



Wisconsin Rapids Board of Education

510 Peach Street · Wisconsin Rapids, WI 54494 · (715) 424-6701

MINUTES

John A. Krings, President
John Benbow, Jr.
Troy Bier
Larry Davis
Sandra K. Hett
Katie Medina
Mary Rayome

June 29, 2020

SPECIAL BOARD OF EDUCATION MEETING BUDGET HEARING

LOCATION: Thomas A. Lenk Educational Center, 510 Peach Street, Wisconsin Rapids, WI 54494
Conference Room A/B

TIME: 6:00 p.m.

PRESENT: John Benbow, Troy Bier, Sandra Hett, John Krings, Katie Medina, Mary Rayome

EXCUSED: Larry Davis

ADMINISTRATION PRESENT: Craig Broeren, Daniel Weigand

President John Krings called the meeting to order at 6:00 p.m.

Roll Call

Daniel Weigand, Director of Business Services, presented the 2020-21 proposed District budget. A summary of revenues and expenditures for all funds was reviewed. Mr. Weigand explained that the required waiting period of five years to access Fund 46 dollars has passed, and that long-term capital improvement projects using Fund 46 dollars can begin to take place in the upcoming budget year.

Fund 10 expenditures are estimated at \$69,004,593.00 for the 2020-21 fiscal year, and Fund 10 revenues are anticipated to be around \$67,679,593.00 and is dependent on the final State-approved budget. Expenditures for 2019-20 are coming in under what was originally anticipated and budgeted for, and the available carryover amount estimated around \$1,400,000.00 will help to balance the 2020-21 budget. The projected ending Fund Balance is \$10,666,554.00. The projected tax levy amount for the 2020-21 budget year is \$22,616,102.00; however, it is anticipated that there will be significant revenue changes from the state which could impact this amount. The per pupil aid increase which was slated for the upcoming year is now questionable.

Mr. Weigand reviewed historical data concerning revenues and expenditures, noting that there is a \$3,322,400.00 amount from 2018-19 related to a settlement for hail damage claims from three years prior. Employee benefits and salaries are 61.84% of the General Fund budget; when combined with the amount of salaries and benefits contributed to Fund 27, the total amount spent from Fund 10 increases to 77.26%. A large contribution of \$1,818,000 was made to Fund 46 in 2018-19, and those funds can begin to be utilized in 2020-21 for capital and technology expenditures.

A final version of the 2020-21 District Budget in the format recommended by the Wisconsin Department of Public Instruction for budget adoption was presented by Mr. Weigand along with data related to property value, tax levy, and enrollment. The proposed tax levy amount of \$22,616,102.00 is pending final numbers being determined concerning factors such as State aid and the 2020-21 pupil count. The projected tax rate is \$9.01, which is a decrease from \$9.99.

Current debt levels in comparison to the legal debt percentage allowed by state statute was reviewed. In a period of low returns on investments, the Board of Education has focused on defeasing \$21,810,000.00 in outstanding debt for a better rate of return on cash invested. Since 2012, the total net savings equals \$868,271.00. Dollars have been allocated in the 2020-21 budget to pay off \$920,000.00 in final bond payments from the 2006 Referendum.

The Board had an opportunity to ask questions; there are a few specific questions that Mr. Weigand will obtain answers to follow-up with the Board on.

A Resolution committing the 2020-21 District fund balance was reviewed. Areas designated include:

- Curriculum - \$250,000.00
- Technology - \$136,372.00
- Common School Fund - \$30,000.00
- OPEB Liability – any additional amount over the areas specified above

Public Comment

President Krings opened the floor for public comment. There was no public comment made.

Motion by John Benbow, seconded by Katie Medina to close the public hearing portion of the budget meeting. Motion carried unanimously.

Motion by John Benbow, seconded by Troy Bier to approve of the proposed 2020-21 District budget, including a Resolution to commit any remaining 2020-21 District Fund Balance as stipulated in the Resolution. Motion carried unanimously on a roll call vote.

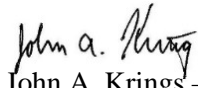
Motion by John Benbow, seconded by Troy Bier to approve of the 2020-21 Tax Levy in the amount of \$22,616,102.00. Motion carried unanimously on a roll call vote.

Mr. Weigand presented a report on the District's Other Post Employment Benefit (OPEB) Fund. The Trust balance as of May 31, 2020 was \$2,141,266.34. Investment earnings from May 31, 2019 to May 31, 2020 equaled \$7,212.33. Total 2019-20 disbursement amounts for retiree health premiums and implicit rate subsidy totaled \$1,790,883.00. Contributions made to Fund 73 in the 2019-20 fiscal year was \$1,980,428.00 of which \$244,224.00 came from employees. When questioned about whether the OPEB program continues to be cost beneficial to the District to maintain, Mr. Weigand responded that if the goal is to retain staff members, it likely serves its purpose. The Board has taken measures over the years to reduce the cost of the program by adjusting the benefit. Even if the program were eliminated, the District would likely need to provide some type of retirement benefit incentive to retain employees.

Motion by Troy Bier, seconded by Mary Rayome to approve of the Other Post Employment Benefit (OPEB) report presented. Motion carried unanimously.

Mr. Weigand provided an update on the status of two energy efficiency exemption projects which include one at Lincoln High School at a total projected cost including financing of \$12,774,381.00; and a District-wide energy project for an estimated cost of \$10,593,396.83. At the high school, the affiliated utility cost savings reported for 2020 equals \$44,355.00, and the non-utility cost savings is \$560,587.00. The District-wide project utility cost savings for 2020 equals \$13,515.00, and the non-utility cost savings is \$621,075.00. The Board had an opportunity to ask questions about the energy efficiency exemption projects.

President Krings adjourned the meeting at 6:42 p.m.



John A. Krings – President

Maurine Hodgson – Secretary

Larry Davis – Clerk