APPLETON AREA SCHOOL DISTRICT

PROPOSED BUDGET 2026-2027

Presented for Public Hearing to the Board of Education
October 26, 2026

APPLETON AREA SCHOOL DISTRICT

2026-2027 BUDGET

TABLE OF CONTENTS

AASD Mission Statement 3

Board of Education and Business Services 3

Executive Summary 4

General Budget Information 6

- District Enrollment History 7
- Staff Profile 8
- Fund Balance -- An Explanation 9
- Budget Overview/Tax Levy 10
- Understanding the Tax Levy 11
- Rate History 12

Budget by Fund 13

- Distribution of Revenue 14
- Distribution of Expenditures 15
- Fund 10 – General Fund 17
- Fund 27 – Special Education 19
- Fund 21 & 29 – Other Special Project Funds 21
- Fund 30 – Debt Service 22
- Fund 40 – Capital Projects 23
- Fund 50 – Food Service 24
- Fund 80 – Community Service 25

Budget Summary for Adoption 28

APPLETON AREA SCHOOL DISTRICT

2026-2027 BUDGET

AASD Mission Statement

To support success in life for Every Student, Every Day, we will:

- Ensure a safe, healthy and welcoming school environment for ALL.
- Ensure every student is academically, socially and emotionally successful and graduates ready for career, college and their community.
- Create and maintain strong family, community and business partnerships to accelerate our collective impact on student success.
- Align resources and operations directly to District priorities that ensure the success of all students with maximum efficiency and excellence.

AASD Board of Education

MEMBER	**OFFICE**	**TERM**
Kay S. Eggert	President	2027
Kristine Sauter	Vice President	2029
Edward Ruffolo	Treasurer	2027
Pheng Thao	Clerk	2028
Nick Ross	Member & CESA 6 Delegate	2029
Oliver Zornow	Member	2028
Jason Kolpack	Member & WASB Delegate	2029

AASD District Administrator

Greg Hartjes - Superintendent

AASD Business Services Department

Holly Burr – Executive Director of Finance

APPLETON AREA SCHOOL DISTRICT

2026-2027 BUDGET

Executive Summary

Presented here is the 2026-2027 fiscal year budget for the Appleton Area School District. The total budgeted expenses for all funds less inter-fund transfers are $302,738,373. This budget proposal has been prepared using the best information available at the time.

Budget Highlights for 2026-2027

- Our tax rate, often referred to as our mill rate, is projected to be slightly lower than last year at **$6.06 per $1,000 of equalized valuation.** 2026-2027 will be the eleventh year in a row that the Appleton Area School District has had a decrease in our tax rate. The tax rate remains at a 40-year low.

- The 2025-2026 fiscal year finished with an overall deficit of approximately **$8.6 million** in the general fund. This includes costs for self-funded health care, compensation increases and regular operational costs. Total expenditure increases were minimized through several strategic measures, including freezing school and department budgets, leaving select staff positions unfilled, repurposing one school facility, and relocating a charter school from leased space into a district building with available capacity. We also saw better than budgeted costs for employee healthcare and received some one-time reimbursement funds for technology and curriculum purchases in prior years. The current proposed budget shows a decrease in the structural deficit from the prior year.

- Enrollment declined by approximately **2% from last year**. This is a state-wide trend with the total number of school-age children continuing to decrease. We do, however, continue to have a higher Open Enrollment-In count than Open Enrollment-Out count. This net effect of an additional **820 students** has a positive impact through open enrollment funding.

- Changes in the state budget and funding for education:
    - The increase in the revenue limit of **$325 per pupil** from the prior biennium state budget continues. Our total per pupil allowed revenue for 2026-27 **increased to $12,544.53**. This impacts the budget by changing the maximum amount of funding we can receive through a combination of State Equalization Aid and local tax levy. The increase in revenue limit authority after adjustments for Private Vouchers, declining enrollment exemption and other exemptions is **$4,897,467**. This plus the **referendum approved $15 million,** brings our total increase in revenue limit funding to **$19,897,467.**

- As part of the State budget formula, equalization aid increased for the year by **$289,781 to a total of $118,320,574** for the 2026-27 year. Given this very minimal increase, the balance of the nearly $4.6 million revenue limit increase will come from taxpayers through the levy.

- The amount the AASD is required to levy to fund private school vouchers increased again this year but not as significantly as in prior years. The voucher amount increased from last year's **total of $9,305,208 to $9,461,482**. Private school vouchers will make up **$.64 (11%) of our tax rate, or the equivalent of $64 on $100,000 of property.**

- The District's Equalized Property Value increased by **8.92% this year to $14.685 billion**. This increase means our tax levy will be dispersed across more property value.

- Compensation increases for 2026-2027 were approved earlier in the year for all staff, at an average increase of 2.63%, (the Consumer Price Index (CPI)), for all employee groups. Health plan costs continue to rise. Rates for the 2027 calendar year have been set with an 8% increase over the current 2026 rates.

- The tax levy for Fund 80, our Community Service Fund, remains level this year with last year at **$3,339,000**. With no new programs added to the Fund this fiscal year the expected funding for the Before/After school programs, early learners and the three community schools just to name a few will be sufficient to maintain these programs for the current year without additional tax levy increase. This Fund continues to carry a positive fund balance at 24.3%.

- Fund 39, Debt Service Fund will have payments of **$6,844,031** for principal and interest for the year. This is a lower amount than in previous years to help offset the increase from the approved referendum. The outstanding debt balance at the end of **2025-2026 was $83,885,000**.

- The total tax levy will be increased this year due to an increase in the Revenue limit, the $15 million referendum approved increase, and the amount approved through the voucher program. The increase will be offset somewhat by a decrease in Fund 39 expenses and levy amount for the year.

APPLETON AREA SCHOOL DISTRICT

2026-2027

General Budget Information

APPLETON AREA SCHOOL DISTRICT

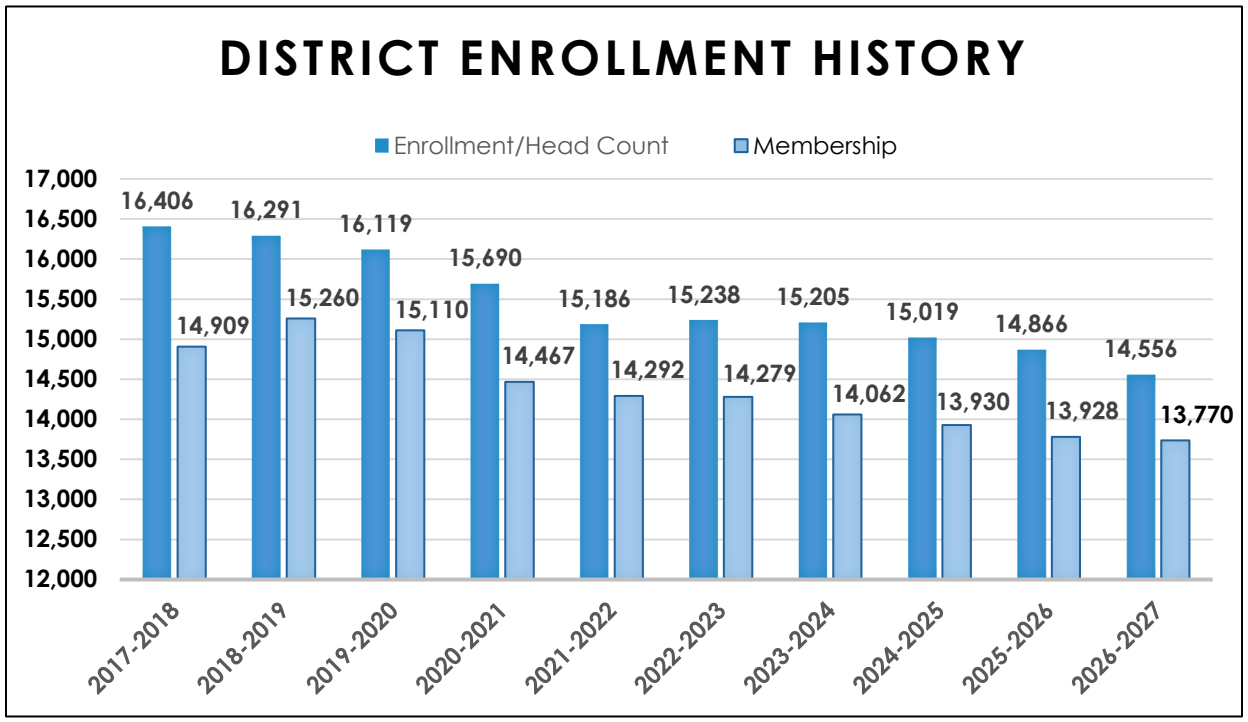
2026-2027

District Enrollment History

Below is a comparison of the Third Friday Student Count (Student Head Count/Enrollment) and Membership (FTE) Count; two counts significant for school districts.

Student Head Count/Enrollment - Includes those students' filling "seats" in AASD (enrolled and eligible to attend class); adjustments are not made for open enrollment (resident vs. non-resident students). This count is primarily used for District planning purposes.

Membership (FTE) Count - Includes the student head count/enrollment with adjustments (less (-) non-resident open enrollment/in plus (+) resident open enrollment/out) calculated on a full-time equivalency (FTE) basis. This county also factors in a pro-rated amount for 4K students and students that attended summer school. This count is based on a three-year average. Membership is used when determining revenue limits and General State Aid.



APPLETON AREA SCHOOL DISTRICT

2026-2027

Staff Profile

The Appleton Area School District is people centered. The 14,556 students are served and supported by approximately 1,951 staff members comprised of teachers, administrators and support staff* (administrative assistants, maintenance staff, paraprofessionals, administrative support staff). This does not include staff employed by contracted vendors for transportation, food services, cleaning or Appleton Community 4K community partners.

The table below compares staff by group over eight years.

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Change
Educators	1,247.0	1,259.5	1,272.0	1280.0	1294.0	1322.0	1307.06	**1318.86**	11.80
Administrators	69.0	69.0	68.0	69.0	71.0	72.0	71.0	**71.0**	0
Support Staff	638.0	667.0	641.5	607.3	574.0	583.0	603.6	**588.26**	-15.34
Total FTEs	1,954.0	1,995.5	1,981.5	1956.3	1939.0	1977.0	1981.66	**1978.12**	-3.54

APPLETON AREA SCHOOL DISTRICT

2026-2027

Fund Balance – An Explanation

Governments, including school districts, usually organize their account systems based on "funds." A fund is a set of accounting records that is separated from others for the purpose of carrying on a certain purpose.

Funds demonstrate that dollars are only being used for approved purposes. The Department of Public Instruction specifies that school districts must use particular funds. All school districts have a general fund, and many have one or more other funds that account for specific activities.

A "fund balance" is created or increased when fund revenue exceeds expenditures for a fiscal period. Correspondingly, a fund's balance is decreased when fund expenditure exceeds revenues. The balance sheet accounts identify the assets that belong to a fund, such as cash or a payment receivable; and what liabilities it owes, such as accounts payable to vendors. The difference between the fund's assets and liabilities equals the "fund balance." A positive fund balance represents a financial resource available to finance expenditures in future fiscal periods. A deficit fund balance can only be recovered by having revenues exceed expenditures in a future fiscal period.

Year	Amount
June 2017	$27,752,353.01
June 2018	$31,162,729.00
June 2019	$33,567,328.09
June 2020	$43,018,272.73
June 2021	$50,744,887.23
June 2022	$59,583,238.22
June 2023	$62,538,776.13
June 2024	$49,805,515.80
June 2025	$35,629,116.54
June 2026	$27,031,185.38
Projected June 2027	**$27,875,873.25**

A district with an appropriate fund balance can:

- Avoid excessive short-term borrowing thereby avoiding associated interest cost.
- Accumulate sufficient assets to make designated purchases or cover unforeseen expenditure needs.
- Demonstrate financial stability and therefore preserve or enhance its bond rating, thereby lowering debt issuance costs.

The school board should determine the amount of fund balance appropriate for the fiscal management of the district. Presently AASD's General Fund (Fund 10) fund balance equals 11.5% of expenditures. The chart represents the District's fund balance history for the General Fund.

APPLETON AREA SCHOOL DISTRICT

2026-2027

Budget Overview/Tax Levy

The 2026-2027 limited revenue is up 10.65% from $180.6 million in 2025-2026 to $199.8 million for 2026-2027. The proposed Property Tax Levy of $89,023,227 is up 8.34% from $82,171,571 for 2025-26. The Tax Rate would decrease to $6.06 per $1,000. This is due to the increase in Equalized Property Valuation.

2026-2027 REVENUE LIMIT/TAX LEVY

(Total of General State Aid and Local Property Taxes Only)

	2025-2026 FINAL	2026-2027 Budget 10/15/26	CHANGE from 2025-26
Base Revenue Per Member	$12,108.00	$12,544.53	$436.53
Membership*	13,925	13,770	$(155.00)
Revenue Limit w/Hold Harmless - No Exemptions	$168,603,900	$172,738,178	$4,134,278
Addtl Referendum exemption		$15,000,000	$15,000,000
Private School Vouchers	$9,305,208	$9,461,482	$156,274
Other Exemptions	$2,663,639	$2,619,138	$(44,501)
Revenue Limit with Exemptions	**$180,572,747**	**$199,818,798**	**$19,246,051**
Equalization Aid	**$118,030,793**	**$118,320,574**	$289,781
Computer Aid	663,541	663,907	$366
Personal Property Aid	1,620,352	1,644,121	$23,769
Allowable Limited Revenue	**$60,258,061**	**$79,190,196**	**$18,932,135**
Property Tax Distribution			
General Fund w/o Private Vouchers	48,492,853	67,728,714	$19,235,861
Rate	*3.60*	*4.61*	$1
Private School Vouchers	*9,305,208*	*9,461,482*	$156,274
Rate	*0.69*	*0.64*	$(0)
Non-Referendum Debt	-	-	$-
Rate	*0.00*	*0.00*	$-
Capital Projects	2,460,000	2,000,000	$(460,000)
Rate	0.18	0.14	$(0)
Total Limited Revenue	**$60,258,061**	**$79,190,196**	**$18,932,135**

Taxes Outside of the Revenue Limit			
Referendum Debt	18,574,510	6,494,031	$(12,080,479)
Rate	*1.38*	*0.44*	$(1)
Community Service	3,339,000	3,339,000	$-
Rate	*0.25*	*0.23*	$(0)
Prior Year Levy Chargeback			
Total Property Tax Revenue	**$82,171,571**	**$89,023,227**	**$6,851,656**
Percent increase/decrease		*8.34%*	
Total Tax Rate (Mill Rate)	**$6.09**	**$6.06**	**$(0.03)**
Equalized Valuation	$13,482,848,177	$14,685,238,787	
		8.92%	
Total Revenue Limit Increase(Decrease)	**$5,647,974**	**$19,246,051**	

APPLETON AREA SCHOOL DISTRICT

2026 – 2027

Understanding the Tax Levy

LEVY DETERMINATION

Levies for Funds 10, 38 and 41 are determined by applying the revenue limit formula provided by the State. The levy for Fund 39 and 80 are not included in the revenue limit calculation.

The levies for Funds 10, 38, 41 and 80 are combined to arrive at the total levy required. The levy certified to each municipality is reduced by "computer aid" certified in October by the Department of Revenue (DOR). This aid allocation began several years ago, when the State declared certain technology exempt from property taxes.

RATE DETERMINATION

Once the levy is determined, a tax rate is calculated by dividing the total levy by the equalized value of the District excluding Tax Incremental Districts (TID). This figure is then multiplied by 1,000 to arrive at a rate per $1,000 of value. The **proposed rate of $6.06** means an **owner of a $100,000 home would pay $606 in school taxes**.

The Wisconsin Department of Revenue provides certified values in mid-October. The Department of Public Instruction also certifies equalization aid and voucher amounts in mid-October.

The Board of Education must approve the levy before November 1 of each year. Final adjustments may be made prior to this approval.

EQUALIZED VALUATION FOR DISTRIBUTION OF THE LEVY

The District is comprised of eight municipalities, each making up a relative share of the District levy. Equalized value is essentially fair market value. It is certified by the Department of Revenue and determines how the levy is to be distributed to each municipality. An 8.92% increase in value is used in the proposed budget for planning purposes. Once a municipality knows their share of the District levy, they distribute the levy to individual properties in the municipality based on assessed value.

APPLETON AREA SCHOOL DISTRICT

2026 - 2027

Tax Levy, Equalized Value and Rate History

Levy Year	Levy Amount	Equalized Value	AASD Tax Rate	Tax Rate State Avg.
1991	$ 44,805,546	$ 2,666,238,757	$ 16.80	$ 17.51
1992	$ 49,585,130	$ 2,846,148,259	$ 17.42	$ 18.37
1993	$ 52,855,955	$ 3,016,590,391	$ 17.52	$ 17.91
1994	$ 50,831,278	$ 3,238,572,844	$ 15.70	$ 16.60
1995	$ 49,922,740	$ 3,480,726,916	$ 14.34	$ 15.26
1996	$ 36,114,205	$ 3,654,680,616	$ 9.88	$ 11.90
1997	$ 35,355,290	$ 3,856,324,536	$ 9.17	$ 11.30
1998	$ 41,336,929	$ 3,998,437,863	$ 10.34	$ 11.20
1999	$ 40,698,797	$ 4,167,025,675	$ 9.77	$ 10.68
2000	$ 42,514,685	$ 4,391,297,057	$ 9.68	$ 10.43
2001	$ 41,814,039	$ 4,683,463,904	$ 8.93	$ 10.04
2002	$ 43,107,065	$ 5,034,381,729	$ 8.56	$ 9.73
2003	$ 46,237,078	$ 5,323,628,057	$ 8.69	$ 9.56
2004	$ 47,883,051	$ 5,664,341,202	$ 8.45	$ 9.46
2005	$ 50,042,944	$ 6,028,793,698	$ 8.30	$ 8.63
2006	$ 51,024,049	$ 6,331,152,514	$ 8.06	$ 8.31
2007	$ 52,679,435	$ 6,685,363,038	$ 7.88	$ 8.45
2008	$ 55,479,645	$ 6,928,131,610	$ 8.01	$ 8.61
2009	$ 60,475,875	$ 7,177,689,214	$ 8.43	$ 9.18
2010	$ 65,622,305	$ 7,216,230,800	$ 9.09	$ 9.80
2011	$ 64,512,088	$ 7,033,795,775	$ 9.17	$ 9.88
2012	$ 63,284,286	$ 6,793,167,459	$ 9.32	$ 10.21
2013	$ 64,051,867	$ 6,815,489,181	$ 9.40	$ 10.37
2014	$ 66,200,286	$ 6,936,192,827	$ 9.54	$ 10.26
2015	$ 67,986,043	$ 7,079,269,550	$ 9.60	$ 10.25
2016	$ 65,736,356	$ 7,252,328,337	$ 9.06	$ 9.97
2017	$ 67,043,373	$ 7,648,631,179	$ 8.79	$ 9.79
2018	$ 68,347,217	$ 7,877,234,972	$ 8.68	$ 9.46
2019	$ 68,809,775	$ 8,390,434,565	$ 8.32	$ 9.37
2020	$ 71,741,179	$ 9,014,775,214	$ 7.96	$ 9.18
2021	$ 72,683,034	$ 9,493,679,888	$ 7.66	$ 8.64
2022	$ 74,490,616	$ 10,491,604,760	$ 7.10	$ 7.68
2023	$ 78,184,409	$ 11,972,391,961	$ 6.53	$ 7.18
2024	$ 75,849,170	$ 12,434,835,239	$ 6.10	$ 7.05
2025	$ 82,171,571	$ 13,482,848,177	$ 6.09	$ 7.09
2026- Estimated	**$ 89,023,227**	**$ 14,685,238,787**	**$ 6.06**	**TBD**

Appleton Area School District

2026 - 2027

Budget by Fund

APPLETON AREA SCHOOL DISTRICT

2026 – 2027

Distribution of Revenues -- Funds 10 & 27

The Source Dimension (revenues) is used to classify revenue and other fund sources by origin. The majority of AASD revenue is received through state and local sources. Revenue sources are divided into seven categories: Local (200), Inter-District Payments (300), Intermediate (500), State (600), Federal (700), Other Financing (800) and Other Sources (900). The main revenue dimensions are described below.

Local Revenues (200). There are several categories of local revenues. Of all the categories, the tax levy is, by far, the most significant. Other local revenues include school fees, admissions/activity fees, gifts, and interest income. All local sources, except property taxes, are outside the revenue limit calculation.

State Sources (600). There are three sources of State funds: equalization aid, categorical aids, and grants. The two largest state revenue sources are Equalization Aid and Special Education Aid (Categorical Fund 27).

Equalization Aid is determined by comparing the District's property wealth per pupil to a State guarantee. The Appleton Area School District receives approximately 48% of its Fund 10 revenues from Equalization Aid. The remainder (52%) of the support comes from property taxes and other state, federal, local revenues and open enrollment tuition.

Categorical aids fund specific services and programs. Special Education Aid, the state's largest categorical aid and second-largest state revenue source, is recorded in Fund 27 and is based on prior-year special education salary, benefit, and transportation costs. Although the state budget lists a 45% rate for 2026-2027, the proposed budget assumes 40% because the fixed statewide appropriation is prorated when eligible costs exceed available funding.

The third major source of revenue from the State is AGR (Achievement Gap Reduction). The purpose of this program is to lower class sizes in Kindergarten through 3rd Grades, provide interventions or instructional coaches. The amount of aid is based on the number of children eligible for free or reduced meal prices in those grades at the eligible schools. AASD has the maximum number of schools eligible (seven) for this program.

Finally, a small portion of State aid is received in the form of grants. The amount and purpose of these grants vary from year to year and are for specific purposes only.

Federal Revenues (700). This category of revenues represents various federally supported projects. These programs include: Title I, Carl Perkins, 21st Century Community Learning, and others. Federal aid represents about 3.5% of the total Fund 10 and 27 combined revenues.

APPLETON AREA SCHOOL DISTRICT

2026 - 2027

Distribution of Expenditures -- Funds 10 & 27

Expenditures. Expenditures are categorized by a State mandated accounting system referred to as WUFAR (Wisconsin Uniform Financial Accounting Requirements). The WUFAR manual presents a uniform financial and accounting structure for public schools in Wisconsin. It is a 17-digit account code that is made up of individual components: Fund, Location, Source/Object, Function and Project.

The **Object Dimension (expenditures)** is the service or commodity used in accomplishing a function or activity. The objects listed separately identify *what* is being purchased.

The main expenditure/object categories include: Salaries (100), Benefits (200), Purchased Services (300), Non-Capital Objects (400), Capital Objects (500), Debt Retirement (600), Insurance and Judgments (700), Interfund Transfers (800) and Other Objects/Dues and Fees (900).

Salaries (100) and Benefits (200). Salaries are gross (amounts before deductions) paid to employees who are on the district payroll. Amounts paid as an indirect consequence of salaries (retirement, FICA, insurance) are recorded under a benefits category. Amounts paid to private employers (including self-employed individuals) for services are recorded in the purchased services accounts.

Employee benefits are amounts paid by the District on behalf of employees over and above gross salaries. Many employee benefits are a percentage of salary.

Salaries and benefits represent the largest object dimensions for AASD.

Purchased Services (300). Payments for services rendered by personnel (contractors) who are not on the payroll of the district or which the district obtains from private or public agencies, such as the utility company, are called purchased services. Examples of purchased services include consultants, utilities, phones, pupil transportation, staff travel, legal and audit services.

In 2025-2026 there was nearly $19 million recorded in new leases as a new GASB (Government Accounting Standards Board) rule. These leases were for technology equipment across the district and for a five-year lease period. Under the new GASB rules the cost of the equipment and the lease amount must be recorded as expense and revenue respectively on the current financial statements. Only a minimal amount of $1.5 million is budgeted as new leases for 2026-2027.

Non-Capital Objects (400). Non-Capital Objects are items typically less than $10,000 in value that are consumable or replaced rather than repaired. It includes such things as supplies, textbooks, paper and reading materials for classroom use and media centers.

APPLETON AREA SCHOOL DISTRICT

2026 - 2027

Distribution of Expenditures -- Funds 10 & 27 (Continued)

Capital Objects (500). Capital objects include items of a permanent or enduring nature, which are sufficiently expensive to warrant capitalization as an asset. They are of value for a period longer than the fiscal year in which they are acquired and/or paid for. They are usually easier/cheaper to repair than replace.

Debt Retirement (600). Debt retirement includes principal and interest payments on capital leases. It also includes interest on short-term borrowing. The timing of state aids and of tax money are the major factors contributing to the need for short-term borrowing.

Insurance and Judgments (700). Payments for insurance that protects the district against various misfortunes are in this category. Casualty and liability insurance needs of the district include general liability, excess liability, employee error and omissions, property, auto and worker's compensation. The costs of unemployment compensation are also included under this object.

Operating Transfers-Out (800). An operating transfer is a payment between funds. For every transaction involving this object, there must be a corresponding revenue transaction. Each year a transfer between Fund 10 and Fund 27 is made for expenditures not supported by state or federal resources.

Miscellaneous (900). This category includes district-wide dues and fees for employees, student organizations, and the Board of Education. It also includes adjustments and refunds from the prior year revenues.

APPLETON AREA SCHOOL DISTRICT

2026 - 2027

Fund 10 General Fund

PURPOSE: The General Fund (Fund 10) is used to account for the educational programs and operations of the school district, except those required to be accounted for in separate funds. The Fund 10 expenditures are approximately 80% of all district expenditures.

It is in this fund which most tax and aid receipts are recorded and from which the District's general operating expenses are paid, most grant activity is also included here. Fund 10 General Fund relies on general property taxes and state aid for funding current costs.

GENERAL FUND	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	49,805,516	35,629,117	27,031,185
Ending Fund Balance	**35,629,117**	**27,031,185**	**27,875,873**

GENERAL FUND (Fund 10)	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027	$ Change	% Change
REVENUES & OTHER FINANCING SOURCES:					
Transfers-In (Source 100)		163,190	150,000		
Local Sources (Tax levy, student fees, interest, donations)	**60,601,073**	**62,544,722**	**81,866,696**	**19,321,974**	**30.9%**
Inter-district Payments (OE, etc.)	15,601,448	18,195,285	19,436,000	1,240,715	6.8%
Intermediate Sources (CESAs)	44,498	57,483	50,000	-7,483	-13.0%
State Sources (State aid and grants)	132,501,589	136,509,907	135,534,825	-975,082	-0.7%
Federal Sources (Federal grants)	7,016,470	5,615,198	4,678,499	-936,699	-16.7%
All Other Sources (Adjustments, refunds, rebates, etc.)	783,672	22,163,195	2,283,625	-19,879,570	-89.7%
TOTAL REVENUES & OTHER FINANCING SOURCES	**216,548,749**	**245,248,980**	**243,999,645**	**-1,249,335**	**0.5%**
EXPENSES AND OTHER USES:	**Audited 2024-2025**	**Unaudited 2025-2026**	**Budget 2026-2027**	**$ Change**	**% Change**
INSTRUCTIONAL					
Undifferentiated Curriculum (Elementary)	41,554,481	41,413,134	41,543,562	130,428	0.3%
Regular Curriculum (English, Math, Science, SS, etc.)	39,724,382	41,293,264	42,025,099	731,835	1.8%
Vocational Curr. (Ag, Business, Health, FACE, Tech, etc.)	4,562,450	4,515,089	4,383,801	-131,288	-2.9%
Physical Curriculum (Health, PE)	3,971,545	4,182,325	4,179,054	-3,271	-0.1%
Co-Curricular Activities (Athletic and Academic)	2,871,433	2,689,707	2,356,640	-333,067	-12.4%
Other Special (Multilingual, TAG, etc.)	9,379,971	9,542,631	10,254,947	712,316	7.5%
Subtotal Instruction	**102,064,263**	**103,636,150**	**104,743,104**	**1,106,954**	**1.1%**
SUPPORT SERVICES					
Student Services (Social Work, Counseling, Health, Psych, Attendance)	13,301,459	13,441,904	14,875,773	1,433,869	10.7%
Instructional Staff Services (ACI, LMC)	12,113,083	12,773,136	13,143,228	370,092	2.9%
District Administration (School Board, Superintendent)	2,298,073	2,070,784	2,506,033	435,249	21.0%
School Administration	11,785,079	12,393,527	12,577,843	184,316	1.5%
Business Administration (Finance, Transportation, Facilities)	26,186,644	27,110,430	26,975,299	-135,131	-0.5%
Central Services (Human Resources)	2,523,435	2,552,646	2,704,751	152,105	6.0%
Property & Liability Insurance	1,443,275	1,727,753	1,800,000	72,247	4.2%
Debt Services (Leases)	4,822,162	5,165,836	5,416,740	250,904	4.9%
Other Support Services (District Wide Tech)	6,533,392	26,116,474	8,949,875	-17,166,599	-65.7%
Subtotal Support Sources	**81,006,602**	**103,352,489**	**88,949,541**	**-14,402,948**	**-13.9%**
NON-PROGRAM TRANSACTIONS					
Inter-fund Transfers (to Fund 27)	29,791,482	25,978,809	27,498,385	1,519,576	5.8%
Instructional Service Payments (OE, Vouchers)	17,814,284	20,873,755	21,963,927	1,090,172	5.2%
Other Non-Program Transactions (Adjustments)	48,517	5,708	0	-5,708	-100.0%
Subtotal Non-Program Transactions	**47,654,282**	**46,858,272**	**49,462,312**	**2,604,040**	**5.6%**
TOTAL EXPENDITURES & OTHER FINANCING USES	**230,725,148**	**253,846,911**	**243,154,957**	**-10,691,954**	**-4.2%**

APPLETON AREA SCHOOL DISTRICT

2026 - 2027

Fund 27 Special Education Fund

PURPOSE: The purpose of the Special Education Fund (Fund 27) is to account for special education and related services funded in whole or in part through state and/or federal aid. No fund balance or deficit may exist in this fund.

Fund 27 main sources of revenue include the interfund transfer from Fund 10, Special Education categorical aid and federal grants. Special Education categorical aid reimburses eligible staff and contracted direct service costs. Although the state approved a 45% rate for 2026-2027, the budget assumes a 40% reimbursement because the statewide appropriation is fixed amount (sum certain).

The number of students qualifying for special education remains level, however the level of needs continues to rise driving programming and staff costs. The district has taken measures to mitigate this cost increase including reducing the number of students placed out-of-district for their services and utilizing contracted services when not able to find qualified candidates for internal hiring.

Over the past three years, the Appleton Area School District has taken meaningful steps to raise inclusion and belonging for students with disabilities.

- The district's high schools now participate in the Fox Valley Adapted Sports League (indoor soccer, floor hockey, wiffleball) for grades 9-12, offering students with disabilities the chance to wear a school jersey, earn a varsity letter, and engage in team competition and leadership. Through team participation, students experience stronger peer connections, school pride, leadership and teamwork skills, and a real sense of belonging within the high-school environment.
- Building on this momentum, last year we launched the Adapted Arts League for students in grades 6-12 with disabilities. This after-school program offers inclusive, non-competitive arts opportunities in dance, theater, visual arts and more — ensuring creative, expressive outlets for students who benefit from adapted programming. The Arts League further reinforces our goal of increasing opportunities for students with disabilities — both athletically and artistically — and underscores our commitment to inclusive school culture, where every student can shine.
- The RISE program provides specialized support for approximately 25–30 students with significant needs at any given time, creating a structured, supportive environment where students can thrive and make meaningful gains in their academic, social, and functional skills. RISE is an investment in both student success and responsible resource management. By providing the right supports within our district, the program reduces the need for out-of-district placements while allowing more students to access their home schools, remain connected to their communities, and benefit from educational opportunities closer to home.

Together, these initiatives reflect the district's proactive vision: to expand access, foster community, and build belonging for students with disabilities in multiple arenas — in the classroom, on the field, in the gym, and on the stage.

SPECIAL EDUCATION FUND (Fund 27)	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027	$ Change	% Change
REVENUES & OTHER FINANCING SOURCES					
Local Sources					
Transfers-in (from Fund 10)	29,791,482	25,978,809	27,498,385	1,519,576	5.8%
Other Local Sources	27,810	45,134	30,000	-15,134	-33.5%
Receipts for Services	332,984	502,303	500,000	-2,303	-0.5%
Transit of Aids		1,282			
State Sources					
State Aid – Categorical	12,214,997	16,092,320	17,300,000	1,207,680	7.5%
State Aide – General	398,121	797,290	800,000	2,710	0.3%
State Grants	184,338	62,974	0	-62,974	-100.0%
Federal Sources					
DPI Special Project Grants	3,571,235	3,364,906	3,575,842	210,936	6.3%
Other Federal Revenue	1,019,005	2,126,263	1,000,000	-1,126,263	-53.0%
TOTAL REVENUES & OTHER FINANCING SOURCES	**47,539,972**	**48,971,280**	**50,704,227**	1,732,947	3.5%
EXPENSES AND OTHER USES	**Audited 2024-2025**	**Unaudited 2025-2026**	**Budget 2026-2027**	**$ Change**	**% Change**
Instructional					
Special Education Curriculum	33,870,049	37,026,304	38,285,116	1,258,812	3.4%
Co-Curricular Activities	0	0	0	0	0.0%
Other Special Needs	43,828	26,110	26,821	711	2.7%
Subtotal Instruction	**33,913,877**	**37,052,413**	**38,311,937**	1,259,524	3.4%
Support Services					
Student Services (Social Work, Counseling, Health, Psych, Attendance)	4,765,171	4,845,597	5,086,543	240,946	5.0%
Instructional Staff Services (Staff training, Substitutes)	2,748,848	2,848,263	2,886,735	38,472	1.4%
Administration and Operations	3,269,582	3,159,746	3,252,914	93,168	2.9%
Subtotal Support Sources	**10,783,601**	**10,853,606**	**11,226,192**	372,586	3.4%
Non-Program Transactions					
Inter-fund Transfers		161,702	161,702		
Instructional Service Payments	2,842,495	903,558	1,004,396	100,838	11.2%
TOTAL EXPENDITURES & OTHER FINANCING USES	**47,539,972**	**48,971,280**	**50,704,227**	1,732,947	3.5%

APPLETON AREA SCHOOL DISTRICT

2026 - 2027

Other Special Projects Funds
Fund 21 and 29

Fund 21 Special Revenue Fund

The Special Revenue Fund (Fund 21) is used to account for the proceeds of non-trust revenues of which the expenditures are limited to specified purposes related to district operations. The most common source of such funds is gifts, donations, and fundraising. There may be a fund balance in this fund.

Fund 29 Other Special Revenue Funds

The Special Revenue Fund (Fund 29) is used to report special revenue for K-12 instructional programs not required to be discretely reported in Funds 21, 23, or 27. The Appleton Area School District uses Fund 29 to report the Federal grant for the Indian Education program.

SPECIAL PROJECT FUNDS (FUNDS 21, 29)	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027	$ Change	% Change
Beginning Fund Balance	3,995,172	4,548,057	3,919,660	-628,397	-13.8%
Ending Fund Balance	**4,548,057**	**3,919,660**	**3,087,016**	-832,644	-21.2%
TOTAL REVENUES & OTHER FINANCING SOURCES	**3,900,277**	**2,700,705**	**3,027,152**	326,447	12.1%
EXPENDITURES					
Instruction	2,537,861	2,224,835	2,398,136	173,301	7.8%
Support Services	805,357	553,380	1,451,582	898,202	162.3%
Non-Program Transactions	4,173	550,888	10,077	-540,811	-98.2%
TOTAL EXPENDITURES & OTHER FINANCING USES	**3,347,392**	**3,329,102**	**3,859,796**	530,694	15.9%

APPLETON AREA SCHOOL DISTRICT

2026 – 2027

Fund 30 Debt Service Funds

Debt Service is a fund established to account for principal and interest payments on long-term debt. All money in these funds is kept in investment accounts separate from all other money as required by State Statute 67.11.

The main revenue source for payment of Debt Service is the local property tax and any interest earned on the investment of those funds. State Statute requires that this obligation be met before any other and stipulates that the total amount required to meet this obligation be set aside from the first tax money received each year with all subsequent payments being drawn from this fund.

Fund 38 – Non-Referendum Debt

Purpose: Fund 38 is used to repay prior debts borrowed without authority of an approved referendum. Repayment of principal and interest is made within the revenue cap. A fund balance may exist in this fund. AASD is not currently using this fund.

Fund 39 – Referendum Approved Debt

Purpose: The purpose of Fund 39 is to repay prior debts borrowed with authority of an approved referendum. Repayment of principal and interest is made outside of the revenue cap. A fund balance may exist in this fund.

The Debt balance at 06/30/2026 was $83,885,000.

DEBT SERVICE FUND (FUNDS 38, 39)	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	4,842,626	7,076,156	10,098,602
Ending Fund Balance	**7,076,156**	**10,098,602**	**10,098,602**
REVENUES & OTHER FINANCING SOURCES			
Tax Levy and Interest	15,405,422	19,146,956	6,844,031
EXPENDITURES			
Long-Term Capital Debt-Principal and Interest Payments	13,171,891	16,124,510	6,844,031

APPLETON AREA SCHOOL DISTRICT

2026 – 2027

Fund 40 Capital Projects Funds

Capital Projects is the fund to be used to account for the receipt and disbursement of financial resources involved in the acquisition of capital objects or construction of major capital facilities or maintenance projects. Per State Statute 120.10 (10), Capital projects financed through long-term borrowing must be accounted for in this fund.

Fund 41 – Capital Expansion

Purpose: Fund 41 is financed as part of the tax levy. State statute restricts the use of this fund for capital expenditures related to buildings and sites, such as 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.

Fund 46 – Capital Improvement

Purpose: Fund 46 can only be used for the purposes identified in our District-approved long-range capital improvement plan. Fund 46 assets may not be transferred to any other District fund. Funding for Fund 46 is generally a transfer from Fund 10 General Fund.

Fund 49 – Other Capital Project Fund

Purpose: Fund 49 can only be used for other capital projects approved by the District. The District uses this fund to account for the construction approved with the 2022 referendum. This fund can carry a fund balance. The current balance remaining in this fund is due to investment earnings during the past three years. There is approximately $2.4 million being held for a future required arbitrage payment on these interest earnings.

CAPITAL PROJECTS FUND (FUNDS 41, 46, 49)	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	70,430,163	30,570,545	19,595,950
Ending Fund Balance	**30,570,545**	**19,595,950**	**9,955,950**
TOTAL REVENUES & OTHER FINANCING SOURCES	**30,445,626**	**3,517,473**	**2,760,000**
TOTAL EXPENDITURES & OTHER FINANCING USES	**70,305,244**	**14,492,068**	**12,400,000**

APPLETON AREA SCHOOL DISTRICT

2026 – 2027

Fund 50 Food Service Fund

The Appleton Area School district annually signs a contract with the Department of Public Instruction to participate in the National Child Nutrition Program and provide daily nutrition to our students. The School Nutrition Program receives state and federal reimbursement to aid in keeping meal prices at a reasonable level if the program remains in compliance with local, state and federal regulations.

PURPOSE: Fund 50 accounts for all revenues and expenditures related to Food Services. The District contracts with **Chartwells** to provide students with healthy meal options for breakfast and lunch. Fund 50 may have a fund balance.

FOOD SERVICE FUND (FUND 50)	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	6,416,664	5,652,866	5,299,321
Ending Fund Balance	**5,652,866**	**5,299,321**	**5,299,321**
TOTAL REVENUES & OTHER FINANCING SOURCES	**9,484,512**	**9,354,499**	**9,923,747**
TOTAL EXPENDITURES & OTHER FINANCING USES	**10,248,309**	**9,708,045**	**9,923,747**

APPLETON AREA SCHOOL DISTRICT

2026 - 2027

Fund 80 Community Service Fund

Overview and Purpose

Wisconsin Statutes §§ 120.13 and 120.61 authorize school districts to make district facilities available for community use and provide certain community services. The Community Service Fund (Fund 80) is used to account for programs and services that primarily benefit the broader community rather than directly supporting the District's elementary and secondary educational programs.

Fund 80 supports a variety of community-based services, including family education, youth programs, community recreation, public safety partnerships, and access to District facilities.

Revenues and Expenditures

The primary funding source for Fund 80 is property taxes, with additional revenue generated through program fees. The Fund 80 property tax levy is approved separately by the Board of Education and is not subject to the state's revenue limit calculation.

Expenditures include eligible costs associated with community programs and services, such as personnel, benefits, contracted services, supplies, and facility-related expenses.

2026–2027 Budget

For the 2026–2027 school year, the District's Fund 80 property tax levy is **$3,339,000**, representing a relatively small portion of the District's approximately $302.6 million total budget.

While Fund 80 represents a small share of the overall budget, it provides important support for programs and services that benefit children, families, and residents throughout the Appleton community.

Major Programs and Services Supported by Fund 80

Community Schools

Jefferson, Dunlap, and Edison Elementary Schools serve as Community Schools, connecting students, families, and neighborhood residents with community resources and services. Each school has a Community Resource Center (CRC) and a full-time Community Schools Resource Coordinator (CSRC) who works with community organizations to coordinate services and address the needs of the broader school community.

Before- and After-School Programs

Through partnerships with the YMCA and Boys & Girls Clubs of the Fox Valley, the District supports the Extended Learning Day Program at 15 locations. These programs provide academic enrichment, nutrition, family support, and supervised activities outside regular school hours and during the summer for eligible elementary and middle school students residing within District boundaries.

School Resource Officers and Crossing Guards

The District partners with the Appleton Police Department and the Town of Grand Chute Police Department to provide school resource officers serving public and private schools throughout the community. These partnerships promote school safety, positive relationships, and community policing. The District also shares 50% of the cost of crossing guards with local municipalities to support safe routes to and from school.

Appleton Even Start Family Literacy Program

In partnership with Fox Valley Technical College, Head Start, and the Appleton Public Library, the District supports adult basic education, English language learning, and GED/HSED preparation. The program also provides early childhood care and learning opportunities while adults participate in educational programming.

Birth-to-5 Outreach Program

Through a partnership with the Family Resource Center, the District supports a Birth-to-5 Coordinator and five Site Resource Coordinators who connect families with young children to parenting resources, child development information, and community services. The program is available to families throughout the community.

Newcomer Support Services

The District collaborates with local nonprofit organizations, the City of Appleton, and Fox Valley Technical College to connect newcomers to educational opportunities and essential community resources, including housing, transportation, and language services.

Community Use of District Facilities

The District's school facilities, including gymnasiums, auditoriums, athletic fields, and swimming pools, are available for community use during evenings, weekends, and summer months. Administrative support at East, West, and North High Schools helps coordinate facility scheduling, use agreements, and community access. Fund 80 supports eligible costs associated with these community opportunities.

ACT Preparation Program

Implemented in 2025–2026, Methodize is an online, standards-aligned ACT preparation program offered outside the regular school day. The program supports college readiness for eligible high school students residing within District boundaries, including public, private, voucher, and home-schooled students.

Supporting Our Community

Through Fund 80, the District works alongside community partners to expand access to programs, resources, and facilities that benefit residents of all ages. These partnerships strengthen connections among schools, families, and community organizations while supporting a stronger, more connected Appleton community.

COMMUNITY SERVICE FUND (FUND 80)	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	602,308	439,163	812,904
Ending Fund Balance	**439,163**	**812,904**	**812,904**
TOTAL REVENUES & OTHER FINANCING SOURCES	**2,850,975**	**3,352,493**	**3,350,000**
EXPENDITURES			
Support Services (Public use of Facilities, SRO's, Crossing Guards) Community Services (Community schools, Before/After school, Birth-to-Five, Evenstart, ACT Prep, etc.)	$1,490,418 $1,523,701	$1,352,586 $1,626,165	$1,572,800 $1,777,200
TOTAL EXPENDITURES & OTHER FINANCING USES	**3,014,120**	**2,978,751**	**3,350,000**

APPLETON AREA SCHOOL DISTRICT

2026 - 2027

Proposed Budget Summary

Total Expenditures and Other Financing Uses			
ALL FUNDS	**Audited 2024-2025**	**Unaudited 2025-2026**	**Budget 2026-2027**
GROSS TOTAL EXPENDITURES -- ALL FUNDS	**378,352,076.41**	**349,450,667.65**	**330,236,757.62**
Interfund Transfers (Source 100) - ALL FUNDS	29,791,482.03	26,141,998.99	27,648,385.00
Refinancing Expenditures (FUND 30)	0.00	0.00	0.00
NET TOTAL EXPENDITURES -- ALL FUNDS	**348,560,594.38**	**323,308,668.66**	**302,588,372.62**
PERCENTAGE INCREASE – NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR		**-7.24%**	**-6.41%**

PROPOSED PROPERTY TAX LEVY			
FUND	**Audited 2024-2025**	**Unaudited 2025-2026**	**Budget 2026-2027**
General Fund	55,701,278.94	57,798,061.01	77,190,196.00
Referendum Debt Service Fund	14,848,891.00	18,574,510.00	6,494,031.00
Non-Referendum Debt Service Fund	0.00	0.00	0.00
Capital Expansion Fund	2,460,000.00	2,460,000.00	2,000,000.00
Community Service Fund	2,839,000.00	3,339,000.00	3,339,000.00
TOTAL SCHOOL LEVY	**75,849,169.94**	**82,171,571.01**	**89,023,227.00**
PERCENTAGE INCREASE -- TOTAL LEVY FROM PRIOR YEAR		**8.34%**	**8.34%**

GENERAL FUND	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	49,805,515.80	35,629,116.54	27,031,185.38
Ending Fund Balance	**35,629,116.54**	**27,031,185.38**	**27,875,873.25**
REVENUES & OTHER FINANCING SOURCES			
Transfers-In (Source 100)	0.00	163,189.78	150,000.00
Local Sources (Source 200)	60,601,072.98	62,544,721.97	81,866,696.00
Inter-district Payments (Source 300 + 400)	15,601,447.68	18,195,284.77	19,436,000.00
Intermediate Sources (Source 500)	44,497.78	57,483.08	50,000.00
State Sources (Source 600)	132,501,588.79	136,509,907.49	135,534,824.74
Federal Sources (Source 700)	7,016,470.05	5,615,198.05	4,678,499.17
All Other Sources (Source 800 + 900)	783,671.57	22,163,195.12	2,283,624.68
TOTAL REVENUES & OTHER FINANCING SOURCES	216,548,748.85	245,248,980.26	243,999,644.59
EXPENDITURES & OTHER FINANCING USES			
Instruction (Function 100 000)	102,064,263.40	103,636,150.39	104,743,103.62
Support Services (Function 200 000)	81,006,602.24	103,352,488.59	88,949,541.21
Non-Program Transactions (Function 400 000)	47,654,282.47	46,858,272.44	49,462,311.89
TOTAL EXPENDITURES & OTHER FINANCING USES	**230,725,148.11**	**253,846,911.42**	**243,154,956.72**

SPECIAL PROJECTS FUND	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	3,995,172.25	4,548,057.41	3,919,659.80
Ending Fund Balance	**4,548,057.41**	**3,919,659.80**	**3,087,016.16**
REVENUES & OTHER FINANCING SOURCES	51,440,248.76	51,671,984.26	53,731,379.00
EXPENDITURES & OTHER FINANCING USES	50,887,363.60	52,300,381.87	54,564,022.64

DEBT SERVICE FUND	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	4,842,625.85	7,076,156.42	10,098,602.17
Ending Fund Balance	7,076,156.42	10,098,602.17	10,098,602.17
REVENUES & OTHER FINANCING SOURCES	15,405,421.52	19,146,955.90	6,844,031.26
EXPENDITURES & OTHER FINANCING USES	13,171,890.95	16,124,510.15	6,844,031.26

CAPITAL PROJECTS FUND	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	70,430,163.41	30,570,545.23	19,595,949.84
Ending Fund Balance	**30,570,545.23**	**19,595,949.84**	**9,955,949.84**
REVENUES & OTHER FINANCING SOURCES	30,445,626.01	3,517,472.88	2,760,000.00
EXPENDITURES & OTHER FINANCING USES	70,305,244.19	14,492,068.27	12,400,000.00

FOOD SERVICE FUND	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	6,416,663.65	5,652,866.32	5,299,321.09
Ending Fund Balance	**5,652,866.32**	**5,299,321.09**	**5,299,321.09**
REVENUES & OTHER FINANCING SOURCES	9,484,511.98	9,354,499.29	9,923,747.00
EXPENDITURES & OTHER FINANCING USES	10,248,309.31	9,708,044.52	9,923,747.00

COMMUNITY SERVICE FUND	Audited 2024-2025	Unaudited 2025-2026	Budget 2026-2027
Beginning Fund Balance	602,308.11	439,162.86	812,904.44
Ending Fund Balance	**439,162.86**	**812,904.44**	**812,904.44**
REVENUES & OTHER FINANCING SOURCES	2,850,975.00	3,352,493.00	3,350,000.00
EXPENDITURES & OTHER FINANCING USES	3,014,120.25	2,978,751.42	3,350,000.00