



# Wisconsin Rapids Board of Education

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

## MINUTES

John A. Krings, President  
John Benbow, Jr.  
Larry Davis  
Sandra K. Hett  
Anne Lee  
Katie Medina  
Mary E. Rayome

June 20, 2016

### SPECIAL BOARD OF EDUCATION MEETING

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

**TIME:** 6:00 p.m.

**PRESENT:** Katie Medina, John Krings, Sandra Hett, John Benbow, Mary Rayome, Larry Davis

**EXCUSED:** Anne Lee

**ADMINISTRATION PRESENT:** Dr. Colleen Dickmann, Dan Weigand

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

#### Roll Call

Daniel Weigand, Director of Business Services, provided an overview of the changes being proposed to amend the 2015-16 District budget. He pointed out that the insurance roofing claim revenue of \$500,000.00 is being recorded under "Other Financing Sources." Roofing expenditures performed through June in an amount of \$337,397.00 is recorded under the "Business Administration" function. The defeasance approved by the Board on June 13, 2016 has been recorded under the "Transfers to Other Funds" function. Fund 38 is being closed out with total revenue of \$852,600.00 and \$891,617.51 in expenditures. The Board questioned if the roofing revenue is a result of insurance claim dollars from past storms. Mr. Weigand confirmed that payment is still coming from insurance claims for all buildings except two having roofs repaired this summer. An extension to get the work completed has been granted by the Government Property Insurance Fund through August, 2017.

**Motion by John Benbow, seconded by Larry Davis to approve of the proposed amendments to the 2015-16 District budget as presented. Motion carried unanimously.**

Mr. Weigand provided an overview of the 2016-17 proposed budget. A five year summary of revenues, expenditures, and a net total for each year was reviewed by the Board. Individual revenues and expenditures by object and function were reviewed. Fund 38 Non-Referendum Debt Service Fund was paid off as of June 21, 2016.

Other than the \$4.735 million refinancing of Fund 39 debt in 2014-15 and the \$5.56 million refinancing of Fund 38 debt in 2012-13, the expenditures from year to year have remained relatively flat. Salaries and employee benefits consume the largest portion of the General Fund expenditures. Salaries and employee benefits combined account for 84.3% of the General Fund budget.

Special Education expenditures are recorded in the Special Education Fund 27. A transfer from the General Fund 10 is made to cover Special Education costs not covered by Federal and state funding for Special Education.

Costs to repay a Bond issued to pay off the District's unfunded pension liability with the State of Wisconsin are recorded in the Non-Referendum Debt Fund 38. A transfer from General Fund 10 is made to cover those costs.

The costs to defease referendum debt are recorded in the Referendum Debt Service Fund 39. In 2012-13, a one-time transfer of funds from the General Fund 10 to the Referendum Debt Service Fund was made to repay one entire Bond issue ahead of schedule.

Funds were deposited into a Capital Projects Sinking Fund beginning in April, 2015. Funds will not be accessible until April, 2020 for projects identified in the Board approved Long-Term Capital Improvement Plan.

Mr. Weigand pointed out the specific budget adoption format prescribed by the Department of Public Instruction for Board approval.

Current debt levels and legal debt limit were reviewed by the Board. In a period of low returns on investments, the Board of Education has focused on defeasing outstanding debt for a better rate of return on cash invested. Since June, 2012, the total principal amount of debt defeased is \$16,140,000.00. The amount of current and future interest savings as result of debt defeasance action is \$892,719.00.

The Board reviewed historical data related to student enrollment, property value, and the District tax levy. Mr. Weigand explained that the 2016-17 tax levy amount being recommended for Board approval is \$23,069,760.00. The 2016-17 mill rate is 10.65. In the spring, the estimated valuation set by the Wisconsin Department of Revenue (DOR) was \$2,166,678,800. Once the DOR releases actual valuation on October 15, 2016, the tax levy amount will be reviewed to determine if any adjustments are necessary. If the valuation increases, the mill rate would decrease.

#### Public Comment

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

**Motion by John Benbow, seconded by Larry Davis to close the public hearing portion of the budget meeting. Motion carried unanimously.**

A Resolution to commit any remaining 2016-17 District Fund Balance amount toward the following areas was reviewed:

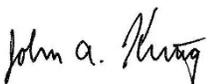
- \$ 469,000.00 – Curriculum
- \$ 747,000.00 – Technology
- Any additional amount over and above the areas of Curriculum and Technology would be committed for OPEB Liability.

**Motion by John Benbow, seconded by Larry Davis to approve of the proposed 2016-17 District budget, including a Resolution to commit any remaining 2016-17 District Fund Balance to fund curriculum and technology over and above 2016-17 budgeted amounts, and secondly the District's OPEB liability. Motion carried unanimously on a roll call vote.**

**Motion by John Benbow, seconded by Larry Davis to approve of the 2016-17 Tax Levy in the amount of \$23,069,760.00. 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, 2016 was \$1,710,673.42. Investment losses from May 31, 2015 to May 31, 2016 equaled \$98,987.58. Total disbursement amounts for retiree health premiums and implicit rate subsidy is \$2,673,800.00. Adjustments to disbursements from Employee Benefit Trust Fund 73 is at \$445,712.00. Contributions made to Fund 73 in the 2014-15 year totaled \$2,800,000.00. Total projected 2015-16 disbursements for retiree health premiums and implicit rate subsidy is \$2,261,024.00. The total projected contributions for 2015-16 to Fund 73 is \$2,380,000.00.

President Krings adjourned the meeting at 6:38 p.m.



John A. Krings – President

Maurine Hodgson – Secretary

Sandra K. Hett – Clerk