

Budget Hearing and Annual Meeting

Monday, July 18
8 pm
Central Office Building



SCHOOL DISTRICT OF

Reedsburg

Board of Education:

Gary Woolver	President
Bruce Houtler	Vice President
Gabe Bauer	Treasurer
LuAnn Brey	Clerk
Leo Almeida	Member
Ross Retzlaff	Member
Heather Westphal	Member



Committees:

Operations

Ross Retzlaff, Chair
Gabe Bauer
LuAnn Brey

Curriculum

LuAnn Brey, Chair
Bruce ~~Houtler~~
Heather Westphal

Finance

Gabe Bauer, Chair
Leo Almeida
Heather Westphal

Policy

Bruce ~~Houtler~~, Chair
Leo Almeida
Ross Retzlaff

ADMINISTRATION (continued):

Director of Curriculum & Instruction
Ann Franke

Director of Data Analysis & Prof. Development
Mark Olson

High School Principal, Associate Principal
Matt Terry, Katie Mathews

High School Activities Director
Bryan ~~Yager~~

Middle School Principal, Associate Principal
Casey Campbell, Matt ~~Delkamp~~

**Prairie Ridge Intermediate School
Principal, Associate Principal**
Clint Beyer, Travis Frey

Elementary Principal
Paul Bierman,
Pineview & Westside Elementary Schools

Elementary Associate Principal
Matt ~~Peetz~~

ADMINISTRATION:

District Administrator
Roger J. ~~Rindo~~, Ed.D.

Director of Business Services
Debra Michel

**Director of Pupil Services/
Special Education**
Jeff ~~Bindl~~

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Message from the Superintendent

Greetings!

Budgets tell a story, and they should reflect a district's priorities. Through this budget booklet, we are happy to share the School District of Reedsburg's story with you. As you page through the document, I hope you will notice two things. First, we take responsible fiscal management seriously. It is one of the focus areas in our new 2022-27 strategic plan, and we are committed to demonstrating a return on the community's investment in our schools. Second, we are using our resources to fund our priorities—the programs, people, and materials needed to support our strategic focus areas and their related tactics for 2022-23.

We accomplished a lot over the last 12 months, and I am grateful for all of the efforts of our administrative team, teachers, and staff who worked hard together to make it happen. Most importantly, I am grateful for the support and leadership of our School Board. Their efforts last year were foundational in establishing a challenging and compelling vision to provide a world-class educational experience for all students at all levels, inspiring creativity and a desire to achieve greatness.

We begin work toward that vision in earnest this year, with tactics targeted at impacting the Key Performance Objectives in our new Strategic Plan. Those tactics include:

- Maintaining our continuous improvement efforts through Student Success Teams in every school.
- Implementing and supporting our new K-8 Math and K-3 Phonics programs.
- Targeted academic support at RAHS.
- Establishing a work team to explore the development of new career pathways and building a phased timeline for implementation, including new courses as a part of those pathways as well as connected work-based learning opportunities.
- Establishing a Business Advisory Council to assist and advise the Administrative Team in planning for new career pathways and building partnership opportunities for our kids.
- Exploring a revised PK-5 schedule that allows more time during the school day for teachers at those levels to collaborate in their Professional Learning Communities.
- Establishing an Educator Effectiveness Work Team to revise and streamline the current teacher evaluation system with a plan that recognizes the developmental nature of teaching and evaluation.
- Implementing and planning follow up support for our new Social, Academic, and Emotional Behavior Risk Screener.
- Exploring options for more inclusive instructional practices through co-planning and co-teaching.
- Completing the Loganville Agricultural Learning Center Feasibility Study.
- Developing a long-range facilities master plan.

This is an exciting time to be a part of Beaver Nation. We are a community and school district on the rise, and the energy and sense of optimism is palpable. Together, we will empower all students to maximize their potential in fearless pursuit of human excellence. Let's go, Beavers!

Notices of Budget Hearing and Annual Meeting

Notice

NOTICE OF BUDGET HEARING Section 65.90(4)

Notice is hereby given to qualified electors of the School District of Reedsburg that the budget hearing will be held in the Central Office Building, 501 K Street – Reedsburg, on Monday the 18th day of July, 2022, at 8:00 p.m. Virtual options will also be available – please visit our website at www.rsd.k12.wi.us for additional information on observing this meeting virtually. Detailed copies of the budget are available for inspection at the District Office, 501 K Street, Reedsburg, WI.

Dated this 20th day of June, 2022.

LuAnn Brey

LuAnn Brey
District Clerk

Notice

NOTICE FOR ANNUAL DISTRICT MEETING (Common School District Section 120.08 (1))

Notice is hereby given to qualified electors of the School District of Reedsburg that the annual meeting of said district for the transaction of business will be held in the Central Office Building, 501 K Street - Reedsburg, on Monday the 18th day of July, 2022, at 8:15 p.m. In order to participate (vote) at the Annual Meeting you must appear in person. If you would like to observe the meeting (but not participate) virtual options will be available. Please visit our website at www.rsd.k2.wi.us for instructions on observing this meeting virtually.

Dated this 20th day of June, 2022.

LuAnn Brey

LuAnn Brey
District Clerk

Agendas for Budget Hearing and Annual Meeting

Budget Hearing Agenda

8:00 P.M.

1. Call to Order
 - A. Introductory Remarks
 - B. Ground Rules
2. Budget Review
3. Discussion
4. Adjourn

Annual Meeting Agenda

8:15 P.M.

1. Call to Order
2. Election of Temporary Chairperson
 - A. District Report
3. Old Business
4. New Business
 - A. Resolution – Salaries of School Board Members
 - B. Resolution – Supplemental Student Accident Insurance
 - C. Resolution – Tax Levy for Operation and Debt Service
 - D. Resolution – Establish Annual Meeting Date
5. Adjourn

Recommended Ground Rules

1. Procedures for addressing the chairperson - all persons should stand and state their names.
2. Procedures for making motions – all motions made which are not specified on the agenda shall be written, signed and presented to the chair before action can be taken.
3. Procedures for discussion – each speaker shall be allowed three (3) minutes per topic.
4. Procedures for voting – all voting will be done by a voice vote unless a division of the house is requested and then voting will be done by standing, unless a ballot vote is requested.

Voter Qualifications

Each person voting at the annual meeting must be:

1. A citizen of the United States and 18 years of age or older.
2. A resident of the School District of Reedsburg for at least twenty-eight (28) consecutive days before the meeting.

Voter Challenges

If a person is challenged as to his/her qualifications to vote, the chairperson shall state the above qualifications to the challenged person. If the challenged person declares that he/she is eligible to vote and the challenge is not withdrawn, the chairperson shall administer the following oath and affirmation to the challenged person:

“Do you solemnly swear that you are an actual resident of the School District of Reedsburg and that you are qualified, according to the law, to vote in this matter?”

The person taking such oath shall be allowed to vote, but if he/she refuses to take such oath, he/she may not vote (s. 120.08(3), Wisconsin Statutes).

Powers of the Annual Meeting

120.08 School district meetings. Every elector of a common or union high school district is eligible to vote at an annual or special meeting of the school district.

(1) ANNUAL MEETING.

(a) Common school districts shall hold an annual meeting on the 4th Monday in July at 8 p.m. and union high school districts shall hold an annual meeting on the 3rd Monday in July at 8 p.m. unless the electors at one annual meeting determine to thereafter hold the annual meeting on a different date or hour, or authorize the school board to establish a different date or hour. No annual meeting may be held before May 15 or after October 31. The first school district meeting in a common or union high school district created under s. 117.08, 117.09, or 117.27 shall be considered an annual meeting.

(b) The place of the annual meeting shall be in a schoolhouse in the school district. If a schoolhouse which will accommodate the electors is not available, the place of the annual meeting shall be the nearest available place designated by the school board.

(c) The school district clerk shall publish a class 2 notice, under ch. 985, of the time and place of the annual meeting, the last insertion to be not more than 8 days nor less than one day before the annual meeting. The school district clerk shall give like notice for any adjourned meeting, if the adjournment is for more than 30 days. No annual meeting shall be deemed illegal for want of notice.

(2) SPECIAL MEETING.

(a) Upon petition filed with the school district clerk signed by 3 percent of the electors residing in the school district or 100 electors, whichever is fewer, or upon the motion of the school board in a common or union high school district, a special meeting shall be called by the school district clerk or, in his or her absence, by the school district president or school district treasurer. If the petition includes a subject beyond the power of the special meeting to transact, the school district clerk shall reject such subject and so notify each elector signing the petition.

(b) Notice of a special meeting shall be published as a class 2 notice, under ch. 985. The last insertion shall be not more than 8 days nor less than one day before the day of the special meeting. If no hour for the special meeting is fixed in the notice, it shall be held at 8 p.m.

(c) A special meeting has the powers of the annual meeting. No more than 2 special meetings may be held between annual meetings to consider or act upon the same subject, except that in counties having a population of 750,000 or more no more than 4 such meetings may be held. No tax may be voted at a special meeting, unless notice thereof is included in the notice under par. (b). The amount of the tax proposed to be voted shall be set forth in the notice. The special meeting may vote a tax of a lesser amount than stated in the notice, but not a greater amount.

(3) CHALLENGE. If a person attempting to vote at an annual or special meeting is challenged, the chairperson of the meeting shall state to the person challenged the qualifications necessary to vote at the meeting. If such person declares that he or she is eligible to vote and if such challenge is not withdrawn, the chairperson shall administer the following oath or affirmation to him or her: "You do solemnly swear (or affirm) that you are an actual resident of this school district and that you are qualified, according to law, to vote at this meeting". A person taking such oath or affirmation shall be permitted to vote, but if that person refuses to take such oath or affirmation that person may not vote.

120.10 Powers of annual meeting. The annual meeting of a common or union high school district may:

(1) **CHAIRPERSON AND CLERK.** Elect a chairperson and, in the absence of the school district clerk, elect a person to act as the clerk of the meeting.

(2) **ADJOURNMENT.** Adjournment from time to time.

(3) **SALARIES OF SCHOOL BOARD MEMBERS.** Vote annual salaries for school board members or an amount for each school board meeting the member actually attends.

(4) **REIMBURSEMENT OF SCHOOL BOARD MEMBERS.** Authorize the payment of actual and necessary expenses of a school board member when traveling in the performance of duties and the reimbursement of a school board member for actual loss of earnings when duties require the school board member to be absent from regular employment.

(5) **BUILDING SITES.** Designate sites for school district buildings and provide for the erection of suitable buildings or for the lease of suitable buildings for a period not exceeding 20 years with annual rentals fixed by the lease.

(5m) **REAL ESTATE.** Authorize the school board to acquire, by purchase or condemnation under ch. 32, real estate and structures and facilities appurtenant to such real estate necessary for school district purposes.

(6) **TAX FOR SITES, BUILDINGS AND MAINTENANCE.** Vote a tax to purchase or lease suitable sites for school buildings, to build, rent, lease or purchase and furnish, equip and maintain school district buildings. The tax may be spread over as many years as are required to pay obligations approved or authorized at the annual meeting including rental payments due in future years under an authorized lease.

(7) **TAX FOR TRANSPORTATION VEHICLES.** Vote a tax to purchase, operate and maintain transportation vehicles and to purchase liability insurance for such vehicles, and to finance contracts for the use of services of such vehicles.

(8) **TAX FOR OPERATION.** Vote a tax for the operation of the schools of the school district.

(9) **TAX FOR DEBTS.** Vote a tax necessary to discharge any debts or liabilities of the school district.

(10) **SCHOOL DEBT SERVICE FUND.** Vote a tax to create a fund for the purpose of paying all current bonded indebtedness for capital expenditures. All money raised through taxation or otherwise collected pursuant to this subsection shall be deposited by the school district treasurer in a segregated fund. Such money shall not be used for any other purpose, except as provided by s. 67.11(1), or be transferred to any other fund except by authorization by a two-thirds majority vote of the total number of electors of the school district.

(10m) **SCHOOL CAPITAL EXPANSION FUND.** Vote a tax to create a fund for the purpose of financing all current and future capital expenditures related to buildings and sites. All money raised through taxation or otherwise collected pursuant to this subsection shall be deposited by the school district treasurer in a segregated fund. Such money shall not be used for any other purpose or be transferred to any other fund except by authorization by a majority vote of the electors present at a subsequent annual meeting and only if notice that the issue would be on the agenda was included in the notice of the subsequent annual meeting under s. 120.08(1)(c).

(11) **TAX FOR RECREATION AUTHORITY.** Vote a tax for the purpose specified in s. 66.0123.

(14) **LEGAL PROCEEDINGS.** Direct and provide for the prosecution or defense of any action or proceedings in which the school district is interested.

(15) **TEXTBOOKS.** Authorize the school board to furnish textbooks under conditions prescribed by the annual meeting or by the school board. The authorization shall continue in effect until revoked by a subsequent annual meeting.

(16) **SCHOOL LUNCHES.** Direct the school board to furnish school lunches to the pupils of the school district and appropriate funds for that purpose.

(19) **CONSOLIDATION OF HIGH SCHOOL.** In a union high school district, vote to consolidate schools or to discontinue a school where more than one high school is operated by the school district.

Recommended Annual Meeting Resolutions

A. School Board Salaries

Be it resolved by the electors of the School District of Reedsburg that school board members will be compensated at the rate of _____ for the 2022-2023 school year. (2021-2022 actual - 3,400).

B. Supplemental Student Accident Insurance

Be it resolved by the electors of the School District of Reedsburg that the district will offer supplemental student accident insurance for all students and such insurance shall be paid from school district funds.

C. Tax for Operation and Debt Service

Be it resolved by the electors of the School District of Reedsburg that a tax be levied on all taxable property of the district for: the General Fund in the amount of \$9,003,380; for the Debt Service in the amount of \$4,354,991; and for the Community Service Fund in the amount of \$250,000 for a Total Levy of \$13,608,371.

D. Resolution - Establish Annual Meeting Date

Be it resolved by the electors of the School District of Reedsburg that the Annual Meeting date will be July 17, 2023.

Minutes of 2021 Annual Meeting



Annual Meeting
07/19/2021 08:15 PM
RAHS CAL Center
1100 S. Albert Ave.
Reedsburg, WI 53959
Printed: 07/05/2022 08:04 AM

MEETING MINUTES

Attendees

Voting Members

Leo Almeida, Gabe Bauer, LuAnn Brey, Bruce Houtler, Ross Retzlaff, Heather Westphal, Gary Woolever, 29 District Residents

Non-Voting Members

5 Non-District Residents

1. Call to Order

President Woolever @ 8:15 p.m.

2. Election of Temporary Chairperson

Gary Woolever called for nominations for temporary chairman. Motion made by LuAnn Brey, second by Kari Stanek to nominate Gary Woolever as temporary chairman. There were no other nominations for temporary chairman. Motion by Kari Stanek, second by Shaun Luther to close nominations and cast a unanimous ballot for Gary Woolever for temporary chairman. Motion carried by a voice vote. Gary Woolever assumed the chair and asked District Administrator Dr. Roger Rindo for a District report.

A. District Report

Dr. Rindo began by welcoming everyone and thanking them for coming, including those that have joined remotely. While only in the position for a total of 19 days he is happy to be here and becoming a part of the Reedsburg community. Last year presented many challenges. The ever-changing health conditions required the District to respond and modify their strategies on a fairly regular basis. And unfortunately, there was not always agreement for those responses. Over the last 12 months we have learned a lot about COVID-19 and the challenges it has brought to our schools. We know more about remote instruction and collaborative practices. Our strategies have improved in relation to instructional technology and we have learned that the national and state guidance was often painted in broad brush strokes, without enough consideration for local conditions. To that end, summer school has moved forward this year with a continued emphasis on personal hand sanitizing and facility cleaning and providing 3 feet of distancing whenever possible, and we have made face masks an option rather than a requirement for both students and staff. To date we have not had a single positive case of COVID. While we cannot say that COVID is gone, we are looking ahead to a school year that looks and feels more like "normal". We will not sacrifice safety but we will monitor local health conditions and be surgical in our approach to layered mitigation

strategies and we will be strategic in our multi-tiered approach to supporting students who need extra work to close any learning gaps that may have developed over the last school year. With regard to the budget year ahead, additional funding that we will receive under the Elementary and Secondary School Emergency Relief Fund (ESSER), the money was originally intended to assist students in rebounding from the pandemic and to help schools cover costs related to facilities. And while we are utilizing those dollars in that capacity this year, Wisconsin State lawmakers have also used those federal dollars as a reason to reduce the base-level of state funding for our schools, which has resulted in us needing to use those ESSER funds to backfill budget gaps in addition to using them to support student needs. We need to hold our leaders accountable to their commitment that new state dollars will be made available in future biennial budgets to support backfilling the budget holes that will inevitably be created when the ESSER dollars go away. Our work this year will be largely centered around the following initiatives: 1) Rebuilding the broad sense of community that was fractured over the past year; 2) Building internal capacity for continuous improvement work at the school and district level, with a focus on narrowing achievement gaps and increasing levels of success for all students; 3) Embarking on a strategic planning process that will set the course for the future of the School District of Reedsburg and 4) Continue working with our partners at Aramark to complete an updated facilities assessment. We have a lot of work to do, but I am committed to our purpose and excited to get started.

3. Old Business

None

4. New Business

A. Resolution - School Board Salaries

Be it resolved by the electors of the School District of Reedsburg that school board members will be compensated at the rate of \$3,400 for the 2021-2022 school year. Motion made by Tom Demmin, seconded by Shaun Luther to approve the resolution as presented. Motion carried by a voice vote.

B. Resolution - Supplemental Student Accident Insurance

Be it resolved by the electors of the School District of Reedsburg that the district will offer supplemental student accident insurance for all students and such insurance shall be paid from school district funds. Motion made by Bruce Houtler, seconded by Kari Stanek to approve the resolution as presented. Motion carried by a voice vote.

C. Resolution - Tax for Operation and Debt Service

Be it resolved by the electors of the School District of Reedsburg that a tax be levied on all taxable property of the district for: the General Fund in the amount of \$10,354,021; for the Debt Service in the amount of \$2,600,000; for the Community Service Fund in the amount of \$150,000 for a Total Levy of \$13,104,021. Motion made by Rob Taylor, seconded by LuAnn Brey to approve the resolution as presented. Motion carried by a voice vote.

D. Resolution - Establish Annual Meeting Date

Be it resolved by the electors of the School District of Reedsburg that the Annual Meeting date will be July 18, 2022. Motion made by Tom Demmin, second by Leo Almeida to approve the resolution as presented. Motion carried by a voice vote.

5. Adjourn

Treasurer's Report, 2021-22

The final 2021-22 revenues, expenditures and ending fund balances depicted in the chart below are unaudited. The District's entire financial operation is audited annually, by an external auditing firm, in August and one of the auditor responsibilities is to finalize revenues, expenditures and ending fund balances in all funds.

The following chart shows the starting fund balance, revenues, expenditures and ending fund balances for each fund in which the District had transactions during the 2021-22 fiscal year:

FUND		07-01-21 (Starting) Fund Balance	2021-22 Revenues	2021-22 Expenditures	06-30-22 (Ending) Fund Balance
10	General	8,597,696	37,233,019	36,835,052	8,995,663
20	Special Projects	355,435	8,266,637	8,264,766	357,306
30	Debt Service	1,728,253	2,602,500	2,085,019	2,245,734
50	Food Service	335,642	1,972,176	1,531,114	776,704
80	Community Service	211,401	159,000	332,417	37,984

Introduction

The 2022-2023 Preliminary Budget represents the financial plan to achieve the educational objectives of the school district with the primary focus of meeting the needs of our students. The budget process consists of five phases – planning, preparation, approval/adoption, implementation, and review/evaluation. Development of the school district budget begins with the review of current year programs and services, analysis of student enrollment, demographics and staffing, consideration of community expectations, and review of major factors that affect the budget. The budget development is a year-round process of assessment of the current budget and then projections of the many variables that impact the next budget. Some of the major variables in the budget include enrollment, revenue limit formula, state equalization aid projections, revenue estimates, and staff wages and benefits. The Board, administrative team, business office staff, and many others contributed to the development of our Preliminary Budget.

During the 2021-22 school year, the District went through a strategic planning process that involved the Board of Education, administration, staff, and members of the community. From that, the School District of Reedsburg 2022-2027 Strategic Plan was created. A District mission, vision, core beliefs, strategic focus areas and performance objectives were developed. The proposed 2022-23 Expenditure Budget was built to support and advance the District’s tactical plans in each of the Strategic Plan Focus Areas – the focus of our continuous improvement efforts:



**Rigorous Academic Programs
and Career Pathways for
All Students**



**Continuous Improvement
of Student Growth
and Achievement**



**Innovative Facilities
with Modern Learning
Environments**



Personnel Excellence
Attracting, Developing and
Retaining High Quality Staff



Responsible Fiscal Management
Funding our Priorities and Demonstrating
a Return on the Public’s
Investment in our Schools



**Branding the School
District of Reedsburg**
Communicating and Marketing
that Brand

The proposed budget addresses core instruction, student learning gaps, mental health and college and career readiness. It also supports the District’s ability to attract and retain high quality staff through its offerings of competitive wages and benefits, and supports professional development opportunities for staff.

In June, the School Board approved the Preliminary Budget for presentation at the Budget Hearing and Annual Meeting on July 18. The District’s fiscal year began on July 1, 2022. We will be well into the implementation of the budget when the Board will adopt the final 2022-2023 budget, reflecting adjustments for actual student enrollment, final state aid certification, revenue limit, and other factors in late October. The School Board has the final responsibility for certifying a tax levy sufficient to operate the District.

2022-2023 Budget Highlights

General Fund Revenue Budget = \$35,997,555

Revenue comes from:

- 61.7% State Sources
- 25.8% Local Sources, primarily taxes
- 8.4% Federal Sources and payments from other districts
- 3.8% Payments from other districts
- 0.3% Miscellaneous revenues and reimbursements

General Fund Expenditure Budget = \$36,761,627

Expenses come from:

- 66.6% Salaries and Benefits (does not include special education staff)
- 14.1% Transfer to Special Education Fund
- 13.8% Purchased Services
- 4.0% Non-Capital Items
- 0.9% Business-type Insurance
- 0.3% Capital Items
- 0.3% Dues & Fees

Fund balance used to offset deficit and balance budget - \$764,072

Overall district budget for all areas net of inter-fund transfer = \$47,977,074

(general, special education, debt repayment, food service and community service)

Projected Property Tax Levy = 13,608,371

Mill Rate Projected = \$7.94 per thousand dollars of equalized property value

A house valued at \$100,000 would incur \$794 in school property taxes

Increase of \$30.90 (4.04%)

Includes \$1.02 for the prepayment of outstanding debt

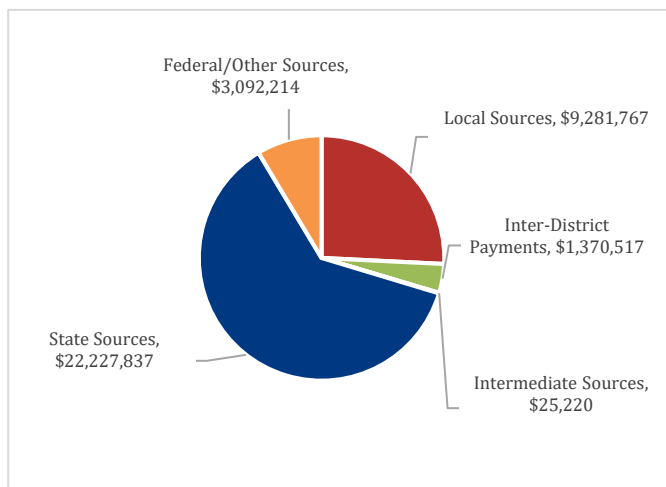
Equalized Property Value of SDR = \$1,713,900,651 (increase of 2%)

SDR Enrollment = 2,657

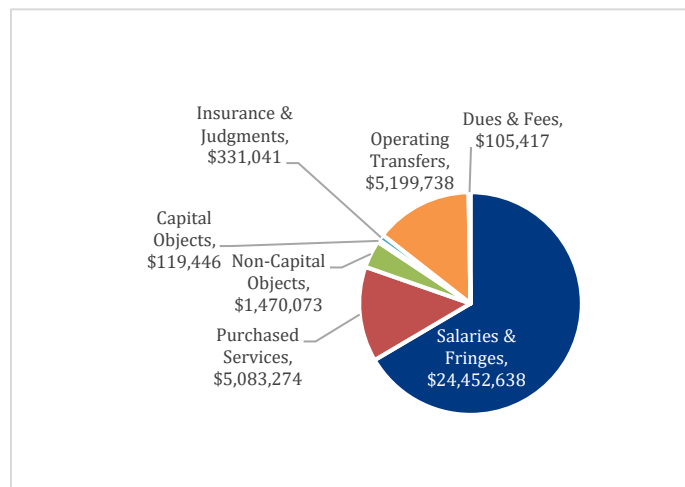
SDR Membership FTE = 2,600

SDR Staffing = 433

General Fund (Fund 10) Revenues



General Fund (Fund 10) Expenditures



Wisconsin State Statute 65.90 Summary Budget

Wisconsin State Statute 65.90 requires public schools to disclose budget information in five areas. The proposed budget is presented in accordance with Wisconsin State Statute 65.90 and the Wisconsin Department of Public Instruction's recommended format for budget adoption and contains the five areas listed below:

1. Two-year historical data and proposed year data
2. Existing indebtedness
3. Anticipated revenues
4. Budgeted expenditure appropriations
5. Disclosure of fund balance

Contained in the 65.90 Budget Adoption and Publication documents is the budget data covering three fiscal years: actual 2020-2021, unaudited actual 2021-2022, and proposed 2022-2023 budget. The projections are based on historical budget data, Wisconsin State Law on Public School Financing (WI Statute 121.90), and student enrollment projections.

Fund Explanations

A fund is an independent account entity that has a self-balancing set of asset accounts, liability accounts and equity accounts. Funds are established to segregate financial accounting of specific activities, in accordance with laws, regulations, restrictions, or limitations.

General (10) Fund: The General Fund is used to account for District financial activities for current operations, except those that must be accounted for in separate funds. Since this fund includes the major activity of the district, it also includes large sources of revenues including property taxes, fees, monies from other districts, state aids and grants and most federal aids and grants. General fund expenditures are presented in two different way to aid in understanding of the expenditure. “Objects” are the kinds of expenditures such as salaries, benefits, contracted services, consumables, equipment and insurances. “Functions” represent the programs relating to the expenditure such as instructions, student services, administration, maintenance and interfund transfers.

Fund 10 Fund Balance: Fund balance is the District’s assets minus liabilities. Fund balance includes both cash and non-cash (i.e. accounts receivable, payroll liabilities, accounts payable) components. Some fund balance designations have specific local and or legal requirements. These amounts can only be used how the School Board dictates. Unassigned fund balance is used for cash flow to lessen the District’s need for short-term borrowing. Unassigned fund balance is also used to address unexpected and unplanned physical or fiscal events.

Special Project Funds (21, 23, 29): Monies received as fundraising, gifts and donations from individuals and organizations used for a specific purpose outside of the district’s normal or typical operations. Student activity account transactions make up the largest portion of the revenues and expenditures. Activity can greatly from year to year and this budget is the best estimate at this time.

Funds 21, 23, 29 Fund Balance: The fund balance in these funds tend to vary depending on the timing of the revenues versus when the expenditures occur.

Special Education (27) Fund: The special education fund is used to account for all of the special education programs and operations in the school district. Revenues generated in this fund come from special education aid, transits of state special education aid from other districts or a CESA, federal grants and Medicaid reimbursements. Also, this fund must be zeroed out each year with an operating transfer revenue from the General Fund (Fund 10). That transfer represents the local support or funding towards the District’s special education programs. The amount of the transfer is the difference between the total costs less the revenue received from the non-local sources.

Fund 27 Fund Balance: Fund balance is not allowed for Fund 27. The transfer from Fund 10 balances the fund each year.

Debt Service (30) Fund: This fund is used to record transactions related to the repayment of general obligation debt including promissory notes issued per Wisconsin Statutes § 67.12(12), bonds and state trust fund loans. Also included in these funds are transactions pertaining to refinancing of debt issues. Wisconsin school districts can borrow up to 20 years for referendum-approved debt. Revenues included in this fund are property taxes to pay off existing debt and interest on the investment of those funds until payments are due. Expenditures include all charges related to the repayment of the outstanding debt issues.

Fund 30 Fund Balance: District’s must maintain a separate checking and/or investment account for this fund. Fund balance occurs in Fund 30 because the District levies for debt retirement payments on a calendar year basis, but expenditures occur on a fiscal year (July to June) basis. All funds levied for debt service remain in fund balance until expended to pay off debt.

Food Service (50) Fund: Federal regulations require that the Food Service Fund be accounted for separately. All revenues and expenditures related to Food Service are recorded in this fund. The Food Service Fund may not transfer money to any other fund. Any fund deficit at the end of the year must be eliminated through an operating transfer from the General Fund. Any fund balance must be retained for future use for Food Services.

Fund 50 Fund Balance: The Food Service operation can have a surplus or deficits in any given year. Any fund deficit at the end of the year must be eliminated through an operating transfer from the General Fund. Any fund balance must be retained for future use for Food Services.

Community Service (80) Fund: This fund is used to account for community activities such as the after-school community learning center program, school resource officers, the CAL Center and other related community programs. A community service tax is levied and rental fees are charged to support these community activities.

Fund 80 Fund Balance: Community service can have a fund balance, and typically the fund balance has a specific purpose.

Budget Publication, 2022-23

A budget summary, notice of the place where the budget in detail may be examined, the time and place for a public hearing on the budget must be published or distributed under s. 65.90. The required minimum detail for the published summary is as follows:

GENERAL FUND	Audited 2020-21	Budget 2021-22	Budget 2022-23
Beginning Fund Balance	8,594,102.33	8,597,696.15	8,995,663.15
Ending Fund Balance	8,597,696.15	8,995,663.15	8,231,591.15
REVENUES & OTHER FINANCING SOURCES			
Transfers-In (Source 100)	902.79	0.00	0.00
Local Sources (Source 200)	10,158,368.87	10,350,711.00	9,281,767.00
Inter-district Payments (Source 300 + 400)	1,480,833.00	1,359,124.00	1,370,517.00
Intermediate Sources (Source 500)	18,883.00	20,920.00	25,220.00
State Sources (Source 600)	21,551,160.86	21,498,542.00	22,227,837.00
Federal Sources (Source 700)	1,347,340.33	3,655,543.00	2,996,778.00
All Other Sources (Source 800 + 900)	298,990.97	348,179.00	95,436.00
TOTAL REVENUES & OTHER FINANCING SOURCES	34,856,479.82	37,233,019.00	35,997,555.00
EXPENDITURES & OTHER FINANCING USES			
Instruction (Function 100 000)	16,316,641.33	16,289,244.00	16,818,150.00
Support Services (Function 200 000)	11,686,971.54	13,226,332.00	12,678,757.00
Non-Program Transactions (Function 400 000)	6,849,273.13	7,319,476.00	7,264,720.00
TOTAL EXPENDITURES & OTHER FINANCING USES	34,852,886.00	36,835,052.00	36,761,627.00

SPECIAL PROJECTS FUND	Audited 2020-21	Budget 2021-22	Budget 2022-23
Beginning Fund Balance	349,220.33	355,435.41	357,306.41
Ending Fund Balance	355,435.41	357,306.41	357,306.41
REVENUES & OTHER FINANCING SOURCES	7,983,021.81	8,266,637.00	8,460,005.00
EXPENDITURES & OTHER FINANCING USES	7,976,806.73	8,264,766.00	8,460,005.00

DEBT SERVICE FUND	Audited 2020-21	Budget 2021-22	Budget 2022-23
Beginning Fund Balance	1,205,174.68	1,728,252.50	2,245,733.50
Ending Fund Balance	1,728,252.50	2,245,733.50	402,955.50
REVENUES & OTHER FINANCING SOURCES	2,601,546.61	2,602,500.00	4,359,491.00
EXPENDITURES & OTHER FINANCING USES	2,078,468.79	2,085,019.00	6,202,269.00

CAPITAL PROJECTS FUND	Audited 2020-21	Budget 2021-22	Budget 2022-23
Beginning Fund Balance	1,791,723.71	0.00	0.00
Ending Fund Balance	0.00	0.00	0.00
REVENUES & OTHER FINANCING SOURCES	524.97	0.00	0.00
EXPENDITURES & OTHER FINANCING USES	1,792,248.68	0.00	0.00

FOOD SERVICE FUND	Audited 2020-21	Budget 2021-22	Budget 2022-23
Beginning Fund Balance	143,089.05	335,641.62	776,703.62
Ending Fund Balance	335,641.62	776,703.62	776,703.62
REVENUES & OTHER FINANCING SOURCES	1,355,630.47	1,972,176.00	1,494,687.00
EXPENDITURES & OTHER FINANCING USES	1,163,077.90	1,531,114.00	1,494,687.00

COMMUNITY SERVICE FUND	Audited 2020-21	Budget 2021-22	Budget 2022-23
Beginning Fund Balance	175,588.73	211,400.78	37,983.78
Ending Fund Balance	211,400.78	37,983.78	29,759.78
REVENUES & OTHER FINANCING SOURCES	75,907.25	159,000.00	250,000.00
EXPENDITURES & OTHER FINANCING USES	40,095.20	332,417.00	258,224.00

Total Expenditures and Other Financing Uses			
ALL FUNDS	Audited 2020-21	Budget 2021-22	Budget 2022-23
GROSS TOTAL EXPENDITURES -- ALL FUNDS	47,903,583.30	49,048,368.00	53,176,812.00
Interfund Transfers (Source 100) - ALL FUNDS	4,807,948.96	5,000,507.00	5,199,738.00
Refinancing Expenditures (FUND 30)	0.00	0.00	0.00
NET TOTAL EXPENDITURES -- ALL FUNDS	43,095,634.34	44,047,861.00	47,977,074.00
PERCENTAGE INCREASE – NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR		2.21%	8.92%

PROPOSED PROPERTY TAX LEVY			
FUND	Audited 2020-21	Budget 2021-22	Budget 2022-23
General Fund	9,928,540.00	10,073,198.00	9,003,380.00
Referendum Debt Service Fund	2,600,000.00	2,600,000.00	4,354,991.00
Non-Referendum Debt Service Fund	0.00	0.00	0.00
Capital Expansion Fund	0.00	0.00	0.00
Community Service Fund	75,000.00	150,000.00	250,000.00
TOTAL SCHOOL LEVY	12,603,540.00	12,823,198.00	13,608,371.00
PERCENTAGE INCREASE -- TOTAL LEVY FROM PRIOR YEAR		1.74%	6.12%

Budget Adoption, 2022-23

	Audited 2020-21	Budget 2021-22	Budget 2022-23
GENERAL FUND (FUND 10)			
Beginning Fund Balance (Account 930 000)	8,594,102.33	8,597,696.15	8,995,663.15
Ending Fund Balance, Nonspendable (Acct. 935 000)	0.00	0.00	0.00
Ending Fund Balance, Restricted (Acct. 936 000)	61,757.27	105,685.00	60,000.00
Ending Fund Balance, Committed (Acct. 937 000)	1,000,000.00	1,000,000.00	1,000,000.00
Ending Fund Balance, Assigned (Acct. 938 000)	0.00	764,072.00	0.00
Ending Fund Balance, Unassigned (Acct. 939 000)	7,535,938.88	7,125,906.15	7,171,591.15
TOTAL ENDING FUND BALANCE (ACCT. 930 000)	8,597,696.15	8,995,663.15	8,231,591.15
REVENUES & OTHER FINANCING SOURCES			
100 Transfers-in	902.79	0.00	0.00
Local Sources			
210 Taxes	9,986,747.57	10,132,198.00	9,062,380.00
240 Payments for Services	45,386.32	40,000.00	46,000.00
260 Non-Capital Sales	0.00	0.00	0.00
270 School Activity Income	12,050.00	43,500.00	40,000.00
280 Interest on Investments	4,045.78	3,300.00	4,500.00
290 Other Revenue, Local Sources	110,139.20	131,713.00	128,887.00
Subtotal Local Sources	10,158,368.87	10,350,711.00	9,281,767.00
Other School Districts Within Wisconsin			
310 Transit of Aids	0.00	0.00	0.00
340 Payments for Services	1,480,833.00	1,359,124.00	1,370,517.00
380 Medical Service Reimbursements	0.00	0.00	0.00
390 Other Inter-district, Within Wisconsin	0.00	0.00	0.00
Subtotal Other School Districts within Wisconsin	1,480,833.00	1,359,124.00	1,370,517.00
Other School Districts Outside Wisconsin			
440 Payments for Services	0.00	0.00	0.00
490 Other Inter-district, Outside Wisconsin	0.00	0.00	0.00
Subtotal Other School Districts Outside Wisconsin	0.00	0.00	0.00
Intermediate Sources			
510 Transit of Aids	15,983.00	20,920.00	20,920.00
530 Payments for Services from CCDEB	0.00	0.00	0.00
540 Payments for Services from CESA	0.00	0.00	0.00
580 Medical Services Reimbursement	0.00	0.00	0.00
590 Other Intermediate Sources	2,900.00	0.00	4,300.00
Subtotal Intermediate Sources	18,883.00	20,920.00	25,220.00

	Audited 2020-21	Budget 2021-22	Budget 2022-23
State Sources 610 State Aid -- Categorical	266,774.65	244,341.00	242,492.00
620 State Aid -- General	18,086,128.00	18,109,706.00	18,892,496.00
630 DPI Special Project Grants	62,126.98	65,080.00	61,000.00
640 Payments for Services	0.00	0.00	0.00
650 Student Achievement Guarantee in Education (SAGE Grant)	878,053.61	919,919.00	919,904.00
660 Other State Revenue Through Local Units	28,617.16	25,000.00	25,000.00
690 Other Revenue	2,229,460.46	2,134,496.00	2,086,945.00
Subtotal State Sources	21,551,160.86	21,498,542.00	22,227,837.00
Federal Sources			
710 Federal Aid - Categorical	0.00	0.00	0.00
720 Impact Aid	0.00	0.00	0.00
730 DPI Special Project Grants	892,234.90	2,530,598.00	2,330,639.00
750 IASA Grants	455,105.43	593,124.00	562,139.00
760 JTPA	0.00	0.00	0.00
770 Other Federal Revenue Through Local Units	0.00	0.00	0.00
780 Other Federal Revenue Through State	0.00	404,584.00	0.00
790 Other Federal Revenue - Direct	0.00	127,237.00	104,000.00
Subtotal Federal Sources	1,347,340.33	3,655,543.00	2,996,778.00
Other Financing Sources			
850 Reorganization Settlement	0.00	0.00	0.00
860 Compensation, Fixed Assets	0.00	6,085.00	3,000.00
870 Long-Term Obligations	0.00	0.00	0.00
Subtotal Other Financing Sources	0.00	6,085.00	3,000.00
Other Revenues			
960 Adjustments	43,013.00	5,000.00	5,000.00
970 Refund of Disbursement	79,543.20	330,244.00	80,586.00
980 Medical Service Reimbursement	0.00	0.00	0.00
990 Miscellaneous	176,434.77	6,850.00	6,850.00
Subtotal Other Revenues	298,990.97	342,094.00	92,436.00
TOTAL REVENUES & OTHER FINANCING SOURCES	34,856,479.82	37,233,019.00	35,997,555.00

EXPENDITURES & OTHER FINANCING USES			
	Audited 2020-21	Budget 2021-22	Budget 2022-23
Instruction			
110 000 Undifferentiated Curriculum	6,770,946.19	6,404,161.00	6,467,521.00
120 000 Regular Curriculum	6,348,802.56	6,461,728.00	6,833,924.00
130 000 Vocational Curriculum	1,349,865.48	1,056,928.00	1,113,469.00
140 000 Physical Curriculum	1,118,051.29	1,198,743.00	1,253,889.00
160 000 Co-Curricular Activities	724,278.60	858,795.00	814,959.00
170 000 Other Special Needs	4,697.21	308,889.00	334,388.00
Subtotal Instruction	16,316,641.33	16,289,244.00	16,818,150.00
Support Sources			
210 000 Pupil Services	284,493.46	1,122,687.00	1,131,268.00
220 000 Instructional Staff Services	1,838,957.45	2,846,154.00	2,985,675.00
230 000 General Administration	530,125.07	686,801.00	794,402.00
240 000 School Building Administration	1,929,409.38	1,991,221.00	1,866,805.00
250 000 Business Administration	6,368,124.41	5,485,456.00	5,048,920.00
260 000 Central Services	265,474.84	321,495.00	291,748.00
270 000 Insurance & Judgments	328,693.88	316,895.00	331,041.00
280 000 Debt Services	0.00	0.00	0.00
290 000 Other Support Services	141,693.05	455,623.00	228,898.00
Subtotal Support Sources	11,686,971.54	13,226,332.00	12,678,757.00
Non-Program Transactions			
410 000 Inter-fund Transfers	4,807,948.96	5,000,507.00	5,199,738.00
430 000 Instructional Service Payments	2,022,483.66	2,298,919.00	2,052,482.00
450 000 Post-Secondary Scholarship Expenditures	0.00	0.00	0.00
490 000 Other Non-Program Transactions	18,840.51	20,050.00	12,500.00
Subtotal Non-Program Transactions	6,849,273.13	7,319,476.00	7,264,720.00
TOTAL EXPENDITURES & OTHER FINANCING USES	34,852,886.00	36,835,052.00	36,761,627.00

SPECIAL PROJECT FUNDS (FUNDS 21, 23, 29)	Audited 2020-21	Budget 2021-22	Budget 2022-23
900 000 Beginning Fund Balance	349,220.33	355,435.41	357,306.41
900 000 Ending Fund Balance	355,435.41	357,306.41	357,306.41
REVENUES & OTHER FINANCING SOURCES	294,777.08	270,261.00	454,570.00
100 000 Instruction	288,562.00	268,390.00	454,570.00
200 000 Support Services	0.00	0.00	0.00
400 000 Non-Program Transactions	0.00	0.00	0.00
TOTAL EXPENDITURES & OTHER FINANCING USES	288,562.00	268,390.00	454,570.00

SPECIAL EDUCATION FUND (FUND 27)	Audited 2020-21	Budget 2021-22	Budget 2022-23
900 000 Beginning Fund Balance	0.00	0.00	0.00
900 000 Ending Fund Balance	0.00	0.00	0.00
REVENUES & OTHER FINANCING SOURCES			
100 Transfers-in	4,807,948.96	5,000,507.00	5,199,738.00
Local Sources			
240 Payments for Services	0.00	0.00	0.00
260 Non-Capital Sales	0.00	0.00	0.00
270 School Activity Income	0.00	0.00	0.00
290 Other Revenue, Local Sources	0.00	0.00	0.00
Subtotal Local Sources	0.00	0.00	0.00
Other School Districts Within Wisconsin			
310 Transit of Aids	0.00	0.00	0.00
340 Payments for Services	0.00	0.00	0.00
380 Medical Service Reimbursements	0.00	0.00	0.00
390 Other Inter-district, Within Wisconsin	0.00	0.00	0.00
Subtotal Other School Districts within Wisconsin	0.00	0.00	0.00
Other School Districts Outside Wisconsin			
440 Payments for Services	0.00	0.00	0.00
490 Other Inter-district, Outside Wisconsin	0.00	0.00	0.00
Subtotal Other School Districts Outside Wisconsin	0.00	0.00	0.00
Intermediate Sources			
510 Transit of Aids	150,455.58	154,799.00	145,161.00
530 Payments for Services from CCDEB	0.00	0.00	0.00
540 Payments for Services from CESA	0.00	0.00	0.00
580 Medical Services Reimbursement	0.00	0.00	0.00
590 Other Intermediate Sources	0.00	0.00	0.00
Subtotal Intermediate Sources	150,455.58	154,799.00	145,161.00
State Sources			
610 State Aid -- Categorical	1,629,437.00	1,669,798.00	1,713,313.00
620 State Aid -- General	31,190.00	72,152.00	35,000.00
630 DPI Special Project Grants	0.00	0.00	0.00
640 Payments for Services	0.00	0.00	0.00
650 Achievement Gap Reduction (AGR grant)	0.00	0.00	0.00
690 Other Revenue	0.00	0.00	0.00
Subtotal State Sources	1,660,627.00	1,741,950.00	1,748,313.00

	Audited 2020-21	Budget 2021-22	Budget 2022-23
Federal Sources			
710 Federal Aid - Categorical	0.00	0.00	0.00
730 DPI Special Project Grants	690,996.68	774,120.00	587,223.00
750 IASA Grants	0.00	0.00	0.00
760 JTPA	0.00	0.00	0.00
770 Other Federal Revenue Through Local Units	0.00	0.00	0.00
780 Other Federal Revenue Through State	378,216.51	325,000.00	325,000.00
790 Other Federal Revenue - Direct	0.00	0.00	0.00
Subtotal Federal Sources	1,069,213.19	1,099,120.00	912,223.00
Other Financing Sources		0.00	0.00
860 Compensation, Fixed Assets	0.00	0.00	0.00
870 Long-Term Obligations	0.00	0.00	0.00
Subtotal Other Financing Sources	0.00	0.00	0.00
Other Revenues			
960 Adjustments	0.00	0.00	0.00
970 Refund of Disbursement	0.00	0.00	0.00
990 Miscellaneous	0.00	0.00	0.00
Subtotal Other Revenues	0.00	0.00	0.00
TOTAL REVENUES & OTHER FINANCING SOURCES	7,688,244.73	7,996,376.00	8,005,435.00
EXPENDITURES & OTHER FINANCING USES			
Instruction			
110 000 Undifferentiated Curriculum	0.00	0.00	0.00
120 000 Regular Curriculum	0.00	0.00	0.00
130 000 Vocational Curriculum	0.00	0.00	0.00
140 000 Physical Curriculum	0.00	0.00	0.00
150 000 Special Education Curriculum	5,083,291.96	5,834,982.00	6,007,105.00
160 000 Co-Curricular Activities	0.00	0.00	0.00
170 000 Other Special Needs	0.00	0.00	0.00
Subtotal Instruction	5,083,291.96	5,834,982.00	6,007,105.00
Support Sources			
210 000 Pupil Services	1,514,955.08	918,463.00	957,777.00
220 000 Instructional Staff Services	329,778.60	301,299.00	236,722.00
230 000 General Administration	0.00	0.00	0.00
240 000 School Building Administration	0.00	0.00	0.00
250 000 Business Administration	74,163.16	220,265.00	107,920.00
260 000 Central Services	0.00	10,975.00	9,600.00
270 000 Insurance & Judgments	0.00	0.00	0.00
280 000 Debt Services	0.00	0.00	0.00
290 000 Other Support Services	0.00	0.00	0.00
Subtotal Support Sources	1,918,896.84	1,451,002.00	1,312,019.00

	Audited 2020-21	Budget 2021-22	Budget 2022-23
Non-Program Transactions			
410 000 Inter-fund Transfers	902.79	712.00	0.00
430 000 Instructional Service Payments	685,153.14	709,680.00	686,311.00
490 000 Other Non-Program Transactions	0.00	0.00	0.00
Subtotal Non-Program Transactions	686,055.93	710,392.00	686,311.00
TOTAL EXPENDITURES & OTHER FINANCING USES	7,688,244.73	7,996,376.00	8,005,435.00

DEBT SERVICE FUND (FUNDS 38, 39)	Audited 2020-21	Budget 2021-22	Budget 2022-23
900 000 Beginning Fund Balance	1,205,174.68	1,728,252.50	2,245,733.50
900 000 ENDING FUND BALANCES	1,728,252.50	2,245,733.50	402,955.50
TOTAL REVENUES & OTHER FINANCING SOURCES	2,601,546.61	2,602,500.00	4,359,491.00
281 000 Long-Term Capital Debt	2,078,468.79	2,085,019.00	6,202,269.00
282 000 Refinancing	0.00	0.00	0.00
283 000 Operational Debt	0.00	0.00	0.00
285 000 Post Employment Benefit Debt	0.00	0.00	0.00
289 000 Other Long-Term General Obligation Debt	0.00	0.00	0.00
400 000 Non-Program Transactions	0.00	0.00	0.00
TOTAL EXPENDITURES & OTHER FINANCING USES	2,078,468.79	2,085,019.00	6,202,269.00
842 000 INDEBTEDNESS, END OF YEAR	26,585,000.00	25,430,000.00	20,140,000.00

CAPITAL PROJECTS FUND (FUNDS 41, 46, 48, 49)	Audited 2020-21	Budget 2021-22	Budget 2022-23
900 000 Beginning Fund Balance	1,791,723.71	0.00	0.00
900 000 Ending Fund Balance	0.00	0.00	0.00
TOTAL REVENUES & OTHER FINANCING SOURCES	524.97	0.00	0.00
100 000 Instructional Services	0.00	0.00	0.00
200 000 Support Services	1,792,248.68	0.00	0.00
300 000 Community Services	0.00	0.00	0.00
400 000 Non-Program Transactions	0.00	0.00	0.00
TOTAL EXPENDITURES & OTHER FINANCING USES	1,792,248.68	0.00	0.00

FOOD SERVICE FUND (FUND 50)	Audited 2020-21	Budget 2021-22	Budget 2022-23
900 000 Beginning Fund Balance	143,089.05	335,641.62	776,703.62
900 000 ENDING FUND BALANCE	335,641.62	776,703.62	776,703.62
TOTAL REVENUES & OTHER FINANCING SOURCES	1,355,630.47	1,972,176.00	1,494,687.00
200 000 Support Services	1,163,077.90	1,531,114.00	1,494,687.00
400 000 Non-Program Transactions	0.00	0.00	0.00
TOTAL EXPENDITURES & OTHER FINANCING USES	1,163,077.90	1,531,114.00	1,494,687.00

COMMUNITY SERVICE FUND (FUND 80)	Audited 2020-21	Budget 2021-22	Budget 2022-23
900 000 Beginning Fund Balance	175,588.73	211,400.78	37,983.78
900 000 ENDING FUND BALANCE	211,400.78	37,983.78	29,759.78
TOTAL REVENUES & OTHER FINANCING SOURCES	75,907.25	159,000.00	250,000.00
200 000 Support Services	0.00	0.00	0.00
300 000 Community Services	40,095.20	332,417.00	258,224.00
400 000 Non-Program Transactions	0.00	0.00	0.00
TOTAL EXPENDITURES & OTHER FINANCING USES	40,095.20	332,417.00	258,224.00

2022-2023 General Fund Budget Summary

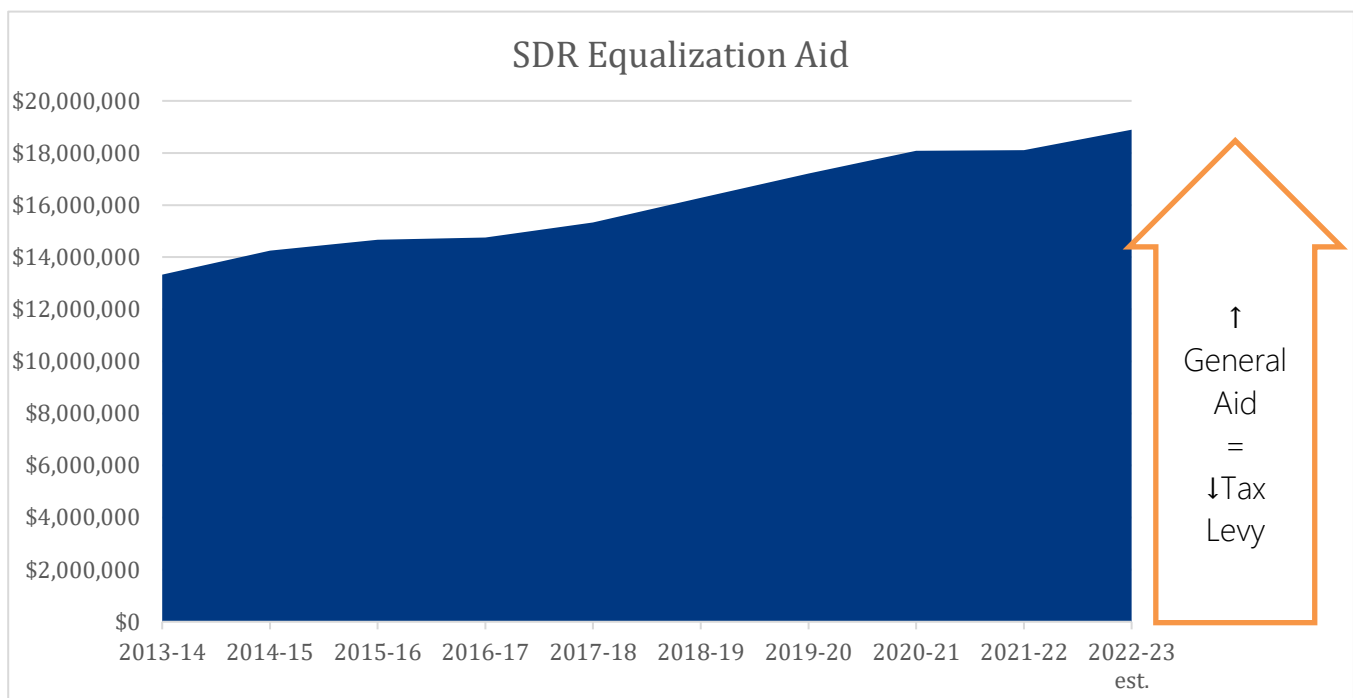
State of Wisconsin Budget Impact

The development of the District’s budget relies heavily on what happens at the state level. Funding levels as well as programming mandates dictated by the State legislation can drive expenditures. The District receives about 62% of its operational funding from State sources including general state aid, various other aids and grants. The State makes appropriations to support K-12 schools in its biennial budget process. Even though the State is estimating having more than \$4 billion in surplus in its budget, the last State budget did not provide additional funds for schools to help mitigate the effects of the historic levels of inflation that are hitting us at this time.

The 2022-23 fiscal year is the second year of the State’s 2021-23 biennial budget, so many key factors are solid for district planning purposes. However, there are still a number of variables that must be estimated, including enrollment, equalized property values and State Equalization Aid that can have significant impacts on the District’s budget when finalized. The SDR’s budget is based upon the best estimates of likely financial conditions.

State Equalization Aid

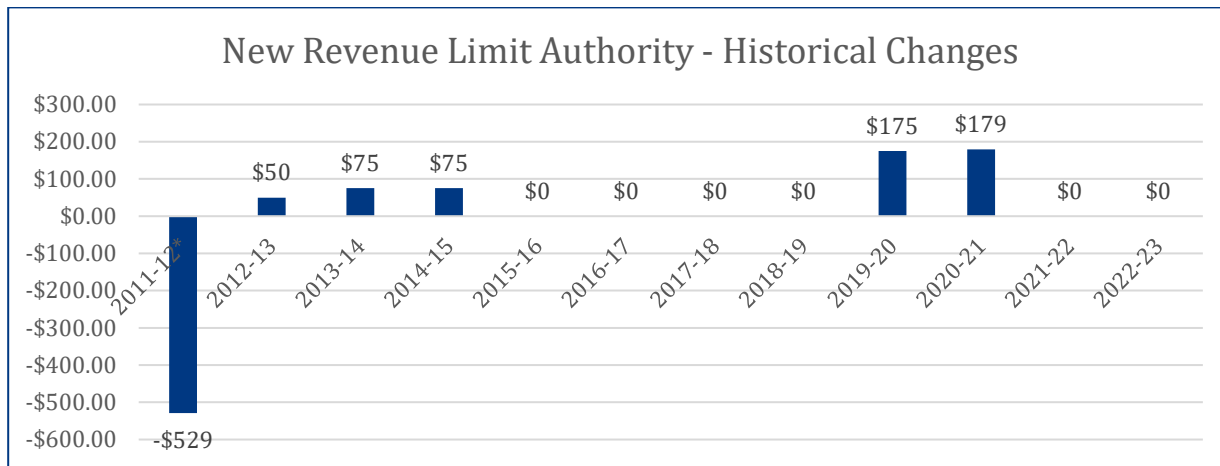
State Equalization Aid is the SDR’s largest revenue source. Over the past decade, the amount of Equalization Aid the SDR has received has trended upward. At this time, we are expecting an increase of 4.32%. A decrease in our final aid amount will shift more of the financial burden to the taxpayers from the State-level. An increase in State aid would not provide more actual dollars to offset expenditures; it would provide additional tax relief.



Revenue Limit Formula

State-imposed revenue limits that started in 1993 have severely limited school districts’ financial flexibility across Wisconsin. The Revenue Limit is a formula defined by the State of Wisconsin to cap the combined amount of property taxes and state aid available to school districts. Since its implementation, “revenue limit” statutes have restricted a school board’s ability to establish a tax levy that meets the local district’s program needs. Historically, statutory “revenue limit increases” have not kept pace with wage, benefit and other inflation-driven operational cost increases. In the early years of revenue limits, districts made cuts that did not impinge the educational program, but that has changed over time. For many years now, newspapers have regularly documented school budget cuts, layoffs and revenue limit referendums necessitated by state-imposed revenue limits. The level of cuts needed to create balanced expenditure and revenue budgets has increased annually in most districts and is further exacerbated in districts with declining enrollment.

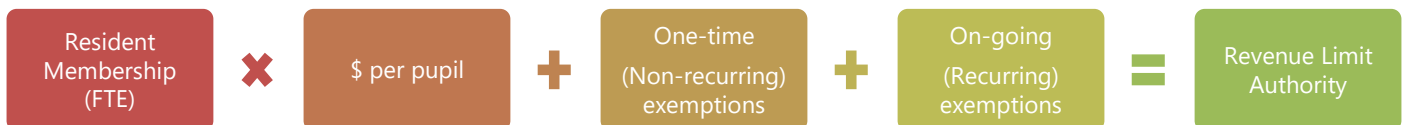
Increases in the per-student revenue limit authority has varied over the years as can be seen in the chart below. Additional revenue authority helps a district to balance the inflationary and operation changes in its expenditures. The “zero increase” allowed by the State budget holds down statewide property taxes, but creates very challenging financial conditions for school districts.



*For the 2011-12 year, all districts had their base revenue limit per member reduced by 5.5%. (Statewide average for 11-12.)

The proposed budget and tax levy under consideration by the electorate was developed using a revenue limit calculation that was prepared in May. A district’s revenue limit is influenced by three primary factors:

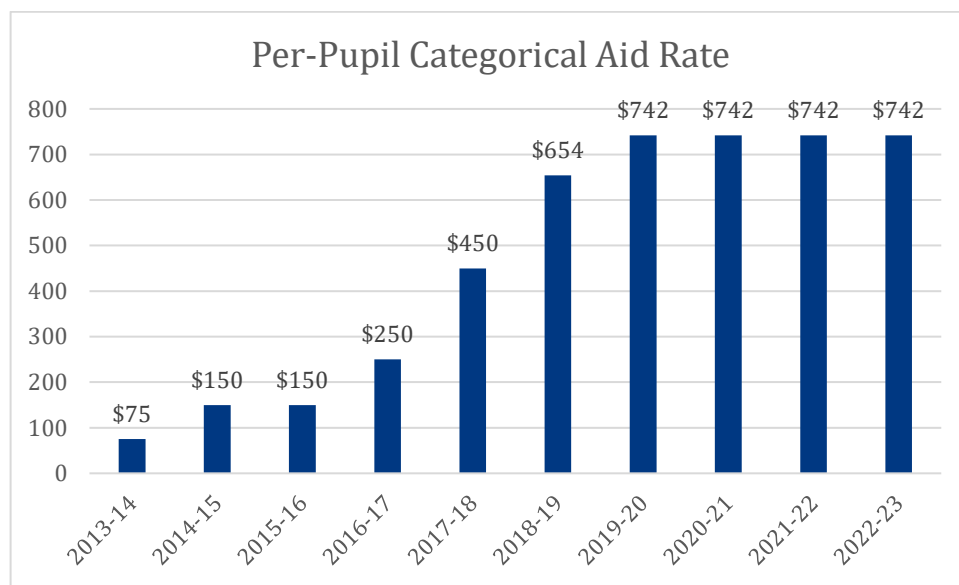
1. A three-year average of Third Friday in September Enrollments, plus 40 percent of the FTE summer school membership.
2. The statutory allowable increase in per pupil revenue.
3. The District’s prior-year controlled revenue less any non-recurring exemptions.



Other factors can also impact a district’s final revenue limit calculation. Prior year open enrollment, private school voucher program participation, and transfer of service can provide additional authority under the revenue limit and are still projections at this point. The calculation can be finalized after the Third Friday Count that occurs in September and general equalization aid is certified on October 15. At that time, most district’s largest revenue sources – Fund 10 tax levy and state aids – are set for the year.

Per Pupil Categorical Aid

Per-Pupil Aid is a categorical aid, first provided by the State of Wisconsin for the 2012-13 school year. This aid program provides additional funding to school districts in Wisconsin outside of their revenue limits. For 2021-22 and 2022-23, the State’s budget provides Per Pupil Categorical Aid at \$742 per pupil, generating aid of approximately \$1.99 million and \$1.94 million for those respective school years. It is the SDR’s third largest revenue source.



Open Enrollment

Wisconsin’s full-time inter-district public school open enrollment program allows parents to apply for their children to attend school in a school district other than the one in which they reside. [Wis. Stat. § 118.51 and Wis. Admin. Code § PI 36.03(1)]

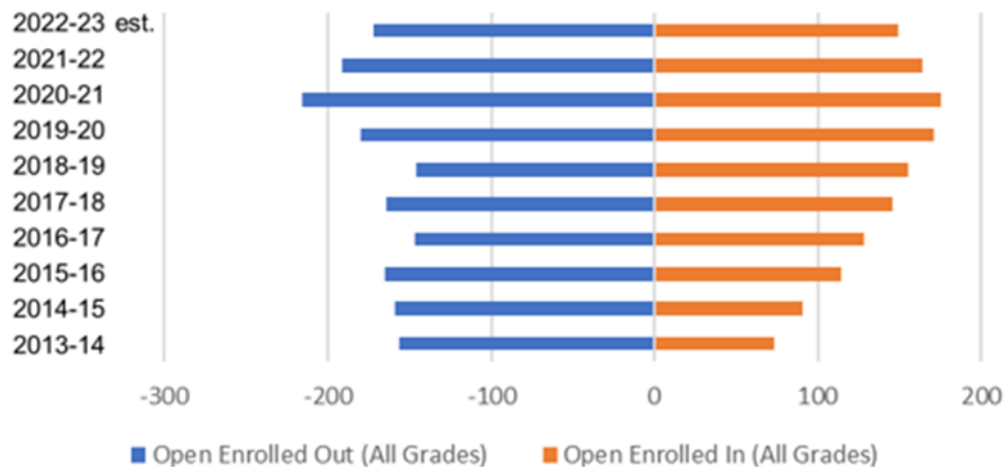
Open enrollment is funded by an increase in the state aid payment for nonresident school districts and a decrease in the state aid payment for resident school districts. A district’s final state aid payment is increased or decreased by the net of the transfers in and transfers out. The district records a revenue in the amount of the aid transferred in from other districts and an expenditure for the amount of aid that is transferred to other districts. Starting with the 2016-17 school year, 2015 Wisconsin Act 55 created a new transfer amount for pupils with disabilities. Prior to that, the non-resident district could invoice the resident district for the regular transfer amount plus the actual, additional special education costs the district would incur to educate the student. The chart below shows the amount of the aid transfer for each year since the program’s inception.

Year	Per Pupil Transfer \$	Year	Per Pupil Transfer \$	Year	Per Pupil Transfer \$
1998-99	\$4,543	2007-08	\$6,007	2016-17	\$6,748/\$12,000
1999-00	\$4,703	2008-09	\$6,225	2017-18	\$7,055/\$12,207
2000-01	\$4,828	2009-10	\$6,498	2018-19	\$7,379/\$12,431
2001-02	\$5,059	2010-11	\$6,665	2019-20	\$7,771/\$12,723
2002-03	\$5,241	2011-12	\$6,867	2020-21	\$8,125/\$12,977
2003-04	\$5,446	2012-13	\$6,335	2021-22	\$8,161/\$13,013
2004-05	\$5,496	2013-14	\$6,485	2022-23 est.	\$8,224/\$13,076
2005-06	\$5,682	2014-15	\$6,635		
2006-07	\$5,845	2015-16	\$6,639		

For 2022-23, the regular application period was from February 7 through April 29, 2022. Students who meet certain criteria may apply throughout the school year through the Alternative Open Enrollment Application process. We have a pretty good estimate of our initial revenues and expenditures related to the program once we have our third Friday count done in September, but the alternative process still makes it much harder to predict what our final revenues and expenditures will be for the year.

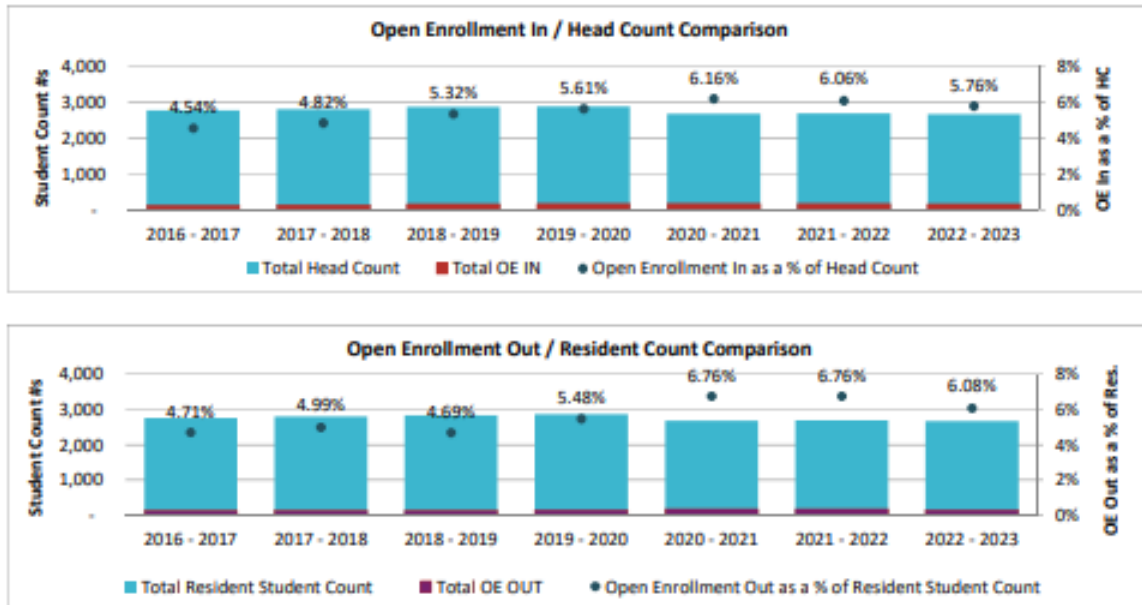
Below is a historical look at the number of students open enrolled in compared to the number open enrolled out. Both regular students and students with disabilities are included in these totals. The number of students open enrolled out jumped up from 2019-20 to 2020-21, at least partially in response to COVID. Two-thirds of the new participants that year enrolled in virtual programs outside of the district. From 2020-21 to 2021-22, there was very little change in the numbers open enrolled in or out, but some of those students have now returned to SDR.

Open Enrollment In and Out



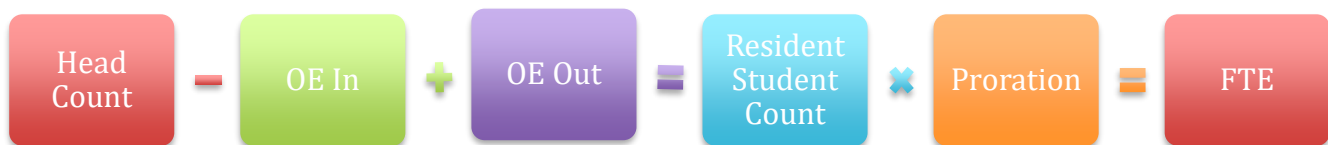
We are anticipating reductions in both students enrolled into the SDR and students enrolled out to other districts for 2022-23. The program resulted in a net transfer expenditure of \$235,245 for 2021-22. The District is projecting a net expenditure again for 2022-23 in the amount of \$205,446 (revenues of \$1,370,517 minus expenditures of \$1,575,963).

These graphs below show the participation as percentages. The first graph shows the number of open enrolled in students as a percentage of total head count in SDR schools. The second graph shows the number of open enrolled out students as a percentage of our total resident count.



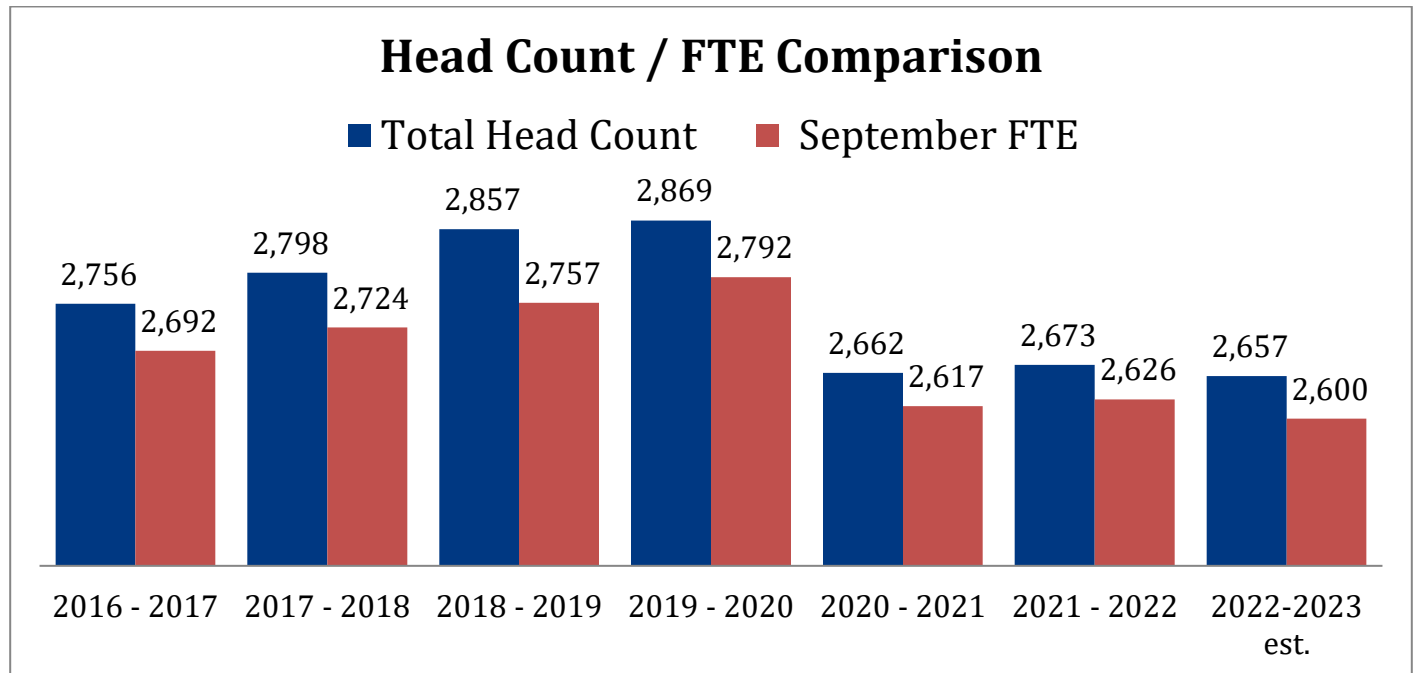
Enrollment History

We are required to take official enrollment counts on the 3rd Friday in September and the 2nd Friday in January. The goal of the counts is to calculate the total number of students residing within the SDR’s boundaries who are enrolled in Wisconsin public schools. The calculation is shown below taking open enrollment participation into account. Enrollment counts are then converted to a full-time equivalency (FTE). Almost all of Wisconsin’s school finance computations contain a student count variable.



The 3rd Friday in September count FTE is used in the calculation of a district’s revenue limit and both counts are part of the calculation used in determining the amount of state equalization aid a district will receive in the following school year.

The following chart shows the SDR’s 3rd Friday in September head counts and FTEs for the past six years, plus the estimated September 2022 counts.

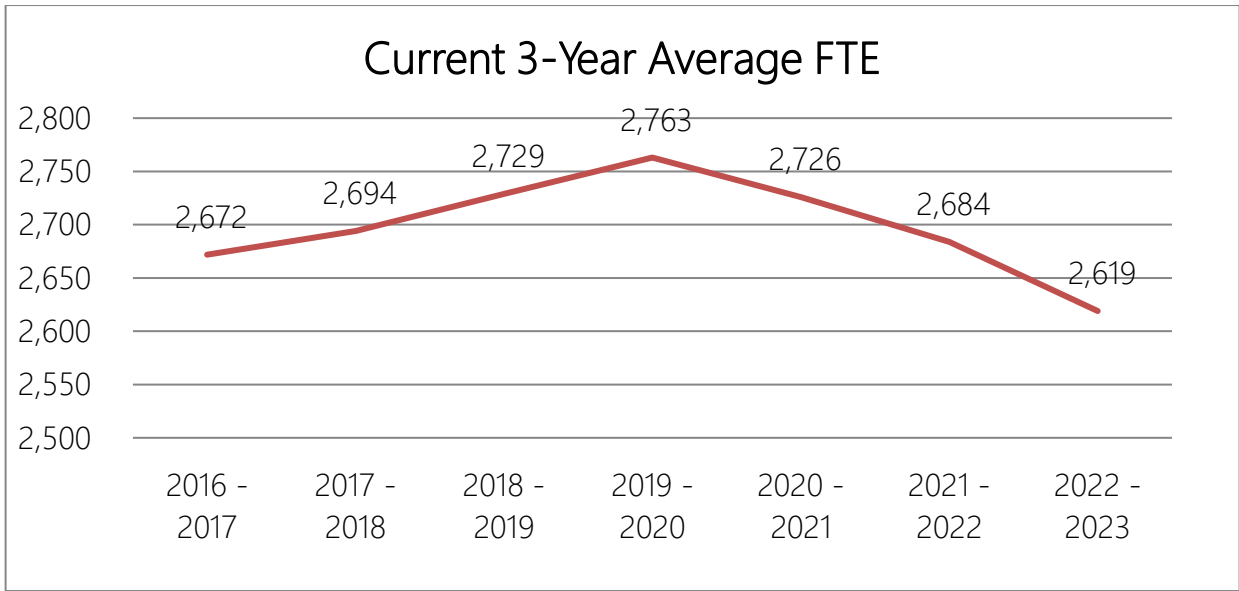


SDR’s headcount (students in seats) went down by 207 students from 2019-20 to 2020-21, at least partially due to a larger class graduating in 2020 and a smaller number of 4K and kindergarten students entering for the 2020-21 school year. By law, children aren’t required to attend school until age 6. The thought is that some parents may have chosen not to send their four or five-year-old children to school that year because of COVID. Our resident FTE went down by 175. Those numbers did not rebound as much as we would have liked for 2021-22 and based on our Baird Model enrollment projection, we are expecting another slight decline for 2022-23.

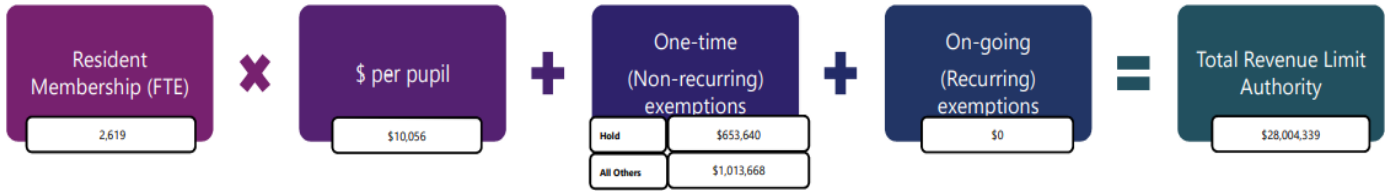
The District hired MDRoffers Consulting to prepare a Community Growth & Projections Report to inform the District’s long-term facilities master planning efforts that will be kicked off this summer in August. They reported, based on historical enrollment data, birth rates and planned residential developments, a projected resident enrollment increase of 150 4K-12 students by the 2035-36 school year.

Three-Year Rolling Average FTE

The revenue limit uses a rolling Three-Year Average of September FTEs in the calculation. The graph below illustrates that since 2019-20, the District has been experiencing declining enrollment. The difference between the 2021-22 current average and the expected 2022-23 current average is a reduction of 65. That is the number the SDR’s declining enrollment exemption is based upon in the calculation of the revenue limit.

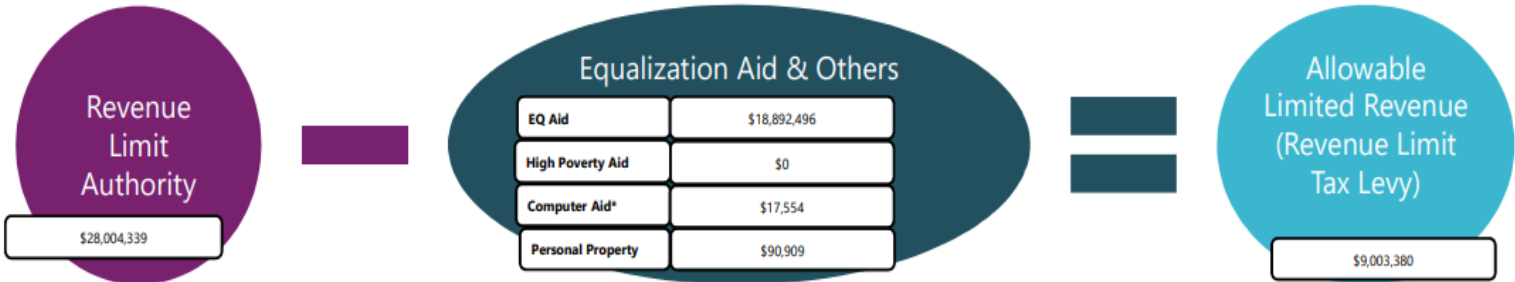


SDR's 2022-23 Revenue Limit & Revenue Limit Levies - Historical

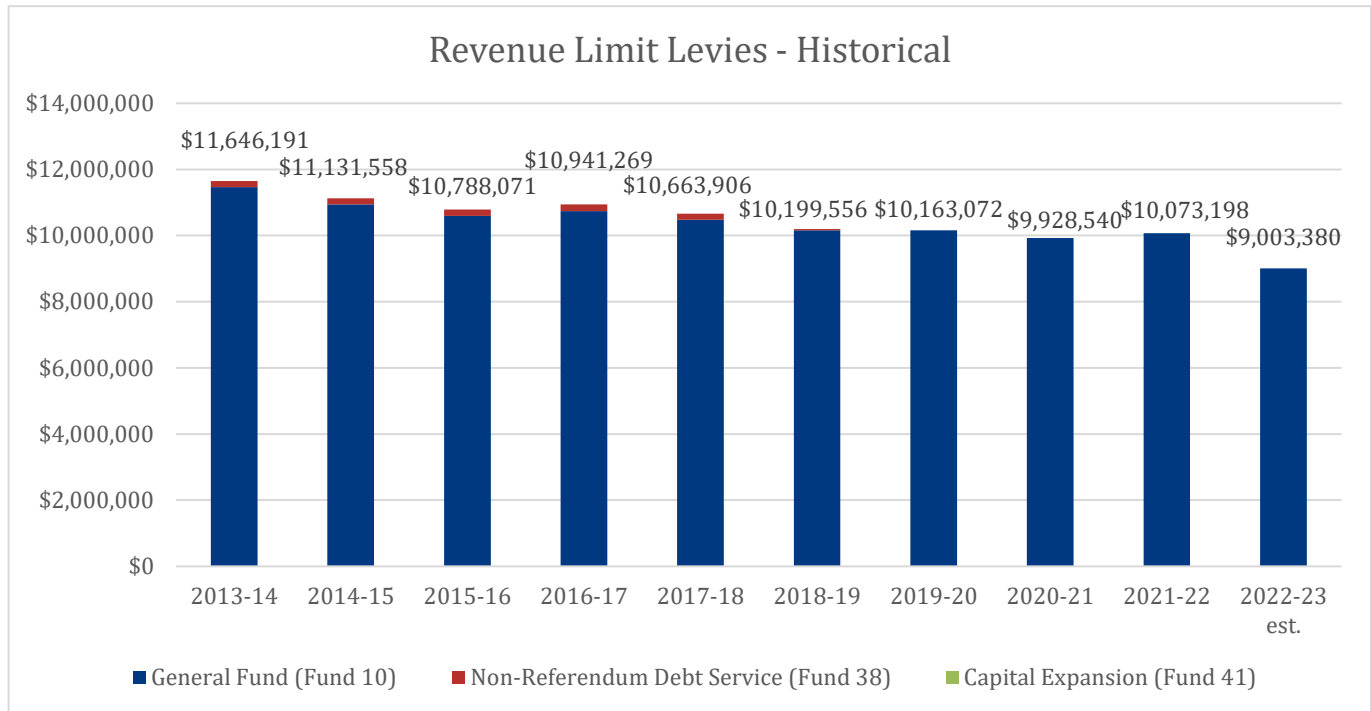


Summary of SDR's Projected Revenue Limit

- Base Revenue from 2021-22= \$26,990,671 (21-22 RL less non-recurring exemptions)
- Current Year Membership is projected to go down by 27.
- Current 3-Year Membership is projected to go down by 65.
- Total 2022-23 Revenue Limit Authority = \$28,004,399
- Expecting \$287,028 less in total revenue limit for 2022-23 than 2021-22.
- Total non-recurring exemptions are projected to equal \$1,667,308. That amount would come off our calculation of base revenue for the 2023-24 revenue limit calculation.



The total taxes levied for the General Fund, Non-Referendum Debt Fund and Capital Expansion Fund cannot exceed the Allowable Limited Revenue. The table below shows the historical breakdown of the revenue limit levies by fund. In the past, SDR utilized the option to incur non-referendum debt, and non-referendum debt payments are made within the revenue limit. That debt has been repaid. The District has not set up a Fund 41 Capital Expansion Fund. For 2022-23, the entire revenue limit levy will go to the General Fund.



After State Equalization Aid, the General Fund levy is the District’s next largest revenue source. It is expected to go down by 10.62%. Again, if the final aid certification is a reduction from the projection, then the impact is that the revenue limit levy will go up when it is finalized.

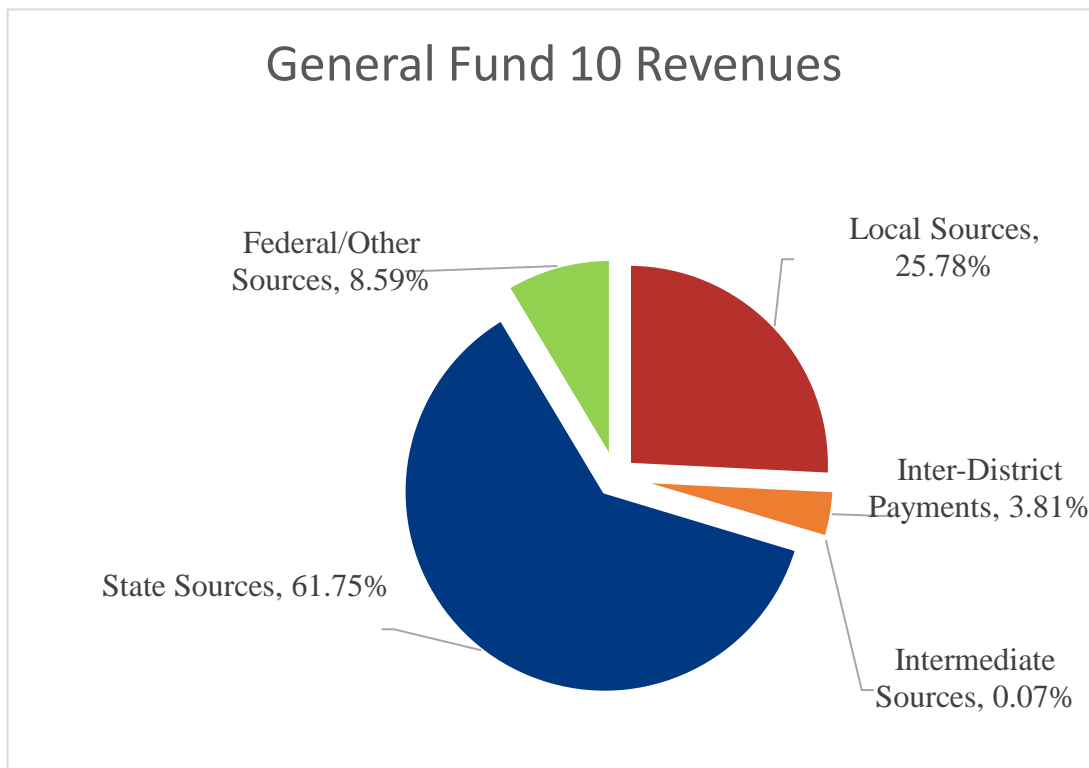
ESSER II and ESSER III

The District has used most of its COVID Relief funding to hire additional staff in response to the pandemic, including a school nurse, a social worker and a number of teachers who work directly with students. With no increase in revenue limit authority, SDR is reliant upon ESSER II, ESSER III and the Governor’s CARES Act federal programs to help balance the budget for 2022-23. The District was allocated \$1,441,003 in ESSER II funds and \$3,239,098 in ESSER III funds. A portion of those funds was spent in 2021-22. The remaining balance of \$103,792 from ESSER II and \$1,760,232 from ESSER III are earmarked for use in the 2022-23 school year. The District also received \$358,899 in CARES Act funds in December 2021, which will also be spent in 2022-23 from fund balance to offset the projected deficit. We project a balance of \$1.1 million will remain for use in 2023-24, and the funding is gone once the balance is spent.

General Fund Revenues Comparison

The proposed **2022-23 General Fund Revenue Budget** is **\$35,997,555**. This represents a **\$1,235,464 or 3.32 percent decrease**. The 2021-22 General Fund Revenue Budget is compared to the proposed 2022-23 General Fund Expenditure Budget in the chart below:

<i>General (10) Fund Revenue Budget</i>	<i>2021-22 Budget</i>	<i>2022-23 Budget</i>	<i>Percent of Budget</i>	<i>Dollar Change</i>	<i>Percent Change</i>
Local Sources	10,350,711	9,281,767	25.78%	-1,068,944	- 10.33%
Inter-District Payments	1,359,124	1,370,517	3.81%	+ 11,393	+ 0.84%
Intermediate Sources	20,920	25,220	0.07%	+ 4,300	+ 20.55%
State Sources	21,498,542	22,227,837	61.75%	+ 729,295	+ 3.39%
Federal Sources	3,655,543	2,996,778	8.32%	- 658,765	- 18.02%
Other Financing Sources	6,085	3,000	0.01%	- 3,085	- 50.70%
Other Revenues	342,094	92,436	0.26%	- 249,658	- 72.98%
<i>Total</i>	37,233,019	35,997,555	100.0%	- 1,235,464	- 3.32%



Top 10 Revenue Sources

The following chart lists the top 10 sources of District revenues supporting General Fund Operations.

<u>Revenue Description</u>	<u>Source</u>	<u>Revised Budget</u>	<u>%</u>
State Equalization Aid	State	\$18,892,496.00	52.48%
Property Taxes	Local	9,003,380.00	25.01%
Per Pupil Categorical Aid	State	1,943,482.00	5.40%
ESSER III Grant	Federal	1,760,232.00	4.89%
Open Enrollment Transit from Other Districts	Inter-District within WI	1,370,517.00	3.81%
AGR Aid	State	919,904.00	2.56%
Title I A Grant	Federal	562,139.00	1.56%
IDEA Title School Wide Grant	Federal	193,514.00	0.54%
21st Century Learning Centers Grant	Federal	145,000.00	0.40%
Common School Fund/Library Aid	State	125,000.00	0.35%
Total Top 10 Revenues		\$34,915,664.00	96.99%
All Other Revenue Sources	Local/State/Federal/Misc	\$ 1,081,891.00	3.01%
Total Projected Revenues		\$35,997,555.00	100.00%

Budgeting to fund SDR's priorities

General Fund expenditures must equal the available revenues to produce a balanced operating budget. This budget supports SDR's 2022-2027 Strategic Plan through the allocation of funds to support these key initiatives for the 2022-23 school year:

Rigorous Academic Programs and Career Pathways for All Students

- Implementation and support of a K-8 math adoption
- Implementation and support of a K-3 reading adoption
- Completing a Loganville Agricultural Learning Center feasibility study
- Establishing a Business Advisory Council to assist and advise SDR in planning for new career pathways and building partnership opportunities

Continuous Improvement of Student Growth and Achievement

- Develop and implement dashboard to assist in monitoring SDR Key Performance Objectives and Quality Indicators
- Support the Student Success Team (SST) work being done in each of our school buildings
- Develop an implementation plan and support for the SAEBRS screeners.
- Explore options for more inclusive practices, co-planning/co-teaching
- Explore and develop a PK-5 schedule revision plan to support professional learning communities and collaboration time at the elementary level

Innovative Facilities with Modern Learning Environments

- Develop a long-range facilities master plan
- Finalize a 10-Year Capital Improvement Plan

Personnel Excellence

- Establish Employee Handbook Committee with the purpose to identify revisions or additions that will help attract and retain staff
- Establish Educator Effectiveness Work Team to revise and streamline current evaluation system
- Recruit, develop and retain high-quality staff

Responsible Fiscal Management

- Expanded Benefits Committee to learn, evaluate and bring recommendations for possible changes and additions to the current benefits plan for 2023-24
- Explore and implement Fund 46-Long Range Capital Projects Fund
- Develop a debt defeasance plan for the 2022-23 budget and levy adoption
- Complete staffing study

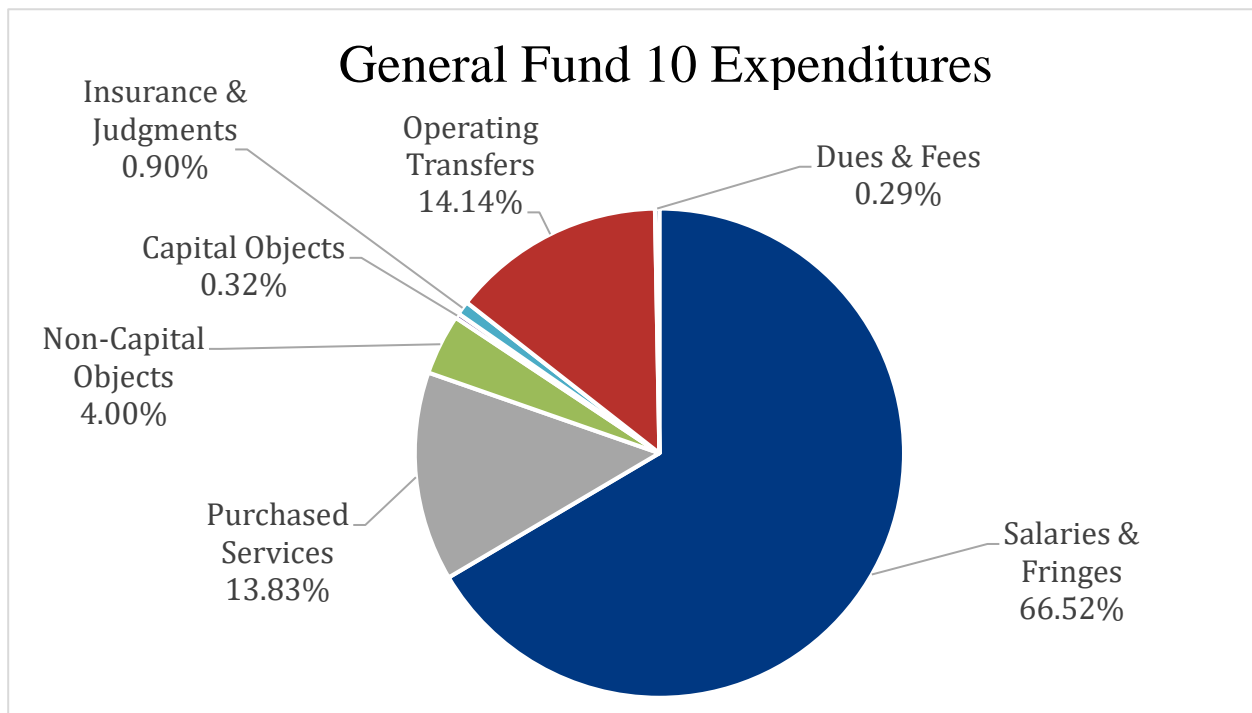
Branding the School District of Reedsburg

- Build a rebranding campaign that incorporates our new strategic plan and refreshes the District logo and other communications and marketing materials.

General Fund Expenditures Comparison

The proposed **2022-23 General Fund Expenditure Budget** is **\$36,761,627**. This represents a **\$73,425 or 0.20 percent decrease**. The 2021-22 General Fund Expenditure Budget is compared to the proposed 2022-23 General Fund Expenditure Budget in the chart below:

<i>General (10) Fund Expenditure Budget</i>	<i>2021-22 Budget</i>	<i>2022-23 Budget</i>	<i>Percent of Budget</i>	<i>Dollar Change</i>	<i>Percent Change</i>
Salaries	16,807,239	17,002,598	46.25%	+ 195,359	+ 1.16%
Benefits	7,052,633	7,450,040	20.27%	+ 397,407	+ 5.63%
Purchased Services	5,281,795	5,083,274	13.83%	- 198,521	- 3.76%
Non-Capital Objects	1,869,926	1,470,073	4.00%	- 399,853	- 21.38%
Capital Objects	386,378	119,446	0.32%	- 266,932	-6.91%
Debt Retirement	0	0	0.00%	0	N/A
Insurance & Judgments	316,895	331,041	0.90%	+ 14,146	+ 4.46%
Operating Transfers	5,000,507	5,199,738	14.14%	+ 199,231	+ 3.98%
Dues & Fees	119,679	105,417	0.29%	- 14,262	- 11.92%
Total	36,835,052	36,761,627	100.0%	- 73,425	- 0.20%



Top 10 Expenditures

<u>Expenditure Description</u>	<u>Type</u>	<u>Revised Budget</u>	<u>%</u>
Teacher Salaries	Salaries	\$10,842,453.00	29.49%
Fund 27 Transfer	Interfund Transfer	5,199,738.00	14.14%
Health Insurance	Benefits	4,306,540.00	11.71%
Buildings & Grounds Department	All	3,256,174.00	8.86%
Other Employee/Retiree Benefits	Benefits	3,143,500.00	8.55%
Open Enrollment Transfer to Other WI Districts	Purchased Services	1,575,963.00	4.29%
Building Administration & Support Staff	Salaries	1,232,724.00	3.35%
Transportation	All	1,113,978.00	3.03%
Central Office Administration	Salaries	682,644.00	1.86%
Paraprofessional Wages	Salaries	655,283.00	1.78%
Total Top 10 Expenditures		\$32,008,997.00	87.07%
All Other Expenditures		\$ 4,752,630.00	12.93%
Total Projected Expenditures		\$36,761,627.00	100.00%

Salaries: Education is a service industry, which means our largest expenditure is in human capital. Wages are our largest expense annually. As you can see in the previous chart, six of the top ten expenditures are in part or entirely in the Salaries category. The following decisions were made in the District's staff planning for 2022-23:

- ✓ Provide employees a cost of living increases equal to the CPI, which is allowed by State law
- ✓ Increase staffing by 1.0 FTE instructional coach to be assigned to PRIS.
- ✓ Accommodate salary increases pursuant to the Teacher Compensation Model
- ✓ Reductions in staffing through attrition:
 - 1.0 FTE administrator
 - 3.0 FTE elementary teachers
 - 2 school year secretaries
 - 2 part-time custodians
 - 2 part-time paraprofessionals
- ✓ Keep 2.0 staff contingencies in the budget (further reduce the deficit, if not needed)

The following chart shows the breakdown of salaries by employee type:

<u>Salaries by Employee Group</u>	<u>Revised Budget</u>	<u>%</u>
Teachers	\$10,842,453.00	63.77%
Custodial/Maintenance	948,409.00	5.58%
Building Administration	892,348.00	5.25%
Secretaries/IT Support	890,013.00	5.23%
Central Office Administration	682,644.00	4.01%
Paraprofessionals	655,283.00	3.85%
Professional Staff Support Services	614,934.00	3.62%
Co-Curricular	567,234.00	3.34%
Bus Drivers/Mechanic	443,497.00	2.61%
Substitute Teachers	225,650.00	1.33%
Directors	155,952.00	0.92%
	\$16,918,417.00	99.50%
Board of Ed/Other	84,181.00	0.50%
Total Salaries	\$17,002,598.00	100.00%

Fringe Benefits: To be competitive in attracting and retaining quality staff, the district offers employee benefits to employees who meet the eligibility requirements. Benefits include employer social security, employer contributions to the Wisconsin Retirement System, life insurance, health insurance, dental insurance, disability insurance, and retirement benefits for non-special education personnel.

The District's health insurance plan renewal with WEA Insurance Trust resulted in an 8.03% increase of premiums for 2022-23. Employee contribution rates will remain the same for 2022-23, with employees receiving a three percent reduction in their premium contribution for his or her and their spouse's (if applicable) participation in the biometric screening and online assessment. The District is maintaining the same level of reimbursement to employees for deductibles through the Health Reimbursement Arrangement (HRA). The maximum reimbursements paid by the District's HRA are \$1,750 for single and \$3,500 for family coverage. There is no change in the amount of the monthly dental insurance premiums for 2022-23 and no change in the Wisconsin Retirement rate, from 6.5 percent, is expected at this time. Social security, life, disability insurance and Employer contributions to the Wisconsin Retirement System are driven by employee wages.

Of the total Benefits category budget in the General Fund, \$4,306,540 (58%) is budgeted for health insurance benefit contributions and HRA reimbursements and \$3,143,500 (42%) is allocated for all other employee and retiree benefits.

Open Enrollment Aid Transit to Other Districts = \$1,575,963

The 2022-23 open enrollment transfer amounts are projected to be \$8,224 for each regular education student and \$13,076 for each special education student. The aid transits are reported in the General Fund. We are anticipating a reduction in students open enrolled out to other districts for 2022-23 and have budgeted \$1,575,963 as the expense of the program.

Other school districts will report any SDR resident students enrolled in their schools to the DPI when they conduct their enrollment counts in September. Students may exit the open enrollment program at any time to start attending in a SDR school, if they move back to that non-resident school district or if they move out of the area completely and attend in their new resident district. When that happens, the amount of aid paid for that student gets pro-rated for the year. Students may also enter the program during the year through the alternative enrollment application. Those late entries are also pro-rated for the number of days actually in the program. The final aid amounts that are transferred are determined and paid annually in June.

Buildings and Grounds Department = \$3,256,174

The Buildings and Grounds Department is managed by Aramark, and includes custodial operations, utilities and building maintenance. There was a planned reduction in the Building Improvement Projects (BIP) portion of this budget for 2022-23 of \$205,000 because of ESSER funding used in 2021-22. Because of increasing fuel and utility costs, we increased those areas of the budget and the final reduction was \$88,977 overall.

The list below shows how the funds are allocated to different types of expenditures projected by the department.

Salaries & Fringes	\$1,464,370
Utilities	624,619
Building Improvement Projects (BIP)	380,100
Aramark Contract	355,555
Contracted Repairs & Maintenance Services	291,280
Supplies/Materials	132,100
Other	<u>8,150</u>
Total	<u>\$ 3,256,174</u>

The District is committed to maintaining existing buildings and allocates funds each year in the Building Improvements Projects (BIP) budget for priority projects. Aramark completed a Facilities Condition Assessment report for the District last December which identified and prioritized deferred maintenance-type conditions in our buildings with differing levels of urgency. Their recommendations were taken into consideration in the development of the BIP budget, as well as feedback from the building administrators and the Buildings & Grounds staff working in those buildings. The estimated amount to accomplish all of the recommended projects far exceeds the limited funds that are available to be allocated for them, so we further prioritize the projects we plan for to fall within the budget constraints. The Operations Committee and the Finance Committee reviewed the proposed projects and came to consensus that the following list of projects would be included in the budget for 2022-23.

Project Description	Building	Budget Estimate
Replace Carpet w/VCT	PV	\$ 104,163.00
Ash Tree Removal/Stump Grinding	PV	4,000.00
Replace Concrete - North/East Exits	WS	3,000.00
Ceiling tile repairs/paint (east classrooms of west hallway)	Webb	5,000.00
Replace roof (A)	RAHS	107,644.00
Replace floor (large gym)	RAHS	45,687.00
Replace floor (small gym)	RAHS	21,259.00
Replace legacy sign	RAHS	35,000.00
Window Seal Repairs (Commons)	RAHS	15,000.00
Replace Door 9 (Receiving Area)	RAHS	5,000.00
Reinstall older kiln in adjacent room (Splittgerber)	RAHS	5,000.00
Energy Efficiency Projects	DW	20,000.00
Safety & Security Measures	DW	9,347.00
		<u>\$ 380,100.00</u>

Student Transportation = Fund 10 (\$1,113,978) & Fund 27 (\$72,420)

The transportation team is comprised of a Director, Administrative Assistant/Dispatcher, Dispatcher/Mechanic, Mechanic and twenty-three (23) regular bus drivers. The District transported a total of 2,685 public and parochial school students at least one time during 2021-22. SDR covers 264 square miles, and transports students on 19 regular bus routes and 3 specialized routes. A number of students with disabilities receiving educational services outside of the district are also transported. The department maintains a fleet of 34 vehicles including 27 regular/trip buses, 4 wheelchair lift buses, and 3 vans. Below is a breakdown of expenditure categories projected for 2022-23.

Salaries & Fringes	\$ 829,744
Replacement of Equipment	105,000
Fuel	110,000
Supplies/Materials	76,000
Bus Repairs & Maintenance	65,254
Other	<u>400</u>
Total	<u>\$1,186,398</u>

Operating Transfers-Out = \$5,199,738

This budget category is used to transfer monies from Fund 10 to Fund 27 to cover special education salaries, benefits, out-of-district tuition payments, transportation and the non-salary and benefit expenditures that support our special education programs.

Both salary and health insurance benefits associated with special education staff are expected to increase also. When local expenditures increase in Fund 27 and any local and state revenue increase is not expected to offset those increases, the result is a higher operating transfer out of Fund 10 to cover the remaining deficit. For 2022-23, we are expecting an increase in the transfer to Fund 27 in the amount of \$199,231 from the transfer for 2021-22.

General Fund Summary

General Fund Summary	2020-21 Actual	2021-22 Budget	2022-23 Budget	\$ Change	% Change
Beginning Fund Balance	\$ 8,594,102	\$ 8,597,696	\$ 8,995,663	\$ 397,967	4.63%
Revenues:					
Local	\$ 10,159,272	\$ 10,350,711	\$ 9,281,767	\$ (1,068,944)	-10.33%
State & Interdistrict	\$ 23,031,994	\$ 22,857,666	\$ 23,598,354	\$ 740,688	3.24%
Federal & Other	\$ 1,665,214	\$ 4,024,642	\$ 3,117,434	\$ (907,208)	-22.54%
Total Revenues	\$ 34,856,480	\$ 37,233,019	\$ 35,997,555	\$ (1,235,464)	-3.32%
Expenditures:					
Instruction	\$ 16,316,641	\$ 16,289,244	\$ 16,818,150	\$ 528,906	3.25%
Support Services	\$ 11,686,972	\$ 13,226,332	\$ 12,678,757	\$ (547,575)	-4.14%
Other Non-program Transactions	\$ 6,849,273	\$ 7,319,476	\$ 7,264,720	\$ (54,756)	-0.75%
Total Expenditures	\$ 34,852,886	\$ 36,835,052	\$ 36,761,627	\$ (73,425)	-0.20%
Ending Fund Balance	\$ 8,597,696	\$ 8,995,663	\$ 8,231,591	\$ (764,072)	-8.49%

At this time, we have projected an excess of expenditures over revenues in the amount of \$764,072. This planned budget deficit for 2022-2023 is being offset and balanced by a one-time use of fund balance approved by the Board. Part of the fund balance (\$358,899) being used is the CARES Act funding received in December 2021, which is a portion of the increase projected in fund balance as of June 30, 2022. The Board also approved the one-time use of fund balance up to \$406,000 to fully fund the 8.03% increase in the health insurance renewal. The expectation is that the administration works with the 2022/2023 Benefits Study Committee to explore available plan options and to bring forward a recommendation that maintains quality, affordable benefits for existing staff, and is cost effective and sustainable for the District and supports the District's goal to attract and retain high quality staff.

Fund Balance Summary

From time-to-time, those who follow school district budgeting will hear the phrase “fund balance.” What is the fund balance? “Fund balance” is an accounting term. Fund balance takes into consideration cash, investments, receivables, and inventory less any outstanding bills or liabilities that exist. In a nutshell, fund balance is the difference between its net assets (what the District owns) and its liabilities (what the District owes). It is a snapshot as of a specific date. The amount of fund balance is reported as of June 30th each year for audit purposes.

It is important not to confuse fund balance with cash balance. It is not a savings account of liquid funds. A district may have an adequate fund balance, yet very little cash. Most districts have significant levels of property taxes on their books as of June 30 as part of their fund balance. These receivables won’t be converted to cash until the final property tax revenue comes to the district from the counties in August.

Why do districts maintain fund balances? There are several reasons. One of the biggest is for cash-flow management. School districts’ cash receipts are generally not aligned to their payment schedules. An appropriate fund balance helps a district meet its financial obligations during those periods of time when revenue flows from taxes, state aids, and other sources are insufficient.

Some fund balance is nonspendable, restricted, committed or assigned for various reasons and cannot be “used” for cash flow. Below is a detailed schedule of ending fund balances by category found in the Audited Financial Statements for the year ended June 30, 2021 on page 17 in the Balance Sheet – Governmental Funds and with additional details in the Notes to Basic Financial Statements on pages 42-43:

	General Fund	Debt Service	Other Governmental Funds	Total
Nonspendable:				
Inventory	\$ 91,714			\$ 91,714
Total Nonspendable	\$ 91,714	\$ -	\$ -	\$ 91,714
Restricted For:				
Common School Fund	\$ 1,757			\$ 1,757
Self-funded insurance	\$ 60,000			\$ 60,000
Debt Service Funds		\$ 1,728,252		\$ 1,728,252
Food Service			\$ 335,642	\$ 335,642
Total Restricted	\$ 61,757	\$ 1,728,252	\$ 335,642	\$ 2,125,651
Committed For:				\$ -
Capital Projects	\$ 1,000,000			\$ 1,000,000
Total Committed	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
Assigned For:				\$ -
Special Revenue Trust Fund			\$ 355,435	\$ 355,435
Community Service Fund			\$ 211,401	\$ 211,401
Total Assigned:	\$ -	\$ -	\$ 566,836	\$ 566,836
Unassigned:	\$ 7,444,225			\$ 7,444,225
Total Fund Balance*	\$ 8,597,696	\$ 1,728,252	\$ 902,478	\$ 11,228,426

Over the past decade, the District has built up and maintained a relatively stable fund balance. The District’s fund balance policy states that the Fund 10 fund balance shall be maintained at such a level sufficient to minimize or avoid short term borrowing for cash flow purposes. Below is a summary of the year end fund balances, changes over the prior years and the percentage of fund balance to expenditures since June 30, 2013:

Year End	Fund Balance	Net Change	Percent of Operating Expenditures
Jun-13	\$ 6,915,370	\$ 1,076,242	26.38%
Jun-14	\$ 8,529,499	\$ 1,614,129	32.73%
Jun-15	\$ 8,149,408	\$ (380,091)	28.42%
Jun-16	\$ 7,591,928	\$ (557,480)	26.62%
Jun-17	\$ 8,478,231	\$ 886,303	29.73%
Jun-18	\$ 8,146,177	\$ (332,054)	26.29%
Jun-19	\$ 8,234,847	\$ 88,670	25.57%
Jun-20	\$ 8,594,102	\$ 359,255	25.41%
Jun-21	\$ 8,597,696	\$ 3,594	24.67%
Jun-22 est	\$ 8,995,663	\$ 397,967	24.47%

Having a healthy fund balance also helps to keep the District's credit rating higher, which influences interest rates the District is able to borrow at. Moody's Investors Service upgraded the District's bond rating from Aa3 to Aa2 in April 2021. The rating incorporated the district's stable financial position supported by healthy reserves into its reasoning for the upgrade, even though the district had a planned draw down for capital projects in fiscal year 2020-21. That draw did not occur and fund balance actually increased slightly, as shown above in the table for the year ended Jun-21. Fund balance is expected to go up for the year ended June 30, 2022 by \$397,967.

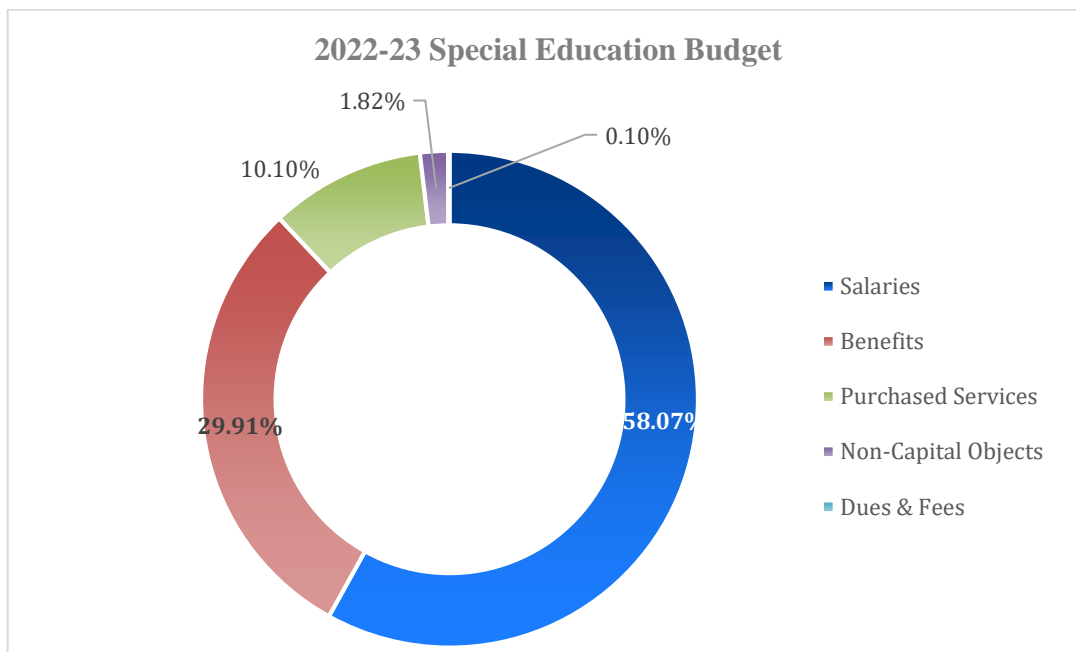
2022-23 Summary Budgets for All Other Funds

Special Education Fund – Fund 27

The special education department manages various programs to assist students with diverse developmental, social, mental, physical, emotional and academic needs. Total expenditures for special education programs are expected to be \$8,005,435. That is an increase of 2.84% from \$7,783,981.

The largest share of financial support for the District’s special education programs comes from local sources through a transfer from the General Fund. For the 2022-23 budget, state and federal revenue sources contribute approximately 35% of special education funding.

Special education expenditures are predominantly (about 88%) for salaries and employee benefits. Special education staff include special education classroom teachers, school psychologists, school nurses, social workers, school counselors and therapists; as well as support staff such as special education paraprofessionals and bus drivers of special education-only routes. The chart below illustrates the various categories of expenditures that support special education programs.



Special Revenue Fund – Fund 21

This fund is used to account for the proceeds of non-trust revenues of which the expenditures are limited to specified purposes related to district operations. The most common source of such funds is gifts and donations. There may be a fund balance in this fund.

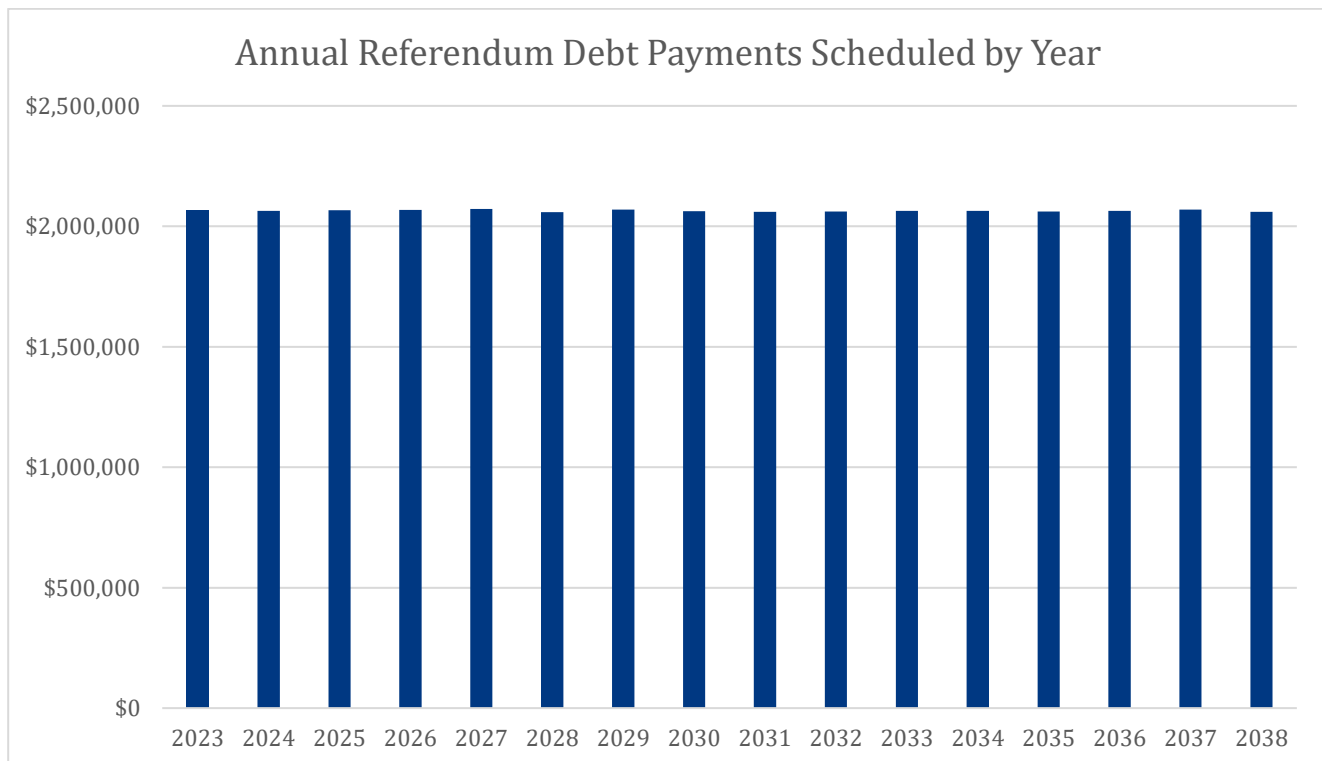
Student activity account transactions make up the largest portion of the revenues and expenditures. Activity can greatly vary from year to year and this budget is the best estimate at this time. We are projecting revenues and expenditures equal to \$454,570 for 2022-23 for the Special Revenue Fund – Fund 21.

Referendum Debt Service Fund – Fund 39

The purpose of this fund is to repay outstanding debts borrowed with authority of an approved referendum. In 2017, the community supported the District by approving a \$32 million referendum to build a new elementary school, a transportation facility and renovations at all school buildings. The District issued the debt in 2017 and 2018, having debt payments until 2038. A summary of the debt obligations is listed in the following table.

DEBT	ORIGINAL AMOUNT	ISSUE DATE	INTEREST RATE	FINAL MATURITY	OUTSTANDING PRINCIPAL BALANCE
2017 PRIS Construction/ Transportation Facility/ Renovations at all other school buildings	\$9,655,000	12/20/2017	3.0%	4/1/2037	\$6,445,000
2017 PRIS Construction/ Transportation Facility /Renovations at all other school buildings	\$22,345,000	5/30/2018	3.25% - 4.0%	4/1/2038	\$18,985,000

The debt payment schedules were developed to have stable payments of about \$2,064,000 over the life of the debt issues. We make two payments annually for each issue, one interest only (April 1) and one principal and interest (October 1). The annual debt payments for both principal and interest are shown below:



Defeasance

Wisconsin state law allows School Boards to levy property taxes into Fund 39, the debt service fund, to prepay district debt (s. 120.12(4)). Defeasance is the procedure used to set aside funds to pay off all or a portion of existing debt. For the past four years, the tax levy for the referendum approved debt has included the annual payment, plus additional dollars to prepay the debt as soon as possible. To date, \$1.6 million has been collected for debt prepayment. The prepayment date begins April 1, 2028, at which time, the interest will stop on the prepaid amount, resulting in saving taxpayers 10 years of interest currently outstanding at 3 – 4%.

The District will continue the fiscal strategy of defeasance for 2022-23 and the proposed \$7.94 per \$1,000 tax rate reflects that. All additional funds generated will be set aside to prepay existing debt, as well. The final debt service mill rate will be calculated to maintain a tax rate of \$7.94 per \$1,000 for 2022-23. The amount of savings that will be generated for taxpayers will be known and reported later this year when the amount of defeasance for 2022 is finalized and the transactions are processed.

The chart below shows the projected 7/1/22 fund balance, proposed 2022-23 Referendum Debt Service Fund Revenue and Expenditures, as well as the projected fund balance at the end of the 2-22-23 fiscal year.

FUND		07-01-22 Fund Balance	2022-23 Revenues	2022-23 Expenditures	06-30-23 Fund Balance
39	Referendum Debt Service	2,245,734	4,359,491	6,202,269	402,956

Food Service Fund – Fund 50

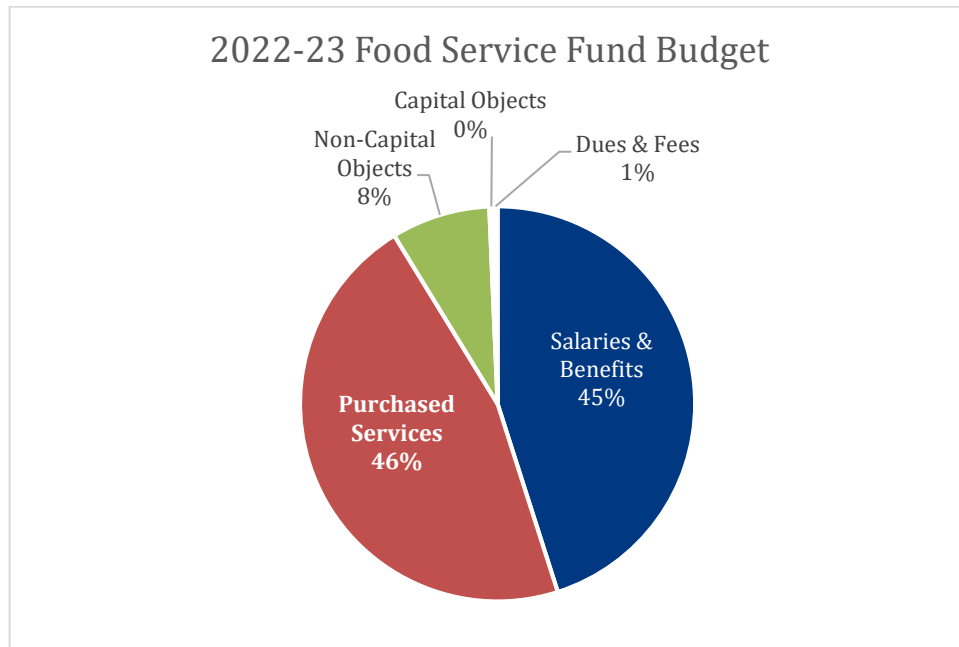
The purpose of the food service fund is to account for the food service programs offered by the District. The District’s food service programs are managed by Aramark, with an operating budget of nearly \$1.5 million.

SDR participates in the National School Lunch, National School Breakfast and After School Snack Programs administered by the USDA. Beginning in the spring of 2020, all students received free meals, both breakfast and lunch, through eligibility waivers allowed by the USDA in response to COVID. Those waivers sunset at the end of June 2022. As we switch back to income-based applications for free or reduced-price meals or direct certification of benefits through the State, we anticipate a reduction in federal aids and an increase in local revenues for payment of meals for 2022-23.

The District participates in the Wisconsin School Day Milk Program (WSDMP) through the State. SDR will continue to offer free milk to all students participating in the WSDMP in our elementary schools for the 2022-23 school year. SDR is also participating in the Summer Food Service Program (SFSP) for the 2022 summer school sessions. Through this program, all children in the community 18 years of age and younger are eligible for free meals at participating school locations during serving times during the summer school.

FUND		07-01-22 Fund Balance	2021-22 Revenues	2021-22 Expenditures	06-30-23 Fund Balance
50	Food Service	776,704	1,494,687	1,494,687	776,704

The food service revenue budget is comprised of about 66% federal revenues and 31% local revenues. State reimbursements provide the remaining 3% of the funding for the Food Service Fund. The main expenditures included in the food service expenditure budget are wages and benefits for food service staff, which remain SDR employees, and purchased services for Aramark’s contract. The District’s contract with Aramark provides a breakeven guarantee for a balanced budget. The chart below shows the various categories of expenditures that support the SDR’s food service programs.



Community Service Fund – Fund 80

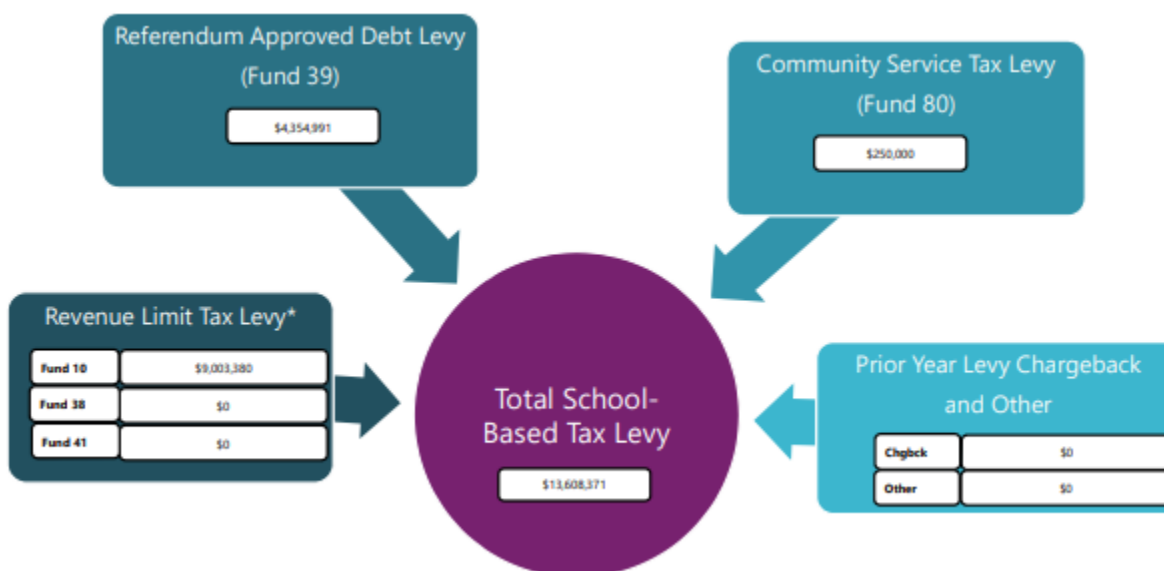
The District uses the Community Service Fund 80 to provide a variety of programs and services to our community. Fund 80 Revenue is provided by a local tax levy of \$250,000. The total of Fund 80 expenditures is \$258,224. The programs supported by Fund 80 include: the Hartje Outdoor Learning Center - \$4,000; Community Programs & Services - \$7,168; Community Learning Center (CLC) program support - \$63,600; CAL Center - \$53,456; and School Resource Officer (SRO) program - \$130,000 for a total of \$258,224 in expenditures.

Property Tax Forecast

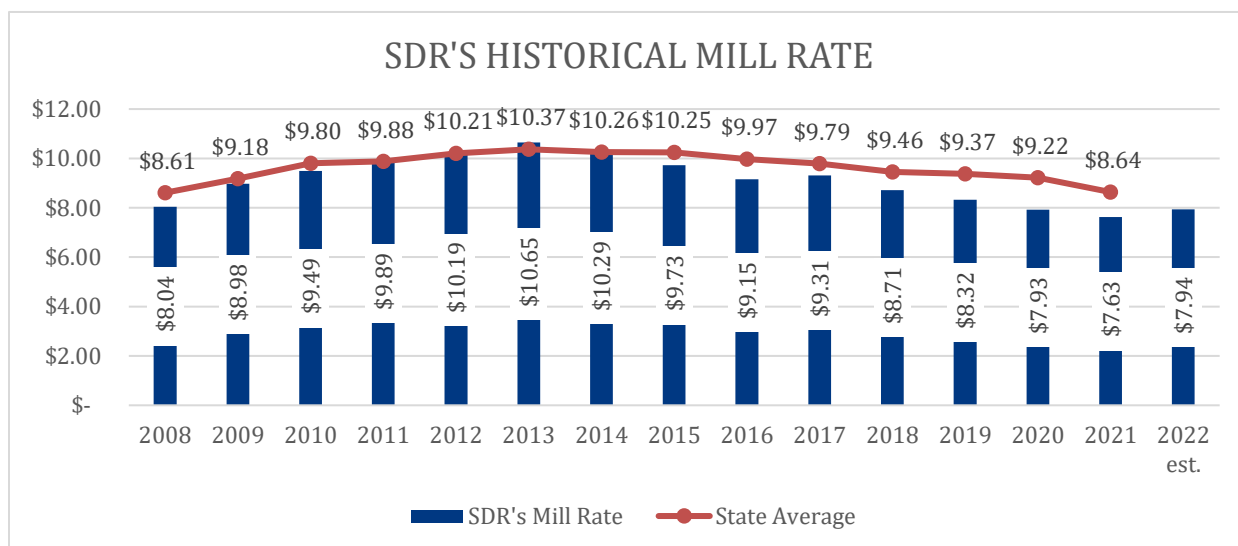
The SDR property tax forecast is impacted by the following factors:

- Declining “three year rolling average” student enrollment;
- \$0 per member increase in Revenue Limit Authority;
- An increase in Equalization Aid;
- Implementation of strategy to pay down debt through cash defeasance; and
- A conservative growth in tax base.

There are several levy components to the District’s overall property tax levy: (1) revenue limit, (2) referendum approved debt, (3) community service, and (4) prior year chargebacks.



The total property tax levy is expected to increase by 6.12% due to the factors described above. The tax base is projected to grow modestly by 2.00% and the mill rate is expected to increase by 4.04%, from \$7.63 per \$1,000 to \$7.94 per \$1,000. Over the years, the SDR’s mill rate has remained well below the state average. Even with the slight increase in the mill rate for 2022-23, it is \$0.10 per \$1,000 less than it was for 2008-09.



The property tax forecast is an estimate based upon information available as of May 2022. The budget proposal and resulting tax levy reflect the District’s efforts to successfully advance the District’s mission and support its strategic focus, including responsible fiscal management. The tax levy is updated in October and the final levy will be certified by the Board by November 2022.

The mill rate is the tax rate applied to a homeowner’s property value to generate the school district property tax amount. The rate is calculated as shown below:



Additional Levy for Defeasance

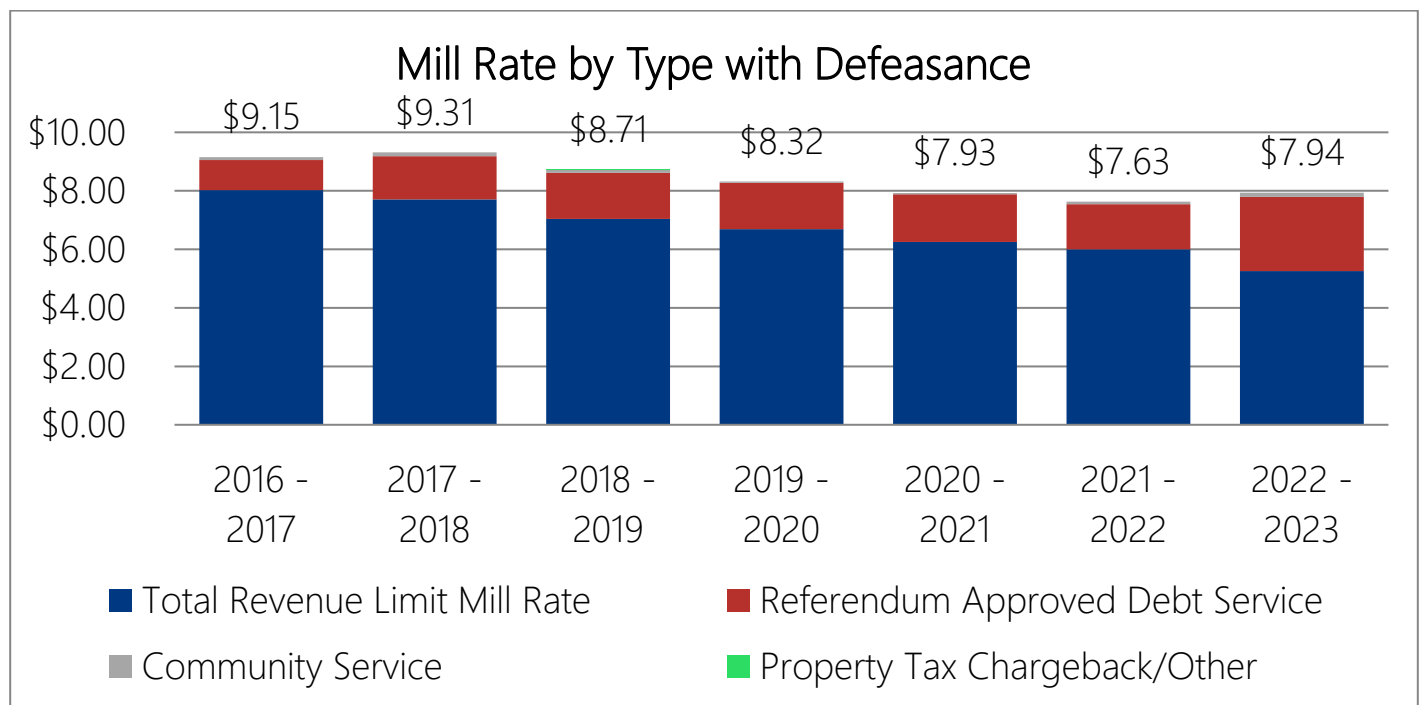
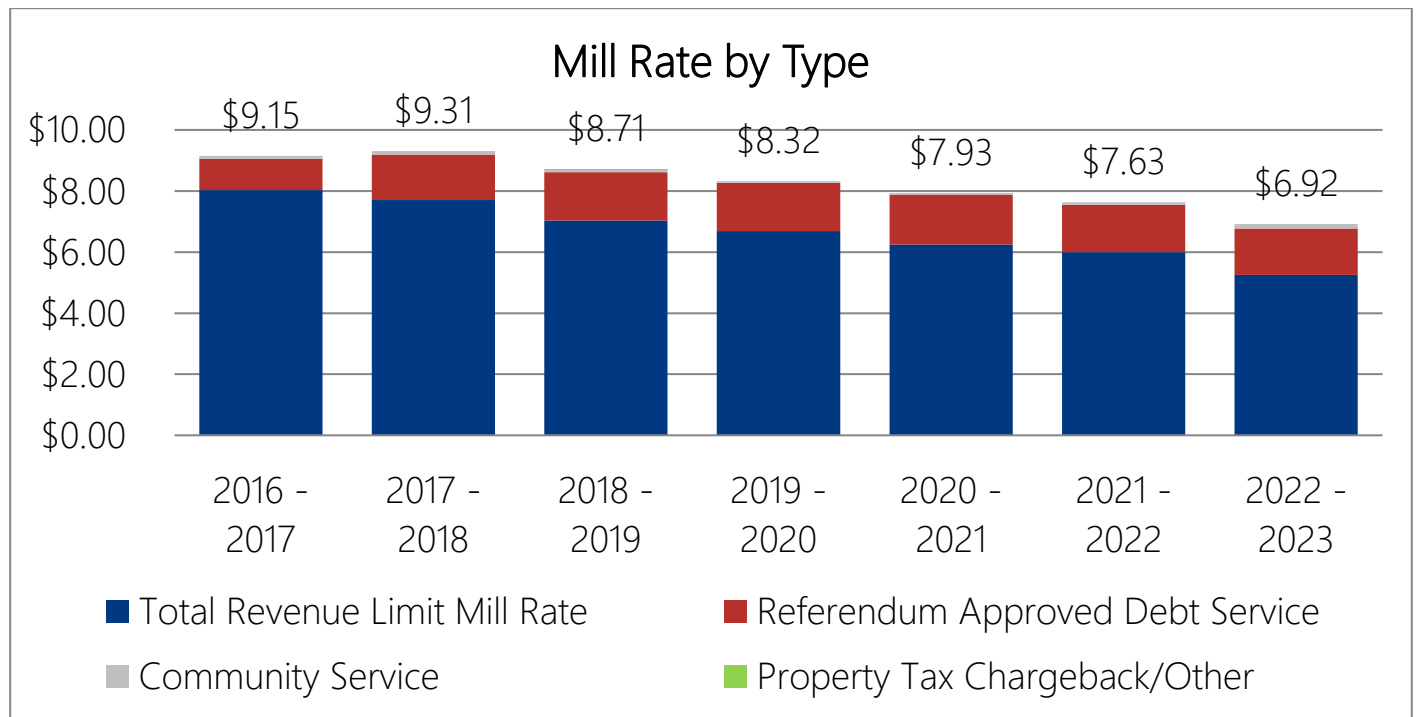
The District is at a place in its revenue limit calculation that would result in a significant reduction in the mill rate absent an appropriation for defeasance. The projected mill rate before defeasance is \$6.92 per \$1,000. We have an opportunity to use this tool to legally prevent the mill rate from dropping while being fiscally responsible to the District’s taxpayers by focusing those funds generated by keeping the mill rate at a higher rate to prepaying existing debt that eventually will be paid.

Goals of Defeasance:

- Pay off existing referendum-approved debt as quickly as practicable.
- Generate interest savings for taxpayers.
- Manage the tax rate for two purposes: (1) to keep the mill rate from having significant increases and decreases from year to year due to the revenue limit and (2) so the community, families and businesses can plan regarding the large expenditure of property taxes.

The District will continue the fiscal strategy of defeasance for 2022-23 and the proposed \$7.94 per \$1,000 tax rate reflects that. All additional funds generated will be set aside to pay off existing debt. The final debt service mill rate will be calculated to maintain a tax rate of \$7.94 per \$1,000 for 2022-23. The amount of savings that will be generated for taxpayers will be known and reported later this year when the amount of defeasance for 2022 is finalized and the transactions are processed.

Mill Rate by Levy Type



Impact on Property Tax Bills

The impact of the proposed tax levy on various home values is shown below.



Home Value	Equalized Tax Rate per \$1,000		
	Actual 2021-22 7.632	July Budget 2022-23 7.940	Change
\$150,000	\$ 1,144.80	\$ 1,191.00	\$ 46.20
\$200,000	\$ 1,526.40	\$ 1,588.00	\$ 61.60
\$250,000	\$ 1,908.00	\$ 1,985.00	\$ 77.00
\$350,000	\$ 2,671.20	\$ 2,779.00	\$ 107.80
\$400,000	\$ 3,052.80	\$ 3,176.00	\$ 123.20



*\$77.00 on a home valued at \$250,000 = 22¢ per day.

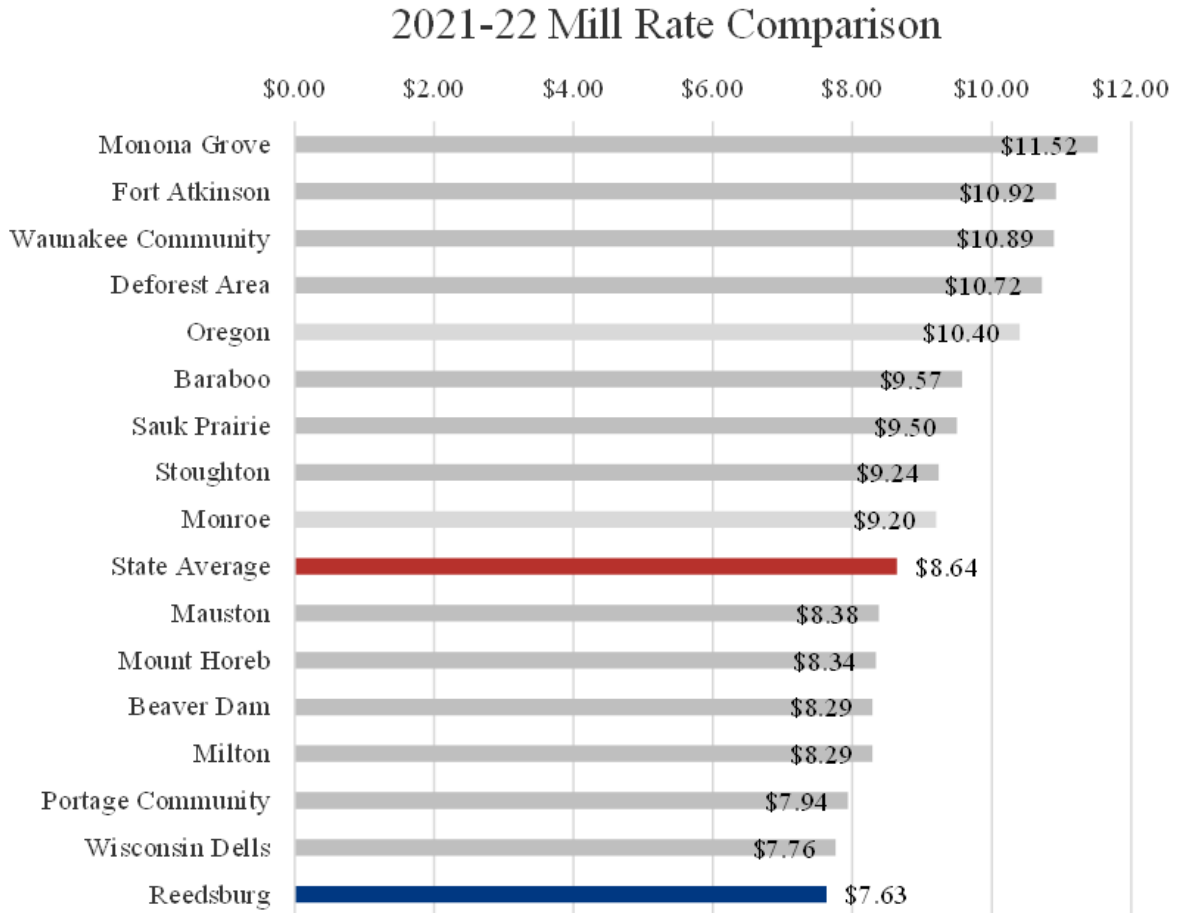
Tax Levy by Community

SDR covers a geographic area of 264 square miles and is located within two counties. The District’s tax levy is assessed to the municipalities based upon their proportionate share of SDR’s equalized property values that are certified by the Wisconsin Department of Revenue in October. The chart below details the 2021-22 tax levy apportionment to the various municipalities based upon their certified equalized property values and the estimated apportionment for 2022-23 based upon an overall 2% value increase.

County	Municipality	2021-22			2022-23 July Estimate			Change in Levy \$
		Equalized Property Value	% of Dist	Tax Levy	Equalized Property Value	% of Dist	Tax Levy	
Juneau	T. Lyndon	\$ 281,312	0.02%	\$ 2,147	\$ 286,938	0.02%	\$ 2,278	\$ 131
Juneau	T. Seven Mile Creek	\$ 6,778,604	0.40%	\$ 51,731	\$ 6,914,176	0.40%	\$ 54,899	\$ 3,168
Sauk	T. Dellona	\$ 62,780,364	3.74%	\$ 479,109	\$ 64,035,971	3.74%	\$ 508,446	\$ 29,337
Sauk	T. Delton	\$ 2,252,759	0.13%	\$ 17,192	\$ 2,297,814	0.13%	\$ 18,245	\$ 1,053
Sauk	T. Excelsior	\$ 137,718,238	8.20%	\$ 1,050,999	\$ 140,472,603	8.20%	\$ 1,115,352	\$ 64,353
Sauk	T. Franklin	\$ 13,517,584	0.80%	\$ 103,160	\$ 13,787,936	0.80%	\$ 109,476	\$ 6,316
Sauk	T. Freedom	\$ 39,523,913	2.35%	\$ 301,627	\$ 40,314,391	2.35%	\$ 320,096	\$ 18,469
Sauk	T. Honey Creek	\$ 1,709,589	0.10%	\$ 13,047	\$ 1,743,781	0.10%	\$ 13,846	\$ 799
Sauk	T. Ironton	\$ 47,369,929	2.82%	\$ 361,504	\$ 48,317,328	2.82%	\$ 383,640	\$ 22,136
Sauk	T. La Valle	\$ 320,999,729	19.10%	\$ 2,449,715	\$ 327,419,724	19.10%	\$ 2,599,713	\$ 149,998
Sauk	T. Reedsburg	\$ 124,966,400	7.44%	\$ 953,683	\$ 127,465,728	7.44%	\$ 1,012,078	\$ 58,395
Sauk	T. Washington	\$ 374,208	0.02%	\$ 2,856	\$ 381,692	0.02%	\$ 3,031	\$ 175
Sauk	T. Westfield	\$ 58,706,300	3.49%	\$ 448,018	\$ 59,880,426	3.49%	\$ 475,451	\$ 27,433
Sauk	T. Winfield	\$ 108,336,100	6.45%	\$ 826,769	\$ 110,502,822	6.45%	\$ 877,392	\$ 50,623
Sauk	T. Woodland	\$ 454,227	0.03%	\$ 3,466	\$ 463,312	0.03%	\$ 3,679	\$ 213
Sauk	V. Ironton	\$ 9,757,200	0.58%	\$ 74,462	\$ 9,952,344	0.58%	\$ 79,022	\$ 4,560
Sauk	V. La Valle	\$ 17,620,600	1.05%	\$ 134,472	\$ 17,973,012	1.05%	\$ 142,706	\$ 8,234
Sauk	V. Loganville	\$ 17,143,300	1.02%	\$ 130,829	\$ 17,486,166	1.02%	\$ 138,840	\$ 8,011
Sauk	V. Rock Springs	\$ 24,680,900	1.47%	\$ 188,353	\$ 25,174,518	1.47%	\$ 199,886	\$ 11,533
Sauk	C. Reedsburg	\$ 685,323,500	40.79%	\$ 5,230,059	\$ 699,029,970	40.79%	\$ 5,550,295	\$ 320,236
		\$ 1,680,294,756	100.00%	\$ 12,823,198	\$ 1,713,900,651	100.00%	\$ 13,608,371	\$ 785,173

What are the mill rates of other districts and how does SDR's compare?

Compared with neighboring districts, as well as the entire Badger Conference that we are a part of, SDR had the lowest tax rate this past year. SDR's tax rate was also \$1.01 per \$1,000 below that state average of all K-12 Districts.



2022-2023 Tentative Tax Levy and Mill Rate Projection

The following table summarizes the actual levies for the 2020-21 and 2021-22 fiscal years. It also shows the property tax impact of the 2022-23 revenue limit projection, the 2022-23 debt payments and the levy for community service programs. It also shows the dollar and percent changes from the current year as projected right now.

We are using what we believe is a conservative 2.0 percent increase in equalized values, and have also made some assumptions using the Baird Model to project enrollment and the amount of equalization aid for 2022-23, so the actual levies that are certified in October will be different from the Proposed 2022-23 amounts and corresponding changes in the table below.

<i>Fund</i>	<i>Actual 2020-21</i>	<i>Actual 2021-22</i>	<i>Proposed 2022-23</i>	<i>Dollar Change</i>	<i>Percent Change</i>
10-General	9,928,540	10,073,198	9,003,380	- 1,069,818	-10.62%
39-Debt Service	2,600,000	2,600,000	4,354,991	+ 1,754,991	+ 67.50%
80-Community Service	75,000	150,000	250,000	+ 100,000	+ 66.67%
Chargeback	0	0	0	0	+ 00.00%
<i>Total Tax Levy</i>	12,603,540	12,823,198	13,608,371	+ 785,173	+ 6.12%
<i>Equalized Value</i>	1,589,357,608	1,680,294,756	1,713,900,651	+33,605,895	+ 2.00%
<i>Mill Rate</i>	.007930	.007632	.007940	+ .000308	+ 4.04%