includes salaries and benefits for teachers, administrators, custodians, secretaries, and para-professionals; instructional supplies, technology, transportation, textbooks, and money spent to operate and repair district buildings. In some ways, it is clearer to express the general fund in terms of what it does not cover. The General Fund does not cover Wayzata Cafes; Community Education (including Wayzata Kids child care); debt service payments on bonds issued by the District; and the cost of major construction projects financed through the issuance of bonds.

The General Fund includes expenses associated with the capital projects (technology) levy which became effective fiscal 2017-2018. The focus of this program is curriculum and classroom technology, particularly expansion of classroom tools: projection and sound systems, smartboards, and software. The General Fund also includes expenses funded with the Long-Term Facility Maintenance (LTFM) levy for projects less than \$2.0 million. Projects over \$2 million are in the construction funds. It is important to note that LTFM expenditures can fluctuate considerably from year to year and can impact the overall view of the district's funding picture.

FUND BALANCE POLICY

The level of spending is set with a number of considerations in mind, but one of the primary considerations is to maintain an adequate level of reserves for unanticipated events. The District has a formal policy calling for an unassigned fund balance in the General Fund equal to at least 5% to 7% of one year's expenditures. This balance could be considered to be the District's "savings account."

Maintaining a prudent fund balance is important for the stability of the district, and is a key measure that bond rating agencies examine when assigning a credit rating to a District's debt issuances. The projected unassigned General Fund balance as of June 30, 2023 is \$10,263,878. This is 6.49% of the expenditure budget, or about three weeks of operations. Unanticipated events that could occur that would require the District to dip into its unassigned fund balance include:

- Property tax delinquencies and abatements
- Enrollment fluctuations
- Unanticipated price increases for essential purchases, e.g. fuel for heating, other utilities, transportation
- State aid revenue reductions or 'pro-rations'
- Unforeseen public health emergencies or severe weather/natural disaster
- Federal sequestration
- COVID-19 pandemic

2022-2023 Preliminary Budget			
	2020-21 Actual Amounts	2021-22 Revised Budget	2022-23 Preliminary Budget
Revenue			
Local Property Taxes	\$ 63,966,935	\$ 66,623,535	\$ 67,597,463
State Aid	107,602,588	107,455,534	112,831,541
Federal Aid	8,712,279	7,070,338	6,638,943
Other Local Revenue	4,517,243	5,791,303	5,490,341
Total Revenue	\$184,799,045	\$186,940,710	\$192,558,288
Expenditures			
Salaries and Benefits	\$135,864,967	\$137,913,941	\$140,153,681
Purchased Services	21,013,174	34,754,669	30,443,142
Supplies and Materials	6,104,411	6,996,988	6,214,206
Capital	17,394,326	8,447,088	18,203,385
Misc.\Other	1,128,589	910,379	906,574
Transfers to Other Funds	8,383,520	-	-
Total Expenditures	\$189,888,987	\$189,023,065	\$195,920,988
Change in Fund Balance	(5,089,942)	(2,082,355)	(3,362,700)
Beginning of Year	31,946,958	26,857,016	24,774,661
End of Year	26,857,016	24,774,661	21,411,961

GENERAL FUND 2022-23 EXPENDITURES BY PROGRAM

Program Code	Program Description	2020-21 Actual Amounts	2021-22 Revised Budget	2022-23 Preliminary Budget
000-099	Administration	\$ 5,083,450	\$ 5,615,191	\$5,406,341
100-199	District Support Services	5,096,000	6,685,814	6,361,406
200-299	Regular Instruction (Elem/Sec)	83,152,766	85,144,210	86,826,637
300-399	Vocational Instruction	3,670,138	3,575,602	3,054,327
400-499	Special Education Instruction	22,445,976	22,815,120	23,020,186
600-699	Instructional Support Services	17,862,777	19,506,359	19,462,187
700-799	Pupil Support Services	15,855,236	17,564,533	19,101,322
800-899	Sites & Buildings	32,583,631	27,529,136	32,003,582
900-999	Fiscal & Other Fixed Program Costs, Transfers & Other Funds	4,139,013	587,100	685,000
	Grand Total	\$189,888,987	\$189,023,065	\$195,920,988

77.5 cents of every dollar goes to support students

↓ 16.4 cents
Operations & Fixed Costs



← 2.8 cents
District & School Administration

← 3.3 cents
District Support

68.8 cents
Instruction & Instructional Support

↑ 8.7 cents
Pupil Support

FOOD SERVICE FUND

Wayzata Cafes is the District's food service department that provides meals and nutrition services. All revenues and expenditures associated with the program must be accounted for in a separate fund. By law, revenues generated by the program can only be used to provide meals and to pay for certain closely related expenditures.

2022-23 Meal Prices

Elementary Schools

Breakfast: \$1.90 (no charge for K)

Lunch: \$3.05

Middle Schools

Breakfast: \$1.90

Lunch: \$3.40

High School

Breakfast: \$2.40

Lunch: \$4.10

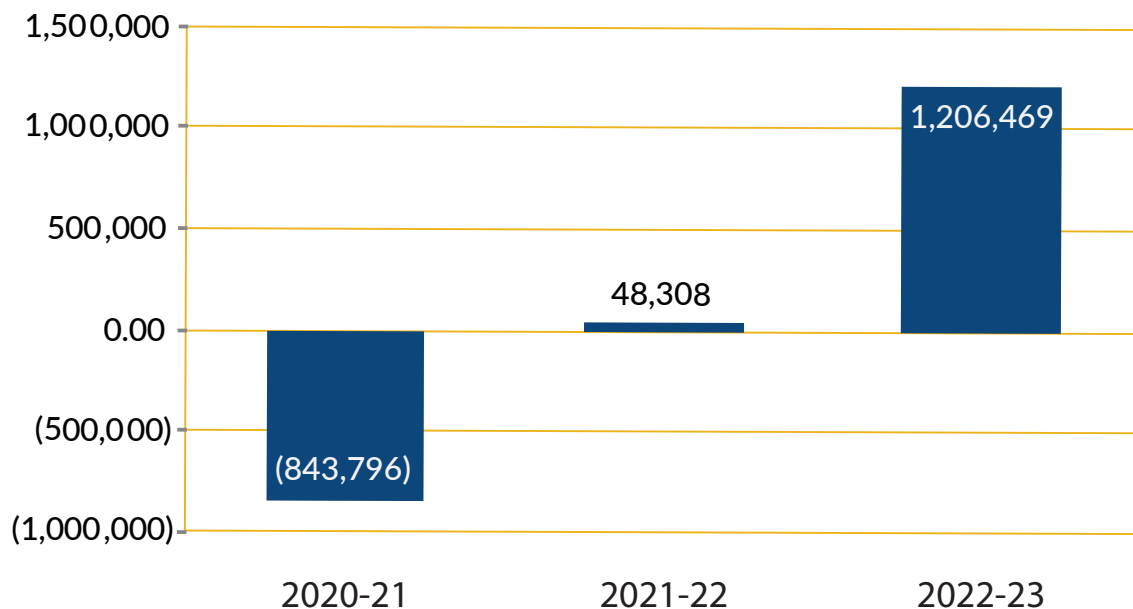
2022-2023 Preliminary Budget			
	2020-21 Actual Amounts	2021-22 Revised Budget	2022-23 Preliminary Budget
Revenues			
Lunch Sales	\$273,567	\$1,103,644	\$5,593,202
Federal Aid	5,133,395	8,185,313	1,734,661
State Aid	-	267,556	216,199
Total Revenue	\$5,406,962	\$9,556,514	\$7,544,062
Expenditures			
Salaries and Benefits	\$2,987,679	\$3,298,750	\$3,417,705
Non-Employment			
Food	1,994,447	3,395,804	3,191,182
Other	620,142	1,234,471	935,175
Total Expenditures	\$5,602,268	\$7,929,025	\$7,544,062
Change in Fund Balance			
Change in Fund Balance	(195,306)	1,627,489	0.00
Beginning of Year	-	(195,306)	1,432,183
End of Year	(195,306)	1,432,183	1,432,183

COMMUNITY SERVICES FUND

Community Ed exists to help our E-12 students and families thrive and be successful in school and life. Community Ed designs, operates and participates in hundreds of important programs year-round that make life and learning better for all people who live, work and attend school in the district. Programs include Wayzata Kids childcare, facility rentals, youth camps and classes, adult classes, adult basic education (GED and Early Learning School) and volunteering. Community Ed also operates the Wayzata Early Learning School which offers Early Childhood Family Education, full- and part-day preschool, early childhood screening, intervention and outreach for our community's youngest learners.

2022-2023 Preliminary Budget			
	2020-21 Actual Amounts	2021-22 Revised Budget	2022-23 Preliminary Budget
Revenues			
Local Tax	\$1,885,273	\$2,108,752	\$2,095,550
Fees and Charges	4,837,454	8,725,898	9,885,825
State Aids and Grants	1,212,489	1,361,645	1,013,347
Transfers	175,000	-	-
Total Revenue	\$8,110,216	\$12,196,295	\$12,994,722
Expenditures			
Salaries and Benefits	\$8,441,729	\$9,505,051	\$10,096,862
Non-Salary	1,367,230	1,799,140	1,739,699
Total Expenditures	\$9,808,959	\$11,304,191	\$11,836,561
Change in Fund Balance	(1,698,743)	892,104	1,158,161
Beginning of Year	854,947	(843,796)	48,308
End of Year	(843,796)	48,308	1,206,469

Total Fund Balance



BUILDING CONSTRUCTION FUND

The Building Construction Fund is used for two purposes:

- to account for construction project expenditures financed with bond proceeds;
- to account for the expenditures of long-term facilities maintenance (LTFM) projects that are greater than \$2,000,000.

There can be no borrowing from the Building Construction Fund; any cash or investment balance in the fund must be used for authorized construction or LTFM projects.

Projects are financed by bonds issued in prior years and is reflective in the reduction in fund balance.

2022-2023 Preliminary Budget			
	2020-21 Actual Amounts	2021-22 Revised Budget	2022-23 Preliminary Budget
Revenues			
Long-Term Facilities Maint.	\$4,611,885		\$ -
Construction	-		-
Investment Earnings	13,171	-	-
Total Revenue	\$4,625,056	\$ -	\$ -
Expenditures			
Salaries and Benefits	\$56,603	\$73,200	\$75,800
Non-Employment Equip- ment	-	-	-
Capital Improvements	7,872,612	5,897,200	4,924,200
Other (Including Lease)	1,673,288	29,600	1,015,000
Total Expenditures	\$9,602,503	\$6,000,000	\$6,015,000
Change in Fund Balance	(4,977,447)	(6,000,000)	(6,015,000)
Beginning of Year	18,904,352	13,926,905	7,926,905
End of Year	13,926,905	7,926,905	1,911,905

DEBT SERVICE FUND

The Debt Service Fund exists to account for revenues and expenditures associated with the repayment of the District's bonded indebtedness. The District primarily issues bonds for the purposes of financing the acquisition, construction, improvement and equipping of the District's buildings. Also, the District occasionally issues bonds to refund or refinance existing debt at a more favorable interest rate. By state law, revenues and expenditures for debt service must be maintained in a separate fund. Borrowing from the Debt Service Fund is not allowed; all resources held by the fund are held exclusively for the purposes of debt repayment and related activity.

The District's underlying bond rating by Moody's Investors Service, most recently affirmed in June 2021, is Aaa, the highest rating possible. The District is one of only three school districts in the State of Minnesota, and one of 79 across the United States, to hold such a rating. The District's credit rating is higher than 36 of 50 states, including Minnesota.

2022-2023 Preliminary Budget			
	2020-21 Actual Amounts	2021-22 Revised Budget	2022-23 Preliminary Budget
Revenue			
Local Property Taxes	\$14,581,711	\$14,890,755	\$16,512,148
Sale of Bonds	9,291,055	-	-
State Aids	10,051	5,400	5,400
Other	901	137,788,285	
Total Revenue	\$23,883,718	\$152,684,440	\$16,517,548
Expenditures			
Bond Principal	6,445,000	7,170,000	9,780,000
Bond Interest	8,033,262	7,700,477	5,896,475
Bond Refunding Payments	9,200,000	136,886,511	
Bank Fees and Other	89,419	904,274	2,500
Total Expenditures	\$23,767,681	\$152,661,262	\$15,678,975
Change in Fund Balance			
Beginning of Year	2,683,374	2,799,411	2,822,589
End of Year	2,799,411	2,822,589	3,661,162

*During the 2021-2022 fiscal year, the District issued the Series 2021A bonds to refund in advance of maturity the Series 2014A and Series 2014B bonds. The proceeds received by the District totaled \$137,249,726 and will be used to refund all maturities of the 2014A and 2014B bonds in February 2023, generating future value savings of \$13,334,99 for taxpayers of the District in future years.

FUND BALANCE REPORT

	Audited Fund Balance June 30, 2021	Revised Revenue 2021-22	Revised Expenditure 2021-22	Proposed Change in Fund Balance 2021-22	Proposed Fund Balance June 30, 2022	Adopted Revenue 2022-23	Adopted Expenditure 2022-23	Change in Fund Balance 2022-23	Fund Balance 6/30/2023
Operating Funds									
General Fund	8.90%				8.13%				6.49%
Unassigned Fund Balance	\$16,298,209	\$172,706,558	\$174,788,913	\$(2,082,355)	\$14,215,854	154,193,403	158,145,379	\$(3,951,976)	10,263,878
Assigned Fund Balance									
Assigned - Re-Employment Insurance	-	-	-	-	-				-
Assigned - Q comp	923	-	-	-	923	3,012,868	3,012,868		923
Assigned - Site Carryover	806,709	-	-	-	806,709				806,709
Assigned - Self Funded Workers Comp	70,000	-	-	-	70,000				70,000
Assigned - Opening of Schools	695,305	-	-	-	695,305				695,305
Assigned - LCTS	545,195	-	-	-	545,195	197,000	197,000		545,195
Assigned - Subsequent Years Budget	-	-	-	-	-	3,362,700		3,362,700	3,362,700
Assigned - Post Employment Obligations	2,156,636	-	-	-	2,156,636				2,156,636
Assigned - Subsequent Years' Levy Adjustments	3,500,828	-	-	-	3,500,828		3,500,828	(3,500,828)	0
Nonspendable Fund Balance									
Nonspendable - Prepaid Items	608,414	-	-	-	608,414	0	0		608,414
Subtotal	\$24,682,219	\$172,706,558	\$174,788,913	\$(2,082,355)	\$22,599,864	\$160,765,971	\$164,856,075	\$(4,090,104)	\$18,509,760
Restricted Fund Balance									
Restricted Staff Development	-	1,764,334	1,764,334	-	-	1,802,525	1,802,525	-	-
Restricted - Scholarships	261,879	50,000	50,000	-	261,879	50,000	50,000	-	261,879
Restricted - MA Billing	-	400,000	400,000	-	-	525,000	525,000	-	-
Restricted - Long-Term Facility Maintenance	(802,152)	-	-	-	(802,152)	16,898,903	16,171,499	727,404	(74,748)
Restricted - Operating Capital	-	2,909,653	2,909,653	-	-	2,973,033	2,973,033	-	-
Restricted - Technology Levy	2,715,070	8,385,892	8,385,892	-	2,715,070	8,867,336	8,867,336	-	2,715,070
Restricted - Safe Schools Levy	-	724,273	724,273	-	-	675,520	675,520	-	-
Subtotal	\$2,174,797	\$14,234,152	\$14,234,152	\$-	\$2,174,797	\$31,792,317	\$31,064,913	\$727,404	\$2,902,201
Total General Fund	\$26,857,016	\$186,940,710	\$189,023,065	\$(2,082,355)	\$24,774,661	\$192,558,288	\$195,920,988	\$(3,362,700)	\$21,411,961
Food Service Fund	(195,306)	9,556,514	7,929,025	1,627,489	1,432,183	7,544,062	7,544,062	-	1,432,183
Community Service Fund	(843,796)	12,196,295	11,304,191	892,104	48,308	12,994,722	11,836,561	1,158,161	1,206,469
Capital Projects Construction Fund									
Long-Term Facilities Maintenance >\$2M	-	-	-	-	-	-	-	-	-
Bond Referendum	13,926,905	-	6,000,000	(6,000,000)	7,926,905	-	6,015,000	(6,015,000)	1,911,905
Total Operating Funds	\$39,744,819	\$208,693,519	\$214,256,281	\$(5,562,762)	\$34,182,057	\$213,097,072	\$221,316,611	\$(8,219,539)	\$25,962,518
Non Operating Funds				20					
Debt Service Fund	2,799,411	152,684,440	152,661,262	23,178	2,822,589	16,517,548	15,678,975	838,573	3,661,162
Total All Funds	42,544,230	361,377,959	366,917,543	(5,539,584)	37,004,646	229,614,620	236,995,586	(7,380,966)	29,623,680
Total All Funds Excluding Construction	\$28,617,325	\$361,377,959	\$360,917,543	\$460,416	\$29,077,741	\$229,614,620	\$230,980,586	\$(1,365,966)	\$27,711,775