

Waunakee Community School District 2011 Annual Meeting & Budget Hearing

Date: Monday, October 17, 2011
Time: 7:00 p.m.
Location: Waunakee High School
Small Auditorium
301 Community Dr.
Waunakee, WI 53597



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Election Of A Chairperson

- **The budget hearing and annual meeting are to be chaired by an elector selected from those present.**

Official Notice Of The Hearing And Meeting

- The Board clerk, Julie Waner, will read the required notices as published in the district's official newspaper.
- http://www.waunakee.k12.wi.us/cms_files/resources/2011%20Annual%20MeetingBudget%20Hearing%20Notice.pdf

Budget Summary

- **District Administrator Randy Guttenberg and Business Manager Steve Summers will review the budget and financial data**
- http://www.waunakee.k12.wi.us/cms_files/resources/Annual%20Meeting%20Budget%20Publication%202011.pdf

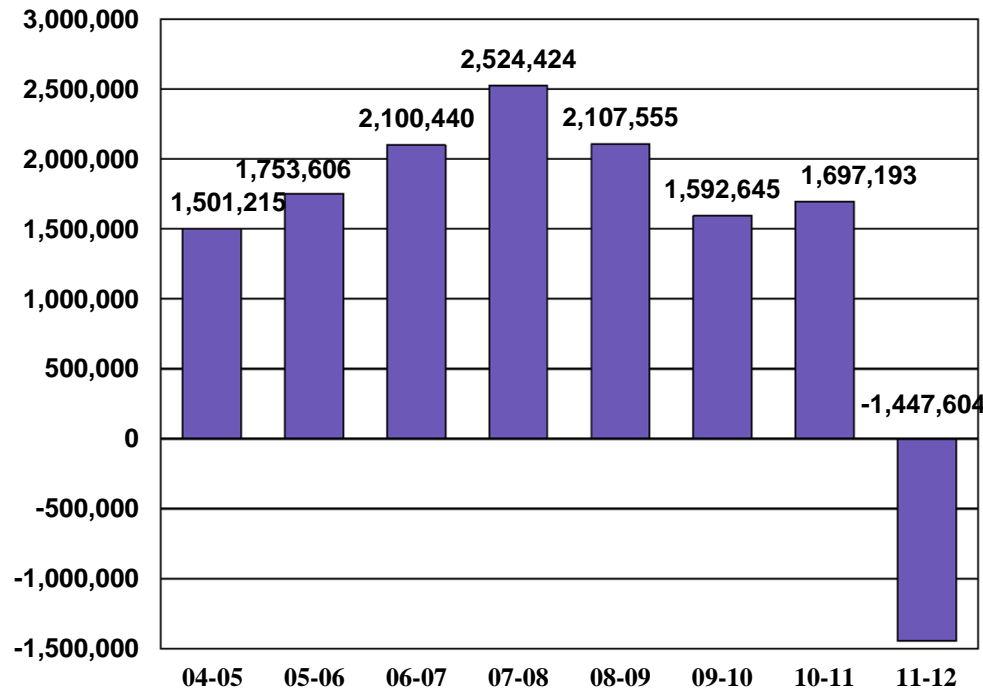
2011-13 State Budget Decisions – Revenue Cap

- The state revenue cap formula was modified to reduce the per student increase from a positive \$275/student to a negative \$565/student in 2011-12 and a positive \$100/student in 2012-13
- Waunakee's budget planning for 2011-12 was based on a decrease of \$1,447,604 (excluding the new four – year old kindergarten program)



2011-13 State Budget Decisions – Revenue Cap

REVENUE CAP INCREASE



•Please note that the years 2004-05 and 2005-06 included an additional \$300,000 per year due to the 2004 high school referendum

•Please note that years 2006-07 and 2007-08 included an additional \$300,000 per year due to the 2005 K-8 referendum.



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2011-13 State Budget

Decisions – State General Aid

- **State general aid is reduced by 8.4 percent in 2011-12, and by 7.7 percent in 2012-13, compared to the 2010-11 levels**
- **Waunakee is estimated to receive a \$1,895,664 decrease in state general aid for 11-12, after receiving a \$1,193,997 increase in 10-11**
- **Under the state revenue cap formula, increases or decreases in state general aid are offset by increases or decreases in the local property tax levy**

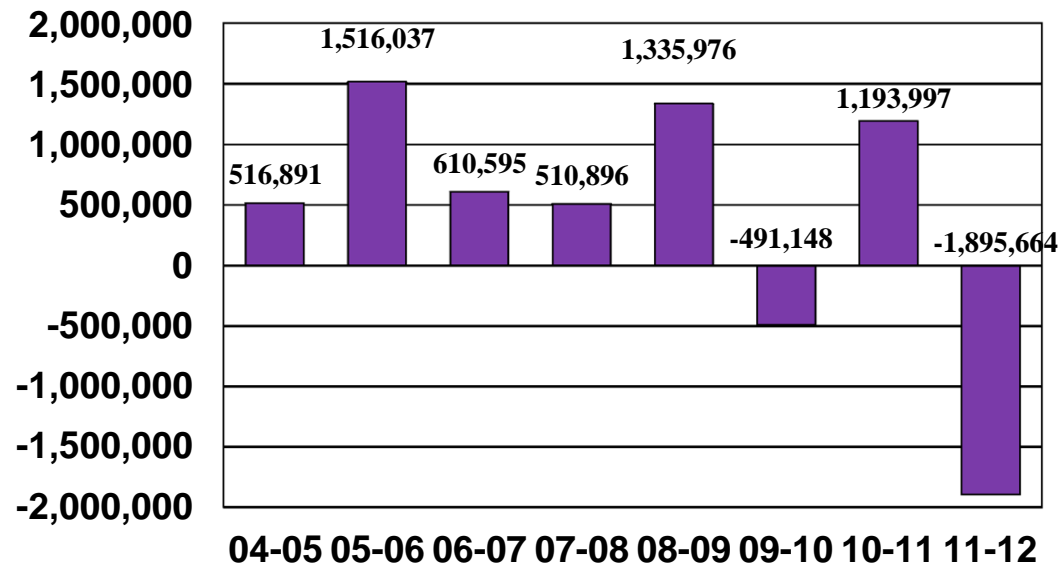


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2011-13 State Budget Decisions – State General Aid

STATE GEN. AID INCREASE



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2011-13 State Budget Decisions – Local Property Taxes

- **First dollar tax credits and school levy tax credits on property tax bills increase by \$2.6 million**
- **School districts are not informed of levy credit amounts**
- **School district tax levies are certified without knowing the net tax rate**
- **Property wealthy/high spending districts receive more funding through tax credits than general school aids**

2011-13 State Budget Decisions – Local Property Taxes

- **Waunakee annually “loses” over \$350,000 in state funding due to the levy credit funding in lieu of state general aid funding (source: Wisconsin LFB)**
- **The Legislative Fiscal Bureau estimated that school district property taxes statewide will increase by 0.6 % in 2011-12 and by 1.2 % in 2012-13 under the final budget**

2011-13 State Budget Decisions – Collective Bargaining

- **State laws on collective bargaining were significantly modified to limit negotiations to the topic of total base wages**
- **Total base wages are limited to the consumer price index unless approved through a public referendum**
- **Waunakee has agreements with all employee groups through June 30, 2012**

Federal Budget Decisions – Stimulus Program

- A new program, the Education Jobs Fund, will provide \$929,353 to Waunakee
- The funds must be expended by September 2012
- The funds must be spent on salaries and benefits for new staff, existing staff, or re-hired staff (excluding some district office positions)
- These funds will be spent by June 30, 2012



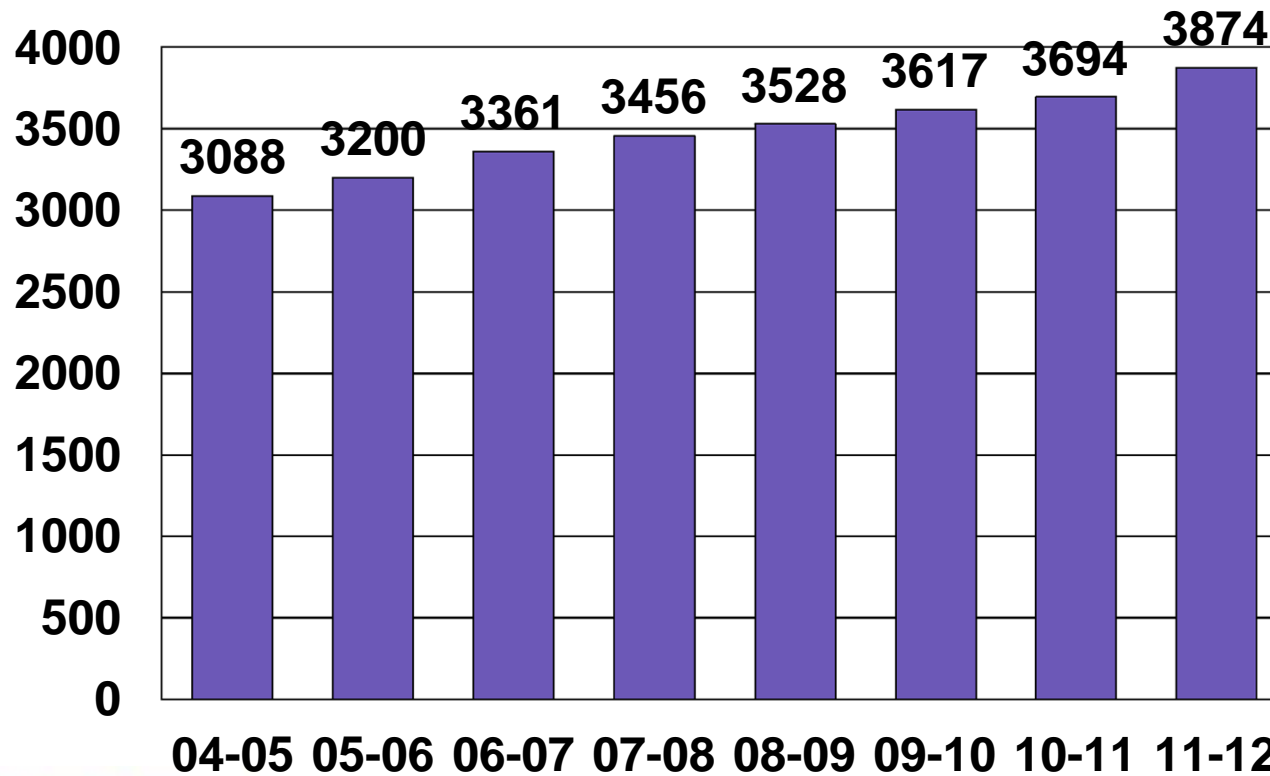
Enrollment Increase

- **Budget developed with an estimated increase of 6 K-12 students and 200 four-year old kindergarten students**
- **Actual increase is 219 four-year old kindergarten students with a decline of 45 K-12 students based on September 16th count**



Enrollment Trends

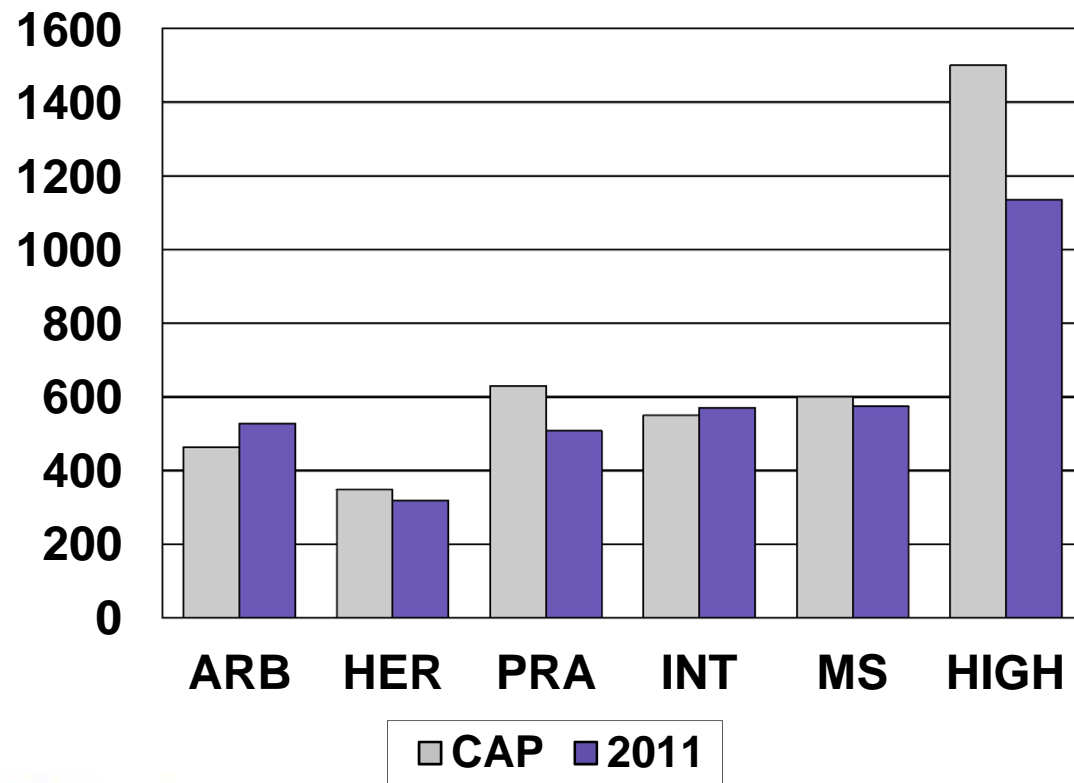
STUDENTS



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Building Capacity And Enrollment



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Building Capacity And Enrollment

- Maximum capacity in 2011 estimated to be 4,100
- Current enrollment leaves maximum excess capacity of 445
- The School Board will receive updated enrollment projections, building capacities, and facility planning reports during the 2011-12 school year



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Expenditures (General Fund)

- 0.9% decrease over 10-11 (budgeted)
- -1.06 additional staff
- A new 5.8% payroll deduction for retirement was started
- Salary/wages have been frozen (pending a decision on October 24th)
- The contingency fund of \$100,000 is included in the budget

Expenditures (General Fund Actual)

- **\$25,820,463 in 04-05**
- **\$27,843,891 in 05-06**
- **\$31,078,265 in 06-07**
- **\$32,605,255 in 07-08**
- **\$34,594,483 in 08-09**
- **\$35,928,295 in 09-10**
- **\$37,685,408 in 10-11**
- **\$37,700,078 in 11-12 (budget)**

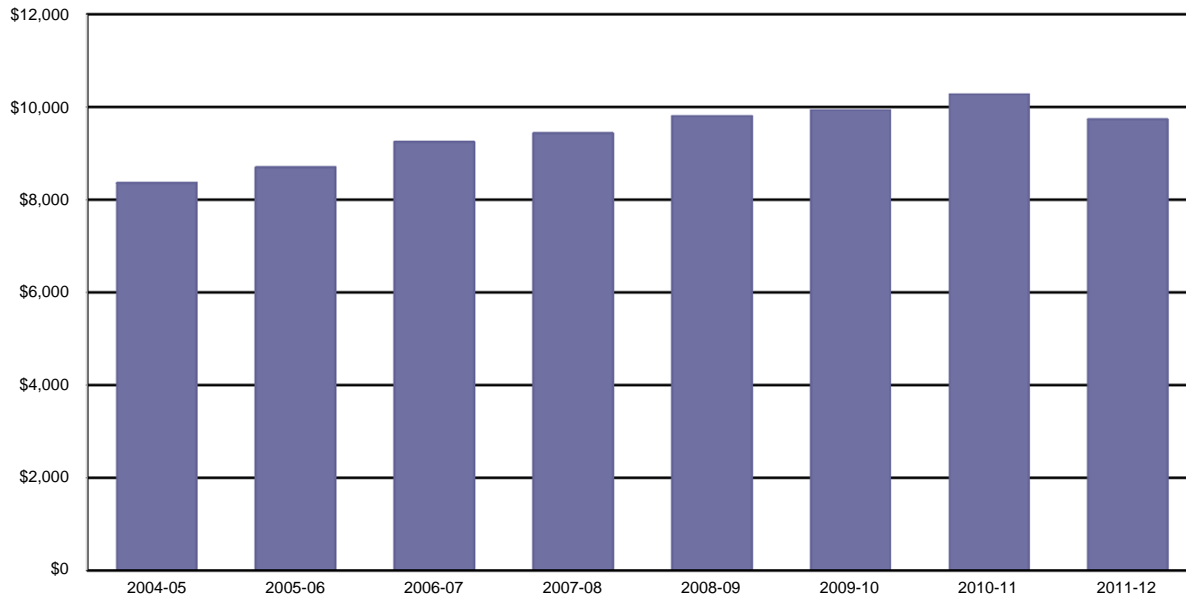


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Cost Per Pupil (General Fund Actual / Enrollment)

Per Pupil



- **04-05** **\$8,362**
- **05-06** **\$8,701**
- **06-07** **\$9,247**
- **07-08** **\$9,434**
- **08-09** **\$9,805**
- **09-10** **\$9,933**
- **10-11** **\$10,202**
- **11-12** **\$9,731 (budget)**



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Revenue (General Fund)

- **State aid decreases \$1,895,664 or 10.1% (maximum loss possible)**
- **Local taxes increase \$945,042 or 5.2%**
- **Total decrease of \$327,282 or 0.9% (over budget in 10-11)**

Revenue (General State Aid Vs. Property Tax – Fund 10)

Year	% State Aid	% Tax
04-05	53.4	42.9
05-06	55.4	41.2
06-07	53.5	42.9
07-08	50.7	45.3
08-09	51.3	44.6
09-10	47.9	48.1
10-11	49.1	47.5
11-12	44.5	50.4



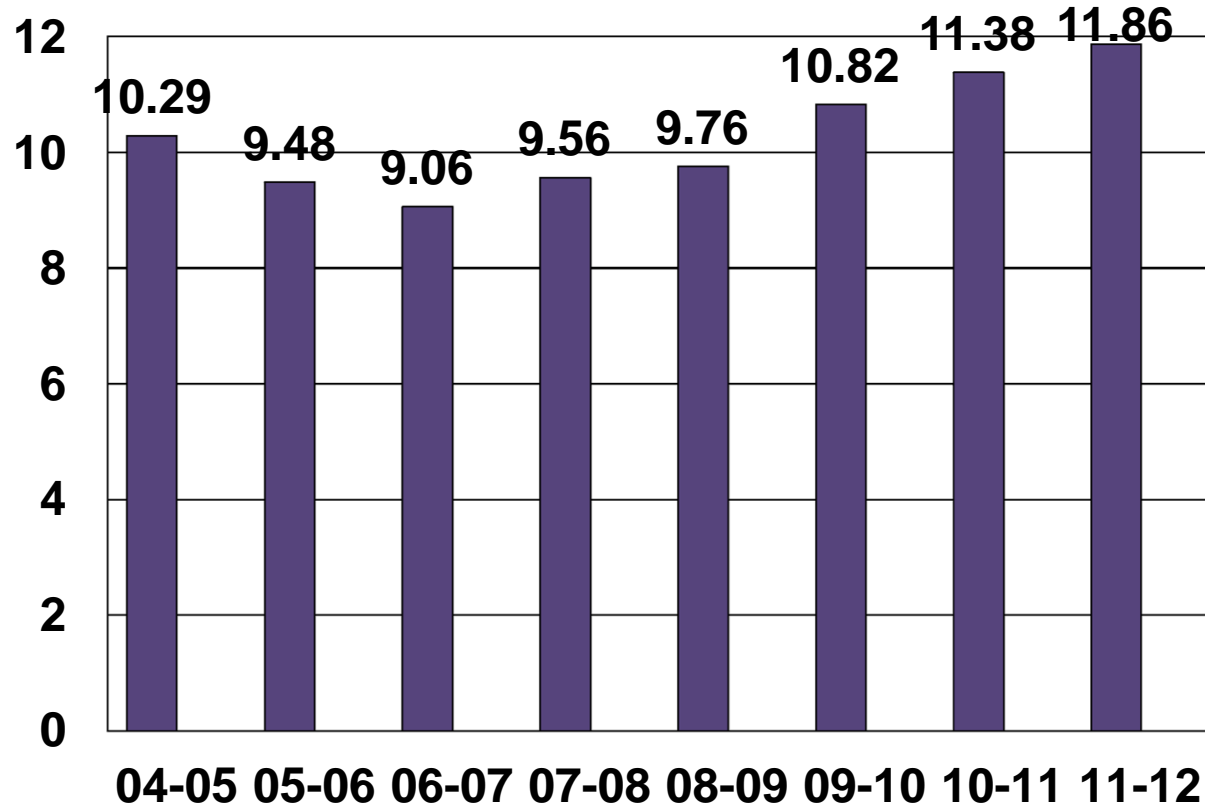
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Tax Rate

Estimated increase is \$96 on a \$200,000 home with 0% inflation

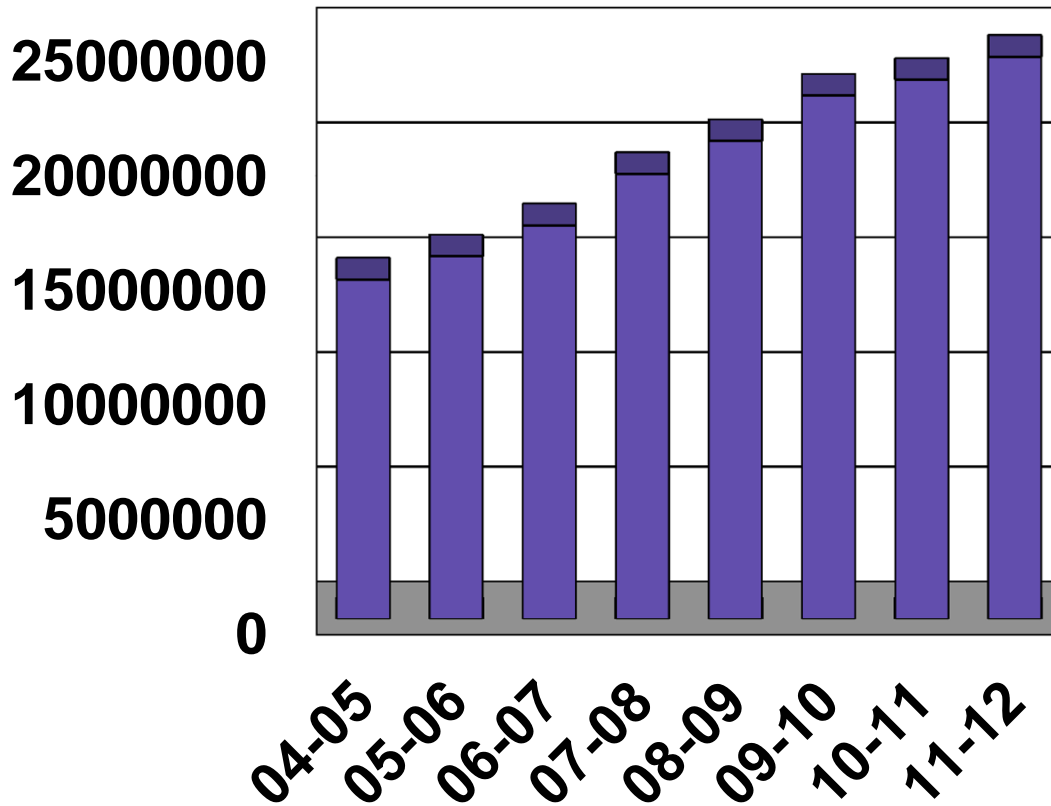
- \$100,000 = \$48
- \$200,000 = \$96
- \$300,000 = \$144
- \$400,000 = \$192
- \$500,000 = \$240



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Tax Levy



04-05	\$14,783,430
05-06	\$15,790,809
06-07	\$17,143,498
07-08	\$19,384,412
08-09	\$20,821,995
09-10	\$22,796,909
10-11	\$23,489,556



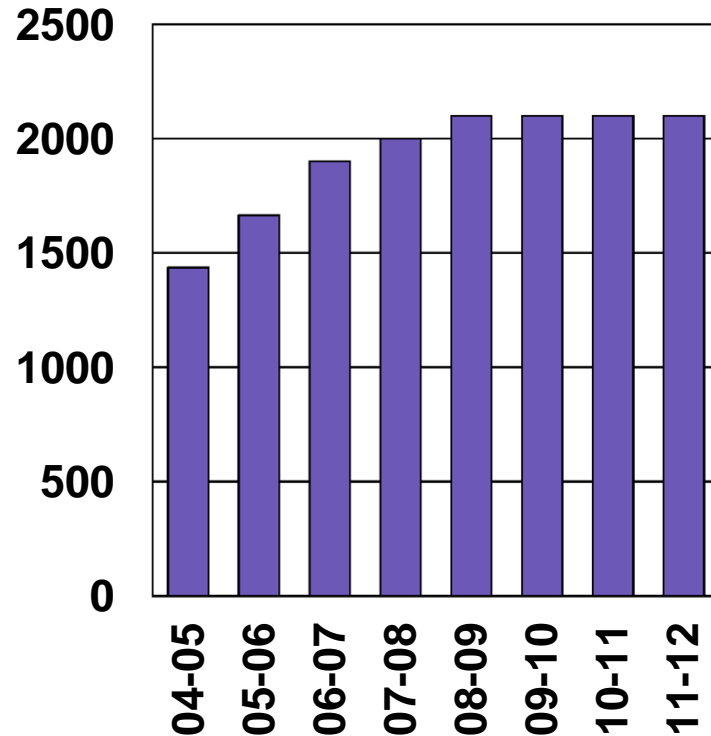
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Tax Levy

- The increase is primarily due to the decrease in state aid and the start of the four-year old kindergarten program
- The School Board is allowed by law to change the tax levy as necessary prior to November 6th
- The debt service tax levy is \$5,096,223 (the long-term financial plan peaked during 2010-11)

Equalized Value (in Billions)



- **04-05 \$1.4 billion**
- **05-06 \$1.6 billion**
- **06-07 \$1.9 billion**
- **07-08 \$2.0 billion**
- **08-09 \$2.1 billion**
- **09-10 \$2.1 billion**
- **10-11 \$2.1 billion**
- **11-12 \$2.1 billion**



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District Fund Balance (Assets-liabilities)

YEAR	AMOUNT	% OF NEXT YEAR'S BUDGET
04-05	\$4.6 M	16.7%
05-06	\$5.0 M	16.6%
06-07	\$4.4 M	13.2%
07-08	\$4.7 M	13.3%
08-09	\$5.0 M	13.7%
09-10	\$5.6 M	14.6%
10-11	\$6.3 M	16.6%

**School Facts 2010 reports Waunakee
is 2.7% below state average.**



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Next Steps with 11-12 Budget

The School Board must modify the budget based on:

- **September enrollment count**
(3,874 students compared to 3,900 estimated additional students)
- **Budget changes that have taken place since June 2011**
(Investment revenues, cash flow borrowing expenses, open enrollment revenues and expenses, district grants, personnel costs, etc.)
- **Final district property values**
(\$2,088,996,497 compared to estimated \$2,064,181,832 which lowers the tax rate)
- **Final district revenue cap amount**
(\$35,797,836 compared to estimated \$35,863,348 which lowers the property tax and the tax rate)



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Next Steps with 11-12 Budget

- **Final district state aid/property tax amount**
(\$16,841,501 on October 15th state aid compared to estimated \$16,813,491 which lowers the property tax and tax rate)
(\$23,854,376 property tax compared to estimated \$24,483,265)
- **Final district tax rate**
(\$11.42 compared to estimated \$11.86)
- **Final estimated tax increase on a \$200,000 home assuming 0% increase in value (\$8 compared to estimated \$96)**
- **All of the changes will be completed by November 6, 2011 which is the last date possible to certify the tax levy to the local clerks.**
- **A special board meeting is scheduled for Monday, October 24th to approve the budget and tax levy for 2011-12**



Budget/Financial Reviews

The budget/financial status of the district is reviewed by multiple internal and external groups including:

School Board Treasurer – Gary Epping

School Board Budget Committee (3 members)

School Board (7 members)

Department of Public Instruction

External School Board Auditor (Johnson Block & Co.)

External Private Businesses (Moody's and Standard & Poor's Ratings)

Any citizen who wishes to review information



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Budget/Financial Reviews

As an example:

- **Growing local economy and direct access to the more diverse Madison area,**
- **Very strong income levels as measured by median household effective buying income,**
- **Steadily growing enrollment, and**
- **Strong financial operations paired with good financial management practices.**

From September 8, 2010 review of district finances from Standard & Poor's resulting in a AA-/Stable Rating.



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Budget/Financial Reviews

As an example:

- **The District's financial operations are expected to remain sound given historically strong management, conservative budgeting, stable reserve levels, and steadily increasing enrollment**

From October 7, 2011 review of district finances from Moody's Investors Service confirming existing Aa2 rating



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Dane County Tax Rate -2010-11

Belleville	8.90
Mount Horeb	9.51
Stoughton Area	9.53
Marshall	9.85
Wisconsin Heights	10.53
Middleton-Cross Plains	10.74
Madison Metropolitan	11.06
DeForest Area	11.34
Waunakee Community	11.38
Oregon	11.73
McFarland	11.91
Deerfield Community	11.99
Sun Prairie Area	12.12
Verona Area	12.27
Monona Grove	12.94
Cambridge	13.42
Dane County Average	11.20
State Of Wisconsin Average K-12 Dist.	9.76



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Dane County Cost/Student 2009-10

**Total Educational
Cost Per Student per
WI DPI Database**

Mount Horeb Area	\$10,778
Belleville	\$11,020
Stoughton Area	\$11,275
Waunakee Community	\$11,875 (240/424 reported school districts)
DeForest	\$11,904
Sun Prairie Area	\$12,015
McFarland	\$12,260
Deerfield Community	\$12,282
Middleton-Cross Plains	\$12,336
Oregon	\$12,616
Marshall	\$12,806
Madison Metropolitan	\$13,044
Wisconsin Heights	\$13,053
Verona Area	\$13,276
Cambridge	\$13,300
Monona Grove	\$13,453
Dane County Average	\$12,331
State of Wisconsin Average	\$12,087



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Budget Detail And Questions

- **Mr. Steve Summers will review key areas in more detail.**
- **We will be happy to answer any questions you may have.**



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Minutes 2010

- **Please review the minutes of last year's meeting.**
- http://www.waunakee.k12.wi.us/cms_files/resources/10-18-10%20Annual%20Meeting%20Minutes.pdf

Treasurer's Report

- Board Treasurer, Gary Epping, will review this report.
- Action should be taken to accept the report.
- http://www.waunakee.k12.wi.us/cms_files/resources/AM%20Treasurer's%20Report%2002011.pdf

Resolutions

- **All need a motion and a second .**
- **Please state your name for the minutes of the meeting.**

A. Student Fees

SUPPLIES/MATERIALS FEES

- \$26 --Kindergarten
- \$28 --1st through 4th
- \$30 --5th and 6th
- \$33 --7th and 8th
- \$39 --9th through 12th

PARTICIPANT

- \$40 --7th and 8th
- \$60 1ST activity/\$50 2nd activity/\$40 3rd activity (\$150 maximum) --9th through 12th

Fees are waived for families who qualify for free/reduced price meals and sign a waiver form



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Resolutions

Resolution A / Authorize the School Board to Charge Student Fees

Be it resolved that the Board of Education of the Waunakee Community School District, Dane County, State of Wisconsin is hereby directed to charge student fees, and at such cost as shall be set by said school board.

Introduced

by: _____

Seconded

by: _____

Dated: _____ **2011.**



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B. Board Salaries

Present Salaries

- **President, Clerk, and Treasurer receive \$70 per regular and special meeting.**
- **Directors receive \$60 per regular or special meeting.**
- **All members receive \$40 per committee meeting.**
- **Reimbursement for expenses.**



Resolutions

Resolution B / Board Salaries and Expenses

Be it resolved that the Board members of the Waunakee Community School District be paid a salary as stipulated below and be reimbursed for expenses incurred on district business when traveling outside of the district.

Salaries to be:

President, Clerk,

Treasurer _____ (currently \$70. per regular/special meetings)

Directors _____ (currently \$60. per regular/special meetings)

All Members _____ (currently \$40. per committee meeting)

Introduced by: _____

Seconded by: _____

Dated: _____ 2011.

C. School Lunch Program

- **The Board needs authorization to conduct a food service program.**

Resolutions

Resolution C / School Lunch Program

Be it resolved that the Board of Education of the Waunakee Community School District, Dane County, State of Wisconsin is hereby directed to furnish school lunches to any and all students of this district at such places and times, and at such cost as shall be set by said school board, and the school board is hereby authorized to pay any deficiency which may result from said lunch program (Section 120.10 (16)).

Introduced by: _____

Seconded by: _____

Dated: _____ 2011.



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D. Legal Counsel

- **Periodically it is necessary for the Board to seek legal advice and counsel. Your approval is necessary.**



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Resolutions

Resolution D / Authorization for Legal Counsel

Be it resolved that the Board of Education of the Waunakee Community District be authorized to engage legal council to represent the district and provide legal advice to the district.

Introduced by: _____

Seconded by: _____

Dated: _____ 2011.

E. Property Disposal

- **In order for the Board to dispose of district property the annual meeting must give authorization.**

Resolutions

Resolution E / Disposal of Surplus Property

Be it resolved that the Board of Education of the Waunakee Community School District dispose of property and materials no longer needed through sales or other means.

Introduced by: _____

Seconded by: _____

Dated: _____ 2011.



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F. Annual Meeting Date

- **You may set the date and hour for the next meeting or give the Board authority to do so.**

Resolutions

Resolution F / 2012 Annual Meeting Date

Be it resolved that the Board of Education of the Waunakee Community School District be authorized to set the date and hour for the 2012 Annual Meeting within the guidelines established by Wisconsin Statutes or Be it resolved that the 2012 Waunakee Community School District Annual Meeting be held on _____, 2012. (Between the fourth Monday in July and the fourth Monday in October).

Introduced by: _____

Seconded by: _____

Dated: _____ 2011.



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G. Temporary Borrowing

- **The Board is seeking your approval to borrow no more than \$5.0 million for cash flow or operational purposes.**



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Resolutions

Resolution G / Temporary Loan Authorization

Be it resolved that the Board of Education of the Waunakee Community School District, Dane County, State of Wisconsin be authorized to secure a temporary loan in accordance with the provisions of Section 67.12(8), Wis. Stats. for the purpose of meeting the immediate expenses of maintaining the schools of the district. Be it further resolved the amount of such temporary loan shall not exceed a sum of \$5,000,000.

Introduced by: _____

Seconded by: _____

Dated: _____ 2011.



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H. Transportation

- **The Board needs your approval to contract for bus service and/or operate its own buses.**



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Resolutions

Resolution H / Transportation

Be it resolved that the Board of Education of the Waunakee Community School District, Dane County, State of Wisconsin be authorized to purchase, operate and maintain transportation vehicles as well as contract for transportation services to provide transportation to students, including but not limited to students whose residence is located within two miles of the school the student attends, as per Board Policy.

Introduced by: _____

Seconded by: _____

Dated: _____ 2011.



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I. Tax Levy

- **The Board recommends a total tax levy of \$24,483,265 of which \$19,041,049 is for the general fund, \$5,096,223 is for debt service, \$79,590 is for non-referendum debt service, and \$266,403 is for community service.**

Resolutions

Resolution I / Adoption of Levy Tax

Motion may be as follows: Mr. or Mrs. Chairperson, I move that there be levied a school tax assessed against all taxable property within the Waunakee Community School District in the sum of \$24,483,265 necessary to operate and maintain the District School System and to finance the recommended budget for the 2011-2012 school year.

Introduced by: _____

Seconded by: _____

Dated: _____ **2011.**



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J. Creation of a Fund 41 Capital Projects Fund

- The Board recommends the approval of the creation of a new accounting fund, Fund 41
- Fund 41 allows for long-range planning and budgeting for facility maintenance projects
- The fund balance carries over from one fiscal year to the next
- Fund 41 is within the revenue cap, meaning no increase in local property taxes



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Resolutions

Resolution J / Creation of a Fund 41 Capital Projects Fund

Motion may be as follows: BE IT RESOLVED that the annual meeting for the Waunakee Community School District hereby approves to create a fund for the purpose of financing all current and future capital expenditures related to buildings and sites. The capital expansion fund shall be maintained by the School District Treasurer as a segregated fund and funds shall not be used for any other purpose or transferred to any other fund, unless an alternative purpose or transfer to another fund is included in the notice of a subsequent annual meeting and approved by the electors present at that annual meeting.

Introduced by: _____

Seconded by: _____

Dated: _____ **2011.**

District Objectives and Planning Process

- **Randy Guttenberg will review the district's objectives and discuss the process for future planning.**

District Objectives and Planning Process

1. **Student Achievement** The Waunakee Community School District will provide high quality programs for all students that lead to continued improvement on all measures of student achievement.
2. **District and School Climate/Wellness** The Waunakee Community School District will provide a safe, secure, and connected environment for students, staff, and community.
3. **Community Relations** The Waunakee Community School District will strive for meaningful collaboration with stakeholders and will ensure that communication between school, home, and community is continual and open.

District Objectives and Planning Process

4. **Budget and Finance** The Waunakee Community School District will devote resources to the district priorities in a fiscally responsible manner.
5. **Facilities and Growth** The Waunakee Community School District will maintain its facilities with a high standard of quality, and will collaboratively plan with the community on issues of community/district growth.

Questions / Information

- **Please feel free to ask for information or answers of any Board member or administrator.**



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***Thank You for
Coming
This Evening***



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