



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 23, 2014

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: John Benbow, Katie Medina, John Krings, Anne Lee, Sandra Hett, Mary Rayome, Larry Davis

ADMINISTRATION PRESENT: Dr. Colleen Dickmann, Dan Weigand, Ryan Christianson

MEDIA PRESENT: Jesse Austin – River Cities Community Access, Melanie Lawder – *The Daily Tribune*

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

Roll Call

Ryan Christianson, Director of Human Resources, recommended Board approval for the following professional staff appointments effective August 26, 2014:

Brittney Lau	Location:	Woodside Elementary
	Position:	Kindergarten (1.0 FTE)
	Education:	BS – UW Stevens Point – December, 2008
	Major/Minor:	Elementary/Regular Education, English
	Salary:	\$36,500

Brooke Neubauer	Location:	Mead Elementary
	Position:	Art (1.0 FTE)
	Education:	BS – Ball State University – May, 2013
	Major/Minor:	Visual Art Education
	Salary:	\$36,500

Motion by Larry Davis, seconded by Mary Rayome to approve of the proposed professional staff appointments effective August 26, 2014, at the specified salary amounts. Motion carried unanimously.

Dan Weigand, Director of Business Services, provided an overview of the changes being proposed to amend the 2013-14 District budget. In the General Fund, the most significant change pertains to the \$2,671,803.00 debt defeasement adjustment approved by the Board. Other changes relate to grants received by the District and amended as necessary throughout the year.

Mr. Weigand noted that Fund 21 revenues were much less than the previous year which causes this area of the budget to need an amendment; and there were some small adjustments also made to Funds 50 and 73. Mr. Weigand explained that District auditors will be arriving by the end of the week to begin the annual audit.

Motion by John Benbow, seconded by Katie Medina to approve of the proposed amendments to the 2013-14 District budget as presented. Motion carried unanimously on a roll call vote.

Dr. Dickmann provided an overview of the proposed 2014-15 District budget, including recommendations to meet the \$266,953.92 remaining deficit.

Budget shortfalls occurred as follows:

⇒ Declining Enrollment	\$1,202,154.00
⇒ Health Insurance (ACA Compliant).....	\$1,053,196.00
⇒ Dental Insurance.....	\$42,815.00
⇒ Supplemental Pay (DEU’s, credits).....	\$350,615.00
⇒ Transportation	\$28,800.00
⇒ Staff Raises if at Maximum 1.46% CPI	<u>\$463,827.92</u>
TOTAL DEFICIT	<u>(\$3,141,407.92)</u>

Budget reductions proposed for 2014-15 include:

⇒ Boys & Girls Club.....	\$20,000.00
⇒ Food Service.....	\$6,000.00
⇒ Department/Building Budgets	\$100,000.00
⇒ Special Ed – Preschool	\$12,000.00
⇒ Snow Day	\$50,000.00
⇒ Other Post Employment Benefits (OPEB)	\$203,800.00
⇒ Dept. Chair/CIH/Cadre Stipends.....	\$20,000.00
⇒ HRA	\$1,200,000.00
⇒ Staff Retiree Savings	\$584,994.00
⇒ Clerical	\$40,960.00
⇒ Deductible Change	\$229,200.00
⇒ Possible Less Make-up Day	\$25,000.00
⇒ Increased Categorical Aid	<u>\$382,500.00</u>
TOTAL AMOUNT TOWARD DEFICIT	<u>\$2,874,454.00</u>
DEFICIT REMAINING	<u>\$266,953.92</u>

Proposed recommendations to meet the remaining deficit amount:

<i>Printer/Copier</i>	<i>\$133,916.56</i>
<i>Legal Fees.....</i>	<i>\$10,000.00</i>
<i>DEU Credit.....</i>	<i><u>\$123,037.36</u></i>

TOTAL **\$266,953.92**

The Board had the opportunity to ask questions concerning the recommendation.

Motion by John Benbow, seconded by Larry Davis to approve the final budget recommendations as presented to meet the remaining 2014-15 fiscal year deficit of \$266,953.92. Motion carried unanimously.

Mr. Weigand provided an overview of the 2014-15 proposed budget. A five year summary of revenues, expenditures, and a net total for each year was reviewed by the Board. Mr. Weigand explained that because the District refinanced a significant amount of debt, the expenditure charts depicted in the budget documents reflect a larger dollar amount for transactions occurring in 2013-14 than in other years. It was noted that General Fund 10 represents approximately 80% of the District budget, which is why the most detail was provided in the budget documents concerning this Fund. Individual revenue and expenditures by object and function were reviewed. 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. Since June, 2012, the total principal amount of debt defeased is \$12,325,000.00. The amount of current and future interest savings as result of debt defeasance action is \$603,642.00.

The Board reviewed historical data related to student enrollment, property value, and the District tax levy. Mr. Weigand is hopeful that the declining enrollment trend is set to level out. The 2014-15 tax levy amount being recommended for Board approval is \$22,170,691.00. Once the Wisconsin Department of Revenue releases actual valuation on October 15, 2014, the tax levy amount will be reviewed to determine if any adjustments are necessary.

Mr. Davis questioned whether or not the benefit and salary adjustments made for employees in the past year and for the coming year have them gaining or losing monetarily. Dr. Dickmann stated that all employees continue to see a decline in this area. Mr. Christianson affirmed that as an example, a teacher on a family health insurance plan will experience \$1,000.00 more personal out of pocket expense in the coming year. The slight salary increase provided in 2013-14 equaled about one-half the cost, leaving an approximate \$500.00 deficit to the employee in this scenario. The Administration summed up the impact as employees are being asked to work harder, for less pay.

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 2014-15 District Fund Balance amount toward the following areas was reviewed:

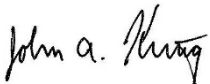
- \$ 904,000.00 – Curriculum
- \$1,252,000.00 – Technology
- Any additional amount over and above the areas of Curriculum and Technology would be applied to OPEB Liability.

Mr. Weigand presented a report on the District's Other Post Employment Benefit (OPEB) Fund. The Trust balance as of May 31, 2014 was \$1,021,159.95. Investment earnings since May 31, 2013 are \$85,320.38 which is a 9.12% return. Total disbursement amounts for retiree health premiums and implicit rate subsidy since June, 2013 is \$2,867,233.00. Projected 2013-14 contributions to Fund 73 are \$2,839,400.00 from the District, and \$154,396.00 from retirees. The total projected contributions for 2013-14 to Fund 73 is \$2,993,796.00. The Board had an opportunity to ask questions about OPEB and the recommendation to designate a portion of the 2014-15 District Fund Balance amount toward it.

Motion by John Benbow, seconded by Larry Davis to approve of the proposed 2014-15 District budget, including a Resolution to commit any remaining 2014-15 District Fund Balance to fund curriculum and technology over and above 2014-15 budgeted amounts, and secondly the District's OPEB liability. Motion carried unanimously on a roll call vote.

Motion by Larry Davis, seconded by John Benbow to approve of the 2014-15 Tax Levy in the amount of \$22,170,691.00. Motion carried unanimously on a roll call vote.

President Krings adjourned the meeting at 7:01 p.m.



John A. Krings – President

Maurine Hodgson – Secretary

Sandra K. Hett – Clerk