
MEMORANDUM

To: Board of Education & Dr. Robert Abbott, Superintendent
From: Jason P. Demerath, SFO, CSRM, Director of Business Services
Date: June 15, 2023
Re: 2023 - 2024 Preliminary Budget

At the Board of Education meeting on June 15, 2023 I will be sharing the first draft of the preliminary budget for 2023-24. I will not go into detail in this memorandum regarding that budget, but wanted to share some attached data for your information and reference as we continue to have conversations about the budget and a Spring 2023 operational referendum. Attached to this memorandum you will find the following items:

1. **Budget Comparison** - This document compares next year's preliminary budget to this year's revised budget.
2. **Future Regular Election Dates** - This is a listing of all future election dates, as well as the date by which a referendum question would need to be approved, through calendar year 2028.

The largest factor that is a question related to the District's budget for the upcoming fiscal year is the 2023-25 state biennial budget and how much funding public schools in Wisconsin will receive. This budget may become known between the June and July Board of Education meetings and as I will outline in my presentation will result in the following considerations that the Board of Education might have prior to approval of a preliminary budget in July:

- **What is the impact of the 2023-25 state biennial budget?** What is ultimately approved by the State for public school funding will have a very large impact on the operational budget for the next few years and will help to shape what the Spring 2024 referendum will look like. The mechanisms through which that funding comes to the District will also be key in determining future funding (i.e. revenue limit increase vs. per pupil aid vs. special education or categorical aids).
- **What would be needed in a Spring 2024 referendum to make it through the next 3-4 years?** Once the state budget impact is known, it can be modeled in the long-range projection to see what future operational deficits might look like. This will then dictate the length and amount of the Spring 2024 referendum by seeing what the tax impact would be of what is needed to operate.
- **What should the tax levy be to position the District to be successful in the Spring 2024 referendum?** It was apparent that tax impact was a large concern for voters in the Fall 2022 and Spring 2023 referendums. As a result, what the tax levy and rate will be for 2023-24 will need to be considered after seeing what the impact of the state budget is and what might be needed for a Spring 2024 referendum. That may then allow for a more informed decision on what the Board sets the 2023-24 tax levy at to best position the District going into the referendum. The 2023-24 tax levy can be managed through the defeasance, or prepayment, of the capital debt from the successful capital referendum.



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Barrie Elementary | Luther Elementary | Purdy Elementary | Rockwell Elementary



The School District of Fort Atkinson Board does not discriminate on the basis of race, color, religion, national origin, ancestry, creed, pregnancy, marital status, parental status, sexual orientation, sex (including transgender status, change of sex or gender identity), or physical, mental, emotional, or learning disability ("Protected Classes") in any of its student programs and activities.

- **Does the Board try to get closer to the 8% CPI increase in wages for next year based on the state budget and comparables? (5% budgeted)** We have heard that comparable districts are moving towards granting the full 8% CPI increase in wages for 2023-24. With one of our main budget strategies being to attract and retain staff by providing a competitive compensation and benefit package, it will need to be considered if wage increases above the 5% that is currently budgeted should be granted. The state budget outcome may dictate whether or not this is possible for 2023-24 prior to any referendum efforts in 2024.

As you review this information or anything that we might present at this meeting, please feel free to reach out with any questions or thoughts you may have.



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BUDGET COMPARISON

June 15, 2023

	Revised Budget 2022-2023	Prelim Budget 2023-2024	% Change
GENERAL FUND (10)			
REVENUES & OTHER FINANCING SOURCES			
Taxes	\$16,428,799	\$11,964,443	-27.17%
School Activity Income	72,730	73,000	0.37%
Interest On Investments	180,000	240,000	33.33%
Other Revenue, Local Sources	119,520	104,850	-12.27%
TOTAL LOCAL SOURCES	\$16,801,049	\$12,382,293	-26.30%
INTERDISTRICT TRANSFERS IN WISCONSIN			
State Aid - Categorical	\$153,654	\$120,800	-21.38%
State Aid - General	18,850,986	19,062,251	1.12%
State Special Projects Grants	145,611	77,937	-46.48%
Per Pupil Aid	1,869,098	1,820,868	-2.58%
Other State Aid	29,000	4,300	-85.17%
Tax Exempt Computer Aid	117,159	117,159	0.00%
TOTAL STATE SOURCES	\$21,165,508	\$21,203,315	0.18%
Federal Special Project Grants	1,150,320	1,071,678	-6.84%
Title I Grant	306,432	306,431	0.00%
Federal Aid Thru State of WI	899,269	0	-100.00%
TOTAL FEDERAL SOURCES	\$2,356,021	\$1,378,109	-41.51%
Sale or Loss of Fixed Assets	\$1,250	\$2,000	60.00%
TOTAL OTHER FINANCING SOURCES	\$1,250	\$2,000	60.00%
Refund of Disbursements	\$77,361	\$126,691	63.77%
Miscellaneous Revenues	9,500	10,000	5.26%
TOTAL OTHER SOURCES	\$86,861	\$136,691	57.37%
TOTAL REVENUES & OTHER FINANCING SOURCES	\$42,035,908	\$36,684,793	-12.73%
EXPENDITURES & OTHER FINANCING USES			
Undifferentiated Curriculum	\$5,183,365	\$4,967,211	-4.17%
Regular Curriculum	10,066,732	8,771,439	-12.87%
Vocational Curriculum	1,329,328	1,114,525	-16.16%
Physical Curriculum	1,108,319	995,060	-10.22%
Co-Curricular Activities	409,527	381,205	-6.92%
Special Needs Curriculum	1,224,864	918,816	-24.99%
TOTAL INSTRUCTION	\$19,322,135	\$17,148,256	-11.25%

BUDGET COMPARISON

June 15, 2023

	Revised Budget 2022-2023	Prelim Budget 2023-2024	% Change
Pupil Services	\$1,671,637	\$1,654,894	-1.00%
Instructional Staff Services	2,236,141	1,797,656	-19.61%
General Administration	618,699	576,706	-6.79%
School Building Administration	1,957,493	2,014,509	2.91%
Business Administration	5,284,124	5,121,716	-3.07%
Central Services	626,580	656,501	4.78%
Insurance & Judgments	384,000	402,950	4.93%
Debt Services	475	20,173	4146.95%
Other Support Services	2,101,146	1,271,138	-39.50%
TOTAL SUPPORT SERVICES	\$14,880,295	\$13,516,243	-9.17%
TOTAL NON-PROGRAM TRANSACTIONS	\$8,797,189	\$9,229,754	4.92%
TOTAL EXPENDITURES & OTHER FINANCING USES	\$42,999,619	\$39,894,253	-7.22%

SPECIAL EDUCATION FUND (27)

Revenues & Other Financing Sources

Total Local Sources	\$5,500,918	\$5,590,850	1.63%
Total Revenues From Intermediate Sources	20,000	26,000	30.00%
Total Revenues From State Sources	2,245,915	2,344,795	4.40%
Total Federal Revenues	1,218,131	1,042,080	-14.45%
Total Revenues & Other Financing Sources	\$8,984,964	\$9,003,725	0.21%

Expenditures & Other Financing Uses	\$8,984,964	\$9,003,725	0.21%
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NON-REFERENDUM DEBT SERVICE FUND (38)

Revenues & Other Financing Sources	\$193,875	\$195,250	0.71%
Expenditures & Other Financing Uses	\$195,250	\$196,500	0.64%

REFERENDUM DEBT SERVICE FUND (39)

Revenues & Other Financing Sources	\$5,753,000	\$10,223,181	77.70%
Expenditures & Other Financing Uses	\$6,469,847	\$10,208,940	57.79%

LONG-TERM CAPITAL IMPROVEMENT (46)

Revenues & Other Financing Sources	\$0	\$3	
Expenditures & Other Financing Uses	\$0	\$0	

BUDGET COMPARISON

June 15, 2023

	Revised Budget 2022-2023	Prelim Budget 2023-2024	% Change
OTHER CAPITAL PROJECTS FUND (49)			
Revenues & Other Financing Sources	\$22,175,000	\$175,000	-99.21%
Expenditures & Other Financing Uses	\$2,354,234	\$10,057,000	327.19%
FOOD SERVICE FUND (50)			
Revenues & Other Financing Sources	\$1,247,240	\$1,256,881	0.77%
Expenditures & Other Financing Uses	\$1,439,707	\$1,420,876	-1.31%
EMPLOYEE BENEFIT TRUST FUND (73)			
Revenues & Other Financing Sources	\$1,387,447	\$1,544,200	11.30%
Expenditures & Other Financing Uses	\$1,400,699	\$1,477,809	5.51%
COMMUNITY SERVICE FUND (80)			
Revenues & Other Financing Sources	\$18,857	\$8,000	-57.58%
Expenditures & Other Financing Uses	\$18,857	\$14,620	-22.47%
COOPERATIVE PROGRAMS FUND (95)			
Revenues & Other Financing Sources	\$18,339	\$18,339	0.00%
Expenditures & Other Financing Uses	\$18,339	\$18,339	0.00%
PROPERTY TAX LEVY			
General Fund	\$16,428,799	\$11,964,443	-27.17%
Non-Referendum Debt Service Fund	193,375	194,550	0.61%
Referendum Debt Service Fund	5,750,000	10,213,181	77.62%
TOTAL SCHOOL LEVY	\$22,372,174	\$22,372,174	0.00%
SCHOOL TAX RATE	\$10.95	\$10.63	-2.92%

Future Regular Election Dates:

	2023	2024	2025	2026	2027	2028
Spring						
Adopt and file resolution(s) by*: Primary	12/13/2022 02/21/2023	12/12/2023 02/20/2024	12/10/2024 02/18/2025	12/09/2025 02/17/2026	12/08/2026 02/16/2027	12/07/2027 02/15/2028
Adopt and file resolution(s) by*: General	01/24/2023 04/04/2023	01/23/2024 04/02/2024	01/21/2025 04/01/2025	01/27/2026 04/07/2026	01/26/2027 04/06/2027	01/25/2028 04/04/2028
Fall						
Adopt and file resolution(s) by*: Primary		06/04/2024 08/13/2024		06/02/2026 08/11/2026		05/30/2028 08/08/2028
Adopt and file resolution(s) by*: General		08/27/2024 11/05/2024		08/25/2026 11/03/2026		08/29/2028 11/07/2028

*The governing board is required to file adopted referendum ballot resolutions with their municipal clerks **at least 70 days prior** to the election date indicating the amount and purpose.