

Special School Board Meeting
Wednesday, October 27, 2021, 6:00 PM
Middle School Theater
9302 Schofield Ave.
Weston, WI 54476



– A G E N D A –

Upon request to the Executive Assistant to the Superintendent, submitted twenty-four (24) hours in advance, the District shall make reasonable accommodation including the provision of informational material in an alternative format for a disabled person to be able to attend this meeting.

The live stream link is:

Event address for

attendees: <https://dce.webex.com/dce/onstage/g.php?MTID=e04872e46764ef18245a6385de1db5602>

Event number: 2489 150 9829

Event password: BoardOct2021

Audio Conference Number: +1-415-655-0003

Audio Conference Access Code: 2489 150 9829

I. BUDGET HEARING

- A. Call to Order - Roll Call
- B. Pledge of Allegiance
- C. Announce Purpose of the Budget Hearing [State Statute, Section 65.90(4)]
- D. Opening Remarks
- E. Review Proposed 2021-2022 Budget
- F. Questions and Comments
- G. Adjourn Budget Hearing

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II. SEVENTY-SECOND ANNUAL SCHOOL DISTRICT MEETING

- A. Call to Order
- B. Reading of Official Notice of Meeting
- C. Announce Robert's Rules of Order to Prevail
- D. Elect Temporary Meeting Chairperson
- E. Read and Approve Treasurer's Report
- F. Regular Business
 - 1. Set School Board Salaries for 2021-2022
 - 2. Provide for Reimbursement of School Board Expenses as per Bylaw 0144.1
 - 3. Set 2021-2022 Tax Levy
 - 4. Set Time and Place of the 2022 Annual Meeting
- G. Adjournment

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2021-2022 Budget Annual Meeting

Board of Education
October 27, 2021



Recommendation
All Funds Budget

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Current State: R.O.I.
DCE Excellence
Kids Served

DCE Budget 2021-2023
Base Revenue
Membership
Tax Levy / Mill Rate
Local Tax Impact

Debt Defeasance Strategy

Future Challenges

Next Steps

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RECOMMENDATION

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That the taxpayers make a motion to...

...approve the all funds tax levy for the total of \$27,577,743.



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2020-2021 ALL FUNDS BUDGET

2021-2022 Revenue	<u>\$94,935,465</u>
2021-2022 Expenditures	<u>\$106,495,945</u>

This year's budget includes an investment of approximately \$9,725,482 in referendum and RLE related work.

ROI Big Picture Indicators

↗ **Stable Enrollment**

DCE is 1 of 4 of the 30 largest districts in WI that has maintained students since 19-20.

↗ **Community Trust, Support, Investment, and Pride**

Ed Foundation SPRC capital campaign with a minimum of \$13 million in pledges.

↗ **Academic Performance**

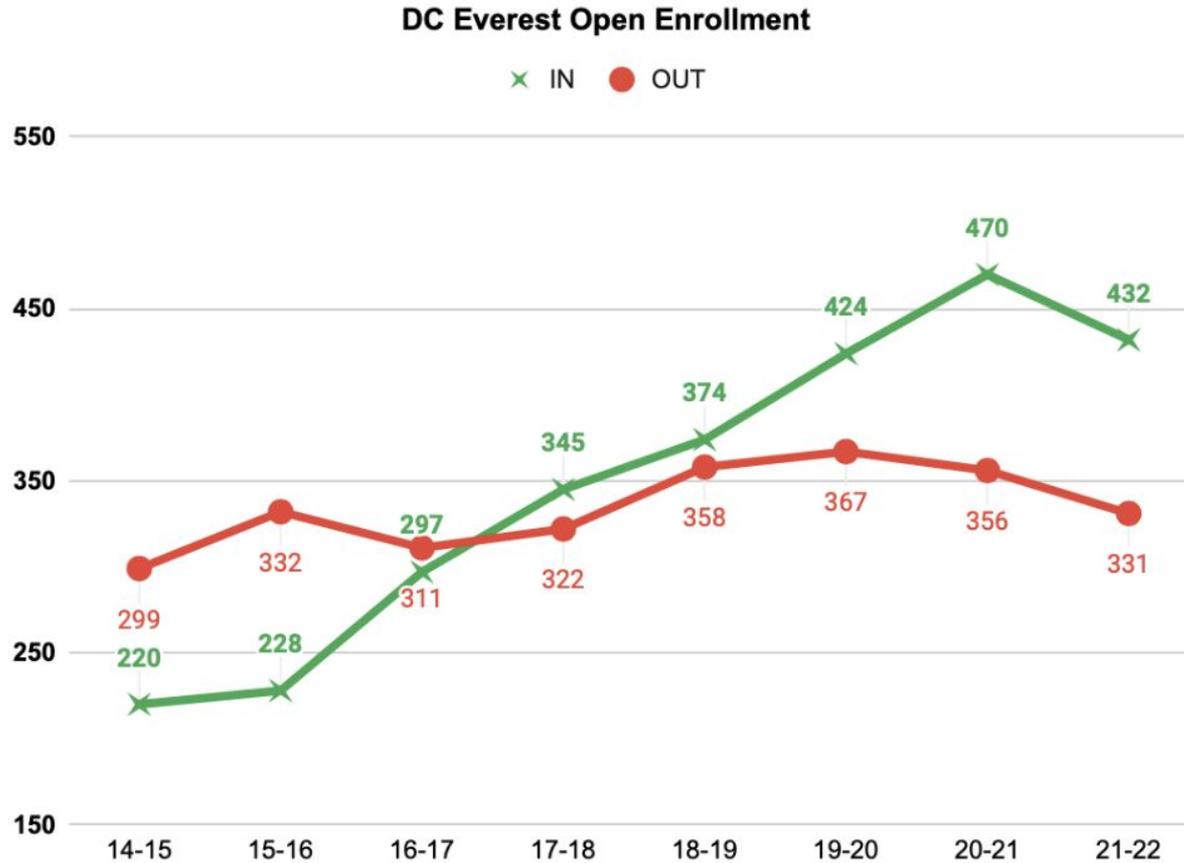
District / School report cards, innovative programs, graduate profile, supports for diverse learners.

KIDS SERVED: Enrollment Comparison

DCE is now the 23rd largest district in WI based on students served.

District	▼ 2019-20	2020-21	2021-22	Change from 2019 to 2021
Oak Creek-Franklin Joint School District	6,468	6,409	6,518	0.8%
La Crosse School District	6,414	6,246	6,114	-4.7%
West Bend School District	6,280	5,896	5,914	-5.8%
Beloit School District	6,260	5,601	5,426	-13.3%
Howard-Suamico School District	6,070	5,894	5,857	-3.5%
D C Everest Area School District	6,020	6,000	6,021	0.0%
Verona Area School District	5,747	5,651	5,747	0.0%
Hudson School District	5,613	5,372	5,412	-3.6%
Oconomowoc Area School District	5,286	5,111	5,030	-4.8%
Kimberly Area School District	5,219	5,187	5,167	-1.0%

KIDS SERVED: OE Comparison



2021-2022 DCE REVENUE

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2021-2022 Base Revenue \$63,152,938

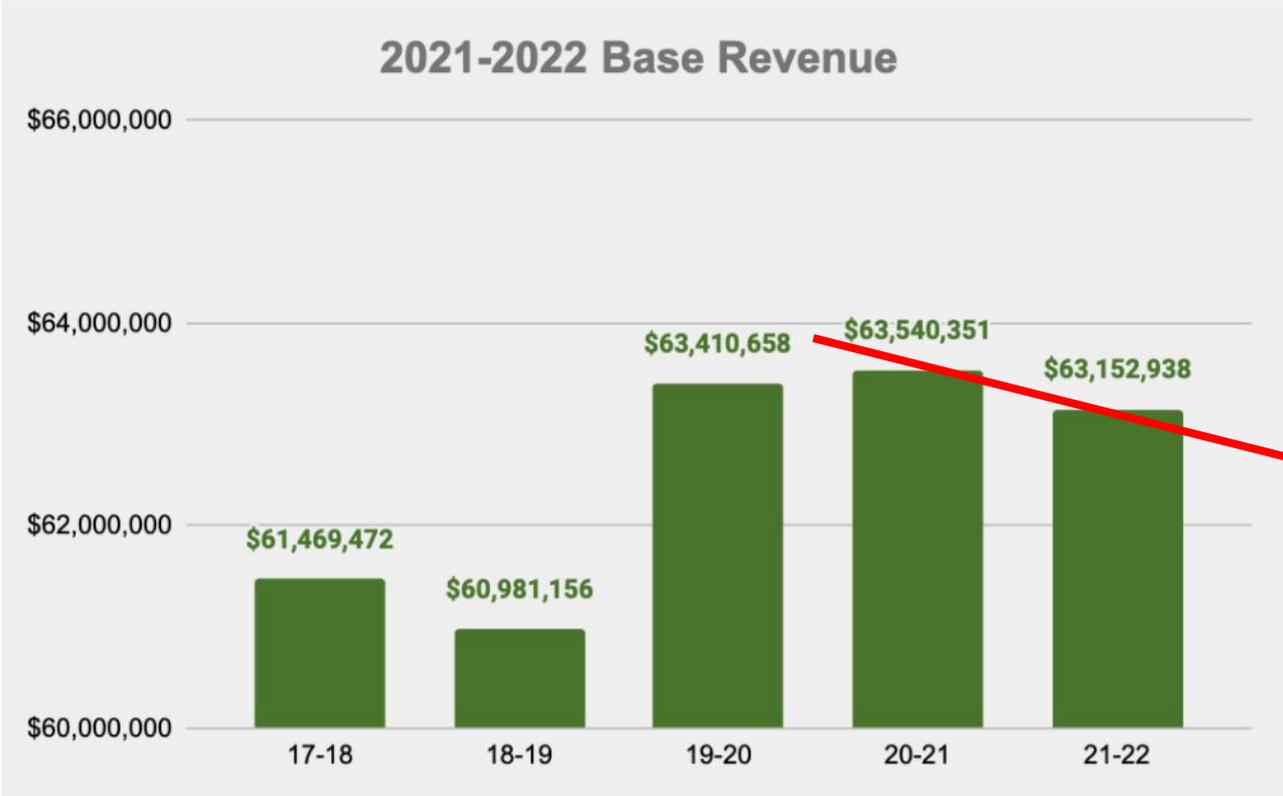
State Aid \$46,527,733

Local Tax Levy for Operations \$16,625,205

Base revenue is the amount of funding used to operate the district before we consider federal and state grant programs minus the non-approved, historic debt.

- While the portion of our revenue from aid grew; the 2021-2023 State Budget actually **froze our revenue**.
- The aid increase **does not provide** DCE any additional funds.
- This is what is meant by the budget, "**providing property tax relief**."

BASE REVENUE HISTORY



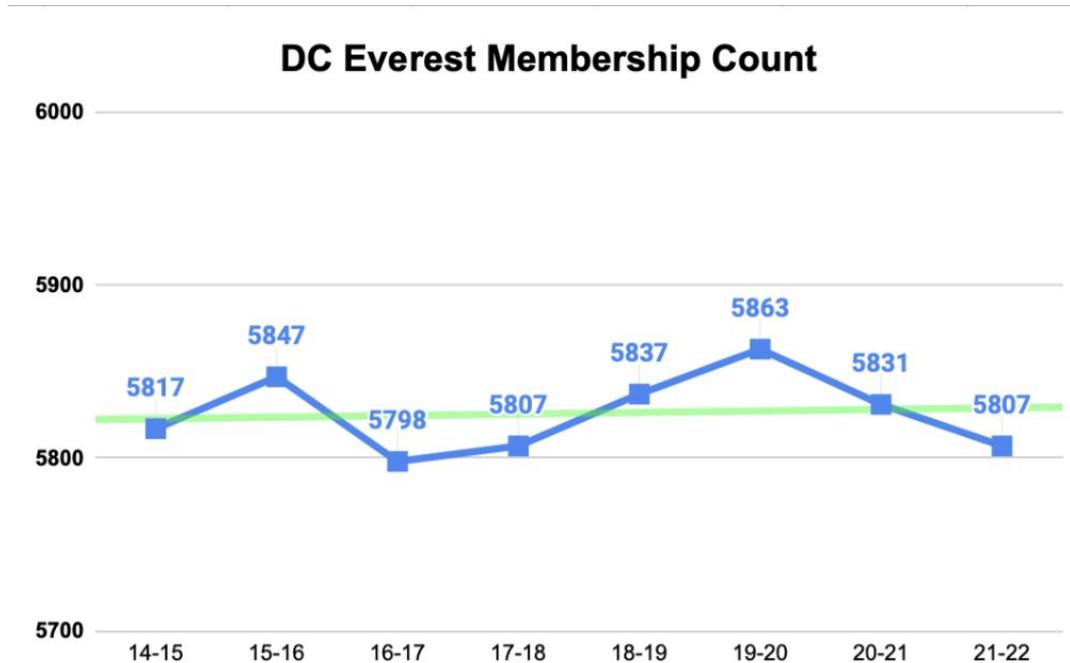
SOURCE: DPI and PMA

MEMBERSHIP

Revenue is a combination of state aid and local tax levy for operational expenses.

The formula: $Rev\ Limit\ Amount\ (\$10,731) \times Membership\ (5807) = Revenue$

We have a 3.5% decline in membership since 2018-2019.



2021-2022
Membership is
5,807.

LEVY RATE: *Recommendation*

Scenario	Levy Rate	Debt	Additional Debt	Fund 80
Plan 1 Base	8.40	\$4,731,238 (<i>required</i>)	0	\$250,000
Plan 2 Community Strategy	9.28	\$7,230,000	\$2,498,762	\$350,000
RECOMMENDED PLAN	9.38	\$8,731,238	\$4,000,000	\$375,000
PRELIMINARY BUDGET PLAN	9.49	\$7,800,000	\$3,068,762	\$375,000
Plan 3 Stable / High Revenue	9.70	\$8,550,000	\$3,818,762	\$250,000

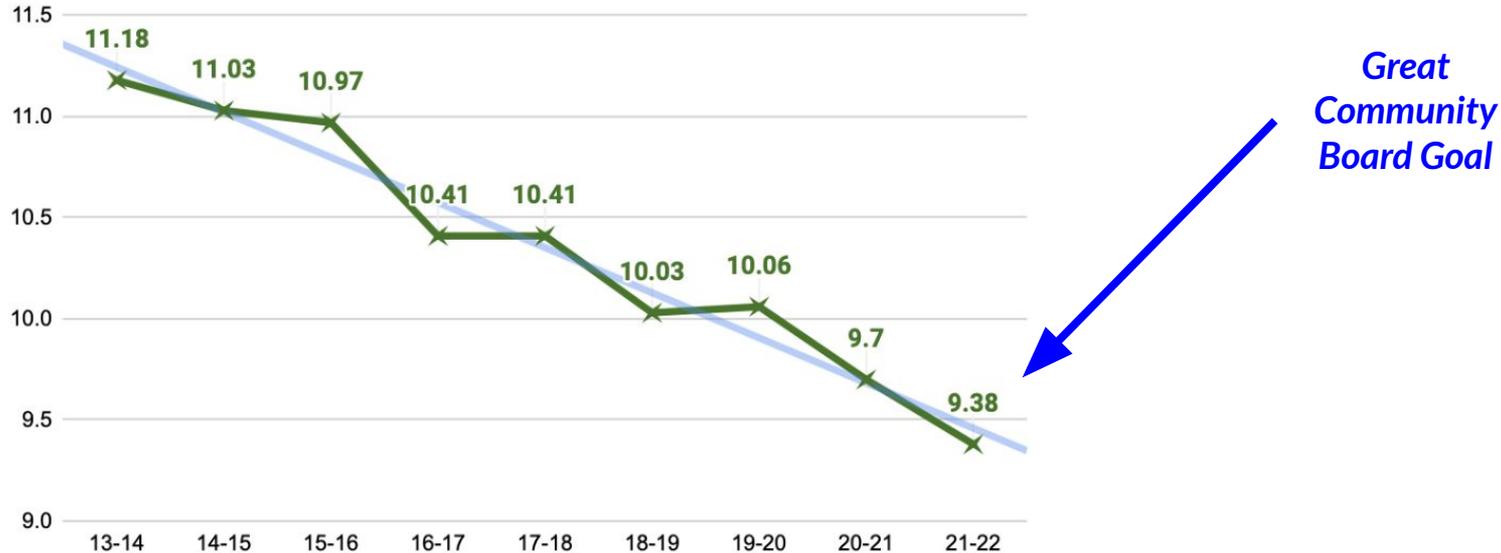
LEVY RATE

Based on sustained economic health of our community, we are able to invest to unprecedented levels while setting our lowest levy rate (9.38) in recent history.

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Our total tax levy for this year is \$27,577,743.

D.C. Everest Levy / Mill Rate History



REVENUE LIMIT WORKSHEET: *Recommended Strategy*

This includes a recommended additional debt prepayment and debt defeasance. This long-term fiscal strategy is for long-term tax levy stabilization.

DISTRICTS MUST USE THE OCT 15 AID CERT WHEN SETTING THE DISTRICT LEVY.

13. Allowable Limited Revenue: (Line 11 - Line 12) (10, 38, 41 Levies)		18,471,505
14. Total Limited Revenue To Be Used (A+B+C)	Not >line 13	18,471,505
Entries Required Below: Enter amnts needed by purpose and fund:		
A. Gen Operations: Fnd 10 Src 211	16,625,205	(Proposed Fund 10)
B. Non-Referendum Debt (inside limit) Fund 38 Src 211	1,846,300	(to Budget Rpt)
C. Capital Exp, Annual Meeting Approved: Fund 41 Src 211	0	(to Budget Rpt)
15. Total Revenue from Other Levies (A+B+C+D)		9,106,238
A. Referendum Apprvd Debt (Fund 39 Debt-Src 211)	8,731,238	
B. Community Services (Fund 80 Src 211)	375,000	(to Budget Rpt)
C. Prior Year Levy Chargeback for Uncollectible Taxes (Src 212)	0	(to Budget Rpt)
D. Other Levy Revenue - Milwaukee & Kenosha Only	0	(to Budget Rpt)
16. Total Fall, 2021 ESTIMATED All Fund Tax Levy (14A + 14B + 14C + 15)		27,577,743
<i>Line 16 is the total levy to be apportioned in the PI-401.</i>	Levy Rate =	0.00938032



LOCAL IMPACT: Property Taxes

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Fund Number	Fund	2020-21		2021-22	
		Levy	Mill Rate	Levy	Mill Rate
Fund 10 (Src 211 & 212)	General Fund	\$ 19,171,409	\$ 6.77	\$ 16,625,205	\$ 5.65
Fund 38	Debt Service Fund	\$ 1,394,523	\$ 0.49	\$ 1,846,300	\$ 0.63
Fund 39	Referendum Debt Service	\$ 6,664,759	\$ 2.35	\$ 8,731,238	\$ 2.97
Fund 80	Community Service Fund	\$ 250,000	\$ 0.09	\$ 375,000	\$ 0.13
	Total	\$ 27,480,691	\$ 9.70	\$ 27,577,743	\$ 9.38

Municipality	2020-21			2021-22		
	Equalized Property Values (TIF Out)	Percent of District Property Value	Allocation of Tax Levy	Equalized Property Values (TIF Out)	Percent of District Property Value	Allocation of Tax Levy
City Schofield	233,029,900	8.23%	2,260,391	229,257,100	7.80%	2,150,506
City Wausau	154,403,921	5.45%	1,497,719	149,950,969	5.10%	1,406,588
Town Easton	88,866,800	3.14%	862,008	96,109,200	3.27%	901,535
Town Norrie	10,096,941	0.36%	97,940	10,239,900	0.35%	96,054
Town Reid	17,425,340	0.62%	169,026	18,407,990	0.63%	172,673
Town Ringle	177,980,600	6.28%	1,726,413	198,289,200	6.74%	1,860,016
Town Wausau	52,747,364	1.86%	511,650	56,759,097	1.93%	532,419
Town Weston	65,295,200	2.30%	633,364	72,181,500	2.46%	677,086
Village Hatley	31,725,600	1.12%	307,738	34,023,800	1.16%	319,154
Village Kronenwetter	440,407,466	15.55%	4,271,954	473,619,740	16.11%	4,442,706
Village Rothschild	514,074,100	18.15%	4,986,521	523,346,900	17.80%	4,909,162
Village Weston	1,047,006,500	36.96%	10,155,967	1,077,771,600	36.66%	10,109,844
Total:	2,833,059,732	100.00%	27,480,690	2,939,956,996	100.00%	27,577,743

0.35% increase in total levy
year-over-year

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DEBT DEFEASANCE: Interest Savings

D.C. Everest School District Preliminary 2022 Defeasance Analysis

Calendar Year	BEFORE DEFEASANCE				AFTER DEFEASANCE				EST. ANNUAL REDUCTION IN FUND 39 PAYMENTS (1)
	\$59,875,000				\$59,875,000				
	G.O. School Building & Improvement Bonds Dated July 2, 2018				G.O. School Building & Improvement Bonds Dated July 2, 2018				
	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	D/S	D/S	2021-2022 INCREMENTAL LEVY	TOTAL FUND 39 LEVY	
2022	\$1,200,000	5.000%	\$2,184,888	\$3,384,888	\$1,346,350	\$4,731,238	\$4,000,000	\$8,731,238	\$0
2023	\$1,125,000	5.000%	\$2,126,763	\$3,251,763	\$1,350,950	\$4,602,713	\$1,996,263	\$4,472,213	\$130,500
2024	\$1,350,000	5.000%	\$2,064,888	\$3,414,888	\$1,354,950	\$4,769,838	\$1,934,388	\$4,639,388	\$130,500
2025	\$1,550,000	5.000%	\$1,992,388	\$3,542,388	\$1,353,400	\$4,895,788	\$1,550,000	\$4,765,288	\$130,500
2026	\$3,100,000	5.000%	\$1,876,138	\$4,976,138		\$4,976,138	\$3,100,000	\$4,845,638	\$130,500
2027	\$3,275,000	5.000%	\$1,716,763	\$4,991,763		\$4,991,763	\$3,275,000	\$4,861,263	\$130,500
2028	\$3,475,000	5.000%	\$1,548,013	\$5,023,013		\$5,023,013	\$3,475,000	\$4,892,513	\$130,500
2029	\$3,650,000	3.000%	\$1,406,388	\$5,056,388		\$5,056,388	\$3,650,000	\$4,925,888	\$130,500
2030	\$3,775,000	3.000%	\$1,295,013	\$5,070,013		\$5,070,013	\$3,775,000	\$4,939,513	\$130,500
2031	\$3,900,000	3.375%	\$1,172,575	\$5,072,575		\$5,072,575	\$3,900,000	\$4,942,075	\$130,500
2032	\$4,050,000	3.500%	\$1,035,888	\$5,085,888		\$5,085,888	\$4,050,000	\$4,955,388	\$130,500
2033	\$4,175,000	3.250%	\$897,169	\$5,072,169		\$5,072,169	\$4,175,000	\$4,941,669	\$130,500
2034	\$4,325,000	3.375%	\$756,341	\$5,081,341		\$5,081,341	\$4,325,000	\$4,950,841	\$130,500
2035	\$4,475,000	3.500%	\$605,044	\$5,080,044		\$5,080,044	\$4,475,000	\$4,949,544	\$130,500
2036	\$4,625,000	3.500%	\$445,794	\$5,070,794		\$5,070,794	\$4,625,000	\$4,940,294	\$130,500
2037	\$4,800,000	3.625%	\$277,856	\$5,077,856		\$5,077,856	\$4,800,000	\$4,947,356	\$130,500
2038	\$5,265,000	3.625%	\$95,428	\$5,360,428		\$5,360,428	\$1,665,000	\$1,695,178	\$3,665,250
	\$58,115,000		\$21,497,331	\$79,612,331	\$5,405,650	\$85,017,981	\$4,000,000	\$83,395,231	\$5,622,750

Callible: April 1, 2027 @ Par

(1) Calendar Year 2022 interest savings of \$65,250 is being applied to the defeasance.

\$3,600,000
Principal Reduction

TOTAL REDUCTION IN FUTURE DEBT SERVICE LEVIES: \$5,622,750
 LESS INCREMENTAL 2022 LEVY APPLIED TO FUND 39 DEFEASANCE: (\$4,000,539)
 NET FUND 39 SAVINGS: **\$1,622,211**

2022 LEVY APPLIED TO FUND 39 DEFEASANCE	ESTIMATED
Deposit to Escrow (Earmarked for Defeasance)*:	\$4,052,289
Estimated Costs of Defeasance:	\$13,500
Total Amount Needed for Defeasance at Closing:	\$4,065,789
Calendar Year 2022 Interest Savings Applied:	\$65,250
Incremental Levy Applied:	\$4,000,539

Estimated Closing Date: June 1, 2022

*Based on preliminary escrow investment rates as of October 20, 2021.



THE CHALLENGE: *Base Revenue vs. 1-time Funds*

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We know that base revenue is froze for 2022-2023 and should stay right around our current \$63 million.

Prioritizing and being strategic is vital in the near future.

Leadership team will be working together to prioritize investments, with kids at the center, while evaluating where we can avoid costs and/or make necessary cuts.

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NEXT STEPS

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October 27, 2021

Annual Meeting
Regular Board of Education Meeting
Actual Budget Approval

November 5, 2021

Local Tax Levy Reports Due

November 17, 2021

Board Meeting
Administrative Building Update
Sports Performance and Recreation Center Update

Dec - Jan 2021

DCE Leadership Team Planning

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D.C. Everest Area School District

6300 Alderson Street
Weston, WI 54476
Phone 715-359-4221
www.dce.k12.wi.us

Matthew A. Spets
Assistant Superintendent

MISSION STATEMENT

D.C. Everest Area School District, in partnership with the community, is committed to being an innovative educational leader in developing knowledgeable, productive, caring, creative, responsible individuals prepared to meet the challenges of an ever-changing global society.

DATE October 27, 2021
TO Dr. Kristine Gilmore, Superintendent
FROM Matt Spets, Assistant Superintendent
RE Approval of 2021-2022 Tax Levy: *Annual Meeting*

Recommendation

Approval of the total tax levy and the amounts listed by fund as presented at the Annual Meeting.

Overview

A brief presentation on the 2021-2022 Actual Budget; including significant year-over-year changes will be presented at the Annual Budget Hearing.

The numbers below reflect the levy amounts for the D.C. Everest Area School District for the 2021-2022 fiscal year. It reflects a total levy increase of **\$97,053 (0.35%)** and a mill rate of **\$9.38**; which is a decrease of **\$.32**.

Total Tax Levy

\$27,577,743

Tax Levy by Fund

<i>Fund 10</i>	\$16,625,205
<i>Fund 38</i>	\$1,846,300
<i>Fund 39</i>	\$8,731,238
<i>Fund 80</i>	\$375,000