



REPORT



5-Year Financial Projection

December 15, 2022



LEARNING MAP

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How Did We Get Here?

2

Enrollment Projection

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Financial Projection

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Referendum Thoughts

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1 FORT

**How Did We
Get Here?**



Board Discussion on Strategies

- Providing a competitive compensation and benefit package for 2022-2023 and in our financial forecasting
- Right-sizing our staff to align to current and forecasted enrollment and program needs
- Evaluation of all vacancies for possible attrition or restructuring
- Analysis of current programming to prioritize return on investment and recognize opportunities for strategic abandonment
- Engaging community in potential capital investment of a new middle school and addressing urgent security and maintenance needs
- Continued planning for an operational referendum
- Leveraging one-time ESSER funds to cover shortfalls and make strategic investments



Budget Strategy Evaluation

Strategy: Provide Competitive Compensation & Benefit Package

Sub-Strategy: Move all active employees to HSA

Funds 10 & 27	2021-22 Actual	2022-23 Budget	Difference	% Change
Cash-In-Lieu Spend	\$131,476	\$109,085	-\$22,391	-17.03%
Health Insurance Spend	\$4,996,234	\$4,913,368	-\$82,866	-1.66%
HSA Spend	\$837,964	\$1,513,212	\$675,248	80.58%
HRA Spend	\$367,606	\$0	-\$367,606	-100.00%
Total Spend	\$6,333,280	\$6,535,665	\$202,385	3.20%

Sub-Strategy: Provide Full CPI Increase (4.7%) & Market Adjustments

Funds 10 & 27	2021-22 Actual	2022-23 Budget	Difference	% Change
Salaries	\$22,858,044	\$23,447,023	\$588,979	2.58%
Benefits	\$10,824,902	\$11,425,331	\$600,429	5.55%
Total Spend	\$33,682,946	\$34,872,354	\$1,189,408	3.53%



Budget Strategy Evaluation

Strategy: Right-Size Our Staff to Align to Enrollment & Evaluate Vacancies for Attrition/Restructuring

Funds 10 & 27 Salaries	2021-22 Actual	2022-23 Budget	Difference	% Change
Administrative Staff	\$1,890,949	\$1,963,555	\$72,606	3.84%
Certified Staff	\$15,409,909	\$15,943,328	\$533,419	3.46%
Support Staff	\$4,222,198	\$4,276,619	\$54,421	1.29%
Total Spend	\$21,523,056	\$22,183,502	\$660,446	3.07%

Funds 10 & 27 FTE (K-12)	2021-22 Actual	2022-23 Budget	Difference	% Change
Administrative Staff	18.00	18.00	0.00	0.00%
Certified Staff	256.10	248.03	-8.07	-3.15%
Support Staff	150.94	141.64	-9.30	-6.16%
Total FTE (K-12)	425.04	407.67	-17.37	-4.09%
Headcount (K-12)	2435	2376	-59.00	-2.42%



Budget Strategy Evaluation

Strategy: Leveraging One-Time ESSER Funds to Cover Shortfalls & Make Strategic Investments

ESSER Funding Source	2020-21 Actual	2021-22 Actual	2022-23 Budget	Total by Source
ESSER I	\$185,396	\$67,123	\$0	\$252,519
ESSER II	\$0	\$840,141	\$422,478	\$1,262,619
ESSER III	\$0	\$541,891	\$727,731	\$1,269,622
Total ESSER Funding	\$185,396	\$1,449,156	\$1,150,209	\$2,784,760



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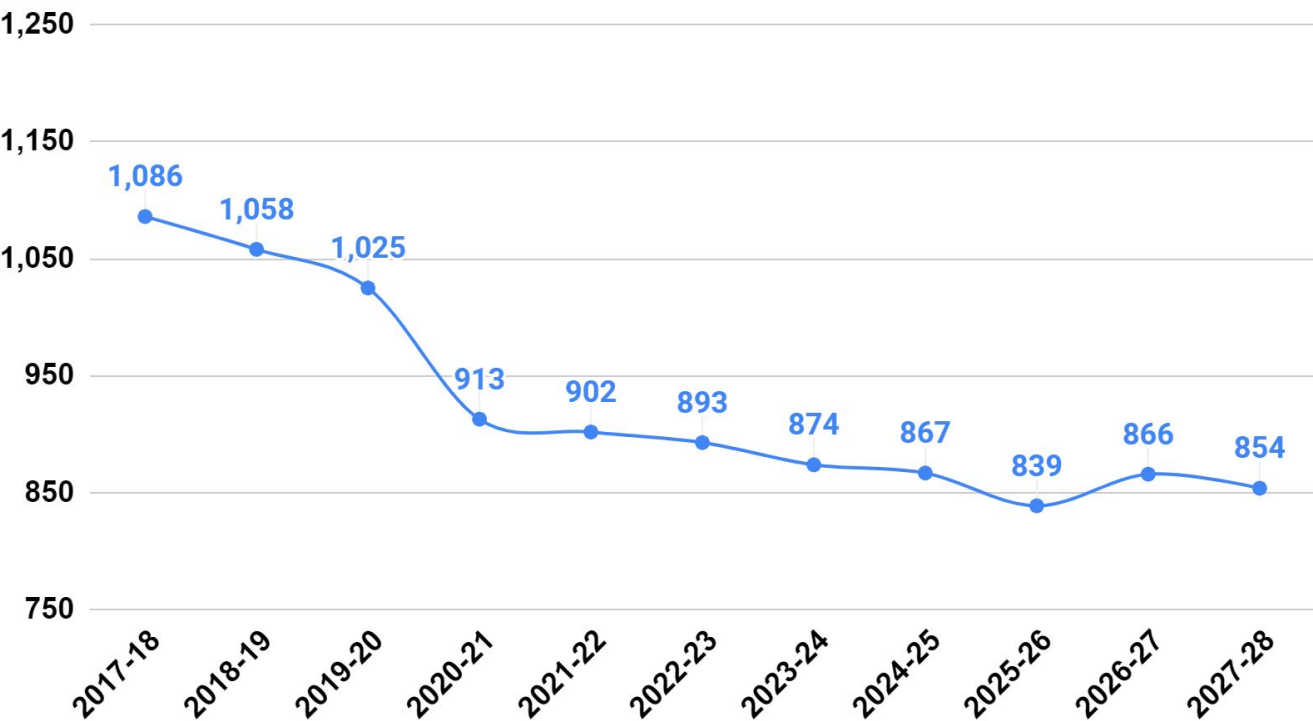
Enrollment Projection

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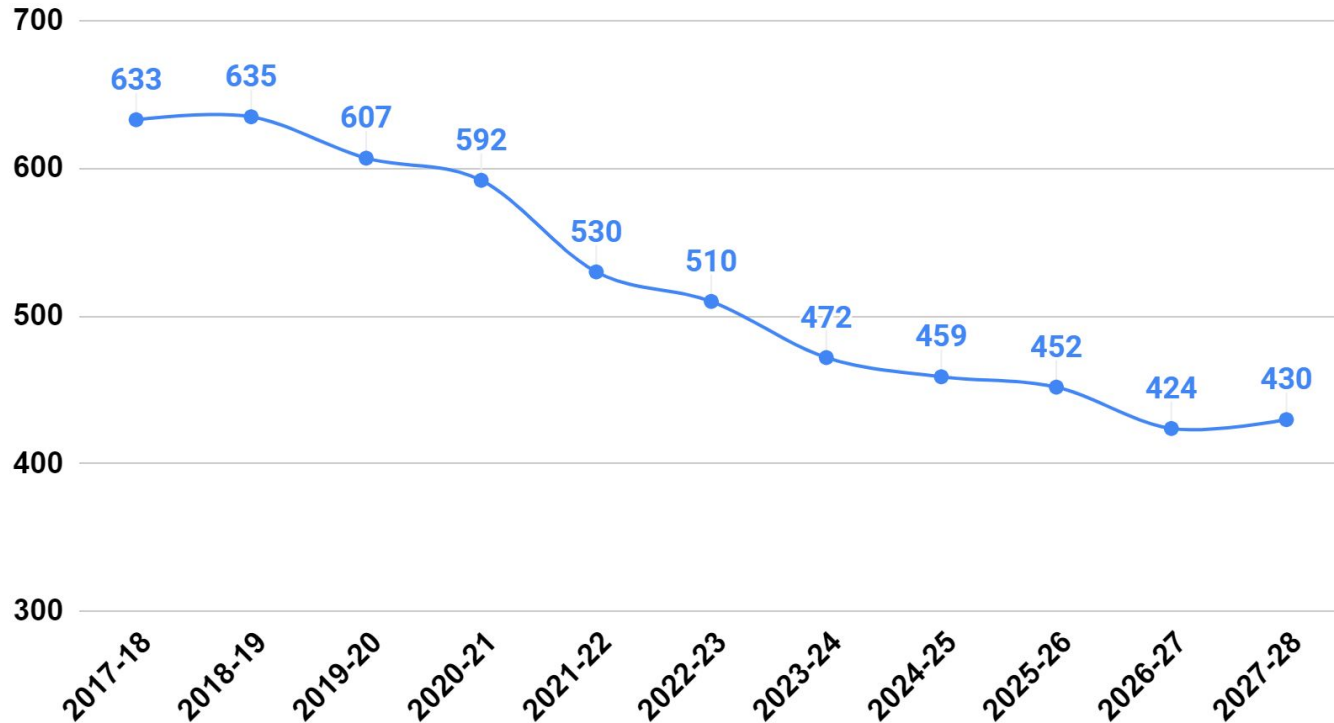
Enrollment Projection

Elementary Head Count



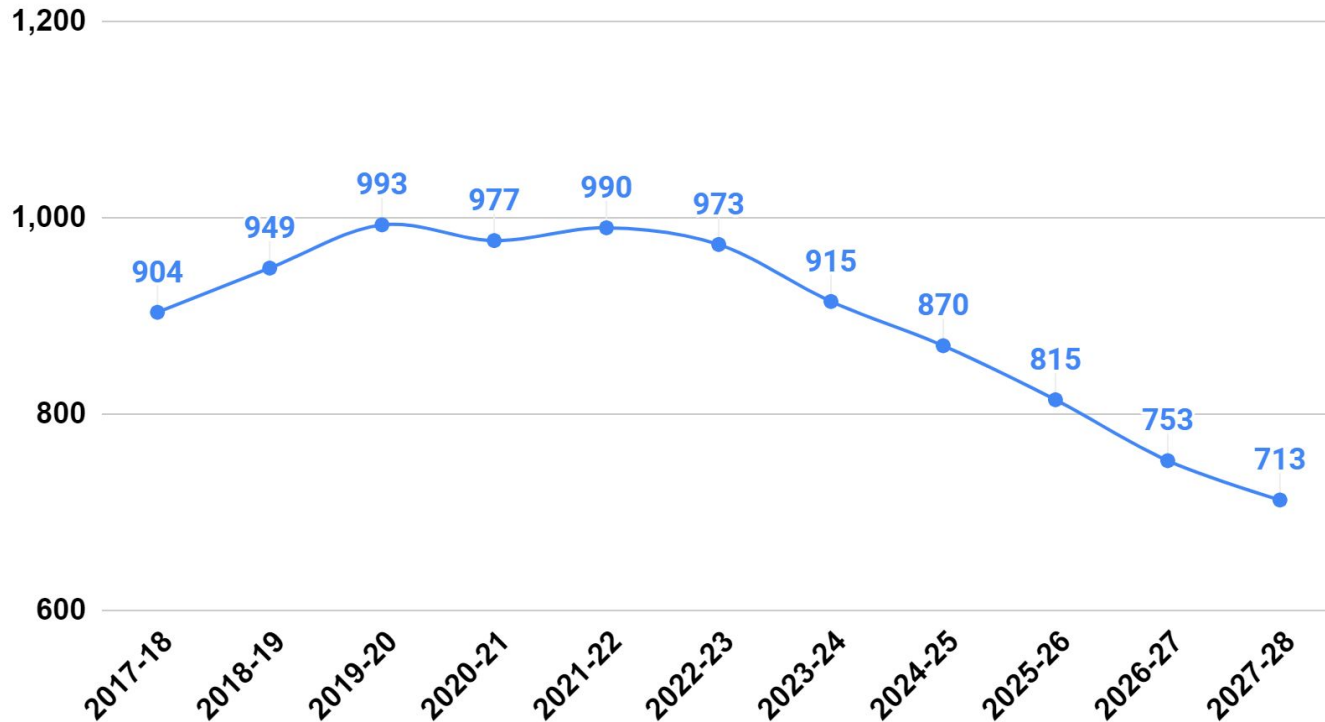
Enrollment Projection

Middle School Head Count



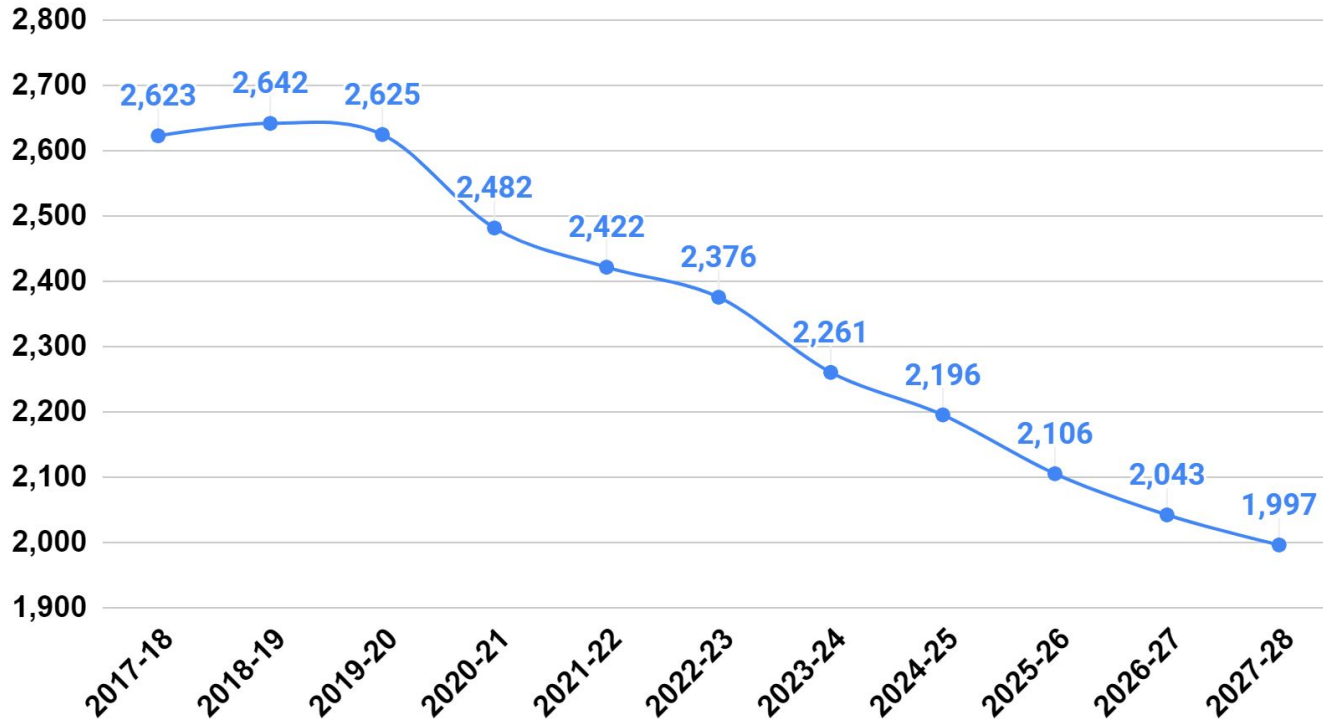
Enrollment Projection

High School Head Count



Enrollment Projection

Total K-12 Head Count



Financial Projection

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Projection Assumptions

- No Revenue Increases = Baseline
- Federal COVID Relief Funding (ESSER) Removed, but Expenses Continue
- 5% Wage Increase in 2023-24, Then 3% Each Year Thereafter
- 10% Health Insurance Increase Per Year

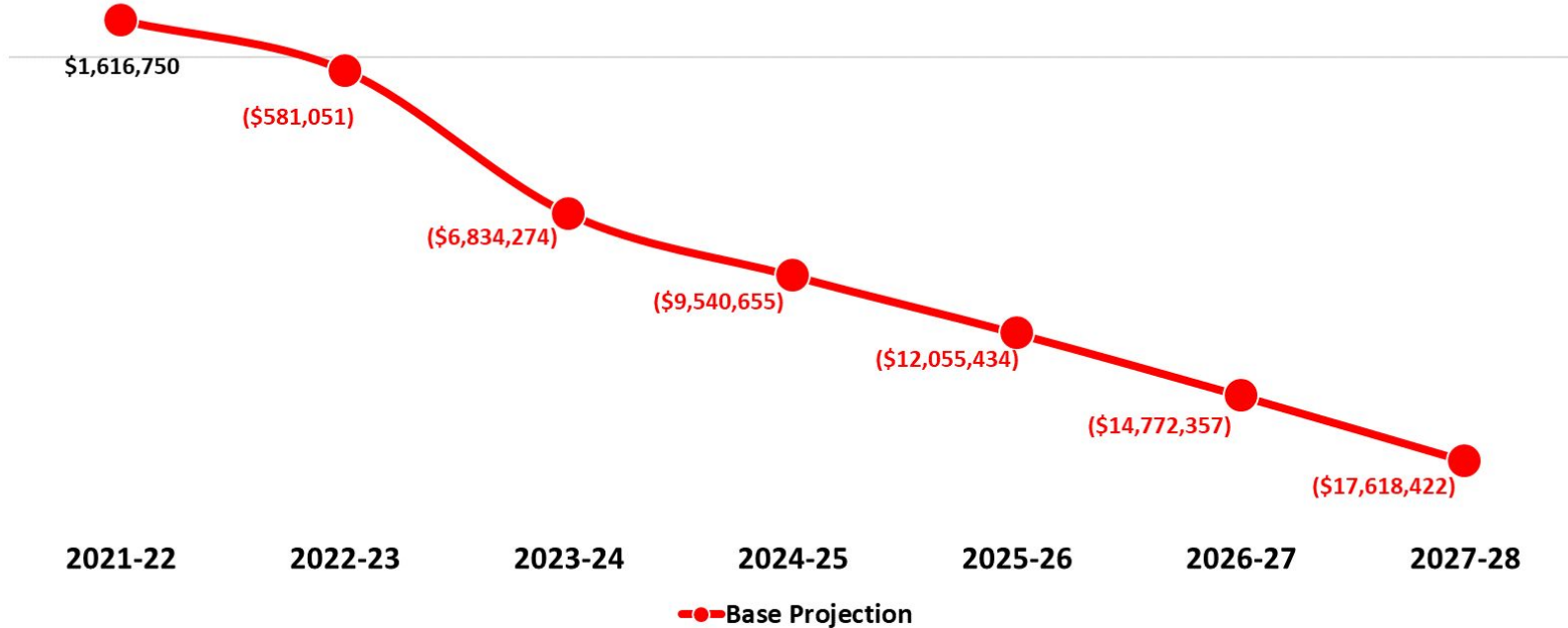
Other Increases

- 5% Utility & Business Insurance Increase Per Year
- 3% Transportation & 4K Payments Increase Per Year
- 2% Supply & Misc Items Increase Per Year



Base Projection

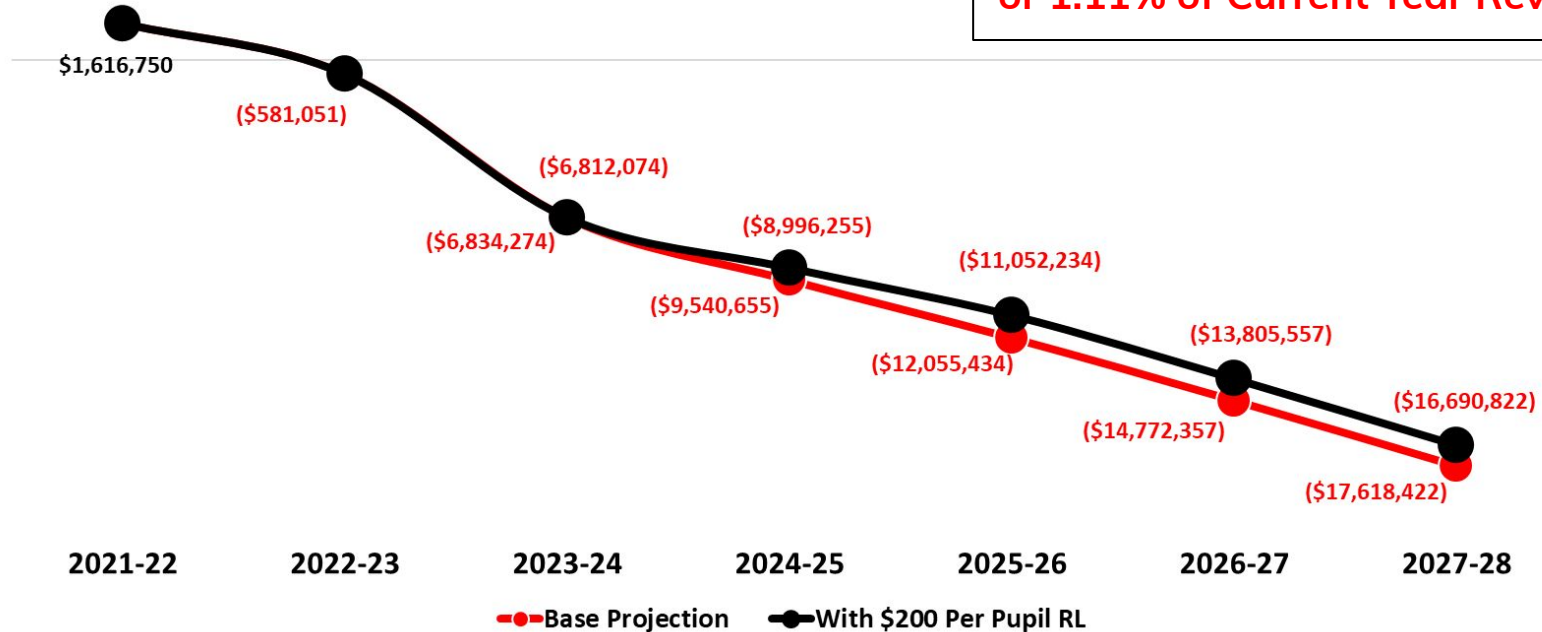
SURPLUS/DEFICIT



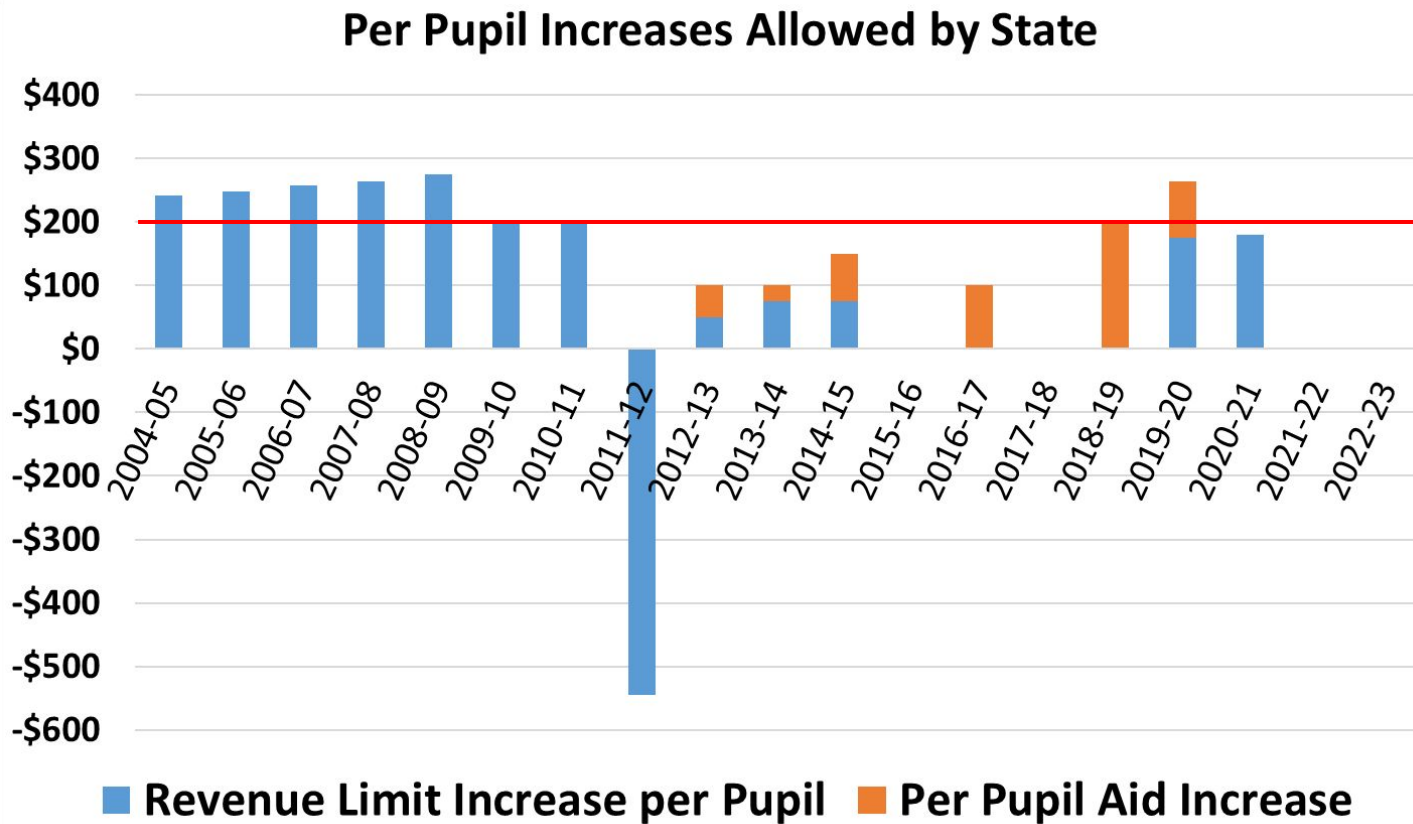
With \$200 Per Pupil Revenue Limit Increase

SURPLUS/DEFICIT

**\$200 Per Pupil = \$463,000
or 1.11% of Current Year Revenue**



Historic State Per Pupil Increases



Board Discussion on Strategies



Providing a competitive compensation and benefit package for **2023-24** and in our financial forecasting

→ Right-sizing our staff to align to current and forecasted enrollment and program needs

→ Evaluation of all vacancies for possible attrition or restructuring

→ Analysis of current programming to prioritize return on investment and recognize opportunities for strategic abandonment

Will Attritions Be Enough?



Engaging community in potential capital investment of a new middle school and addressing urgent security and maintenance needs

Next Continued planning for an operational referendum



Leveraging one-time ESSER funds to cover shortfalls and make strategic investments

How do we ease away from these resources?



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Referendum Thoughts

(NOT Decisions)

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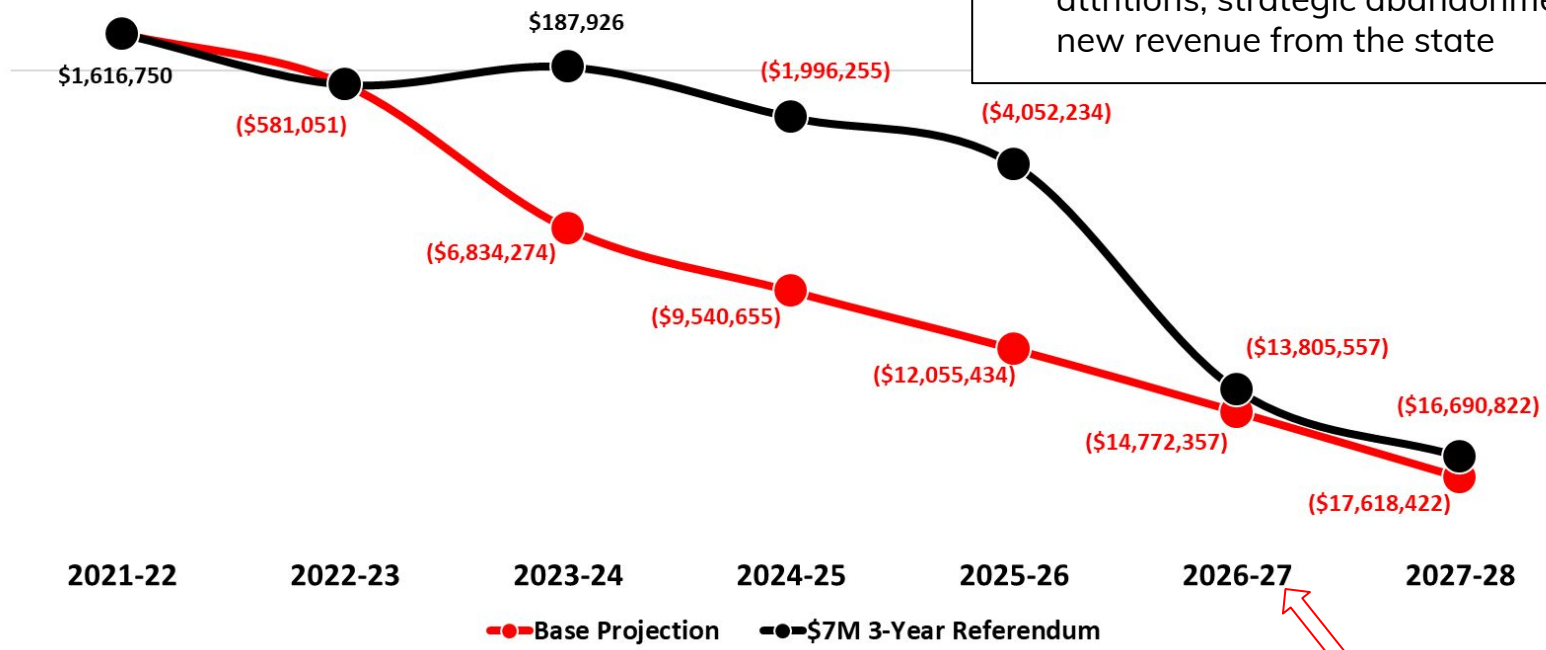


Rev Limit Increase + \$7m 3-Year Referendum

SURPLUS/DEFICIT

Cumulative Deficit = \$2.1 Million

→ We have 3 years to address through attritions, strategic abandonments, and/or new revenue from the state



Possible MS Referendum

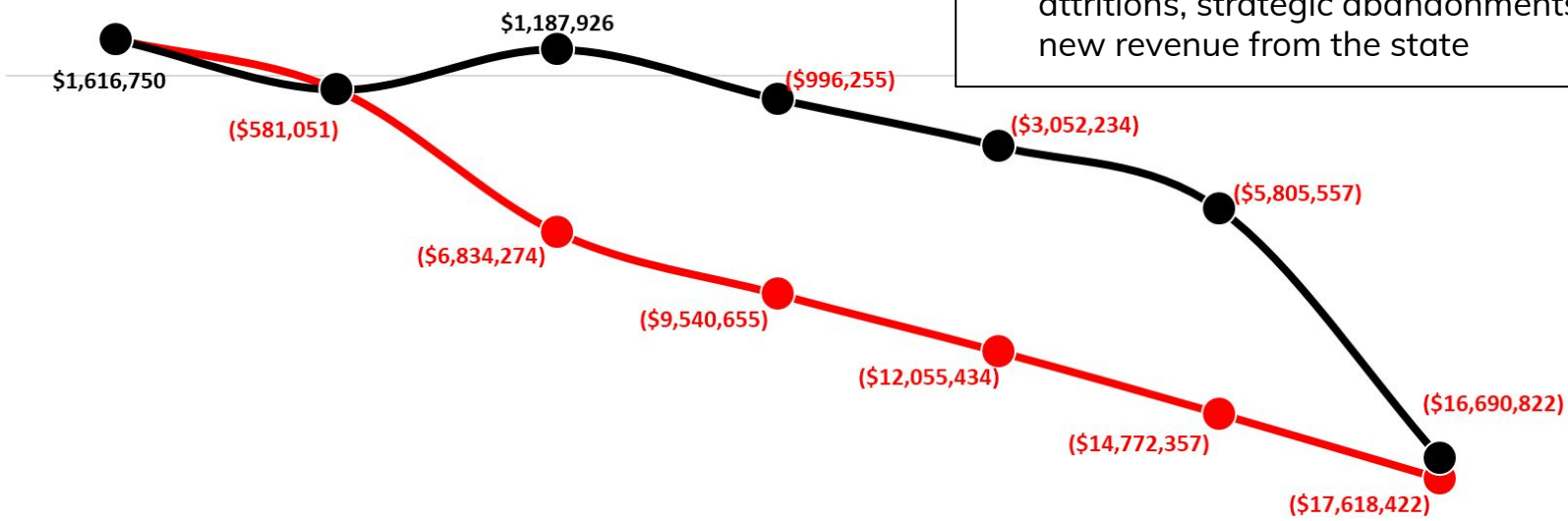


Rev Limit Increase + \$8m 4-Year Referendum

SURPLUS/DEFICIT

Cumulative Deficit = \$5 Million

→ We have 4 years to address through attritions, strategic abandonments, and/or new revenue from the state

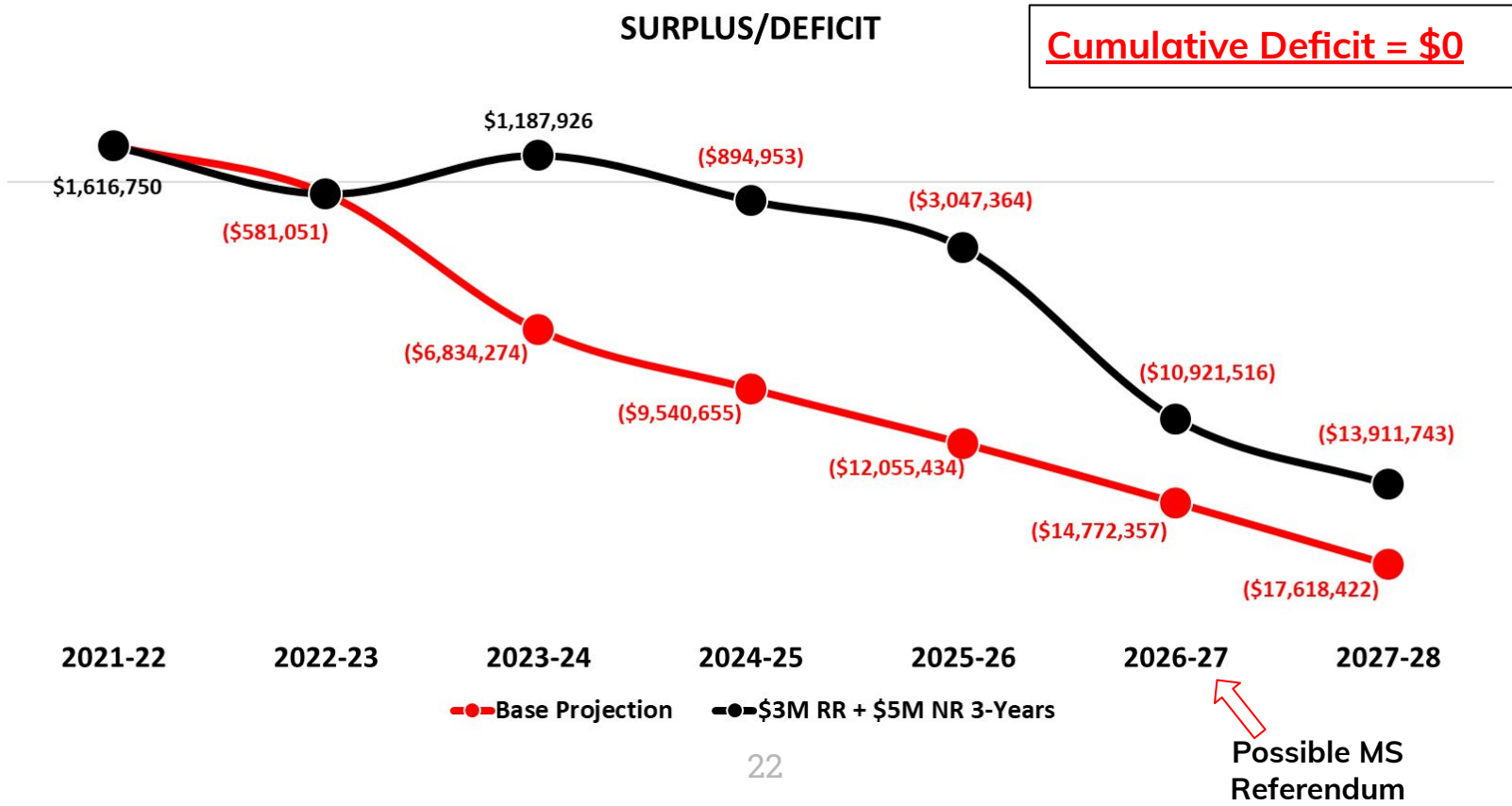


● Base Projection ● \$8M 4-Year Referendum

↗ Possible MS Referendum



\$3m Recurring + \$5m 3-Year Referendum



Ballot Language

2014 Non-Recurring Only ➡

Fort Atkinson School District

RESOLUTION TO EXCEED
REVENUE CAP
COMMENCING WITH THE 2014-15
SCHOOL YEAR
BY AN AMOUNT OF \$1,750,000

BE IT RESOLVED by the School Board of the School District of Fort Atkinson, Jefferson and Rock Counties, Wisconsin, that the final school district budget shall include an amount not to exceed \$1,750,000 in excess of the revenue limits imposed by Section 121.91 of the Wisconsin Statutes each year for a period of three years on a non-recurring basis, beginning with the 2014-15 school year and ending with the 2016-17 school year, for the purpose of paying District operating costs in support of delivering the quality opportunities and services each student needs to achieve his or her academic and personal potential.

Question

Shall the School Board of the School District of Fort Atkinson be authorized to exceed the revenue limit under Section 121.91 of the Wisconsin Statutes beginning with the 2014-15 school year through the 2016-17 school year on a nonrecurring basis by an amount of \$1,750,000 each year for the purpose of paying District operating costs in support of delivering the quality opportunities and services each student needs to achieve his or her academic and personal potential as provided in the foregoing resolution?

☐ YES

☐ NO

2016 Combination ➡

School District

RESOLUTION TO EXCEED
REVENUE CAP COMMENCING
WITH THE 2017-18 SCHOOL YEAR

BE IT RESOLVED by the School Board of the School District of Fort Atkinson, Jefferson and Rock Counties, Wisconsin, that the final school district budget beginning with the 2017-18 school year shall include amounts not to exceed \$1,750,000 each year (on a recurring basis) and \$2,250,000 each year (on a non-recurring basis for a period of three years) in excess of the revenue limits imposed by Section 121.91 of the Wisconsin Statutes for the purpose of paying District operating costs in support of delivering the quality opportunities and services each student needs to achieve his or her academic and personal potential.

Shall the School Board of the School District of Fort Atkinson be authorized to exceed the revenue limit under Section 121.91 of the Wisconsin Statutes beginning with the 2017-18 school year by amounts not to exceed \$1,750,000 each year (on a recurring basis) and \$2,250,000 each year (on a non-recurring basis for a period of three years) for the purpose of paying District operating costs in support of delivering the quality opportunities and services each student needs to achieve his or her academic and personal potential as provided in the foregoing resolution?

☐ Yes

☐ No



Referendum Thoughts

- Reflections on November Result
- Structure > Recurring v. Non-Recurring v. Combination
- Length > Possible November 2026 MS Referendum
 - 3-Year Operational = Returning in April 2026 or November 2026
 - 4-Year Operational = Returning in November 2026 or April 2027
- Other Thoughts

We will add your input to our advisement from others and new information as we get it, to work towards a recommendation for the January meeting.





REPORT



5-Year Financial Projection

December 15, 2022

