

2022-23 Budget Hearing

JULY 25, 2022, 7:00 PM



Budget Hearing Agenda

1. Call to Order by School Board President
2. Pledge of Allegiance
3. Presentation of Proposed 2022-23 Budget
4. Motion to Approve the Proposed 2022-23 Budget
5. Discussion and Questions Regarding the Proposed 2022-23 Budget
6. Action by the School Board to Approve the 2022-23 Budget
7. Adjourn Budget Hearing

2022-23 Budget

Student Focused

Fiscally Responsible

Promoting Quality Learning Environments



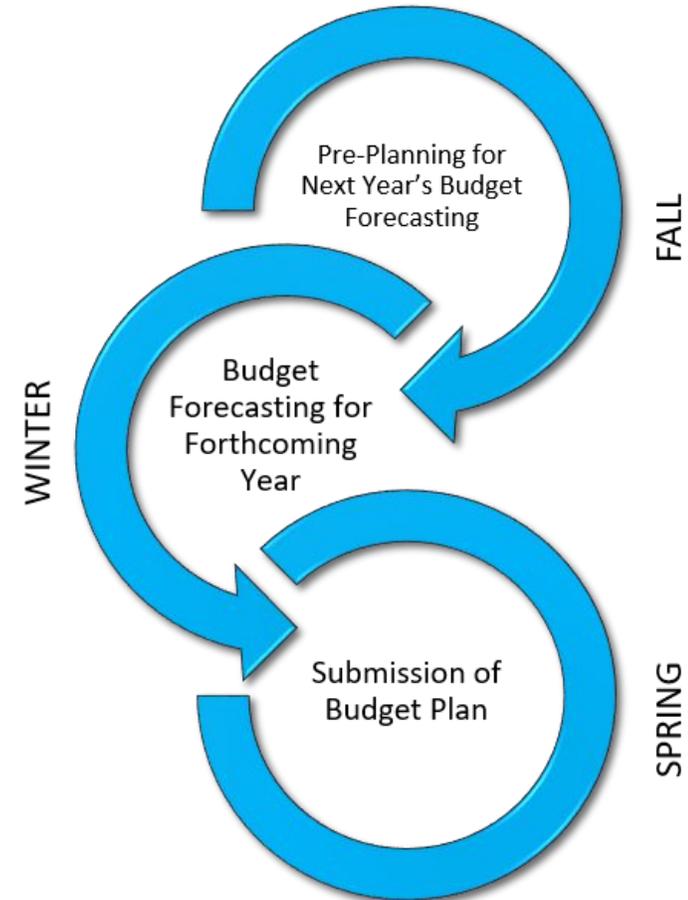
Budget Assumptions

- Decrease of 22 Resident Students
- 2.5% increase in Equalized Values
- \$1.2million in state aid revenue
- No new spendable dollars through the state biennial budget
- ESSER Funding

Budget Development

Our best estimates of the resources and costs necessary to operate the school district for the upcoming school year.

The budget development process started in Fall 2021 and will be complete in October 2022.



Budget Variables

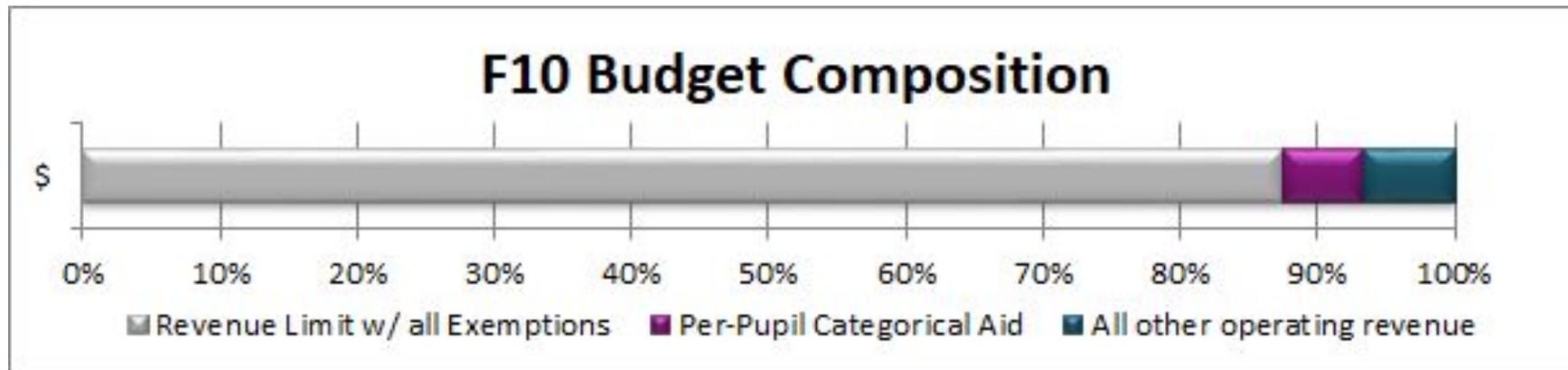


The Launchpad to Success 

Budgeting Basics - Revenue Limit

Revenue Limit

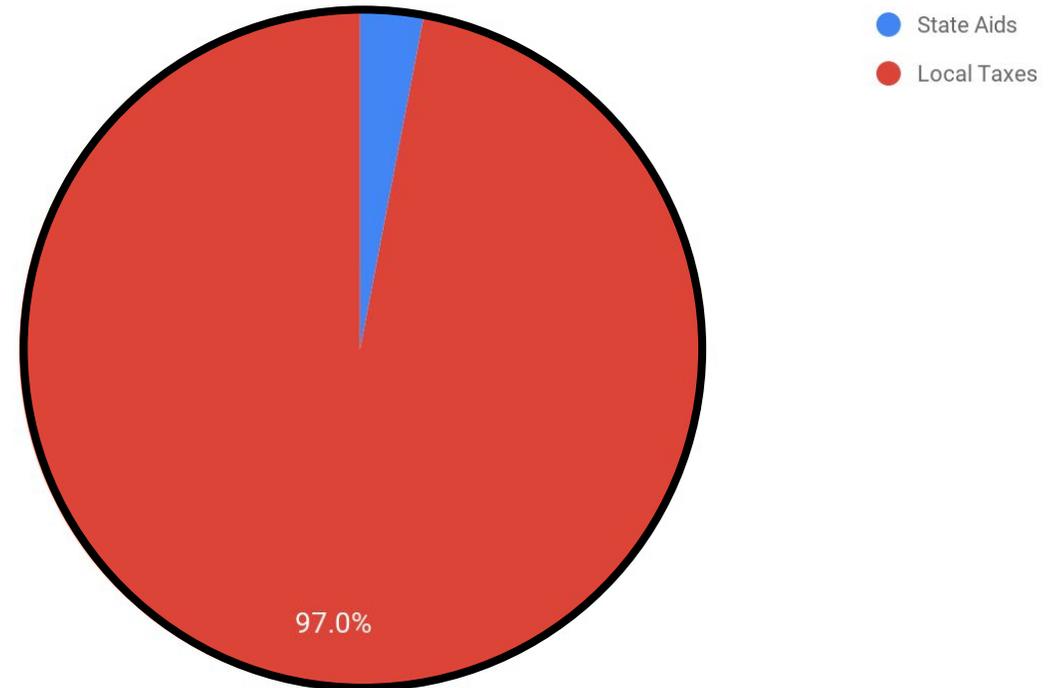
- Restricts amount a school district can levy to the community
- Based on a formula that uses resident enrollment
- Operational Budget largely controlled by state calculations



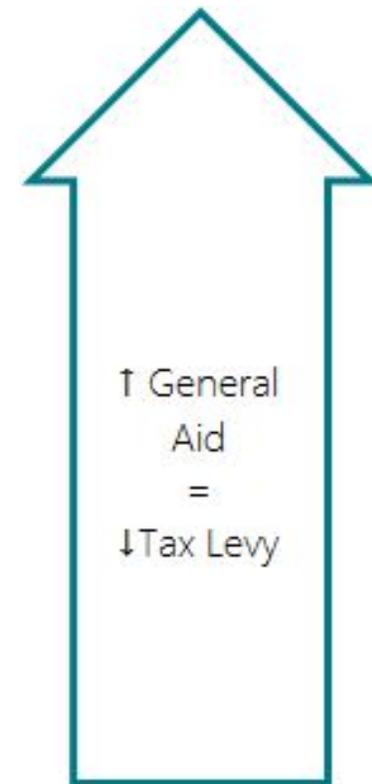
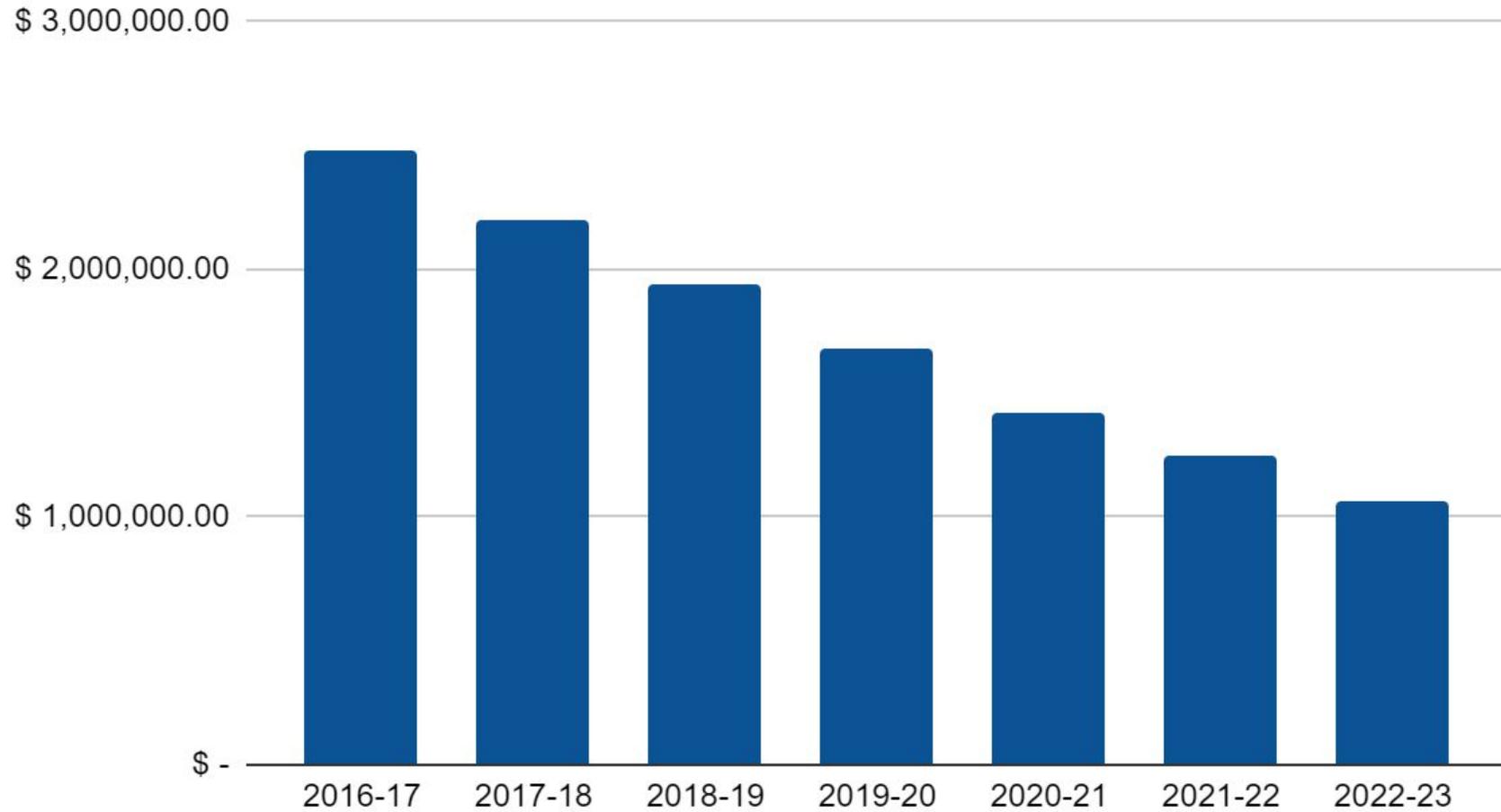
Budgeting Basics - Revenue Limit

Think of the Revenue Limit as a pie:

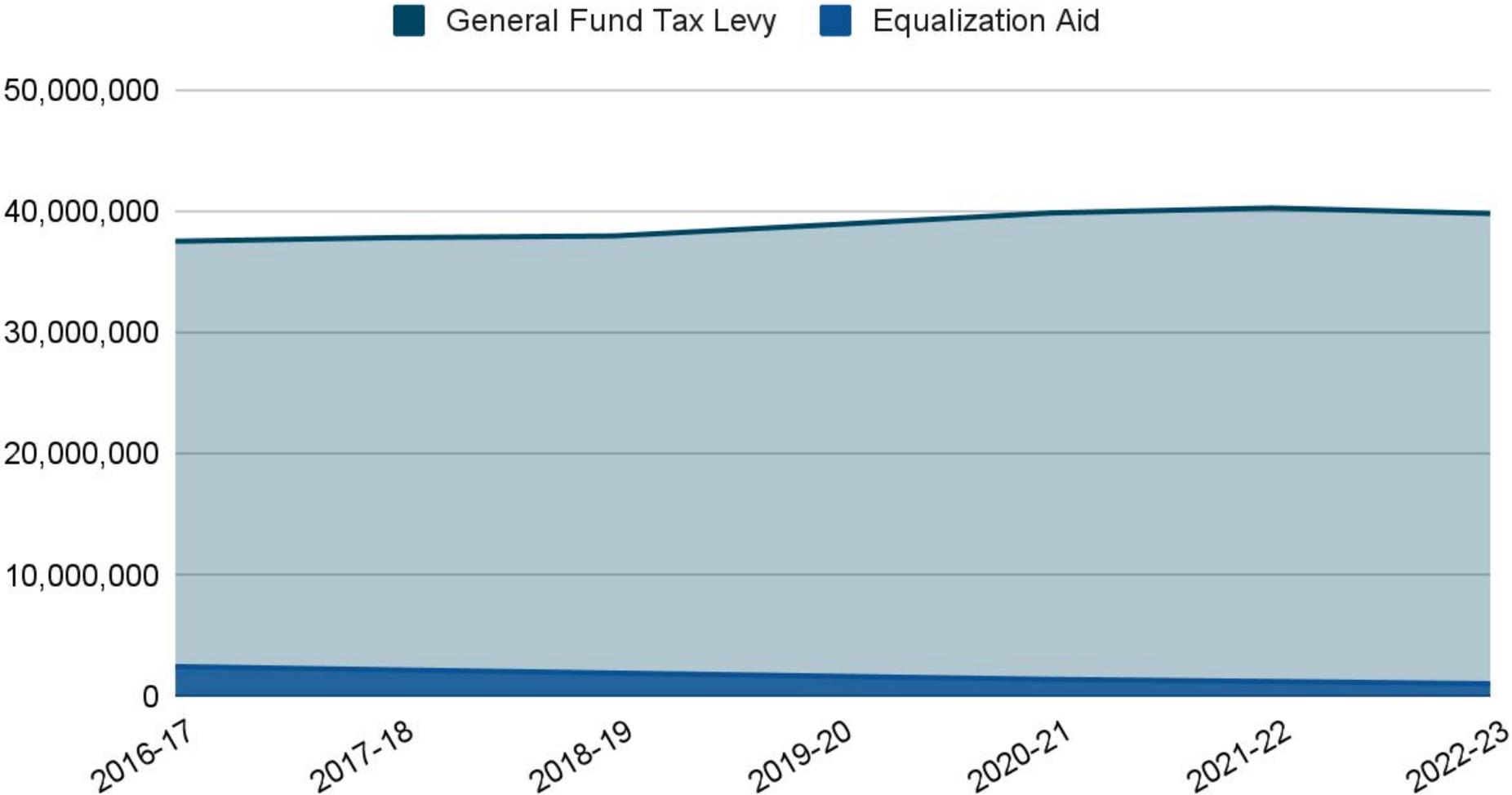
- The limit itself is the outer “crust”, defining the size of the pie.
- There are two “fillings”, state aids and local taxes. As one increases, the other decreases.



October 15 Aid Certification



Equalization Aid vs General Fund Tax Levy



Enrollment

Historical, Current and Projected Resident Enrollment Data 2013-14 through 2022-23

Grade	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
ECH	32	37	9	13	15	21	12	14	20	11
4K	0	0	150	134	167	186	173	148	174	196
5K - 5	1,391	1,372	1,343	1,314	1,319	1,356	1,371	1,313	1,322	1,321
6 - 8	811	841	834	830	811	812	791	773	726	691
9-12	<u>1,271</u>	<u>1,242</u>	<u>1,259</u>	<u>1,284</u>	<u>1,270</u>	<u>1,269</u>	<u>1,292</u>	<u>1,230</u>	<u>1,217</u>	<u>1,218</u>
	3,505	3,492	3,595	3,575	3,582	3,644	3,639	3,478	3,459	3,437
Inc/Dec	33	(13)	103	(20)	7	62	(5)	(161)	(19)	(22)
% Change	0.95%	-0.37%	2.95%	-0.56%	0.20%	1.73%	-0.14%	-4.42%	-0.55%	-0.64%

*2015 - 1ST year 4K program.

Revenue Limit Authority

Resident enrollment impacts the amount a district may levy



- Resident Enrollment: 3,437
- Full-Time Equivalent (FTE): 3,355
- 3-year Average: 3,383

Revenue Limit Authority



Non-recurring exemptions

- Hold Harmless Exemption: \$778,062
- Declining Enrollment Exemption: \$778,058
- Refunded/Rescinded Taxes Adjustment: \$210
- Private School Voucher: \$499,094
- Special Needs Voucher: \$333,439

General State Aid

Estimated State General Aid: **\$1,058,475**

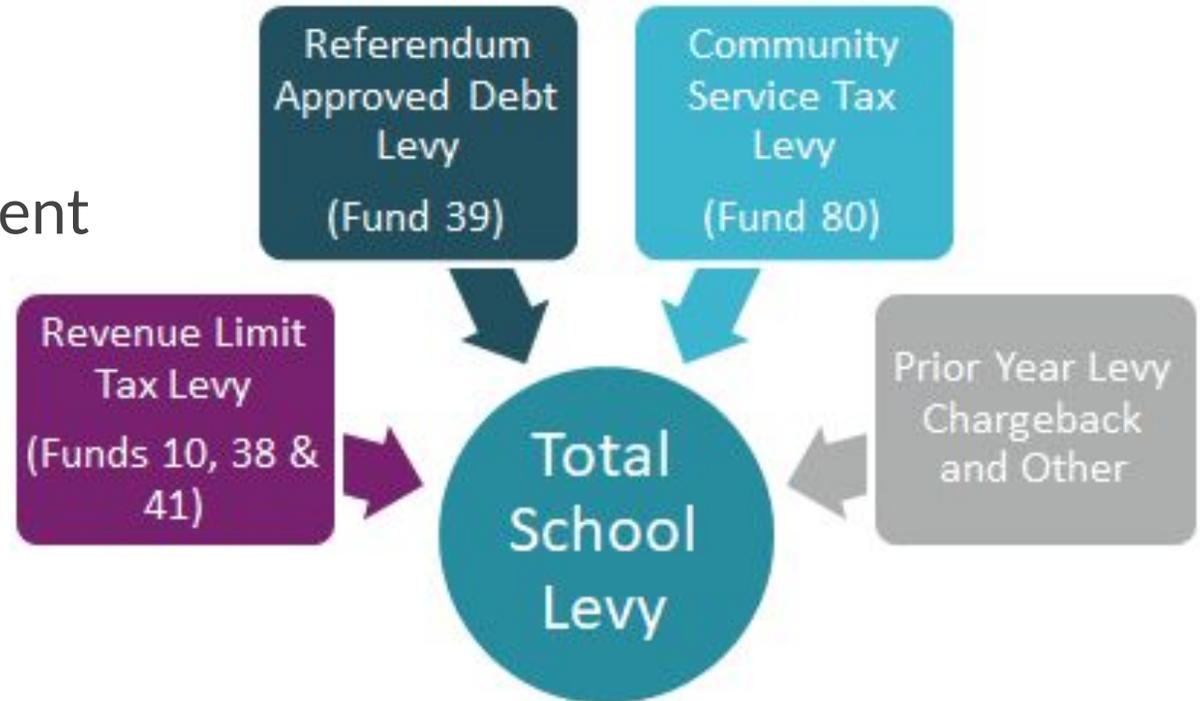
- Equalization Aid: \$557,724
- Integration Aid: \$500,751



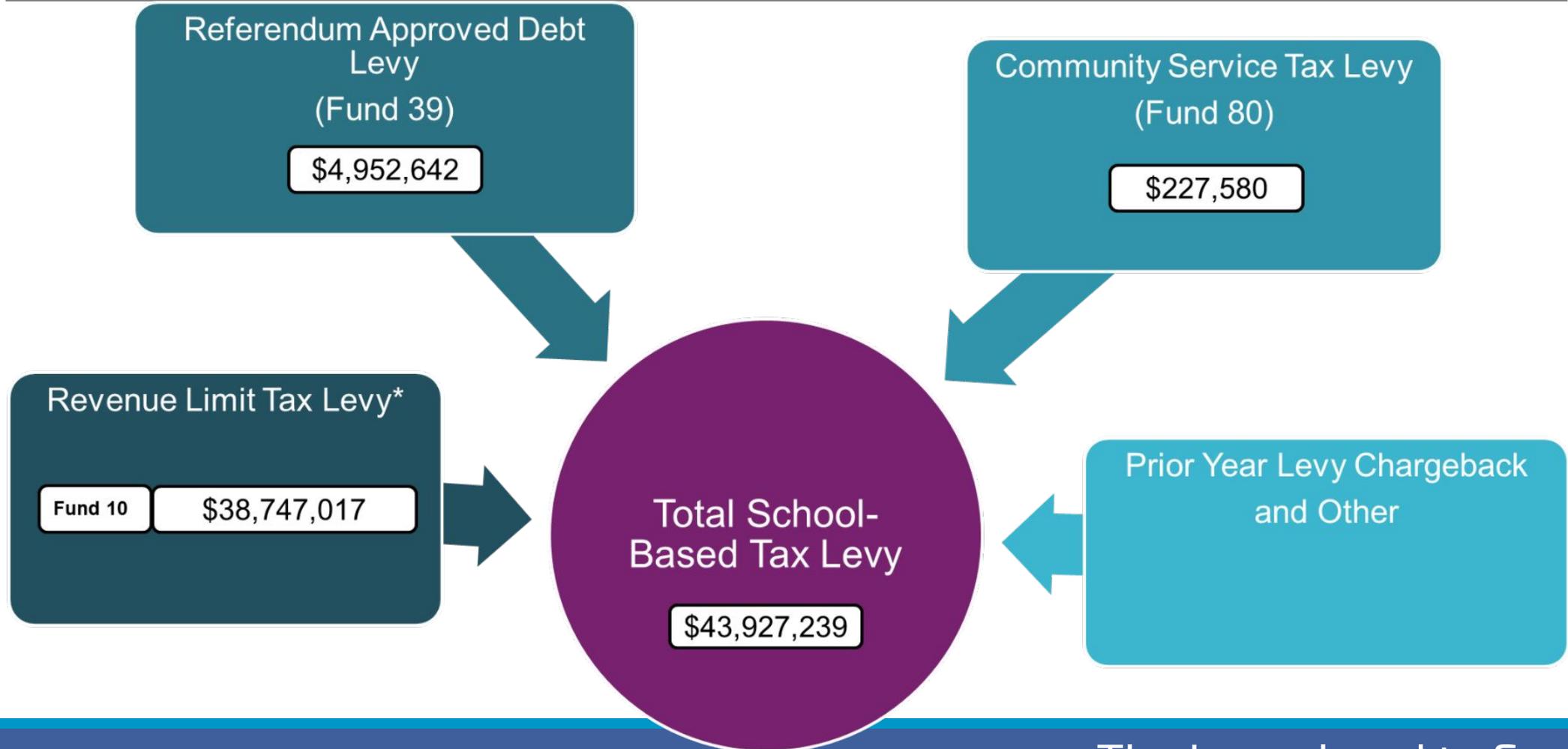
2022-23 Proposed Tax Levy

→ Total Proposed Levy: \$43,927,239

Maximum tax levy allowed based on current projections in state aid, state budget assumptions and enrollment.



Levy Breakdown



Equalized Values

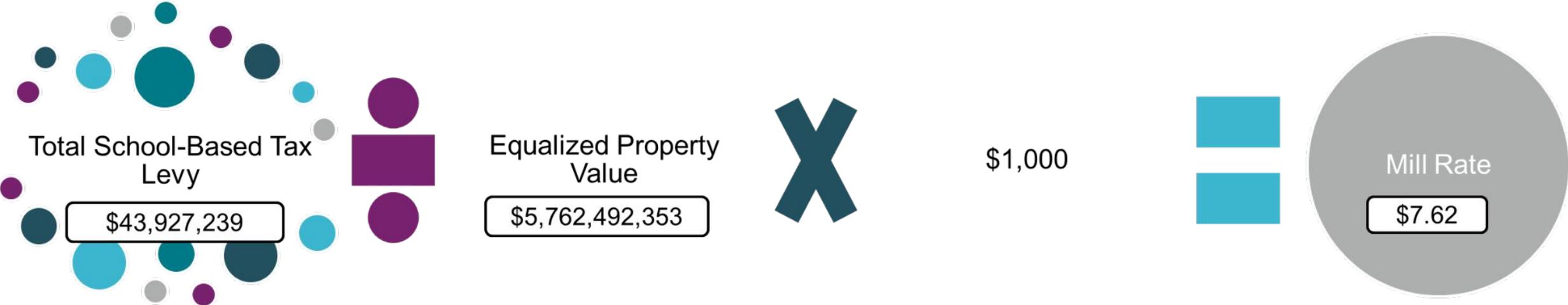
Estimated 2.5% increase

Total Equalized Value: \$5,762,492,353

Municipality	Equalized Valuation
V. Thiensville	\$420,115,520
C. Cedarburg	\$3,721,374
C. Mequon	\$5,338,655,459



Mill Rate



Tax Levy & Rate Information

Fund	2022-23 Proposed Levy	2022-23 Proposed Mill Rate	2021-22 Levy	2021-22 Mill Rate	Inc/(Dec)	% Change
General	\$38,747,017	6.72	\$39,242,699	6.98	\$(495,682)	-1.26%
Debt Service	\$4,952,642	0.86	\$4,456,960	0.79	\$495,682	11.12%
Community Service	\$227,580	0.04	\$227,580	0.04	\$0	0.00%
Total	\$43,927,239	7.62	\$43,927,239	7.81	\$0	0%

Tax Levy & Rate Information

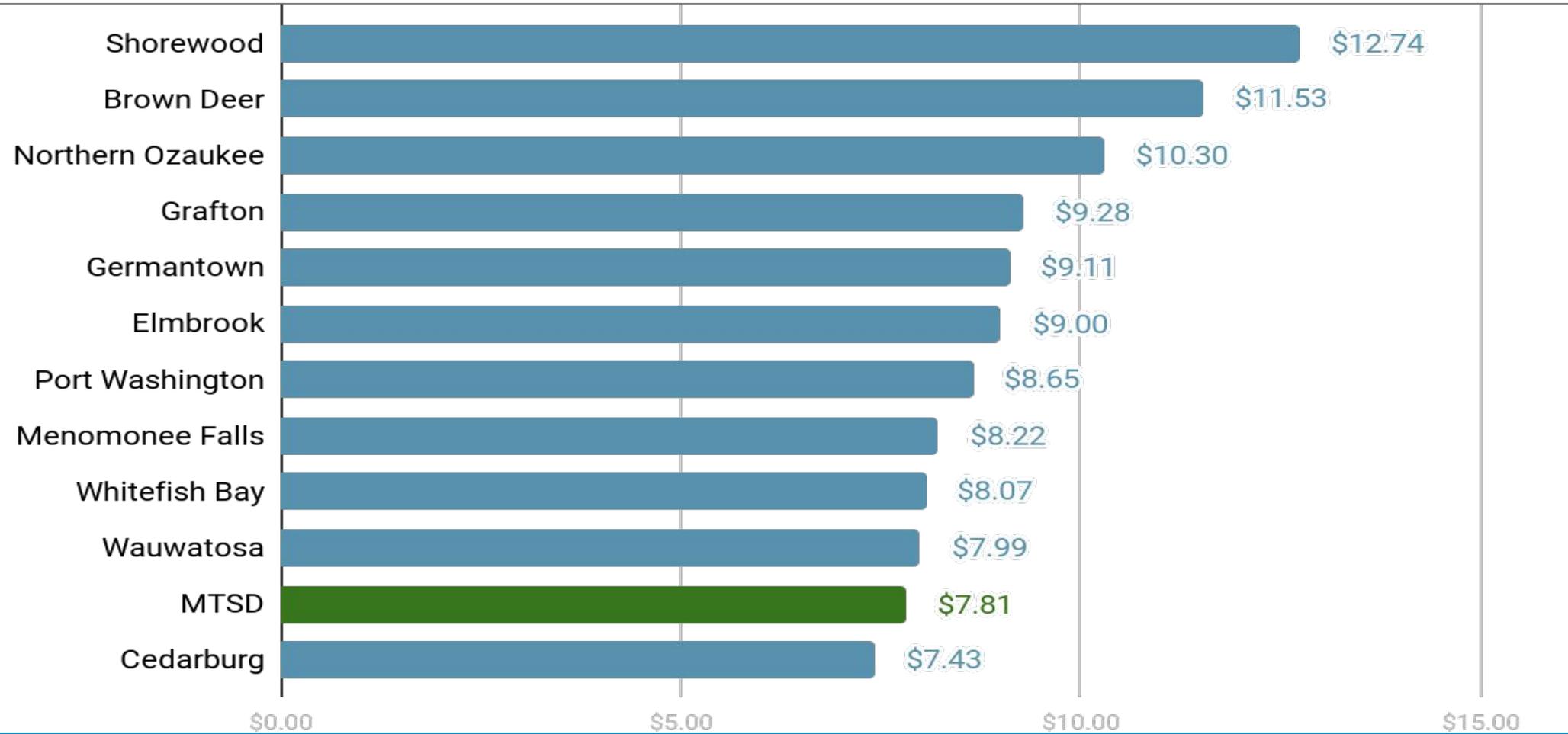
EFFECT OF CHANGES IN EQUALIZED VALUATION ON TAX RATE

Percent Increase	Equalized Valuation	Mill Rate
0%	\$5,621,943,759	\$7.81
2%	\$5,734,382,634	\$7.66
2.5%	\$5,762,492,353	\$7.62
3%	\$5,790,602,072	\$7.59
4%	\$5,846,821,509	\$7.51

2022-23 School Levy Impact

Value of Home	2022-23 (proposed)
200,000	\$1,524.00
400,000	\$3,048.00
600,000	\$4,572.00
800,000	\$6,096.00

Mill Rate Comparison 2021-22



Mill Rate Analysis - MTSD vs. State Average



2022-23 Proposed Budget

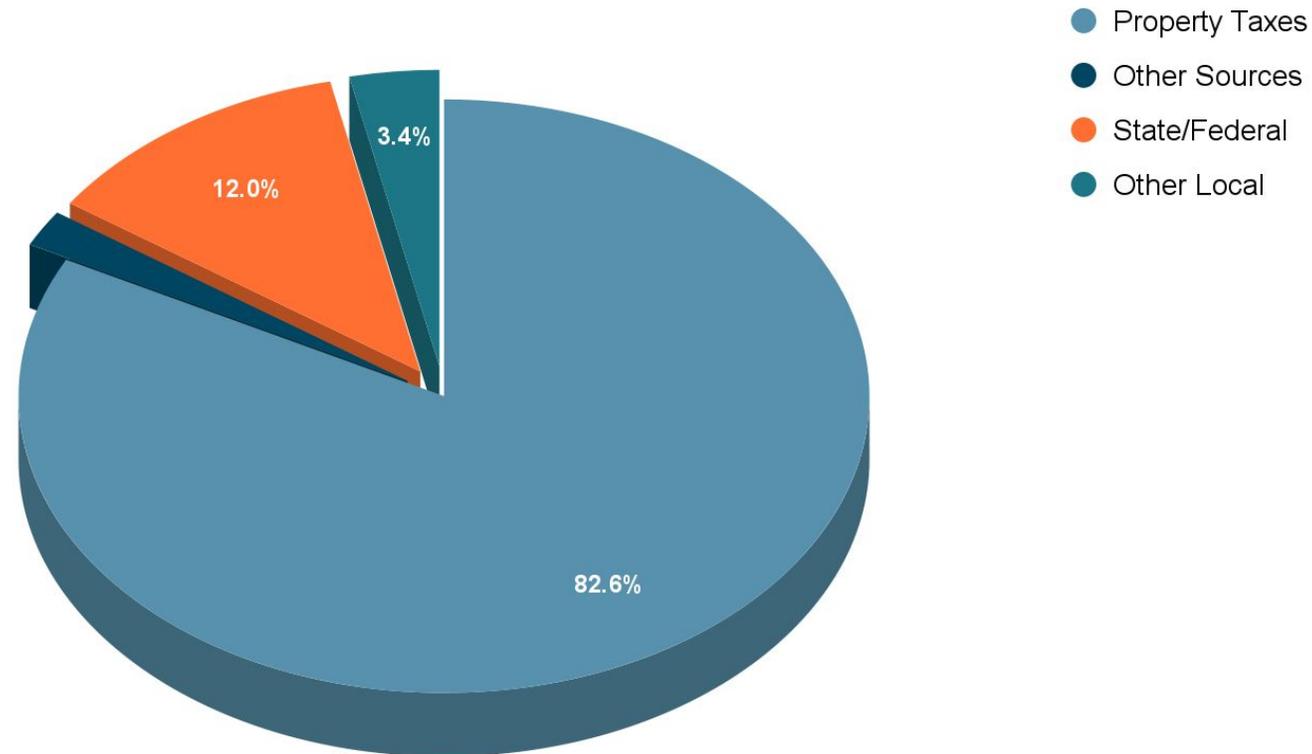


The Launchpad to Success 

Budgeting Basics - Fund Accounting

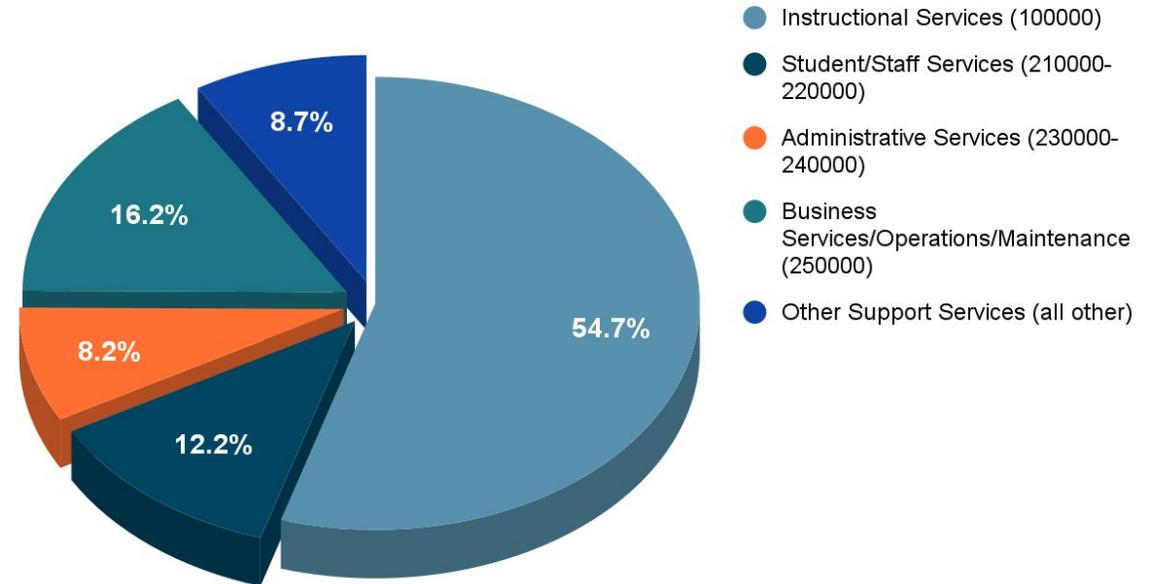
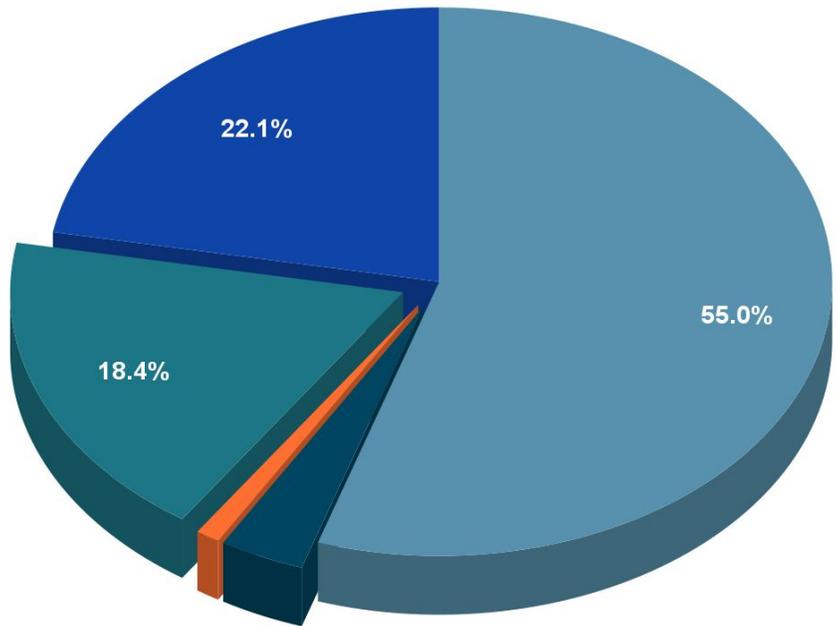


General & Special Education – Revenue Analysis



General & Special Education – Expenditure Analysis

- Employee Salaries
- Supplies/Equipment
- Debt/Insurance/Other
- Purchased Services
- Employee Benefits



General Fund – Fund 10

Total Budget - \$46,895,662

→ Increase of .08% from 2021-22 budget

Tax Levy - \$38,747,017

→ Decrease of 1.27%

→ \$6.72/\$1,000 of total levy

The General Fund accounts for district general operating expenses.

Special Projects Fund – Fund 21

Total Budget - \$750,000

The special projects fund is used to account for trust funds, such as gifts and donations that are used for district operations. Additionally, student activity accounts are held here.

Special Education Fund – Fund 27

Total Budget - \$7,752,030

The Special Education Fund is used to account for the cost of providing special education and related services for students with disabilities.

Debt Service Fund – Fund 30

Fund 39

Total Budget - \$4,490,010

Tax Levy - \$4,952,642

→ \$.86/\$1,000 of total levy

Outstanding Long Term Debt amount is \$65,365,000

The Debt Service Fund is used to account for the retirement of long-term debt according to a schedule established when debt was incurred.

Debt Service Fund – Fund 30

Tax Levy - \$4,952,642

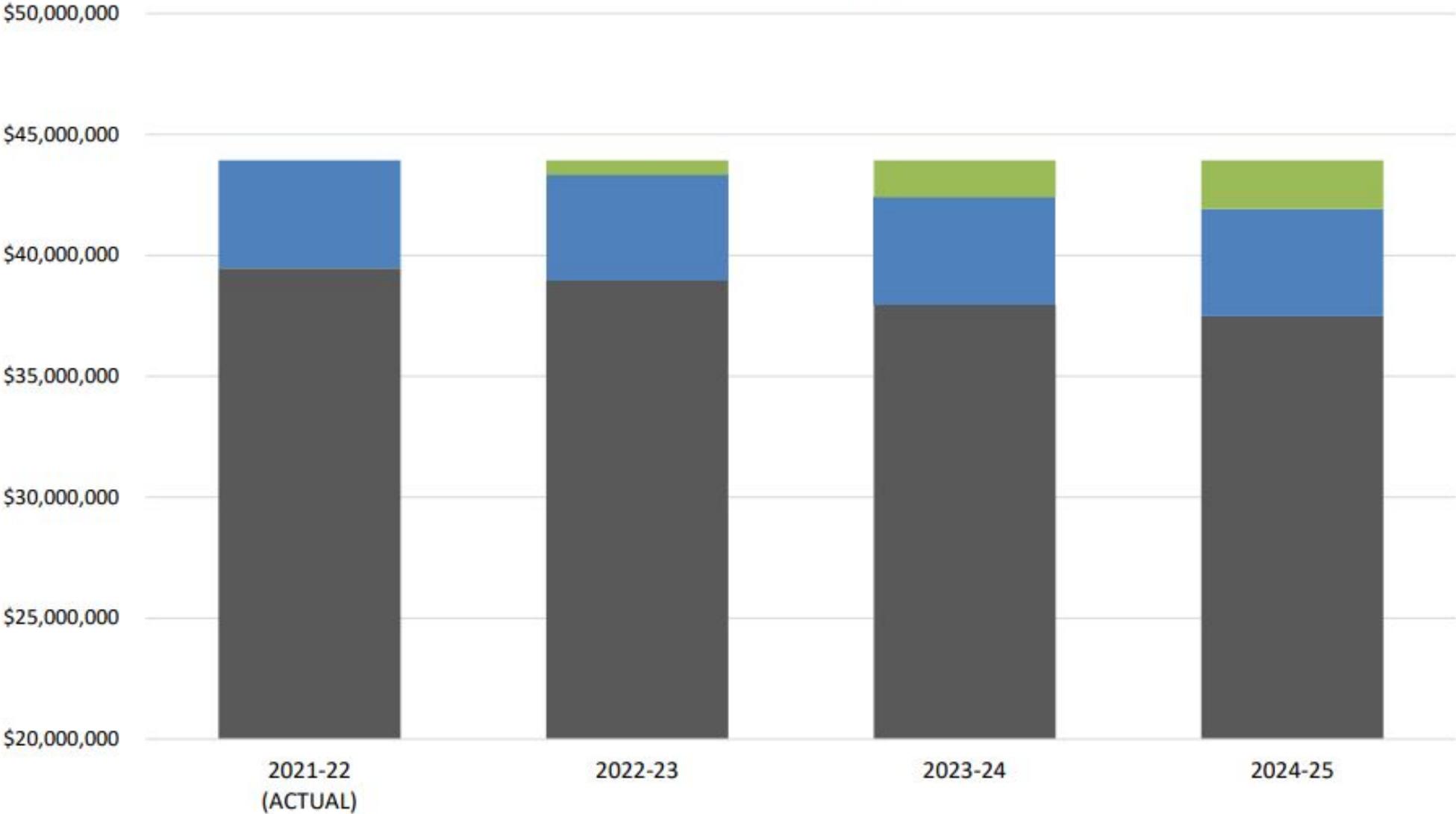
- Includes a net additional levy amount of \$495,682 for the purpose of debt defeasance.
- Defeasance is a provision in a contract that voids a bond or loan on a balance sheet when the borrower sets aside cash or bonds sufficient enough to service the debt. A common comparison would be pre-paying your car or home mortgage payments.

Debt Service Fund - Fund 30

History of Fund 39 Levy

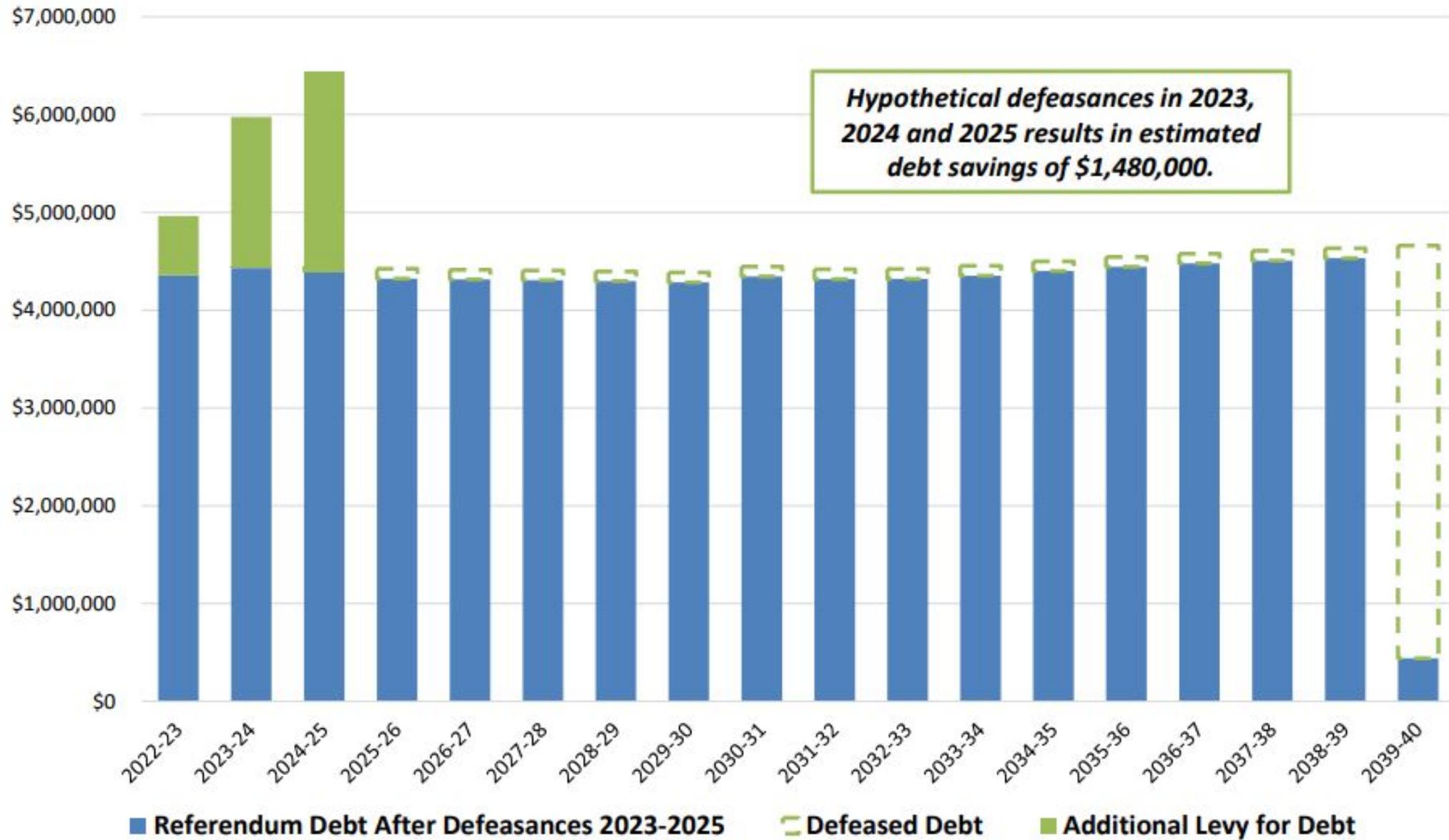
- The MTSD Board of Education approved levying additional dollars in fund 39 beginning in 2018-19
- By utilizing this strategy in 2018-19 and 2019-20, the district had flexibility in decisions related to the repayment of debt
- The district made the decision to apply the total defeasance to new debt coming on through the 2020 vote approved referendum, eliminating a year of debt payments and lowering the tax impact

Hypothetical Levy



■ Operating Levy ■ Levy for Existing Referendum Debt Payments ■ Additional Levy for Referendum Debt

Hypothetical Levy for Referendum Debt



Capital Projects Fund – Fund 40

Fund 46

Total Budget \$0

Balance on 6/30/2022 - \$1,833,060.17

The Long Term Capital Improvement Trust Fund is used to fund capital projects per a district long-term capital improvement plan.

Fund 46 is funded with a transfer from fund 10.

Capital Projects Fund – Fund 40

Fund 49

Total Budget \$6,038,075

The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of capital facilities.

Fund 49 is financed with proceeds from the district's approved referendum borrowing.

Food Service Fund – Fund 50

Total Budget - \$1,350,000

- Self-sufficient – no tax or budget subsidy from district
- Surplus funds must remain in food service account
- National School Lunch Program Participant
- Operated by Aramark Education

Community Service Fund – Fund 80

Proposed Budget - \$1,595,361

- Supported Primarily by User Fees (86%)
- Proposed Tax Levy - \$227,580

\$.04/\$1,000 of total levy

No Increase since 2009-10

Community Service Fund – Fund 80

- Supports operation of the M-T Recreation Department
- Provides Recreation, Leisure and Enrichment activities for youth, adults and seniors in the communities of Mequon and Thiensville
- Summer Academy
- Before and After School Program – Kids' Campus
- Summer Camp
- 4K Wrap Care - NEW!

Community Service Fund – Fund 80

	Actual 2020-21	Unaudited 2021-22	Budget 2022-23	Inc/(Dec)
Beginning Fund Balance	\$6,977	\$128,303	\$128,303	\$-
Revenue	\$764,127	\$1,125,808	\$1,595,361	\$469,553
Expenditures	\$642,801	\$1,125,808	\$1,595,361	\$469,553

MEQUON-THIENSVILLE SCHOOL DISTRICT

2022-23 BUDGET SUMMARY

The following table summarizes the proposed 2022-23 Budget, dollar change and percent increase as compared to the 2021-22 Budget:

2022-23 Proposed Budget Overview - All Funds

	2021-22	2022-23	Dollar	Percent
	<u>Budget (Unaudited)</u>	<u>Proposed</u>	<u>Change</u>	<u>Change</u>
General Fund (10)	\$ 46,931,760	\$ 46,895,662	\$ (36,098)	-0.08%
Special Projects Fund (21)	\$ 850,000	\$ 750,000	\$ (100,000)	-11.76%
Special Education Fund (27)	\$ 7,754,777	\$ 7,752,030	\$ (2,747)	-0.04%
Debt Service Fund (30)	\$ 7,517,338	\$ 4,490,010	\$ (3,027,328)	-40.27%
Capital Projects Fund (40)	\$ 36,589,012	\$ 6,038,075	\$ (30,550,937)	-83.50%
Food Service (50)	\$ 1,350,000	\$ 1,350,000	\$ -	0.00%
Community Service Fund (80)	\$ 1,125,808	\$ 1,595,361	\$ 469,553	41.71%
Gross Total Expenditures - All Funds	\$ 102,118,695	\$ 68,871,138	\$ (33,247,557)	
Less: Interfund Transfers- All Funds	\$ 4,858,316	\$ 4,806,438	\$ (51,878)	
Net Total Expenditures - All Funds	\$ 97,260,379	\$ 64,064,700	\$ (33,195,679)	
Percentage Increase - Net Total Fund Expenditure from Prior Year				-34.13%

Budget Hearing

Motion to Approve Proposed 2022-23 Budget

Move to approve the proposed 2022-23 school district budget in the total amount of \$68,871,138.

Budget Hearing

Discussion and Questions Regarding the
Proposed 2022-23 Budget



Budget Hearing

Action by the School Board to Approve the 2022-23
Budget



Budget Hearing

Adjourn 2022-23 Budget Hearing



Annual District Meeting



July 25, 2022

Immediately Following Budget Hearing



Annual Meeting Agenda



The Launchpad to Success 

1. Call to Order by School Board President
2. Pledge of Allegiance
3. Reading of Published Notice of the Meeting by School Board Clerk
4. Election of Chairperson
5. Explanation of Rules Governing Annual Meeting and Adoption of Rules for Use at the Annual Meeting
6. Approval of the Agenda
7. Approval of Minutes from 2021 Annual Meeting
8. Report from the Superintendent
9. Report of the Treasurer
10. Resolution to Approve the 2022-23 Operational, Debt Service and Community Service Fund Tax Levy
11. Discussion on the 2022-23 Operational, Debt Service and Community Service Fund Tax Levy
12. Action by Electorate to Adopt Resolution for the 2022-23 Operational, Debt Service and Community Service
13. Action to Authorize School Board to Establish Date for 2023 Annual Meeting
14. Adjournment

2022 Annual Meeting



Reading of Published Notice of the Meeting
by School Board Clerk Jason Levash

2022 Annual Meeting

Election of Chairperson



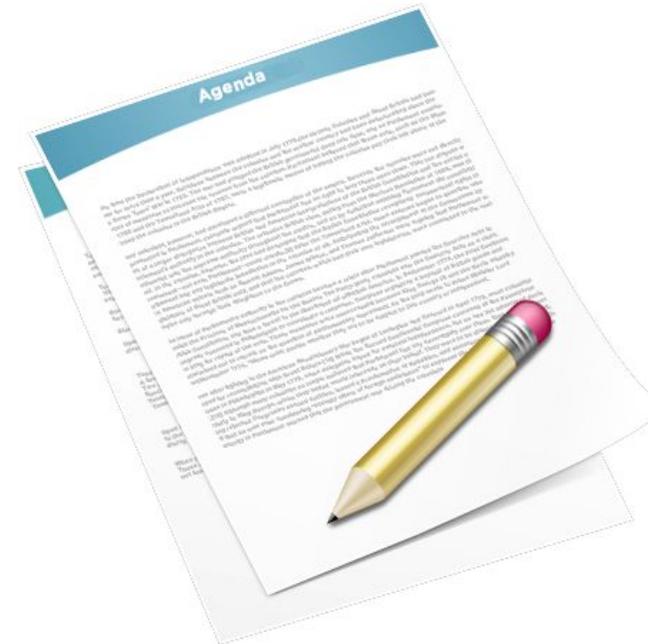
2022 Annual Meeting

Explanation of Rules Governing Annual Meeting and Adoption of Rules for Use at the Annual Meeting



2022 Annual Meeting

Approval of the Agenda



2022 Annual Meeting

Approval of Minutes from
2021 Annual Meeting



2022 Annual Meeting



Report from the Superintendent
Dr. Matthew Joynt

2022 Annual Meeting



Report of the Treasurer
Paul Buzzell, Treasurer

2022 Annual Meeting

Treasurer's Report For Period Ending June 30, 2022

Fund	Assets	Liabilities	Balance	Change in Balance	Change in Fund Balance	Fund Balance as % of Expenditures
General	18,626,309.96	6,742,195.23	11,884,114.73	343,132.11	2.97%	24.60%
Special Projects	601,542.10	279,771.91	321,770.19	41,733.12	-	-
Debt Service	1,427,759.11	0.00	1,427,759.11	(3,056,390.19)	-	-
Capital Projects	8,977,138.71	1,115,668.41	7,861,470.30	(36,587,923.99)	-	-
Food Service	1,705,384.11	164,456.51	1,540,927.60	513,702.47	50.01%	68.71%
Community Service	202,437.91	8,477.50	193,960.41	65,657.17	51.17%	19.90%
OPEB Trust	809,350.53	0.00	809,350.53	(57,005.60)	-	-

2022 Annual Meeting

OPEB Trust Fund (73)

- Trust Fund Balance as of 6/30/22 - \$809,350.53
- Investment Return Earned Since Last Annual Meeting - \$(8715.60)
- Total Disbursements Made Since Last Annual Meeting - \$123,290
- Investments managed by PMA Financial Network, Inc.

2022 Annual Meeting

Resolution to Approve the 2022-23 Operational, Debt Service and Community Service Fund Tax Levy:

WHEREAS, it is the responsibility of the electors present at the Annual Meeting of the Mequon-Thiensville School District, to establish a tax levy for the operation of the District, and

WHEREAS, the School Board has the legal authority to modify this tax levy on or before November 1.

NOW, THEREFORE, BE IT RESOLVED that a tax in the amount of \$43,927,239 be approved for the 2022-23 school year to include: a General Fund levy in the amount of \$38,747,017; Debt Service tax levy in the amount of \$4,952,642; and Community Service tax levy in the amount of \$227,580.

2022 Annual Meeting

Discussion on the 2022-23 Operational, Debt Service and
Community Service Fund Tax Levy

2022 Annual Meeting

Procedures for Addressing the Chair:

- Any person wishing to speak should please rise, proceed to the nearest microphone and wait to be recognized by the Chair.
- When recognized by the Chair, state your name and address.
- Limit comments to no *more than 3 minutes*.
- Limit comments to the substance of the agenda item being discussed.
- Once all speakers who have indicated any interest to speak have had an opportunity, persons wishing to speak again on the agenda item being discussed will be given an additional opportunity to speak.

2022 Annual Meeting

Action by Electorate to Adopt Resolution for the
2022-23 Operational, Debt Service and
Community Service Fund Tax Levy

2022 Annual Meeting

2022-23 Proposed Tax Levy

- General Fund - \$38,747,017
 - Debt Service - \$4,952,642
 - Community Service - \$227,580
- Total 2022-23 Levy - \$43,927,239
- No increase from the 2021-22 levy

2022 Annual Meeting

Action to Authorize School Board to Establish
Date for 2023 Annual Meeting

PROPOSED
2023 Annual Meeting
July 24, 2023
7:00 p.m.
Location - TBD

2022 Annual Meeting

Adjournment

