



River Valley School District Budget Hearing

Date: Thursday, August 25, 2011

Time: 7:00 p.m.

Location: River Valley High School
Little Theater
660 Varsity Blvd.
Spring Green, WI 53588





Budget Summary

- [Budget Publication](#)
 - Budget Hearing is a Breakdown of Budget Publication





2011-2012 Board of Education

<u>Name</u>		<u>Address</u>	<u>Area</u>	<u>Term Expires</u>
Kay Taylor	President	Lone Rock	5	4/23/2012
Paula Caraway	Vice President	Arena	1	4/28/2014
Dennis Crowley	Treasurer	Spring Green	6	4/22/2013
Deborah Nelson	Clerk	Arena	2	4/28/2014
Dick Cates		Spring Green	8	4/23/2012
Eric Ferguson		Spring Green	7	4/23/2012
Debbie Peach		Lone Rock	4	4/28/2014
Paul Cummings		Dodgeville	3	4/22/2013
John Bettinger		Plain	9	4/22/2013





Educational Philosophy and Goals

- Board Policy #110 – Long Range Goals
 - Budget was prepared to meet educational philosophy, goals, and graduate learner outcomes of District.





Fund Definitions

- Fund 10: General Fund
 - Fund 21: Special Projects Fund - Gifts
 - Fund 27: Special Education
 - Fund 39: Debt Service Fund
 - Fund 50: Food Service Fund
 - Fund 80: Community Service Fund
-
- All funds are set by Wisconsin Uniform Financial Accounting Requirements.
 - 'Funds' used to help in budgets and spending.





2011-2012 State Budget Decisions

- According to state budget, the total amount distributed to schools in State General Aid will be reduced by 8.4% in 2011-2012.





2011-2012 State Budget Decisions

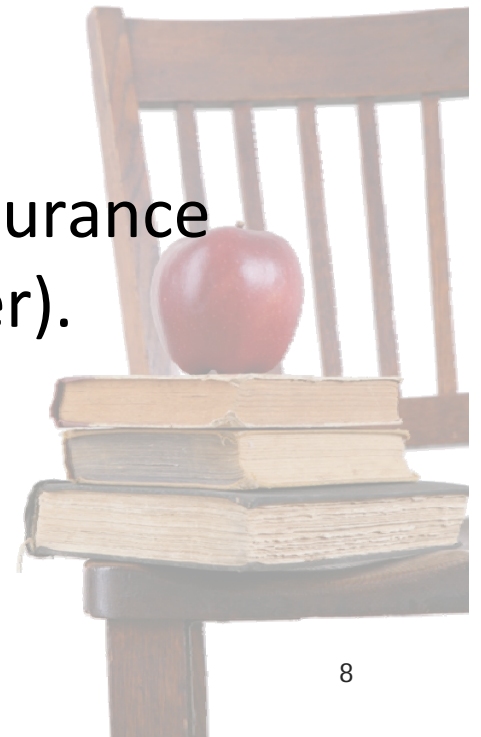
- The state revenue cap formula was modified to reduce the per student amount for River Valley by -\$519.23 per student.
 - ✓ This causes the amount of revenue our district receives from General State Aid and Local Tax Levy to decrease.
- 3 Year prior year comparison – all increases:
 - 2010-2011 = \$200. per student
 - 2009-2010 = \$200. per student
 - 2008-2009 = \$274.68 per student





2011-2012 State Budget Decisions Staff and Collective Bargaining

- River Valley Schools extended contract agreements with RVEA (teaching staff) and RVEST (support staff) through June 30, 2013.
 - Requires staff to pay 50% of Wisconsin Retirement System (WRS) contribution.
 - Requires staff to pay 12.6% of Health Insurance Premium (currently Dean Health provider).





2011-2012 State Budget Decisions Staff and Collective Bargaining

- RVEA Collective Bargaining Agreement Changes
 - Salary Freeze in 2011-2012
 - ✓ Lane Advancement Allowed
 - 1.3% Salary Schedule Increase in 2012-2013
 - ✓ Steps Not Allowed
 - ✓ Lane Advancement Allowed
 - Extra/Co-Curricular salaries reduced by 5%
 - Retirement Package reduced/phased out over next five years





2011-2012 State Budget Decisions Staff and Collective Bargaining

- RVEST Collective Bargaining Agreement Changes
 - 1.3% increase on wages in 2011-2012
 - ✓ Step Movement frozen
 - 1.3%% increase on wages in 2012-2013
 - ✓ Step Movement frozen





2010-2012 Federal Budget Decisions Stimulus Program

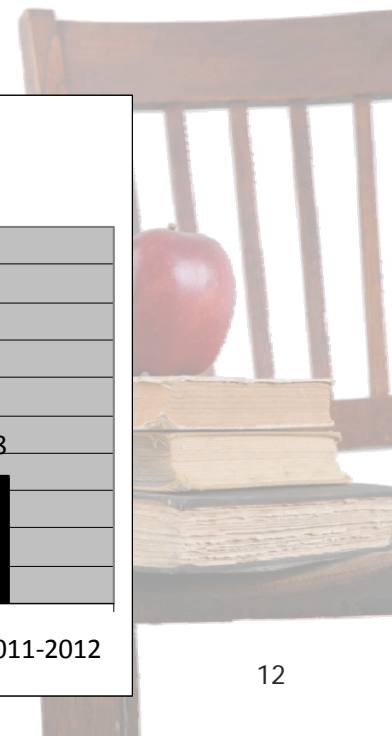
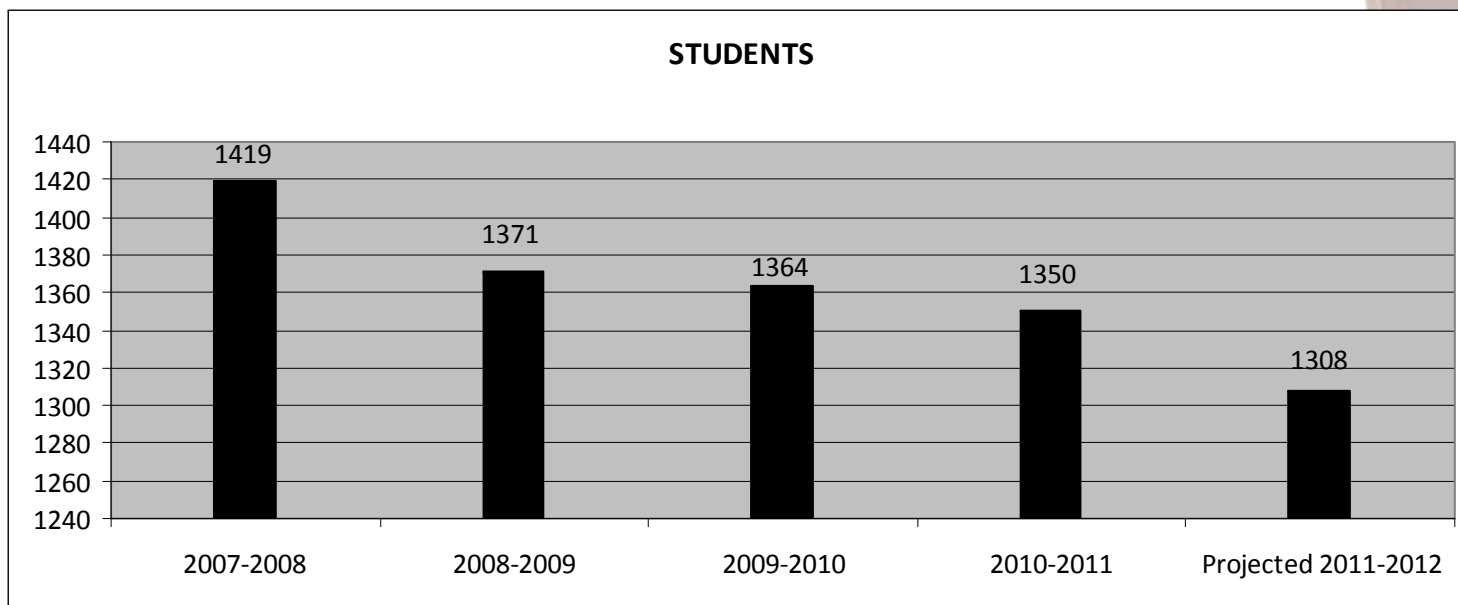
- Education Jobs Fund will provide \$395,000 to River Valley for 2011-2012
 - No funds were used in 2010-2011
 - Must be expended by September 2012
 - Must be spent on salaries and benefits for new staff, existing staff, or re-hired staff
 - This money was part of budget and will be used on teaching staff salaries and benefits in general fund (fund 10).





River Valley School District Enrollment

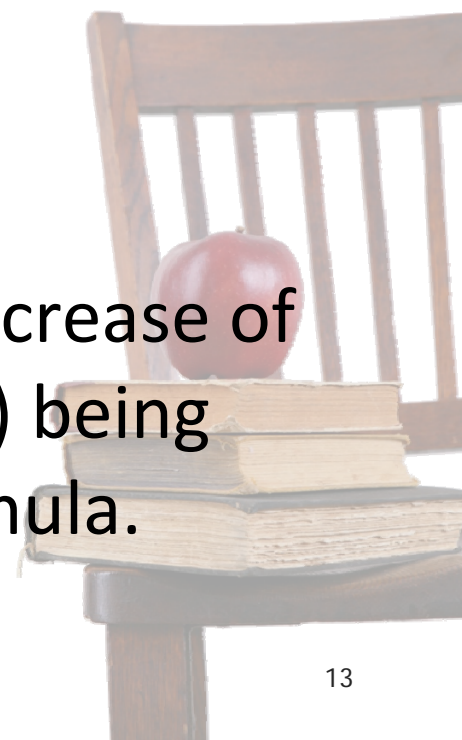
- Budget developed with estimated decrease of 42 students.
- Actual count is completed on September 16 (Third Friday Count).





River Valley School District Projected Enrollment

- While the district has continued to have decreasing enrollment, it is projected that class sizes will stay steady between:
 - 85-90 total students at K-5 level
 - 95-105 at Middle School
 - 100-110 at the High School
- A decreasing enrollment results in a decrease of revenues (property taxes and state aid) being available through the revenue cap formula.





River Valley School District Revenue Limit Projections

- Revenue Cap is projected to decrease by \$937,822.
- State General (Equalization) Aid decrease by 10.1%
- Amount of Fund 10 Tax Levy to decrease by 4.4%

	2007-2008	2008-2009	2009-2010	2010-2011	Budgeted 2011-2012
State Equal. Aid	\$7,405,113	\$7,311,176	\$6,281,438	\$6,314,310	\$5,674,468
Fund 10 Levy	\$6,514,048	\$7,006,546	\$8,197,117	\$8,206,193	\$7,847,424
Revenue Limit	\$13,919,161	\$14,317,722	\$14,478,555	\$14,520,503	\$13,521,892

- Overall 6.88% decrease from 2010-2011.



River Valley School District Revenue Limit Projections

- Budget was built based on a 1.7% decrease of equalized tax value of district.

	Fall 2008	Fall 2009	Fall 2010	Budgeted Fall 2011
Tax Apportionment Values	\$896,003,000	\$899,480,000	\$868,550,000	\$853,813,000
Amount Change from Previous Year	\$30,186,642	\$3,683,395	\$(30,930,000)	\$(14,737,000)
Percent Change from Previous Year	3.44%	0.39%	-3.44%	-1.7%

- District will receive final value in October.
 - Has no affect on total levy, but affect on tax rate.



River Valley School District Tax Levy

	2008-2009	2009-2010	2010-2011	2011-2012 Projected
Total Tax Levy	\$7,814,687	\$9,013,033	\$9,000,042	\$8,652,424
Tax Rate	\$8.74	\$10.04	\$10.38	\$10.15
Percent Change		12.95%	3.28%	-2.21%



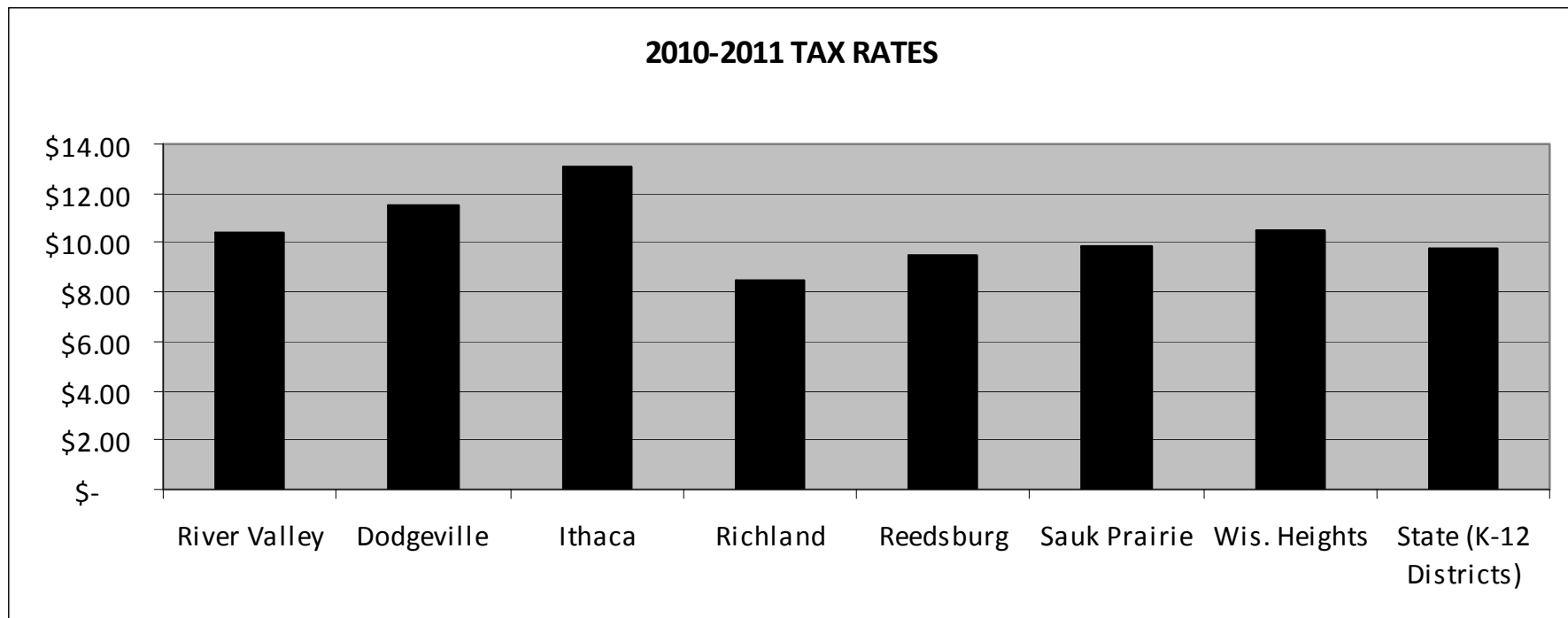
RVSD Tax Rate and Impact

Property Value	2009-2010	2010-2011	Projected 2011-2012	Projected Impact
\$100,000	\$1,004.00	\$1,038.00	\$1,015.00	\$-23.00
\$150,000	\$1,506.00	\$1,557.00	\$1,522.50	\$-34.50
\$200,000	\$2,008.00	\$2,076.00	\$2,030.00	\$-46.00
\$250,000	\$2,510.00	\$2,595.00	\$2,537.50	\$-57.50
\$300,000	\$3,012.00	\$3,114.00	\$3,045.00	\$-69.00
\$400,000	\$4,016.00	\$4,152.00	\$4,060.00	\$-92.00



Tax Rate Comparison to Surrounding Districts (2010-2011)

	River Valley	Dodgeville	Ithaca	Richland	Reedsburg	Sauk Prairie	Wis. Heights	State (K-12 Districts)
Tax Rate	\$ 10.38	\$ 11.51	\$ 13.11	\$ 8.45	\$ 9.49	\$ 9.82	\$ 10.53	\$ 9.76





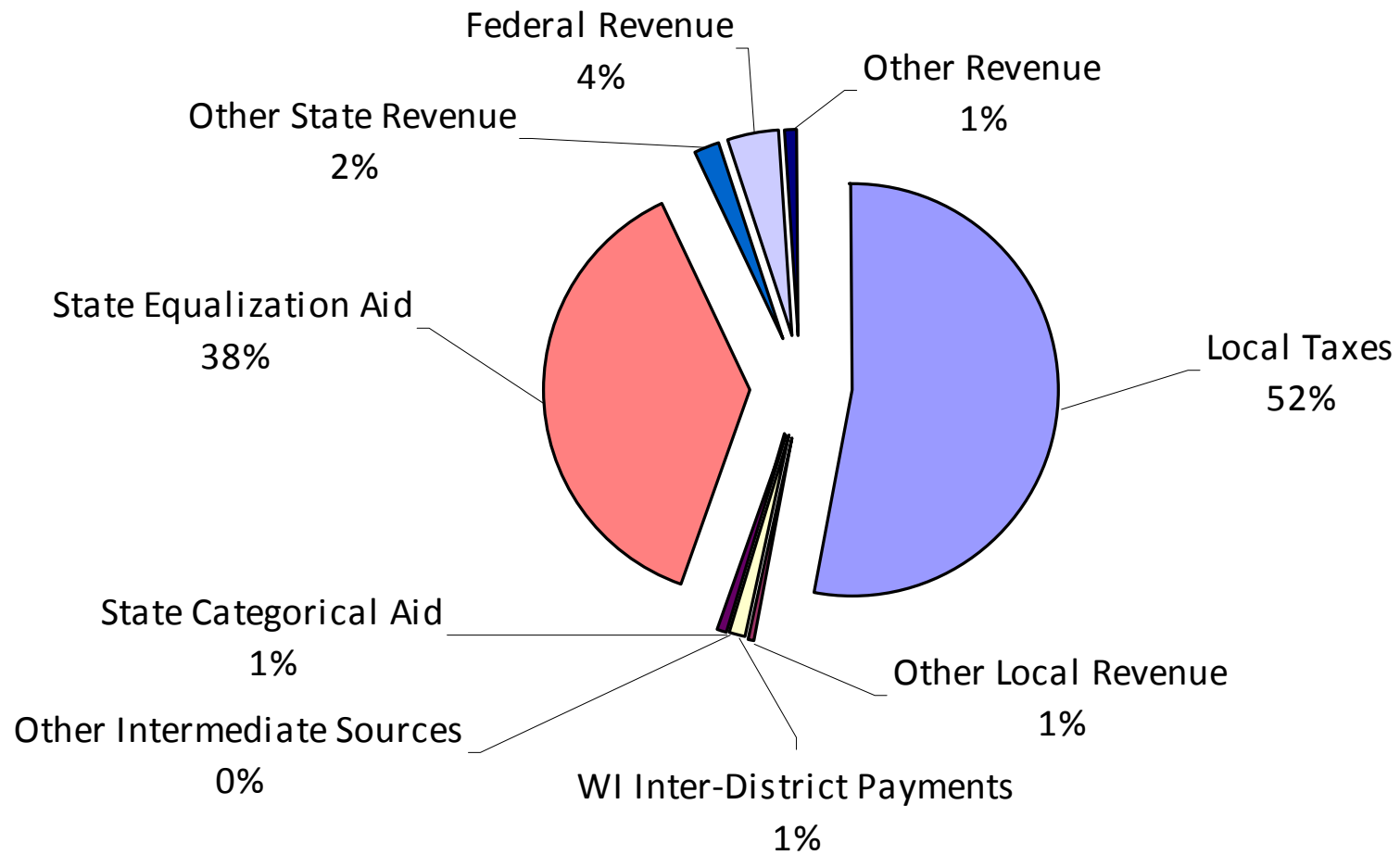
Fund 10 – General Fund Revenue

	Audited 2009-2010	Unaudited 2010-2011	Budgeted 2011-2012
<u>Revenues</u>			
Local Taxes	\$ 8,176,709	\$ 8,205,555	\$ 7,938,213
Other Local Revenue	\$ 154,255	\$ 109,000	\$ 108,500
WI Inter-District Payments	\$ 145,938	\$ 141,000	\$ 141,000
Other Intermediate Sources	\$ 23,556	\$ 20,000	\$ 20,000
State Categorical Aid	\$ 126,565	\$ 129,835	\$ 127,500
State Equalization Aid	\$ 6,281,438	\$ 6,326,004	\$ 5,674,468
Other State Revenue	\$ 383,943	\$ 367,423	\$ 327,445
Federal Revenue	\$ 286,325	\$ 287,376	\$ 630,157
Other Revenue	\$ 17,215	\$ 92,000	\$ 105,100
Total Revenues	\$ 15,595,944	\$ 15,678,193	\$ 15,072,383

- ‘Other State Revenue’ decrease due to cut of AODA from State Budget.
- ‘Federal Revenue’ includes \$395,000 of one-time Education Jobs Fund money.



Fund 10 – General Fund Revenue





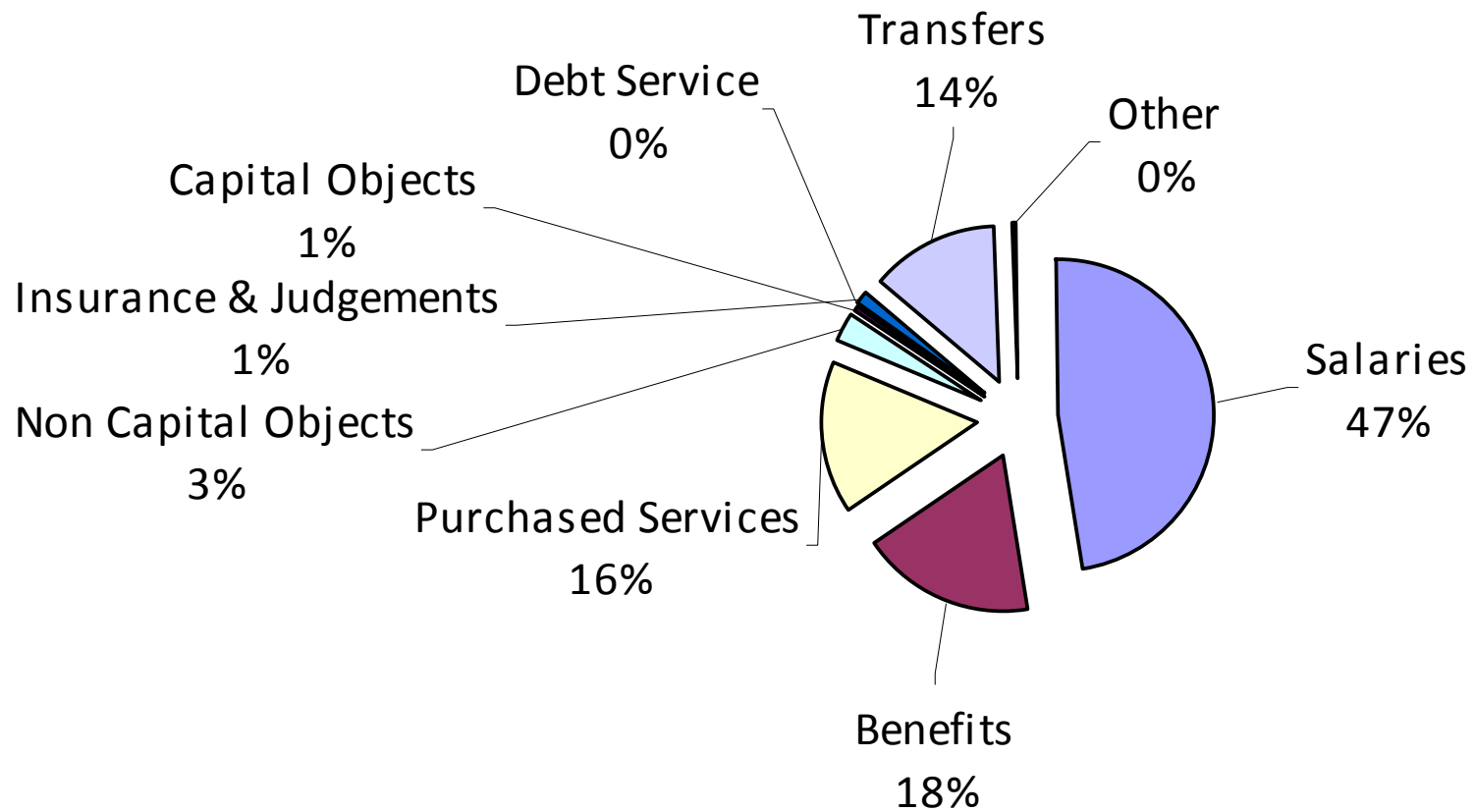
Fund 10 – General Fund Expenses

	Audited 2009-2010	Unaudited 2010-2011	Budgeted 2011-2012
<u>Expenditures</u>			
Salaries	\$6,489,322	\$6,924,519	\$7,083,963
Benefits	\$3,675,786	\$3,568,735	\$2,703,020
Purchased Services	\$2,371,546	\$2,324,564	\$2,402,928
Non-Capital Objects	\$423,689	\$393,357	\$437,168
Capital Objects	\$162,244	\$102,083	\$107,783
Insurance & Judgement	\$167,708	\$178,500	\$182,750
Transfers	\$2,055,054	\$2,198,333	\$2,049,984
Other	\$53,993	\$45,836	\$53,341
Total Expenditures	\$15,399,342	\$15,735,927	\$15,020,938

- ‘Transfers’ includes amounts transferred to Fund 27 and Fund 50 to cover deficits. Approximately 89% of the Fund 27 transfer is to pay for staff salaries and benefits.



Fund 10 – General Fund Expenses





General Fund Expenditures

- \$15,019,739 in 2011-2012 (Budget)
 - 4.55% decrease from 2010-2011
- 3 Year Prior Comparison
 - \$15,735,927 in 2010-2011
 - \$15,399,343 in 2009-2010
 - \$15,216,867 in 2008-2009





General Fund Savings 2011-2012

- Decrease of 8.5 FTE Teaching Staff.
- Decrease in 1.6 FTE Support Staff.
- Decrease in Building Budgets.
- Employees contributing 50% of Wisconsin Retirement System (WRS).
- Increased employee contributions to Health Insurance Premiums.





District Fund Balance 2011-2012

Total Revenues	\$15,595,944	\$15,678,193	\$15,072,383
Total Expenditures	\$15,399,342	\$15,735,927	\$15,020,938

2011-2012 Surplus = \$51,445

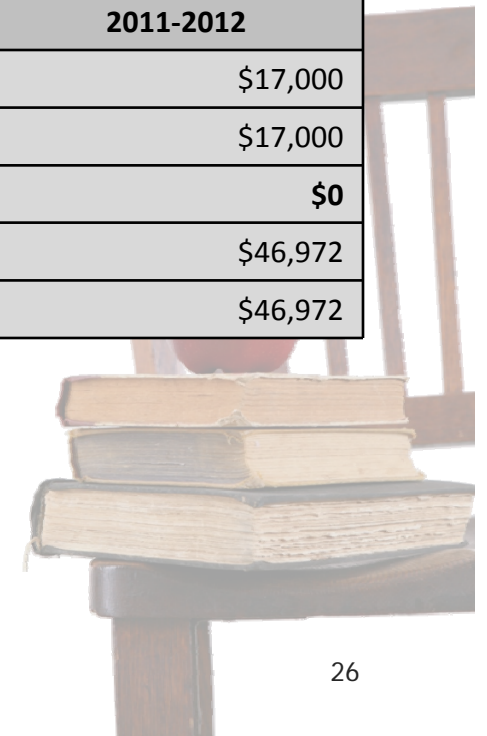
	2009-2010	2010-2011	2011-2012 Projected
Beginning Fund Balance	\$4,130,578	\$4,327,180	\$4,269,446
Ending Fund Balance	\$4,327,180	\$4,269,446	\$4,322,091
Fund Balance as % of Total Expenditures	28.1%	27.1%	28.8%



Fund 21 - Special Revenue Trust Fund

- Purpose is to account for gifts specified by donors to be used for operating purposes.

	Audited 2009-2010	Unaudited 2010-2011	Budgeted 2011-2012
Total Revenues	\$13,556	\$17,000	\$17,000
Total Expenditures	\$21,640	\$17,000	\$17,000
Revenue-Expense Total	\$(8,084)	\$0	\$0
Beginning Fund Balance	\$55,056	\$46,972	\$46,972
Ending Fund Balance	\$46,972	\$46,972	\$46,972





Fund 27 - Special Education

- Accounts for special education programs and operations.

Revenues	Audited 2009-2010	Unaudited 2010-2011	Budgeted 2011-2012
Operating Transfers-In	\$2,018,751	\$2,194,264	\$2,041,005
Intermediate Sources	\$0	\$3,020	\$3,020
State Sources	\$800,200	\$800,000	\$726,533
Federal Sources	\$641,528	\$464,882	\$357,087
Total Revenues	\$3,463,499	\$3,462,166	\$3,147,645

Expenses	Audited 2009-2010	Unaudited 2010-2011	Budgeted 2011-2012
Salary and Benefits	\$2,970,081	\$3,152,085	\$2,823,686
Other Objects	\$307,772	\$310,081	\$323,959
Total Expenses	\$3,463,499	\$3,462,166	\$3,147,645



Fund 39 – Referendum Debt

- Purpose to repay prior debts borrowed with the authority of an approved referendum.

Fund 39 Debt	Audited 2009-2010	Unaudited 2010-2011	Budgeted 2011-2012
Total Expenses	\$796,373	\$782,675	\$538,955
Levy	\$784,531	\$770,675	\$750,000
Beginning Fund Balance	\$88,826	\$76,984	\$65,124
Ending Fund Balance	\$76,984	\$65,124	\$276,169

- Additional amount levied would be set up in an irrevocable trust account.
 - Purpose of money would be used only for referendum debt.
 - ✓ District will save on interest payments when bonds become callable in 2016.



Fund 39 – Referendum Debt

Fund 39 Referendum Debt

<u>Fiscal Year</u>	<u>Amount Due</u>
2011-2012	\$ 538,955
2012-2013	\$ 539,400
2013-2014	\$ 547,400
2014-2015	\$ 544,400
2015-2016	\$ 545,800
2016-2017	\$ 551,400
2017-2018	\$ 546,000
2018-2019	\$ 0





Fund 50 – Food Service Revenues

Revenues	Audited 2009-2010	Unaudited 2010-2011	Budgeted 2011-2012
Operating Transfer In	\$36,303	\$4,069	\$8,979
Pupil Breakfast	\$1,432	\$2,000	\$13,000
Pupil Lunches	\$362,289	\$375,000	\$220,000
Pupil Milk	\$131	\$200	\$15,000
Pupil a la Carte	\$16,405	\$17,000	\$118,000
Adult Lunches	\$324	\$400	\$500
Catering	\$2,014	\$2,000	\$4,700
Total Food Sales	\$382,595	\$396,600	\$371,500
Other Local	\$425	\$500	\$500
State Sources (Food Service Aid)	\$12,507	\$13,240	\$13,300
Fresh Fruit & Veggie Grant	\$0	\$4,000	\$4,250
Federal Sources (Food Service Aid)	\$223,809	\$223,350	\$231,000
Total Revenues	\$655,639	\$641,759	\$629,229



Fund 50 – Food Service Expenses

Expenses	Audited 2009-2010	Unaudited 2010-2011	Budgeted 2011-2012
Salaries & Benefits	\$329,308	\$310,259	\$280,730
Other	\$326,331	\$331,500	\$348,499
Total Expenses	\$655,639	\$641,759	\$629,229





Fund 80 – Community Service

- The purpose is used to account for activities and programs in the community outside of the district’s regular and extracurricular programs for all pupils in the River Valley School District community.

	Audited 2009-2010	Unaudited 2010-2011	Budgeted 2011-2012
Revenues			
Property Taxes	\$40,000	\$40,000	\$50,000
Expenses			
Custodial Staff Costs	\$40,000	\$40,000	\$50,000

- Our community service fund tax levy covers the custodial staff costs for community wide events that take place on district property.
- This increase of \$10,000 has an impact of \$0.01 on the total mill rate.



Comparative Cost Comparison Per Student

	River Valley	Dodgeville	Ithaca	Richland	Reedsburg	Sauk Prairie	Wis. Heights	State
Total District Per Member Cost	\$ 12,920	\$ 13,060	\$ 12,609	\$ 13,808	\$ 11,997	\$ 12,168	\$ 13,433	\$ 12,624

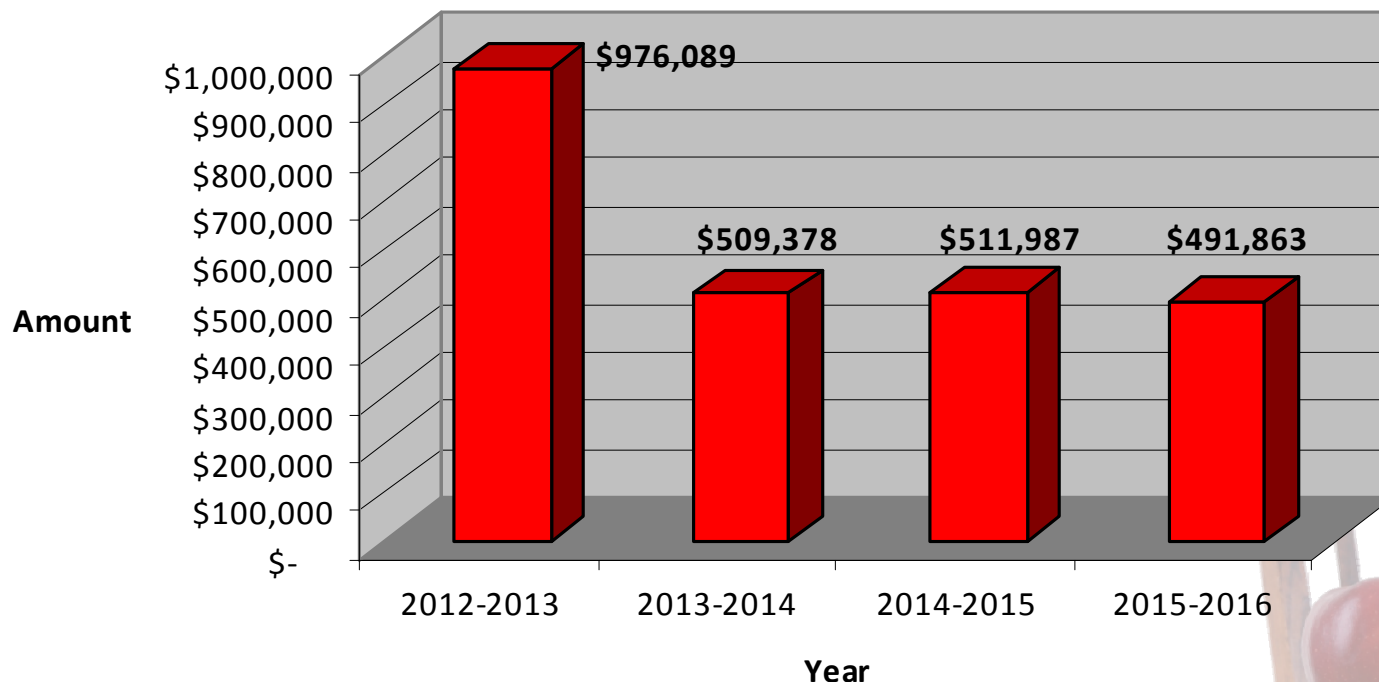
- Information from 2009-2010 audited information, Wisconsin Department of Public Instruction





Financial Forecast

River Valley School District - Projected Annual Deficit



- 2012-2013 assumes state aid per pupil increase of \$0.
- 2013-2016 assumes state aid per pupil increase of \$200.

In today's education climate it is very difficult to forecast a district's financial future. The amount of state aid our district will receive in the future has become more unpredictable than in the past. This financial forecast assumes what our district knows now – and makes our best assumptions at what could happen in the future in education.



Next Steps with 2011-2012 Budget

- Ask for approval of Tax Rate/Levy at this meeting.
- The School Board must modify the budget based on:
 - September Enrollment Count
 - Final District Property Values
 - Final District Revenue Cap Amount
- Once the above values are calculated, the school board must set the tax levy and adopt the budget on or before November 1st.

