

WAYZATA PUBLIC SCHOOLS

Independent School District 284
Wayzata, Minnesota

BOARD OF EDUCATION

Regular Meeting - May 19, 2008 - 4:00 PM
District Administration Building
210 County Rd. 101, N, Plymouth, MN

AGENDA

1.	CALL TO ORDER - Board Chair Moroz	3
2.	ADMINISTRATIVE	
	A. Summary Report from Futures Follow-up - B. Noyed, J. Sigford	4
3.	CURRICULUM AND INSTRUCTION	
4.	FINANCIAL	
	A. Preliminary Budget 2008-09 - A. Hopeman	21
	B. Regular Transportation Contract 2008-2010 - A. Hopeman	66
5.	HUMAN RESOURCES	
6.	BOARD REPORTS	
7.	SCHOOL BOARD	
	A. Tentative Board Agenda for June 9, 2008 - J. Moroz	70
8.	ADJOURN	71

WAYZATA PUBLIC SCHOOLS

Independent School District 284
Wayzata, Minnesota

MISSION

Our Core Purpose:

The mission of Wayzata Public Schools is to ensure a world-class education that prepares each and every student to thrive today and excel tomorrow in an ever-changing global society.

VISION

What We Intend to Create and Experience:

The vision of Wayzata Public Schools is to be a model of excellence where all students discover their unique talents, develop a love and tenacity for learning and demonstrate confidence and capacity for success through:

Exceptional Student Learning, Experiences and Relationships:

- High achievement by each and every student—no exceptions, no excuses;
- Content-rich, rigorous and personalized education;
- Meaningful relationships with teachers, staff, mentors and peers in a welcoming, nurturing and safe environment where all are valued for who they are and the contributions they make.

Community Trust, Confidence and Partnership:

- Comprehensive learning opportunities meeting diverse learner needs and community aspirations;
- Committed to being the first choice for students and families;
- Maintaining the highest levels of satisfaction and pride by staff, parents and community.

Operational Excellence:

- Attraction, development and retention of exemplary, creative and engaged employees;
- Accountability by all staff for individual and collective performance;
- Effective and efficient use of time and human, financial and physical resources;
- Culture of continuous improvement and responsive innovation;
- High performing district governance, management and partnerships.

WAYZATA PUBLIC SCHOOLS
Independent School District 284
Wayzata, Minnesota

BOARD OF EDUCATION

Work Session – May 19, 2008

AGENDA ITEM: 1. CALL TO ORDER/ROLL CALL

COMMENTS BY: Board Chair Moroz

	<u>PRESENT</u>	<u>ABSENT</u>
Ms. Linda A. Cohen	_____	_____
Ms. Susan J. Droegemueller	_____	_____
Ms. Patricia L. Gleason	_____	_____
Mr. Jay A. Hesby	_____	_____
Mr. Gary W. Landis	_____	_____
Mr. John A. Moroz	_____	_____
Ms. Carter G. Peterson	_____	_____
Mr. Bob J. Ostlund, Ex Officio	_____	_____

Summary Information – Futures Follow-up Session Monday, May 5, 2008

Participants at the Futures Follow-up Session held on Monday, May 5, 2008, were asked to consider three major questions. Each of the nine groups took notes of the major points from their discussions. After reviewing the notes from each group, three or four main categories were identified to sort the major responses from the groups. Listed below are the main categories under each question along with a summary of ideas generated by the groups. The ideas are not listed in any particular order.

Question #1 – What action steps would the district need to take to move toward providing more personalized learning for all students?

Instructional Delivery Options

- On-line classes as an option for high school students
- Looping at the elementary and middle schools
- Use technology more creatively to deliver more personalized instruction
- Provide more focused professional development for teachers to enhance their skills in personalizing education
- Explore a non-graded approach to allow students to learn at their own pace
- Explore ways to bring outside resources into the schools to provide a more personalized approach; increase adult-to-student ratio
- Explore the use of some same gender classrooms

Structural Changes to Schools

- Reinforce the concept that one size does not fit all and different instructional delivery models may be needed to achieve different results
- Provide flexibility in length of the school day, school start times and length of school year to best meet the needs of students
- Provide more choice programs for students

Options for Student Assessment

- Discourage more testing of students and better analyze data from current tests to better apply it to individual students
- Better understand how each student learns best so instruction can be tailored; use a learning styles inventory
- Establish goals for each student and checkpoints at various points in the learning process to help determine progress
- Teach self assessment skills to students so they can monitor their own progress
- Establish an on-line or digital portfolio for each student to keep track of student learning
- Focus more on transition points between elementary and middle schools, and middle and high school to provide for easier transition for students

Questions #2 – What action steps would the district need to take to provide opportunities for students to engage in global connections?

Instructional Delivery Options

- Explore opportunities to provide language immersion programs and/or schools in the district
- Explore possibility of implementing an International Baccalaureate program
- Use video conferencing and other technology tools to connect with schools in different countries

Curriculum Changes and Enhancements

- Provide instruction for students in as many languages as possible
- Examine current international connections that exist in our community such as parents with business connections and use these connections with students
- Establish a graduation requirement in the area of global language
- Offer cultural learning opportunities in addition to teaching global languages
- Improve geography curriculum to expand knowledge of the world
- Provide instruction on world religions to better understand different cultures
- Tie in academic component to travel by organizing trips around content or curriculum
- Expand current language programs and start in earlier grades

Travel and Exchange Options

- Encourage foreign exchange programs for students and staff
- Adopt a school in another country to learn about their culture and integrate this learning into classroom learning
- Explore ways for all students to have at least one global experience before leaving high school
- Explore opportunities for teachers to travel to parts of the world related to curriculum and expect them to design curriculum based on experience
- Use pen pals or email for students to communicate with students in other countries

Question #3 – What action steps would the district need to take to be more flexible, adaptable and open to change?

Communication and Engagement Strategies

- Examine how the district engages the community in thinking about trends
- Continue to communicate information on trends to the public and inform them of changing needs of students
- Establish a regular futures conference to allow people to provide input
- Allow stakeholders to “dream” or consider new ideas without cost or time constraints and then work toward making the best ideas into reality
- Create expectations for teachers on how and how often they will communicate with parents
- Examine ways to connect and communicate with parents in non-traditional ways
- Continue to listen and create opportunities for all voices to be heard

Leadership and Decision Making

- Examine how the district is sustaining the changes that are being made
- Allow time for and encourage conversations among teachers especially at transition points so teachers know what is expected for students at the next level
- Employ leaders who are forward thinkers and allow staff to take risks
- Give staff permission to go beyond what is expected and to take risks
- Focus on what is essential to teach and “weed the garden” of things that are not essential
- Shorten cycles of curriculum review process
- Push decision making authority to the level where the issue or problem exists; decision making authority that always lies at the top of the organization makes the organization less flexible

Instructional Delivery Options

- Emphasize effective professional development and establish a culture of reflective practice
- Consider on-line delivery opportunities to provide more options

Structural Changes to Schools

- Consider year-round or other flexible schedules to better utilize facilities and to offer more opportunities for students
- Expand scheduling blocks at the high school to provide flexibility and/or to offer more learning opportunities

Futures Follow-up Session – Summary Information

May 19, 2008
School Board Work Session

Wayzata Public Schools

Overview of Futures Follow-up Session

- ★ Nine small groups with four-six members
- ★ Discussion focused around three major questions
- ★ Debriefing in a large group setting

Three Major Questions

- ★ Action steps the district would need to take to:
 - ★ Move toward providing more personalized learning for all students
 - ★ Provide opportunities for students to engage in global connections
 - ★ Be more flexible, adaptable and open to change

Question #1 – Personalized Learning

- ★ Instructional delivery options
 - ★ Greater use of technology
 - ★ Options like on-line classes, looping and non-graded classrooms
 - ★ More professional development to enhance teachers' skills

Question #1 – Personalized Learning

- ★ Structural changes to schools
 - ★ Need for different instructional models
 - ★ Flexibility of length of school day, start times and year
 - ★ More choice programs for students

Question #1 – Personalized Learning

- ★ Options for student assessment
 - ★ Better analysis of current test data
 - ★ Use of a learning styles inventory
 - ★ Digital portfolio to monitor student learning
 - ★ Focus on transition points between schools

Question #2 – Global Connections

- ★ Instructional delivery options
 - ★ Provide language immersion opportunities
 - ★ International Baccalaureate program
 - ★ Use of technology tools to connect students to different countries

Question #2 – Global Connections

- ★ Curriculum changes and enhancements
 - ★ Instruction in more languages
 - ★ Graduation requirement in global languages
 - ★ Language instruction in earlier grades
 - ★ Expand geography curriculum

Question #2 – Global Connections

- ★ Travel and exchange options
 - ★ Exchange programs for students and staff
 - ★ At least one global experience for each student
 - ★ Travel for teachers related to curriculum

Question #3 – Flexible, Adaptable and Open to Change

- ★ Communication and engagement strategies
 - ★ Continued communication on trends
 - ★ Continue to offer futures conference opportunities
 - ★ Listen and create opportunities for all voices to be heard

Question #3 – Flexible, Adaptable and Open to Change

- ★ Leadership and decision making
 - ★ Employ leaders who are forward thinkers
 - ★ Give staff permission to take risks
 - ★ Shorten cycles of curriculum review process

Question #3 – Flexible, Adaptable and Open to Change

- ★ Instructional delivery options
 - ★ Professional development opportunities
 - ★ On-line delivery options

Question #3 – Flexible, Adaptable and Open to Change

- ★ Structural changes to schools
 - ★ Year round or other flexible schedules
 - ★ Expand scheduling blocks at high school

Next Steps

- ★ Continue to examine input from follow-up session
- ★ Consider how and whether to explore suggested
- ★ Consider how to continue community involvement in futures process

Wayzata School District
Preliminary Budget
July 1, 2008 through June 30, 2009

DRAFT

May 19, 2008

Table of Contents

Table of Contents	1
District Officials	2
Vision and Mission Statement	3
The School District	3
Executive Summary	4
Enrollments	8
General Fund	9
General Fund Revenue	12
General Fund Revenue—Detailed Explanation	16
General Fund Expenditures	24
Personnel	30
Operating Capital	31
General Fund Balance Sheets	33
Other Funds	34
Results and Achievements	43
Appendix: Basic Fund Structure	44

**Preliminary Budget
For the Fiscal Year July 1, 2008 through June 30, 2009**

DISTRICT OFFICIALS

SCHOOL BOARD:

John A. Moroz	Chairperson
Patricia L. Gleason	Vice Chair
Carter G. Peterson	Treasurer
Susan J. Droegemueller	Clerk
Linda A. Cohen	Director
Jay A. Hesby	Director
Gary W. Landis	Director
Robert J. Ostlund	Ex-Officio

ADMINISTRATIVE STAFF:

Robert J. Ostlund	Superintendent of Schools
Alan Hopeman	Exec. Director of Finance and Business Services
Annie Doughty	Executive Director of Human Resources
Jane Sigford	Exec. Director of Curriculum & Instruction
Lori Fildes	Director of Special Services
G. William Rueber	Controller
James A. Scheuer	Senior Accountant
Robert B. Noyed	Director of Communications

Note: On July 1, 2008, Chace B. Anderson will become Superintendent of Schools, and Jim Westrum will become Executive Director of Finance and Business Services.

Vision

A model of excellence among learning communities

Mission Statement

The mission of the Wayzata School District is to prepare all students for the future by providing a challenging education which builds academic competence, develops responsible citizenship, encourages creativity, promotes lifelong learning, advances critical thinking skills, instills a commitment to personal wellness, and fosters respect for self and others.

The School District

The first school in the Wayzata area was established about 1855. It began with a one-room log school built near what is now the second green of the Wayzata Country Club. By 1903 Wayzata had established a four-year high school and in 1906 graduated its first class of three students. The Wayzata Public Schools community area lies approximately ten miles west of Minneapolis. The district extends north and east from Wayzata Bay on Lake Minnetonka and serves all or portions of Corcoran, Maple Grove, Medicine Lake, Medina, Minnetonka, Orono, Plymouth and Wayzata. The Wayzata Public Schools system operates seven elementary schools which serve kindergarten through grade five, three middle schools which serve grades 6, 7, and 8, and one senior high school which serves grades 9, 10, 11, and 12. Wayzata West Middle School is located in Wayzata; all other schools are in Plymouth.

◆ Elementary Schools

Birchview, Gleason Lake, Greenwood, Kimberly Lane, Oakwood, Plymouth Creek, Sunset Hill

◆ Middle Schools

Central, East and West

◆ Senior High School

EXECUTIVE SUMMARY

**INDEPENDENT SCHOOL DISTRICT 284
WAYZATA, MINNESOTA**

Table I

2008-2009 Preliminary Budget

Revenue

General Fund	\$104,935,033
Health & Safety	<u>3,105,880</u>
Total General Fund	\$108,040,913
Food Service	\$ 4,751,638
Community Service	7,410,440
Construction	7,204,201
Debt Service	<u>9,633,120</u>
All Funds Combined	\$137,040,312
All Funds Excluding Construction	\$129,836,111

Expenditures

General Fund	106,318,632
Health & Safety	<u>3,155,746</u>
Total General Fund	\$109,474,378
Food Service	\$ 4,828,226
Community Service	7,124,839
Construction	6,468,597
Debt Service	<u>9,548,200</u>
All Funds Combined	\$137,444,240
All Funds Excluding Construction	\$130,975,643

Note: Construction Fund Revenue and Expenditures included in General Fund also; exclude from totals for a more accurate measure of total revenue and expenditures

Budget at a Glance

General

- ◆ This budget year commences July 1, 2008 and ends June 30, 2009. It is for the 2008-09 school year and is also referred to as “Fiscal Year 2009”, abbreviated “FY09”.
- ◆ Student enrollment as of October 1st is expected to increase by 16 for a total population of 9,895. This includes 51 students in grades 4 to 8 who will attend the Fine Arts Interdisciplinary Resource (F.A.I.R.) School, and 15 students who will attend the Interdistrict Downtown School.
- ◆ The number of weighted pupil units is projected to increase over FY08 by 32 to 11,575.
- ◆ The general fund unreserved, undesignated balance at June 30, 2009 is estimated to be \$6,894,034, or 6.7% of the preceding year’s expenditures.
- ◆ The 2007 Legislature enacted a school finance bill that provided an increase in revenue for Wayzata (and other districts) for 2007-08 and 2008-09. The increase was front-loaded, i.e., a more substantial increase was enacted for 2007-08 than for 2008-09. Some of the increase in the first year was reserved for this second year.

Revenues

- ◆ Total general fund revenues are estimated to be \$104,935,033, an increase of \$2,334,656 from FY08 to FY09.
- ◆ The budget is based on the assumption that the state basic aid formula was increased by 1%.
- ◆ Revenue includes the referendum levy of \$1,476.20 per pupil unit.
- ◆ General fund revenue per student in average daily membership (ADM) increased by \$220 from \$10,343 in FY08 to \$10,563 in FY09.
- ◆ State special education aid was increased substantially by the 2007 Legislature, although both regular special education aid and excess cost aid will still be prorated at 85% and 66%, respectively.
- ◆ Revenue also includes a technology levy of \$4,568,597.
- ◆ Investment earnings in the general fund are expected to be approximately \$415,000, a reduction of \$300,000 from the previous year, due to reduced rates of return in the marketplace.
- ◆ Deferred maintenance revenue of \$574,000 is included in the budget, as well as \$637,000 of “one-time” operating capital aid.

Expenditures

- ◆ General fund expenditures increased by \$3.3 million, and are equal to \$106.3 million.
- ◆ Budget includes \$4.3 million for technology through the capital projects levy.
- ◆ Also included is \$2.6 million for the alternative compensation plan.
- ◆ Health insurance premiums will increase by 2.6%.
- ◆ Dental premiums will increase by 1.5%.
- ◆ Public Employee Retirement Association (P.E.R.A.) employer contribution rates for non-licensed employees also increased. The rate was 6.25% in 2007, 6.5% in 2008, and rises to 6.75% on January 1, 2009.

Budget at a Glance (Continued)

- ◆ The budget for the textbook replacement cycle is \$384,500. An additional \$50,000 is budgeted for textbooks for enrollment increases at particular grade levels.
- ◆ The total budget for operating capital expenditures exceeds operating capital revenue by \$121,746. Operating capital reserves are adequate to cover this.
- ◆ Budget includes a reserve of 6 teacher FTE's to address hot spots.
- ◆ Schools' allocations per pupil for supplies increased by 2.5%.
- ◆ One regular bus will be added.
- ◆ The district has assumed the lease on the transportation garage in Plymouth with the expectation that more competitive bus contractor bids will be the result. Obtaining a suitable garage location is a big obstacle for potential bidders to overcome.

Construction projects

- ◆ A 3-classroom addition will be constructed at Oakwood Elementary to accommodate the STEP Program, a special education program.
- ◆ Heating, ventilating, and air conditioning (HVAC) improvements are planned at Central Middle School. This is the second year of a four-year project.
- ◆ An expanded parking lot will be constructed at Oakwood Elementary, with the City of Plymouth paying approximately half the cost.

◆ Enrollments

The state of Minnesota had 339 school districts with a statewide public school enrollment of 814,000 for 2006-2007. Slightly more than one percent of Minnesota's public school students are educated in Wayzata Public Schools. In 2008-2009, enrollment at Wayzata Public Schools is expected to increase by 16 students.

Student enrollment growth has leveled off, and enrollment is expected to remain level over the next ten years. In some areas of the district new homes are under development. In general, however, this new development is expected to be offset by slight enrollment declines in mature parts of the district. These projections are based upon demographic studies commissioned by the District and conducted by Professor Barbara Lukermann.

Table II
Enrollment History

School Year	04-05	05-06	06-07	07-08	08-09
October 1 Enrollment ¹					
K	666	684	674	592	630*
1-5	3,513	3,562	3,589	3,672	3,636*
6-8	2,364	2,377	2,426	2,401	2,365*
9-12	3,053	3,090	3,195	3,214	3,264*
Total	9,596	9,713	9,884	9,879	9,895*
Adjusted Average Daily Membership ²					
	9,710	9,823	9,969	9,920*	9,934*
Adjusted Pupil Units ³					
	11,217	11,364	11,548	11,543*	11,575*

*Estimates, not yet final

1. October 1 enrollment includes F.A.I.R. School and IDDS students.
2. "Adjusted Average Daily Membership" is the average number of pupils enrolled over the course of the year in all programs, including early childhood special education, special education students served by other districts for whom Wayzata pays tuition, post-secondary enrollment options students, Area Learning Center students, and the net number of open enrollment/non-resident agreement students.
3. "Adjusted Pupil Units" are average daily membership students weighted by grade level according to state law. This is the basis on which state funding is determined for most programs. The figure for 2007-08 includes 33 pupil units attributable to a law change increasing the kindergarten weighting.

General Fund

Purpose

The General Fund contains all revenue and expense for the general, day-to-day operations of the school district. This includes salaries and benefits for teachers, administrators, custodians, secretaries, and paraprofessionals; instructional supplies; technology; transportation; textbooks, and money spent to operate and repair district buildings.

In some ways, it is clearer to express the general fund in terms of what it does not cover. The general fund does not cover Culinary Express; Community Education (including Home Base latchkey programs); debt service payments on bonds issued by the District; and the cost of major construction projects financed through the issuance of bonds.

The general fund does include expenditures funded with the Health and Safety levy, but in this document these expenditures are shown separately. This is because Health and Safety expenditures can fluctuate considerably from year to year and can give a distorted view of the district's funding picture.

Budget Additions

The preliminary budget for 2008-09 contains moderate changes in staffing and programs from the previous year. The 2007 Legislature enacted only a 1% increase in the general education basic aid formula for 2008-09, so the District did not have a large amount of new revenue.

The following proposed changes are included in this preliminary budget:

- \$77,972 is allocated for a 0.2 FTE math intervention specialist at each of the elementary schools.
- \$13,422 is allocated for the Elementary Literacy Project, a volunteer tutoring program. Another \$8,500 will be allocated for this purpose from integration revenue.
- \$44,112 in total is allocated to the 3 middle schools for paraprofessional time for security and student supervision. This will provide each school with 4 additional hours of para time each day.
- \$34,320 will be used to pay the City of Wayzata for a contract for a school resource officer 3 days per week. \$20,000 of this will come from reductions elsewhere in the safe schools budget, so the net additional cost is \$14,320.
- \$27,847 is allocated for a 0.5 FTE math resource teacher in the Curriculum and Instruction Department.
- A 1.0 FTE teacher will be added at Wayzata High School to work with students having academic difficulties. The cost of \$55,694 will be offset in part with state special education aid for the half-time portion of this job considered to be special education. The remaining cost will be covered partly by \$15,257 allocation of general fund resources. In addition, integration revenue and federal money will be used.
- Two elementary special education teaching positions will be added to deal with increased caseloads at Oakwood (STEP Program) and Gleason Lake. The estimated cost \$55,694 for each position will be offset by \$25,180 of additional state aid, for a net cost of \$30,514 for each.

- \$55,000 of district staff development funds will be used to pay teachers for extra work days in the summer for curriculum work. This reduces the number of times these teachers are away from their classrooms for this purpose during the regular school year.
- \$130,500 is added to the Buildings and Grounds budget for natural gas for heating, which is a 20% increase. Futures prices for natural gas are very high as this budget is under development.
- The budget for transportation is increased by 13.3%, or \$752,188. Much of this increase also is due to anticipated increased fuel changes for school buses. Desegregation transportation costs have also increased markedly.
- A 1.0 FTE technology specialist position will be created in the technology department, to work on hardware and software applications associated with curriculum software. This is a consolidation of existing part-time and hourly position.
- Special education paraprofessional hours are increased by 62, from 778 in FY08 to 840 in FY09. (An “hour” refers to one hour per day for the entire school year.) Cost of this is estimated at \$258,000, about half of which will be reimbursed via state special education aid.

Fund Balance Policy

The level of spending is set with a number of considerations in mind, but one of the chief considerations is to maintain an adequate level of reserves for unanticipated events. The district has a formal policy calling for an undesignated balance in the general fund equal to at least 5% to 7% of one year’s expenditures. This balance could be considered to be the District’s “savings account”. Maintaining a prudent fund balance is important for the stability of the district, and is a key measure that bond rating agencies examine when assigning a credit rating to a district’s bond sale.

The projected undesignated, unreserved general fund balance as of June 30, 2009 is \$6,894,034. This is 6.7% of the previous year’s expenditure budget.

Unanticipated events that could occur that would require the District to dip into its undesignated fund balance include:

- Property tax delinquencies and abatements
- Enrollment fluctuations
- Unanticipated price increases for essential purchases, e.g. fuel for heating and transportation
- State revenue reductions or “aid pro-rations”
- Severe weather

General Fund Revenue

Wayzata Public Schools receives revenues from two primary sources: local property taxes and state funding. A relatively small amount of revenue is also received from the federal government; fees and charges; non-resident tuition; and interest income. A detailed explanation of general fund revenue begins on page 15. Highlights for 2008-2009 include:

Wayzata Public Schools will receive approximately \$104.9 million to support the general operations of the district. This is an increase of \$2.3 million from the preceding year. (This figure includes the lease revenue of \$1,055,955 for the Oakwood addition).

State aid estimates are primarily based on current law as of May, 2008. The basic general education aid formula was increased by 1%. Special Education aid is also expected to increase by 2.6%.

Some of the major features of the general fund revenue for Wayzata Public Schools for FY09 are:

- State revenues are the single largest source of general fund revenue (69%) for Wayzata Public Schools.
- Revenue for the Alternative Compensation Plan is \$2,597,140.
- The technology levy is increased to \$4,568,597. Only \$4,335,000 of this will be budgeted for expenditures in FY09; the remaining \$233,597 will be reserved for use after FY2011, when the approved levy is reduced.
- Deferred maintenance revenue of \$579,217 is in the budget. This revenue is designated for building repairs.
- State law was changed in 2007 with respect to special education aid, with the addition of state resources to compensate for several years of inadequate adjustments for inflation and program growth. The 2007 Legislature also changed the base for calculation of special education aid, using current year salaries as the base instead of the second prior year. Even with the infusion of additional state money, special education aid will still be prorated at about 85% of full entitlement.
- Compensatory revenue, which is state aid allocated on the basis of students eligible for free and reduced-price lunches, is increasing from \$492,533 to \$613,195. This is principally due to the fact that 63 more students are eligible for free lunches and 60 more for reduced-price lunches.
- Also included in revenue is \$1,578,000 in state integration aid and the local integration levy, as well as \$1,076,864 for integration-related transportation.

General Fund

Change in Budgeted Revenues 2007-2008 and 2008-2009

	FY08	FY09	Difference
Basic Formula	58,569,182	59,310,000	740,818
<i>1% formula increase; slight increase in pupil units</i>			
Referendum Levy	15,723,973	15,739,043	15,070
<i>Inflation adjustment; prior year adjustments</i>			
Technology Levy	4,250,000	4,568,597	318,597
<i>Inflation adjustment of 2%; build reserves</i>			
Special Education Aid	6,642,004	6,796,889	154,885
<i>Additional staff & transp. costs; state proration increases for FY09</i>			
Alternative Compensator	2,550,600	2,597,140	46,540
Integration Revenue*	2,339,030	2,654,724	315,694
<i>Increased transportation aid</i>			
Deferred Mntnce. Revenue	565,346	574,217	8,871
Interest Income	715,500	415,000	-300,500
<i>Rates declined</i>			
Tuition	625,475	700,000	74,525
Federal Funding	2,091,570	1,994,832	-96,738
Other Local Revenue	3,485,238	3,691,242	206,004
<i>FY09 Includes \$1.05 million for Oakwood addition</i>			
Other Levy Revenue	3,924,604	4,632,308	707,704
Other State Aid	1,117,855	1,261,041	143,186
TOTAL	102,600,377	104,935,033	2,334,656

*Includes transportation aid for integration programs

Property Taxes

Property taxes became a far less significant source of revenue for Wayzata Public Schools due to major legislative changes enacted in the 2001 Session. Two large property tax components of the school levy were eliminated or reduced, and replaced with an equivalent amount of state aid. As a result Wayzata's certified property tax levy declined by more than half, from \$55.4 million in the levy for FY02 to \$26.5 million in the levy for FY04.

In November 2005, the voters of the District approved an increase in the referendum levy that included an allowance for future inflation. The referendum levy for 2008-09 is \$1,476.20 per resident pupil unit. Total referendum revenue is \$15,709,307 for this year.

The District's property tax base remains strong. The District's referendum market value grew to \$9.9 billion in 2006.

For FY09, local property taxes will provide \$26.8 million in revenue for the general fund. This source of revenue will also provide \$1,114,000 for the community services fund, \$9.4 million for debt redemption, and \$3.1 million for health and safety projects. The total property tax levy for FY09 for all funds is \$40.5 million.

State Aid

Wayzata Public Schools will receive approximately \$72.1 million in state education aid in FY09 in the general fund. The largest aid categories are:

General Education Aid	\$ 61,812,000
Special Education Aid	\$ 6,797,000
Integration Aid	\$ 1,132,000
Desegregation Transportation Aid	\$ 1,077,000
Non-public Transportation Aid	\$ 400,000

Federal Aid

Federal funding is generally provided to supplement the costs of providing instructional services in specific vocational, adult, and special education programs for educationally or economically disadvantaged students. Federal funds are a relatively modest revenue source for the general fund, but significant for target population groups. In FY09, Wayzata Public Schools will receive approximately \$1,994,832 in federal funding, which is less than 2.0% of the general fund budget.

About 85% of federal aid is designated for special education programs.

Other Revenue

About \$4.2 million in miscellaneous revenues from various sources is projected to be available in FY09. This includes interest earnings, tuition paid from other districts, donations, and fees. It also includes \$1,055,955 for the lease revenue for the Oakwood addition.

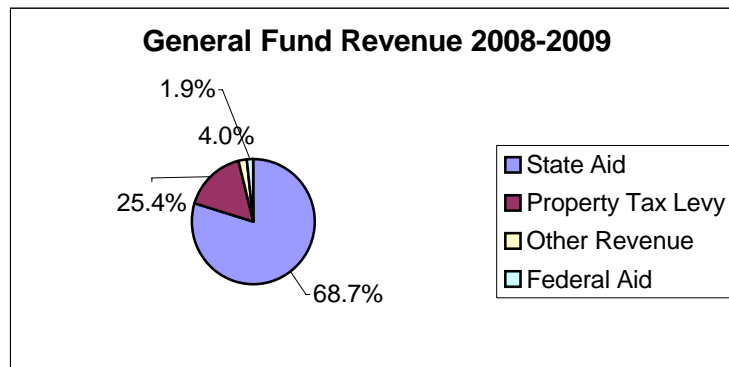
General Fund Revenue—Detailed Explanation

Most attention during this budget process is focused on the General Fund. This is the source of most expenditures having to do with general operations of Wayzata Schools for the primary mission of the District - - educating children.

The District has budgeted revenue of \$104,935,033 in its general fund for 2008-2009. Other funds will bring in additional revenue, but this money is not available to pay the general operating expenses of the District.

Where Does the Money Come From?

As the pie chart below shows, most general fund revenue for Wayzata Schools is state aid - - 68.7%. The second largest portion, 25.4%, comes from property taxes assessed on property within the District. Another 4.0% comes from local revenues, fees, admission charges, earnings on investments, and tuition payments from other school districts or from individuals. Finally, federal aid provides 1.9% of general fund revenue. Both state aid and local property tax revenues are strictly controlled by the state.



State Aid	\$72,078,802	68.7%
Property Tax Levy	\$26,629,387	25.4%
Other Revenue	\$ 4,232,011	4.0%
Federal Aid	<u>\$ 1,994,832</u>	<u>1.9%</u>
Total	<u>\$104,935,032</u>	100%

(The figures and chart above exclude Health and Safety Revenue)

State Aid in the General Fund

State Aid falls into three major categories:

- **General Education Aid** (\$61,812,475)
- **State “Categorical” Aid** (\$10,100,295)
- **State Property Tax Credits** (\$166,032)

General Education Aid - Basic Formula

The principal component of **General Education Aid** is the “general education basic formula”. For 2008-2009, this formula will provide the District with \$5,124 in state aid for each “pupil unit.” (A “pupil unit” is essentially one child enrolled for the entire school year, but each child is counted as more or less than 1 pupil unit, depending on grade level.) Currently pupils are weighted as “pupil units” according to the following:

<u>Grade Level</u>	<u>“Pupil Unit” Weight</u>
Kindergarten	0.612
Grades 1 – 3	1.115
Grades 4 – 6	1.06
Grades 7 – 12	1.3

For example, since each high school student counts as 1.3 pupil units, the school district receives 1.3 X \$5,124 in general education basic revenue for each high school student, or \$6,661. (The kindergarten pupil unit weight was changed from .557 to .612 by the 2007 Legislature.)

The general education basic aid formula is the single largest source of revenue for Wayzata Public Schools, providing an estimated \$59,310,300 in 2008-2009. This comprises 57% of the District’s total general fund revenue for the year.

Other General Education Aid Components

The remaining components of general education aid for Wayzata total \$3,110,078. This includes the following:

Operating Capital Aid	\$ -0-
Compensatory Revenue	613,195
L.E.P. Revenue	120,874
Referendum Tax Base Reduction Aid	29,736
Extended Time Revenue	305,868
Transportation Sparsity Revenue	2,634
Gifted and Talented Aid	138,900
Alternative Compensation Aid	1,898,509
Pension Subtraction	(307,541)
Endowment Fund	<u>320,000</u>
	\$3,122,175

Other General Education Aid Components- Continued

- **Operating Capital Aid** is designated for capital expenditures for buildings and equipment. It is based on the number of students enrolled and the age of the District's buildings. Beginning in FY05, much of this revenue comes from a property tax levy; previously it was all state aid. Beginning in 2008-09, Wayzata does not receive this aid; all of the District's operating capital revenue comes from levy.
- **Compensatory Revenue** is based on the number and percentage of students eligible for free or reduced-price lunch. This revenue goes to the school where the low-income students are enrolled, and must be used to serve students needing extra assistance.
- **Limited English Proficiency (L.E.P.) Revenue** is based upon the number and percentage of students whose native language is not English.
- **Referendum Tax Base Reduction Aid** is money paid to districts because the Legislature reduced the referendum property tax base in 2001 by exempting certain types of property (farmland and cabins) from school operating referendum taxes. The referendum levy of the District is reduced by the amount of the aid.
- **Extended Time Revenue** is aid for "extended time" pupil units, that is, students who attend school for an extended day or extended year (e.g. summer school). The program must be affiliated with an Area Learning Center (ALC). The extended time cannot exceed 20% of the regular school day/school year.
- **Transportation Sparsity Revenue** is based on the student population, and area of the district in square miles. It is a small amount for Wayzata, but a significant revenue source for rural school districts.
- **Gifted and Talented Revenue** is equal to \$12 per pupil unit, and is to be used to enhance programs for gifted and talented students.
- **Alternative Compensation Revenue** is a new program established by the 2005 Legislature to encourage school districts to implement merit-based compensation plans for teachers. The total revenue is \$260 per pupil. Part of this revenue comes from a property tax levy.
- **Pension Subtraction** is a reduction in aid to the District. In 1997 the Legislature reduced employer pension contribution rates on behalf of teachers, but reduced school district aid so that the reduced expenditures would not accrue to the benefit of school districts. The reduction was modified for 2007-08 to offset the effects of an increase in the employer's share of teacher retirement costs.
- **Endowment Fund** is revenue from a statewide trust fund for education, established at the time Minnesota attained statehood. Revenue from the trust fund is distributed to all school districts in proportion to enrollment. The revenue amount is subtracted from general education aid, so there is no net gain to the District.

State “Categorical” Aid

State categorical aid is calculated on the basis of expenditures for a particular program or “category.” The District’s largest categorical aid is special education aid, which is based on a formula that considers the District’s expenditures on salaries of special education personnel, special education transportation costs, and other factors. Categorical aid amounts for 2008-2009 for Wayzata Public Schools are as follows:

Special Education Aid	\$6,243,782
Special Education Excess Cost Aid	553,107
Integration Aid	1,046,848
Alternative Attendance Aid	84,685
Nonpublic Pupil Transportation Aid	399,884
Integration Transportation Aid	1,076,864
Advanced Placement Testing Aid	58,500
“One-time” operating Capital Aid	<u>636,625</u>
Total State Categorical Aid	\$10,100,295

Special Education Aid is paid to offset the additional expense associated with serving students with special needs. This aid formula provides approximately 68 percent of salary of special education teachers and aides. It also contains factors for special education transportation costs, supplies and equipment, and contracted special education services. The state appropriation for this aid was increased substantially in 2007. Still, the appropriation does not cover the full cost, so the aid is still pro-rated. For FY09, school districts can expect to receive only 85% of the revenue that the formula would provide if fully funded.

Special Education Excess Cost Aid is paid via an aid formula that is triggered when a district’s expenditures for special education exceed certain thresholds. This aid is volatile, and is very difficult to predict. The state appropriation for this aid is expected to be insufficient to fund more than about 66% of the aid that the formula would provide if fully funded.

School to Work Special Education Aid, formerly a separate aid category, is now included in the regular special education aid formula.

Integration Aid is revenue of \$129 per pupil unit to provide services relating to voluntary integration programs. There is a tax levy component to this also.

Alternative Attendance Aid is aid of \$351 per pupil unit for students who reside in Minneapolis and attend school in Wayzata under integration programs.

Nonpublic Pupil Transportation Aid is aid to offset the cost of providing transportation to District residents who attend nonpublic schools.

Integration Transportation Aid is paid to reimburse the District for the cost of transporting students who come to Wayzata under a voluntary integration program (“Choice is Yours.”) This aid also covers the cost to transport Wayzata students to two integration magnet schools: Fine Arts interdisciplinary Resource (F.A.I.R.) School in Robbinsdale, and the Interdistrict Downtown School in Minneapolis.

Advanced Placement Testing Aid is aid paid to offset the cost of advanced placement tests for high school students.

“One-time” Operating Capital Aid is revenue for FY09 of \$55 per pupil unit to be spent on capital projects and technology.

State Property Tax Credits

The state pays a portion of the property tax bill on homesteads and agricultural homesteads. The credit is a maximum of \$304 for low-value homes, and declines in amount as the value of the home increases. The credit is paid to the school district, city, county, township, etc., in proportion to each taxing jurisdiction’s levy. The Wayzata School District’s estimated share of this credit for the general fund is \$166,032.

Property Tax Levy

The District’s property tax levy is limited by state law. The property tax components in the general fund for 2008-2009 are as follows:

Referendum Levy	\$15,709,307
Technology levy	4,568,597
Integration Levy	453,878
Building Lease Levy	873,179
Ice Arena Operating Levy	145,067
Safe Schools Levy	460,134
Health Insurance Levy	857
Operating Capital Levy	2,334,579
Deferred Maintenance Levy	574,217
Equity Levy	850,034
Transition Levy	12,910
Secondary Vocational Levy	190,414
Alternative Compensation Levy	711,150
Judgment Levy	1,564
Reemployment Levy	(55,132)
Abatements & CoAuditor Adjustments	14,586
Adjustment for Estimated Tax Delinquency	(49,918)
Less State-Paid Property Tax Credits	<u>(166,032)</u>
Total Property Tax Revenue	\$ 26,629,387

Referendum Levy

This levy requires voter approval. In 2005 Wayzata voters approved an increase in the levy to \$1,609.08 per pupil unit, which is above the maximum that state law allows for Wayzata. The district levied the maximum allowed--\$1,476.20 per pupil unit. Inflation in future years will eventually raise the state maximum to reach or exceed the full amount approved by the voters.

(Some districts are grandfathered in at higher amounts, and rural districts are exempt from the state maximum limits.)

Technology Levy (also known as Capital Projects Levy)

This is a voter-approved levy. This money can be spent only on technology and telecommunications (including staffing).

Integration Levy

This levy is used to support integration and diversity education programs.

Building Lease Levy

This levy is for payment of costs to rent space for instructional purposes or storage. The largest single lease is the lease/purchase agreement for the athletic bubble at Central Middle School. Also included in this levy is the District's share of leased space for District 287 special education programs. Also included are short-term athletic facility leases, such as ice time for hockey teams.

Ice Arena Operating Levy

This levy is for the net operating costs of the District ice arena.

Safe Schools Levy

This levy is \$30 per pupil unit for 2008-2009. The money can be spent for a variety of security items, ranging from personnel to technology.

Health Insurance Levy

Allows school districts to levy for the cost of health insurance for employees who retired in 1992 or 1993. Wayzata provides health insurance coverage for certain retirees from those years to age 65 or 70, depending on their bargaining unit. The amount of the levy diminishes as the 1992 and 1993 cohorts of retirees pass the maximum age.

Operating Capital Levy

Operating capital revenue in previous years was all state aid; now districts must levy for much or all of the revenue. This revenue is for equipment, building construction projects, and textbooks.

Deferred Maintenance Levy

New for 2007-08, this is to pay the costs of major building maintenance projects.

Equity Levy

Is additional money for districts whose revenue from other sources is low compared to the highest revenue districts in the region.

Transition Levy

Is a "grandfather" provision. Some aid formula changes regarding Limited English Proficiency and Alternative Learning Center students reduced aid for districts, and this provision allows districts to levy for the lost revenue.

Secondary Vocational Levy

Is a levy to pay for secondary vocational programs.

Alternative Compensation Levy

This levy is to pay the additional costs of a merit-based compensation plan for teachers. There is a state aid component to this as well.

Judgment Levy

Districts can levy for the cost of court-ordered judgments imposed on them. This amount is Wayzata’s share of a judgment against Intermediate District 287, of which Wayzata is a member.

Reemployment

This levy is for costs of reemployment compensation. This is actually a negative adjustment for prior years.

Adjustments for Tax Abatements

Tax abatements are property tax assessment adjustments for prior years. When these occur, the district loses tax revenue, which is recovered through an additional levy amount.

Tax Delinquency

Adjustments are necessary because not all taxes are paid in a timely fashion.

Federal Aid

Federal aid in the general fund budget for the 2008-2009 school year totals \$1,994,832. Of this amount, 85% is for special education programs. Most federal programs have restrictions as to how the money can be spent. Even when increases in federal aid are enacted, the money can seldom be used to fund existing positions or programs; instead it must be used to “supplement, not supplant” existing expenditures.

Other Revenue

This catchall category includes a number of revenue sources, most of which are local in nature (i.e. not state or federal aid).

The major categories are:

Other Local Revenue	\$ 404,645
Tuition	700,000
Investment Income	415,000
Fees from Patrons	1,087,460
Gate Receipts	123,520
County Apportionment	300,000
Oakwood Lease Proceeds	1,055,955
Miscellaneous	<u>145,431</u>
Total	\$4,232,011

Other Local Revenue

This includes a variety of items. Private music lessons of \$95,000 are included here. There are Local Collaborative Time Study grants of \$141,500. Also included is a federal “e-rate” rebate on telecommunication costs of \$41,000.

Tuition

Tuition is paid by other school districts, usually for special education services to students who are not residents of Wayzata. (In Minnesota, special education costs are normally the responsibility of the school district where the child's parents reside.) On occasion, but rarely, tuition is paid by a student's family, usually when they are residents of another state or country.

Investment Income

This is interest earned on cash balances held by the District.

Fees from Patrons

These fees consist of athletics participation fees (\$367,340), parking fees (\$125,000), advanced placement testing fees (\$36,800), ice arena rentals (\$37,000), and music instrument rental fees (\$13,000). Rental fees of \$265,500 to cover the operating costs of the athletic bubble are included. Also, this category includes \$312,750 in fees for field trips.

Gate Receipts

Are the admission charges for athletic events.

County Apportionment

State Law requires that certain fees and fines collected by the county must be allocated to school districts. These fees in turn are subtracted from state aid, so there is no net gain to the district.

Oakwood Lease Proceeds

The District is constructing an addition at Oakwood Elementary in 2008, to be financed via a lease-purchase transaction. The total cost of the addition is \$1.4 million, with the costs split between FY08 and FY09. The portion of the lease proceeds that will be spent in FY09 are included here as revenue.

General Fund Expenditures

Enormous change took place in the Wayzata school district in 2006-07. First, a referendum levy was approved by the voters, which funded \$4.4 million of expenditure additions, primarily class size reductions and other instructional staffing additions. Second, the district and its teachers developed an alternative compensation plan that was approved for \$2.6 million of funding by the state under the new “Qcomp” program. Third, the voters approved an increase of \$2 million in the district’s technology levy. All three of these significant enhancements are still in place in the district for 2008-09.

General fund expenditures will increase by \$3.3 million over FY07, or \$4.2 million if FY06 carryover is excluded from FY07. A moderate amount of staffing additions is planned in the district for 2008-09. Budget additions are listed on page 9. Expenditure changes are primarily associated with inflation, as well as normal attrition. About \$250,000 of staffing additions, net of additional state aid, are recommended for approval with this budget.

Technology Levy

The capital projects levy revenue for technology in FY 2009 is \$4,568,597. This amount is transferred out of the general fund and into the construction fund. The actual expenditure items will be accounted for in the construction fund.

The budgeted amounts for this levy include the following:

Equipment	\$1,616,600
Personnel	1,776,000
Consulting/fees for service	130,000
Repairs/maintenance	148,300
Supplies/materials	423,100
Other	<u>241,000</u>
Sub-total	\$4,335,000
Unspent (reserved for future use)	233,597
Total	\$4,568,597

The focus of this program is curriculum and classroom technology, particularly expansion of classroom tools: projection and soundfield systems, smartboards, and software.

- The focus of the Technology Levy for the 2008-2009 school year remains curriculum and classroom technology. All regular grades 1-12 will be outfitted with projector and sound fields by the fall. Kindergarten classrooms will receive projectors, and the sound fields will be the first priority for the summer of 2009. Approximately 160 systems will be put into place.
- With the increase of classroom tools, there is a need to upgrade the network storage capacity and backup system. Teachers simply need more space to store their curriculum related data, videos and other classroom files.

- About 400 computers will be purchased as part of the computer replacement cycle. New computer labs will be put into Engineering, Technology and Design at the middle schools. Computers will be replaced at several High School Business Labs, the High School Art Lab and Sunset Hill Elementary School. East Middle School teachers will be given the opportunity to upgrade to a laptop computer.
- One new position will be created by consolidating previous part-time and hourly contracts: a technology specialist position.

Transportation Expenditures

The transportation budget is increased by \$752,188, or 13.3% over the 2007-08 budget. This is attributable to several factors.

- Transportation of Minneapolis students for desegregation purposes increased by \$313,000. This increase will be covered entirely by state aid.
- Special education transportation increased by \$76,815 or 6.4%. This is due to increased costs of contracted buses (3% contract increase), and increased ridership. State special education aid covers most of this increased amount.
- Homeless/care and treatment transportation costs are estimated at \$45,000. Last year the budget for this was zero, even though the district incurred some expenses.
- Regular to - and from – school transportation increased by \$315,150, or 9%. This is due to increased fuel costs, and the need to add one bus (\$44,000). As the district grows in the north, it is more and more difficult to complete routes in a timely fashion without adding buses.
- The budget for regular to-and from- school transportation includes \$225,400 for increased fuel charges under the new bus contract. If the diesel price paid by the contractor exceeds \$2.40, the district must pay additional charges to the contractor. The budget is based on an assumed diesel price of \$4.00 per gallon. Diesel prices paid by the contractor are generally about \$.50 lower than retail pump prices, due to a federal tax exemption and the benefits of bulk buying.
- .The actual contractor rates are decreased by 3% over the 2007-08 rates. That contract had a fuel escalator clause that was triggered when diesel prices exceeded \$1.40, so the contractor is absorbing \$1.00 more of the cost of fuel. The contractor is not paying the \$163,500 cost of rental and taxes on the bus garage, however, since the district now leases the garage directly from the owner and pays this cost.

Health and Dental Insurance

The District has a self-insurance plan for employee health insurance with stop-loss coverage for extraordinarily high claims. Premiums in the aggregate have been increased by 2.6% for FY09. The employee/employer share of this increase depends on the employee's bargaining unit contract. Dental premiums will increase by 1.5%.

Allocations

Amounts distributed to schools and other offices for supplies and similar expenses were increased by 2.5% over the previous year.

**Expenditures by Category
2008-2009**

<u>Object</u>	<u>Amount</u>
Salaries	\$ 55,727,948
Benefits	\$ 17,714,944
Purchased Services	\$ 16,906,336
Supplies/Material	\$ 3,135,253
Capital	\$ 4,336,074
Misc. & Other	\$ 883,480
Transfer to Other Funds	<u>\$ 4,614,597</u>
Total	\$ 106,318,632

The school district budget consists of the following types of expenditures. About 75 cents of each dollar will be spent for salaries and employee benefits.

Salaries (\$55.7 million)

Regular salary related to personnel positions, extra curricular assignments, overtime, substitute cost.

Employee Benefits (\$17.7 million)

Health, Dental, Life, Long-term disability, workers' compensation, retirement plans and recording of post retirement benefits for current employees. Health insurance costs are of great concern from a budgeting standpoint. The district's rates have been very stable since 2002. The rate increase in the district's self-insured health plan this year was 2.6%.

Purchased Services (\$16.9 million)

Includes consultants, postage, insurance, repair and maintenance services, transportation contracts, travel/conferences, payments to other districts and tuition.

Supplies & materials (\$3.1 million)

Textbooks, instructional supplies, office and custodial supplies, computer software, and related copier costs. Includes fuel for buildings.

Capital (\$4.3 million)

Replacement and additional equipment, facilities repair and maintenance, vehicles, and computer equipment.

Miscellaneous and Other expenditures (\$0.9 million)

Includes all expenses that cannot be classified as above.

Transfer to Other Funds (\$4.6 million)

Includes transfer of technology levy to Construction Fund; also some transfers from General Fund to Community Services Fund.

Expenditures by Program

GENERAL FUND

CHANGE IN EXPENDITURES BY PROGRAM BUDGET 2007-2008 VS. BUDGET 2008-2009
--

<u>PROGRAM DESCRIPTION</u>	<u>PROGRAM CODE</u>	<u>BUDGET 2007-2008</u>	<u>BUDGET 2008-2009</u>	<u>CHANGE</u>
Administration	000-099	2,754,119	2,833,423	79,304
District Support Services	100-199	3,408,421	3,481,032	72,611
Regular Instruction (Elem/Sec)	200-299	39,423,749	39,648,831	2,250,082
Vocational Instruction	300-399	778,956	1,456,137	677,181
Special Education Instruction	400-499	11,141,344	12,270,246	1,128,902
Instructional Support Services	600-699	5,964,088	7,166,390	1,202,302
Pupil Support Services	700-799	8,081,848	8,877,369	795,521
Sites & Buildings	800-899	13,280,949	10,887,708	(2,393,241)
Fiscal & Other Fixed Program Costs	900-999	15,565,502	19,697,496	131,994
GRAND TOTALS--				
ALL PROGRAMS		100,398,976	106,318,632	5,919,656

ADMINISTRATION: Includes all costs for general administration, instructional administration and school site administration. This area covers the school board, superintendent, principals, and directors.

DISTRICT SUPPORT SERVICES: Consists of activities related to general administrative support not listed above. This area covers federal programs, human resources, government relations, school elections, and miscellaneous district administration not otherwise classified. Anticipated salary increases and district contingency reserves have temporarily been budgeted here.

ELEM/SEC REGULAR INSTRUCTION: Consists of all activities dealing directly with the teaching of pupils, the interaction between teachers and pupils in the classroom and co-curricular activities at the kindergarten, elementary and secondary levels.

Expenditures by Program (continued)

VOCATIONAL INSTRUCTION: Courses and activities which develop knowledge, skills, attitudes and behavioral characteristics for students seeking career exploration and employability.

SPECIAL EDUCATION INSTRUCTION: Activities providing learning experiences for pupils of any age who, because of certain atypical characteristics or conditions, need, or who would benefit by, educational programs different from those provided pupils in regular or vocational instruction.

INSTRUCTIONAL SUPPORT SERVICES: Activities for assisting the instructional staff with the content and process of providing learning experiences for pupils in kindergarten through twelfth grade.

PUPIL SUPPORT SERVICES: Includes all services provided to pupils who do not qualify to be classified as instructional services (counseling/guidance, health, psychological, social work, transportation, other)

SITES & BUILDINGS: Activities related to the acquisition, operation, maintenance, repair and remodeling of all physical plant, facilities and grounds of the school district.

FISCAL & OTHER FIXED COSTS: Fiscal and fixed cost activities that are not recorded elsewhere. This includes all fringe benefits for all employees.

Note: The 2007-08 figures on the preceding and following tables are from the preliminary budget adopted in June of 2007, and do not reflect changes made over the year since then, such as reallocation of carryover from FY07; additional integration revenue; and other changes.

GENERAL FUND

CHANGE IN EXPENDITURES BY CATEGORY BUDGET 2007-2008 VS. BUDGET 2008-2009

<u>OBJECT DESCRIPTION</u>	<u>OBJECT CODE</u>	<u>BUDGET 2007-2008</u>	<u>BUDGET 2008-2009</u>	<u>CHANGE</u>
SALARIES	100	55,709,665	58,727,948	3,018,283
BENEFITS				
FICA/Medicare	210/211	4,187,944	4,342,633	154,689
Pension	214/218	3,069,377	3,290,049	220,672
Hlth/Dtl/Life/LTD	220	7,578,118	7,695,653	117,535
TSA Matches	250	877,608	919,551	41,943
Health [Retirement]	291	1,606,725	1,127,000	(479,725)
All Other	200	346,131	340,058	(6,073)
Total 200 Series		17,665,903	17,714,944	49,041
PURCHASED SERVICES				
Prof/Tech Svc	305	1,504,297	1,524,595	20,298
Utilities	330	2,019,610	2,236,247	216,637
Property/Liability Ins	340	363,464	281,899	(81,585)
Transportation	360	5,782,716	6,317,912	535,196
Tuition	390	2,279,189	456,559	(1,822,630)
Pmts-Other Dists	391	811,823	3,237,749	2,405,926
All Other	300	2,720,818	2,851,375	130,557
Total 300 Series		15,481,917	16,906,336	1,424,419
SUPPLIES/MATERIALS				
General Supplies	401-409	539,793	1,161,062	621,267
Instructional Supplies	430/433	1,097,736	1,116,979	19,243
Fuel	440/441	40,500	98,060	57,560
Textbooks	460	519,732	483,808	(35,564)
Library Books	470	44,094	51,290	6,386
All Other	400	783,549	224,056	(559,493)
Total 400 Series		3,025,854	3,135,253	109,399
CAPITAL	500	2,680,301	4,336,074	1,655,773
MISC/OTHER				
Judgements	810	-	1,564	1,564
Dues/Memberships	820	390,590	401,565	10,975
Misc./Other	899	1,194,746	480,351	(714,395)
Total 800 Series		1,585,336	883,480	(701,856)
TRANSFERS--OTHER FUNDS	910	4,250,000	4,614,597	364,597
 GRAND TOTAL		100,398,976	106,318,632	5,919,656

Personnel

Wayzata Public Schools has five collective bargaining units. Principals, teachers, custodial and maintenance employees, food service employees, and clerical employees are organized for bargaining purposes. In addition, some administrative and confidential employees, referred to as “unaffiliated,” are not in a collective bargaining unit.

The number of FTE personnel is increased slightly for 2008-2009 over the preceding year.

- The complement of employees for 2007-2008 and 2008-2009 is as follows:

	2007-2008	2008-2009
Teachers	673.8 FTE	686.1545 FTE
Secretaries	45.75 FTE	46.75 FTE
Paraprofessionals	288.395 FTE	303.07 FTE
Custodians and Maintenance	75.875 FTE	75.875 FTE
Principals (includes assistant principals)	18 FTE	18 FTE
Culinary Express	72 employees	72 employees
Unaffiliated	61 employees	63 employees

Operating Capital Expenditures

Operating capital revenue is allocated by state law based on a formula that considers the number of pupils in the District and the average age of District facilities. For Wayzata Public Schools, the formula will provide an estimated \$200.61 per pupil unit in 2008-09 for a total of \$2,334,579. This money can only be used for capital expenditures as defined in state law.

In addition, in 2008-09 the district will receive deferred maintenance revenue. This is a fairly new category of revenue, enacted in 2005 by the Legislature. This revenue is intended to correct inequities in revenue available to different school districts for building repairs. Deferred maintenance revenue totals \$574,217 for 2008-09.

A third category of revenue is “one-time operating capital,” so called because it is intended by the Legislature to be an allocation that is not ongoing. This provides an additional \$55 per pupil unit, or \$636,625.

In this budget the District's operating capital and deferred maintenance revenue is allocated as follows:

Basic facilities repair and maintenance	\$ 1,655,000
Allocated to buildings for projects	340,000
Special assessments/taxes	25,000
Roof repairs, & reserve for future roof repairs	325,000
Copier leases	232,000
Tractor lease (3)	24,000
Zamboni lease	21,886
Replacement of classroom furniture & equipment	85,000
Furniture – enrollment growth	25,000
Textbooks	441,468
Special education equipment	10,000
Special education space improvements	55,000
Building and grounds equipment & vehicles	130,000
GF reclassification cost pool	150,000
Administration	10,000
Piano replacement	8,000
Orchestra	20,000
Band	28,000
Band Uniforms	96,000
Table saws	13,000
Safety & security	35,000
Central Middle School Auditorium	50,000
Damage contingency	20,000
Equipment contingency	<u>22,000</u>
Total Capital Revenue/Expense	\$ <u>3,649,886</u>

The District annually reserves \$325,000 of its operating capital for current and future roof repairs. The District has over \$2.9 million reserved for this purpose.

Larger projects funded with operating capital reserves in FY09 include:

- Pavement rehabilitation, parking improvements \$200,000
- Air conditioning improvements and controls at CMS \$170,000
- Masonry restoration \$290,000
- Energy conservation Projects \$100,000
- Birchview drop-off lane \$115,000
- Oakwood parking lot (with City of Plymouth) \$90,000

The amount of operating capital expenditures in this budget exceed revenue by \$121,747. This is a planned expenditure of reserves.

**Independent School District 284
Wayzata, Minnesota**

**2008-2009 Preliminary Budget
General Fund
Revenue and Expenditure Budgets**

REVENUE		
Local Tax		\$ 26,629,387
State General Education Aid		\$ 61,812,475
Special Education State Aid		\$ 6,796,889
State Property Tax Relief		\$ 166,032
Other State Aid		\$ 3,303,406
Other Local Revenue		\$ 4,232,011
Federal Aid		\$ 1,994,832
Total Revenue		\$ 104,935,032
EXPENDITURES		
Salaries		\$ 58,727,948
Benefits		\$ 17,714,944
Employment		\$ 76,442,892
Non-Employment		\$ 29,875,740
Total Expenditures		\$ 106,318,632

**Independent School District 284
Wayzata, Minnesota**

**2008-2009 Preliminary Budget
General Fund**

Change In Fund Condition Analysis

<u>FUND CONDITION</u>	
Undesignated, Unreserved Balance, July 1, 2007	\$ 7,670,512
Budgeted Revenue 2007-2008	\$ 102,600,377
Designated reserves and carryover available for expenditure	\$ 399,477
Budgeted Expenditures 2007-2008	\$ 102,972,021
Net 2007-2008 fund balance change	\$ 27,833
Estimated unreserved balance, June 30, 2008	\$ 7,698,345
Preliminary revenue budget 2008-2009	\$ 104,935,033
Designated reserves/accounts available for expenditure	\$ 579,288
Preliminary expenditure budget 2008-2009	\$ 106,318,632
Net 2008-2009 fund balance change	(\$ 804,311)
Preliminary unreserved balance, June 30, 2009	\$ 6,894,034

Culinary Express Food Service Fund

Culinary Express is the District department that provides meal services and nutrition education services in Wayzata Schools. Over 7,000 lunches are served each day, and over 1,250,000 meal equivalents are served each year. Lunch prices for FY09 will be increased because of rising food prices. The budget for food purchases is an 11% increase from 2007-08.

Prices are as follows:

	<u>2007-08</u>	<u>2008-09</u>
Elementary	\$2.20	\$2.30
Secondary	\$2.45	\$2.60
Adult	\$3.10	\$3.30
Milk	.40	.45

All revenues and expenses associated with the program must be accounted for in a separate fund. By law, these revenues can only be spent to provide school lunches and pay certain closely related expenses.

Revenues consist of:

- Lunch sales to student and adults
- A-La-carte sales to students and adults
- Federal aid (generally, commodities)
- State aid provided on each lunch served
- Federal subsidies for food served to students from families with low incomes
- Catering sales to groups using the schools

Expenses consist primarily of food and labor costs.

Revenue, expense, and fund balance information follows. In the preliminary budget, expenditures exceed revenues by \$76,588.

**Independent School District 284
Wayzata, Minnesota**

2007-2008 Budget and 2008-2009 Preliminary Budget

Food Service Fund

Revenue

Revenue	2007-08	2008-2009
Lunch Sales	\$3,740,118	\$3,926,141
Federal aid	\$648,916	\$707,372
State aid	\$99,520	\$118,125
Other Local Revenue	\$1,780	-0-
Total Revenue	\$4,490,334	\$4,751,638

Expenses

Expenditures	2007-2008	2008-2009
Salaries/Benefits	\$1,823,396	\$1,922,076
Food	\$1,890,250	\$2,098,450
Other	\$746,580	\$807,700
Total Expenditures	\$4,460,226	\$4,828,226

Surplus/(deficit)	\$ 30,108	\$ 76,588
--------------------------	------------------	------------------

Food Service Fund Condition

Fund Condition	
Balance, July 1, 2007	\$ 721,326
Estimated revenue 2007-2008	\$4,490,334
Estimated expenditures 2007-2008	\$4,460,226

Estimated Balance, June 30, 2008	\$751,434
Proposed 2008-2009 revenue budget	\$4,751,638
Proposed 2008-2009 expenditure budget	\$4,828,226
Projected Balance, June 30, 2009	\$ 674,846

Community Services

Community Education programs provide school district residents with the opportunity to use educational facilities and programs during non-school hours. Community Education programs are also available to K-12 students during the summer. Major programs include Adult Basic Education, Wishes (after-school enrichment program), Home Base (latch-key programs), Wayzata Plus (kindergarten combined with latch-key to provide full-day services), and Peppermint Fence Nursery School and other Early Childhood Family Education programming.

The Community Education Department also schedules the use of the district's facilities outside of school hours, including athletic facilities.

Fiscal Year 2009 revenue is budgeted at \$7,410,440 for an increase of 12.5% when compared to FY08. Expenditures are budgeted at \$7,124,839 for an increase of 6.4%. While expenditures exceed revenue, the fund balance is sufficient to cover the difference.

The increases in revenue and expense are primarily attributable to increased participation and increased costs in the category of school-aged care, including the Wayzata Plus Program for kindergarten. School-aged care comprises over 60% of the Community Education budget in Wayzata, and these programs are projected to yield 9% more revenue than was budgeted in 2007-08.

**Independent School District 284
Wayzata, Minnesota**

2007-2008 Budget and 2008-2009 Preliminary Budget

Community Services

Revenue	2007-2008	2008-2009
Local Tax	\$ 1,341,647	\$ 1,100,860
Fees and charges	\$ 4,907,562	\$ 5,749,810
State aids and grants	\$ 289,632	\$ 471,070
Interest income	\$ 44,700	\$ 42,700
Transfers	\$ -0-	\$ 46,000
Total Revenue	\$ 6,583,541	\$ 7,410,440

Expenditures	2007-2008	2008-2009
Salaries/Benefits	\$ 5,618,394	\$ 5,927,825
Non-Employment	\$ 1,079,322	\$ 1,197,014
Total Expenditures	\$ 6,697,716	\$ 7,124,839

Difference	(\$114,175)	\$277,601
-------------------	--------------------	------------------

Community Services Fund Condition

Fund Condition	
Balance, July 1, 2007	\$ 1,033,593
Estimated revenue 2007-2008	\$ 6,583,541
Estimated expenditures 2007-2008	\$ 6,697,716
Estimated Balance, June 30, 2008	\$ 919,418

Proposed 2008-2009 revenue budget	\$ 7,410,440
Proposed 2008-2009 expenditure budget	\$ 7,124,839
Projected Balance, June 30, 2009	\$ 1,205,019

Health and Safety Activity

Wayzata Public Schools continues to budget all activities associated with Health and Safety projects separately. Types of projects within this activity include hazardous substance removal, fire and safety code repair systems, indoor air quality, ADA and OSHA compliance, and asbestos removal.

Any single Health and Safety project may not exceed \$500,000 in cost. Projects that exceed \$500,000 must be financed via a separate provision known as the Alternative Facilities program. The Alternative Facilities program is quite similar to the Health and Safety program in most respects. However, the Minnesota Department of Education requires that expenditures for Alternative Facilities projects be recorded in the Construction Fund. Alternative facilities revenue is initially received in the Health & Safety account, then transferred to the Construction Fund.

In Wayzata, Health and Safety revenue and Alternative Facilities revenue consists entirely of property tax revenue. State approval of each project is required before the district can collect the revenue. This program often runs at a deficit in the school district due to the structure of the financing mechanism for the program, although currently Wayzata carries a positive balance. There is sometimes a long elapsed time period between a project's inception and the collection of the tax levy funding the project, and it is often not feasible or advisable to delay projects until the revenue is in hand.

Health and Safety revenue for FY09 is \$470,275, and Alternative Facilities revenue is \$2,635,604 (to be transferred to the construction fund for expenditure). The total expenditure for health & safety will be \$520,142.

**Independent School District 284
Wayzata, Minnesota**

2008-2009 Preliminary Budget

Health & Safety

Balance, July 1, 2007	\$328,177
Estimated Revenue 2007-2008	\$2,209,769
Estimated Expenditures 2007-2008	\$2,298,356
Estimated Balance, June 30, 2008	\$239,590

Revenue Budget 2008-2009	\$3,105,880
Expenditure Budget 2008-2009	\$3,155,746

Estimated Balance, June 30, 2009	\$ 189,724
---	-------------------

**Independent School District 284
Wayzata, Minnesota**

2008-2009 Preliminary Budget

Health & Safety

Revenue	2007-2008	2008-2009
Local Tax	\$2,209,769	\$3,105,880

Expenditures		
Health & Safety	\$560,295	\$520,142
Transfer to Fund 06 -Alt. Facilities	\$1,735,601	\$2,635,604
Other	\$2,460	\$-0-
Total	\$2,298,356	\$3,155,746

Surplus/(deficit)	(88,587)	\$ (49,866)
--------------------------	-----------------	--------------------

Construction Fund

The construction fund is used for three purposes:

- Expenses of construction projects financed with bond proceeds;
- Expenses of alternative facilities projects (health and safety projects exceeding \$500,000); and
- Expenses associated with the capital projects (technology) levy.

The revenue budget is \$7,204,201. This is comprised of \$4,568,597 from the general fund for the capital projects levy, and \$2,635,604 for alternative facilities projects.

The expenditure budget is \$6,468,597. This includes an alternative facilities project at Central Middle School (\$1,900,000) in FY09. The Central Middle School project will cost a total of \$5.6 million and will be completed in FY2010.

The expenditure budget also includes technology expenditures of \$4,568,000. Of this, \$233,597 is identified as “miscellaneous expense” and will be reserved for future expenditures. This is because in 2012-13 the authorized technology levy amount will be reduced. The intent is to build a reserve so the amount of revenue available does not drop substantially at that time.

2007-2008 Budget and 2008-2009 Preliminary Budget

Construction Fund

Revenue

Revenue	2007-2008	2008-2009
Technology Levy	\$4,250,000	\$4,568,597
Alternative Facilities Levy	\$1,735,601	\$2,635,604
Total Revenue	\$5,985,601	\$7,204,201

Expenses

Expenditures	2007-2008	2008-2009
Salaries/Benefits	\$1,562,119	\$1,616,600
Equipment	\$1,797,691	\$1,776,000
Capital Improvements	\$ 980,000	\$2,044,000
Other	\$ 985,190	\$1,031,997
Total Expenditures	\$5,325,000	\$6,468,597

Excess Revenue Over Expenditures	\$660,601	\$735,604
---	------------------	------------------

Debt Service Fund

The debt service fund is designated to account for revenues and expenditures associated with redemption of bonds issued by the school district. These bonds were issued to finance the acquisition, improvement and equipping of the district's buildings. By state law, debt service revenues and expenditures must be maintained in a separate fund.

Revenue consists of local taxes levied to pay the obligations, plus interest earnings on the balance in the fund. Expenses consist of principal and interest on bonds, plus a small amount for bank fees, service fees, etc.

The district's underlying bond rating by Moody's Investors Service is Aa2. This rating was upgraded in July, 2007 and affirmed in December, when the district refunded some bonds. Three other Minnesota school districts have a Aa2 rating from Moody's, and none exceed it.

The debt service fund budget for FY09 shows revenue of \$9,633,120 and expense of \$9,548,200. The fund balance is projected to increase to \$3,015,464 by June 30, 2008. It is possible that the district could refund some bonds in FY09, depending on market conditions. No other bond issuance for new projects is expected in FY09.

**Independent School District 284
Wayzata, Minnesota**

2007-2008 Budget and 2008-2009 Preliminary Budget

Debt Service Fund

Revenue	2007-2008	2008-2009
Local Tax	\$ 9,582,423	\$ 9,324,681
State Aid	\$ 137,510	\$ 117,189
Interest	\$ 458,100	\$ 191,250
Sale of Bonds	\$ 4,725,000	\$ -0-
Bond Premium	\$ 299,207	\$ -0-
Total Revenue	\$ 15,202,240	\$ 9,633,120

Expenditures	2007-2008	2008-2009
Bond Principal--Current	\$ 10,965,000	\$ 6,395,000
Bond Principal--Refunding	\$ 6,735,000	\$ -0-
Bond Interest	\$ 3,995,083	\$ 3,150,200
Bank Fees & Others	\$ 52,207	\$ 3,000
Total Expenditures	\$ 21,747,290	\$ 9,548,200

Difference	\$ (6,545,050)	\$ 84,920
-------------------	-----------------------	------------------

Debt Service Fund Condition

Fund Condition	
Unreserved Balance, July 1, 2007	\$ 2,095,533
Refunding Trust Account Balance, July 1, 2007	\$ 6,844,131
Total Balance, July 1, 2007	\$ 8,939,664
Estimated revenue 2007-2008	\$15,202,240
Estimated expenditures 2007-2008	\$ 21,747,290
Estimated Balance, June 30, 2008	\$ 2,930,544

Proposed 2008-2009 revenue budget	\$ 9,633,120
Proposed 2008-2009 expenditure budget	\$ 9,548,200
Projected Balance, June 30, 2009	\$ 3,015,464

(Note: The schedules above include Refunding Bond activity in escrow accounts. Refunding principal payment of \$6,735,000 made February 1, 2008. Also, in FY08 \$4,725,000 of refunding bonds were sold to refund the district's series 1999A general obligation bonds.)

2007-2008 School Year Highlights

Wayzata Public Schools strives each year to be a “model of excellence among learning communities” and regularly achieves accomplishments that demonstrate the overall quality of the district. The highlights for the 2007-2008 school year include the following:

- Wayzata Public Schools celebrated its sesquicentennial of the founding as a school district. The petition to establish the district was granted on September 9, 1857. The district recognized its 150-year anniversary with celebrations throughout the school year.
- The district held a Futures Conference in December 2007 to help map out the major directions for the future. Community residents, parents, business representatives, and staff members met in this full-day session to consider how future trends would impact the district. A follow-up session to the Futures Conference was held in early May.
- Using input from the Futures Conference, the school board approved new district directions for 2008-2010. These directions establish areas of focus for the next several years and in some cases continue the work that began with the previous set of directions.
- The bond rating for Wayzata Public Schools was upgraded by Moody’s Investors Service from “Aa2” to “Aa1.” Only three other Minnesota school districts have a rating of “Aa1” and none exceed this rating.
- Almost 90 percent of Wayzata High School’s class of 2007 chose to attend two- or four-year colleges or universities. Students were accepted to prestigious public and private colleges and universities throughout the nation.
- Wayzata Public Schools received a Local Government Innovation Award for its alternative compensation plan from the Humphrey Institute of Public Affairs. The district’s alternative compensation program is in its second year of implementation.
- Superintendent Bob Ostlund announced his retirement effective at the end of the 2007-2008 school year. The board hired Chace Anderson, assistant superintendent for Edina Public Schools to replace Ostlund.
- Wayzata Public Schools’ students continued to score well on the state MCA-II tests. The district was among the top three school districts in its class-size category of 300 or more students per grade. Eighty-one percent of students are proficient in math and 86 percent are proficient in reading.
- With more students tested this year than in previous years, the average ACT score of Wayzata High School students climbed to an average composite score of 25. The state average was 22.5 and the national average was 21.2. In addition, two Wayzata High School seniors earned perfect scores on the ACT.
- Wayzata High School won the 2007 Class AA Minnesota State High School League Challenge Cup. The award comes from a year-long competition among league member schools. Points are awarded to schools based on their success in post-season tournament play.
- Kimberly Lane Elementary School was named as a 2007 No Child Left Behind Blue Ribbon School. The award is the highest honor bestowed by the U.S. Department of Education and is given to schools that challenge students to perform at high academic levels.
- The Wayzata High School boys’ cross country team went undefeated and won the 2007 Class AA State Championship and the seven-state Heartland Regional competition.

Basic Fund Structure

To understand this budget document, it is helpful to know that there are a number of legal restrictions on how school districts must spend and account for the public funds that they receive. Because of state requirements, Wayzata Public Schools must separate its money into six major areas. They are as follows:

- **General Fund** – Used for all operating expenses for the general purposes of the school district. This fund includes salaries and benefits for teachers, principals, custodians, secretaries, paraprofessionals, and administrators; cost of supplies, textbooks, transportation contracts, utilities, repairs, equipment, and so on.
- **Health and Safety** – Used for essential improvements to district buildings related to protecting the health and safety of the occupants. Expenditures for asbestos removal, fire safety, indoor air quality, and the like can be made with money in this fund. It is actually a subpart of the general fund, but we account for these funds separately in Wayzata, largely because the amounts spent can fluctuate widely from year to year, distorting the apparent spending patterns. Health and Safety money comes from the property tax levy. State approval of all expenditures is required before the District can collect this tax.
- **Food Service Fund** – Used for all expenses related to operating the Culinary Express Department, including food, salaries, benefits, supplies, and equipment. Food Service revenues come primarily from the sale of meals to students and adults. Some federal and state aid is also provided.
- **Community Services Fund** – Used for expenses related to community education programs such as Early Childhood Family Education, Adult Basic Education, Home Base (after-school and summer child care programs), WISHES (summer enrichment programs), and Community Education Programs. Community Services revenue primarily comes from fees charged for the programs, and property tax revenue dedicated to community services.
- **Building Construction Fund** – Used for expenses of major building projects. Proceeds from sale of bonds authorized in an election are placed in this fund. Under recent changes in law and state policy, this fund now is also used for alternative facilities projects (health and safety projects exceeding \$500,000) and for the capital projects levy (technology levy).
- **Debt Service Fund** – Used to pay the debt service on bonds sold to finance construction. These are akin to a homeowner's payments on a mortgage.

Why is all of this important? - It is important to be aware of the fund structure because, ***with very few exceptions, money cannot be transferred from one fund to another.*** So, for example, raising school lunch prices or Home Base tuition is not a solution to a shortfall in the general fund. Similarly, money in the debt service fund or the construction fund cannot be used to pay teacher salaries.

Table I on page 5 shows the revenue and expenditure budgets by fund for Wayzata Public Schools for 2008-09.

Quotation Summary
Regular Transportation
2008 - 2009

May 5, 2008

Route Structure	# Routes	2007 2008 Rates		# Days	Positive Connections		St. Louis Park		Osseo Bus Co *		First Student *	
		Per Day	Per Year		Per Day	Per Year	Per Day	Per Year	Per Day	Per Year	Per Day	Per Year
Long 5 hrs	34	\$263.73	\$1,542,293	172	\$319.11	\$1,866,155	271	\$1,585,451	\$255.82	\$1,496,035	\$255.82	\$1,496,035
Short 4 hrs	32	\$227.30	\$1,251,059	172	\$275.03	\$1,513,765	234	\$1,286,065	\$220.48	\$1,213,522	\$220.48	\$1,213,522
Mini 1hr	1	\$113.65	\$19,548	172	\$137.52	\$23,653	117	\$20,095	\$110.24	\$18,961	\$110.24	\$18,961
KG	18	\$54.94	\$170,094	172	\$66.48	\$205,822	66	\$205,667	\$53.29	\$164,986	\$53.29	\$164,986
Late Activity 1.5 hrs	6	\$63.98	\$57,582	150	\$77.42	\$69,678	68	\$60,876	\$62.06	\$55,854	\$62.06	\$55,854
Summer School	12	\$122.65	\$29,436	20	\$152.12	\$36,509	129	\$31,018	\$121.95	\$29,268	\$121.95	\$29,268
Grand Total			\$3,070,012			\$3,715,583		\$3,189,172		\$2,978,626		\$2,978,626
2008 2009 Increase						21.2%		3.9%		-3.00%		-3.00%
												and 2nd Bus Stop Arm Costing \$27,0
2009 2010 Increase						2.0%		CPI		CPI		Lowest of 3% or CPI
*Quotes from Osseo and First Student include absorbing approximately \$181,800 in fuel costs due to increase in fuel escalator clause from \$1.40/gal to \$2.40/gal												
*All contractors' quotes EXCEPT POSITIVE CONNECTIONS assume our facility and "net" lease												

Wayzata Bus Garage
2006 2007 Operation Expenses

05/14/08

Rent - garage - 08 09	\$90,000	(\$7,500 per month)
Rent - parking lot - 08 09	\$46,800	(\$3,900 per month)
Property Taxes - garage 08 09	\$26,700	
Maintenance	\$17,300	
Heat	\$14,900	
Snow Removal	\$9,000	
Electricity	\$6,400	
Security	\$4,700	
Trash	\$1,800	
Water	\$1,300	
Total	\$218,900	

*provided by First Student

**District pays rent and taxes totaling \$163,500

2008 2009 Budget Projections
Transportation

05/07/08

Description	Account #	2007 2008 Budget	2008 2009 Projected	\$ Increase	Comment
Deseg (WATS and cab)	03.018.760.000.714.360	\$812,000	\$1,125,000	\$313,000	\$9,200 for fuel
"Big Bus" Transportation					
Noon KG	03.018.763.000.716.360	\$201,000	\$190,000	-\$11,000	\$16,200 for fuel
Late Activity Runs	03.018.760.000.717.360	\$61,500	\$70,000	\$8,500	\$9,200 for fuel
Regular to/from Transp.	03.018.760.000.720.360	\$3,195,900	\$3,350,000	\$154,100	\$200,000 for Fuel 3% contract decrease Added 1 bus
Vo-Tec	03.018.760.000.725.360	\$12,750	\$12,800	\$50	no \$ for Fuel
Subtotal		\$3,471,150	\$3,622,800	\$151,650	\$225,400 for Fuel 3% contract decrease Added 1 big bus
Special Ed					
Special Ed Reg to/From	03.018.760.000.723.360	\$1,150,000	\$1,210,000	\$60,000	3% contract Incr.
Spec Ed Pupil Transp	03.018.760.000.724.360	\$1,000	\$1,000	\$0	
Spec Ed between schools	03.018.760.000.725.360	\$12,750	\$12,750	\$0	
Spec Ed Field Trips	03.018.760.000.727.360	\$16,000	\$16,000	\$0	
Spec Ed/Homeless/C & T (spent to date)	03.018.760.000.728.360	\$28,185	\$45,000	\$16,815	
Subtotal		\$1,207,935	\$1,284,750	\$76,815	3 % contract Incr.
All Transportation Totals		\$5,491,085	\$6,032,550	\$541,465	\$234,600 for Fuel contract rate change Added 1 bus

2008 2009 Budget Projections
Transportation

05/07/08

Non-Transportation Items	Account #	2007 2008 Budget	2008 2009 Projected	\$ Increase	Comment
Consulting Fees - Edulog	03.018.760.000.738.305	\$9,000	\$9,000	\$0	Edulog
Communication Svcs -Phone	03.018.760.000.738.320	\$600	\$600	\$0	
Postage	03.018.760.000.738.329	\$5,000	\$5,000	\$0	
Repairs/Maintenance	03.018.760.000.738.350	\$250	\$250	\$0	
Travel/Conferences	03.018.760.000.738.366	\$3,000	\$3,000	\$0	
Lease/Rental of copier/fax	03.018.760.000.738.370	\$2,000	\$2,000	\$0	
Supplies-Non Instructional	03.018.760.000.738.401	\$7,700	\$7,700	\$0	
Gas/Mileage	03.018.760.000.738.440	\$500	\$500	\$0	
Food	03.018.760.000.738.490	\$300	\$300	\$0	
Software Upgrade/GIS	03.018.760.000.738.555	\$22,100	\$22,000	-\$100	
Dues/Memberships	03.018.760.000.738.820	\$400	\$400	\$0	
Misc Expense	03.018.760.000.738.899	\$4,000	\$4,000	\$0	
Subtotal		\$54,850	\$54,750	-\$100	
Small Buses					
Driver Physicals	03.018.760.105.738.305	\$1,400	\$1,400	\$0	
Auto Insurance	03.018.760.105.738.343	\$850	\$1,600	\$750	added 1 bus
Repairs/Maintenance	03.018.760.105.738.350	\$1,500	\$1,500	\$0	
Operating Lease	03.018.760.105.738.370	\$8,454	\$9,434	\$980	new bus
Gas & Oil	03.018.760.105.738.440	\$1,000	\$3,000	\$2,000	
Subtotal		\$13,204	\$16,934	\$3,730	
Total - All Accounts		\$5,559,139	\$6,104,234	\$545,095	
Anticipated Lease Costs					
Bus Garage - Lease				\$90,000	
Bus Garage - Property Taxes				\$26,700	
Parking Lot - Lease				\$46,800	
Subtotal			\$163,500	\$163,500	
Final Projected Total		\$5,559,139	\$6,267,734	\$708,595	
Explanation of Increases				Increases:	
Deseg Budget				\$313,000	
Fuel - Big Bus				\$225,400	
Special Ed				\$76,815	
Total				\$615,215	

WAYZATA PUBLIC SCHOOLS

Independent School District 284
Wayzata, Minnesota

BOARD OF EDUCATION

Regular Meeting - June 9, 2008 - 7:30 PM
Wayzata City Hall
600 Rice Street, Wayzata

AGENDA

1. CALL TO ORDER/ROLL CALL
2. APPROVAL OF AGENDA AND CONSENT AGENDA ITEMS
Consent Agenda items are considered to be routine in nature and will be enacted by one motion. There will be no separate discussion of these items unless a Board member or citizen so requests, in which event the item will be removed as a Consent Agenda item and addressed. Consent Agenda Items are as follows:
 - A. Approval of Minutes
 1. Regular Meeting - April 14, 2008
 2. Regular Meeting - May 12, 2008
 - B. Finance and Business Recommendations
 - C. Bid Award: Pavement Replacement
 - D. Human Resource Recommendations
3. STUDENT CURRICULUM PRESENTATION
4. SESQUICENTENNIAL MOMENT
5. RECOGNITIONS
 - A. June Employee of the Month
 - B. Minnesota Association of Student Councils 2008 Administrator of the Year - Paul Paetzel
 - C. Thomas Friedman Essay Competition
 - D. Honors Mentor Connection
6. REPORTS FROM ORGANIZATIONS
This section of the agenda provides the opportunity for parent, teacher, and/or student associations/organizations to provide the School Board with reports/updates.
7. SUPERINTENDENT'S REPORTS AND RECOMMENDATIONS
 - A. Superintendent
 - B. Curriculum and Instruction
 - C. Finance and Business Services
 1. Monthly Financial Reports
 2. 2008-2009 Preliminary Budget
 - D. Human Resource Services
 1. 2008-2009 Unaffiliated Pay Structure/Handbooks
 2. Resolution Regarding Termination and Non-Renewal of Teaching Contracts
8. OTHER BOARD ACTION
 - A. Approval of the School Board Meeting Schedule for 2008-2009 School Year
9. AUDIENCE OPPORTUNITY TO ADDRESS SCHOOL BOARD
This section of the agenda provides an opportunity for those who have called and placed their names on the list and for members of the audience to address the School Board.
10. BOARD REPORTS
11. NEW BUSINESS
12. ADJOURN

WAYZATA PUBLIC SCHOOLS

Independent School District 284
Wayzata, Minnesota

BOARD OF EDUCATION

Work Session – May 19, 2008

AGENDA SECTION: 8. **ADJOURN**

ITEM: _____

COMMENTS BY: Board Chair Moroz

If there is no additional business before the School Board, the Chair will adjourn the meeting.