

**River Valley School District**  
**Budget Summary**  
**August 27, 2009**

**Introduction**

The annual budget is a financial plan to achieve educational objectives. The School Board has made budget determinations based upon educational priorities throughout the year, at regularly scheduled meetings. A property tax levy to support the budget will be submitted for consideration at the Annual Meeting on Thursday, August 27, 2009. Following determination of enrollment and certification of general state aid in late October, this annual budget, a financial plan, is adjusted and the original budget for the school year is adopted.

**Budget Priorities**

- Increase innovative support for classroom teachers.
- Focus on Literacy by continuing the K-12 literacy model that is district-wide, multi-leveled, and supported by best-practice research.
- Continue the STAR Reading Assessment Program, 6 Traits Writing Model Program, Sitton Spelling and Curriculum Mapping Programs.
- Implement policies and procedures related to student achievement state testing requirements.
- Continue to update curriculum and staffing to assure quality education and alignment with state standards and achievement goals to include curriculum mapping.
- Maintain buildings and grounds using the District's Fifteen Year Maintenance Schedule as a repair timeline tool as stated in the Referendum.
- Address Annual Roof Replacement needs as stated in the Referendum.
- Continue to provide necessary support services.
- Continue evaluation of enrollment trends and develop long-range budget plans for the school district.
- Continue to provide a safe and productive school environment.
- Continue to prioritize budget priorities that are in the long-term best interest of students and taxpayers.

## **Budget Assumptions**

The following assumptions have been made to guide the development of this annual budget (financial plan). Changes in laws and regulations of the state or federal government may render the assumptions incomplete or inaccurate. This annual budget is adjusted in late October to reflect information that is current at that time. Listed below are decisions that influence these budget projections:

- Current state law regarding school finance may be altered in such a way as to reduce categorical funding and further reduce revenue limits.
- District enrollment is estimated to decline by twenty-six students from last year using the September Third Friday Count methodology which relates directly to the revenue limit calculation. It is assumed the district will accept twenty-three students under the open enrollment law and that sixty students will leave the district under the open enrollment law.
- No significant program changes will be made in 2009-2010.
- Health Insurance cost will *increase* by approximately 1%. Dental Insurance costs will increase by 1%.
- Reduced Positions: 1 FTE Kindergarten Teacher, .5 FTE Administrator
- Replaced Positions due to retirement or resignations: 6 FTE Teachers, 3FTE Support Staff, .5 FTE AODA Counselor
- Added Positions: 1 FTE Administrator, 1 FTE Special Ed Education Assistant.
- Continue the Community Service Fund (Fund 80) for community facility usage.

## **Where Does the Money Come From?**

School finance regulations specify the amount of dollars the district is permitted to raise from property taxes and general state aid. This amount is called the revenue limit. River Valley School District receives 97% of its money from these two revenues: 54% from property taxes/local sources and 43% from general state aid payments. The remaining 2% is derived from federal and other miscellaneous sources. *The Revenues by Source graph depicts this projection.*

## **Where is the Money Spent?**

The school district analyzes expenditures from two different perspectives – expenditures by function and expenditures by object. Function is the purpose for which the expenditure is made and an object is the type of goods and services purchased. The multiple perspectives are a different way of looking at the same expenditures. The function definitions used by the district are consistent with the definitions used by the Wisconsin Department of Public Instruction.

Instruction, (including instruction related operating fund transfers) accounts for 64% of the district's costs. Pupil and staff support, which includes libraries, psychologists, counselors, nurses, therapists, transportation, co-curricular, athletics, administration, utilities and building maintenance account for 34% of the district's costs. Non-program expenditures include open enrollment and general tuition payments and accounts for 2% of the district's cost. *The Projected Expenditures by Function graph depicts this projection.*

The other way to view expenditures is by object. Wages and benefits for staff is 80% of the budget, thus being the single largest cost item. All other non-salary expenditures account for 20% of the budget. *The Projected Expenditures by Object graph depicts this projection.* Also, a detailed breakout of these expenditures is shown in the Budget Breakout by Category Sheet.

## **River Valley School District's Mill Rate Pattern**

The property tax levy required to support the 2009-10 budget is estimated at \$9,066,341. If one views *River Valley School District's Mill Rate Pattern* chart, it will show last years mill rate at \$8.74 per \$1000 of property value, which compared to this year's projection of \$9.94 shows a projected Mill Rate increase of \$1.20 per \$1000 of property value. However, the property tax levy and tax rates are estimates and the final state aid amount may change the actual levy and rate before the final levy is set by the School Board by November 1st.

## **Current Education Cost Comparisons of Surrounding School Districts**

School Districts analyze costs in various ways. The spreadsheet titled *Comparative Cost per Member for Surrounding School Districts* compares cost data within River Valley School District's to six surrounding school districts. The two cost measures considered most reliable for comparison purposes are Current Educational Cost (CEC) and Total Educational Cost (TEC). Current Educational Cost includes overall instruction and overall instructional support cost per student for a school district. River Valley School District's 2007-08 CEC cost per student is \$10,246. The average CEC cost for the eight Surrounding School Districts is \$10,583 while the State average school district cost is \$10,216. Depicted on the *2007-08 Surrounding District's Current Educational Cost Comparisons chart.*

The Total Educational Cost (TEC) measures the CEC cost plus transportation and facility cost per student. River Valley School District's 2007-08 TEC cost is \$11,449 per student. The average TEC cost for the eight Surrounding School Districts is \$11,989 while the State average school district cost is \$11,659. Depicted on the 2007-08 Surrounding District's Total Educational Cost Comparisons chart.

River Valley School District's 2007-08 TEC cost per student is lower than both the eight Surrounding School Districts and the State average.

*\* This data was attained from the Wisconsin Department of Public Instruction 2007-08 district audited annual reports. It is the most recent data available.*

### **Current Education Cost Comparisons with CESA 3 Schools**

River Valley School District's 2007-08 CEC cost per student is \$10,246. The average CEC cost for the CESA 3 schools (31 school districts including River Valley) is \$10,261 while the State average school district cost is \$10,216. Depicted on the 2007-08 CESA 3 Current Educational Cost Comparisons chart.

The Total Educational Cost (TEC) measures the CEC cost plus transportation and facility cost per student. River Valley School District's 2007-08 TEC cost is \$11,449 per student. The average TEC cost for the CESA 3 schools is \$11,600 while the State average school district cost is \$11,659. Depicted on the 2007-08 CESA 3 Schools Total Educational Cost Comparisons chart.

River Valley School District's 2007-08 TEC cost per student is again lower than the larger sample of CESA 3 schools and lower than the State average.

*\* This data was attained from the Wisconsin Department of Public Instruction 2007-08 districts audited annual reports. It is the most recent data available.*