



River Valley School District Budget Hearing

Date: Tuesday, August 28, 2012

Time: 7:00 p.m.

Location: River Valley High School

Little Theater

660 Varsity Blvd.

Spring Green, WI 53588





2012-2013 Board of Education

<u>Name</u>		<u>Address</u>	<u>Area</u>	<u>Term Expires</u>
Kay Taylor	President	Lone Rock	5	4/26/2015
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	4/26/2015
Herman Kaldenberg		Lone Rock	7	4/26/2015
Debbie Peach		Lone Rock	4	4/28/2014
Paul Cummings		Dodgeville	3	4/22/2013
John Bettinger		Plain	9	4/22/2013



2012-2013 Administration

<u>Name</u>	<u>Position</u>
Jamie Benson	Superintendent
Kim Kaukl	High School Principal
James Radtke	Middle School Principal
Jaime Hegland	Spring Green and Lone Rock Principal
Heather Terrill Stotts	Arena Principal
Tom Wermuth	Plain Principal and RV Elementary Studio School Director
Mati Palm-Leis	K-12 Special Education Director



Educational Philosophy and Goals

- Board Policy #110 – Long Range Goals
 - Budget was prepared to meet educational philosophy, goals, and graduate learner outcomes (GLOs) of district
 - In general, our educational purpose is to support children in developing the skills, knowledge, and attributes that will allow them to be responsible, contributing members of the community



Graduate Learner Outcomes (GLOs)

- Academic Content Knowledge
- Creative Capacities
- Critical Thinking Skills
- Communication and Collaboration Skills
- Global and Cultural Awareness
- Technological Literacy
- Life and Career Skills



So,

- How do we prepare our students?
- Widgets, blueberries, and kids
- What goal areas does the district have to support learning?



District Priorities

- Transition into new state model education quality initiatives
 - Common core curriculum standards
 - New balanced assessments and using data to inform instruction
 - Teacher and principal effectiveness
- Professional Learning Community (PLC) model for instructional improvements and program development
- Develop long range plans for the school district financial deficit
- Continue to provide a safe and productive school environment



District Priorities

- Focus on K-12 literacy model to include greater emphasis on reading to learn in all content areas
- Response to Intervention (RtI) – multi-leveled system of support for various student needs to include high quality instruction, balanced assessment, collaboration, and leadership
- Continue to provide necessary support services and special programs to meet unique and varied student needs
- Provide support for classroom innovation



District Priorities

- Continue the STAR reading assessment program, 6 Traits writing model program, emphasis on K-12 literacy, and Sitton Spelling
- Implement kindergarten reading readiness screener
- Four year old kindergarten study committee
- Technology Committee – examine and recommend infrastructure upgrades, professional development, student-centered tech program improvements, virtual program, 1-to-1 options, and budget priorities
- Continue and advance community partnerships



District Priorities

- Maintain buildings and grounds using the district's revised 15-year maintenance schedule as a repair timeline tool
- Continue evaluation of enrollment trends and the effects on staffing levels
- Evaluate River Valley Elementary Studio School (RVESS charter school) success and future sustainability
- Use data to drive decision-making improvement efforts



District Priorities

- Maintain WKCE scores above state average while raising scores overall
- Maintain 95% graduation rate
- Maintain ACT scores above state average while increasing participation and raising scores



WINDS of CHANGE

- Technology
- Demographics
- Competition
- Economy

VOTE TODAY!
PUBLIC SCHOOLS

OUR TOWN SCHOOL EXPENSES

OUR TOWN SCHOOL BOARD

OUR TOWN STUDENTS

OUR TOWN COMMUNITY

Investing in Wisconsin Public Schools

Wisconsin Constitution Article X, §1
The legislature shall provide by law for the establishment of district schools, which shall be as nearly uniform as practicable, and such schools shall be free and without charge for tuition to all children between the age of 6 and 20 years.

PUPIL & STAFF SERVICES:

- Counseling Services
- Health Services
- Student Social Services
- Teacher Professional Development & Training
- School Library

ADMINISTRATION:

- Principals
- Superintendent
- School Business Official
- District Level Staff

INSTRUCTION:

- Regular Education
- Special Education
- Vocational Education
- Extracurricular Activities
- Books and Materials

FOOD & COMMUNITY SERVICES:

- Federal Breakfast & Lunch Programs
- Community Recreation Programs
- Performing Arts Center

OPERATIONS:

- Maintenance & Upkeep of Facilities
- Custodial Expenses
- Grounds Services
- Utilities, phone, IT
- Property & Liability Insurance

FACILITIES:

- Facility and Land Acquisition
- Debt Service
- Principal & Interest on Current Buildings

TRANSPORTATION:

- Student transportation (bussing) for both public & private school students in the district.

Board Meeting Agenda

- Student Plan Update
- Student Achievement Update
- Next Year's Budget Update & Budget Reduction Plan
- Policy Update
- Staffing Issues

Continuing Education

Colleges - Universities - Adult Ed. - CLE

Community Services

- Business Leagues
- Choirs
- Club Groups
- Leagues

Outcomes of Education

Wisconsin Constitution Article X, §1
The legislature shall provide by law for the establishment of district schools, which shall be as nearly uniform as practicable, and such schools shall be free and without charge for tuition to all children between the age of 6 and 20 years.





Overview of Budget

- Budget Publication
 - Budget Hearing is a Breakdown of the Budget Publication



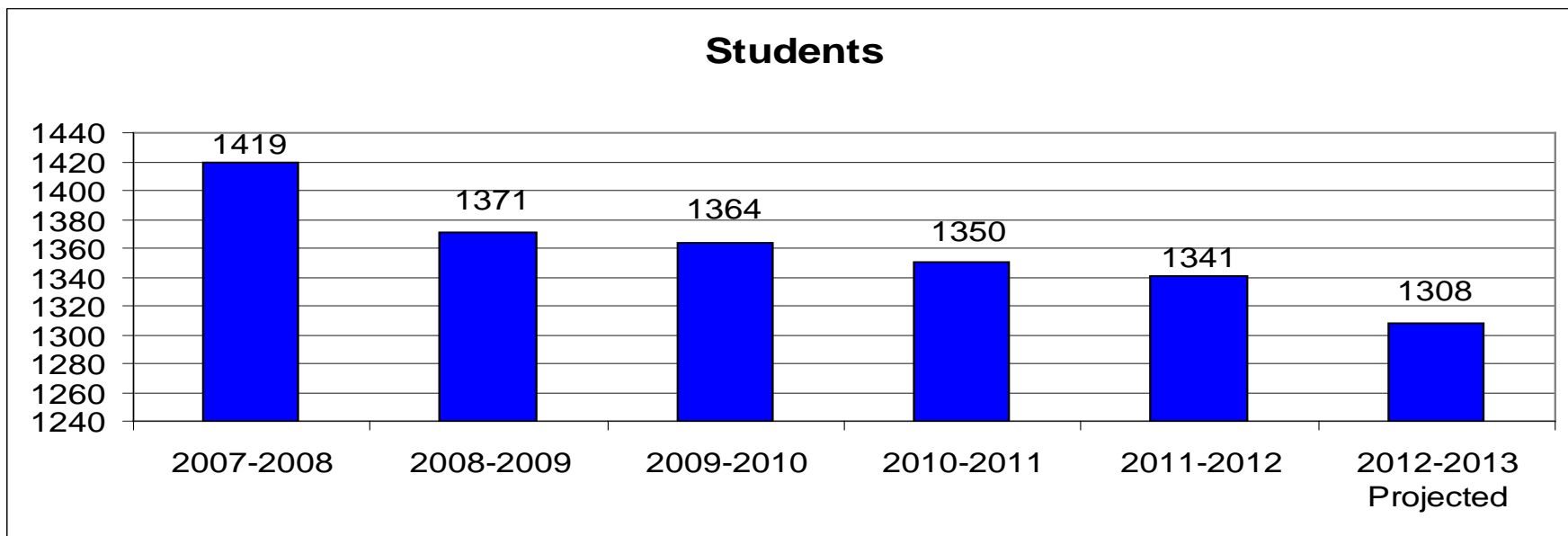
Potential Budget Roadblocks

- Changes in current state law regarding school finance have been altered in such a way as to reduce state aid and further increase local tax burden
- Changes in laws and regulations of state or federal government may render the budget assumptions incomplete or inaccurate – unknown future
- Unfunded mandates



Enrollment

- Budget developed with estimated decrease of 33 students.
- Actual count is completed on September 21 (Third Friday Count).





Projected Enrollment

- While the district has continued to have decreasing enrollment, it is projected that class sizes will stabilize over the next 3-year period
- A decreasing enrollment results in a decrease of revenues (state aid and local taxes) being available through the revenue cap formula



Enrollment Projections

Year	K	1	2	3	4	5	6	7	8	9	10	11	12
11-12	81	72	89	96	91	90	100	112	105	107	114	115	119
12-13	<i>100</i>	81	72	89	96	91	90	100	112	105	107	114	115
13-14	<i>100</i>	<i>100</i>	81	72	89	96	91	90	100	112	105	107	114
14-15	<i>100</i>	<i>100</i>	<i>100</i>	81	72	89	96	91	90	100	112	105	107



Where does the money come from?

- Revenue Cap Limit





Where does the money come from?

- Revenue Cap Limit

40% State Aid

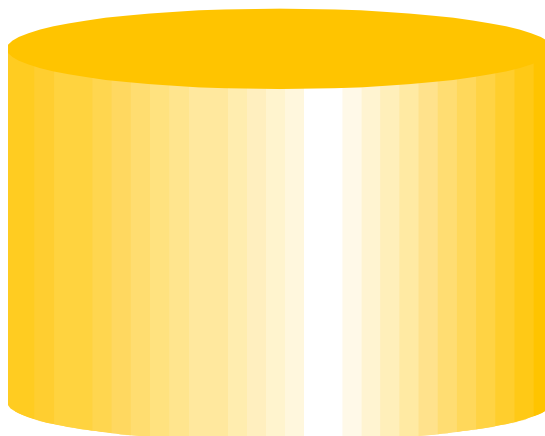




Where does the money come from?

- Revenue Cap Limit

60% Local Taxes





Where does the money come from?

- Revenue Cap Limit

- 40% State Aid

- 60% Local Taxes

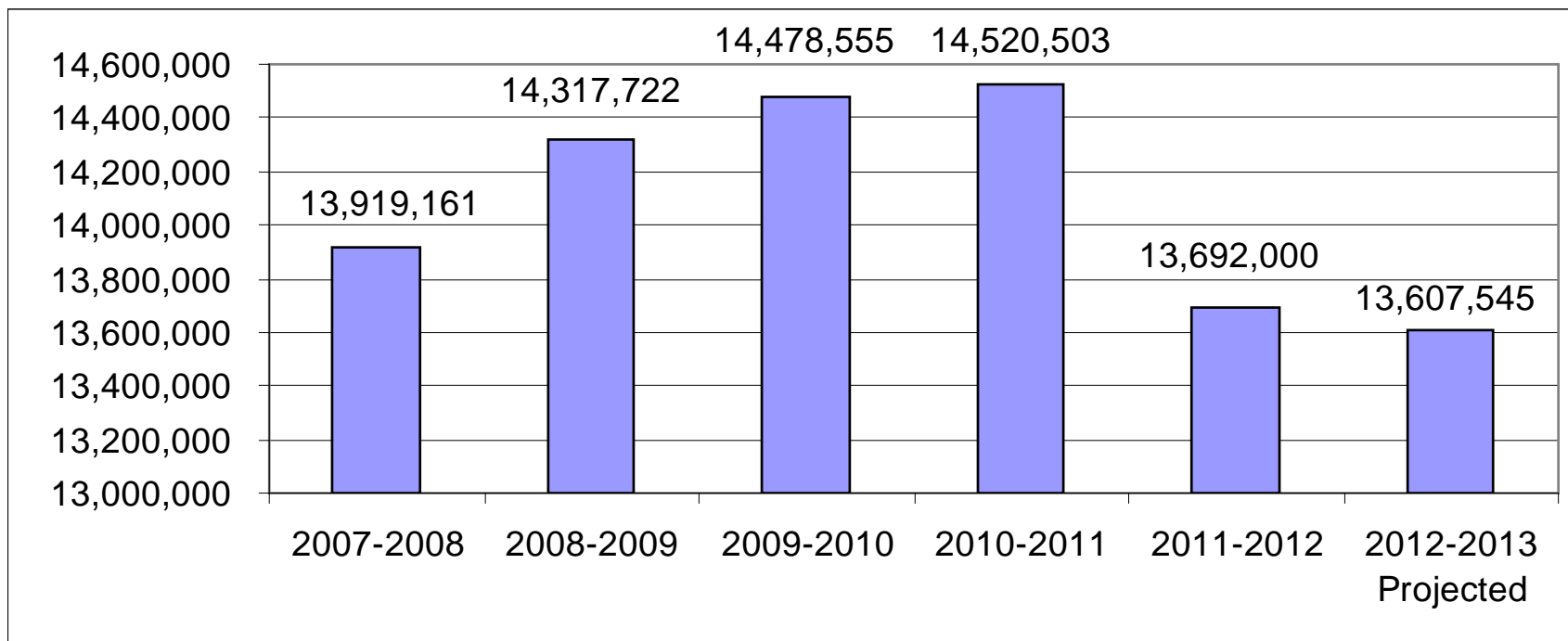




2012-2013 State Budget Decisions

Revenue Cap

- 2012-2013 budget plan based on one time \$50.00 per student adjustment allowance.
- 6.17% (\$84,455) decrease from 2011-2012.





2012-2013 State Budget Decisions

State General Aid

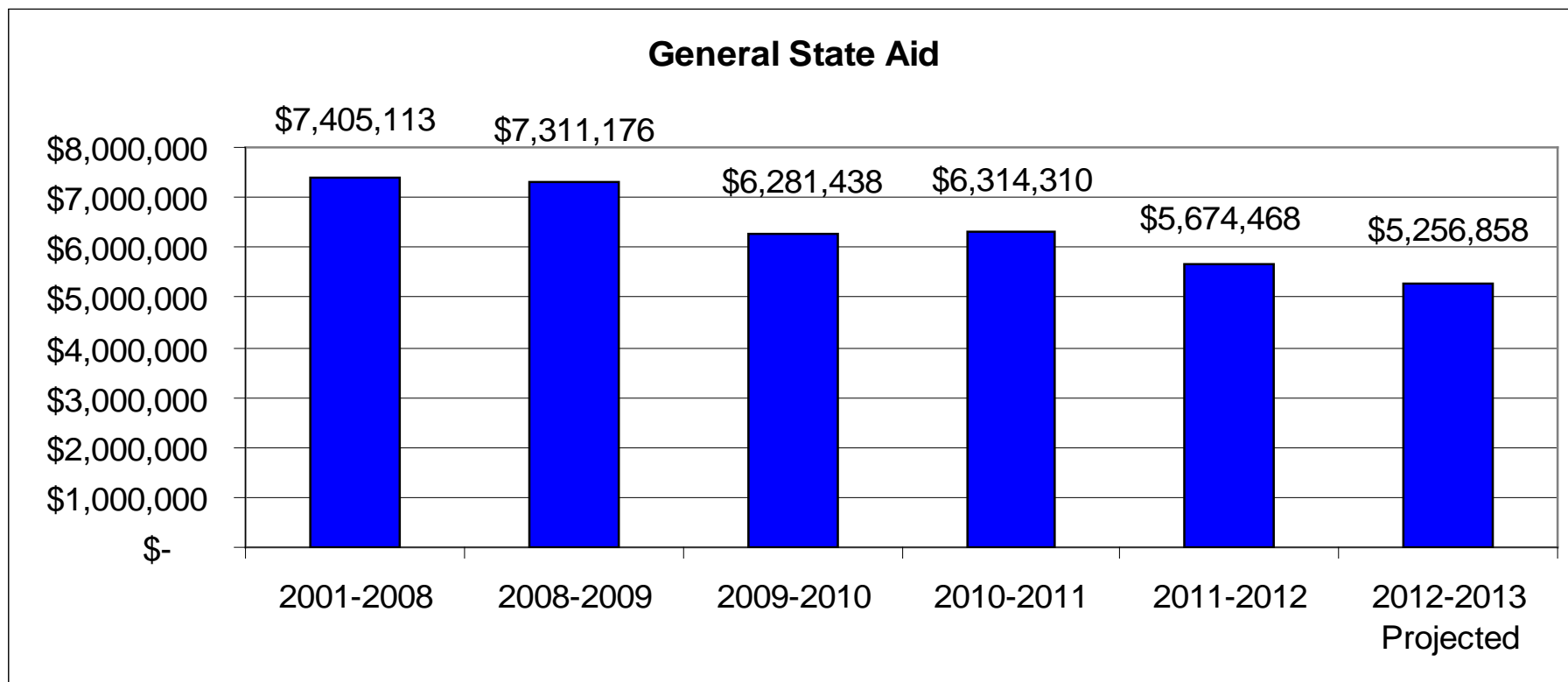
- According to the Department of Public Instruction, State General Aid is reduced by 7.35% in 2012-2013.
- River Valley is estimated to receive a decrease of \$417,610 in state general aid for 2012-2013. 2011-2012 decrease was \$639,842; giving us a loss of more than \$1 million in two years.



2012-2013 State Budget Decisions

State General Aid

- 2012-2013 budget plan based on state general aid decrease of \$417,610.





Revenue Limit Projections

- Revenue Cap is projected to decrease by \$84,455
 - State General (Equalization) Aid decrease by \$417,610
 - Amount of Allowable Fund 10 Tax Levy projected to increase by 4.1%. Mill rate effect (\$.47) is increase from \$10.23 in 2011-2012 to \$10.70 in 2012-2013.

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	Budgeted 2012-2013
State Equal. Aid	\$7,405,113	\$7,311,176	\$6,281,438	\$6,314,310	\$5,683,921	\$5,266,311
Allowable Fund 10 Tax Levy	\$6,514,048	\$7,006,546	\$8,197,117	\$8,206,193	\$8,008,079	\$8,341,234
Revenue Limit	\$13,919,161	\$14,317,722	\$14,478,555	\$14,520,503	\$13,692,000	\$13,607,545



Revenue Limit Projections

- Budget was built based on unchanged equalized property value of district.

	Fall 2008	Fall 2009	Fall 2010	Fall 2011	Budgeted Fall 2012
Tax Apportionment Values	\$896,003,000	\$899,480,000	\$868,550,000	\$855,010,024	\$855,010,024
Amount Change from Previous Year	\$30,186,642	\$3,683,395	\$(30,930,000)	\$(13,539,9736)	\$0
Percent Change from Previous Year	3.44%	0.39%	-3.44%	-1.56%	-0.00%

- District will receive final property tax apportionment value in October.



Total Funds Tax Levy

	2008- 2009	2009- 2010	2010- 2011	2011- 2012	2012- 2013 Projected
Total Funds Tax Levy	\$7,814,687	\$9,013,033	\$9,000,042	\$8,749,914	\$9,155,653
Tax Rate	\$8.74	\$10.04	\$10.38	\$10.23	\$10.70
Percent Change		12.95%	3.28%	-1.45%	4.59%



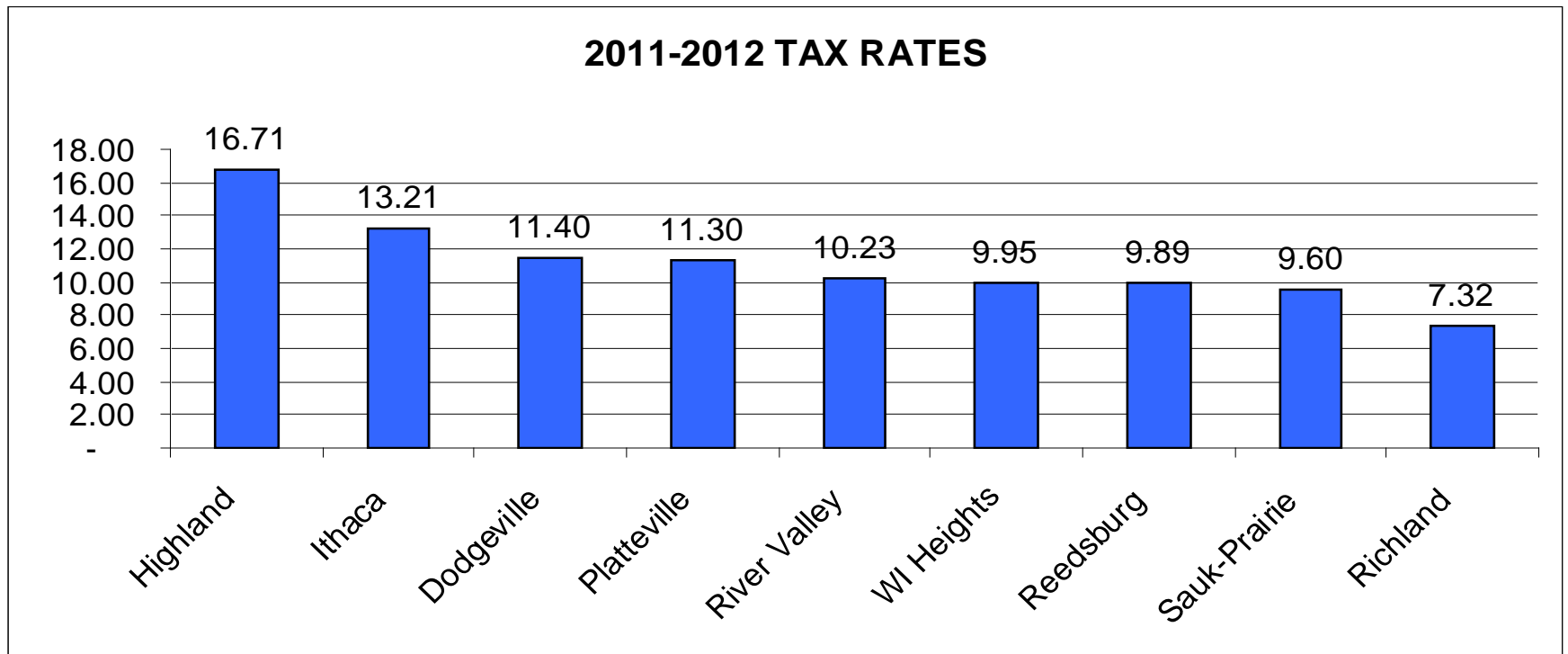
Tax Rate Impact

Property Value	2009-2010	2010-2011	2011-2012	Projected 2012-2013	Projected Impact
\$100,000	\$1,004.00	\$1,038.00	\$1,023.00	\$1,070.00	\$47.00
\$150,000	\$1,506.00	\$1,557.00	\$1,534.50	\$1,605.00	\$70.50
\$200,000	\$2,008.00	\$2,076.00	\$2,046.00	\$2,140.00	\$94.00
\$250,000	\$2,510.00	\$2,595.00	\$2,557.50	\$2,675.00	\$117.50
\$300,000	\$3,012.00	\$3,114.00	\$3,069.00	\$3,210.00	\$141.00
\$400,000	\$4,016.00	\$4,152.00	\$4,092.00	\$4,280.00	\$188.00



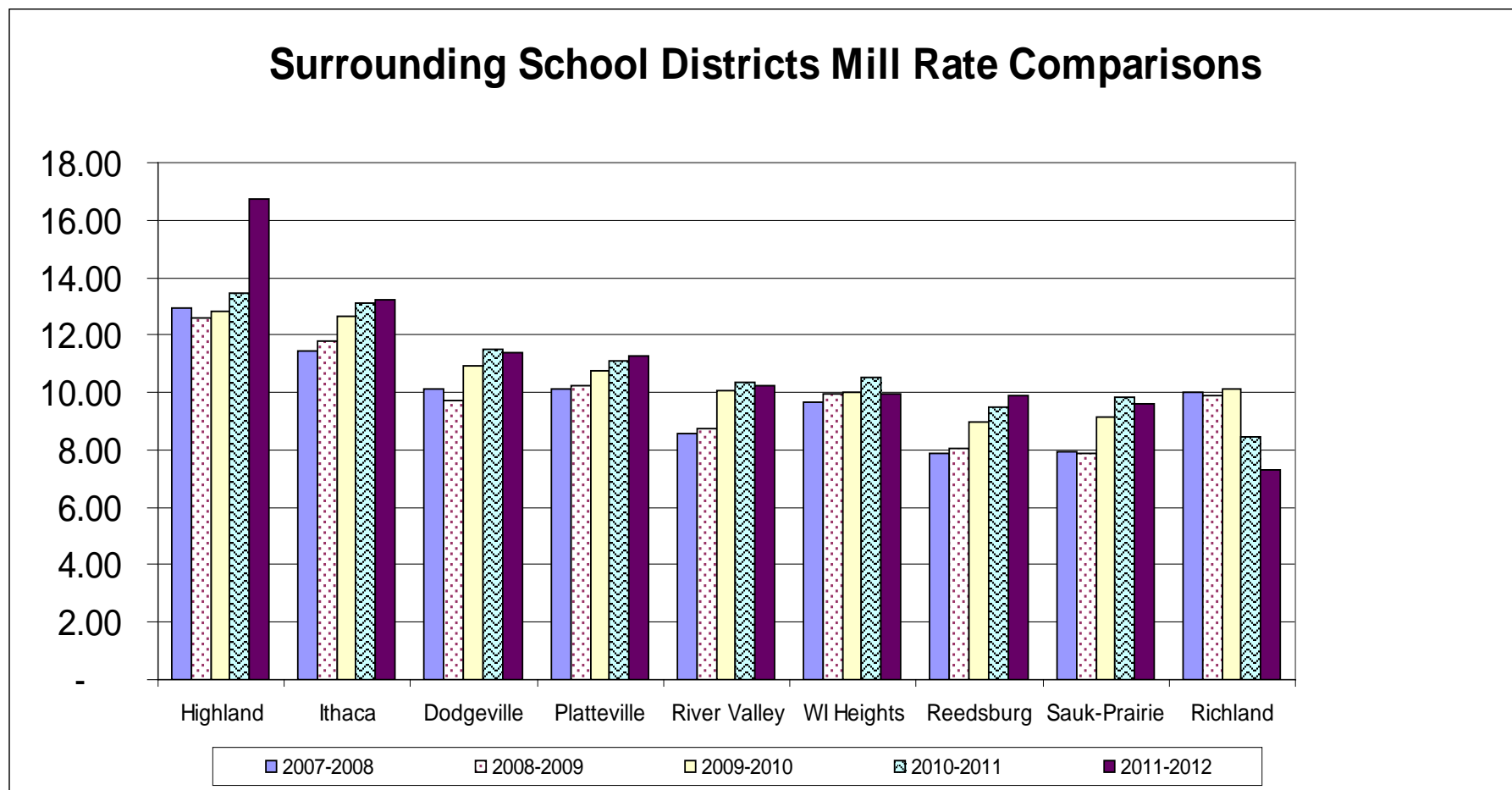
Tax Rate Comparison to Surrounding Districts (2011-2012)

	Highland	Ithaca	Dodgeville	Platteville	River Valley	Wis Heights	Sauk Prairie	Richland
Tax Rate	\$ 16.71	\$ 13.21	\$ 11.40	\$ 11.30	\$ 10.23	\$ 9.95	\$ 9.60	\$ 7.32





Tax Rate Change Comparison to Surrounding Districts (2007-2012)





Definition of Fund Balance

Fund balance represents the fund's total assets minus its liabilities.

The fund may have liabilities, such as an accounts payable amount due to a supplier, and it may include receivables, a promise of receipt of future payments.



District Fund Balance

	2009-2010	2010-2011	2011-2012	2012-2013 Projected
Beginning Fund Balance	\$4,130,578	\$4,327,180	\$4,595,998	\$5,412,644
Ending Fund Balance	\$4,327,180	\$4,595,998	\$5,412,644	\$4,965,629
Fund Balance as % of Total Expenditures	28.1%	26.3%	30.9%	28.2%



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 (WUFAR)
 - Funds used to help in budgets and accountability

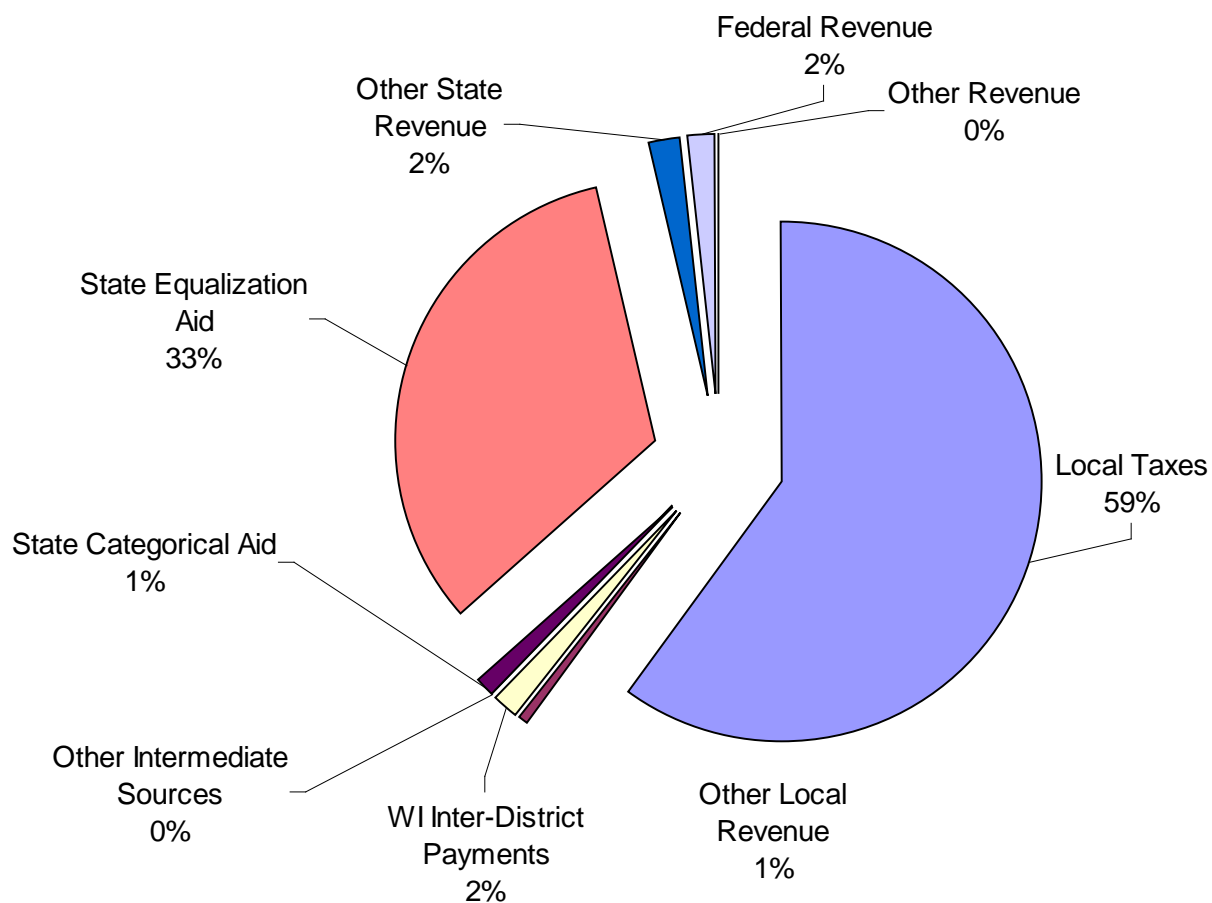


Fund 10 – General Fund Revenue

	Audited 2009-2010	Unaudited 2010-2011	Budgeted 2011-2012
<u>Revenues</u>			
Local Taxes	\$ 8,217,212	\$ 7,980,059	\$ 8,753,915
Other Local Revenue	\$ 120,525	\$ 108,119	\$ 101,500
WI Inter-District Payments	\$ 145,865	\$ 240,119	\$ 238,465
Other Intermediate Sources	\$ 25,093	\$ 29,989	\$ 20,000
State Categorical Aid	\$ 133,071	\$ 120,411	\$ 136,000
State Equalization Aid	\$ 6,314,310	\$ 5,743,249	\$ 4,824,041
Other State Revenue	\$ 339,160	\$ 327,795	\$ 289,666
Federal Revenue	\$ 377,645	\$ 825,608	\$ 236,000
Other Revenue	\$ 102,012	\$ 68,208	\$ 20,000
Total Revenues	\$ 15,774,893	\$ 15,443,557	\$ 14,619,587



Fund 10 – General Fund Revenue





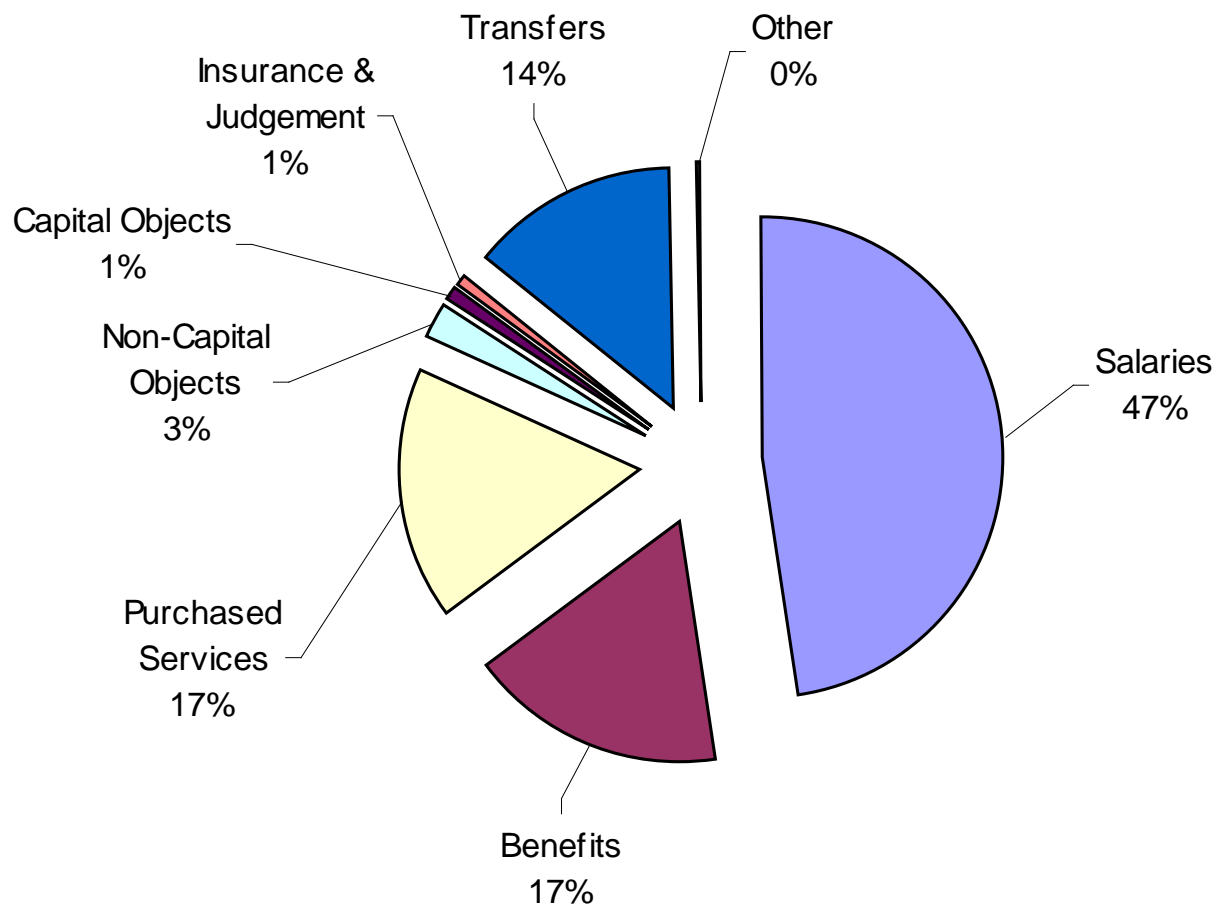
Fund 10 – General Fund Expenses

	Audited 2010-2011	Unaudited 2011-2012	Budgeted 2012-2013
<u>Expenditures</u>			
Salaries	\$6,916,386	\$6,500,927	\$7,162,088
Benefits	\$3,542,198	\$3,039,691	\$2,581,508
Purchased Services	\$2,359,392	\$2,457,444	\$2,556,547
Non-Capital Objects	\$412,622	\$417,604	\$378,176
Capital Objects	\$187,748	\$228,152	\$114,816
Insurance & Judgment	\$27,011	\$125,770	\$152,000
Transfers	\$2,028,233	\$1,812,391	\$2,067,119
Other	\$53,993	\$45,007	\$54,348
Total Expenditures	\$15,505,995	\$14,626,986	\$15,066,602

- ‘Transfers’ includes amounts transferred to Fund 27 and Fund 50 to cover deficits.



Fund 10 – General Fund Expenses





General Fund Expenditures

- \$15,066,602 in 2012-2013 (Budget)
 - 3% increase from 2011-2012
- 4 Year Prior Comparison
 - \$14,626,912 in 2011-2012
 - \$15,506,075 in 2010-2011
 - \$15,399,343 in 2009-2010
 - \$15,216,867 in 2008-2009



General Fund Expenditure Changes 2012-2013

- Increase of .5 FTE Teaching Staff-Savings of \$28,659
- Increase of 1.75 FTE Support Staff-Cost of \$62,155
- Decrease of .8 FTE Administration-Savings of \$64,182
- Transportation increase of 4.5%-Cost of \$35,000



Fund 21 - Special Revenue Trust Fund

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

	Audited 2010-2011	Unaudited 2011-2012	Budgeted 2012-2013
Total Revenues	\$40,139	\$20,504	\$17,000
Total Expenditures	\$29,615	\$21,318	\$17,000
Revenue-Expense Total	\$10,524	\$(814)	\$0
Beginning Fund Balance	\$46,972	\$57,496	\$56,682
Ending Fund Balance	\$57,496	\$56,682	\$56,682



Fund 27 - Special Education

- Accounts for special education programs and operations.

Revenues	Audited 2010-2011	Unaudited 2011-2012	Budgeted 2012-2013
Operating Transfers-In	\$1,984,141	\$1,769,267	\$2,006,989
Intermediate Sources	\$10,224	\$423	\$3,020
State Sources	\$788,508	\$748,457	\$728,866
Federal Sources	\$636,703	\$735,155	\$452,758
Total Revenues	\$3,419,576	\$3,253,302	\$3,191,633

Expenses	Audited 2010-2011	Unaudited 2011-2012	Budgeted 2012-2013
Salary and Benefits	\$3,067,072	\$2,929,687	\$2,911,571
Other Objects	\$352,504	\$323,615	\$280,062
Total Expenses	\$3,419,576	\$3,253,302	\$3,191,633



Fund 39 – Referendum Debt

- An escrow account was established for the purpose of partial defeasance of long term debt. \$185,000 was deposited into the account, saving the district \$44,400 in future interest payments.

Fund 39 Debt	Audited 2010-2011	Unaudited 2011-2012	Budgeted 2012-2013
Total Expenses	\$782,675	\$756,963	\$532,000
Levy	\$770,815	\$750,000	\$750,000
Balance			\$218,000
2012-2013 Projected Cash Defeasance			(\$218,000)



Long Term Debt Schedule

BEFORE CASH DEFEASANCE				AFTER CASH DEFEASANCE			
Date	Principal	Interest	Fiscal Total	Date	Principal	Interest	Fiscal Total
9/1/2012	\$ -	\$ 57,200		9/1/2012	\$ -	\$ 53,500	
3/1/2013	\$ 425,000	\$ 57,200	\$ 539,400	3/1/2013	\$ 425,000	\$ 53,500	\$ 532,000
9/1/2013	\$ -	\$ 48,700		9/1/2013	\$ -	\$ 45,000	
3/1/2014	\$ 450,000	\$ 48,700	\$ 547,400	3/1/2014	\$ 450,000	\$ 45,000	\$ 540,000
9/1/2014	\$ -	\$ 39,700		9/1/2014	\$ -	\$ 36,000	
3/1/2015	\$ 465,000	\$ 39,700	\$ 544,400	3/1/2015	\$ 465,000	\$ 36,000	\$ 537,000
9/1/2015	\$ -	\$ 30,400		9/1/2015	\$ -	\$ 26,700	
3/1/2016	\$ 485,000	\$ 30,400	\$ 545,800	3/1/2016	\$ 485,000	\$ 26,700	\$ 538,400
9/1/2016	\$ -	\$ 20,700		9/1/2016	\$ -	\$ 17,000	
3/1/2017	\$ 510,000	\$ 20,700	\$ 551,400	3/1/2017	\$ 510,000	\$ 17,000	\$ 544,000
9/1/2017	\$ -	\$ 10,500		9/1/2017	\$ -	\$ 6,800	
3/1/2018	\$ 340,000	\$ 10,500	\$ 361,000	3/1/2018	\$ 340,000	\$ 6,800	\$ 353,600
Total			\$ 3,089,400	Total			\$ 3,045,000

Savings of \$44,400 in interest payments



Fund 39 – Referendum Debt

Fund 39 Referendum Debt

<u>Fiscal Year</u>	<u>Amount Due</u>
2012-2013	\$ 532,000 *
2013-2014	\$ 540,000
2014-2015	\$ 537,000
2015-2016	\$ 538,400
2016-2017	\$ 544,000
2017-2018	\$ 353,600

* See previous slide



Referendum Promises

- Board match \$1.2 million referendum with a budget reduction plan equal to that same amount
- Keep school facilities in sound and safe condition for today and into the future
- Continue to repair the district's school roofs which are rated below average condition
 - Lone Rock
 - Arena
 - High School
- Avoid short term borrowing cost for cash flow purposes



Budget Reductions Related to Referendum Promises

Position	Elem	MS	HS	District	
1 FTE elementary teacher	\$59,850				
.5 FTE high school art teacher			\$33,400		
1 FTE custodian				\$57,000	
1 FTE high school resource instructional assistant			\$35,500		
.4 FTE early childhood instructional assistant	\$14,200				
1 FTE phy ed/health teacher				\$67,500	
new Business Manager savings				\$20,000	
.5 FTE high school foreign language teacher			\$24,900		
.5 FTE middle school alt ed teacher		\$26,000			
department chairpersons				\$13,000	
reduce building/dept budg.				\$20,000	
athletic dept savings/reduct				\$15,500	
1 FTE spec ed teacher	\$90,000				
.5 FTE h.s. bus ed teacher			\$41,100		
.5 FTE high school tech ed teacher			\$40,000		
1 FTE alt. ed. teacher			\$65,000		
1 FTE central office business mgr				\$80,000	
Librarian/Assistant		\$40,000			
Flood insurance				\$8,000	
Health insurance - contingent on change to high deductible				\$242,000	
Long term debt interest				\$44,400	
	\$164,050	\$66,000	\$239,900	\$567,400	\$1,037,350



Fund 50 – Food Service Revenues

Revenues	Audited 2010-2011	Unaudited 2011-2012	Budgeted 2012-2013
Operating Transfer In	\$44,092	\$43,124	\$60,130
Pupil Breakfast	\$1,772	\$1,313	\$2,000
Pupil Lunches	\$351,519	\$334,120	\$325,000
Pupil Milk	\$195	\$0	\$0
Pupil a la Carte	\$17,541	\$15,419	\$20,000
Adult Lunches	\$807	\$415	\$500
Catering	\$2,361	\$2,136	\$3,500
Total Food Sales	\$374,195	\$353,403	\$351,000
Other Local	\$135	\$191	\$250
State Sources (Food Service Aid)	\$12,402	\$11,094	\$13,000
Fresh Fruit & Veggie Grant	\$3,920	\$4,472	\$5,000
Federal Sources (Food Service Aid)	\$245,141	\$239,718	\$226,000
Total Revenues	\$679,885	\$652,002	\$654,380



Fund 50 – Food Service Expenses

Expenses	Audited 2010-2011	Unaudited 2011-2012	Budgeted 2012-2013
Salaries & Benefits	\$334,762	\$314,341	\$322,880
Other	\$345,124	\$337,661	\$331,500
Total Expenses	\$679,885	\$652,002	\$654,380



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 2010-2011	Unaudited 2011-2012	Budgeted 2012-2013
Revenues			
Property Taxes	\$40,000	\$50,000	\$80,000
Expenses			
Custodial Staff Costs	\$40,000	\$50,000	\$80,000

- Our community service fund tax levy covers the custodial staff costs for community wide events that take place on district property.
- This increase of \$30,000 has an impact of \$0.01 on the total mill rate.



Cost Per Student Comparison

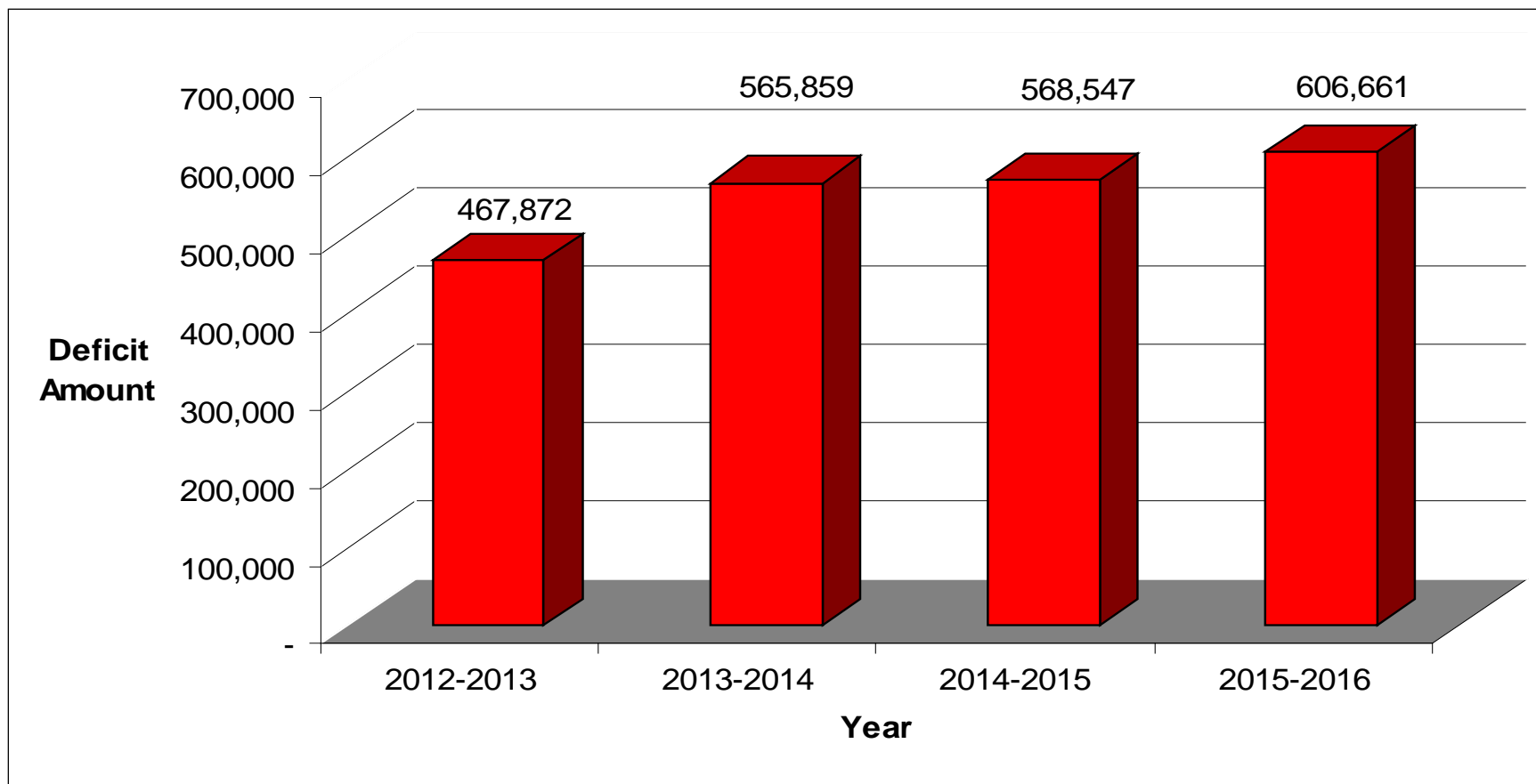
Total Per Member Cost by District

Dodgeville	\$	13,770
Ithaca	\$	13,242
River Valley	\$	13,094
State	\$	13,020
WI Heights	\$	13,005
Richland	\$	12,344
Reedsburg	\$	12,288
Sauk Prairie	\$	12,255

- Information from 2011-2012 audited information, Wisconsin Department of Public Instruction



Financial Forecast



- 2012-2013 includes state aid per pupil adjustment of \$50.



Next Steps with 2012-2013 Budget

- The School Board must modify the budget based on:
 - Final State Aid
 - September Enrollment Count
 - Final District Property Values
 - Final District Revenue Cap Amount
 - Budget Changes
 - Salary/Benefits Amounts
 - Open Enrollment Revenues/Expenses
 - Special Education Staffing Needs
- Once the above values are calculated, the school board must set the tax levy and adopt the budget on or before November 1st.



Role of the School Business Office

“School business officials are responsible for ensuring **every child** in the district has the **resources** he or she needs **to learn** and every teacher and principal has the tools and resources to provide an **effective learning environment** -everything from reliable transportation and nutritious meals, to secure and safe buildings and up-to-date technology.”

*International School Business Management
Professional Standards*