

Public Hearing of the KUSD Proposed 2014-15 Budget

September 10, 2014



2014-15 Proposed Budget General Fund (10)

GENERAL FUND (FUND 10)

	Audited 2012-2013	Unaudited 2013-2014	Proposed 2014-2015
Beginning Fund Balance A	17,090,004 ⁽¹⁾	27,109,475	36,805,631
Ending Fund Balance B	27,109,475	36,805,631	36,805,631

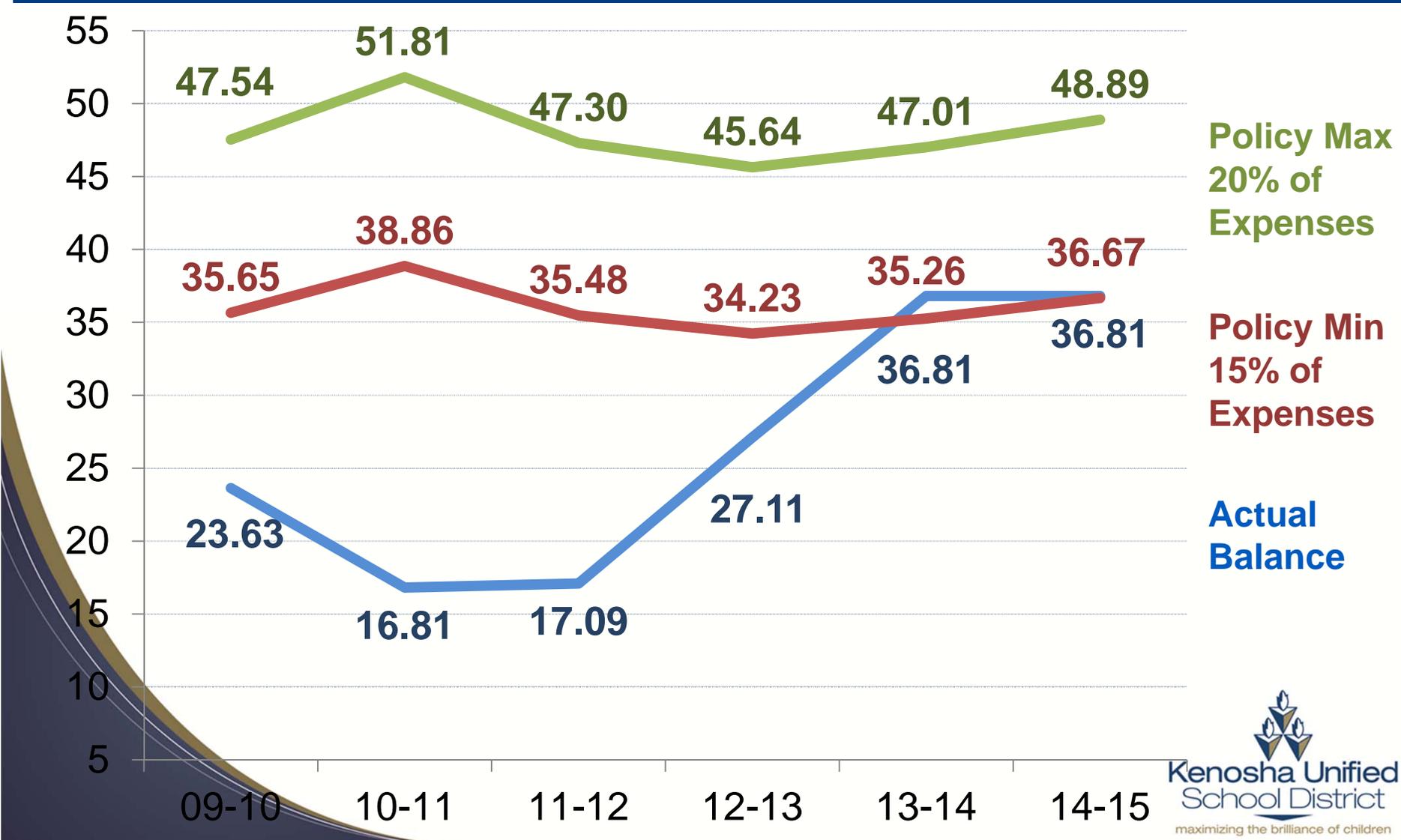
REVENUES AND OTHER FINANCING SOURCES

Operating Transfer-In (Source 100)	0	926,412	0
Local Sources (Source 200)	77,070,376	77,962,264	75,198,363
Inter-district Payments (Source 300 & 400)	351,557	341,003	350,000
Intermediate Sources (Source 500)	25,950	17,117	22,500
State Sources (Source 600)	150,545,880	151,689,893	156,987,883
Federal Sources (Source 700)	9,236,820	12,856,960	11,609,270
All Other Sources (Source 800 & 900)	967,262	966,515	280,000
TOTAL REVENUES & OTHER FINANCING SOURCES	238,197,845	244,760,164	244,448,016

EXPENDITURES & OTHER FINANCING USES

Instruction (Function 100000)	118,928,648	119,361,262	126,471,018
Support Services (Function 200000)	74,175,854	80,737,477	82,708,989
Non-Program Transactions (Function 400000)	35,073,872	34,965,269	35,268,009
TOTAL EXPENDITURES & OTHER FINANCING USES	228,178,374	235,064,008	244,448,016

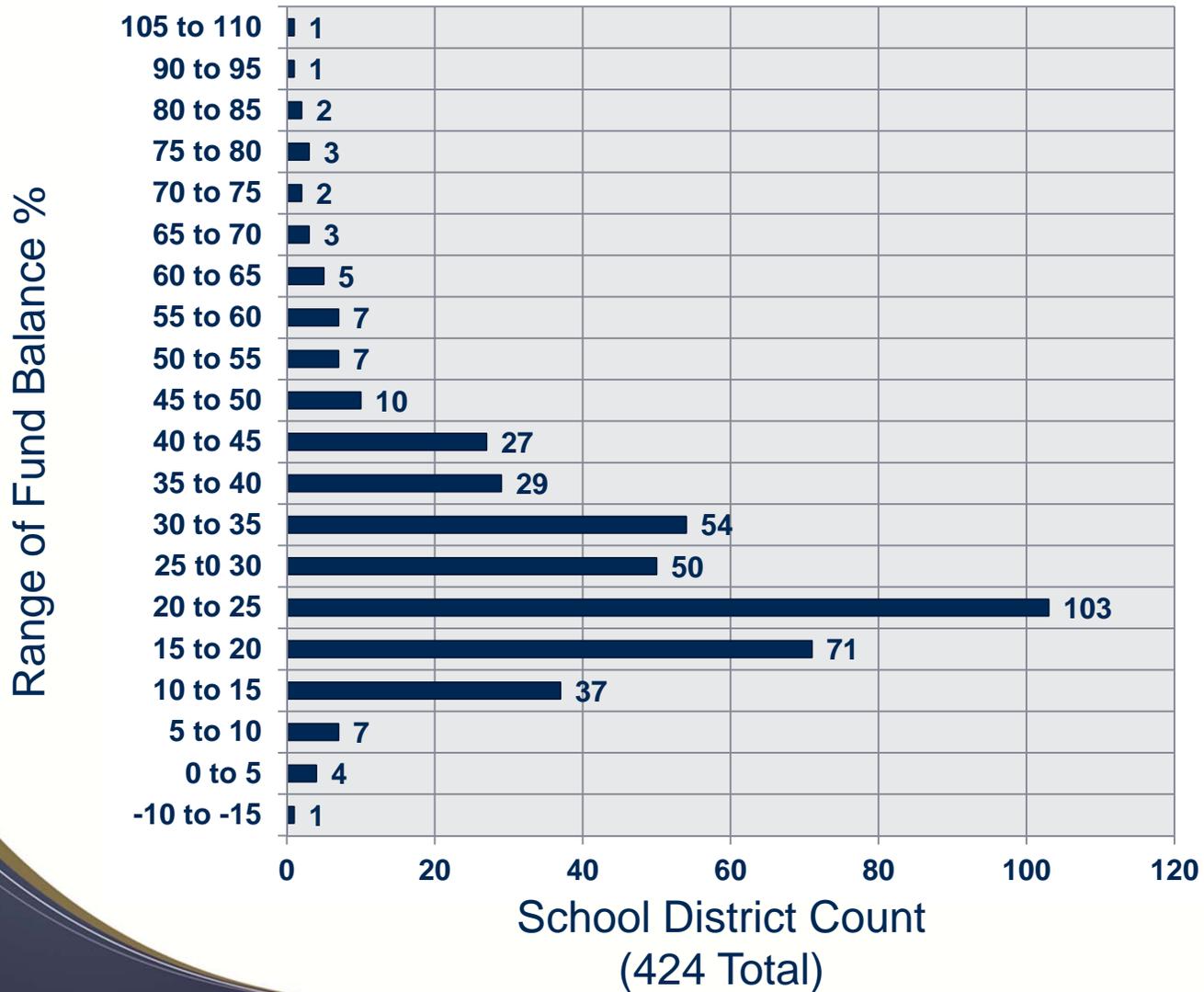
General Fund Ending Fund Balance (millions of dollars)



Fund Balance Analysis (DPI data as of 6/30/13)

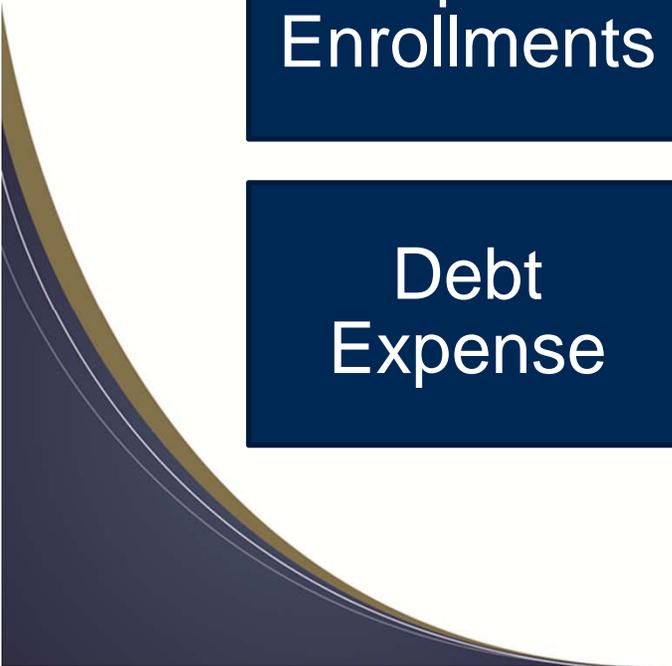
- There are 424 Districts in the State of Wisconsin
 - The average fund balance as % of general fund expenditures was about 28%
 - KUSD fund balance % of expenditures was about 12%
 - KUSD was ranked 407 out of the 424 Districts
- Comparable Districts based on enrollment
 - Racine ranked 267 with 22%
 - Green Bay ranked 309 with 19%
 - Madison ranked 382 with 14%
- **KUSD 2014-15 general fund balance of \$36.8 MM is 15% of the budgeted expenditures**

Fund Balance Analysis (DPI data as of 6/30/13)

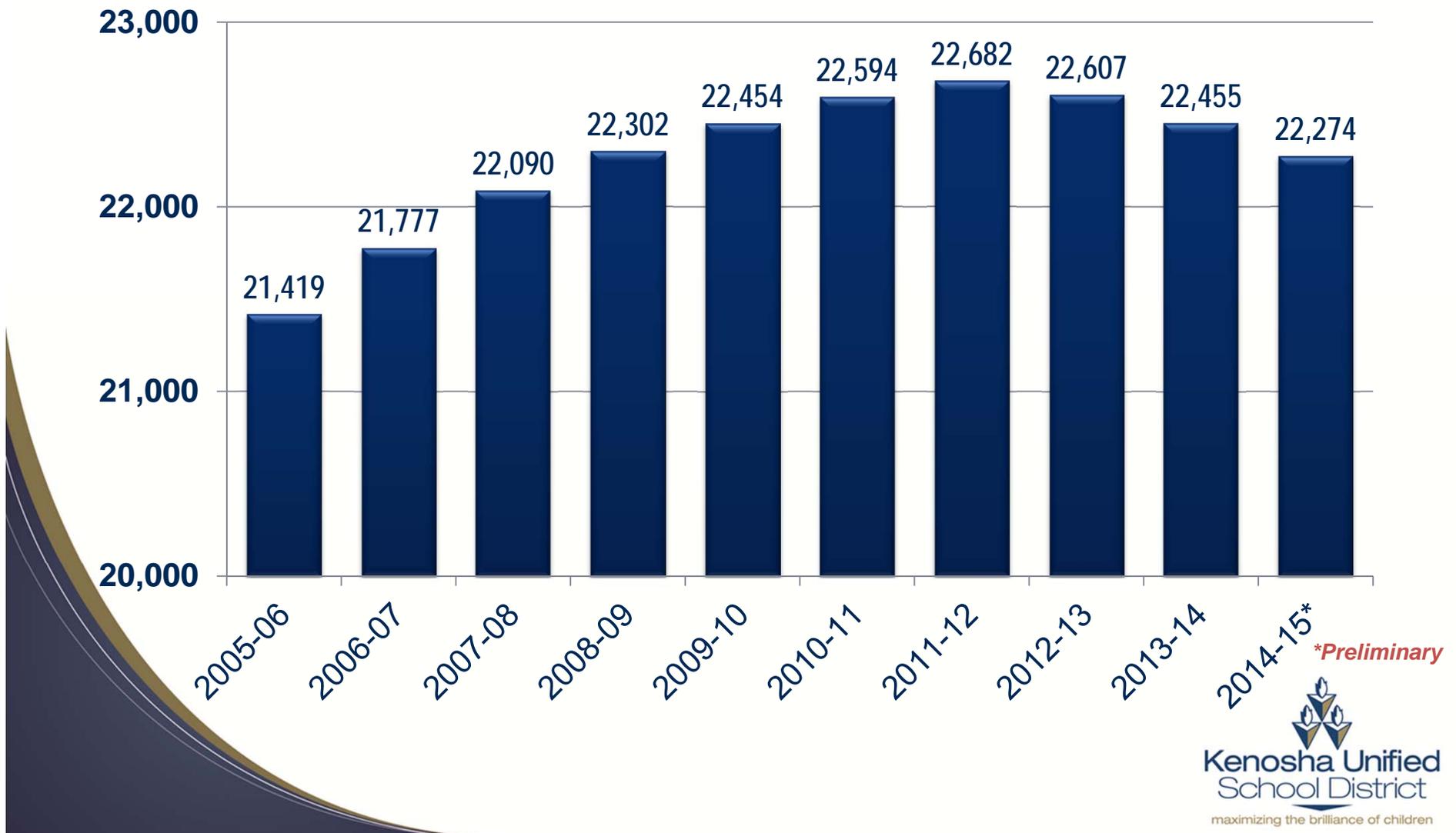


Budget Variables

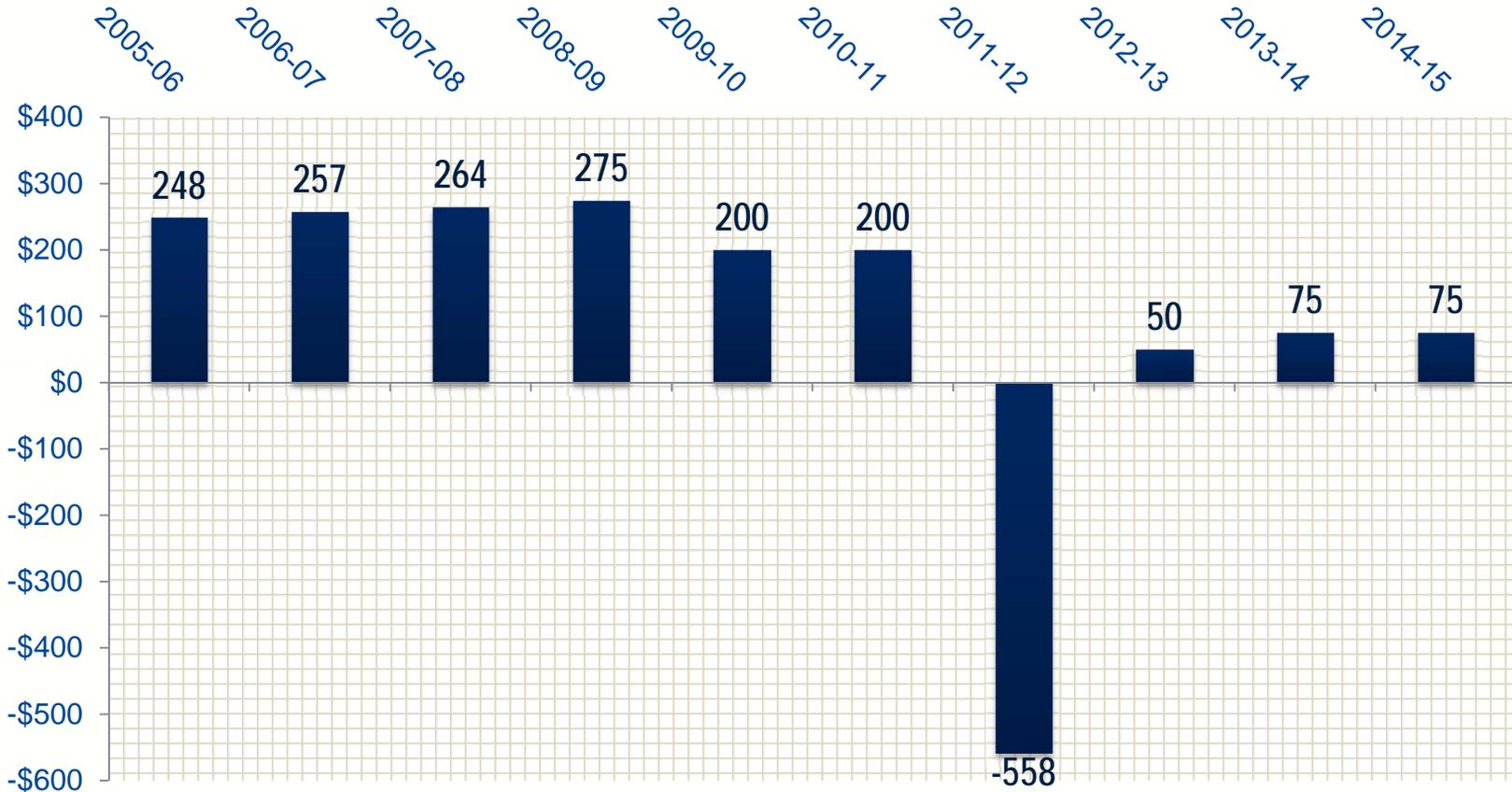
Student Membership	Revenue Limit	Equalization Aid
Open Enrollments	Equalized Property Values	Mil Rate
Debt Expense	Tax Levy	Salary & Fringes



KUSD Enrollment Trend (Revenue Limit Membership FTE)



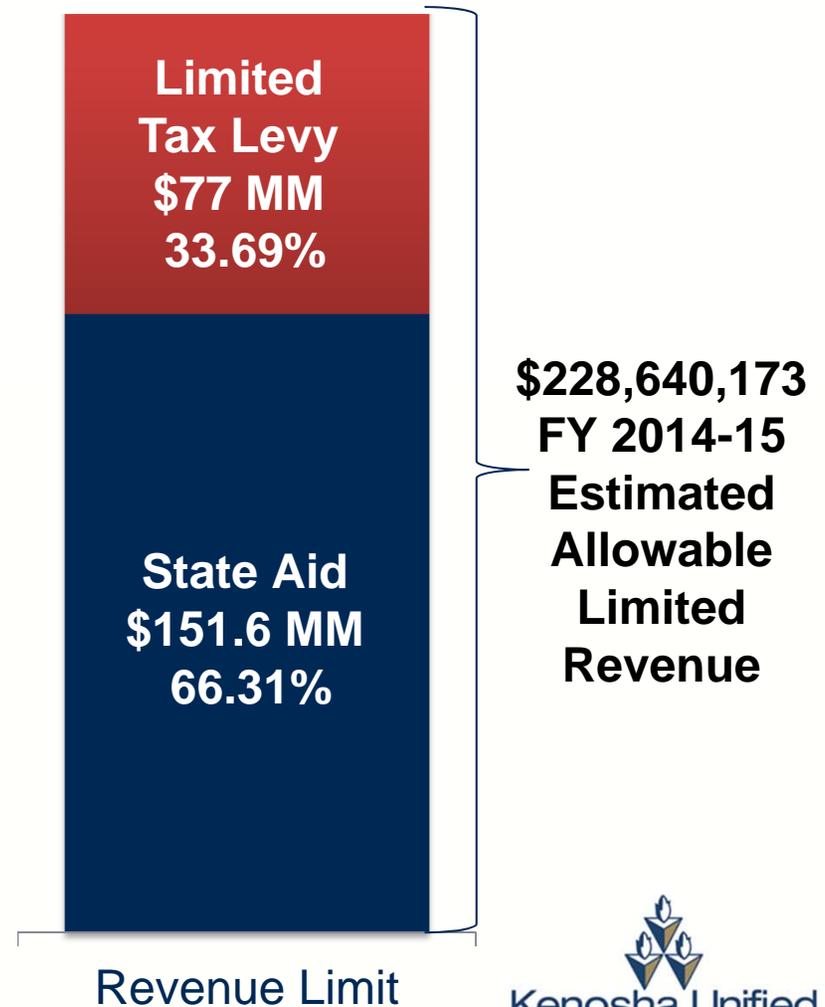
Allowable Per Member Revenue Increase/Decrease



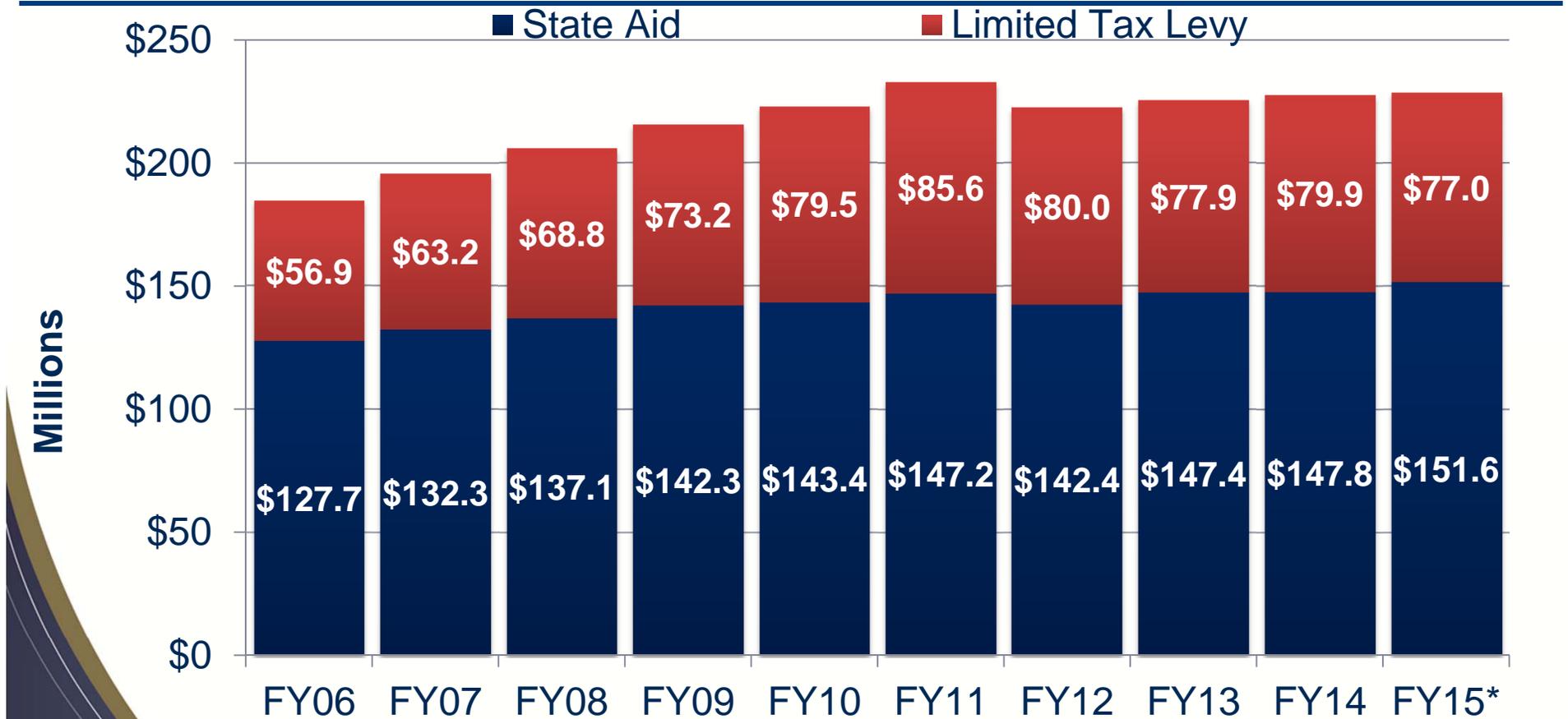
2014-15 Revenue Limit Calculation

The District's main revenue sources are restricted by the Revenue Limit formula:

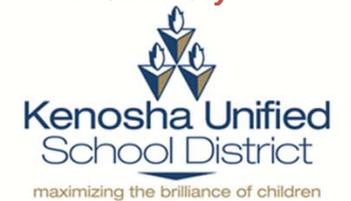
- State Aid primarily based on prior year's expenses and equalized property values (includes High Poverty Aid \$1.3 million)
- Limited Tax Levy is the difference between the Revenue Limit and the projected State Aid



Revenue Limit History



**Preliminary*



KUSD Fund Structure

General Fund

- Operations (majority of salaries, benefits and other expenses)

Debt Service

- Transactions for repayment of bonds, notes and loans

Community Service

- Activities supporting all Kenosha, Pleasant Prairie and Somers community members

Special Projects

- Special Education
- Head Start

Capital Projects

- Expenditures for expansion and remodeling

Food Service

- Activities related to student food services

Trust Fund

- Other post-employment benefits (OPEB)
- Scholarships



Trust Funds (Fund 70)

OPEB

- Other Post Employment Benefits
 - Health
 - Dental
 - Life
 - Long Term Care

Scholarships

- Outside Sources
 - Student Groups
 - Memorials
 - Alumni

OPEB Trust Fund (Fund 73)

2014 Annual Update on Trust Activity

Trust Cash & Investments	\$11,445,151
<i>Return on Investments (earned)</i>	<i>\$18,723</i>

Trust Disbursements:

Insurance Premiums	\$5,337,049
Administrative Costs & Fees	\$701
Implicit Rate Subsidy	\$3,692,500
Total Trust Disbursements:	\$9,030,250

Note: PMA Securities acts as Financial Advisor to the District and the Trust, however no investment authority has been delegated.

Community Service Funds (Fund 80)

Community and Parent Programs

- Family Education
- Safety Trainings
- Parenting Skills Development
- Alcohol and Other Drug Awareness (AODA)
- Community Outreach
- Adult Education
 - GED Programs
 - ESL
 - Even Start Literacy

Recreation Department

- Adult Sports
 - Softball
 - Volleyball
 - Basketball
- Youth Summer Programs
- Swimming

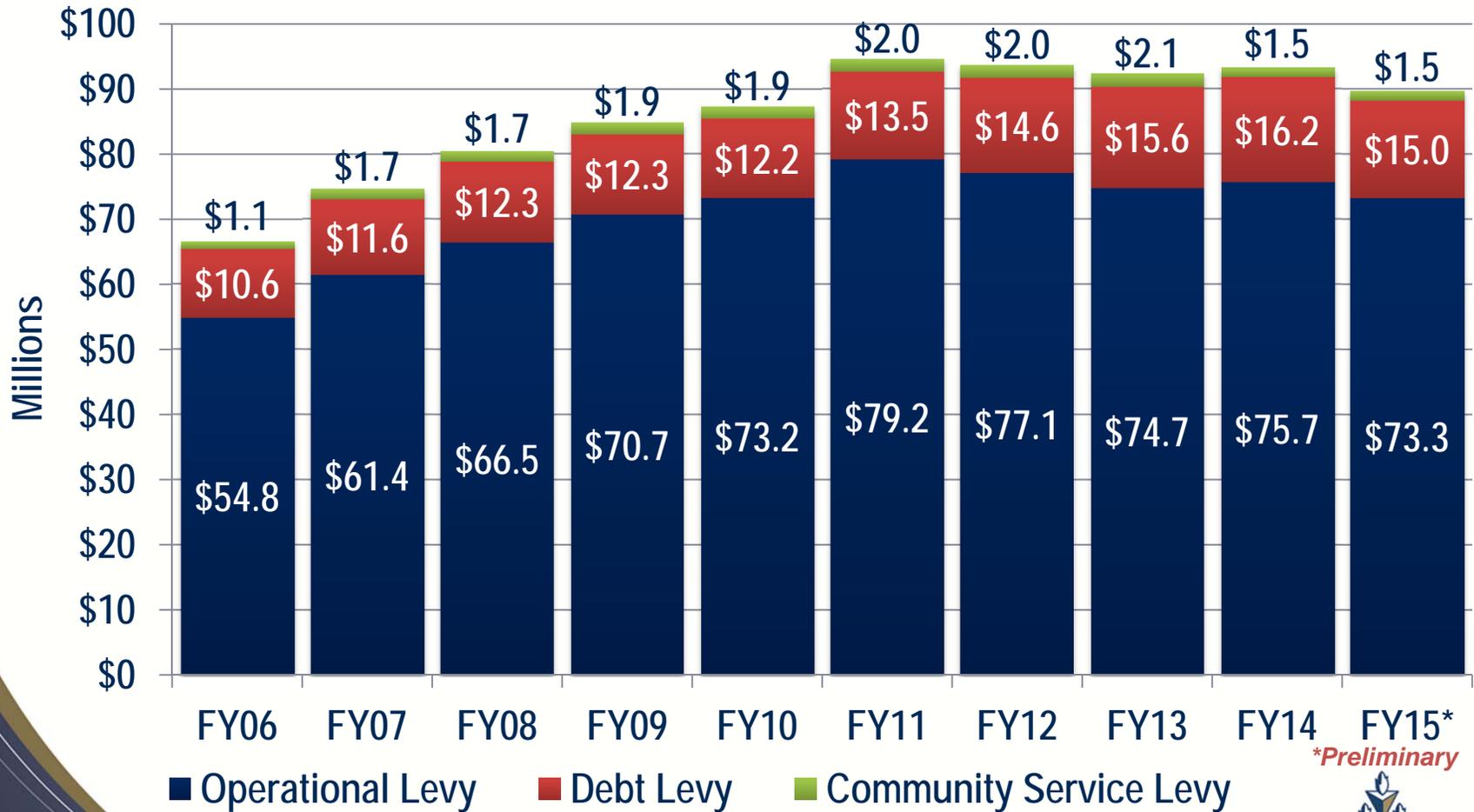
Senior Citizens Center

- Wide variety of popular recreational and social activities
- Membership of over 1,300 (including volunteers)

Community Service Funds (Fund 80)

Our Community Service Programs are open to all residents in our stakeholder communities and usually take place outside of the regular instructional time periods with additional costs being incurred by operating the programs.

Total Tax Levy History



Tax Levy Changes



	FY 2012-13	FY 2013-14	FY 2014-15*
Total Tax Levy	1.34% decrease	0.96% increase	3.80% decrease
Property Values	6.13% decrease	3.63% decrease	0.39% increase
Mil Rate	\$11.58 (per \$1,000)	\$12.13 (per \$1,000)	\$11.62 (per \$1,000)
Property Tax on \$200,000 House	\$2,316	\$2,426	\$2,324

**Preliminary*



Mil Rate

Mil Rate = the rate of tax for every \$1,000 of property value

Total Tax Levy 	
Equalized Property Valuations	x 1,000 = Mil Rate 

Total Tax Levy	
Equalized Property Valuations 	x 1,000 = Mil Rate 

Relationship Between Property Values, State Aid, and Tax Levy



2014-15 Budget Next Steps

What	When
Finalize Enrollment	3rd Friday of September (19th)
Update Revenue Limit	October 1st
Finalize State General Aid	October 15th
Finalize Tax Levy	October 15th
Finalize Revenue Limit	October 15th
Rebalance Budget	October 20th
Board Adoption	October 28th
Notify Municipalities of Tax	November 6th