

2023-24 Preliminary Budget



June 15, 2023

Annual Budget Process

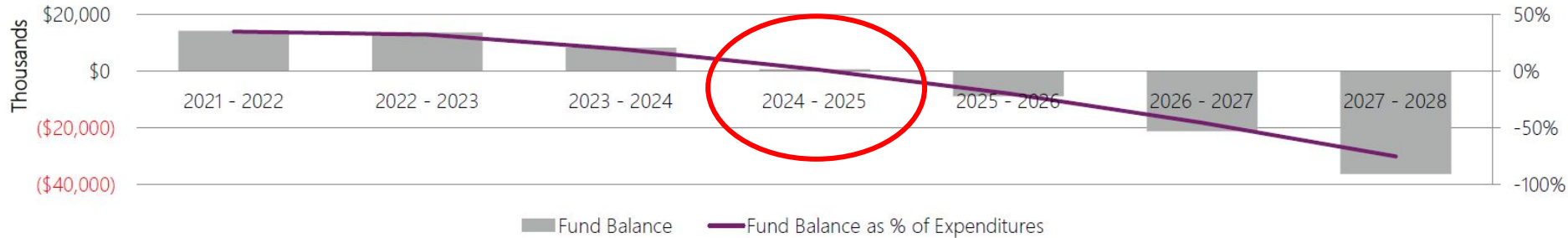
- Monthly A-Team “Resourcing Student Success” Meetings
- December/January → Long-Range Financial Projection
- April → Operational Referendum Unsuccessful
- April → Board of Education Makes Budget Reduction Decisions
- June → First Draft of Budget
- July → Second Draft of Budget
- August → Annual Meeting of Electors
- October → Final Budget and Tax Levy



Fund Balance Impact

Fund Balance- Fund 10	Historical	Current Year	Budget Year	Forecast			
	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
Fund 10 Revenues	\$42,189,961	\$41,846,223	\$36,476,482	\$35,955,690	\$35,445,784	\$34,277,859	\$33,135,869
Fund 10 Expenditures	\$40,573,211	\$42,427,274	\$41,891,163	\$43,505,225	\$44,999,749	\$46,531,239	\$48,218,091
Surplus (Deficit)	\$1,616,750	(\$581,051)	(\$5,414,681)	(\$7,549,535)	(\$9,553,965)	(\$12,253,380)	(\$15,082,222)
Fund Balance	\$14,273,423	\$13,692,372	\$8,277,691	\$728,156	(\$8,825,810)	(\$21,079,189)	(\$36,161,411)
Fund Balance as % of Expenditur	35.18%	32.27%	19.76%	1.67%	-19.61%	-45.30%	-75.00%

Fund 10 Fund Balance as a % of Expenditures



Fund Balance Impact

How Large A Fund Balance?

Determination of an appropriate fund balance is a critical factor in district financial planning and budgeting processes but it is strictly a local matter. DPI makes no recommendation regarding the amount a district should have as its General Fund balance, except that DPI encourages districts to seek legal counsel should they contemplate budgeting for and/or operating with a negative general fund balance.

Source: School District Fund Balance Policy | Wisconsin Department of Public Instruction

A district with an appropriate fund balance can:

- avoid excessive short term borrowing thereby avoiding associated interest cost;
- accumulate sufficient assets to make designated purchases or cover unforeseen expenditure needs; and
- demonstrate financial stability and therefore preserve or enhance its bond rating, thereby lowering debt issuance costs.

Fund Balance Size

The most commonly asked question regarding fund balance is how large should it be? Perhaps the best answer would be "an amount sufficient that short term borrowing for cash flow could be avoided and would also allow the district to set aside sufficient assets to realize its longer range goals." However, this may not always be practical or politically possible.

To Avoid Short-Term Borrowing:
~\$10 Million



Strategies to Meet Priorities

- Providing a competitive compensation and benefit package for 2023-2024 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



Cuts Made for the 2022-23 School Year

The following cuts were made through attrition or restructuring for this year:

- 1.0 FTE Elementary Classroom Teacher
- 1.0 FTE Elementary Math Interventionist
- 1.0 FTE High School Math Teacher
- 1.0 FTE High School Tech Ed Teacher
- 1.0 FTE Middle School Tech Ed Teacher
- 1.0 FTE Middle School Library Media Specialist
- 1.0 FTE Library Support

TOTAL CUTS:
\$539,652



Cuts Through Attrition & Restructuring

- 1.0 FTE Special Education Teacher
- 2.0 FTE Elementary Teachers
- 1.0 FTE HS Spanish Teacher
- 1.0 FTE MS Phy Ed / Health Teacher
- 1.0 FTE MS English / Lang. Arts Teacher
- 1.0 FTE Elementary Art Teacher
- 1.0 FTE Director of Communications
- 1.0 FTE Elem. Library Media Specialist
- 1.0 FTE HS Tech Ed Teacher
- 1.0 FTE HS Math Teacher
- 1.0 FTE HS School Counselor
- 1.0 FTE MS Math Teacher
- 1.0 FTE MS Math Interventionist / Coach
- 1.0 MS Dean of Students
- 1.5 FTE Paraprofessionals

TOTAL CUTS:

\$1,200,000



Strategies to Meet Priorities

- Providing a competitive compensation and benefit package for 2023-2024 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
- Remain a comprehensive school district and continue to grow
- Focus on recurring expenses, not one-time expenses
- Balance student / school / staff impacts with community requirement for efficiencies



Our Continued Priority

Our **1Fort**

LEARNERS

are our highest priority.

**No programs will be eliminated
as a result of these cuts.**



Proposed Additional Cuts

- 1.0 FTE Elementary Classroom Teacher
- 1.0 FTE Elementary Music Teacher
- 1.0 FTE Elementary Phy Ed Teacher
- 2.0 FTE Elementary Library Media Specialists
- 1.0 FTE Elementary Literacy Interventionist
- 1.0 FTE Elementary Math Interventionist
- 1.0 FTE MS Business Education Teacher
- 1.0 FTE MS Social Studies Teacher
- 1.0 FTE MS Literacy Interventionist
- 1.0 FTE HS At-Risk Teacher
- 1.0 FTE HS English Teacher
- 1.0 FTE HS Social Studies Teacher
- 1.0 FTE HS Science Teacher
- 1.0 FTE Orchestra Teacher
- 1.0 FTE Multi-Lingual Teacher
- 0.5 FTE Speech & Language Pathologist
- 0.5 FTE 4K Coordinator
- 1.0 FTE Gifted & Talented Coordinator
- 0.5 FTE Custodian
- 2.66 FTE Administrative Assistants
- Multiple Elementary Paraprofessionals
- Stipends for MS Athletic Director and HS Assistant Athletic Director
- Reduction of Extra Teacher Contract Days
- Athletic / Activity Efficiencies

TOTAL CUTS:

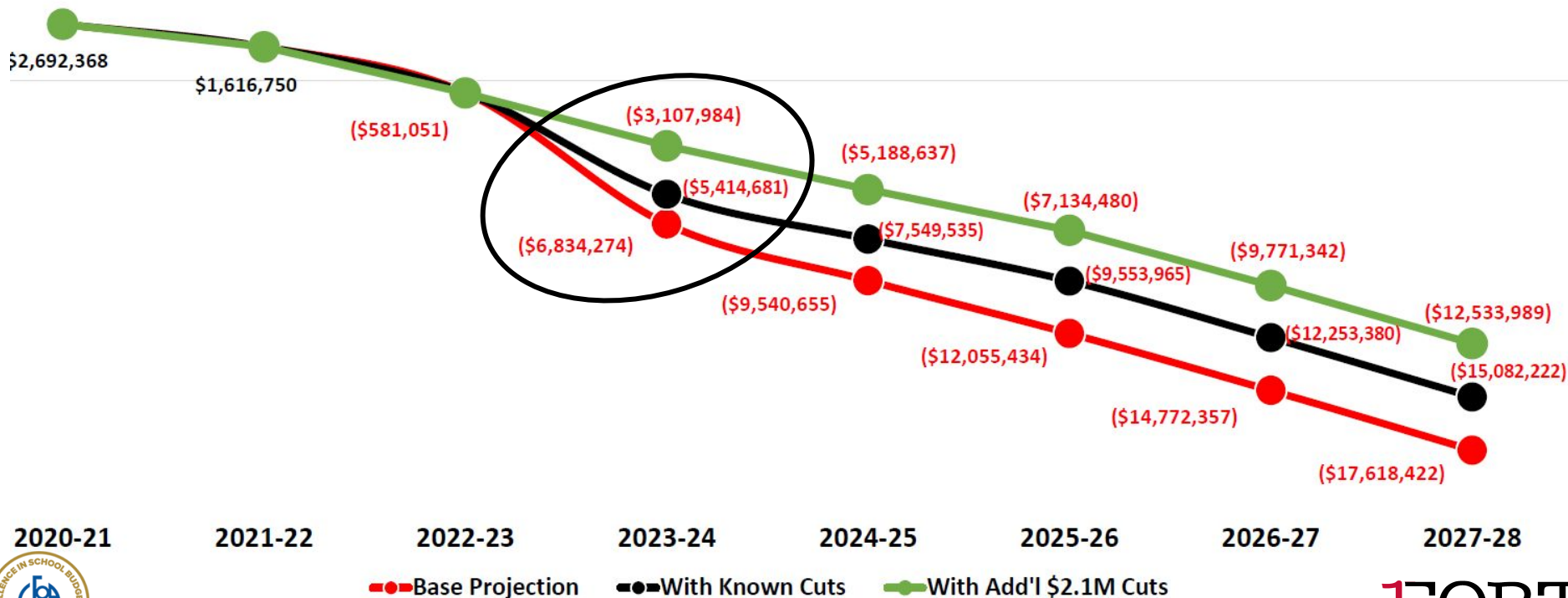
\$2,100,000

**21.16+ FULL-TIME
EQUIVALENTS**

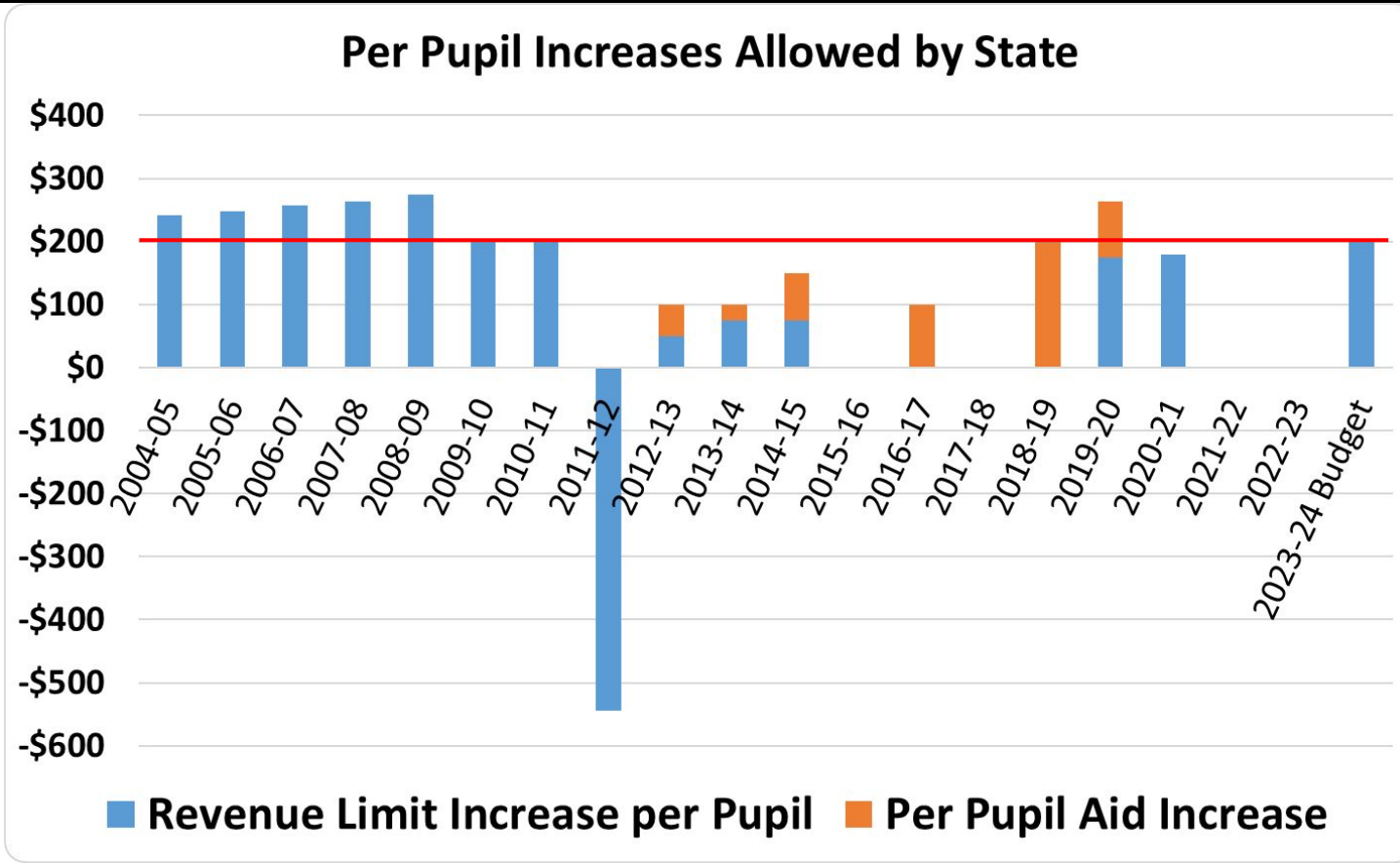


Future Financial Position

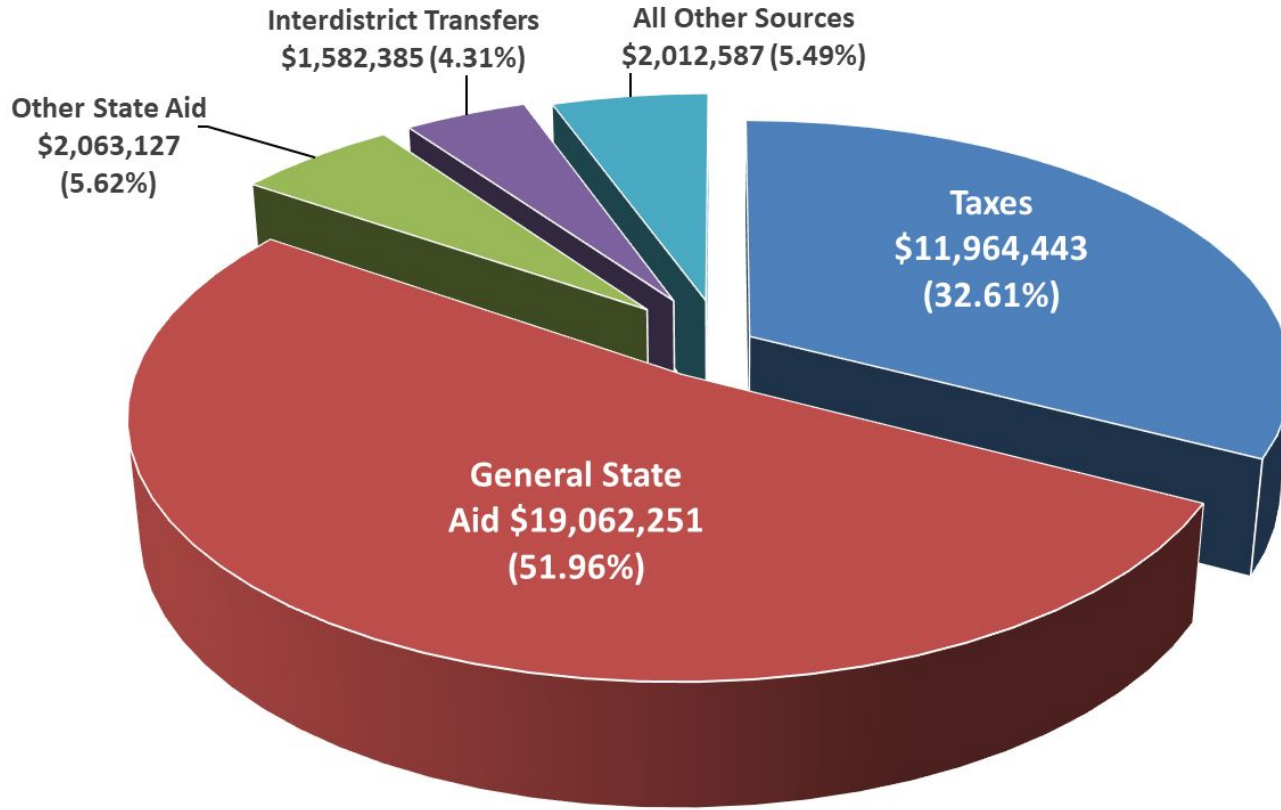
SURPLUS/DEFICIT



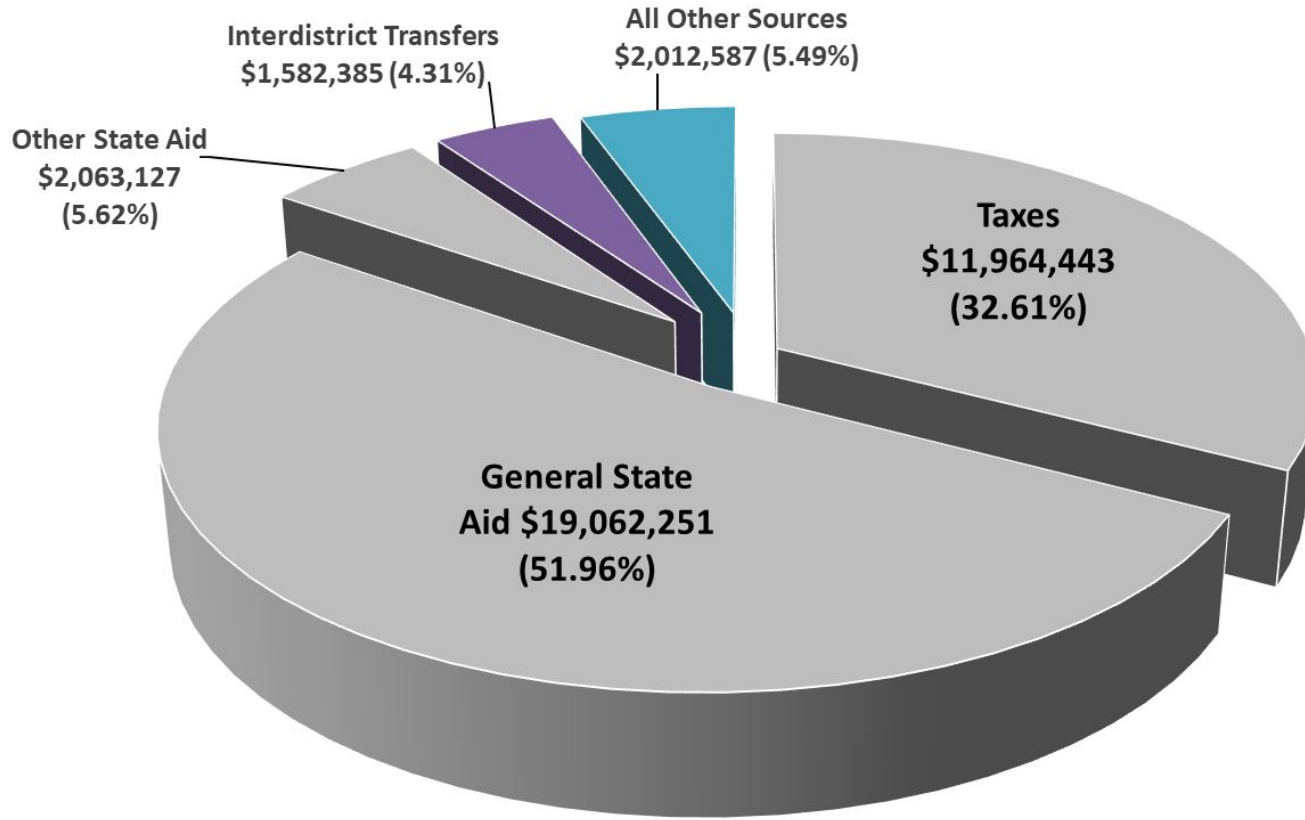
Historic State Per Pupil Increases



Revenue Assumptions



Revenue Assumptions

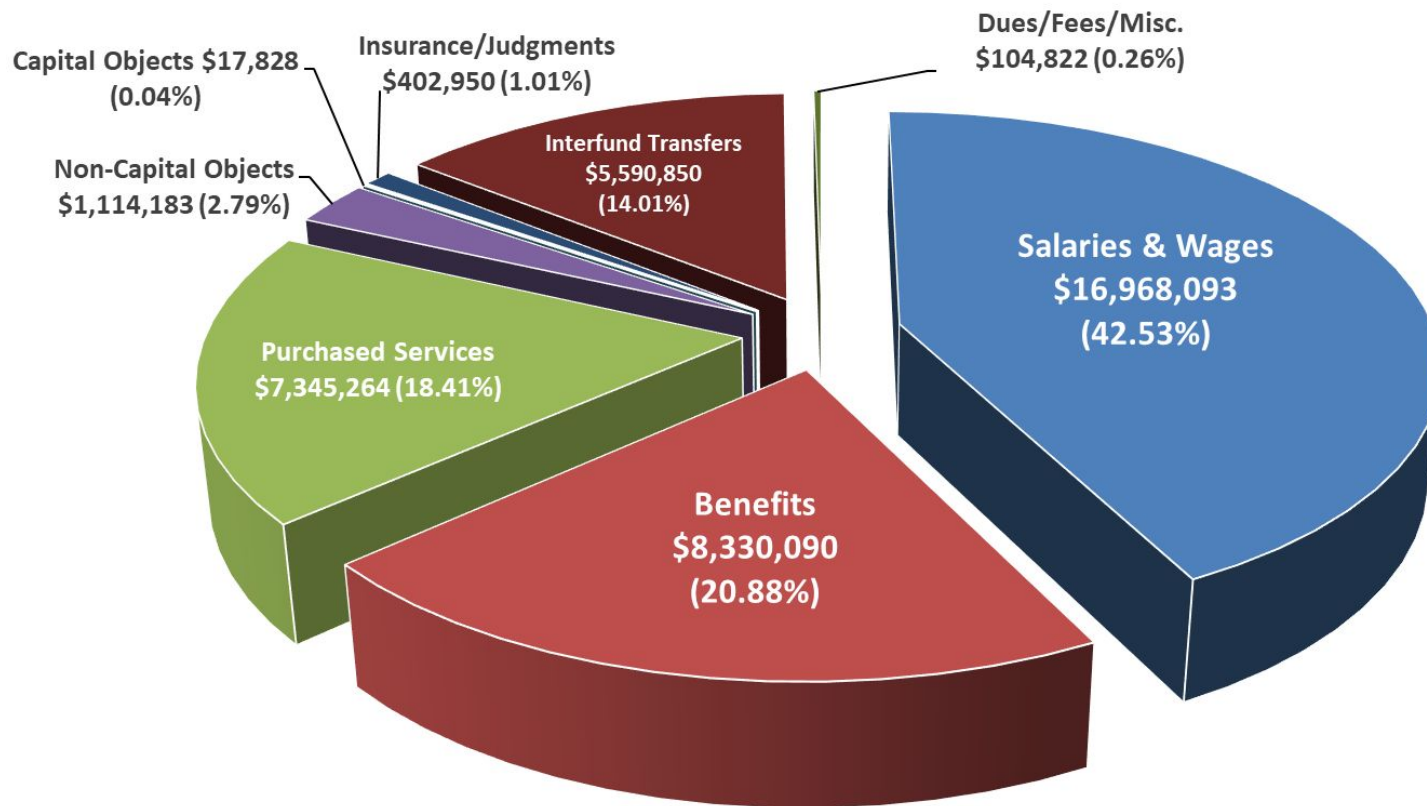


Expense Assumptions

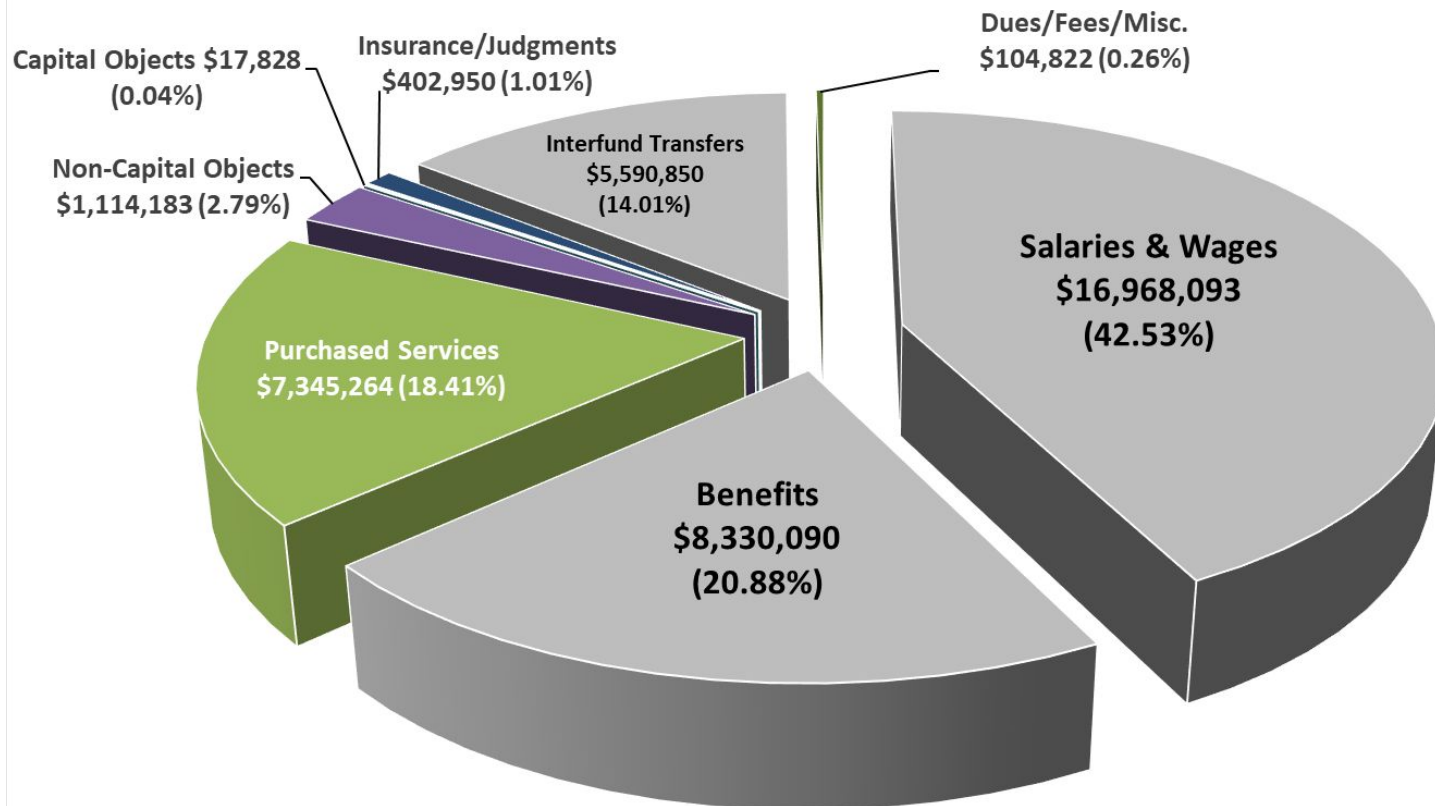
- Salary/Wage Increase = 5.00% (CPI = 8.00%)
- Health Insurance → 7.9% Increase
- \$3.8 Million in Attritions & Reductions



Expense Breakdown



Expense Breakdown



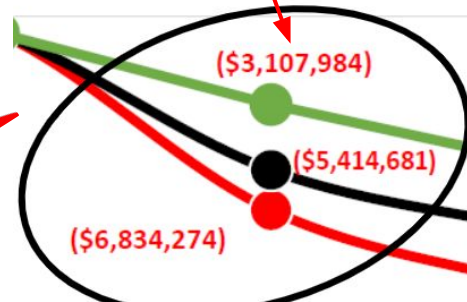
2023-24 Preliminary Budget

Fund 10 = General Operational Fund

	<u>2022-23 Budget</u>	<u>2023-24 Prelim Budget</u>	<u>% Change</u>
Revenues	\$42,035,908	\$36,684,793	-12.73%
Expenditures	\$42,999,619	\$39,894,253	-7.22%
Surplus (Deficit)	(\$963,711)	(\$3,209,460)	

Projected Fund Balance June 2024:

\$10,100,252

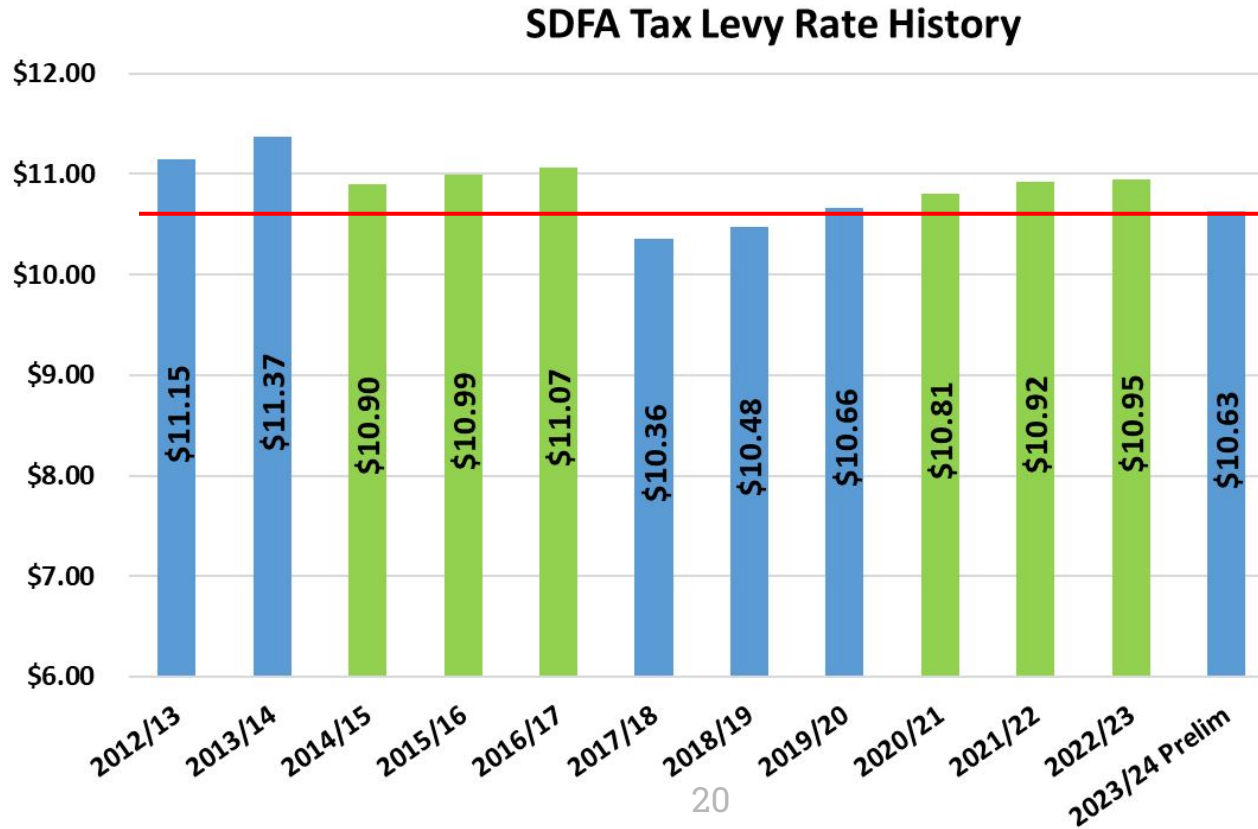


2023-24 Preliminary Tax Levy

	<u>2022-23 Actual</u>	<u>2023-24 Prelim Budget</u>	<u>% Change</u>
General Fund	\$16,428,799	\$11,964,443	-27.17%
Non-Referendum Debt	\$193,375	\$194,550	0.61%
Referendum Debt	\$5,750,000	\$10,213,181	77.62%
<hr/>			
Total School Levy	\$22,372,174	\$22,372,174	0.00%
Tax Levy Rate (per \$1,000 Equal. Value)	\$10.95	\$10.63	-2.92%



Tax Levy Rate History



Budget Timeline

- ????? → 2023-25 State Biennial Budget
- July 1 → State Aid Estimate
- July 20 → Board Budget Approval
- August 17 → Annual Meeting
- September 15 → Pupil Count
- October 15 → State Aid Certification
- November 1 → Tax Levy Determined
- November 10 → Tax Levy Sent to Municipalities



Future Election Dates

Future Regular Election Dates:

Spring	2024
Adopt and file resolution(s) by*:	12/12/2023
Primary	02/20/2024
Adopt and file resolution(s) by*:	01/23/2024
General	04/02/2024
Fall	
Adopt and file resolution(s) by*:	06/04/2024
Primary	08/13/2024
Adopt and file resolution(s) by*:	08/27/2024
General	11/05/2024



July Considerations

- What is the impact of the 2023-25 state biennial budget?
- What would be needed in a Spring 2024 referendum to make it through the next 3-4 years?
- What should the tax levy be to position the District to be successful in the Spring 2024 referendum?
- Does the Board try to get closer to the 8% CPI increase in wages for next year based on state budget and comparables? (5% budgeted)
- Preliminary budget approved in July goes to Annual Meeting of Electors in August
- Board sets final budget and tax levy in late October
- Resolution for Spring referendum in December or January



