

**Mahtomedi Public Schools
Independent School District #832
Preliminary Budget
July 1, 2021-June 30, 2022**

	Est.Beginning Fund Balance 7/1/2021	Projected Revenue	Projected Expense	Est. Ending Fund Balance 6/30/2022
GOVERNMENTAL FUNDS				
General Funds	5,377,741	43,533,715	43,245,170	5,666,286
Food Service	232,427	1,412,945	1,471,131	174,241
Community Education	448,076	2,058,863	1,804,807	702,132
Debt Service	1,118,317	5,107,017	5,081,403	1,143,931
Total Governmental Funds	7,176,561	52,112,540	51,602,511	7,686,590
PROPRIETARY FUNDS				
Internal Service-Health Ins	-639,113	5,786,014	5,786,014	-639,113
Internal Service-Dental Ins	0	493,469	445,000	48,469
TRUST FUNDS				
OPEB Trust	753,513	35,000	323,000	465,513
Total All Funds	7,290,961	58,427,023	58,156,525	7,561,459
General Fund Unassigned Fund Balance:	3,744,861			4,033,406
Unassigned Balance as a Percent of Total Expense:	8.65%			9.33%

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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 self-funded health and dental insurance programs.

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.

REVENUE ASSUMPTIONS
School Year (2021-22)

GENERAL FUND (Fund 01)

General Fund revenue is estimated at \$43,533,715 for the 2021-22 school year.

State Basic General Education Aid

State Basic General Education Aid is budgeted at \$23,820,388. The Basic General Education formula amount is derived by multiplying weighted average daily membership (WADM) by the Basic General Education aid allowance. For fiscal year 2021-22, the basic formula amount is estimated to be \$6,600, an increase of \$33 and .5% from the 2020-21 school year. The Basic General Education aid serves as the District's primary funding source, accounting for 55% of the General Fund operating revenue.

Per Pupil Unit Allocation – State Basic General Education Aid

School Year	Basic Formula	Formula Change
2017-18	\$6,188	2%
2018-19	\$6,312	2%
2019-20	\$6,438	2%
2020-21	\$6,567	2%
2021-22	\$6,600	0.50%

Other sources of General Education Aid revenue total \$465,187. Other components of General Education Aid are formula driven and listed below.

Other General Education Aid	
Gifted and Talented	46,920
Compensatory Revenue/Basic Skills	115,579
Transportation Sparsity	107,194
Pension	195,494
Total	\$465,187

Enrollment – Pupil Units

The District has projected annual average daily membership to be 3,258 for the 2021-22 school year. Average daily membership (ADM) is based primarily upon students served and includes the impacts of open enrollment, tuition agreements, post-secondary enrollment options and on-line learning.

ADM calculates actual “membership time” rather than simple enrollment counts at a given point in time.

The table below shows projected enrollment for the 2021-22 school year.

Grade Level	ADM	Weight	WADM
Pre-Ktg	15	1.00	15
Kindergarten	178	1.00	178
Grades 1-5	1,039	1.00	1,039
Grades 6-8	836	1.00/1.20	950
Grades 9-12	1,190	1.20	1,428
Total	3,258		3,610

Property Taxes

Property tax revenue is based on the School Board's levy certification for taxes payable in 2021. Designated levies, less the Equity/Transition Levy listed above, provide \$9,757,786 in General Fund revenue. Revenue from property taxes provides the second largest source of revenue for the General Fund, representing 22% of total revenue.

General Fund Designated Levies	2021-22
Referendum	3,681,425
Local Optional	2,613,090
Equity/Transition Levy	419,320
Integration	88,870
Career Technical	55,473
Capital Projects	742,511
Operating Capital	262,847
Safe Schools	184,071
Long-term Facilities	913,207
Building Lease	351,687
Reemployment	39,425
Alternative Comp	322,884
Abatement/Adjustments	82,976
Total Property Tax Revenue	9,757,786

Other State (Categorical) Aid

Revenues from state supported programs is estimated at \$7,179,975. Special education categorical aid makes up 69% of this category, totaling \$4,926,679. State aid for special education is determined by a formula based upon district special education expenditures and statewide funding limits. Other state aid components are listed below.

Other State Aid/Categorical Revenue	2021-22
Endowment	125,487
Non-Public Transportation	25,778
Literacy Aid	181,426
Integration Aid	254,735
Alternative Comp	518,944
Special Education	4,926,679
Long-term Facilities/Op Capital	943,886
College in the Schools /(Adv Placement)	48,500
Pension Contribution	145,250
Other Misc. State	9,290
Total State Categorical Revenue	7,179,975

Federal Sources

Federal revenue is estimated at \$894,335 for 2021-2022.

Title Programs/Special Education Entitlement computations use federal funding limits and enrollment data in determining allocations. Expenditures in these programs are expected to not exceed total revenue.

Federal-COVID sources included in the 2021-2022 budget amount to \$62,304. Total COVID related sources are shown in the table below.

Fin Code:	Funding Program:	Allocation:	Funds Used to Support:	Required Expend By:	Dist Budget
151	ESSER Formula	89,798.66	Add'l FTE, Covid Testing, Supplies	30-Sep-22	FY21
152	ESSER Grants	38,624.31	Remediation, Transportation	30-Sep-22	FY22
153	GEER	23,680.62	Expand Technology, Summer Programs	30-Sep-22	FY22
154	CARES	794,424.52	Add'l FTE, Covid Testing, Supplies,Transportation,Sanitizing	31-Dec-20	FY21
155	ESSER II	271,819.00	Covid Related...	30-Sep-23	FY23
160	ESSER III Amer. Rescue Plan	122,095.20	Support Student Learning Recovery	30-Sep-24	FY23+
161	ESSER III	488,380.80	Covid Related...	30-Sep-24	FY23+
174	Other-Washington County	202,116.42	Add'l FTE, Covid Testing, Supplles,Transportation,Sanitizing	30-Nov-20	FY21
Total		2,030,939.53			

ESSER-Elementary and Secondary School Emergency Relief
 GEER-Governor's Emergency Education Relief
 CARES-Coronavirus Aid, Relief and Economic Security

Local Tuition, Fees and Admissions

Revenue estimates in these categories total \$1,416,043. Typical sources of revenue include miscellaneous fees, admissions, gate receipts and interest revenue and student activity accounts. Budgets are largely based on historical levels.

FOOD SERVICE FUND (Fund 02)

Food Service Fund revenue is estimated at \$1,412,945 for 2021-22. State and Federal meal reimbursements account for \$283,280 or 20% of total revenue, with the balance resulting from sales to students and staff.

Prices for breakfast, lunch and milk are shown in the table below.

Lunch	
Elementary	\$ 2.75
Middle School	\$ 2.95
High School	\$ 3.00
Adult	\$ 4.10
Milk	\$.50
Breakfast	
Elementary	\$ 1.40
Middle/High School	\$ 1.50
Adult	\$ 2.10

Estimated state and federal reimbursements rates for the 2021-22 school year are shown in the table below. These rates are not projected to increase from the current year.

	Federal Rate	State Rate
Lunch		
Paid	\$ 0.310	\$ 0.120
Reduced Rate	\$ 1.490	\$ 0.520
Free	\$ 3.000	\$ 0.520
Breakfast		
Paid	\$ 0.310	\$ 0.550
Reduced Rate	\$ 1.490	\$ 0.750
Free	\$ 1.790	\$ 0.750

COMMUNITY EDUCATION FUND (Fund 04)

Community Education Fund revenue is estimated at \$2,058,863 for 2021-22. Community Education programs are supported by a combination of property tax levy, state aid, tuition and fees and other miscellaneous revenue.

DEBT SERVICE FUND (Fund 07/47)

Debt Service Fund revenue is estimated at \$5,107,017 for 2021-22. The revenue is directly linked to the debt service principal and interest bond payment schedule and is primarily comprised of local levy dollars.

TRUST FUNDS – (OPEB) (Fund 45)

OPEB Fund trust account is expected to generate \$35,000 in interest revenue in 2021-22.

INTERNAL SERVICE FUND (Fund 20/21)

Internal Service Fund revenues are estimated to be \$6,279,483 for 2021-22. The revenues are for premium payments for health insurance and related benefits generated in district operating funds.

EXPENDITURE ASSUMPTIONS

School Year (2021-22)

The General Fund expenditure budget is estimated to be \$43,245,170 for the 2021-22 school year.

Salaries/wages and employee benefits are estimated to be \$23,576,610 and \$9,445,771 respectively, and include salaries/wages and benefits for all employee groups covered in the General Fund. Salaries/wages and employee benefits expenditures account for 77% of General Fund expenditures and includes:

- Increased salary and wage costs for longevity, education, pay rates and other items included in bargaining agreements.
- Increased costs for statutory benefits (TRA, PERA, FICA, unemployment and workers compensation).
- Increased costs for other collectively bargained benefits (health and dental insurance) associated with all employee groups.

Other District Staffing Assumptions

All current Board approved positions are included as part of the 2021-22 staffing expenditure plan. Staffing variations may be required due to student/staffing ratios. Other changes may result from changes to federal entitlements or certain state categorical funded programs.

Non-staff expenditures are estimated to be \$10,222,789 representing 23% of total General Fund expenditures. Expenditures in this area include:

Transportation Contracted Services	\$ 2,282,465
Building Utilities (Electricity/Natural Gas)	750,618
Capital Expenditures/Project	2,009,923
Long-term Facilities Maintenance	1,190,360

FOOD SERVICE FUND (Fund 02)

The Food Service Fund expenditure budget is estimated to be \$1,471,131 for 2021-22.

This program is operated through a contractual arrangement with the Stillwater School District. Contract fees associated with this agreement are estimated at \$705,732 and include program oversight and related staffing.

Food, supplies and equipment make up the balance of this budget and are estimated at \$765,399.

COMMUNITY EDUCATION FUND (Fund 04)

The Community Education Fund expenditure budget is estimated to be \$1,804,807 for 2021-22. Considerations included in this budget are:

Salaries/wages and employee benefits reflect bargaining group agreements

Modest costs of program planning according to the needs of staff, community and the Community Education Advisory Council

DEBT SERVICE FUND (Fund 07/47)

The Debt Service Fund budget is estimated to be \$5,081,403 for 2021-22. The expenditures are directly linked to the debt service principal and interest bond payment schedules.

TRUST FUNDS (OPEB) (Fund 45)

OPEB Trust Fund expenditures are estimated to be \$323,000 for 2021-22. Expenditures in the trust fund relate to the cost of health claims and premiums for covered staff.

INTERNAL SERVICE FUND (Fund 20/21)

Internal Service Fund expenditures are estimated to be \$6,231,014 for 2021-22. The expenditures are related to fees for services within the District's self-funded health and dental programs.

**Mahtomedi Public Schools
Independent School District #832
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance**

	Actual 2019-20	Revised Budget 2020-21	Preliminary Budget 2021-22
Revenues			
General Education	23,443,980	23,514,815	23,820,388
Referendum/Loc Opt. Property Taxes	6,133,992	6,177,682	6,294,515
Other Property Taxes	3,221,783	3,260,928	3,463,271
State Categorical Aids	7,376,736	7,547,999	7,645,163
Federal Aids	794,978	1,828,031	894,335
Local Tuition/Grants/Other	1,304,730	1,258,067	1,416,043
TOTAL REVENUES	42,276,199	43,587,522	43,533,715
Expenditures			
Salaries and Wages	22,227,016	23,262,274	23,576,610
Employee Benefits	8,893,054	9,311,794	9,445,771
Purchased Services	5,817,446	6,748,306	6,596,252
Supplies	1,121,896	1,887,571	1,623,790
Equipment and Capital Chargeback	1,737,779	1,673,624	1,606,885
Other Expenditures	588,969	393,708	395,862
TOTAL EXPENDITURES	40,386,160	43,277,277	43,245,170
REVENUES OVER (UNDER) EXPENDITURES	1,890,039	310,245	288,545
BEGINNING FUND BALANCE	\$ 3,177,457	\$ 5,067,496	\$ 5,377,741
ENDING FUND BALANCE	\$ 5,067,496	\$ 5,377,741	\$ 5,666,286

**Mahtomedi Public Schools
Independent School District #832
General Fund
Expenditures by Program**

	Actual 2019-20	Revised Budget 2020-21	Preliminary Budget 2021-22
All Objects and Programs			
Administration	1,968,075	2,005,259	1,960,480
District Support Services	1,338,738	1,338,688	1,310,651
Elementary and Secondary Regular Instructior	19,479,148	21,030,188	21,071,901
Vocational Education Instruction	850,553	902,444	934,310
Special Education Instruction	7,165,740	7,631,247	7,598,431
Instructional Support Services	1,730,595	1,792,547	1,939,384
Pupil Support Services	3,469,722	3,964,452	3,909,144
Sites and Buildings	4,262,184	4,367,112	4,272,086
Fiscal and Other Fixed Cost Programs	121,405	245,340	248,783
Total All Objects and Programs	<u>\$ 40,386,160</u>	<u>\$ 43,277,277</u>	<u>\$ 43,245,170</u>

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**Mahtomedi Public Schools
Independent School District #832
Food Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance**

	Actual 2019-20	Revised Budget 2020-21	Preliminary Budget 2021-22
Revenues			
School Meal Sales	739,569	1,053,200	1,030,200
Other Local Revenue	4,422	3,800	3,800
State Revenue	41,615	57,280	57,816
Federal Revenue	410,206	316,635	321,129
TOTAL REVENUES	<u>1,195,812</u>	<u>1,430,915</u>	<u>1,412,945</u>
Expenditures			
Pupil Support Services	<u>1,256,764</u>	<u>1,442,286</u>	<u>1,471,131</u>
REVENUES OVER (UNDER) EXPENDITURES	(60,952)	(11,371)	(58,186)
BEGINNING FUND BALANCE	<u>\$ 304,750</u>	<u>\$ 243,798</u>	<u>\$ 232,427</u>
ENDING FUND BALANCE	<u><u>\$ 243,798</u></u>	<u><u>\$ 232,427</u></u>	<u><u>\$ 174,241</u></u>

**Mahtomedi Public Schools
Independent School District #832
Food Service Fund
Expenditures by Program and Object**

	Actual 2019-20	Revised Budget 2020-21	Preliminary Budget 2021-22
Pupil Support Services			
Salaries and Wages	\$ 60,000	\$ 45,000	\$ 45,900
Employee Benefits	0	14,640	14,933
Purchased Services	622,413	692,896	706,753
Supplies	540,037	666,500	679,830
Capital	13,574	20,000	20,400
Other	20,740	3,250	3,315
Total Pupil Support Services	<u>\$ 1,256,764</u>	<u>\$ 1,442,286</u>	<u>\$ 1,471,131</u>

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**Mahtomedi Public Schools
Independent School District #832
Community Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance**

	Actual 2019-20	Revised Budget 2020-21	Preliminary Budget 2021-22
Revenues			
Local Levy	303,709	319,905	301,566
State Revenue	89,584	131,851	122,881
Tuition and Fees	1,601,400	1,808,797	1,617,841
Other Local Revenue	7,608	28,763	16,575
TOTAL REVENUES	<u>2,002,301</u>	<u>2,289,316</u>	<u>2,058,863</u>
Expenditures			
Community Education and Services	<u>2,090,071</u>	<u>2,287,899</u>	<u>1,804,807</u>
REVENUES OVER (UNDER) EXPENDITURES	(87,770)	1,417	254,056
BEGINNING FUND BALANCE	<u>\$ 534,429</u>	<u>\$ 446,659</u>	<u>\$ 448,076</u>
ENDING FUND BALANCE	<u><u>\$ 446,659</u></u>	<u><u>\$ 448,076</u></u>	<u><u>\$ 702,132</u></u>

**Mahtomedi Public Schools
Independent School District #832
Community Service Fund
Expenditures by Program and Object**

	Actual 2019-20	Revised Budget 2020-21	Preliminary Budget 2021-22
Community Education Services			
Salaries and Wages	1,202,609	1,344,773	1,122,808
Employee Benefits	365,922	354,619	353,159
Purchased Services	318,999	440,677	250,140
Supplies	58,676	82,265	55,850
Capital	115,926	48,143	5,000
Other	27,939	17,422	17,850
Total Pupil Support Services	<u>\$ 2,090,071</u>	<u>\$ 2,287,899</u>	<u>\$ 1,804,807</u>

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**Mahtomedi Public Schools
Independent School District #832
Debt Service Fund (Fund 07/47)
Schedule of Revenues, Expenditures and
Changes in Fund Balance**

	Actual 2019-20	Revised Budget 2020-21	Preliminary Budget 2021-22
Revenues			
Property Taxes	4,983,739	5,022,219	5,059,917
Other Local Revenue	28,812	25,000	20,000
State Revenue	24,579	28,750	27,100
TOTAL REVENUES	<u>5,037,130</u>	<u>5,075,969</u>	<u>5,107,017</u>
Expenditures			
Bond Principal and Interest	<u>5,067,998</u>	<u>5,069,273</u>	<u>5,081,403</u>
REVENUES OVER (UNDER) EXPENDITURES	(30,868)	6,696	25,614
BEGINNING FUND BALANCE	<u>1,142,489</u>	<u>\$ 1,111,621</u>	<u>\$ 1,118,317</u>
ENDING FUND BALANCE	<u><u>\$ 1,111,621</u></u>	<u><u>\$ 1,118,317</u></u>	<u><u>\$ 1,143,931</u></u>

**Mahtomedi Public Schools
Independent School District #832
Debt Service Fund (Fund 07/47)
Expenditures by Program and Object**

	Actual 2019-20	Revised Budget 2020-21	Preliminary Budget 2021-22
Bond Principal			
2009A Taxable OPEB (Fund 47)	250,000	260,000	0
2014A Refunding Bonds (Fund 7)	2,145,000	1,840,000	1,840,000
2014B Refunding Bonds (Fund 7)	0	385,000	385,000
2016A Tax Abatement Bonds (Fund 7)	600,000	625,000	625,000
*2021A LTFM Bonds (Fund 07)	0	0	0
2021B Taxable OPEB Refunding (Fund 47)	0	0	320,000
Total Bond Principal	<u>2,995,000</u>	<u>3,110,000</u>	<u>3,170,000</u>
Bond Interest			
2009A Taxable OPEB (Fund 47)	71,633	59,133	0
2014A Refunding Bonds (Fund 7)	1,803,800	1,718,000	1,718,000
2014B Refunding Bonds (Fund 7)	13,090	13,090	13,090
2016A Tax Abatement Bonds (Fund 7)	182,000	164,050	164,050
*2021A LTFM Bonds (Fund 07)	0	0	9,455
2021B Taxable OPEB Refunding (Fund 47)	0	0	1,808
Total Bond Interest	<u>2,070,523</u>	<u>1,954,273</u>	<u>1,906,403</u>
Other Debt Expense			
Bond Payment Fees	<u>2,475</u>	<u>5,000</u>	<u>5,000</u>
Total Expenditures	<u>\$ 5,067,998</u>	<u>\$ 5,069,273</u>	<u>\$ 5,081,403</u>

**Mahtomedi Public Schools
Independent School District #832
Proprietary Funds
Schedule of Revenues, Expenditures and
Changes in Fund Balance**

Internal Service Fund (Fund 20)

	Actual 2019-20	Revised Budget 2020-21	Preliminary Budget 2021-22
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Insurance Contributions	5,633,134	5,720,416	6,279,483
Other Revenue	11,913	0	0
TOTAL REVENUES	<u>5,645,047</u>	<u>5,720,416</u>	<u>6,279,483</u>
Expenditures			
Health Claims	5,584,203	5,685,416	6,231,014
Admin Fees	7,837	10,000	0
TOTAL EXPENSES	<u>5,592,040</u>	<u>5,695,416</u>	<u>6,231,014</u>
REVENUES OVER (UNDER) EXPENDITURES	53,007	25,000	48,469
BEGINNING FUND BALANCE	\$ (717,119)	\$ (664,112)	\$ (639,112)
ENDING FUND BALANCE	<u>\$ (664,112)</u>	<u>\$ (639,112)</u>	<u>\$ (590,643)</u>

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**Mahtomedi Public Schools
Independent School District #832
Trust Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance**

	Actual 2019-20	Revised Budget 2020-21	Preliminary Budget 2021-22
Revenues			
Other Local Revenue	25,081	35,000	35,000
TOTAL REVENUES	<u>25,081</u>	<u>35,000</u>	<u>35,000</u>
Expenditures			
Insurance Contributions	225,927	241,000	323,000
REVENUES OVER (UNDER) EXPENDITURES	(200,846)	(206,000)	(288,000)
BEGINNING FUND BALANCE	<u>1,160,359</u>	<u>\$ 959,513</u>	<u>\$ 753,513</u>
ENDING FUND BALANCE	<u>\$ 959,513</u>	<u>\$ 753,513</u>	<u>\$ 465,513</u>