



Kaukauna Area School District

2018-2019 TAX LEVY CERTIFICATION

2018-2019 BUDGET ADOPTION

Kaukauna Area School District 2018-2019 Budget Hearing

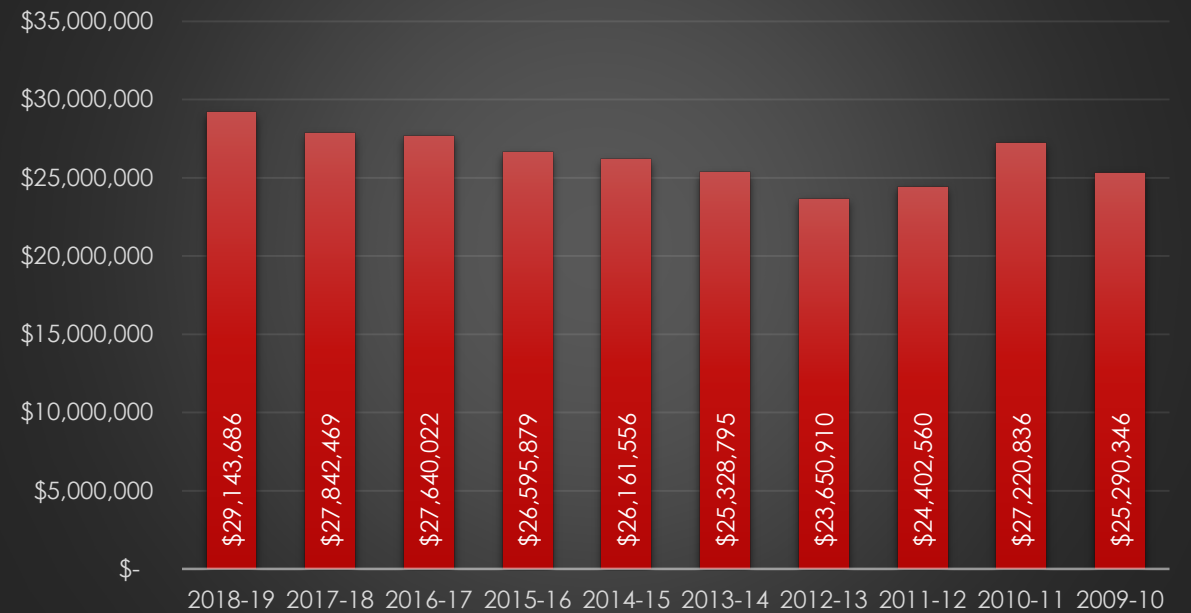
- ▶ Goals and Objectives

- ▶ Set the 2018-2019 tax levy for general operations, non-referendum debt service, community service, and prior-year tax levy chargeback
- ▶ Adopt the 2018-2019 general operating budget as well as the 2018-2019 overall Kaukauna Area School District budget

Kaukauna Area School District 2018-2019 State Aid

- ▶ State Aid Increase
 - ▶ The District is slated to receive \$29,143,686 in state aid for 2018-2019, up from \$27,842,469 in 2017-2018
 - ▶ The \$1.3 million increase in aid equates to 4.67% and is the largest state aid addition from year-to-year since 2010-2011 (7%)
 - ▶ Preliminarily the District was expecting state aid to be \$28,684,000. The \$460,000 increase in aid is primarily due to debt service payments for the energy efficiency project
 - ▶ Increased state aid creates a lower tax levy under the revenue limit

**Kaukauna Area School District Equalized
Aid Payment History**



Kaukauna Area School District 2018-2019 Revenue Limit

▶ 2017-2018 Base Revenue Limit

- ▶ State Aid \$27,824,469
- ▶ Computer Aid \$ 78,196
- ▶ Fund 10 Levy \$14,632,585
- ▶ Fund 38 Levy \$ 4,756,105
- ▶ Non-recurring \$ 4,336,077
- ▶ **Base Revenue \$42,955,278**

▶ 2018 Property Value

- ▶ **Certified Value \$2,278,369,173**

▶ Full Time Membership Average

- ▶ 2015-16 87 ss + 4415 = 4450 fte
- ▶ 2016-17 98 ss + 4478 = 4517 fte
- ▶ 2017-18 91 ss + 4558 = 4594 fte
- ▶ 2018-19 102 ss + 4574 = 4615 fte
- ▶ Three Year Rolling Average
 - ▶ 2015-16-17 4,520 fte
 - ▶ 2016-17-18 4,575 fte
 - ▶ FTE increase of 55 from 2015-16-17 to 2016-17-18

▶ Revenue Limit Increase

- ▶ State budget adding \$0 to rev limit

Kaukauna Area School District 2018-2019 Revenue Limit

▶ Base Revenue

- ▶ \$9,503.38 per student x 4,575 fte = **\$43,477,964** revenue limit without exemptions for 2018-2019

▶ Exemptions

- | | |
|---|--------------------|
| ▶ Energy efficiency | \$5,046,480 |
| ▶ <i>Add to revenue limit due to District's commitment to energy projects</i> | |
| ▶ Rescinded taxes | \$ 74,856 |
| ▶ <i>Unpaid taxes rescinded by State of Wisconsin</i> | |
| ▶ Prior year open enrollment (uncounted pupils) | \$ 20,835 |
| ▶ Private school voucher program | <u>\$ 361,851</u> |
| ▶ Total exemptions to revenue limit | \$5,504,022 |

Kaukauna Area School District 2018-2019 Revenue Limit

▶ Revenue Limit With Exemptions	
▶ KASD revenue limit with exemptions	\$48,981,986
▶ Guaranteed State Aids 2018-2019	
▶ State equalization aid	\$29,143,686
▶ State aid for exempt computers	\$ 80,088
▶ State aid for exempt personal property (new 2018)	<u>\$ 135,595</u>
▶ Total State Aid 2018-2019	\$29,359,369
▶ Total Allowable Tax Under Revenue Limit	
▶ Revenue limit – total state aid 2018-2019	\$19,622,617

Kaukauna Area School District 2018-2019 Property Tax Levy

▶ Property Tax Levy Within Revenue Limit	
▶ Fund 10, General Operations	\$14,079,855
▶ Fund 38, Non-referendum debt (energy efficiency)	<u>\$ 5,542,762</u>
▶ Total levy within revenue limit	\$19,622,617
▶ Property Tax Levy Outside Revenue Limit	
▶ Fund 80, Community Services	\$ 202,397
▶ Prior year levy for unpaid taxes	<u>\$ 184</u>
▶ Total levy outside revenue limit	\$ 202,581
▶ Total Property Tax Levy, 2018-2019	\$19,825,198
▶ Mill Rate 2018-2019	\$ 8.70

Kaukauna Area School District Property Tax Levy History

▶ Tax Rates

- ▶ If approved, the \$19,825,198 levy would equate to a 1.22% increase over the 2017-2018 tax
- ▶ If approved, the \$19,825,198 levy would decrease the mill rate by 5.42%
 - ▶ A \$150,000 property in the District would pay \$75 less in school tax with an \$8.70 mill rate
 - ▶ At \$8.70 per \$1,000 of value KASD's mill rate is the lowest it has been since 2008-2009 and the fifth lowest amount in the past 35 years
- ▶ Property values increased by 7% from last year to the current fiscal year

Kaukauna Area School District 35-Year History of Tax Levy Amounts, Equalized Valuations, and Mill Rates								
	Fall 1984	Fall 1985	Fall 1986	Fall 1987	Fall 1988	Fall 1989	Fall 1990	Fall 1991
Total Levy	\$ 4,631,902	\$ 5,502,979	\$ 6,271,109	\$ 5,729,691	\$ 6,478,166	\$ 7,256,214	\$ 8,431,922	\$ 9,065,387
Total Equalized Value	\$ 406,836,972	\$ 411,268,018	\$ 403,665,738	\$ 410,927,105	\$ 424,465,521	\$ 446,835,404	\$ 473,497,178	\$ 509,068,344
Equalized Rate	\$ 11.39	\$ 13.38	\$ 15.54	\$ 13.94	\$ 15.26	\$ 16.24	\$ 17.81	\$ 17.81
K-12 Average	\$ 12.98	\$ 14.35	\$ 16.13	\$ 15.38	\$ 16.09	\$ 16.62	\$ 17.11	\$ 17.51
	Fall 1992	Fall 1993	Fall 1994	Fall 1995	Fall 1996	Fall 1997	Fall 1998	Fall 1999
Total Levy	\$ 10,082,034	\$ 10,571,639	\$ 10,658,841	\$ 10,386,064	\$ 8,197,384	\$ 9,788,117	\$ 9,805,537	\$ 10,057,678
Total Equalized Value	\$ 534,141,578	\$ 581,327,640	\$ 626,980,228	\$ 697,412,106	\$ 737,547,545	\$ 771,466,444	\$ 821,002,920	\$ 862,833,947
Equalized Rate	\$ 18.88	\$ 18.19	\$ 17.00	\$ 14.89	\$ 11.11	\$ 12.69	\$ 11.94	\$ 11.66
K-12 Average	\$ 18.37	\$ 17.91	\$ 16.60	\$ 15.26	\$ 11.90	\$ 11.30	\$ 11.20	\$ 10.68
	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004	Fall 2005	Fall 2006	Fall 2007
Total Levy	\$ 10,147,210	\$ 10,115,350	\$ 10,595,734	\$ 11,403,684	\$ 12,380,236	\$ 12,612,833	\$ 12,322,395	\$ 13,498,368
Total Equalized Value	\$ 905,743,475	\$ 993,888,384	\$ 1,079,775,816	\$ 1,181,163,288	\$ 1,355,449,264	\$ 1,484,696,697	\$ 1,604,817,678	\$ 1,659,872,622
Equalized Rate	\$ 11.20	\$ 10.18	\$ 9.81	\$ 9.65	\$ 9.13	\$ 8.50	\$ 7.68	\$ 8.13
K-12 Average	\$ 10.43	\$ 10.04	\$ 9.73	\$ 9.56	\$ 9.46	\$ 8.63	\$ 8.31	\$ 8.45
	Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015
Total Levy	\$ 13,912,548	\$ 15,322,775	\$ 15,524,222	\$ 16,210,408	\$ 16,690,494	\$ 17,054,265	\$ 17,195,682	\$ 17,811,016
Total Equalized Value	\$ 1,716,585,013	\$ 1,737,982,998	\$ 1,742,986,574	\$ 1,843,177,117	\$ 1,788,398,439	\$ 1,836,671,386	\$ 1,884,317,513	\$ 1,951,300,593
Equalized Rate	\$ 8.10	\$ 8.82	\$ 8.91	\$ 8.79	\$ 9.33	\$ 9.29	\$ 9.13	\$ 9.13
K-12 Average	\$ 8.61	\$ 9.18	\$ 9.80	\$ 9.88	\$ 10.21	\$ 10.37	\$ 10.26	\$ 10.25
	Fall 2016	Fall 2017	Fall 2018					
Total Levy	\$ 17,930,401	\$ 19,586,802	\$ 19,825,198					
Total Equalized Value	\$ 2,036,256,118	\$ 2,129,406,019	\$ 2,278,369,169					
Equalized Rate	\$ 8.81	\$ 9.20	\$ 8.70					
K-12 Average	\$ 9.96	\$ 9.77						

Kaukauna Area School District 2018-2019 Operating Expenditures

▶ Operating Expenditures

- ▶ KASD spending 2.51% more on salary and 6.10% more on employee benefits in 2018-2019 than it did in 2017-2018
- ▶ Purchased services continue to increase due to costs associated with open enrollment
- ▶ All capital leases are now paid in full thus the near 100% drop in that category
- ▶ Total operating expenditures are budgeted at \$51,432,788, an increase of 3.47% over 2017-2018 actual amounts

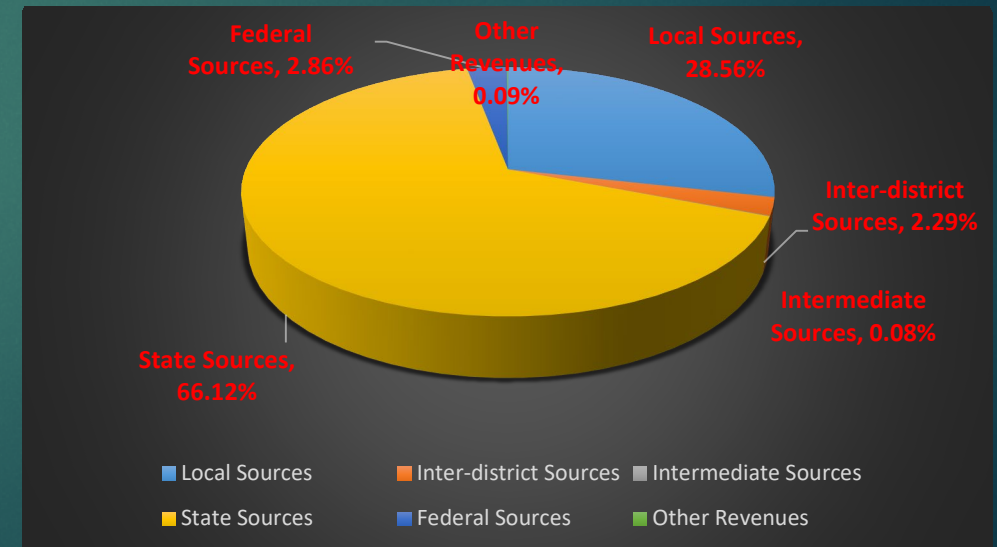
Kaukauna Area School District - History of Expenditures by Object									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2011-12 vs
	Budget	FY Activity	FY Activity	FY Activity	FY Activity	FY Activity	FY Activity	FY Activity	2018-19
SALARIES	\$ 23,972,603.07	\$ 23,386,240.92	\$ 23,367,036.00	\$ 22,764,293.59	\$ 22,233,449.94	\$ 21,601,065.74	\$ 20,163,895.94	\$ 19,785,620.47	\$ 4,186,982.60
	2.51%	0.08%	2.65%	2.39%	2.93%	7.13%	1.91%		21.16%
EMPLOYEE BENEFITS	\$ 8,897,874.55	\$ 8,386,637.61	\$ 7,919,005.00	\$ 6,987,031.71	\$ 6,844,903.96	\$ 8,483,586.64	\$ 7,594,585.25	\$ 8,433,218.57	\$ 464,655.98
	6.10%	5.91%	13.34%	2.08%	-19.32%	11.71%	-9.94%		5.51%
PURCHASED SERVICES	\$ 15,811,802.91	\$ 14,357,897.02	\$ 13,982,796.00	\$ 15,030,933.48	\$ 13,951,683.05	\$ 11,863,088.46	\$ 11,466,635.34	\$ 9,579,910.48	\$ 6,231,892.43
	10.13%	2.68%	-6.97%	7.74%	17.61%	3.46%	19.69%		65.05%
NON-CAPITAL OBJECTS	\$ 1,943,794.57	\$ 2,438,630.49	\$ 2,058,690.00	\$ 1,415,767.70	\$ 1,496,184.87	\$ 2,019,011.24	\$ 2,976,326.79	\$ 1,898,602.27	\$ 45,192.30
	-20.29%	18.46%	45.41%	-5.37%	-25.90%	-32.16%	56.76%		2.38%
CAPITAL OBJECTS	\$ 321,569.25	\$ 427,186.57	\$ 451,076.00	\$ 1,640,268.53	\$ 183,923.59	\$ 217,794.55	\$ 779,527.20	\$ 371,194.04	\$ (49,624.79)
	-24.72%	-5.30%	-72.50%	791.82%	-15.55%	-72.06%	110.01%		-13.37%
DEBT RETIREMENT	\$ 5,000.00	\$ 199,081.87	\$ 72,120.00	\$ 16,680.00				\$ 318,199.14	\$ (313,199.14)
	-97.49%	176.04%	332.37%				-100.00%		-98.43%
INSURANCE & JUDGMENTS	\$ 291,631.00	\$ 299,631.32	\$ 313,454.00	\$ 300,126.94	\$ 237,942.65	\$ 233,899.17	\$ 221,893.69	\$ 322,541.90	\$ (30,910.90)
	-2.67%	-4.41%	4.44%	26.13%	1.73%	5.41%	-31.20%		-9.58%
TRANSFER - ENERGY EFF FUND	\$ 106,995.00	\$ 65,520.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,995.00
	63.30%								
OTHER OBJECTS	\$ 81,518.15	\$ 145,144.13	\$ 56,721.00	\$ 84,153.72	\$ 76,956.98	\$ 96,256.41	\$ 99,368.59	\$ 151,056.65	\$ (69,538.50)
	-43.84%	155.89%	-32.60%	9.35%	-20.05%	-3.13%	-34.22%		-46.03%
TOTAL EXPENDITURE	\$ 51,432,788.50	\$ 49,705,969.93	\$ 48,220,898.00	\$ 48,239,255.67	\$ 45,025,045.04	\$ 44,514,702.21	\$ 43,302,232.80	\$ 40,860,343.52	\$ 10,572,444.98
	3.47%	3.08%	-0.04%	7.14%	1.15%	2.80%	5.98%		25.87%

Kaukauna Area School District 2018-2019 Operating Revenues

▶ Operating Revenues

- ▶ KASD projected to receive \$51,932,788.50 in operating revenues for 2018-2019
 - ▶ Surplus for current year at \$500,000 based on expenditure amount of \$51,432,788.50
- ▶ State funding encompasses 66.12% of the District's overall operating revenues. Local property taxes and other local sources pay for 28.56% of the total operating cost of KASD

Revenue Source	2018-2019 Revenues
Operating Transfer In	\$ -
Local Sources	\$ 14,832,380.50
Inter-district Sources	\$ 1,189,907.00
Intermediate Sources	\$ 41,700.00
State Sources	\$ 34,340,294.00
Federal Sources	\$ 1,483,657.00
Other Revenues	\$ 44,850.00
	\$ 51,932,788.50



Kaukauna Area School District 2018-2019 Total Budget

- ▶ 2018-2019 Kaukauna Area School District Budget
 - ▶ Projected revenues \$59,286,412.14
 - ▶ Projected expenditures \$81,058,252.81
 - ▶ Total expenditures exceed total revenues by \$21,771,840.67 for 2018-2019. The majority of the shortfall is based on the energy efficiency project at River View Middle School
 - ▶ During 2017-2018 the District received \$25 million to cover the UNESCO costs at River view. Only a small portion of that was paid during the previous fiscal year yet all the funds were received into that budget cycle. For 2018-2019 only a small revenue amount will be received (interest) while the District will pay down the rest of the project which creates the overage

Kaukauna Area School District Budget Hearing Action Items

▶ Action Items for Board of Education Consideration

1. It is recommended that the Board of Education approve the 2018-2019 tax levy at \$19,825,198 which will set the mill rate at \$8.70
2. It is recommended that the Board of Education approve the 2018-2019 operating revenue budget at \$51,932,788.50 and the 2018-2019 operating expenditure budget at \$51,432,788.50
3. It is recommended that the Board of Education approve the 2018-2019 overall revenue budget at \$59,286,412.14 and the 2018-2019 overall expenditure budget at \$81,058,252.81