



Monona Grove School District
Annual Meeting & Budget Hearing

Monday, September 14, 2020
6:00 p.m.

Monona Grove High School Auditorium
4400 Monona Drive, Monona, WI 53716



Board of Education

President

Andrew McKinney

Vice President

Susan Fox

Treasurer

Loreen Gage

Clerk

Susan Manning

Members

Elizabeth Cook

Eric Hartz

Peter Sobol

District Administration

Superintendent

Daniel W. Olson, Ed.D.

Director of Business Services

Jerrud Rossing

Director of Communications & Community Engagement

Katy Byrnes Kaiser

Director of Human Resources

Nicole Thibodeau

Director of Instruction

Lisa Heipp, Ed.D.

Director of Student Services

Christa Foster

Qualifications to Vote

Participants must be:

- A citizen of the United States
- 18 years of age or older
- A resident of the Monona Grove School District for at least 28 consecutive days prior to voting

Rules of Order

The agenda outlines items that, by law, are to be covered at this Annual Meeting. In the interest of conducting business in an orderly and timely fashion, the following ground rules will be applied by the Chairperson.

- Attorney Mike Julka will serve as parliamentarian.
- Voting which takes place during the Annual Meeting, will be conducted in the following manner:
 - A show of hands. If the Chair orders, or if there is a call for a Division of the House, then a count of hands will be taken.
 - Only district residents may make and second motions, speak and vote. The time limit for speakers at this Annual Meeting is three (3) minutes per person. No speaker may speak again until all have spoken, and no speaker may speak more than twice on a motion.
- The Order of Business shall be the agenda as printed.



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STRATEGIC PLAN 2016-2020

In July 2016, the Board of Education approved the Strategic Plan of the Monona Grove School District. The plan includes five focus areas:



TEACHING AND LEARNING

- **Implement a high quality instructional service delivery model** – All students will succeed in reaching rigorous learning standards because of teachers' use of an integrated and comprehensive service delivery model.
- **Leverage technology to enhance teaching and learning** – Students will be positively impacted and achieve at higher levels due to effective use of technology in teaching and learning, using the SAMR and Triple E models to guide integration.
- **Deliver and expand a continuum of services for social and emotional learning** – Students will develop the personal qualities and life skills needed to successfully navigate their world and schools will proactively respond to all students' social and emotional needs in order to facilitate healthy relationships, increase academic achievement, and decrease problem behaviors.



GUARANTEE EQUITABLE OPPORTUNITY, ACCESS AND OUTCOMES

- **Build capacity** – Staff will recognize and effectively respond to personal, implicit, and systemic biases and barriers that limit access and opportunities in order to ensure an equitable learning environment and school community for all students and families.



HIGHLY EFFECTIVE PERSONNEL

- **Recruit and retain diverse and effective personnel** – The district will develop and implement systematic methods to recruit and retain diverse and highly effective personnel, enabling the district to achieve its mission.
- **Develop and engage all personnel** – Personnel will engage in professional development opportunities, offered and supported by the district, allowing personnel to contribute in meaningful ways to students and their learning.



ENGAGE THE COMMUNITY

- **Implement strategies to ensure effective and timely communication with stakeholders** – The District and its stakeholders will engage regularly in responsive and ongoing two-way communication so that students, families, district employees, and the community are united with common goals and purpose.



FINANCIAL SUSTAINABILITY AND EFFICIENCY

- **Plan for financial sustainability and communicating needs and progress** – The District will develop a transparent and sustainable financial plan that supports the District's goals and is understandable to all stakeholders.
- **Heighten efficiency** – The District will increase operational efficiency in order to enhance the overall financial sustainability of the District.

PROGRESS MONITORING

Annually, the overarching goals of the Strategic Plan will be reviewed. One-year SMART* Goals will include action plans with benchmarks for progress monitoring, arranged into three cycles ending December, March, and June. Progress on goals will be reported to the Board of Education after each cycle.

*SMART stands for specific, measurable, actionable, reasonable and time-specific.

VISION:

MGSD is a student-focused culture that empowers continuous learners to embrace global opportunities and excellence.

MISSION:

The mission of the MGSD is to enhance achievement for all students by cultivating a desire for learning and instilling social responsibility.

We will achieve this by...

- Building positive relationships among students, staff, parents, and community.
- Working together to inspire and engage students in meaningful learning opportunities by using research-based practices to address individual academic and social/emotional needs.
- Providing a safe and healthy environment that fosters respect and culturally responsive practices.
- Attracting, retaining, and developing a diverse, high-quality staff.
- Using resources efficiently and effectively.

**MONONA GROVE SCHOOL DISTRICT
Annual Meeting & Budget Hearing**

**Monona Grove High School Auditorium
4400 Monona Drive, Monona, WI 53716**

6:00 P.M.

LIVE STREAM WILL BEGIN AT 6:00 pm

Public may observe the meeting via live stream video at: <https://www.youtube.com/watch?v=ywuoVWnbBp2E>. Live stream video access will not constitute attendance at the meeting and will not include the ability to participate or vote as an elector.

AGENDA

- A. Call to Order:** Andrew McKinney, President
- B. Declaration of Public Notice**
- C. Election of a Chairperson**
- D. Announcement of the Availability of the Minutes From the 2019 Annual Meeting**
- E. Superintendent's Report:** Daniel Olson
- F. Financial Report**
 - Auditor's Statement
- G. Budget Hearing**
 - Budget Presentation: Jerrud Rossing, Director of Business Services
- H. Adoption of Tax Levy**
- I. Authorization of Salaries for School Board Members**
- J. Reimbursement of School Board Member Related Expenditures**
- K. Authorize the School Board to Establish the Date, Time, and Place of the 2021 Annual Meeting and Budget Hearing**
- L. Other Business**
- M. Adjournment**

SUGGESTED MOTIONS

A. Call to Order: Andrew McKinney, President

B. Declaration of Public Notice

C. Election of a Chairperson

Suggested Motion: “I _____, of (address), move to nominate _____ to serve as Chairperson of the 2020 Annual Meeting and Budget Hearing.”

D. Announcement of the Availability of the Minutes From the 2019 Annual Meeting

E. Superintendent’s Report: Daniel Olson

F. Financial Report

Auditor’s Statement

G. Budget Hearing

Budget Presentation: Jerrud Rossing, Director of Business Services

H. Adoption of Tax Levy

Suggested Motion: “I _____, of (address), move approval of a 2020-2021 Tax Levy in the total amount of \$30,358,342

I. Authorization of Salaries for School Board Members

Suggested Motion: “I _____, of (address), move to set the 2020-2021 annual salaries of School Board members at \$ _____.”

**NOTE: 2019-2020 Actual Salaries were \$3,100.00 per member*

J. Reimbursement of School Board Member Related Expenditures

Suggested Motion: “I _____, of (address), move to authorize the reimbursement of School Board members for expenses incurred in the performance of duties.”

K. Authorize the School Board to Establish the Date, Time, and Place of the 2021 Annual Meeting

Suggested Motion: “I _____, of (address), move to authorize the School Board to establish the date, time and place of the 2021 Annual Meeting and Budget Hearing.”

L. Other Business

M. Adjournment

Suggested Motion: “I _____, of (address), move that the meeting be adjourned.”

POWERS OF THE ANNUAL MEETING

Wisconsin State Statute

120.10 - Powers of annual meeting.

The annual meeting of a common or union high school district may:

1. **CHAIRPERSON AND CLERK.** Elect a chairperson and, in the absence of the school district clerk, elect a person to act as the clerk of the meeting.
2. **ADJOURNMENT.** Adjourn from time to time.
3. **SALARIES OF SCHOOL BOARD MEMBERS.** Vote annual salaries for school board members or an amount for each school board meeting the member actually attends.
4. **REIMBURSEMENT OF SCHOOL BOARD MEMBERS.** Authorize the payment of actual and necessary expenses of a school board member when traveling in the performance of duties and the reimbursement of a school board member for actual loss of earnings when duties require the school board member to be absent from regular employment.
5. **BUILDING SITES.** Designate sites for school district buildings and provide for the erection of suitable buildings or for the lease of suitable buildings for a period not exceeding 20 years with annual rentals fixed by the lease.
- 5m. **REAL ESTATE.** Authorize the school board to acquire, by purchase or condemnation under ch.32, real estate and structures and facilities appurtenant to such real estate necessary for school district purposes.
6. **TAX FOR SITES, BUILDINGS AND MAINTENANCE.** Vote a tax to purchase or lease suitable sites for school buildings, to build, rent, lease or purchase and furnish, equip and maintain school district buildings. The tax may be spread over as many years as are required to pay any obligations approved or authorized at the annual meeting including rental payments due in future years under an authorized lease.
7. **TAX FOR TRANSPORTATION VEHICLES.** Vote a tax to purchase, operate and maintain transportation vehicles and to purchase liability insurance for such vehicles, and to finance contracts for the use and services of such vehicles.
8. **TAX FOR OPERATION.** Vote a tax for the operation of the schools of the school district.
9. **TAX FOR DEBTS.** Vote a tax necessary to discharge any debts or liabilities of the school district.
10. **SCHOOL DEBT SERVICE FUND.** Vote a tax to create a fund for the purpose of paying all current bonded indebtedness for capital expenditures. All money raised through taxation or otherwise collected pursuant to this subsection shall be deposited by the school district treasurer in a segregated fund. Such money shall not be used for any other purpose, except as provided by s. 67.11 (1), or be transferred to any other fund except by authorization by a two-thirds majority vote of the total number of electors of the school district.
- 10m. **SCHOOL CAPITAL EXPANSION FUND.** Vote a tax to create a fund for the purpose of financing all current and future capital expenditures related to buildings and sites. All money raised through taxation or otherwise collected pursuant to this subsection shall be deposited by the school district treasurer in a segregated fund. Such money shall not be used for any other purpose or be transferred to any other fund except by authorization by a majority vote of the electors present at a subsequent annual meeting and only if notice that the issue would be on the agenda was included in the notice of the subsequent annual meeting under s. 120.08 (1)(c).
11. **TAX FOR RECREATION AUTHORITY.** Vote a tax for the purposes specified in s. 66.0123.

POWERS OF THE ANNUAL MEETING (CON'T)

- 14. LEGAL PROCEEDINGS.** Direct and provide for the prosecution or defense of any action or proceedings in which the school district is interested.
- 15. TEXTBOOKS.** Authorize the school board to furnish textbooks under conditions prescribed by the annual meeting or by the school board. The authorization shall continue in effect until revoked by a subsequent annual meeting.
- 16. SCHOOL LUNCHES.** Direct the school board to furnish school lunches to the pupils of the school district and appropriate funds for that purpose.
- 19. CONSOLIDATION OF HIGH SCHOOLS.** In a union high school district, vote to consolidate schools or to discontinue a school where more than one high school is operated by the school district.

2019 Annual Meeting Minutes

MINUTES: Annual Meeting and Budget Hearing of the Monona Grove School District, held on Monday, September 9, 2019 at Glacial Drumlin School IMC, 801 Damascus Trail, Cottage Grove, WI 53527

BOARD MEMBERS PRESENT: Dean Bowles, Susan Fox, Andrew McKinney, Eric Hartz and Peter Sobol

ADMINISTRATORS PRESENT: Daniel Olson, Jerrud Rossing, Angie Fassl, Reed Foster, Connie Haessly and Katy Byrnes Kaiser

GUESTS: Doug Witte, Attorney and Parliamentarian - Boardman and Clark

Meeting Called to Order – President Andrew McKinney called the meeting to order at 6:01 p.m. President McKinney welcomed those in attendance and introduced the members of the School Board. He also introduced Doug Witte, Attorney with Boardman & Clark, LLC, who served as Legal Counsel/Parliamentarian for the Annual Meeting.

Declaration of Public Notice – acknowledged

Election of a Chairperson

Andrew McKinney called for nominations to elect a chairperson:

Susan Fox, 4637 Tonyawatha Terrace, Monona, nominated Andrew McKinney to serve as the chairperson.

Peter Sobol, 6005 Midwood Avenue, Monona seconded. Nominations were closed as there were no other nominations.

The vote was called and Andrew McKinney was elected to serve as the chairperson.

Announcement of the Availability of the Minutes From the 2018 Annual Meeting

Andrew McKinney announced that the minutes from the 2018 Annual Meeting and Budget Hearing can be found in the annual meeting booklet on page 9.

Superintendent's Report: Daniel Olson

Superintendent Olson welcomed those in attendance and provided information on a variety of district related issues. He shared updates related to current renovations to existing buildings that will continue over the next two years. In addition, information was provided on the conceptual plan for the new elementary school, which will be built in Cottage Grove. All information related to these facilities can be found on our website. In addition, some capital maintenance projects began in the summer of 2019 and will likely continue through the summer of 2021. We are currently wrapping up design phases for the districtwide renovations and the new School. Expansion to the middle campus. Installed secure entry, including reception area and office; improved flexibility and collaboration by creating a connection between classrooms; renovated kitchen; increased accessibility to bathrooms; and more.

Financial Report - Auditor's Statement

Jerrud Rossing announced that the Treasurer's Report could be found on pages 6 & 7 of the annual meeting booklet. A complete auditor's report will be presented to the Board of Education upon completion of the official audit report by Wegner CPA firm and is expected to be presented in February 2020.

Budget Hearing

Director of Business Services, Jerrud Rossing presented the 2019-2020 proposed budget, as outlined in the annual meeting booklet.

Adoption of Tax Levy

Motion: Susan Fox, 4637 Tonyawatha Trail, Monona, moved approval of a 2019-2020 Tax Levy in the total amount of \$30,010,699, Judy Runk, 311 Asher Circle, Monona seconded and the motion carried.

Authorization of Salaries for School Board Members

Motion: Mary Anne Reed, 5602 Winnequah Road, Monona, moved to set the 2019-2020 annual salaries of School Board members at \$3,100. Lynn Brown, 5208 McKenna Road. Monona, seconded and the motion carried.

The chairperson announced that the Board members abstained.

2019 Annual meeting minutes continue onto next page.

2019 Annual Meeting Minutes Continued

Reimbursement of School Board Member Related Expenditures

Motion: Mary Anne Reed, 5602 Winnequah Road, Monona, moved to authorize the reimbursement of School Board members for expenses incurred in the performance of duties. Judy Runk, 311 Asher Circle Monona seconded and the motion carried.

Note that School Board members present abstained from the vote.

Authorize the School Board to Establish the Date, Time, and Place of the 2020 Annual Meeting and Budget Hearing

Motion: Keri Robbins, 2743 Pheasant Run, Cottage Grove, moved to authorize the School Board to establish the date, time and place of the 2020 Annual Meeting and Budget Hearing. Rebecca Ninke, 3004 Mourning Dove Drive, Cottage Grove seconded and the motion carried.

L. Approval of a Resolution Reducing Number of Signatures Required on Nomination Papers for School District Officers

Motion: Melissa Ratcliff, 242 Forrester Drive, Cottage Grove moved approval of the following resolution:

WHEREAS, the City of Madison is a 2nd class city;

AND WHEREAS, as of this date, the territory of the School District lying within the City of Madison is less than or equal to 10 percent of the territory of the School District;

AND WHEREAS, Section 8.10(3)(km)2 of the Wisconsin Statutes authorizes the electors of the School District at an annual meeting to adopt a resolution to reduce the number of required signatures on nomination papers for School District officers to not less than 20 and not more than 100.

NOW, THEREFORE, be it hereby resolved by the electors of the Monona Grove School District that, effective September 9, 2019:

The number of required signatures on nomination papers for School District officers filed under Sections 8.10 and 120.06(6)(b)2. of the Wisconsin Statutes shall be not less than 20 and not more than 100.

Lynn Brown, 5208 McKenna Road, Monona seconded and the motion carried.

Other Business - none

Adjournment

Motion: Peter Sobol, moved that the meeting be adjourned at 6:55 pm. Judy Runk, 311 Asher Circle, Monona seconded and the motion carried.

Treasurer's Report/Financial Report as of June 30, 2020

General Fund (Fund 10)

Beginning Fund Balance on July 1st, 2019		\$8,269,945
+ Total Revenues: (Unaudited 2019-2020)	\$44,914,745	
- Total Expenditures: (Unaudited 2019-2020)	\$44,201,960	
Ending Fund Balance on June 30th, 2020		<u>\$8,9082,730</u>

Special Revenue Trust Fund (Fund 21)

Beginning Fund Balance on July 1st, 2019		\$60,624
+ Total Revenues: (Unaudited 2019-2020)	\$371,797	
- Total Expenditures: (Unaudited 2019-2020)	\$240,188	
Ending Fund Balance on June 30th, 2020		<u>\$192,233</u>

Special Education Fund (Fund 27)

Beginning Fund Balance on July 1st, 2019		\$0
+ Total Revenues: (Unaudited 2019-2020)	\$7,097,935	
- Total Expenditures: (Unaudited 2019-2020)	\$7,097,935	
Ending Fund Balance on June 30th, 2020		<u>\$0</u>

Non-Referendum Debt Service Fund (Fund 38)

Beginning Fund Balance on July 1st, 2019		\$483,792
+ Total Revenues: (Unaudited 2019-2020)	\$3,202,962	
- Total Expenditures: (Unaudited 2019-2020)	\$3,448,355.	
Ending Fund Balance on June 30th, 2020		<u>\$238,399</u>

Referendum Approved Debt Service Fund (Fund 39)

Beginning Fund Balance on July 1st, 2019		\$2,668,932
+ Total Revenues: (Unaudited 2019-2020)	\$8,252,799	
- Total Expenditures: (Unaudited 2019-2020)	\$9,035,167	
Ending Fund Balance on June 30th, 2020		<u>\$1,886,564</u>

Capital Projects Fund (Fund 45 and 49)

Beginning Fund Balance on July 1st, 2019		\$55,916,820
+ Total Revenues: (Unaudited 2019-2020)	\$718,463	
- Total Expenditures: (Unaudited 2019-2020)	\$13,886,986	
Ending Fund Balance on June 30th, 2020		<u>\$42,748,297</u>

Treasurer's Report/Financial Report as of June 30, 2020

Food Service Fund (Fund 50)

Beginning Fund Balance on July 1st, 2019		\$612,858
+ Total Revenues: (Unaudited 2019-2020)	\$1,081,815	
- Total Expenditures: (Unaudited 2019-2020)	\$1,388,496	
Ending Fund Balance on June 30th, 2020		<u>\$306,177</u>

Employee Benefits Trust Fund (Fund 73)

Beginning Fund Balance on July 1st, 2019		\$1,918,292
+ Total Revenues: (Unaudited 2019-2020)	\$1,552,768	
- Total Expenditures: (Unaudited 2019-2020)	\$1,308,745	
Ending Fund Balance on June 30th, 2020		<u>\$2,162,315</u>

Community Service Fund (Fund 80)

Beginning Fund Balance on July 1st, 2019		\$277,898
+ Total Revenues: (Unaudited 2019-2020)	\$636,202	
- Total Expenditures: (Unaudited 2019-2020)	\$641,603	
Ending Fund Balance on June 30th, 2020		<u>\$272,497</u>

Package and Cooperative Program Fund (Fund 99)

Beginning Fund Balance on July 1st, 2019		\$0
+ Total Revenues: (Unaudited 2019-2020)	\$528,763	
- Total Expenditures: (Unaudited 2019-2020)	\$528,763	
Ending Fund Balance on June 30th, 2020		<u>\$0</u>

Audit Update:

The school district has engaged Wipfli LLP CPA's to perform the school district's required yearly audit. The audit report is expected to be ready for distribution to the entire Board of Education around the beginning of February, 2021.

SCHOOL DISTRICT BUDGET AND ACCOUNTING

Budget Reporting

Accounts used in school district budgeting and financial reporting are designated by the Department of Public Instruction. A uniform accounting system is important for the facilitation of reporting, auditing, data processing, inter-district comparisons, and financial accounting for cooperative programs. A complete list of allowable account codes and account code explanations are available for review on the website at: http://dpi.state.wi.us/sfs/pdf/wufar_final.pdf

Fund Accounting

Financial administration requires that each transaction be identified for administrative and accounting purposes. The first identification is by fund which is an independent fiscal and accounting entity, requiring its own set of books, in accordance with special regulations, restrictions, and limitations that earmark each fund for a specific activity or for attaining certain objectives. Each fund must be so accounted for that the identity of its resources and obligations and its revenues and expenditures is continually maintained.

All funds used by Wisconsin school districts must be classified into one of nine fund types. The major fund types are the General Fund, Special Projects Fund, Debt Service Fund, Capital Projects Fund, Food Service Fund, Agency (Pupil Activity) Fund, Fiduciary Fund, Community Service Fund, and Package and Cooperative Program Fund.

Basis of Accounting

The basis of accounting refers to the point in time when revenues, expenditures or expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. In other words, the basis of accounting determines the timing with which the accounting system recognizes transactions.

Governmental funds, expendable trust funds, and agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available (susceptible to accrual). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. State general and categorical aids, federal impact aid, and other entitlements are recognized as revenue at the time for receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven programs currently reimbursable are recognized as revenue when the qualifying expenditures have been incurred.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Employee services and payroll-related costs (employee health, life, disability insurance, FICA, Medicare, Wisconsin Retirement System contributions, annuities) other than compensated absences, termination, and other post-employment benefits are recognized in the fiscal period when incurred.

The following tables provide actual audited results for 2018-19 school year, unaudited actuals for 2019-20 and proposed budget for 2020-21. The detail of the budget can be viewed at the District Office by contacting the Director of Business Services.

MONONA GROVE SCHOOL DISTRICT 2020-21 PROPOSED BUDGET

Fund 10 General Fund

The general fund is used to account for all financial transactions relating to current operations, except for those required to be accounted for in other funds.

GENERAL FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	7,931,500.75	8,269,944.85	8,982,730.46
Ending Fund Balance	8,269,944.85	8,982,730.46	8,982,730.46
REVENUES & OTHER FINANCING SOURCES			
Transfers-In (Source 100)	0.00	0.00	0.00
Local Sources (Source 200)	23,639,077.68	23,326,674.86	23,274,641.00
Inter-district Payments (Source 300 + 400)	2,660,317.42	3,027,432.60	3,100,000.00
Intermediate Sources (Source 500)	0.00	0.00	0.00
State Sources (Source 600)	17,027,944.65	17,759,949.40	18,386,828.00
Federal Sources (Source 700)	406,461.27	432,615.22	400,000.00
All Other Sources (Source 800 + 900)	764,183.57	368,073.78	70,000.00
TOTAL REVENUES & OTHER FINANCING SOURCES	44,497,984.59	44,914,745.86	45,231,469.00
EXPENDITURES & OTHER FINANCING USES			
Instruction (Function 100 000)	20,792,202.20	21,753,725.55	22,340,473.00
Support Services (Function 200 000)	17,208,772.23	16,188,432.44	16,825,713.00
Non-Program Transactions (Function 400 000)	6,158,566.06	6,259,802.26	6,065,283.00
TOTAL EXPENDITURES & OTHER FINANCING USES	44,159,540.49	44,201,960.25	45,231,469.00

Special Projects Funds

Special projects funds reported below include combined budgets for both the Gift Fund and Special Education Fund.

Fund 21 Special Revenue Trust Fund

This fund is used to account for trust funds that can be used for district operations. The source of such funds is gifts and donations from private parties. Cash and investments in this fund are expended pursuant to donor specifications. There may be a fund balance in this fund.

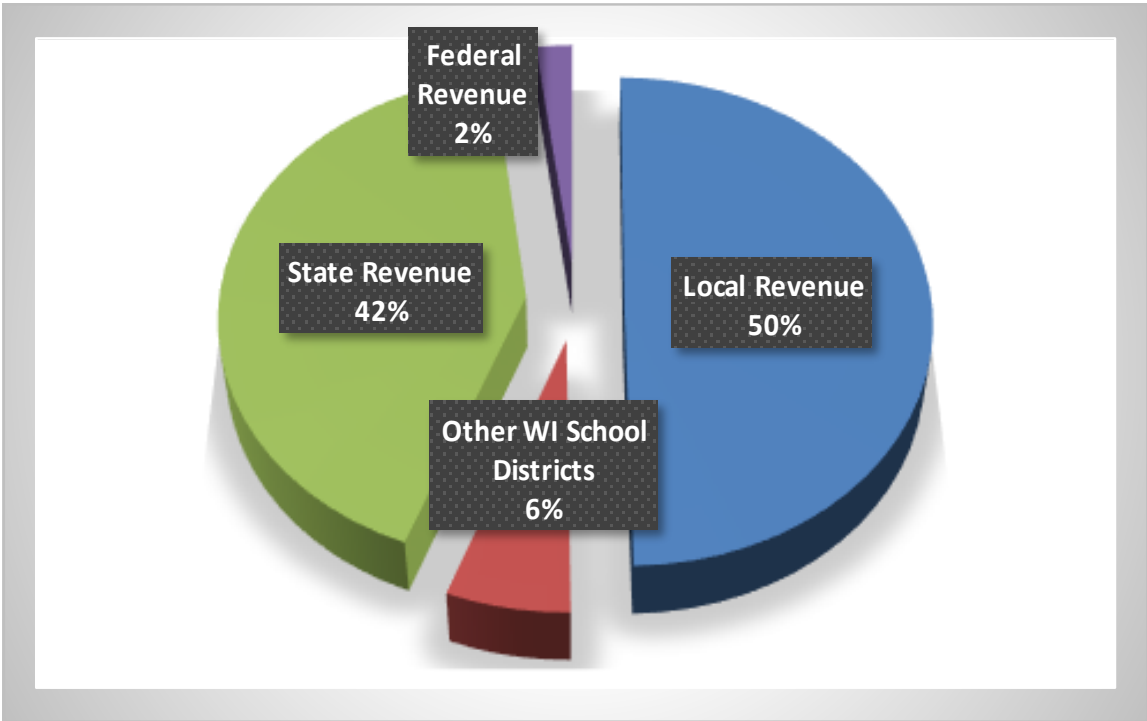
Fund 27 Special Education Fund

This fund is used to account for special education and related services funded wholly or in part with state or federal special education aid or charges for services provided to other districts as a result of being a host district for a special education package or cooperative program. No fund balance or deficit can exist in this fund.

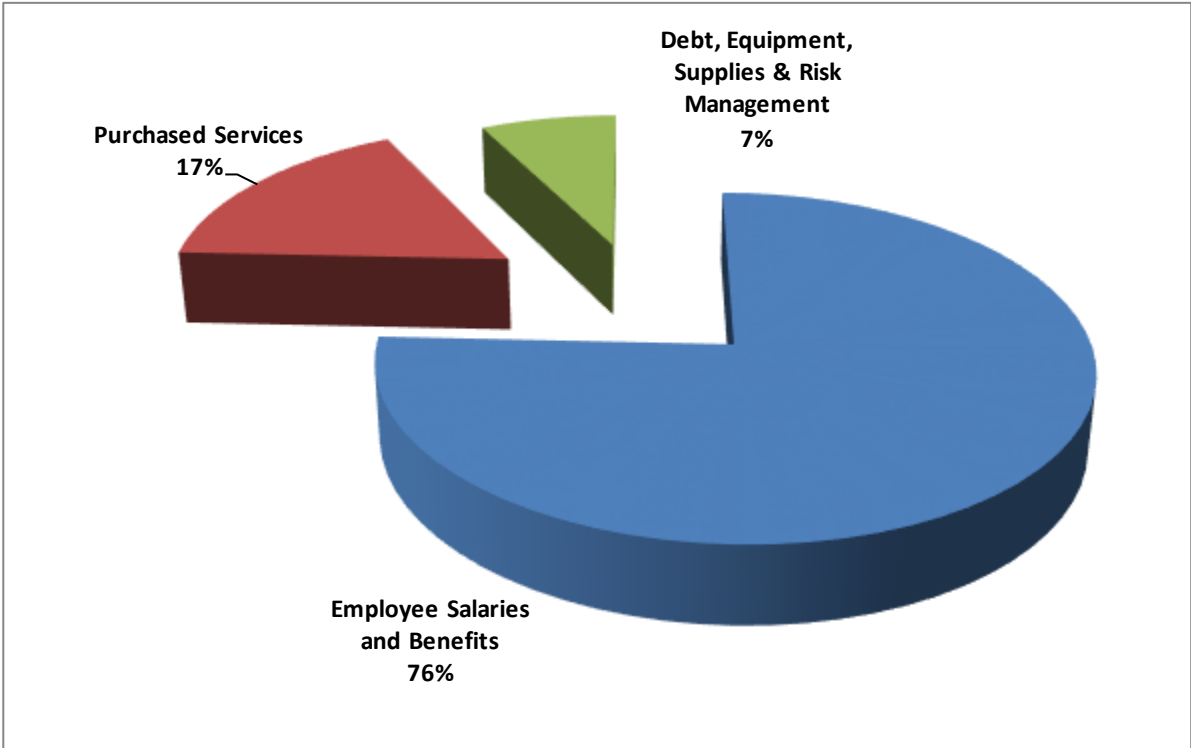
SPECIAL PROJECTS FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	134,320.00	60,623.57	192,232.66
Ending Fund Balance	60,623.57	192,232.66	124,232.66
REVENUES & OTHER FINANCING SOURCES	7,088,778.23	7,469,731.55	7,474,841.00
EXPENDITURES & OTHER FINANCING USES	7,162,474.66	7,338,122.46	7,542,841.00

MONONA GROVE SCHOOL DISTRICT 2020-21 PROPOSED BUDGET

DISTRIBUTION OF REVENUE & EXPENDITURES



50% of the District's Budget comes from Local Sources and 42% from the State of Wisconsin.



76% of the District's Budget consists of Salaries and Benefits, followed by Purchased Services such as utilities.

MONONA GROVE SCHOOL DISTRICT 2020-21 PROPOSED BUDGET

Debt Service Funds

These funds are used for recording transactions related to repayment of the following general obligation debt: promissory notes (issued per statute 67.12(12)) and bonds. Debt tax levies must be recorded in these funds. The resources in these funds may not be used for any other purpose as long as a related debt remains. Fund 38 is required to be used to report transactions pertaining to non-referendum debt authorized after August 12, 1993.

The outstanding debt at the beginning of 2020-2021 Fiscal Year is \$116,669,803.04 including interest. Outstanding debt at year end will be \$109,797,065.54 including interest. Final payment on current debt is anticipated to be made in May 2039.

Fund 38 Non-Referendum Debt Service Fund

This fund is used to account for transactions for the repayment of debt issues that were either not authorized by school board resolution before August 12, 1993, or incurred without referendum approval after that date. A fund balance may exist in this fund. Sections 67.05(6a)(b) and 67.12(12)(e)(2g) of the Wisconsin Statutes provides authority for school districts to borrow up to \$1,000,000 without elector approval. The specific limit for each school district is the lesser of \$1,000,000 or a calculated amount which uses statewide value and membership data. The district's limit is cumulative and applies to both bonds and promissory notes. Therefore, at any given time the total debt issued by the district under this provision cannot exceed their calculated authority. If, for example, a district's authority is \$1,000,000, and they have already issued debt of \$900,000 they would only have authority available of \$100,000. However, every principal payment made on the \$900,000 borrowing would increase their available authority limit.

Fund 39 Referendum Approved Debt Service Funds

This fund is used to account for transactions for the repayment of debt issues that were either authorized by school board resolution before August 12, 1993, or approved by referendum. If the district uses funds other than Fund 39, the district must combine and report these funds as Fund 39. A fund balance may exist in this fund.

DEBT SERVICE FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	2,188,385.52	3,152,723.21	2,124,961.99
Ending Fund Balance	3,152,723.21	2,124,961.99	2,357,624.99
REVENUES & OTHER FINANCING SOURCES	7,135,000.21	11,455,760.82	7,105,201.00
EXPENDITURES & OTHER FINANCING USES	6,170,662.52	12,483,522.04	6,872,538.00

MONONA GROVE SCHOOL DISTRICT 2020-21 PROPOSED BUDGET

FUND 38/39 – NON-REFERENDUM and REFERENDUM DEBT

Fund 38 Debt Service Levy and Payment Information (Non-Referendum Approved)		
Fiscal Year	Levy Amount	Payment Amount
2020-2021	\$1,447,815	\$1,464,965
2021-2022	\$1,362,065	\$1,375,665
2022-2023	\$1,479,165	\$1,493,465
2023-2024	\$1,395,665	\$1,409,865
2024-2025	\$1,347,265	\$1,361,465
2025-2026	\$1,146,925	\$1,158,065
2026-2027	\$1,396,089	\$1,410,785
2027-2028	\$1,395,617	\$1,411,394
2028-2029	\$646,598	\$654,841
2029-2030	\$649,441	\$658,355
2030-2031	\$646,065	\$655,527
2031-2032	\$646,497	\$656,604
2032-2033	\$650,520	\$661,390
2033-2034	\$653,001	\$664,651
2034-2035	\$168,176	\$171,352

Fund 39 Debt Service Levy and Payment Information (Referendum Approved)		
Fiscal Year	Levy Amount	Payment Amount
2020-2021	\$5,344,294	\$5,377,537
2021-2022	\$5,340,558	\$5,376,051
2022-2023	\$5,393,278	\$5,425,065
2023-2024	\$5,438,602	\$5,471,491
2024-2025	\$5,233,013	\$5,265,713
2025-2026	\$5,434,913	\$5,470,313
2026-2027	\$4,324,213	\$4,374,513
2027-2028	\$4,326,513	\$4,378,913
2028-2029	\$5,074,313	\$5,144,113
2029-2030	\$5,071,913	\$5,144,513
2030-2031	\$5,073,713	\$5,149,313
2031-2032	\$5,074,413	\$5,153,113
2032-2033	\$5,074,588	\$5,135,713
2033-2034	\$5,070,538	\$5,133,463
2034-2035	\$5,456,888	\$5,527,613
2035-2036	\$5,458,263	\$5,531,163
2036-2037	\$5,455,288	\$5,530,363
2037-2038	\$5,456,513	\$5,560,213
2038-2039	\$5,453,906	\$5,537,813

MONONA GROVE SCHOOL DISTRICT 2020-21 PROPOSED BUDGET

Fund 40 Capital Project Funds

These funds are used to account for expenditures financed through the use of bonds, promissory notes issues per statute 67.12(12), state trust fund loans, land contracts, and other funding sources permitted by state statutes. State statute restricts the use of this fund for capital expenditures related to buildings and sites. The Department of Instruction defines “capital expenditures related to buildings and sites” as being expenditures for acquiring and remodeling buildings and sites, and maintenance or repair expenditures that extend or enhance the service life of buildings and building components, sites and site components.

CAPITAL PROJECTS FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	79,489.07	55,916,820.34	42,748,297.22
Ending Fund Balance	55,916,820.34	42,748,297.22	11,748,297.22
REVENUES & OTHER FINANCING SOURCES	57,094,540.67	718,462.52	0.00
EXPENDITURES & OTHER FINANCING USES	1,257,209.40	13,886,985.64	31,000,000.00

Fund 50 Food Service Fund

All revenues and expenditures related to pupil and elderly food service activities are recorded in this fund. A fund balance in the Food Service Fund is permitted. There may be no deficit in the Food Service Fund. Any food service fund deficit, resulting from student food services, must be eliminated by an operating transfer from the General Fund.

FOOD SERVICE FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	653,315.45	612,858.18	306,176.92
Ending Fund Balance	612,858.18	306,176.92	306,176.92
REVENUES & OTHER FINANCING SOURCES	1,262,872.22	1,081,814.74	1,304,000.00
EXPENDITURES & OTHER FINANCING USES	1,303,329.49	1,388,496.00	1,304,000.00

Fund 80 Community Service Fund

This fund is used to account for activities such as adult education, community recreation programs and other programs which are not elementary and secondary educational programs but have the primary function of serving the community. The district may adopt a separate tax levy for this Fund. Statute 120.13(19) permits a school board to establish and maintain community education, training, recreational, cultural or athletic programs and services, outside regular curricular and extracurricular programs for pupils, under such terms and conditions as the school board prescribes. The school board may establish and collect fees to cover all or part of the costs of such programs and services.

COMMUNITY SERVICE FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	471,117.86	277,897.76	272,497.25
Ending Fund Balance	277,897.76	272,497.25	272,497.25
REVENUES & OTHER FINANCING SOURCES	524,186.35	636,202.36	700,000.00
EXPENDITURES & OTHER FINANCING USES	717,406.45	641,602.87	700,000.00

MONONA GROVE SCHOOL DISTRICT 2020-21 PROPOSED BUDGET

Fund 96 & Fund 97 Package & Cooperative Programs

These funds are used to account for activities in which a district acts as fiscal agent for combined programs and activities. Costs of services are generally shared on a pro-rated basis depending on participation. The District serves as the Fiscal Agent for Dane County School to Work Consortium.

PACKAGE & COOPERATIVE PROGRAM FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	0.00	0.00	0.00
Ending Fund Balance	0.00	0.00	0.00
REVENUES & OTHER FINANCING SOURCES	444,365.02	528,763.18	552,500.00
EXPENDITURES & OTHER FINANCING USES	444,365.02	528,763.18	552,500.00

The following table compares audited results from 2018-19 fiscal year, 2019-20 unaudited financials, and 2020-21 proposed Budget. At the time of this meeting, the final financial transactions for the 2019-20 fiscal year have been audited however the audit report has not been presented to the District.

The proposed tax levy for 2020-21 is expected to decrease by 0.09%. The final levy will be determined after the 3rd Friday Enrollment count (September 18th), property values (October 1st) and State Equalization Aid (October 15th) are known. This amount includes the approved 2016 Operational Referendum and the 2018 Referendum.

Total Expenditures and Other Financing Uses

ALL FUNDS	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
GROSS TOTAL EXPENDITURES -- ALL FUNDS	61,214,988.03	80,469,452.44	93,203,348.00
Interfund Transfers (Source 100) - ALL FUNDS	0.00	0.00	0.00
Refinancing Expenditures (FUND 30)	0.00	1,613,750.00	0.00
NET TOTAL EXPENDITURES -- ALL FUNDS	61,214,988.03	78,855,702.44	93,203,348.00
PERCENTAGE INCREASE – NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR		28.82%	18.19%

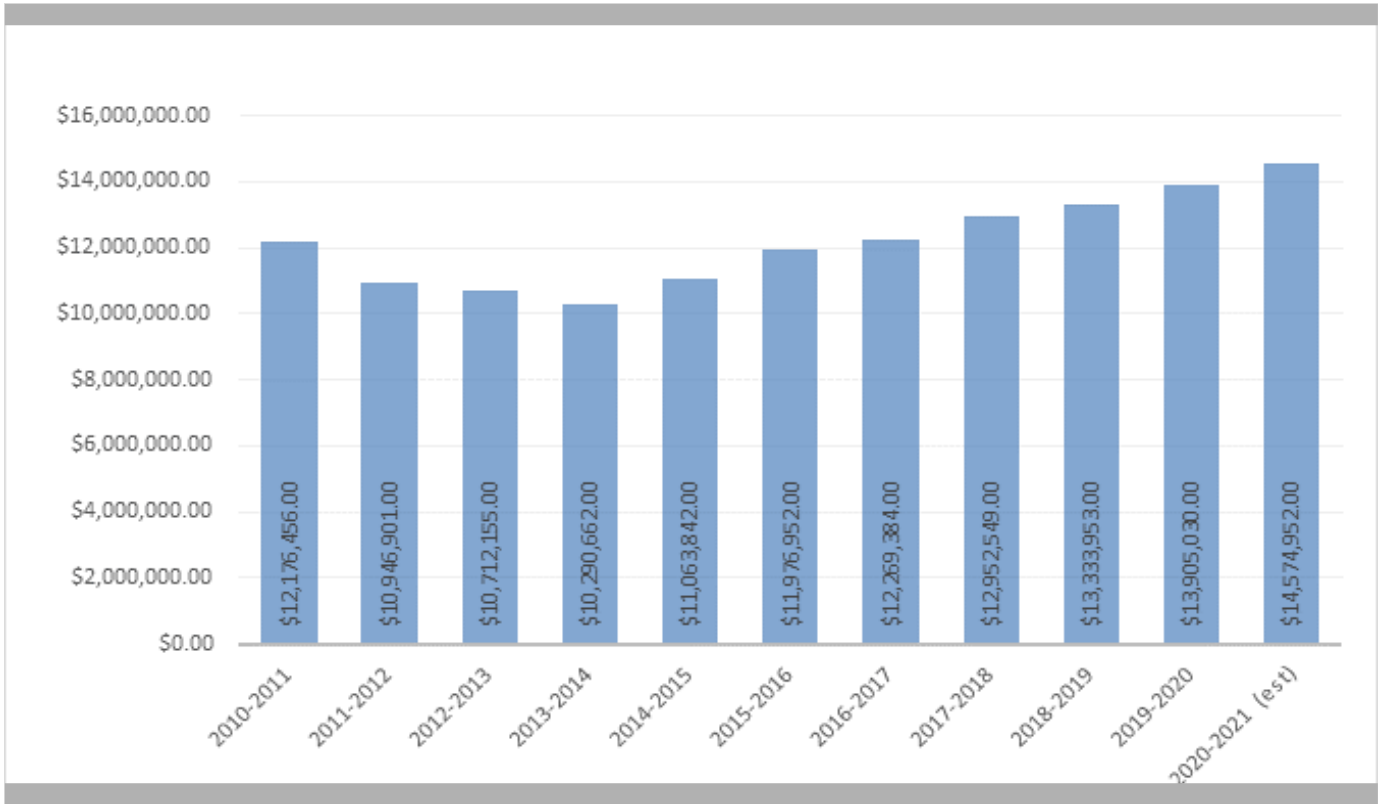
* Total Expenditures are increased by \$31,000,000 (amount estimated to be spent on construction projects in fiscal year 2020-2021) due to the \$57 million building referendum passed in November 2018.

PROPOSED PROPERTY TAX LEVY

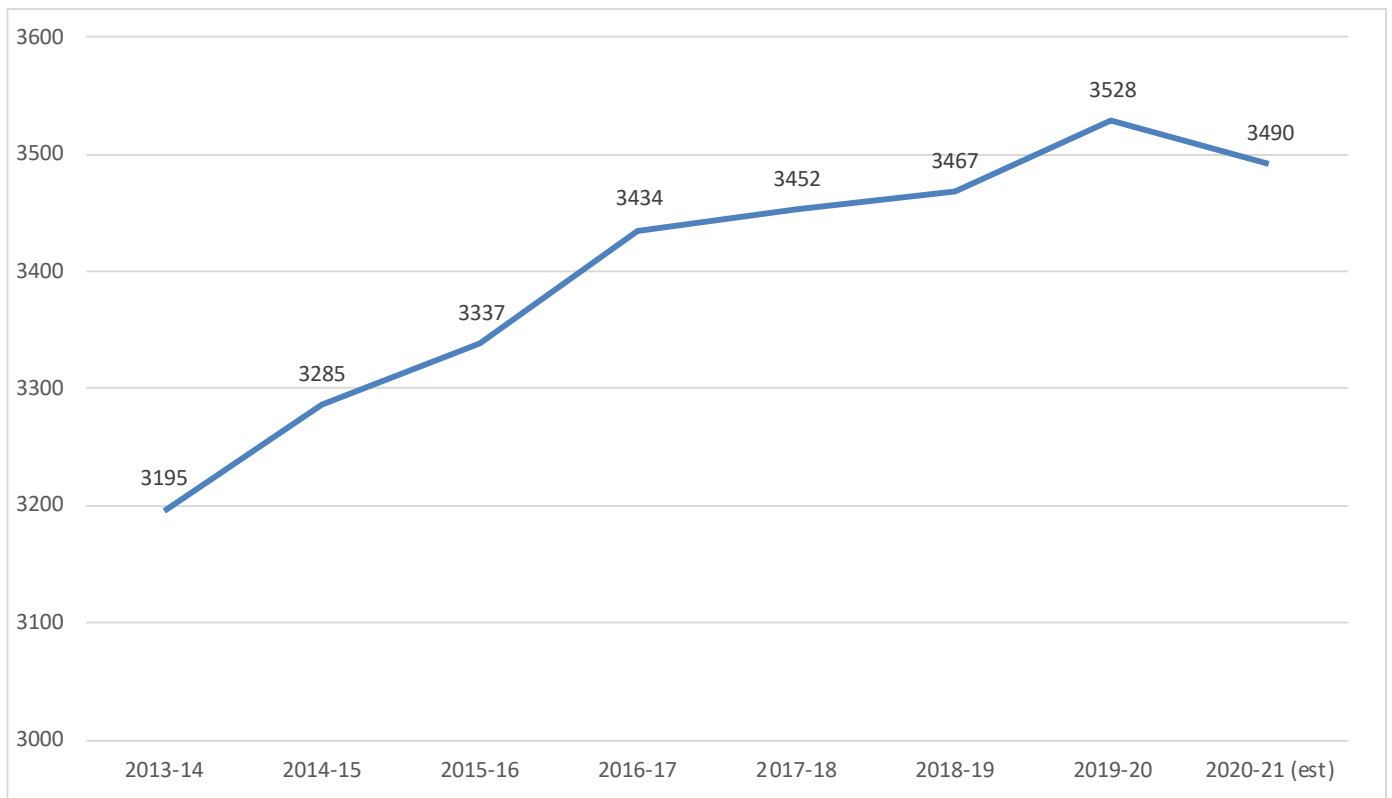
FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
General Fund	21,156,559.00	22,621,328.00	22,614,141.00
Referendum Debt Service Fund	5,854,276.00	5,627,341.00	5,650,000.00
Non-Referendum Debt Service Fund	634,605.00	1,587,785.00	1,494,201.00
Capital Expansion Fund	0.00	0.00	0.00
Community Service Fund	385,000.00	550,000.00	600,000.00
TOTAL SCHOOL LEVY	28,030,440.00	30,386,454.00	30,358,342.00
PERCENTAGE INCREASE -- TOTAL LEVY FROM PRIOR YEAR		8.41%	-0.09%

MONONA GROVE SCHOOL DISTRICT 2020-21 PROPOSED BUDGET

EQUALIZATION AID



ENROLLMENT TRENDS

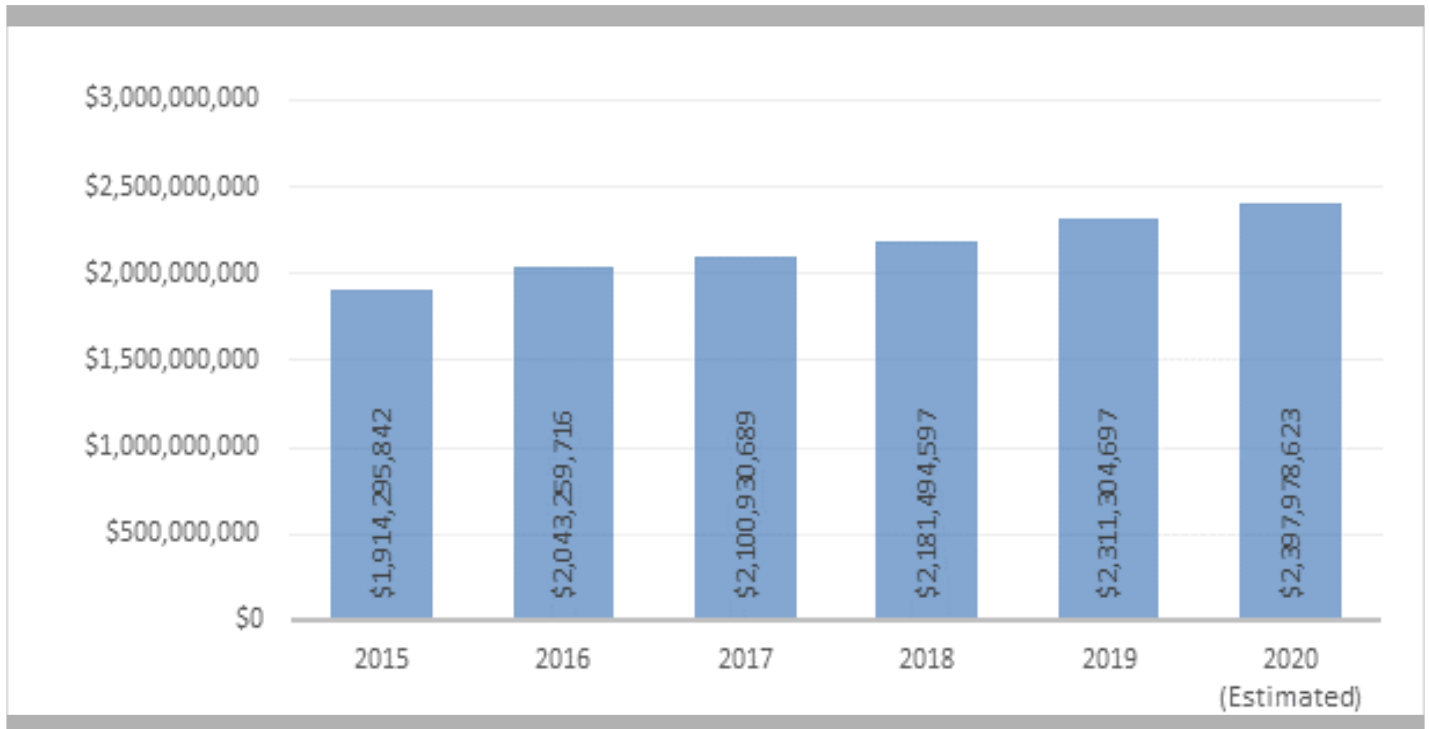


MONONA GROVE SCHOOL DISTRICT 2020-21 PROPOSED BUDGET

MILL RATE HISTORY



EQUALIZED VALUE HISTORY



MONONA GROVE SCHOOL DISTRICT 2020-21 PROPOSED BUDGET

TAX LEVY & MILL RATE ANALYSIS

Based on the projections on the Revenue Limit (State Equalization Aid Amount and Resident Enrollment) along with our current Debt Service schedule we are projecting an Overall Decrease in our Tax Levy by 0.09%.

FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
General Fund	\$21,156,559.00	\$22,621,328.00	\$22,614,141.00
Referendum Debt Service Fund	\$5,854,276.00	\$5,627,341.00	\$5,650,000.00
Non-Referendum Debt Service Fund	\$634,605.00	\$1,587,785.00	\$1,494,201.00
Capital Expansion Fund	\$0.00	\$0.00	\$0.00
Community Service Fund	\$385,000.00	\$550,000.00	\$600,000.00
TOTAL SCHOOL LEVY	\$28,030,440.00	\$30,386,454.00	\$30,358,342.00
PERCENTAGE INCREASE -- TOTAL LEVY FROM PRIOR YEAR		8.41%	-0.09%

Our Total Levy could increase or decrease depending on our actual resident growth and the amount we receive in State Equalization Aid from the State.

Three years of historical information and proposed Mill Rate are shown below.

Fund	Mill Rate			
	2017-2018	2018-2019	2019-2020	2020-2021 Projected
General Fund (Fund 10)	\$10.15	\$9.70	\$9.79	\$9.43
Non-Referendum Debt Service (Fund 38)	\$0.29	\$0.29	\$0.69	\$0.62
Referendum Approved Debt Service (Fund 39)	\$2.75	\$2.68	\$2.43	\$2.35
Community Service Fund (Fund 80)	\$0.17	\$0.18	\$0.24	\$0.24
Total Mill Rate	\$13.35	\$12.85	\$13.15	\$12.64

Fund 73 — IRREVOCABLE BENEFIT TRUST FUND

On July 11, 2008 an Irrevocable Employee Benefit Trust was approved by the Board of Education pursuant to statute 66.0603 (1m)(b)(3) for post-employment health and dental insurance benefits. The Monona Grove School District is the Grantor and Trustee of the Trust. Investments are restricted to money market vehicles only. A benefit of the Trust is that the District is eligible for state categorical aid reimbursement back on a portion of the contributions made into the Trust, in the year following the deposits being made. In addition, the District is required to fund, in years' subsequent to the initial year of the establishment of the Trust, with one of the following options: A) an amount of money equal to the ARC (Annual Required Contribution as determined from an actuarial study, B) an amount of money that exceed the current year expenditures paid from the Trust by 5% or C) an amount of money determined by the combination of the two previous year contributions paid for the Trust by 5%. Dollars are held in the Trust for future retirees and related health and insurance costs upon retirement.

Per Investment Statement(s) of June 30, 2020

Balance – July 1, 2019	\$ 1,918,291.85
Deposits made into Trust (July 1, 2019-June 30, 2020)	\$1,442,826.05
Withdrawals made from Trust (July 1, 2019-June 30, 2020)	(\$1,308,744.70)
Interest income earned in Trust (July 1, 2019-June 30, 2020)	\$ 109,942.00
Ending Balance in Trust- June 30, 2020	<u>\$2,162,315.20</u>

TAX LEVY EXPLANATION

The school district tax levy is made up of several components. These include:

- Amount of operational dollars needed-General Fund , Capital Projects, Community Service levies
- Amount of debt service tax dollars needed-Debt Service Fund levy
- Equalized value of property in the school district
- Mill (tax) rate

The tax levy is the total amount of property taxes levied or assessed to municipalities in our school district to fund school operations. The maximum tax levy amount, other than referendum-approved long-term debt or long-term debt incurred prior to 1993, is determined through the state's revenue cap (limit) formula. Taxpayer approval, through the referendum process, is required if a school district wants to exceed the revenue limit. The tax levy approved at the Annual Meeting will be adjusted by the Board of Education in October when student enrollment has been determined (September 3rd Friday count) and the Department of Public Instruction (DPI) has certified the district's state equalization aid amount for the 2020-21 fiscal year.

Equalized valuation is the fair market value of all properties within a school district as determined by the Wisconsin Department of Revenue. The Wisconsin Department of Revenue uses property sales information to determine a municipality's equalized "fair market" valuation. This information is reported to the school district in October of each year.

The school district distributes the certified (approved) tax levy among the municipalities according to the proportion of equalized value each municipality has in comparison to the total equalized value of the school district. Each municipal treasurer distributes this levy among the various residents based on the assessed value of the property within the municipality. Five year history of tax levy distribution by municipality is provided.

Equalized valuation plays a very important role in determining the school mill (tax) rate. For purposes of budget projections, the school district must estimate the equalized value (\$2,397,978,623 is used for the 2020-21 fiscal mill rate estimate reflecting 3.75% growth). In October, the actual equalized values of all municipalities within the school district are reported by the Department of Revenue. The district then calculates the actual mill (tax) rate per thousand dollars of equalized valuation. Property values declined in each of the three preceding fiscal years.

To calculate the school mill (tax) rate, the district uses the tax levy certified (approved) by the School Board at the end of October and divides that amount by the total equalized value of the school district. The mill rate is defined as the rate one thousand dollars of equalized valuation will raise in property taxes. Property owners in a municipality having more than one school district, fire district, or other governmental entity may find that mill rates vary within the municipality. Property owners may realize different changes (typically increases) in their property assessments depending upon conditions within their community and surrounding communities.

The Board is proposing a total tax levy of \$30,358,342 to fund the 2020-21 budget. The projected mill (tax) rate is \$12.64. Since the district does not receive the official (certified) equalized valuation until October 1, 2020, the property taxpayer in the Monona Grove School District may realize a change in the estimated 2020-21 mill rate. For example, if the tax levy remains the same as approved, but the total equalized valuation decreases from the estimate used, the mill rate would increase. If the total equalized valuation increases from the estimate used, the mill rate would decrease. The Board is required to make any adjustments, if needed, to the levy on or before November 1, 2020. The final determination of state aid will also modify the estimated mill rate.

Monona Grove School District
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