

Finance Committee Meeting

Tuesday, January 17, 2023 4:30 PM

Board Assembly Room, 1250 West Broadway Avenue, Minneapolis, Minnesota 55411

1) **Call to Order and Roll Call**

2) **Adoption of Agenda**

3) **Approval of Minutes**

3)a. November 29, 2022 Minutes

4) **Reports and Discussion**

4)a. Financial Statements

4)a.1. November 2022 Statements

4)a.2. Popular Annual Financial Report (PAFR)

4)b. Budget Updates

4)b.1. Achievement and Integration Budget

4)b.2. 2023-24 Board Budget Priorities
Resolution Discussion

5) **Adjournment**

**OFFICIAL MINUTES
MINNEAPOLIS BOARD OF EDUCATION**

**FINANCE COMMITTEE MEETING
NOVEMBER 29, 2022**

CALL TO ORDER AND ROLL CALL

Committee Chair Kimberly Caprini called the meeting to order at 5:02 p.m., a quorum being present.

Present: Directors Jenny Arneson, Sharon El-Amin, Siad Ali, Kim Ellison, Kimberly Caprini (5)

APPROVAL OF AGENDA

El-Amin moved to approve the agenda.

On a voice vote, the motion was adopted unanimously.

ACCEPTANCE OF MINUTES

El-Amin moved to approve the minutes from the October 18, 2022 meeting.

On a voice vote, the motion was adopted unanimously.

REPORTS AND DISCUSSION

Financial Statements: October 2022

Staff presented the financial statements from October 2022.

Audit Update

Staff shared that the external audit is nearly complete and will be presented to the board at its December 13, 2022, regular business meeting.

Student Activity Accounts Update for FY22

Staff provided an update on the student activity accounts will now be reported annually to the finance committee by school. This report is posted on the meeting agenda.

Bond Sale and Ratings Update

Staff provided an update that the recently awarded bond sales are nearly finalized.

Pro Forma Presentation

Staff provided a presentation on the on the budget pro forma financial projection memo, which will also be presented to the board at its December 13, 2022, regular business meeting.

Budget Timeline

Staff shared the current 2022-2023 school year budget development timeline.

NEW BUSINESS

Certification of Final Property Tax Levies 2022 Payable 2023 (2022-0070)

Arneson moved to refer the resolution certifying the final property tax levies 2022 payable 2023 (2022-0070) to the full board with the committee's recommendation.

On a voice vote, the motion was adopted unanimously.

Budget Amendment (2022-0071)

Ali moved to refer the budget resolution (2022-0071) to the full board with the committee's recommendation.

On a voice vote, the motion was adopted unanimously.

ADJOURNMENT

Without objection, Chair Caprini adjourned the meeting at 6:20 p.m.

Minutes submitted by Ryan Strack, Assistant to the Superintendent and Board.

Meeting materials: <https://meetings.boardbook.org/Meeting/Agenda/558829>

Monthly Financial Report November 30, 2022

Unaudited Monthly Financial Report

Prepared By: Finance Division

Prepared For: Finance Committee

www.mpls.k12.mn.us

John B. Davis Education and Service Center | 1250 W. Broadway Ave. Minneapolis, MN 55411

Table of Contents

Monthly Financial Packet Title Page.....Page 1

Table of Contents Page 2

Monthly Finance Highlights.....Page 3

Revenue and Expenditure Summary..... Page 4

Statement of Revenues, Expenditures, and Changes in Fund Balance (General Fund) Page 5

General Fund Balance Sheet and Fund Balance Analysis..... Page 6

Cash Position and MSDLAF Fair Market Value..... Page 7

Grant Awards and Expenditures..... Page 8

Budget and Actual Expenditures for KBEM & Board..... Page 9

Other Governmental Funds (Non-General Fund) Finance Statements..... Pages 10 & 11

Capital Project Budget Spend Report.....Pages 12 & 13

Monthly Finance Highlights

Fund Balances:

The fund balance of the General Fund on November 30, 2022 was \$96,035,625 of which \$52,706,250 is estimated to be unassigned. District policy dictates that the unassigned portion of General Fund balance be at least 8.0%. The District ended the month of November with an unassigned General Fund balance of 8.20%. Due to the timing of recording revenues & expenditures, fund balance fluctuates throughout the year.

Ending Fund Balance for Operating Funds Month Ended November 30, 2022

	<u>General</u>	<u>Food Service</u>	<u>Community Service</u>
Month \$ Ending balance	\$96,035,625	(\$3,897,490)	\$6,266,819

Revenues:

General Fund revenue during the month of November was \$19,577,997. Year to date General Fund revenue as of October 31, 2022 was \$151,827,001 (24.46 percent of budgeted revenue). Revenue activity in other funds are stated below:

Revenue Highlights for Operating Funds As of November 30, 2022

	<u>General</u>	<u>Food Service</u>	<u>Community Service</u>
YTD Actuals	\$151,827,001	\$3,113,922	\$12,188,603
% of Budget	23.65%	16.46%	32.97%
Past three months of activity			
Period: September 22	\$23,210,599	\$127,536	\$4,033,535
Period: October 22	\$47,501,953	\$705,489	\$2,556,345
Period: November 22	\$19,577,997	\$1,889,795	\$2,786,082

Expenditures:

Year to date General Fund expenditures during the month of November was \$51,236,773 while YTD expenditures totaled \$200,745,602 (YTD actuals as a % of budget totaled 31.01%). Revenue activity in other funds are stated below:

Expenditures Highlights for Operating Funds As of November 30, 2022

	<u>General</u>	<u>Food Service</u>	<u>Community Service</u>
YTD Actuals	\$200,745,602	\$8,396,666	\$11,094,152
% of Budget	30.01%	40.73%	29.04%
Past three months of activity			
Period: September 22	\$44,774,956	\$1,613,550	\$2,220,948
Period: October 22	\$54,437,998	\$2,318,071	\$2,371,076
Period: November 22	\$51,236,773	\$2,274,798	\$2,472,475

**Minneapolis Public Schools
Special School District No. 1
Revenue and Expenditure Summary
Month Ended November 30, 2022**

Revenue Summary

Fund	Budget	YTD Actuals	YTD as % of Budget
General Fund			
Local Sources	132,447,682	68,133,158	51.4%
State Sources	356,113,390	77,499,968	21.8%
Federal Sources	150,918,988	6,116,962	4.1%
Other	2,615,221	76,915	2.9%
Total	642,095,281	151,827,001	23.6%
Operating Funds			
Food Service Fund	18,915,000	3,113,922	16.5%
Community Service Fund	36,968,019	12,188,603	33.0%
Non-Operating Funds			
Building Construction Fund*	76,198,898	3,302,831	4.3%
Debt Service Fund*	91,134,710	51,084,151	56.1%
Total All Funds	865,311,908	221,516,508	25.6%

*For the purposes of this report, other financing sources are reported as revenue

Expenditure Summary

Fund	Budget	YTD Actuals	YTD as % of Budget
General Fund			
Salaries	371,751,040	122,237,019	32.9%
Benefits	131,839,499	34,649,621	26.3%
Purchased Services	132,458,563	31,167,950	23.5%
Supplies & Materials	25,778,046	11,624,213	45.1%
Capital Expenditures	149,867	326,412	217.8%
Other Expenses	6,886,133	740,387	10.8%
Total	668,863,148	200,745,602	30.0%
Operating Funds			
Food Service Fund	20,615,000	8,396,666	40.7%
Community Service Fund	38,209,401	11,094,152	29.0%
Non-Operating Funds			
Building Construction Fund	142,000,000	37,912,761	26.7%
Debt Service Fund*	91,134,710	16,691,433	18.3%
Total All Funds	960,822,259	274,840,614	28.6%

*For the purposes of this report, other financing uses are included in expenditures.

Minneapolis Public Schools
Special School District No. 1
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Month Ended November 30, 2022

	FY2023		YTD Actual Amounts	YTD Utilized vs Budget %
	Original	Amended		
Revenues				
Local sources				
Property taxes	132,447,682	132,447,682	64,080,621	48.4%
Earnings on investments	2,000,000	2,000,000	674,569	33.7%
Other local and county revenues	615,221	615,221	3,377,968	549.1%
Revenue from state sources	356,113,390	356,113,390	77,499,968	21.8%
Revenue from federal sources	133,200,000	150,918,988	6,116,962	4.1%
Sale and other conversion of assets	-	-	76,915	0.0%
Total Revenues	624,376,293	642,095,281	151,827,001	-
Expenditures				
Current				
Administration	38,424,376	38,424,376	6,503,080	16.9%
District support services	40,867,824	40,867,824	19,041,763	46.6%
Elementary and secondary regular	262,209,871	262,209,871	82,470,146	31.5%
Vocational education instruction	5,331,978	5,331,978	1,621,613	30.4%
Special education instruction	129,886,874	129,886,874	35,597,933	27.4%
Community education and services	135,116	135,116		
Instructional support services	41,385,340	41,385,340	13,042,946	31.5%
Pupil support services	83,101,466	109,205,466	26,423,343	24.2%
Sites and buildings	39,871,436	39,871,436	14,320,662	35.9%
Fiscal and other fixed cost programs	1,395,000	1,395,000	1,397,702	100.2%
Capital Outlay				
Administration	-	-	(1,499)	0.0%
District support services	2,000	2,000	-	0.0%
Elementary and secondary regular	1,000	1,000	101,355	10135.5%
Vocational education instruction	-	-	-	0.0%
Special education instruction	-	-	6,828	0.0%
Instructional support services	6,316	6,316	48,819	772.9%
Pupil support services	-	-	-	0.0%
Sites and buildings	140,551	140,551	170,908	121.6%
Total Expenditures	642,759,148	668,863,148	200,745,602	-
Excess of Revenues Over (Under) Expenditures	(18,382,855)	(26,767,867)	(48,918,600)	-
Other Financing Sources				
Lease financing	-	-	-	0.0%
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(18,382,855)	(26,767,867)	(48,918,600)	-
Fund Balances				
June 30, 2022			144,954,225	
November 30, 2022			96,035,625	

Minneapolis Public Schools
Special School District No. 1
General Fund
Month Ended November 30, 2022

Balance Sheet

Assets

Cash and investments	156,652,508
Cash and investments held by trustee	-
Due from food service fund (negative cash)	4,681,328
Receivables	
Current property taxes receivable	65,216,633
Delinquent property taxes receivable	867,727
Due from other Minnesota school districts	29,357
Due from the Minnesota Department of Education	2,165,827
Due from the federal government through MDE	4,353,106
Due from the federal government directly	25,240
Due from other governmental units	1,651,521
Other receivables	905,645
Prepaid items	5,169,676
Inventory	124,920
Total assets	241,843,487

Liabilities

Salaries and compensated absences payable	17,152,069
Payroll deductions and contributions payable	7,812,995
Accounts and contracts payable	6,157,480
Due to other governmental units	0
Unearned revenue	7,753
Total liabilities	31,130,297

Deferred Inflows of Resources

Property taxes levied for subsequent expenditures	113,606,563
Unavailable revenue - delinquent property taxes	867,727
Deferred Inflow - lease revenue	203,276
Total deferred inflows of resources	114,677,566

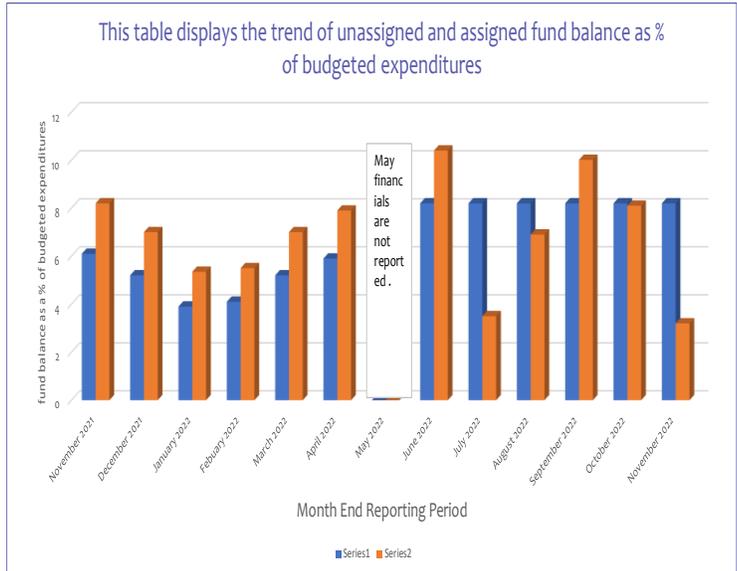
Fund Balances

Nonspendable	5,294,596
Restricted	17,675,074
Assigned & fluctuations of revenue during the year	18,219,176
Unassigned	54,846,778
Total fund balances	96,035,625

Total liabilities, deferred inflows of resources, and fund balances	241,843,487
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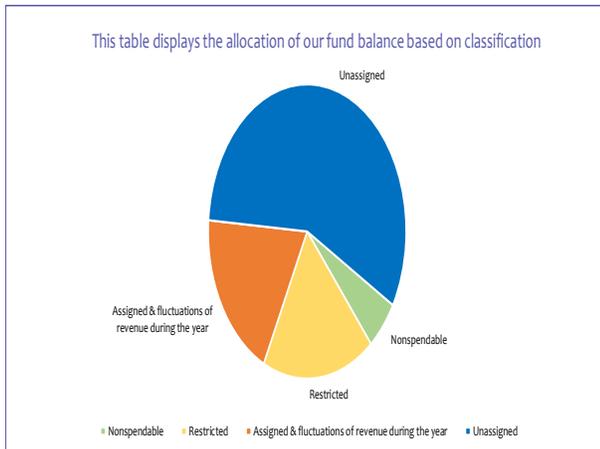
Cash and investments are net of salaries & compensated wages payable

Fund Balance Analysis



District policy dictates that the unassigned portion of General Fund balance be at least 8.0% of budgeted expenditures.

The District ended the month with an unassigned General Fund balance of 8.2%



Nonspendable – assets that are inherently nonspendable (inventory and prepaid expenditures).

Restricted – amounts that are subject to externally enforceable legal purpose restrictions.

Assigned – amounts that are subject to a purpose constraint that represents an intended use established by The District

Unassigned – represents the residual classification for the government's general fund

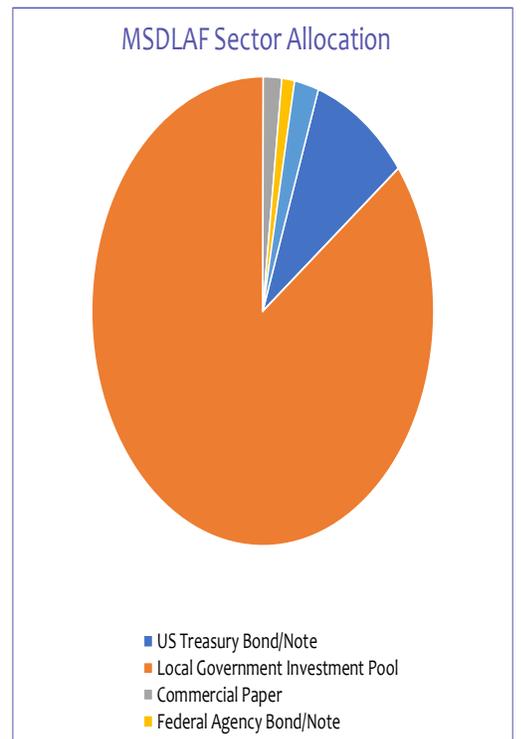
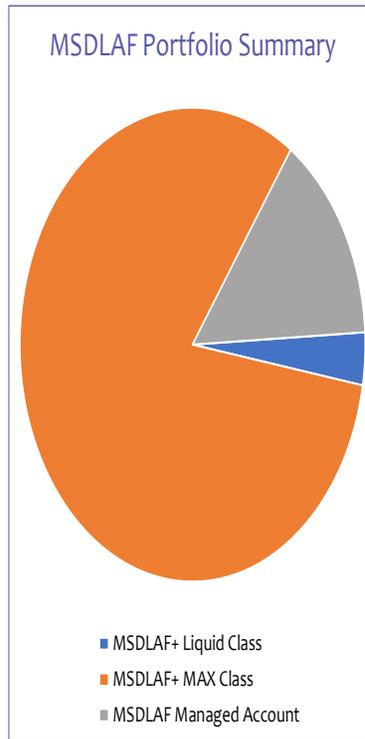
A As displayed in the bar graph above, the District receives revenue throughout the year unevenly causing the fund balance bar graph to show a U shaped curve. The District receives most of their funds during the first third and end of the school year. Due to uneven revenue collection during the year, the District must set aside funding for the periods to remain in operations. This additional reconciling item is being displayed as "fluctuations of revenue during the year" as part of assigned. Assigned fund balance is fully reconciled during the course of the annual audit process at June year end.

Minneapolis Public Schools
Special School District No. 1
Cash Position & Minnesota School District Liquid Asset Fund Investment Fair Market Values
Month Ended November 30, 2022

Investment Accounts*	2022 November
MSDLAF	
General Investments	63,999,466
General	105,383,996
Payroll	161,946
2015D COP's	2,855,722
2016A GO Bonds	2,220,459
2016B GO Bonds (LTFM)	7,507,895
2016C COP's	6,740,148
2017A GO Bonds	10,393,627
2017B GO Bonds (LTFM)	18,935,157
2017C COP's	12,469,155
2018A GO Bonds	10,570,740
2018B GO Bonds (LTFM)	19,565,530
2019A GO Bonds	25,101,894
2019B GO Bonds (LTFM)	20,117,797
2019C COP's	3,015,773
2020B GO Bonds	41,187,240
2020C GO Bonds (LTFM)	18,921,034
2021B GO Bonds	36,992,847
2021C GO Bonds (LTFM)	31,633,303
2021D Bond Refunding	100,972
2022A GO Bonds	330,526.77
2022B GO Bonds (LTFM)	290,462.92
2022C Bond Refunding	661,054.18
Total Fair Market Value	439,156,747
Non MSDLAF Accounts*	
US Bank	86,083,588
Wells Fargo	480,489
Cash with Fiscal Agents	31,482,150
Student Activity Accounts	585,202
Total Non MSDLAF	118,631,428
Total Cash & Investments	557,788,176

Month End Governmental Funds Cash and Investments					
	Operating Funds			Non-Operating Funds	
	General	Food Service	Community Service	Building Construction (A)	Debt Service
Balances	\$156,652,508	\$0	\$8,168,952	\$220,653,440	\$122,330,008

(A) A significant portion of The District's Cash and Investment is in the building construction fund. This funding must be spent on capital projects.



*Note 1: These amounts represent cash balances and do not take into account pending transactions (outstanding checks, deposits in transit, etc.).

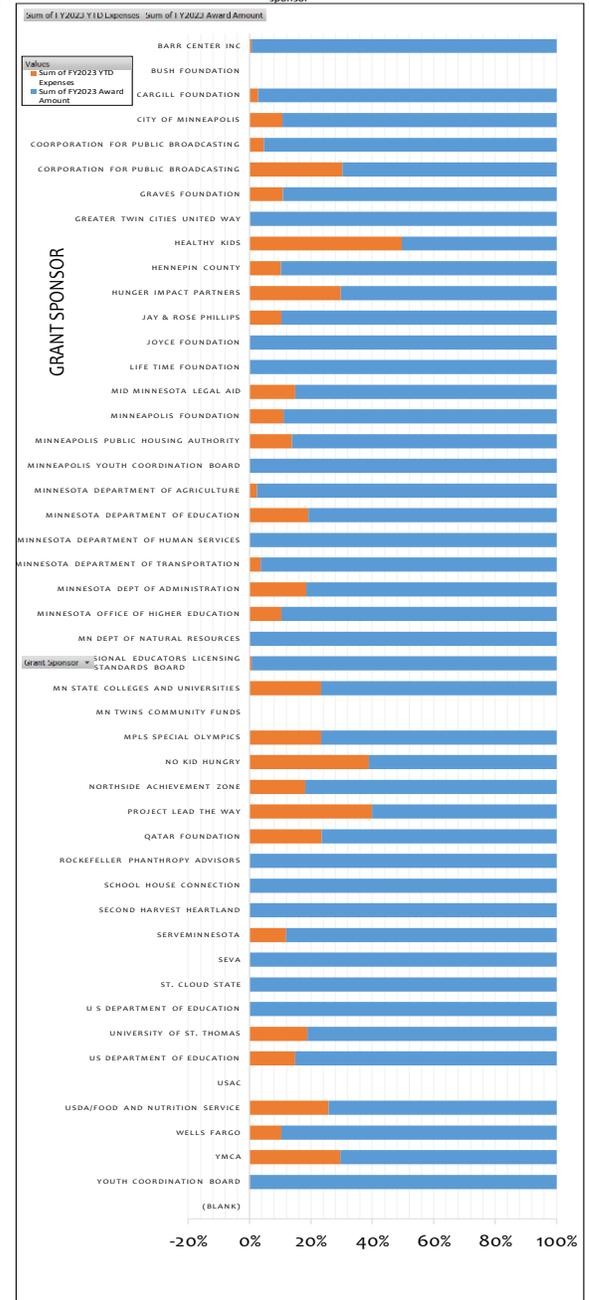
*Note 2: Cash & Investments balances for non-governmental funds may also be displayed above, however aren't included in cash on hand table.

*Note 3: All investments held at the Minnesota School District Liquid Asset Fund adhere to MPS investment Policy 3296 & 3296A, as well as state & federal guidelines.

**Minneapolis Public Schools
Special School District No. 1
Grant Awards and Expenditures
Month Ended November 30, 2022**

Grant	School year 2023 Budgeted \$	School year 2023 Actual \$
2014 Twin City Dunkers - Edison	10,000	0
2014 Twin City Dunkers - Henry	10,000	0
2014 Twin City Dunkers - North	10,000	5,950
2014 Twin City Dunkers - Roosevelt	10,000	2,496
2014 Twin City Dunkers - South	10,000	1,840
2014 Twin City Dunkers - SWHS	20,000	10,546
2014 Twin City Dunkers - Washburn	10,000	0
2018 Henry Phillips Grant	101,518	13,224
2018 Olson Phillips Grant	38,001	2,808
21st Century Cohort VII 2020/2021	595,999	208,428
ABE Wells Fargo CED	175,500	15,523
American Rescue Plan Act	22,948	1,139
Americorps 20-21	476,598	64,173
Arabic Pathway	38,038	11,684
ARP Homeless Children	365,795	78,521
ARP IDEA preschool	159,145	2,813
ARP w/ Disabilities	1,634,421	157,047
Arts AcceratED	(1)	(1)
Arts and Cultural Heritage Fund (ACHF)	94,639	19,749
AVD Cargill	4,892	7,828
AYP SUPPORT GRANT	1,726,259	517,108
BARR- Henry	17,459	0
BARR- South	18,362	246
Beacons 21st 2020-2021	340,145	142,531
Building Peaceful Schools	271,245	2,333
Cargill GEMS/GISE	338,939	8,980
Cargill Stem	260,389	5
Citizenship grant	40,133	7,027
Community Success Network	393,819	133,158
CSLD Births	177,869	48,702
CSLD Grade 6-12	800,149	180,626
CSLD K to 5th grade	480,898	206,833
Driving Academic Achievement at NSJ	160,003	39,795
Early Childhood - TI	602,683	133,476
Edison Wrestling Mat	7,525	0
Education Leads Home	2,500	0
EHA Title VI-B Fede	6,928,778	2,175,468
ESSER COMM ED	0	0
ESSER Funds	284,898	117,273
ESSER II	7,925,229	1,289,797
ESSER II COMM ED	369,246	49,692
ESSER II Summer School	1,193,993	932,312
ESSER III	59,810,721	11,400,920
FALL YMAP	50,000	0
Farm to School	3,653	1,267
FED ABE	627,940	139,388
FR - Operations Grant	205,009	0
GEAR LIP II	2,171,956	317,023
GEER Funds	45,183	35,413
GET Ready Counselors	135,000	15,607
Governor's ARP Summer Academics and mental health	997,951	1,000,516
Healthy Kids MN	13,799	13,799
Henry Wrestling Mats	6,257	7,089
Homework Starts at home	116,861	45,921
Human Capital In RIS	125,984	0
IEL/Civics	103,340	24,163
Indian Ed - Formula	370,324	0
KBEM Services and Equipment	54,285	14,057
LSTA	0	1,099
Maltreatment reduction	0	0
McKinney Vento	85,000	31,639
MDE Grow Your Own Adult Pathway	287,773	106,631
MDE Grow Your Own Secondary Pathway	215,689	50,985
MN COVID-19 testing	0	0
MPS Early Learning Scholarships for High Five & Three	1,337,752	361,520
MPS Gear Up	0	(1,896)
MPS Success for the Future	598,076	92,103
Part H - PL89-313	227,320	69,254
Patrick Henry NAZ Grant	150,004	28,568
Phy Ed Equipment	10,000	9,867
Preschool Screening	0	0
School Aged Childcare	391,110	0
School Safety Field	151,351	0
School Safety Folwell	0	0
School Safety Page	0	0
Ship Safe Routes to School	0	0
South Green partners	11,575	5,402
Sp Ed - LCTS -	1,341	0
State Personnel Dev Grant	70,935	0
Strengthen ABE programming	50,000	0
Summer Preschool Fund	100,951	13,448
Sustainable School Improvement	639,769	347,453
Teacher Pathway Program	75,000	0
Teacher Pathway Program	21,379	2,603
TITLE I High 5	4,906,893	1,422,409
TITLE IA BASIC	24,158,168	6,119,556
TITLE ID BASIC	118,779	53,844
TITLE IIA	3,026,443	660,451
TITLE III	889,928	306,573
Title IV	1,451,913	264,598
Twin City Dunkers- Athletics	20,500	10,500
Twins funding	0	0
Urban Innovations	20,000	6,057
Vocational Ed - Perk	782,123	189,353
Wellstone Learning	0	0
Winter YMAP	75,000	(1)
(blank)	0	0
Stable Homes Stable Schools	196,334	31,407
Part C ARP	258,337	0
Teacher Mentorship & Retention of Effective Teachers	653,999	4,366
Heritage Project Lead the Way	20,000	13,318
Teacher Quality Project Grant	152,503	35,385
Little Eye Big Eye project	49,995	0
Ship Community Well Being	18,020	2,633
ESSER III COMM ED	4,176,394	780,591
ESSER III Learning Recovery COMM ED	246,562	780,591
Beacons Ignite Afterschool	0	0
No Kid Hungry	10,000	6,366
Student Wellness	43,000	18,141
Increasing capacity at MPS Education Farm	43,724	1,061
Safe Routes to School	50,000	1,839
Let's Get Kids Moving	59,184	0
Fall 2022 Second Harvest	50,000	0
ESSER III Learning Recovery	9,016,443	2,519,978
DHS Refugee Family	100,000	0
Vocational Life Skills	218,513	0
Non-Exclusionary Discipline training and support	149,040	0
Emergency Connectivity fund	0	0
Roosevelt Health Careers	4,262	1,297
MDE Grow Your Own Secondary Pathway II	161,873	30,532
MDE Grow Your Own Concurrent Enrollment	100,000	8,778
Bryn Mawr Snowshoes	24,980	0
Confucius Grant	7,143	0
CPB Community Service Grant	94,592	41,055
South Gym Dividers	10,000	0
Andersen Gym	300,000	0
North Gymnastics Equipment	9,875	0
Henry Ice Machines	3,975	0
North Shot Clock	5,960	0
Southwest Ice Machine	3,975	0
Washburn Ice Machine	3,975	0
Henry Pajamas	50,000	70
Lyndale Artist Residency Grant	8,000	0
Reimagine Education_Cc Internship	75,000	0
COVID Testing Grant	750,000	0
Grand Total	47,620,861	34,035,719

The following table displays grant utilization for this fiscal year compared to this fiscal year's award sorted by grant sponsor

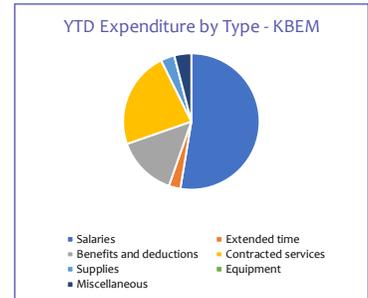


One-time COVID funds (ESSER)

The MPS ESSER III plan was shaped by feedback from the MPS American Rescue Plan Stakeholder Committee (including staff members, union representatives, students and families, and community partners), American Indian tribal consultation, an online submission form, and direct input from individuals and organizations. To support school districts with unexpected costs from the COVID-19 pandemic, federal and state governments began offering one-time funding to school districts. This money is being provided to address academic achievement, supplement technology expenses, ensure clean and healthy learning environments, invest in comprehensive support for students and school communities, and to stabilize and diversify the educator workforce. To Learn more about ESSER III relief funds please visit https://financeandbudget.mpls.k12.mn.us/one-time_covid_funds

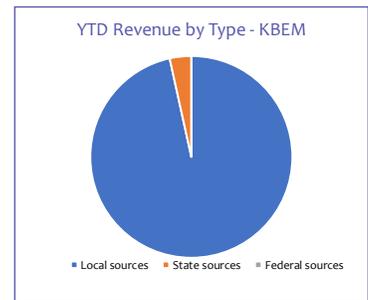
**Minneapolis Public Schools
Special School District No. 1
Budget and Actual Expenditures - KBEM
Month Ended November 30, 2022**

	FY2023 Budget	YTD Actual Amounts	YTD Utilized vs Budget %
Salaries	725,761	235,515	32.5%
Extended time	30,227	12,304	40.7%
Benefits and deductions	270,081	64,119	23.7%
Contracted services	320,740	103,211	32.2%
Supplies	147,204	14,631	9.9%
Equipment	-	-	0.0%
Miscellaneous	18,468	18,015	97.5%
Total	1,512,481	447,795	29.6%



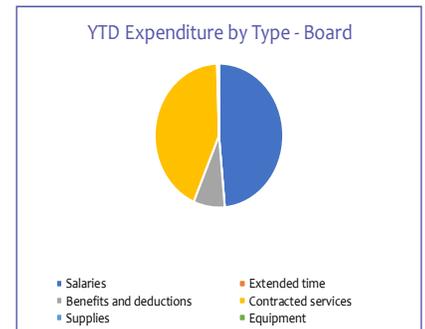
**Revenue Breakdown - KBEM
Month Ended November 30, 2022**

	YTD Actual Amounts
Local sources	386,112
State sources	13,792
Federal sources	-
YTD Revenue Received	399,904



**Minneapolis Public Schools
Special School District No. 1
Budget and Actual Expenditures - Board of Education
Month Ended November 30, 2022**

	FY2023 Budget	YTD Actual Amounts	YTD Utilized vs Budget %
Salaries	381,061	197,552	51.8%
Extended time	-	-	0.0%
Benefits and deductions	107,422	32,178	30.0%
Contracted services	322,524	175,270	54.3%
Supplies	29,416	1,921	6.5%
Equipment	-	-	0.0%
Miscellaneous	74,460	-	0.0%
Total	914,883	406,921	44.5%



Minneapolis Public Schools
Special School District No. 1
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds (Non - General Fund)
Month Ended November 30, 2022

The activity represented below is for the current fiscal year

	<u>Operating Funds</u>		<u>Non-Operating Funds</u>	
	<u>Food Service</u>	<u>Community Service</u>	<u>Building Construction</u>	<u>Debt Service</u>
Revenues				
Local sources	152,359	6,286,860	2,902,831	42,629,632
Revenue from state sources	86,822	5,034,739	-	8,454,520
Revenue from federal sources	2,191,621	867,004	-	-
Other Revenue	683,120	-	400,000	-
Total Revenues	3,113,922	12,188,603	3,302,831	51,084,151
Expenditures				
Current	8,243,276	11,094,152	14,764,413	-
Capital Outlay	153,390	-	23,148,348	-
Debt Service	-	-	-	16,691,433
Total Expenditures	8,396,666	11,094,152	37,912,761	16,691,433
Excess of Revenues Over (Under) Expenditures	(5,282,744)	1,094,451	(34,609,930)	34,392,718
Other Financing Sources				
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(5,282,744)	1,094,451	(34,609,930)	34,392,718
Fund Balances				
June 30, 2022	1,385,254	5,172,368	249,711,991	40,197,037
November 30, 2022	(3,897,490)	6,266,819	215,102,061	74,589,755

Minneapolis Public Schools
Special School District No. 1
Balance Sheet - Governmental Funds (Non - General Fund)
Month Ended November 30, 2022

The activity represented below is a snapshot as of month end

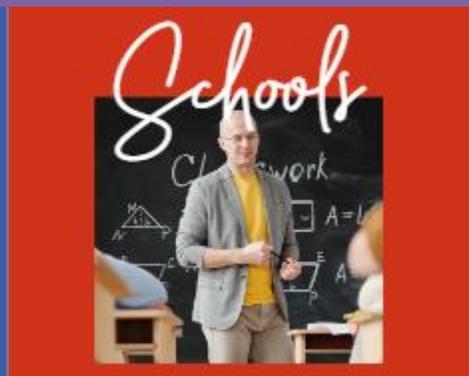
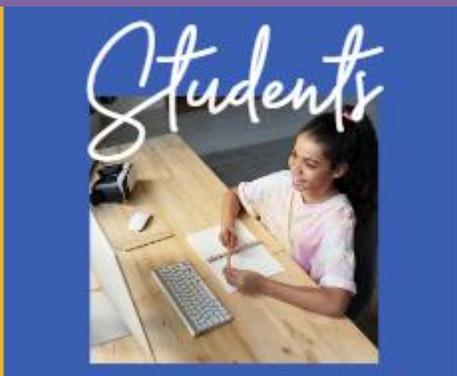
	Operating Funds		Non-Operating Funds	
	Food Service	Community Service	Building Construction	Debt Service
Assets				
Cash and investments	-	8,168,952	220,653,440	122,330,008
Receivables	20,777	3,851,380	-	44,595,311
Prepaid items	-	-	681,551	-
Inventory	1,505,952	-	-	-
Total assets	1,526,729	12,020,332	221,334,990	166,925,320
Liabilities				
Due to general fund (negative cash)	4,681,328	-	-	-
Salaries and benefits payable	-	1,940	-	-
Accounts, contracts, and DTOG payable	557,905	174,857	5,612,931	-
Unearned revenue	184,988	110	620,000	660,000
Total liabilities	5,424,221	176,907	6,232,931	660,000
Deferred Inflows of Resources				
Total deferred inflows of resources	-	5,576,608	-	91,675,566
Fund Balances				
Nonspendable	1,505,952	-	681,551	-
Restricted	(5,403,442)	6,266,819	214,420,510	74,589,755
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	(3,897,490)	6,266,819	215,102,061	74,589,755
Total liabilities, deferred inflows of resources, and fund balances	1,526,729	12,020,332	221,334,990	166,925,319

Minneapolis Public Schools
Special School District No. 1
Capital Project Budget Spend Report
Month Ended November 30, 2022

CAPITAL BUDGET								
								
Andersen	YTD as % of Budget							
	FY2023			Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Remaining budget
Budget	Actual	Encumbrance						
LTFM	\$5,984,001.00	\$1,055,024.81	\$163,896.48	\$1,968,551.48	\$39,667.10	\$0.00	\$0.00	\$2,756,861.13
GO	\$6,375,998.00	\$288,585.08	\$46,699.66	\$1,219,797.96	\$105,380.00	\$0.00	\$0.00	\$4,715,535.30
Total	\$12,359,999.00	\$1,343,609.89	\$210,596.14	\$3,188,349.44	\$145,047.10	\$0.00	\$0.00	\$7,472,396.43
Anthron								
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	
CC2300_LTFM (4192,418B, 4016)	\$2,573,308.00	\$11,184.13	\$0.00	\$157,241.85	\$16,479.43	\$66,996.00	\$0.00	\$2,321,406.59
CC2300_GOB (4191)	\$2,046,000.00	\$4,538.71	\$2.44	\$206,934.88	\$0.00	\$0.00	\$0.00	\$1,834,523.97
Total	\$4,619,308.00	\$15,722.84	\$2.44	\$364,176.73	\$16,479.43	\$66,996.00	\$0.00	\$4,155,930.56
Carlson CC2217								
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance
CC2217_LTFM (418B)	\$575,002.00	(\$19,239.22)	\$4,746.87	\$449,405.42	\$0.00	\$0.00	\$0.00	\$140,088.93
CC2217_GO (418A)	\$1,748,657.00	\$159,748.29	\$9,586.21	\$50,461.28	\$0.00	\$0.00	\$0.00	\$1,528,861.22
Total	\$2,323,659.00	\$140,509.07	\$14,333.08	\$499,866.70	\$0.00	\$0.00	\$0.00	\$1,668,950.15
Bethune CC2107								
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	
CC2107_LTFM (4016, 4213, 417B)	\$3,547,807.00	(\$113,013.81)	\$0.00	\$799,594.32	\$0.00	\$0.00	\$0.00	\$2,861,226.49
CC2107_GO (4201)	\$373,450.00	\$0.00	\$0.00	\$127,000.00	\$0.00	\$0.00	\$0.00	\$246,450.00
CC2107_COP (417C, 4193)	\$3,425,839.00	\$119,078.80	\$80,875.14	\$916,135.06	\$141,348.86	\$0.00	\$0.00	\$2,168,401.14
Total	\$7,347,096.00	\$6,044.99	\$80,875.14	\$1,842,729.38	\$141,348.86	\$0.00	\$0.00	\$5,276,077.43
Surroughs CC2210								
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance
CC2110_LTFM (4192,417B)	\$3,101,759.00	\$0.00	\$47,695.93	\$159,504.07	\$0.00	\$0.00	\$0.00	\$2,894,559.00
CC2110_GO (4191)	\$485,137.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$485,137.00
Total	\$3,586,896.00	\$0.00	\$47,695.93	\$159,504.07	\$0.00	\$0.00	\$0.00	\$3,379,696.00
Field CC2218								
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance
CC2218_LTFM (4192,417B)	\$3,172,729.00	\$22,863.20	\$23,285.00	\$209,374.85	\$0.00	\$0.00	\$0.00	\$2,917,206.95
CC2218_GO (4191)	\$2,933,413.00	\$4,262.43	\$46,971.56	\$95,031.01	\$0.00	\$0.00	\$0.00	\$2,787,148.00
Total	\$6,106,142.00	\$27,125.63	\$70,256.56	\$304,405.86	\$0.00	\$0.00	\$0.00	\$5,704,353.95
Hale CC2123								
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance
CC2123_LTFM (4202,4016,418B,4213)	\$1,459,955.00	(\$38,709.88)	\$0.00	\$708,552.66	\$43,228.64	\$0.00	\$0.00	\$746,883.58
CC2123_GO (418A,4212)	\$1,040,000.00	\$12,126.16	\$17,406.43	\$179,969.27	\$42,682.65	\$0.00	\$0.00	\$787,815.49
Total	\$2,499,955.00	(\$26,583.72)	\$17,406.43	\$888,521.93	\$85,911.29	\$0.00	\$0.00	\$1,534,699.07
Hall CC2287								
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance
CC2287_LTFM (4213)	\$534,000.00	\$22,159.63	\$8,541.25	\$132,091.41	\$0.00	\$0.00	\$0.00	\$371,207.71
CC2287_GO (4212)	\$1,120,350.00	\$19,828.53	\$5,300.99	\$349,681.88	\$0.00	\$0.00	\$0.00	\$745,538.60
Total	\$1,654,350.00	\$41,988.16	\$13,842.24	\$481,773.29	\$0.00	\$0.00	\$0.00	\$1,116,746.31
Jefferson CC2179								
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance
CC2179_LTFM (4016)	\$829,227.00	\$0.00	\$0.00	\$5,783.90	\$0.00	\$0.00	\$0.00	\$823,443.10
CC2179_GO (4212)	\$685,601.00	\$52,504.07	\$131,495.93	\$0.00	\$0.00	\$0.00	\$0.00	\$501,601.00
CC2179_COP (4006)	\$1,083,611.00	\$5,691.00	\$7,300.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,070,620.00
Total	\$2,598,439.00	\$58,195.07	\$138,795.93	\$5,783.90	\$0.00	\$0.00	\$0.00	\$2,395,664.10

	2020	2021	2022	2023	2024	2025	2026	2027	2028
Kenny CC2135									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2135_LTFM (418B, 417B, 4016)	\$2,948,096.00	\$0.00	\$4,540.96	\$106,199.10	\$463,713.93	\$307,266.00	\$41,167.30	\$2,025,208.71	
CC2135_COP (417C)	\$2,206,668.00	\$0.00	\$0.00	\$130,786.45	\$385,176.03	\$258,830.51	\$35,644.33	\$1,396,230.68	
Total	\$5,154,764.00	\$0.00	\$4,540.96	\$236,985.55	\$848,889.96	\$566,096.51	\$76,811.63	\$3,421,439.39	
LaKe Harriet Upper CC2219									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2219_LTFM (418B)	\$753,073.00	\$12,981.11	\$61,741.81	\$341,635.37	\$3,573.04	\$0.00	\$0.00	\$333,141.67	
CC2219_GO (418A)	\$1,240,000.00	\$8,692.01	\$102,737.14	\$607,010.04	\$5,884.46	\$0.00	\$0.00	\$515,676.35	
Total	\$1,993,073.00	\$21,673.12	\$164,478.95	\$948,645.41	\$9,457.50	\$0.00	\$0.00	\$848,818.02	
Lyndale CC2144									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2144_LTFM (417B, 418B, 4192, 4202, 421)	\$11,411,880.00	(\$228,901.25)	\$1,532,154.21	\$563,036.64	\$1,916,778.45	\$368,549.93	\$0.00	\$7,260,262.02	
CC2144_GO (418B, 4191)	\$875,000.00	\$0.00	\$0.00	(\$2,659.83)	\$4,364.12	\$0.00	\$0.00	\$873,295.71	
CC2144_COP (417C)	\$3,371,529.00	\$88,782.84	\$44.42	(\$91,318.54)	\$1,324,251.70	\$256,778.32	\$0.00	\$1,792,990.26	
Total	\$15,658,409.00	(\$140,118.41)	\$1,532,198.63	\$469,058.27	\$3,245,394.27	\$625,328.25	\$0.00	\$9,926,547.99	
Northeast CC2316									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2316_LTFM (418B, 417B)	\$2,295,581.00	\$0.00	\$323.51	\$75,634.18	\$1,600,702.93	\$0.00	\$0.00	\$618,920.38	
CC2316_GO (4191, 418A, 4201)	\$1,087,498.00	\$39,672.68	\$9,965.71	\$10,566.01	\$352,795.56	\$0.00	\$0.00	\$674,498.04	
Total	\$3,383,079.00	\$39,672.68	\$10,289.22	\$86,200.19	\$1,953,498.49	\$0.00	\$0.00	\$1,293,418.42	
North CC2375									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2375_LTFM (418B, 417B)	\$2,222,089.00	\$269,852.55	\$0.00	\$32,368.26	\$0.00	\$0.00	\$0.00	\$1,919,868.19	
CC2375_GO (4201, 4212)	\$40,187,019.00	\$1,973,551.75	\$1,522,853.89	\$3,197,353.39	\$138,525.05	\$0.00	\$0.00	\$33,354,734.52	
CC2375_COP (4193)	\$1,058,961.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,058,961.00	
Total	\$43,468,069.00	\$2,243,404.30	\$1,522,853.89	\$3,229,721.65	\$138,525.05	\$0.00	\$0.00	\$36,333,564.71	
Olson Cc2318									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2318_LTFM (418B)	\$29,456.00	\$48.75	\$265.93	\$9,900.14	\$4,180.44	\$0.00	\$0.00	\$15,060.74	
CC2318_GO (418A, 4191, 4201)	\$2,330,723.00	(\$32,156.09)	\$21,008.60	\$747,023.20	\$268,352.11	\$0.00	\$0.00	\$1,326,495.18	
Total	\$2,360,179.00	(\$32,107.34)	\$21,274.53	\$756,923.34	\$272,532.55	\$0.00	\$0.00	\$1,341,556.92	
Justice Page CC2323									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2323_LTFM (418B, 4192, 417B)	\$3,436,914.00	\$1,443,822.61	\$1,531.20	\$852,527.69	\$90,970.84	\$103,971.32	\$0.00	\$944,090.34	
CC2323_GO (4191, 4201)	\$4,674,070.00	\$2,165,866.30	\$164,595.30	\$1,048,136.15	\$58,122.87	\$0.00	\$0.00	\$1,237,349.38	
Total	\$8,110,984.00	\$3,609,688.91	\$166,126.50	\$1,900,663.84	\$149,093.71	\$103,971.32	\$0.00	\$2,181,439.72	
Transportation CC1815									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC1815_GO (4212)	\$1,115,350.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,115,350.00	
Total	\$1,115,350.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,115,350.00	
Walke Park CC2165									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2165_LTFM (417B)	\$1,349,612.00	\$5,858.50	\$18,452.59	\$0.00	\$792,122.07	\$61,745.85	\$0.00	\$471,432.99	
CC2165_GO (418B, 4201)	\$1,200,000.00	\$0.00	\$0.00	\$4,068.75	\$1,871.02	\$0.00	\$0.00	\$1,194,060.23	
CC2165_COP (417C)	\$3,420,256.00	(\$7,711.11)	\$0.00	\$162,609.43	\$1,526,208.47	\$408,262.48	\$0.00	\$1,330,886.73	
Total	\$5,969,868.00	(\$1,852.61)	\$18,452.59	\$166,678.18	\$2,320,201.56	\$470,008.33	\$0.00	\$2,996,379.95	
Wenonah CC2167									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2167_LTFM (417B)	\$4,951,683.00	\$18,192.25	\$0.00	\$253,195.85	\$683,071.28	\$148,035.98	\$5,436.65	\$3,843,750.99	
CC2167_COP (417C)	\$2,384,818.00	\$598.75	\$64,123.00	\$98,334.75	\$331,909.33	\$71,009.02	\$2,618.85	\$1,816,624.30	
Total	\$7,336,501.00	\$18,791.00	\$64,123.00	\$351,530.60	\$1,014,980.61	\$219,045.00	\$8,055.50	\$5,660,375.29	
Facilities DW and MULT 1850									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC1850, 1851_LTFM (417B, 4192, 4016, 418)	\$17,445,441.00	\$526,379.72	\$290,593.79	\$1,876,845.16	\$4,907,128.12	\$276,490.26	\$0.00	\$7,568,203.95	
CC1850, 1851_GO (4006, 4201, 4191)	\$7,617,169.00	\$132,476.03	\$166,696.06	\$951,810.39	\$345,750.42	\$0.00	\$0.00	\$6,020,436.10	
Total	\$25,062,610.00	\$658,855.75	\$457,289.85	\$2,828,655.55	\$7,252,878.54	\$276,490.26	\$0.00	\$13,588,640.05	
CityView CC2293									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2263 COP (4193)	\$1,000,000.00	\$42,600.22	\$2,116.80	\$441,237.80	\$34,689.67	\$0.00	\$0.00	\$479,355.51	
Total	\$1,000,000.00	\$42,600.22	\$2,116.80	\$441,237.80	\$34,689.67	\$0.00	\$0.00	\$479,355.51	
Green Central CC2256									
	Budget	Actuals	Encumbrance	Actual FY2022	Actual FY2021	Actual FY2020	Actual FY2019	Balance	
CC2256 COP (4193)	\$1,000,000.00	\$23,752.28	\$25,294.88	\$878,445.49	\$32,964.16	\$0.00	\$0.00	\$39,543.19	
Total	\$1,000,000.00	\$23,752.28	\$25,294.88	\$878,445.49	\$32,964.16	\$0.00	\$0.00	\$39,543.19	

Popular Annual Financial Report



Minneapolis Public Schools
Independent School District No. 1
Minneapolis, Minnesota
For the Year Ended June 30, 2022

www.mpls.k12.mn.us

John B. Davis Education and Service Center | 1250 W. Broadway Ave. Minneapolis, MN 55411

Minneapolis Public Schools Strategic Plan

MPS Mission: Minneapolis Public Schools exists to provide a high quality, anti-racist, culturally responsive education for every Minneapolis student

MPS Vision: All students – regardless of their background, zip code, and personal needs – will receive an anti-racist, holistic education that builds essential knowledge to prepare students for future success.

MPS Commitment: To achieve our vision, we will intentionally focus and prioritize resources and actions to significantly improve the experiences and outcomes of Black students, Indigenous students, students of color and their families.

Strategic Plan Goals

Goal 1: Academic Achievement

Every student achieves their full potential through equal access to programming that is academically rigorous and connects learning with students' experiences.

Goal 2: Student Well-Being

Every student's physical and mental wellbeing is addressed as an integral part of their education.

Goal 3: Effective Staff

School and district staff approach all work centered on students and equity.

Goal 4: School and District Climate

MPS is seen by our community as welcoming, responsive, and connected.

Meet the School Board

<p>Jenny Arneson</p> 	<p>Sharon El-Amin</p> 	<p>Siad Ali</p> 
<p>Director, District 1</p>	<p>Director, District 2</p>	<p>Director, District 3</p>
<p>Adriana Cerrillo</p> 	<p>Nelson Inz</p> 	<p>Ira Jourdain</p> 
<p>Director, District 4</p>	<p>Director, District 5</p>	<p>Director, District 6</p>
<p>Cindy Booker Kimberly Caprini Kim Ellison</p>		
		
<p>Member At-Large*</p>	<p>Treasurer, Member At-Large</p>	<p>Chair, Member At-Large</p>
<p>Jake Wesson Wakan Austin Ed Graff</p>		
		
<p>Student Representative</p>	<p>Student Representative</p>	<p>Superintendent</p>

For the purposes of election district boundaries and representation, the school board is made up of six geographically districted seats (numbered one through six) and three at-large or citywide seats. Board directors are elected to four-year terms which are staggered so that half of the seats stand for election every two years.

*Denotes unelected board member appointed in March 2022 following a resignation

A Message from Senior Officer of Finance

Dear Minneapolis Public Schools' Community Members, Friends, and Supporters:

The Popular Annual Financial Report (PAFR) is an unaudited financial report for Minneapolis Public Schools (MPS) for the 2021-2022 school year, designed to provide citizens, taxpayers, parents, students, investors, and creditors with a general overview of MPS's finances, and to demonstrate its accountability for the money it receives.

We invite you to review this report to learn more about how MPS revenues were generated and spent as reported in the Annual Comprehensive Financial Report (ACFR). The ACFR is a more detailed and complete financial document, audited and prepared and maintained in accordance with Generally Accepted Accounting Principles (GAAP).

By making MPS budget information more easily accessible to the public, we hope our community will have the information it needs to join us in our work to create a budget aligned with the four goals of our [Strategic Plan](#): Academic Achievement, Student Well-Being, Effective Staff, and a Welcoming School Climate.

This budget supported the academic priorities determined by the Superintendent and the Board of Education including Literacy, Multi-Tier Support Systems, Equity and Social and Emotional Learning. MPS's budget represents a commitment to provide each student with an inspirational education experience in a safe, welcoming environment and all diverse learners to acquire the tools and skills necessary to confidently engage in the global community.

The PAFR is unaudited and intended to provide a basic understanding of the District's financial health and operations. For more detailed information, the Annual Comprehensive Financial Report is available by request. For a copy of the ACFR, or to share any questions, concerns, or recommendations, please request by mail at the following address:

Minneapolis Public Schools
Finance Department
1250 West Broadway Avenue
Minneapolis, MN 55411

Or visit our website at <http://www.mpls.k12.mn.us>

Sincerely,

Ibrahima Diop,
Senior Officer of Finance



Table of Contents

- **MPS Strategic Plan**
- **Meet the School Board**
- **A Note from Senior Officer of Finance**
- **Minneapolis Public Schools Profile: At-A-Glance**
- **Budget Timeline**
- **Governmental-wide Activities:**
 - **Overview**
 - **Revenues**
 - **Expenses**
- **General Fund:**
 - **Overview**
 - **Revenues**
 - **Expenses**
- **Other Key Information:**
 - **Performance of Other Funds**
 - **Fund Balance**
 - **Long Term Debt**
 - **Capital Asset / Capital fund**

Minneapolis Public Schools At-A-Glance

MPS is a full-service, comprehensive special school district created by the Minnesota Legislature in 1959.



MPS is the 3rd largest district in Minnesota, by enrollment (29,076 students for the 2021-22 school year)

MPS provides:

- Full-day K-12th grade general education services
- Special Education services
- English Language services
- Career and Technical Education
- Early Childhood & Voluntary Pre-K Programming
- Culinary & Wellness Services
- Transportation Services
- Adult Basic Education Programming
- Community Education Programming
- School Age Care
- After School Enrichment Programming

MPS district facilities include:

- 43 elementary schools
- 8 middle schools
- 2 K-8 schools
- 10 high schools
- 1 transition school
- 4 district administration buildings



Budget Timeline

September/October Levy data submitted to MDE
Prepare analysis of prior year revenue and expenses
Staffing Adjustments (enrollment-based)
Prepare preliminary revenue forecast

November

Proposed property tax statements mailed
Bond sale resolution approved by BOE
Legislative agenda presented to BOE
Pro-Forma presented to Finance Committee

December

Audit results from prior year presented to Audit Committee and BOE
Truth in Taxation Meeting - BOE
BOE certifies final levy, adopts legislative agenda
Pro-Forma presented to BOE
Final levy submission deadline

February

Principals schedule Site Council meetings to discuss school budgets
Budget Tie-Out files prepared by schools and departments

April

Budget recommendations delivered to Finance Committee

June

BOE votes on final budget adoption

The school district budget cycle is a continuous process that is mandated by state law. Each step is reviewed by the School Board Finance Committee and requires BOE approval. There are several open community meetings to provide feedback on the process. The process may be in multiple phases at any given time. The assumptions for the following school year are developed in the current school year while levy planning if on-going.

January

Departmental budget reviews – Senior Leadership & Central Offices
Budget Information Sessions with Parent Advisory Councils
Legislative session begins
Budget Update for Finance Committee

March

Budget Tie-Out files reviewed and approved by Finance Department

May

Budget presentation to BOE
Finance Committee presented with final budget

Government-wide Activities

What are governmental activities?

Most of MPS's basic services are included in governmental activities (regular and special education, transportation, administration, food services, and community education) and are funded largely through property taxes and state aid revenues.

MPS's government-wide total revenues in school year 2022 were approximately \$785 million.

The cost of all governmental activities in school year 22 was \$693 million.

MPS's combined net position was - \$631 million on June 30, 2022. This was an increase of 12.6% from school year 2021.

	Change in Net Position	
	School Year 2022	School Year 2021
Total Revenues	\$784,692,554	\$749,316,830
Total Expenses	\$693,425,258	\$720,648,200
Change in Net Position* (= Revenue - Expenses)	\$91,267,296	\$28,668,630
Net Position – Beginning (restated)	- \$723,206,423	- \$751,875,053
Net Position – End	- \$631,939,127	- \$723,206,423

*Over time, increases or decreases in MPS's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

Government-wide Activities (cont'd)

Revenues

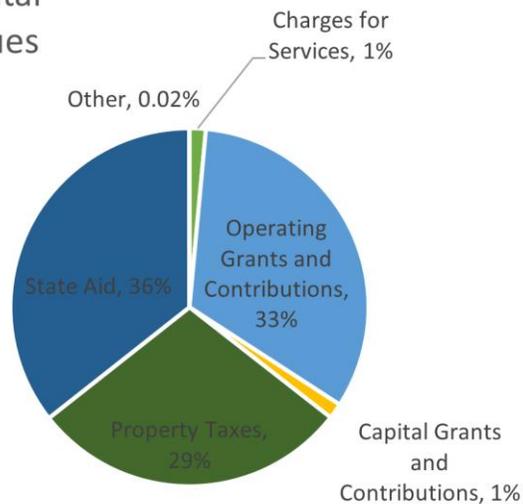
Revenue Source	School year 2022 Amount	Percentage
Charges for Services	\$11,516,972	1.47%
Operating grants & Contributions	\$256,492,630	32.69%
Capital Grants & Contributions	\$11,000,000	1.4%
Property Taxes	\$226,100,574	28.81%
State Aid	\$279,405,692	35.61%
Other	\$176,386	0.02%
Total	\$784,692,554	100%

MPS's government-wide revenues in school year 2022 were approximately \$785 million

Property taxes and unrestricted state aid accounted for 64% of total revenue for school year 2022

The remaining 36% came from program revenues, including 33% from operating grants and contributions

FY22 Governmental Activities Revenues



Note: Governmental funds include resources from the entrepreneurial-type funds of Food Service and Community Education. Funding for the general operation MPS is controlled by the state and the district does not have the latitude to allocate money received in Food Service or Community Education. Therefore, MPS does not include Special Revenue Funds (Food and Community Service) as a component of the general operation.

Government-wide Activities (cont'd)

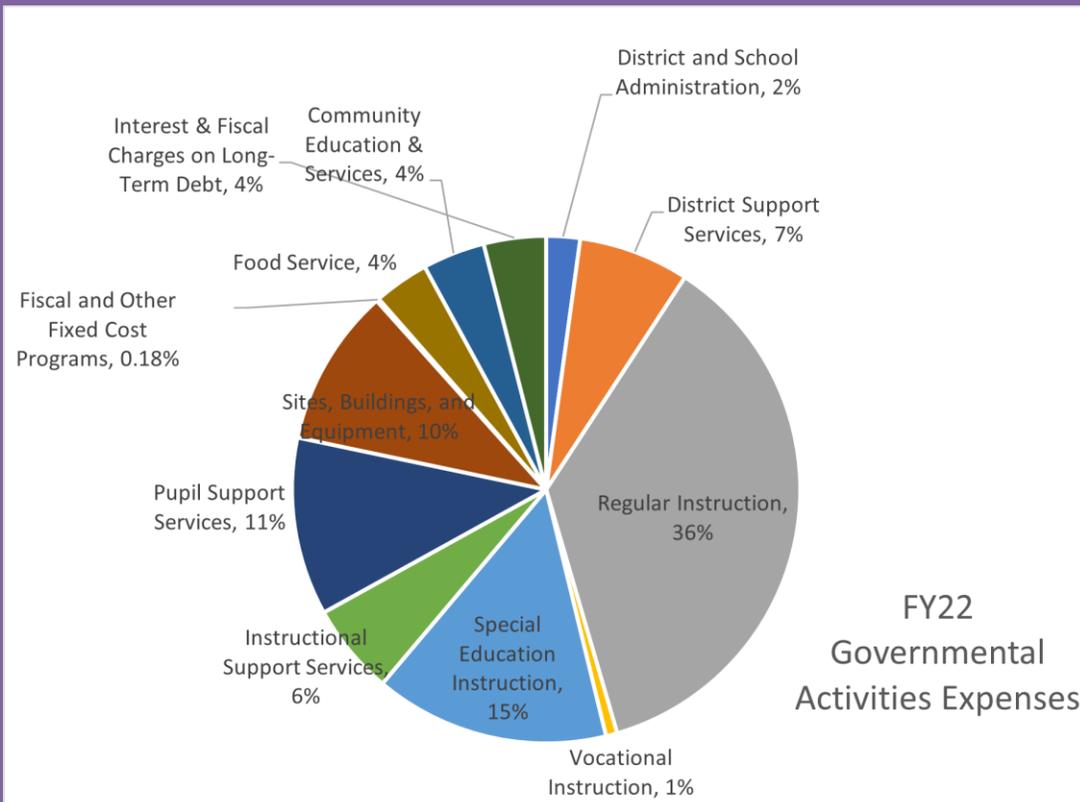
Cost of Services

Expense Category	School year 2022	Percentage
District and School Administration	\$14,936,110	2.15%
District Support Services	\$48,857,105	7.05%
Regular Instruction	\$251,618,186	36.29%
Vocational Instruction	\$5,013,209	0.72%
Special Education Instruction	\$103,577,983	14.94%
Instructional Support Services	\$40,278,990	5.81%
Pupil Support Services	\$78,666,331	11.34%
Sites, Buildings, and Equipment	\$69,871,966	10.08%
Fiscal and Other Fixed Cost Programs	\$1,221,175	0.18%
Food Service	\$24,410,001	3.52%
Community Education & Services	\$27,517,183	3.97%
Interest & Fiscal Charges on Long-Term Debt	\$27,457,019	3.96%
Total	\$693,425,258	100%

The total cost of all programs and services was \$693 million in school year 2022

MPS expenses were primarily related to educating and caring for students, at 69%

District and School Administration and District Support Services accounted for 9% of total expenses during school year 2022



General Fund

What does the General Fund include?

Primary operations of the District in providing educational services to students from kindergarten through grade 12

Special Education services to students from birth to 21

Pupil transportation activities and capital outlay projects

Revenues

General Fund Revenue Source	School year 2022	School year 2021	Percentage Change
Local Sources	\$150,832,821	\$157,388,520	- 4.17%
State Sources	\$371,678,222	\$387,675,107	- 4.13%
Federal Sources	\$120,482,318	\$58,628,646	+ 105.50%
Sales/Conversion of Assets	\$215,905	\$41,250	+ 423.41%
Total	\$643,209,266	\$603,733,523	+ 6.54%

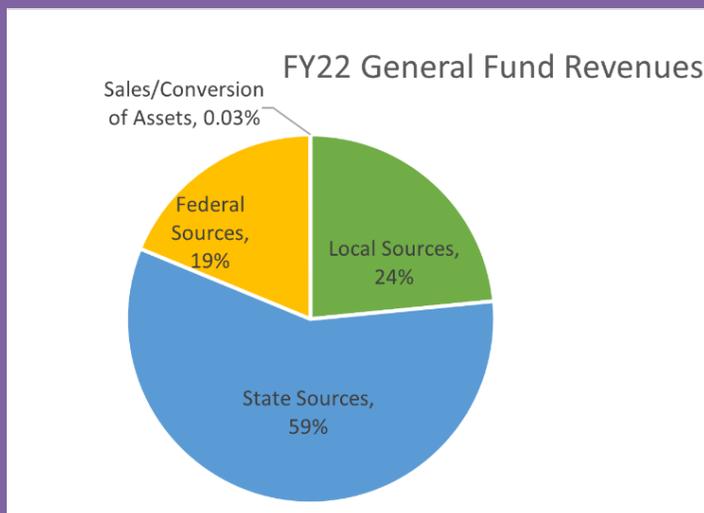
Main differences from 2021 & 2022 school years:

Revenue increased by \$39.4 million or 6.54%

Why is this?

Use of one-time Federal COVID relief funds funding awarded to the district

Funding for both state aid and property taxes declined from the previous school year mainly due to declining enrollment



How is revenue received into the General Fund?

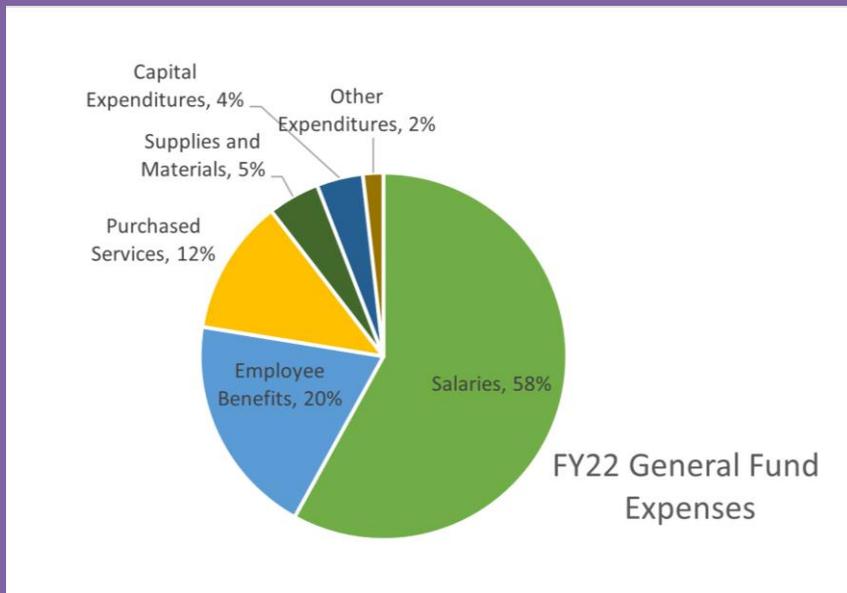
- **Local Sources:** State paid property tax levies credits*
- **State Sources:** General Education Aid*; Categorical Aids (i.e., special education or career and technical aid)
- **Federal Sources:** Funds received under Every Student Succeeds Act (formerly No child Left Behind Act)

*Denotes these items are enrollment driven

General Fund (Cont'd)

Expenditures

General Fund Expense Type	School year 2022	School year 2021	Percentage Change
Salaries	\$376,117,637	\$351,972,595	+ 6.86%
Employee Benefits	\$126,626,065	\$134,502,222	- 5.86%
Purchased Services	\$77,562,365	\$64,632,554	+ 20.01%
Supplies and Materials	\$29,637,623	\$27,849,590	+ 6.42%
Capital Expenditures	\$26,481,313	\$2,568,271	+ 931.09%
Other Expenditures	\$11,667,849	\$3,308,216	+ 252.69%
Total	\$648,092,852	\$584,833,448	+10.82%



Main differences from 2021 & 2022 school years:
Expenditures increased by \$63.2 million or 10.8%

Why is this?
MPS spending of one-time COVID relief funds that were awarded by the federal government

Change in capital expenditures - Implementation of GASB 87 (lease accounting standards)

Other Funds

Debt Service Fund
The Debt Service Fund had expenditures exceeding revenue of approximately \$4.2 million. The Debt Service Fund ended school year 2022 with a fund balance of \$40.2 million

Food Service Fund
The Food Service Fund had expenditures that exceeded revenue by about \$4 million. The Food Service Fund ended school year 2022 with a fund balance of \$1.4 million

Community Service Fund
The Community Service Fund had revenue that exceeded expenditures by about \$111 thousand and ended school year 2022 with a fund balance of \$5.1 million

OPEB Debt Service Fund
The OPEB Debt Service Fund closed in school year 2022 and the remaining fund balance was transferred to the Debt Service Fund

Fund Balance

MPS has an internal board policy to maintain an unassigned General Fund balance of 8% of current fiscal year budgeted expenditures.

General Fund	School year 2022
Non-Spendable	\$5,294,596
Restricted	\$17,698,879
Assigned	\$68,347,003
Unassigned	\$53,613,747
Total	\$144,954,225

At the beginning of school year 2022, the General Fund Balance was \$126,073,757

As of June 30th, 2022, the General Fund balance was \$144,954,225

The District ended school year 2022 with an unassigned balance of \$53,613,747 – which amounts to 8.3% and complies with internal policy

Capital Project Funding

Long-term debt (Project Related Debt)

The District has the following outstanding balances for its issuances of long-term debt

- \$118.5 million in certificates of participation bonded debt
- \$573.7 million in general obligation bonded debt
- \$106.8 million in bond premiums associated to long-term debt for project related funding

Bond rating

Moody's reaffirmed Aa2 bond credit rating which signifies high quality and are subject to very low credit risk

Capital Assets

The District ended school year 2022 with the following information related to capital assets

- The District's construction in progress (projects that are currently being worked on) ended the school year at \$52.9 million
- The total capital assets (net of depreciation) were \$729.4 million at year ended 2022

Capital Fund

The Capital Project Fund had a gain of fund balance of \$11.2 million, from \$238.5 million to \$249.7 million



2023-2024 Budget Update

Thom Roethke

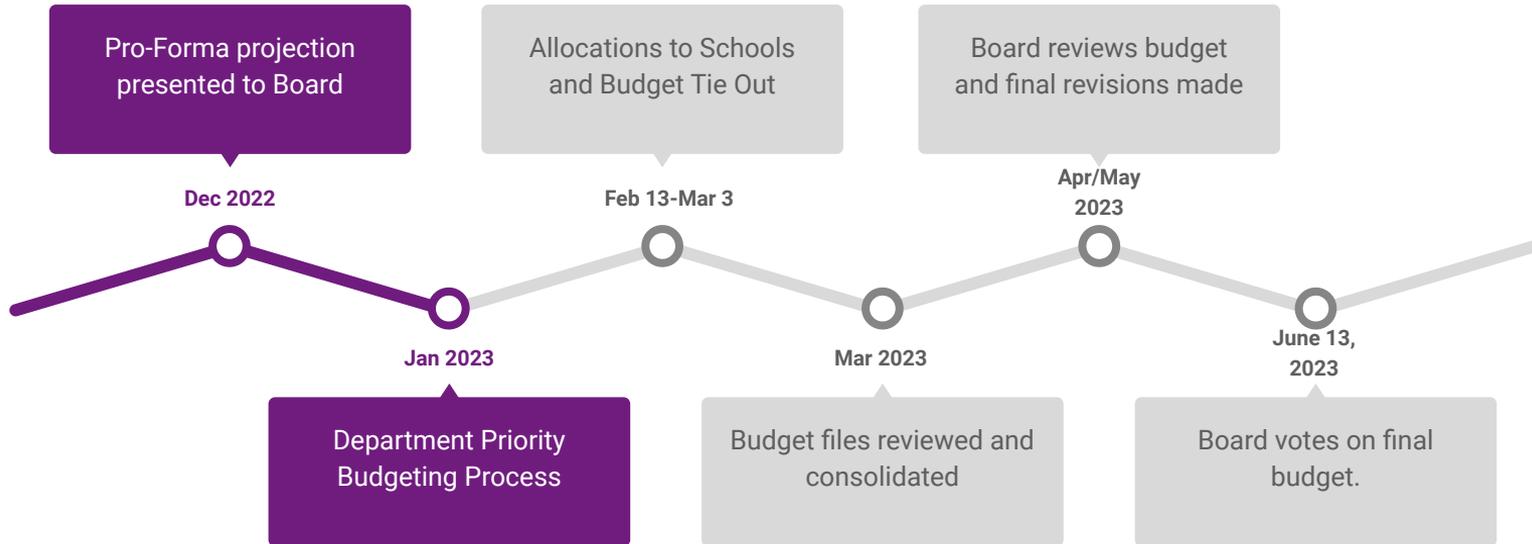
Director, Budget Planning & Analysis

January 17, 2023

Agenda

- Budget Timeline
- Department Budgeting Process
- School Budgeting Process

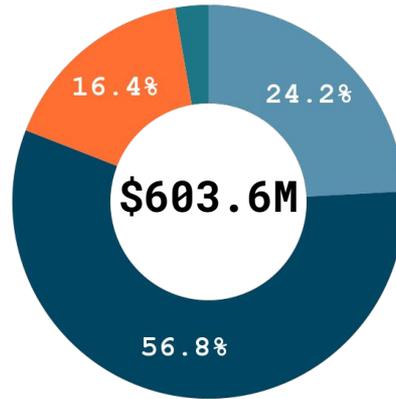
23-24 Budget Timeline



Creating the budget for the next school year is a district-wide effort that spans half the year. The Budget Office works year round to make sure resources are being used as directed by the Board of Education through their approved annual budget.

How much are we going to get?

FY24 Projected General Fund Revenue



● Local ● State ● Federal ● Other

Local Revenue

Voter Approved	\$80.7M
Local Optional	\$21.3M
Employment & Benefits	\$12.6M
Facilities/Equip.	\$10.4M
Categorical Levies	\$10.4M
Other Levies	\$10.5M
Local (Levy) Revenue	\$145.8M

State Revenue

Basic Aid	\$210.2M
Special Education	\$75.5M
Basic Skills	\$37.0M
Misc Categorical Aid	\$14.2M
Employment & Benefits	\$5.2M
Other Aid	\$0.6M
State Revenue	\$342.6M

Federal & Other

Federal Grants	\$50.0M
COVID-19 Relief	\$48.7M
Federal Revenue	\$98.7M
Other Revenue	\$16.5M

Department Priority Budgeting

MPS is using a 'priority based budgeting' approach to determine budget allocations at the Central Office and Academic and Operational departments.

Pre-Work

Department leaders and staff work with their Budget Analyst to:

- Identify programs and services and all related costs.
- Categorize these programs and align them with the strategic plan.

Budget Presentations

Departments develop a proposed budget that aligns with the Strategic Plan and present that Budget to an 'Alignment Committee' responsible for prioritizing budget requests.

Prioritization

The 'Alignment Committee' evaluates budget proposals based on their alignment with the district's priorities.

Programs and services are tentatively approved based on their potential to advance the district's strategic objectives.

Funding Matching

Tentatively approved projects are matched with available funding streams and issued a unique 'internal order' number for tracking, reporting and budget control.

Tie Out

Approved expenditures communicated to departments with associated funding streams.

Departments key approved budget into the tie-out system.

Budget Analysts have been working with Department leaders to identify the programs and services provided by that department and classify them into one of three categories:

1. Programs & Services provided by the district because they are mandated by statute, board policy, or a contract to which the district is bound.
2. Programs & Services provided by the district because they are essential to keep the district open and operating.
3. Programs & Services provided by the district for any other reason.

Department leaders, with their Budget Analyst's guidance, assess the programs and services that they offer to determine:

- Are these programs the best way to deliver on our strategic plan?
- If so, could we be doing them better or more efficiently?

Pre-Work

Budget
Presentations

Prioritization

Funding
Matching

Tie Out

After assessing their department's programming, department leaders craft a budget proposal that they feel allows them to best align their work with the strategic objectives of the district. This is packaged in a Powerpoint template and presented to an Alignment Committee tasked with evaluating the individual programs and prioritizing them.

The committee is composed of:

- Interim Superintendent Rochelle Cox
- Senior Officer, Finance & Operations Ibrahima Diop
- Senior Officer, Schools Dr. Shawn Harris-Berry
- Senior Officer, Human Resources Candra Bennett
- Executive Director, Strategic Initiatives Sarah Hunter
- Director, Budget Planning & Analysis Thom Roethke
- Supervisor, Grants Accounting Linh Phan
- Principal, Andersen United Middle School Tara Fitzgerald
- Principal, Pillsbury Elementary Jessica Skowronek

Pre-Work

Budget
Presentations

Prioritization

Funding
Matching

Tie Out

The Budget Alignment Committee evaluates each program using several tools:

- An evaluation worksheet provided by Research & Evaluation.
- Q&A during the presentation as well as follow up questions.
- Follow up requests.

Based on their assessment of the programs and services proposed by various departments the Budget Alignment Committee prioritizes district programs based on:

- Effectiveness or potential effectiveness
- Alignment with the key priorities and goals of the strategic plan
- Sustainable return on investment

Programs that are tentatively approved are issued a unique internal control number for budgeting.

Pre-Work

Budget
Presentations

Prioritization

Funding
Matching

Tie Out

Tentatively approved programs are matched with available funding sources based on the specific criteria and requirements of those funding sources. Available funding sources are funds remaining after the determination of:

- Funding needed to provide Special Education services in schools, as determined by the Special Education department.
- Funding needed to be allocated to schools to meet their predictable staffing requirements, sufficient classroom teachers to accommodate our most recent enrollment projections, any magnet or special programming, or any other school specific cost that the district has committed to.

Programs that are successfully matched to a funding source are communicated to department leaders.

Pre-Work

Budget
Presentations

Prioritization

Funding
Matching

Tie Out

When the Budget Tie-Out (BTO) system opens on February 13:

- Allocation memos will be sent to school principals and the BTO process will be unchanged for schools from previous years.
- Approved allocations will be input by departments as directed by the Budget Alignment Committee.

School Budget Tie Out Process

Allocation Memos

Allocation memos distributed to schools with funding sufficient for each school to meet all anticipated expenditures necessary to operate based on most recent district enrollment projections.

Site Work

Principals work with their Associate Superintendents and Site Councils to determine how allocated funds should be used.

BTO

Principals enter their choices into the BTO System, making sure to meet all predictable staffing requirements and canvassing staff within HR guidelines.

Finance Review

Finance staff review submissions for completeness, compliance with predictable staffing requirements, and appropriate use of categorical funding streams and grants.

HR Review

HR staff review submissions to ensure that all staffing decisions comply with any legal and contractual requirements.



FY24 Achievement and integration Budget Update

Finance Committee
January 17, 2023



Integration Defined

[124D.861] ACHIEVEMENT AND INTEGRATION FOR MINNESOTA.

Subdivision 1. **Program to close the academic achievement and opportunity gap; revenue uses.**

(a) The "Achievement and Integration for Minnesota" program is established to pursue racial and economic integration and increase student academic achievement, create equitable educational opportunities, and reduce academic disparities based on students' diverse racial, ethnic, and economic backgrounds in Minnesota public schools.

A & I Goal Areas

1. Increase racial and economic integration;
2. Reduce achievement disparities;
3. Increase access to effective and diverse teachers.

Types of A & I Strategies for the Plan

- Innovative and integrated pre-k to grade 12 learning environments
- Family engagement initiatives
- Professional development
- Career and college readiness and rigorous coursework
- Recruitment and retention of racially diverse staff

Funding Requirements

Can Fund

- **Strategies Directly in the Achievement and Integration Plan**
- **The TYPES of program approved in statute include:**
 - Integrated Learning Environments
 - Family Engagement Initiatives
 - Rigorous Career and College Readiness Programs
 - Professional Development
 - Recruitment and Retention of Diverse Staff
 - Equitable Access to Effective and Diverse Teachers
- **80% Direct Student Services, >20% Professional Development, >10% Admin**

Cannot Fund

- **English Learner** and **Special Education** Programs for Initiatives
- **Existing funding**--may not be used to replace funding for existing programs
- **Segregating Activities**--may not be used to fund activities that segregate participants by racial, ethnic, or socioeconomic background.
- **Staffing**- Only staffing costs that are directly involved with implementing strategies in a district's Achievement and Integration plan may be covered for the amount of time spent on Achievement and Integration strategies.
- **Technology**--on-going technology costs

Examples of critical shifts identified by our stakeholders

Recommend Increasing:

- Partnerships for career and college readiness
- Programming for developing savvy tech skills as early as possible
- Teachers of color in our classrooms
- Counselors to work with families on FAFSA and post high school options
- Family engagement that includes supportive resources and mentoring services
- Curriculum transformation and expanding understanding of all our MPS cultures
- Staff equity professional development, support and connections that welcome every identity

Strategy Elements

**Strategy
Name**

*What will you
implement?*

Type

*From the 5 Strategy
Types*

**Narrative
Description**

*What does this
strategy entail? Who
is affected? How will
you know it's being
implemented well?*

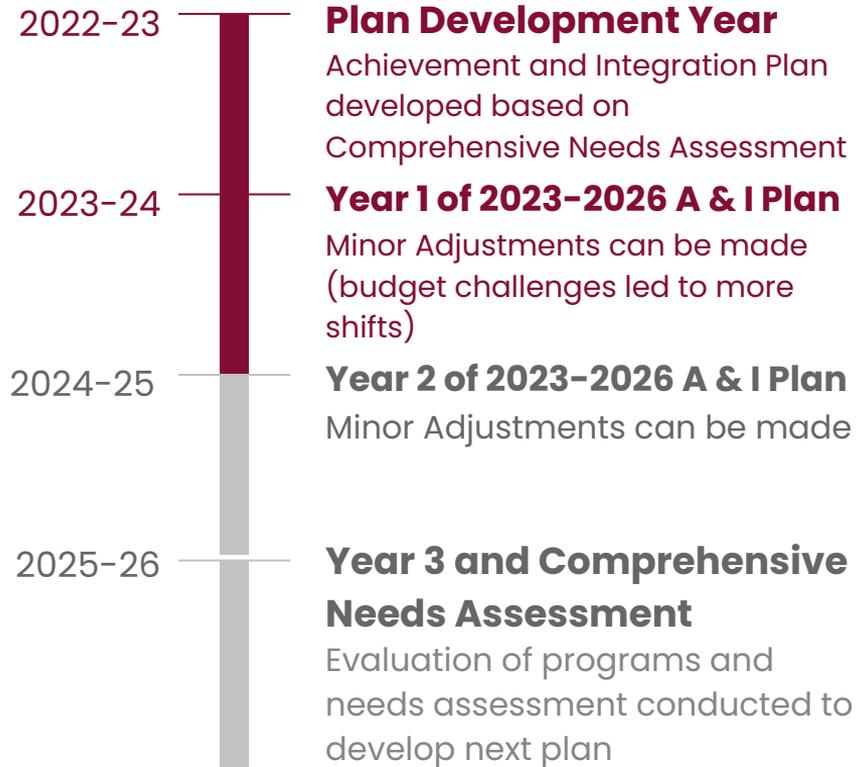
**Key
Indicators
of Progress**

*What metrics/SMART goal
will demonstrate your
impact? What is the annual
target for the indicator?*

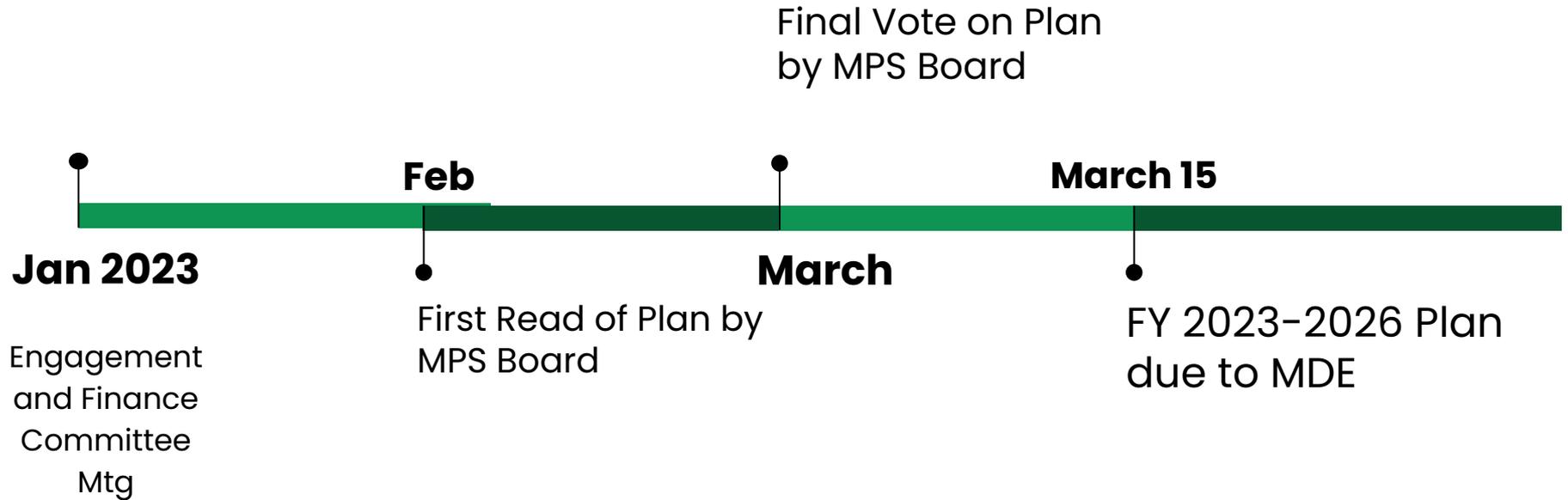
What is in the Achievement and Integration Plan?

- RIS School Support
- Retention and Recruitment of Staff of Color
- Multi-tiered Systems of Support
- College and Career Readiness
- Ethnic Studies and Curriculum Transformation
- AVID
- GEMS and GISE STEM Programming
- Summer Academy
- Climate Framework
- Student Leadership - YPE
- And more!

Plan Development Timeline



Important Dates



Questions?

Appendix

Examples of Integration Options (from State Rule 3535.0160)

- 1) duplicating programs that have demonstrated success in improving student learning at schools that are racially identifiable;
- 2) providing incentives to help balance racially identifiable schools, for example, providing:
 - a) incentives to low-income students to transfer to schools that are not racially identifiable;
 - b) transportation; and
 - c) interdistrict opportunities and collaborative efforts with other districts;
- 3) providing incentives to teachers to improve the distribution of teachers of all races at schools across the district, including:
 - a) staff development opportunities;
 - b) strategies for attracting and retaining staff who serve as role models; and
 - c) strategies for attracting and retaining staff who have a record of success in teaching protected students, low-income students, or both;

Examples of Integration Options (from State Rule 3535.0160)

- 4) greater promotion of programs provided at racially identifiable schools designed to attract a wide range of students;
- 5) providing smaller class sizes, greater counseling and support services, and more extracurricular opportunities and other resources at racially identifiable schools as compared to schools that are not racially identifiable or at schools with a higher concentration of low-income students; and
- 6) providing programs promoting instruction about different cultures, including options uniquely relevant to American Indian students, including, for example, American Indian language and culture programs under Minnesota Statutes, section 124D.74.

Resources

- [State Statute](#)
- [MDE Achievement and Integration Program Site](#)
- [MPS 2020-2023 A & I Plan](#)