



Excellence. For each and every student.

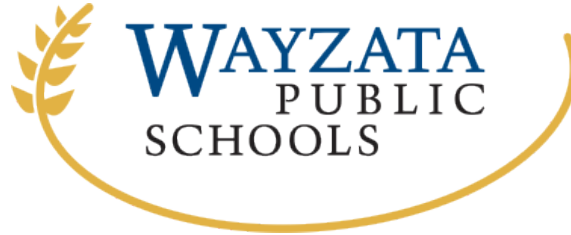
BOARD OF EDUCATION

Special Meeting - February 6, 2023 - 4:00 PM
Wayzata Public Schools District Office
210 County Road 101 North
Plymouth, Minnesota 55447

AGENDA

1. **ROLL CALL/CALL TO ORDER**
2. **2023-2024 Budget Preparation Update**
3. **ADJOURN**

2



**FY 2023-24 Budget & Financial Forecast
School Board Work Session
2-6-2023**

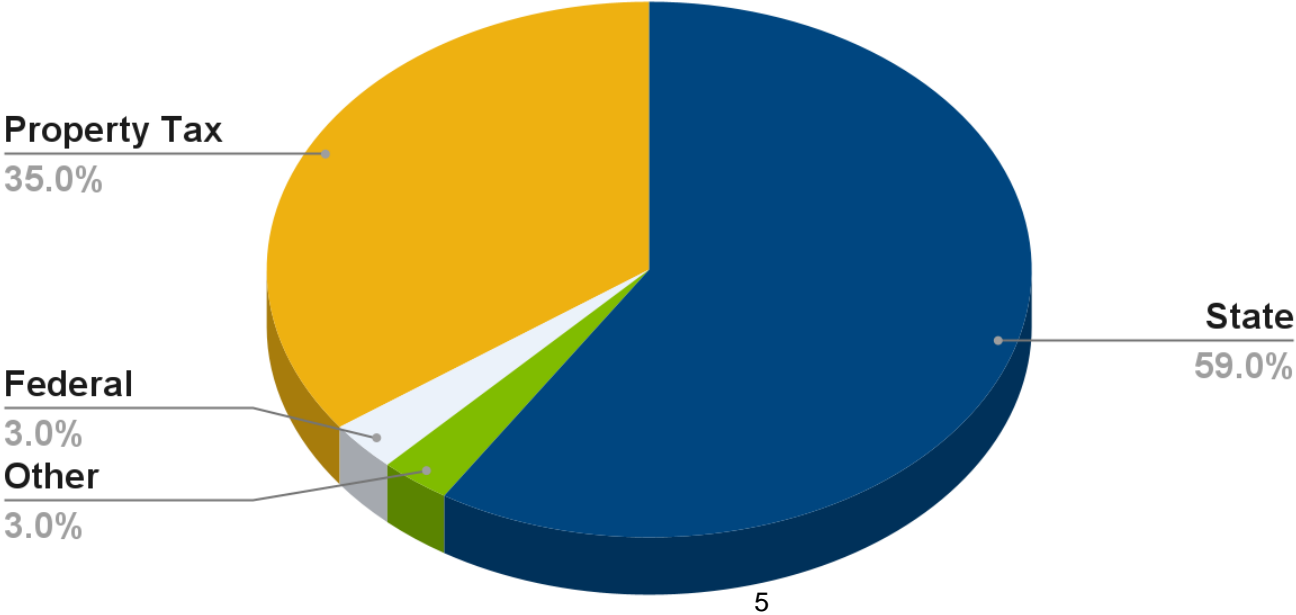
Agenda

- District Finance Facts
- Financial Forecast

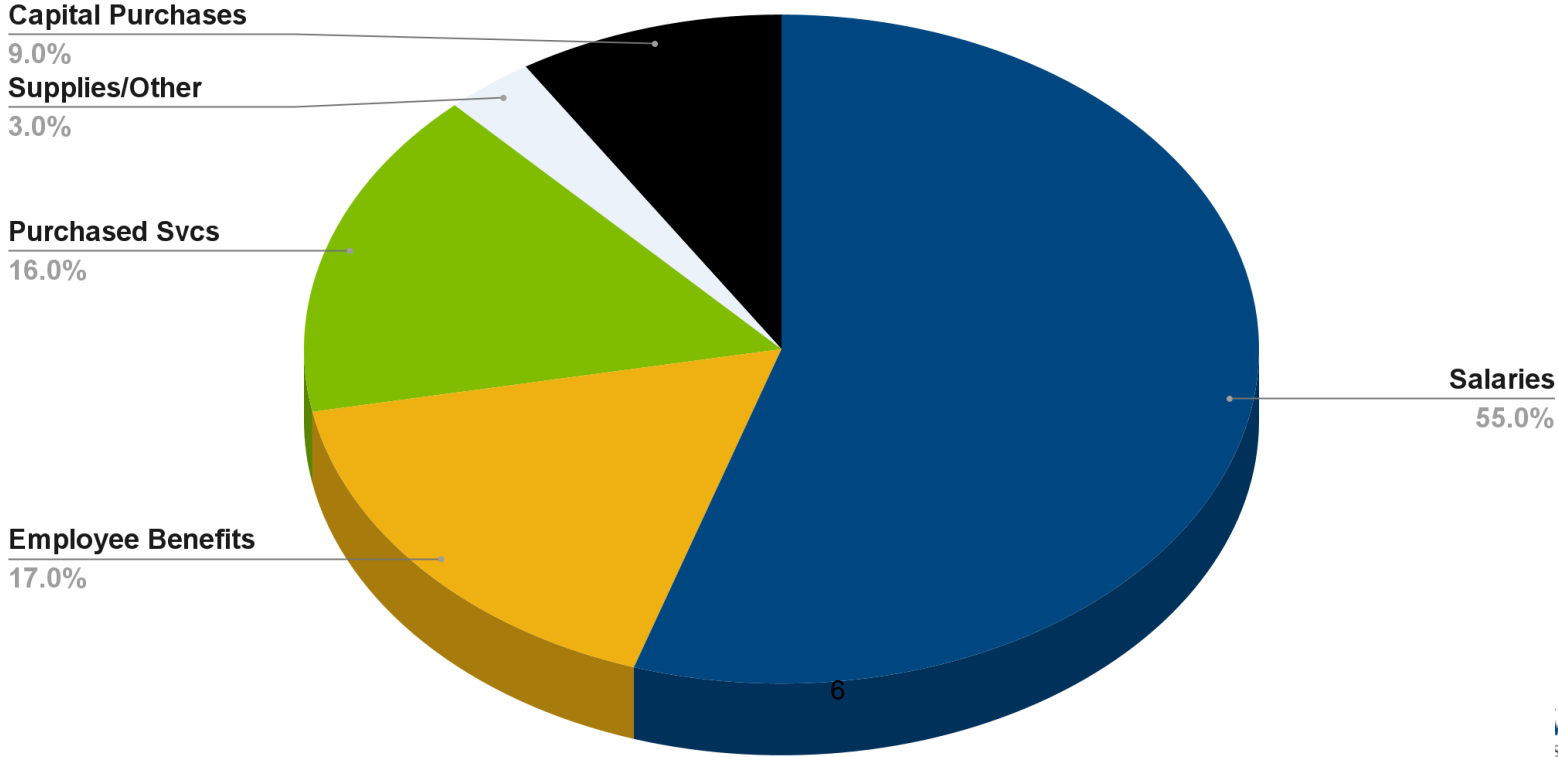
School District Funds

01	General Fund	<ul style="list-style-type: none">• General School District Operations• Salaries/Benefits, Supplies, Transportation• Utilities, Equipment, LTFM < \$2.0M
02	Food Service	<ul style="list-style-type: none">• Wayzata Cafes• Salaries/Benefits, Food, Supplies, Equip• Revenue - Primarily from Meal Sales
04	Community Services	<ul style="list-style-type: none">• ECFE, ABE, Wayzata Kids, Youth Classes• Community Ed Classes• Revenue - Primarily from Fees
06	Construction	<ul style="list-style-type: none">• Major Building Projects• Revenue from sale of bonds• LTFM > \$2.0M
07	Debt Service	<ul style="list-style-type: none">• Account for Principal & Interest• Similar to homeowner's mortgage payments

General Fund – Source of Revenue 2022-23



General Fund – Expenses 2022-23



General Fund – Expenses by Category 2022-23

77.5 cents of every dollar goes to support students

↓ 16.4 cents
Operations & Fixed Costs



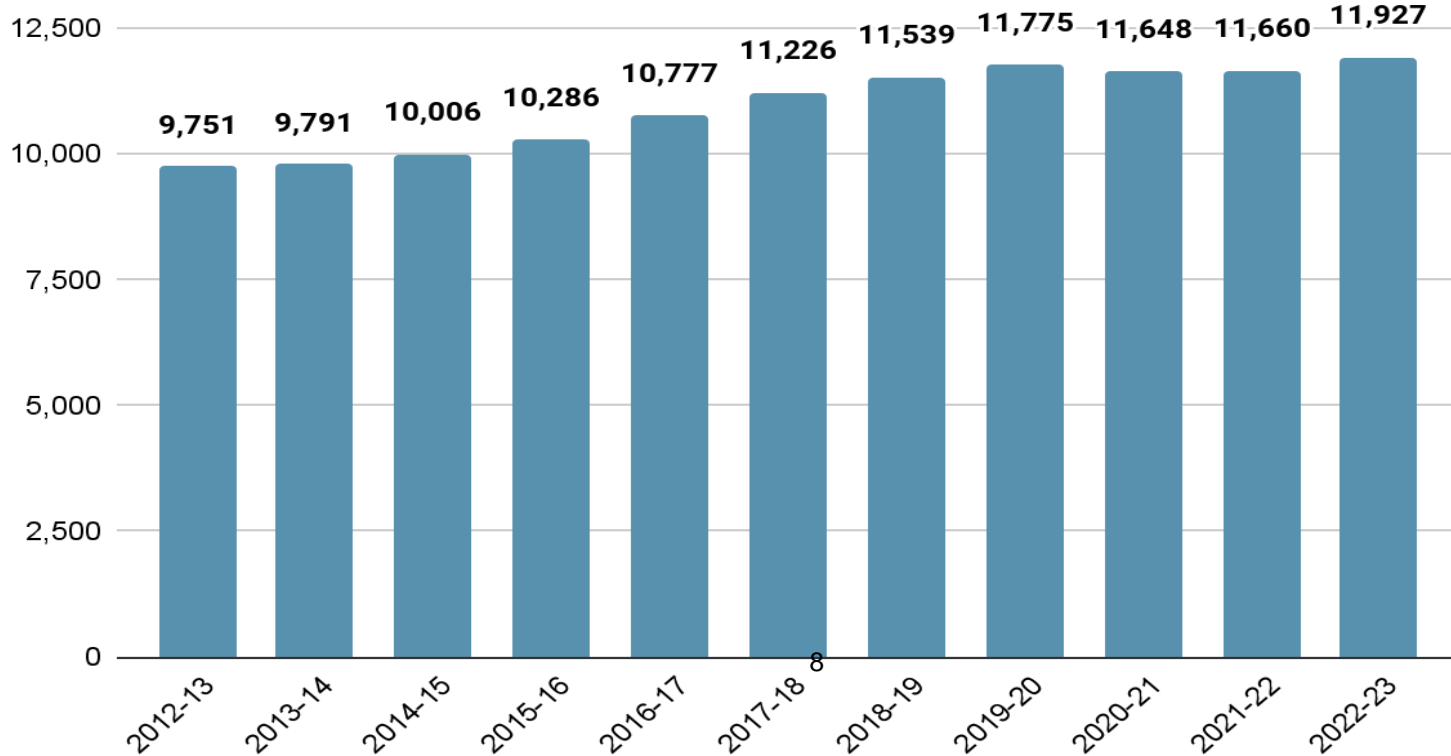
2.8 cents
District & School
Administration

3.3 cents
District Support

68.8 cents
Instruction & Instructional Support

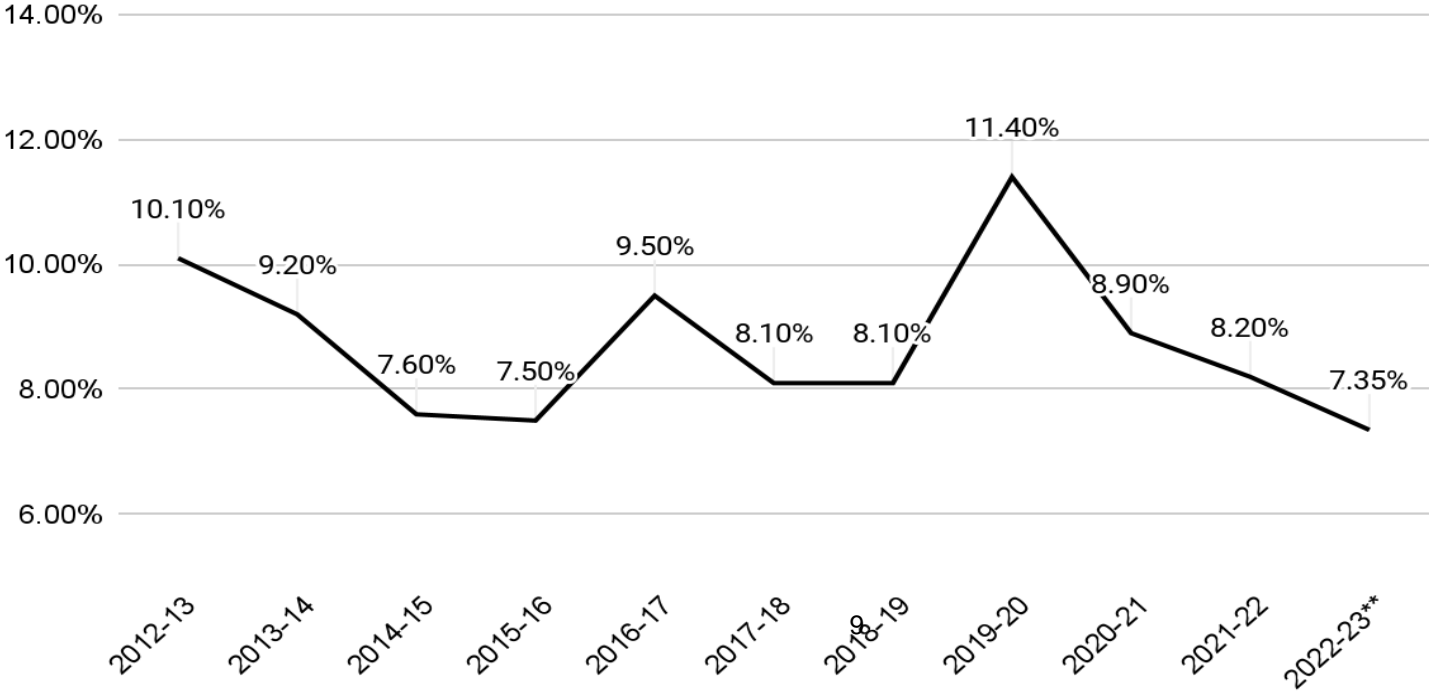
↑ 8.7 cents
Pupil Support

K-12 Enrollment History - October 1



Source:
Hazel
Reinhardt
Enrollment
Study Dec
2022

Unassigned Fund Balance



**** Estimated**

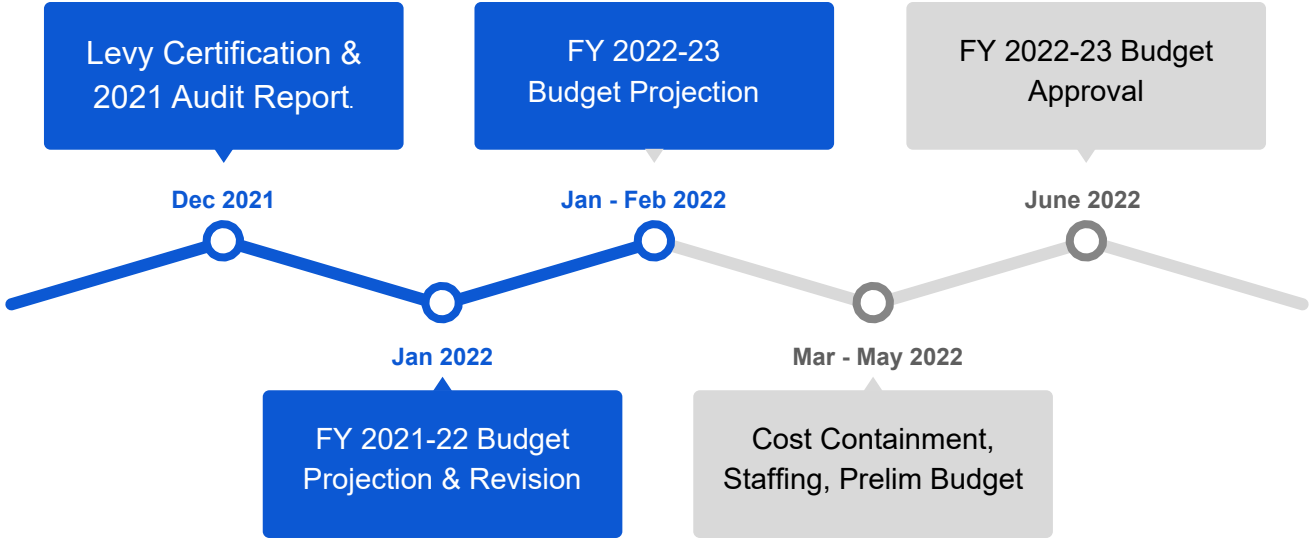


Federal Pandemic Funding

- WPS received a total of \$11.8M in federal pandemic funding between 2020-2024.
- Funding based on F&R eligibility
- One-time funding, not an ongoing source of revenue
- Funds were required to be spent for specific purposes
 - Only \$250,000 was received for loss of enrollment

FY 2023-24 Budget and Financial Forecast

Budget Timeline



Financial Forecast Assumptions

Budget Projection	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Enrollment (LK, HM)	12,281	12,510	12,642	12,836
	Revenue			
Funding Formula	2.00%	2.00%	1.00%	1.00%
Federal	2.00%	2.00%	2.00%	2.00%
Other	3.00%	3.00%	3.00%	3.00%
Tax Levy	2.46%	5.70%	4.00%	4.70%
	Expense			
Salaries	Per contract or board parameters			
Medical/Dental	5.00%	5.00%	5.00%	5.00%
Utilities	6.00%	6.00%	6.00%	6.00%
Transportation	7.00%	10.00%	10.00%	10.00%
All other	2.00%	2.00%	2.00%	2.00%

Financial Projections - Base

Base	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Enrollment	12,058	12,281	12,510	12,642	12,836
Funding Formula Increase	2.00%	2.00%	2.00%	1.00%	1.00%
Total Revenue	173,072,390	176,320,678	181,722,367	185,792,541	190,795,387
Total Expense	175,245,619	183,147,080	190,083,501	197,070,386	204,389,417
Change in Fund Balance	-2,173,229	-6,826,402	-8,361,134	-11,277,845	-13,594,030
Ending Fund Balance	12,882,818	6,056,416	-2,304,718	-13,582,563	-27,176,593
Fund Balance %	7.35%	3.31%	-1.21%	-6.89%	-13.30%

Financial Projections - Base + Containment

Cost Containment	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Enrollment	12,058	12,281	12,510	12,642	12,836
Funding Formula Increase	2.00%	2.00%	2.00%	1.00%	1.00%
Total Revenue	173,072,390	176,320,678	181,722,367	185,792,541	190,795,387
Expense	175,245,619	183,147,080	182,873,501	187,123,723	194,144,355
Cost Containment 2023		-7,000,000			
Cost Containment 2024			-2,446,954		
Total Expense	175,245,619	176,147,080	180,426,547	187,123,723	194,144,355
Change in Fund Balance	-2,173,229	173,598	1,295,820	-1,331,182	-3,348,968
Ending Fund Balance	12,882,818	13,056,416	14,352,236	13,021,054	9,672,086
Fund Balance %	7.35%	7.41% ⁵	7.95%	6.96%	4.98%

How did we get here?

Pandemic

- Funding challenges
- Decreased student enrollment

State Funding

- Not kept pace with inflation for several decades
- Unfunded mandates
- Special education - underfunded

Expenses

- Inflationary pressures

General Fund Unassigned Fund Balance

- Minimum of 7% per School Board policy

Cost Containment Committee

Name	Representing	Name	Representing
DeeDee Kahring	Finance	Scott LeSage	Finance
Nate Flansburg	Superintendent's Office	Dana Miller	Teaching & Learning
Stacie Vos	Human Resources	Jenny Berg	Elementary Schools
Karen Keffeler	Elementary Schools	Paul Paetzel	Middle Schools
Scott Gengler	High School	Wade Phillips	Technology
Amy Parnell	Communications	Jill Schwint	Finance

Governor's Education Funding Proposals

State Aid

- 4% FY 2023-24
- 2% FY 2024-25
- FY 2025-26 and beyond - Tie to inflation with cap at 3%

Special Education Excess Cost Aid

- 50% of Current Excess

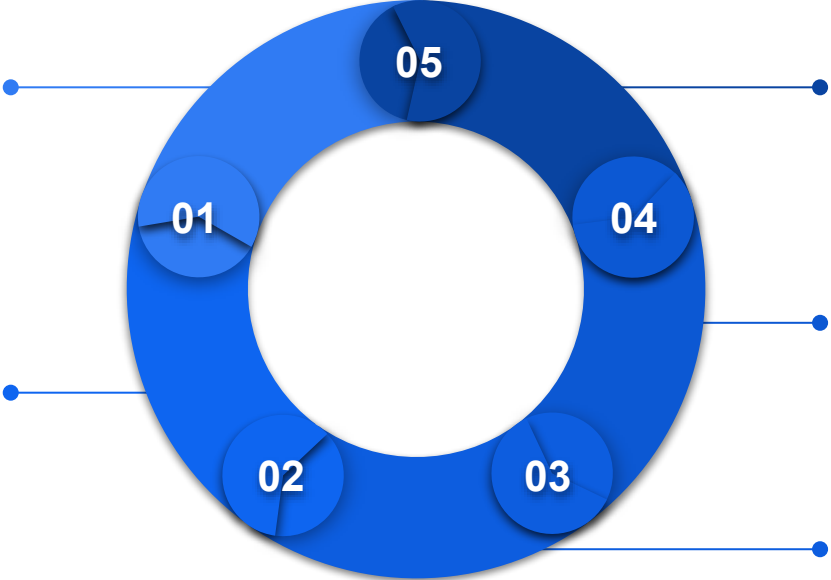
English Learner Excess Cost Aid

- Reduce by 25%

Cost Containment - Review & Finalization

**Cost Containment
Committee**

**Superintendent &
Executive Director
Review**



Adoption of Budget

**Board Finance
Committee & Work
Session**

**Strategy Leadership
Team & Leadership
Council Review**



DeeDee Kahring

Executive Director of Finance & Operations

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