

BUDGET OVERVIEW

The fiscal year for Mahtomedi Public School District #832 commences July 1, which is consistent with most school districts and is the law in Minnesota. The School Board, by law, must have a budget adopted for the upcoming fiscal year prior to July 1.

The budget sets forth the financial plan for the forthcoming fiscal year. It is based on the projected financial needs of the District and serves to allocate limited resources in the best possible way to provide the best educational opportunities to students.

FINANCIAL STRUCTURE

The financial activity of the District is accounted for in several funds. Each fund is an independent accounting entity having its own set of accounts, assets, liabilities, fund balances, revenues and expenditures. The budget, approved by the Board, reports on the following governmental funds: General, Food Service, Community Service, and Debt Service. The budget includes a proprietary fund (Internal Service) and a fiduciary fund (Other Post-Employment Benefits (OPEB Trust)).

GENERAL FUND

The General Fund is used to account for all revenue and expenditures of the District not accounted for elsewhere. The General Fund is used to account for K-12 educational activities, instruction and student support programs. Administrative, operational, building maintenance and legal expenditures not specifically designated to be accounted for in any other fund are also recorded within the General Fund.

Transportation Services-

The General Fund is also used to show all financial activities of the District's pupil transportation program. Chargebacks are made against other operating funds when appropriate.

Capital Expenditures-

The General Fund is also used to record revenue and expenditures for Operating Capital, Leases, Capital Projects and the Long-term Facility Maintenance program. These programs require a restricted/reserve to reflect year-end balances.

FOOD SERVICE FUND

The Food Service Fund is used to record financial activities of the District's food service program. Food service includes activities for the purpose of preparation and service of milk, meals and snacks in connection with school and community service activities.

All expenditures relating to meal preparation must be recorded in the Food Service Fund. Eligible expenditures include application processing, meal accountability, food preparation, meal service and kitchen custodial service.

COMMUNITY SERVICE FUND

The Community Service Fund is used to record all financial activities of the District's Community Service program.

The focus of Community Education is enrichment programs for any age level that are not part of the K-12 education program. Community Education programming may also include K-12 summer school enrichment activities which, although educational in nature, are not for credit and are not required for graduation. A district may spend up to 10 percent of its community education revenue (levy, aids and fees) to purchase or lease computers and related items, equipment for instructional programs and library books used exclusively for community education.

DEBT SERVICE FUND

The Debt Service Fund is used to record revenue and expenditures for the District's outstanding bonded indebtedness.

When a bond issue is sold, the Board must levy a direct tax upon the property of the District for the payment of principal and interest. The revenue from such a tax and related state aid must be separately accounted for in the Debt Service Fund.

INTERNAL SERVICE FUND

The Internal Service Fund is used to account for goods and services provided by one department to another within the District on a cost-reimbursement basis. The Internal Service Fund is utilized for the District's health insurance program.

TRUST FUND

Trust Funds are used to record the revenues and expenditures for trust agreements where the Board has accepted the responsibility to serve as trustee. The District has a trust fund in place to account for its OPEB Trust arrangement.