

# 2023-24 Budget Hearing

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Director of Business Services

OCTOBER 18, 2023



# 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.



# Revenue Limit

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



## Historical Revenue Limit Increases



# Student Count

CCSD Headcount History



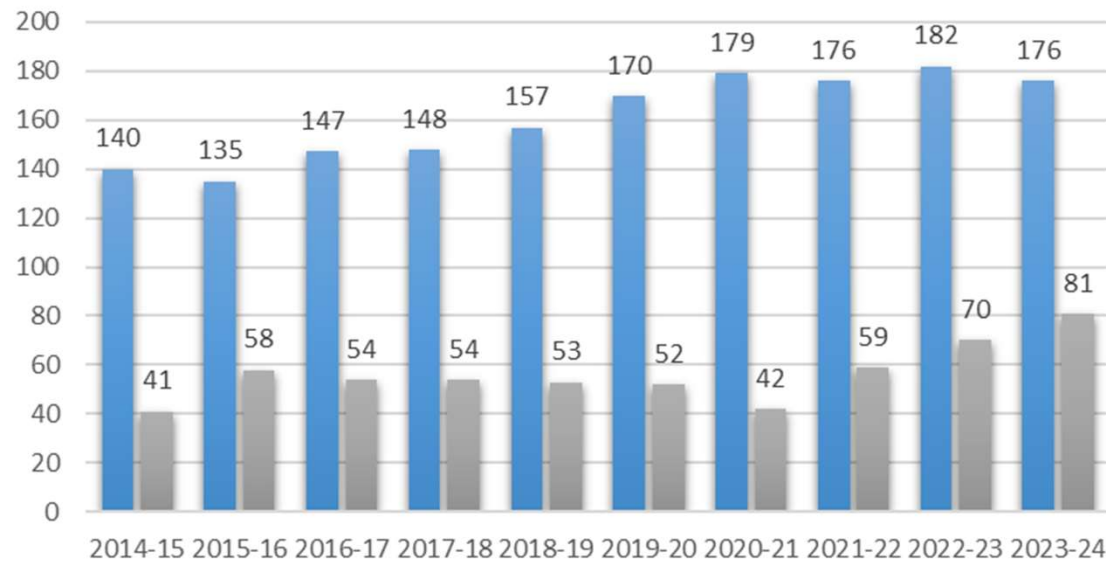
Membership History



- The 3 year rolling average for revenue limit changed from 946 to 936
- The graphs are as of the 3<sup>rd</sup> Friday count



## Open Enrollment History



OE In  
OE Out

### 2023-24 OE Amounts:

\$8,618 for regular education students

\$13,470 for students with special education needs

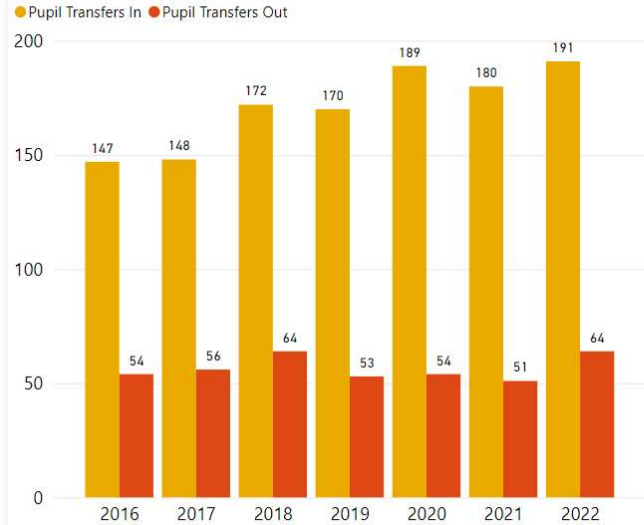
As of the 3<sup>rd</sup> Friday Count



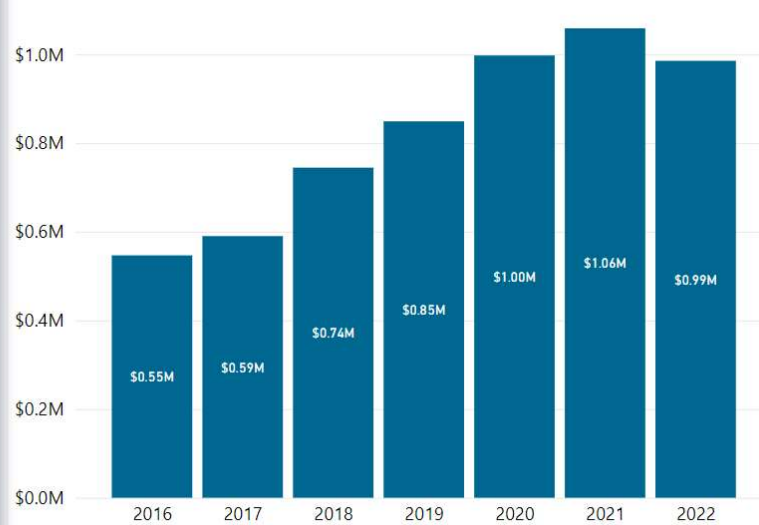
## Open Enrollment Variables Year-Over-Year



### Open Enrollment



### Net Open Enrollment Aid Transfer



Source: Department of Public Instruction

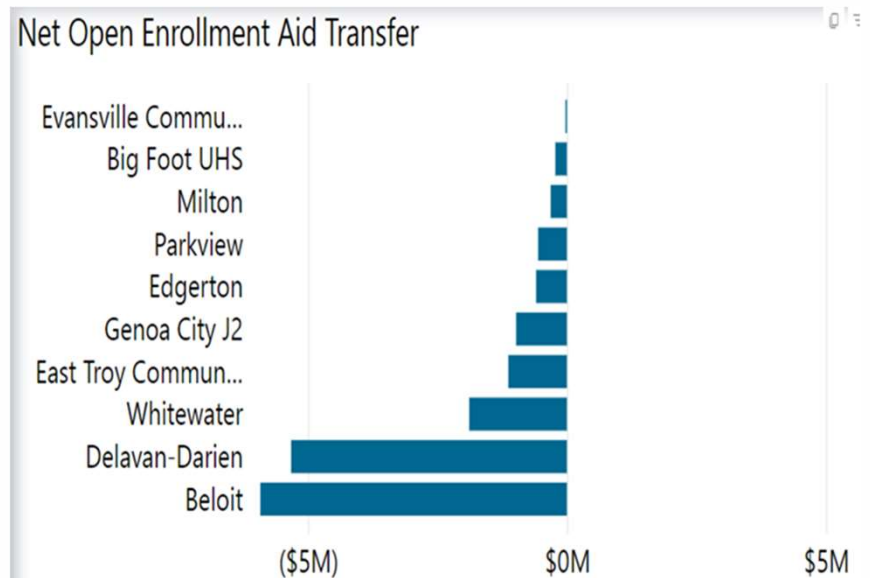
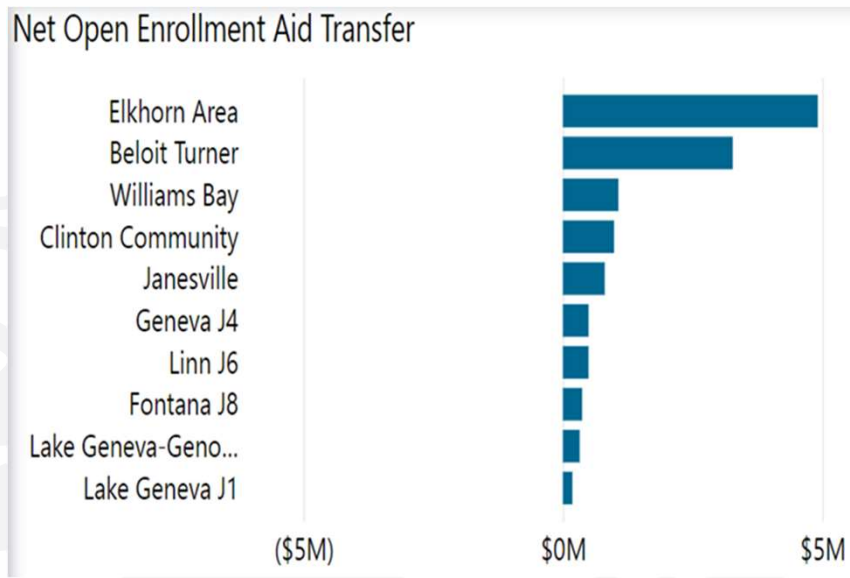
Report Generated by: mail#kazwirgzdas@clintonwis.com

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- As of year end; time of aid transfer



# Rock and Walworth County Open Enrollment Net Aid Transfers 22-23



- As of year end; time of aid transfer





## What Revenue Limit Increase Did Clinton Get?

- Declining enrollment means the \$325 increase from the state is not realized.
- 2022-23 rev limit: \$13,095,009
- 2023-24 rev limit w/out referendum: \$13,011,941
- 2023-24 rev limit with the referendum: \$13,511,941 – this is a 3.18% increase.



# 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.

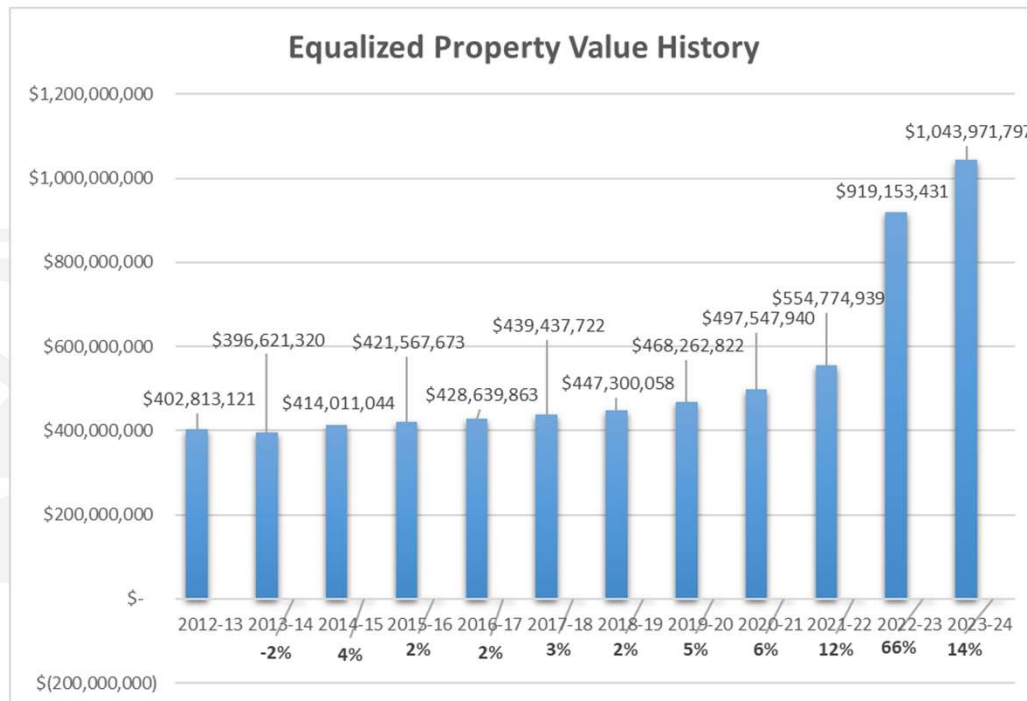


# Equalization Aid

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



# 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 shifts our aid position.
- 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.



# 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.



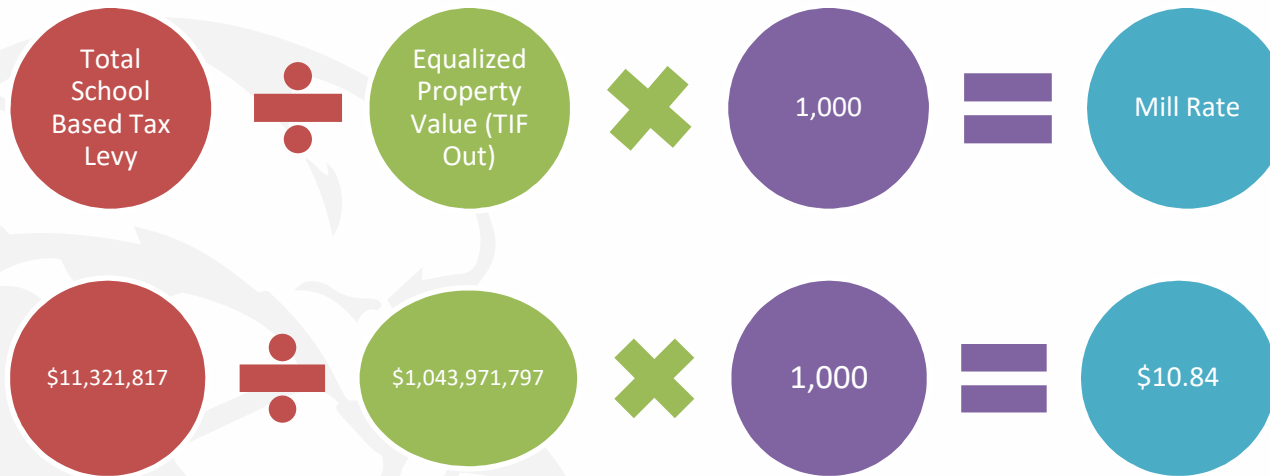
# Levy Totals

Summary	2022-23	2023-24
Revenue Limit at time of annual meeting:	13,082,296	13,511,941
Oct 15 aid (State aid + other)	8,166,256	6,737,427
Tax Levy:		
Tax Levy General Operating Fund 10 + Non-Referendum Approved Debt Fund 38	4,916,040	6,774,514
Referendum Debt Fund 39	6,572,777	4,044,303
Community Service Fund 80	3,000	503,000
Total Levy	11,491,817	11,321,817
		-1.48%

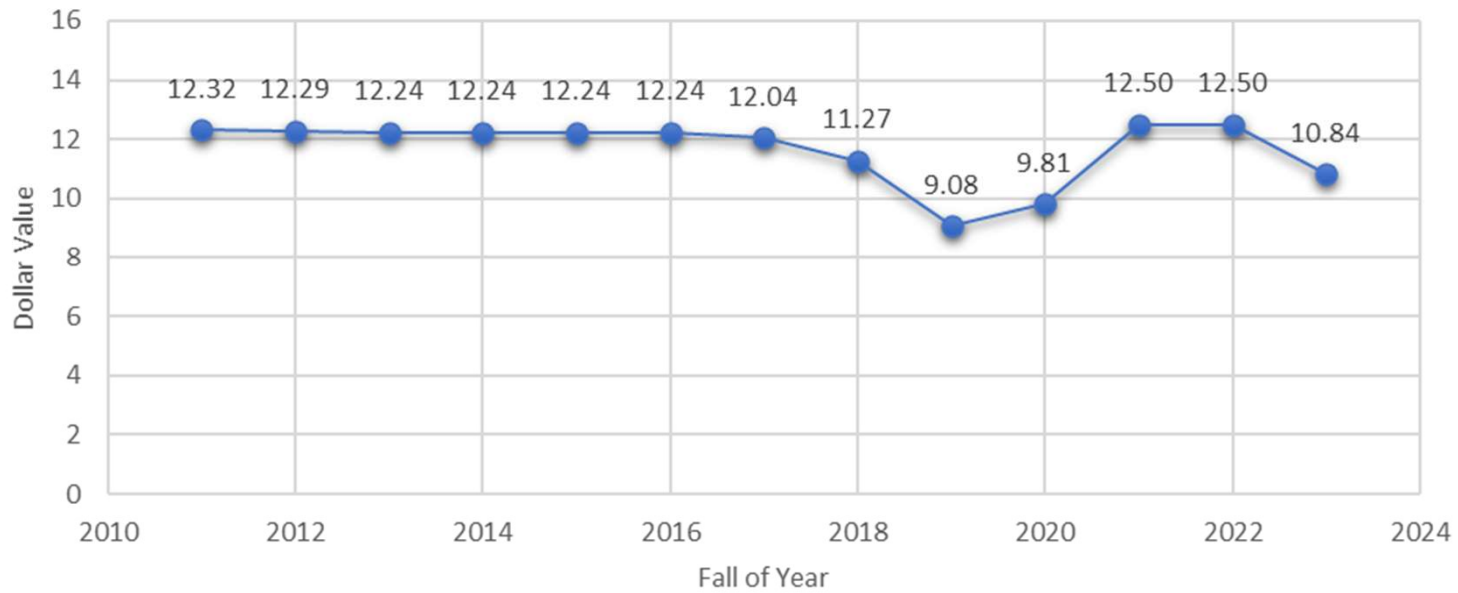
Notice this shift in aid vs taxes from 22-23 to 23-24; this will continue for a few more years.



# What is the Impact? Mill Rate



## Mill Rate



The mill rate, (taxes per \$1,000 of property value) is decreasing by 13%





# Property Values - Projection to Actual

		ESTIMATED						AFTER ACTUAL PROP VALUES					
				EQUALIZED VALUE		LEVY				EQUALIZED VALUE		LEVY	
Municipality	2023 Tax Levy	2023 Tidout Equalized Value	23 Mill Rate/\$100	Inc/Dec	% Inc/Dec	Inc/Dec	% Inc/Dec	2023 Tidout Equalized Value	23 Mill Rate/\$100	Inc/Dec	% Inc/Dec	Inc/Dec	% Inc/Dec
T. BRADFORD	1,551,826.67	146,145,953.00	10.62	27,178,644	22.85%	64,424.79	4.33%	146,175,740.00	11.01	27,208,431	22.87%	121,669.23	8.18%
T. CLINTON	1,259,861.19	118,649,600.00	10.62	18,990,900	19.06%	13,867.31	1.11%	118,649,600.00	11.01	18,990,900	19.06%	60,075.40	4.82%
T. LAPRAIRIE	479,307.26	45,139,588.00	10.62	8,291,860	22.50%	18,614.48	4.04%	45,214,386.00	11.01	8,366,658	22.71%	37,017.46	8.04%
T. TURTLE	2,529,230.72	238,194,665.00	10.62	36,228,685	17.94%	4,128.81	0.16%	237,935,441.00	11.01	35,969,461	17.81%	94,040.25	3.72%
V. CLINTON	2,134,936.22	201,061,300.00	10.62	30,283,700	17.73%	-229.53	-0.01%	201,061,300.00	11.01	30,283,700	17.73%	78,073.80	3.66%
C. BELOIT	3,504,500.63	330,042,390.00	10.62	41,697,920	14.46%	-100,557.86	-2.79%	291,822,212.00	11.01	3,477,742	1.21%	-392,742.35	-10.89%
T. SHARON	32,154.31	3,028,188.00	10.62	436,544	16.84%	-248.00	-0.77%	3,113,118.00	11.01	521,474	20.12%	1,866.22	5.76%
<b>TOTAL</b>	<b>11,491,817.00</b>	<b>1,082,261,684.00</b>	<b>10.62</b>	<b>163,108,253</b>	<b>17.75%</b>	<b>0.00</b>	<b>0.00%</b>	<b>1,043,971,797.00</b>	<b>11.01</b>	<b>124,818,366</b>	<b>13.58%</b>	<b>0.01</b>	<b>0.00%</b>
							6% spread						
								18% spread					
								We don't like the 8%					



# What can we do about it while still planning for the future?

		Current Model Scenario			
Current Year	Budget Year	Forecast			
2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
\$11,491,817 65.69%	\$11,321,817 -1.48%	\$11,321,817 0.00%	\$11,301,136 -0.18%	\$11,216,828 -0.75%	\$11,268,090 0.46%
\$12.50 0.01%	\$10.84 -13.26%	\$10.84 0.00%	\$10.83 -0.18%	\$10.74 -0.75%	\$10.79 0.46%

Neutralizing variables that can and will change; \$10.84 is a reasonable long term mill rate target.



# What can be changed?

- Fund 39 debt defeasance amount
- Fund 80 Community Services
- In calculating the amount of defeasance needed to offset aid loss for the next 2-3 years, we were able to reduce \$170,000 from the defeasance



# Property Values - With Debt Defeasance Decrease

AFTER ACTUAL PROP VALUES										AFTER ACTUAL PROP VALUES - LESS \$170,000 LEVY							
Municipality	2023 Tidout Equalized Value	2023 Percent of Total	2023 Tax Levy	23 Mill Rate/\$1000	EQUALIZED VALUE		LEVY		2023 Tidout Equalized Value	2023 Percent of Total	2023 Tax Levy	23 Mill Rate/\$1000	EQUALIZED VALUE		LEVY		
					Inc/Dec	% Inc/Dec	Inc/Dec	% Inc/Dec					Inc/Dec	% Inc/Dec	Inc/Dec	% Inc/Dec	
T. BRADFORD	146,175,740	14.00%	1,609,071.11	11.01	27,208,431	22.87%	121,669.23	8.18%	146,175,740	14.00%	1,581,067.33	10.84	27,208,431	22.87%	97,866.02	6.58%	
T. CLINTON	118,649,600	11.37%	1,306,069.28	11.01	18,990,900	19.06%	60,075.40	4.82%	118,649,600	11.37%	1,283,338.85	10.84	18,990,900	19.06%	40,754.54	3.27%	
T. LAPRAIRIE	45,214,386	4.33%	497,710.24	11.01	8,366,658	22.71%	37,017.46	8.04%	45,214,386	4.33%	489,048.24	10.84	8,366,658	22.71%	29,654.76	6.44%	
T. TURTLE	237,935,441	22.79%	2,619,142.16	11.01	35,969,461	17.81%	94,040.25	3.72%	237,935,441	22.79%	2,573,559.42	10.84	35,969,461	17.81%	55,294.93	2.19%	
V. CLINTON	201,061,300	19.26%	2,213,239.55	11.01	30,283,700	17.73%	78,073.80	3.66%	201,061,300	19.26%	2,174,721.01	10.84	30,283,700	17.73%	45,333.04	2.12%	
C. BELOIT	291,822,212	27.95%	3,212,316.14	11.01	3,477,742	1.21%	-392,742.35	-10.89%	291,822,212	27.95%	3,156,409.99	10.84	3,477,742	1.21%	-440,262.57	-12.21%	
T. SHARON	3,113,118	0.30%	34,268.53	11.01	521,474	20.12%	1,866.22	5.76%	3,113,118	0.30%	33,672.13	10.84	521,474	20.12%	1,359.28	4.19%	
<b>TOTAL</b>	<b>1,043,971,797</b>	<b>100.00%</b>	<b>11,491,817.01</b>	<b>11.01</b>	<b>124,818,366</b>	<b>13.58%</b>	<b>0.01</b>	<b>0.00%</b>	<b>1,043,971,797</b>	<b>100.00%</b>	<b>11,291,816.97</b>	<b>10.84</b>	<b>124,818,366</b>	<b>13.58%</b>	<b>-170,000.00</b>	<b>-1.48%</b>	

This gives our two municipalities previously facing an 8%, a 6% increase.

It also gives our two largest residential municipalities a 2% increase.

Most years discrepancies between municipalities are natural. This year trying to help because of the wider discrepancy.

\* School levy credit after the fact



## Zoomed In

AFTER ACTUAL PROP VALUES - LESS \$170,000 LEVY								
Municipality	2023 Tidout Equalized Value	2023 Percent of Total	2023 Tax Levy	23 Mill Rate/\$1000	EQUALIZED VALUE		LEVY	
					Inc/Dec	% Inc/Dec	Inc/Dec	% Inc/Dec
T. BRADFORD	146,175,740	14.00%	1,581,067.33	10.84	27,208,431	22.87%	97,866.02	6.58%
T. CLINTON	118,649,600	11.37%	1,283,338.85	10.84	18,990,900	19.06%	40,754.54	3.27%
T. LAPRAIRIE	45,214,386	4.33%	489,048.24	10.84	8,366,658	22.71%	29,654.76	6.44%
T. TURTLE	237,935,441	22.79%	2,573,559.42	10.84	35,969,461	17.81%	55,294.93	2.19%
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<b>TOTAL</b>	<b>1,043,971,797</b>	<b>100.00%</b>	<b>11,291,816.97</b>	10.84	<b>124,818,366</b>	<b>13.58%</b>	<b>-170,000.00</b>	<b>-1.48%</b>

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# OVERALL POINTS

- LEVY: decreasing by \$170,000 from last year (-1.48%)
- MILL RATE: dropping from \$12.50 to \$10.84
- Funding reserves (Fd 46 maint, cash flow)
- Cost avoidance with utilities (solar)
- Debt retirement
- No ESSER Fiscal Cliff
- Beginning Community Services Fund





Handout

# 2023-24 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 22-23:  
\$145,000
- Remaining Balance Due: \$900,000
- Retires in 2028



# Referendum Approved Debt Fund 39

- Bond Issues for the \$32 million referendum
- Higher property values/aid shift this year will allow for more pre-paying of this debt again this year
- Remaining Balance Due: \$24,725,000



# Food Service Fund 50

- Federal funds received for providing free meals to all students through the pandemic resulted in a surplus year for food service for the last two years which now is required to be used
- Even with increasing food costs, this fund is projected to be balanced for 2023-24 for operating processes.



# Community Service Fund 80

- The District will levy an increased \$500,000 for community services
- Expenses in Fund 80 will begin towards the goal of increasing community opportunities to encourage student enrollment growth



# General Fund 10

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





# Questions?

