



# 5-Year Financial Projection

**FY2021 – FY2025**

**December 19, 2019**



Jason P. Demerath, SFO, CSRM  
Director of Business Services



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## MEMORANDUM

**To:** Board of Education

**From:** Jason P. Demerath, SFO, CSRM, Director of Business Services

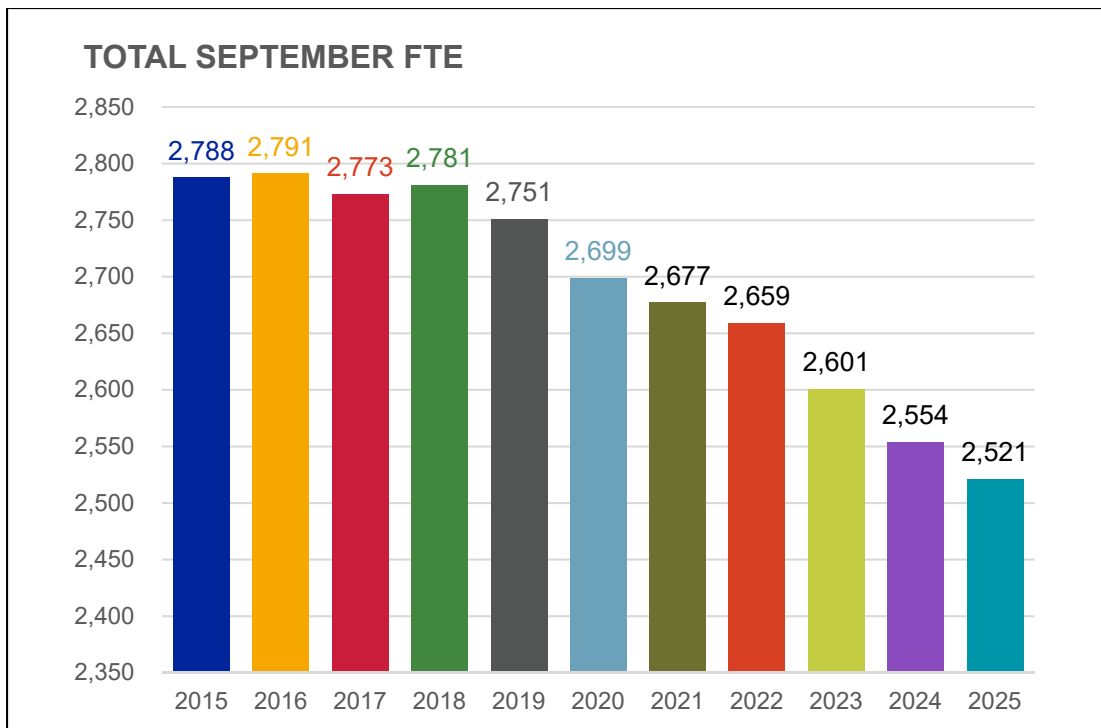
**Date:** December 19, 2019

**Re:** 5-Year Financial Projection (FY2021-FY2025)

Attached you will find materials related to the five-year financial projection as outlined below. This “Base Scenario” will be the starting point for further discussions regarding budget planning for 2020-21 and referendum planning for the April, 2020 referendum. If we can understand this base scenario and the assumptions that went into it, we can then discuss possible referendum scenarios to be considered by the Board of Education prior to the January 16, 2020 meeting.

### Enrollment

Given the very small 4K class size we are seeing this year (99 resident students), that small class carries forward each year in the projection. The classes that follow it are bumped back up to 139 resident students each year going forward however, this is still less than nearly every 4K class the past five years. As you can see, these smaller incoming classes have a dramatic effect on the long-term enrollment projection for the District. Within this projection, each year is adjusted by a 5-year cohort survival ratio in each of the grades. For example, the model looks at the number of kids going from fifth to sixth grade over the past five years to determine a survival ratio for a cohort between those grade levels and then applies that to the number of students moving from fifth to sixth grade each year in the future. This method is applied for every grade level for each year moving forward. Below is a graphical representation of revenue limit FTE from FY2015 through FY2025.



The data behind the projection on the prior page is shown below.

## Enrollment Analysis - SUMMARY

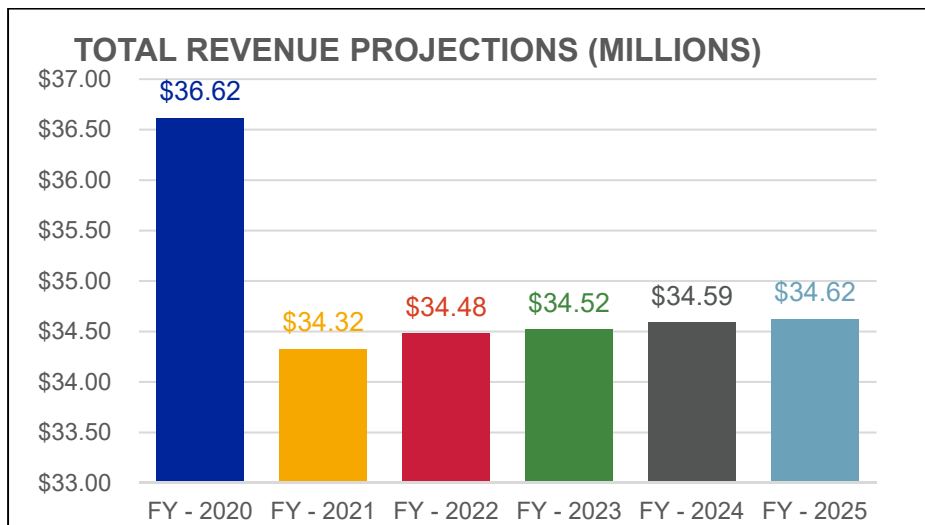
Type	ACTUAL					CURRENT 2020	PROJECTED				
	2015	2016	2017	2018	2019		2021	2022	2023	2024	2025
<b>RESIDENTS</b>											
In	2,709	2,696	2,671	2,660	2,671	2,583	2,568	2,541	2,469	2,406	2,359
Change		(13)	(25)	(11)	11	(88)	(15)	(27)	(72)	(63)	(47)
<i>Projected Five-Year Cumulative Change</i>											(224)
OE - TW	102	114	112	146	119	123	137	146	160	176	190
220	0	0	0	0	0	0	0	0	0	0	0
Other	0	(2)	32	2	(2)	7	0	0	0	0	0
Out Total	102	112	144	148	117	130	137	146	160	176	190
Change		10	32	4	(31)	13	7	9	14	16	14
<i>Projected Five-Year Cumulative Change</i>											60
TOTAL	2,811	2,808	2,815	2,808	2,788	2,713	2,705	2,687	2,629	2,582	2,549
Change		(3)	7	(7)	(20)	(75)	(8)	(18)	(58)	(47)	(33)
<i>Projected Five-Year Cumulative Change</i>											(164)
<b>NON-RESIDENTS</b>											
OE - TW	189	196	186	182	185	168	168	168	162	155	161
220	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	21	0	0	0	0	0
TOTAL	189	196	186	182	185	189	168	168	162	155	161
Change		7	(10)	(4)	3	4	(21)	0	(6)	(7)	6
<i>Projected Five-Year Cumulative Change</i>											(28)
IN SEATS	2,898	2,892	2,857	2,842	2,856	2,772	2,736	2,709	2,631	2,561	2,520
Change		(6)	(35)	(15)	14	(84)	(36)	(27)	(78)	(70)	(41)
<i>Projected Five-Year Cumulative Change</i>											(252)

As you can see in the table above, over the next five years the number of students in seats in our school district decreases by 252 students. This is a result of those smaller incoming class sizes being factored in, as well as an increase in the number of students open enrolling out of the district. As was mentioned last year, the number of students open enrolling out of our district has been steadily increasing over the past five to seven years while the number of students open enrolling into our district has been remaining stable or slightly declining. As you can see above, it is currently projected that within the next three years the number of students open enrolling out of our district could exceed the number open enrolling into the district. However, I will frame this with a word of caution as well. As with most numbers in this projection, the further out you get from the current year, the less reliable the projection becomes given the many factors that can influence it over the course of time, including the assumption of lower incoming class sizes.

## Revenue

Below is a table outlining total revenue projections for the general fund:

Fund 10 - General Fund - Revenue Analysis											
Fort Atkinson School District   Base Scenario + Final 4 Debt Payments Defeased + \$75/Pupil Rev Limit + \$75/Pupil Aid Increase											
	BUDGET		REVENUE PROJECTIONS								
	FY - 2020	FY - 2021	% Δ	FY - 2022	% Δ	FY - 2023	% Δ	FY - 2024	% Δ	FY - 2025	% Δ
TRANSFERS	\$0	\$0		\$0		\$0		\$0		\$0	
LOCAL											
Taxes	\$14,724,679	\$11,567,311	-21.44%	\$11,933,667	3.17%	\$11,855,479	-0.66%	\$12,350,595	4.18%	\$12,690,193	2.75%
Other Local Revenue	\$288,334	\$288,297	-0.01%	\$288,297	0.00%	\$288,297	0.00%	\$288,297	0.00%	\$288,297	0.00%
TOTAL LOCAL REVENUE	\$15,013,013	\$11,855,608	-21.03%	\$12,221,964	3.09%	\$12,143,776	-0.64%	\$12,638,892	4.08%	\$12,978,490	2.69%
WI INTER-DIST PMTS	\$1,348,642	\$1,397,216	3.60%	\$1,407,122	0.71%	\$1,380,722	-1.88%	\$1,329,703	-3.70%	\$1,399,505	5.25%
OUTSIDE WI INTER-DIST PMTS	\$0	\$0		\$0		\$0		\$0		\$0	
INTERMEDIATE SOURCES	\$0	\$0		\$0		\$0		\$0		\$0	
STATE											
Categorical Aid	\$117,000	\$117,000	0.00%	\$117,000	0.00%	\$117,000	0.00%	\$117,000	0.00%	\$117,000	0.00%
Equalization Aid	\$17,111,972	\$18,270,250	6.77%	\$17,872,252	-2.18%	\$17,840,633	-0.18%	\$17,308,002	-2.99%	\$16,784,624	-3.02%
Other State Revenue	\$2,288,006	\$2,160,915	-5.55%	\$2,339,729	8.27%	\$2,513,015	7.41%	\$2,672,813	6.36%	\$2,821,266	5.55%
TOTAL STATE REVENUE	\$19,516,978	\$20,548,165	5.28%	\$20,328,981	-1.07%	\$20,470,648	0.70%	\$20,097,815	-1.82%	\$19,722,890	-1.87%
TOTAL FEDERAL REVENUE	\$485,707	\$485,707	0.00%	\$485,707	0.00%	\$485,707	0.00%	\$485,707	0.00%	\$485,707	0.00%
OTHER REVENUE	\$251,075	\$37,575	-85.03%	\$37,575	0.00%	\$37,575	0.00%	\$37,575	0.00%	\$37,575	0.00%
TOTAL REVENUE	\$36,615,415	\$34,324,271	-6.26%	\$34,481,349	0.46%	\$34,518,428	0.11%	\$34,589,692	0.21%	\$34,624,167	0.10%

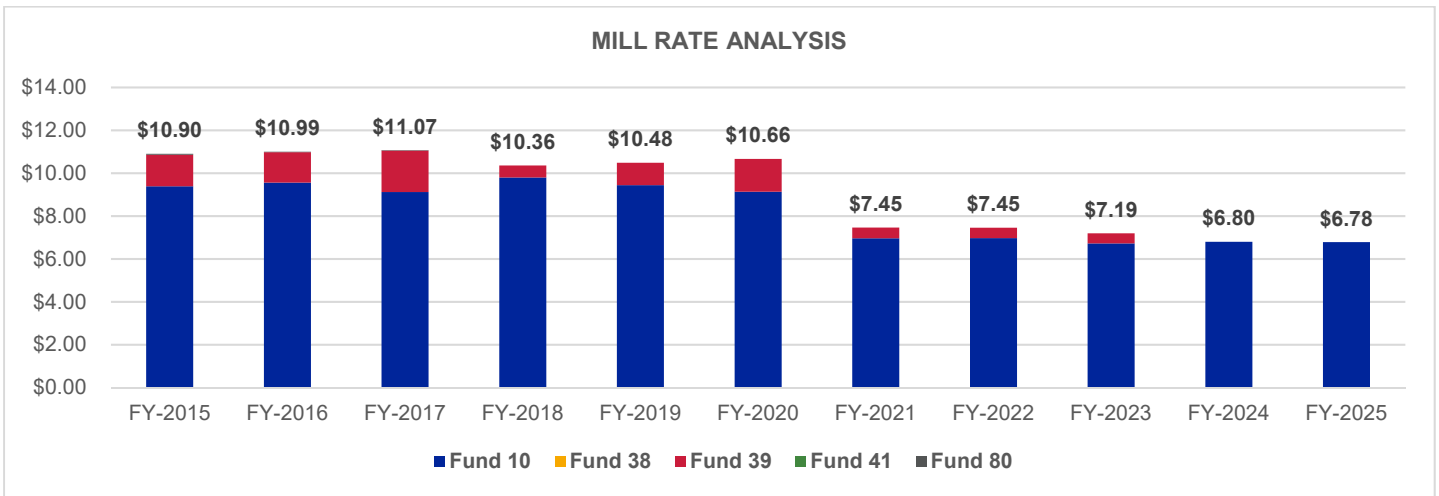


In the graph above, you can see the drastic decrease next year because of our non-recurring referendum of \$2.25 million per year expiring at the end of the current fiscal year. As you know, we have been working through a community engagement process, including a survey and focus groups, to inform the Board's work in planning a replacement referendum for April, 2020. The slight increases you see each of the following years is a result of planning for a \$75 per pupil increase to the revenue limit and a \$75 per pupil aid increase each year going forward. Given the most recent biennial budget and the fact that the former State Superintendent of Public Instruction is now the Governor, we believe a \$150/pupil increase per year is a reasonable assumption. The only caution here is that the national economy and any possible future economic decline could result in the District receiving less than that in revenue due to possible state budget issues.

There are couple of notes to consider about the revenue assumptions going forward. The first being that even a \$150/pupil increase overall in state allowed revenue is less than the recent increases in the Consumer Price Index (CPI), or inflation. Those increases have been hovering around 2% per year. The second item of note is that with declining enrollment, any increase in the revenue limit gets offset by that declining enrollment. This means that if the enrollment projections shared within this memo come to fruition, the reduction in the revenue limit due to the decline is larger than the \$75/pupil increase that is being used in the projection. For example, \$75/per pupil may garner an additional \$200,850 in 2021-22, but our enrollment declines so much that our one-year declining enrollment exemption from the prior year that we would lose in revenue exceeds that amount at \$375,779. So, even though there may be an increase in the revenue limit per pupil, what we lose as a result of declining enrollment negates, and in fact would exceed that increase.

## Projected Tax Levy & Annual Taxes

Below we have the projected Mill Rate along with the tax levy effects on homes of various values:



## SCHOOL PORTION OF PROPERTY TAX LEVY

FORT ATKINSON SCHOOL DISTRICT | BASE SCENARIO + FINAL 4 DEBT PAYMENTS DEFEASED + \$75/PUPIL REV LIMIT + \$75/PUPIL AID INCREASE

Value of Home	ACTUAL					BUDGET FY-2020	PROJECTIONS				
	FY-2015	FY-2016	FY-2017	FY-2018	FY-2019		FY-2021	FY-2022	FY-2023	FY-2024	FY-2025
\$100,000	\$1,090	\$1,099	\$1,107	\$1,036	\$1,048	\$1,066	\$745	\$745	\$719	\$680	\$678
\$150,000	\$1,635	\$1,649	\$1,661	\$1,554	\$1,572	\$1,599	\$1,118	\$1,118	\$1,079	\$1,020	\$1,017
\$200,000	\$2,180	\$2,198	\$2,214	\$2,072	\$2,096	\$2,132	\$1,490	\$1,490	\$1,438	\$1,360	\$1,356
\$275,000	\$2,998	\$3,022	\$3,044	\$2,849	\$2,882	\$2,932	\$2,049	\$2,049	\$1,977	\$1,870	\$1,865
\$300,000	\$3,270	\$3,297	\$3,321	\$3,108	\$3,144	\$3,198	\$2,235	\$2,235	\$2,157	\$2,040	\$2,034

We can see from the chart and table above that under the current three-year referendum (FY2018 through FY2020) the mill rate and tax effect on a home of any value is less than during the prior referendum. We can also see the tax effect when the current non-recurring referendum expires going into FY2021. These projected lower tax rates and taxes provide an idea of the impact the expiration of the referendum could have, as well as the opportunity to build a referendum around keeping taxes fairly consistent. You will see in the "Referendum Supplement" to this year's projection that there are various ways a referendum could be structured and the tax impact it would have.

## Expenses

This budget area is based largely upon the current financial environment continuing through the next five years. For example, the Consumer Price Index (CPI) for the past year has been hovering around 2%. As a result, salaries are projected to increase between 2% - 3% and other budgetary costs are also projected within that range. Obviously, should the national economic situation turn recessionary, that would have a significant impact.

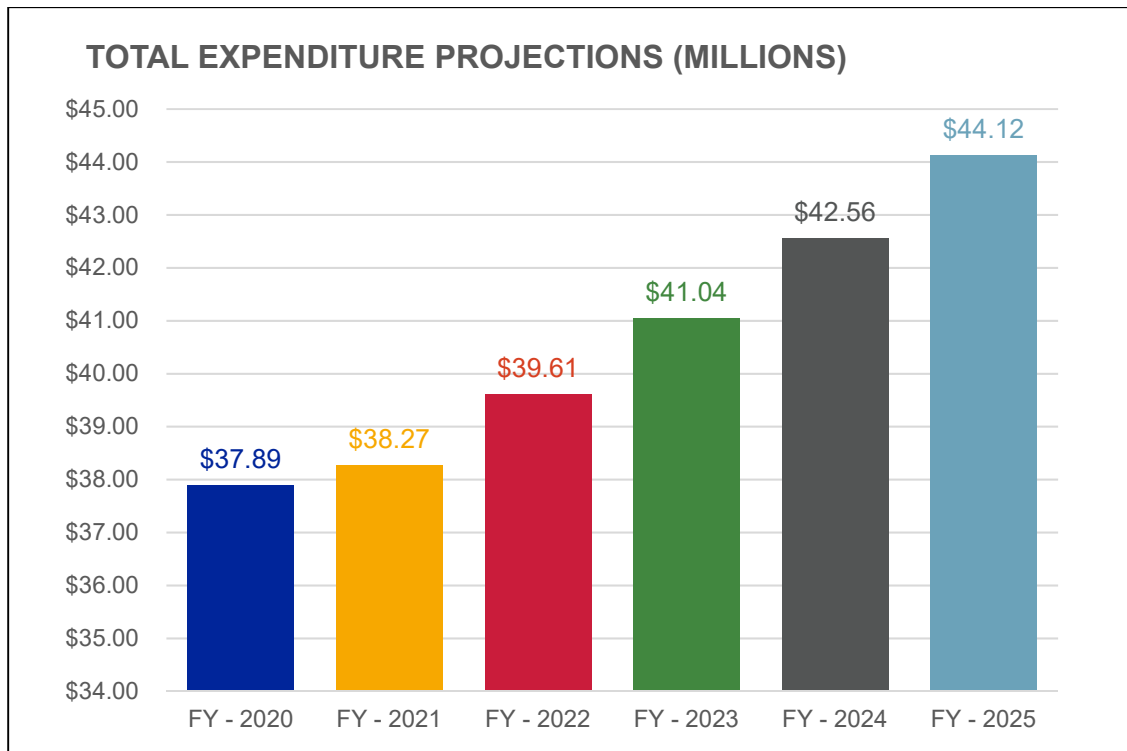
As you know, approximately 80% of our budget is comprised of salaries and benefits. As you can see in the table below, those are projected to increase 3.5% to 3.75% over the course of the next five years. This is based on a cost of living increase of 2% along with an additional 0.75% to 1.0% in salary increases due to longevity increases in the current compensation model. Along with salary, health insurance is projected to increase 7% - 8% per year, with dental insurance projected to increase 4%. Keep in mind, these projections do not account for any additional impact of the recent change the District made to health insurance plans.

Below is a summary of projected expenditures in the general fund:

### Fund 10 - General Fund - Expenditures Analysis (by Object)

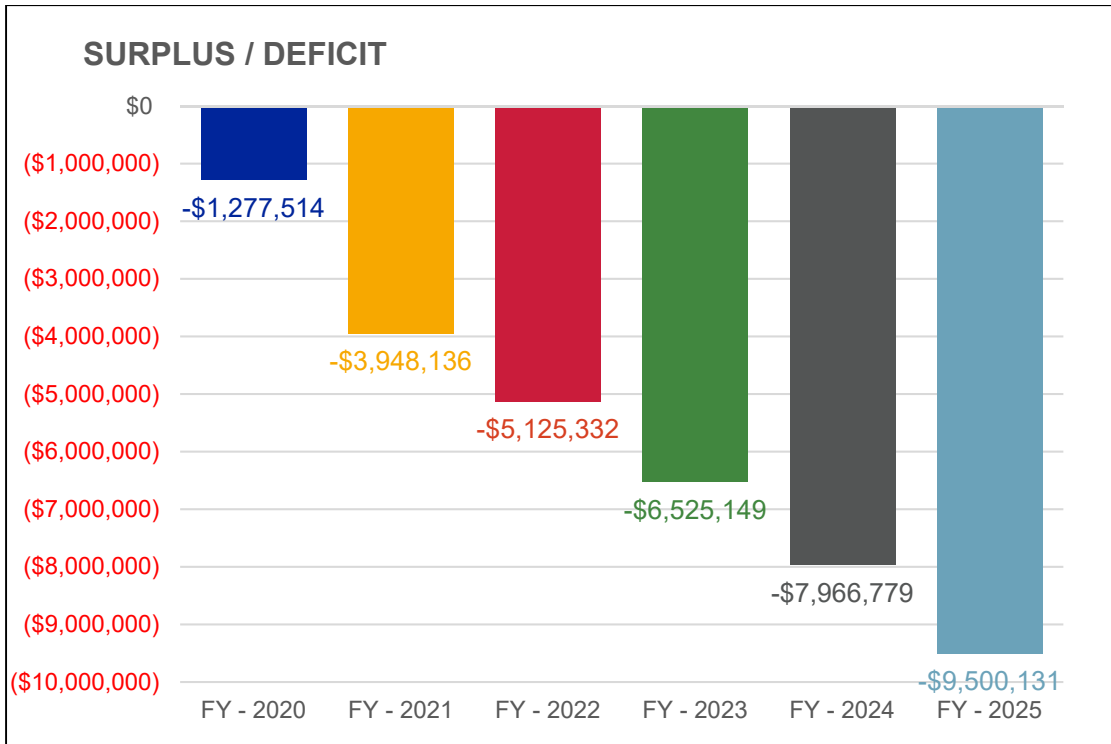
Fort Atkinson School District | Base Scenario + Final 4 Debt Payments Defeased + \$75/Pupil Rev Limit + \$75/Pupil Aid Increase

	BUDGET			EXPENDITURE PROJECTIONS							
	FY - 2020	FY - 2021	% Δ	FY - 2022	% Δ	FY - 2023	% Δ	FY - 2024	% Δ	FY - 2025	% Δ
<b>SALARY &amp; BENEFIT COSTS</b>											
Salaries	\$17,212,349	\$17,705,001	2.86%	\$18,225,358	2.94%	\$18,761,627	2.94%	\$19,314,309	2.95%	\$19,883,923	2.95%
Benefits	\$8,111,042	\$8,567,775	5.63%	\$8,976,850	4.77%	\$9,414,092	4.87%	\$9,881,597	4.97%	\$10,381,625	5.06%
<b>SALARIES &amp; BENEFITS TOTAL</b>	<b>\$25,323,391</b>	<b>\$26,272,776</b>	<b>3.75%</b>	<b>\$27,202,208</b>	<b>3.54%</b>	<b>\$28,175,718</b>	<b>3.58%</b>	<b>\$29,195,906</b>	<b>3.62%</b>	<b>\$30,265,548</b>	<b>3.66%</b>
<b>OTHER COSTS</b>											
Purchased Services	\$5,601,501	\$5,467,023	-2.40%	\$5,643,602	3.23%	\$5,871,863	4.04%	\$6,118,893	4.21%	\$6,360,250	3.94%
Non-Capital Objects	\$1,137,861	\$1,009,517	-11.28%	\$1,030,070	2.04%	\$1,051,084	2.04%	\$1,072,568	2.04%	\$1,094,533	2.05%
Capital Objects	\$205,850	\$143,643	-30.22%	\$143,643	0.00%	\$143,643	0.00%	\$143,643	0.00%	\$143,643	0.00%
Debt Service	\$475	\$475	0.00%	\$475	0.00%	\$475	0.00%	\$475	0.00%	\$475	0.00%
Insurance & Judgement	\$338,850	\$324,016	-4.38%	\$333,736	3.00%	\$343,748	3.00%	\$354,060	3.00%	\$364,682	3.00%
Transfers	\$5,096,653	\$4,950,762	-2.86%	\$5,145,625	3.94%	\$5,346,505	3.90%	\$5,557,068	3.94%	\$5,777,893	3.97%
Other Expenditures	\$188,348	\$104,196	-44.68%	\$107,322	3.00%	\$110,541	3.00%	\$113,858	3.00%	\$117,273	3.00%
<b>OTHER COSTS TOTAL</b>	<b>\$12,569,538</b>	<b>\$11,999,632</b>	<b>-4.53%</b>	<b>\$12,404,473</b>	<b>3.37%</b>	<b>\$12,867,859</b>	<b>3.74%</b>	<b>\$13,360,565</b>	<b>3.83%</b>	<b>\$13,858,751</b>	<b>3.73%</b>
<b>TOTAL COSTS</b>	<b>\$37,892,929</b>	<b>\$38,272,407</b>	<b>1.00%</b>	<b>\$39,606,681</b>	<b>3.49%</b>	<b>\$41,043,578</b>	<b>3.63%</b>	<b>\$42,556,472</b>	<b>3.69%</b>	<b>\$44,124,298</b>	<b>3.68%</b>



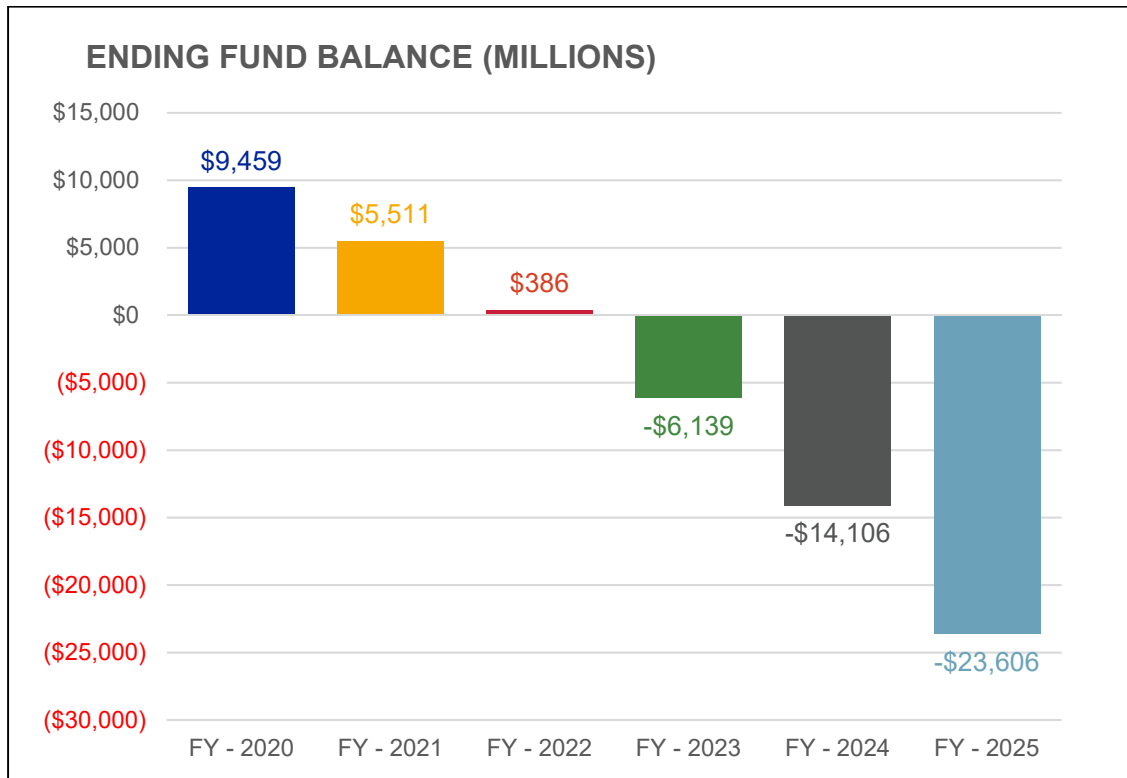
### Annual Operating Surplus (Deficit)

With the minimal change in revenue projected within this model, the expiration of the referendum, and the expenses projected to increase as outlined, the graph below illustrates the surplus/deficit in each year as a result of those assumptions:



### Fund Balance Impact

With the minimal revenue increases, the expiration of the current referendum, and expenses increasing, we begin pulling the annual difference from fund balance:





## Comparison to Referendum Projection

As a point of comparison, below is the financial projection that was used during referendum planning in 2016. As opposed to comparing every data point in this projection with all of the data previously shared in this memo, I will leave it up to the reader to review the following pertinent data points: Revenues & Expenditures; Surplus (Deficit); Mill Rate; Tax Levy based on home value.

### Debt Defeasance in 2016-17 + \$1.75M Recurring + 3-Year Non-Recurring Referendum

	'13-'14	'14-'15	'15-'16	'16-'17	'17-'18	'18-'19	'19-'20	'20-'21
Fund 10 Revenues	\$30,808,895	\$32,178,211	\$32,613,404	\$31,899,234	\$34,002,132	\$34,066,336	\$33,983,219	\$31,814,016
Fund 10 Expenditures	\$31,108,871	\$30,315,975	\$32,268,825	\$32,203,295	\$33,523,539	\$34,580,289	\$35,751,158	\$36,952,530
Surplus (Deficit)	(\$299,976)	\$1,862,236	\$344,579	(\$304,062)	\$478,593	(\$513,953)	(\$1,767,939)	(\$5,138,514)
NR Referendum \$	\$694,000	\$1,750,000	\$1,750,000	\$1,750,000	\$2,250,000	\$2,250,000	\$2,250,000	\$0
Rec Referendum \$	\$0	\$0	\$0	\$0	\$1,750,000	\$0	\$0	\$0
EE Exemption \$	\$100,000	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0
Fund 39 Debt Levy	\$3,240,634	\$2,011,683	\$2,009,288	\$2,939,384	\$847,425	\$848,675	\$849,625	\$845,325
<b>Total Tax Levy</b>	<b>\$15,189,717</b>	<b>\$14,959,854</b>	<b>\$15,557,795</b>	<b>\$15,700,820</b>	<b>\$15,570,502</b>	<b>\$15,695,641</b>	<b>\$15,757,015</b>	<b>\$13,597,281</b>
% change		-1.51%	4.00%	0.92%	-0.83%	0.80%	0.39%	-13.71%
<b>Mill Rate</b>	<b>\$11.37</b>	<b>\$10.90</b>	<b>\$10.99</b>	<b>\$10.88</b>	<b>\$10.58</b>	<b>\$10.45</b>	<b>\$10.29</b>	<b>\$8.70</b>
% change		-4.13%	0.83%	-1.00%	-2.76%	-1.23%	-1.53%	-15.45%
<b>Home Value</b>	<b>\$150,000</b>	<b>\$154,155.00</b>	<b>\$158,933.81</b>	<b>\$162,112.48</b>	<b>\$165,354.73</b>	<b>\$168,661.83</b>	<b>\$172,035.06</b>	<b>\$175,475.76</b>
% change		2.77%	3.10%	2.00%	2.00%	2.00%	2.00%	2.00%
<b>Property Taxes</b>	<b>\$1,705.50</b>	<b>\$1,680.29</b>	<b>\$1,746.68</b>	<b>\$1,763.78</b>	<b>\$1,749.45</b>	<b>\$1,762.52</b>	<b>\$1,770.24</b>	<b>\$1,526.64</b>
% change		-1.48%	3.95%	0.98%	-0.81%	0.75%	0.44%	-13.76%

## Summary

In summary, as we begin our preparations for the 2020-21 fiscal year budget I would offer the following considerations:

- **Salary and Wage Increases** – As mentioned previously, we are assuming that CPI will come in somewhere around 2% for use in compensation for 2020-21. Given our compensation model is largely market and CPI based, it is imperative to understand that this model builds in a 2% - 3% wage increase in each of the five years going forward. Of course, it may or may not be the same economic climate a few years from now.
- **Per Pupil Revenue Increases** – As covered in the revenue section in this memo, we are assuming a \$75 per pupil revenue limit increase and a \$75 per pupil aid increase each year after the current biennial budget expires. Also, as mentioned in this memo, the funding mechanism through which any additional state revenue comes to the District will impact how much revenue is available for use. For example, with declining enrollment, if the funding comes through the revenue limit it is offset by the decrease resulting from that declining enrollment.
- **Fund Balance Level** – As a point of reference, our fund balance the last time we short-term borrowed was in the \$7.5 million range. As illustrated on the prior page, right now we are looking to be in the \$9.0 - \$9.5 million range at the end of the current fiscal year and as the current referendum expires.

Overall, these as well as other factors will need to be considered as we build future budgets and plan for the upcoming referendum. It is also important to keep in mind that this projection is a snapshot of one point in time and factors can change quickly and frequently. With our forecasting tool, our “base scenario” can be updated quickly to analyze the impact of changes as they come our way.

With regards to the April, 2020 referendum and possible factors to consider and their impacts, please see the attached “Referendum Supplement” issued this year.

As always, should you have any questions regarding this memorandum or the financial projection, as well as any other questions you may have about other items, please do not hesitate to contact me.

## HIGH LEVEL SUMMARY OF KEY VARIABLES

FORT ATKINSON | BASE SCENARIO (FINAL 4 DEBT PAYMENTS DEFEASED + \$75/PUPIL REV LIMIT + \$75/PUPIL AID INCREASE)

	ACTUAL					BUDGET	PROJECTIONS				
	FY-2015	FY-2016	FY-2017	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025
FTE	2,737	2,737	2,752	2,731	2,709	2,654	2,632	2,614	2,556	2,509	2,476
Per Pupil Revenue Limit	75	75	0	0	0	175	179	75	75	75	75
Per Pupil Categorial Aid	150	150	250	450	654	742	742	817	892	967	1042
Prop Valuation Growth	0.00%	3.10%	0.64%	2.99%	3.73%	5.99%	3.00%	3.00%	3.00%	3.00%	3.00%
Fund 10 Revenues	\$32,178,211	\$32,540,250	\$32,524,408	\$34,904,750	\$36,124,810	\$36,615,415	\$34,324,271	\$34,481,349	\$34,518,428	\$34,589,692	\$34,624,167
Fund 10 Expenses	<u>\$30,315,975</u>	<u>\$32,345,807</u>	<u>\$32,370,978</u>	<u>\$34,261,043</u>	<u>\$36,445,381</u>	<u>\$37,892,929</u>	<u>\$38,272,407</u>	<u>\$39,606,681</u>	<u>\$41,043,578</u>	<u>\$42,556,472</u>	<u>\$44,124,298</u>
Margin/Shortfall	\$1,862,236	\$194,443	\$153,430	\$643,707	-\$320,571	-\$1,277,514	-\$3,948,136	-\$5,125,332	-\$6,525,149	-\$7,966,779	-\$9,500,131
Ending Fund Balance	\$10,065,707	\$10,260,150	\$10,413,580	\$11,057,287	\$10,736,716	\$9,459,202	\$5,511,066	\$385,734	-\$6,139,415	-\$14,106,194	-\$23,606,325
Fund Balance as % of Expenditures	33.20%	31.72%	32.17%	32.27%	29.46%	24.96%	14.40%	0.97%	-14.96%	-33.15%	-53.50%
Total Levy	\$14,959,853	\$15,557,795	\$15,700,820	\$15,198,090	\$15,937,556	\$17,193,843	\$12,379,147	\$12,746,259	\$12,670,728	\$12,338,225	\$12,677,120
Mill Rate	\$10.90	\$10.99	\$11.02	\$10.36	\$10.48	\$10.66	\$7.45	\$7.45	\$7.19	\$6.80	\$6.78
Recurring Ref to Exceed Rev Limit	\$0	\$0	\$0	\$1,750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Recurring Ref to Exceed Rev Limit	\$1,750,000	\$1,750,000	\$1,750,000	\$2,250,000	\$2,250,000	\$2,250,000	\$0	\$0	\$0	\$0	\$0
Energy Efficiency Exemption	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

# KEY ASSUMPTIONS REPORT

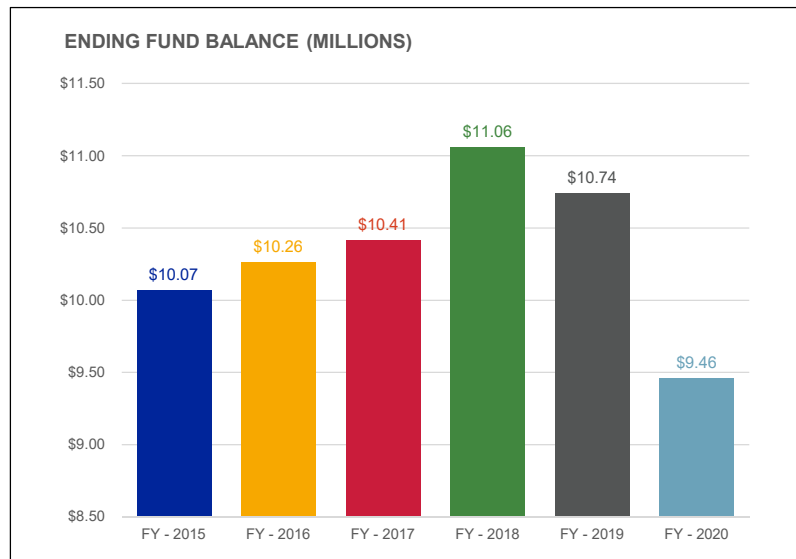
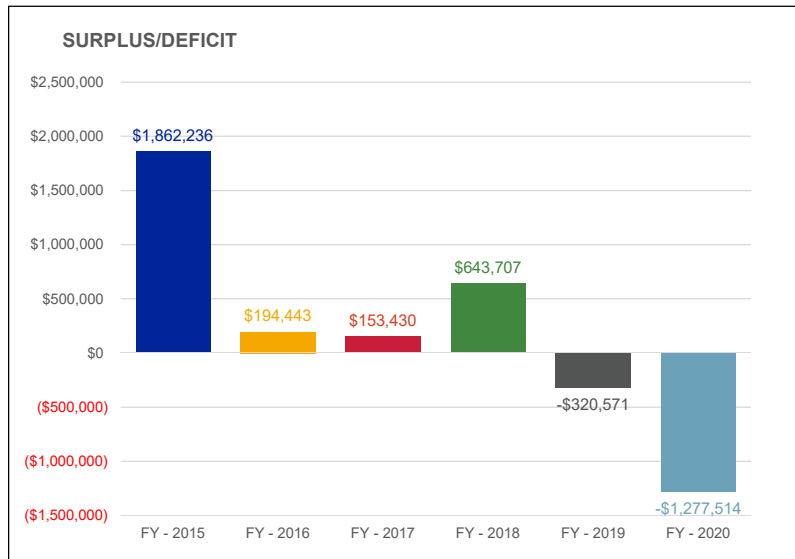
FORT ATKINSON | BASE SCENARIO (FINAL 4 DEBT PAYMENTS DEFEASSED + \$75/PUPIL REV LIMIT + \$75/PUPIL AID INCREASE)

	ACTUAL					BUDGET	PROJECTIONS				
	FY-2015	FY-2016	FY-2017	FY-2018	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025
<b><i>Membership Assumptions</i></b>											
FTE Membership	2,737	2,737	2,752	2,731	2,709	2,654	2,632	2,614	2,556	2,509	2,476
% increase		0.00%	0.55%	-0.76%	-0.81%	-2.03%	-0.83%	-0.68%	-2.22%	-1.84%	-1.32%
Headcount	2,898	2,892	2,857	2,842	2,856	2,772	2,736	2,709	2,631	2,561	2,520
% increase		-0.21%	-1.21%	-0.53%	0.49%	-2.94%	-1.30%	-0.99%	-2.88%	-2.66%	-1.60%
Open Enrollment In (Student Count)	189	196	186	182	185	168	168	168	162	155	161
Open Enrollment Out (Student Count)	<u>102</u>	<u>114</u>	<u>112</u>	<u>146</u>	<u>119</u>	<u>123</u>	<u>137</u>	<u>146</u>	<u>160</u>	<u>176</u>	<u>190</u>
Net OE	87	82	74	36	66	45	31	22	2	(21)	(29)
<b><i>Revenue Limit Assumptions</i></b>											
Revenue Limit Per Pupil Increase	\$75	\$75	\$0	\$0	\$0	\$175	\$179	\$75	\$75	\$75	\$75
Per Pupil Categorical Aid Amount	\$150	\$150	\$250	\$450	\$654	\$742	\$742	\$817	\$892	\$967	\$1,042
Per Pupil Categorical Aid Increase	\$75	\$0	\$100	\$200	\$204	\$88	\$0	\$75	\$75	\$75	\$75
Recurring Ref to Exceed Rev Limit	\$0	\$0	\$0	\$1,750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Recurring Ref to Exceed Rev Limit	\$1,750,000	\$1,750,000	\$1,750,000	\$2,250,000	\$2,250,000	\$2,250,000	\$0	\$0	\$0	\$0	\$0
Energy Efficiency Exemption	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Private School Voucher Students	0	0	0	3	8	41.1	41.1	41.1	41.1	41.1	41.1
Private School Voucher Expense	\$0	\$0	\$0	\$24,528	\$66,554	\$337,151	\$345,371	\$353,591	\$361,811	\$370,031	\$378,251
Special Needs Voucher Students	\$0	0	0	0	8.5	11.5	11.5	11.5	11.5	11.5	11.5
Special Needs Voucher Expense	\$0	\$0	\$0	\$0	\$105,664	\$143,976	\$149,236	\$150,961	\$152,686	\$154,411	\$156,136
<b><i>Tax Levy Assumptions</i></b>											
Fund 10 Levy	\$12,888,340	\$13,522,411	\$12,931,443	\$14,372,923	\$14,355,338	\$14,724,679	\$11,556,172	\$11,922,834	\$11,844,090	\$12,338,225	\$12,677,120
Fund 38 Levy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund 39 Levy	\$2,011,683	\$2,009,288	\$2,743,040	\$825,075	\$1,582,218	\$2,469,127	\$822,975	\$823,425	\$826,638	\$0	\$0
Fund 41 Levy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund 80 Levy	\$58,384	\$26,096	\$26,096	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund 10 Chargeback Levy	<u>\$1,446</u>	<u>\$0</u>	<u>\$241</u>	<u>\$92</u>	<u>\$0</u>	<u>\$37</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Levy	\$14,959,853	\$15,557,795	\$15,700,820	\$15,198,090	\$15,937,556	\$17,193,843	\$12,379,147	\$12,746,259	\$12,670,728	\$12,338,225	\$12,677,120
% increase		4.00%	0.92%	-3.20%	4.87%	7.88%	-28.00%	2.97%	-0.59%	-2.62%	2.75%
October Property Valuation	1,372,601,724	1,415,148,214	1,424,136,759	1,466,649,506	1,521,310,339	1,612,443,974	1,660,817,293	1,710,641,812	1,761,961,066	1,814,819,898	1,869,264,495
% increase		3.10%	0.64%	2.99%	3.73%	5.99%	3.00%	3.00%	3.00%	3.00%	3.00%
Mill Rate	\$10.90	\$10.99	\$11.02	\$10.36	\$10.48	\$10.66	\$7.45	\$7.45	\$7.19	\$6.80	\$6.78
<b><i>Major Expense Assumptions</i></b>											
All Funds Salaries	17,966,527	18,826,816	19,132,211	20,219,761	21,299,120	21,998,494	22,634,173	23,302,186	23,990,646	24,700,199	25,431,512
All Funds Benefits	8,202,004	8,853,332	9,246,767	9,769,281	10,114,252	10,504,645	11,067,414	11,601,852	12,173,232	12,784,312	13,438,058
All Funds Salary & Benefits	26,168,532	27,680,148	28,378,978	29,989,042	31,413,372	32,503,139	33,701,587	34,904,037	36,163,878	37,484,511	38,869,570
% increase		4.79%	1.62%	5.68%	5.34%	3.28%	2.89%	2.95%	2.95%	2.96%	2.96%
<b><i>Effect of Assumptions</i></b>											
Fund 10 Revenues	\$32,178,211	\$32,540,250	\$32,524,408	\$34,904,750	\$36,124,810	\$36,615,415	\$34,324,271	\$34,481,349	\$34,518,428	\$34,589,692	\$34,624,167
Fund 10 Expenses	<u>\$30,315,975</u>	<u>\$32,345,807</u>	<u>\$32,370,978</u>	<u>\$34,261,043</u>	<u>\$36,445,381</u>	<u>\$37,892,929</u>	<u>\$38,272,407</u>	<u>\$39,606,681</u>	<u>\$41,043,578</u>	<u>\$42,556,472</u>	<u>\$44,124,298</u>
Margin/Shortfall	\$1,862,236	\$194,443	\$153,430	\$643,707	(\$320,571)	(\$1,277,514)	(\$3,948,136)	(\$5,125,332)	(\$6,525,149)	(\$7,966,779)	(\$9,500,131)
Ending Fund Balance	<u>\$10,065,707</u>	<u>\$10,260,150</u>	<u>\$10,413,580</u>	<u>\$11,057,287</u>	<u>\$10,736,716</u>	<u>\$9,459,202</u>	<u>\$5,511,066</u>	<u>\$385,734</u>	<u>(\$6,139,415)</u>	<u>(\$14,106,194)</u>	<u>(\$23,606,325)</u>
Fund Balance as % of Expenditures	33.20%	31.72%	32.17%	32.27%	29.46%	24.96%	14.40%	0.97%	-14.96%	-33.15%	-53.50%

## Fund 10 - General Fund - History Summary

Fort Atkinson School District | Base Scenario (Final 4 Debt Payments Deceased + \$75/Pupil Rev Limit + \$75/Pupil Aid Increase)

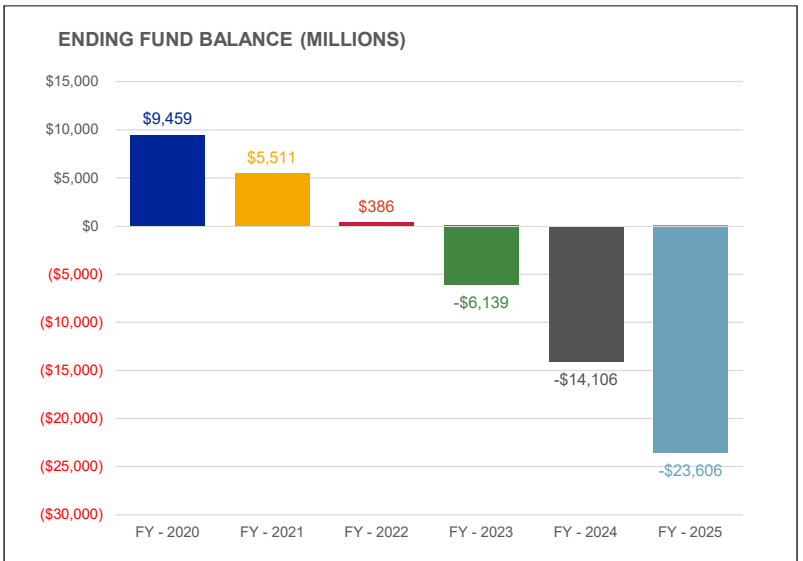
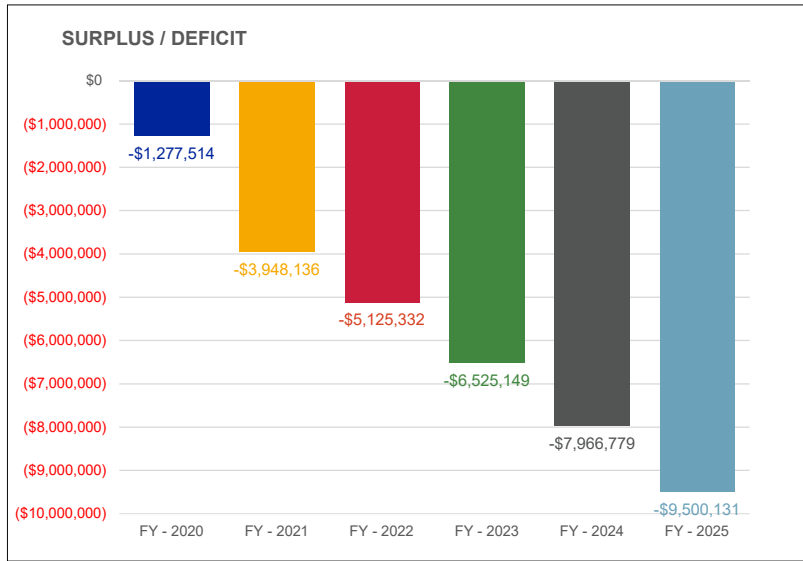
	ACTUAL REVENUES & EXPENDITURES									BUDGET	
	FY - 2015	FY - 2016	% Δ	FY - 2017	% Δ	FY - 2018	% Δ	FY - 2019	% Δ	FY - 2020	% Δ
<b>REVENUE</b>											
Local Sources	\$13,110,532	\$13,777,119	5.08%	\$13,149,288	-4.56%	\$14,587,028	10.93%	\$14,682,449	0.65%	\$15,013,013	2.25%
State Sources	\$17,095,065	\$16,474,623	-3.63%	\$17,220,880	4.53%	\$18,204,705	5.71%	\$19,269,161	5.85%	\$19,516,978	1.29%
Federal Sources	\$720,070	\$629,840	-12.53%	\$657,464	4.39%	\$636,421	-3.20%	\$653,551	2.69%	\$485,707	-25.68%
Other	\$1,252,543	\$1,658,668	32.42%	\$1,496,776	-9.76%	\$1,476,597	-1.35%	\$1,519,649	2.92%	\$1,599,717	5.27%
<b>TOTAL REVENUE</b>	<b>\$32,178,211</b>	<b>\$32,540,250</b>	<b>1.13%</b>	<b>\$32,524,408</b>	<b>-0.05%</b>	<b>\$34,904,750</b>	<b>7.32%</b>	<b>\$36,124,810</b>	<b>3.50%</b>	<b>\$36,615,415</b>	<b>1.36%</b>
<b>EXPENDITURES</b>											
Salary and Benefits	\$21,001,496	\$21,980,361	4.66%	\$22,439,168	2.09%	\$23,438,376	4.45%	\$24,547,835	4.73%	\$25,323,391	3.16%
Other Objects	\$9,314,479	\$10,365,446	11.28%	\$9,931,810	-4.18%	\$10,822,667	8.97%	\$11,897,547	9.93%	\$12,569,538	5.65%
<b>TOTAL EXPENDITURES</b>	<b>\$30,315,975</b>	<b>\$32,345,807</b>	<b>6.70%</b>	<b>\$32,370,978</b>	<b>0.08%</b>	<b>\$34,261,043</b>	<b>5.84%</b>	<b>\$36,445,381</b>	<b>6.38%</b>	<b>\$37,892,929</b>	<b>3.97%</b>
<b>SURPLUS / DEFICIT</b>	<b>\$1,862,236</b>	<b>\$194,443</b>		<b>\$153,430</b>		<b>\$643,707</b>		<b>(\$320,571)</b>		<b>(\$1,277,514)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$8,203,471</b>	<b>\$10,065,707</b>		<b>\$10,260,150</b>		<b>\$10,413,580</b>		<b>\$11,057,287</b>		<b>\$10,736,716</b>	
<b>ENDING FUND BALANCE</b>	<b>\$10,065,707</b>	<b>\$10,260,150</b>		<b>\$10,413,580</b>		<b>\$11,057,287</b>		<b>\$10,736,716</b>		<b>\$9,459,202</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>33.20%</b>	<b>31.72%</b>		<b>32.17%</b>		<b>32.27%</b>		<b>29.46%</b>		<b>24.96%</b>	



## Fund 10 - General Fund - Projection Summary

Fort Atkinson School District | Base Scenario (Final 4 Debt Payments Deceased + \$75/Pupil Rev Limit + \$75/Pupil Aid Increase)

	BUDGET		REVENUE & EXPENDITURE PROJECTIONS								
	FY - 2020	FY - 2021	% Δ	FY - 2022	% Δ	FY - 2023	% Δ	FY - 2024	% Δ	FY - 2025	% Δ
<b>REVENUE</b>											
Local Sources	\$15,013,013	\$11,855,608	-21.03%	\$12,221,964	3.09%	\$12,143,776	-0.64%	\$12,638,892	4.08%	\$12,978,490	2.69%
State Sources	\$19,516,978	\$20,548,165	5.28%	\$20,328,981	-1.07%	\$20,470,648	0.70%	\$20,097,815	-1.82%	\$19,722,890	-1.87%
Federal Sources	\$485,707	\$485,707	0.00%	\$485,707	0.00%	\$485,707	0.00%	\$485,707	0.00%	\$485,707	0.00%
Other	\$1,599,717	\$1,434,791	-10.31%	\$1,444,697	0.69%	\$1,418,297	-1.83%	\$1,367,278	-3.60%	\$1,437,080	5.11%
<b>TOTAL REVENUE</b>	<b>\$36,615,415</b>	<b>\$34,324,271</b>	<b>-6.26%</b>	<b>\$34,481,349</b>	<b>0.46%</b>	<b>\$34,518,428</b>	<b>0.11%</b>	<b>\$34,589,692</b>	<b>0.21%</b>	<b>\$34,624,167</b>	<b>0.10%</b>
<b>EXPENDITURES</b>											
Salary and Benefits	\$25,323,391	\$26,272,776	3.75%	\$27,202,208	3.54%	\$28,175,718	3.58%	\$29,195,906	3.62%	\$30,265,548	3.66%
Other Objects	\$12,569,538	\$11,999,632	-4.53%	\$12,404,473	3.37%	\$12,867,859	3.74%	\$13,360,565	3.83%	\$13,858,751	3.73%
<b>TOTAL EXPENDITURES</b>	<b>\$37,892,929</b>	<b>\$38,272,407</b>	<b>1.00%</b>	<b>\$39,606,681</b>	<b>3.49%</b>	<b>\$41,043,578</b>	<b>3.63%</b>	<b>\$42,556,472</b>	<b>3.69%</b>	<b>\$44,124,298</b>	<b>3.68%</b>
<b>SURPLUS / DEFICIT</b>	<b>(\$1,277,514)</b>	<b>(\$3,948,136)</b>		<b>(\$5,125,332)</b>		<b>(\$6,525,149)</b>		<b>(\$7,966,779)</b>		<b>(\$9,500,131)</b>	
Change over Previous Year		<b>(\$2,670,622)</b>		<b>(\$1,177,196)</b>		<b>(\$1,399,818)</b>		<b>(\$1,441,630)</b>		<b>(\$1,533,352)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$10,736,716</b>	<b>\$9,459,202</b>		<b>\$5,511,066</b>		<b>\$385,734</b>		<b>(\$6,139,415)</b>		<b>(\$14,106,194)</b>	
<b>ENDING FUND BALANCE</b>	<b>\$9,459,202</b>	<b>\$5,511,066</b>		<b>\$385,734</b>		<b>(\$6,139,415)</b>		<b>(\$14,106,194)</b>		<b>(\$23,606,325)</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>24.96%</b>	<b>14.40%</b>		<b>0.97%</b>		<b>-14.96%</b>		<b>-33.15%</b>		<b>-53.50%</b>	



# TAX LEVY & MILL RATE ANALYSIS

FORT ATKINSON SCHOOL DISTRICT | BASE SCENARIO (FINAL 4 DEBT PAYMENTS DEFEASED + \$75/PUPIL REV LIMIT + \$75/PUPIL AID INCREASE)

	ACTUAL					BUDGET FY-2020	PROJECTIONS				
	FY-2015	FY-2016	FY-2017	FY-2018	FY-2019		FY-2021	FY-2022	FY-2023	FY-2024	FY-2025
<b>TAX LEVY</b>											
Fund 10 General Fund	\$12,888,340	\$13,522,411	\$12,931,443	\$14,372,923	\$14,355,338	\$14,724,679	\$11,556,172	\$11,922,834	\$11,844,090	\$12,338,225	\$12,677,120
Fund 10 Property Tax Charge Back	\$1,446	\$0	\$241	\$92	\$0	\$37	\$0	\$0	\$0	\$0	\$0
<b>Total General Fund Levy</b>	<b>\$12,889,786</b>	<b>\$13,522,411</b>	<b>\$12,931,684</b>	<b>\$14,373,015</b>	<b>\$14,355,338</b>	<b>\$14,724,716</b>	<b>\$11,556,172</b>	<b>\$11,922,834</b>	<b>\$11,844,090</b>	<b>\$12,338,225</b>	<b>\$12,677,120</b>
Fund 38 Non-Ref. Debt Svc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund 39 Ref. Approved Debt Svc.	\$2,011,683	\$2,009,288	\$2,743,040	\$825,075	\$1,582,218	\$2,469,127	\$822,975	\$823,425	\$826,638	\$0	\$0
Fund 41 Capital Expansion Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund 80 Community Service Fund	\$58,384	\$26,096	\$26,096	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL LEVY</b>	<b>\$14,959,853</b>	<b>\$15,557,795</b>	<b>\$15,700,820</b>	<b>\$15,198,090</b>	<b>\$15,937,556</b>	<b>\$17,193,843</b>	<b>\$12,379,147</b>	<b>\$12,746,259</b>	<b>\$12,670,728</b>	<b>\$12,338,225</b>	<b>\$12,677,120</b>
<b>PERCENT CHANGE</b>		4.00%	0.92%	-3.20%	4.87%	7.88%	-28.00%	2.97%	-0.59%	-2.62%	2.75%

<b>EQUALIZED VALUATION (TIF OUT)</b>	\$1,372,601,724	\$1,415,148,214	\$1,418,321,859	\$1,466,649,506	\$1,521,310,339	\$1,612,443,974	\$1,660,817,293	\$1,710,641,812	\$1,761,961,066	\$1,814,819,898	\$1,869,264,495
<b>Percent Change</b>		3.10%	0.22%	3.41%	3.73%	5.99%	3.00%	3.00%	3.00%	3.00%	3.00%

<b>MILL RATE</b>											
Fund 10 General Fund	\$9.39	\$9.56	\$9.12	\$9.80	\$9.44	\$9.13	\$6.96	\$6.97	\$6.72	\$6.80	\$6.78
Fund 38 Non-Ref. Debt Svc.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fund 39 Ref. Approved Debt Svc.	\$1.47	\$1.42	\$1.93	\$0.56	\$1.04	\$1.53	\$0.50	\$0.48	\$0.47	\$0.00	\$0.00
Fund 41 Capital Expansion Fund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fund 80 Community Service Fund	\$0.04	\$0.02	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>MILL RATE TOTAL</b>	<b>\$10.90</b>	<b>\$10.99</b>	<b>\$11.07</b>	<b>\$10.36</b>	<b>\$10.48</b>	<b>\$10.66</b>	<b>\$7.45</b>	<b>\$7.45</b>	<b>\$7.19</b>	<b>\$6.80</b>	<b>\$6.78</b>
<b>PERCENT CHANGE</b>		0.83%	0.73%	-6.41%	1.16%	1.72%	-30.11%	0.00%	-3.49%	-5.42%	-0.29%

