

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

Tuesday, December 6, 2022

7:30 AM

Waunakee Community School District
905 Bethel Circle
Waunakee, WI 53597

Members of the public may attend Board of Education meetings in-person, and will be asked to check in with District personnel when you arrive.

Public comments will be limited to 3 minutes. The Board will allow 30 Minutes for public comments.

Public comments may be sent to Rebecca McDonough at district_administrator@waunakee.k12.wi.us up to one hour before the start of the Board meeting. All comments will be reviewed by the Board members. Emailed comments will be reviewed by the board but not read out loud. Emailed comments sent during any part of the board meeting (Board Development, Closed session, Open session) will be forwarded to the board but may or may not be reviewed by the board until after the board adjourns. Comments must include the commentator's name, address, and must identify their connection to the District (if any) and any group they are representing in order to be considered by the Board.

If you would like to address the Board in-person during the public comments section of the meeting, you will be greeted in the lobby of the building, asked to check in with District personnel when you arrive so that you can be recognized and address the Board when your name is called.

A recording of the meeting will be posted on the District webpage within 24 hours of the meeting time.

AGENDA

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF AGENDA

IV. PUBLIC COMMENTS

V. 2022-2023 BUDGET UPDATE

A. Discussion of Operational Referendum Question

4

The purpose of this discussion is to review the \$1 million operational referendum question for the 22-23 school year. As a result of this referendum question passing on November 8th, an additional \$1 million was added to the fund 10 property tax levy. Attached please find a document that we reviewed this past spring regarding budget planning.

Please note this document included a column called "November 8th" that referenced

several expenditure lines that were initially removed from the 22-23 budget. These expenditures could be added back into the 22-23 budget. Administration is seeking budget committee feedback on this topic. We have also added the most recent monthly board report to assist with this discussion.

B. End of the Year Balance Projection 6

The purpose of this agenda item is to review the projected end of the year balance. The 22-23 Fund 10 budget approved by the School Board in October was balanced and included a \$100,000 contingency. As of the end of November, the special education teacher approved for Heritage will come from the contingency fund.

There are two other items to note:

- 1) The utility expenditures could exceed the utility budget by a significant dollar amount due to increases in the market rates for natural gas. See attached natural gas pricing chart.
- 2) Transportation invoices that belonged to the 21-22 fiscal year were not received until after the audit was completed. These invoices were shared with the district auditor, but were outside of the audit timeframe for 21-22. As a result, these invoices will be coded to the 22-23 fiscal year.

C. December 2022 Property Tax Bills

The purpose of this agenda item is to make the committee aware of the state requirements related to property tax bills. The state requires the following to be separated out on property tax bills:

Per §74.09(3)(db) a school board is required to separately report any tax levies that exceed its annual revenue limit as a result of a successful referendum to exceed the limit on a non-permanent basis. State law requires the levies associated with all debt and non-recurring operation referendums passed after December 31, 2014 to be listed separately. The property tax bill must also include the year in which the non-permanent referendum to exceed the revenue limit no longer applies.

The total property tax levy certified by the district was \$38,555,555, but we had to separate out a tax levy for the November 8th referendum. The tax levy for the capital referendum question is an estimate because the financial plan has not been fully implemented at this time.

VI. **2023-2024 BUDGET PLANNING**

A. Timeline 7

The purpose of this agenda item is to discuss the draft of the 2023-2024 budget process. Attached please find the budget timeline.

B. Review Enrollment Projection Scenarios 8

The purpose of this agenda item is to review enrollment projection scenarios. Attached

please find a document that includes historical Third Friday in September counts and several enrollment projection models. Administration is recommending a budget planning process utilizing the 5-year average for enrollment planning. The most significant take-away from the attached document is that we will have a reduction in our student count of 101 students by moving our existing enrollment from one grade to the next. The 5-year average is projecting an increase of 110 new students, which nets out to a +9 overall. Administration is seeking feedback from the Budget Committee on this topic.

VII. NOVEMBER 8TH REFERENDUM PLANNING PROCESS 13

The purpose of this agenda item is to review the attached presentation on the financial plan related to the November 8th referendum. Administration is seeking budget committee feedback on the example financial plans that are included in this presentation. Erik Kass from PMA will join us for this discussion.

VIII. DISCUSSION/ACTION ON PROPOSALS

IX. OTHER ITEMS FOR DISCUSSION

X. FUTURE AGENDA ITEMS

XI. 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.”

	21-22	22-23 July 1	22-23 Nov 8
Beginning Fund 10 Balance	\$7,614,873.48		
Ending Fund 10 Fund Balance	\$7,614,873.48		
Beginning Fund 41 Fund Balance	\$1,173,399.37		
Ending Fund 41 Fund Balance	\$714,144.00		

Revenues (Additional)			
22-23 Revenue Increase		\$107,683.00	
Unemployment Refund	\$76,058.00		
Additional Student Count		\$103,282.00	
Additional Open Enrollment Students			
Operational Referendum			\$1,200,000.00
Transfer of Service		\$212,200.00	
Utility Refund	\$25,558.00		
Additional Revenue Total	\$101,616.00	\$423,165.00	\$1,200,000.00

Expenses (Savings)			
Payment to Fund 73 Trust	\$557,476.00	\$557,476.00	
Transportation	\$50,000.00	\$150,000.00	
Virtual Instruction - Staff		\$35,000.00	
Virtual Instruction - Contracted	\$50,000.00	\$128,000.00	
Building/Dept Budgets	\$250,000.00	\$250,000.00	
Copy Machine Replacement		\$55,000.00	
Energy Efficiency Budget		\$83,894.00	
Capital Maintenance Projects			\$225,000.00
Early Retirement/Resignations		\$200,000.00	
Savings Expense Total	\$907,476.00	\$1,459,370.00	\$225,000.00

Expenses (Additions)			
Summer School Pay Increase		\$107,000.00	
Aquatic Center Pay Increase		\$5,000.00	
Special Education - HS		\$136,000.00	
English Language Learner		\$130,000.00	
Co-curricular Programs		\$40,000.00	
Utilities (TBD)		\$31,260.00	
New FTE (7-12)		\$88,400.00	
New 6th Grade Section		\$70,000.00	
New 1st Grade Section		\$70,000.00	
Compensation System Increases		\$546,300.00	
Inflationary Increases		\$1,546,400.00	
Intermediate/MS Guidance		\$70,000.00	
Arboretum AP/4K Principal		\$110,000.00	
Payment to Fund 73 Trust			\$443,666.00
Energy Efficiency Budget			\$83,894.00
Capital Maintenance Projects			\$225,000.00
Copy Machine Replacement			\$55,000.00
Building/Dept Budgets			\$250,000.00
Additional Expense Total	\$0.00	\$2,950,360.00	\$1,057,560.00

Net Change	\$1,009,092.00	-\$1,067,825.00	-\$700,385.00
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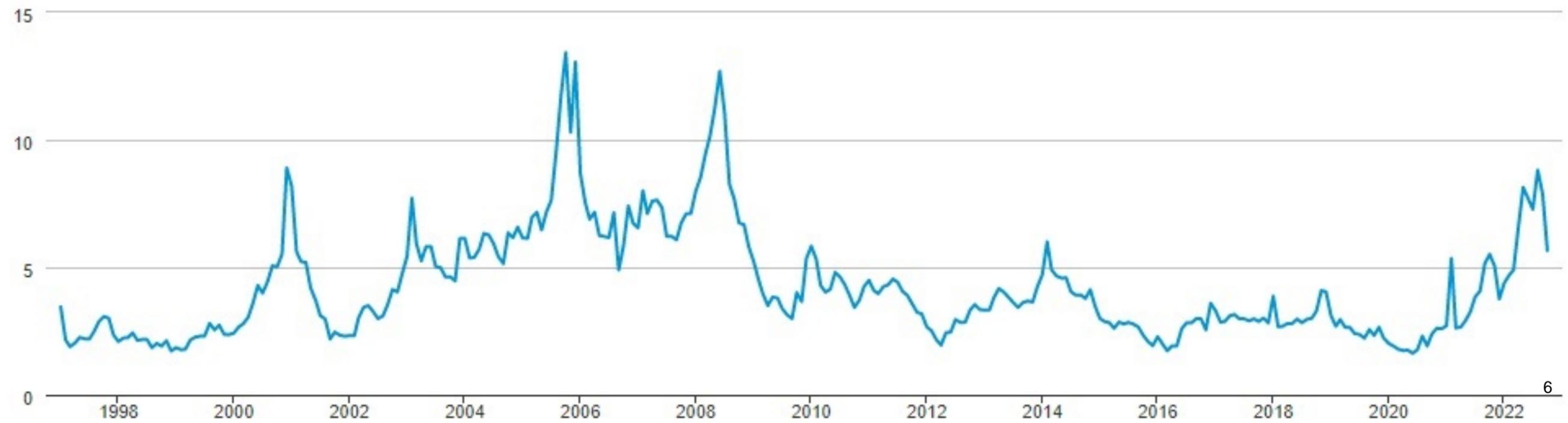
2022-23 Budget Status Report - October 31, 2022

CALCULATION OF BUILDING/DEPARTMENT BUDGET BALANCES									
Building/Department	21-22 Carryover	22-23 Revenue Budget	22-23 Rec'd	22-23 Revenue Balance	22-23 Expense Budget	22-23 Spent / Encumbered	22-23 Expense Balance	22-23 Balance	Funds Available
Prairie School	25,743.93	4,600.00	3,462.50	1,137.50	89,830	53,308.76	36,521.24	35,383.74	61,127.67
Heritage School	18,658.69	4,900.00	2,190.00	2,710.00	92,060	63,752.35	28,307.65	25,597.65	44,256.34
Arboretum School	21,718.99	4,000.00	3,525.44	474.56	74,035	48,913.37	25,121.63	24,647.07	46,366.06
Intermediate School	64,889.99	35,650.00	6,767.88	28,882.12	152,470	63,619.52	88,850.48	59,968.36	124,858.35
Middle School	44,460.64	22,300.00	14,903.52	7,396.48	163,790	66,530.12	97,259.88	89,863.40	134,324.04
High School	123,019.12	91,400.00	57,532.18	33,867.82	476,918	183,408.57	293,509.43	259,641.61	382,660.73
Athletic Dept	60,229.50	38,000.00	1,115.00	36,885.00	414,477	222,155.89	192,321.11	155,436.11	215,665.61
Curriculum-Elementary (Oper)	112,292.23	0.00	0.00	0.00	277,882	223,310.88	54,571.12	54,571.12	166,863.35
Curriculum-Secondary	20,932.26	8,800.00	1,439.71	7,360.29	366,529	386,850.23	-20,321.23	-27,681.52	-6,749.26
CTE Grant	37,711.34	73,654.00	59,919.03	13,734.97	73,654	15,107.07	58,546.93	44,811.96	82,523.30
Energy Conservation	461.82	0.00	0.00	0.00	0	0.00	0.00	0.00	461.82
Human Resources	3,639.87	0.00	0.00	0.00	33,650	23,654.75	9,995.25	9,995.25	13,635.12
Maintenance	311,049.57	6,000.00	1,992.75	4,007.25	444,890	759,838.42	-314,948.42	-318,955.67	-7,906.10
Special Education-Operations	19,227.32	0.00	0.00	0.00	28,839	-6.00	28,845.00	28,845.00	48,072.32
Student Services-Operations	75,977.25	0.00	0.00	0.00	71,250	22,043.93	49,206.07	49,206.07	125,183.32
Superintendent	35,998.23	0.00	0.00	0.00	84,600	79,958.01	4,641.99	4,641.99	40,640.22
Technology	498,345.83	58,250.00	1,877.74	56,372.26	771,679	651,839.83	119,839.17	63,466.91	561,812.74
Capital Projects (Fund 10)	10,333.09	0.00	0.00	0.00	0	10,934.45	-10,934.45	-10,934.45	-601.36
	1,484,689.67							548,504.60	2,033,194.27

Henry Hub Natural Gas Spot Price

 [DOWNLOAD](#)

Dollars per Million Btu



— Henry Hub Natural Gas Spot Price

I. 2023-2024 BUDGET TIMELINE

December 6	Review enrollment projection scenarios with the Budget Committee Review budget planning process with the Budget Committee
December 13	Review budget planning process with the Administrative Cabinet
January 3-6	Review expenditure projection scenarios with the Budget Committee
January 10	Review budget planning process with the Administrative Cabinet
January 11	Open budget planning process to Administrative Cabinet
January 27	Budget planning requests due
February 6-10	Present first draft of the budget planning process to the Budget Committee
March 6-10	Present second draft of the budget planning process to the Budget Committee
March 13	Present budget planning process to the School Board for approval
March 14	Distribute approved budget planning process to the administrative cabinet
March 15 – Apr. 15	Building/department level budget development
April 3-21	Preparation of the first draft of the budget Budget meetings with administrators as necessary
April 24-28	Special School Board/Leadership Team meeting to review 2023-24 budget process
May 1-5	First draft of the budget to the Budget Committee
May 8	First draft of the budget to the School Board School Board approves 2023-24 student fees School Board approves 2023-24 insurance benefits
May 9-26	Staff presentations on the budget process
June 5-9	Second draft of the budget to the Budget Committee
June 12	Second draft of the budget to the School Board
July 1	State equalization aid estimates released by DPI
July 5-7	Third draft of the budget to the Budget Committee
July 10	Third draft of the budget to the School Board Public hearing on the budget during School Board meeting School Board approves budget to allow for summer activity
September 15	Third Friday in September student count
October 15	State equalization aid certification released by DPI
October 16	Presentation of the approved budget at the annual school district Budget Hearing. Request public approval of the tax levy at the Annual Meeting.
October 17-20	Present budget changes and tax levy changes to the Budget Committee
October 23	School Board makes any changes to the budget and sets the tax levy on or before November 1
Before Nov. 10	Certify tax levy by the School Board Clerk

Enrollment Projections
for the
Waunakee Community School District

November 16, 2022

Prepared by:
Grade A Budgets, LLC

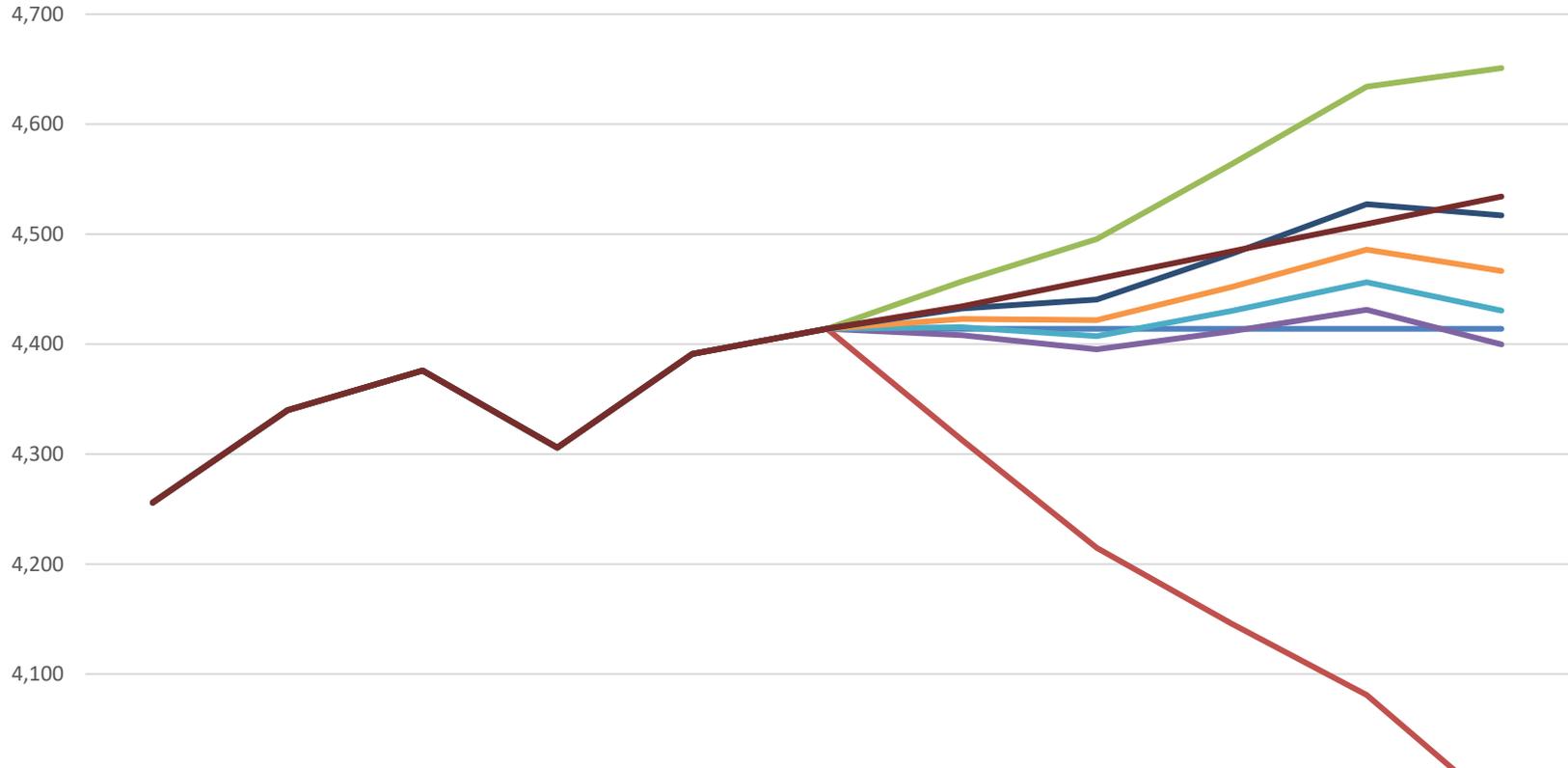
**Waunakee Community School District
Historic and Projected Headcount**

Historic and Projected Headcount - Waunakee Community School District											
Year	Actuals					Current	Projections				
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
No Changes	4,256	4,340	4,376	4,306	4,391	4,414	4,414	4,414	4,414	4,414	4,414
<i>Change</i>		84	36	-70	85	23	0	0	0	0	0
Roll Forward	4,256	4,340	4,376	4,306	4,391	4,414	4,313	4,215	4,146	4,081	3,976
<i>Change</i>		84	36	-70	85	23	-101	-98	-69	-65	-105
2 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,457	4,496	4,564	4,634	4,651
<i>Change</i>		84	36	-70	85	23	43	39	68	70	17
3 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,408	4,395	4,412	4,431	4,400
<i>Change</i>		84	36	-70	85	23	-6	-13	16	20	-31
4 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,415	4,407	4,430	4,456	4,430
<i>Change</i>		84	36	-70	85	23	1	-8	23	26	-26
5 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,423	4,422	4,452	4,486	4,467
<i>Change</i>		84	36	-70	85	23	9	-1	30	34	-19
Baseline	4,256	4,340	4,376	4,306	4,391	4,414	4,432	4,441	4,482	4,527	4,517
<i>Change</i>		84	36	-70	85	23	18	8	42	45	-10
Linear Trend	4,256	4,340	4,376	4,306	4,391	4,414	4,434	4,459	4,484	4,509	4,534
<i>Change</i>		84	36	-70	85	23	20	25	25	25	25

**Waunakee Community School District
Historic and Projected Full Time Equivalent (FTE)**

Historic and Projected FTE - Waunakee Community School District											
Year	Actuals					Current	Projections				
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
No Changes	4,022	4,074	4,091	4,026	4,084	4,120	4,120	4,120	4,120	4,120	4,120
<i>Change</i>		52	17	-65	58	36	0	0	0	0	0
Roll Forward	4,022	4,074	4,091	4,026	4,084	4,120	4,015	3,914	3,839	3,769	3,663
<i>Change</i>		52	17	-65	58	36	-105	-101	-75	-70	-106
2 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,163	4,209	4,259	4,323	4,338
<i>Change</i>		52	17	-65	58	36	43	46	50	64	15
3 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,121	4,118	4,128	4,148	4,121
<i>Change</i>		52	17	-65	58	36	1	-3	10	20	-27
4 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,118	4,111	4,122	4,138	4,109
<i>Change</i>		52	17	-65	58	36	-2	-7	11	16	-29
5 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,120	4,115	4,133	4,155	4,133
<i>Change</i>		52	17	-65	58	36	0	-5	18	22	-22
Baseline	4,022	4,074	4,091	4,026	4,084	4,120	4,124	4,121	4,145	4,175	4,160
<i>Change</i>		52	17	-65	58	36	4	-3	24	30	-15
Linear Trend	4,022	4,074	4,091	4,026	4,084	4,120	4,115	4,129	4,141	4,154	4,165
<i>Change</i>		52	17	-65	58	36	-5	14	12	13	11

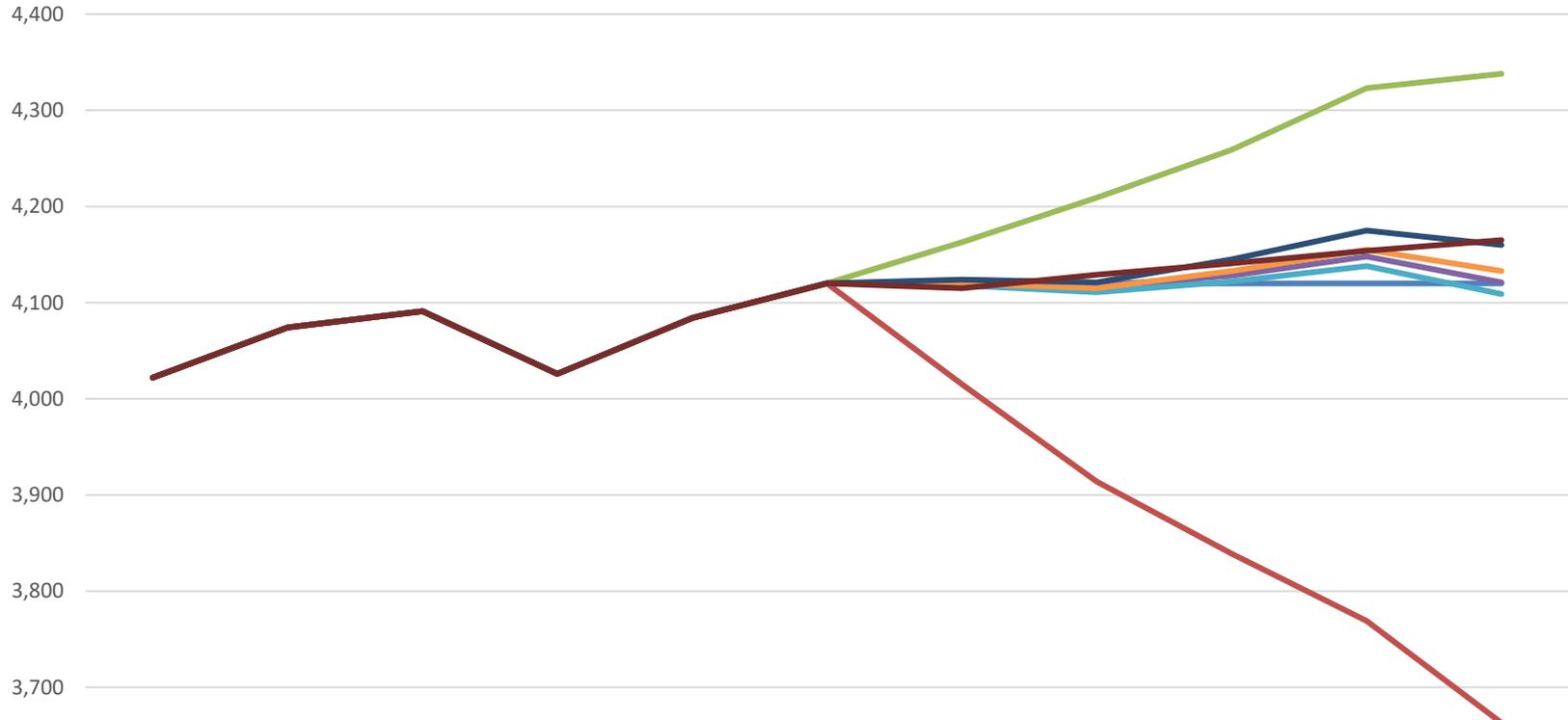
Historic and Projected Headcount - Waunakee Community School District



	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
No Changes	4,256	4,340	4,376	4,306	4,391	4,414	4,414	4,414	4,414	4,414	4,414
Roll Forward	4,256	4,340	4,376	4,306	4,391	4,414	4,313	4,215	4,146	4,081	3,976
2 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,457	4,496	4,564	4,634	4,651
3 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,408	4,395	4,412	4,431	4,400
4 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,415	4,407	4,430	4,456	4,430
5 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,423	4,422	4,452	4,486	4,467
Baseline	4,256	4,340	4,376	4,306	4,391	4,414	4,432	4,441	4,482	4,527	4,517
Linear Trend	4,256	4,340	4,376	4,306	4,391	4,414	4,434	4,459	4,484	4,509	4,534

— No Changes
 — Roll Forward
 — 2 Yr Avg
 — 3 Yr Avg
 — 4 Yr Avg
 — 5 Yr Avg
 — Baseline
 — Linear Trend

Historic and Projected FTE - Waunakee Community School District



	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
No Changes	4,022	4,074	4,091	4,026	4,084	4,120	4,120	4,120	4,120	4,120	4,120
Roll Forward	4,022	4,074	4,091	4,026	4,084	4,120	4,015	3,914	3,839	3,769	3,663
2 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,163	4,209	4,259	4,323	4,338
3 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,121	4,118	4,128	4,148	4,121
4 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,118	4,111	4,122	4,138	4,109
5 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,120	4,115	4,133	4,155	4,133
Baseline	4,022	4,074	4,091	4,026	4,084	4,120	4,124	4,121	4,145	4,175	4,160
Linear Trend	4,022	4,074	4,091	4,026	4,084	4,120	4,115	4,129	4,141	4,154	4,165

— No Changes
 — Roll Forward
 — 2 Yr Avg
 — 3 Yr Avg
 — 4 Yr Avg
 — 5 Yr Avg
 — Baseline
 — Linear Trend



WAUNAKEE
COMMUNITY SCHOOL DISTRICT

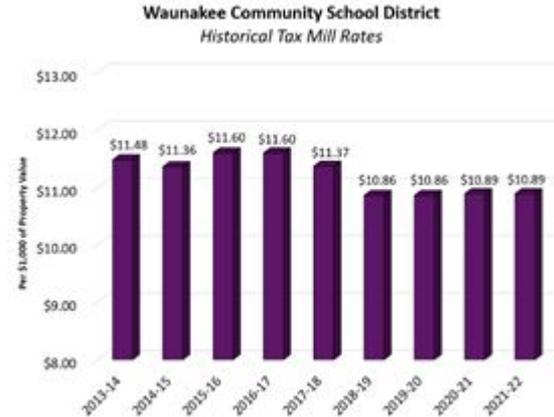
November 2022 Referendum Planning Process

13

December 6th Budget Committee Meeting

October 2021

- School Board approved 2021-22 tax levy with a \$4,813,913 debt service prepayment.
- The debt service prepayment resulted in a consistent tax rate of \$10.89 per \$1,000 of equalized value.



January 2022

- Erik Kass from PMA shared a draft financial scenario with a \$150 million capital question and \$6 million operational question.
- This scenario was not based on project budgets, but rather a request from the board to estimate what amounts were possible with a consistent tax rate.
- The draft financial scenario resulted in a consistent tax rate of \$10.89 per \$1,000 of equalized value.

Waunakee Community School District EXAMPLE NOVEMBER, 2022 REFERENDA FINANCING PLAN <small>\$60.000,000 FOR FACILITIES</small>																					
LEVY YEAR	FUND 39 EXISTING DEBT SERVICE DUE	EXAMPLE FUND 39 IMPACT OF DEBT DEFERRANCE 2022-2023	FUND 39 EXISTING DEBT SERVICE	\$40,000,000 G.O. SCHOOL BUILDING BONDS Dated July 1, 2022		\$40,000,000 G.O. SCHOOL BUILDING BONDS Dated July 1, 2022		\$40,000,000 G.O. SCHOOL BUILDING BONDS Dated July 1, 2022		\$30,000,000 G.O. SCHOOL BUILDING BONDS Dated July 1, 2022		FUND 39 DEBT LEVY EXISTING PLUS NEW	IMPACT OF EXISTING NONRECURRING OPERATING OVERRIDES <small>(See www.wcsd.wisc.gov)</small>	NEW RECURRING OPERATING OVERRIDES	STATE AID OVER BASE YEAR (FY 2021-22)	COMBINED TOTAL	COMBINED MILL RATE	YEAR DUE			
				PRINCIPAL (\$)	INTEREST (\$)																
2021	2022	\$7,203,088	\$4,813,912	\$12,017,000																	
2022	2023	\$7,281,020	\$6,315,668	\$13,596,708																	
2023	2024	\$7,359,749	\$2,490,884	\$4,868,865																	
2024	2025	\$7,380,515	\$2,489,250	\$4,890,960																	
2025	2026	\$7,380,515	\$2,489,250	\$4,891,290																	
2026	2027	\$7,488,365	\$2,620,050	\$4,868,315																	
2027	2028	\$7,488,465	\$2,619,075	\$4,870,390																	
2028	2029	\$5,038,007	\$1,688,025	\$4,868,942																	
2029	2030	\$5,040,487	\$1,722,763	\$4,868,184																	
2030	2031	\$2,588,463	\$2,599,463	\$2,599,463																	
2031	2032	\$2,601,975	\$2,601,975	\$2,601,975																	
2032	2033	\$2,598,466	\$2,598,466	\$2,598,466																	
2033	2034	\$2,597,319	\$2,597,319	\$2,597,319																	
2034	2035	\$660,563	\$660,563	\$660,563																	
2035	2036																				
2036	2037																				
2037	2038																				
2038	2039																				
2039	2040																				
2040	2041																				
2041	2042																				
2042	2043																				
2043	2044																				
2044	2045																				
2045	2046																				
				\$172,283,584	\$1,324,041	\$10,792,500	\$40,000,000	\$1,434,431	\$40,000,000	\$1,431,681	\$40,000,000	\$1,763,320	\$30,000,000	\$1,616,688	\$301,206,581	\$1,488,572	\$30,712,581	IMPACT			\$6.00

(A) State aid based on prior fiscal year incremental expenditure over base year (FY 2021-22) at the following aid levels (2021-22 October certification):
 Tertiary Aid Percentage: 7.01% NOTE: Estimates, one-time aid benefits of \$2.4 million expected in 2022-23.
 (B) Mill rate based on 2021 Equalized Valuation (TD-CUT) of \$3,437,359.073 with annual growth as follows:
 2022-23: 0.00%
 2034 and thereafter: 0.00%

NOTES: Example financing scenarios could be impacted by other variables, such as significant market or statutory changes, which may necessitate adjustments to the financing plans.
 Mill rate may remain unchanged or decline in upcoming years if referendum not approved.
 Scenarios where a greater portion of the overall debt is issued in advance of the expenditures of the proceeds will likely result in higher fees earned by the investment manager of the debt proceeds.

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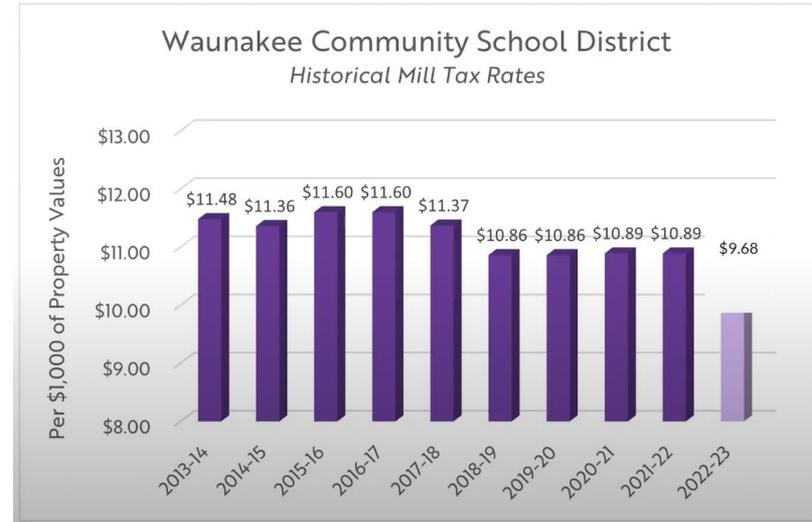
July 2022

- The Department of Public Instruction released the July 1st state equalization aid estimate.
- The third draft of the budget and the draft financial scenario was revised to reflect the state aid estimate.
- The draft financial scenario was updated to reflect the community survey results and the updated project budgets.



October 2022

- School Board approved 2022-23 tax levy of \$38,555,555, pending the results of the November 8th referendum.
- The tax rate was \$9.68 per \$1,000 of equalized value. The equalized property values increased 15.8%.



November 2022

- Both referendum questions were approved. The tax levy certification was based on the option “referendums both approved”.
- Therefore, the debt repayment is \$0 and the debt service tax levy includes \$5,980,673 available towards the capital referendum financial plan.

2022-2023 Budget & Tax Levy Options

	Referendums Not Approved	Referendums Both Approved	Referendum Q1 Approved	Referendum Q2 Approved
Fund 10 Tax Levy	\$ 23,818,251.00	\$ 24,818,251.00	\$ 23,818,251.00	\$ 24,818,251.00
Fund 39 Tax Levy	\$ 14,342,804.00	\$ 13,342,804.00	\$ 14,342,804.00	\$ 13,342,804.00
Fund 80 Tax Levy	\$ 394,500.00	\$ 394,500.00	\$ 394,500.00	\$ 394,500.00
Total	\$ 38,555,555.00	\$ 38,555,555.00	\$ 38,555,555.00	\$ 38,555,555.00
Fund 10 Revenues	\$ 57,382,866.00	\$ 58,382,866.00	\$ 57,382,866.00	\$ 58,382,866.00
Fund 10 Expenses	\$ 57,382,866.00	\$ 58,382,866.00	\$ 57,382,866.00	\$ 58,382,866.00
Fund 39 Revenues	\$ 14,343,804.00	\$ 13,343,804.00	\$ 14,343,804.00	\$ 13,343,804.00
Fund 39 Expenses	\$ 14,348,804.00	\$ 13,348,804.00	\$ 14,348,804.00	\$ 13,348,804.00
Debt Repayment	\$ 6,980,673.00	\$ -	\$ 1,000,000.00	\$ 5,980,673.00



December 2022

- **Initial borrowing not to exceed \$10 million in bank qualified debt.**
- **2022-23 cash flow borrowing process was designed to allow for this initial borrowing to be bank qualified debt.**
- **The resolution will be brought forward to the December 12th school board meeting.**

RESOLUTION TITLE:

**Resolution Awarding the Sale of \$9,990,000
General Obligation School Building and
Facility Improvement Bonds, Series 2022**



2023 Planning

- **We are seeking budget committee input regarding the financial plan in 2023 and beyond.**
- **Erik Kass from PMA will review the current interest rate market and several options for moving forward.**



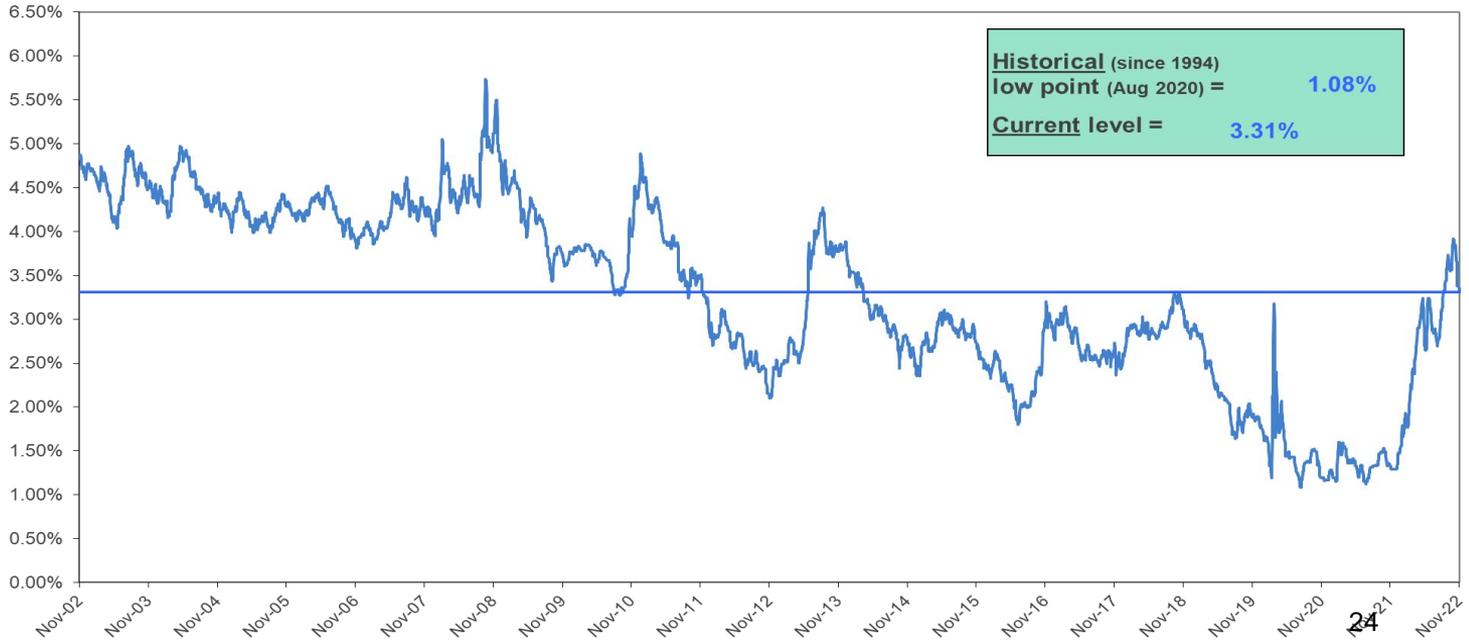
Budget Committee Input

- **A financial plan needs to balance the following:**
 - **Funding the expenditures from the projects**
 - **Property tax levy management**
 - **Interest rate risk**
 - **Long-term interest costs**



HISTORICAL INTEREST RATE COMPARISON
MMD "AAA" G.O. Bond Index, 20-Year Maturity
20 Year History as of

11/29/2022



Interest Rate Environment

REFINITIV MMD yield for a General Obligation AAA rated, 20-year maturity (5.00% coupon).

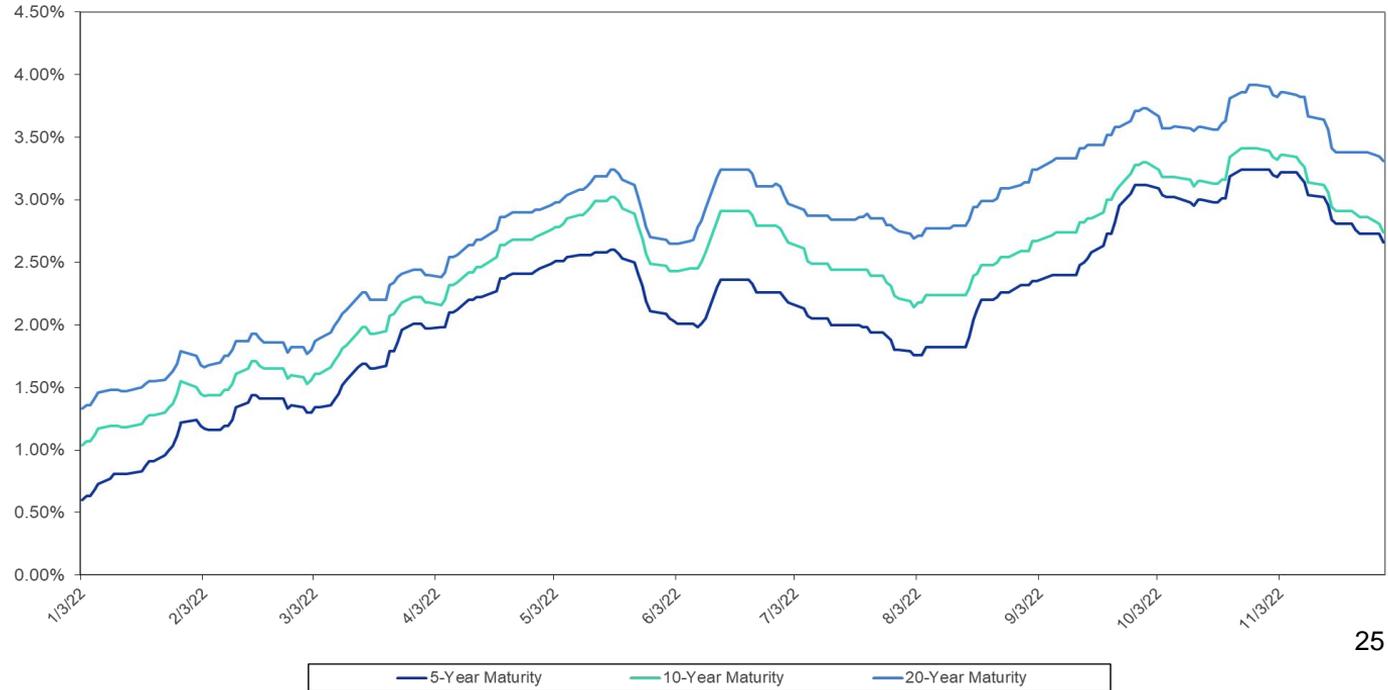


HISTORICAL INTEREST RATE COMPARISON

MMD "AAA" G.O. Bond Indices

Current Year - 2022 as of

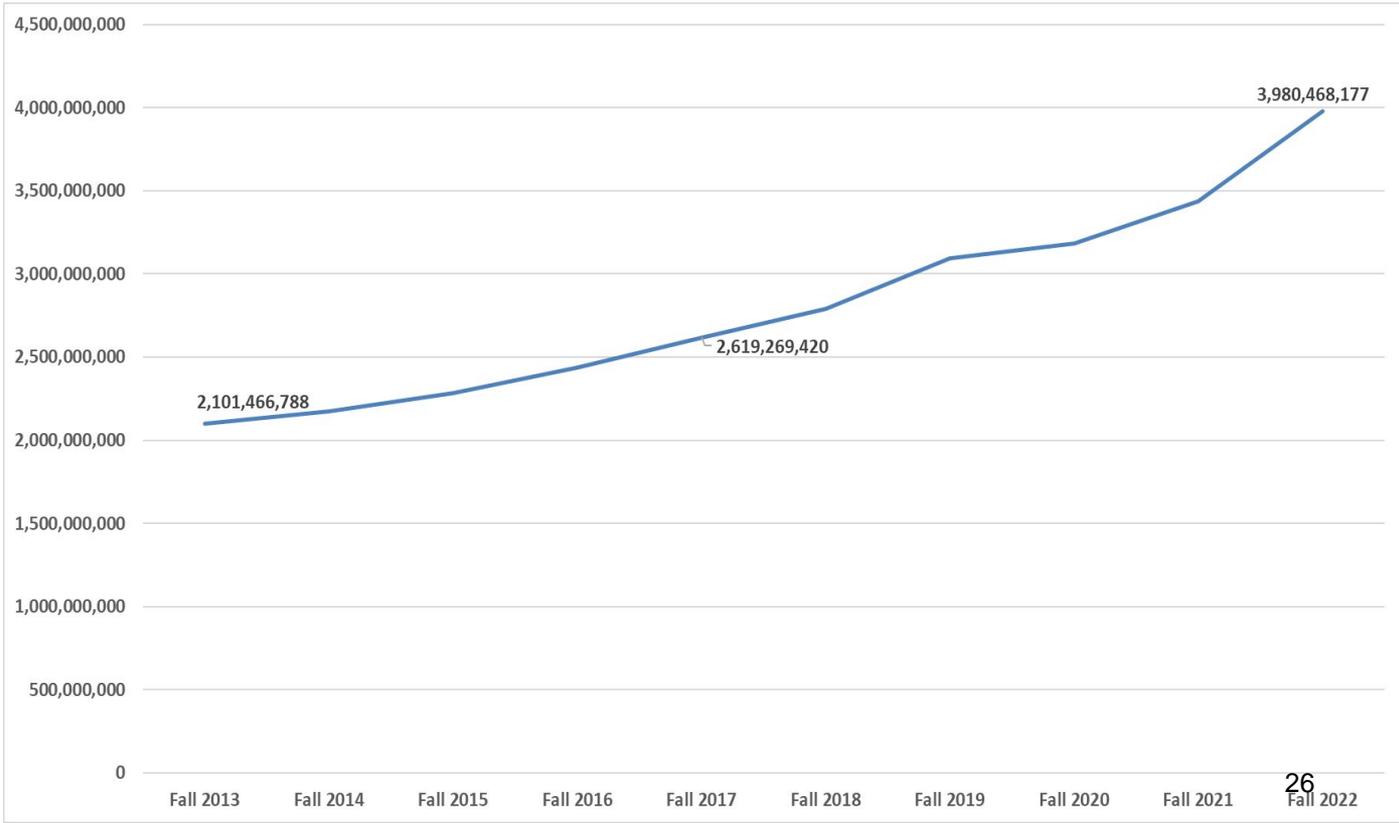
11/29/2022



REFINITIV MMD yields for General Obligation AAA rated, 5-, 10-, and 20-year maturities (5.00% coupons).



Equalized Values:
5-Year Average - 8.73%
10-Year Average - 6.68%
20-Year Average - 6.07%



Waunakee Community School District

NOVEMBER, 2022 REFERENDA EXAMPLE FINANCING PLAN

SCENARIO 1: SPREAD OUT PHASING

LEVY YEAR	YEAR DUE	FUND 39 EXISTING DEBT SERVICE	FUND 39 IMPACT OF 2022 PREPAYMENT	NET FUND 39 EXISTING DEBT SERVICE	BANK QUALIFIED										NET NEW DEBT SERVICE	EXAMPLE LEVY MANAGEMENT FUND	FUND 39 DEBT LEVY EXISTING PLUS NEW	YEAR DUE
					\$10,000,000		\$45,000,000		\$40,000,000		\$40,000,000		\$40,000,000					
					G.O. SCHOOL BUILDING BONDS Dated December 29, 2022 (First interest 4/1/23)		G.O. SCHOOL BUILDING BONDS Dated July 1, 2023 (First interest 4/1/24)		G.O. SCHOOL BUILDING BONDS Dated July 1, 2024 (First interest 4/1/25)		G.O. SCHOOL BUILDING BONDS Dated July 1, 2025 (First interest 4/1/26)		G.O. SCHOOL BUILDING BONDS Dated July 1, 2026 (First interest 4/1/27)					
PRINCIPAL (4/1)	INTEREST (4/1 & 10/1) EST. AIC= 4.51%	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1) EST. AVG= 4.75%	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1) EST. AVG= 4.75%	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1) EST. AVG= 4.75%	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1) EST. AVG= 4.75%									
2021	2022	\$7,203,088	\$4,813,912	\$12,017,000														
2022	2023	\$7,281,020	(\$179,171)	\$7,101,849	\$341,502													
2023	2024	\$7,359,749	(\$179,171)	\$7,180,578	\$451,988	\$5,405,000	\$2,543,506											
2024	2025	\$7,359,653	(\$179,171)	\$7,180,481	\$451,988			\$1,830,000	\$2,331,538									
2025	2026	\$7,360,515	(\$179,171)	\$7,181,344	\$451,988				\$1,813,075	\$2,250,000	\$2,321,563							
2026	2027	\$7,488,365	(\$179,171)	\$7,309,194	\$451,988				\$1,813,075		\$1,793,125	\$1,000,000	\$2,351,250					
2027	2028	\$7,489,465	(\$179,171)	\$7,310,294	\$451,988				\$1,813,075		\$1,793,125		\$1,852,500					
2028	2029	\$5,036,067	(\$2,396,020)	\$2,640,047	\$451,988	\$970,000	\$1,857,725	\$1,370,000	\$1,780,538	\$1,115,000	\$1,766,644	\$965,000	\$1,829,581					
2029	2030	\$5,040,947	(\$2,436,434)	\$2,604,513	\$451,988	\$1,050,000	\$1,809,750	\$1,440,000	\$1,713,800	\$1,170,000	\$1,712,375	\$1,010,000	\$1,782,675					
2030	2031	\$2,599,463		\$2,599,463	\$451,988	\$1,110,000	\$1,758,450	\$1,505,000	\$1,643,856	\$1,225,000	\$1,655,494	\$1,060,000	\$1,733,513					
2031	2032	\$2,601,975		\$2,601,975	\$451,988	\$1,160,000	\$1,704,538	\$1,580,000	\$1,570,588	\$1,285,000	\$1,595,881	\$1,110,000	\$1,681,975					
2032	2033	\$2,598,406		\$2,598,406	\$451,988	\$1,220,000	\$1,648,013	\$1,660,000	\$1,493,638	\$1,345,000	\$1,533,419	\$1,165,000	\$1,627,944					
2033	2034	\$2,597,319		\$2,597,319	\$451,988	\$1,280,000	\$1,588,638	\$1,740,000	\$1,412,888	\$1,415,000	\$1,467,869	\$1,220,000	\$1,571,300					
2034	2035	\$660,563		\$660,563	\$480,000	\$439,988	\$2,845,000	\$1,490,669	\$1,825,000	\$1,328,219	\$1,485,000	\$1,398,994	\$1,280,000	\$1,511,925				
2035	2036				\$1,185,000	\$398,363	\$2,985,000	\$1,352,206	\$1,910,000	\$1,239,513	\$1,555,000	\$1,326,794	\$1,345,000	\$1,449,581				
2036	2037				\$1,240,000	\$342,388	\$3,130,000	\$1,206,975	\$2,005,000	\$1,146,531	\$1,630,000	\$1,251,150	\$1,410,000	\$1,384,150				
2037	2038				\$1,295,000	\$288,519	\$3,280,000	\$1,054,738	\$2,105,000	\$1,048,919	\$1,705,000	\$1,171,944	\$1,480,000	\$1,315,513				
2038	2039				\$1,355,000	\$230,513	\$3,435,000	\$895,256	\$2,210,000	\$946,438	\$1,790,000	\$1,088,938	\$1,550,000	\$1,243,550				
2039	2040				\$1,415,000	\$168,188	\$3,605,000	\$728,056	\$2,315,000	\$838,969	\$1,880,000	\$1,001,775	\$1,625,000	\$1,168,144				
2040	2041				\$1,480,000	\$103,050	\$3,780,000	\$552,663	\$2,430,000	\$726,275	\$1,970,000	\$910,338	\$1,700,000	\$1,089,175				
2041	2042				\$1,550,000	\$34,875	\$3,965,000	\$368,719	\$2,545,000	\$608,119	\$2,065,000	\$814,506	\$1,785,000	\$1,006,406				
2042	2043						\$5,780,000	\$137,275	\$2,670,000	\$484,263	\$2,165,000	\$714,044	\$1,875,000	\$919,481				
2043	2044								\$8,860,000	\$210,425	\$2,275,000	\$608,594	\$1,960,000	\$828,400				
2044	2045										\$11,675,000	\$277,281	\$2,060,000	\$732,925				
2045	2046												\$14,400,000	\$342,000				
		\$72,676,594	(\$1,093,570)	\$71,583,023	\$10,000,000	\$7,319,245	\$45,000,000	\$28,220,225	\$40,000,000	\$25,963,738	\$40,000,000	\$26,203,850	\$40,000,000	\$27,421,988	\$290,129,045	\$0	\$361,712,069	

- (A) Mill rate based on 2022 Equalized Valuation (TID-OUT) of \$3,980,468,177 with annual growth as follows:
 - 2023-33: 3.00% Plus estimated TID closures for 2024, 2030, and 2032 totalling \$90,649,700
 - 2034 and thereafter: 0.00%
- (B) Non-recurring override for 3 years beginning 2022-23 and ending after 2024-25.
- (C) State aid impact based on prior fiscal year incremental expenditure over base year (FY 2021-22) at the following aid levels (2022-23 October certification):
 - Tertiary Aid Percentage: -6.92%
- (D) Other Mill Rate through 2026-27 are derived from a hybrid of District information from 7/6/2022 and adjustments made reflecting the 2022-23 revenue limit worksheet. These should be revisited.

NOTES: Example financing scenarios could be impacted by other variables, such as significant market or statutory changes, which may necessitate adjustments to the financing plans.

Mill rate may remain unchanged or decline in upcoming years if referendum not approved.

Scenarios where a greater portion of the overall debt is issued in advance of the expenditures will likely result in higher fees earned by the investment manager of the debt proceeds.



Waunakee Community School District
NOVEMBER, 2022 REFERENDA EXAMPLE FINANCING PLAN
SCENARIO 2: FRONT LOADED PHASING

LEVY YEAR	YEAR DUE	FUND 39 EXISTING DEBT SERVICE	FUND 39 IMPACT OF 2022 PREPAYMENT	NET FUND 39 EXISTING DEBT SERVICE	BANK QUALIFIED \$9,990,000		\$120,000,000		\$35,020,000		BANK QUALIFIED \$9,990,000		NET NEW DEBT SERVICE	EXAMPLE LEVY MANAGEMENT FUND	FUND 39 DEBT LEVY EXISTING PLUS NEW	YEAR DUE
					G.O. SCHOOL BUILDING BONDS Dated December 29, 2022 (First interest 4/1/23)		G.O. SCHOOL BUILDING BONDS Dated February 1, 2023 (First interest 10/1/23)		G.O. SCHOOL BUILDING BONDS Dated July 1, 2025 (First interest 4/1/26)		G.O. SCHOOL BUILDING BONDS Dated July 1, 2026 (First interest 4/1/27)					
					PRINCIPAL (4/1)	INTEREST (4/1 & 10/1) EST. AIC= 4.50%	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1) EST. AVG= 4.75%	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1) EST. AVG= 4.75%	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1) EST. AVG= 4.75%				
2021	2022	\$7,203,088	\$4,813,912	\$12,017,000												
2022	2023	\$7,281,020	(\$179,171)	\$7,101,849												
2023	2024	\$7,359,749	(\$179,171)	\$7,180,578												
2024	2025	\$7,359,653	(\$179,171)	\$7,180,481												
2025	2026	\$7,360,515	(\$179,171)	\$7,181,344												
2026	2027	\$7,488,365	(\$179,171)	\$7,309,194												
2027	2028	\$7,489,465	(\$179,171)	\$7,310,294												
2028	2029	\$5,036,067	(\$2,396,020)	\$2,640,047												
2029	2030	\$5,040,947	(\$2,436,434)	\$2,604,513												
2030	2031	\$2,599,463		\$2,599,463												
2031	2032	\$2,601,975		\$2,601,975												
2032	2033	\$2,598,406		\$2,598,406												
2033	2034	\$2,597,319		\$2,597,319												
2034	2035	\$660,563		\$660,563												
2035	2036															
2036	2037															
2037	2038															
2038	2039															
2039	2040															
2040	2041															
2041	2042															
2042	2043															
2043	2044															
2044	2045															
2045	2046															
		<u>\$72,676,594</u>	<u>(\$1,093,570)</u>	<u>\$71,583,023</u>	<u>\$9,990,000</u>	<u>\$7,386,215</u>	<u>\$120,000,000</u>	<u>\$77,774,363</u>	<u>\$35,020,000</u>	<u>\$26,362,263</u>	<u>\$9,990,000</u>	<u>\$6,645,119</u>	<u>\$295,167,959</u>	<u>\$0</u>	<u>\$366,750,982</u>	

(A) Non-recurring override for 3 years beginning 2022-23 and ending after 2024-25.

(B) State aid impact based on prior fiscal year incremental expenditure over base year (FY 2021-22) at the following aid levels (2022-23 October certification):

Tertiary Aid Percentage..... -6.92%

NOTES: Example financing scenarios could be impacted by other variables, such as significant market or statutory changes, which may necessitate adjustments to the financing plans.

Mill rate may remain unchanged or decline in upcoming years if referendum not approved.

Scenarios where a greater portion of the overall debt is issued in advance of the expenditures of the proceeds will likely result in higher fees earned by the investment manager of the debt proceeds.



Waunakee Community School District

NOVEMBER, 2022 REFERENDA EXAMPLE FINANCING PLAN

SCENARIO 3: FRONT LOADED PHASING / INCREASE LEVY FLEXIBILITY

LEVY YEAR	YEAR DUE	FUND 39 EXISTING DEBT SERVICE	FUND 39 IMPACT OF 2022 PREPAYMENT	NET FUND 39 EXISTING DEBT SERVICE	BANK QUALIFIED			BANK QUALIFIED			BANK QUALIFIED			NET NEW DEBT SERVICE	EXAMPLE LEVY MANAGEMENT FUND	FUND 39 DEBT LEVY EXISTING PLUS NEW	YEAR DUE	
					\$9,990,000		\$120,000,000		\$35,020,000		\$9,990,000		\$112,380,000					
					G.O. SCHOOL BUILDING BONDS			BOND ANTICIPATION NOTES			G.O. SCHOOL BUILDING BONDS			G.O. REFUNDING BONDS				
					Dated December 29, 2022			Dated February 1, 2023			Dated July 1, 2025			Dated February 1, 2028				
					(First interest 4/1/23)			(First interest 8/1/23)			(First interest 4/1/26)			(First interest 10/1/28)				
					PRINCIPAL	INTEREST	PRINCIPAL	LESS: PRINCIPAL REFINANCED	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST			
					(4/1)	(4/1 & 10/1)	(2/1)	(due 2/1/2028; shown with ex. prepayments)	(2/1 & 8/1)	(4/1)	(4/1 & 10/1)	(4/1)	(4/1 & 10/1)	(4/1)	(4/1 & 10/1)			
									EST. AIC= 4.50%				EST. AVG= 4.75%		EST. AVG= 4.00%			
2021	2022	\$7,203,088	\$4,813,912	\$12,017,000														2022
2022	2023	\$7,281,020	(\$179,171)	\$7,101,849		\$339,934		\$2,400,000							\$2,739,934	\$3,501,021	\$12,017,000	2023
2023	2024	\$7,359,749	(\$179,171)	\$7,180,578		\$449,913	\$4,910,000	\$4,701,800						\$10,061,713	(\$3,501,021)	\$13,342,804	\$13,342,804	2024
2024	2025	\$7,359,653	(\$179,171)	\$7,180,481		\$449,913	\$1,960,000	\$4,564,400						\$6,974,313		\$14,154,794	\$14,154,794	2025
2025	2026	\$7,360,515	(\$179,171)	\$7,181,344		\$449,913	\$350,000	\$4,518,200		\$2,079,313				\$7,397,425		\$14,578,769	\$14,578,769	2026
2026	2027	\$7,488,365	(\$179,171)	\$7,309,194		\$449,913	\$400,000	\$4,503,200		\$1,663,450	\$100,000	\$590,781		\$7,707,344		\$15,016,538	\$15,016,538	2027
2027	2028	\$7,489,465	(\$179,171)	\$7,310,294		\$449,913	\$112,380,000	\$2,247,600	\$235,000	\$1,657,869	\$100,000	\$467,400	\$2,996,800	\$8,154,581		\$15,464,875	\$15,464,875	2028
2028	2029	\$5,036,067	(\$2,396,020)	\$2,640,047		\$449,913			\$500,000	\$1,640,413	\$100,000	\$462,650	\$5,755,000	\$4,380,100	\$13,288,075	\$15,928,122	\$15,928,122	2029
2029	2030	\$5,040,947	(\$2,436,434)	\$2,604,513		\$449,913			\$500,000	\$1,616,663	\$100,000	\$457,900	\$6,545,000	\$4,134,100	\$13,803,575	\$16,408,088	\$16,408,088	2030
2030	2031	\$2,599,463		\$2,599,463		\$449,913			\$500,000	\$1,592,913	\$100,000	\$453,150	\$7,345,000	\$3,856,300	\$14,297,275	\$16,896,738	\$16,896,738	2031
2031	2032	\$2,601,975		\$2,601,975		\$449,913			\$500,000	\$1,569,163	\$100,000	\$448,400	\$8,190,000	\$3,545,600	\$14,803,075	\$17,405,050	\$17,405,050	2032
2032	2033	\$2,598,406		\$2,598,406		\$449,913			\$500,000	\$1,545,413	\$100,000	\$443,650	\$9,090,000	\$3,200,000	\$15,328,975	\$17,927,381	\$17,927,381	2033
2033	2034	\$2,597,319		\$2,597,319		\$449,913			\$500,000	\$1,521,663	\$100,000	\$438,900	\$10,040,000	\$2,817,400	\$15,867,875	\$18,465,194	\$18,465,194	2034
2034	2035	\$660,563		\$660,563		\$449,913			\$2,375,000	\$1,453,381	\$260,000	\$430,350	\$6,160,000	\$2,493,400	\$13,622,044	\$14,282,606	\$14,282,606	2035
2035	2036				\$1,245,000	\$420,344		\$1,920,000	\$1,920,000	\$1,351,375	\$275,000	\$417,644	\$6,415,000	\$2,241,900	\$14,286,263	\$14,286,263	\$14,286,263	2036
2036	2037				\$1,300,000	\$361,200		\$2,020,000	\$2,020,000	\$1,257,800	\$285,000	\$404,344	\$6,675,000	\$1,980,100	\$14,283,444	\$14,283,444	\$14,283,444	2037
2037	2038				\$1,360,000	\$302,725		\$2,115,000	\$2,115,000	\$1,159,594	\$305,000	\$390,331	\$6,945,000	\$1,707,700	\$14,285,350	\$14,285,350	\$14,285,350	2038
2038	2039				\$1,420,000	\$241,875		\$2,220,000	\$2,220,000	\$1,056,638	\$315,000	\$375,606	\$7,230,000	\$1,424,200	\$14,283,319	\$14,283,319	\$14,283,319	2039
2039	2040				\$1,485,000	\$176,513		\$2,330,000	\$2,330,000	\$948,575	\$330,000	\$360,288	\$7,525,000	\$1,129,100	\$14,284,475	\$14,284,475	\$14,284,475	2040
2040	2041				\$1,555,000	\$108,113		\$2,440,000	\$2,440,000	\$835,288	\$350,000	\$344,138	\$7,830,000	\$822,000	\$14,284,538	\$14,284,538	\$14,284,538	2041
2041	2042							\$2,560,000	\$2,560,000	\$716,538	\$365,000	\$327,156	\$8,160,000	\$502,400	\$14,282,656	\$14,282,656	\$14,282,656	2042
2042	2043				\$1,625,000	\$36,563		\$4,385,000	\$4,385,000	\$551,594	\$385,000	\$309,344	\$8,485,000	\$169,700	\$14,285,638	\$14,285,638	\$14,285,638	2043
2043	2044							\$4,595,000	\$4,595,000	\$338,319	\$400,000	\$290,700			\$5,624,019	\$5,624,019	\$5,624,019	2044
2044	2045							\$4,825,000	\$4,825,000	\$114,594	\$420,000	\$271,225			\$5,630,819	\$5,630,819	\$5,630,819	2045
2045	2046										\$5,500,000	\$130,625			\$5,630,625	\$5,630,625	\$5,630,625	2046
		\$72,676,594	(\$1,093,570)	\$71,583,023	\$9,990,000	\$7,386,215	\$120,000,000	(\$112,380,000)	\$22,935,200	\$35,020,000	\$24,670,550	\$9,990,000	\$7,814,581	\$112,380,000	\$37,400,800	\$275,207,346	\$0	\$346,790,370

(A) Non-recurring override for 3 years beginning 2022-23 and ending after 2024-25.

(B) State aid impact based on prior fiscal year incremental expenditure over base year (FY 2021-22) at the following aid levels (2022-23 October certification):

Tertiary Aid Percentage..... -6.92%

NOTES: Example financing scenarios could be impacted by other variables, such as significant market or statutory changes, which may necessitate adjustments to the financing plans.

Mill rate may remain unchanged or decline in upcoming years if referendum not approved.

Scenarios where a greater portion of the overall debt is issued in advance of the expenditures of the proceeds will likely result in higher fees earned by the investment manager of the debt proceeds.



Budget Committee Input

- The third example (\$120M BAN) provides the lowest overall estimated costs with the highest interest rate risk.
- Administration is requesting a budget committee recommendation for the December 12th school board meeting.

