

Agenda
General Fund Budget Hearing
May 23, 2023
6:00 PM

- 1. General Fund Budget Hearing



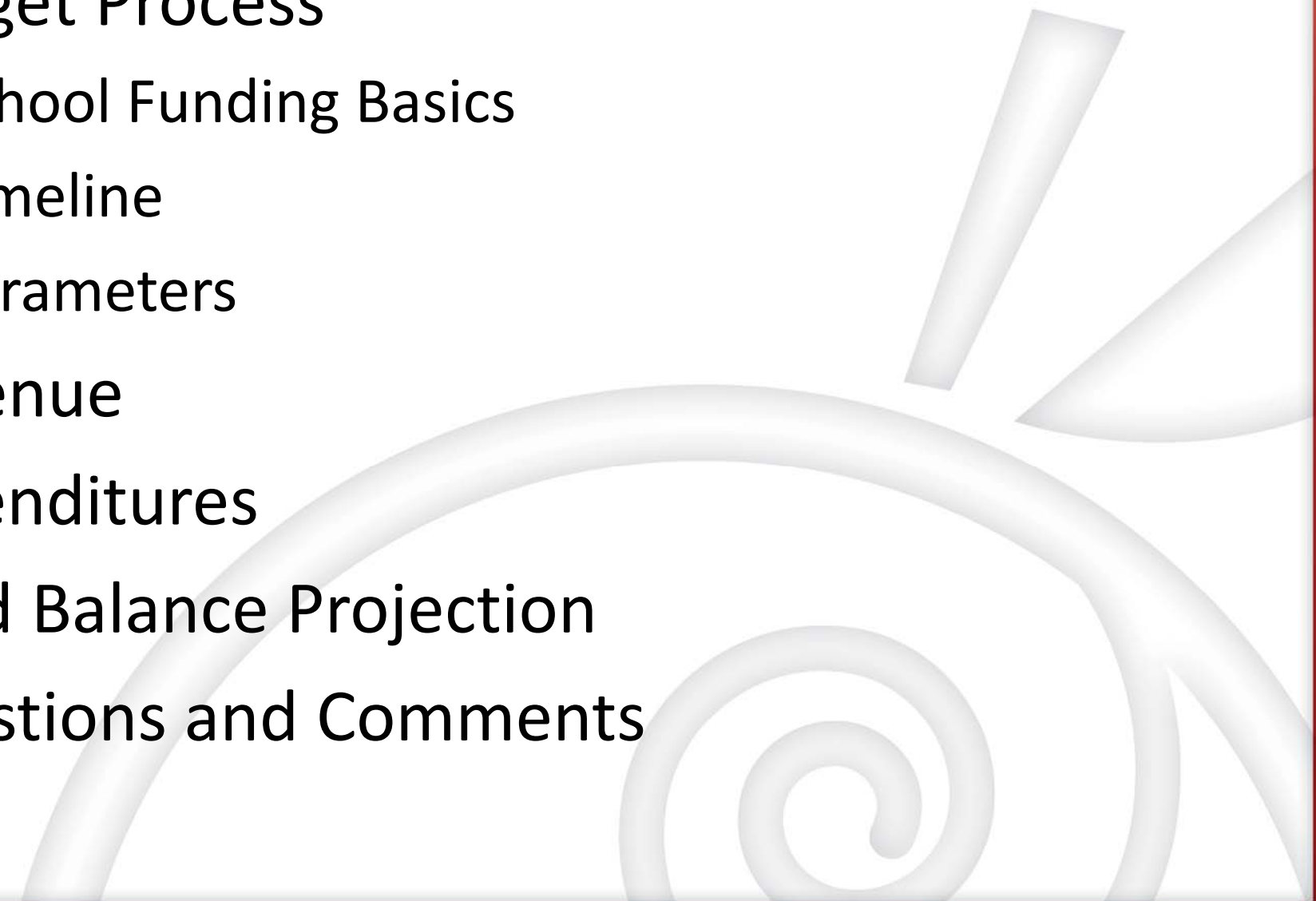
Roseville Area Schools

Quality Teaching & Learning for All...Equity in All We Do

2023-2024 General Fund Budget Hearing

May 23, 2023

Agenda

- Budget Process
 - School Funding Basics
 - Timeline
 - Parameters
 - Revenue
 - Expenditures
 - Fund Balance Projection
 - Questions and Comments
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- A decorative graphic in the bottom right corner of the slide. It features a large, light gray, semi-transparent spiral that starts from the bottom center and curves upwards and to the right. Overlapping the spiral are several geometric shapes: a long, thin, light gray wedge pointing upwards and to the right, and a larger, light gray, semi-transparent shape that resembles a stylized sun or a large arrowhead pointing towards the top right.

MN Legislature Must Set Funding for Minnesota Public Schools

Minnesota Constitution ARTICLE XIII

MISCELLANEOUS SUBJECTS

Section 1

“UNIFORM SYSTEM OF PUBLIC SCHOOLS. The stability of a republican form of government depending mainly upon the intelligence of the people, it is the duty of the legislature to establish a general and uniform system of public schools. The **legislature shall make such provisions by taxation or otherwise** as will secure a thorough and efficient system of public schools throughout the state.”

Funding is Highly Regulated

State Sets:

- Formulas which determine revenue; most revenue based on specified amounts per pupil
- Tax policy for local schools
- Maximum authorized property tax levy (districts can levy less but not more than amount authorized by state, unless approved by voters in November)

State also authorizes school board to submit referendums for operating and capital needs to voters for approval

Budget Timelines for 2023-2024

| Date | Budget Event | Action |
|---------------------------|--|---------------------------------------|
| June 2022 | 2022-2023 Budget Approved | Board Approval |
| September 27, 2022 | Preliminary Levy set (Payable 2023; 2023-24 Revenue) | Board Approval |
| December 13, 2022 | Final Levy set (Payable 2023; 2023-24 Revenue) | Board Approval |
| January 23, 2023 | District Cabinet meeting – budget update, parameters and timeline | District Cabinet meeting |
| January 24, 2023 | Review & approval of 2022-23 revised general fund budget; Approve 2023-2024 budget timeline and parameters. | Board meeting |
| February 8, 2023 | Finance Advisory Committee – revised current year budget, 2023-2024 budget parameters and timeline | Finance Advisory Committee |
| February 20, 2023 | Staffing allocations set for 2023-2024 | District Lead Team |
| February 21, 2023 | Budget update to School Board | School Board |
| April 25, 2023 | Update the School Board on Budget development as needed | Administrative report to School Board |
| May 23, 2023 | Prior to the regular School Board meeting, the district holds a public hearing to share the 2023-2024 DRAFT general fund budget and collect any public comment | Administrative report to the public |
| June 27, 2023 | School Board formally adopts 2023-2024 Budget | Board Approval |

Budget Assumptions - Revenue

- The proposed per-pupil basic general education formula allowance for 2023-2024 is \$7,138, an increase of 4% over the current year.
- Operating referendum revenue continues to be based on Adjusted Pupil Units (APU) to an amount based on APU and equal to \$1,926 per pupil unit
- Levy revenue will be based on the 2022 Pay 2023-24 Certified Levy approved in December 2022.
- Compensatory/Basic Skills Revenue is increasing \$4.3M from current year

Budget Assumptions - Expenditures

- Focus resources on equity and student achievement.
- Staffing adjustments will match enrollment changes and align with class size staffing targets. No changes in class size targets
- Increased mental health and social emotional learning will be maintained

Budget Assumptions - Expenditures

- Estimated salary and benefit settlements for upcoming contract negotiations are included.
- Utility costs will be based on multiple year average usage with consideration given to current rates.
- Contracted transportation costs are estimated to increase due to bus driver shortage and increased fuel costs.
- All mandated reserve expense categories (i.e., Staff Development, Health & Safety, Safe Schools, Operating Capital) will be spent in compliance with statute.

Staffing Implications

- Our **Actual Student Enrollment** as of Feb 1, 2023, was 27 students **less** than our projections. 7,220 projected vs. 7,193
- Our **Projected Student Enrollment** for 23-24 is expected to increase in by 35 students for total enrollment of 7,255 students.
- We are expecting an **increase** of \$3,763,554 in **Compensatory Revenue** in 23-24 for a total projected allocation of \$8,120,412 (does not include LEP cross-subsidy)

Enrollment

| | Enrollment Projections for 22-23. Current staffing based on this number | Actual Enrollment as of Feb 1, 2023 | Difference | Enrollment Projections for 2023-2024 |
|-----------------------------|--|--|-------------------|---|
| Elementary including PV 7/8 | 4025 | 3972 | -53 | 4062 |
| RAMS | 837 | 844 | +7 | 816 |
| RAHS | 2278 | 2299 | +21 | 2297 |
| FAHS | 80 | 78 | -2 | 80 |
| TOTALS | 7220 | 7193 | -27 | 7255 |

Average Class Size Targets

| | Average Class Size Ratio for 2018-2019 | Average Class Size Ratio for 2019-2020 | Average Class Size Ratio for 2020-2021 | Average Class Size Ratio for 2021-2022 | Average Class Size Ratio for 22-23 and 23-24 |
|--------------|--|--|--|--|--|
| Kindergarten | 22 | 22 | 22 | 22 | 22 |
| Grades 1-3 | 27 | 27.5 | 28 | 28 | 26 |
| Grades 4-6 | 32 | 32.5 | 33 | 33 | 31 |
| RAMS | 34.2 | 34.7 | 35.2 | 35.2 | 33.2 |
| RAHS | 35.4 | 35.9 | 36.4 | 36.4 | 34.4 |

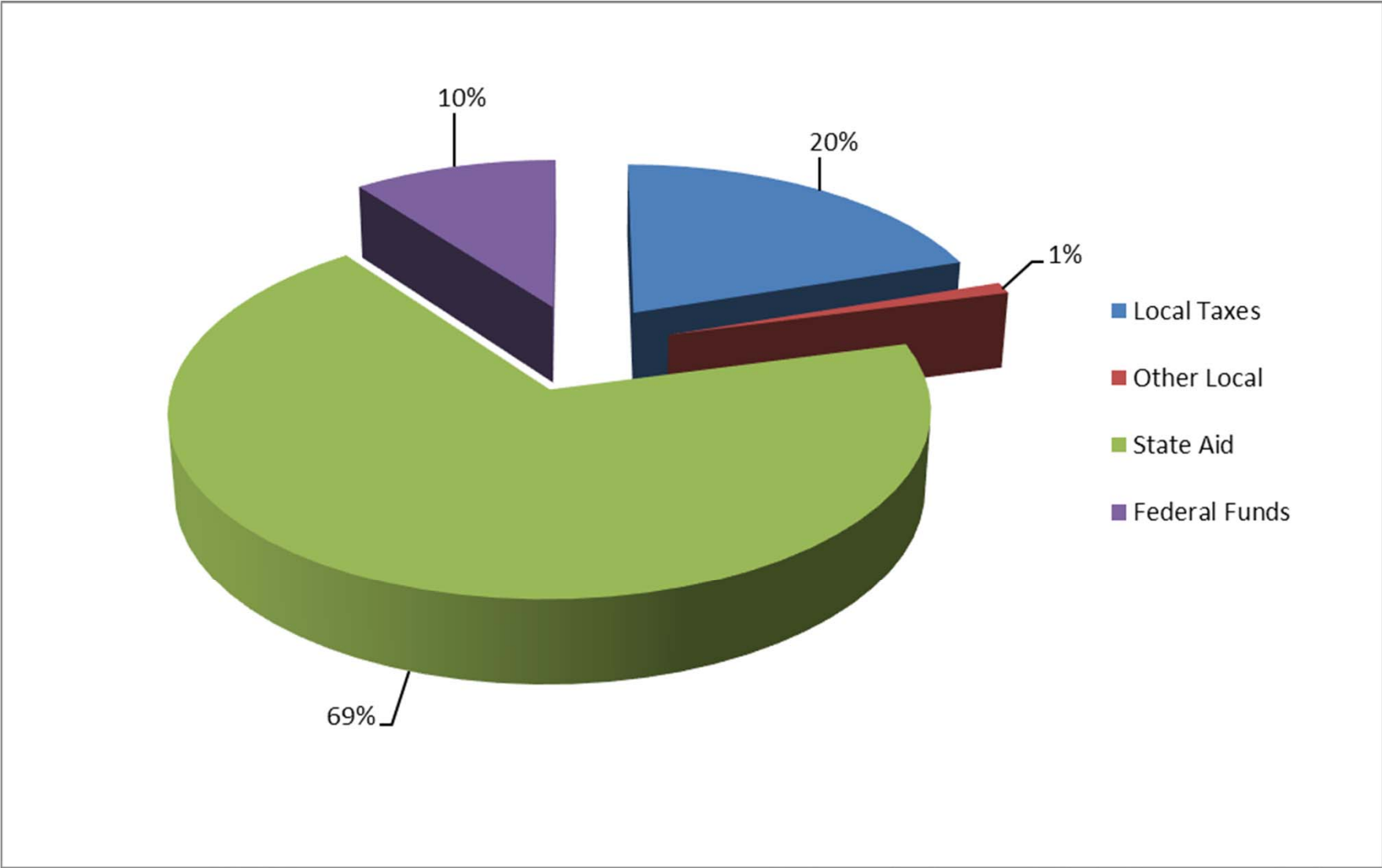
Revenue Budget

| Source | Description | 2022-23 Revised Budget | 2023-24 Original Budget | \$ Difference | % Difference |
|--------|-------------------------------------|------------------------|-------------------------|----------------|---------------|
| 1 | Maintenance Levy | 20,206,031 | 20,800,147 | 594,116 | 2.94% |
| 2 | Mobile Home Tax | 20,000 | 20,000 | - | 0.00% |
| 5 | Unemployment Levy | 219,356 | (96,165) | (315,521) | -143.84% |
| 9 | Fiscal Disparities | 2,897,194 | 3,000,000 | 102,806 | 3.55% |
| 10 | County Apportionment | 220,000 | 220,000 | - | 0.00% |
| 15 | Interest On Levy Pymnt | 5,000 | 5,000 | - | 0.00% |
| | Subtotal Local Taxes | 23,567,581 | 23,948,982 | 381,401 | 1.62% |
| 50 | Fees From Patrons | 280,000 | 280,000 | - | 0.00% |
| 51 | Fees/Usage | 250,000 | 250,000 | - | 0.00% |
| 51 | Fines | - | - | - | |
| 60 | Admissions & Stud Act Revenue | 70,000 | 70,000 | - | 0.00% |
| 71 | MA Claims Revenue | 400,000 | 400,000 | - | 0.00% |
| 92 | Interest Earnings | 10,000 | 10,000 | - | 0.00% |
| 93 | Rent Of School Facility | 30,000 | 30,000 | 3 | 0.01% |
| 95 | Lease Revenue | 10,000 | 10,000 | - | 0.00% |
| 96 | Gifts And Bequests | 55,000 | 55,000 | - | 0.00% |
| 98 | Misc Student Fundraising | - | - | - | |
| 99 | Miscellaneous Local Rev | 105,600 | 285,600 | 180,000 | 170.45% |
| | Subtotal Other Local Revenue | 1,210,600 | 1,390,600 | 180,000 | 14.87% |

Revenue Budget

| | | | | | |
|-----|---|--------------------|--------------------|--------------------|----------------|
| 201 | Endowment Aid | 305,756 | 330,108 | 24,352 | 7.96% |
| 211 | General Ed Revenue | 64,630,882 | 70,530,809 | 5,899,927 | 9.13% |
| 212 | Literacy Incentive Aid | 394,512 | 394,512 | - | 0.00% |
| 213 | Shared Time | - | - | - | 0.00% |
| 227 | Abatement Aid | 28,000 | 30,000 | 2,000 | 7.14% |
| 300 | State Aids & Grants | 2,249,252 | 1,052,043 | (1,197,209) | -53.23% |
| 360 | State Aid Special Ed | 13,967,999 | 18,628,956 | 4,660,957 | 33.37% |
| 370 | Misc State Grants | 72,626 | 72,626 | - | 0.00% |
| | Subtotal State Aids & Grants | 81,649,027 | 91,039,054 | 9,390,027 | 11.50% |
| 400 | FEDERAL AIDS & GRANTS | 3,667,431 | 3,971,544 | 304,113 | 8.29% |
| 400 | CARES RELATED AIDS | 8,432,666 | 5,127,615 | (3,305,051) | -39.19% |
| 405 | SUB GRANT FROM FED FUNDS | 27,000 | - | (27,000) | -100.00% |
| | Subtotal Federal Aids & Grants | 12,127,097 | 9,099,159 | (3,027,938) | -24.97% |
| | TOTAL GENERAL FUND | 118,554,305 | 125,477,795 | 6,923,490 | 5.84% |

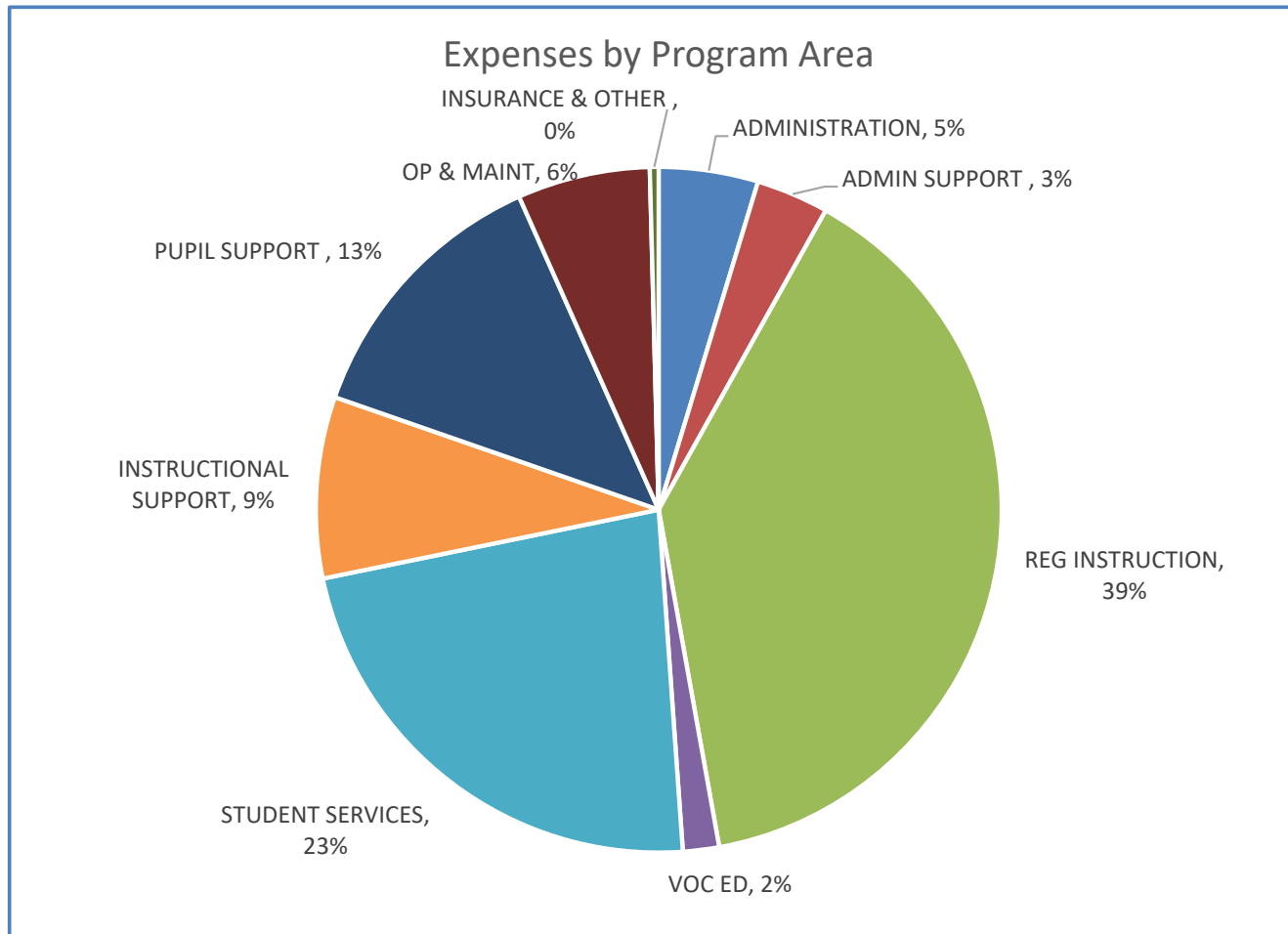
Revenue Budget



Expenditures by Program Area

| PROGRAM | 2022-23 | 2023-24 | 2023-24 | % |
|---|--------------------|--------------------|-------------------|--------|
| | Revised Budget | Original Budget | Budget Inc/Dec | Change |
| ADMINISTRATION | 5,519,183 | 5,819,213 | 300,030 | 5% |
| ADMIN SUPPORT | 3,502,078 | 4,260,154 | 758,076 | 22% |
| REG INSTRUCTION | 48,009,556 | 48,625,257 | 615,701 | 1% |
| VOC ED | 2,102,153 | 2,114,627 | 12,474 | 1% |
| STUDENT SERVICES | 25,834,452 | 28,496,671 | 2,662,219 | 10% |
| INSTRUCTIONAL SUPPORT | 11,726,461 | 10,635,473 | (1,090,988) | -9% |
| PUPIL SUPPORT | 14,415,995 | 16,178,136 | 1,762,141 | 12% |
| OP & MAINT | 7,529,902 | 7,793,599 | 263,697 | 4% |
| INSURANCE & OTHER | 515,000 | 515,000 | 0 | 0% |
| TOTAL GEN FUND EXPENSES EXCLUDING | 119,154,780 | 124,438,130 | 5,283,350 | |
| EXCLUDING OPERATING CAPITAL AND LONG TERM FACILITIES MAINTENANCE | | | | |

Expenses by Program Area



Fund Balance Projection

| ROSEVILLE AREA SCHOOLS | | | | | | |
|---|---|----------------------------------|---------------------------------------|--|--|------|
| Budget Summary - Proposed Projections | | | | | | |
| 2023 - 2024 | | | | | | |
| | Estimated Fund Balance June 30, 2023 | 2023-2024 Proposed Revenue | 2023-2024 Proposed Expenditures | Revenue Excess/(Deficit) Over Expenses | Estimated Fund Balance June 30, 2022 | |
| General Fund | | | | | | |
| Unassigned Fund Balance | \$ 5,879,687 | \$ 112,509,764 | \$ 111,470,099 | \$ 1,039,665 | \$ 6,919,352 | |
| | \$ 5,879,687 | | | | \$ 6,919,352 | 6.2% |
| 5.3% | | | | | | |
| Nonspendable (Inventories & Prepaid) | \$ 395,436 | | | | \$ 395,436 | |
| | | | | | \$ 7,314,788 | |
| Restricted for: | | | | | | |
| Staff Development | \$ - | \$ 1,134,971 | \$ 1,134,971 | \$ - | \$ - | |
| Compensatory Ed | \$ - | \$ 9,661,466 | \$ 9,661,466 | \$ - | \$ - | |
| Learning & Development | \$ - | \$ 1,681,293 | \$ 1,681,293 | \$ - | \$ - | |
| Gifted and Talented | \$ - | \$ 103,353 | \$ 103,353 | \$ - | \$ - | |
| School Safety | \$ - | \$ 386,948 | \$ 386,948 | \$ - | \$ - | |
| Operating Capital | \$ 778,506 | \$ - | \$ - | \$ - | \$ 778,506 | |
| Long-term Facilities Maintenance (LTFM) | \$ (93,573) | \$ - | \$ - | \$ - | \$ (93,573) | |
| Subtotal, Restricted | \$ 684,933 | \$ 12,968,031 | \$ 12,968,031 | \$ - | \$ 684,933 | |
| Total, General Fund | \$ 6,960,056 | \$ 125,477,795 | \$ 124,438,130 | \$ 1,039,665 | \$ 7,999,721 | |

Questions and Comments

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