

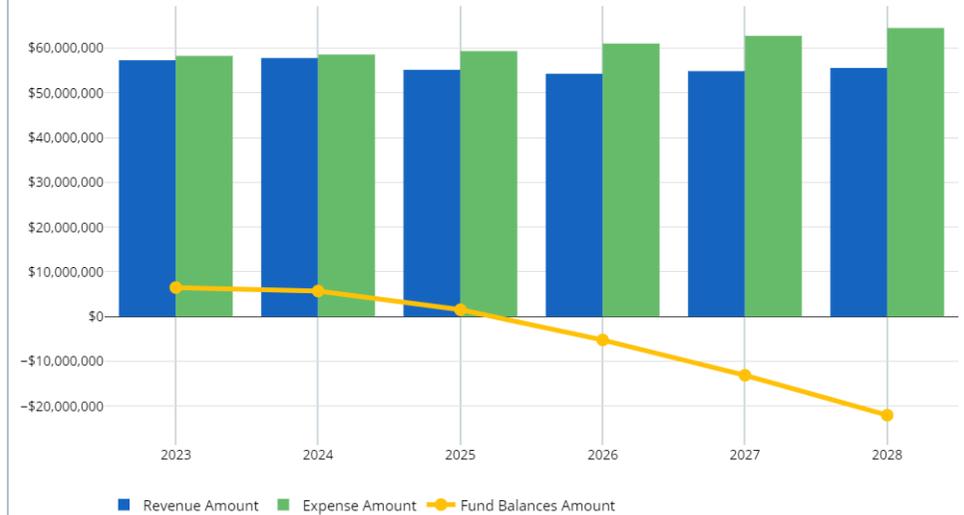
# Financial Forecast Summary - General Fund



## Summary

- This summary is for the General Fund and covers fiscal year periods 2023–2028.
- For the current fiscal year period 2023, an unfavorable deficit condition is expected with expenses exceeding revenues by \$968,597. Based on the current year conditions and the assumptions for the forecast periods ending in 2028, this unfavorable condition will continue with a recognized deficit of -\$8,923,204 in 2028.
- The cumulative change from the current year and forecasted periods ending in 2028 is a cumulative deficit of -\$29,483,881. In order to establish a structurally balanced budget where recurring revenues equal or exceed recurring expenditures over these periods, expenses would need to be reduced by an average of 8.1% for each year without additional revenues.
- Over the past historical periods (2018–2022) an aggregate deficit condition was recognized, with the expenses exceeding the revenues by an average of \$997,183, or a -1.8% unfavorable deficit (as a percentage of expenses).
- Based on the assumptions for the forecasted periods (2024–2028), total revenues are expected to decrease by -0.6% per year on average. The 2024 amount of \$57,783,173 is noticeably larger compared to the remaining projections, with the difference attributed mostly to jumps in Federal Grants, and General Education Aid. Over the same period total expenses are expected to increase by 2.1% per year on average.
- For the historical periods (2018–2022), total revenues increased by 3.7% per year on average. The 2022 amount of \$59,219,300 was noticeably larger compared to the remaining historical periods, with the difference attributed mostly to a jump in Federal Grants. Total expenses increased by 3.5% per year on average, with some variability year to year including a decrease of -5.4% in 2020 attributed mostly to a drop in Employee Benefits (-18.7%), as well as an increase of 8.1% in 2019.
- Based on the assumptions for the current and forecasted periods, total General Fund balances are expected to decrease from \$6,497,118 in 2023 to -\$22,018,166 in 2028, representing a -438.9% change.
- General Fund balances reported as a percent of total revenues and expenditures provide a comparative analysis for measuring the predictability and volatility of key revenue sources and expenditures. For the current year period 2023, the total balance of \$6,497,118 represents 11.3% of total revenue and 11.2% of total expenses in the General Fund. For the last year in the forecasted periods (2028), total General Fund balances are expected to decrease to -\$22,018,166 (-438.9%). This amount represents -39.6% of total revenue and -34.1% of total expenses. These fund balances fail to meet the established fund balance targets (50.0% of revenues/expenditures) in all of the years of the forecasted period (2023–2028), and are considered inadequate. The projected decrease in fund balance over the forecasted periods of -438.9% is considered material and may be an indicator of structurally imbalanced budget conditions related to recurring revenues and expenses and use of reserves or other short-term balancing actions.

Projected Financial Summary



Historical Financial Summary



Revenues

Property Tax Levy 

- The current year (2023) plan amount for Property Tax Levy is \$8,080,456, a 9.6% increase over the prior year.
- Over the next 5 years (2024–2028) this amount is projected to increase by 1.2% per year on average, with some variability year to year including an increase of 11.9% in 2024 caused by a jump in 001 PROPERTY TAX LEVY, GENERAL (+11.9%), as well as a decrease of -5.8% in 2025.
- Over the past historical periods (2018–2022) Property Tax Levy increased by 3.7% per year on average, with significant variability year to year including a decrease of -10.9% in 2019, and an increase of 20.6% in 2022. The 2022 amount of \$7,371,155 was noticeably larger compared to the remaining historical periods, with the difference caused by a jump in 001 PROPERTY TAX LEVY, GENERAL.

Other Property Taxes 

- The current year plan amount for Other Property Taxes is \$90,159, a -64.0% decrease over the prior year.
- Over the next 5 years this amount is projected to stay unchanged each year except for a decrease of -1.1% in 2024 caused by a drop in 010 COUNTY APPORTIONMENT (-1.2%).
- Over the past historical periods Other Property Taxes increased by 22.1% per year on average, with significant variability year to year including an increase of 182.6% in 2022 caused by a jump in 010 COUNTY APPORTIONMENT (+198.5%), as well as a decrease of -17.1% in 2019.

Other Local 

- The current year plan amount for Other Local is \$1,422,214, a -8.8% decrease over the prior year.
- Over the next 5 years this amount is projected to increase by 0.3% each year except for an increase of 33.9% in 2024 attributed mostly to jumps in 071 MA REV/DEPT OF HUMAN SVCS (+44.4%), and 050 FEES FROM PATRONS (+101.5%).
- Over the past historical periods Other Local decreased by -3.8% per year on average, with significant variability year to year including a decrease of -19.6% in 2020, and an increase of 10.9% in 2022.
- All five forecast period amounts fall somewhat outside of the historical range and trend, potentially warranting further review. [Show more info.](#)

General Education Aid 

- The current year plan amount for General Education Aid is \$31,231,221, a -0.3% decrease over the prior year.
- Over the next 5 years this amount is projected to decrease by -0.4% per year on average including a decrease of -3.6% in 2026 caused by a drop in 211 GENERAL EDUCATION AID (-3.6%).
- Over the past historical periods General Education Aid decreased by -2.3% per year on average including a decrease of -4.6% in 2021 caused by a drop in 211 GENERAL EDUCATION AID (-4.6%).
- Four forecast period amounts (2024–2025, and 2027–2028) fall somewhat or significantly outside of the historical range and trend, potentially warranting further review. [Show more info.](#)

Special Education Aid 

- The current year plan amount for Special Education Aid is \$7,517,589, a 2.7% increase over the prior year.
- Over the next 5 years this amount is projected to increase by 3.5% each year.
- Over the past historical periods Special Education Aid increased by 10.0% per year on average, with significant variability year to year including an increase of 26.4% in 2021, and an increase of 0.4% in 2022.

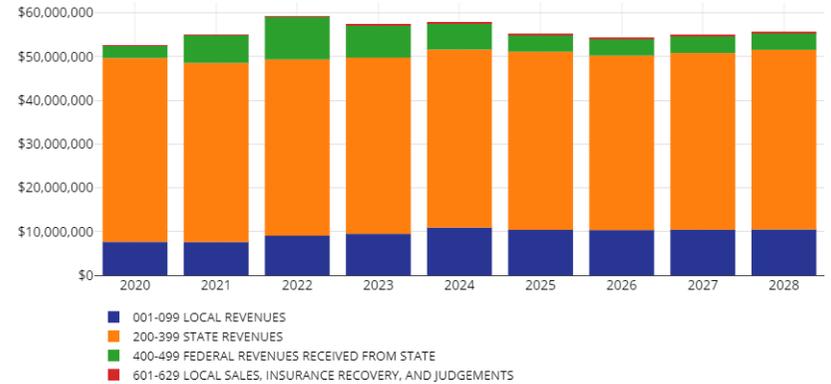
Other State Aid 

- The current year plan amount for Other State Aid is \$1,530,316, a -7.6% decrease over the prior year.
- Over the next 5 years this amount is projected to stay unchanged.
- Over the past historical periods Other State Aid increased by 5.2% per year on average, with significant variability year to year including a decrease of -38.6% in 2021, and an increase of 65.3% in 2020. The 2020 amount of \$2,735,293 was noticeably larger compared to the remaining historical periods, with the difference caused by a jump in 370 OTHER, MN DEPT OF EDUCATION.

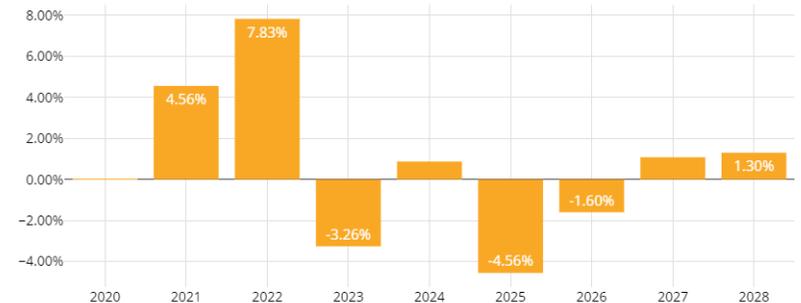
Federal Grants 

- The current year plan amount for Federal Grants is \$7,414,110, a -23.9% decrease over the prior year.
- Over the next 5 years this amount is projected to remain around \$3.9M each year except for the noticeably larger amount of \$6,065,805 in 2024, caused by a jump in 400 FEDERAL AID/MDE (REQUIRES FIN).
- Over the past historical periods Federal Grants increased by 45.6% per year on average, with significant variability year to year including an increase of 127.2% in 2021, and a decrease of -2.9% in 2020.
- Four forecast period amounts (2025–2028) fall somewhat outside of the historical range and trend, potentially warranting further review. [Show more info.](#)

General Fund Revenue by Source



General Fund Revenue - YOY % of Change



General Fund Revenue - YOY \$ Change



## Expenses

### Salaries and Wages

- The current year (2023) plan amount for Salaries and Wages is \$33,686,392, a 0.9% increase over the prior year.
- Over the next 5 years (2024–2028) this amount is projected to increase by 1.4% per year on average including a decrease of -1.9% in 2025 attributed mostly to drops in 140 LICENSED CLASSROOM TEACHER (-0.3%), 110 ADMINISTRATION/SUPERVISION (-8.2%), and 156 SOCIAL WORKER (-33.6%).
- Over the past historical periods (2018–2022) Salaries and Wages increased by 4.0% per year on average. The 2022 amount of \$33,399,510 was noticeably larger compared to the remaining historical periods, with the difference attributed mostly to a jump in 140 LICENSED CLASSROOM TEACHER.

### Employee Benefits

- The current year plan amount for Employee Benefits is \$12,363,511, a -0.3% decrease over the prior year.
- Over the next 5 years this amount is projected to increase by 2.8% per year on average.
- Over the past historical periods Employee Benefits increased by 2.6% per year on average, with significant variability year to year including a decrease of -18.7% in 2020, and an increase of 24.5% in 2019. The 2019 amount of \$13,958,985 was noticeably larger compared to the remaining historical periods, with the difference caused by a jump in 290 OPEB (EXCESS OF ARC).

### Purchased Services

- The current year plan amount for Purchased Services is \$8,119,018, a -2.9% decrease over the prior year.
- Over the next 5 years this amount is projected to increase by 4.9% each year except for a smaller increase of 2.0% in 2024 attributed mostly to drops (relative to the average rate of 4.3%) in 304 FEDERAL SUB AWARD >\$25000 (-95.0%), and 360 TRANSPORT CONTR <=\$25,000 (+2.7%).
- Over the past historical periods Purchased Services increased by 4.3% per year on average, with significant variability year to year including an increase of 24.3% in 2022, and a decrease of -8.5% in 2021.

### Supplies and Materials

- The current year plan amount for Supplies and Materials is \$2,451,934, a -12.1% decrease over the prior year.
- Over the next 5 years this amount is projected to stay unchanged each year except for a decrease of -0.8% in 2024 caused by a drop in 401 SUPPLIES, NON INSTRUCTIONAL (-2.9%).
- Over the past historical periods Supplies and Materials increased by 3.2% per year on average, with significant variability year to year including an increase of 50.1% in 2021 attributed mostly to jumps in 460 TEXTBOOKS (+267.1%), and 466 INSTRUCTIONAL TECH DEVICES (+288.0%), as well as a decrease of -14.7% in 2019.

### Capital Expenditures

- The current year plan amount for Capital Expenditures is \$1,279,306, a -25.9% decrease over the prior year.
- Over the next 5 years this amount is projected to stay unchanged.
- Over the past historical periods Capital Expenditures decreased by -4.0% per year on average, with significant variability year to year including a decrease of -47.9% in 2022 attributed mostly to drops in 590 OTHER CAPITAL EXPENDITURES (-99.5%), and 580 PRINCIPAL ON CAPITAL LEASE (-53.9%), as well as an increase of 31.3% in 2019.

### Debt Service

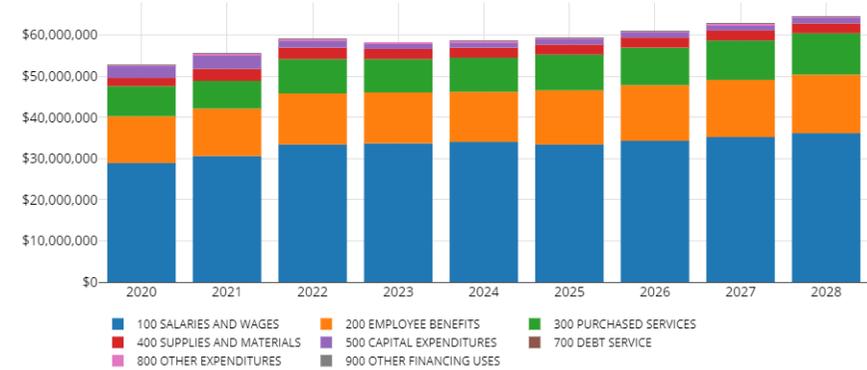
- The current year plan amount for Debt Service is \$0, unchanged from the prior year.
- Over the next 5 years this amount is projected to stay unchanged at \$0.
- Over the past historical periods Debt Service stayed unchanged at \$0.

### Other Expenditures

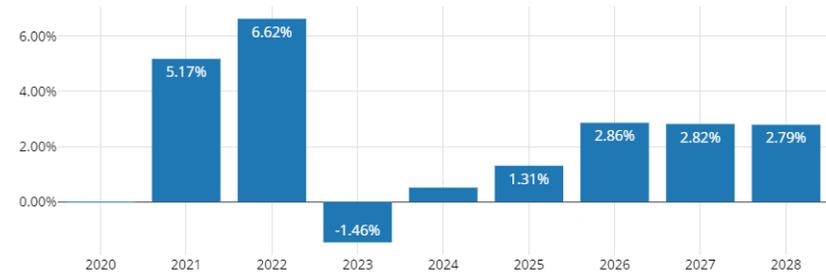
- The current year plan amount for Other Expenditures is \$354,501, a -18.9% decrease over the prior year.
- Over the next 5 years this amount is projected to stay unchanged.
- Over the past historical periods Other Expenditures increased by 18.0% per year on average, with some variability year to year including an increase of 30.2% in 2021, and an increase of 8.8% in 2019.
- Three forecast period amounts (2026–2028) fall somewhat outside of the historical range and trend, potentially warranting further review. [Show more info.](#)

### Other Financing Uses

General Fund Expenses by Object



General Fund Expenses - YOY % of Change



General Fund Expenses - YOY \$ Change

