



Intermediate School District 917

# Fiscal Year 2025 Revised Budget

February 4, 2025



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# Revised Budget: Key Items



## Special Education:

- Update all staffing rosters and estimate of student hours
- Revised Budget reflects adding 30 additional students over the remainder of the year to the baseline number of students we had in November.
- Adding 39 new contractor ESP's positions between Jan – Mar to accommodate increased student intakes

## Secondary:

- Net loss (DCALS) increases over FY24 primarily due to lower enrollment than what was planned
- CTE Total expense increases vs FY24 due to grant funding
- CTE salary & benefit cost is down vs FY24 due to discontinuing the Chef, Medical and in-person ALC Physical Education programs

## Unassigned Fund Balance:

- Board target is a ratio of fund balance to annual expense of 15.0%
- Revised budget projects a material decrease from the FY24 ending rate of 21.1%

## Grant Funding:

- FY25 expenditures associated with grant funding is higher than FY24 actual. Special Education is \$2.4M higher and Secondary is \$513k higher

# Revised Budget: Key Metrics



## ISD 917 Hours and Rate Comparison

Secondary Technical Center Programs:	FY24 Actual	FY25 Revised Budget	% change	Change in ADM's
Career & Technical Programs Average Hourly Rate	\$18.66	\$19.81	6.16%	
CTE Billable Hours	68,488	60,550	-11.59%	(7) ADM's
DCALS Main Student Billable Hours (unweighted)	74,831	57,306	-23.42%	(16) ADM's
DCALS North Student Billable Hours (unweighted)	60,169	52,873	-12.13%	(7) ADM's
DCALS Ext. Day Student Billable Hours (unweighted)	6,856	6,488	-5.37%	(0) ADM's
<b>Total Student Billable Hours</b>	<b>210,344</b>	<b>177,217</b>	<b>-15.75%</b>	<b>(32)</b>

Secondary: Billable hours are decreasing vs FY24 (Chef, Medical, Gym program reductions)

Special Education: Billable hours are increasing. Billable rate increases 9.6%

Special Education Programs:	FY24 Actual	FY25 Revised Budget	% change	Change in ADM's
Special Education Resource Program Average Rate	\$76.25	\$83.59	9.62%	
Purchase of Services Agreements Average Cost per FTE	\$124,611	\$134,378	7.84%	
Special Education Resource Student Billable Hours	393,246	398,397	1.31%	5 ADM's
Special Education Purchase of Service Billable Hrs	40,292	38,864	-3.54%	(1) FTE's
<b>Total Student Billable Hours</b>	<b>433,538</b>	<b>437,261</b>	<b>0.86%</b>	



# Unassigned Fund Balance Roll-Forward

Fund #	Fund Name	Actual Fund	Projected	Projected	Net Income /	Actual Fund
		Balance 6/30/2024				Balance 6/30/2025
1	Secondary	3,054,578	3,807,541	4,567,277	-759,736	2,294,842
2	Special Education	6,570,606	46,168,054	46,033,876	134,178	6,704,784
5	Gen Capital Exp.	23,467	534,500	525,900	8,600	32,067
10	Institutional Support		202,865	202,865	0	0
13	Secondary Resale	6,680	9,250	9,250	0	6,680
14	Special Ed Resale	18,746	10,100	9,800	300	19,046
15	917 Support Services					0
50	Student Activities	6,108	2,930	6,231	-3,301	2,807
	Total Operating Fund	9,680,185	50,735,240	51,355,199	-619,959	9,060,226
3	Food and Nutrition	16,826	245,175	245,175	0	16,826
20	Internal Service Fund	-443,021	231,345	11,151	220,194	-222,827
21	Self Funded Dental Ins. Plan	609,938	457,104	529,140	-72,036	537,902
22	Self Funded Health Ins. Plan	6,484,106	4,956,846	4,321,860	634,986	7,119,092
	Total All Funds	16,348,034	56,625,710	56,462,525	163,185	16,511,219

	FY24 Actual	FY25 Rev Bud
Total Operating Fund	9,680,185	9,060,226
Restricted/Assigned/Nonspendable	619,030	467,000
Unassigned Fund Balance	9,061,155	8,593,226
Total General Fund Expenditures	42,993,977	51,355,199
Unassigned Fund Balance Ratio	21.1%	16.7%

- FY24 ended with an Unassigned fund balance of \$9,061,155 or **21.1%**
- FY25 Revised Budget projects ending FY25 with an Unassigned fund balance of \$8,582,966 or **16.7%**
- Loss in Secondary (DCALS) combined with the increased expenditures in Special Ed. are impacting the Fund balance ratio

**Actions Being Taken:**

- Restructure DCAL’s and CTE staffing levels and expense structure
- Ability to increase the funding requested through the Appeal Rate
- Higher scrutiny on day-to-day expenditures

# Expenditures: FY25 Revised Budget vs Adopted Budget

Fund #	Description	FY 25 Adopted Budget	FY 25 Revised Budget	Difference	Percent Change
1	Secondary	4,705,074	4,567,277	-137,797	-2.93%
2	Special Ed.	46,553,325	46,033,876	-519,449	-1.12%
5	Capital Improvements	527,400	525,900	-1,500	-0.28%
10	Institutional Support	216,822	202,865	-13,957	-6.44%
13	Secondary Resale	9,250	9,250	0	0.00%
14	Special Ed Resale	7,700	9,800	2,100	27.27%
15	917 Support Services	0		0	0.00%
50	Student Activities	6,231	6,231	0	0.00%
	Total Operating Fund Exp.	52,025,802	51,355,199	-670,603	-1.29%
3	Food and Nutrition	224,600	245,175	20,575	9.16%
20	Internal Service Fund	-1,500	11,151	12,651	-843.40%
21	Self Funded Dental Ins. Plan	529,140	529,140	0	0.00%
22	Self Funded Health Ins. Plan	4,292,400	4,321,860	29,460	0.69%
	Total Expense: All Funds	57,070,442	56,462,525	-607,917	-1.07%

Total Expenditures in the Revised Budget are \$608K lower than the Adopted Budget

## Highlight of Significant Variances:

### Fund 1 Secondary:

- DCTC SRO Cost \$85k lower - will not be charged separately for this
- Salary \$64k lower and benefits \$13k lower - refined employee roster

### Fund 2 Special Education:

- Staffing cost \$2.6M lower, did not fill budgeted positions
- Contracted Staff (ESP's) \$1,3M higher - 39 ESP's new hires Jan-Mar
- Fees for Service \$589k higher - primarily grant funding for PELSB and DEED

Drive for 5

Fund 20: Severance liability assumptions

Fund 21: Dental Claims cost assumptions

Fund 22: Medical Claims cost assumptions

# Expenditures: FY25 Revised Budget vs FY24 Actual

Fund #	Description	FY24 Actual	FY25 Revised Budget	Difference	Percent Change
1	Secondary	4,308,944	4,567,277	258,333	6.00%
2	Special Ed	37,881,913	46,033,876	8,151,963	21.52%
5	Capital Improvements	529,025	525,900	-3,125	-0.59%
10	Institutional Support	246,590	202,865	-43,725	-17.73%
13	Secondary Resale	16,154	9,250	-6,904	-42.74%
14	Special Ed Resale	8,898	9,800	902	10.14%
15	917 Support Services	0	0	0	0.00%
50	Student Activities	2,453	6,231	3,778	0.00%
	Total Operating Fund	42,993,977	51,355,199	8,361,222	19.45%
3	Food and Nutrition	208,338	245,175	36,837	17.68%
20	Internal Service Fund	15,223	11,151	-4,072	-26.75%
21	Self Funded Dental Ins. Plan	504,132	529,140	25,008	4.96%
22	Self Funded Health Ins Plan	3,839,717	4,321,860	482,143	12.56%
	Total Expense: All Funds	47,561,388	56,462,525	8,901,137	18.72%

Fund 10: Total expense (excluding allocated cost) increased \$422k. Primarily due to 8-10% salary escalation (\$180k), overlap in Finance position (\$70k), IT equip purchases (\$50k)

Fund 20: Anticipating slight decrease in severance liabilities

Fund 21 & 22: Increase in benefit utilization for dental and medical claims. Increase in stop loss administration fees.

Total Expenditures in the Revised Budget are \$8.9M higher than FY24 Actual

## Highlight of Significant Variances:

### Fund 1 Secondary:

- Supplies funded through MSC grant are \$440k higher
- Salary and benefits are \$284k lower (Chef, Medical, Physical education program reductions)

### Fund 2 Special Education:

- Salary and benefits are \$5.0M higher. \$536k of this is grant funded
- Contract labor is \$1.37M higher - 39 ESP's new hires Jan-Mar
- Grant funded purchased services - \$600k higher
- Fund 10 allocations - \$400k higher
- Bldg Mtce / Utilities \$400k higher

# Revenue: FY25 Revised budget vs FY24 Actual

Fund #	Description	FY24 Actual	FY25 Revised Budget	Difference	Percent Change
1	Secondary	3,756,181	3,807,541	51,360	1.37%
2	Special Ed	38,034,231	46,168,054	8,133,823	21.39%
5	Capital Improvements	541,095	534,500	-6,595	-1.22%
10	Institutional Support	246,589	202,865	-43,724	-17.73%
13	Secondary Resale	1,082	9,250	8,168	754.80%
14	Special Ed Resale	12,686	10,100	-2,586	-20.39%
15	917 Support Services	0	0	0	0.00%
50	Student Activities	2,841	2,930	89	0.00%
	Total Operating Revenue	42,594,706	50,735,240	8,140,534	19.11%
3	Food and Nutrition	225,164	245,175	20,011	8.89%
20	Internal Service Fund	222,487	231,345	8,858	3.98%
21	Self Funded Dental Ins. Plan	496,075	457,104	-38,971	-7.86%
22	Self Funded Health Ins Plan	4,463,117	4,956,846	493,729	11.06%
	Total Revenue: All Funds	48,001,549	56,625,710	8,624,161	17.97%

Total Revenue in the Revised Budget is \$8.6M higher than FY24 Actual

## Highlight of Significant Variances:

### Fund 2 Special Ed:

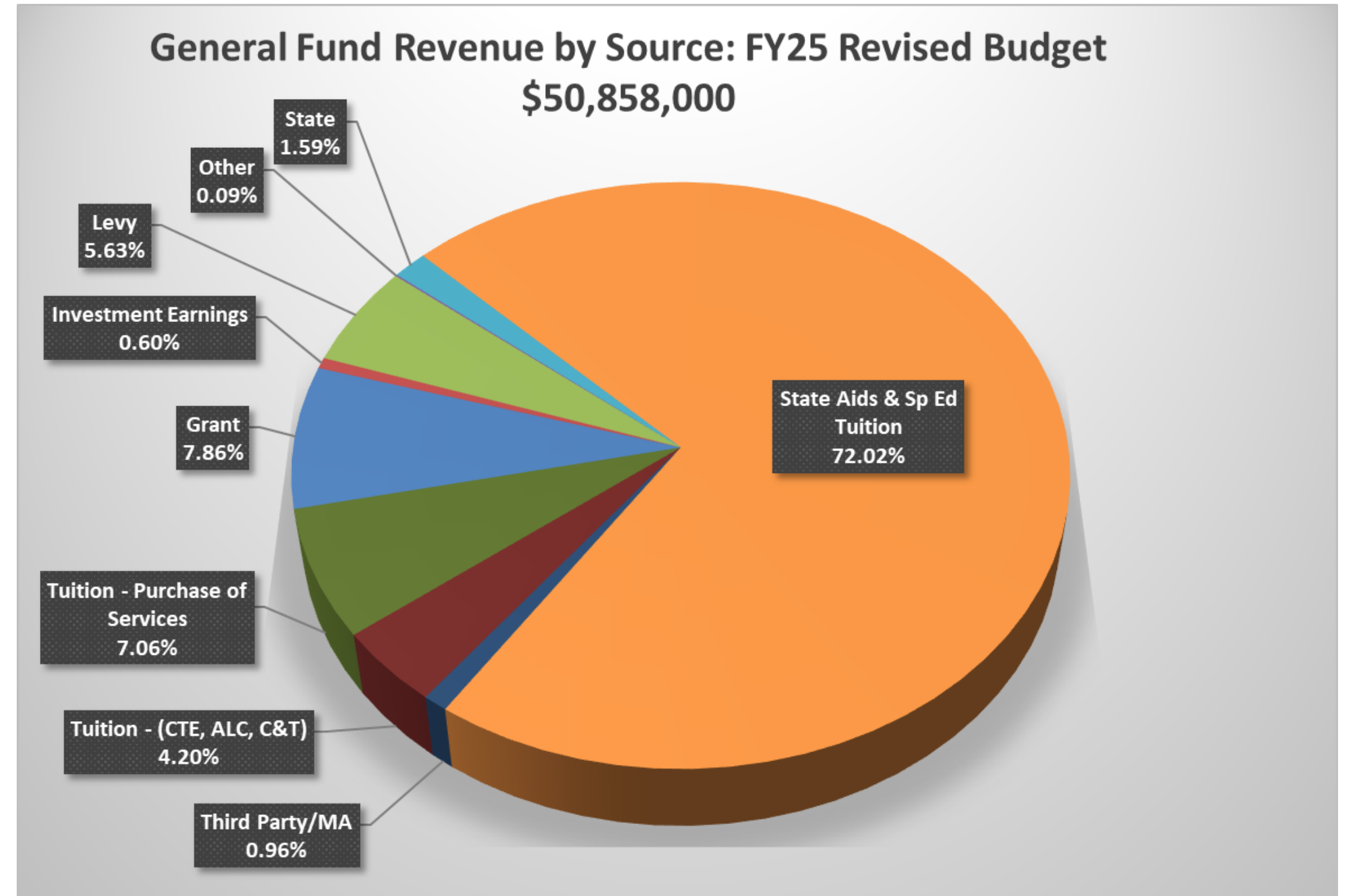
- Grant funding increase: \$2.4M
- Billing rate 9.6% higher in FY25
- Billable hours are slightly higher in FY25

### Fund 22 Health Plan:

- 3% increase in medical rates charged to employees, plus number of employees on benefit plan and mix of single vs family

# Funding Sources for ISD 917

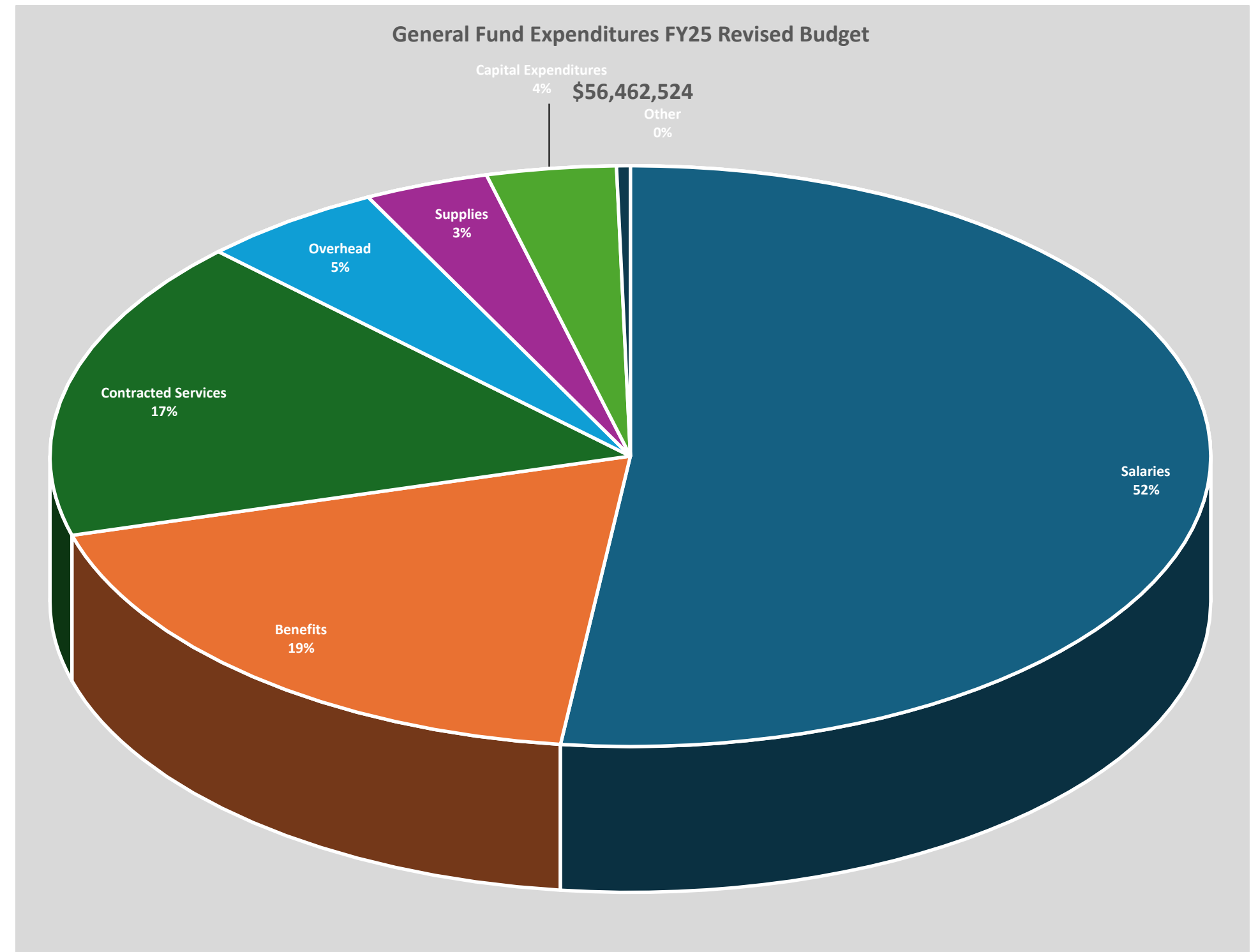
- Revised Budget FY25 General Fund Revenues = **\$50,858,000**
- The largest revenue source for ISD 917 is from **special education tuition** from school districts
- 83% of funding (approximately \$42M) comes from tuition billing
- Most funding for Intermediate School Districts is filtered through member school districts





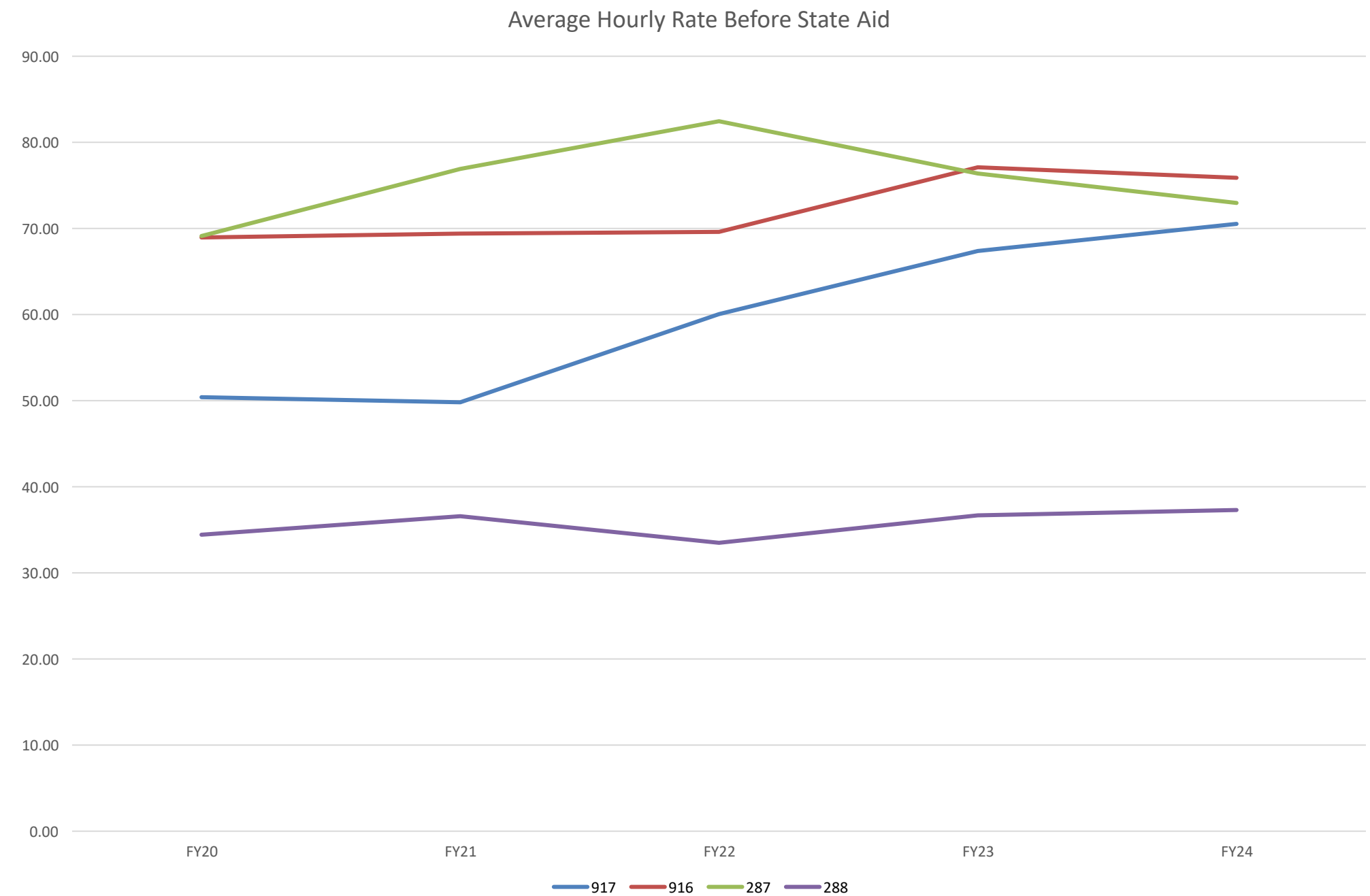
# Expenditures by Category

- Revised Budget FY25 General Fund Expenditures = **\$56,462,524**
- **Salaries** and **benefits** represent 70.6% of total expense



# Rate: Comparison of Intermediate School Districts

- For the past five years for which we have data, ISD 917 has ranked **2nd** in cost-effectiveness among the four Intermediate School Districts
- FY24 average hourly rates before state aid ranged from \$37.30 to \$75.88



Source: MDE Data Center - Special Education Tuition Billing  
MDE Minnesota Funding Reports

# Thank You!

## Questions?

