

2025-26 Budget Hearing

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Our Mission

Clinton Community School District is committed to providing a safe and inclusive environment in which we connect, engage, empower, and prepare all learners to make a positive impact.



OVERALL CLINTON SPECIFIC POINTS

- LEVY: increasing this year by 2.99% after two years of decreases (-2.5% 2024 and -1.5% 2023)
- With net new construction the overall increase is relatively tax neutral
- MILL RATE: dropping from \$10.61 to \$9.92



OVERALL STATE-WIDE POINTS

- No new state aid
- No new levy credits
- Revenue limits increased without matching aid increase
- Personal Property Aid Act 12 now within the revenue limit formula



What's Driving School District Tax Levies?

A Combination of State and Local Factors

A: Levy Increase Factors

- A \$325 per pupil Increase in the Revenue Limit **without** a corresponding increase in the Equalization Aid pool
- Increasing cost and quantity of private school vouchers
- 2024 (Spring and Fall): A big year for operating referenda affecting the 2025 levy (MPS, MMSD)
- No Increase in School Levy Tax Credit
- Increasing enrollment in isolated pockets of the state

B: Levy Decrease Factors

- Declining Enrollment in most school districts (big trend)
- Act 12 PPT now within the revenue limit
- Debt Service Levy Management
- Under levy is an option

The last time there was flat or negative general aid across both years of a biennial budget was 2009-11. At that time the state did not have a \$4.3 billion surplus.

How CCSD is Affected

| YEAR | STATE | CCSD |
|-------|--|---|
| 25-26 | <ul style="list-style-type: none"> A \$325 per pupil Increase in the Revenue Limit without a corresponding increase in the Equalization Aid pool | |
| | <ul style="list-style-type: none"> Act 12 PPT now <u>within</u> the revenue limit | \$407,00 OFFSETS (HELPS) the aid loss for YEAR 1 although loss of revenue |
| 26-27 | <ul style="list-style-type: none"> A \$325 per pupil Increase in the Revenue Limit without a corresponding increase in the Equalization Aid pool | |
| | <ul style="list-style-type: none"> Declining Enrollment in most school districts (big trend) | Less funding and less state aid |

Taxes worse in 26-27 than 25-26 for us: therefore mitigating the two years together for taxpayers.

In addition, recouping a chargeback from City of Beloit in 26-27.



How WI School Budgets Work



Revenue Limit

The state of Wisconsin tells each school district how much it may raise in revenue through property taxes and state aid each year. This amount is calculated through the revenue limit formula.



Historical Revenue Limit Increases



Student Count – 10 yr history

CCSD Headcount History Including RVA



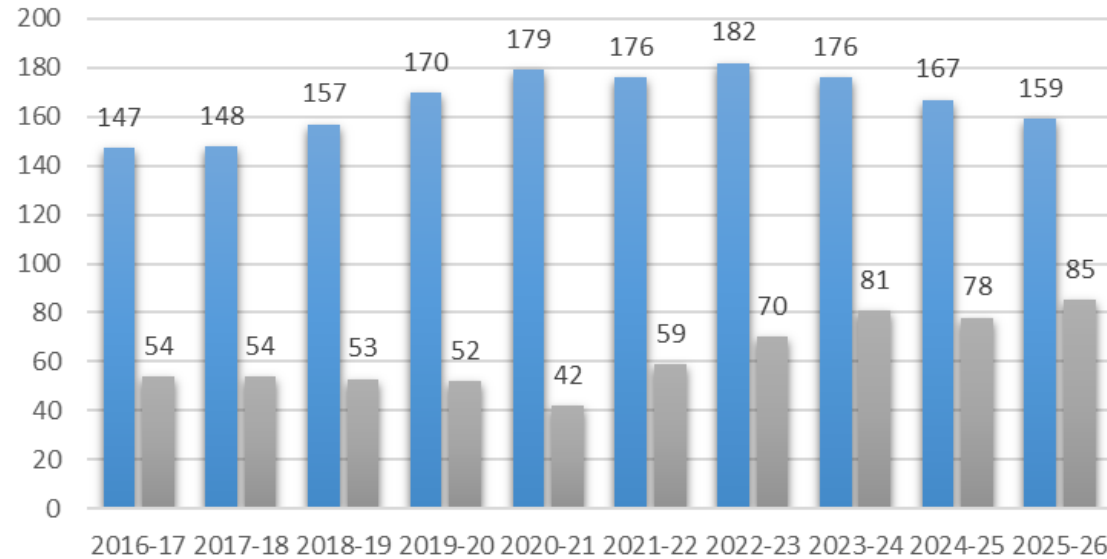
Membership History



- The 3 year rolling average for revenue limit changed from 924 to 910
- The graphs are as of the 3rd Friday count
- The membership includes all eligible membership for revenue limit purposes such as summer school and ICS.



Open Enrollment History



OE In
OE Out

- **2025-26 OE estimated Amounts:**

- \$10,102 for regular education students

- \$14,454 for students with special education needs

- Resident student in Clinton's 25-26 rev limit formula is \$15,402.87
- As of the 3rd Friday Count



Tax Levy

- Once the revenue limit is calculated, the next step is to determine what portion of the revenue limit will be state aid (equalization aid) and what portion will be property taxes.
- The major factors involved in determining the spread between tax levy and state aid are: student count, equalized property values, and the spending of each school district in the state compared to the entire available funding in the state aid bucket.

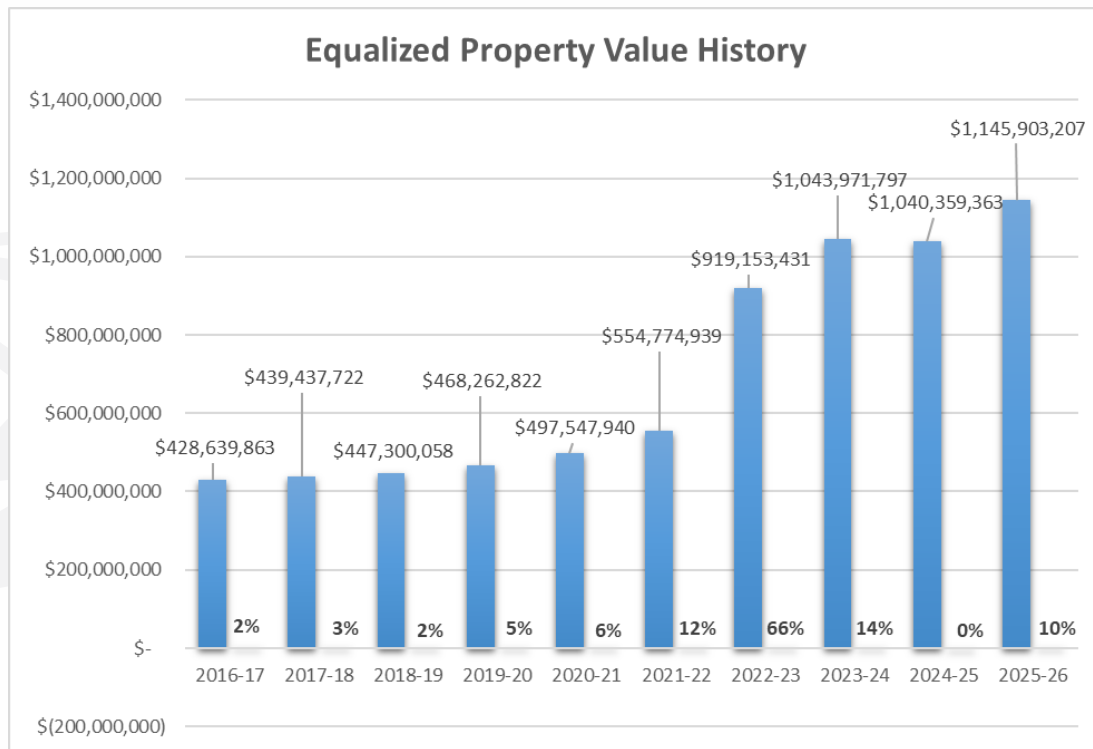


Equalization Aid

- $\text{Property Values} / \text{FTE} = \text{Wealth per Member}$
- $\text{Shared Costs} / \text{FTE} = \text{Shared Costs per Member}$



Equalized Property Values



- The large increase in 22-23 is due to the Beloit TIF closure on the edge of our district.
- Over the course of the next few years, this shifted aid.
- The reason it takes a few years is because of a hold harmless provision in the aid formula that only allows a 15% aid drop in any given year.
- As of 25-26 the shift completed.



Equalized Aid

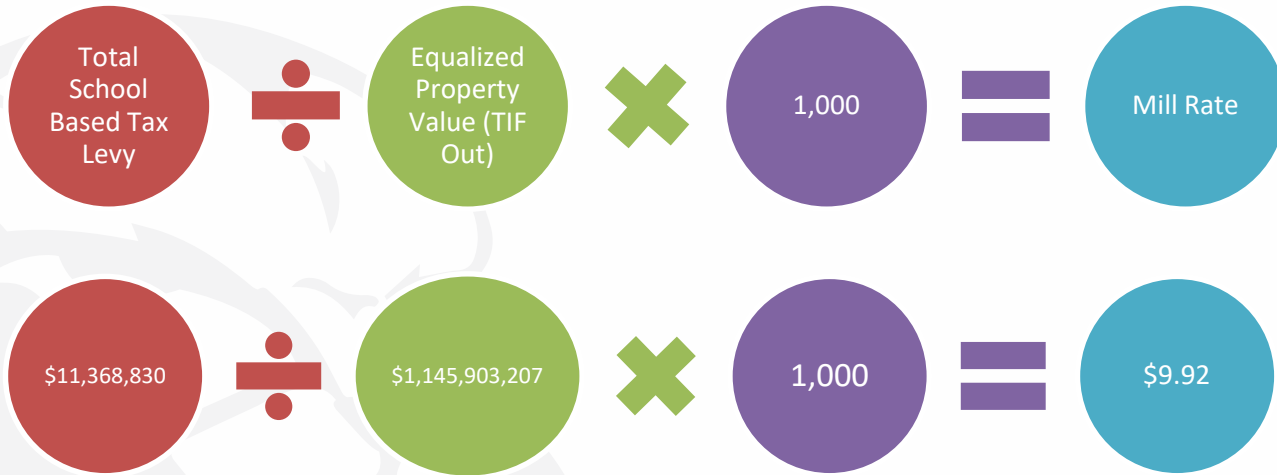
- Once the equalization aid is computed by a WI specific formula, then it is subtracted from the revenue limit, to determine the remaining Fund 10 and Fund 38 tax levy.



- Then any levies outside of the revenue limit (chargebacks, Fd 39 referenda, Fund 80) are added in to determine the final levy.

What is the Impact?

Mill Rate



Mill Rate



The mill rate, (taxes per \$1,000 of property value) is decreasing by -6.5%



What does this look like for the future?

Levy / Mill Rates / Average Tax impact per \$100,000 home:

| Current Year | Budget Year | Forecast | | | |
|--------------|--------------|----------------------------|--------------|--------------|--------------|
| 2024 - 2025 | 2025 - 2026 | 2026 - 2027 | 2027 - 2028 | 2028 - 2029 | 2029 - 2030 |
| \$11,038,771 | \$11,368,830 | \$11,704,916 | \$11,858,849 | \$12,145,040 | \$12,347,020 |
| -2.50% | 2.99% | 2.96% | 1.32% | 2.41% | 1.66% |
| \$10.61 | \$9.92 | \$10.01 | \$9.95 | \$9.99 | \$9.95 |
| -2.16% | -6.50% | 0.94% | -0.67% | 0.41% | -0.33% |
| | | inc prop tax chrgbk recoup | | | |
| \$1,061 | \$992 | \$1,001 | \$995 | \$999 | \$995 |

- Many variables in years to come but 26-27 loss of state aid predicted in YEAR 2 is much greater for us than this year
 - Less students = property richer / student
 - No personal property aid adjustment to offset loss of aid
 - Recoup of chargeback
- Steady tax increase (vs volatility) is important



What can be adjusted to smooth out spikes and valleys in the tax levies?

- Fund 39 debt defeasance amount, or utilizing previously levied debt
- Fund 80 Community Services
- This year, rather than defeasing more debt, we are utilizing Fund 80 for an outdoor community pavilion and restroom project.



Tax Levies By Municipality Reminder

- What you are about to see in the upcoming slides is broad based tax impacts.
- There are no guarantees for individual homeowner levels.



Property Values and Mill Rate at \$9.92

| Municipality | 2025 Tidout Equalized Value | 2025 Percent of Total | 2025 Tax Levy | 25 Mill Rate/\$1000 | EQUALIZED VALUE | | LEVY | |
|--------------|--------------------------------|--------------------------|----------------------|------------------------|--------------------|---------------|-------------------|--------------|
| | | | | | Inc/Dec | % Inc/Dec | Inc/Dec | % Inc/Dec |
| T. BRADFORD | 178,075,846 | 15.54% | 1,766,740.86 | 9.92 | 15,545,274 | 9.56% | 42,204.14 | 2.45% |
| T. CLINTON | 141,812,600 | 12.38% | 1,406,962.94 | 9.92 | 11,032,100 | 8.44% | 19,311.54 | 1.39% |
| T. LAPRAIRIE | 55,440,463 | 4.84% | 550,040.52 | 9.92 | 4,683,979 | 9.23% | 11,486.94 | 2.13% |
| T. TURTLE | 306,213,213 | 26.72% | 3,038,027.94 | 9.92 | 56,339,664 | 22.55% | 386,735.29 | 14.59% |
| V. CLINTON | 220,270,900 | 19.22% | 2,185,369.93 | 9.92 | 7,016,162 | 3.29% | -77,378.12 | -3.42% |
| C. BELOIT | 240,552,649 | 20.99% | 2,386,590.91 | 9.92 | 10,700,735 | 4.66% | -52,197.77 | -2.14% |
| T. SHARON | 3,537,536 | 0.31% | 35,096.90 | 9.92 | 219,992 | 6.63% | -104.02 | -0.30% |
| TOTAL | 1,145,903,207 | 100.00% | 11,368,830.00 | 9.92 | 105,543,844 | 10.14% | 330,058.00 | 2.99% |

Turtle: Without Stainless Tank & Equipment, would be a 12.91% increase in equalized property value.



Estimate of Net New Construction

BAIRD

1134 - Clinton Community

| 2024 Equalized Valuation (TID-Out) | | \$1,040,359,363 | | | | | | |
|------------------------------------|---------------|--|--|--------------------------------------|--|---|--|---|
| | | 2024 Municipality Equalized Valuation (TIDOUT) | 2024 District Equalized Valuation (TIDOUT) | Percent Applicable to District | 2025 Municipality Equalized Valuation (TIDOUT) | % Increase / Decrease over Previous Year | Estimated 2025 District Equalized Valuation | Estimated 2025 District Net New Construction |
| 53 206 | C. Beloit | \$3,091,202,700 | \$229,845,914 | 7.4% | \$3,240,151,500 | 4.8% | \$240,920,980 | \$2,997,435 |
| 53 006 | T. Bradford | \$173,955,500 | \$162,530,572 | 93.4% | \$188,774,400 | 8.5% | \$176,376,207 | \$1,111,377 |
| 53 010 | T. Clinton | \$130,780,500 | \$130,780,500 | 100.0% | \$141,812,600 | 8.4% | \$141,812,600 | \$187,400 |
| 53 020 | T. La Prairie | \$135,057,200 | \$50,756,484 | 37.6% | \$147,493,400 | 9.2% | \$55,430,191 | \$533,281 |
| 53 038 | T. Turtle | \$343,835,600 | \$249,873,549 | 72.7% | \$410,248,200 | 19.3% | \$298,137,173 | \$20,628,567 |
| 53 111 | V. Clinton | \$213,254,800 | \$213,254,800 | 100.0% | \$220,270,900 | 3.3% | \$220,270,900 | \$2,723,700 |
| 64 022 | T. Sharon | \$129,950,000 | \$3,317,544 | 2.6% | \$138,567,200 | 6.6% | \$3,537,536 | \$23,313 |
| TRUE | | \$1,040,359,363 | | | Estimated 2025 Valuation: | | \$1,136,485,586 | \$28,205,073 |
| Counties included: | | 53 - Rock | | | | 9.2% | | 2.7% |
| | | 64 - Walworth | | | | (Increase) | | (Increase) |

Source: Department of Revenue website August 2025

Please note: This information is provided as an estimate only based on municipal valuation changes for 2025. If a municipality is in multiple school districts, there could be large variations between this estimate and the final school district equalized values released on October 1st by the Wisconsin Department of Revenue.

This estimate of net new construction, conservatively is 2.7% and means a 3% levy increase over this new construction is a tax neutral impact.



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OVERALL STATE-WIDE POINTS – LEVY RELATED

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- No new levy credits
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OVERALL CLINTON SPECIFIC POINTS

- LEVY: increasing this year by 2.99% after two years of decreases (-2.5% 2024 and -1.5% 2023)*; apprx 3% increase mitigates forecasted increase for 26-27 as well (3% est)
- With net new construction the overall increase is relatively tax neutral.
- MILL RATE: dropping from \$10.61 to \$9.92
- No step in referendum funding anymore (1st year) / continuing operations without a referendum increase
- Utilizing reserved funds from last year to pay the chargeback this year that will be recouped next year
- Fund 80 project
- *Reminder two years of decreases to help taxpayers when City of Beloit was decreasing property values



OTHER FISCAL WINS

- Funding reserves (Fd 46 maint, cash flow)
- Cost avoidance with utilities (solar)
- Debt retirement
- Increasing staff wages & maintaining benefits
- Running a Community Services Fund





Handout

2025-26 Proposed Budget



Fund 10 – General Fund

- Hold on to Fund 10 for now....(PAUSE)
- We will save this one for last.



Special Projects Funds 21 & 27

- Fund 21: Clubs
- Fund 27: Special Education



Non-Referendum Debt Fund 38

- Principal & Interest Due in 25-26:
\$155,000
- Remaining Due as of 6/30/25: \$505,000
- Full Principal of \$900,000 will be paid off in
2028



Referendum Approved Debt Fund

39

- Bond Issues for the \$32 million referendum
- Principal & Interest Due in 25-26: \$1,720,582.65
- Remaining Princ & Interest Balance as of 6/30/25: \$22,826,292.79



Food Service Fund 50

- Separate fund required for breakfast and lunch operations of any public school
- This fund is projected to be balanced for 2025-26 for operating processes.



Community Service Fund 80

- The District will levy its regular \$503,000 for community services
- The District will also levy an additional \$763,575 for a community project to include an outdoor pavilion with restrooms
- Expenses in Fund 80 will be towards the goal of increasing community opportunities to encourage student enrollment growth
- New in 25-26: Community SRO utilizing this fund



General Fund 10

- The “all else fund”
- Salaries and benefits of non-specified personnel
- Transportation, maintenance, utilities, open enrollment out, supplies, etc.



Questions?

