




KENOSHA UNIFIED SCHOOL DISTRICT

**Public Hearing of the
Proposed 2023-24 Budget**

September 19, 2023

Presented by: Tarik Hamdan, Chief Financial Officer

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KUSD Fund Structure

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| General Fund (10) <ul style="list-style-type: none">• Operations (majority of salaries, benefits and other expenses) | Debt Service (30) <ul style="list-style-type: none">• Transactions for repayment of bonds, notes and loans | Community Service (80) <ul style="list-style-type: none">• Activities supporting all Kenosha, Pleasant Prairie and Somers community members | |
| Special Projects (20) <ul style="list-style-type: none">• Special Revenue (donations)• Special Education• Head Start | Capital Projects (40) <ul style="list-style-type: none">• Expenditures for expansion and remodeling | Food Service (50) <ul style="list-style-type: none">• Activities related to student food services | Trust Funds (70) <ul style="list-style-type: none">• Other Post-Employment Benefits (OPEB)• Scholarships |

KENOSHA UNIFIED SCHOOL DISTRICT

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General Fund (10) – Noticed in Kenosha News 9/8/2023

| GENERAL FUND (FUND 10) | Audited 2021-2022 | Unaudited 2022-2023 | Proposed 2023-2024 |
|------------------------------------------------------|----------------------|------------------------|-----------------------|
| Beginning Fund Balance | 66,216,513 | 74,884,517 | 81,374,853 |
| Ending Fund Balance | 74,884,517 | 81,374,853 | 72,456,366 |
| REVENUES AND OTHER FINANCING SOURCES | | | |
| Operating Transfer-In (Source 100) | 224,791 | 257,311 | 555,374 |
| Local Sources (Source 200) | 77,911,627 | 77,341,624 | 70,415,621 |
| Inter-district Payments (Source 300 & 400) | 1,707,498 | 1,778,983 | 1,800,000 |
| Intermediate Sources (Source 500) | 0 | 154,861 | 0 |
| State Sources (Source 600) | 167,886,480 | 166,933,264 | 166,964,165 |
| Federal Sources (Source 700) | 25,555,656 | 36,610,605 | 44,075,022 |
| All Other Sources (Source 800 & 900) | 1,084,326 | 10,231,762 | 80,000 |
| TOTAL REVENUES & OTHER FINANCING SOURCES | 274,370,378 | 293,308,410 | 283,890,181 |
| EXPENDITURES & OTHER FINANCING USES | | | |
| Instruction (Function 100000) | 124,290,136 | 126,935,613 | 135,880,988 |
| Support Services (Function 200000) | 102,927,021 | 118,098,129 | 109,023,251 |
| Non-Program Transactions (Function 400000) | 38,485,217 | 41,784,332 | 47,904,428 |
| TOTAL EXPENDITURES & OTHER FINANCING USES | 265,702,374 | 286,818,074 | 292,808,668 |

FY23 \$6.49 MM change in Fund Balance (97.79% of revenues spent)

FY24
\$8.9
MM



FY 2022-23 Surplus Contributing Items

- **\$2.9 MM** - Village of Pleasant Prairie Tax Incremental District (TID) #2 closeout payment
 - Most of the funds (\$2.4 MM) are earmarked for the Bradford High School gym floor replacement in fiscal year 2024
- **\$1.8 MM** - Additional investment earnings as a result of higher interest rates
- **\$2.1 MM** – Unspent budgets that will be recommended to carry over into FY24 so that they can be used for the originally intended purpose
 - Examples are mini-grants, Common School Library Funding, CTE Incentives, athletic field revenue, theatre program revenue, and curriculum adoption cycle funding.
- Staffing vacancies and budget to actual variances throughout the district



Preliminary FY 2023-24 Highlights

- Declining enrollment trend continues to reduce our Revenue Limit Authority
- Major impact items such as health insurance premiums continue to rise (11% with cap)
- School Board actions taken to balance the budget
 - Department and school discretionary cuts
 - Facilities major maintenance cut in half (\$1 MM)
 - Technology refresh cut in half (\$500 K)
 - Annual curriculum adoption budget changed to request-as-needed (\$2 MM)
 - Charter school sub-teacher cost-sharing (\$300 K)
 - Wilson Elementary School closure
 - ESC and school staffing reductions
 - Elimination of district HSA contributions (\$2 MM)
 - Cost shift half of the sub-teacher budget to ESSER for 1 year (\$1.5 MM)
- Base wage increases of 4% plus schedule movements (~1.5%) for total increases of about 5.5% for all regular FTE staff

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Preliminary FY 2023-24 Deficit

- Approval of the 5.5% wage increases was expected to cause the appearance of several million dollars in deficit when adopting the budget
 - Authorized expenses projected exceed the amount of expected revenues
 - Staffing budget to actual variance trends from unfilled positions is expected to cover most of the deficit for FY24
- The deficit appears even greater in this preliminary budget due to staffing timelines
 - Snapshot of staff processed in August in order to meet publication deadlines
 - Authorized positions without an assigned staff member (vacancies) are projected with an average salary and full benefits package
 - Newly hired staff that are benefit-eligible and within their 30-day election window are assigned a full benefits package
 - The district cost is \$30,106 per family medical package in FY24 so this budget will be refined and get more accurate as staff are hired/processed and actual benefits elections are made

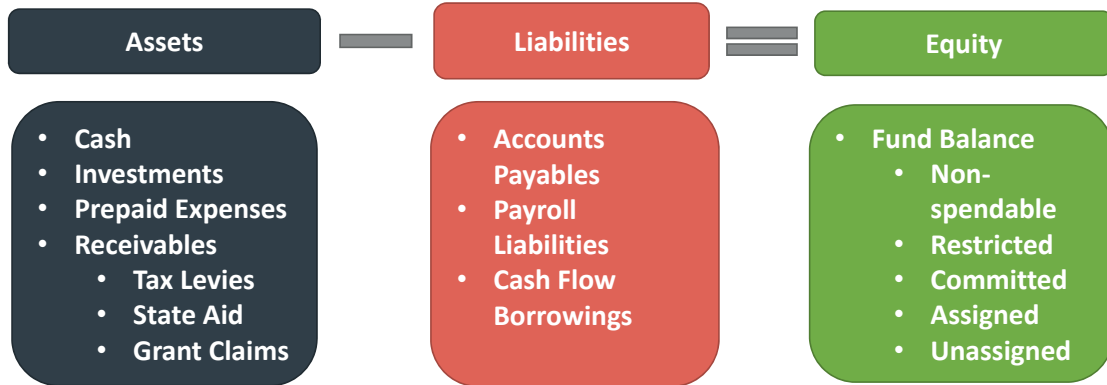
KENOSHA UNIFIED SCHOOL DISTRICT

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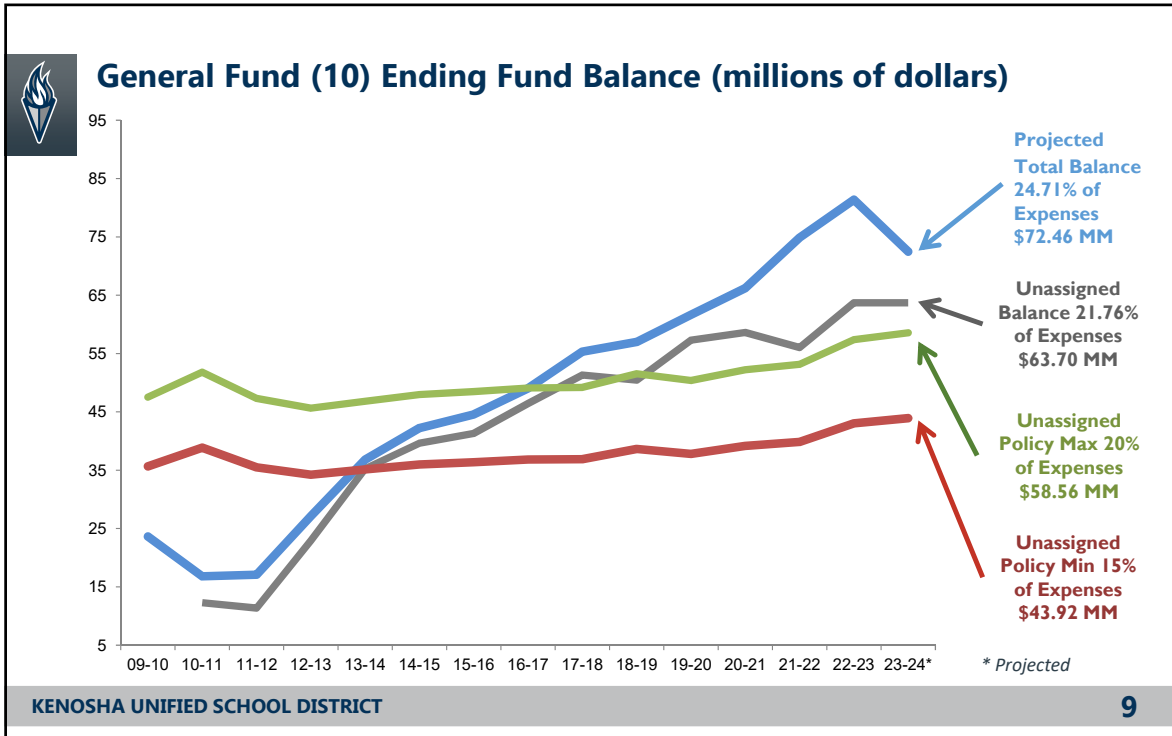
Fund Balance Basic Concepts

- Fund balance **does not** equal cash
 - Balances change daily but are only measured and reported as of June 30th or the end of each fiscal year



Components of General Fund (10) Balance

- **Non-spendable Fund Balance** includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or for a contractually imposed purpose by external parties.
 - **\$940,560 as of 6/30/2023 for prepaid items**
- **Restricted Fund Balance** includes amounts constrained for a specific purpose by external parties.
 - **\$1,302,077 as of 6/30/2023 for Common School Library Funds, CTE Incentives, and Get Kids Ahead Initiative**
- **Committed Fund Balance** includes amounts constrained for a specific purpose by a government using its highest level of decision-making authority (the Board of Education).
 - **\$10,889,313 as of 6/30/2023 for contracts**
- **Assigned Fund Balance** includes general fund amounts constrained for a specific purpose by a governing board or by an official that has been delegated authority to assign amounts (the Chief Financial Officer).
 - **\$4,538,446 as of 6/30/2023 for Charter School Reserves, and Carry Over balances**
- **Unassigned Fund Balance** is the residual classification for the general fund.
 - **\$63,704,458 as of 6/30/2023**



Total General Fund Balance Analysis of WI Districts (WI DPI public data as of 6/30/22)

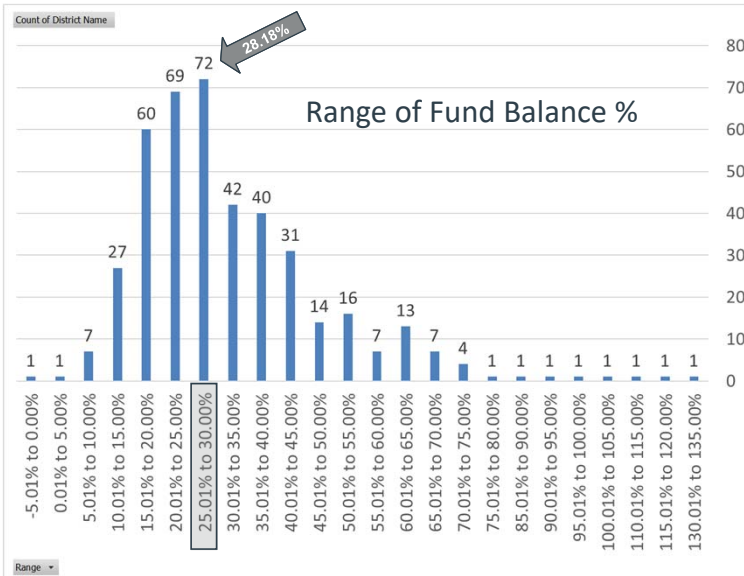
- There were **419** districts with data in the State of Wisconsin at the time
 - The average total fund balance was **32.28%** of general fund expenses
 - For those with unassigned fund balances the average was **29.29%** of expenses
 - KUSD total fund balance was **28.18%** of expenses (**4.1%** below average)
 - The unassigned fund balance was **21.09%** of expenses (**8.2%** below average)
 - KUSD total fund balance was ranked **#217** out of the **419** districts
- Comparable peer districts based on enrollment
 - Green Bay ranked **#293** with **22.46%** - unassigned **17.93%**
 - Madison ranked **#291** with **22.57%** - unassigned **16.96%**
 - Racine ranked **#276** with **23.66%** - unassigned **18.77%**

Perspective:
KUSD's unassigned balance is only about 2.5 months of operating costs

KENOSHA UNIFIED SCHOOL DISTRICT **10**



Analysis of the 419 WI School Districts (DPI public data as of 6/30/22)



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Financial Status - Latest KUSD Moody's Ratings



| Global Long-Term Rating Scale | |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| Aaa | Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk. |
| Aa | Obligations rated Aa are judged to be of high quality and are subject to very low credit risk. |
| A | Obligations rated A are judged to be upper-medium grade and are subject to low credit risk. |
| Baa | Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. |
| Ba | Obligations rated Ba are judged to be speculative and are subject to substantial credit risk. |
| B | Obligations rated B are considered speculative and are subject to high credit risk. |
| Caa | Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk. |
| Ca | Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest. |
| C | Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest. |

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms.



| US Municipal Short-Term Debt and Demand Obligation Ratings | |
|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MIG 1 | This designation denotes superior credit quality. Excellent protection is afforded by established cash flows, highly reliable liquidity support, or demonstrated broad-based access to the market for refinancing. |
| MIG 2 | This designation denotes strong credit quality. Margins of protection are ample, although not as large as in the preceding group. |
| MIG 3 | This designation denotes acceptable credit quality. Liquidity and cash-flow protection may be narrow, and market access for refinancing is likely to be less well-established. |
| SG | This designation denotes speculative-grade credit quality. Debt instruments in this category may lack sufficient margins of protection. |

Source : Moody's Investors Service, https://www.moody.com/researchdocumentcontentpage.aspx?docid=PBC_79004 , June 2015

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Projected Revenue Collection Calendar 2023-24

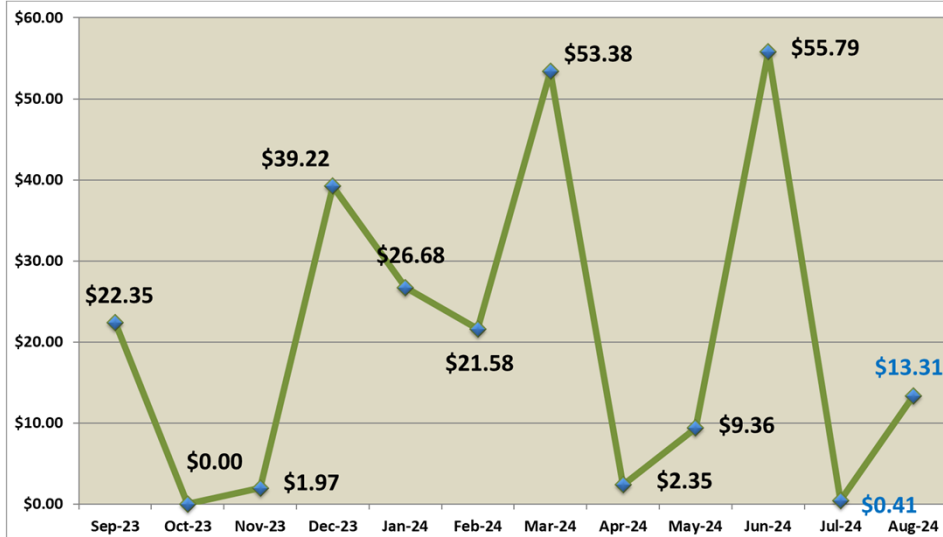
| Major Revenue Collection Calendar 2023-2024 (Monthly %) | | | | | | | | | | | | | | |
|---------------------------------------------------------|---------------|--------|--------|--------|--------|---------|--------|---------|---------|---------|---------|---------|--------|---------|
| | Budgeted | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | Jul-24 | Aug-24 | Total |
| Tax Levy * | \$66,905,957 | | | | | 36.58% | 29.31% | | 1.61% | 12.60% | | | 19.90% | 100.00% |
| Equalization Aid * | \$148,993,775 | 15.00% | | | 25.00% | | | 25.00% | | | 35.00% | | | 100.00% |
| Tax Exempt Computer Aid | \$410,259 | | | | | | | | | | | 100.00% | | 100.00% |
| Tax Exempt Personal Property Aid | \$926,820 | | | | | | | | | 100.00% | | | | 100.00% |
| Categorical Aids | | | | | | | | | | | | | | |
| Special Ed | \$13,122,639 | | | 15.00% | 15.00% | 15.00% | 15.00% | 15.00% | | | 25.00% | | | 100.00% |
| Transportation Aid | \$240,000 | | | | | 100.00% | | | | | | | | 100.00% |
| High Poverty Aid * | \$0 | | | | | | | 0.00% | | | | | | 0.00% |
| Per Pupil Aid * | \$14,158,844 | | | | | | | 100.00% | | | | | | 100.00% |
| Supplemental Per Pupil Aid | \$0 | | | | | | | 100.00% | | | | | | 100.00% |
| Common School Library Aid | \$1,271,600 | | | | | | | | 100.00% | | | | | 100.00% |
| State Tuition Payment | \$217,000 | | | | | | | | | | 100.00% | | | 100.00% |
| High Cost SPED Aid | \$140,000 | | | | | | | | | | 100.00% | | | 100.00% |

| Major Revenue Collection Calendar 2023-2024 (Monthly \$) | | | | | | | | | | | | | | |
|----------------------------------------------------------|---------------|--------------|--------|-------------|--------------|--------------|--------------|--------------|-------------|-------------|--------------|-----------|--------------|---------------|
| | Budgeted | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | Jul-24 | Aug-24 | Total |
| Tax Levy * | \$66,905,957 | \$0 | \$0 | \$0 | \$0 | \$24,474,199 | \$19,610,136 | \$0 | \$1,077,186 | \$8,430,151 | \$0 | \$0 | \$13,314,285 | \$66,905,957 |
| Equalization Aid * | \$148,993,775 | \$22,349,066 | \$0 | \$0 | \$37,248,444 | \$0 | \$0 | \$37,248,444 | \$0 | \$0 | \$52,147,821 | \$0 | \$0 | \$148,993,775 |
| Tax Exempt Computer Aid | \$410,259 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$410,259 | \$0 | \$410,259 |
| Tax Exempt Personal Property Aid | \$926,820 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$926,820 | \$0 | \$0 | \$0 | \$926,820 |
| Categorical Aids | | | | | | | | | | | | | | |
| Special Ed | \$13,122,639 | \$0 | \$0 | \$1,968,396 | \$1,968,396 | \$1,968,396 | \$1,968,396 | \$1,968,396 | \$0 | \$0 | \$3,280,660 | \$0 | \$0 | \$13,122,639 |
| Transportation Aid | \$240,000 | \$0 | \$0 | \$0 | \$0 | \$240,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$240,000 |
| High Poverty Aid * | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Per Pupil Aid * | \$14,158,844 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$14,158,844 | \$0 | \$0 | \$0 | \$0 | \$0 | \$14,158,844 |
| Supplemental Per Pupil Aid | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Common School Library Aid | \$1,271,600 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,271,600 | \$0 | \$0 | \$0 | \$0 | \$1,271,600 |
| State Tuition Payment | \$217,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$217,000 | \$0 | \$0 | \$217,000 |
| High Cost SPED Aid | \$140,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$140,000 | \$0 | \$0 | \$140,000 |

* Revenue in this analysis (\$246.7 MM) accounts for approximately 86.92% of the budgeted KUSD General Fund Revenues (\$283.8 MM) for 2023-24



Projected Revenue Collection Calendar 2023-24 (millions of dollars)





Short Term Borrowing History

| FY | ST Borrowing Amount |
|---------|---------------------|
| 2011-12 | \$49,000,000 |
| 2012-13 | \$46,000,000 |
| 2013-14 | \$39,300,000 |
| 2014-15 | \$24,500,000 |
| 2015-16 | \$25,000,000 |
| 2016-17 | \$25,000,000 |
| 2017-18 | \$25,000,000 |
| 2018-19 | \$19,850,000 |
| 2019-20 | \$13,500,000 |
| 2020-21 | \$9,075,000 |
| 2021-22 | \$10,000,000 |
| 2022-23 | \$5,590,000 |
| 2023-24 | \$0 |

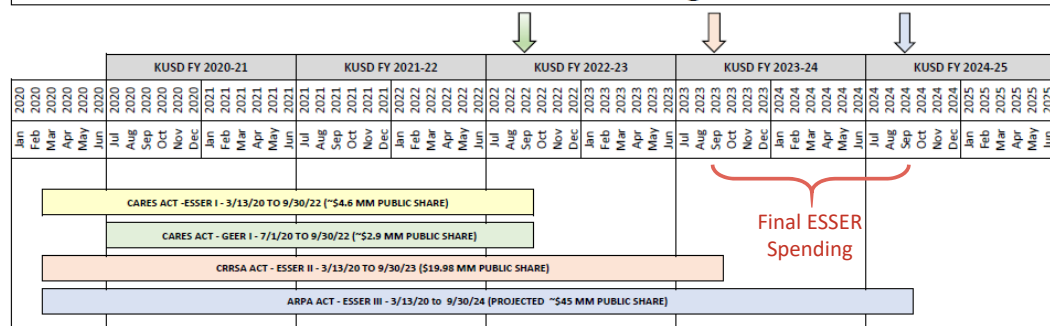
It took 10 years to get here but no guarantee that this will be the last time we need to borrow

No Short Term (Cash Flow) Borrowing Needed in FY24



Federal Stimulus Funding

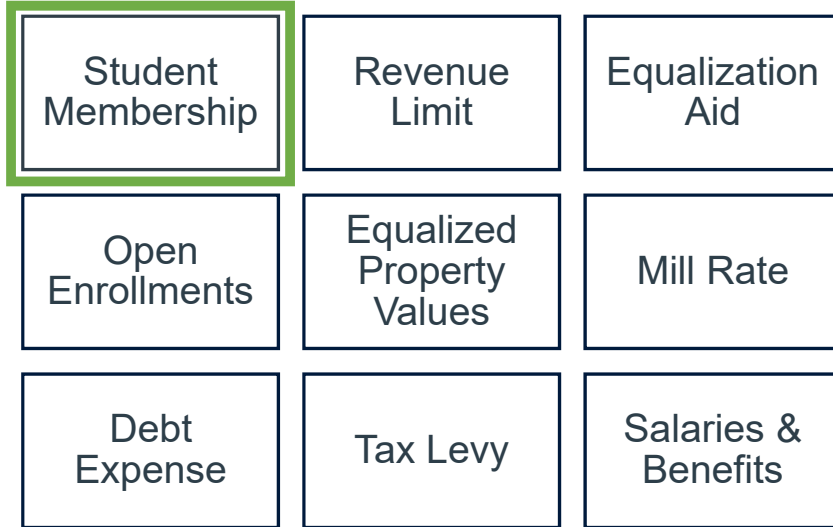
KUSD Federal Stimulus Funding Timeline



- Notes:**
- 1) Coronavirus Aid, Relief, and Economic Security (CARES) - enacted 3/27/20
 - 2) Elementary and Secondary School Emergency Relief (ESSER) Grant- enacted 3/27/20
 - 3) Governor's Emergency Education Relief Fund (GEERF) - enacted 3/27/20
 - 4) Coronavirus Response and Relief Supplemental Appropriations (CRRSA) - enacted 12/27/20
 - 5) American Rescue Plan Act (ARPA) - enacted 3/11/21



School Finance Variables



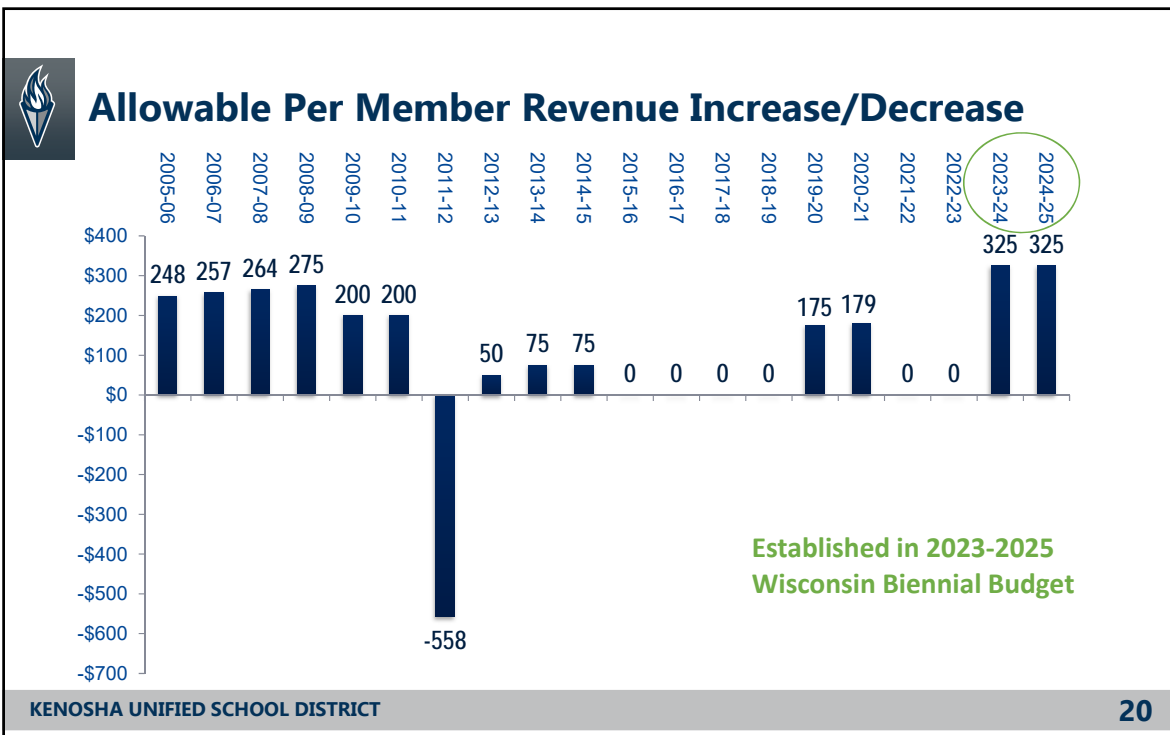
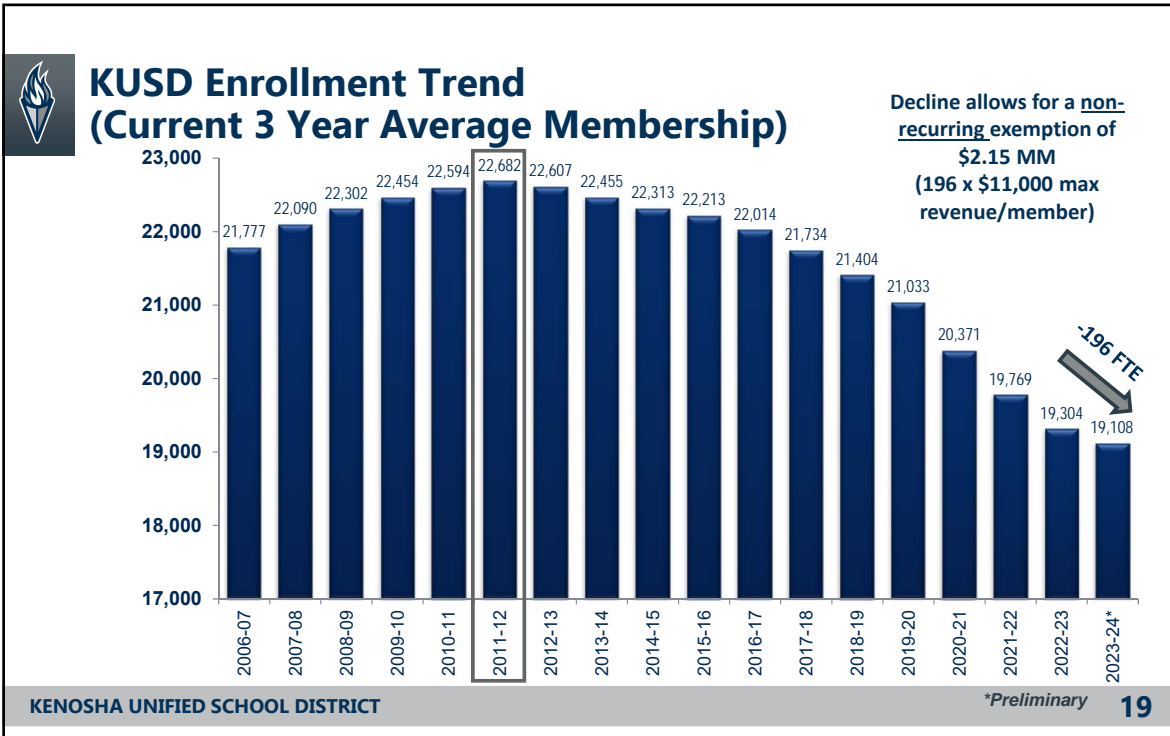
Revenue Limit Enrollment Averaging

September & Summer FTE Membership Averages
 Count Ch. 220 Inter-District Resident Transfer Pupils @ 75%.

| | | | | |
|---------------------------------------------------------------|---------------|---------------|---------------|------------------|
| Line 2: Base Avg:((20+.4ss)+(21+.4ss)+(22+.4ss)) / 3 = | | | | 19,304 |
| | 2020 | 2021 | 2022 | |
| Summer FTE: | 298 | 350 | 404 | |
| % (40,40,40) | 119 | 140 | 162 | |
| Sept FTE: | 19,296 | 19,172 | 18,985 | |
| New ICS - Independent Charter Schools FTE | 0.00 | 0.00 | 39.00 | |
| Total FTE | 19,415 | 19,312 | 19,186 | |
| Line 6: Curr Avg:((20+.4ss)+(21+.4ss)+(22+.4ss)) / 3 = | | | | 19,108 |
| | 2021 | 2022 | 2023 | |
| Summer FTE: | 350 | 404 | 404 | |
| % (40,40,40) | 140 | 162 | 162 | |
| Sept FTE: | 19,172 | 18,985 | 18,624 | |
| New ICS - Independent Charter Schools FTE | 0.00 | 39.00 | 41.00 | |
| Total FTE | 19,312 | 19,186 | 18,827 | |
| | | | -361 | |
| Line 10B: Declining Enrollment Exemption = | | | | 2,156,000 |
| Average FTE Loss (Line 2 - Line 6, if > 0) | | | | 196 |
| X 1.00 = | | | | 196 |
| X (Line 5, Maximum 2023-2024 Revenue per Memb) = | | | | 11,000.00 |
| Non-Recurring Exemption Amount: | | | | 2,156,000 |

Average Student FTE Loss of 196

The Line 6 "Current Average" shown above is used for Revenue Limits. The average used for Per Pupil Aid does not include New ICS - Independent Charter Schools FTE. The PPA average appears below after data is entered for 2023:





2023-2025 WI Biennial Budget Highlights

- Allowable Per Member (Student) Change
 - 2023-24 = \$325+\$52 for Low Revenue Ceiling of \$11,000 ↑
 - 2024-25 = \$325 ↑

- Per Pupil Categorical Aid (PPCA) \$742 per member
 - 2023-24 = \$0 ↔ (loss of \$146,916 : 3-year avg enrollment drop of 198 x \$742)
 - 2024-25 = \$0 ↔ (continued enrollment decline will also cause loss here)

- High Poverty Aid
 - 2023-24 = No longer funded ↓ (loss of \$1.1 MM with revenue limit, replaced with equalization aid)

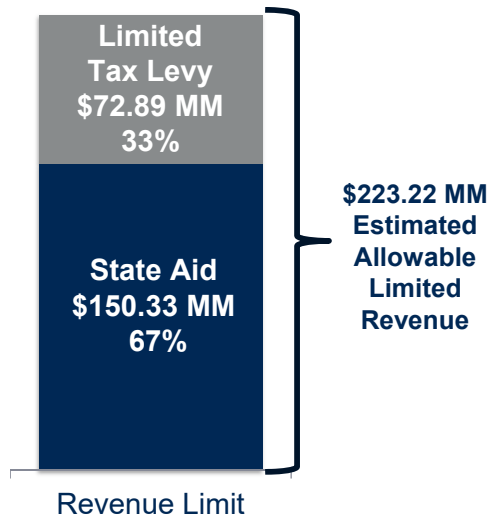
- Special Education Categorical Aid
 - 2023-24 = 33.3% but sum certain; ↑ increase of 3.3% rate or about \$1.3 MM
 - 2024-25 = 33.3% but sum certain ↔ ; actual may decrease as districts claim more



2023-24 Preliminary Revenue Limit Calculation

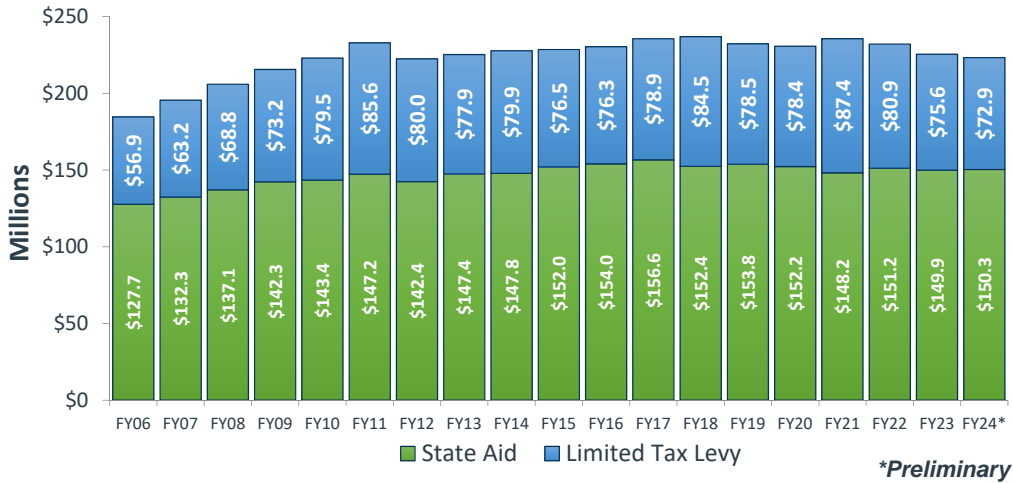
The district's main revenue sources are restricted by the Revenue Limit formula:

- State Aid is primarily based on the prior year's expenses and equalized property value per member (includes aid for exempt computers and personal property of \$1.3 MM)
- Limited Tax Levy is the difference between the Revenue Limit and the projected State Aid





Revenue Limit History



Debt Service Funds (Fund 30)

| Tax Roll Year (Dec Tax Bill) | | Fiscal Year 6/30/xx | Referendum FD 39 | Change Increase (decrease) | Non-Referendum Fd 38 | Change Increase (decrease) | Total | Change Increase (decrease) |
|------------------------------|------|---------------------|-------------------------|----------------------------|-------------------------|----------------------------|--------------------------|--------------------------------------|
| Actual | 2018 | 2019 | \$ 8,283,813.00 | | \$ 5,903,071.00 | | \$ 14,186,884.00 | |
| Actual | 2019 | 2020 | \$ 7,013,409.00 | \$ (1,270,404.00) | \$ 6,982,466.00 | \$ 1,079,395.00 | \$ 13,995,875.00 | \$ (191,009.00) |
| Actual | 2020 | 2021 | \$ 6,626,028.21 | \$ (387,380.79) | \$ 6,972,362.95 | \$ (10,103.05) | \$ 13,598,391.16 | \$ (397,483.84) |
| Actual | 2021 | 2022 | \$ 6,913,368.76 | \$ 287,340.55 | \$ 5,391,272.26 | \$ (1,581,090.69) | \$ 12,304,641.02 | \$ (1,293,750.14) |
| Actual | 2022 | 2023 | \$ 6,918,469.00 | \$ 5,100.24 | \$ 5,393,022.00 | \$ 1,749.74 | \$ 12,311,491.00 | \$ 6,849.98 |
| Debt Schedule | 2023 | 2024 | \$ 6,336,318.76 | \$ (582,150.24) | \$ 5,980,122.26 | \$ 587,100.26 | \$ 12,316,441.02 | 4,950.02 |
| Debt Schedule | 2024 | 2025 | \$ 6,174,943.76 | \$ (161,375.00) | \$ 6,137,997.26 | \$ 157,875.00 | \$ 12,312,941.02 | \$ (3,500.00) |
| Debt Schedule | 2025 | 2026 | \$ 5,123,318.76 | \$ (1,051,625.00) | \$ 7,195,447.26 | \$ 1,057,450.00 | \$ 12,318,766.02 | \$ 5,825.00 |
| Debt Schedule | 2026 | 2027 | \$ 5,062,543.00 | \$ (60,775.76) | \$ 7,199,128.26 | \$ 3,681.00 | \$ 12,261,671.26 | \$ (57,094.76) |
| Debt Schedule | 2027 | 2028 | \$ 5,380,628.00 | \$ 318,085.00 | \$ 6,383,796.00 | \$ (815,332.26) | \$ 11,764,424.00 | \$ (497,247.26) |
| Debt Schedule | 2028 | 2029 | \$ 5,378,969.00 | \$ (1,659.00) | \$ 6,384,789.00 | \$ 993.00 | \$ 11,763,758.00 | \$ (666.00) |
| Debt Schedule | 2029 | 2030 | \$ 1,224,025.00 | \$ (4,154,944.00) | \$ 6,383,688.00 | \$ (1,101.00) | \$ 7,607,713.00 | \$ (4,156,045.00) Next Ledger |
| Debt Schedule | 2030 | 2031 | \$ 1,223,063.00 | \$ (962.00) | \$ 6,386,444.00 | \$ 2,756.00 | \$ 7,609,507.00 | \$ 1,794.00 |
| Debt Schedule | 2031 | 2032 | \$ 1,225,788.00 | \$ 2,725.00 | \$ 6,380,006.00 | \$ (6,438.00) | \$ 7,605,794.00 | \$ (3,713.00) |
| Debt Schedule | 2032 | 2033 | \$ 1,222,200.00 | \$ (3,588.00) | \$ 6,386,819.00 | \$ 6,813.00 | \$ 7,609,019.00 | \$ 3,225.00 |
| Debt Schedule | 2033 | 2034 | \$ 1,222,300.00 | \$ 100.00 | \$ 5,060,281.00 | \$ (1,326,538.00) | \$ 6,287,581.00 | \$ (1,326,438.00) |
| Debt Schedule | 2034 | 2035 | \$ 1,221,000.00 | \$ (1,300.00) | \$ 5,066,934.00 | \$ 6,653.00 | \$ 6,287,934.00 | \$ 353.00 |
| Debt Schedule | 2035 | 2036 | \$ - | \$ (1,221,000.00) | \$ 5,065,063.00 | \$ (1,871.00) | \$ 5,065,063.00 | \$ (1,222,871.00) |
| Debt Schedule | 2036 | 2037 | \$ - | \$ - | \$ 3,521,306.00 | \$ (1,543,757.00) | \$ 3,521,306.00 | \$ (1,543,757.00) |
| Debt Schedule | 2037 | 2038 | \$ - | \$ - | \$ - | \$ (3,521,306.00) | \$ - | \$ (3,521,306.00) |
| | | | \$ 40,795,097.28 | | \$ 83,531,821.04 | | \$ 124,326,918.32 | Owed |
| | | | Unlevied FD 39 | | Unlevied FD 38 | | Unlevied Total | |



Trust Funds (Fund 70)

| OPEB |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Other Post-Employment Benefits <ul style="list-style-type: none"> • Retiree Medical Benefits up to age 65 |



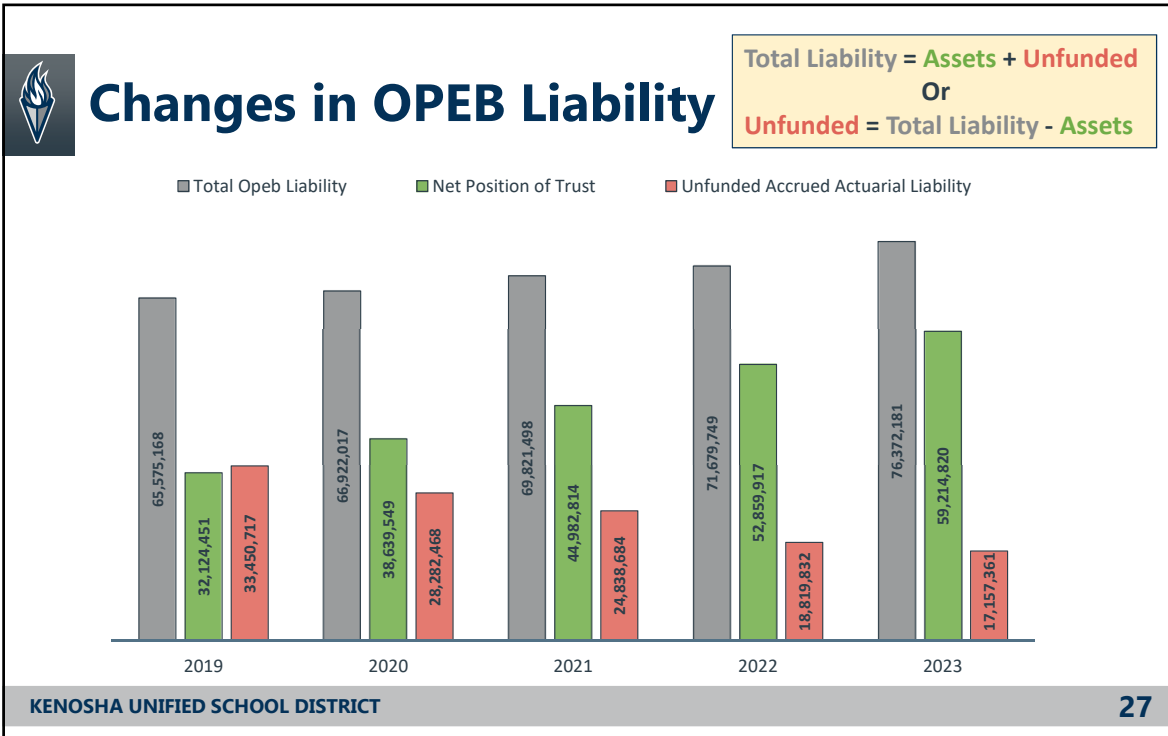
OPEB Trust Fund (Fund 73) 2023 Annual Update on Trust Activity

| | |
|---------------------------------------|---------------------|
| Trust Cash & Investments | \$55,762,961 |
| <i>Return on Investments (earned)</i> | <i>\$1,997,040</i> |

Trust Disbursements:

| | |
|-----------------------------------|---------------------------|
| Insurance Premiums | \$3,470,785 |
| Administrative Costs & Fees | \$13,500 |
| Implicit Rate Subsidy | \$3,082,311 |
| Total Trust Disbursements: | <u>\$6,566,596</u> |

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 | Recreation Department | Kenosha Senior Center |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Family Education • Safety Trainings • Parenting Skills Development • Alcohol and Other Drug Awareness (AODA) • Community Outreach • Boys & Girls Club Programs <ul style="list-style-type: none"> • Gang Prevention • Adult Education <ul style="list-style-type: none"> • GED Programs • ESL • Even Start Literacy • Building Our Future | <ul style="list-style-type: none"> • Adult Sports <ul style="list-style-type: none"> • Softball • Volleyball • Basketball • Youth Summer Programs • Swimming • Kenosha Youth Performing Arts Company (KYPAC) • Marching Bands <ul style="list-style-type: none"> • Black Watch • Rambler • Winter Guard | <ul style="list-style-type: none"> • Wide variety of popular recreational, educational and social activities • Open to all seniors in our community age 55 and up • Founded in 1970 • 1,300 members plus volunteers |

KENOSHA UNIFIED SCHOOL DISTRICT 28



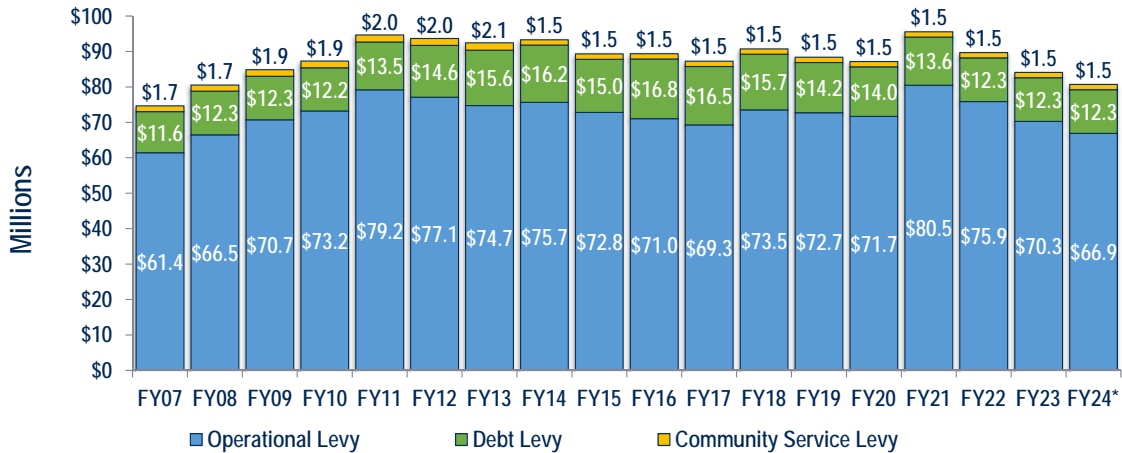
Community Service Funds (Fund 80)

Our KUSD Community Service Programs are open to all residents in the City of Kenosha, Village of Pleasant Prairie, Village of Somers, and the Town of Somers.

Programs usually take place outside of the regular instructional day with additional costs being incurred to operate the programs.



Total Tax Levy History



*Preliminary



Preliminary Tax Levy Changes

| | FY 2021-22 | FY 2022-23 | FY 2023-24* |
|---------------------------------|-------------------------|-------------------------|-------------------------|
| Total Tax Levy | \$89.7 MM -6.15% | \$84.1 MM -6.24% | \$80.7 MM -4.02% |
| Property Values | \$11.5 B +7.74% | \$13.5 B +16.98% | \$14.8 B +10.00% |
| Mill Rate | \$7.78 (per \$1,000) | \$6.24 (per \$1,000) | \$5.44 (per \$1,000) |
| Property Tax on \$200,000 House | \$1,557 | \$1,248 | \$1,089 |

Recalculated equalization aid and final property values in October will have an impact on these tax levy changes

*Preliminary

\$159 less



Equalized Property Value (TID-Out)

| School Year | Equalized Valuation | % Change |
|-------------|---------------------|----------|
| 2008/09 | 9,628,413,923 | 1.35% |
| 2009/10 | 9,510,858,704 | -1.22% |
| 2010/11 | 8,931,500,985 | -6.09% |
| 2011/12 | 8,503,804,152 | -4.79% |
| 2012/13 | 7,982,932,601 | -6.13% |
| 2013/14 | 7,693,298,078 | -3.63% |
| 2014/15 | 7,956,343,824 | 3.42% |
| 2015/16 | 8,212,853,321 | 3.22% |
| 2016/17 | 8,580,130,959 | 4.47% |
| 2017/18 | 8,868,543,467 | 3.36% |
| 2018/19 | 9,402,602,402 | 6.02% |
| 2019/20 | 10,149,242,668 | 7.94% |
| 2020/21 | 10,696,369,572 | 5.39% |
| 2021/22 | 11,524,718,146 | 7.74% |
| 2022/23 | 13,481,174,919 | 16.98% |
| 2023/24* | 14,829,292,411 | 10.00% |

\$1.35 Billion
Projected
Growth (10%)



Mill Rate

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

$$\frac{\text{Total Tax Levy} \uparrow}{\text{Equalized Property Valuations}} \times 1,000 = \text{Mill Rate} \uparrow$$

$$\frac{\text{Total Tax Levy}}{\text{Equalized Property Valuations} \uparrow} \times 1,000 = \text{Mill Rate} \downarrow$$

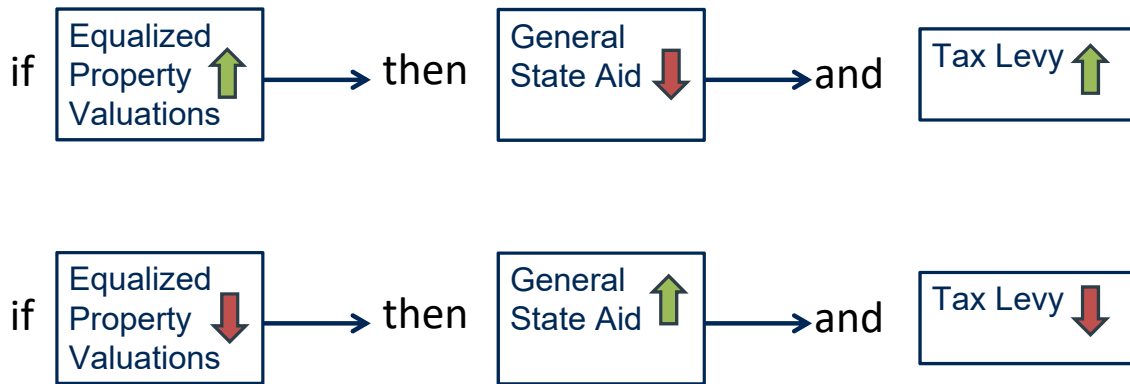


More Property More Taxes?

- **Not** for Wisconsin public schools
 - Revenue Limits within State Statutes control the maximum amount of tax that a school board can levy without a referendum (permission from the taxpayers)
 - Mill rates are simply a mathematical expression that are calculated after the levy is determined
- Other taxing bodies may have limits on their Mill Rates but they would still see an increase in taxes collected with higher property values
- KUSD does not assess or levy taxes on individual properties
 - The district levies taxes on each municipality
 - Each municipality determines the individual property holders share



Property Values, State Aid and Tax Levy



2023-24 Budget Next Steps

| What | When |
|------------------------------------------------|-----------------------------------|
| Finalize Enrollment | 3rd Friday Count (September 15th) |
| Update Property Values | October 1 |
| Finalize Revenue Limit | October 15 |
| Update State General Aid | October 15 |
| Finalize Tax Levy | October 15 |
| Update/Rebalance Budget | October 15-21 |
| Board Adoption (must be prior to Nov.1) | October 24 |
| Notify Municipalities of Tax | November 10 |

THANK YOU



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KUSD



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