

# Kaukauna Area School District

2020-2021 Budget Hearing and Tax Levy Certification

October 26, 2020

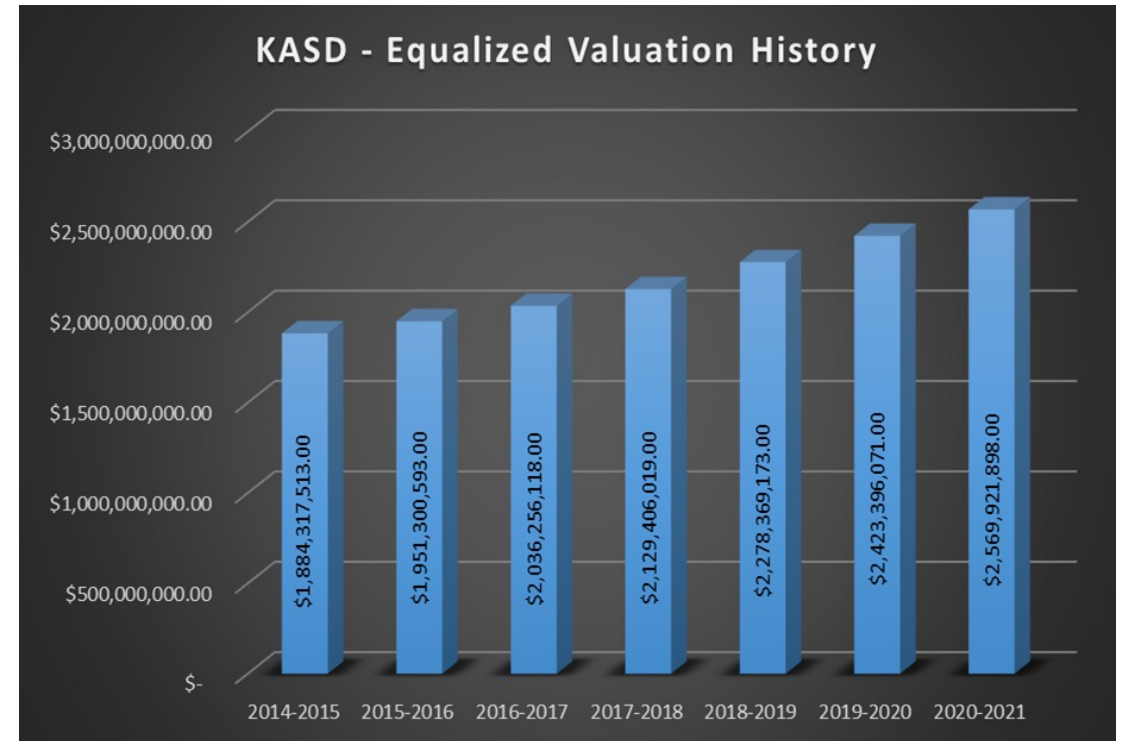
# 2020-2021 Budget Hearing and Tax Levy Certification

- 2020-2021 Budget Hearing
  - Discussion will take place on the following as outlined throughout this power point presentation
    - Certified values from the Wisconsin Department of Public Instruction
    - Projected revenues and expenditures for the 2020-2021 school year
    - Property tax levy

# Equalized Property Values

- KASD Equalized Property Valuation
  - For the third straight year KASD equalized valuation topped 6% with a 6.05% increase for 2020-21. The past three years have seen a 19.42% increase in values across the District which equates to over \$440,000,000

Kaukauna Area School District		
Equalized Property Value History		
2014-2015	\$ 1,884,317,513.00	
2015-2016	\$ 1,951,300,593.00	3.55%
2016-2017	\$ 2,036,256,118.00	4.35%
2017-2018	\$ 2,129,406,019.00	4.57%
2018-2019	\$ 2,278,369,173.00	7.00%
2019-2020	\$ 2,423,396,071.00	6.37%
2020-2021	\$ 2,569,921,898.00	6.05%



# Revenue Limit

- Revenue Limit History

- KASD must follow the same formula as all other Wisconsin public schools when generating maximum allowable revenue to complete general operations. The complex equation creates a cap from which, coupled with equalized aid, a tax levy can be generated. For historical perspective the recent Kaukauna School District revenue limits are shown below:

• 2014-2015	\$41,643,240	
• 2015-2016	\$42,262,755	1.49% increase
• 2016-2017	\$42,945,059	1.61% increase
• 2017-2018	\$47,436,355	10.46% increase
• 2018-2019	\$48,981,986	3.26% increase
• 2019-2020	\$51,126,905	4.38% increase
• 2020-2021	\$53,318,645	4.29% increase

- The spike from 2016-2017 to 2017-2018 was generated when the District added energy efficiency projects to its overall spending which allowed for an immediate increase in the revenue limit formula amount

- \$4,312,843 of the \$4,491,296 increase in 2017-2018 was due to the EEE project

- The State of Wisconsin budget passage of \$179 per student allowed for additional revenue plus shifting the low revenue ceiling to \$10,000 increased KASD's revenue limit formula by \$286 per student for 2020-21

# Revenue Limit Formula: Key Components

- Key Components to the Revenue Limit Formula
  - Already a complex equation, the Wisconsin revenue limit worksheet has progressed to a new level with the implementation of recurring and non-recurring exemptions
    - Recurring exemptions are allowed to be carried from year-to-year and include items such as prior year carryover, transfer of service and recurring referenda to exceed the revenue limit
    - Non-recurring exemptions are counted in the current year only and then removed from the base in subsequent years. Included in this category are amounts for declining enrollment, energy efficiency costs, prior year open enrollment not already aided, and the private school voucher program
  - Standard items that are tied to the revenue limit formula include the prior year revenue limit base, three year rolling pupil count average, property valuation, and allowable revenue limit per member allocation increase

# Revenue Limit Formula: Key Components

- Energy Efficiency Exemption (Non-recurring Exemption)
  - The District's Energy Efficiency Exemption construction is now complete with payback of the \$52 million borrowing taking place over the next seven years. Below is a chart showing the impact of the borrowing on the revenue limit formula and the mill rate impact (actual through this year, projected moving forward)
    - Note the impact of the EEE borrowing on the revenue limit for 2020-21 is a \$5,873,305 exemption (increase to the revenue limit) with the mill rate impact set at \$2.29 per \$1,000 of value or \$344 on a \$150,000 property

Kaukauna Area School District - Energy Efficiency Borrowing Mill Rate Impact					
Fiscal Yr	Energy Eff Tax	Property Value	EEE Mill Rt	Mill Rate	EEE % Mill
2014-15		\$ 1,884,317,513.00	\$ -	\$ 9.13	0.00%
2015-16	\$ 103,056.00	\$ 1,951,300,593.00	\$ 0.05	\$ 9.13	0.58%
2016-17	\$ 342,435.00	\$ 2,036,256,118.00	\$ 0.17	\$ 8.81	1.91%
2017-18	\$ 4,312,843.00	\$ 2,129,406,019.00	\$ 2.03	\$ 9.20	22.01%
2018-19	\$ 5,046,480.00	\$ 2,278,369,173.00	\$ 2.21	\$ 8.70	25.46%
2019-20	\$ 5,675,836.00	\$ 2,423,396,071.00	\$ 2.34	\$ 8.75	26.77%
<b>2020-21</b>	<b>\$ 5,873,305.00</b>	<b>\$ 2,569,921,898.00</b>	<b>\$ 2.29</b>	<b>\$ 8.49</b>	<b>26.92%</b>
2021-22	\$ 5,975,679.00	\$ 2,698,417,992.90	\$ 2.21	\$ 8.46	26.18%
2022-23	\$ 6,048,205.00	\$ 2,833,338,892.55	\$ 2.13	\$ 8.20	26.03%
2023-24	\$ 6,152,816.00	\$ 2,975,005,837.17	\$ 2.07	\$ 8.21	25.19%
2024-25	\$ 6,200,221.00	\$ 3,123,756,129.03	\$ 1.98	\$ 8.14	24.38%
2025-26	\$ 6,193,529.00	\$ 3,279,943,935.48	\$ 1.89	\$ 8.10	23.31%
2026-27	\$ 2,800,525.00	\$ 3,443,941,132.26	\$ 0.81	\$ 7.10	11.45%
2027-28	\$ -	\$ 3,616,138,188.87	\$ -	\$ 6.20	0.00%

# Revenue Limit Formula: Key Components

- Private School Voucher Program (Non-recurring Exemption)
  - Wisconsin public school districts have the ability to increase their revenue limit up to an amount that offsets the aid reduction taken by the State of Wisconsin for students living in the District and attending private schools. The District does not have to tax for this aid reduction. Any tax for this is placed directly on top of the maximum levy and impacts the mill rate directly. A history of the voucher program cost and impact on mill rate is shown below
    - The impact on the 2020-21 mill rate for voucher students is \$0.43 per \$1,000 of value or \$64 for a \$150,000 property. THE 67% INCREASE IN VOUCHER COST FOR KASD PUSHED THE MILL RATE HIGHER THAN THE \$8.25 PREVIOUSLY DISCUSSED TO \$8.49. KASD had budgeted an increase of \$125,000 in this area for 2020-21
    - KASD had 80.6 FTE participating in the private school voucher program in 2019-20. For 2020-21 the third Friday count was up to 110 or a 37.5% increase

Kaukauna Area School District - Private School Voucher Program and Mill Rate Impact					
Fiscal Yr	Voucher Exemption	Property Value	Voucher Mill Rate	Mill Rate	Voucher % of Mill
2014-15		\$ 1,884,317,513.00	\$ -	\$ 9.13	0.00%
2015-16	\$ 70,471.00	\$ 1,951,300,593.00	\$ 0.04	\$ 9.13	0.40%
2016-17	\$ 91,752.00	\$ 2,036,256,118.00	\$ 0.05	\$ 8.81	0.51%
2017-18	\$ 143,292.00	\$ 2,129,406,019.00	\$ 0.07	\$ 9.20	0.73%
2018-19	\$ 361,851.00	\$ 2,278,369,173.00	\$ 0.16	\$ 8.70	1.83%
2019-20	\$ 657,728.00	\$ 2,423,396,071.00	\$ 0.27	\$ 8.75	3.10%
<b>2020-21</b>	<b>\$ 1,100,464.00</b>	<b>\$ 2,544,565,874.55</b>	<b>\$ 0.43</b>	<b>\$ 8.49</b>	<b>5.09%</b>
2021-22	\$ 1,314,544.00	\$ 2,671,794,168.28	\$ 0.49	\$ 8.46	5.82%
2022-23	\$ 1,533,840.00	\$ 2,805,383,876.69	\$ 0.55	\$ 8.20	6.67%
2023-24	\$ 1,769,810.00	\$ 2,945,653,070.53	\$ 0.60	\$ 8.21	7.32%
2024-25	\$ 2,015,104.00	\$ 3,092,935,724.05	\$ 0.65	\$ 8.14	8.00%
2025-26	\$ 2,216,614.40	\$ 3,247,582,510.25	\$ 0.68	\$ 8.10	8.43%
2026-27	\$ 2,438,275.84	\$ 3,409,961,635.77	\$ 0.72	\$ 7.10	10.07%
2027-28	\$ 2,682,103.42	\$ 3,580,459,717.56	\$ 0.75	\$ 6.20	12.08%

# Certified State Aid

- Certified State Equalized Aid
  - A historical review of equalized state aid for the Kaukauna Area School District is shown below including the now certified 2020-2021 value

• 2014-2015	\$26,161,556	
• 2015-2016	\$26,609,832	1.71% increase
• 2016-2017	\$27,640,022	3.87% increase
• 2017-2018	\$27,824,469	0.67% increase
• 2018-2019	\$29,143,686	4.74% increase
• 2019-2020	\$29,895,985	2.58% increase
• 2020-2021	\$31,473,568	5.28% increase
  - Equalized state aid plays a key role in setting the tax levy amount as the total revenue limit less the aid amount yields the general operating tax levy allowed



# Fund 10 General Operations

- Fund 10 Operating Fund Balance
  - A historical look at the fund balance of the Kaukauna Area School District over the past decade is shown below as well as the projected ending fund balance as of 6/30/2021

• 2009-2010	\$3,486,486	7.28%
• 2010-2011	\$4,197,876	8.62%
• 2011-2012	\$6,676,234	14.97%
• 2012-2013	\$5,710,367	11.93%
• 2013-2014	\$5,248,038	10.67%
• 2014-2015	\$5,518,999	11.13%
• 2015-2016	\$3,869,475	7.32%
• 2016-2017	\$3,883,054	7.33%
• 2017-2018	\$4,454,219	8.02%
• 2018-2019	\$5,087,535	8.96%
• 2019-2020	\$6,196,105	11.70%
• 2020-2021	\$7,198,766	13.66%

# Fund 10 General Operations

- Fund 10 General Operations Budget 2020-2021
  - Note the projected \$1,002,662 add to fund balance with revenues at \$53,688,663 and expenditures at \$52,686,001
    - The Fund 10 operating budget includes potential adjustments to current KASD salaries and benefits pending Board of Education action
    - Fund 10 expenditures include nearly \$900,000 in COVID 19 related costs as well as \$280,000 in federal revenues tied to COVID
    - As presented, Fund 10 is showing a tax to the fullest amount

		2018-19	2019-20	2020-21	%
		FY Activity	FY Activity	Original Budget	Change
100	OPERATING TRANSFERS - IN		\$ 4,618.36		
200	REVENUE FROM LOCAL SOURCES	\$ 15,001,084.55	\$ 15,574,515.97	\$ 15,783,003.00	1.34%
300	INTERDISTRICT PAYMENTS W/IN WI	\$ 1,144,493.00	\$ 1,114,208.00	\$ 1,312,375.00	17.79%
500	REVENUE FROM INTERMEDIATE SRCS	\$ 31,818.79	\$ 49,392.00	\$ 51,690.00	4.65%
600	REVENUE FROM STATE SERVICES	\$ 32,903,810.53	\$ 34,113,562.26	\$ 35,696,569.08	4.64%
700	REVENUE FROM FEDERAL SOURCES	\$ 623,263.23	\$ 537,347.17	\$ 808,725.75	50.50%
900	OTHER REVENUE	\$ 39,364.72	\$ 53,015.00	\$ 36,300.00	-31.53%
<b>Fund 10 Revenue</b>		<b>\$ 49,743,834.82</b>	<b>\$ 51,446,658.76</b>	<b>\$ 53,688,662.83</b>	<b>4.36%</b>

		2018-19	2019-20	2020-21	%
		FY Activity	FY Activity	Original Budget	Change
100	SALARIES	\$ 19,057,350.78	\$ 19,386,295.83	\$ 20,498,885.30	5.74%
200	EMPLOYEE BENEFITS	\$ 7,188,913.32	\$ 7,285,057.00	\$ 7,897,993.71	8.41%
300	PURCHASED SERVICES	\$ 15,456,633.06	\$ 15,126,425.76	\$ 15,949,794.68	5.44%
400	NON-CAPITAL OBJECTS	\$ 1,601,657.92	\$ 2,347,632.43	\$ 2,337,378.70	-0.44%
500	CAPITAL OBJECTS	\$ 219,012.99	\$ 342,117.97	\$ 199,110.74	-41.80%
600	DEBT RETIREMENT		\$ 8,312.31	\$ 8,561.68	3.00%
700	INSURANCE & JUDGMENTS	\$ 293,942.67	\$ 313,394.94	\$ 401,885.25	28.24%
800	OPERATING TRANSFERS-OUT	\$ 5,217,404.82	\$ 5,444,513.15	\$ 5,335,887.47	-2.00%
900	OTHER OBJECTS	\$ 75,603.44	\$ 84,339.30	\$ 56,503.35	-33.00%
<b>Fund 10 Expense</b>		<b>\$ 49,110,519.00</b>	<b>\$ 50,338,088.69</b>	<b>\$ 52,686,000.88</b>	<b>4.66%</b>

# Fund 27 Special Education

- Fund 27 Special Education Budget 2020-2021
  - Special Education shows a balanced budget for 2020-2021 with revenues and expenditures set at \$8,189,308
    - The transfer in to cover Special Education from Fund 10, General Operations, is earmarked at \$5,224,392
    - KASD is projected to see a \$360,000 in state aid for special education based on current law
    - SPED expenditures for 2020-21 are \$182,400 higher than 2019-20 or 2.31%

KASD Special Education Operating Budget Summary		2018-19	2019-20	2020-21
		FY Activity	FY Activity	Original Budget
27 R --- 1-- -----	OPERATING TRANSFERS - IN	\$ 5,128,409.32	\$ 5,285,549.15	\$ 5,224,392.47
27 R --- 3-- -----	INTERDISTRICT PAYMENTS W/IN WI	\$ 39,154.00	\$ 41,895.00	\$ 42,000.00
27 R --- 5-- -----	REVENUE FROM INTERMEDIATE SRCS	\$ 1,042.36	\$ 320.63	\$ 325.00
27 R --- 6-- -----	REVENUE FROM STATE SERVICES	\$ 1,546,077.00	\$ 1,661,826.00	\$ 2,029,062.00
27 R --- 7-- -----	REVENUE FROM FEDERAL SOURCES	\$ 935,287.96	\$ 917,315.72	\$ 893,528.50
<b>27 R --- -----</b>	<b>Revenue</b>	<b>\$ 7,649,970.64</b>	<b>\$ 7,906,906.50</b>	<b>\$ 8,189,307.97</b>
27 E --- 1-- -----	CLASSROOM TEACHER	\$ 4,705,103.43	\$ 4,882,909.13	\$ 5,168,693.45
27 E --- 2-- -----	EMPLOYEE BENEFITS	\$ 1,896,782.73	\$ 1,992,440.03	\$ 2,141,709.56
27 E --- 3-- -----	PURCHASED SERVICES	\$ 896,153.18	\$ 901,183.03	\$ 723,691.18
27 E --- 4-- -----	NON-CAPITAL OBJECTS	\$ 110,101.30	\$ 126,914.31	\$ 151,236.78
27 E --- 5-- -----	CAPITAL OBJECTS	\$ 37,500.00		
27 E --- 9-- -----	OTHER OBJECTS	\$ 4,330.00	\$ 3,460.00	\$ 3,977.00
<b>27 E --- -----</b>	<b>Expense</b>	<b>\$ 7,649,970.64</b>	<b>\$ 7,906,906.50</b>	<b>\$ 8,189,307.97</b>

# Fund 38 Non- referendum Debt Service

- Fund 38 Non-referendum Debt Service Budget 2020-2021
  - The local tax levy for Fund 38, Debt Service, will be set at \$6,459,238 with a \$111,495 transfer from Fund 10 (mandatory Energy Efficiency Exemption funding) to create \$6,570,733 in revenues
  - Debt retirement payments for 2020-2021 will be \$6,635,157.50
    - The debt service revenue and expense amounts do not match annually. Revenues are taken to make debt service payments in calendar year 2021 rather than on a fiscal year basis. Expenditure amounts shown are for fiscal year (July 2020-June 2021) which are partially paid for by the tax amount carried forward from 2019-2020

KASD Fund 38 Debt Service Budget Summary		2018-19	2019-20	2020-21
		FY Activity	FY Activity	Original Budget
38 R --- 1-- ----- ---	OPERATING TRANSFERS - IN	\$ 88,995.50	\$ 158,964.00	\$ 111,495.00
38 R --- 2-- ----- ---	REVENUE FROM LOCAL SOURCES	\$ 5,542,891.69	\$ 6,249,407.22	\$ 6,459,238.00
<b>38 R --- --- ----- ---</b>	<b>Revenue</b>	<b>\$ 5,631,887.19</b>	<b>\$ 6,408,371.22</b>	<b>\$ 6,570,733.00</b>
38 E --- 6-- ----- ---	DEBT RETIREMENT	\$ 5,677,007.50	\$ 6,471,507.50	\$ 6,635,157.50
38 E --- 8-- ----- ---	OPERATING TRANSFERS-OUT		\$ 4,618.36	
<b>38 E --- --- ----- ---</b>	<b>Expense</b>	<b>\$ 5,677,007.50</b>	<b>\$ 6,476,125.86</b>	<b>\$ 6,635,157.50</b>

# Fund 50 Food Service

- Fund 50 Food Service Budget 2020-2021
  - Operating revenues and expenditures for Food Service are budgeted at \$1,306,043 for 2020-2021 which would be a \$21,000 increase in sales over 2019-2020
    - As announced recently the federal government has extended the free breakfast and lunch for all program through the end of the school year. KASD will continue to operate in the same manner as it has since the start of the 2020-2021 school year. A slight uptick in revenue can be expected due to aid payments for free meals
    - Food Service had a fund balance of just over \$41,000 heading into 2020-2021

Fund 50 Food Service Budget Summary		2018-19	2019-20	2020-21
		FY Activity	FY Activity	Original Budget
50 R --- 2-- -----	REVENUE FROM LOCAL SOURCES	\$ 797,530.12	\$ 592,739.66	\$ 541,328.57
50 R --- 6-- -----	REVENUE FROM STATE SERVICES	\$ 18,300.15	\$ 18,388.13	\$ 18,849.15
50 R --- 7-- -----	REVENUE FROM FEDERAL SOURCES	\$ 553,462.46	\$ 673,905.88	\$ 745,866.07
<b>50 R --- --- -----</b>	<b>Revenue</b>	<b>\$ 1,369,292.73</b>	<b>\$ 1,285,033.67</b>	<b>\$ 1,306,043.79</b>
50 E --- 3-- -----	PURCHASED SERVICES	\$ 902,854.42	\$ 796,716.81	\$ 838,103.20
50 E --- 4-- -----	NON-CAPITAL OBJECTS	\$ 472,486.95	\$ 448,789.82	\$ 451,840.59
50 E --- 5-- -----	CAPITAL OBJECTS	\$ 5,901.76		\$ 6,100.00
50 E --- 9-- -----	OTHER OBJECTS	\$ 22,263.62	\$ 9,980.65	\$ 10,000.00
<b>50 E --- --- -----</b>	<b>Expense</b>	<b>\$ 1,403,506.75</b>	<b>\$ 1,255,487.28</b>	<b>\$ 1,306,043.79</b>

# Fund 72 Scholarship Fund

- Fund 72 Scholarship Fund Budget 2020-2021
  - Expenditures are projected to outweigh revenues, per the norm unless a donation is made, in the Scholarship Fund. Basically the \$659 revenue amount is interest to be earned on CD's while the District's expense is for those scholarships paid through the funds KASD has fiduciary responsibility for

Fund 72 District Held Scholarship Budget Summary		2018-19	2019-20	2020-21
		FY Activity	FY Activity	Original Budget
72 R --- 2-- -----	REVENUE FROM LOCAL SOURCES	\$ 659.66	\$ 4,040.05	\$ 659.66
72 R --- 9-- -----	OTHER REVENUE		\$ 8,460.18	
<b>72 R --- -----</b>	<b>Revenue</b>	<b>\$ 659.66</b>	<b>\$ 12,500.23</b>	<b>\$ 659.66</b>
72 E --- 9-- -----	OTHER OBJECTS	\$ 6,050.00	\$ 9,800.00	\$ 9,800.00
<b>72 E --- -----</b>	<b>Expense</b>	<b>\$ 6,050.00</b>	<b>\$ 9,800.00</b>	<b>\$ 9,800.00</b>

# Fund 73 Other Post Employment Benefit Fund

- Fund 73 Other Post Employment Benefit Fund Budget 2020-2021
  - The District is anticipating \$12,500 in payments from retirees on the health/dental or life insurance plan paying their portion of the premium with the expense being a transfer to Fund 10 to offset the cost of OPEB payments made during the year
    - Based on State Statute with Fund 73 documentation follows regarding funding mechanisms in the place by KASD for its post employment liability and how the District handles payments

Fund 73 Post Employment Benefit Budget Summary		2018-19	2019-20	2020-21
		FY Activity	FY Activity	Original Budget
73 R --- 2-- -----	REVENUE FROM LOCAL SOURCES	\$ 16.53	\$ 4.82	\$ 5.00
73 R --- 9-- -----	OTHER REVENUE	\$ 35,554.46	\$ 12,578.01	\$ 12,500.00
<b>73 R --- --- -----</b>	<b>Revenue</b>	<b>\$ 35,570.99</b>	<b>\$ 12,582.83</b>	<b>\$ 12,505.00</b>
<b>-----</b>				
73 E --- 9-- -----	OTHER OBJECTS	\$ 32,859.16	\$ 15,273.31	\$ 12,500.00
<b>73 E --- --- -----</b>	<b>Expense</b>	<b>\$ 32,859.16</b>	<b>\$ 15,273.31</b>	<b>\$ 12,500.00</b>

# Fund 73 Employee Benefit Trust Fund

- Statutory Requirements

- Balance 7/1/19 \$3,800.28
- Balance 6/30/20 \$1,109.80
- Investment gain 2019-20 \$4.82
- Payments 2019-20 \$15,273.31
- KASD has NO investment manager tied to Fund 73, Employee Benefit Trust Fund



# Fund 73 Employee Benefit Trust Fund

- Kaukauna School District Post Retirement Benefit Obligation 2019-20, 2020-21
  - The District made the following payments for obligations owed to retirees during the 2019-20 school year:

• Health insurance	\$390,050.05
• Dental insurance	\$16,746.65
• Life insurance	\$31,872.84
• Long term care insurance	\$6,334.22
• Stipend payments	\$42,440.20
• Total Post Employment Benefit	<u>\$487,443.96</u>
  - At present, KASD collects 12.6% per retired member for health insurance along with full payment for life insurance, should the member wish to continue on the plan, from time of retirement to age 65
    - The District will receive approximately \$33,000 during 2020-21 from former employees for these benefits or 6.77% of the total post employee benefit cost
  - The net cost to the operating budget of KASD for post employment benefits for 2020-21 is \$557,963 or 1.02% of the operating budget

# Fund 73 Employee Benefit Trust Fund

- Kaukauna Area School District Estimated Post Employment Liability
  - Key Benefit Concepts is contracted to annually perform an evaluation of the District's post employment benefit plan and create the estimated liability of the District for current and future retirees
    - Current KASD Staff Handbook benchmarks are as follows:
      - 1. To access post-employment benefits, employees must be eligible to retire under Wisconsin Retirement System provisions.
      - 2. With twenty-five (25) years of service to the District, employees currently enrolled in the District's Health and Dental Insurance Plans will be eligible for three (3) years of health and dental insurance coverage. The District will pay the same percentage of insurance premium in effect at the employee's retirement provided the employee retires. These three (3) years of coverage begin upon retirement.
      - 3. In addition employees who meet the requirement in number one may "convert" accumulated sick leave at the following conversion rate: 60 days of sick leave = 1 year of health and dental insurance (5 sick leave days equal one month coverage)
        - Employees may convert the equivalent of 120 days of sick leave for up to two (2) years of paid health and dental at the same percentage of insurance premium in effect at the employee's retirement.
      - 4. Employees on single insurance plans will not be eligible to convert to family plans when accessing this benefit.
      - 5. Eligibility for these post-employment benefits will cease upon Medicare eligibility or expiration of benefit.
    - Kaukauna's current post employee benefit liability is projected at \$10,088,976

# Fund 80 Community Service Fund

- Fund 80 Community Service Fund Budget 2020-2021
  - As shown below the tax levy for Fund 80, Community Service, for 2020-2021 is \$213,550 with expenditures matching that amount
  - Fund 80 is the only place in the tax levy equation where a modification can be made to lower the mill rate without having other implications in the revenue limit formula
    - For example, an under-levy in Fund 10 will take away a portion of potential one-time revenue limit increases for voucher students in the following fiscal year
    - The \$213,550 tax amount is \$0.08 per \$1,000 of value or approximately 0.98% of the \$8.49 maximum mill rate

Fund 80 Community Service Budget Summary		2018-19	2019-20	2020-21
		FY Activity	FY Activity	Original Budget
80 R --- 2-- -----	REVENUE FROM LOCAL SOURCES	\$ 202,397.00	\$ 202,900.00	\$ 213,550.00
<b>80 R --- 2-- -----</b>	<b>Revenue</b>	<b>\$ 202,397.00</b>	<b>\$ 202,900.00</b>	<b>\$ 213,550.00</b>
80 E --- 1-- -----	CLASSROOM TEACHER	\$ 21,606.47	\$ 21,606.73	\$ 22,842.83
80 E --- 2-- -----	EMPLOYEE BENEFITS	\$ 10,726.54	\$ 10,995.64	\$ 11,984.34
80 E --- 3-- -----	PURCHASED SERVICES	\$ 170,063.99	\$ 170,297.63	\$ 178,722.99
<b>80 E --- 3-- -----</b>	<b>Expense</b>	<b>\$ 202,397.00</b>	<b>\$ 202,900.00</b>	<b>\$ 213,550.16</b>

# 2020-21 Overall Budget

- 2020-2021 Overall Budget
  - A summary of total revenues and expenditures for 2020-2021 with comparison to prior years is shown below
    - Following several years of paying for energy efficiency project costs the overall expenditure budget has leveled off where comparisons can be made from year to year. Note the nearly \$3 million increase in expenditures from 2019-2020 to 2020-2021 or 4.68%
      - A portion of the 4.68% increase can be attributed to the early closure of school during 2019-2020 and an increase in costs associated with COVID 19 to open the 2020-2021 school year
    - The amounts shown below do NOT include transfers between accounts and are the true revenues and expenditures for KASD. The full budget printout includes the transfer costs thus the difference in the bottom line

<b>KASD - Overall Budget Summary</b>	<b>2018-19 FY Activity</b>	<b>2019-20 FY Activity</b>	<b>2020-21 Original Budget</b>
<b>Grand Revenue Total</b>	\$ 59,798,112.79	\$ 61,989,535.40	\$ 64,757,069.78
<b>Grand Expense Total</b>	\$ 76,380,016.66	\$ 60,994,668.57	\$ 63,827,967.83
<b>Net Gain/Loss</b>	<b>\$ (16,581,903.87)</b>	<b>\$ 994,866.83</b>	<b>\$ 929,101.95</b>

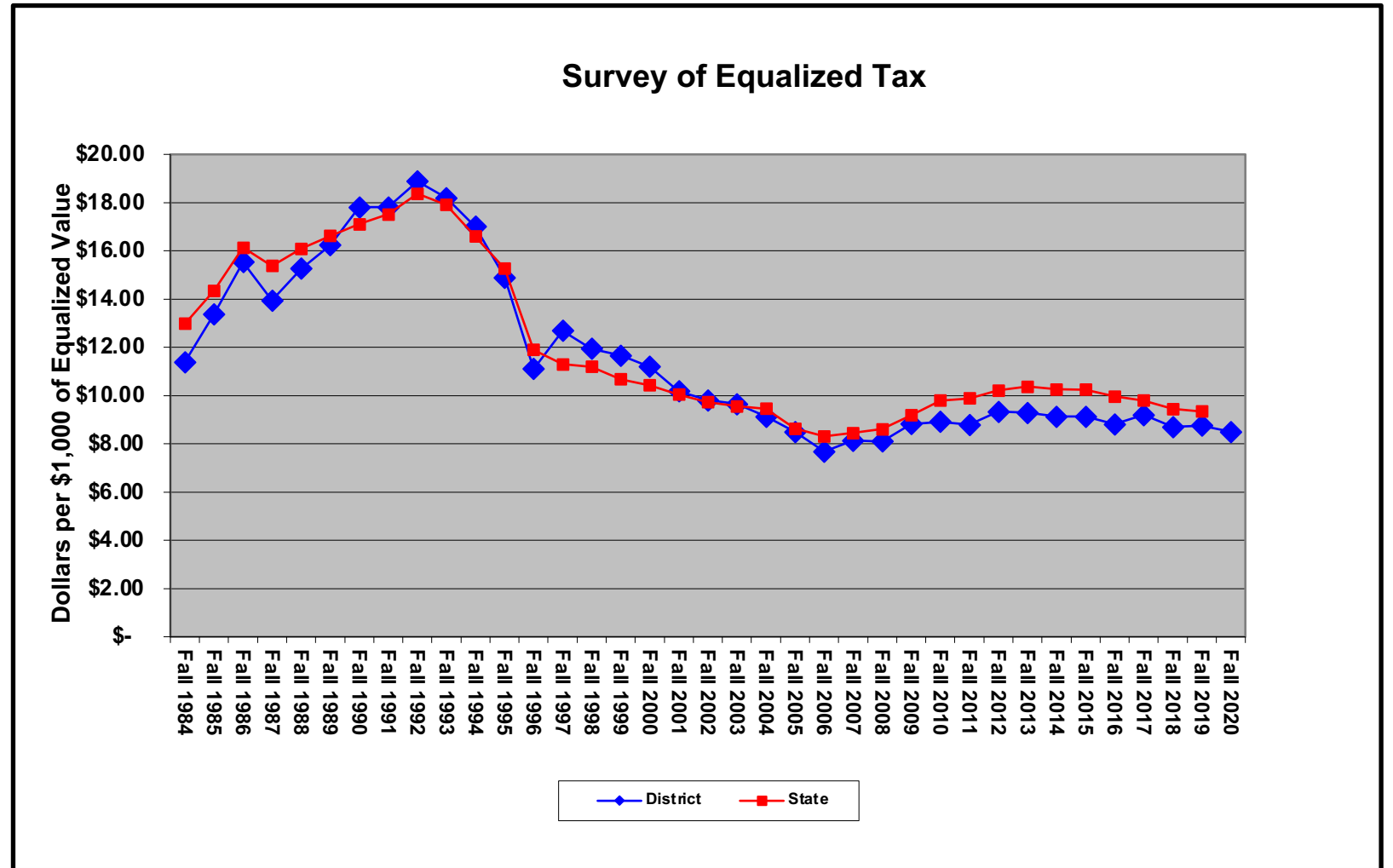
# Tax Levy and Mill Rate Information

- Kaukauna Area School District Tax Levy Mill Rate History
  - Below is 37-year history of tax levy mill rates for Kaukauna Schools

Longitudinal Survey of Levies, Equalized Values, and Equalized Tax Rates*									
Kaukauna Area									
	Kaukauna Area								
	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	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	
Total Levy	\$ 17,930,401	\$ 19,586,802	\$ 19,825,198	\$ 21,204,389	\$ 21,815,450				
Total Equalized Value	\$ 2,036,256,118	\$ 2,129,406,019	\$ 2,278,369,173	\$ 2,423,369,173	\$ 2,569,921,898				
Equalized Rate	\$ 8.81	\$ 9.20	\$ 8.70	\$ 8.75	\$ 8.49				
K-12 Average	\$ 9.97	\$ 9.79	\$ 9.44	\$ 9.34					

# Tax Levy and Mill Rate Information

- Kaukauna Area School District Property Tax Levy History



# Five Year Budget Projection

- KASD Five Year Budget Projection

- A five year budget forecast model is shown below. Key aspects of the projection include:

- Removing the majority of school fees and resale revenue for budgets after 2020-2021
- Health insurance budgeted with a 5% increase per year, salary and associated benefits at 2% per year, increased private school voucher program costs
- COVID 19 revenues and expenditures removed after 2020-2021 fiscal year
- Full tax levy in place each year

	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	\$15,619,611	\$15,783,003	1.05%	\$16,684,895	5.71%	\$17,027,598	2.05%	\$18,105,152	6.33%	\$19,074,734	5.36%
State Sources	\$34,181,239	\$35,696,569	4.43%	\$36,097,393	1.12%	\$37,277,452	3.27%	\$37,821,337	1.46%	\$38,311,896	1.30%
Federal Sources	\$463,713	\$808,726	74.40%	\$528,726	-34.62%	\$453,726	-14.19%	\$453,726	0.00%	\$453,726	0.00%
Other	\$1,177,476	\$1,400,365	18.93%	\$1,415,785	1.10%	\$1,527,160	7.87%	\$1,671,860	9.48%	\$1,794,085	7.31%
<b>TOTAL REVENUE</b>	<b>\$51,442,040</b>	<b>\$53,688,663</b>	<b>4.37%</b>	<b>\$54,726,799</b>	<b>1.93%</b>	<b>\$56,285,936</b>	<b>2.85%</b>	<b>\$58,052,075</b>	<b>3.14%</b>	<b>\$59,634,441</b>	<b>2.73%</b>
<b>EXPENDITURES</b>											
Salary and Benefits	\$27,066,541	\$28,396,879	4.92%	\$28,728,138	1.17%	\$29,415,433	2.39%	\$30,122,064	2.40%	\$30,848,695	2.41%
Other Objects	\$23,266,929	\$24,289,122	4.39%	\$24,990,881	2.89%	\$25,880,577	3.56%	\$26,894,641	3.92%	\$27,933,556	3.86%
<b>TOTAL EXPENDITURES</b>	<b>\$50,333,470</b>	<b>\$52,686,001</b>	<b>4.67%</b>	<b>\$53,719,019</b>	<b>1.96%</b>	<b>\$55,296,010</b>	<b>2.94%</b>	<b>\$57,016,705</b>	<b>3.11%</b>	<b>\$58,782,251</b>	<b>3.10%</b>
<b>SURPLUS / DEFICIT</b>	<b>\$1,108,570</b>	<b>\$1,002,661</b>		<b>\$1,007,779</b>		<b>\$989,926</b>		<b>\$1,035,370</b>		<b>\$852,190</b>	
Change over Previous Year		(\$105,909)		\$5,118		(\$17,854)		\$45,444		(\$183,180)	
<b>BEGINNING FUND BALANCE</b>	<b>\$5,087,535</b>	<b>\$6,196,105</b>		<b>\$7,198,766</b>		<b>\$8,206,546</b>		<b>\$9,196,472</b>		<b>\$10,231,842</b>	
<b>ENDING FUND BALANCE</b>	<b>\$6,196,105</b>	<b>\$7,198,766</b>		<b>\$8,206,546</b>		<b>\$9,196,472</b>		<b>\$10,231,842</b>		<b>\$11,084,032</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>12.31%</b>	<b>13.66%</b>		<b>15.28%</b>		<b>16.63%</b>		<b>17.95%</b>		<b>18.86%</b>	

# Action Items: Tax Levy Overall Budget

- Setting the 2020-2021 Tax Levy and Overall KASD Budget
  - District Administration is recommending setting the 2020-2021 tax levy and overall budget as presented. A sample motion to set the levy is shown below along with a second motion to set the 2020-2021 budget, which would take place after the tax levy is approved.
    - **Mill rate = \$8.49 per \$1,000 value**
      - I hereby make a motion to set the 2020-2021 tax levy for the Kaukauna Area School District at \$21,815,450 which includes \$15,142,662 for general operations, \$6,459,238 for debt service and \$213,550 for community service
      - I hereby make a motion to set the 2020-2021 overall budget for the Kaukauna Area School District with revenues of \$64,757,069.78 and expenditures of \$63,827,967.83