

Financial Update



Dan Pyan, Director of Finance and Operations

November 21, 2019

Enrollment Updates

- As of November 1, K-12 student count was 18,639
- 84 lower than mid-August
- Projected 202 more than budget
- Translates to about \$2 million
- 21 new staff has been added (16 Special Education)



Enrollment Drives the Budget

South Washington County Schools

Enrollment Projections for budget purposes (as of 11/1/19)

	Actual 12-13	Actual 13-14	Actual 14-15	Actual 15-16	Actual 16-17	Actual 17-18	Actual 18-19	Projected 19-20	Projected 20-21	Projected 21-22	Projected 22-23	Projected 23-24
Pre-K	195.18	204.02	236.24	237.00	251.59	250.04	269.71	260.00	260.00	260.00	260.00	260.00
K	1,105.52	1,121.46	1,229.00	1,240.59	1,296.18	1,341.24	1,325.2	1,376.00	1,347.47	1,349.55	1,357.67	1,351.57
PK/SR						17.27	41.22	40.00	40.00	40.00	40.00	40.00
1	1,391.75	1,290.72	1,289.28	1,278.83	1,308.13	1,340.77	1,350.37	1,366.00	1,500.21	1,469.11	1,471.37	1,480.23
2	1,329.75	1,380.15	1,321.05	1,326.57	1,365.73	1,359.71	1,366.24	1,362.50	1,397.26	1,534.54	1,502.73	1,505.04
3	1,353.75	1,364.35	1,402.09	1,354.96	1,416.41	1,412.42	1,387.75	1,405.50	1,398.53	1,434.20	1,575.11	1,542.46
4	1,376.80	1,376.39	1,376.53	1,437.63	1,400.92	1,466.37	1,402.44	1,426.50	1,433.64	1,426.53	1,462.92	1,606.65
5	1,347.79	1,412.21	1,377.19	1,385.75	1,498.43	1,444.56	1,463.79	1,423.00	1,452.13	1,459.40	1,452.16	1,489.21
6	1,356.13	1,330.61	1,395.93	1,323.52	1,384.27	1,486.80	1,405.22	1,428.50	1,396.88	1,425.48	1,432.61	1,425.51
7	1,324.73	1,376.66	1,324.39	1,393.66	1,347.75	1,425.70	1,464.47	1,432.00	1,443.68	1,411.72	1,440.63	1,447.84
8	1,332.55	1,316.94	1,383.32	1,333.71	1,407.43	1,398.11	1,415.48	1,462.50	1,440.58	1,452.32	1,420.18	1,449.25
9	1,405.84	1,384.28	1,359.33	1,409.08	1,415.00	1,463.24	1,431.06	1,471.00	1,522.88	1,500.05	1,512.29	1,478.81
10	1,408.75	1,388.90	1,378.35	1,365.02	1,416.32	1,413.75	1,462.91	1,466.50	1,479.76	1,531.95	1,508.99	1,521.29
11	1,371.40	1,363.63	1,352.37	1,332.64	1,339.06	1,376.09	1,349.14	1,383.00	1,420.12	1,432.96	1,483.50	1,461.26
12	1,349.46	1,406.92	1,372.74	1,375.34	1,330.25	1,371.31	1,409.71	1,436.00	1,405.72	1,443.44	1,456.49	1,507.87
	17,649.40	17,717.24	17,797.81	17,794.30	18,177.47	18,567.38	18,544.69	18,739.00	18,938.85	19,171.26	19,376.65	19,566.99
	0.99%	0.38%	0.45%	-0.02%	2.15%	2.15%	-0.12%	1.05%	1.07%	1.23%	1.07%	0.98%
WADM	20,465.32	19,359.31	19,425.81	19,436.19	19,828.63	20,257.02	20,251.24	20,469.20	20,681.40	20,925.75	21,141.07	21,340.25
					10-year			11.12%	10.43%	9.70%	9.79%	10.44%

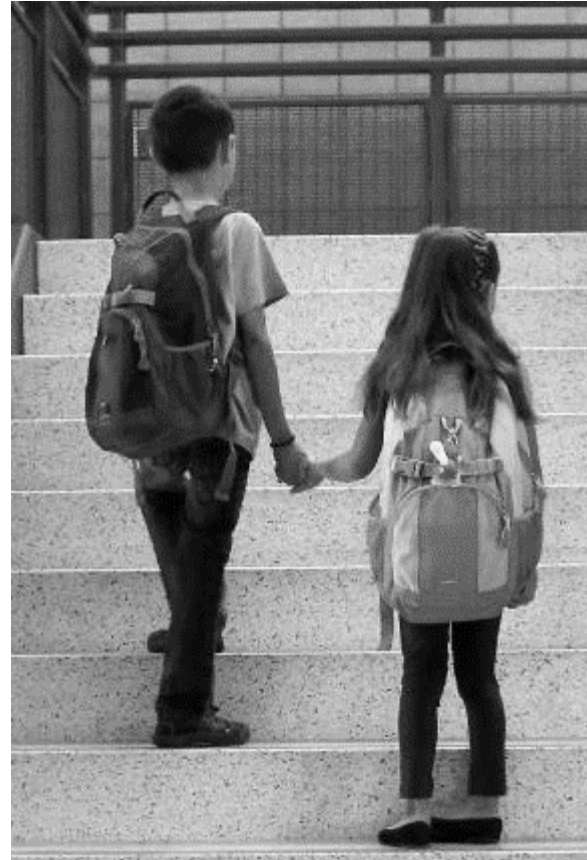
BUDGET ADM
Budget APU
Revenue

18,537.00				
20,519.00				
\$ 2,013,334	\$ 2,121,991	\$ 2,443,557	\$ 2,153,141	\$ 1,991,826



One Year Ago – Where were we?

- November Election Results
 - No funding requests from District 833
 - New Governor Elected
 - Still DFL – Public Education Background
 - DFL took control of House
 - Legislative funding session
- 2018 Audit near completion
 - Fund Balance – Total 3.46%
 - Unassigned 1.5%



One Year Later – Where are we?

- Legislative Results
 - 2.0% on Basic Formula
 - Special Education Cross Subsidy Aid
 - 2.6% 2019-20
 - 6.4% After
 - Safe School Aid
 - SPED Formula Amended
- 2019 Audit near completion
 - Fund Balance – Total 6.76%
 - Unassigned 4.36%



One Year Later – 2018-19 Financial

- Highlights
 - Revenues – within 1.3% \$3.1m
 - Expenses – within 1.5% \$3.6m
 - New referendum revenues did not apply to District 833 financials until FY 2018-19
 - State formula increased 2% for FY 2019-20
 - State formula will increase 2% for FY 2020-21
 - Enrollment decreased slightly
 - About 23 ADM



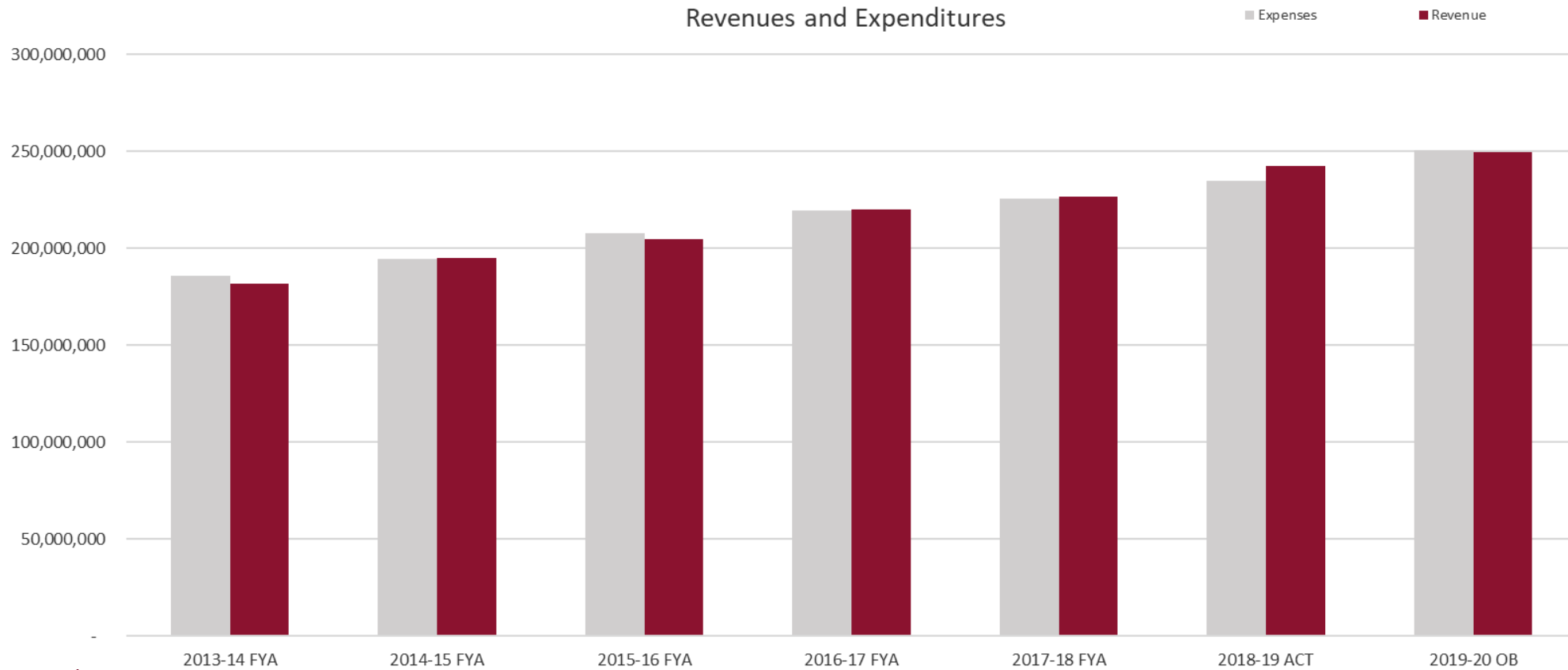
Budget Update – 2018-20

South Washington County Schools

					% of Budget		1 Y Inc	2 Y Inc	3 Y Inc
REVENUES	\$ 219,672,631	\$ 226,468,257	\$ 243,165,172	\$ 239,997,710	101.32%	\$ 249,240,739	3.85%	10.06%	13.46%
	2016-17	2017-18	2018-19	2018-19		2019-20			
	FY Activity	FY Activity	FY Activity	Revised Budget		Prelim Budget	1 Y Inc	2 Y Inc	3 Y Inc
SALARIES & WAGES	\$ 128,607,844	\$ 133,510,853	\$ 138,589,261	\$ 139,992,498	99.00%	\$ 144,121,532	3.99%	7.95%	12.06%
BENEFITS	\$ 50,968,804	\$ 51,683,286	\$ 53,371,285	\$ 54,262,755	98.36%	\$ 57,150,839	7.08%	10.58%	12.13%
SERVICES	\$ 22,875,288	\$ 23,947,925	\$ 25,337,989	\$ 24,955,617	101.53%	\$ 29,595,639	16.80%	23.58%	29.38%
SUPPLIES	\$ 5,466,215	\$ 7,340,489	\$ 8,603,785	\$ 9,526,302	90.32%	\$ 9,066,601	5.38%	23.51%	65.87%
CAPITAL	\$ 9,678,435	\$ 7,279,475	\$ 8,299,913	\$ 8,534,181	97.25%	\$ 9,124,874	9.94%	25.35%	-5.72%
OTHER	\$ 1,961,415	\$ 1,711,679	\$ 1,406,573	\$ 1,977,342	71.13%	\$ 1,328,941	-5.52%	-22.36%	-32.25%
	\$ 219,558,001	\$ 225,473,708	\$ 235,608,806	\$ 239,248,695	98.48%	\$ 250,388,426	6.27%	11.05%	14.04%
Surplus (Deficit)	\$ 114,631	\$ 994,549	\$ 7,556,366	\$ 749,015		\$ (1,147,687)			



South Washington County Schools General Fund



2019-20 Budget

Preliminary Budget

Variance
from 18-19 RB

2020 Projected Revenues	\$ 249,240,739	3.43%
<u>2020 Projected Expenses</u>	<u>\$ 250,388,426</u>	<u>4.24%</u>
Projected (Deficit)	(\$ 1,147,687)	



Important 2019-20 Budget Amendments

- Revenue –

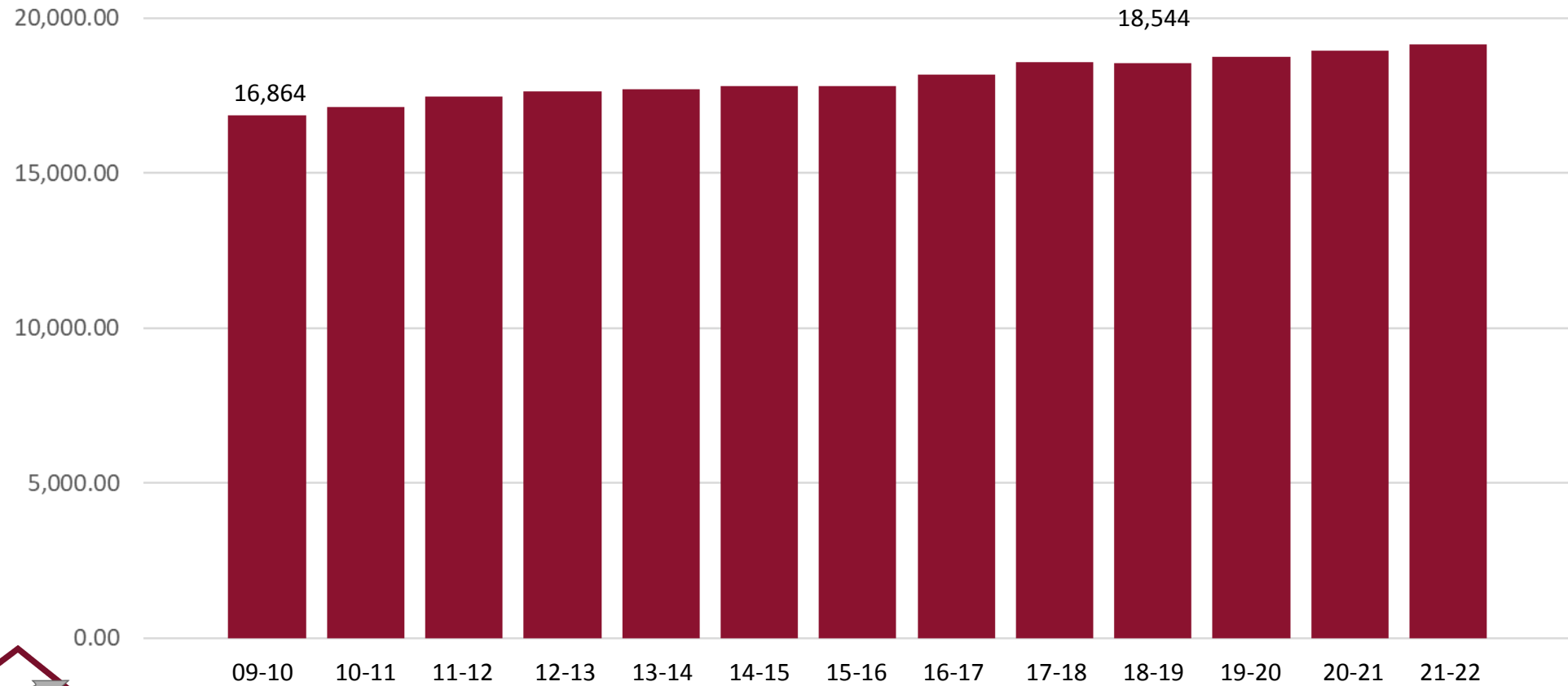
- Additional ADM's (Average Daily Membership) - (200) \$2,000,000
- Safe Schools Aid \$ 625,000

- Expenditures –

- Additional Teaching Staff for SPED Workloads \$ 1,400,000
- Additional Staff for increased enrollment \$ 510,000



Budget Enrollment



General Fund Balance

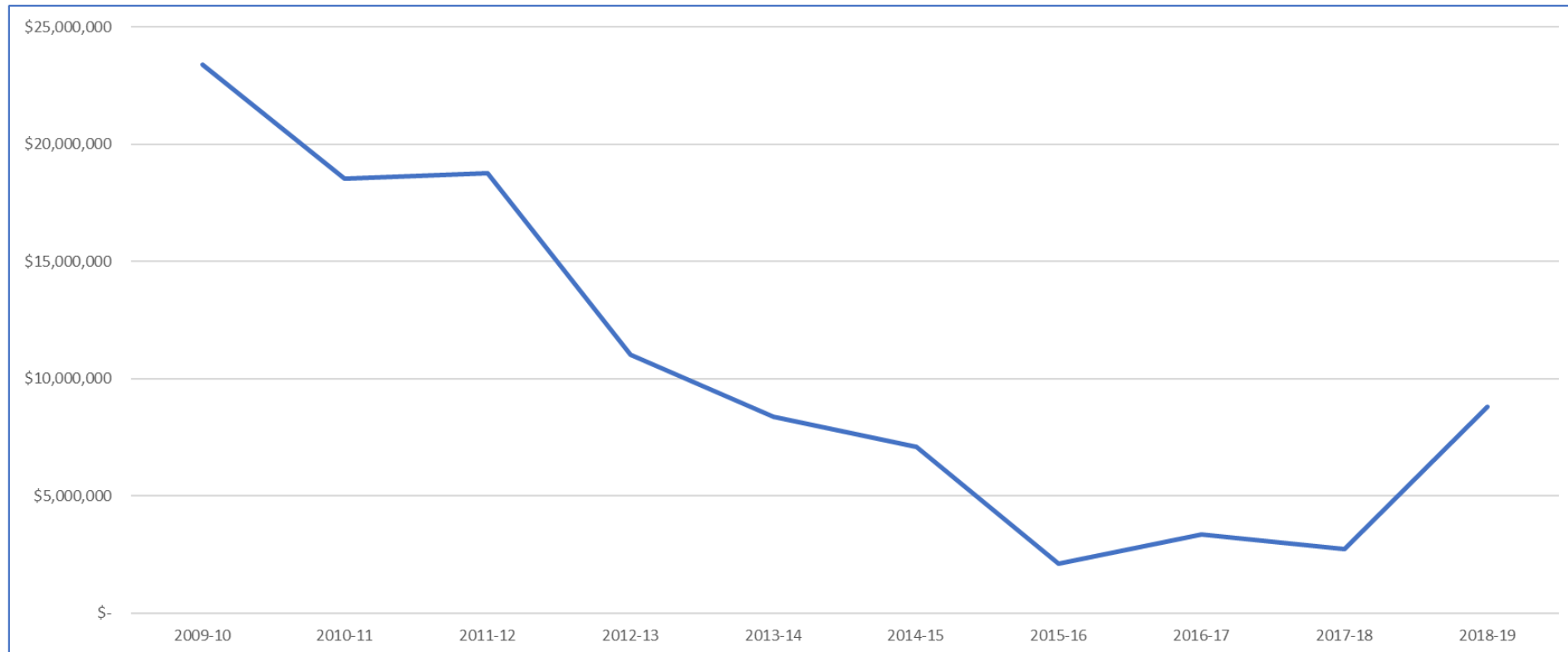
Fiscal Year	Fund Balance \$	Fund Balance %
June 30, 2014 Actual	\$8,361,099	5.2%
June 30, 2015 Actual	\$7,097,788	4.2%
June 30, 2016 Actual	\$2,101,505	1.2%
June 30, 2017 Actual	\$3,346,213	1.7%
June 30, 2018 Actual	\$2,721,584	1.4%
June 30, 2019 Actual	\$8,790,153	4.4%
June 30, 2020 Projected	\$11,885,471	5.6%

NOTE: Board policy calls for the fund balance to be between 5 and 9 percent each year. Statutory operating debt is -2.5%.



General Fund Unassigned Fund Balance

10 Year History



Factors which influence Fund Balance

- Cost of Services – tuition, utilities, snow removal, repairs
- Demographics – housing growth, mobility
- Enrollment
- Special Education costs
- Transportation
- Unfunded Mandates
- Contract Negotiations
- Staffing
- State and Federal Funding



Future Dates

- **December 12:** Truth in Taxation Hearing
- **December 12:** Levy Approved
- **Begins in December:** 2020-21 Budget Planning
- **Begins in January:** 2020-21 Staffing
- **January 9:** Audit Presentation
- **March 2020:** 2019-20 Budget Revision
- **June 2020:** 2020-21 Budget



Questions?

