

2023-2024 Treasurer's Report

The School District of Lodi is currently engaged in the 2023-2024 annual audit process. The financial information presented today is based on the current progress of the audit and may change as the process continues.

Fund 10, the general operations budget, ended the year with a \$1.9 million surplus. This exceeded the initial projection of a \$1.35 million favorable budget. A surplus budget was anticipated due to the structure of the 2022 Referendum projection and the state biennium budget. More specifically, an increase of \$1000 per student in revenue limit, due to legislative action, provided the district approximately \$1.0 million in revenue more than expected.

It is worthy to note that In the early years of a referendum, a surplus is planned to offset projected deficits in the later years of the referendum.

The district's expense budget came in under budget by approximately 2.1%, or \$484,000. This was largely attributed to unanticipated savings in the budget categories for salaries and benefits purchases.

Fund 10 revenues surpassed the original budget projections by approximately \$2.6 million, primarily attributable to the adoption of the state biennium budget. Significant revenue sources included local funds totaling \$14.25 million, of which \$13.78 million came from property taxes, and state revenues of \$7.8 million, including \$6.45 million in equalization aid. Additional revenue highlights include investment interest exceeding estimates by \$269,000 and various gifts and donations totaling approximately \$56,000

Revenues in Fund 21 are from gifts, donations and fundraising proceeds. These activities in the district's co-curricular programs resulted in about \$167,000 in revenue and \$176,000 in Expenses. Fund 21 is used for student programs, such as co-curricular activities costs, student program equipment and supplies, student travel expenses and other expenses linked to student programs.

All special education expenses must be recorded in Fund 27. The Department of Public Instruction mandates that schools maintain a zero-dollar balance in this fund at the end of the fiscal year. The primary expenses in Fund 27 are labor costs. Of the \$4.39 million in Fund 27 revenue, \$1.17 million was received from state aid, approximately \$400,000 from federal aid, and the remaining \$2.6 million was transferred from Fund 10.

Debt Service is managed in Fund 30. The district maintains two debt service accounts: Fund 38 for non-referendum debt and Fund 39 for referendum debt.

Wisconsin school districts can borrow up to one million dollars without voter approval. This type of debt is recorded in Fund 38. The district's \$67,378 Fund 38 levy is dedicated to the high school stadium redevelopment project, which will be repaid over five years.

The district has outstanding debt on two loans used to construct the new Primary School, which is categorized in Fund 39. In the 2023-2024 fiscal year, the debt service levy totaled approximately \$1.16 million. The district's long-term debt in Fund 39 will be fully repaid in 2036.

Fund 40 is a capital projects accounting fund. Expenses in this account are reviewed and approved by the school board. By effectively utilizing Fund 40, the Lodi School District can maximize state aid.

In the 2023-2024 fiscal year, the first year of the district's current referendum, \$1,780,000 was allocated to Fund 41 to cover referendum projects. This funding enabled the completion of the Lodi Elementary / OSC Building roof and various technology initiatives.

The Food Service Department, which operates under Fund 50, experienced a budget deficit of approximately \$32,000 in the 2023-2024 fiscal year. Revenue totaled \$885,000, while expenses reached \$917,000. The district and its food service partner, Taher Incorporated, are working to introduce new and exciting food options to students, including "The Great Apple Crunch," pig roast, exotic cuisine, sweet corn from Scott Ness, and potatoes from The Little Potato Factory.

Fund 80 supports the Lodi Indoor Community Pool, the School District of Lodi CREW program, and the Lodi Community Action Team. Fund 80 received approximately \$550,000 in revenue last year, including \$300,000 from the Community Services Tax Levy, \$120,000 in grants, and \$120,000 from program revenues, facility rentals, and other sources. Expenses totaled \$532,000, leaving a year-end balance of approximately \$567,000.

And now I will turn the presentation to Mr. Richter to present the 2024-2025 budget presentation.