

Budget Hearing & Annual Meeting

Cochrane- Fountain City
School District

October 24, 2022



Budget Hearing

Agenda

1. Welcome/Introductions
2. Budget Overview – Troy White, Superintendent
3. Questions & Discussion
4. Adjourn

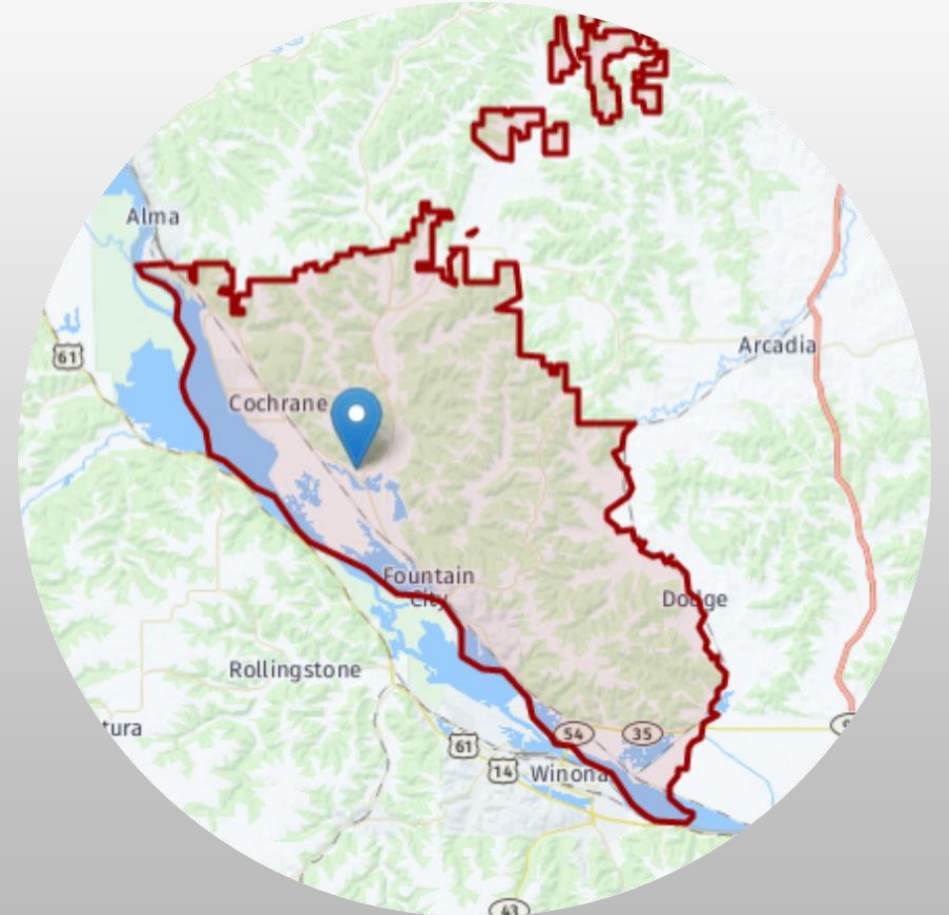


Mission Statement

In partnership with families and the community, C-FC provides a safe and supportive environment for all students. By providing a high-quality education that promotes academic and emotional growth, we empower students to be life-long learners and productive, responsible community citizens.

Communities we serve

- Village of Cochrane
- City of Fountain City
- City of Buffalo City
- City of Alma
- Town of Belvidere
- Town of Buffalo
- Town of Cross
- Town of Lincoln
- Town of Milton
- Town of Montana
- Town of Waumandee



District Profile

Student Demographics

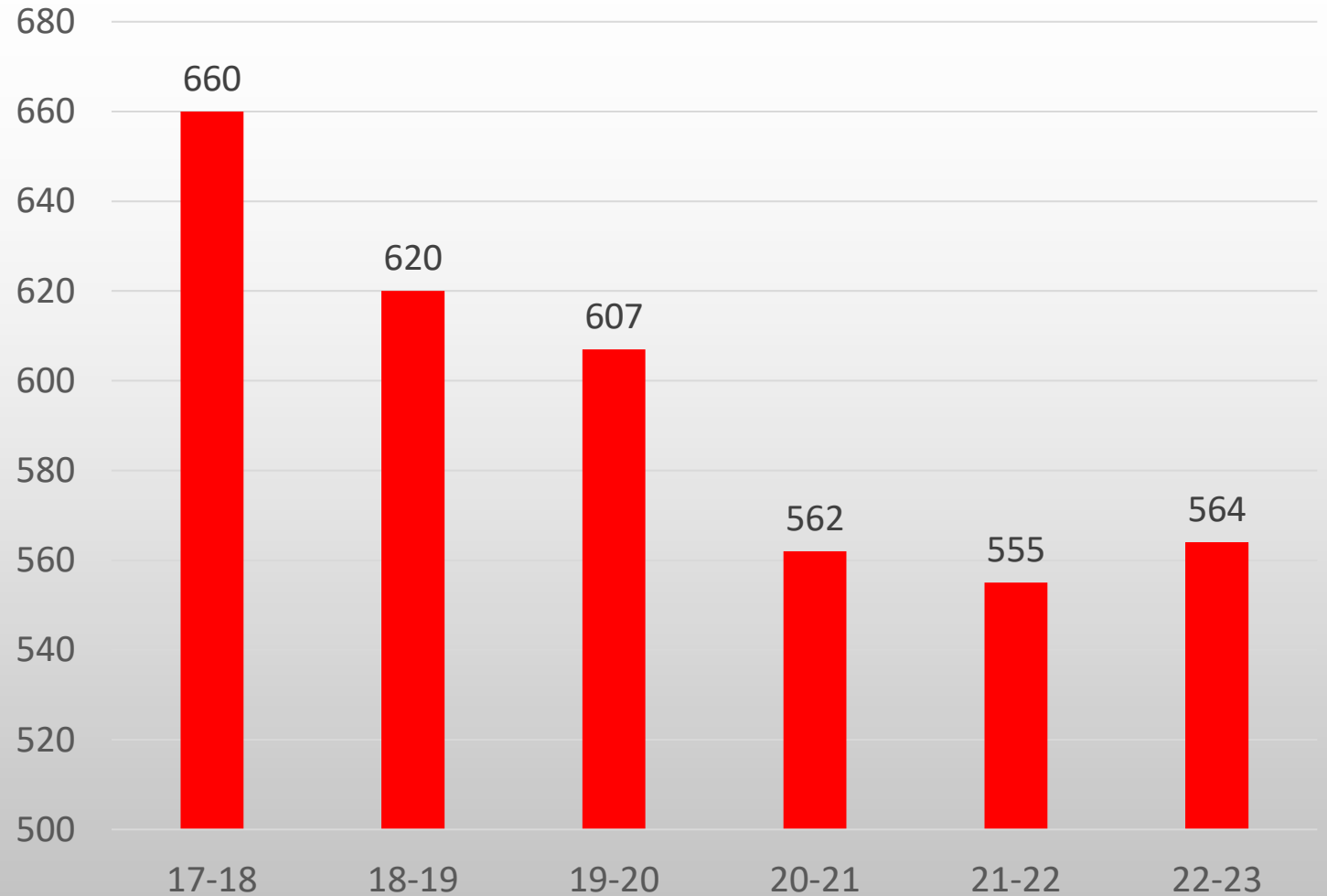
- **Enrollment:** 546
- **Student-to-Teacher Ratio:** 11.3 : 1
- **Students with Disabilities:** 10.9 %
- **Economically Disadvantaged:** 32.9 %
- **Percent Minority Enrollment:** 4.2 %
- **Limited English Proficient:** 0.2 %

2020-21 Student Achievement

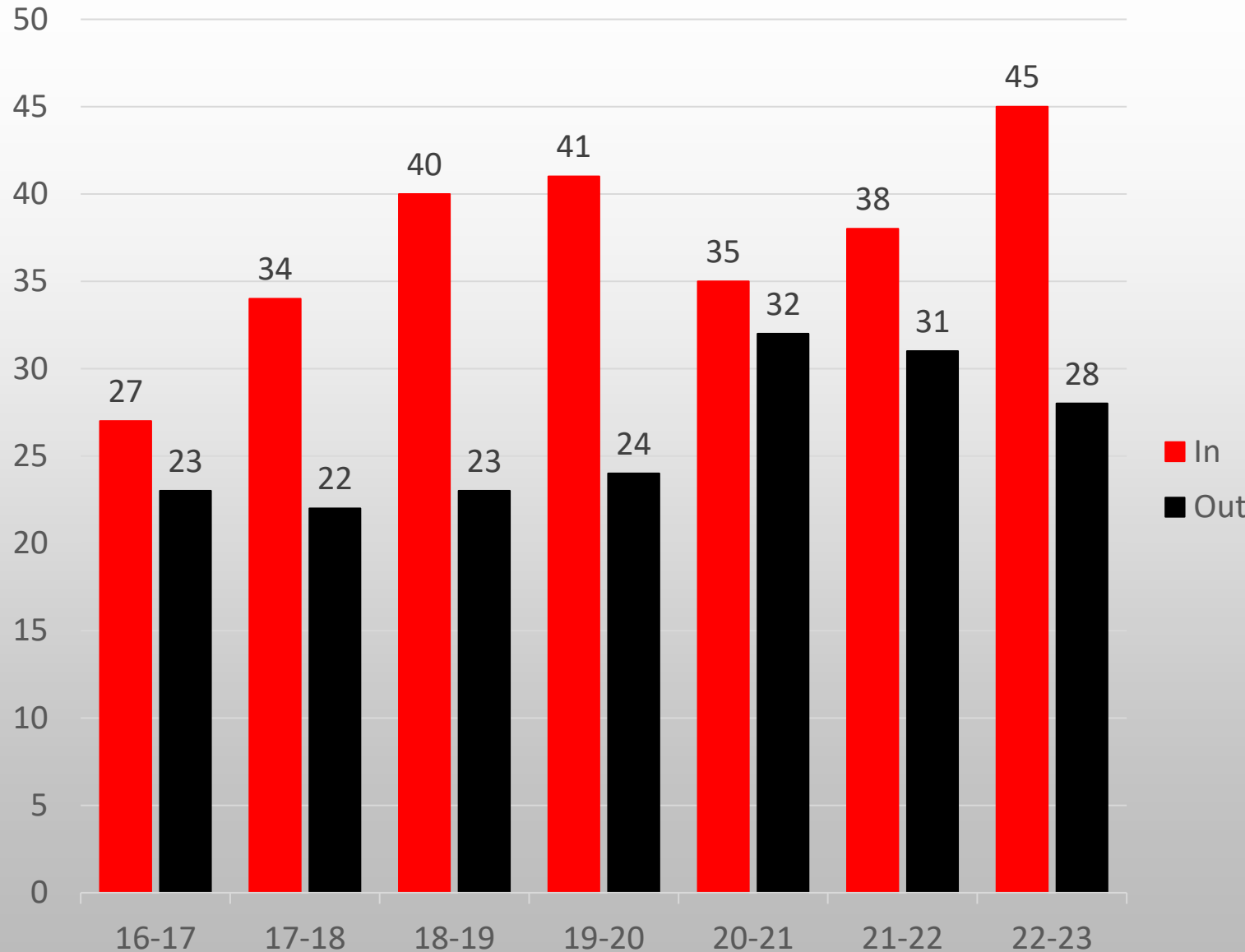
- **Graduation Rate:** 100%
- **Graduates ACT Average:** 19.1
- **Dual Enrollment Courses:** 14.6 %
- **Advanced Courses:** 17.7 %
- **District Math Proficiency:** 37.1 %
- **District ELA Proficiency:** 37.1 %
- **District ELA Value Added:** 77.4/100
- **District ELA Value Added:** 62.2/100

Enrollment

- Declining enrollment district has leveled off.
- The revenue limit is based on a 3-year rolling average of membership not enrollment.
- Enrollment levels determine the amount of revenue the district has to operate.



Open Enrollment



- Transfer IN
45 students
- Transfer OUT
28 students
- Net Transfers
17 students

Revenue Limit

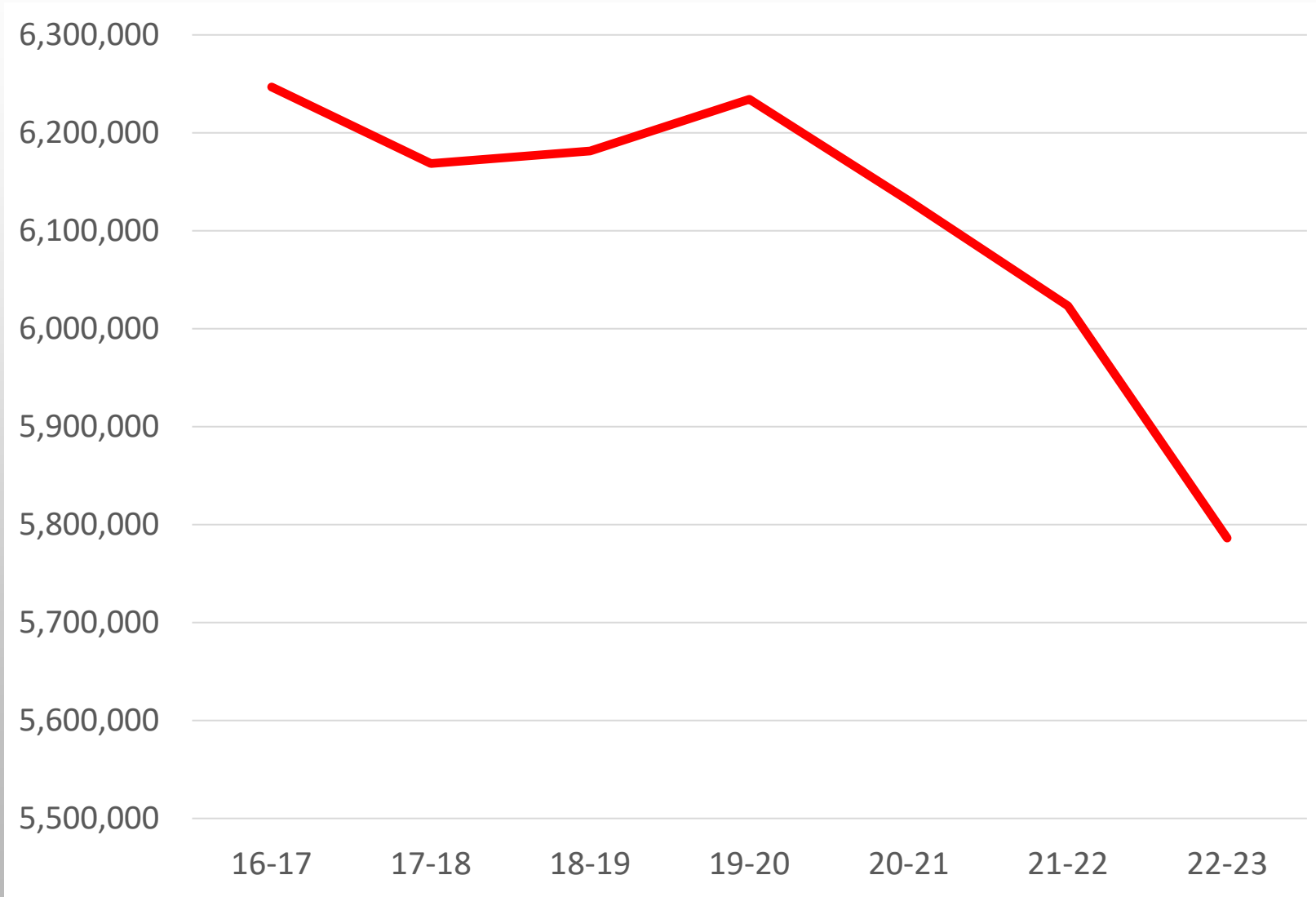


- The revenue limit impacts ~85-90% a school district's operational revenue.
- Revenue Limit = Equalization Aid (State) + Property Tax Levy (Local)
- Equalization Aid + Property Taxes are inversely proportional. If one goes down the other goes up.

Factors that impact the revenue limit:

- Student enrollment
- Per student spending in prior years
- Additional funding allocated by the state

Revenue Limit = State Aid + Property Taxes



- The Revenue Limit decreased by \$237,100
- Less operational revenue
- CPI (inflation) for 2023 is currently estimated at ~8%
- In the biennial budget, the legislature did not increase the low revenue ceiling adjustment
- In the biennial budget the legislature removed the per pupil adjustment that was previously \$179/pupil

Equalization Aid

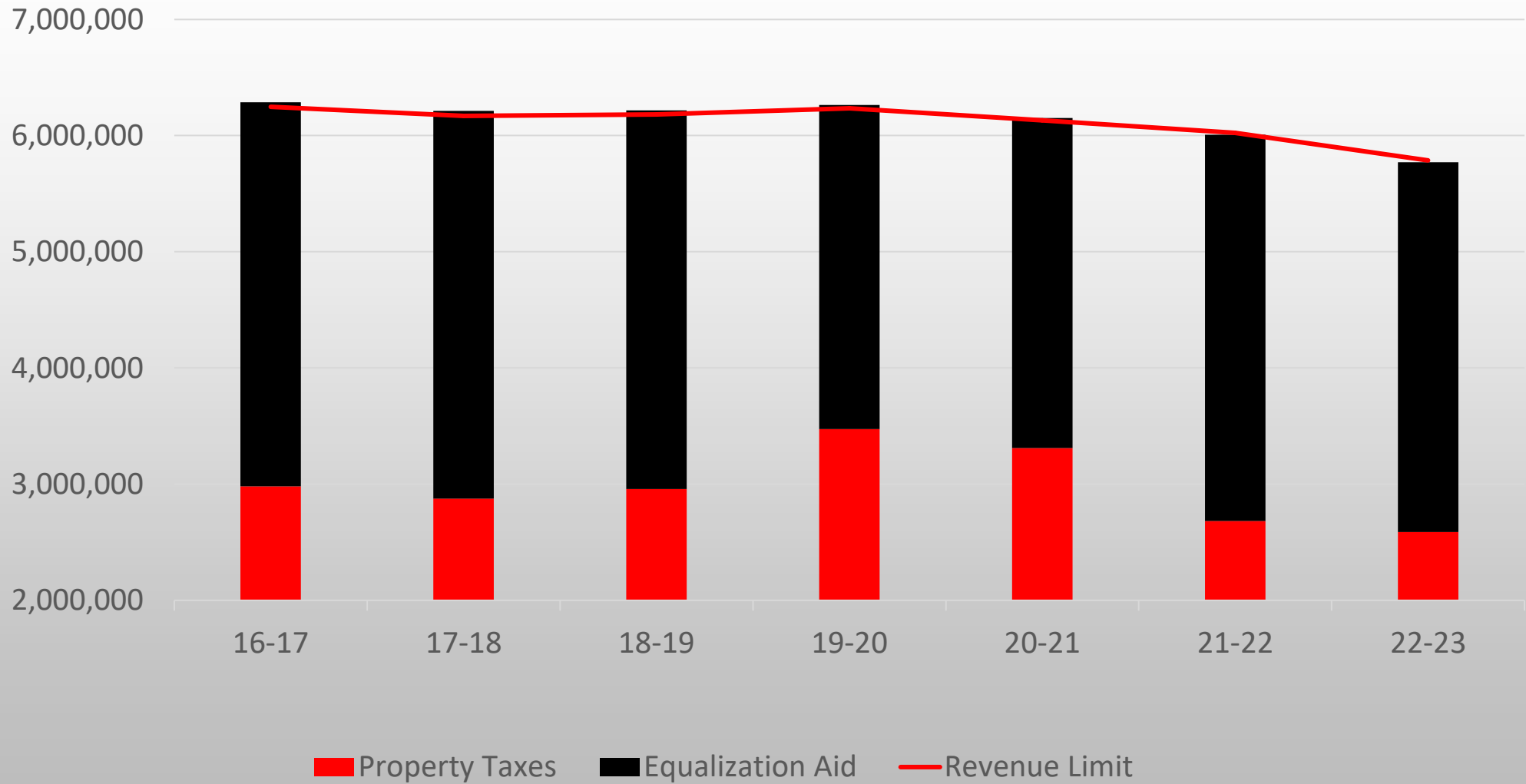


The primary way the State supports schools is via equalized aid. The state aid formula ranks the wealth of a school district based on the property wealth per student. “Wealthier” districts receive less aid and “Poorer” districts receive more aid.

Factors that impact equalized aid:

- Student enrollment
- Local equalized value (property value)
- Local spending (per pupil)

Revenue Limit = State Aid + Property Taxes



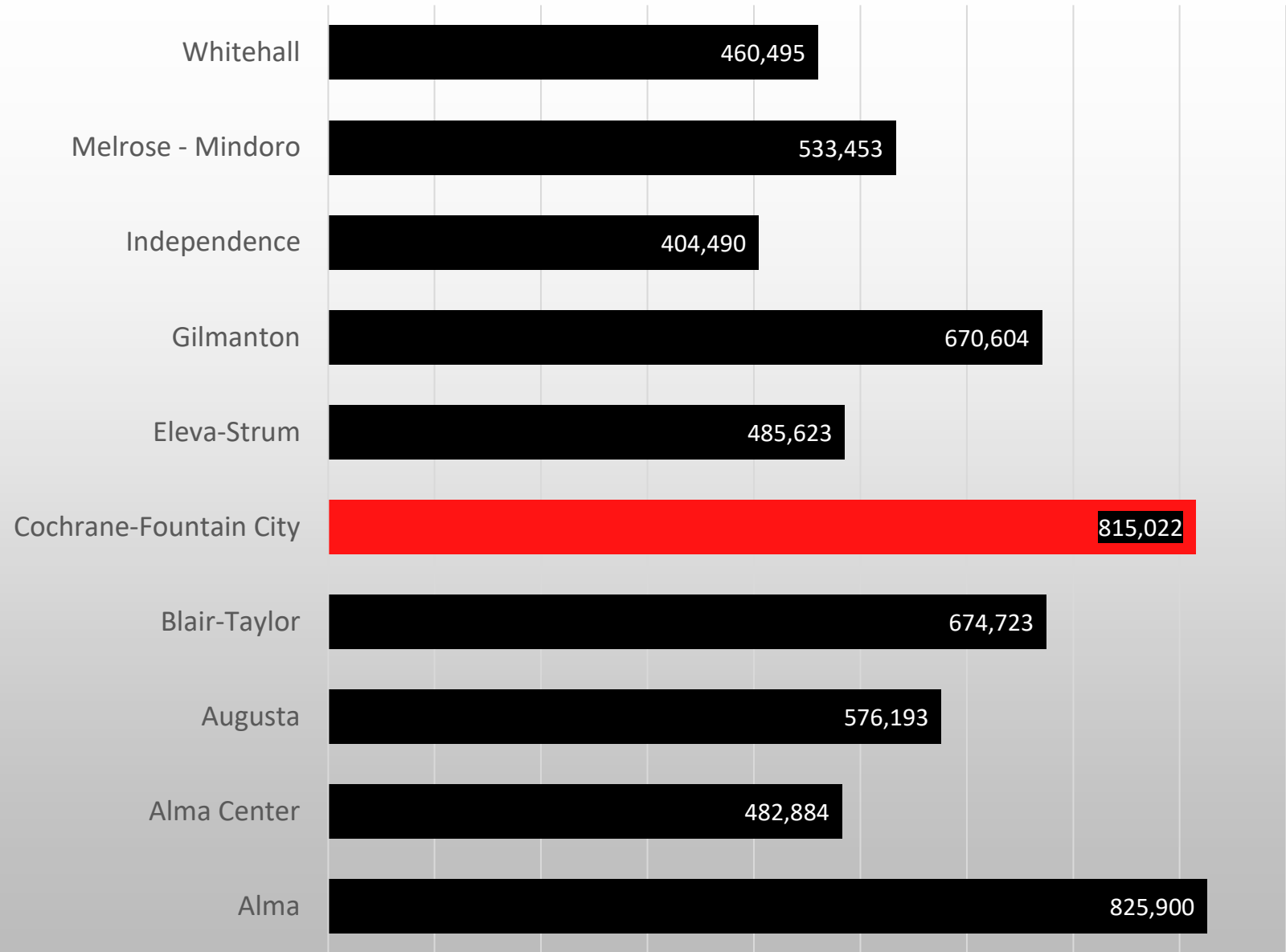
The state aid formula ranks the wealth of a school district community based on the property wealth per student.

C-FC's equalized value per student was \$815,022 for the 2022-23 Aid Calculation.

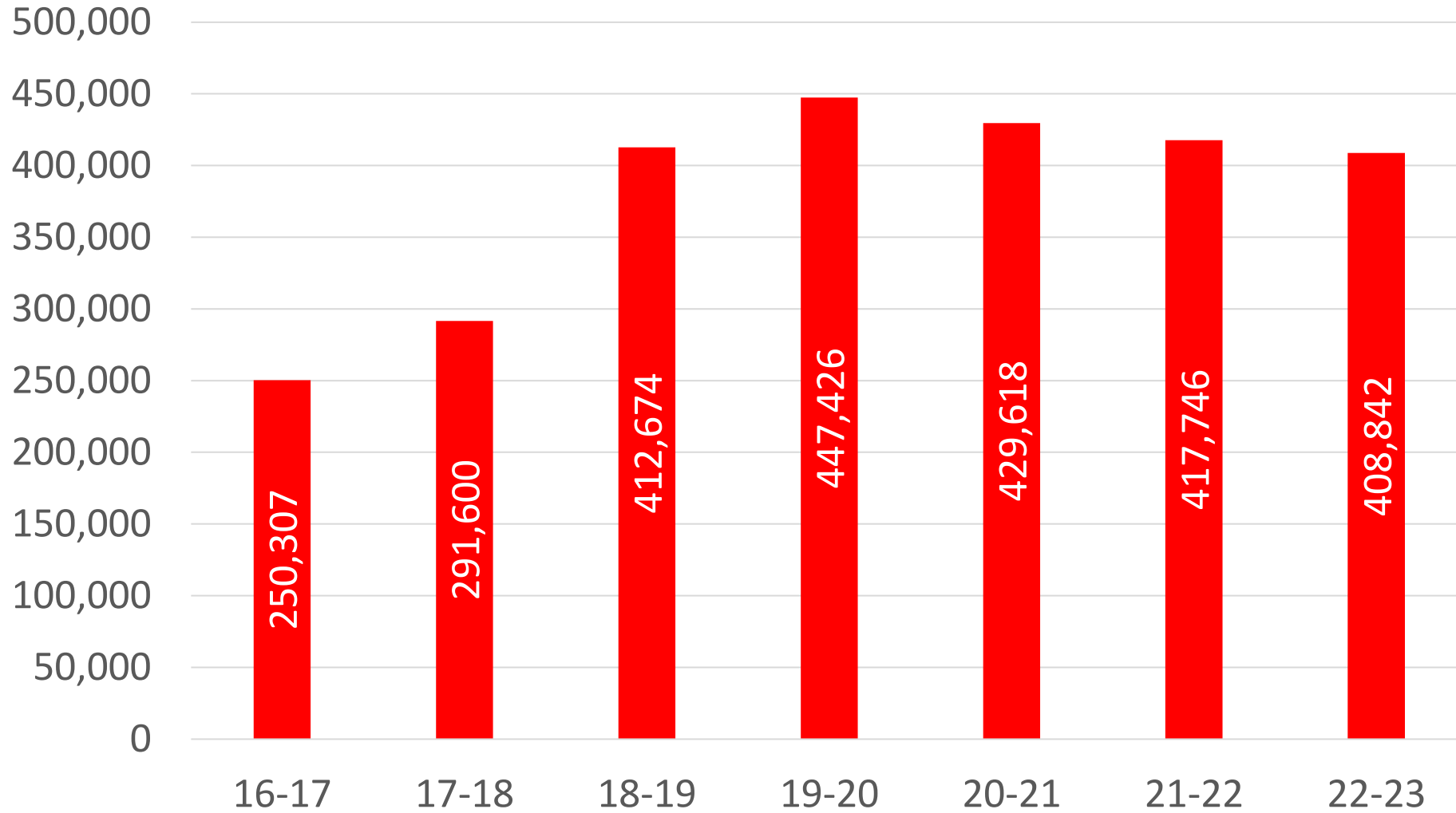
Higher value ("wealthier district") = Less aid

Lower value ("poor district") = More aid

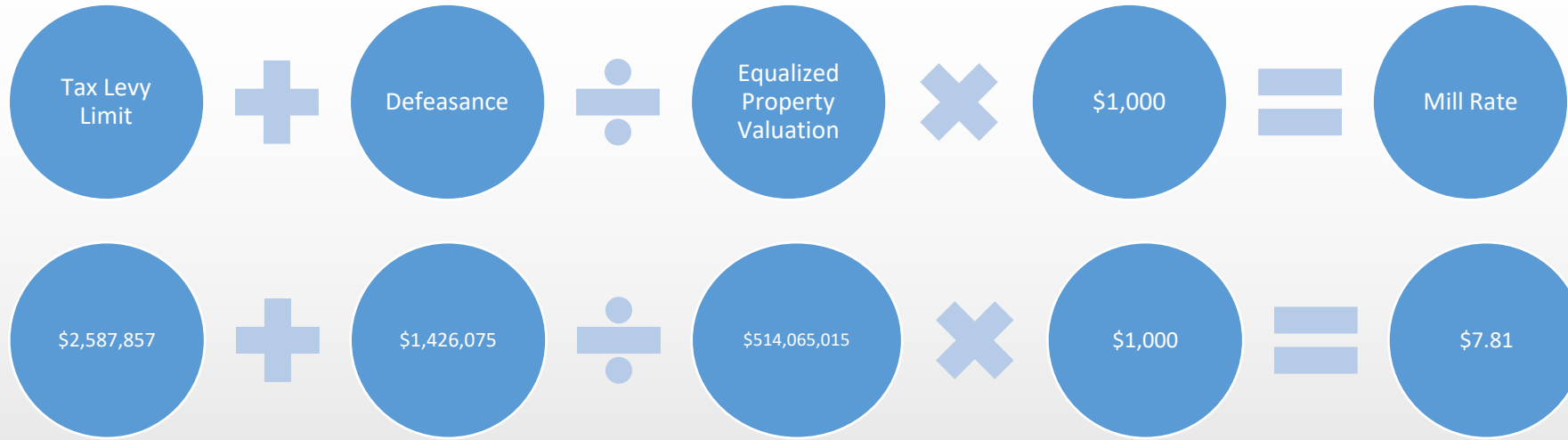
Conference Comparison Property Wealth Per Student 2021



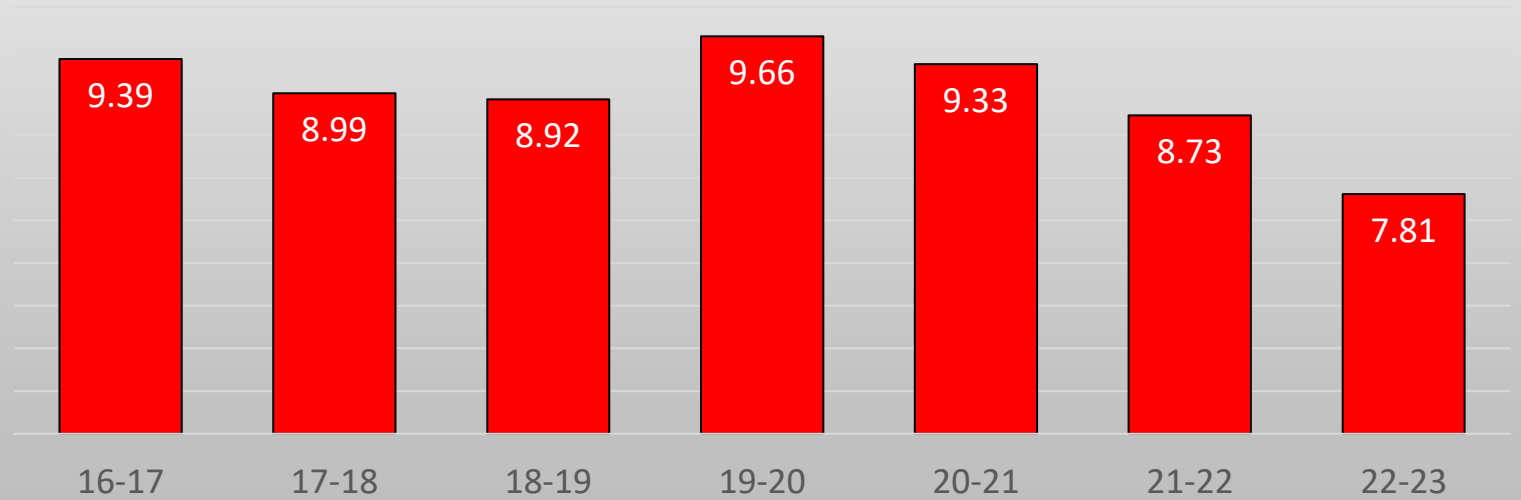
Per Pupil Aid



Mill Rate



Historical Mill Rate per \$1,000 of equalized assessed valuation



- 2021-22 Mill Rate \$8.73
- 2022-23 Mill Rate \$7.81
- 10 Year Average \$9.19
- \$1.38 below average
- \$0.92 below last year

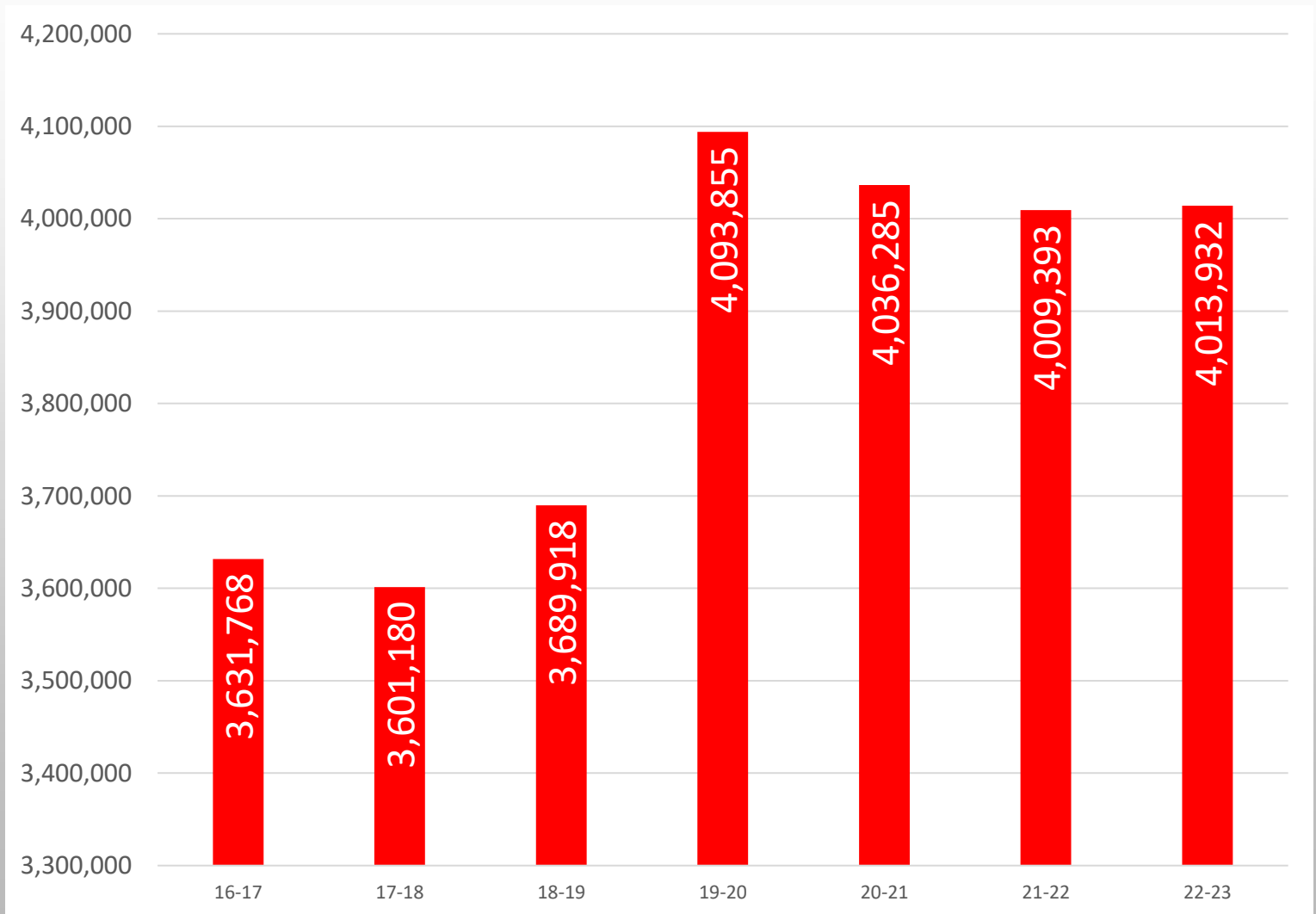
Property Tax Levy

➤ 2022-23 shows a slight Increase in the property tax levy (\$4,539)

➤ \$4,013,932

Contributing Factors:

- ✓ Lower declining student enrollment
- ✓ Increasing Property Value & Equalization Aid (State)
- ✓ Decrease in the Revenue Limit



General Fund 10

The general fund is used to account for all financial transactions relating to the district's current operations, except for those required to be accounted for in other funds.

| General Fund 10 | Audited 2020-21 | Unaudited 2021-22 | Budget 2022-23 |
|--|----------------------------|------------------------------|---------------------------|
| Beginning Fund Balance | 3,385,382.35 | 3,856,322.95 | 4,247,881.52 |
| Ending Fund Balance | 3,856,322.95 | 4,247,881.52 | 4,247,680.38 |
| REVENUES & OTHER FINANCING SOURCES | | | |
| Transfers-In (Source 100) | 0.00 | 0.00 | 0.00 |
| Local Sources (Source 200) | 3,359,231.29 | 2,757,216.97 | 2,645,857.00 |
| Inter-district Payments (Source 300 + 400) | 270,702.00 | 279,019.00 | 403,344.00 |
| Intermediate Sources (Source 500) | 4,770.00 | 3,660.57 | 3,000.00 |
| State Sources (Source 600) | 3,932,524.29 | 4,411,500.91 | 4,193,025.00 |
| Federal Sources (Source 700) | 163,399.19 | 636,413.84 | 558,735.68 |
| All Other Sources (Source 800 + 900) | 93,967.85 | 27,009.45 | 37,500.00 |
| TOTAL REVENUES & OTHER FINANCING SOURCES | 7,824,594.62 | 8,114,820.74 | 7,846,461.68 |
| EXPENDITURES & OTHER FINANCING USES | | | |
| Instruction (Function 100 000) | 3,313,707.53 | 3,460,949.84 | 3,494,376.63 |
| Support Services (Function 200 000) | 2,989,057.24 | 3,358,274.30 | 3,295,441.02 |
| Non-Program Transactions (Function 400 000) | 1,050,889.25 | 904,038.03 | 1,056,845.17 |
| TOTAL EXPENDITURES & OTHER FINANCING USES | 7,353,654.02 | 7,723,262.17 | 7,846,662.82 |

Special Projects Fund 21 & 27

Fund 21 Special Revenue Trust Fund (Gifts and Donations)

This fund is used to account for trust funds that can be used for district operations. The source of such funds is gifts and donations from private parties. Cash and investments in this fund are expended pursuant to donor specifications. There may be a fund balance in this fund.

Fund 27 Special Education Fund

The fund is used to account for the excess cost of providing special education and related services for students with disabilities during the regular school year or extended school year. No fund balance or deficit can exist in this fund.

| SPECIAL PROJECTS FUND 21 & 27 | Audited 2020-21 | Unaudited 2021-22 | Budget 2022-23 |
|--|----------------------------|------------------------------|---------------------------|
| Beginning Fund Balance | 42,417.68 | 125,814.36 | 354,609.37 |
| Ending Fund Balance | 125,814.36 | 354,609.37 | 410,109.37 |
| REVENUES & OTHER FINANCING SOURCES | 1,019,162.82 | 1,243,936.56 | 1,215,820.17 |
| EXPENDITURES & OTHER FINANCING USES | 935,765.82 | 1,015,141.55 | 1,160,320.17 |

Referendum Approved Debt Service Fund 39

This fund is used to account for transactions for the repayment of debt issues that were either: authorized by school board resolution before August 12, 1993, or approved by referendum. A fund balance may exist in this fund.

The district has debt service in Fund 39 for the 2018 referendum.

| DEBT SERVICE FUND 39 | Audited 2020-21 | Unaudited 2021-22 | Budget 2022-23 |
|--|----------------------------|------------------------------|---------------------------|
| Beginning Fund Balance | 0.00 | 0.00 | 0.00 |
| Ending Fund Balance | 0.00 | 0.00 | 0.00 |
| REVENUES & OTHER FINANCING SOURCES | 825,700.00 | 1,326,437.16 | 1,426,075.00 |
| EXPENDITURES & OTHER FINANCING USES | 825,700.00 | 1,326,437.16 | 1,426,075.00 |

Capital Project Fund 46

We are using Fund 46 to allows us to save and plan for future capital projects (e.g. roofing). This allows us to be aided from the state on these funds rather than the alternative of leaving money in the general fund balance which is unaided. A fund balance may exist in this fund.

| Capital Projects Fund 46 | Audited 2020-21 | Unaudited 2021-22 | Budget 2022-23 |
|--|----------------------------|------------------------------|---------------------------|
| Beginning Fund Balance | 147,357.36 | 169,251.52 | 249,718.96 |
| Ending Fund Balance | 169,251.52 | 249,718.96 | 350,218.96 |
| REVENUES & OTHER FINANCING SOURCES | 40,522.12 | 80,467.44 | 100,500.00 |
| EXPENDITURES & OTHER FINANCING USES | 18,627.96 | 0.00 | 0.00 |

Food Service Fund 50

All revenues and expenditures related to food service activities are recorded in this fund. A fund balance in the Food Service Fund is permitted. There may be no deficit in the district's Food Service Fund. All food items sold through the program meets state and federal standards for nutrition.

| Food Service Fund 50 | Audited 2020-21 | Unaudited 2021-22 | Budget 2022-23 |
|--|----------------------------|------------------------------|---------------------------|
| Beginning Fund Balance | 0.00 | 45,222.63 | 219,795.22 |
| Ending Fund Balance | 45,222.63 | 219,795.22 | 216,445.22 |
| REVENUES & OTHER FINANCING SOURCES | 412,883.60 | 620,784.43 | 500,000.00 |
| EXPENDITURES & OTHER FINANCING USES | 367,660.97 | 446,211.84 | 503,350.00 |

Fund 80 Community Service Fund

This fund is used to account for programs which are not elementary and secondary educational programs but have the primary function of serving the community. The district may adopt a separate tax levy for this Fund. Statute 120.13(19) permits a school board to establish and maintain community education, training, recreational, cultural, or athletic programs and services, outside regular curricular and extracurricular programs for pupils, under such terms and conditions as the school board prescribes. The school board may establish and collect fees to cover all or part of the costs of such programs and services.

| Community Service Fund 80 | Audited 2020-21 | Unaudited 2021-22 | Budget 2022-23 |
|--|----------------------------|------------------------------|---------------------------|
| Beginning Fund Balance | 12,703.23 | 12,703.23 | 10,927.16 |
| Ending Fund Balance | 12,703.23 | 10,927.16 | 10,827.16 |
| REVENUES & OTHER FINANCING SOURCES | 0.00 | 3,850.00 | 0.00 |
| EXPENDITURES & OTHER FINANCING USES | 0.00 | 5,626.07 | 100.00 |

Defeasance

Defeasance is a practice of over-levying debt service to establish an escrow account to pay more of a loan so as not to incur as much interest.

| | | | | |
|-----------------|--|---|------------------|-----------------------|
| 2021-22 | 200,000 | 811,625 | 8.73 | 4,009,393 |
| 2022-23 | Amount transferred from Fund 10 to referendum approved debt (Fund 39) | Referendum approved debt (Fund 39) | Mill Rate | Total Tax Levy |
| Option 1 | 0 | 726,075 | 5.64 | 3,320,043 |
| Option 2 | 200,000 | 926,075 | 6.84 | 3,520,043 |
| Option 3 | 400,000 | 1,126,075 | 7.23 | 3,720,043 |
| Option 4 | 600,000 | 1,326,075 | 7.62 | 3,920,043 |
| Option 5 | 700,000 | 1,426,075 | 7.81 | 4,013,932 |

Total Expenditures

| All Funds - Expenditures | 2020-2021 | 2021-22 | Budget 2022-23 |
|---|------------------|------------------|-----------------------|
| Gross Total Expenditures - All Funds | \$ 9,501,408.77 | \$ 10,515,678.79 | \$ 10,936,507.99 |
| Interfund Transfers (Source 100) - All Funds | \$ 633,753.05 | \$ 506,255.29 | \$ 676,014.17 |
| Refinancing Expenditures (Fund 30) | \$ - | \$ - | \$ - |
| Net Total Expenditures - All Funds | \$ 8,867,655.72 | \$ 10,010,423.50 | \$ 10,260,493.82 |
| % Change - Net total fund expenditures from prior year | | 12.89% | 2.50% |

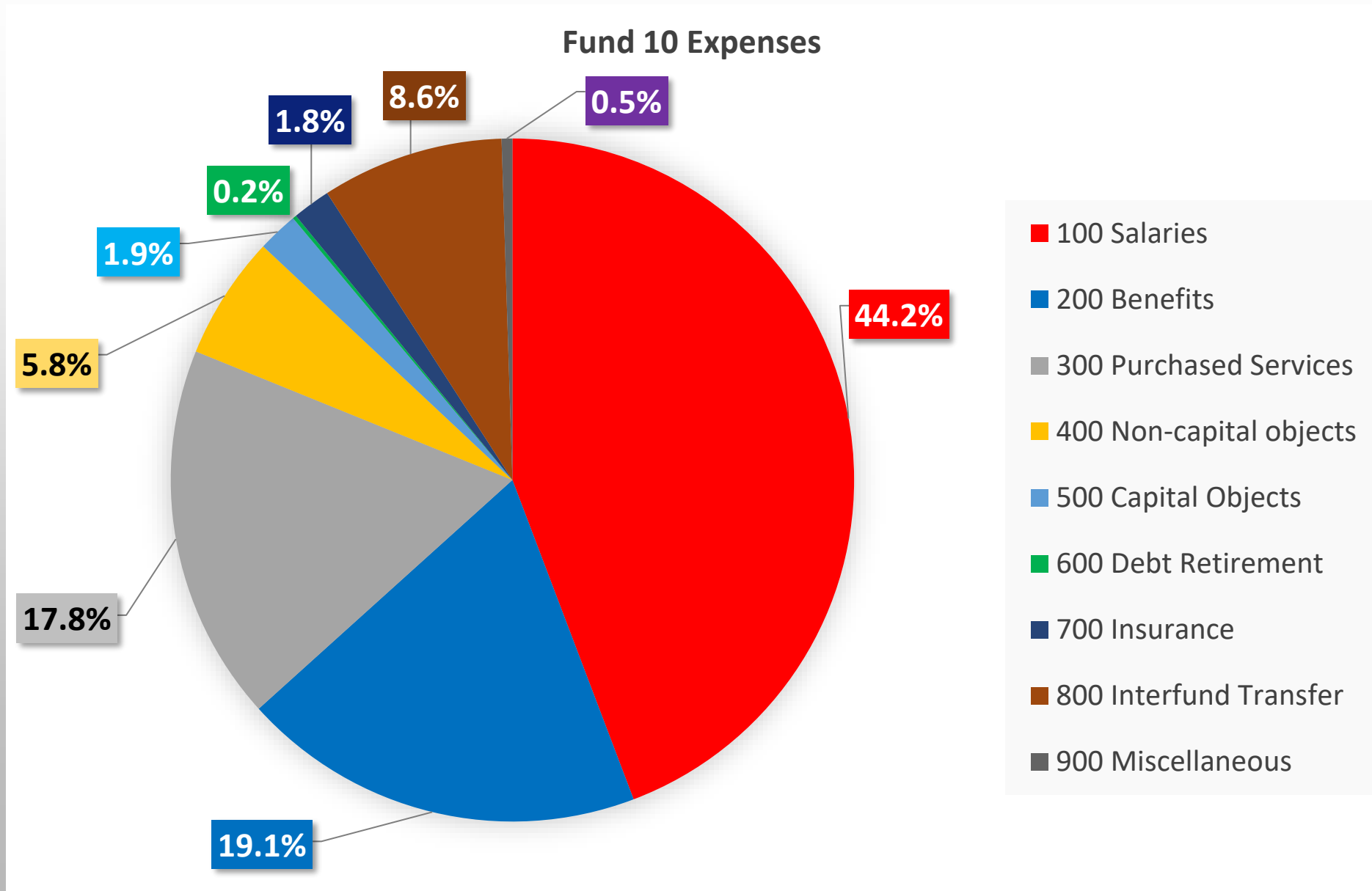
| Proposed Property Tax Levy | 2020-2021 | 2021-22 | Budget 2022-23 |
|---|--------------------|--------------------|-----------------------|
| General Fund | \$3,310,585 | \$2,683,683 | \$2,587,857 |
| Debt Service Fund | \$825,700 | \$1,325,700 | \$1,426,075 |
| Fund Balance Reduction | -\$100,000 | \$0 | \$0 |
| Total School Levy | \$4,036,285 | \$4,009,383 | \$4,013,932 |
| % Change - Net total fund expenditures from prior year | | -0.67% | 0.11% |

The referendum debt due this year is \$825,700. \$700,000 will be put into defeasance to reduce the future tax levies on the referendum debt. The referendum debt tool is a non-callable promissory note. Because the note is non-callable, it cannot be paid off early, however, we can put aside some money to assist with making the payments in the future (defeasance).

| All Funds | 2020-2021 | 2021-22 | Budget 2022-23 |
|---|-----------|---------|----------------|
| General Fund | \$7.65 | \$5.84 | \$5.03 |
| Debt Service Fund | \$1.68 | \$2.89 | \$2.77 |
| Total School Levy | \$9.33 | \$8.73 | \$7.81 |
| % Change - Net total fund expenditures from prior year | | -6.43% | -10.56% |

The increase in equalization aid has allowed the district to reduce the tax rate and set aside funds for a defeasance to reduce the future tax rate on the referendum debt.

Breakdown of Expenses by Object



Questions?

* Adjourn





Annual Meeting

Cochrane- Fountain City
School District

October 24, 2022



Purpose

1. To provide an opportunity for the constituents of the C-FC School District to have a voice in the utilization of local tax dollars for student education.
2. To meet the November 1, 2022, deadline by which the School Board must vote on the district property tax levy for the 2022-2023 school year.
3. At the Special Board Meeting on October 24, 2022, the Board will be approving the 2022 -2023 tax levy.

School Board

- Larry Cyrus – President
- Kalene Engel – Vice President
- Niki Secrist – Clerk
- Lynn Doelle – Treasurer
- Don Baloun– Director
- Bonnie Breza– Director
- Darrin Dillinger – Director

Administrative Team

- Troy White– Superintendent
- Steve Stoppelmoor – Principal
- Sue McKay – Assistant Principal
- Garek Barum – Maintenance
- Amanda Brakke – Food Service
- Randy Fetting – Transportation

Annual Meeting Agenda

October 24, 2022

- I. **Call to Order – Larry Cyrus, Board President**
- II. **Elect Chairperson**
- III. **Approval of Treasurer’s Report**
- IV. **Presentation of 2022-23 Budget**
- V. **Resolutions**



V. Resolutions

- A. Adopt the 2022-2023 Total School Tax Levy.**
- B. Authorize the Board to direct and provide for the prosecution or defense of legal action and privileges in which the district has an interest.**
- C. Authorize the Board to short-term borrow to meet cash flow needs of the district until the next annual meeting.**
- D. Approval of annual compensation of the Board of Education at the current rate of pay.**
- E. Approval that the actual and necessary expenses of a school board member, when traveling in the performance of duties, be authorized for reimbursement.**
- F. Authorize the sale of excess materials and equipment and provide textbooks, if appropriate.**
- G. Authorize the Board to set the date for the 2023-2024 Annual Meeting.**

H. This statement serves as public notice that The School District of Cochrane-Fountain City is utilizing Internet Filtering through a mix of on-prem and cloud-based Cisco equipment on all computers capable of accessing the Internet in order to comply with the Federal Children’s Internet Protection Act.

VI. Adjourn



COCHRANE – FOUNTAIN CITY
SCHOOL DISTRICT