

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

Thursday, June 6, 2019

5:00 PM

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. **2018-2019 BUDGET**

A. ForeCast5 Budget Projection

The purpose of this agenda item is to review the 2018-19 budget Forecast 5 budget projection. The business office purchased a new Forecast 5 module which allows for detailed monthly budget analysis and projections. The projections compare actual year to date data with historical projected data from the last 5 years. This combination of actual and projected data provides detailed end of the year projections.

I have met with staff from Forecast 5 twice in the last 6 weeks to update the 18-19 budget, update the year to date data, and update estimated end of the year account balances. These meetings have resulted in the attached end of the year projection for the combination of Funds 10 and 27. Because Fund 10 transfers in funds to balance Fund 27, these two funds are tied together. I would like to review the attachment with the committee members at the meeting.

If you have any questions, please contact Steve Summers at [stevesummers@waunakee.k12.wi.us](mailto:stevesummers@waunakee.k12.wi.us) or (608) 849-2000 ext 8491.

## B. Projected End of the Year Balance

The purpose of this agenda item is to review the 2018-2019 budget, projected end of the year balance. Please be reminded that the 18-19 budget has a planned deficit of \$518,125, due to the \$565,000 in maintenance projects that are funded through the 2014 operational referendum funds (currently accounted for in the Fund 10 fund balance). This maintenance projects funding decision is connected to the Fund 41 account, as the 18-19 fiscal year is the second year of a three year plan to build up the fund balance in Fund 41. As of the May School Board meeting, there have been expenditures out of the district contingency fund for the middle school chiller and the Bethel Circle environmental repairs/remediation. The School Board has also approved additional para-educator positions at Prairie Elementary School, to be funded from the additional Special Education Categorical Aid Funds.

The School Board has approved participating in the Ripp Tennis Court Project, which will impact the end of the year balance. I would like to discuss the District's payment for the 18-19 fiscal year at the June Budget Committee meeting. The district's contribution will likely be around \$285,000, and can be paid over 5 years (\$57,000) per year. Given the end of the year Forecast 5 projection, administration is recommending making a \$57,000 payment at this time.

If you have any questions, please contact Steve Summers at [stevesummers@waunakee.k12.wi.us](mailto:stevesummers@waunakee.k12.wi.us) or (608) 849-2000 ext 8491.

## C. Budget Changes

The purpose of this agenda item is to review the formal budget change process that will be presented to the School Board for approval in June. The budget change document is attached.

All budget revisions are entered into the Skyward Financial System using the Skyward Budget Revision process. The budget revisions for 18-19 include:

- \* changes in grant allocations (both Fund 10 and 27)
- \* changes to the State of Wisconsin Library Aid (Fund 10)
- \* salary budgets approved by the Board of Education in November (both Fund 10 and 27)
- \* the transportation budgets (both Fund 10 and 27)
- \* the state special education categorical aid (Fund 27)
- \*the two new special education para educators (Fund 27)
- \*the transfer between Fund 10 and 27 (both Fund 10 and 27)
- \* summer school revenues and expenses (both Fund 10 and 80)

All budget revisions will be presented to the School Board for approval at the June 10th School Board Meeting. If you have any questions, please contact Steve Summers at [stevesummers@waunakee.k12.wi.us](mailto:stevesummers@waunakee.k12.wi.us) or (608) 849-2000 ext 8491.

#### D. Fund Balance Classifications

The purpose of this agenda item is to review the fund balance classifications. The School Board is annually required to approve fund balance accounts prior to the close of the fiscal year. I have attached the fund balance accounts that are currently being used. The one changes is highlighted in yellow for your review. Please let me know if you have any questions on the fund balance classifications. You can contact me via email at [stevesummers@waunakee.k12.wi.us](mailto:stevesummers@waunakee.k12.wi.us) or via phone at 849-2000 ext 8012. Thanks.

### VI. **2019-2020 BUDGET PLANNING**

#### A. Review Second Draft of the Budget

The purpose of this agenda item is to review the second draft of the budget for the 19-20 school year.

To begin with, I have attached the Joint Finance Committee Public School 19-21 State Budget Omnibus Motion. There are multiple differences between this document and how our district has been planning the 19-20 budget process. Administration will be requesting feedback from the Budget Committee on this topic. In particular, we would like to discuss any changes that we should be considering for our third draft of the budget process in July.

I have attached the second draft of the budget for your review. The changes between the first and second draft of the budget are as follows:

1. Title 1 and Title 2 grant allocations have been updated
2. The WEDC grant was removed from the high school budget
3. The Maintenance and Technology budgets were reduced by \$25,000 each to

reallocate funds to the additional administrative assistant approved at the May meeting

4. \$3,000 in Business Office budgetary funds were transferred to the Human Resources office to pay for software utilized by the Human Resources office that was previously paid for from the Business Office budget
5. The Fund 50 food service budget has been updated to reflect the School Board approved fees

The third draft of the budget in July will at least include:

1. Adjustments per the State Legislative budget proposal process
2. An update to Funds 21, 80 and 99 based on fiscal year-to-date activity
3. Federal grant allocations
4. Building/department revenue budgets, which impact expenditure budgets as well
5. An update to state equalization aid/property taxes based on the July DPI state aid estimate
6. Staffing update based on additional schedule changes or reallocation proposals

I have also attached the staff budget presentation so that you can see the information that was shared with staff in May regarding the budget process. Please let me know if you have any questions on the second draft of the budget. You can contact me via email at [stevesummers@waunakee.k12.wi.us](mailto:stevesummers@waunakee.k12.wi.us) or via phone at 849-2000 ext 8012. Thanks.

#### B. Lease Agreements

The purpose of this agenda item is to review the lease agreements for the 19-20 school year. I have attached the lease agreements for your review. Dane County has their own formal lease agreement, and they have the option to request an extension of our lease agreement through June 30, 2020.

The district currently has leases with the Wisconsin Youth Company (K-4 after-school program for school year and summer session), Dane County (1 office at Heritage Elementary School), and the New Teacher Project (office space at Heritage Elementary School).

The administrative recommendation is to approve all three leases with the Wisconsin Youth Company lease increasing from \$2,500 to \$2,600 per building,

the Dane County lease continuing at \$75 per month, and the New Teacher Project lease continuing at \$300 per month.

Please let me know if you have any questions on the lease agreements. You can contact me via email at [stevesummers@waunakee.k12.wi.us](mailto:stevesummers@waunakee.k12.wi.us) or via phone at 849-2000 ext 8012. Thanks.

## VII. DISCUSSION/ACTION ON PROPOSALS

There are no proposals to review this month.

### A. Rhyme Papercut Proposal

The purpose of this agenda item is to discuss a proposal from Rhyme. Rhyme is the vendor that has been selected by the District to provide copy equipment and service throughout the District. The District owns all copy equipment, with the exception of leases in the copy center. All equipment is purchased or leased through State/National purchasing agreements. The District typically purchases between \$50-60,000 worth of new equipment annually, in addition to the copy center leases. The total budget for copying equipment and service is \$150,000.

Rhyme is proposing that the District purchase a print management system called Papercut in lieu of only purchasing equipment. Attached please find information on the cost of Papercut, the estimated return on investment, and the equipment that would be replaced in the summer of 2019. Print management systems are designed to reduce the quantity of copies and designed to direct copies to the lowest cost copier available. In addition, these systems increase confidentiality by requiring staff to scan employee badges at the copy equipment in order to receive their copy work. These systems also track usage which provides data for future cost savings opportunities.

I have reviewed the Papercut system with the Administrative team and have their support to move forward with a print management system. I am seeking feedback from the Budget Committee on this topic.

Please contact Steve Summers at [stevesummers@waunakee.k12.wi.us](mailto:stevesummers@waunakee.k12.wi.us) or 608-

849-2000 ext 8012 if you have any questions.

## **VIII. OTHER ITEMS FOR DISCUSSION**

### **A. Soccer Stadium Fundraising Financial Plan**

The purpose of this agenda item is to begin the discussion on the financial plan for the Soccer Stadium fundraising project. The Facility Committee met on May 29th to discuss the Soccer Stadium master planning process. The master planning process involves Rettler working closely with the community fundraising group. This includes the identification of fundraising opportunities.

As background information, the Warrior Stadium fundraising financial plan included the use of pledges over time. The Warrior Stadium community fundraising group met with the Budget Committee (towards the end of the fundraising campaign), to discuss options for financing the project. The basic options were a private loan or a public loan through the school district. Private loans carry an above market interest rate due to the risks involved. A loan through the school district required an increase in the cash flow borrowing process that was completed in the fall. The loan through the school district was significantly less expensive overall compared to a private loan. The Budget Committee recommended providing a school district loan to the Warrior Stadium community fundraising group instead of a private loan. Attached please find the details on the amount calculated for this loan at the end of the 17-18 fiscal year. This information was shared with the District's audit firm during the audit process. The District has received a payment of \$208,548 for pledges received so far during the

18-19 school year.

The Soccer Stadium community fundraising group would like to discuss this topic on the front end of the fundraising campaign. Administration is not seeking a decision or recommendation at this point. Administration is requesting Budget Committee feedback on this topic.

Please contact Steve Summers at [stevesummers@waunakee.k12.wi.us](mailto:stevesummers@waunakee.k12.wi.us) or 608-849-2000 ext 8012 if you have any questions.

**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.”