



KENOSHA UNIFIED SCHOOL DISTRICT

**Public Hearing of the
Proposed 2024-25 Budget**

September 17, 2024

Presented by: Tarik Hamdan, Chief Financial Officer



KUSD Fund Structure

General Fund (10)

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

Debt Service (30)

- Transactions for repayment of bonds, notes and loans

Community Service (80)

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

Special Projects (20)

- Special Revenue (donations)
- Special Education
- Head Start

Capital Projects (40)

- Expenditures for expansion and remodeling

Food Service (50)

- Activities related to student food services

Trust Funds (70)

- Other Post-Employment Benefits (OPEB)
- Scholarships



General Fund (10) – Noticed in Kenosha News 9/6/2024

GENERAL FUND (FUND 10)	Audited 2022-2023	Unaudited 2023-2024	Proposed 2024-2025
Beginning Fund Balance	74,884,517	81,374,853	77,872,670
Ending Fund Balance	81,374,853	77,872,670	75,392,785
REVENUES AND OTHER FINANCING SOURCES			
Operating Transfer-In (Source 100)	257,311	550,727	345,295
Local Sources (Source 200)	77,341,624	73,735,155	69,261,026
Inter-district Payments (Source 300 & 400)	1,778,983	2,029,453	2,000,000
Intermediate Sources (Source 500)	154,861	0	0
State Sources (Source 600)	166,933,264	167,586,968	173,943,898
Federal Sources (Source 700)	36,610,605	34,070,447	18,278,255
All Other Sources (Source 800 & 900)	10,231,762	2,833,530	150,000
TOTAL REVENUES & OTHER FINANCING SOURCES	293,308,410	280,806,280	263,978,474
EXPENDITURES & OTHER FINANCING USES			
Instruction (Function 100000)	126,935,613	129,092,840	128,717,451
Support Services (Function 200000)	118,098,129	109,543,155	89,440,463
Non-Program Transactions (Function 400000)	41,784,332	45,672,467	48,300,445
TOTAL EXPENDITURES & OTHER FINANCING USES	286,818,074	284,308,463	266,458,359

FY24 -\$3.5 MM change in Fund Balance (101% of revenues spent)



FY 2023-24 Recap

- **Adopted budget with a \$6 MM structural deficit (projected expenses exceeded revenues)**
 - Prediction of staffing vacancy savings (difference between budgeted and actual spending) proved true and made up most of this difference
- **An additional \$4.9 MM of carryover spending (planned use of reserves) was authorized**
 - Included \$2.4 MM Village of Pleasant Prairie Tax Incremental District payout earmarked for the Bradford High School gym floor replacement
- **There will be a request to carryover \$2.9 MM of funds from FY 2023-24 to FY 2024-25**
 - Primarily required grant funds received but not fully spent
 - Mental Health Grants
 - Common School Library Funds
 - Career and Tech Ed Incentives
 - Donations and Mini-Grants



Preliminary FY 2024-25 Highlights

- Declining enrollment trend continues to reduce our Revenue Limit Authority base
- Major impact items such as health insurance premiums continue to rise **(11% with cap)**
- Base wage increases of **2%** plus schedule movements **(1.5%)** for average increases of about **3.5%** for all regular FTE staff
- **School Board actions taken to balance the budget**
 - School Building Consolidations **(\$9 MM)**
 - Department and school discretionary cuts remain in place
 - ESC reductions **(\$1 MM)**
 - Facilities major maintenance reduction remains **(\$1 MM – half of the former budget)**
 - Technology refresh entirely ESSER funded **(\$1 MM)**
 - Annual curriculum adoption changed to request-as-needed **(\$2 MM – former budget)**
 - Cost shift of local operational costs (e.g. Summer School) to spend down ESSER **(\$2.4 MM)**



Preliminary FY 2024-25 Deficit

- Authorized **expenses** are projected to exceed the amount of expected **revenues**
- Staffing budget to actual variance trends from unfilled positions are expected to continue and cover most of the projected deficit
- **Adjustments will be made to this preliminary budget due to staffing and updated data**
 - Snapshot of staff processed in early August to meet publication deadlines
 - Authorized positions without an assigned staff member (vacancies) are projected with an average salary and **Employee+Spouse** health coverage **(\$23,000)**
 - Newly hired staff that are benefit-eligible and within their 30-day election window are budgeted with an **Employee+Spouse** benefits package **(\$23,000)**
 - The district cost of a medical package ranges from about **\$11,000 to \$32,000** for most groups so this budget will be refined and become more accurate as staff are hired and processed with their actual benefit elections



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

Assets

- Cash
- Investments
- Prepaid Expenses
- Receivables
 - Tax Levies
 - State Aid
 - Grant Claims

Liabilities

- Accounts Payables
- Payroll Liabilities
- Cash Flow Borrowings

Equity

- Fund Balance
 - Non-spendable
 - Restricted
 - Committed
 - Assigned
 - Unassigned

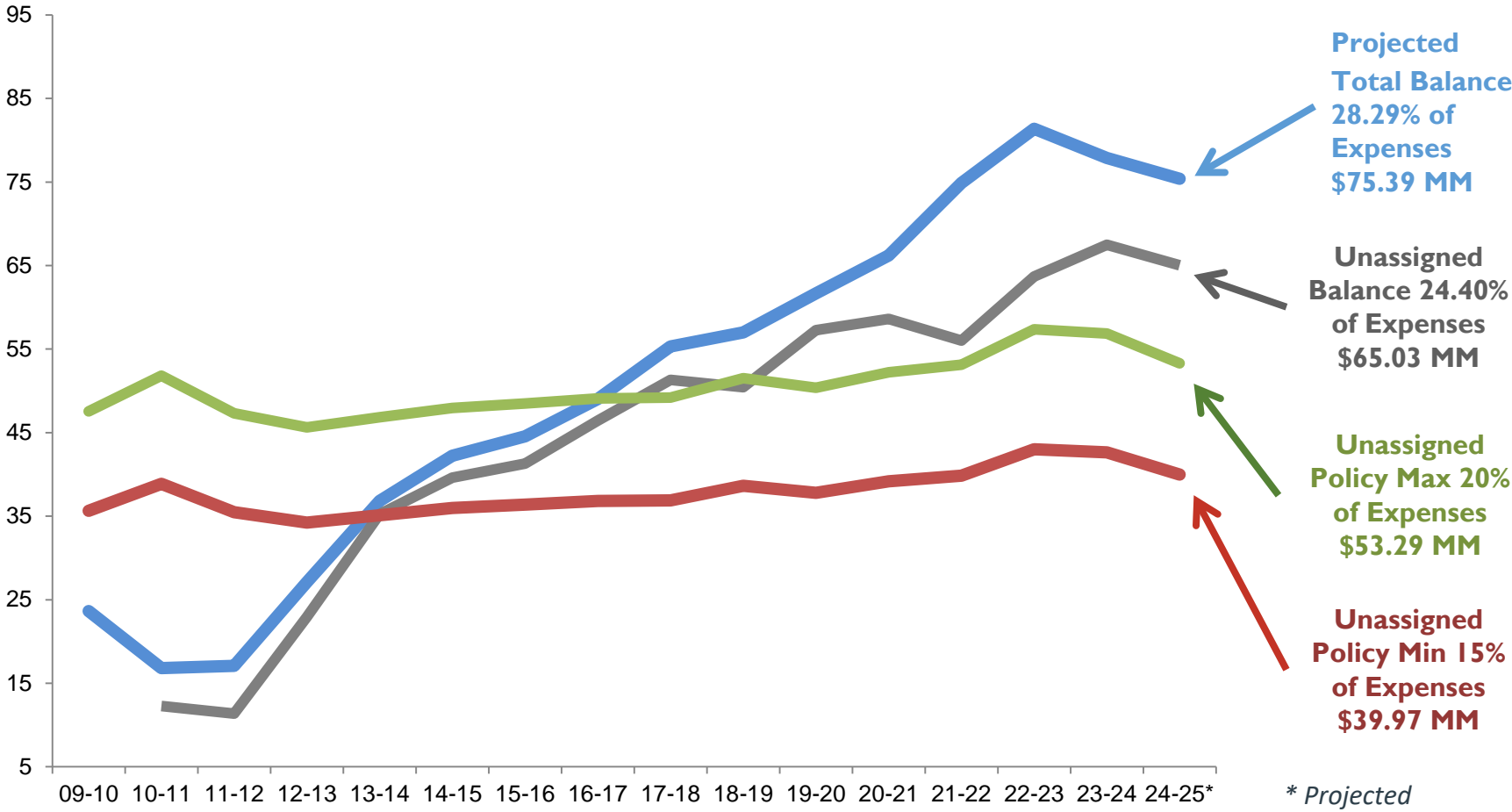


Components of General Fund (10) Balance

- **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.
 - **\$510,192 as of 6/30/2024 for prepaid items**
- **Restricted Fund Balance** includes amounts constrained for a specific purpose by external parties.
 - **\$2,442,692 as of 6/30/2024 for Common School Library Funds, CTE Incentives, and Get Kids Ahead Grant**
- **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).
 - **\$3,359,748 as of 6/30/2024 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).
 - **\$4,051,772 as of 6/30/2024 for Charter School Reserves, and Carry Over balances**
- **Unassigned Fund Balance** is the residual classification for the general fund.
 - **\$67,508,267 as of 6/30/2024**



General Fund (10) Ending Fund Balance (millions of dollars)





Fund Balance Policy

- The state percentages in the policy are only a guide
- **Most important** is the policy rule addressing unassigned fund balance
 - Adequate working cash for budgeted operating activities with **limited or no cash flow borrowing**
 - Unanticipated expenditures
 - Orderly adjustment resulting from termination or reduction of revenue sources
 - Unanticipated fluctuations in revenues



Projected Revenue Collection Calendar 2024-25 (Millions of Dollars)



Revenue in this analysis (**\$252.13 MM**) accounts for approximately **95.5%** of the budgeted KUSD General Fund Revenues (**\$263.98 MM**) for 2024-25



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
2024-25	\$0

It took 12 years to get here and there is no guarantee that we will never borrow again.....but we will **avoid short-term borrowing again in FY25**



Current Interest Rate Environment



5.5% August 2024
Last seen March 2001

Highest Rates in Over 20 Years

Source: tradingeconomics.com | Federal Reserve

- Best practice in a high interest rate environment:
 - Avoid borrowing (paying interest)
 - Maximize investments (earning interest)
 - The FY25 budget has over \$2 MM in interest revenue



Financial Status - Latest KUSD Moody's Ratings

Aa 2

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.

MIG 1

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



KUSD FY 2020-21												KUSD FY 2021-22												KUSD FY 2022-23												KUSD FY 2023-24												KUSD FY 2024-25																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	202

- 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

KENOSHA UNIFIED SCHOOL DISTRICT





Revenue Limit Enrollment Averaging

September & Summer FTE Membership Averages

Count Ch. 220 Inter-District Resident Transfer Pupils @ 75%.

Line 2: Base Avg: $((21+.4ss)+(22+.4ss)+(23+.4ss)) / 3 =$

	2021	2022	2023
Summer FTE:	350	404	398
% (40,40,40)	140	162	159
Sept FTE:	19,172	18,985	18,629
New ICS - Independent	0.00	39.00	58.00
Charter Schools FTE			
Total FTE	19,312	19,186	18,846

Line 6: Curr Avg: $((22+.4ss)+(23+.4ss)+(24+.4ss)) / 3 =$

	2022	2023	2024
Summer FTE:	404	398	398
% (40,40,40)	162	159	159
Sept FTE:	18,985	18,629	18,259
New ICS - Independent	39.00	58.00	78.00
Charter Schools FTE			
Total FTE	19,186	18,846	18,496

Line 10B: Declining Enrollment Exemption =

Average FTE Loss (Line 2 - Line 6, if > 0)

X 1.00

=

X (Line 5, Maximum 2024-25 Revenue per Memb) =

Non-Recurring Exemption Amount:

18,843

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 2024:

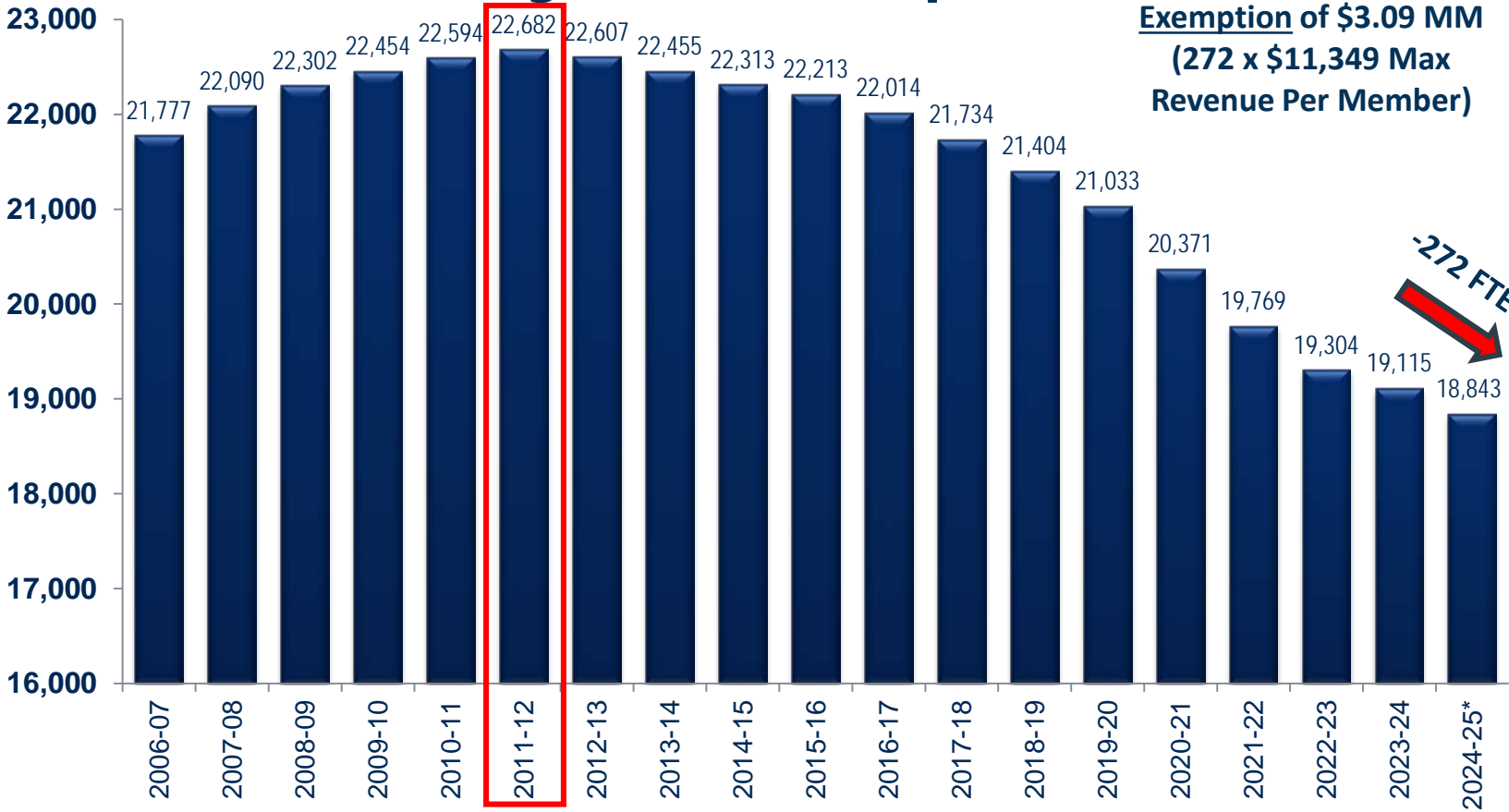
18,784

3,086,952
272
272
11,349.09
3,086,952

Average Student FTE Loss of 272



KUSD Enrollment Trend (Current 3 Year Average Membership)



Decline Allows For The
Non-Recurring
Exemption of \$3.09 MM
(272 x \$11,349 Max
Revenue Per Member)

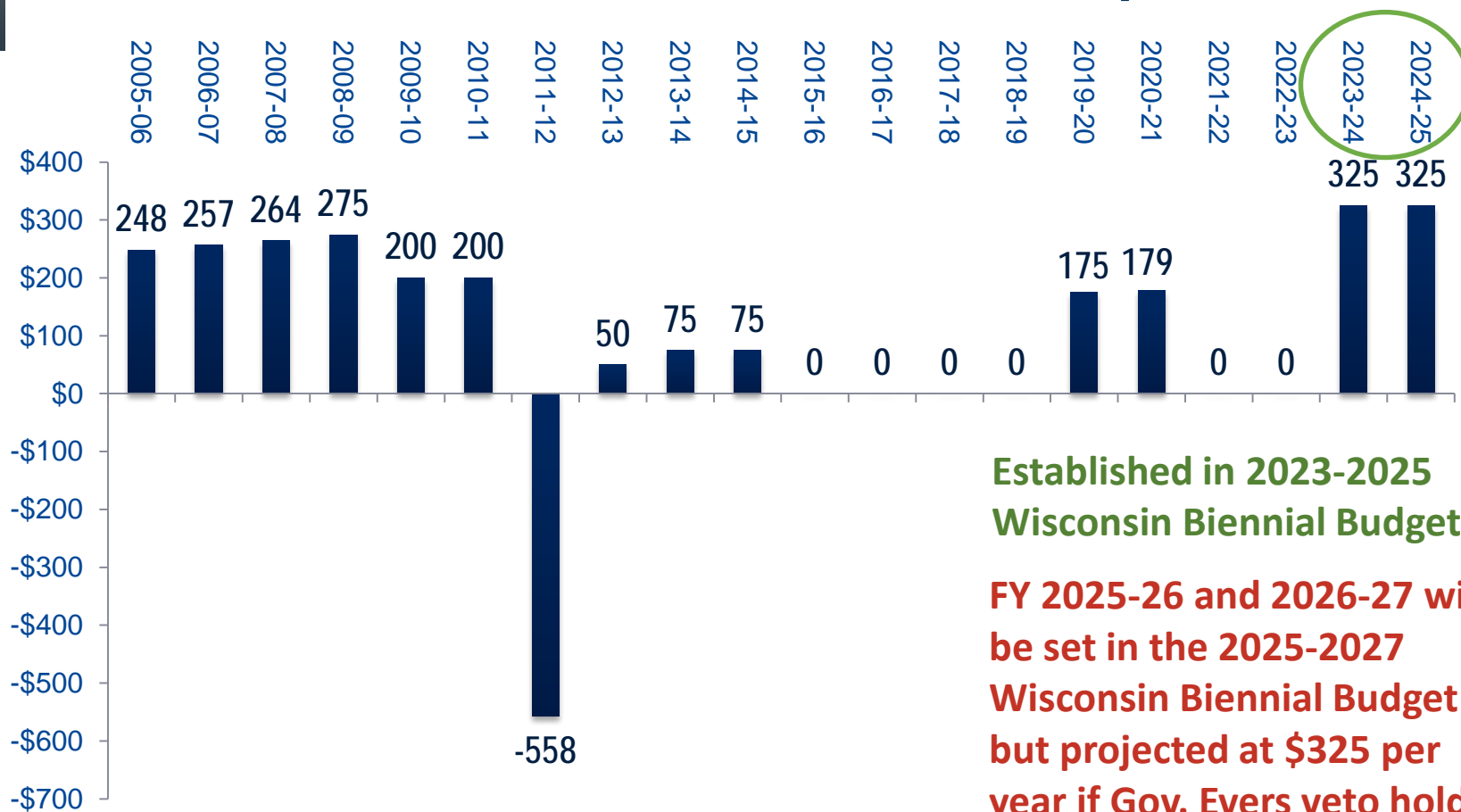


Revenue Limit Maximum Revenue Per Member

2024-25 Revenue Limit Worksheet			
1.	2024-25 Base Revenue (Funds 10, 38, 41)	(from left)	210,725,457
2.	Base Sept Membership Avg (2021+.4ss, 2022+.4ss, 2023+.4ss)/3	(from left)	19,115
3.	2024-25 Base Revenue Per Member (Ln 1 / Ln 2)	(with cents)	11,024.09
4.	2024-25 Per Member Change (A+B)		325.00
	2024-25 Low Revenue Ceiling per s.121.905(1):		11,000.00
A.	Allowed Per-Member Change for 2024-25		325.00
B.	Low Rev Incr ((Low Rev Ceiling-(3+4A))-4C) NOT<0		0.00
C.	Value of the CCDEB (2024-25 DPI Computed-CCDEB Dists only)		0.00
5.	2024-25 Maximum Revenue / Member (Ln 3 + Ln 4)		11,349.09
6.	Current Membership Avg (2022+.4ss, 2023+.4ss, 2024+.4ss)/3	(from left)	18,843
7.	2024-25 Rev Limit, No Exemptions (Ln 7A + Ln 7B)	(rounded)	213,850,903
A.	Max Rev/Memb x Cur Memb Avg (Ln 5 x Ln 6)		213,850,903
B.	Hold Harmless Non-Recurring Exemption		0
8.	Total 2024-25 Recurring Exemptions (A+B+C+D+E)	(rounded)	460,457
A.	Prior Year Carryover		0
B.	Transfer of Service		460,457
C.	Transfer of Territory/Other Reorg (if negative, include sign)		0
D.	Federal Impact Aid Loss (2022-23 to 2023-24)		0
E.	Recurring Referenda to Exceed (If 2024-25 is first year)		0
9.	2024-25 Limit with Recurring Exemptions (Ln 7 + Ln 8)		214,311,360



Allowable Per Member Revenue Increase/Decrease





Per Member Revenue Increase Future Value

Fiscal Year	Base PP	\$ Inc	New PP	% Inc
2024-25	\$11,000	\$325	\$11,325	2.95%
2025-26	\$11,325	\$325	\$11,650	2.87%
2026-27	\$11,650	\$325	\$11,975	2.79%
2027-28	\$11,975	\$325	\$12,300	2.71%
2028-29	\$12,300	\$325	\$12,625	2.64%
2029-30	\$12,625	\$325	\$12,950	2.57%
2030-31	\$12,950	\$325	\$13,275	2.51%
2031-32	\$13,275	\$325	\$13,600	2.45%
2032-33	\$13,600	\$325	\$13,925	2.39%
2033-34	\$13,925	\$325	\$14,250	2.33%
2034-35	\$14,250	\$325	\$14,575	2.28%
2035-36	\$14,575	\$325	\$14,900	2.23%
2036-37	\$14,900	\$325	\$15,225	2.18%

**The Value of a
Fixed Increase
Will Decline
Over Time**



Inflationary Shortfall (State vs. CPI)

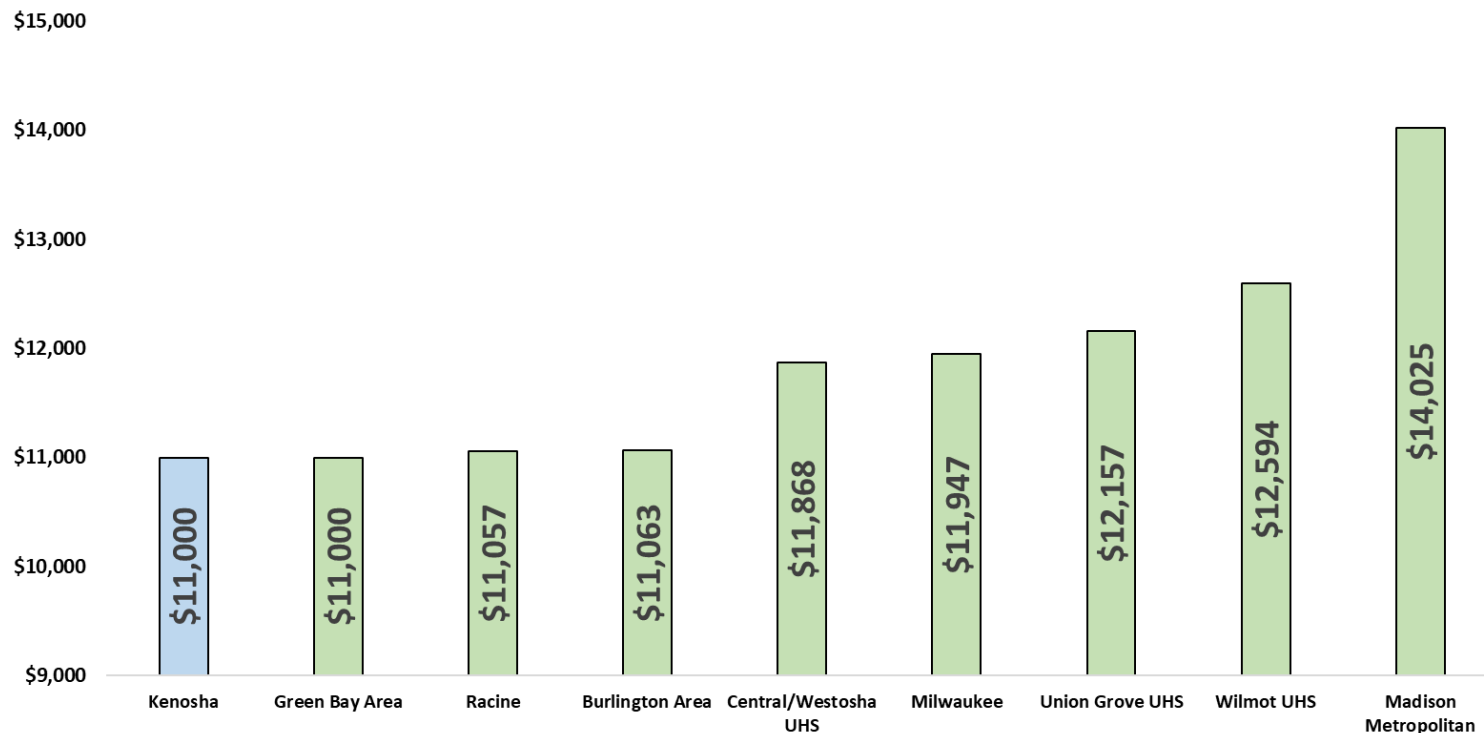
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Per-Member + PPCA Increase \$	\$100	\$100	\$150	\$0	\$100	\$200	\$204
Per-Member + PPCA Increase Percentage	1.02%	1.01%	1.49%	0.00%	0.98%	1.96%	2.00%
CPI-U \$	\$310	\$206	\$147	\$165	\$12	\$129	\$217
CPI-U Percentage	3.16%	2.07%	1.46%	1.62%	0.12%	1.26%	2.13%
(+/-) CPI Percentage	-2.14%	-1.06%	0.03%	-1.62%	0.86%	0.70%	-0.13%
(+/-) CPI Dollar Amount Per Pupil	↓ -\$210	↓ -\$106	↑ \$3	↓ -\$165	↑ \$88	↑ \$71	↓ -\$13
(+/-) CPI Dollar Value	↓ -\$4,737,606	↓ -\$2,369,553	↑ \$60,414	↓ -\$3,657,709	↑ \$1,935,674	↑ \$1,553,445	↓ -\$285,899

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25*	Since Act 10 (13 Yrs)
Per-Member + PPCA Increase \$	\$263	\$179	\$0	\$0	\$377	\$325	\$1,998
Per-Member + PPCA Increase Percentage	2.57%	1.72%	0.00%	0.00%	3.55%	2.95%	19.25%
CPI-U \$	\$250	\$189	\$131	\$499	\$850	\$454	\$3,559
CPI-U Percentage	2.44%	1.81%	1.23%	4.70%	8.00%	4.12%	34.13%
(+/-) CPI Percentage	0.13%	-0.09%	-1.23%	-4.70%	-4.46%	-1.17%	-14.88%
(+/-) CPI Dollar Amount Per Pupil	↑ \$13	↓ -\$10	↓ -\$131	↓ -\$499	↓ -\$474	↓ -\$129	↓ -\$1,559
(+/-) CPI Dollar Value	↑ \$282,186	↓ -\$196,997	↓ -\$2,584,750	↓ -\$9,623,618	↓ -\$9,049,426	↓ -\$2,426,132	↓ -\$31,099,971



Maximum Revenue Per Member Comparable Districts (DPI 2023-24 Data)

Max Revenue Per Pupil - DPI Data 2023-24

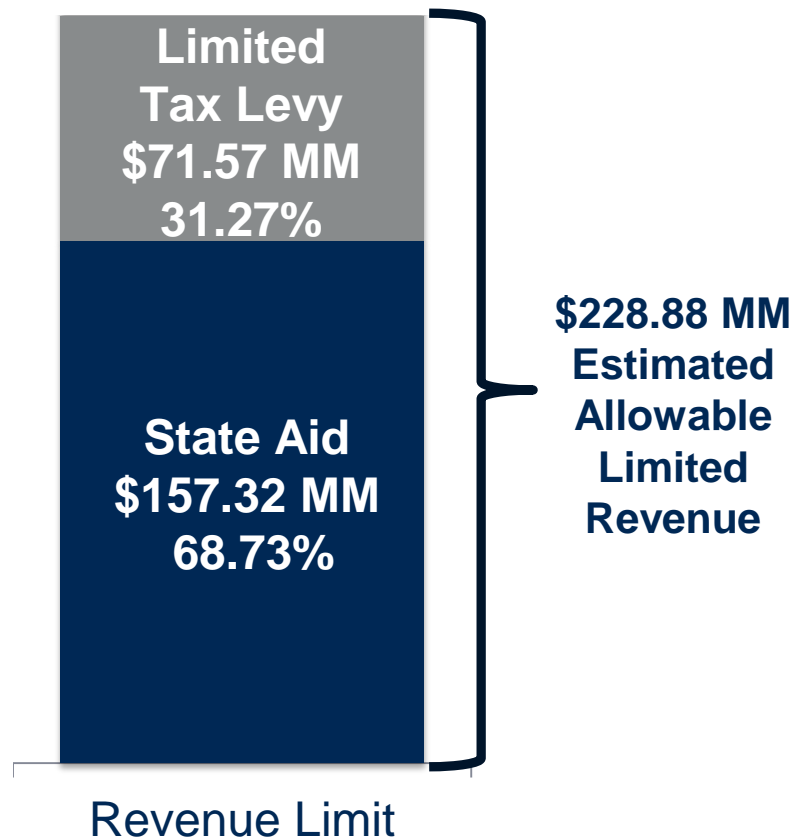




2024-25 Preliminary Revenue Limit Calculation

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 \$2.39 MM)
- Limited Tax Levy is the difference between the Revenue Limit and the projected State Aid





State Aid Formula – Visualization FY25

Shared Cost (Prior Year PI-1506-AC)
\$234,304,836

What If (+/-)
\$0

What If (+/-)
\$ 14,748,891,540
0%

Membership
19,671

DISTRICT VALUE (MAY)
\$14,748,891,540

District Value Per Member
\$749,778

K-12 Guarentees
Primary **\$1,930,000**
Secondary **\$2,218,770**
Tertiary **\$977,295**

District Value Per Member as % of Guarantee
Primary **38.85%**
Secondary **33.79%**
Tertiary **76.72%**

State Share % in Aid Computation
Primary **61.15%**
Secondary **66.21%**
Tertiary **23.28%**

Primary Ceiling Per Member
\$1,000
Primary Tier
Shared Cost Per Member
\$1,000

Secondary Ceiling Per Member
\$11,959
Secondary Tier
Shared Cost Per Member
\$10,959

Tertiary Ceiling Per Member
n/a
Tertiary Tier
Shared Cost Per Member
\$0

Shared Cost Per Member
\$11,911
Total (All Tiers)
Shared Cost Per Member
\$11,959

\$1,000.00	100.00%	Cost Sharing
\$611.51	61.15%	Equal Aid
\$388.49	38.85%	Local Support

\$10,959.00	100.00%	Cost Sharing
\$7,255.68	66.21%	Equal Aid
\$3,703.32	33.79%	Local Support

\$0.00	#DIV/0!	Cost Sharing
\$0.00	#DIV/0!	Equal Aid
\$0.00	#DIV/0!	Local Support

\$11,959.00	100.00%	Cost Sharing
\$7,867.19	65.78%	Equal Aid
\$4,091.81	34.22%	Local Support

\$12,029,092 Primary

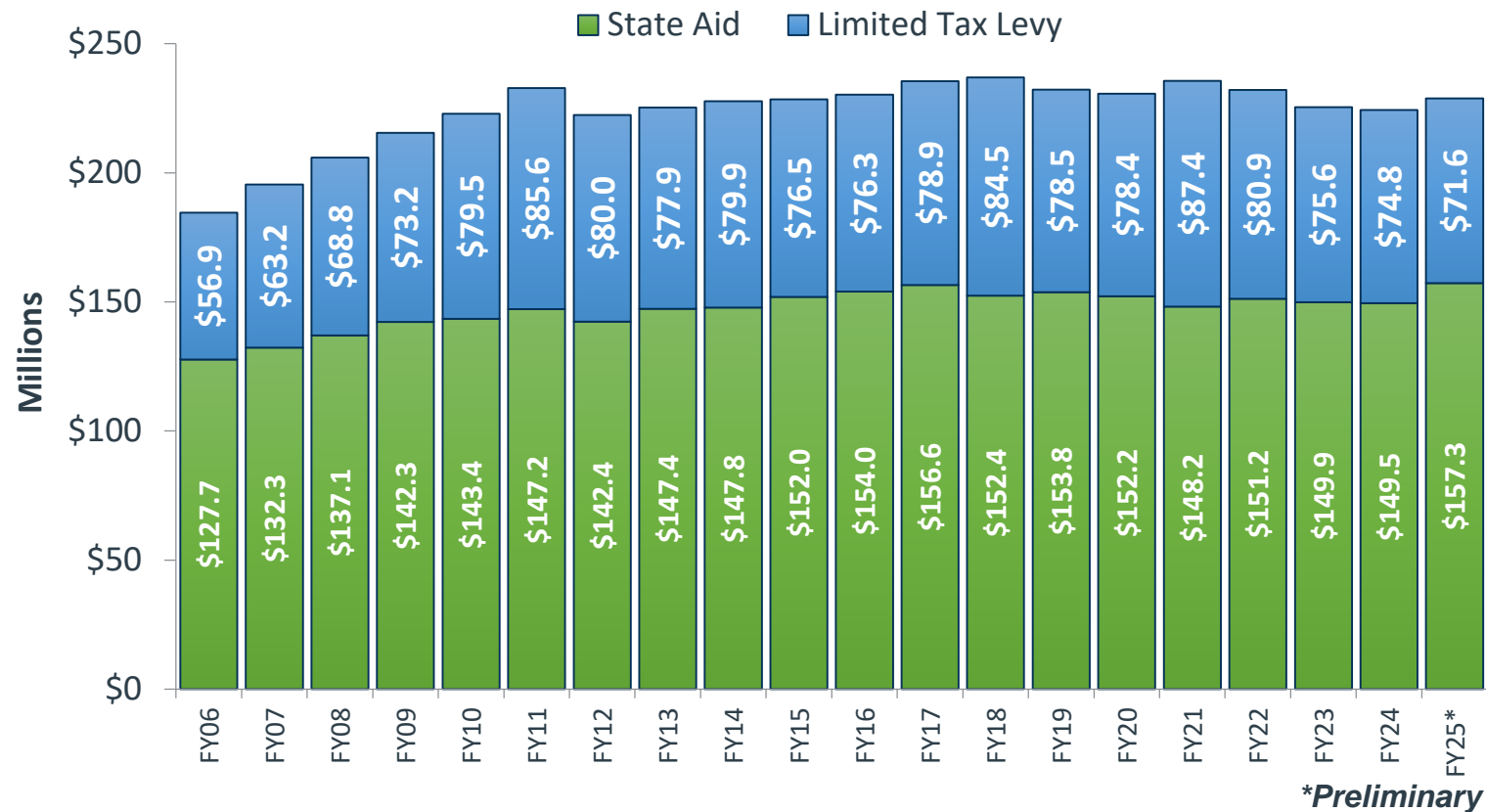
\$142,726,465 Secondary

\$0 Tertiary

\$154,755,557 Total



Revenue Limit History



Non-Operational Pass-Thru Exemptions :

Energy Efficiency
\$5.3 MM

Private School Vouchers
\$4.6 MM

SPED Vouchers
\$1.5 MM

Independent Charter Schools
\$915 K



Trust Funds (Fund 70)

OPEB

- Other Post-Employment Benefits
 - Retiree Medical Benefits up to age 65



OPEB Trust Fund (Fund 73)

2024 Annual Update on Trust Activity

Trust Cash & Investments	\$62,585,091
<i>Return on Investments (earned)</i>	<i>\$2,468,704</i>
Trust Disbursements:	
Insurance Premiums	\$3,593,341
Administrative Costs & Fees	\$3,905
Implicit Rate Subsidy	\$3,202,301
Total Trust Disbursements:	<u>\$6,799,147</u>

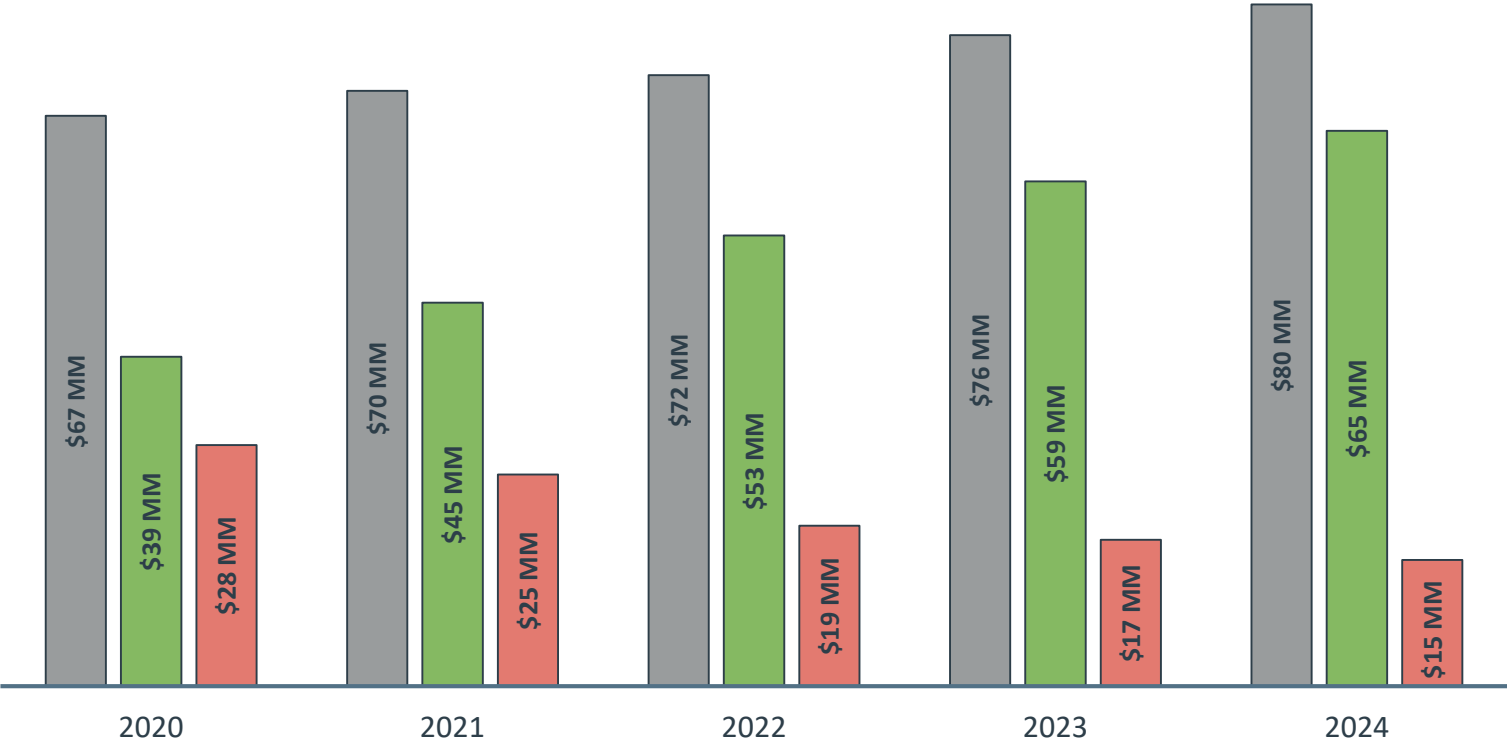
Note: PMA Securities acts as Financial Advisor to the District and the Trust, however, no investment authority has been delegated.



Changes in OPEB Liability

Total Liability = Assets + Unfunded
Or
Unfunded = Total Liability - Assets

■ Total Opeb Liability ■ Net Position of Trust ■ Unfunded Accrued Actuarial Liability





Community Service Funds (Fund 80)

Community and Parent Programs

- Family Education
- Safety Trainings
- Parenting Skills Development
- Alcohol and Other Drug Awareness (AODA)
- Community Outreach
- Boys & Girls Club Programs
 - Gang Prevention
- Adult Education
 - GED Programs
 - ESL
 - Even Start Literacy
- Building Our Future

Recreation Department

- Adult Sports
 - Softball
 - Volleyball
 - Basketball
- Youth Summer Programs
- Swimming
- Kenosha Youth Performing Arts Company (KYPAC)
- Marching Bands
 - Black Watch
 - Rambler
 - Winter Guard

Kenosha Senior Center

- A wide variety of popular recreational, educational, and social activities
- Open to all seniors in our community aged 55 and up
- Founded in 1970



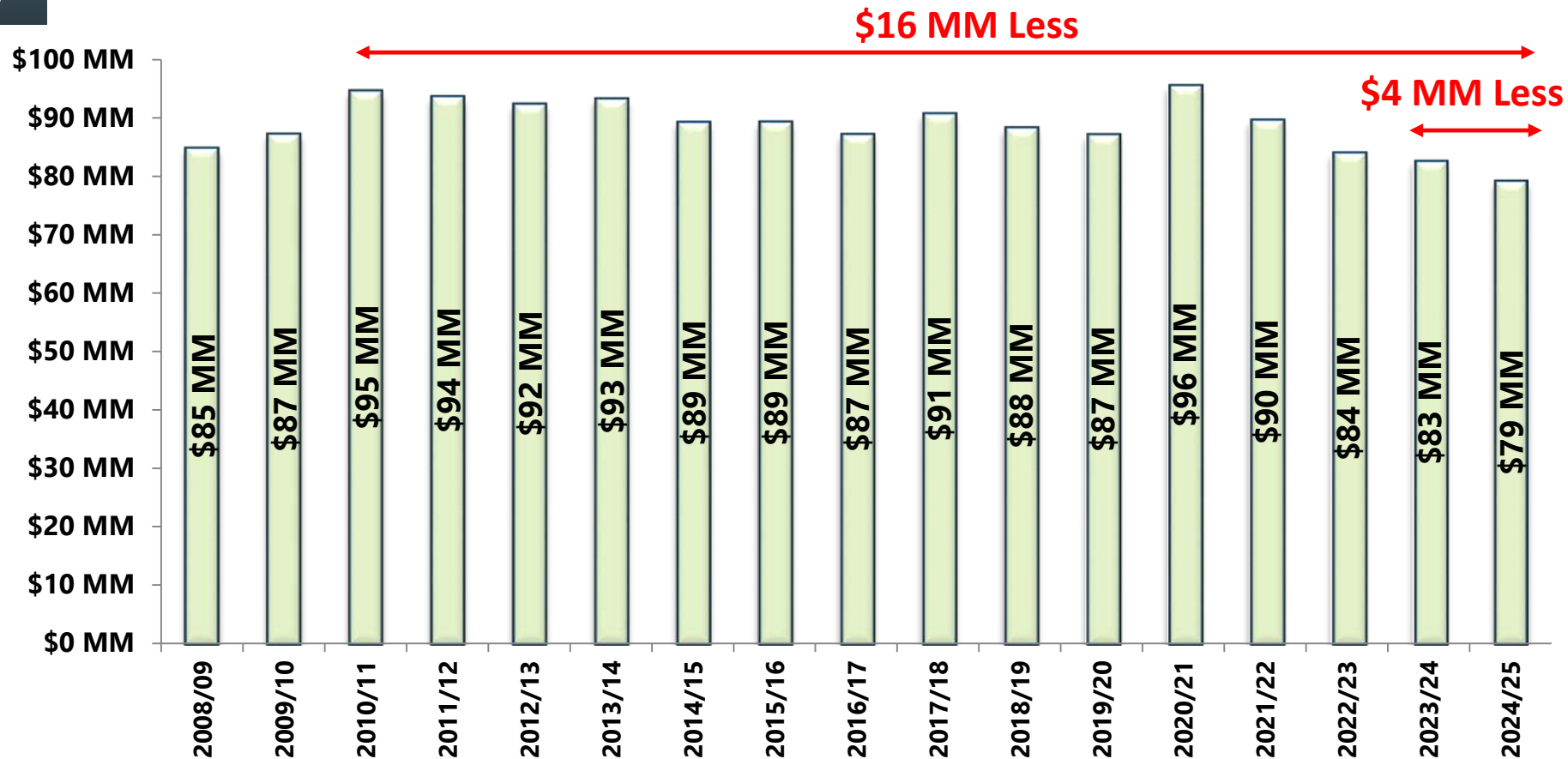
Community Service Funds (Fund 80)

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.

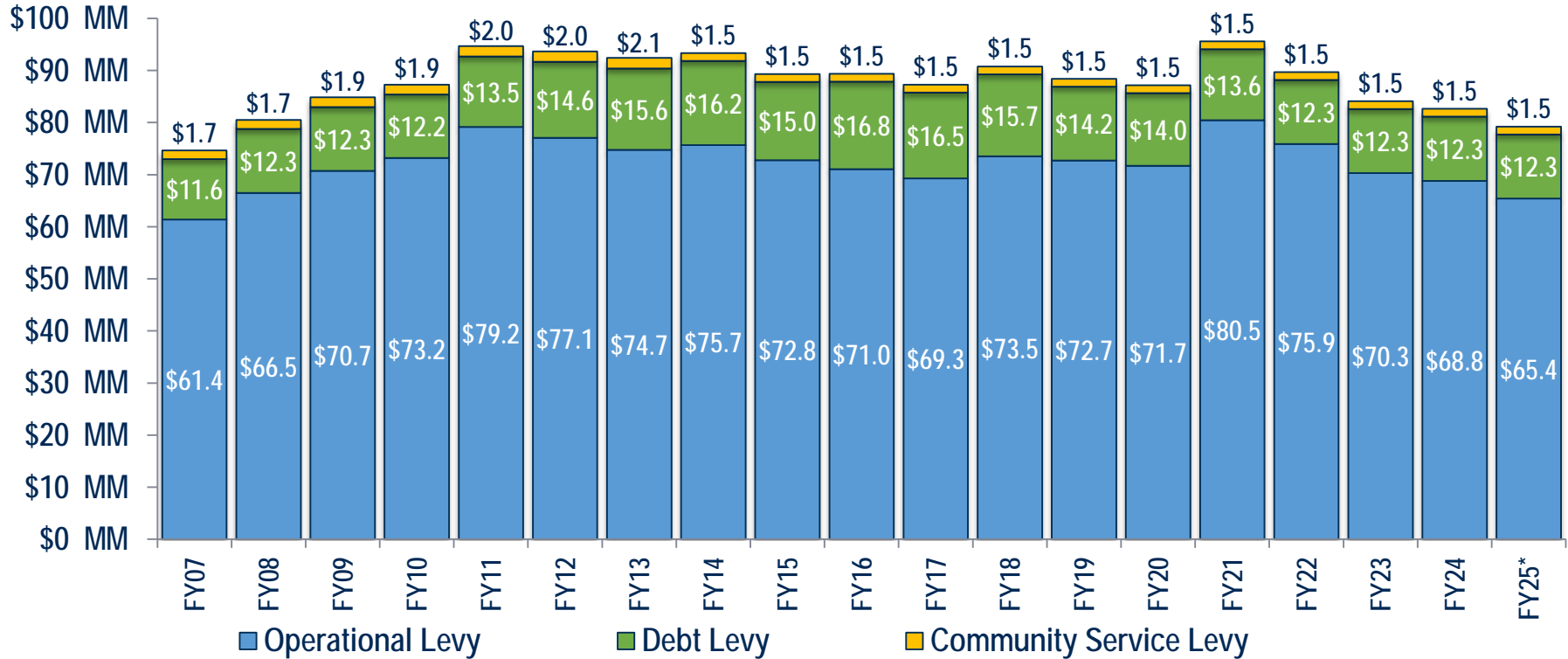


Total Tax Levy History





Total Tax Levy History By Fund



**Preliminary*



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
Actual	2023	2024	\$ 6,336,321.00	\$ (582,148.00)	\$ 5,980,123.00	\$ 587,101.00	\$ 12,316,444.00	\$ 4,953.00
Debt Schedule	2024	2025	\$ 6,174,945.00	\$ (161,376.00)	\$ 6,137,997.00	\$ 157,874.00	\$ 12,312,942.00	\$ (3,502.00)
Debt Schedule	2025	2026	\$ 5,123,319.38	\$ (1,051,625.62)	\$ 7,195,447.13	\$ 1,057,450.13	\$ 12,318,766.51	\$ 5,824.51
Debt Schedule	2026	2027	\$ 5,062,543.00	\$ (60,776.38)	\$ 7,199,128.26	\$ 3,681.13	\$ 12,261,671.26	\$ (57,095.25)
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)
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)	\$ 6,282,581.00	\$ (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	\$ 5,353.00
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)

Next Ledger

\$ 34,458,780.38
Unlevied FD 39

\$ 77,551,698.39
Unlevied FD 38

\$ 112,010,478.77
Unlevied Total





Preliminary Tax Levy Changes

	FY 2022-23	FY 2023-24	FY 2024-25*
Total Tax Levy	\$84.1 MM -6.24%	\$82.6 MM -1.74%	\$79.2 MM -4.10 %
Property Values	\$13.5 B +16.98%	\$14.7 B +9.13%	\$15.9 B +7.79%
Mill Rate	\$6.24 (per \$1,000)	\$5.62 (per \$1,000)	\$5.00 (per \$1,000)
Property Tax on \$250,000 House	\$1,560	\$1,404	\$1,249

\$155 less

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

**Preliminary*



Mill Rate

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

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

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



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	14,711,896,140	9.13%
2024/25*	15,857,952,849	7.79%

\$1.15 Billion
Projected Growth
(7.79%)



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 could 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



2024-25 Budget Next Steps

What	When
Finalize Enrollment	3rd Friday Count (September 20th)
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 22
Notify Municipalities of Tax	November 10

THANK YOU



kusd.edu



KenoshaSchools



KenoshaSchools



KUSD



KenoshaSchools