

MOUNDS VIEW PUBLIC SCHOOLS - District 621

Agenda
Item #

4.4

School Board Meeting December 9, 2008
(date)

Subject Fiscal Year 2009-2010 Preliminary Budget Assumptions

- 1. Action
- 3. Report/Information
- 2. Consent
- Executive Summary on Reverse Side

Presenter/s Carole Nielsen, Director of Finance

BACKGROUND *(If necessary, additional information is attached)*

The fiscal year 2009-2010 budget assumptions have been developed with input from the School Board through work sessions. These assumptions are important in the financial projections and ultimately the final budget that is adopted in June 2009. Further discussion will be provided at the meeting.

ADMINISTRATIVE RECOMMENDATION

No recommendations at this time.

ACTION TAKEN

Motion by _____

Voting for _____

Seconded by _____

Voting against _____



Budget Timeline Fiscal Year 2009-2010

December 2008

- School board certifies final property tax levy
- School site committees developed
- Preliminary budget assumptions are developed

January 2009

- General fund financial update & projections
- School Board discussion on budget assumptions
- School Board approves budget parameters and timelines
- Certified staffing timeline process begins
- School site budget committees review current year budget
- Minnesota legislative session begins their work
- Enrollment projections updated
- School Board approves budget assumptions phase I

February 2009

- Certified staffing process continues
- School Board approves budget assumptions phase II
- Schools receive budget allocations
- School budget committees begin process of developing budget options

March-May 2009

- Budget development process continues
- Certified staffing process continues and concludes in May
- School sites submit a draft of budgets by April 15, 2009
- School board budget work session
- Minnesota legislative session adjourns in May

June 2009

- School site budget committees complete budget options
- School board adopts the FY 2009-2010 budget

MOUNDS VIEW PUBLIC SCHOOLS
 GENERAL FUND BUDGET ASSUMPTIONS
 2009-2010

1. The following are based on information from the adopted budget for 2008-2009 and School Board input.

2. The district will carry forward a positive unreserved fund balance of approximately \$7.8 million from June 2009, and end fiscal year 2009-2010 with an unreserved fund balance of approximately \$_____.

3. Fiscal Year 2009-2010 district wide Adjusted Marginal Cost Pupil Units projections are 11,264 are based on October 1, 2008 enrollment counts. The pupil units have been adjusted for the natural loss of the 12 grade students, and a natural increase for the estimated kindergarten students. In addition, using data from Hazel Reinhardt's enrollment projections of middle kindergarten, high migration and nonresident of approximately 6% of total enrollment, the pupil units are as follows:

	Final <u>05-06</u>	Final <u>06-07</u>	Final <u>07-08</u>	Projected <u>08-09</u>	Projected <u>09-10</u>
Total residents	10,312	10,162	9,969	9,844	9,726
Open Enrollment Out	<u>(589)</u>	<u>(623)</u>	<u>(653)</u>	<u>(667)</u>	<u>(662)</u>
Net Residents Served	9,732	9,539	9,316	9,177	9,064
Open Enrollment In	<u>511</u>	<u>577</u>	<u>601</u>	<u>615</u>	<u>610</u>
Net Served for Aid	10,234	10,116	9,917	9,792	9,674
Open Enrollment %	5.0%	5.7%	6.0%	6.3%	6.2%

4. General Education Revenue will be projected as follows and subject to pending legislative action.

- Basic revenue of \$5,124 (0% increase)(1%=\$575,000 or \$51/AMCPU) per adjusted marginal cost pupil unit. Pupil units will be calculated using a weighting factor of .612 kindergarten, 1.115 grades 1-3, 1.06 grades 4-6, and 1.3 grades 7-12. Total pupil units will be based on an adjusted marginal cost pupil unit based on 77% of current year pupil units and 23% of prior year pupil units.
- The legislative session provided an additional allocation of \$36 per adjusted marginal cost pupil unit. The money was no put on the formula, but it does provide ongoing resources from eliminating the permanent fund. It is distributed to school districts as general education revenue.

5. The operating referendum will be projected based on \$1,523 per resident marginal cost pupil unit.

6. Aid for special education and vocational handicapped education is calculated using current year fiscal year data; the regular special education revenue increases by (2%); and the state appropriations provide for a (2%) growth factor in regular special education and a (0%) growth factor in the excess cost.

7. Salary and fringe benefit costs will be separated by bargaining group for Board information purposes. The information shall include the following:

- Costs of current staff on schedule shall be projected for the budget period.
- Health benefits shall be projected separately as will retirement benefits associated with each group. The Board will establish ranges for bargaining purposes.
- The final budget summary will be aggregated without designation of group.

8. Other expenditures will increase based on inflationary allowance of:

- The district will apply a (0%)(1%=\$70,000)_____ to non salary budget lines.
- The district will apply a (2%)(1%=\$50,000)_____ to transportation contract expenditures.
- Utility expenses – gas, fuel oil and electricity will apply a (2%)(1%=40,000)_____.

9. K-12 instructional programs will be based on School Board budget assumptions and pertinent legislative actions during the 2009 session. Due to declining enrollment licensed staffing positions are projected to be reduced by (6.4 FTEs)_____.

	<u>09-10</u>		<u>08-09</u>	<u>Amendment</u>
K-5 Staff Allocation	_____	FTE	160.20	7.5
6-8 Staff Allocation	_____	FTE	88.19	0.0
9-12 Staff Allocation	_____	FTE	<u>116.87</u>	<u>0.0</u>
Total	_____	FTE	365.26	7.5

Elementary Classrooms:

90 % of Elementary classrooms will fall within the following ranges:

- K-1 22-26 students per classroom
- 2-3 23-29 students per classroom
- 4-5 26-31 students per classroom

Middle School Classrooms:

90 % of Middle school core classrooms (Science, Social Studies, Language Arts, Math) will not exceed the following:

- Core Programs 31
- Non-Core Programs Variable

High School Classrooms:

90 % of High School core classrooms (Science, Social Studies, Language Arts, Math) will not exceed the following:

- Core Programs 35
- Non-Core Programs Variable

10. Allocate an additional (10.23)(1=\$54,000) FTE's to support reading and math intervention programs at varying levels in each of our school buildings.

11. The building support budget options will be developed collaboratively in site budget committees. The allocation will be based on the 2008-2009 budgets with adjustments for salary and fringe benefits identified in assumption number 6. The total allocation will be \$_____.

12. Compensatory revenue will be distributed based on state formulas.

13. Transportation program will maintain walking distances to 2 miles for all school sites. A fee of \$225 per student during the registration timeframe will be required for services within the 2 miles. Families who qualify for free-and-reduced lunch will receive a fee waiver. The family maximum is set at \$500.

14. Professional development set aside revenues will be accomplished the same as the current year.

15. Current high school co-curricular budget will be maintained.

16. Supply allocations will be increased (0%)(1%=\$10,000)

- Elementary allocation will be (\$77.32) per FTSE
- Middle School allocation will be (78.33) per FTSE
- Senior High School allocation will be (\$100.82) per FTSE

17. The Elementary buildings will have the following staffing allocations:

- 4.25 FTE for Band and Orchestra
- 3.75 FTE for High Performance

18. The Superintendent will have (3)(1=\$54,000) discretionary points available to address budgetary needs and (\$30,000) in discretionary funds to address developing priorities as the school board directs.

**MOUNDS VIEW PUBLIC SCHOOLS
GENERAL FUND FINANCIAL PROJECTION
(UNRESERVED)**

	2008-09 ADOPTED	2008-09 AMENDED	2009-10 PROJECTED	2010-11 PROJECTED
Revenue	\$100,247,676	\$105,009,071	\$103,290,807	\$100,533,547
Expenditure	99,674,216	104,231,174	\$104,450,551	\$108,609,310
Difference	\$573,460	\$777,897	(\$1,159,744)	(\$8,075,763)
Beg. Fund Balance	\$5,779,126	\$7,010,659	\$7,788,556	\$6,628,812
Ending Fund Balance	<u>\$6,352,586</u>	<u>\$7,788,556</u>	<u>\$6,628,812</u>	<u>(\$1,446,951)</u>