

May 2008

The Honorable School Board
St. Cloud Area School District 742
St. Cloud, Minnesota

Dear Board Members:

We submit and recommend to you a budget for St. Cloud Area School District 742 (the District) for the fiscal year ending June 30, 2009. The budget includes all Governmental and Fiduciary Funds of the District. The District Superintendent and the Executive Director of Business Services assume responsibility for the data accuracy and completeness of this budget. The budget presents the District's finance and operations plan and all necessary disclosures.

The District's mission statement, which reflects the highest aspirations of the St. Cloud Area School District, states:

The mission of District 742 is to prepare all learners, in partnership with their families and the community, to live and contribute within a changing and diverse world.

BUDGET PRESENTATION

The development of the 2008-09 Governmental Funds Budget was completed with a detailed review of revenue and expenditure items within the context of the District's mission and operating policies. The Governmental Fund Budget includes the General Fund (Operating, Transportation and Operating Capital), Special Revenue (Food Service and Community Education Funds), Capital Projects (Construction Projects), Debt Service. There is one Fiduciary Fund which includes the Scholarship Trust. Information on each of the fund budgets is provided in the budget document.

A fund is described as a fiscal and accounting entity with a self balancing set of accounts. Each fund is established under state law to report specific activities or to attain certain objectives in accordance with special regulations, restrictions or limitations. It is important to note transfers between funds can only be made when authorized by state law. Taxes and state aid are provided for specific purposes and must be accounted for within the specific fund established for that purpose.

The budget document and the year-end Comprehensive Annual Financial Report (CAFR) are the primary vehicles to present the financial plan and results of operations.

Our most important concern in the presentation of budget data is to provide quality information to our community about the 2008-09 District educational programs and services, which have been translated into a financial budget plan. The material in the budget document incorporates decisions made by the School Board and staff throughout the planning process.

SIGNIFICANT BUDGETARY TRENDS

General Fund Budget:

The school district Operating Fund, which is part of the General Fund group of accounts, is the primary focus of budget decisions by the School Board and administration. Included in the operating funds are the resources used to pay teacher and support staff salaries, purchased services and supplies, administrative costs, building operations and maintenance cost. Other funds included in the General Fund include Transportation and Operating Capital (long term assets). Internally the General Fund includes Fund 01 - Operating Budget, Fund 03 - Transportation, and Fund 05 - Operating Capital.

Funding for St. Cloud Area School District 742 is Legislatively Determined:

Revenue from local sources and state sources is legislatively controlled with little or no opportunity for locally elected school boards to increase the level of revenue. Funding for the St. Cloud Area School District is determined by the state legislature based on a set of pupil driven General Education formulas. The basic per pupil unit funding formula was increased by 2% to \$5,074 for FY 2008, and by another 1% for \$5,124 for FY 2009.

Voter approved operating referendums are also included in the state definition of General Education revenue. In 2007 the legislature set the per pupil unit cap for voter approved operating referendum at \$1,476.20 for FY 2009. Including the operating referendum, approximately 91% of General Fund revenue is determined by various General Education revenue formulas. This includes state funding for special education.

Special Education: Two formulas have been legislatively established to fund special education; a basic formula and an excess cost formula. For 07-08 basic special education aid, the legislature has appropriated 86% (an increase from 80% in 2006-07) of local district entitlements. Excess cost special education aid is funded at 70% (an increase from 52% in 2006-07) of the entitlements.

Federal funding for special education is currently 18% of cost as compared to the federal target of 40% established when congress implemented current special education mandates. The federal and state funding shortfall is covered by a cross subsidy from the regular program revenue. For FY 2007-08 special education programs, taking into consideration both state and federal aid along with the basic state aid generated by special education students, are under funded by approximately \$6.1 million. The following graph shows the history and projection of the funding shortfall for special education in St. Cloud.

	Actual 2003-04 Year	Actual 2004-05 Year	Actual 2005-06 Year	Actual 2006-07 Year	Readopted Budget 2007-08 Year	Budget 2008-09 Year	Projected 2009-10 Year
Revenues							
Federal	\$1,686,789	\$2,229,177	\$2,979,230	\$2,602,762	\$2,709,825	\$2,455,977	\$2,500,000
State Regular	8,474,271	8,679,851	8,223,195	7,484,048	8,727,637	8,719,254	8,800,000
State Transportation	1,192,395	1,261,018	1,129,205	1,193,378	1,430,000	1,581,093	1,600,000
State Excess Aid	2,728,300	2,322,507	2,070,668	2,290,690	2,200,000	2,200,000	2,200,000
Q-Comp	0	0	513,261	266,414	270,000	266,414	270,000
Tuition	794,814	1,079,130	782,388	966,754	900,000	900,000	900,000
Third Party Billing	101,923	127,475	184,373	306,917	315,000	375,000	375,000
General Ed Tuition	219,916	214,794	207,272	0	0	0	0
General Ed - Residents	2,662,045	2,589,614	2,568,047	2,608,130	2,600,000	2,600,000	2,600,000
Total Revenues	17,860,453	18,503,566	18,657,639	17,719,093	19,152,462	19,097,738	19,245,000
Expenditures							
Special Education Federal	1,686,789	2,229,177	2,979,230	2,601,773	2,706,285	2,455,977	2,500,000
Q-Comp	0	0	513,261	266,414	270,000	266,414	270,000
State Salaries & Benefits	18,259,524	18,736,931	19,158,207	19,572,272	19,657,301	19,745,306	20,436,390
Other State Expenditures	1,519,073	1,970,364	1,926,412	1,128,974	881,943	811,464	850,000
Transportation	1,355,056	1,487,157	1,624,692	1,701,874	1,732,325	1,714,406	1,750,000
Total Expenditures	22,820,442	24,423,629	26,201,802	25,271,307	25,247,854	24,993,567	25,806,390
Funding Shortfall	(\$4,959,989)	(\$5,920,063)	(\$7,544,163)	(\$7,552,214)	(\$6,095,392)	(\$5,895,829)	(\$6,561,390)

Operating Referendum: On November 2, 2003, District residents approved a four year operating referendum in the amount of \$454 per pupil unit, which will expire after the 2007-08 fiscal year. The District was not successful in renewing this levy in the fall of 2007. The District also has a remaining \$97.23 per pupil unit remaining from a 1998 referendum vote which expires after the 2008-09 fiscal year.

As noted above, the 2005 legislature increased the FY 2009 per pupil referendum cap for St. Cloud Area Schools to \$1,476 by state law. The state formula referendum cap is inflation adjusted annually. Referendum revenue for FY 2009 is based upon the voter approved amount of \$97.23 multiplied by projected resident pupil units. The determination of current year revenue reflects current revenue plus prior year adjustments. The Minnesota Department of Education will adjust subsequent year levies in 2009 and 2010 to reflect actual enrollment for previous years estimates.

Use of operating referendum revenue to support public education in Minnesota has become the norm with approximately 90% (306 districts out of 340 Minnesota districts) having voter approved operating referendums.

Budget Management Decisions for 2008-09

Budget adjustments in the amount of \$1,000,000 were made for FY 2007-08. District administration also made budget adjustments in the amount of \$1,500,000 for FY 2008-09. About \$500,000 of the 2008-09 adjustments were made in the area of special education. Another \$500,000 was in the area of transportation. The last \$500,000 was reduced in the general fund.

Enrollment:

Approximately 85% of General Fund revenue is determined by pupil driven formulas. As a result, student enrollment is a critical component in the formulas used to generate General Fund resources. The following chart reflects enrollment for the past four years, the projected enrollment for the proposed budget, and the projection for the following budget year. For 2008-09 enrollment is projected to stay stable from the previous year.

		Projection Based on End of Year Enrollment					
		Kind	Gr 1-3	Gr 4-6	Gr 7-12	Total	% Change
2003-04	Actual	660	1,994	2,120	4,985	9,759	-1.83%
2004-05	Actual	678	1,994	1,964	4,715	9,351	-4.18%
2005-06	Actual	644	1,945	1,937	4,700	9,226	-1.34%
2006-07	Actual	679	1,939	1,900	4,707	9,225	-0%
2007-08	Budget	679	1,939	1,900	4,707	9,225	-0%
2008-09	Budget	679	1,939	1,900	4,707	9,225	-0%
2009-10	Projected	670	1,919	1,908	4,359	8,856	-4.00%

Operating Revenue

A two-year comparison of revenue sources available to support the proposed Operating Budget is presented in the chart below. The decrease in local property tax resources is due to the four year 2003 excess operating referendum not renewed in November of 2007. State per pupil funding, for budgeting purposes, increased from \$5,074 in 2007-08 to \$5,124 for 2008-09. Federal Revenue for 2008-09 is budgeted at the initial allocation set in early 2007 for Fiscal 2007-08. Note: It is necessary to project federal revenue based on the prior year as the District does not receive notification of the revenue for the current year until well after the beginning of the fiscal year. Federal revenue also has many time-limited grants that ended in 2007-08.

Resources to Support Operations						
Excludes Transportation and Operating Capital Funds						
	2007-08		2008-09		Dollar Change	Percent Change
	<u>Amended</u>	<u>%</u>	<u>Proposed</u>	<u>%</u>		
Local Property Tax Resources	\$7,386,348	8.4%	\$3,910,893	4.5%	(\$3,475,455)	-47.1%
State Resources	71,807,182	82.0%	74,198,244	85.9%	2,391,062	3.3%
Federal Resources	6,174,970	7.1%	5,148,563	6.0%	(1,026,407)	-16.6%
Other Local Resources	2,235,830	2.5%	3,088,000	3.6%	852,170	38.1%
Total Operating Fund Revenue	\$87,604,330	100%	\$86,345,700	100%	(\$1,258,630)	-1.4%

Modified Financial Statement Format:

What does it cost to educate a student in a Minnesota Public School District and how should that cost be portrayed on a school district's financial statement? The annual budget and audit reports are intended to communicate such pertinent financial data. However, readers not familiar with the jargon used in governmental accounting but familiar with private sector financial reports express frustration with the format and technology used in school financial reports. Currently the State requires the MDE report school funding in a revised format.

The financial report immediately following this Transmittal Letter is designed to bridge the gap between the financial statements commonly used by school districts and the financial statements familiar to the business community. An important part of bridging the gap is to re-order school district financial data using the private sector definition of "Cost of Goods Sold" into a category called "Cost of Teaching and Learning." A challenge exists in attempting to bridge that gap, both in terms of format and terminology. To begin with, it is important to understand the very different purpose of the financial report for a governmental body as compared to that of a private sector business.

The premise of governmental accounting is to accurately track the appropriations made by the legislative entity (legislature, board of supervisors, city council, or school board) to make certain funds are expended as appropriated. Resources are either provided by levy of taxes, by collection of fees, or by receipt of financial aid provided by a higher governmental level.

Taxes levied or aids received are tracked in account groups called funds. Every governmental entity has a general fund to track operating expenses. Federal and state law also requires the establishment of special funds (in a school district examples are food service, community education, debt service, construction) to track revenue collected for a specific purpose. Each fund is a separate accounting entity having an operating statement and balance sheet. Resources in categorical funds cannot be transferred to the general fund to subsidize revenue. For example, funds available in a food service fund or community education fund cannot be transferred to the general fund to subsidize an increase in salaries for staff.

The accounting system in a business is designed to report on the financial management and the profitability of that business. The governmental accounting concept of "fund accounting" is foreign in the private sector. A business is a "going concern" formed for the purpose of generating revenue. The accounting system is designed to accurately record revenue earned and to match that revenue with the expenses incurred to earn it. The purpose of the private sector financial report is to reflect the success of the owners or management in generating a profit and to report on its financial management. The operating statement contains two major expenditure categories: "Cost of Goods Sold" and "General and Administrative Expenses." This is contrasted with the typical school budget report that has significantly more expenditure categories, each having a unique undefined title.

The chart of accounts called the Uniform Financial Accounting and Reporting System (UFARS) was established for Minnesota Public Schools by the state to report on the operations of local school districts. The system utilizes a seventeen-digit account number to track how public funds are utilized to operate local school districts. It essentially is a cost accounting system that, for example, will provide information on the cost of the math program or the science program or will show the cost of providing student transportation. The system has its strengths and

limitations. All districts are required to utilize the system, with each district at the end of the fiscal year electronically reporting the results of operations to the state. The system is closely monitored by the Minnesota Department of Education with frequent workshops conducted for local school accountants to assure consistency in the reporting. The financial reports from the system, however, are highly structured to reflect the amount spent on individual programs using educational jargon such as special education, regular education, vocational education, administration, transportation, etc. No attempt is made by school districts or by the state to reorganize the financial data in a format that more closely parallels the private sector in an effort to better communicate the cost of providing teaching and learning for students.

It is the intent of the modified report to make that transition by re-ordering the information provided by the traditional UFARS system into a format that more closely parallels private sector reporting and better communicates the financial operations of a local Minnesota school district. Key to this transition is to re-order school district financial data based upon the private sector definition of “Cost of Goods Sold” into a category called “Cost of Teaching and Learning.”

Cost of Goods Sold (CGS) are the costs directly related to the purchase or productions of whatever a company sells. Costs typically included not only direct labor and material costs but also associated overhead costs such as plant operation and maintenance, plant management, employee benefits, delivery costs (transportation), insurance, supplies, etc.

In the cost of a school district, the product is education. Therefore, based on a parallel with the above private sector definition for Cost of Goods Sold, the Cost of Teaching and Learning includes all costs directly related to education the student. This would incorporate not only classroom teachers but also support staff such as paraprofessionals and secretaries, building principals, benefits, supplies, building operations (custodians and utilities) and building maintenance costs. It would also include curriculum development and staff development expenditures. On the attached financial statement, everything that occurs within a school district associated with the cost of providing teaching and learning is included within this category, similar to the definition of “Cost of Goods Sold” on a private sector financial statement. Without these expenditures, the educational process would not exist for the students.

In the modified financial report, 79% of General Fund resources are allocated to Teaching and Learning. Including Transportation, Facilities Operations and Maintenance and Operating Capital, 94% of the resources are focused on students. The remaining 6% funds School and District Level Administrative Expenses. Clearly the majority of General Fund resources are directed to serve the student and to provide a quality educational opportunity.

Growth in spending limited:

Over a six-year period, beginning in 2001-02 St. Cloud Area School District had an average percent increase per ADM (student) of 2.86% compared to 4.0% for the state. Source: MDE School Profiles for data from 2001-02 through 2006-07.

	St. Cloud Area Schools	State
2001-02	8,045	7,333
2002-03	8,233	7,656
Percent Change	2.3%	4.5%
2003-04	8,366	7,946
Percent Change	1.6%	3.8%
2004-05	9,041	8,250
Percent Change	8.1%	3.8%
2005-06	9,256	8,616
Percent Change	2.4%	4.4%
2006-07	9,249	8,913
Percent Change	-.1%	3.5%

Note: The above schedule excludes Operating Capital Expenditures. Operating Capital revenue must be reserved by state law and cannot be used to fund non-capital expenditures such as personnel costs.

Other General Fund Accounts:

The Transportation set of accounts is used to manage the cost associated with providing roundtrip transportation (public and nonpublic) to and from school.

The Operating Capital set of accounts is used to account for the acquisition, additions or improvement of sites, building and equipment.

Special Revenue Funds:

Food Service and Community Education operations are self-sustaining, receiving no subsidy from General Fund resources. Food Service operations generate 52% of its revenue through meal sales with the remaining 48% from state and federal funding. An increase in meal prices will be recommended for 2008-09 sufficient to match revenue and expenses.

Food Service: Federal and state funding including the monetary value of commodities. The budget assumes federal funding for Food Service will continue at the same per pupil level for 2008-09. Should Congress substantially change or modify the School Lunch program resulting in a loss of funds, an increase in lunch prices will be recommended to the School Board. The revenue budget is based on a fifteen cent increase in student lunch prices. The expense budget incorporates a continued expansion of a menu featuring fresh vegetables and fruit along with use of whole grain bread products at all grade levels.

Community Education: The Community Education budget reflects revenues and expenses related to the operation of the following programs: Adult Education and Community Involvement, Early Childhood and Family Education, and Youth Enrichment Programs.

The Community Education program goals and objectives are developed by Community Education staff in consultation with the School Board as provided for in Section 124.D of the Minnesota legislative rules. The program is a fee based program with additional support from categorical state aides and local levies. Community Education supports itself through the sale of

programs and services to the St. Cloud area community, while collaborating with the K-12 program.

Capital Projects Fund:

The Capital Projects fund includes General Obligation School Building Bonds, 2007 approved by voters on September 12, 2006, and the deferred maintenance projects funded by the alternative facilities levy.

Debt Service Fund:

The Debt Service Fund reflects taxes levied for principal and interest due on bonds approved by district voters in 1988 and 2006. The Moody's bond rating of Aaa provided district taxpayers with a comparatively low interest rate on bonded debt when the 2006 Building Bond levy was approved.

The 2006 bond issue will be used for a new K-8 building in the St. Joseph area and for other building renovations. The St. Cloud Area School District does not qualify for state debt service equalization aid because the school district's tax base per pupil exceeds the state cutoff for aid.

Debt service payments fall in August and February. Because property tax collections used to meet payments occur in May and October, the year-end fund balance on June 30 must be sufficiently large, when added to October tax collections, to meet the February bonded debt interest and principal obligations. Typically the June 30 Debt Service Fund Balance should equal approximately half of the upcoming budget year obligations.

Fiduciary Fund:

The District maintains a Scholarship Trust Fund. This fund is used to account for money held by the District in a trustee capacity.

Property Taxes:

In addition to determining the level of funding, the state also determines what portion of General Education and operating referendum revenue is funded by state aid and property taxes. In 2001 legislature implemented a major shift in source of funding increasing state aid from 47% to 75% of General Fund revenue. The reduction in school property taxes for 2002 culminates a legislative effort beginning in 1998 to use state resources to reduce school property taxes resulting in a significant downtrend in homeowner property taxes.

ACKNOWLEDGEMENTS

We appreciate the support provided by the St. Cloud Board of Education, the community and the staff for their dedication to the youth of the St. Cloud Area School District. It is the combined efforts of these people that will enable the School District to continue to provide a quality education for each student.

Kevin Januszewski, CPA (Inactive)
Executive Director of Business Services

St. Cloud Area School District 742
Financial Summary
Three-Year Period Ending June 30, 2009

Sources and Uses of Funds			
	Actual 06-07	Budget 07-08	Budget 08-09
General Fund			
Sources of Funds:			
Local Sources	\$12,938,385	\$13,971,421	\$9,066,023
State Sources	76,042,679	78,339,845	80,872,603
Federal Sources	<u>5,432,369</u>	<u>6,174,970</u>	<u>5,148,563</u>
Total Sources of Funds	94,413,433	98,486,236	95,087,189
Uses of Funds:			
Teaching and Learning	72,655,382	75,781,925	77,163,983
Facilities, Operations and Maintenance	5,740,048	6,029,185	5,974,789
Operating Capital	2,814,323	5,518,771	4,143,715
Transportation	5,952,143	5,946,620	5,542,689
School Level Administration	3,173,646	3,322,536	3,240,391
District Level Administration	<u>2,166,488</u>	<u>2,217,167</u>	<u>2,162,510</u>
Total Uses of Funds	<u>92,502,030</u>	<u>98,816,204</u>	<u>98,228,077</u>
Sources Over (Under) Uses	1,911,403	(329,968)	(3,140,888)
Other Financing Sources (Uses)	<u>3,703,247</u>	<u>205,000</u>	<u>205,000</u>
Net Change in Funds	5,614,650	(124,968)	(2,935,888)
Beginning Fund Balance	<u>2,814,737</u>	<u>8,429,387</u>	<u>8,004,419</u>
Ending Fund Balance	\$8,429,387	\$8,304,419	\$5,068,531
Reconciliation of Ending Fund Balance			
Reserved for Operating Capital	\$3,839,781	\$2,369,808	\$1,960,271
Reserved for Health & Safety	(693,422)	114,790	(254,073)
Reserved for Gifted & Talented	102,622	0	0
Reserved for Severance	2,436,512	1,539,134	1,500,000
Unreserved			
Transportation	91,452	74,728	113,213
Operating	<u>2,652,442</u>	<u>3,905,959</u>	<u>1,749,120</u>
Total Unreserved	<u>2,743,894</u>	<u>3,980,687</u>	<u>1,862,333</u>
Total Ending Fund Balance	\$8,429,387	\$8,004,419	\$5,068,531
Other Funds			
Food and Nutrition Services			
Total Sources	\$3,795,199	\$3,964,217	\$4,099,300
Total Uses	<u>3,780,531</u>	<u>3,939,723</u>	<u>4,095,036</u>
Net Change in Funds	<u>14,668</u>	<u>24,494</u>	<u>4,264</u>
Ending Fund Balance	\$50,690	\$75,184	\$79,448
Community Education and Services			
Total Sources	\$4,816,523	\$5,119,939	\$5,106,734
Total Uses	<u>4,845,317</u>	<u>4,627,951</u>	<u>4,915,195</u>
Net Change in Funds	<u>(28,794)</u>	<u>491,988</u>	<u>191,539</u>
Ending Fund Balance	(\$227,512)	\$264,476	\$456,015
Capital Projects (Building Construction)			
Total Sources	\$2,675,249	\$2,096,049	\$957,229
Total Uses	6,732,218	25,850,301	8,864,000
Other Financing Sources (Uses)	<u>33,821,658</u>	<u>0</u>	<u>0</u>
Net Change in Funds	<u>29,764,689</u>	<u>(23,754,252)</u>	<u>(7,906,771)</u>
Ending Fund Balance	\$31,837,405	\$8,083,153	\$176,382
Debt Financing			
Total Sources	\$2,927,988	\$4,251,112	\$3,329,693
Total Uses	2,694,748	4,148,685	3,803,705
Other Financing Sources (Uses)	<u>213,000</u>	<u>0</u>	<u>0</u>
Net Change in Funds	<u>446,240</u>	<u>102,427</u>	<u>(474,012)</u>
Ending Fund Balance	\$1,369,608	\$1,472,035	\$998,023
Combined Funds			
Total Sources	\$108,628,392	\$113,917,553	\$108,580,145
Total Uses	108,073,096	133,234,179	116,102,308
Other Financing Sources (Uses)	<u>37,737,905</u>	<u>205,000</u>	<u>205,000</u>
Net Change in Funds	<u>38,293,201</u>	<u>(19,111,626)</u>	<u>(7,317,163)</u>
Ending Fund Balance	\$41,459,578	\$18,199,267	\$6,778,399

St. Cloud Area School District 742
Financial Summary
Three-Year Period Ending June 30, 2009

Key Statistics and Ratios			
	Actual 06-07	Budget 07-08	Budget 08-09
Enrollment Statistics			
Total Enrollment	9,316	9,320	9,320
Enrollment Growth Rate		0.04%	0.00%
Per Pupil Sources of Funds - General Fund	\$10,135	\$10,567	\$10,202
Year-to-Year Growth Rate		4.27%	-3.45%
Per Pupil Expenditures - Teaching and Learning	\$7,799	\$8,131	\$8,279
Year-to-Year Growth Rate		4.26%	1.82%
Per Pupil Expenditures - Facilities, Operations and Maintenance	\$616	\$647	\$641
Year-to-Year Growth Rate		4.99%	-0.90%
Per Pupil Expenditures - Operating Capital	\$302	\$592	\$445
Year-to-Year Growth Rate		96.01%	-24.92%
Per Pupil Expenditures - Transportation	\$639	\$638	\$595
Year-to-Year Growth Rate		-0.14%	-6.79%
Per Pupil Expenditures - School Level Administration	\$341	\$356	\$348
Year-to-Year Growth Rate		4.65%	-2.47%
Per Pupil Expenditures - District Level Administration	\$233	\$238	\$232
Year-to-Year Growth Rate		2.30%	-2.47%
Class Size: Elementary K-3	22	22	22
Elementary 4-6	26	26	26
Junior High 7-8	31	31	31
High School 9-12	30	29	29
Financial Statistics			
Total Sources of Funds - General Fund	\$94,413,433	\$98,486,236	\$95,087,189
Year-to-Year Growth Rate		4.31%	-3.45%
Total Uses of Funds - General Fund	\$92,502,030	\$98,816,204	\$98,228,077
Year-to-Year Growth Rate		6.83%	-0.60%

ST. CLOUD AREA SCHOOL DISTRICT 742
Summary of Budgets-All Governmental Fund Types
Fiscal Year 2008-09 Budget

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Property Taxes	\$5,803,023	\$1,078,361	\$864,229	\$2,972,707	\$10,718,320
Other Local and County Revenues	3,263,000	1,312,739	93,000	60,000	4,728,739
Revenues from State Sources	80,872,603	2,818,753	0	296,986	83,988,342
Revenues from Federal Sources	5,148,563	1,864,431	0	0	7,012,994
Sales and Other Conversion of Assets	0	2,131,750	0	0	2,131,750
Total Revenues	95,087,189	9,206,034	957,229	3,329,693	108,580,145
EXPENDITURES					
District and School Administration	3,604,806	0	0	0	3,604,806
District Support Services	1,798,095	0	0	0	1,798,095
Regular Instruction	44,252,703	0	0	0	44,252,703
Vocational Instruction	682,241	0	0	0	682,241
Special Education Instruction	23,106,129	0	0	0	23,106,129
Community Education and Services	0	4,915,195	0	0	4,915,195
Instructional Support Services	6,188,834	0	0	0	6,188,834
Pupil Support Services	2,434,076	4,095,036	0	0	6,529,112
Site, Buildings and Equipment	5,974,789	0	8,864,000	0	14,838,789
Fiscal and Other Fixed Cost Programs	500,000	0	0	3,803,705	4,303,705
Transportation	5,542,689	0	0	0	5,542,689
Operating Capital	4,143,715	0	0	0	4,143,715
Total Expenditures	98,228,077	9,010,231	8,864,000	3,803,705	119,906,013
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,140,888)	195,803	(7,906,771)	(474,012)	(11,325,868)
OTHER FINANCING SOURCES (USES)					
Sale of Property and Equipment	205,000	0	0	0	205,000
Total Other Financing Sources (Uses)	205,000	0	0	0	205,000
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	(2,935,888)	195,803	(7,906,771)	(474,012)	(11,120,868) **
FUND BALANCE-BEGINNING OF YEAR	8,004,419	339,660	8,083,153	1,472,035	17,899,267
FUND BALANCE-END OF YEAR	\$5,068,531	\$535,463	\$176,382	\$998,023	\$6,778,399

** This represents a spend down of the bond proceeds received in 2006-07 for the new Kennedy K-8 building and other district-wide capital improvements within the Capital Projects Fund. The General Fund decrease is a planned decrease in fund balance so the District did not have to make as many budget reductions for 2008-09 school year.

GENERAL FUND

The General Fund is used to account for all revenues and expenditures of the school district not accounted for elsewhere. It contains the following budget components:

Operating - includes expenditures for educational activities, district instructional and student support programs, expenditures for the superintendent, district administration, normal operations and maintenance, and other district expenditures not specifically designated to be accounted for in any other area.

Transportation - includes expenditures to provide students (public and nonpublic) with round trip transportation to and from school.

Operating Capital - includes expenditures for acquisition, additions or improvement of sites, building, and equipment.

ST. CLOUD AREA SCHOOL DISTRICT 742
Summary of Budgets-General Fund
Fiscal Year 2008-09 Budget

	Operating	Transportation	Operating Capital	Total General Fund
REVENUES				
Local Property Taxes	\$3,910,893	\$0	\$1,892,130	\$5,803,023
Other Local and County Revenues	3,088,000	100,000	75,000	3,263,000
Revenues from State Sources	74,198,244	5,481,174	1,193,185	80,872,603
Revenues from Federal Sources	5,148,563	0	0	5,148,563
Sales and Other Conversion of Assets	0	0	0	0
Total Revenues	86,345,700	5,581,174	3,160,315	95,087,189
EXPENDITURES				
District and School Administration	3,604,806	0	0	3,604,806
District Support Services	1,798,095	0	0	1,798,095
Regular Instruction	44,252,703	0	0	44,252,703
Vocational Instruction	682,241	0	0	682,241
Special Education Instruction	23,106,129	0	0	23,106,129
Instructional Support Services	6,188,834	0	0	6,188,834
Pupil Support Services	2,434,076	0	0	2,434,076
Site, Buildings and Equipment	5,974,789	0	0	5,974,789
Fiscal and Other Fixed Cost Programs	500,000	0	0	500,000
Transportation	0	5,542,689	0	5,542,689
Operating Capital	0	0	4,143,715	4,143,715
Total Expenditures	88,541,673	5,542,689	4,143,715	98,228,077
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,195,973)	38,485	(983,400)	(3,140,888)
OTHER FINANCING SOURCES (USES)				
Proceeds from Capital Lease	0	0	0	0
Sale of Property and Equipment	0	0	205,000	205,000
Total Other Financing Sources (Uses)	0	0	205,000	205,000
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	(2,195,973)	38,485	(778,400)	(2,935,888)
FUND BALANCE-BEGINNING OF YEAR	5,445,093	74,728	2,484,598	8,004,419
FUND BALANCE-END OF YEAR	\$3,249,120	\$113,213	\$1,706,198	\$5,068,531

ST. CLOUD AREA SCHOOL DISTRICT 742

Operating Fund Budget

For Fiscal Year 2008-09, with comparative information for Years 2002-03 Through 2007-08

Fund Expenditures by Program Total

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	Actual	Actual	Actual	Actual	Actual	Readopted Budget	Budget
REVENUES							
Local Property Taxes	\$1,183,264	\$4,108,017	\$5,088,058	\$2,549,100	\$7,335,622	\$7,386,348	\$3,910,893
Other Local and County Revenues	2,911,554	2,211,991	2,446,221	2,649,422	2,596,249	2,235,830	3,088,000
Revenues from State Sources	69,550,612	63,742,146	67,144,330	72,269,001	69,855,723	71,807,182	74,198,244
Revenues from Federal Sources	6,315,213	6,930,612	7,740,981	7,705,029	5,432,369	6,174,970	5,148,563
Sales and Other Conversion of Assets	8,751	1,589	1,151	137	11,476	0	0
Total Revenues	79,969,394	76,994,355	82,420,741	85,172,689	85,231,439	87,604,330	86,345,700
EXPENDITURES							
District and School Administration	3,594,211	3,360,686	3,561,736	3,394,068	3,557,277	3,692,285	3,604,806
District Support Services	1,664,072	1,793,511	1,720,102	1,478,101	1,782,857	1,847,418	1,798,095
Regular Instruction	36,953,385	34,708,120	38,190,156	37,590,769	39,301,011	44,594,212	44,252,703
Vocational Instruction	591,592	563,728	569,839	716,155	667,695	673,602	682,241
Special Education Instruction	21,756,232	21,465,387	22,936,472	24,577,110	23,569,433	22,312,985	23,106,129
Instructional Support Services	7,704,359	7,860,334	7,706,515	7,446,002	6,575,930	5,374,263	6,188,834
Pupil Support Services	2,059,597	1,965,563	1,837,366	1,913,051	2,016,866	2,266,863	2,434,076
Site, Buildings and Equipment	5,177,380	5,030,947	5,001,976	5,816,865	5,740,048	6,029,185	5,974,789
Fiscal and Other Fixed Cost Programs	521,786	462,947	448,460	520,284	524,447	560,000	500,000
Total Expenditures	80,022,614	77,211,223	81,972,622	83,452,405	83,735,564	87,350,813	88,541,673
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(53,220)	(216,868)	448,119	1,720,284	1,495,875	253,517	(2,195,973)
FUND BALANCE-BEGINNING OF YEAR	1,797,386	1,744,166	1,527,298	1,975,417	3,695,701	5,191,576	5,445,093
FUND BALANCE-END OF YEAR	\$1,744,166	\$1,527,298	\$1,975,417	\$3,695,701	\$5,191,576	\$5,445,093	\$3,249,120

ST. CLOUD AREA SCHOOL DISTRICT 742
Operating Fund Expenditure Budget by Program Detail
For Fiscal Year 2008-09, with comparative information for Years 2004-05 Through 2007-08

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	Actual	Actual	Actual	Actual	Actual	Readopted Budget	Budget
District and School Administration							
Board of Education	\$88,101	\$83,540	\$85,732	\$87,098	\$110,453	\$127,431	\$125,941 *
Office of Superintendent	213,190	218,122	388,019	253,605	230,831	241,042	238,474
School Administration	3,292,920	3,059,024	3,087,985	3,053,365	3,215,993	3,323,812	3,240,391
Total District and School Administration	3,594,211	3,360,686	3,561,736	3,394,068	3,557,277	3,692,285	3,604,806
District Support Services							
General Administrative Support	235,133	289,931	269,176	296,699	420,747	454,549	370,601
Business Services	490,459	483,069	477,760	460,858	463,489	467,625	495,432
Community Relations	55,489	82,884	47,593	32,388	144,646	185,481	158,893
Data Processing	194,315	192,484	200,369	3,497	4,128	0	0
Legal Services	61,001	80,327	43,482	49,883	72,469	72,506	72,500
Human Resources	606,929	613,111	678,098	610,834	670,811	615,757	677,019
Census	600	600	600	600	600	1,500	1,000
School Elections	20,146	51,105	3,024	23,342	5,967	50,000	22,650
Total District Support Services	1,664,072	1,793,511	1,720,102	1,478,101	1,782,857	1,847,418	1,798,095
Regular Instruction							
Kindergarten	952,404	712,224	1,096,480	1,215,723	1,256,017	1,088,341	1,258,097
Elementary Education	13,750,487	12,834,176	14,163,893	14,099,532	14,283,203	15,960,248	14,958,731
Title II	445,313	447,581	497,174	404,584	420,355	576,475	451,141
Title III	10,679	34,830	77,637	47,556	57,209	200,591	90,000
Safe and Drug Free	52,539	52,343	54,495	53,316	40,714	49,849	40,000
Title V	69,244	90,981	57,459	30,623	22,880	31,230	18,000
21st Century Community Learning	4,222	190,227	255,388	147,913	179,197	41,293	0
Title II, Education Technology	260,298	16,301	45,017	162,953	100,908	73,225	0
Secondary Education	3,646,629	3,722,742	3,739,940	3,397,255	4,216,549	8,320,346	8,608,426 **
Art	824,454	734,275	760,683	839,741	909,190	842,871	900,169
Business	312,611	187,337	170,528	156,409	157,026	152,982	158,897
Title I	1,293,497	1,257,794	1,182,450	1,217,406	1,167,634	1,216,695	1,245,279
Assurance Of Mastery	151,310	156,056	189,757	1,774	0	0	0
Gifted & Talented	190,606	173,734	162,417	240,209	201,903	491,499	361,128
English Language Learners	1,064,734	915,632	1,078,405	988,578	1,125,064	1,165,521	1,139,209
English/Language Arts	2,042,421	2,004,147	2,159,458	2,124,914	2,260,331	2,088,194	2,261,705
Foreign Language	683,077	570,232	673,288	817,689	794,758	757,165	795,023
Physical Education	1,530,186	1,646,489	1,772,518	1,765,730	1,876,868	1,696,429	1,877,721
FACS	296,028	282,086	281,334	162,526	162,525	167,357	162,525
Industrial Technology	454,085	466,372	522,996	402,290	313,253	312,115	311,364
Mathematics	1,978,071	1,843,538	1,954,718	1,971,205	2,211,067	2,272,012	2,352,812
Computer Science	0	330	13,896	0	0	0	0
Music	1,461,703	1,457,294	1,669,522	1,699,209	1,710,522	1,602,517	1,708,524

ST. CLOUD AREA SCHOOL DISTRICT 742
Operating Fund Expenditure Budget by Program Detail
For Fiscal Year 2008-09, with comparative information for Years 2004-05 Through 2007-08

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	Actual	Actual	Actual	Actual	Actual	Readopted Budget	Budget
Natural Science	1,891,924	1,880,499	1,994,086	2,043,565	2,070,101	1,841,194	2,074,712
Social Studies	2,008,322	1,970,359	2,108,801	2,127,409	2,210,705	2,041,712	2,215,866
Other Regular Education	6,801	19,294	3,814	29,115	14,289	8,418	14,023
Extra-Curricular Activities	1,571,740	1,041,247	1,504,002	1,443,545	1,538,743	1,595,933	1,249,351
Total Regular Instruction	36,953,385	34,708,120	38,190,156	37,590,769	39,301,011	44,594,212	44,252,703
Vocational Instruction							
Distributive Education	131,621	142,575	143,495	220,562	215,515	205,081	215,882
Home Economics/Consumer Education	18,933	34,728	6,646	7,685	6,168	8,401	6,456
Business and Office	53,801	54,022	64,878	69,990	75,221	59,331	75,551
Trade & Industry	12,677	15,283	24,798	25,808	26,533	48,041	28,520
Special Needs	374,560	317,120	330,022	392,110	344,258	352,748	355,832
Total Vocational Instruction	591,592	563,728	569,839	716,155	667,695	673,602	682,241
Special Education							
Speech Impaired	1,675,442	1,507,234	1,768,230	1,912,539	816,258	711,919	771,173
Mild-Moderately Mental Impaired	730,715	473,955	537,698	423,982	1,568,613	1,331,676	1,463,305
Moderate-Severe Mental Impaired	3,569,833	3,609,428	3,850,721	4,099,661	2,819,165	2,795,313	2,738,453
Physically Impaired	1,233,847	1,268,906	1,286,977	1,157,290	275,866	238,944	256,257
Hearing Impaired	716,018	746,547	819,860	746,728	745,364	642,004	721,313
Visually Impaired	184,643	152,765	163,589	128,985	135,680	138,053	123,606
Specific Learning Disabled	4,601,992	4,189,376	4,231,864	4,229,348	2,956,163	2,603,029	2,727,824
Emotional Behavioral Disorder	4,376,129	4,512,021	4,846,120	5,000,357	4,492,290	3,883,503	4,169,278
Deaf-Blind	0	15,085	0	0	7,111	1,823	7,111
Other Health Disabilities	73,396	120,050	125,877	167,398	1,195,977	998,540	1,099,197
Autistic Spectrum Disorders	92,974	371,922	394,489	447,902	1,898,307	1,592,216	1,844,363
Early Childhood Special Education	1,529,947	1,464,321	1,523,276	1,754,185	2,668,013	2,272,395	2,568,554
Trumatic Brain Injury	0	9,410	6,432	7,603	32,058	23,831	21,112
Severly Mutlply Impaired	37,541	51,085	56,778	43,502	306,297	238,251	271,580
Special Education General	2,933,755	2,973,282	3,324,561	4,112,667	3,309,045	4,423,758	3,982,001
Early Intervening Services	0	0	0	344,963	343,226	417,730	341,002
Total Special Education Instruction	21,756,232	21,465,387	22,936,472	24,577,110	23,569,433	22,312,985	23,106,129
Instructional Support Services							
General Instruction Support	3,230,813	3,895,758	3,858,727	3,606,655	2,254,251	1,724,720	2,947,158
Non Instructional Para Support	992,114	834,045	791,240	776,360	919,512	919,510	919,512
Curriculum Development	518,851	435,908	444,565	603,492	385,208	741,903	474,002
Educational Media	2,671,867	2,424,735	2,440,876	2,015,685	2,559,486	1,495,736	1,316,341
Staff Development	172,783	125,661	47,638	314,793	333,736	372,147	407,908
Other Instructional Support	117,931	144,227	123,469	129,017	123,737	120,247	123,913
Total Instructional Support Services	7,704,359	7,860,334	7,706,515	7,446,002	6,575,930	5,374,263	6,188,834
Pupil Support Services							

ST. CLOUD AREA SCHOOL DISTRICT 742
Operating Fund Expenditure Budget by Program Detail
For Fiscal Year 2008-09, with comparative information for Years 2004-05 Through 2007-08

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	Actual	Actual	Actual	Actual	Actual	Readopted Budget	Budget
Secondary Counseling & Guidance	860,649	908,985	838,939	867,403	950,144	1,031,202	1,014,727
Elementary Counseling	0	0	0	0	0	367,570	383,890
Health Services	551,356	441,168	438,118	545,286	589,554	529,816	588,695
Social Work Services	304,647	117,621	100,974	94,235	88,817	93,973	87,950
Other Pupil Support Services	342,945	497,789	459,335	406,127	388,351	244,302	358,814
Total Pupil Support Services	2,059,597	1,965,563	1,837,366	1,913,051	2,016,866	2,266,863	2,434,076
Site, Buildings and Equipment	5,177,380	5,030,947	5,001,976	5,816,865	5,740,048	6,029,185	5,974,789
Fiscal and Other Fixed Cost Programs							
Short Term Interest	203,127	143,424	139,199	188,554	200,652	220,000	160,000
Property and Other Insurance	318,659	319,523	309,261	331,730	323,795	340,000	340,000
Total Fiscal and Other Fixed Cost Programs	521,786	462,947	448,460	520,284	524,447	560,000	500,000
Total Expenditures	\$80,022,614	\$77,211,223	\$81,972,622	\$83,452,405	\$83,735,564	\$87,350,813	\$88,541,673

* Increase is due to outside studies and superintendent search

** This program has the estimated settlement costs for all union groups. The contracts were not settled at the time of budget preparation.

ST. CLOUD AREA SCHOOL DISTRICT 742

Transportation Budget

For Fiscal Year 2008-09, with comparative information for Years 2002-03 Through 2007-08

Fund Expenditures by Function

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	Actual	Actual	Actual	Actual	Actual	Readopted Budget	Budget
REVENUES							
Local Property Taxes	\$0	\$0	\$465,778	\$443,483	\$439,584	\$435,707	\$0
Other Local and County Revenues	90,964	96,634	99,180	106,493	100,771	100,000	100,000
Revenues from State Sources	4,628,010	4,542,225	4,562,826	4,946,621	5,236,777	5,394,189	5,481,174
Sales and Other Conversion of Assets	4,459	16,126	6,557	4,196	7,520	0	0
Total Revenues	4,723,433	4,654,985	5,134,341	5,500,793	5,784,652	5,929,896	5,581,174
EXPENDITURES							
Transportation Safety	28,115	41,589	44,648	23,715	25,441	27,903	25,441
Noon Kindergarten	0	0	165,914	105,490	99,210	113,169	109,917
Traffic Hazards-Walkers	32,684	25,291	25,078	28,233	31,886	33,326	31,886
Regular To and From School Transportation	3,367,314	3,219,216	3,383,060	3,489,322	3,828,976	3,855,845	3,401,039
Special Education Transportation	1,261,018	1,355,056	1,487,157	1,624,692	1,701,874	1,732,325	1,714,406
Equipment & Bus Purchases	2,137	5,774	8,094	199,283	264,756	184,052	260,000
Total Expenditures	4,691,268	4,646,926	5,113,951	5,470,735	5,952,143	5,946,620	5,542,689
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	32,165	8,059	20,390	30,058	(167,491)	(16,724)	38,485
FUND BALANCE-BEGINNING OF YEAR	168,271	200,436	208,495	228,885	258,943	91,452	74,728
FUND BALANCE-END OF YEAR	\$200,436	\$208,495	\$228,885	\$258,943	\$91,452	\$74,728	\$113,213

ST. CLOUD AREA SCHOOL DISTRICT 742

Operating Capital Budget

For Fiscal Year 2008-09, with comparative information for Years 2002-03 Through 2007-08

Fund Expenditures by Category

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	Actual	Actual	Actual	Actual	Actual	Readopted Budget	Budget
REVENUES							
Local Property Taxes	\$1,726,056	\$2,723,264	\$1,395,002	\$872,817	\$1,981,057	\$3,169,581	\$1,892,130
Other Local and County Revenues	10,516	4,797	62,702	36,453	466,106	643,955	75,000
Revenues from State Sources	2,185,295	2,032,559	1,821,209	1,722,813	950,179	1,138,474	1,193,185
Total Revenues	3,921,867	4,760,620	3,278,913	2,632,083	3,397,342	4,952,010	3,160,315
EXPENDITURES							
Operating Capital Costs	2,586,103	2,386,424	2,309,601	2,371,941	1,055,538	1,781,558	1,827,370
Instruction Technology	468,710	475,380	239,687	905,641	790,503	2,754,476	1,777,834
Instructional Lease Levy	327,811	423,269	459,565	307,475	302,257	367,475	199,412
Purchase of Real Property	0	0	0	1,434,392	0	0	0
Health and Safety	1,341,370	1,224,678	747,521	921,095	666,025	915,262	339,099
Total Expenditures	4,723,994	4,509,751	3,756,374	5,940,544	2,814,323	5,818,771	4,143,715
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(802,127)	250,869	(477,461)	(3,308,461)	583,019	(866,761)	(983,400)
OTHER FINANCING SOURCES (USES)							
Proceeds from Capital Lease	0	70,500	0	0	0	0	0
Permanent Fund Transfer	0	0	0	0	1,465,342	0	0
Sale of Property and Equipment	0	14,545	1,566,619	1,021,187	2,237,905	205,000	205,000
Total Other Financing Sources (Uses)	0	85,045	1,566,619	1,021,187	3,703,247	205,000	205,000
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	(802,127)	335,914	1,089,158	(2,287,274)	4,286,266	(661,761)	(778,400)
FUND BALANCE-BEGINNING OF YEAR	524,422	(277,705)	58,209	1,147,367	(1,139,907)	3,146,359	2,484,598
FUND BALANCE-END OF YEAR	(\$277,705)	\$58,209	\$1,147,367	(\$1,139,907)	\$3,146,359	\$2,484,598	\$1,706,198

SPECIAL REVENUE FUND

The Special Revenue Fund is used to account for the revenues and expenditures of the school district that are generated by the following budget components:

Food Service - includes the financial activities of the district's food service program, which consists of the preparation and service of meals, snacks, and milk in connection with school and community service activities.

Community Education - includes the financial activities of the district's community education program, which consists of enrichment programs for any age level that are not part of the K-12 education program. The major budget areas are community involvement, youth programs, family education, and administration.

ST. CLOUD AREA SCHOOL DISTRICT 742
Summary of Budgets-Special Revenue
Fiscal Year 2008-09 Budget

	Food Service	Community Education	Total Special Revenue Fund
REVENUES			
Local Property Taxes	\$0	\$1,078,361	\$1,078,361
Other Local and County Revenues	16,000	1,296,739	1,312,739
Revenues from State Sources	149,000	2,669,753	2,818,753
Revenues from Federal Sources	1,802,550	61,881	1,864,431
Sales and Other Conversion of Assets	2,131,750	0	2,131,750
Total Revenues	<u>4,099,300</u>	<u>5,106,734</u>	<u>9,206,034</u>
EXPENDITURES			
Community Education	0	4,915,195	4,915,195
Pupil Support Services	4,095,036	0	4,095,036
Total Expenditures	<u>4,095,036</u>	<u>4,915,195</u>	<u>9,010,231</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,264	191,539	195,803
FUND BALANCE-BEGINNING OF YEAR	<u>75,184</u>	<u>264,476</u>	<u>339,660</u>
FUND BALANCE-END OF YEAR	<u><u>\$79,448</u></u>	<u><u>\$456,015</u></u>	<u><u>\$535,463</u></u>

ST. CLOUD AREA SCHOOL DISTRICT 742**Food Service Fund Budget****For Fiscal Year 2008-09, with comparative information for Years 2002-03 Through 2007-08****Fund Expenditures by Object**

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	
	Actual	Actual	Actual	Actual	Actual	Readopted	2008-09
REVENUES						Budget	Budget
Other Local and County Revenues	\$14,295	\$14,245	\$10,487	\$17,432	\$20,210	\$11,675	\$16,000
Revenues from State Sources	125,429	116,901	119,354	141,526	143,057	149,000	149,000
Revenues from Federal Sources	1,264,437	1,329,632	1,371,233	1,478,803	1,698,194	1,708,225	1,802,550
Sales and Other Conversion of Assets	1,946,552	1,978,535	1,971,441	2,012,487	1,933,738	2,095,317	2,131,750
Total Revenues	3,350,713	3,439,313	3,472,515	3,650,248	3,795,199	3,964,217	4,099,300
EXPENDITURES							
Salaries and Wages	1,330,164	1,288,738	1,296,507	1,359,623	1,417,331	1,462,399	1,542,814
Employee Benefits	301,505	288,139	331,174	338,768	365,557	385,304	365,557
Purchased Services	155,691	203,416	186,478	121,780	105,845	239,700	261,115
Supplies and Materials	1,635,307	1,661,447	1,655,410	1,814,280	1,889,467	1,848,735	1,922,750
Capital Expenditures	0	0	0	30	92	1,025	0
Other Expenditures	4,781	2,688	2,434	2,570	2,239	2,560	2,800
Total Expenditures	3,427,448	3,444,428	3,472,003	3,637,051	3,780,531	3,939,723	4,095,036
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(76,735)	(5,115)	512	13,197	14,668	24,494	4,264
FUND BALANCE-BEGINNING OF YEAR	104,163	27,428	22,313	22,825	36,022	50,690	75,184
FUND BALANCE-END OF YEAR	\$27,428	\$22,313	\$22,825	\$36,022	\$50,690	\$75,184	\$79,448

ST. CLOUD AREA SCHOOL DISTRICT 742
Community Education Fund Budget
For Fiscal Year 2008-09, with comparative information for Years 2002-03 Through 2007-08
Fund Expenditures by Program

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	Actual	Actual	Actual	Actual	Actual	Readopted Budget	Budget
REVENUES							
Local Property Taxes	\$785,468	\$1,336,264	\$925,489	\$378,750	\$1,070,866	\$1,350,017	\$1,078,361
Other Local and County Revenues	1,200,470	1,071,670	1,138,431	1,293,163	1,357,937	1,516,649	1,296,739
Revenues from State Sources	2,318,110	1,803,757	2,062,665	2,611,372	2,213,933	2,152,916	2,669,753
Revenues from Federal Sources	255,870	189,004	126,794	224,754	173,511	81,102	61,881
Sales and Other Conversion of Assets	1,156	1,250	0	0	276	19,255	0
Total Revenues	4,561,074	4,401,945	4,253,379	4,508,039	4,816,523	5,119,939	5,106,734
EXPENDITURES							
Preschool Screening	15,797	19,442	22,048	48,819	63,127	30,082	33,555
Non-Public Health, Textbooks & Guidance	526,141	513,313	534,120	557,702	572,517	636,163	576,569
All Day Kindergarten	306,576	337,202	408,625	446,243	529,752	535,000	520,000
Project Reconnect	54,077	123,123	64,861	131,760	104,940	0	0
Arise	56,091	50,381	49,390	43,666	61,555	54,020	53,400
Health Job Skills	0	0	0	0	4,878	5,344	0
Learn & Serve Grant	14,162	0	0	0	10,479	19,220	0
General Community Education	979,313	688,938	754,838	836,945	709,542	594,780	630,517
Adult Handicapped	103,265	103,142	99,764	96,809	101,441	100,115	100,115
After School Youth Programs	182,187	205,233	217,458	224,937	256,929	237,434	235,294
Extended Day Programs	106,764	107,409	216,872	16,741	140,337	245,000	244,999
Early Childhood Family Education	793,631	784,053	994,553	825,091	902,168	778,990	925,046
Way to Grow/Southside Project	182,270	0	0	0	0	0	0
School Readiness	368,095	358,992	346,941	413,407	399,326	471,179	397,679
Adult Basic Education	936,111	876,621	859,923	884,717	988,326	920,624	1,198,021
Stearns-Benton Adult Literacy	100,751	0	0	0	0	0	0
Total Expenditures	4,725,231	4,167,849	4,569,393	4,526,837	4,845,317	4,627,951	4,915,195
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(164,157)	234,096	(316,014)	(18,798)	(28,794)	491,988	191,539
FUND BALANCE-BEGINNING OF YEAR	66,155	(98,002)	136,094	(179,920)	(198,718)	(227,512)	264,476
FUND BALANCE-END OF YEAR	(\$98,002)	\$136,094	(\$179,920)	(\$198,718)	(\$227,512)	\$264,476	\$456,015

CAPITAL PROJECTS FUND

The Capital Projects (or building construction) Fund is used to record all operations of a district's building construction program that are funded by the sale of bonds, capital loans, or the Alternative Bonding Program (including levies).

There can be no borrowing from the Capital Projects Fund; any cash balance or investment in this fund is held in trust for authorized building projects for which the bonds were sold and must not be used to support cash deficits in other funds.

ST. CLOUD AREA SCHOOL DISTRICT 742
Capital Projects Fund Budget
For Fiscal Year 2008-09, with comparative information for Years 2002-03 Through 2007-08
Fund Expenditures by Program/Project

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	Actual	Actual	Actual	Actual	Actual	Readopted Budget	Budget
REVENUES							
Local Property Taxes	\$2,425,827	\$2,468,245	\$2,459,821	\$2,465,521	\$1,879,298	\$1,296,049	\$864,229
Other Local and County Revenues	63,755	43,209	61,451	95,585	795,951	800,000	93,000
Total Revenues	2,489,582	2,511,454	2,521,272	2,561,106	2,675,249	2,096,049	957,229
EXPENDITURES							
Alternative Facilities	1,845,919	2,257,469	1,786,629	1,676,819	2,898,301	2,350,301	864,000
Building/Other Improvement Bonds	22,881	656,184	1,249,060	0	3,833,917	23,500,000	8,000,000
Total Expenditures	1,868,800	2,913,653	3,035,689	1,676,819	6,732,218	25,850,301	8,864,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	620,782	(402,199)	(514,417)	884,287	(4,056,969)	(23,754,252)	(7,906,771)
OTHER FINANCING SOURCES (USES)							
Transfers Out	0	0	0	0	(1,465,342)	0	0
Bond Proceeds	0	0	0	0	35,287,000	0	0
Total Other Financing Sources (Uses)	0	0	0	0	33,821,658	0	0
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	620,782	(402,199)	(514,417)	884,287	29,764,689	(23,754,252)	(7,906,771) **
FUND BALANCE-BEGINNING OF YEAR	1,484,263	2,105,045	1,702,846	1,188,429	2,072,716	31,837,405	8,083,153
FUND BALANCE-END OF YEAR	\$2,105,045	\$1,702,846	\$1,188,429	\$2,072,716	\$31,837,405	\$8,083,153	\$176,382

** This represents a spend down of the bond proceeds received in 2006-07 for the new Kennedy K-8 building and other district-wide capital improvements.

DEBT SERVICE FUND

The Debt Service Fund is used to record revenues and expenditures for a school district's outstanding bonded indebtedness, whether for building construction or operating capital, and whether for initial or refunding bonds.

There can be no borrowing from the Debt Service Fund; any cash balance or investment in this fund is held in trust for the bondholders, and must not be used to support cash deficits in other funds.

ST. CLOUD AREA SCHOOL DISTRICT 742

Debt Service Fund Budget

For Fiscal Year 2008-09, with comparative information for Years 2002-03 Through 2007-08

Fund Expenditures by Object

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 Readopted	2008-09 Budget
REVENUES	Actual	Actual	Actual	Actual	Actual	Budget	Budget
Local Property Taxes	\$1,818,847	\$2,678,037	\$2,394,215	\$2,492,695	\$2,570,359	\$3,950,095	\$2,972,707
Other Local and County Revenues	60,472	23,639	35,222	73,000	126,612	70,000	60,000
Revenues from State Sources	243,400	317,524	272,509	257,521	231,017	231,017	296,986
Total Revenues	2,122,719	3,019,200	2,701,946	2,823,216	2,927,988	4,251,112	3,329,693
EXPENDITURES							
Principal	1,893,989	2,067,192	2,227,397	2,297,397	2,347,397	2,442,397	2,197,397
Interest and Fiscal Charges	1,034,348	654,908	492,563	442,351	347,351	1,706,288	1,606,308
Total Expenditures	2,928,337	2,722,100	2,719,960	2,739,748	2,694,748	4,148,685	3,803,705
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(805,618)	297,100	(18,014)	83,468	233,240	102,427	(474,012)
OTHER FINANCING SOURCES (USES)							
Bond Proceeds	13,615,000	0	0	0	213,000	0	0
Payment for Current Bond Refunding	(14,145,000)	0	0	0	0	0	0
Premium on Bond	517,987	0	0	0	0	0	0
Total Other Financing Sources (Uses)	(12,013)	0	0	0	213,000	0	0
Net Changes in Fund Balance	(817,631)	297,100	(18,014)	83,468	446,240	102,427	(474,012)
FUND BALANCE-BEGINNING OF YEAR	1,378,445	560,814	857,914	839,900	923,368	1,369,608	1,472,035
FUND BALANCE-END OF YEAR	\$560,814	\$857,914	\$839,900	\$923,368	\$1,369,608	\$1,472,035	\$998,023

FIDUCIARY FUND

The Scholarship Fund is used to record the revenues and expenditures for trust agreements where the school board has accepted the responsibility to serve as trustee.

ST. CLOUD AREA SCHOOL DISTRICT 742

Expendable Trust Fund Budget

For Fiscal Year 2008-09, with comparative information for Years 2002-03 Through 2007-08

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	Actual	Actual	Actual	Actual	Actual	Readopted	Budget
REVENUES						Budget	Budget
Other Local and County Revenues	\$38,618	\$73,794	\$62,636	\$112,698	\$129,287	\$69,842	\$106,000
Total Revenues	38,618	73,794	62,636	112,698	129,287	69,842	106,000
EXPENDITURES							
Scholarships	6,223	39,051	51,238	76,635	92,108	83,704	106,000
Total Expenditures	6,223	39,051	51,238	76,635	92,108	83,704	106,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	32,395	34,743	11,398	36,063	37,179	(13,862)	0
FUND BALANCE-BEGINNING OF YEAR	165,323	197,718	232,461	243,859	279,922	317,101	303,239
FUND BALANCE-END OF YEAR	\$197,718	\$232,461	\$243,859	\$279,922	\$317,101	\$303,239	\$303,239