

Special Meeting

Monday, January 25, 2021 8:00 PM

Virtual Meeting via Google Hangout, To view or listen to this meeting, send request to: jkilian@isd110.org, or , call: 952-442-0600

1. **CALL TO ORDER, ADOPTION OF AGENDA, and NOTATION OF MEMBERS IN ATTENDANCE** **Presenter:** Chair Geller
2. **ACTION ITEMS**

2.A. SOD Resolution

Resolution on Statutory Operating Debt

Pursuant to due call and notice thereof, a special meeting of the Board of Education, Waconia, Minnesota, was held on the 25th day of January 2021 at 8:00 PM. The following board members were present: _____

and the following board members were absent: _____

Board member _____ introduced the following resolution and moved its adoption:

WHEREAS, School District #110, Waconia Public Schools was in Statutory Operating Debt as of June 30, 2020 as defined by Minnesota Statutes, section 123B.81, Subdivision 2; and,

WHEREAS, Minnesota Statutes, section 123B.83, Subdivision 4, requires a school district in SOD to submit to the commissioner a special operating plan to reduce deficit expenditures; and, to receive aids contingent on the school district's continued compliance with the plan;

WHEREAS, School District #110, Waconia Public Schools has prepared a Special Operating Plan which has been presented, reviewed and understood by the school board;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Education of School District #110

1. Approves the attached Special Operating Plan and accompanying SOD Recovery Spreadsheets and transmits same to MDE;
2. Agrees to reduce current year expenditures by all legal means possible, without negatively impacting current programs or contractual obligations;
3. Agrees to immediately discontinue the practice of approving deficit budgets;
4. Creates an unreserved fund balance target of 5% percent within five years after the removal of SOD;
5. Agrees to a 'dollar for dollar' cut in current and future budgets to respond to a negative variance in revenues and expenditures as displayed in the SOD plan;
6. Agrees to use any aid formula improvement from the legislature to reduce debt;
7. Agrees to remove the condition of SOD by the end of FY 2023 and achieve a positive fund balance by FY 2024;
8. Requests specialized training as appropriate; and,
9. Agrees to submit preliminary budgets to MDE showing the discontinuance of deficit spending, prior to their formal board approval, each subsequent year until the removal of negative fund balances.

The motion for adoption of the foregoing resolution was duly seconded by Board Member _____ and upon vote being taken thereon, the following members voted in favor thereof: _____ and the following members voted against the same: _____ whereupon said resolution was declared duly passed and adopted.

2.B. Revised Budget for SY 20-21

INDEPENDENT SCHOOL DISTRICT #110

General Fund Revised Budget

Board Approval Date - January 25, 2021

2020-2021 School Year

	2018-2019	2019-2020	2020-2021	2020-2021
	Audited Actuals	Audited Actuals	Preliminary Budget	Revised Budget
FUND BALANCE, JUNE 30	\$ 271,564	\$ (6,408,948)	\$ (6,007,356)	\$ (6,004,145)
REVENUES:				
Local Sources	\$ 5,845,189	\$ 7,941,196	8,134,642	\$ 8,132,142
State Sources	36,125,653	37,757,829	39,644,927	39,639,468
Federal Sources	854,789	865,975	847,976	1,912,363
Other Finance Sources	497,253	593,095	7,800	7,800
TOTAL REVENUES	\$ 43,322,884	\$ 47,158,095	48,635,345	\$ 49,691,773
EXPENDITURES:				
Salaries and Wages	\$ 27,913,719	\$ 27,402,735	27,879,793	\$ 27,959,084
Employee Benefits	9,635,336	10,012,564	10,434,057	10,494,438
Purchased Services	6,573,167	5,802,884	6,115,419	6,208,332
Supplies and Materials	1,826,883	1,430,677	1,803,885	2,679,023
Capital Expenditures	3,589,402	922,652	809,244	812,484
Debt Service	129,221	262,889	96,287	161,287
Other Expenditures and Financing Uses	335,668	918,891	334,367	334,377
TOTAL EXPENDITURES	\$ 50,003,396	\$ 46,753,292	\$ 47,473,052	\$ 48,649,025
SURPLUS OR (DEFICIT)	\$ (6,680,512)	\$ 404,803		\$ 1,042,748
FUND BALANCE, JUNE 30	\$ (6,408,948)	\$ (6,004,145)		\$ (4,961,397)
Analysis of Equity Balances as of:	6/30/2019	6/30/2020		6/30/2021
Nonspendable	90,882	40,035		40,000
Restricted/Reserved				
Staff Development	-	-		-
Deferred Maintenance	-	-		-
Learning and Development	-	-		-
Area Learning Center	-	-		-
Third Party Billing	6,985	8,583		8,583
Gifted and Talented	230	-		-
Basic Skills	431	-		-
Safe Schools	15,813	15,664		15,664
Operating Capital	-	187,218		381,033
Health and Safety	-	-		-
Long Term Facilities Maintenance	3,157	2,980		24,790
Assigned				
Pool Operations	-	-		-
Severance	-	-		-
Unassigned	(6,526,446)	(6,258,625)		(5,431,467)
Total Equity Balances	\$ (6,408,948)	\$ (6,004,145)		\$ (4,961,397)

INDEPENDENT SCHOOL DISTRICT #110

Food Service Fund Revised Budget

Board Approval Date - January 25, 2021

2020-2021 School Year



	2018-2019	2019-2020	2020-2021	2020-2021
	Audited Actuals	Audited Actuals	Preliminary Budget	Revised Budget
FUND BALANCE, JUNE 30	\$ 790,375	\$ 775,275	\$ 473,049	\$ 585,056
REVENUES:				
Local Sources	\$ 16,243	\$ 9,740	\$ 15,500	\$ 10,500
State Sources	121,380	116,246	120,850	180,850
Federal Sources	572,398	758,737	515,150	2,250,000
Local Sales and Reimbursements	1,691,815	1,243,380	1,762,350	150,000
TOTAL REVENUES	\$ 2,401,836	\$ 2,128,103	\$ 2,413,850	\$ 2,591,350
EXPENDITURES:				
Salaries and Wages	\$ 816,977	\$ 864,297	\$ 793,006	\$ 843,216
Employee Benefits	385,177	429,565	417,360	442,360
Purchased Services	162,713	131,202	171,025	171,025
Supplies and Materials	1,015,888	859,561	1,024,750	1,034,750
Capital Expenditures	32,408	26,657	-	105,000
Other Expenditures	3,773	7,040	4,450	4,450
TOTAL EXPENDITURES	\$ 2,416,936	\$ 2,318,322	\$ 2,410,591	\$ 2,600,801
SURPLUS OR (DEFICIT)	(15,100)	\$ (190,219)		(9,451)
FUND BALANCE, JUNE 30	\$ 775,275	\$ 585,056		\$ 575,605

INDEPENDENT SCHOOL DISTRICT #110

Community Education Fund Revised Budget

Board Approval Date - January 25, 2021

2020-2021 School Year



	2018-2019	2019-2020	2020-2021	2020-2021
	Audited Actuals	Audited Actuals	Preliminary Budget	Revised Budget
TOTAL FUND BALANCE, JUNE 30	\$ 580,795	\$ 602,832	\$ 312,327	\$ 394,771
REVENUES:				
Local Sources	\$ 2,838,230	\$ 2,265,794	\$ 2,816,929	\$ 2,816,929
State Sources	402,880	406,078	398,230	398,230
Federal Sources	-	-	-	54,630
Local Sales and Reimbursements	1,004	-	-	-
Other Financing Sources	70,621	62,578	70,000	70,000
TOTAL REVENUES	\$ 3,312,735	\$ 2,734,450	\$ 3,285,159	\$ 3,339,789
EXPENDITURES:				
Salaries and Wages	\$ 1,795,776	\$ 1,735,695	\$ 1,780,425	\$ 1,835,055
Employee Benefits	576,333	570,467	615,459	615,459
Purchased Services	642,026	452,753	567,011	567,011
Supplies and Materials	269,229	176,780	226,313	226,313
Capital Expenditures	4,087	3,672	6,000	11,000
Other Expenditures	3,247	3,144	4,300	4,300
TOTAL EXPENDITURES	\$ 3,290,698	\$ 2,942,511	\$ 3,199,508	\$ 3,259,138
SURPLUS OR (DEFICIT)	\$ 22,037	\$ (208,061)		80,651
FUND BALANCE, JUNE 30	\$ 602,832	\$ 394,771		\$ 475,422
Analysis of Equity Balances as of:	6/30/2019	6/30/2020		6/30/2021
Nonspendable	3,132	500		1,000
Reserved for Community Education	440,178	197,305		215,000
Reserved for ECFE	63,456	83,345		80,000
Reserved for School Readiness	44,165	57,291		55,000
Reserved/Restricted	547,799	337,941		350,000
Reserved for Other Purposes	51,901	56,330		124,422
Total Equity Balances	\$ 602,832	\$ 394,771		\$ 475,422

INDEPENDENT SCHOOL DISTRICT #110

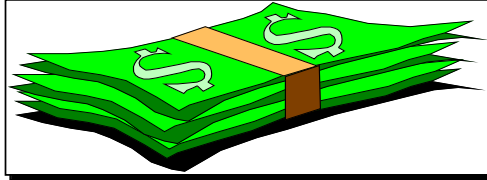
Construction Fund Revised Budget
Board Approval Date - January 25, 2021
2020-2021 School Year



	2018-2019	2019-2020	2020-2021	2020-2021
	Audited Actuals	Audited Actuals	Preliminary Budget	Revised Budget
FUND BALANCE, JUNE 30	\$ (126,014)	\$ 896,039	\$ 48,531	(24,032)
REVENUES:				
Local Sources	\$ 8,523	\$ 189,100	\$ -	\$ 24,032
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Financing Sources	2,421,650	-	-	-
TOTAL REVENUES	\$ 2,430,173	\$ 189,100	\$ -	\$ 24,032
EXPENDITURES:				
Construction Expenditures	1,408,120	1,109,171	48,531	-
TOTAL EXPENDITURES	\$ 1,408,120	\$ 1,109,171	\$ 48,531	\$ -
SURPLUS OR (DEFICIT)	\$ 1,022,053	\$ (920,071)		\$ 24,032
FUND BALANCE, JUNE 30	896,039	(24,032)		0

INDEPENDENT SCHOOL DISTRICT #110

**Debt Service Fund Revised Budget
Board Approval Date - January 25, 2021
2020-2021 School Year**



	2018-2019	2019-2020	2020-2021	2020-2021
	Audited Actuals	Audited Actuals	Preliminary Budget	Revised Budget
FUND BALANCE, JUNE 30	\$ 1,976,207	\$ 1,477,123	\$ 1,067,597	\$ 1,182,967
REVENUES:				
Local Sources	\$ 7,106,470	\$ 8,341,263	\$ 8,748,821	\$ 8,748,821
State Sources	492,268	626,056	626,264	626,264
Sale of Bonds	-	-	-	-
Other Financing Sources	7,496,592	-	-	-
TOTAL REVENUES	\$ 15,095,330	\$ 8,967,319	\$ 9,375,085	\$ 9,375,085
EXPENDITURES:				
Debt Service Expenditures	\$ 8,354,414	\$ 9,261,475	\$ 9,732,681	\$ 9,732,681
Other Financing Uses	7,240,000	-	-	-
TOTAL EXPENDITURES	\$ 15,594,414	\$ 9,261,475	\$ 9,732,681	\$ 9,732,681
SURPLUS OR (DEFICIT)	\$ (499,084)	\$ (294,156)		(357,596)
FUND BALANCE, JUNE 30	\$ 1,477,123	\$ 1,182,967		\$ 825,371

INDEPENDENT SCHOOL DISTRICT #110

Trust Fund Revised Budget
 Board Approval Date - January 25, 2021
 2020-2021 School Year



	2018-2019	2019-2020	2020-2021	2020-2021
	Audited Actuals	Audited Actuals	Preliminary Budget	Revised Budget
FUND BALANCE, JUNE 30	\$ 103,605	\$ 115,015	\$ 111,915	\$ 110,194
REVENUES				
Local Sources:	\$ 26,982	\$ 9,873	\$ 25,000	\$ 25,000
TOTAL REVENUES	\$ 26,982	\$ 9,873	\$ 25,000	\$ 25,000
EXPENDITURES				
Scholarships	\$ 15,572	\$ 14,694	\$ 28,100	\$ 28,100
TOTAL EXPENDITURES	\$ 15,572	\$ 14,694	\$ 28,100	\$ 28,100
PROJECTED SURPLUS OR (DEFICIT)	\$ 11,410	\$ (4,821)		\$ (3,100)
PROJECTED FUND BALANCE, JUNE 30	\$ 115,015	\$ 110,194		\$ 107,094

INDEPENDENT SCHOOL DISTRICT #110
Dental Benefits Internal Service Fund Revised Budget
Board Approval Date - January 25, 2021
2020-2021 School Year



	2018-2019	2019-2020	2020-2021	2020-2021
	Audited Actuals	Audited Actuals	Preliminary Budget	Revised Budget
FUND BALANCE, JUNE 30	\$ 346,554	\$ 287,104	\$ 297,104	\$ 292,031
REVENUES				
Local Sources:	\$ 374,880	\$ 391,593	\$ 410,000	\$ 410,000
TOTAL REVENUES	\$ 374,880	\$ 391,593	\$ 410,000	\$ 410,000
EXPENDITURES				
Dental Claims Paid	\$ 434,330	\$ 386,666	\$ 432,000	\$ 432,000
TOTAL EXPENDITURES	\$ 434,330	\$ 386,666	\$ 432,000	\$ 432,000
PROJECTED SURPLUS OR (DEFICIT)	\$ (59,450)	\$ 4,927		\$ (22,000)
PROJECTED FUND BALANCE, JUNE 30	\$ 287,104	\$ 292,031		\$ 270,031

INDEPENDENT SCHOOL DISTRICT #110
OPEB Irrevocable Trust Fund Revised Budget
Board Approval Date - January 25, 2021
2020-2021 School Year



	2018-2019	2019-2020	2020-2021	2020-2021
	Audited Actuals	Audited Actuals	Preliminary Budget	Revised Budget
FUND BALANCE, JUNE 30	\$ 2,339,148	\$ 2,139,334	\$ 1,944,336	\$ 1,987,554
REVENUES				
Local Sources:	\$ 44,037	\$ 80,084	\$ 40,000	\$ 40,000
TOTAL REVENUES	\$ 44,037	\$ 80,084	\$ 40,000	\$ 40,000
EXPENDITURES				
Employee Insurances	\$ 243,851	\$ 231,864	\$ 235,800	\$ 235,800
TOTAL EXPENDITURES	\$ 243,851	\$ 231,864	\$ 235,800	\$ 235,800
PROJECTED SURPLUS OR (DEFICIT)	\$ (199,814)	\$ (151,780)	\$ (195,800)	\$ (195,800)
PROJECTED FUND BALANCE, JUNE 30	\$ 2,139,334	\$ 1,987,554		\$ 1,791,754

INDEPENDENT SCHOOL DISTRICT #110
OPEB Debt Service Fund Revised Budget
Board Approval Date - January 25, 2021
2020-2021 School Year



	2018-2019	2019-2020	2020-2021	2020-2021
	Audited Actuals	Audited Actuals	Preliminary Budget	Revised Budget
FUND BALANCE, JUNE 30	\$ 73,387	\$ 72,851	\$ 70,849	\$ 73,708
REVENUES:				
Local Sources	\$ 347,044	\$ (113)	\$ -	\$ -
State Sources	2,695	970	-	-
TOTAL REVENUES	\$ 349,739	\$ 857	\$ -	\$ -
EXPENDITURES				
Bond Payments and Expenses	\$ 350,275	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 350,275	\$ -	\$ -	\$ -
PROJECTED SURPLUS OR (DEFICIT)	\$ (536)	\$ 857	\$ -	\$ -
PROJECTED FUND BALANCE, JUNE 30	\$ 72,851	\$ 73,708	\$ 70,849	\$ 73,708

3. **DISCUSSION ITEMS**

4. **ADJOURNMENT**