



## **MAHTOMEDI PUBLIC SCHOOLS**

Independent School District 832

Mahtomedi, Minnesota

### **PRELIMINARY BUDGET**

Executive Summary

June 14, 2018

July 1, 2018 through June 30, 2019

## **DISTRICT OFFICIALS**

### **School Board**

Judy Schwartz  
Julie McGraw  
Stacey Stout  
Mike Chevalier  
Kevin Donovan  
Dr. Lucy Payne

Chairperson  
Vice Chairperson/Clerk  
Treasurer  
Director  
Director  
Director

### **Administrative Staff**

Dr. Mark Larson (Barb Duffrin)  
Bill Menozzi  
Lynne Viker  
Bethany Sneden (Tony Pierce)  
Dr. Cathy Wyland  
Patrick Crothers  
Nicole Flesner

Superintendent of Schools  
Director of Business Services  
Director of Teaching and Learning  
Director of Special Services  
Director of Community Education  
Technology Coordinator  
Human Resources Manager

### **Building Principals**

Mark Hamre (Lynne Viker)  
Kirsten Bouwens  
Dr. Mike Neubeck  
Kathe Nickleby

Wildwood Elementary  
OH Anderson Elementary  
Mahtomedi Middle School  
Mahtomedi High School

## **VISION**

The vision of Mahtomedi Public Schools is to engage, challenge, and inspire all students to create opportunities for themselves and others.

## **MISSION STATEMENT**

The mission of Mahtomedi Public Schools is to provide a learning community in which all students can learn, thrive, and succeed in a global society.

## **BELIEF STATEMENTS**

Quality public education is a cornerstone of a healthy democracy.

Education is a shared responsibility between students, families, educators, and community members.

Everyone has the right to a safe learning environment.

A learning community must respect, respond to, and celebrate each student's unique needs, interests, and talents.

Educators must continually learn, grow, and innovate to improve student learning.

Integrity, civility, collaboration, and service are essential to responsible citizenship.

The diversity of our students and families enriches our schools and community through the addition of new ideas, perspectives, and cultures.

The school environment will positively influence students and staff health and wellness.

Our schools and community will practice sustainable, responsible, and environmental stewardship of resources.

## **EXECUTIVE SUMMARY**

The decision of where to send your children to school is one of the most important decisions any family will make. We are grateful that families are choosing Mahtomedi Public Schools to provide an excellent education in a small, caring environment. Our families and community members are proud of the education students receive, and we are grateful for the tradition of community support for our school system.

All enrollment and budgetary decisions at MPS seek to continue to support the mission of *“Providing a learning community in which all students can learn, thrive, and succeed in a global society.”* Additionally, all enrollment and budgetary decisions are vetted through the lens of keeping expenditures and taxpayer burden to a minimum, while continuing our tradition of academic excellence.

## **BUDGET OVERVIEW**

The annual budget presented includes an analysis of the actual financial condition of the School District at June 30, 2017, and the anticipated positions at June 30, 2018 and June 30, 2019.

The budget was prepared in accordance with generally accepted accounting principles (GAAP) and includes all funds. The preliminary budget includes many estimates in enrollment, staffing data, contract settlements, and other factors that are subject to change between the preliminary and final budgets. Minnesota education laws that are known as of the date of this publication were used as the basis for building the 2018-2019 preliminary budget which includes a 2% increase in the general education state aid funding formula.

Our continued effort to increase financial transparency and accountability to all stakeholders, combined with the increasing complexity of funding public education in Minnesota and our challenge to do more with less makes the district budget publication one of the most useful documents in public school administration. This budget depicts the priorities of the School Board, building and district administration, staff, and the community as a whole.

## BUDGET PROCESS

The budget in Mahtomedi Schools is a continuous four-step process:

*Each step requires School Board approval and is open for public inspection and comment.*

**1. Property Tax Levy –**

The budget process begins with submission of the final certified property tax levy to the home county auditor and Minnesota Department of Education. The School Board certifies the final levy for the next fiscal year before the end of the calendar year.

**2. Preliminary Budget –**

The School Board approves a preliminary budget before the start of the school year on July 1. Approval includes analysis and assumptions on staffing needs, enrollment, legislative impact, and other revenue and expenditure estimates.

**3. Final (Revised) Budget –**

The School Board approves a final (revised) budget each year in December or January based on information and estimates not previously known during the preliminary budget process.

**4. Annual Financial Report & Fiscal Audit –**

The final step includes closing the books and preparing financial statements for review and audit by an independent external CPA firm. The School Board reviews the audit report in October or November.

Revenue estimated are prepared by the Finance Department based on state statutes, using estimated enrollment numbers for the budget year. The general education per pupil funding formula allowance as set by the legislature for 2018-19 is \$6,312. The per pupil formula allowance for 2017-18 was \$6,188.

The district's budget process is based, first, on parameters set forth by School Board action regarding enrollment and open enrollment projections for the budget year. The District recognizes that enrollment projections are both sensitive to the school district community and important to the bottom line of the general fund budget. Estimating and setting enrollment targets and meeting or exceeding the target is crucial in maintaining district fund balance.

**MAHTOMEDI PUBLIC SCHOOLS**  
Independent School District 832  
Mahtomedi, MN

**2018-2019 PRELIMINARY BUDGET**  
**ALL FUNDS COMBINED**

	<b>2016-2017 Actual Amounts</b>	<b>2017-2018 Revised Budget</b>	<b>2018-2019 Preliminary Budget</b>
<b>Revenues</b>			
General Fund	\$ 37,639,321	\$ 38,229,721	\$ 39,503,552
Food Service	1,364,275	1,515,000	1,457,300
Community Service	2,132,497	1,965,330	2,136,653
Debt Service	4,962,503	4,981,162	4,818,500
Internal Service Fund	4,880,668	5,222,000	5,222,000
OPEB Trust Fund	12,937	24,240	25,000
OPEB Debt Service Fund	337,646	341,710	331,250
<b>Total Funds Combined</b>	<b>\$ 51,329,847</b>	<b>\$ 52,279,163</b>	<b>\$ 53,494,255</b>
<b>Expenditures</b>			
General Fund	\$ 38,099,415	\$ 39,707,685	\$ 39,461,725
Food Service	1,460,231	1,570,000	1,501,770
Community Service	1,944,865	1,926,953	2,114,885
Debt Service	4,926,918	4,952,520	4,780,050
Internal Service Fund	4,419,788	5,040,000	5,320,000
OPEB Trust Fund	169,393	294,110	178,750
OPEB Debt Service Fund	329,333	332,630	324,000
<b>Total Funds Combined</b>	<b>\$ 51,349,943</b>	<b>\$ 53,823,898</b>	<b>\$ 53,681,180</b>

**MAHTOMEDI PUBLIC SCHOOLS**  
Independent School District 832  
Mahtomedi, MN

**FUND BALANCE REPORT**

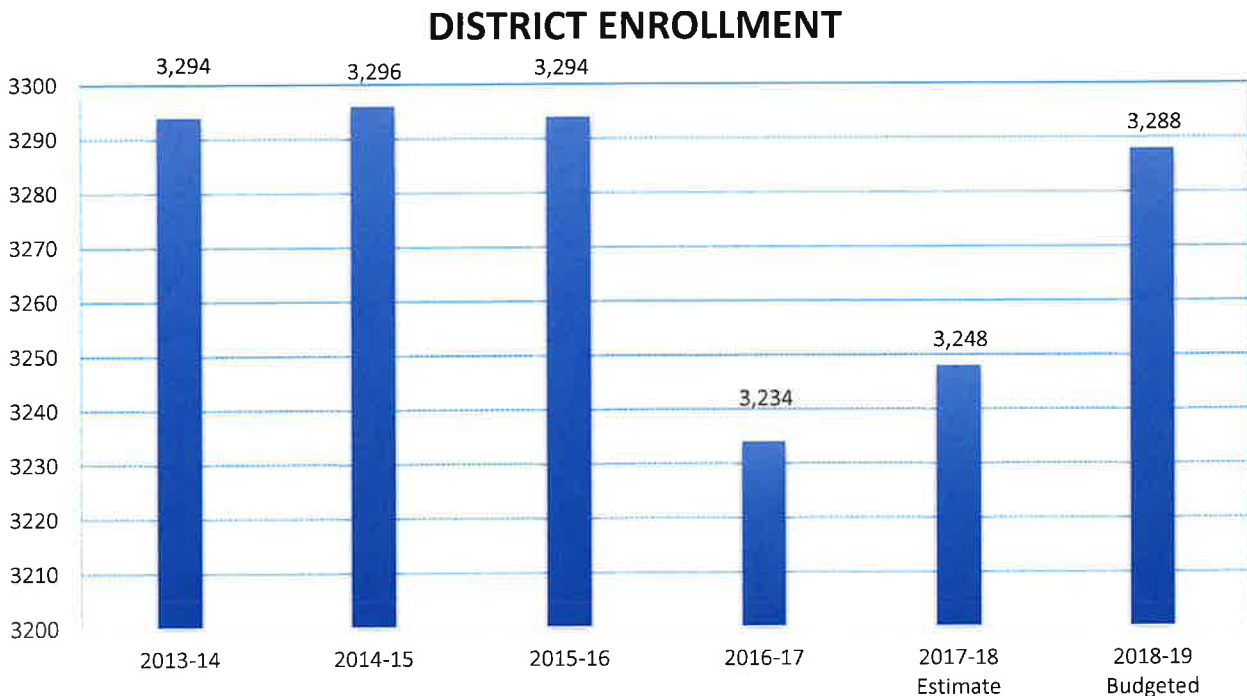
	June 30, 2017 Fund Balance (Audited)	2017-18 Revised Revenue	2017-18 Revised Expenditures	Transfers	June 30, 2018 Revised Change In Fd Balance (Estimated)	June 30, 2018 Fund Balance (Estimated)	2018-19 Prelim. Revenue	2018-19 Prelim. Expenditures	June 30, 2019 Revised Change In Fd Balance (Proposed)	June 30, 2019 Fund Balance (Proposed)
<b>General Fund</b>	<b>8.2%</b>					<b>6.0%</b>				<b>5.9%</b>
Unassigned Fund Balance	3,134,870	35,058,330	36,304,177	500,000	(745,847)	2,389,023	35,894,515	35,970,696	(76,181)	2,312,842
Assigned - Building Donations	272,712	275,000	360,000		(85,000)	187,712	340,000	340,000	-	187,712
Assigned - Student Activities	233,203	420,000	390,000		30,000	263,203	420,000	420,000	-	263,203
Assigned - Subsequent Year Budget	547,235	-	-	(500,000)	(500,000)	47,235	-	-	-	47,235
Assigned - Severance	411,850	-	-	-	-	411,850	-	-	-	411,850
<b>Subtotal Assigned</b>	<b>1,465,000</b>	<b>695,000</b>	<b>750,000</b>		<b>(555,000)</b>	<b>910,000</b>	<b>760,000</b>	<b>760,000</b>		<b>910,000</b>
Restricted - Capital Projects Levy	184,780	618,338	520,000		98,338	283,118	634,629	633,953	676	283,794
Restricted - Operating Capital	162,822	1,054,053	1,308,428		(254,375)	(91,553)	1,094,094	1,093,626	468	(91,085)
Restricted - LTFM	6,099	804,000	825,080		(21,080)	(14,981)	1,120,314	1,003,450	116,864	101,883
Subtotal Restricted	353,701	2,476,391	2,653,508		(177,117)	176,584	2,849,037	2,731,029	118,008	294,592
<b>Total General Fund</b>	<b>4,953,571</b>	<b>38,229,721</b>	<b>39,707,685</b>		<b>(1,477,964)</b>	<b>3,475,607</b>	<b>39,503,552</b>	<b>39,461,725</b>	<b>41,827</b>	<b>3,517,434</b>
<b>Food Service Fund</b>	<b>233,020</b>	<b>1,515,000</b>	<b>1,570,000</b>		<b>(55,000)</b>	<b>178,020</b>	<b>1,457,300</b>	<b>1,501,770</b>	<b>(44,470)</b>	<b>133,550</b>
<b>Community Service Fund</b>	<b>627,178</b>	<b>1,965,330</b>	<b>1,926,953</b>		<b>38,377</b>	<b>665,555</b>	<b>2,136,653</b>	<b>2,114,885</b>	<b>21,768</b>	<b>687,323</b>
<b>Debt Service Fund</b>	<b>930,470</b>	<b>4,981,162</b>	<b>4,952,520</b>		<b>28,642</b>	<b>959,112</b>	<b>4,818,500</b>	<b>4,780,050</b>	<b>38,450</b>	<b>997,562</b>
<b>Internal Service Fund</b>	<b>394,857</b>	<b>5,222,000</b>	<b>5,040,000</b>		<b>182,000</b>	<b>576,857</b>	<b>5,222,000</b>	<b>5,320,000</b>	<b>(98,000)</b>	<b>478,857</b>
<b>OPEB Trust Fund</b>	<b>1,909,061</b>	<b>24,240</b>	<b>294,110</b>		<b>(269,870)</b>	<b>1,639,191</b>	<b>25,000</b>	<b>178,750</b>	<b>(153,750)</b>	<b>1,485,441</b>
<b>OPEB Debt Service Fund</b>	<b>68,876</b>	<b>341,710</b>	<b>332,630</b>		<b>9,080</b>	<b>77,956</b>	<b>331,250</b>	<b>324,000</b>	<b>7,250</b>	<b>85,206</b>
<b>Grand Total All funds</b>	<b>9,117,033</b>	<b>52,279,163</b>	<b>53,823,898</b>		<b>(1,544,735)</b>	<b>7,572,298</b>	<b>53,494,255</b>	<b>53,681,180</b>	<b>(186,925)</b>	<b>7,385,373</b>

## ENROLLMENT HISTORY & PROJECTIONS

Enrollment projections at Mahtomedi Schools are an integral part of adopting a sustainable and accurate general fund budget. Maintaining level enrollment is predicated upon acceptance and attendance of open enrolled students in order to maintain grade levels K-12 with the previous school year.

Mahtomedi Schools generally enrolls approximately 180 – 185 kindergarten students and has approximately 280 – 300 graduating seniors. Monitoring resident grade progression ratios and balancing with open enrollment in order to maintain this enrollment model is an important part of the budgeting process.

Enrollment history for the previous four years, estimated 2017-18 enrollment, and the enrollment target for 2018-19 is included below.



## **GENERAL FUND**

The General Fund is the primary operating budget for general, day-to-day operations of the school district. It is used to account for all revenues and expenditures for educational activities, district instructional and student support programs, district administration, normal operations and maintenance, pupil transportation, capital expenditures, and other school district expenditures not accounted for in another fund.

The general fund does include expenditures funded with the Long-Term Facilities Maintenance program. It is important to note that Long-Term Facility Maintenance expenditures can fluctuate considerably from year to year and can impact the overall view of the district's funding picture.

## **FUND BALANCE POLICY**

The School Board has adopted policy 714 related to school district fund balances.

*The school board shall strive to maintain a minimum unassigned general fund balance of 8% of the total general fund expenditures. If the fund balance falls below 8%, the school board shall implement a procedure to stabilize the district's financial position. This may involve, but is not limited to:*

- A. No new programs will be added at the district level unless matched by a like revenue source.*
- B. Allocations such as textbooks, supplies, etc., shall be frozen; and*
- C. The district will review other measures which will not immediately affect delivery of programs but could have a cost savings. The district may take measures to either generate additional revenues or reduce expenditures through budget cuts or a combination of both.*

The projected unassigned general fund balance as of June 30, 2019 is \$2,312,842. This is 5.9% of the expenditure budget, or roughly three weeks of operations. As such, budget items such as classroom supplies, materials and membership dues have not been increased for the 2018-19 budget. All budget appropriations set forth by the School Board lapse at year end.

**MAHTOMEDI PUBLIC SCHOOLS**  
Independent School District 832  
Mahtomedi, MN

**GENERAL FUND**  
**2018-2019 PRELIMINARY BUDGET**

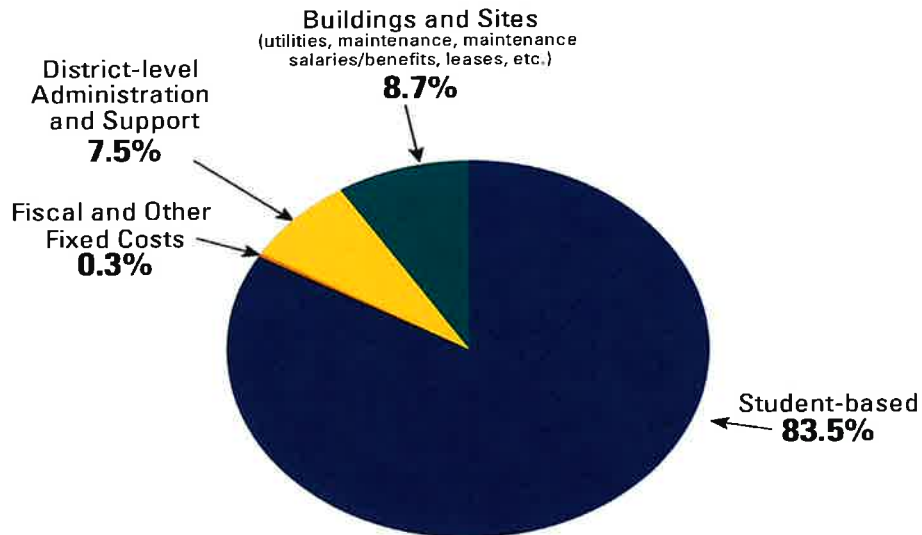
	<b>2016-2017 Actual Amounts</b>	<b>2017-2018 Revised Budget</b>	<b>2018-2019 Preliminary Budget</b>
<b>Revenues</b>			
Local Tax	\$ 8,080,579	\$ 8,133,236	\$ 8,455,297
State Aid	27,310,736	27,849,150	28,761,174
Federal Aid	760,263	842,399	832,000
Other Local Revenue	1,487,743	1,404,936	1,455,081
<b>Total Revenues</b>	<b>\$ 37,639,321</b>	<b>\$ 38,229,721</b>	<b>\$ 39,503,552</b>
<b>Expenditures</b>			
Salaries	\$ 21,678,350	\$ 22,561,408	\$ 22,395,887
Benefits	8,058,829	8,456,451	8,422,701
Purchased Services	5,214,802	5,194,963	5,144,369
Supplies & Materials	1,029,365	1,089,666	1,082,016
Capital	1,068,323	1,337,148	1,338,703
Misc./Other	1,049,747	1,068,049	1,078,049
Assigned Fd. Bal Transfers	-	(500,000)	-
<b>Total Expenditures</b>	<b>\$ 38,099,416</b>	<b>\$ 39,207,685</b>	<b>\$ 39,461,725</b>
<b>Surplus/(Deficit)</b>	<b>(460,095)</b>	<b>(977,964)</b>	<b>41,827</b>

**MAHTOMEDI PUBLIC SCHOOLS**  
Independent School District 832  
Mahtomedi, MN

**GENERAL FUND**  
**2018-2019 Expenditures by Program**

Program Code	Program Description	2016-2017 Actual Amounts	2017-2018 Revised Budget	2018-2019 Preliminary Budget	Increase (Decrease) Budget
000-099	Administration	\$ 1,720,341	\$ 1,852,192	\$ 1,863,394	0.6%
100-199	District Support Services	1,283,620	1,268,054	1,298,844	2.4%
200-299	Regular Instruction	19,624,162	20,281,510	19,738,911	-2.7%
300-399	Vocational Instruction	645,530	827,585	741,742	-10.4%
400-499	Special Education Instruction	6,838,552	6,984,440	7,022,600	0.5%
600-699	Instructional Support Services	1,691,952	1,748,962	1,766,090	1.0%
700-799	Pupil Support Services	2,863,652	2,963,089	3,036,147	2.5%
800-899	Sites & Buildings	3,312,184	3,551,853	3,760,997	5.9%
900-999	Fiscal & Other Fixed Costs	119,422	230,000	233,000	1.3%
	Assigned Fd. Bal Transfer	-	(500,000)	-	-100.0%
<b>GRAND TOTAL</b>		<b>\$ 38,099,415</b>	<b>\$ 39,207,685</b>	<b>\$ 39,461,725</b>	<b>0.6%</b>

**General Fund Expenditure Uses by Program**



## PERSONNEL

Mahtomedi Schools has five collective bargaining units. Teachers, clerical, paraprofessionals, custodial and maintenance employees, and principals are organized for bargaining purposes. Associate and assistant principals are affiliated with the principals bargaining group. Additionally, some administrative and director level positions, as well as confidential employees are unaffiliated and not in a collective bargaining unit.

The projected employee positions for 2017-18 and 2018-19 is as follows:

	<b><u>2017-2018</u></b>	<b><u>2018-2019</u></b>
Teachers	213.75 FTE	215.09 FTE
Clerical	16.00 FTE	16.37 FTE
Paraprofessionals	47.14 FTE	49.17 FTE
Custodians & Maintenance	20.20 FTE	20.20 FTE
Principals	6.92 FTE	5.92 FTE
Unaffiliated	29.71 FTE	28.52 FTE

## FOOD SERVICE FUND

Food services is the department that provides meal services in Mahtomedi Schools. Meal prices for 2018-19 are unchanged from 2017-18 and are presented below:

Prices are as follows:

LUNCH	<u>2017-18</u>	<u>2018-19</u>
Elementary	\$2.60	\$2.60
Middle School	\$2.90	\$2.90
High School	\$2.90	\$2.90
Adult	\$4.00	\$4.00
Milk	\$0.50	\$0.50
BREAKFAST	<u>2017-18</u>	<u>2018-19</u>
Elementary	\$1.30	\$1.30
Middle/High School	\$1.50	\$1.50
Adult	\$1.90	\$1.90

Mahtomedi Schools contracts with Stillwater Public Schools ISD 834 for food service management and staffing. The Mahtomedi School Board voted on May 10, 2018 to exercise the second renewal term with ISD 834 for the provision of food services for 2018-19.

### 2018-2019 Preliminary Budget Food Service Fund

	<b>2016-2017 Actual Amounts</b>	<b>2017-2018 Revised Budget</b>	<b>2018-2019 Preliminary Budget</b>
<b>Revenues</b>			
Lunch Sales	\$ 945,379	\$ 1,120,500	\$ 1,066,800
Federal Aid	364,251	342,000	338,000
State Aid	54,642	52,500	52,500
<b>Total Revenues</b>	<b>\$ 1,364,272</b>	<b>\$ 1,515,000</b>	<b>\$ 1,457,300</b>
<b>Expenditures</b>			
Salaries & Benefits	\$ 132,853	\$ 135,560	\$ 137,025
Contracted Services	596,063	731,540	635,750
Supplies & Materials	665,995	665,400	691,460
Other	65,315	37,500	37,535
<b>Total Expenditures</b>	<b>\$ 1,460,226</b>	<b>\$ 1,570,000</b>	<b>\$ 1,501,770</b>
<b>Surplus (Deficit)</b>	<b>(95,954)</b>	<b>(55,000)</b>	<b>(44,470)</b>

**COMMUNITY SERVICES**  
**Community Education Fund**

The Community Services Fund is used to record all financial activities associated with the various academic, recreational, and community involvement programs. The Community Service Fund is comprised of four components, each with its own fund balance: Community Education, Early Childhood Family Education (ECFE), School Readiness, and Adult Basic Education (ABE).

**Community Education:** The focus of these activities is enrichment programs for any age level that are not part of the K-12 educational program.

**Early Childhood Family Education:** The focus of these activities is to improve parenting skills of new and expectant parents, and to provide learning experiences for parents and children.

**School Readiness:** These activities will include social services, a development and learning plan, health referral services, a nutrition component and parental involvement.

**Adult Basic Education:** Includes all activities related to adult programming.

Community Education also allows district residents the opportunity to use educational facilities and programs during non-school hours. The Community Education Department also schedules the use of the district's facilities outside of school hours, including athletic facilities.

**2018-2019 Preliminary Budget**  
**Community Services Fund**

	<b>2016-2017 Actual Amounts</b>	<b>2017-2018 Revised Budget</b>	<b>2018-2019 Preliminary Budget</b>
<b>Revenues</b>			
Local Tax	\$ 247,054	\$ 308,735	\$ 306,805
Fees and Charges	1,794,103	1,571,229	1,741,171
State Aids and Grants	91,339	85,366	88,677
<b>Total Revenues</b>	<b>\$ 2,132,496</b>	<b>\$ 1,965,330</b>	<b>\$ 2,136,653</b>
<b>Expenditures</b>			
Salaries & Benefits	\$ 1,455,501	\$ 1,372,376	\$ 1,527,461
Non-Employment	489,363	554,577	587,423
<b>Total Expenditures</b>	<b>\$ 1,944,864</b>	<b>\$ 1,926,953</b>	<b>\$ 2,114,884</b>
<b>Surplus (Deficit)</b>	<b>187,632</b>	<b>38,377</b>	<b>21,769</b>

## DEBT SERVICE FUND

The debt service fund is used to record revenues and expenditures for the school district's voter approved outstanding bonded indebtedness. These bonds were issued to finance the acquisition, improvement, and equipping the district's buildings.

The district's underlying bond rating by Standard & Poor's is AA.

### 2018-2019 Preliminary Budget Debt Service Fund

	2016-2017 Actual Amounts	2017-2018 Revised Budget	2018-2019 Preliminary Budget
Total Revenues	\$ 4,962,503	\$ 4,981,162	\$ 4,818,500
Total Expenditures	\$ 4,926,918	\$ 4,952,520	\$ 4,780,050
Surplus (Deficit)	35,585	28,642	38,450

## OPEB DEBT SERVICE FUND

The OPEB Debt Service Fund is used to record revenues and expenditures for the school district's outstanding bonded indebtedness for other post-employment benefits (OPEB). Mahtomedi Schools issued bonds in April 2009 and established an irrevocable trust for the purpose of paying OPEB liabilities post retirement.

### 2018-2019 Preliminary Budget OPEB Debt Service Fund

	2016-2017 Actual Amounts	2017-2018 Revised Budget	2018-2019 Preliminary Budget
Total Revenues	\$ 337,646	\$ 341,710	\$ 331,250
Total Expenditures	\$ 329,333	\$ 332,630	\$ 324,000
Surplus (Deficit)	8,313	9,080	7,250

## INTERNAL SERVICE FUND

The Internal Service Fund is used to record revenues and expenditures for the school district's high deductible medical insurance plan.

### 2018-2019 Preliminary Budget Internal Service Fund

	2016-2017 Actual Amounts	2017-2018 Revised Budget	2018-2019 Preliminary Budget
Total Revenues	\$ 4,880,668	\$ 5,222,000	\$ 5,222,000
Total Expenditures	\$ 4,419,788	\$ 5,040,000	\$ 5,320,000
Surplus (Deficit)	460,880	182,000	(98,000)

---

## OPEB TRUST FUND

The OPEB trust fund is used to record revenues and expenditures for the school district's irrevocable trust. Mahtomedi Schools issued bonds in April 2009 and established an irrevocable trust in order to fund pre July 1, 1998 employment teacher severance payments. The revenue in the OPEB trust fund consists of interest revenue and the expenditures consist of the expected OPEB liability payout. As such, it is reasonable and expected that the OPEB trust fund is in a deficit position.

### 2018-2019 Preliminary Budget OPEB Trust Fund

	2016-2017 Actual Amounts	2017-2018 Revised Budget	2018-2019 Preliminary Budget
Total Revenues	\$ 12,937	\$ 24,240	\$ 25,000
Total Expenditures	\$ 329,333	\$ 332,630	\$ 324,000
Surplus (Deficit)	(316,396)	(308,390)	(299,000)

**MAHTOMEDI PUBLIC SCHOOLS**  
Independent School District 832  
Mahtomedi, MN

**2018-2019 PRELIMINARY BUDGET**  
**PROJECTED REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE**

	June 30, 2018 Fund Balance (Estimated)	2018-2019 Revenue Budget	2018-2019 Expenditure Budget	2018-2019 Surplus (Deficit)	June 30, 2019 Fund Balance (Proposed)
<b>General Fund</b>	6.0%				5.9%
Unassigned Fund Balance	2,389,023	35,894,515	35,970,696	(76,181)	2,312,842
Assigned - Building Donations	187,712	340,000	340,000	-	187,712
Assigned - Student Activities	263,203	420,000	420,000	-	263,203
Assigned - Subsequent Year Budget	47,235	-	-	-	47,235
Assigned - Severance	411,850	-	-	-	411,850
Subtotal Assigned	910,000	760,000	760,000	-	910,000
Restricted - Capital Projects Levy	283,118	634,629	633,953	676	283,794
Restricted - Operating Capital	(91,553)	1,094,094	1,093,626	468	(91,085)
Restricted - LTFM	(14,981)	1,120,314	1,003,450	116,864	101,883
Subtotal Restricted	176,584	2,849,037	2,731,029	118,008	294,592
<b>Total General Fund</b>	<b>3,475,607</b>	<b>39,503,552</b>	<b>39,461,725</b>	<b>41,827</b>	<b>3,517,434</b>
<b>Food Service Fund</b>	178,020	1,457,300	1,501,770	(44,470)	133,550
<b>Community Service Fund</b>	665,555	2,136,653	2,114,885	21,768	687,323
<b>Debt Service Fund</b>	959,112	4,818,500	4,780,050	38,450	997,562
<b>Internal Service Fund</b>	576,857	5,222,000	5,320,000	(98,000)	478,857
<b>OPEB Trust Fund</b>	1,639,191	25,000	178,750	(153,750)	1,485,441
<b>OPEB Debt Service Fund</b>	77,956	331,250	324,000	7,250	85,206
<b>Grand Total All Funds</b>	<b>7,572,298</b>	<b>53,494,255</b>	<b>53,681,180</b>	<b>(186,925)</b>	<b>7,385,373</b>

## SUPPLEMENTARY INFORMATION

### EXPENDITURES BY OBJECT

Mahtomedi Public School's budget consists of the following types of expenditures:

**Salaries:** Regular salaries related to personnel positions, extra-curricular assignments, overtime, and substitute costs.

**Employee Benefits:** Health, dental, life, long-term disability, workers' compensation, retirement plans and recording of post-employment benefits for current employees. The recent renewal rates of the district's health insurance plan is a concern from a long term budgeting standpoint.

**Purchased Services:** Includes insurance, repair and maintenance services, postage, consultants, transportation contracts, travel and conferences, payments to other school districts and tuition.

**Supplies & Materials:** Textbooks, instructional supplies, office and custodial supplies, computer software, and related copier costs. Includes fuel for buildings.

**Capital:** Replacement and additional equipment, facilities repair and maintenance, district vehicles, and computer equipment.

**Miscellaneous & Other Expenditures:** Includes all expenditures that cannot be classified elsewhere.

### EXPENDITURES BY PROGRAM

**Administration:** Costs for general and instructional administration. This includes the school board, superintendent, principals, assistant/associate principals and director level positions.

**District Support Services:** Generally administrative support not listed under administration. This includes federal programs, human resources, school elections, and miscellaneous administration not covered elsewhere.

**Elementary & Secondary Regular Instruction:** All activities dealing directly with the teaching of pupils, the interaction between teachers and students in the classroom and co-curricular activities K-12.

**Vocational Instruction:** Courses and activities which develop skills, knowledge, attitudes and behavioral characteristics for students seeking career exploration and employability.

**Special Education Instruction:** Activities promoting learning experiences for pupils with certain characteristics or conditions who need or would benefit from educational programs that are different from those provided to pupils in regular or vocational education.

**Instructional Support Services:** Activities for assisting the instructional staff with the content and process of providing learning experiences for pupils in kindergarten through twelfth grade.

**Pupil Support Services:** Includes all services provided to pupils who do not qualify to be classified as instructional services. Counseling, guidance, health, social work, transportation.

**Sites & Buildings:** Acquisition, operation, maintenance, repair and betterment of physical plant, facilities and grounds of the school district.

**Fiscal & Other Fixed Costs:** Fiscal and fixed cost activities not recorded elsewhere. Property and workers compensation insurance.

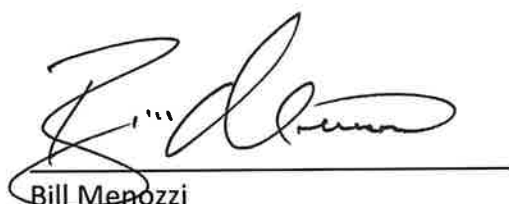
## SUMMARY

Minnesota Statute 123B.77 requires school districts to approve the preliminary budget for the upcoming year by June 30. The grand total preliminary budget revenues are \$53,494,255 and the grand total preliminary budget expenditures are \$53,681,180.

Administration recommends approval of the preliminary budget revenues and expenditures 2018-2019 for all funds.

This budget publication, in conjunction with the supplementary finance documents requires many hours of preparation, review, and deliberation by the School Board, finance committee, building and district administration, and the business office. Thank you to all those involved for their efforts on behalf of our students in preparing and reviewing this important budget document.

Respectfully



Bill Menozzi  
Director of Business Services  
Mahtomedi Public Schools  
1520 Mahtomedi Avenue  
Mahtomedi, MN 55115

