

**WAUNAKEE COMMUNITY SCHOOL DISTRICT
BOARD OF EDUCATION BUDGET COMMITTEE MEETING**

Tuesday, April 25, 2017

8:00 AM

District Administration & Maintenance Center
905 Bethel Circle
Waunakee, Wisconsin 53597

AGENDA

- I. **CALL TO ORDER**
- II. **ROLL CALL**
- III. **APPROVAL OF AGENDA**
- IV. **PUBLIC COMMENTS**
- V. **2016-2017 BUDGET UPDATE**

A. Projected End of the Year Balance

The purpose of this agenda item is to review the projected end of the year balance. The contingency fund for the 16-17 fiscal year is \$59,800. As a reminder, this account is typically \$100,000, but the School Board approved \$40,200 towards the Innovation Center staffing which lowers the amount to \$59,800. A number of School Board approved projects in the last year will have a major impact on the 17-18 end of the year balance. These projects include the security camera and portable classroom move projects approved by the School Board in the spring of 2016, but not primarily paid for until the summer of 2016. Additional projects approved by the School Board include Warrior Stadium (will impact both 16-17 and 17-18 budgets due to the timing of the project), the Wellness Clinic (will impact both 16-17 and 17-18 budgets due to the timing of the project), the Bethel Circle loan repayment, and the innovation center remodeling project (cost sharing with fundraising covering the majority of the costs). Overall, the district fund balance will likely decline by \$1.5 million in 16-17. This reduction in the fund balance may be offset slightly by additional revenues or expenditure accounts not fully spent by June 30th. Please recall that this reduction in fund balance is planned for, and will keep the district above the Board policy target of 15%. We have added \$1.33 million into a district level designated fund balance account in just the last 2 years for the unspent operational referendum funds. Please let me know if you have any questions. You can contact me via email at ssummers@waunakee.k12.wi.us or via phone at 849-2491. Thanks.

B. Budget Revisions

The purpose of this agenda item is to review the budget revisions for the 16-17 school year. The business office has changed practices regarding budget revisions. All budget revisions are being entered into the Skyward Financial System using the Skyward Budget Revision process. Examples of budget revisions include changes in grant allocations, changes to the State of Wisconsin Library Aid, salary budgets approved by the Board of Education in November, the high school Youth Options revenues and expenses, additional revenues and expenditures related to the referendum projects, and reallocations within the Technology Department. Other examples of budget revisions are the projects identified on the previous agenda item. All budget revisions will be presented to the Budget Committee in May and to the School Board for approval at the June 12th School Board Meeting. Please let me know if you have any questions. You can contact me via email at ssummers@waunakee.k12.wi.us or via phone at 849-2491. Thanks.

VI. 2017-2018 BUDGET PLANNING

A. Review First Draft of the Budget

The purpose of this agenda item is to review the first draft of the budget for the 17-18 school year. I have attached the first draft of the budget for your review.

Please note that the first draft of the budget is based on the following:

- The \$200/student increase in the per pupil aid as recommended by the Governor. Since we are not making any salary decisions in the spring of 2017, any adjustments to the Governor's budget proposal will result in adjustments to the personnel cost line of the budget.
- The personnel cost line includes a 5% increase for health and dental costs as well as a 2% salary increase for non-teachers and a CPI/\$1500 points increase for teachers.
- Fund 41 is increased by \$300,000, based on the final implementation of the November 2014 referendum to exceed the cap.
- The technology budget in Fund 10 is increased by \$300,000, based on the final implementation of the November 2014 referendum to exceed the cap.
- The savings from paying off the Bethel Circle loan (Fund 38) have been moved to a new energy conservation project budget line (Fund 10) that is intended to help reduce our electrical budget over time. These funds could also be directed into Fund 41 if requested by the Committee Members.

- The budget includes 4.35 FTE due to enrollment increases/student schedules. The budget planning process document estimated a 3.66 FTE.
- The budget requests resulted in an additional 3.59 FTE increase as described on page 11 of the budget.
- All of the remaining budget requests have been placed on hold at this time.

The second draft of the budget in June will include:

- Grant allocations
- Staffing updates based on additional schedule changes or reallocation proposals
- State budget updates

Please let me know if you have any questions on the first draft of the budget. You can contact me via email at ssummers@waunakee.k12.wi.us or via phone at 849-2491. Thanks.

B. Review Student Fees

The purpose of this agenda item is to review the proposed student fees for the 17-18 school year. I have attached the proposed fees for your review. The student fees for the 17-18 school year will be presented to the School Board at the May meeting. There are several changes that are proposed. The high school has requested that a new fee be added for the Innovation Center class at a cost of \$25.00. The food service fees have been updated for adult lunch/breakfast. The administration is recommending approval of the attached 17-18 fee schedule. Please let me know if you have any questions on the proposed fee schedule. You can contact me via email at ssummers@waunakee.k12.wi.us or via phone at 849-2491. Thanks.

C. Review Insurance Committee Recommendations

The purpose of this agenda item is to review the Insurance Committee recommendations for the 2017-18 school year. The Insurance Committee is meeting on Wednesday, April 19th to review the health and dental insurance rates for the 17-18 school year. The health insurance rates are capped at 5% if the district staff and spouses meet the required participation levels in the health risk assessment process. The dental rates will likely be increased as the latest financial statement shows a low balance. The Insurance Committee recommendations will be provided in person on April 25th. The 2017-18 budget planning process includes a 5% rate increase for both health and dental rates. Please let me know if you have any questions on this agenda item. You can contact me via email at

ssummers@waunakee.k12.wi.us or via phone at 849-2491. Thanks.

D. Review Allocation of 2014 Operational Referendum

The purpose of this agenda item is to review the allocation of the 2014 Operational Referendum funds. As a reminder, the November 2014 Operational Referendum was for a total of \$2,160,000, spread out over four (4) fiscal years at \$540,000 per year. The 2014-15 fiscal year was year 1 with the 2017-18 fiscal year being year 4. The language from the referendum is as follows:

"Shall the Waunakee Community School District, Dane County, Wisconsin be authorized to exceed the revenue limit specified in Section 121.91, Wisconsin Statutes, by \$540,000 in the 2014-2015 school year and by an additional \$540,000 a year in each of the 2015-2016, 2016-2017 and 2017-2018 school years for a total increase of \$2,160,000 for the 2017-2018 school year and thereafter, for recurring purposes consisting of paying operating expenses for the expanded school facilities, establishing a District-wide capital maintenance fund and funding District-wide technology improvements?"

The administration is recommending the following for the first draft of the 2017-18 budget:

- Increase Fund 41 by \$300,000 to reflect the increase in the capital maintenance fund. This recommendation will require action at the annual meeting in October.
- Increase the technology budget within Fund 10 by \$300,000 for the District-wide technology improvements.
- Spend the remaining funds (\$1,560,000) towards the operations of the expanded school facilities. The majority of these funds have already been budgeted with the opening of the new Intermediate School in September of 2016. These expenses have been dedicated towards increased utilities, increases in the custodial and maintenance staff, increases in the technology staff, and increases in educational administration at the Intermediate School and Prairie Elementary.
- Additional funds remain within the \$1.56 million that can be allocated towards the 2017-18 budget requests for the reading interventionist at Prairie & Intermediate, the 50% math interventionist at Prairie, and the administrative assistant for the technology & maintenance departments. The addition of these positions are a factor of student enrollment growth which aligns with the referendum question. After these hires, we still have a remaining balance of approximately \$140,000 in operational referendum funds. If further flexibility is desired, the two additional teaching positions hired at Prairie and Heritage can be allocated towards the operational referendum funds.
- After these staff have been hired, any remaining funds will be available for the

utility budget to cover increases in costs for 17-18 and to make sure the proper amount of utility funds have been set aside for the Intermediate School.

Please let me know if you have any questions on this agenda item. You can contact me via email at ssummers@waunakee.k12.wi.us or via phone at 849-2491. Thanks.

E. Review Food Service Budget

The purpose of this agenda item is to review the food service budget for the 17-18 school year. I have attached the proposed budget for your review. In addition, please see a letter from Taher recommending some changes to our food service program in 17-18. These changes were presented to the administrative team on April 19th, and will be discussed again at the next meeting. The administration is recommending approval of the attached 17-18 proposed budget. Please let me know if you have any questions on the proposed food service budget . You can contact me via email at ssummers@waunakee.k12.wi.us or via phone at 849-2491. Thanks.

VII. **DISCUSSION/ACTION ON PROPOSALS**

A. Transportation Bid

The purpose of this agenda item is to continue the review of the transportation bids. The Budget Committee will be interviewing all three transportation firms. I have scheduled a 30 minute presentation time for each vendor as well as a 15 minute question and answer session.

Please see the attached proposals received (3), and financial summary. In addition, please see the attached additional letter from Lamers that we will discuss with the committee. This letter was generated based on a request from the district, after the bidding process was completed. The financial proposals summary estimates the cost for 17-18, based on the current transportation services. The lowest bid over the seven year period is Lamers. The current transportation vendor is Lamers.

At the April 6th Budget Committee meeting, the committee members asked me to share information on the type of customer service issues that we have been working with Lamers on. These issues include:

- * missed or late co-curricular trips
- * field trip drivers not prepared with directions on where they are going

- * slow responsiveness to change AM/PM routes
- * communication with parents regarding incidents such as bus accidents
- * driver response to student incidents

The majority of these issues have been improving over time with the addition staff in our Waunakee terminal.

Administration is seeking a recommendation from the committee to bring forward to the School Board on May 8th. If you have any questions, please feel free to contact me at ssummers@waunakee.k12.wi.us or 608-849-2491 Thanks for your time.

1. 9:00 Interview with Lamers
2. 9:45 Interview with Kobussen
3. 10:30 Interview with Badger Bus

B. The TC Alan Company Proposal

The purpose of this agenda item is to review the TC Alan Company proposal for professional consulting services. I have attached the proposal for your review. I reached out to Todd Carothers to request a proposal to address the topic of budgeting and purchasing policies/practices for the supplies and non-capital objects budget line items. Forecast 5 data identifies this budget category as one where our district is spending significantly above the Dane County average. This consulting proposal follows a similar process to our successful project on reducing copying equipment and costs districtwide a few years ago. As you can see in the proposal, the number of hours is significant (180), due to the scope of this project. I am recommending approval of this consulting proposal, with the cost coming from the district consulting budget. School Board approval is not required, based on the dollar amount of the proposal. However, I am looking for feedback from the Budget Committee before moving forward. Please let me know if you have any questions on this proposal. You can contact me via email at ssummers@waunakee.k12.wi.us or via phone at 849-2491. Thanks.

VIII. OTHER ITEMS FOR DISCUSSION

A. Wisconsin Youth Company - Summer 2017

The purpose of this agenda item is to review a request from the Wisconsin Youth Company to rent Heritage for the summer of 2017. The School Board has previously approved a \$2,400 per building rental fee for the 16-17 after school program. The Wisconsin Youth Company is proposing to run a 10 week camp at Heritage this summer to provide after school care. Dan Carter has been involved

in these discussions, and is comfortable with this proposal for this summer. Based on our regular school year rental, the rental fee for the summer would fall somewhere between \$2,000 and \$2,500.

At the April 6th committee meeting, the Budget Committee requested that comparable information from other school districts be provided. Here is the information that I have found:

Sun Prairie: No charge for the YMCA

Middleton: \$1,275 per building, summer rate is \$8/hour for the gym and multi-purpose room

Monona Grove: No charge for the YMCA

McFarland: \$1.40 per student per day

Sauk Prairie: District-run after school care program

Based on these results, our current rental fee is on the higher end of the spectrum. Given that, I would recommend a \$2,400 fee for the Heritage summer program which is consistent with our building charge for the school year.

Administration is seeking a recommendation from the committee on a rental amount to bring forward to the School Board at the May 8th meeting. If you have any questions, please feel free to contact me at ssummers@waunakee.k12.wi.us or 608-849-2491 Thanks for your time.

IX. FUTURE AGENDA ITEMS

X. ADJOURN

“Any person who has a qualifying disability as defined by the Americans with Disabilities Act who requires assistance with access or materials should contact the Waunakee Community School District Office at 849-2000, 905 Bethel Circle Drive Waunakee, WI 53597, at least twenty-four hours prior to the commencement of the meeting so that necessary arrangements can be made to accommodate the request.”