

# **Mid-Year Budget Hearing**

## **January 2023**

# Presenters

- ❖ Leah Theder, Director of Business Services
- ❖ Dr. Joe Zydowsky, District Administrator



# Total Budget



- ❖ The total budget includes several major funding categories and hundreds of “line items.”
- ❖ The total budget for the school district in 2022-2023 is approximately \$63.6 million.
- ❖ School finances are impacted by many factors such as state laws and mandates, student enrollment, property valuation, capital expenses, grants and salaries/benefits.

# Key Dates In Budgeting Process



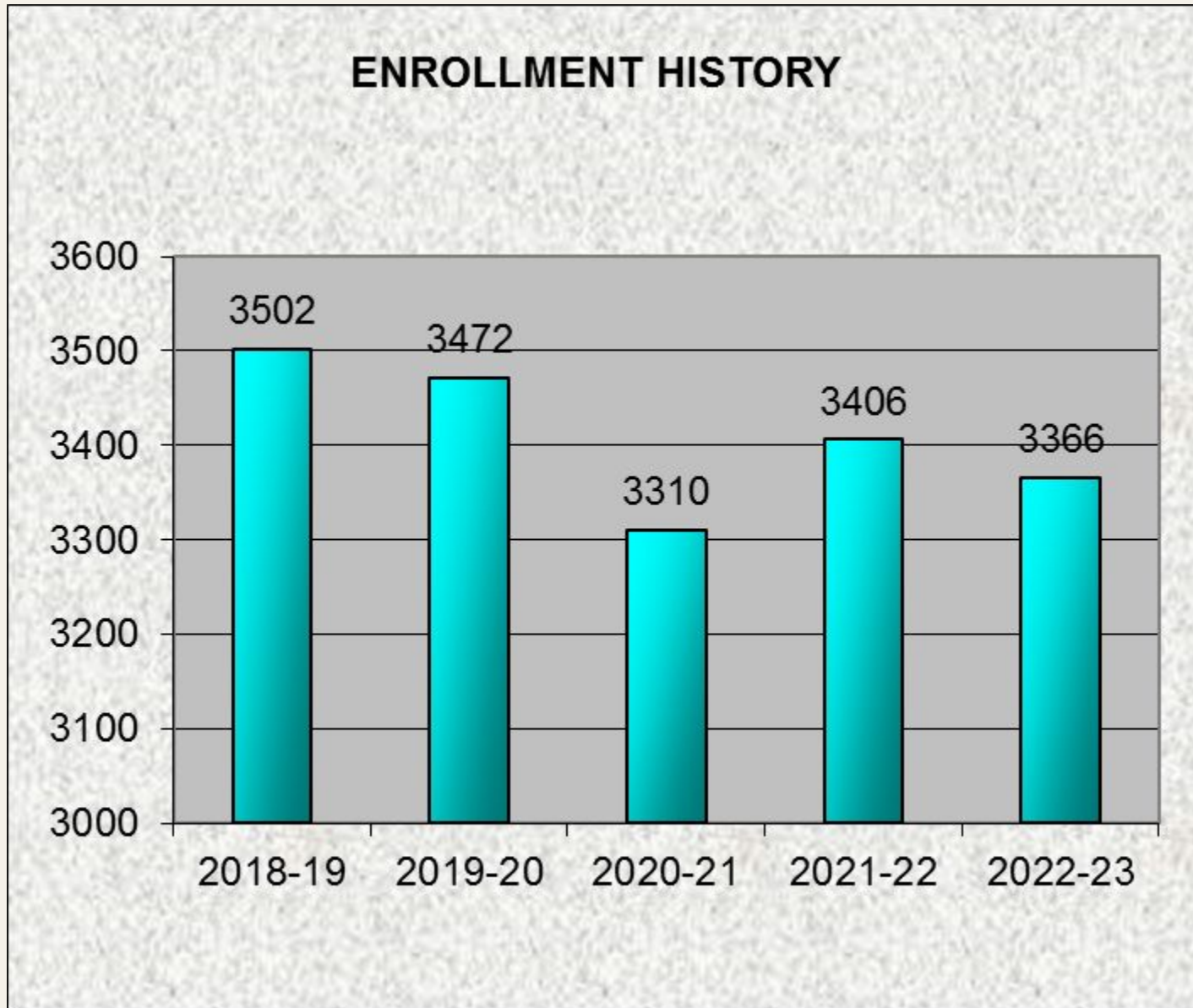
- ❖ August - Annual meeting/budget hearing
- ❖ September - Third Friday membership count
- ❖ October - State Aid calculations released and Board adopts final budget and tax levy
- ❖ November - Deadline to certify tax levy to municipal clerks
- ❖ January - Second Friday membership count and mid-year budget hearing
- ❖ February - Board discussion of 2023-24 preliminary budget estimate
- ❖ May - Board discussion of 2023-24 preliminary budget
- ❖ June - Board approves 2023-24 preliminary budget and schedules annual meeting/budget hearing

# Wisconsin School Finance

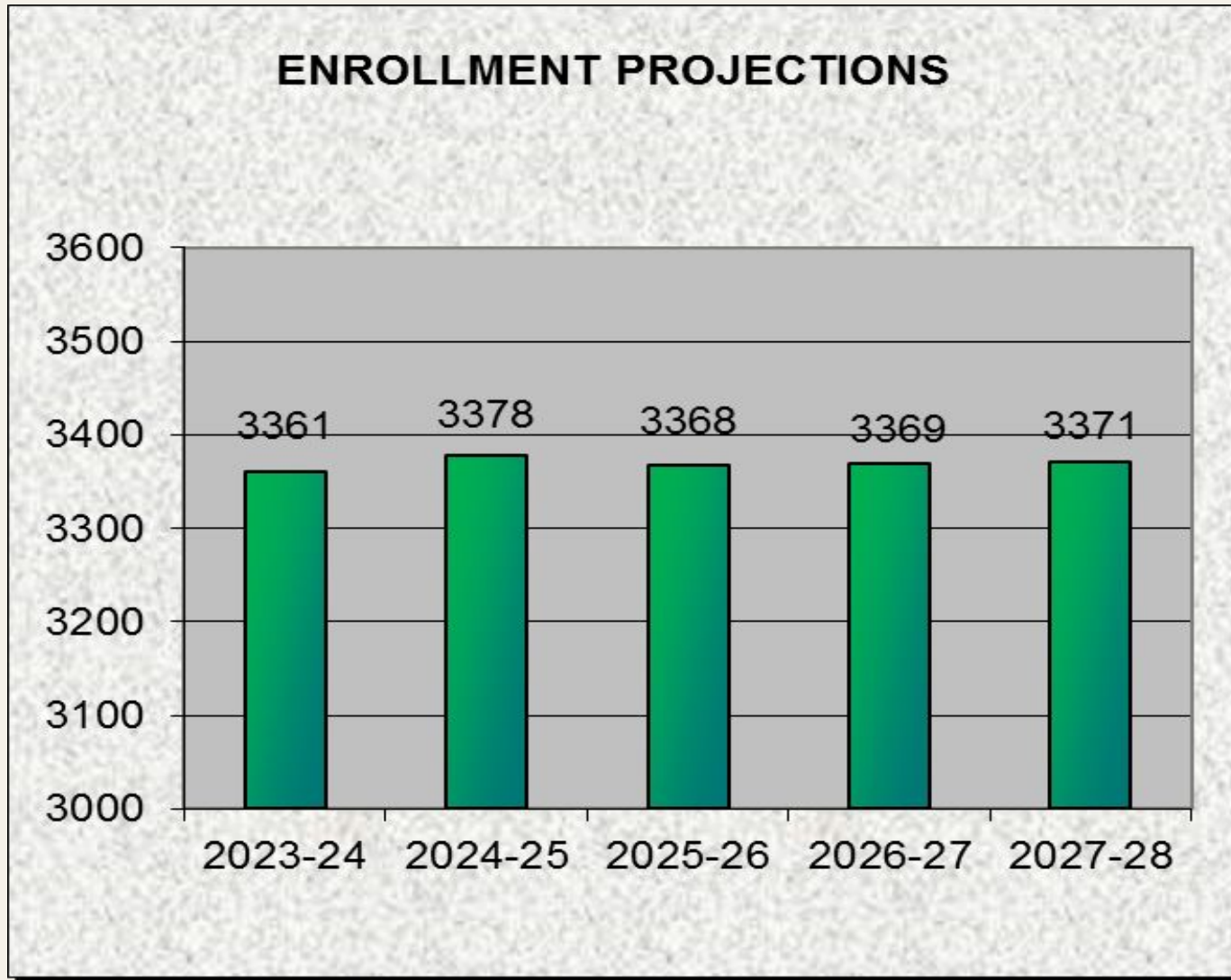


- ❖ Revenue Limits- per pupil adjustments of
  - \$175 for 19-20, \$179 for 20-21, and \$0 for 21-22 and 22-23 (previous 4 years were frozen)
- ❖ Low Revenue Ceiling
  - \$10,000 (FY 20-21) and no increase for 21-22 and 22-23
- ❖ General State Aid and School Levy Credits
  - The past 5 year overall average has increased 3% (funding not “spendable” without revenue limit increase)
- ❖ Per Pupil Aid
  - Frozen at \$742/pupil in 21-22 and 22-23
- ❖ Special Education Categorical Aid (based on est. eligible costs)
  - Increase from 29.6% in 21-22 to 30% in 22-23

# SDMA Enrollment History



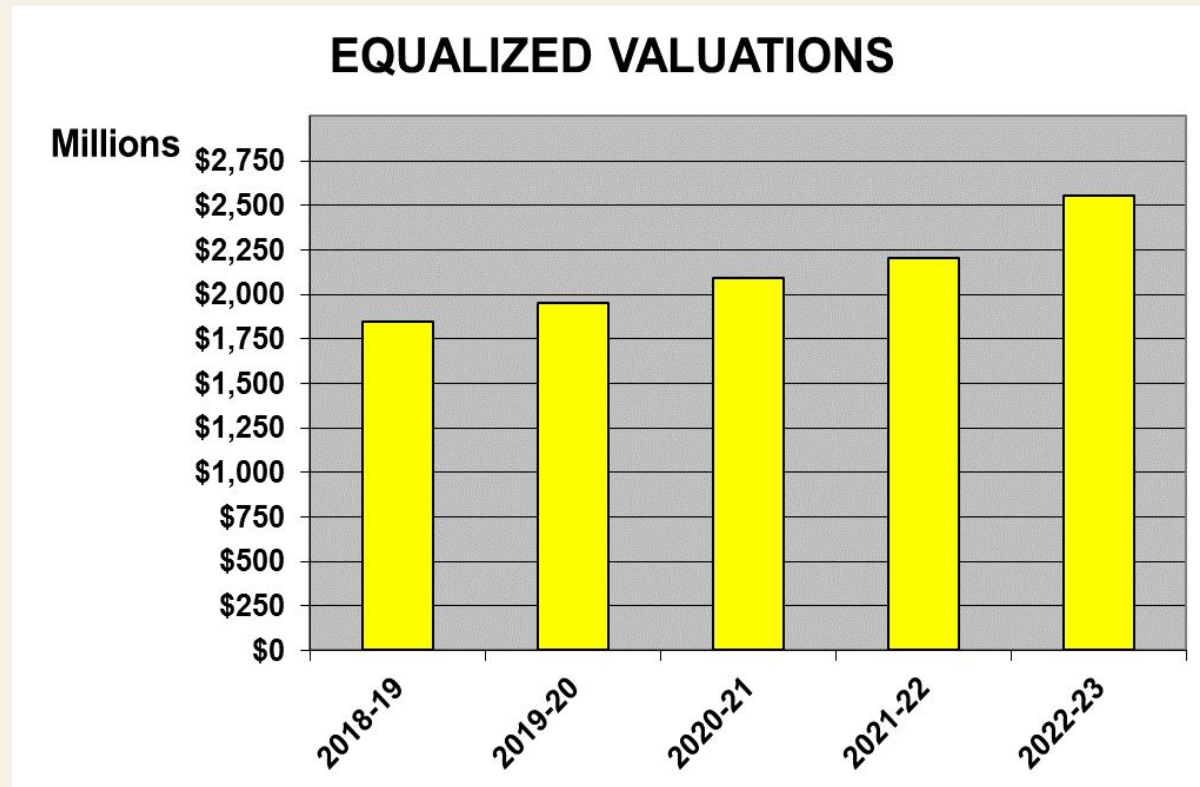
# SDMA Enrollment Projections



**2022-23 enrollment 3366**

# Property Values of Our School District

- ❖ Property values in the district have increased.
- ❖ The estimated 2023-2024 valuation for projecting the budget remains stable.
- ❖ 2022-2023:  
\$2,555,281,742

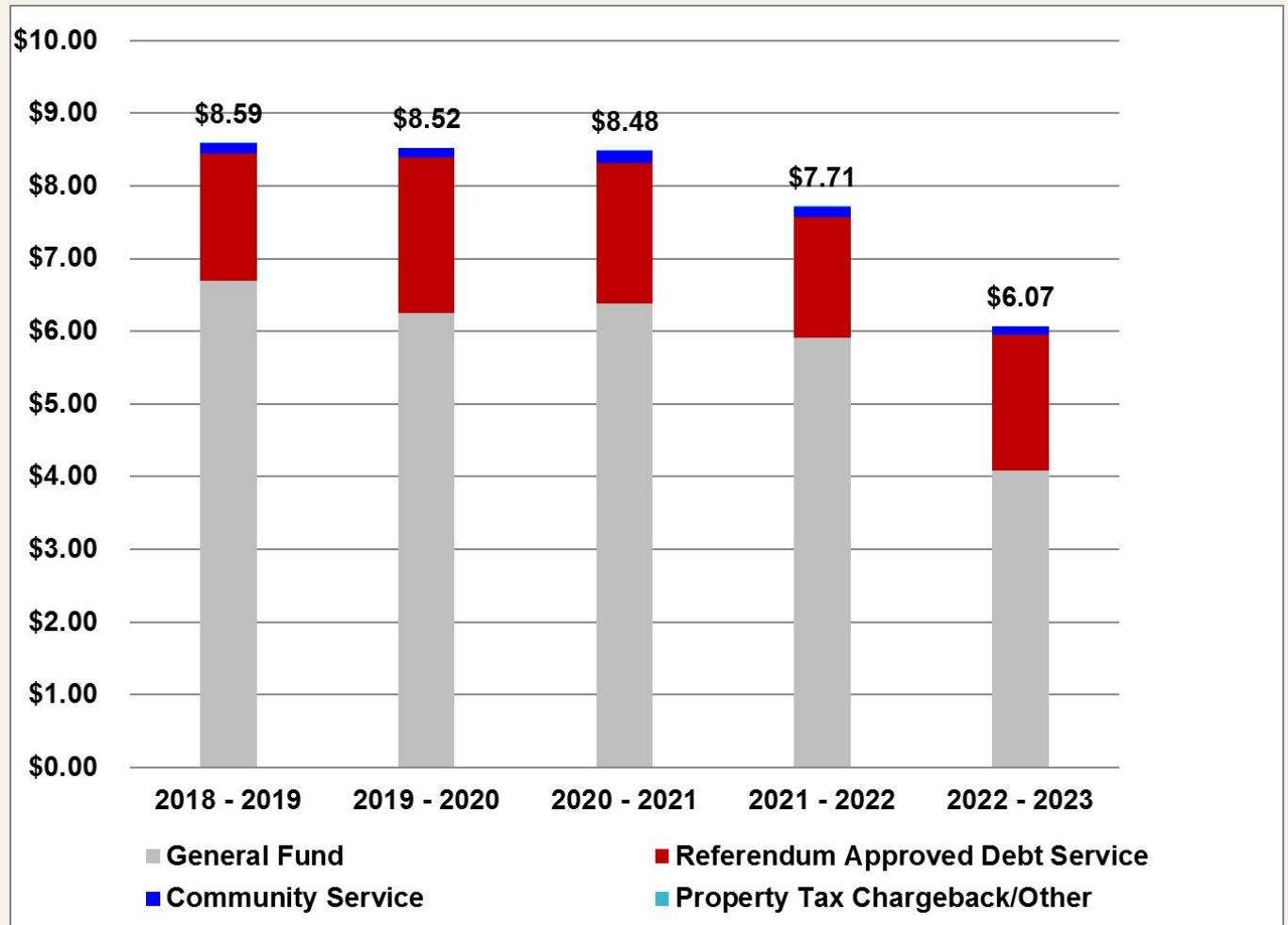




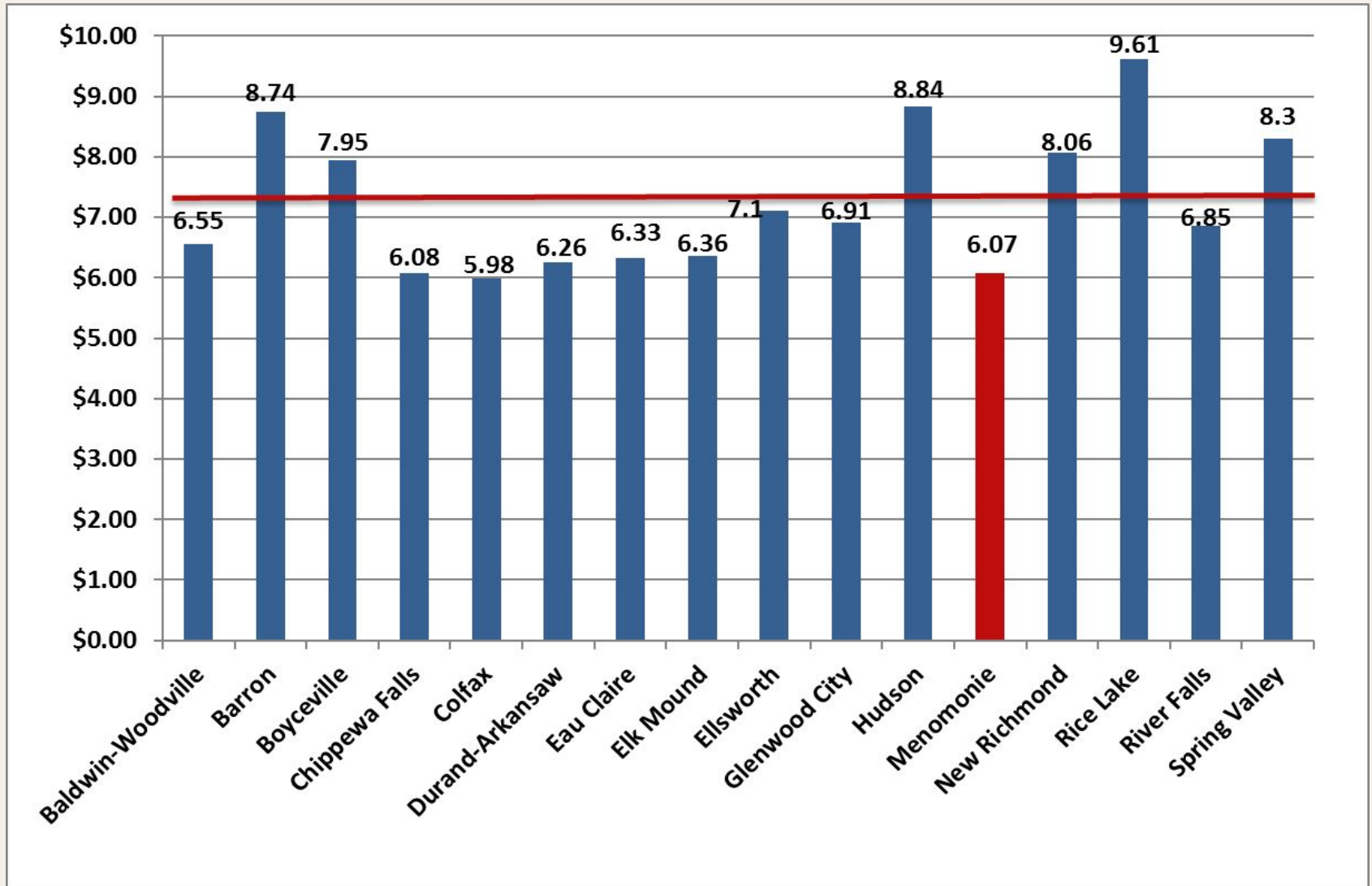
# Tax Rate History

❖ The 2022-23 mill rate is \$6.07

❖ This is a decrease of \$1.64 or 21.31% from 2021-2022



# 2022-2023 Regional Tax Rate Comparison



**Average Mill Rate for Comparison Group: 7.25**

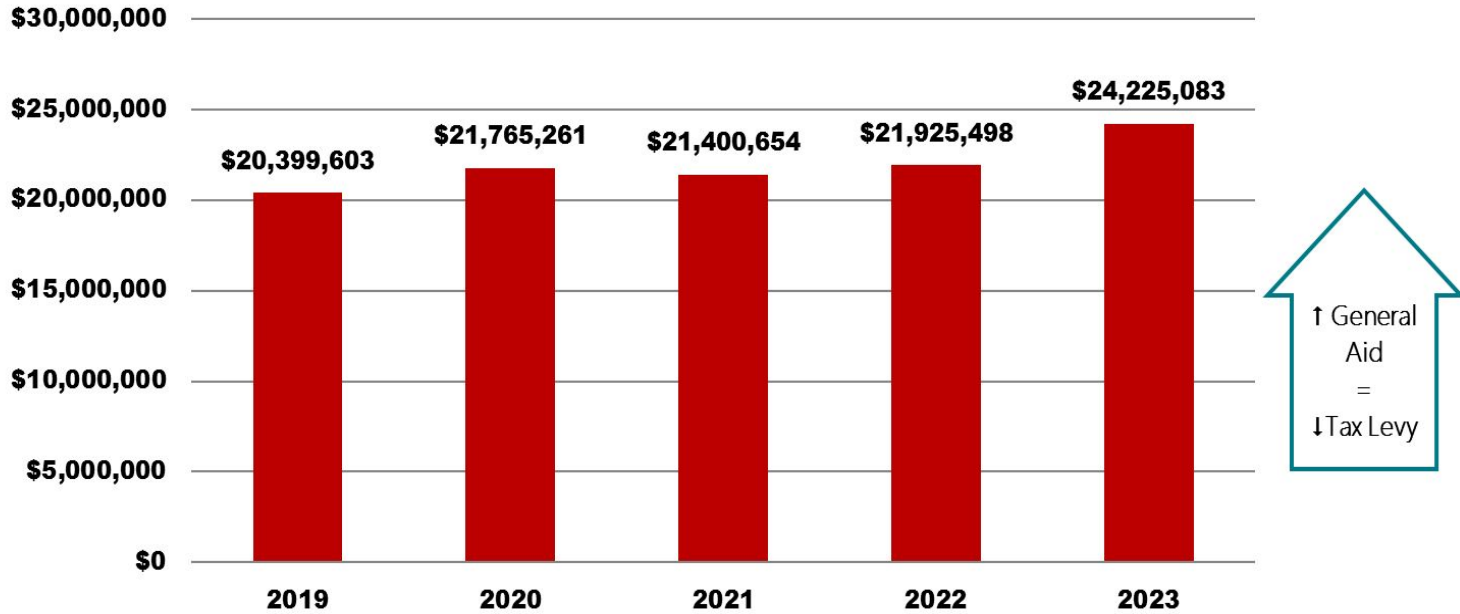
# WPCP & SNSP Voucher Programs



- ❖ Wisconsin Parental Choice Program (WPCP) provides funding for eligible students attending a participating private school.
- ❖ Special Needs Scholarship Program (SNSP) allows a student with a disability, who meets certain eligibility requirements, to receive a state-funded scholarship to attend an SNSP school.
- ❖ In 2022-23 SDMA has two private schools participating in these programs.
  - WPCP = 53.6 FTE PK-8 students \* \$8,399 (22-23 rate)
  - WPCP = 1 FTE 9-12 students \*9,045 (22-23 rate)
  - SNSP = 8 FTE students \* \$13,076 (22-23 rate)
  - Total SDMA impact: \$563,839
- ❖ Resident districts receive non-recurring revenue limit adjustment equal to the per FTE choice payment
  - Allows resident districts to replace general state aid reductions through increased property taxes

# Equalization Aid History

**Oct 15 General (Equalization) Aid Certification**



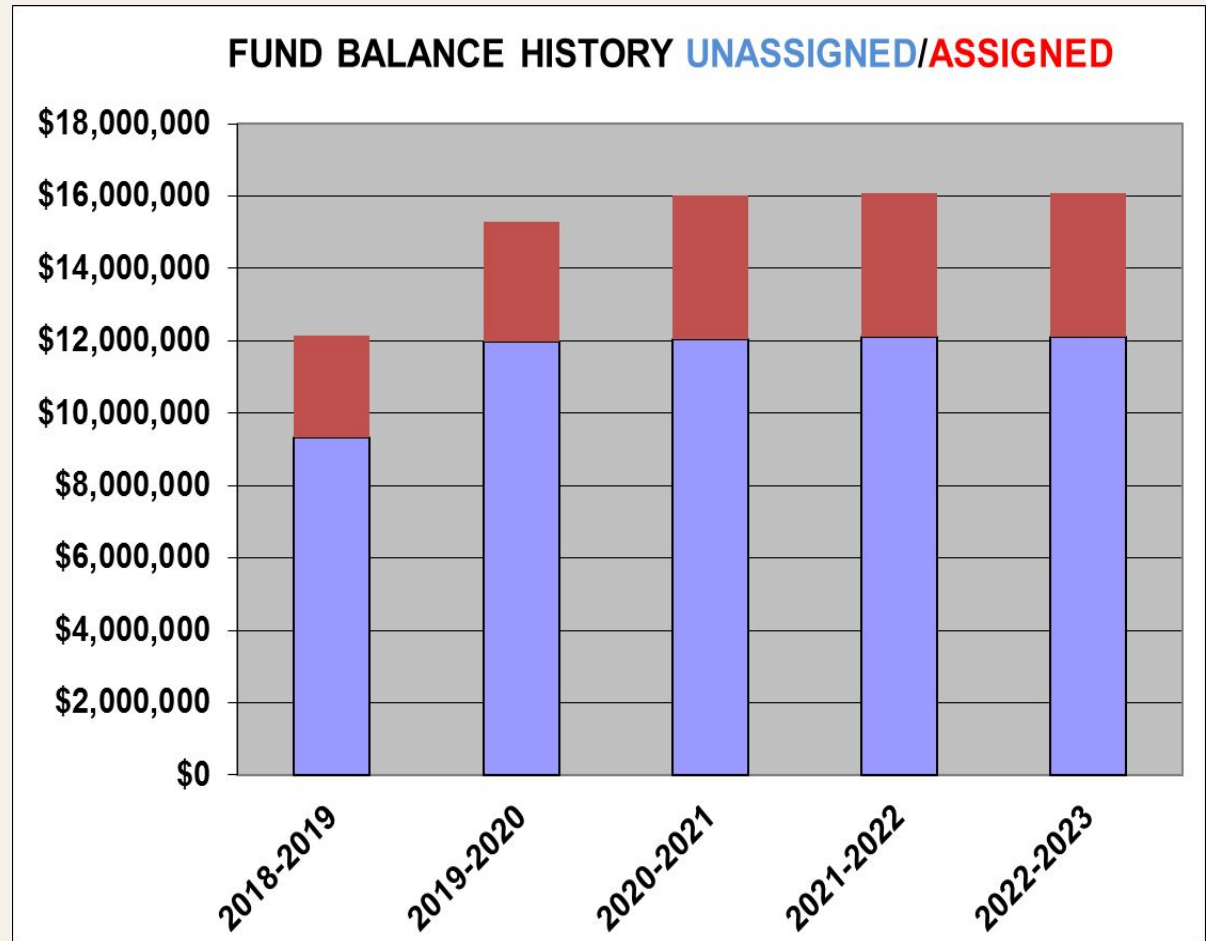
	Primary Aid %	Secondary Aid %	Tertiary Aid %
2019	73.38%	58.61%	13.65%
2020	73.31%	61.24%	17.10%
2021	71.55%	62.17%	16.35%
2022	67.22%	59.54%	11.54%
2023	67.15%	63.20%	16.02%

# Operating Budget of Revenue & Expenses

	2021-22 Actual	2022-23 Budget	Change
Revenues	\$41,947,685	\$41,949,210	\$1,525 0.00%
Expenses	\$41,875,870	\$44,665,286	\$2,789,416 6.66%

# Fund Balance of Our School District

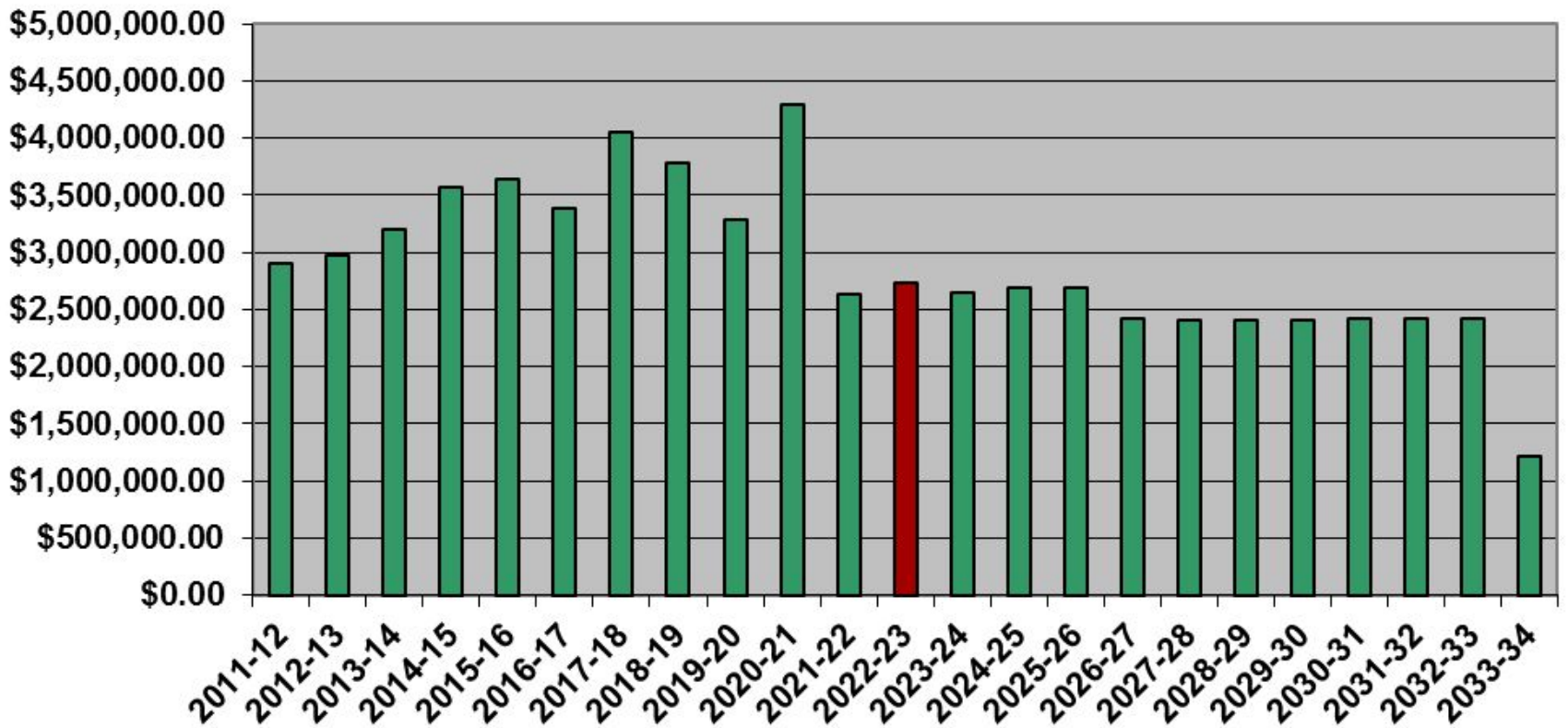
- ❖ The SDMA general fund balance is sufficient for operational cash flow needs eliminating the need for short-term borrowing.
- ❖ The 2022-2023 general fund balance will likely remain the same due to add'l ESSER Aid/Grant funding.



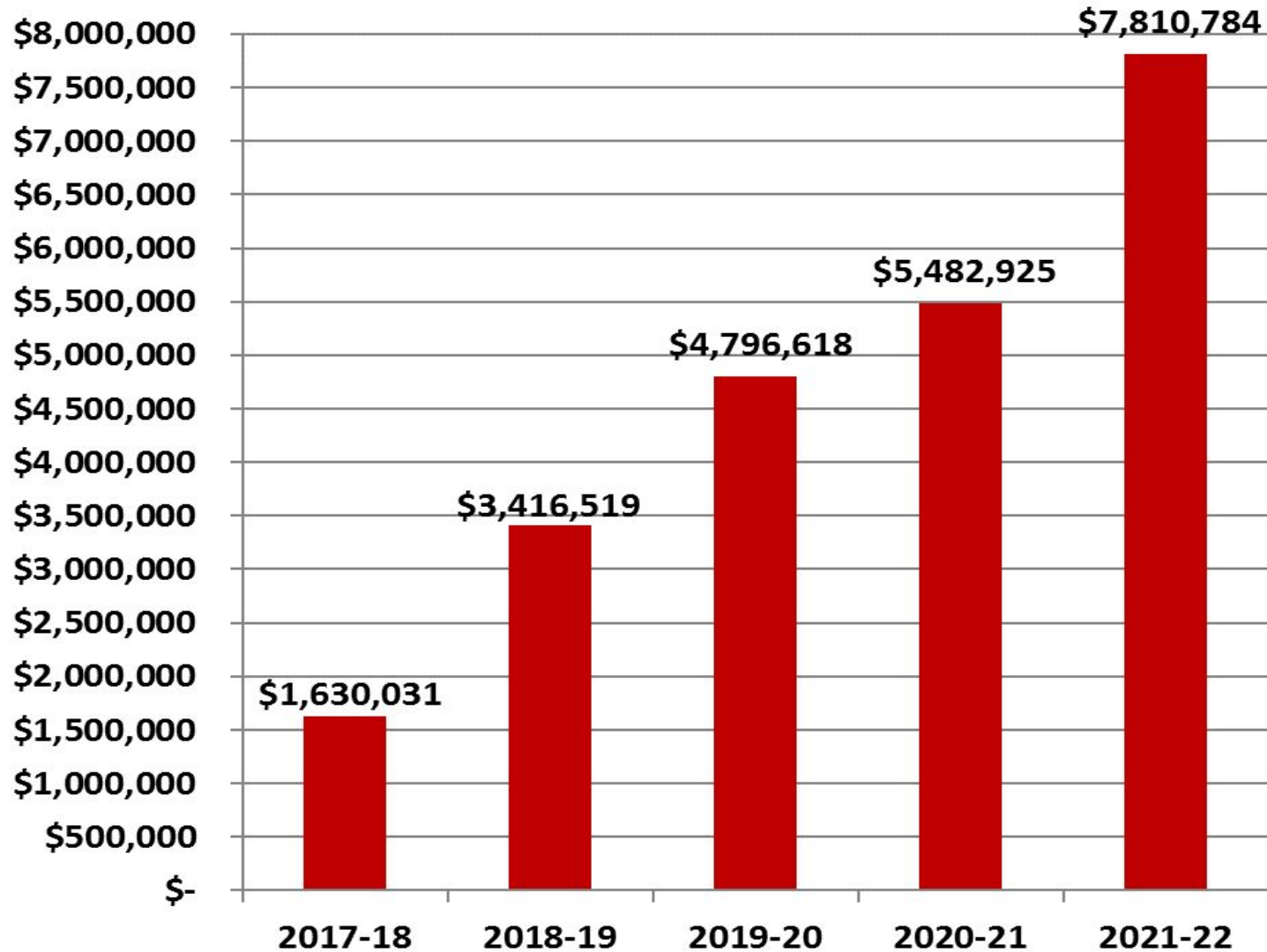
# School District Debt



FUND 30 PAYMENTS

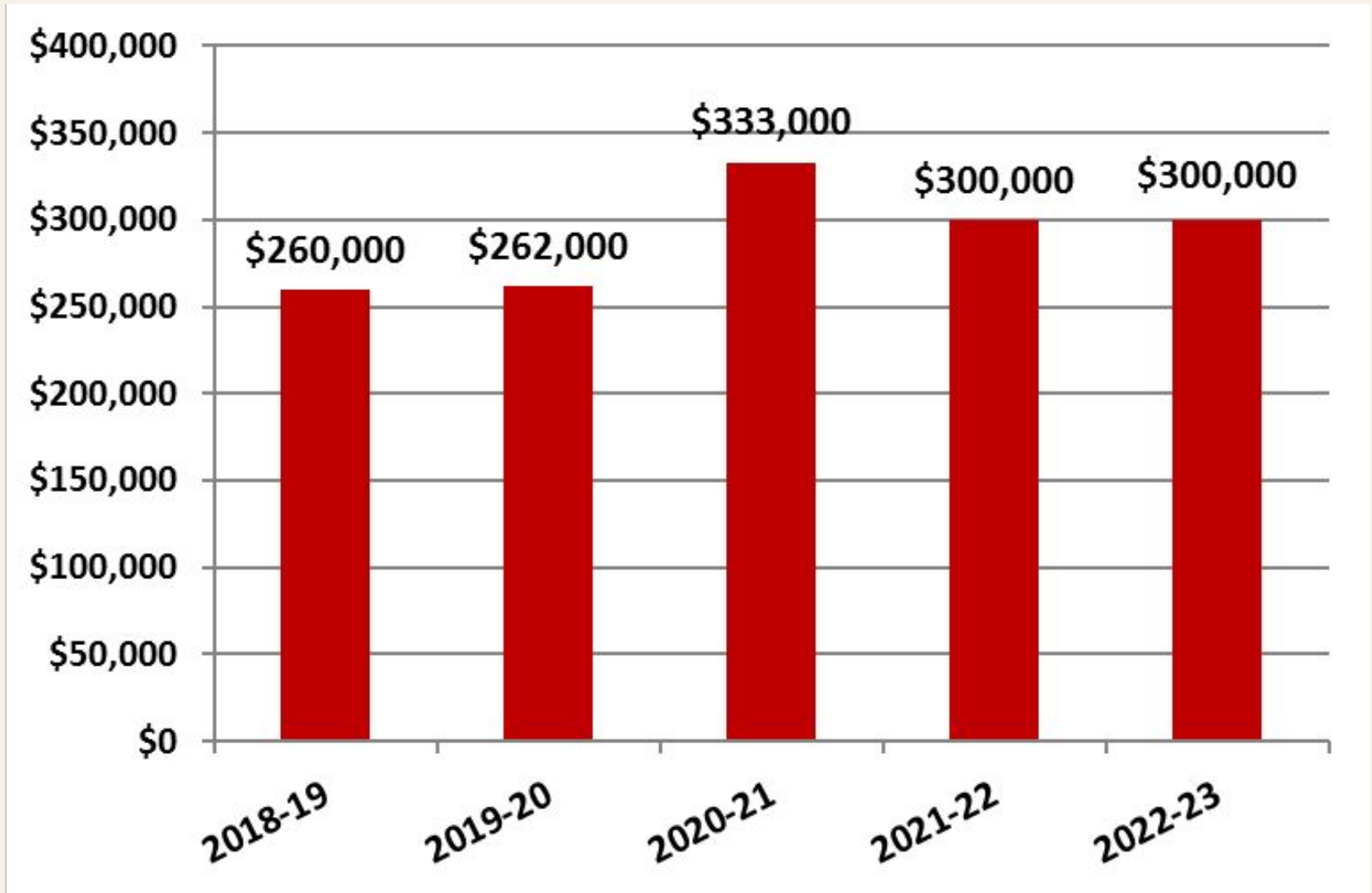


# Fund 46 - Long Term Capital Improvement Fund Balance (6/30/22)





# Community Service Fund 80 Tax Levy History



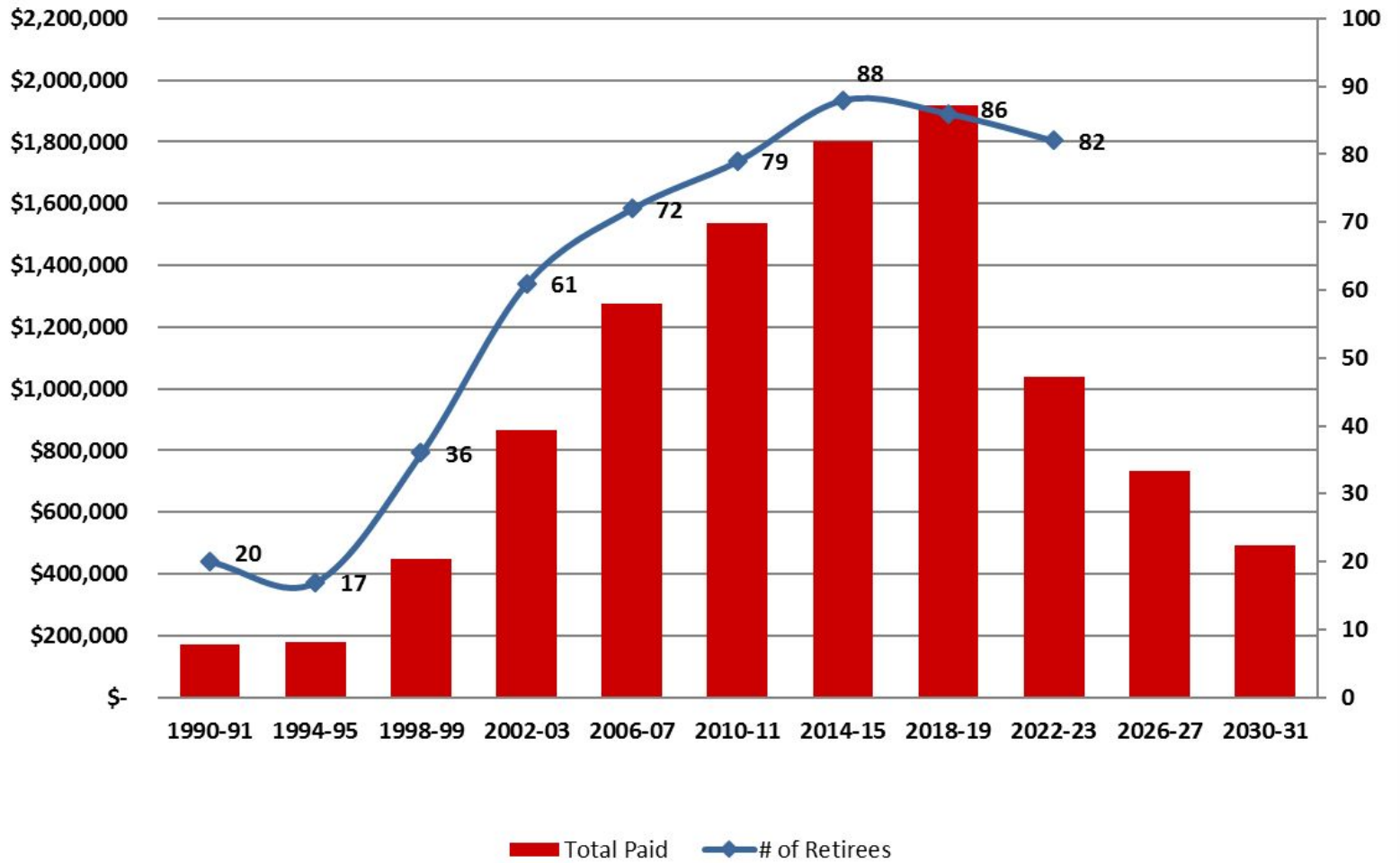
# Post Employment Benefits - Fund 73

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- ❖ The school district provides local post employment benefits for most full time employees
  - Health insurance premiums
  - Contributions to a Health Reimbursement Account
  - Cash stipends
- ❖ Fund 73- Employee Benefit Trust Fund
  - \$8.1 M Total OPEB/Pension liability TOL/TPL (June 2022)
  - \$6.7 M Fund balance(no add'l July 2022 payment)
  - \$1.5 M Net OPEB/Pension liability NOL/NPL (unfunded)
  - \$9.4 M Anticipated payments (30 years)

# SDMA OPEB BENEFITS PAID & PROJECTED

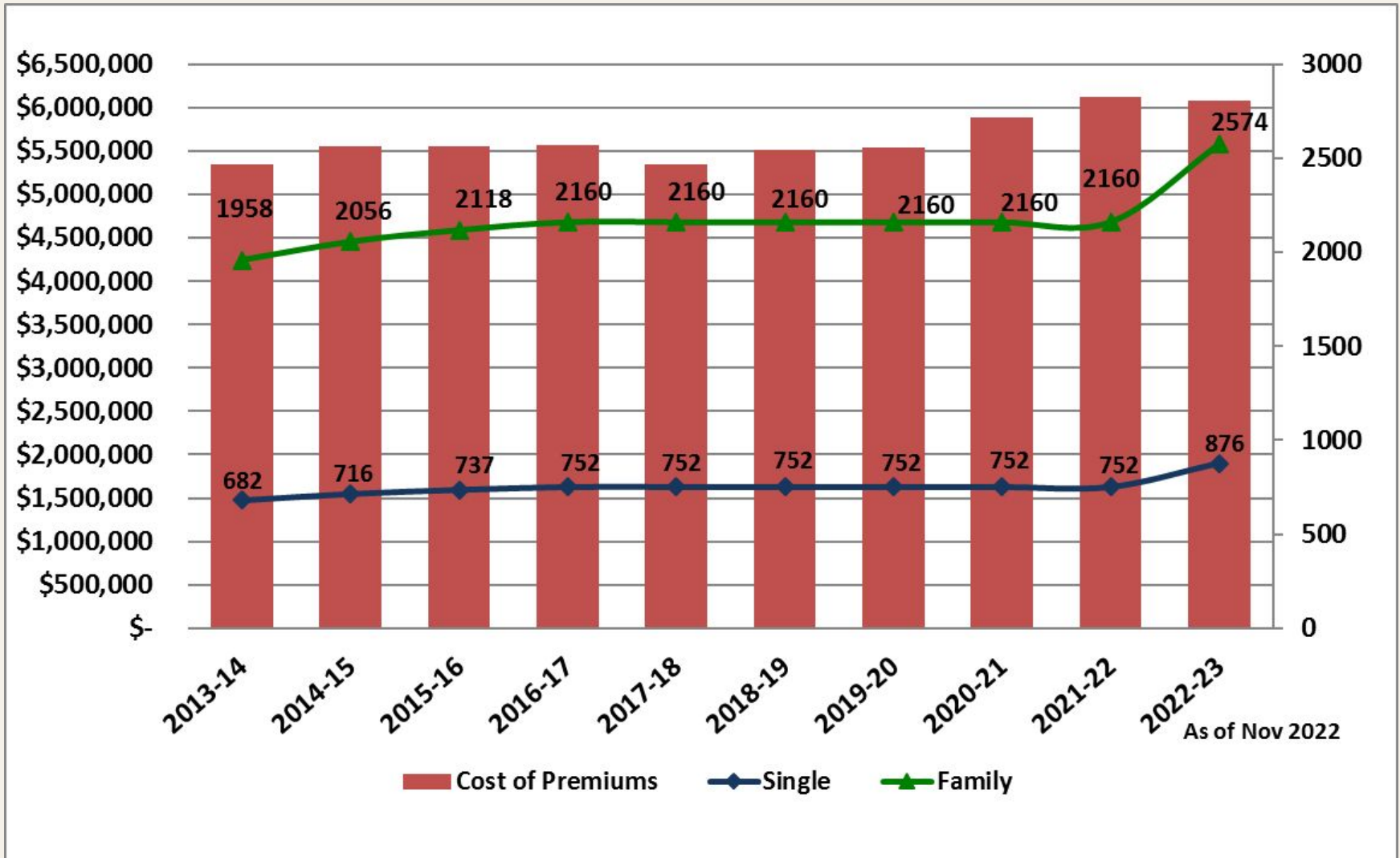


# Salaries and Benefits



- ❖ Largest expenditures for the school district (approx. 75%).
- ❖ Very competitive with comparable school districts in our county, conference, and region.
- ❖ Major changes to compensation for teachers in 2017, hourly in 2018, and substitutes and extra/co-curricular in 2019 to ensure alignment with the needs and priorities of the school district.
  - 2022-23 CPI increase (4.7%) plus steps (~2%)
- ❖ Staffing costs are increasing due to multiple market factors (inflation, employee shortages, etc.)
- ❖ Changes to the school district's self-funded plan have helped mitigate rapidly increasing health insurance costs.

# Health Insurance

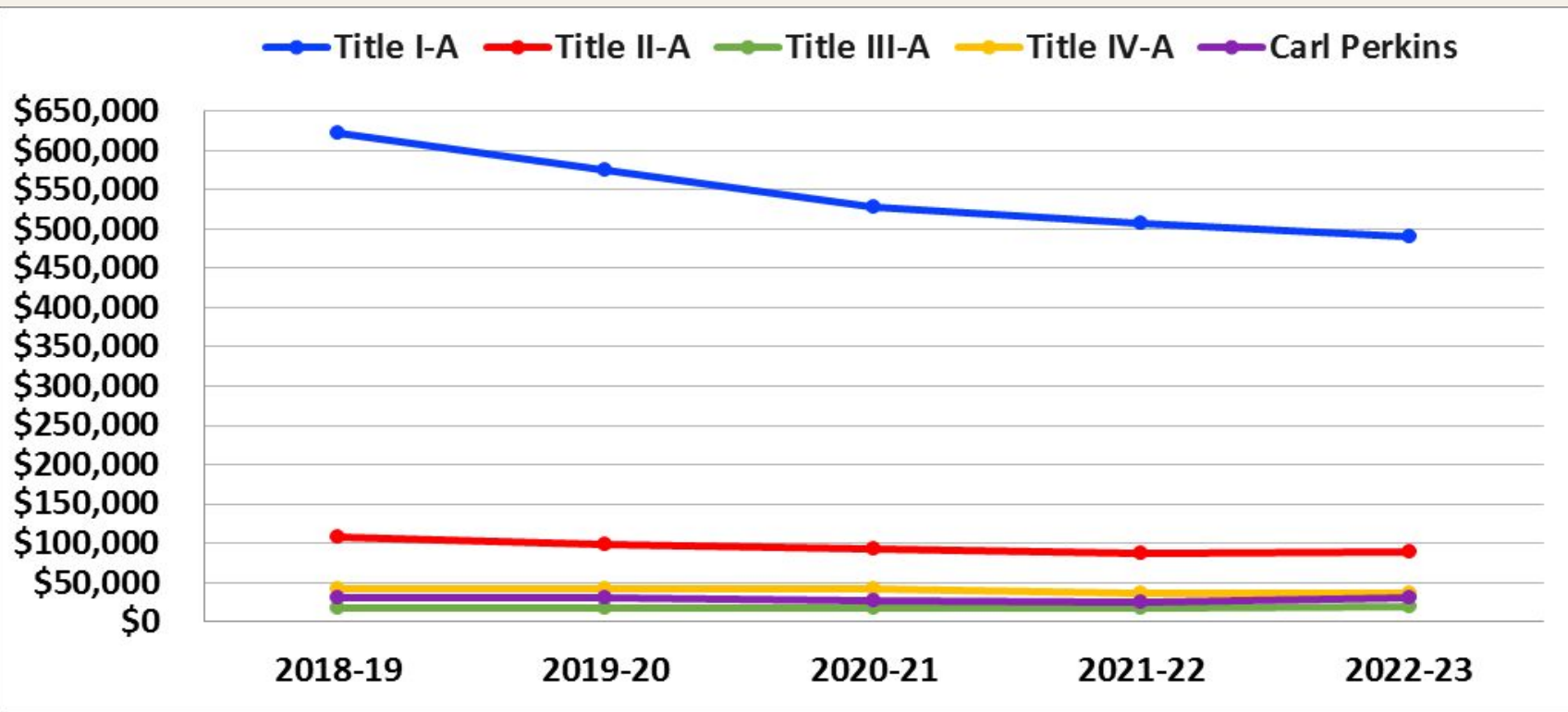


# 2022-23 Grant Funding



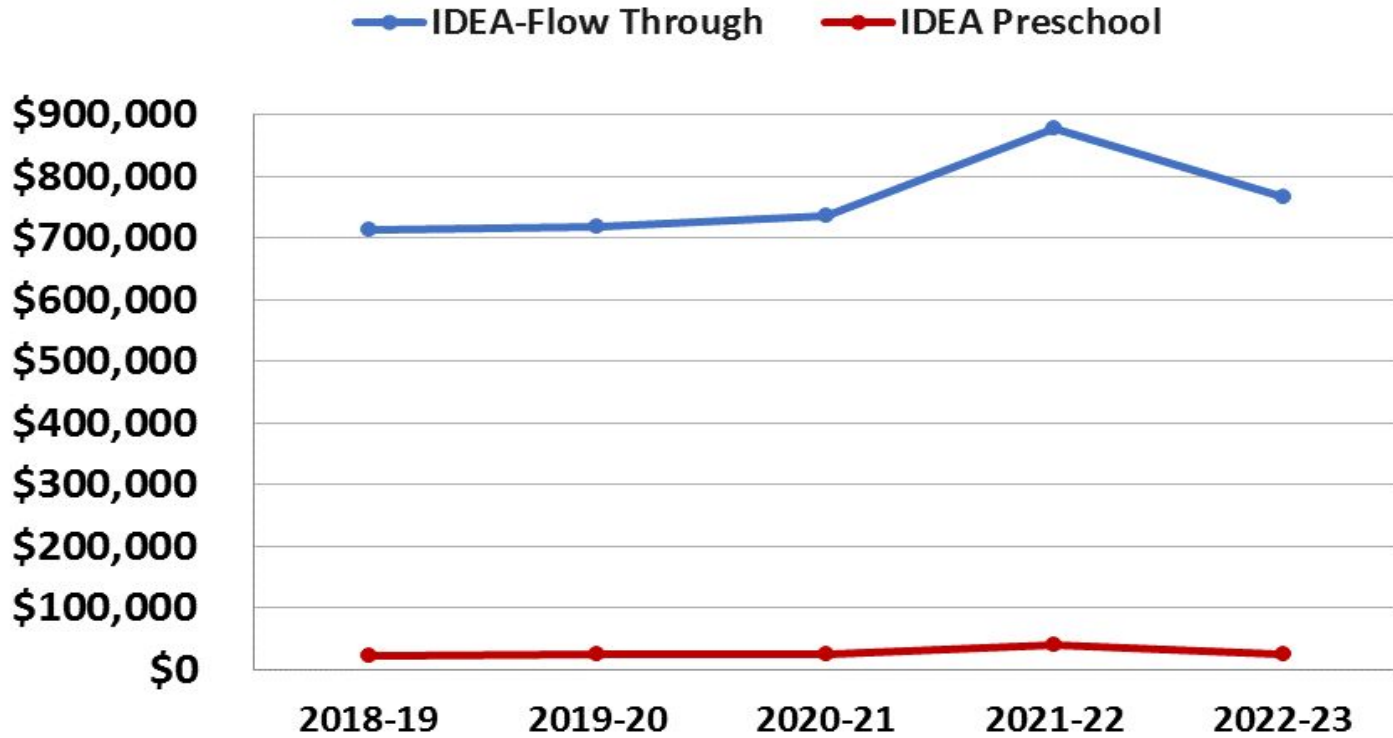
- ❖ **Margaret A. Cargill Grant (AIM)**
  - **Grant period 10/1/2020 - 9/30/2023**
  - **Total grant award \$485,000**
- ❖ **School Health Services/WD Grant**
  - **Grant period 2022-23**
  - **Total grant award \$29,440**
- ❖ **Special Education Transition Incentive Grant**
  - **Grant period 2022-23**
  - **Total grant award \$15,287**
- ❖ **Get Kids Ahead Initiative**
  - **Grant period 2022-23**
  - **Total grant award \$54,632**

# Federal Grant Funding



	2018-19	2019-20	2020-21	2021-22	2022-23	% Change
Title I-A	\$622,408	\$575,118	\$528,291	\$507,545	\$490,243	-5%
Title II-A	\$106,861	\$99,199	\$93,078	\$87,249	\$88,117	-7%
Title III-A	\$18,251	\$18,229	\$18,070	\$16,694	\$18,614	1%
Title IV-A	\$41,299	\$42,627	\$41,456	\$36,010	\$36,836	13%
Carl Perkins	\$31,003	\$31,415	\$26,281	\$24,515	\$30,392	-2%

# Federal IDEA Funding



	2018-19	2019-20	2020-21	2021-22	2022-23	% Change
IDEA-Flow Through	\$712,682	\$718,605	\$735,806	\$878,590	\$766,167	1%
IDEA Preschool	\$23,168	\$23,782	\$23,940	\$40,906	\$25,351	-3%



# Federal Covid-19 Funding



- ❖ Between March 2020 and 2021, Congress passed three stimulus bills under the Elementary Secondary Emergency Education Relief Fund.
  - ESSER I (Cares Act)
    - Total SDMA grant award \$482,931
  - ESSER II (CRRSAA)
    - Total SDMA grant award \$1,726,644
  - ESSER III (ARPA)
    - Total SDMA grant award \$3,868,103
  - Add'l Cares Act CRP - Awarded 12-9-2021
    - Total aid award \$448,892
  - ARPA Back to School Aid - Awarded 8-22-2022
    - Total aid award \$305,991

**We Appreciate  
Your Support!**



# Public Input

- ❖ Questions regarding school district finances?
- ❖ Feedback regarding school district finances?

