

# Budget Hearing & Annual Meeting

Cochrane- Fountain City  
School District

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October 25, 2021



# Budget Hearing

## Agenda

1. Call to order – Karen Knospe, President
2. Presentation of Budget Information – Dr. Jo-Ellen Fairbanks, Superintendent
3. Questions & Discussion
4. Adjourn



# School Board

- Karen Knospe – President
- Rita Greshik – Vice President
- Bonnie Breza – Clerk
- Lynn Doelle – Treasurer
- Don Baloun– Director
- Larry Cyrus– Director
- Kalene Engel – Director

**It's a Great Day to be a Pirate !**

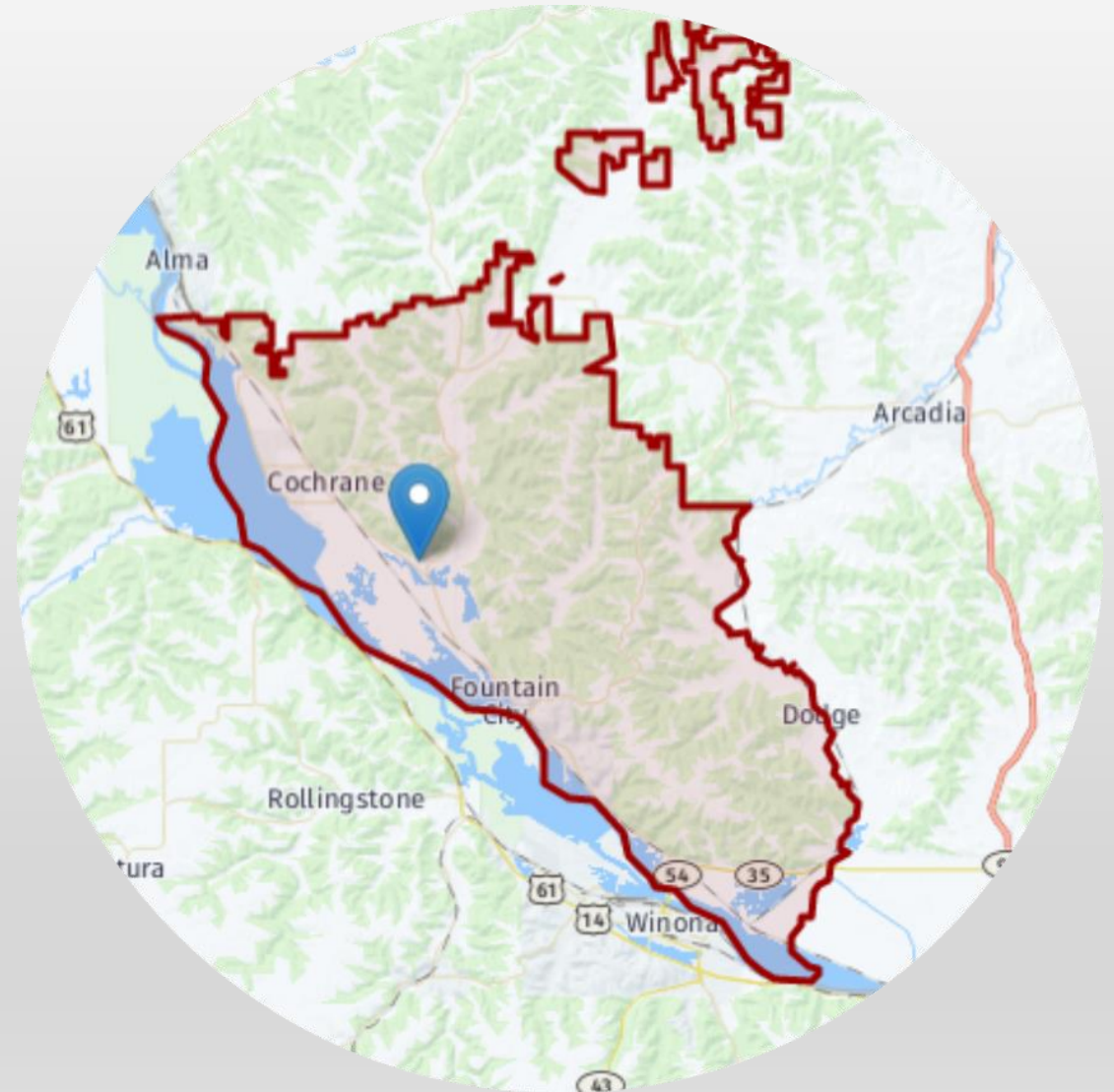
# Administration Team

- Superintendent  
Dr. Jo-Ellen Fairbanks
- Principal  
Mr. Steve Stoppelmoor
- Asst. Principal  
Ms. Sue McKay

# Who we serve

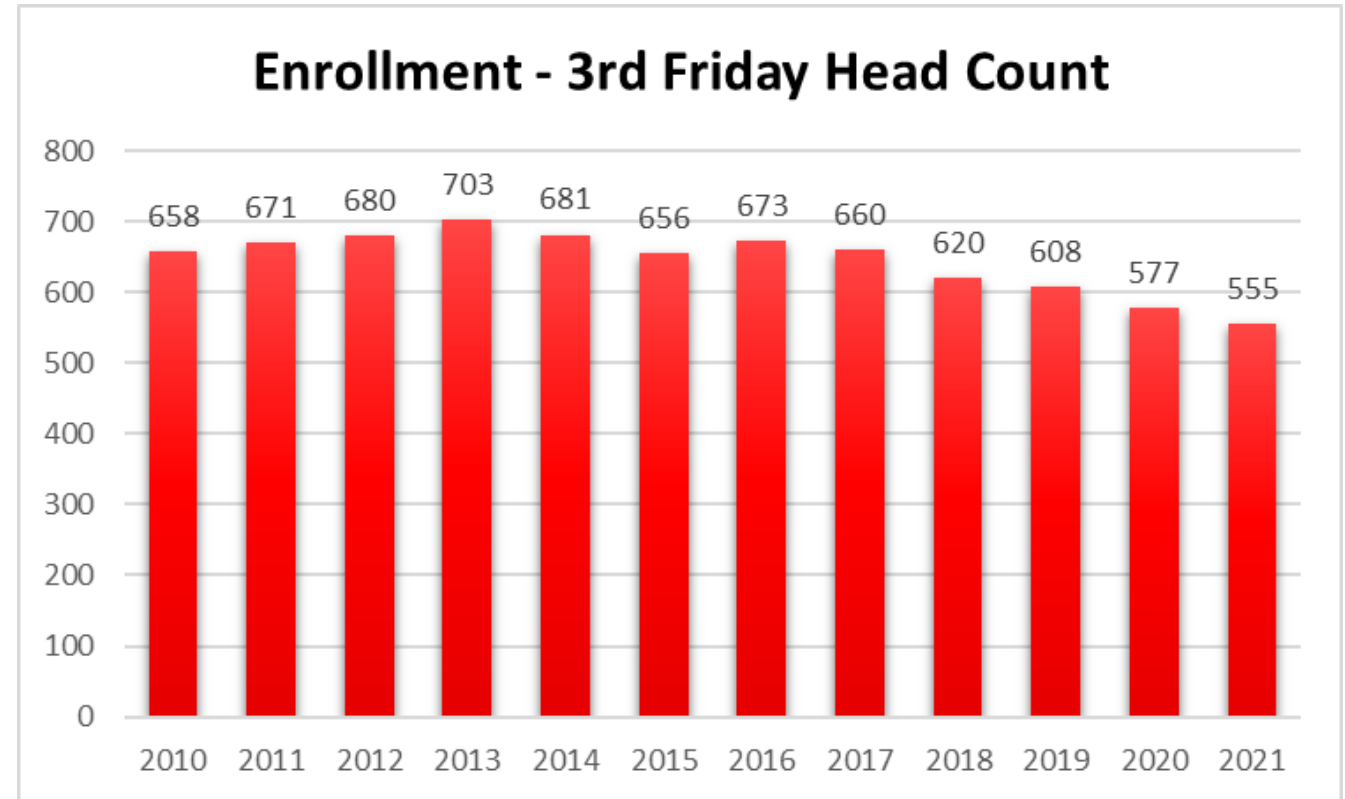
Cochrane-Fountain City  
School District

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



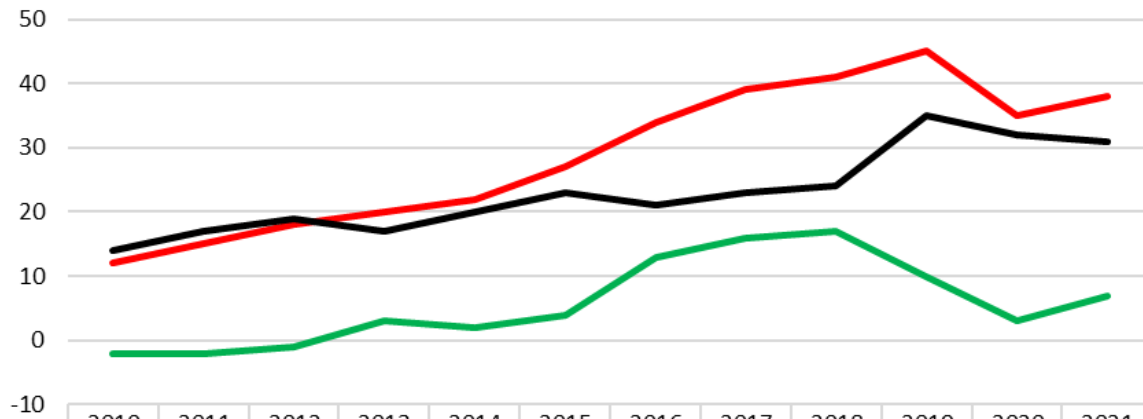
# Enrollment

- Declining enrollment district
- The revenue limit is based on student membership
- As enrollment declines, the amount of revenue the district is allowed to operate under declines



# Open Enrollment

Open Enrollment



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Transfers In	12	15	18	20	22	27	34	39	41	45	35	38
Transfers Out	14	17	19	17	20	23	21	23	24	35	32	31
Net Transfers	-2	-2	-1	3	2	4	13	16	17	10	3	7

- Transfer IN - 38 students
- Transfer OUT - 31 students
- Net Transfer IN - 7 students

# Revenue Limit



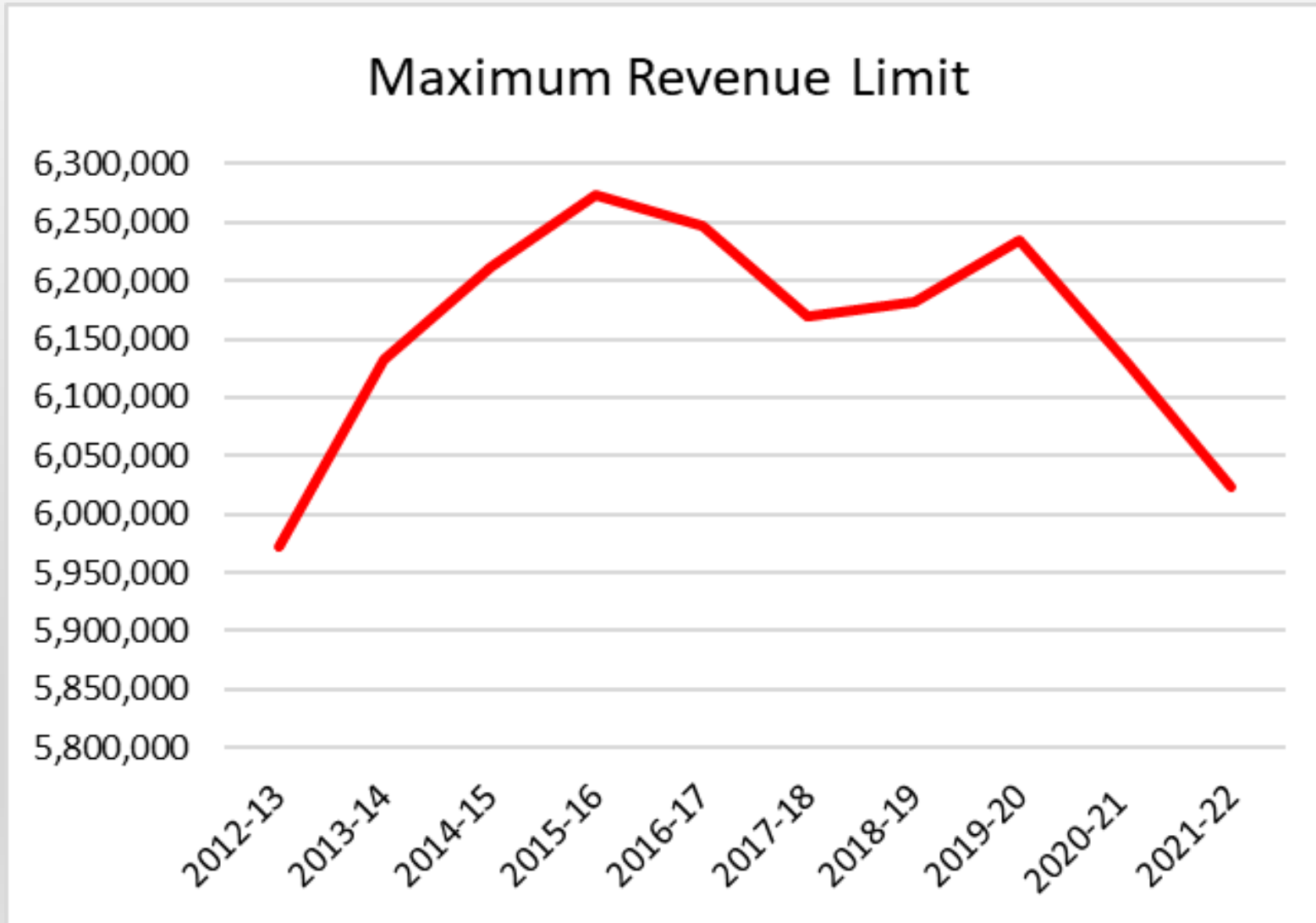
- The revenue limit impacts ~85-90% a school district's operational revenue.
- Revenue Limit = Equalization Aid (State) + Property Tax Levy (Local)
- Equalization Aid + Property Taxes are inversely proportional. If one goes down the other goes up.

## Factors that impact the revenue limit:

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



# Revenue Limit



- For '21-22, Revenue Limit decreased by \$98,986
- Less operational revenue
- CPI (inflation) for 2022 is currently estimated at ~4%
- 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:

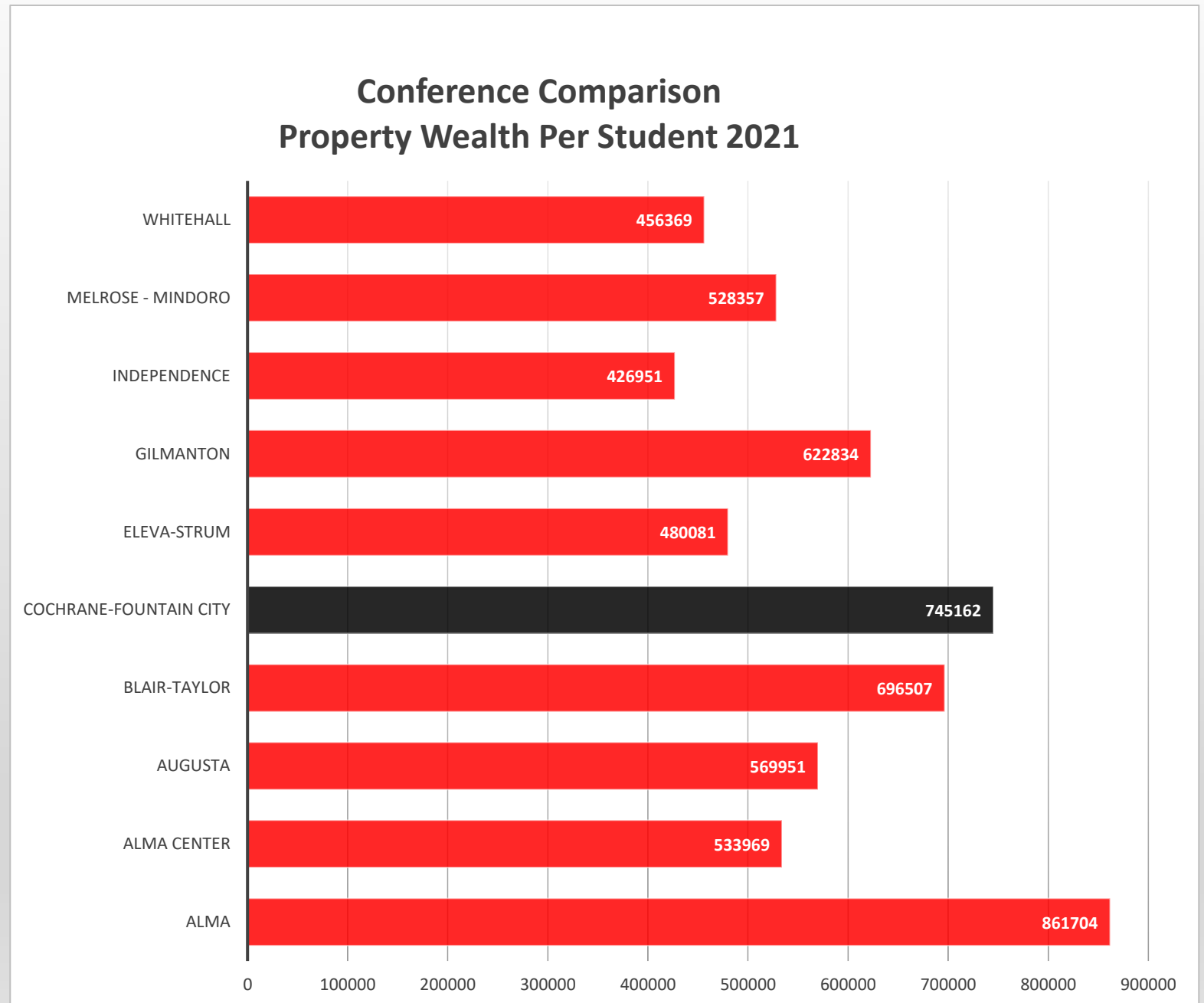
- Student enrollment
- Local equalized value (property value)
- Local spending (per pupil)

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

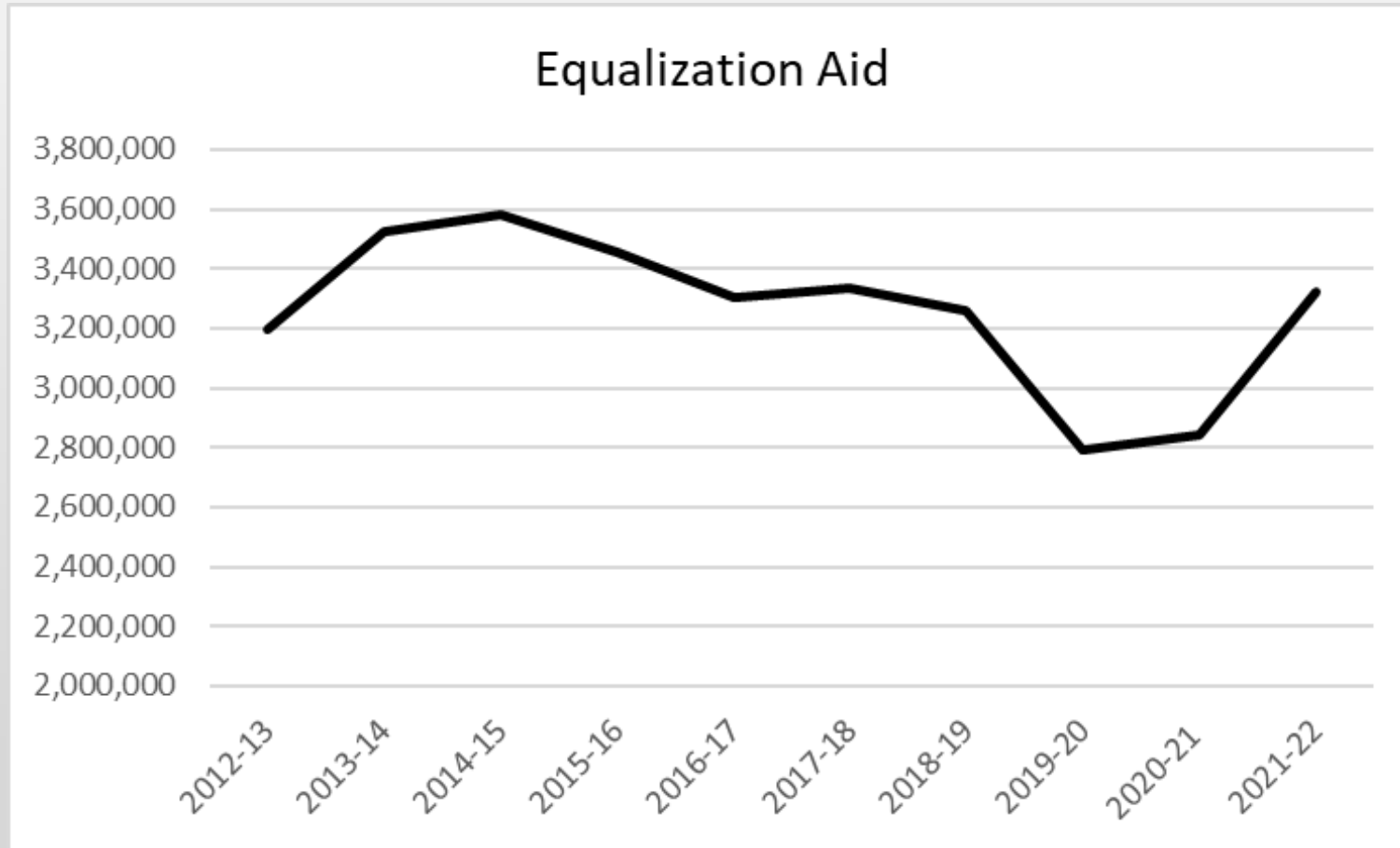
C-FC's equalized value per student was \$745,162 for the 2021-22 Aid Calculation.

Higher value ("wealthier district") = Less aid

Lower value ("poor district") = More aid



# Equalization Aid



- Increase in Equalization Aid (State)
- No low revenue ceiling adjustment
- Decrease in property tax levy

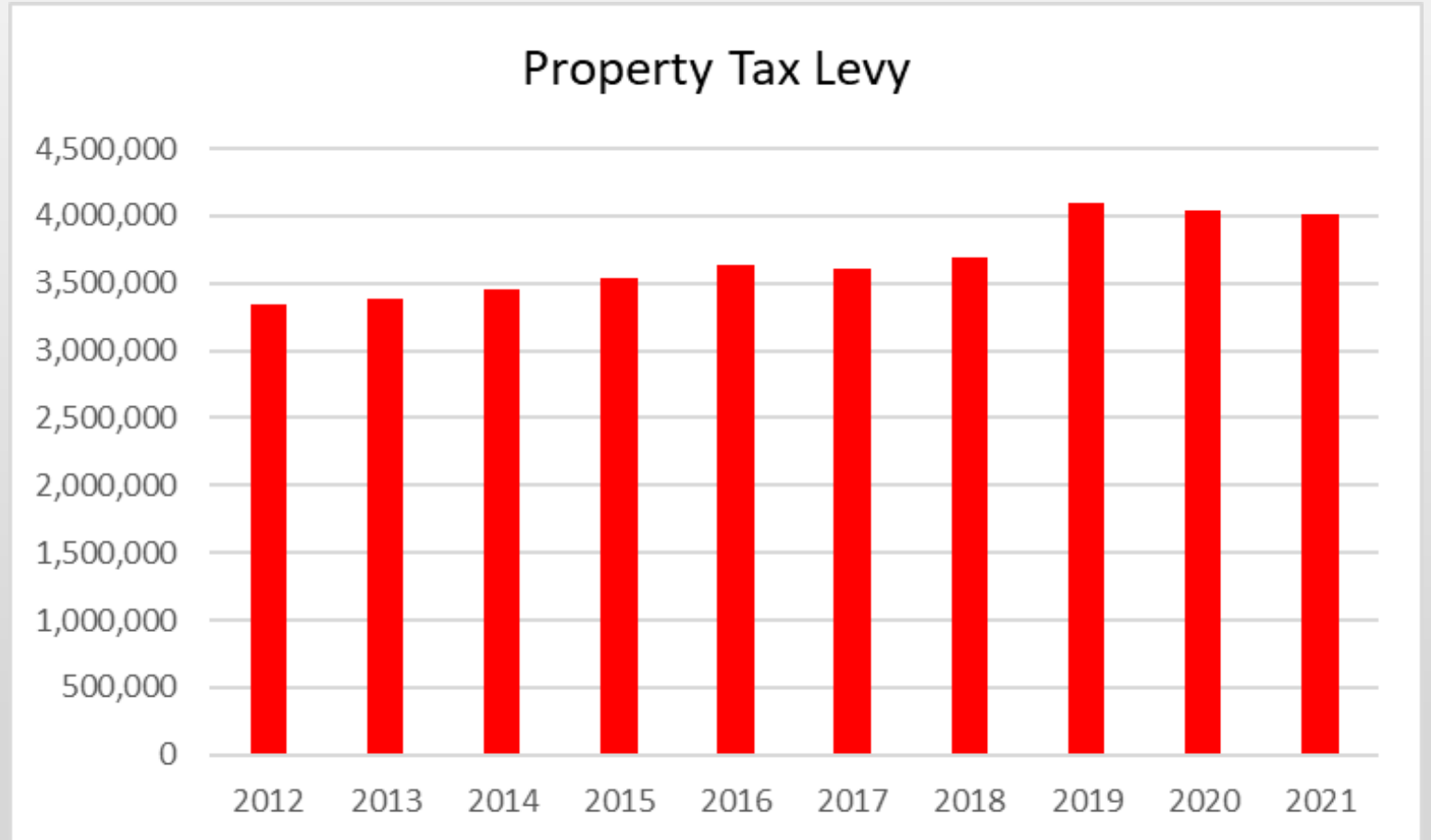
# Property Tax Levy

➤ 2021-22 shows a slight decrease in the property tax levy (\$-26,892)

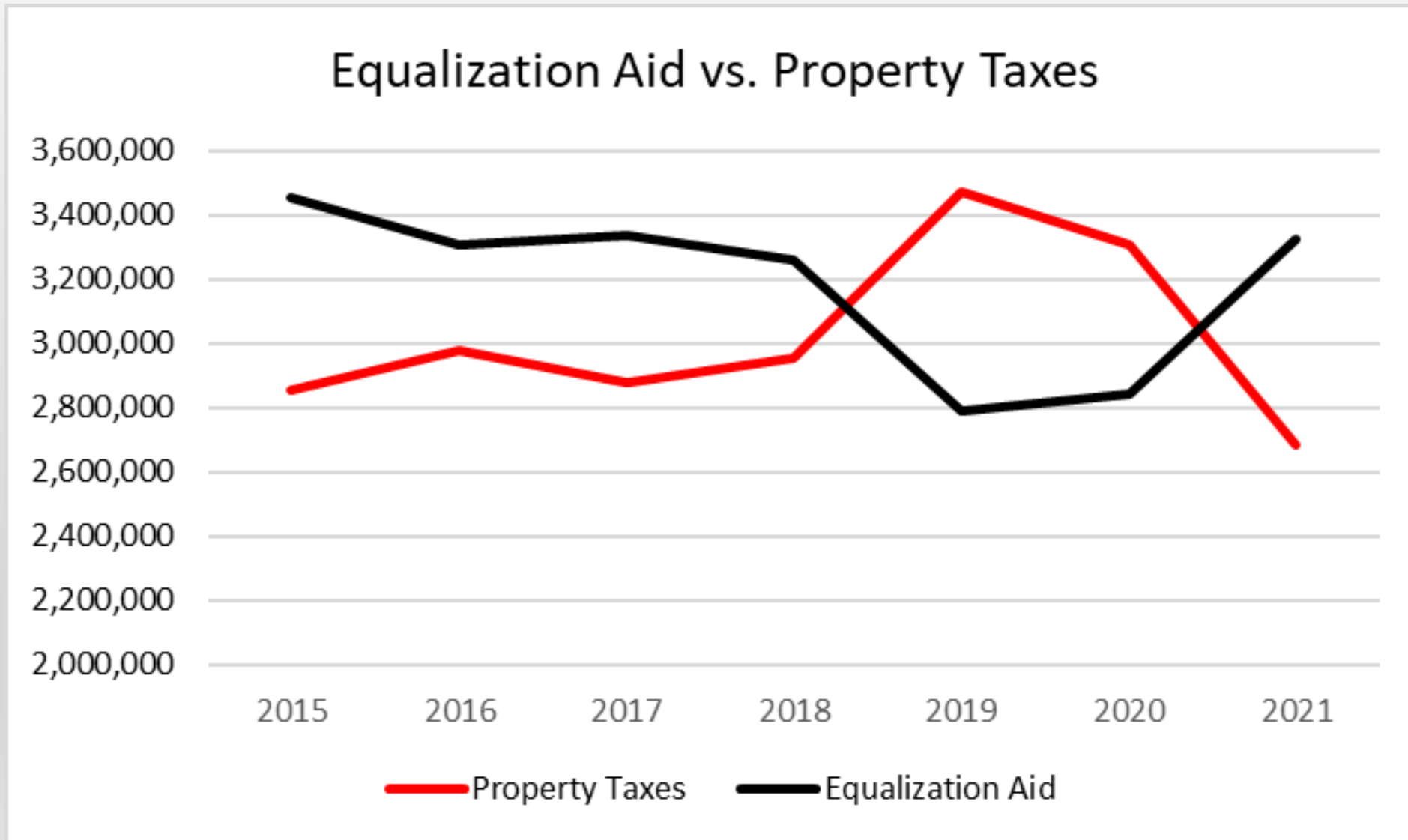
➤ \$4,009,383

Factors contributing to this year's decrease

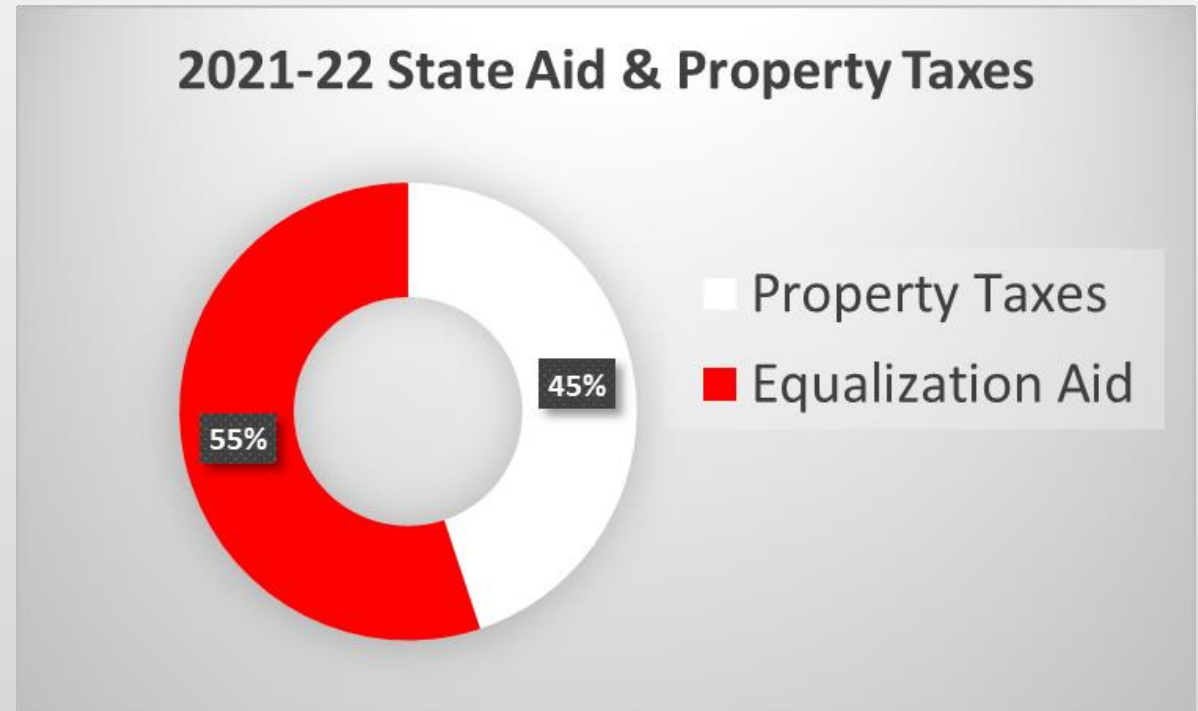
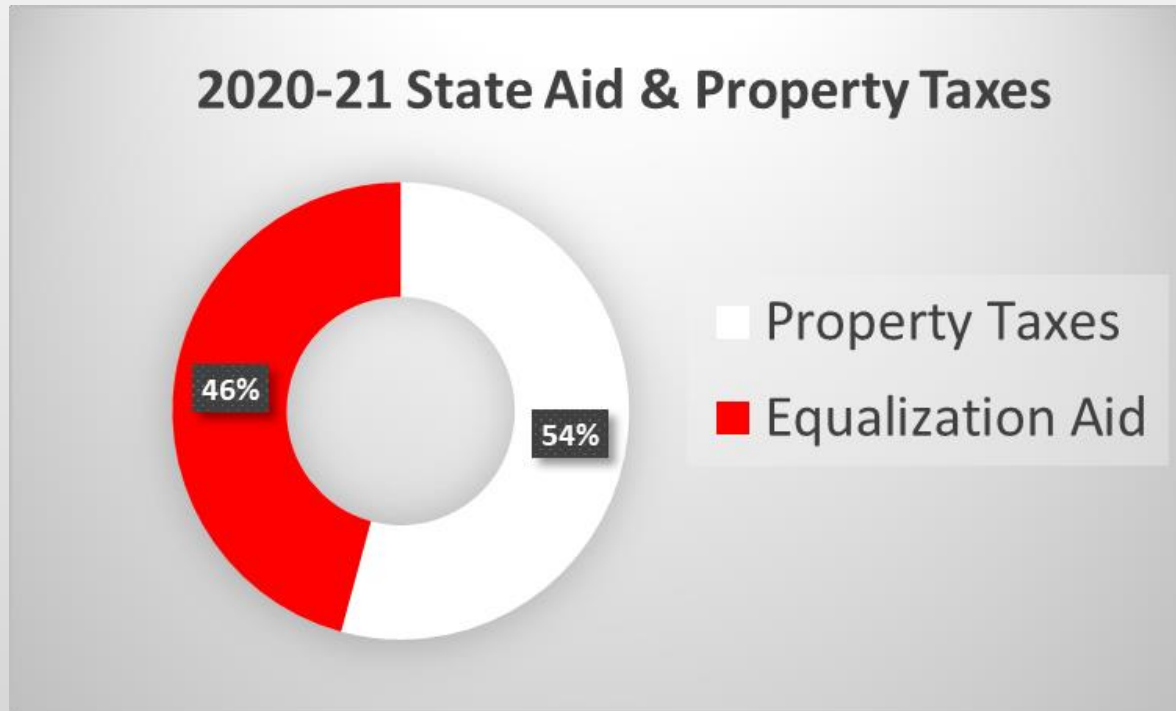
- Declining student enrollment
- Increasing Equalization Aid (State)
- Decrease in the Revenue Limit



# Equalization Aid vs. Property Taxes

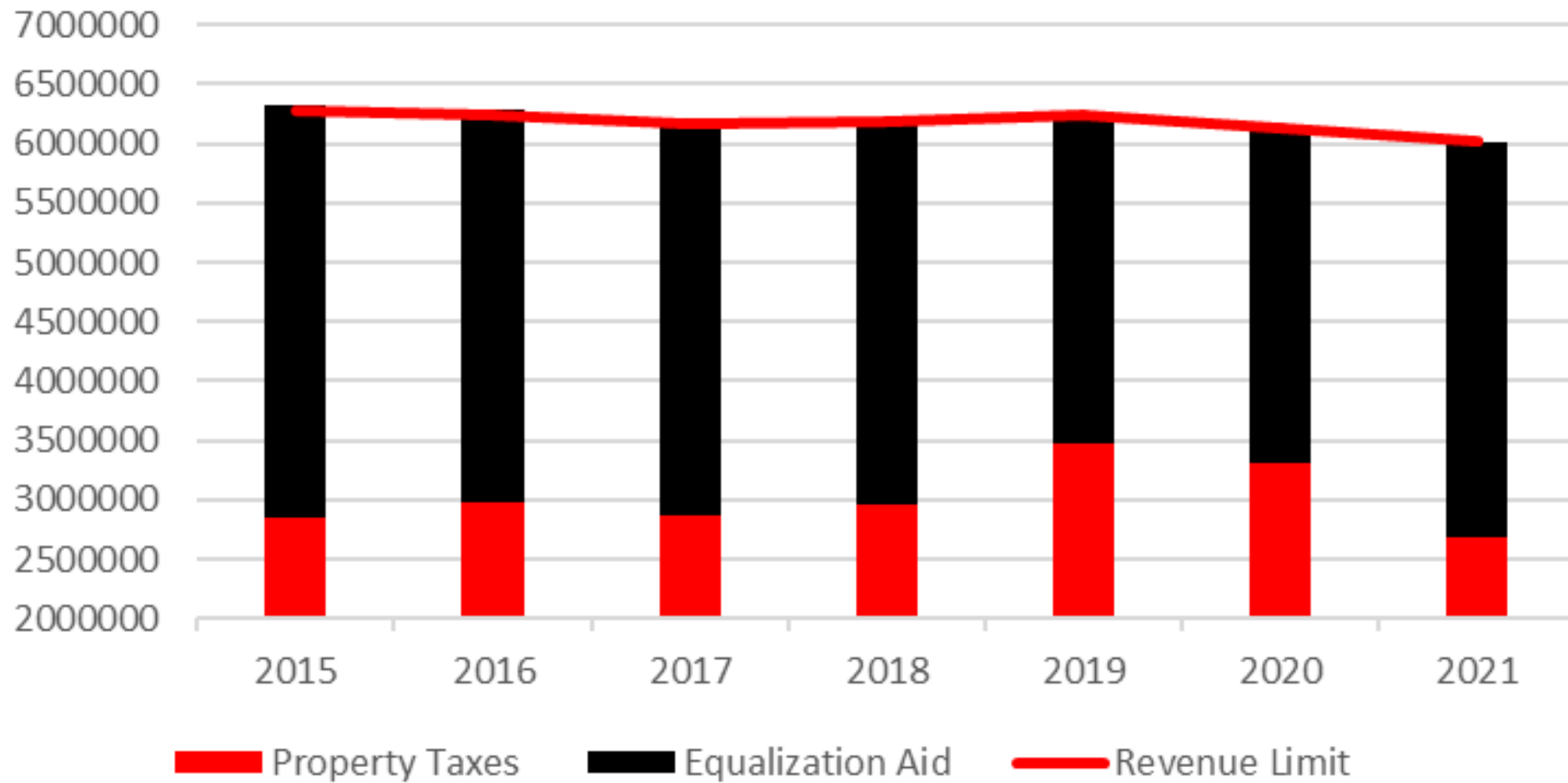


# State Aid and Fund 10 Property Tax



- This shift in funding sources contributes to the decrease in our tax levy for 2021-22.
- Historically, the State (Red) funds 52% and Property Taxes (White) funds 48%

## Revenue Limit = State Aid + Property Taxes





# Mill Rate

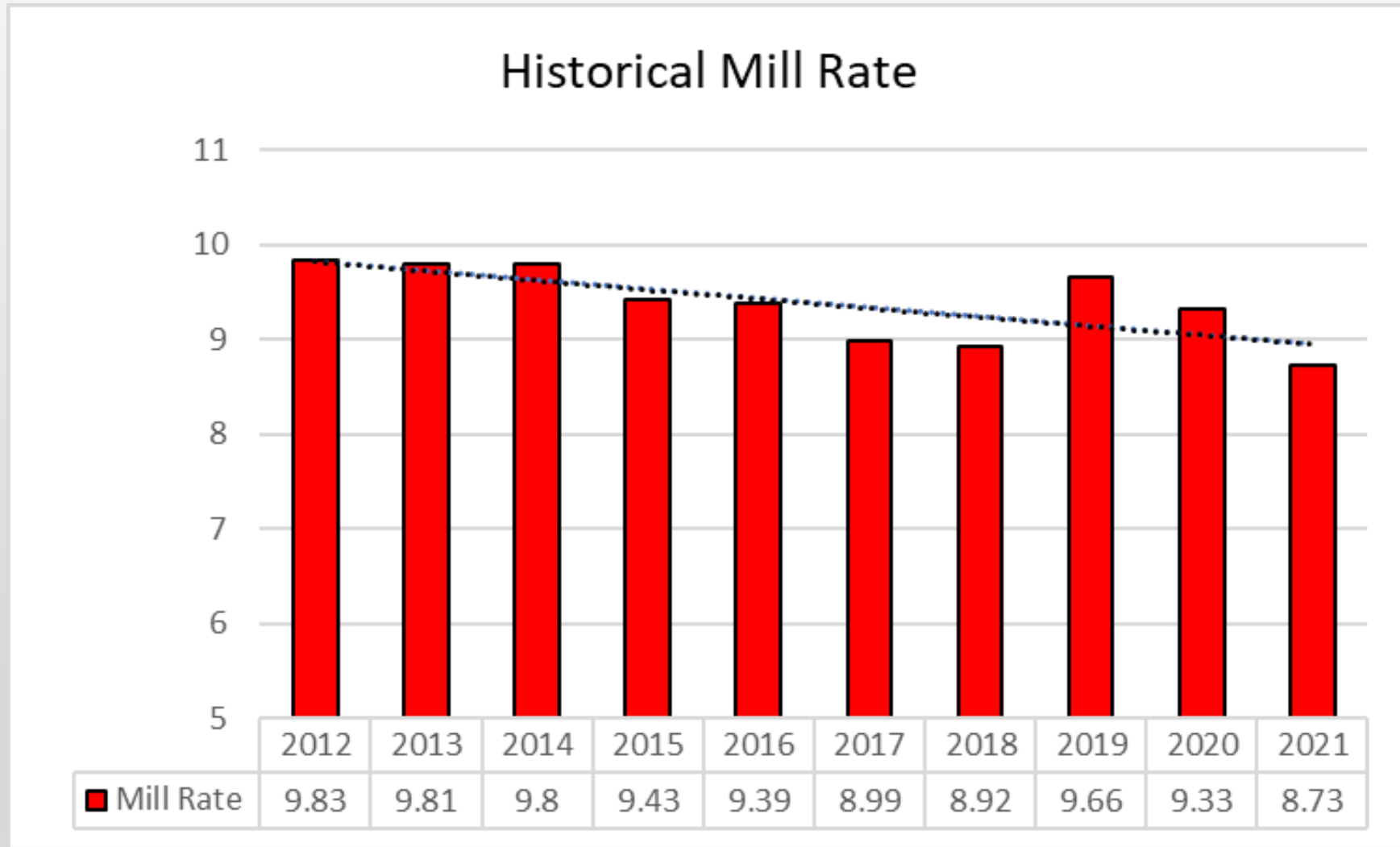
➤ 2020-21 Mill Rate  
\$9.33

➤ 2021-22 Mill Rate  
\$8.73

➤ 10 Year Average  
\$9.46

➤ \$.73 below average

➤ \$.60 below last year



# Building the 2021-22 Budget – Tax Rate

	2019-20	2020-21	2021-22	Dollar Change	Percent Change
General Fund (10)	\$8.20	\$7.65	\$5.84	(\$1.81)	-24%
Debt Service Fund (39)	\$1.46	\$1.68	\$2.89	\$1.21	72%
<b>Total Tax Rate</b>	\$9.66	\$9.33	\$8.73	(\$-0.60)	-6.4%

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.

# Building the 2021-22 Budget – Tax Levy

	2019-20	2020-2021	2021-22	Dollar Change	Percent Change
General Fund	\$3,473,705	\$3,310,585	\$2,683,683	-\$626,902	-18.05%
Debt Service Fund	\$820,150	\$825,700	\$1,325,700	\$500,000	60.96%
Fund Balance Reduction	-\$200,000	-\$100,000			
<b>Total School Levy</b>	<b>\$4,093,855</b>	<b>\$4,036,285</b>	<b>\$4,009,383</b>	<b>-\$126,902</b>	<b>-3.10%</b>

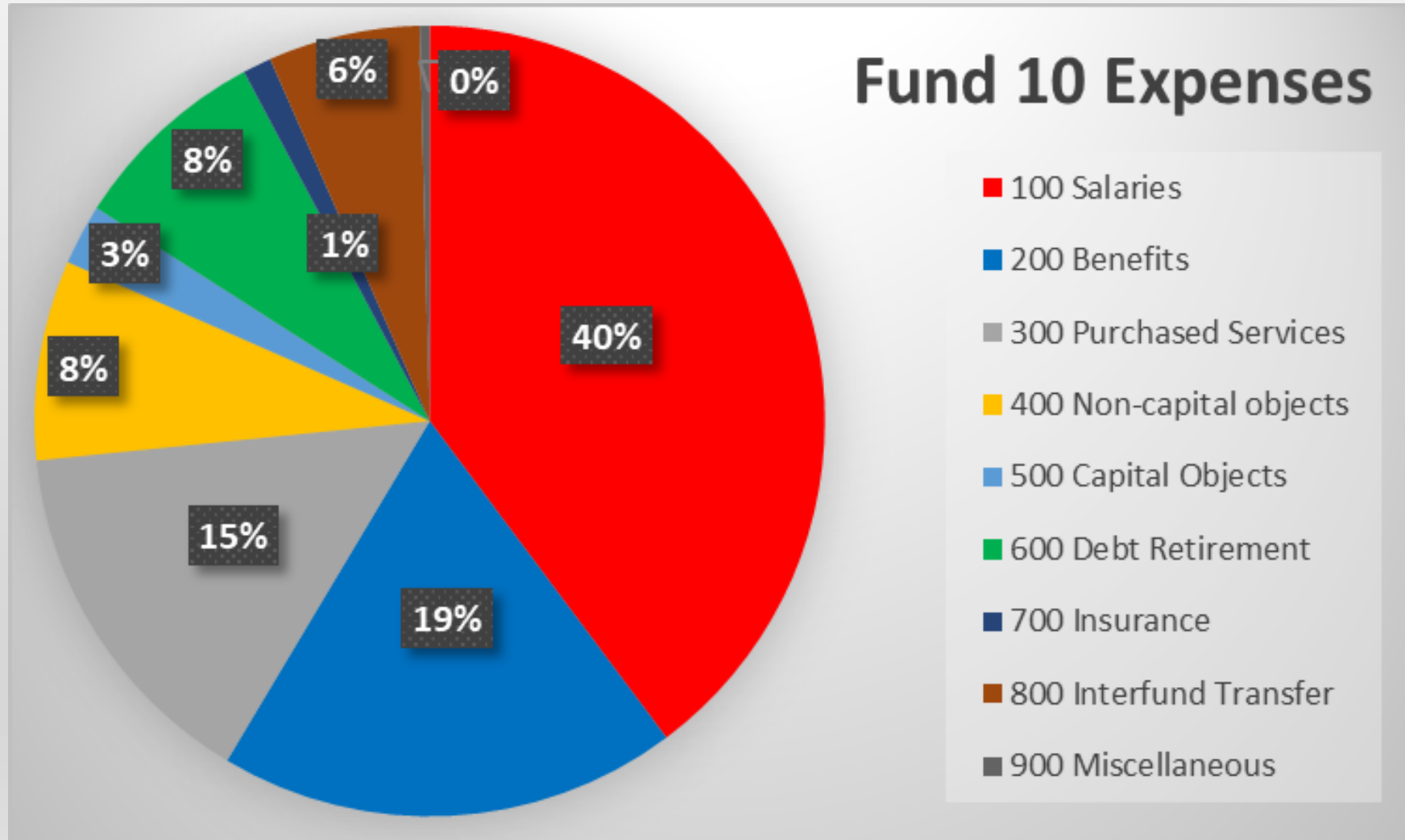
The referendum debt due this year is \$825,700. \$500,000 will be put into defeasance to reduce the future tax levies on the referendum debt. The referendum debt tool is a non-callable promissory note. Because the note is non-callable, it cannot be paid off early, however, we can put aside some money to assist with making the payments in the future (defeasance).

# Balancing the 2021-22 Budget

Total Fund Revenues				
	Unaudited 2020-21	Proposed 2020-21	\$ Change	% Change
Fund 10 Revenues	\$7,707,717.00	\$7,909,093	\$201,376.00	2.61%
Total Fund Expenses				
	Unaudited 2020-21	Proposed 2020-2021	\$ Change	% Change
Fund 10 Expenditures	\$7,707,717.00	\$7,909,093	\$201,376.00	2.61%

- Increase caused by REAP & ESSER II funds
- REAP – small rural schools grant
- ESSER II – Covid -19
- Both are federal funds directed to schools
- Both are grants and have limits on what the funds can be used for

# Breakdown of Expenses by Object

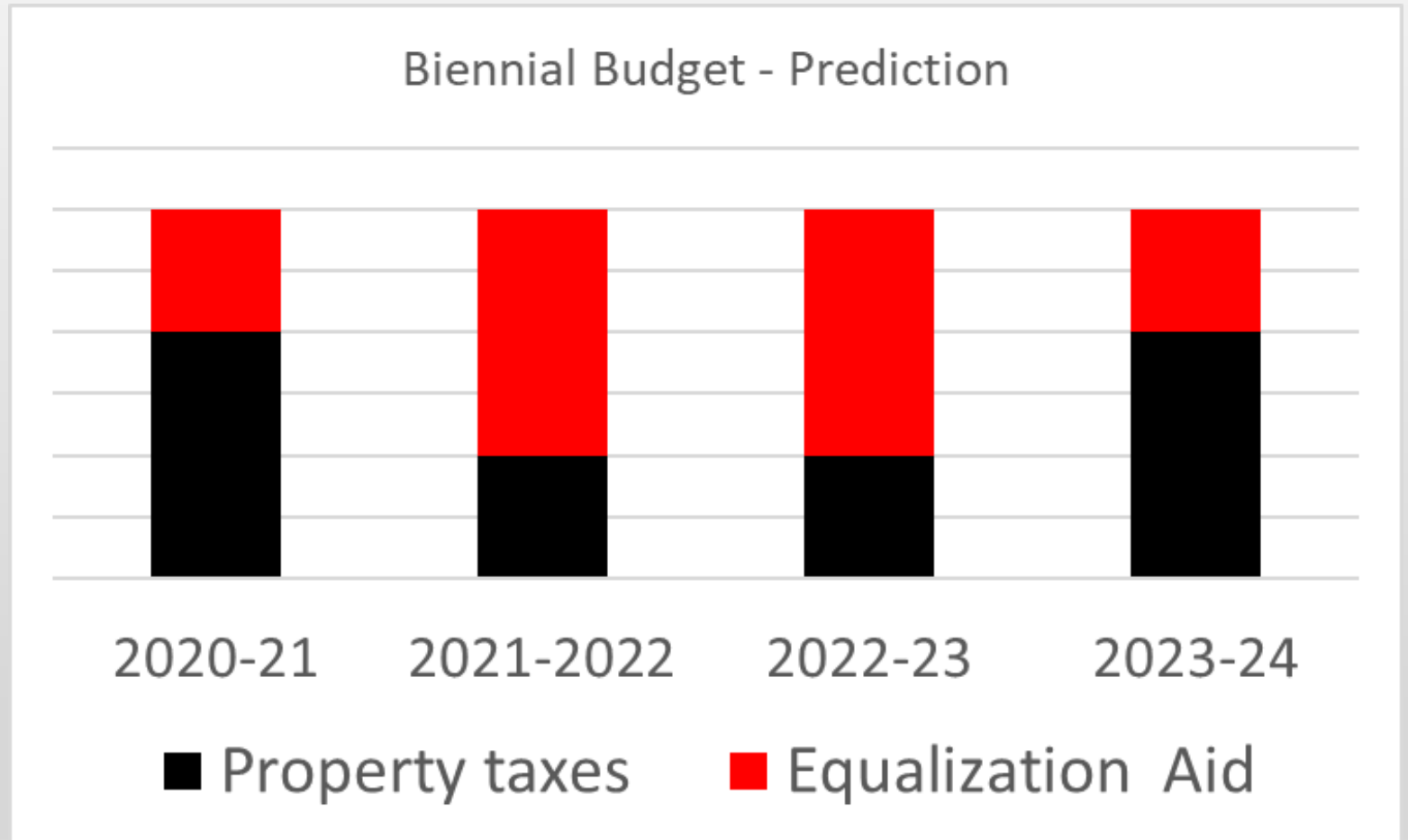


# Expense Changes

- Coordination of ESSER funds
  - Reading interventionist for middle school
  - Guidance Counselor
  - In-house teacher substitute – illness; testing
  - .5 Technology support position
  - Move 1 teacher to ESSER \$ to free up Fund 10 \$ for maintenance projects
    - Abatement & Flooring
    - Roofing
    - Tuck pointing
    - Walk-in cooler/freezer
- Defeasance

# Biennial Budget Prediction

- No increase in Revenue Limit for 2 years
- Increase in Equalization Aid for 2 years
- Decrease in Tax Levy for 2 years
- 3<sup>rd</sup> Year – “Fiscal Cliff” – Tax Levy will go up





# Being Fiscally Responsible to our Community

## Looking ahead .. To year 3 and beyond

- Maintain fund balance to offset part of the expected “fiscal cliff”
- Maintain a balanced budget
- Defeasance
  - Fund 39 - 2018 referendum debt General Obligation Promissory Notes
  - Defeasance is the irrevocable setting aside cash, assets, or levied funds for prepayment of a debt
  - Funds go into an escrow/trust
  - \$500,000
  - Reduce the levy for the 2018 referendum, which would lower the overall levy rate

# Other Funds

- Special Project Funds
  - Fund 21 – Gifts and Donations
  - Fund 27 – Special Education
- Debt Service Funds
  - Fund 38 – Non-Referendum
  - Fund 39 – Referendum Debt
- Capital Projects Funds
  - Fund 46 – Long-Term Capital Improvement
  - Fund 49 – Other Capital Projects
- Food Service Fund – Fund 50
- Custodial Funds– Fund 60
- Community Service Fund – Fund 80

# C-FC School District Sailing forward, together

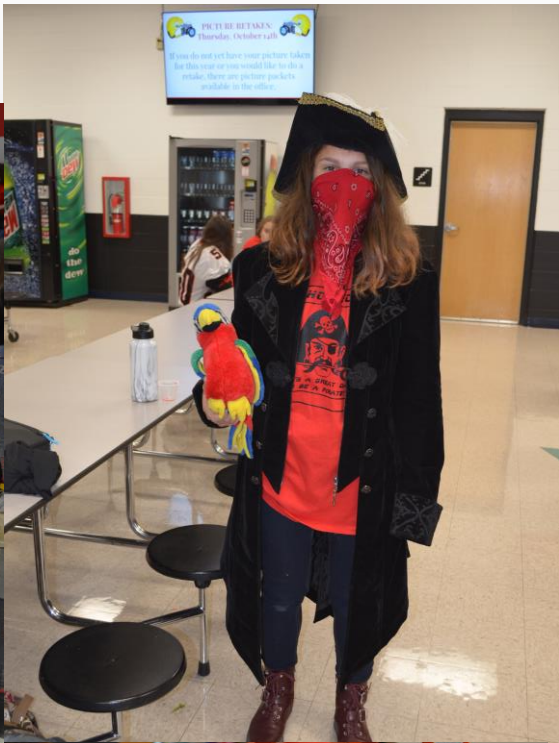
- The state budget awards additional revenue which will help balance increasing expenses while experiencing declining enrollment.
- We must continue to be conservative and prudent to keep the district in good financial condition.
- We will need to continue to prioritize what is most important: Student Learning





# Questions??????

- Adjourn







# Annual Meeting

Cochrane- Fountain City  
School District

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October 25, 2021

# 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, 2021 deadline by which the School Board must vote on the district property tax levy for the 2021-2022 school year.
3. At the Special Board Meeting on October 25, 2021, the Board will be approving the 2021 -2022 tax levy.



# School Board

- Karen Knospe – President
- Rita Greshik – Vice President
- Bonnie Breza – Clerk
- Lynn Doelle – Treasurer
- Don Baloun– Director
- Larry Cyrus– Director
- Kalene Engel – Director

# Annual Meeting Agenda

## October 25, 2021

- I. Call to Order – Board President, Karen Knospe
- II. Elect Chairperson
- III. Reading and Approval of Minutes of Last Annual Meeting, October 19, 2020
- IV. Reading and Approval of Treasurer's Report
- V. Old Business





# Annual Meeting

## October 25, 2021

### VI. New Business

- A. Authorize tax levy for the 2021-2022 school year.
- 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. Authorize the Board to change the Annual Meeting date for 2022-2023.
- E. Authorize the payment of expenses for board members in their performances outside normal duties.
- F. Authorize the sale of excess materials and equipment.
- G. Authorize the providing of free textbooks if appropriate.

# Annual Meeting

## October 25, 2021

- This statement serves as public notice that the School District of Cochrane-Fountain City is utilizing Internet Filtering through Cisco Umbrella for the entire district network in order to comply with the Federal Children's Internet Protection Act (CIPA) (2000). Further, the District, by Board Policy has implemented Policy 363.2, which disallows access to minors of inappropriate matter on the Internet and World Wide Web, unauthorized use of chat rooms, e-mail, or unauthorized access, commonly referred to as hacking. The policy also disallows unauthorized disclosure of any personal information regarding minors. This policy was approved by the Board of Education on June 27, 2019. It is included in the Student/Parent Handbook.

# Annual Meeting October 25, 2021



- I. Set salaries for board members for 2021-2022.

President/Vice President	\$1300
Clerk	\$1300
Treasurer	\$1300
Director	\$1200

- I. Other new business as may legally come before the meeting.

## VII. Adjourn

**The Pirate Code: Be Respectful, Responsible, & Ready to Learn**