



Excellence. For each and every student.

**BOARD OF EDUCATION**

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

---

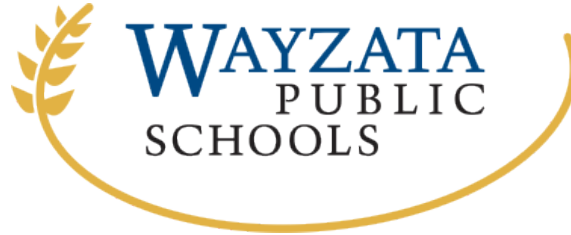
---

**Minutes of Work Session Meeting**

A Work Session Meeting of the Board of Education of Wayzata Public Schools was held Monday, February 6, 2023, beginning at 4:00 PM in the Wayzata Public Schools District Office  
210 County Road 101 North  
Plymouth, Minnesota 55447.

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

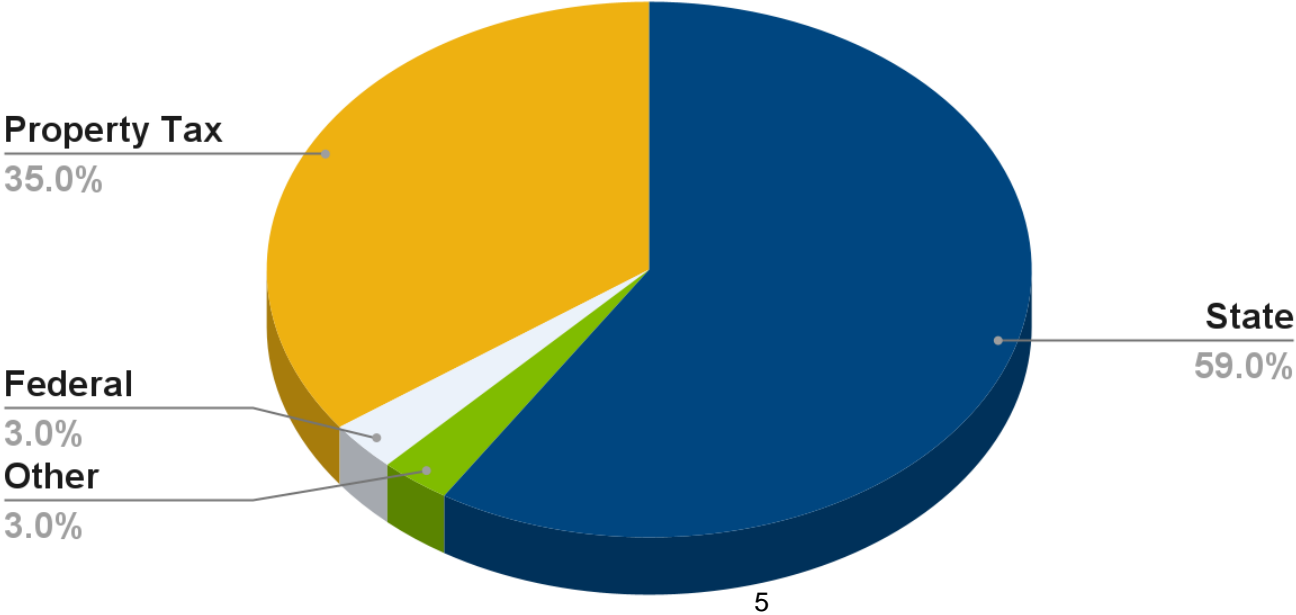
- District Finance Facts
- Financial Forecast

# School District Funds

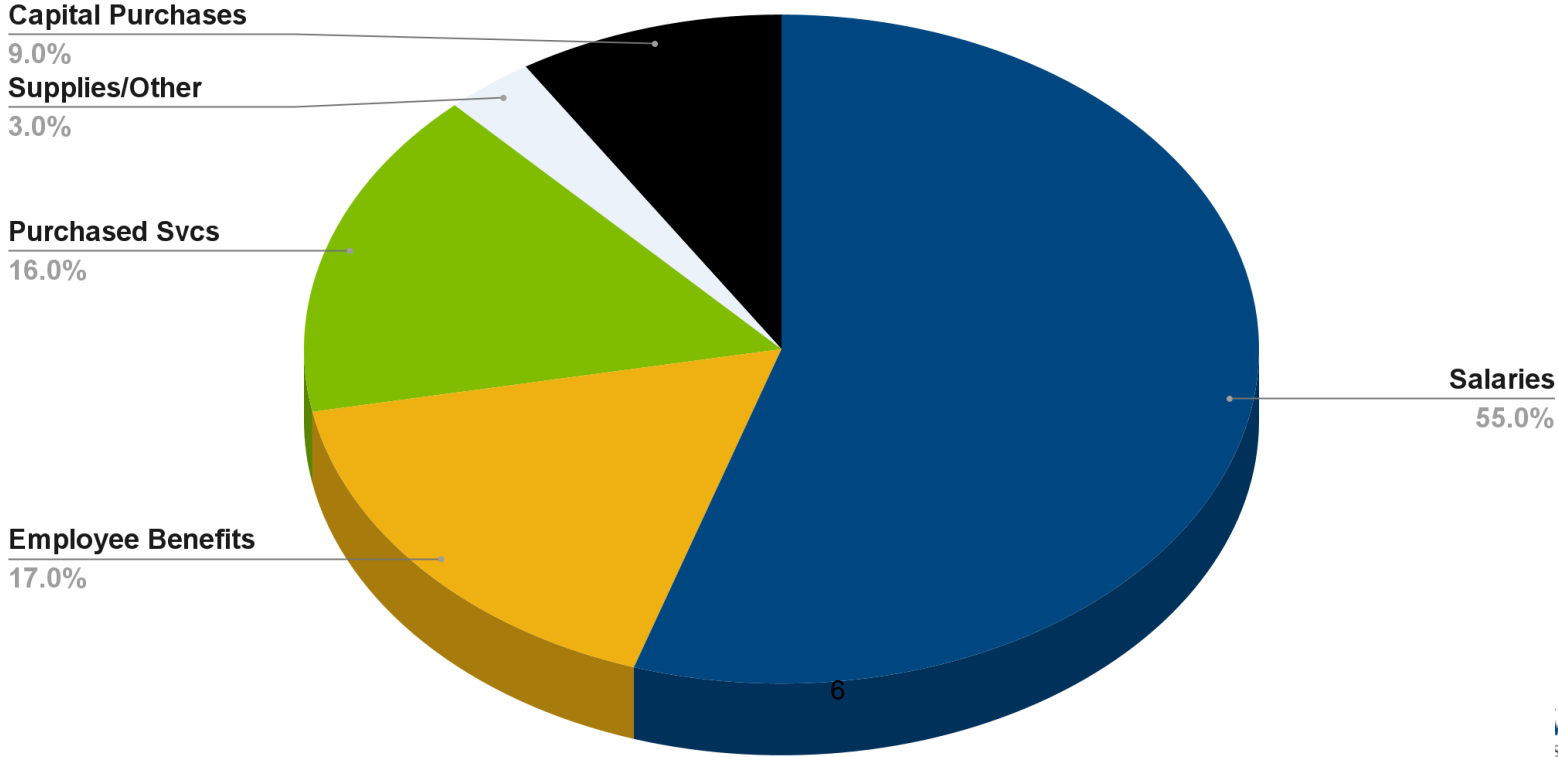
<b>01</b>	<b>General Fund</b>	<ul style="list-style-type: none"><li>• General School District Operations</li><li>• Salaries/Benefits, Supplies, Transportation</li><li>• Utilities, Equipment, LTFM &lt; \$2.0M</li></ul>
<b>02</b>	<b>Food Service</b>	<ul style="list-style-type: none"><li>• Wayzata Cafes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

4

# 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



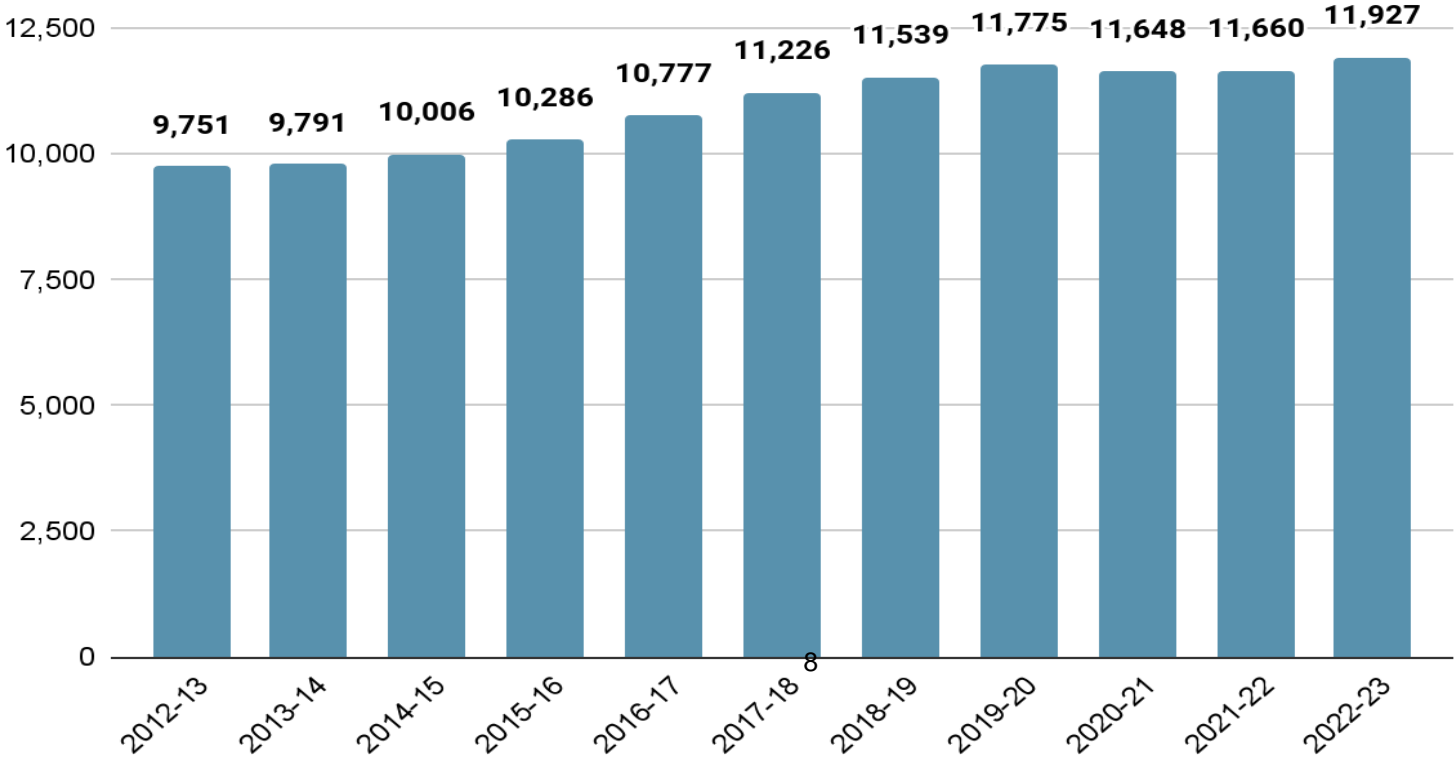
2.8 cents  
District & School  
Administration

3.3 cents  
District Support

68.8 cents  
Instruction & Instructional Support

7 ↑ 8.7 cents  
Pupil Support

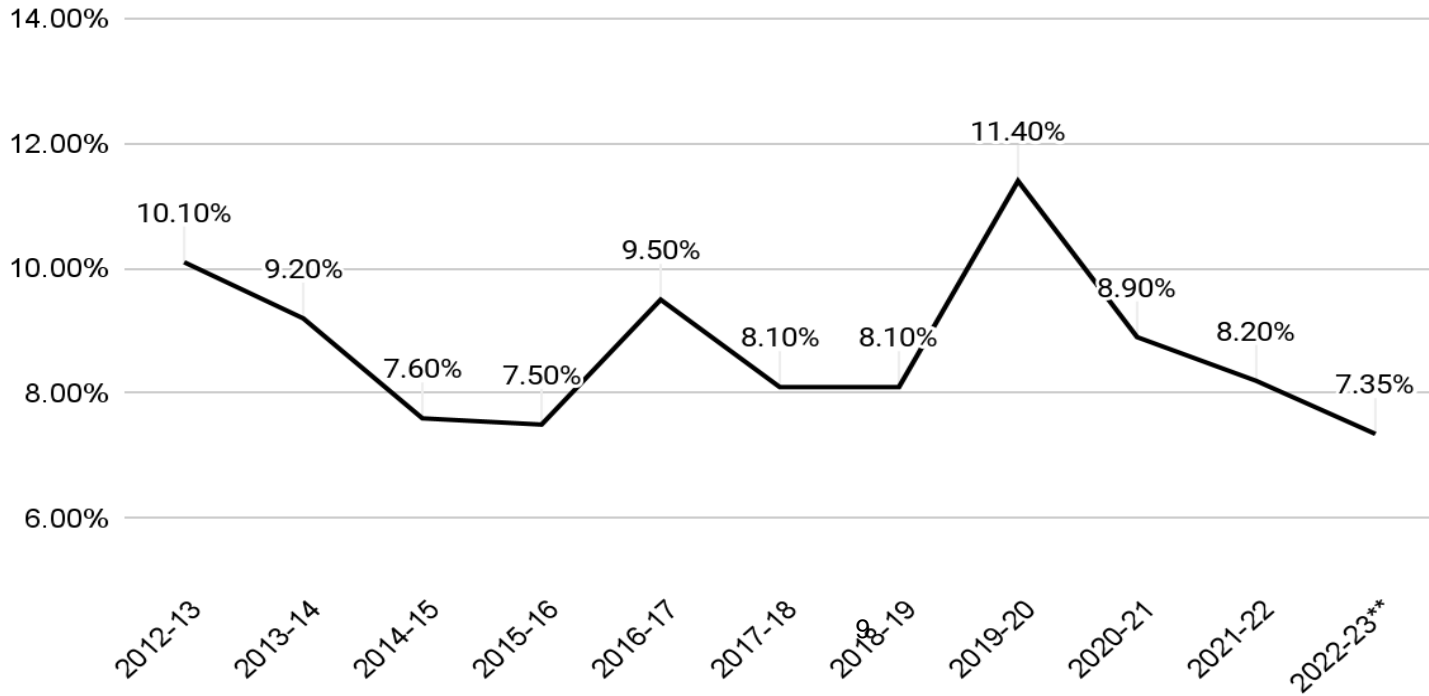
# K-12 Enrollment History - October 1



Source:  
Hazel  
Reinhardt  
Enrollment  
Study Dec  
2022



# Unassigned Fund Balance



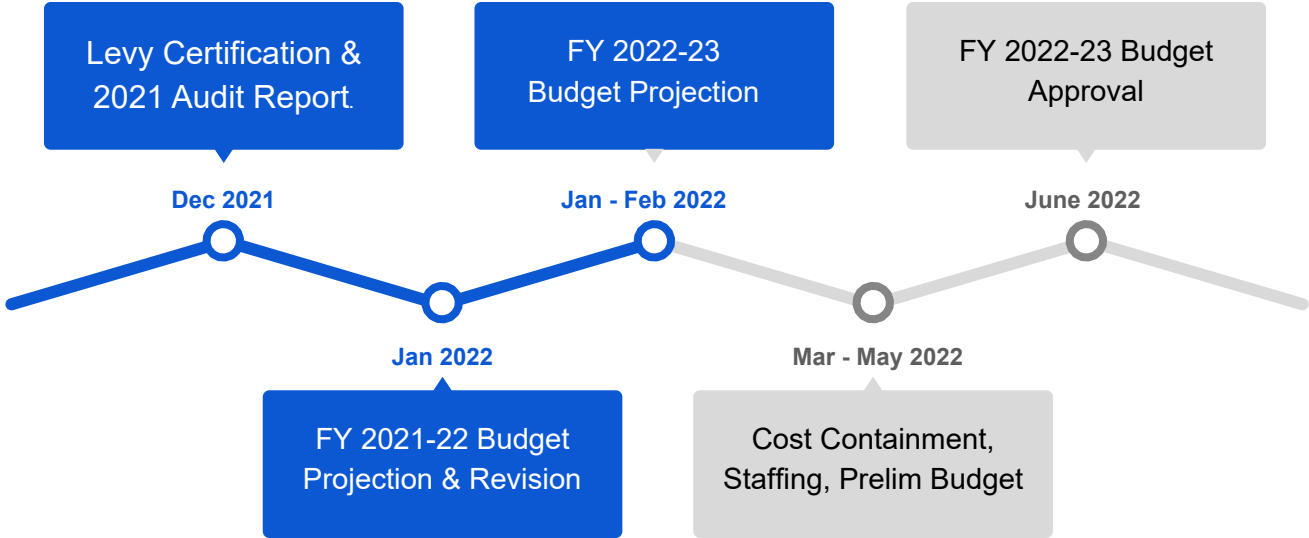
**\*\* Estimated**

# 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
<b>Enrollment (LK, HM)</b>	<b>12,281</b>	<b>12,510</b>	<b>12,642</b>	<b>12,836</b>
	<b>Revenue</b>			
Funding Formula	2.00%	<b>2.00%</b>	<b>1.00%</b>	<b>1.00%</b>
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%
	<b>Expense</b>			
Salaries	<b>Per contract or board parameters</b>			
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%
<b>Total Revenue</b>	<b>173,072,390</b>	<b>176,320,678</b>	<b>181,722,367</b>	<b>185,792,541</b>	<b>190,795,387</b>
<b>Total Expense</b>	<b>175,245,619</b>	<b>183,147,080</b>	<b>190,083,501</b>	<b>197,070,386</b>	<b>204,389,417</b>
<b>Change in Fund Balance</b>	<b>-2,173,229</b>	<b>-6,826,402</b>	<b>-8,361,134</b>	<b>-11,277,845</b>	<b>-13,594,030</b>
<b>Ending Fund Balance</b>	<b>12,882,818</b>	<b>6,056,416</b>	<b>-2,304,718</b>	<b>-13,582,563</b>	<b>-27,176,593</b>
<b>Fund Balance %</b>	<b>7.35%</b>	<b>3.31%</b>	<b>-1.21%</b>	<b>-6.89%</b>	<b>-13.30%</b>

# 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%
<b>Total Revenue</b>	<b>173,072,390</b>	<b>176,320,678</b>	<b>181,722,367</b>	<b>185,792,541</b>	<b>190,795,387</b>
Expense	175,245,619	183,147,080	182,873,501	187,123,723	194,144,355
<b>Cost Containment 2023</b>		<b>-7,000,000</b>			
<b>Cost Containment 2024</b>			<b>-2,446,954</b>		
<b>Total Expense</b>	<b>175,245,619</b>	<b>176,147,080</b>	<b>180,426,547</b>	<b>187,123,723</b>	<b>194,144,355</b>
Change in Fund Balance	<b>-2,173,229</b>	173,598	1,295,820	<b>-1,331,182</b>	<b>-3,348,968</b>
Ending Fund Balance	<b>12,882,818</b>	<b>13,056,416</b>	<b>14,352,236</b>	<b>13,021,054</b>	<b>9,672,086</b>
Fund Balance %	<b>7.35%</b>	<b>7.41%</b> <sup>5</sup>	<b>7.95%</b>	<b>6.96%</b>	<b>4.98%</b>

# 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

<b>Name</b>	<b>Representing</b>	<b>Name</b>	<b>Representing</b>
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%

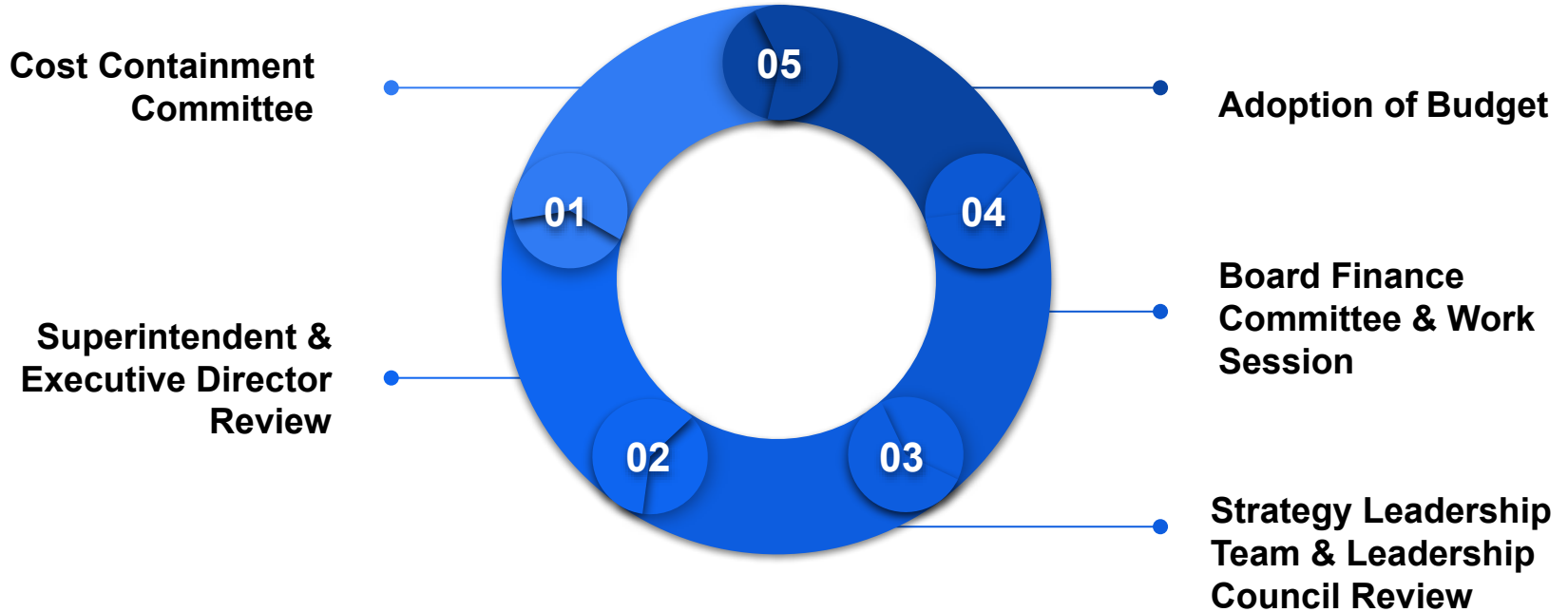
## **Special Education Excess Cost Aid**

- 50% of Current Excess

## **English Learner Excess Cost Aid**

- Reduce by 25%

# Cost Containment - Review & Finalization





DeeDee Kahring

Executive Director of Finance & Operations

[deedee.kahring@wayzataschools.org](mailto:deedee.kahring@wayzataschools.org)

763-745-5023