

**2016-17**

**PRELIMINARY BUDGET**



**INDEPENDENT SCHOOL DISTRICT 549**

**Perham, MN**

**PERHAM-DENT PUBLIC SCHOOLS  
ISE NO. 549  
PRELIMINARY BUDGET FOR 2016-17**

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MOTION BY \_\_\_\_\_  
TO APPROVE THE PRELIMINARY 2016-17 BUDGET  
AS FOLLOWS:

	REVENUE	EXPENDITURES
GENERAL FUND	\$ 16,019,691.00	\$ 15,916,068.00
FOOD SERVICE FUND	\$ 854,850.00	\$ 853,944.00
COMMUNITY ED FUND	\$ 473,105.00	\$ 453,318.00
BUILDING CONSTRUCTION FUND	\$ 100,000.00	\$ 28,361,706.00
DEBT SERVICE FUND	\$ 2,599,891.00	\$ 3,147,790.00
OPEB TRUST	\$ 15,000.00	\$ 170,000.00
OPEB DEBT SERVICE	\$ 507,780.00	\$ 651,000.00
<b>TOTAL</b>	<b>\$ 20,570,317.00</b>	<b>\$ 49,553,826.00</b>

SECONDED BY \_\_\_\_\_

The Preliminary budget represent the planning that has taken place over the last several months to bring a recommendation to the School Board for the 2016-17 school year. The budget is based upon estimates and actions approved by the Board of Education during the budget process.

**General Fund:**

The majority of General Fund revenue is provided through the foundation and levy formulas through the Minnesota Department of Education. General Fund revenues are projected to increase by 4.53%. This increase is primarily due to legislative changes. The per pupil unit funding increased by 2% or by approximately \$119 per pupil unit for the 2016-17 school year. Long Term Facility Maintenance(LTFM) is also a new funding source for 2016-17 and beyond. LTFM includes Health and Safety and Deferred Maintenance levy amounts and adds an additional \$50,000 for 2016-17. The LTFM levy amount will increase in 2017-18 and 2018-19.

The 2016-17 budget is based on a projected enrollment of 1415 students in grades K-12, which is an increase of 34 students from the end of the 2015-16 school year.

General Fund expenditures are projected to increase by approximately 3.77%. The increase is primarily due to salary increases for staff as the result of contract negotiations.

The 2016-17 preliminary budget is showing a surplus of \$103,623. The School Board should keep in mind that there are several factors that are unknown at this point but which could change the budget significantly. These factors include:

- Title I and II Allocations
- Enrollment

These factors will be reviewed and the budget revised when more information is available.

**Food Service Fund:** Revenue in the food service fund is provided by the sale of meals to students and staff as well as federal and state reimbursement for meals served to students. The food service fund is projecting a slight surplus for the 2016-17 school year. The 2016-17 school year will mark the return to the District managing our food service program as we have contracted with a food service management company for the previous 6 years.

The **Community Service Fund** is budgeted to have revenue that exceeds the expenditures for 2016-17. The community service fund programs include ECFE, School Readiness/Preschool, Preschool Screening, After School Enrichment, Driver's Education, the Community Musical and Community Education classes and offerings. Community education is working to expand class offerings and to increase revenue.

**Building Construction Fund:** The proceeds from the sale of bonds in March 2016 were placed into this fund and will be used for the building projects over the next several years.

**OPEB Trust Fund** holds the funds that were placed in an irrevocable trust arrangement for post-employment benefits. The district transfers money from this fund each year to pay the cost of retiree health insurance as well as the implicit liability incurred for all employees health insurance.

The **Debt Service Fund** and the **OPEB Debt Service Fund** pay the district's bonded debt. Part of the Bond Sale proceeds was placed in the Debt Service fund in March of 2016. The bond proceeds and the Payable 2016 Levy will be used to make our Debt Service payment. In the 2016-17 school year the district will make the final principal payment of the OPEB Bonds.

**PERHAM-DENT PUBLIC SCHOOLS**  
**ISD NO. 549**  
**COMPARISON OF 2015-16 BUDGET & 2016-17 BUDGET**

	REVENUE		EXPENDITURES		
<b>GENERAL FUND</b>					
2015-16 Budget	\$	15,325,404.00	\$	15,338,467.00	\$ (13,063.00)
2016-17 Preliminary Budget	\$	16,019,691.00	\$	15,916,068.00	\$ 103,623.00
<b>FOOD SERVICE FUND</b>					
2015-16 Budget	\$	809,100.00	\$	809,100.00	\$ -
2016-17 Preliminary Budget	\$	854,850.00	\$	853,944.00	\$ 906.00
<b>COMMUNITY ED FUND</b>					
2015-16 Budget	\$	425,806.00	\$	426,402.00	\$ (596.00)
2016-17 Preliminary Budget	\$	473,105.00	\$	453,318.00	\$ 19,787.00
<b>BUILDING CONSTRUCTION FUND</b>					
2015-16 Budget	\$	45,251,762.75	\$	2,173,550.00	\$ 43,078,212.75
2016-17 Preliminary Budget	\$	100,000.00	\$	28,361,706.00	\$ (28,261,706.00)
<b>DEBT SERVICE FUND</b>					
2015-16 Budget	\$	658,478.00	\$	-	\$ 658,478.00
2016-17 Preliminary Budget	\$	2,599,891.00	\$	3,147,790.00	\$ (547,899.00)
<b>OPEB TRUST</b>					
2015-16 Budget	\$	25,000.00	\$	170,000.00	\$ (145,000.00)
2016-17 Preliminary Budget	\$	15,000.00	\$	170,000.00	\$ (155,000.00)
<b>OPEB DEBT SERVICE</b>					
2015-16 Budget	\$	1,362,963.00	\$	1,298,060.00	\$ 64,903.00
2016-17 Preliminary Budget	\$	507,780.00	\$	651,000.00	\$ (143,220.00)

**PERHAM-DENT PUBLIC SCHOOLS**

**ISD NO. 549**

**COMPARISON OF 2015-16 BUDGET & 2016-17 REVENUE BUDGET**

REVENUE	BUDGET 2016-17	BUDGET 2015-16	PERCENT CHANGE
<b>01 - GENERAL FUND</b>			
Local Revenue	\$ 3,218,366	\$ 3,034,704	6.05%
State Revenue	\$ 12,363,825	\$ 11,839,331	4.43%
Federal Revenue	\$ 267,500	\$ 281,369	-4.93%
Fund Transfer	\$ 170,000	\$ 170,000	0.00%
<b>TOTAL GENERAL FUND</b>	<b>\$ 16,019,691</b>	<b>\$ 15,325,404</b>	<b>4.53%</b>
<b>02 - FOOD SERVICE FUND</b>			
Local Revenue	\$ 328,100	\$ 321,000	2%
State Revenue	\$ 81,000	\$ 69,300	17%
Federal Revenue	\$ 445,750	\$ 418,800	6%
<b>TOTAL FOOD SERVICE</b>	<b>\$ 854,850</b>	<b>\$ 809,100</b>	<b>6%</b>
<b>04 - COMMUNITY SERVICE FUND</b>			
Local Revenue	\$ 382,674	\$ 358,330	7%
State Revenue	\$ 90,431	\$ 67,476	34%
<b>TOTAL COMMUNITY SERVICE</b>	<b>\$ 473,105</b>	<b>\$ 425,806</b>	<b>11%</b>
<b>06 - BUILDING CONSTRUCTION FUND</b>			
Local Revenue	\$ 100,000	\$ 45,251,763	
State Revenue	\$ -	\$ -	
<b>TOTAL DEBT SERVICE</b>	<b>\$ 100,000.00</b>		
<b>07 - DEBT SERVICE FUND</b>			
Local Revenue	\$ 2,599,891	\$ 658,478	295%
State Revenue	\$ -	\$ -	
<b>TOTAL DEBT SERVICE</b>	<b>\$ 2,599,891.00</b>	<b>\$ 658,478.00</b>	<b>295%</b>
<b>45 - OPEB TRUST FUND</b>			
Local Revenue	\$ 15,000	\$ 25,000	-40%
<b>TOTAL DEBT SERVICE</b>	<b>\$ 15,000</b>	<b>\$ 25,000</b>	<b>-40%</b>
<b>45 - OPEB DEBT SERVICE FUND</b>			
Local Revenue	\$ 507,780	\$ 1,354,963	-63%
State Revenue	\$ -	\$ 8,000	1.00%
<b>TOTAL DEBT SERVICE</b>	<b>\$ 507,780</b>	<b>\$ 1,362,963</b>	<b>-63%</b>
<b>TOTAL REVENUE</b>	<b>20,570,317.00</b>	<b>18,606,751.00</b>	<b>10.55%</b>

**PERHAM-DENT PUBLIC SCHOOLS**

**ISD NO. 549**

**COMPARISON OF 2015-16 BUDGET & 2016-17 EXPENDITURE BUDGET**

	<b>2016-17</b>	<b>2015-16</b>	<b>CHANGE</b>
<b>01 - GENERAL FUND</b>			
000 - School/Dist Administration	\$ 805,893	\$ 816,735	-1.33%
100 - District Support Services	\$ 508,213	\$ 533,620	-4.76%
200 - Regular Instruction	\$ 6,761,178	\$ 6,409,417	5.49%
300 - Vocational Instruction	\$ 358,233	\$ 340,646	5.16%
400 - Exceptional Instruction	\$ 2,279,042	\$ 2,193,581	3.90%
600 - Instructional Support Serv	\$ 926,514	\$ 880,910	5.18%
700 - Pupil Support Services	\$ 1,753,836	\$ 1,611,651	8.82%
800 - Site, Building & Equipment	\$ 2,311,159	\$ 2,341,907	-1.31%
900 - Fiscal and Fixed Costs	\$ 212,000	\$ 210,000	0.95%
<b>TOTAL GENERAL FUND</b>	<b>\$ 15,916,068</b>	<b>\$ 15,338,467</b>	<b>3.77%</b>
<b>02 - FOOD SERVICE FUND</b>	<b>\$ 853,944</b>	<b>\$ 809,100</b>	<b>5.54%</b>
<b>04 - COMMUNITY SERVICE FUND</b>	<b>\$ 453,318</b>	<b>\$ 426,402</b>	<b>6.31%</b>
<b>06 - BUILDING CONSTRUCTION FUND</b>	<b>\$ 28,361,706</b>	<b>\$ 2,173,550</b>	<b>1204.86%</b>
<b>07 - DEBT SERVICE FUND</b>	<b>\$ 3,147,790</b>	<b>\$ -</b>	
<b>45 - OPEB TRUST</b>	<b>\$ 170,000</b>	<b>\$ 170,000</b>	<b>0.00%</b>
<b>47- OPEB DEBT SERVICE</b>	<b>\$ 651,000</b>	<b>\$ 1,298,060</b>	<b>-49.85%</b>
<b>TOTAL EXPENDITURES:</b>	<b>\$ 49,553,826</b>	<b>\$ 18,042,029</b>	<b>174.66%</b>