

**October 5, 2020**

# **2020-21 Annual Meeting**

**Dr. Brad Saron, Superintendent**

**Caren Diedrich, District Treasurer**

**Janet Rosseter, Assistant Superintendent of Operations**

**Phil Frei, Director of Business & Finance**



**Sun Prairie Area  
School District**

***FUTURES DEPEND ON US... EVERY CHILD, EVERY DAY***

# Public Input on the Proposed Budget

- » Components of the 2020-21 budget were discussed during multiple School Board meetings.
- » A public hearing was held on July 27, 2020.
- » The School Board approved the proposed budget on August 24, 2020.
- » All School Board meetings allow for public comments.

## **Community Engagement Strategic Plan Goal**

Excel in how we serve all stakeholders and build relationships with families, community members, and businesses that promote positive outcomes for students.

# How are School Districts Funded?

» The simplified Revenue Limit Formula:

$$\text{Revenue Limit} - \text{State Aid} = \text{Local Taxes}$$



# What Is A Revenue Limit For School Districts?

## Major Factors:

- » Student membership
- » State per pupil allocation
  - > Base plus yearly increment
- » Prior year revenue limit base



$$\text{Revenue Limit} - \text{State Aid} = \text{Local Taxes}$$

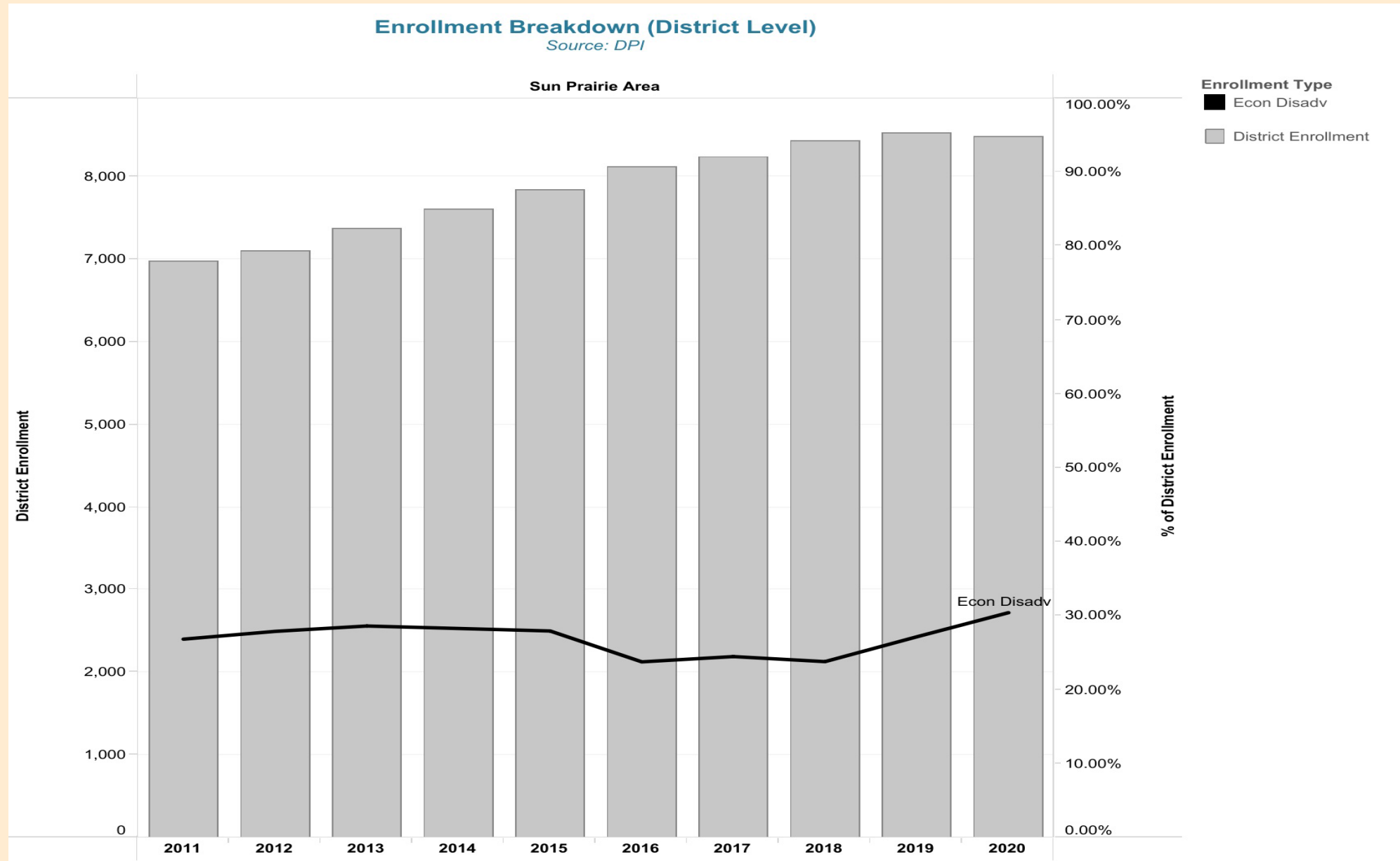


# Enrollment

- » The Preliminary Budget was based on an increase of 55 students, or 0.6%.
- » Enrollment estimates are based on projections provided by University of Wisconsin Applied Populations Lab (UW-APL).
- » The preliminary 2020-21 Third Friday Count for enrollment shows a decrease of 97 students.
- » Enrollment is translated to full-time equivalency (membership).
- » Membership in the revenue limit is averaged over three years, resulting in an increase of 9 students for this year.

$$\text{Revenue Limit} - \text{State Aid} = \text{Local Taxes}$$

# 10-Year District Enrollment History



# State Per Pupil Allocation

- » The State budget includes a \$179 revenue limit increase for the Sun Prairie Area School District (SPASD); this equates to an increase of approximately \$1,500,000.



$$\text{Revenue Limit} - \text{State Aid} = \text{Local Taxes}$$

# Major Equalized Aid Factors

- » Per student spending
- » Per student property wealth
- » State allocation for equalized aid



$$\text{Revenue Limit} - \text{State Aid} = \text{Local Taxes}$$

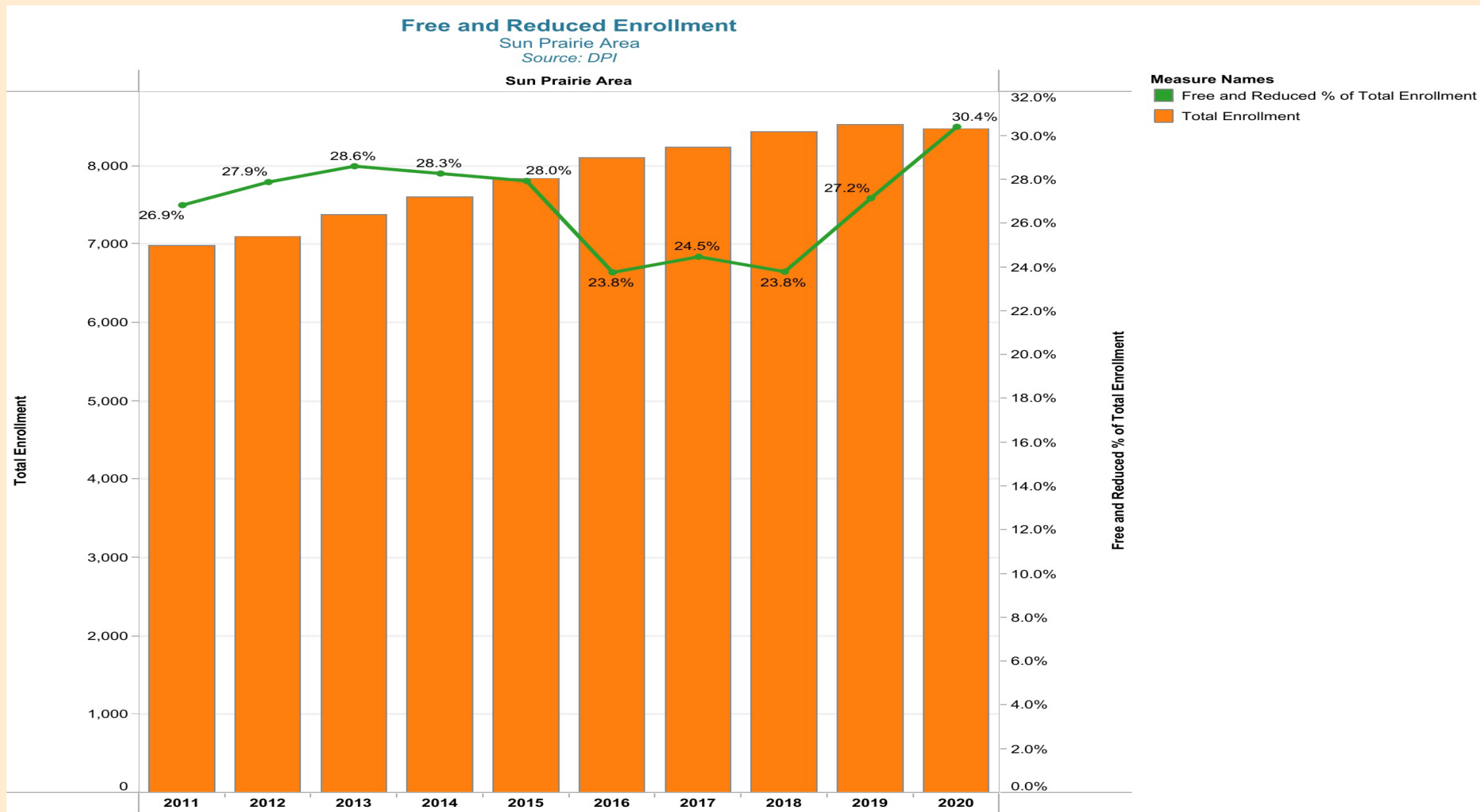


# Equalized Aid

- » The Department of Public Instruction's aid estimate was \$49,800,000 as of July 1, 2020.
- » This is an increase of \$2,200,000.



# Economically Disadvantaged Enrollment History



# Funding Outside the Revenue Limit

- » Year two of the approved operating referendum for \$5,000,000 to pay for professional educators salaries is included in this budget.





# **Translating the District's Vision, Mission, and Goals into Financial Terms through Strategic Based Budgeting**

# Strategic Based Budgeting

- » Began budget process with identifying strategic goals.
- » Senior Leadership Budget Team started budget process in September 2019.
- » District Support Center continued with strategic based budgeting.
- » Continued process improvement on budgeting & staffing timelines.
- » Developed step-by-step comprehensive budget calendar (School Board approved).
- » Continued focus on using comparison budget data.



# Strategic Budget Items

## » Strategic Budget Items Included in 2020-21:

1. Professional Ed Compensation Program	\$500,000
2. Health Clinic for Staff (Joint Agreement w/City of SP)	\$339,000
3. Plan for SP West High School Staffing	\$333,000
4. Double Madison College STEM Program	\$135,000
5. Start Academy Program at SPHS (1.5 FTE)	\$130,000
6. Expand AVID at Lower Middle Schools	<u>\$120,000</u>
	<b>\$1,557,000</b>

### Facility & Operations Strategic Plan Goal

Facilities and services meet the needs of our diverse and growing student population and community.

# Class Sizes

» Class size guidelines (non-AGR):

Grade	Class Size	Grade	Class Size
Kindergarten	16-20	3rd grade	21-25
1st grade	17-21	4th grade	22-26
2nd grade	18-22	5th grade	23-27

- » Middle school average ratio: 26:1
- » High school average ratio: 25:1

## Teaching & Learning Strategic Plan Goal

All students surpass their annual academic growth targets and graduate ready for success.

# Summary of Staffing Changes

	<u>FTE*</u>		<u>FTE*</u>
Professional Educators	6.1	Growth	3.0
		Budget Initiative	5.1
Support Staff	5.0	Transfer of Service	2.5
		Grant Funded	1.0
Administrative Support Staff	2.5	FTE Reallocation	1.0
Administration	<u>0.0</u>	Fund 80	<u>1.0</u>
	<b>13.6</b>		<b>13.6</b>

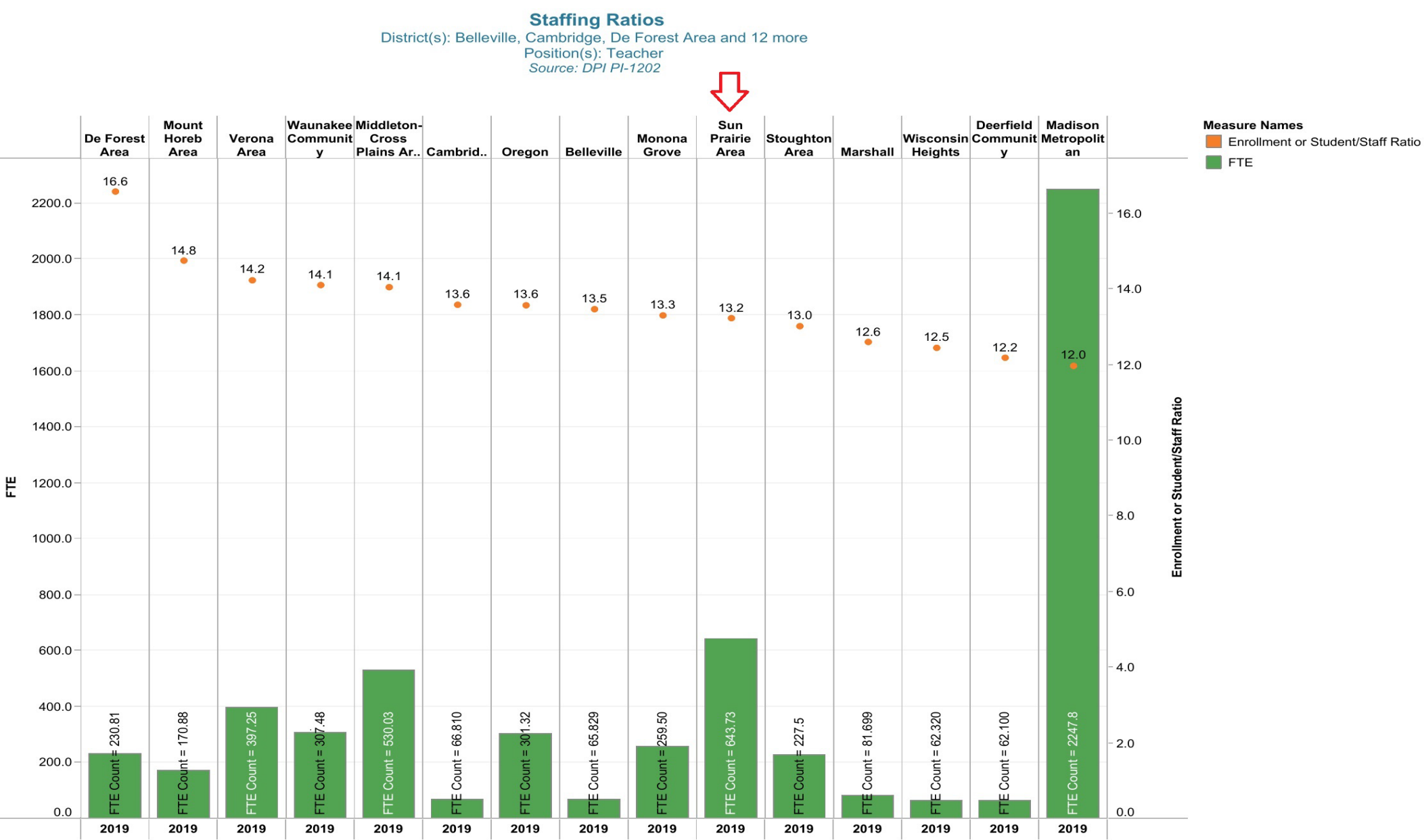
*\*Full-Time Equivalency*

**Grand Total FTE = 13.6**

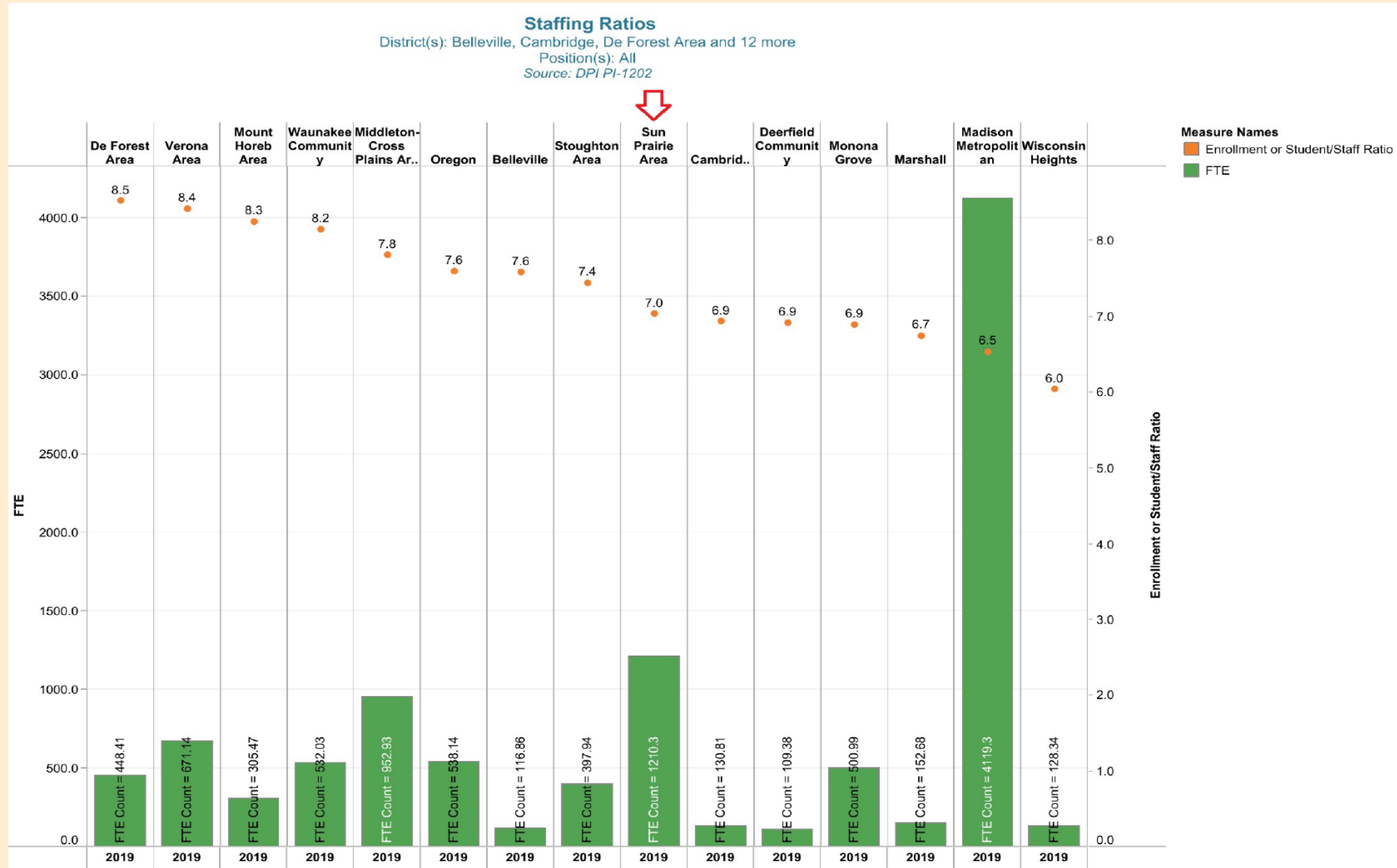
## Teaching & Learning Strategic Plan Goal

All students surpass their annual academic growth targets and graduate ready for success.

# Teacher Staffing Comparison

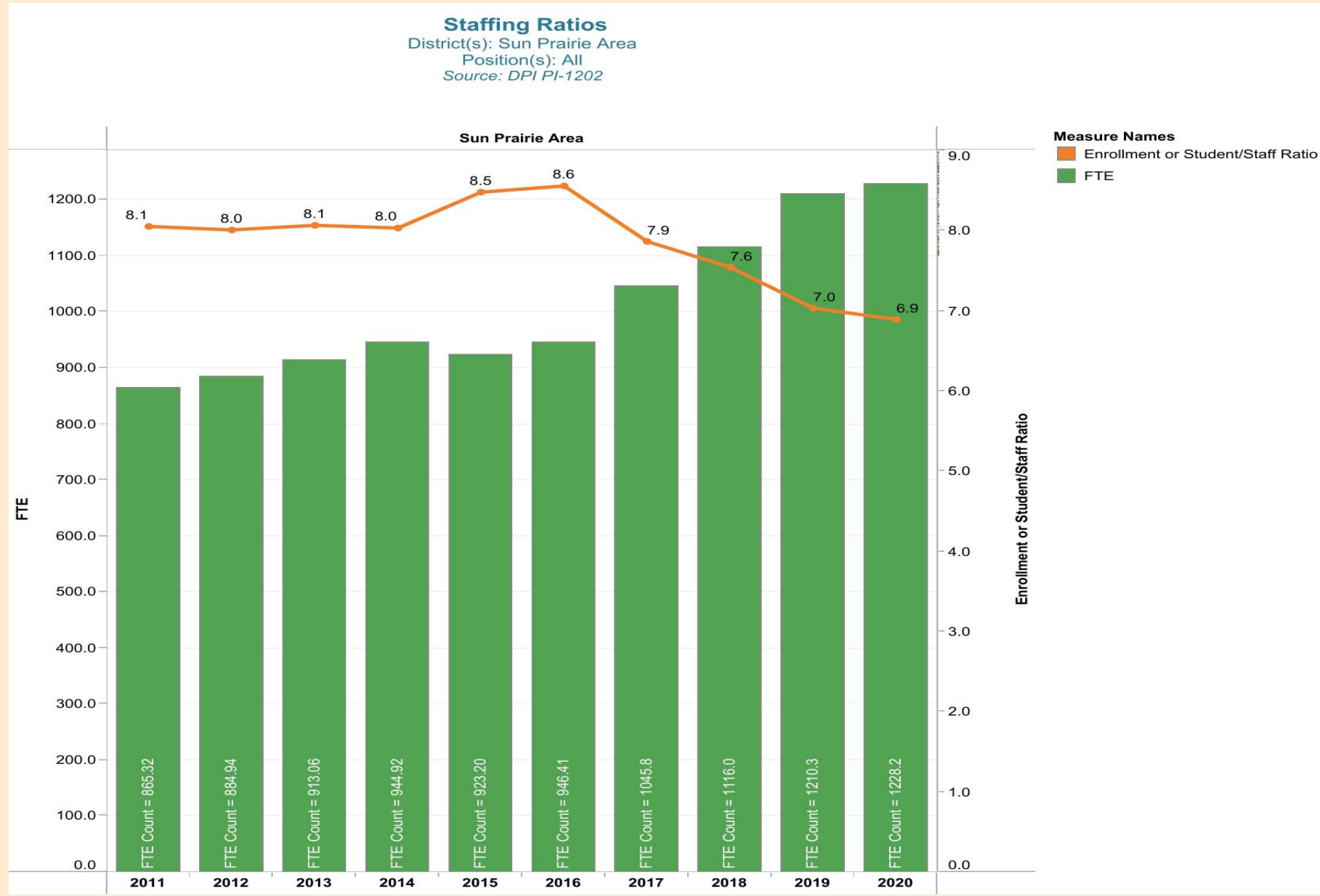


# Total Staffing Ratios

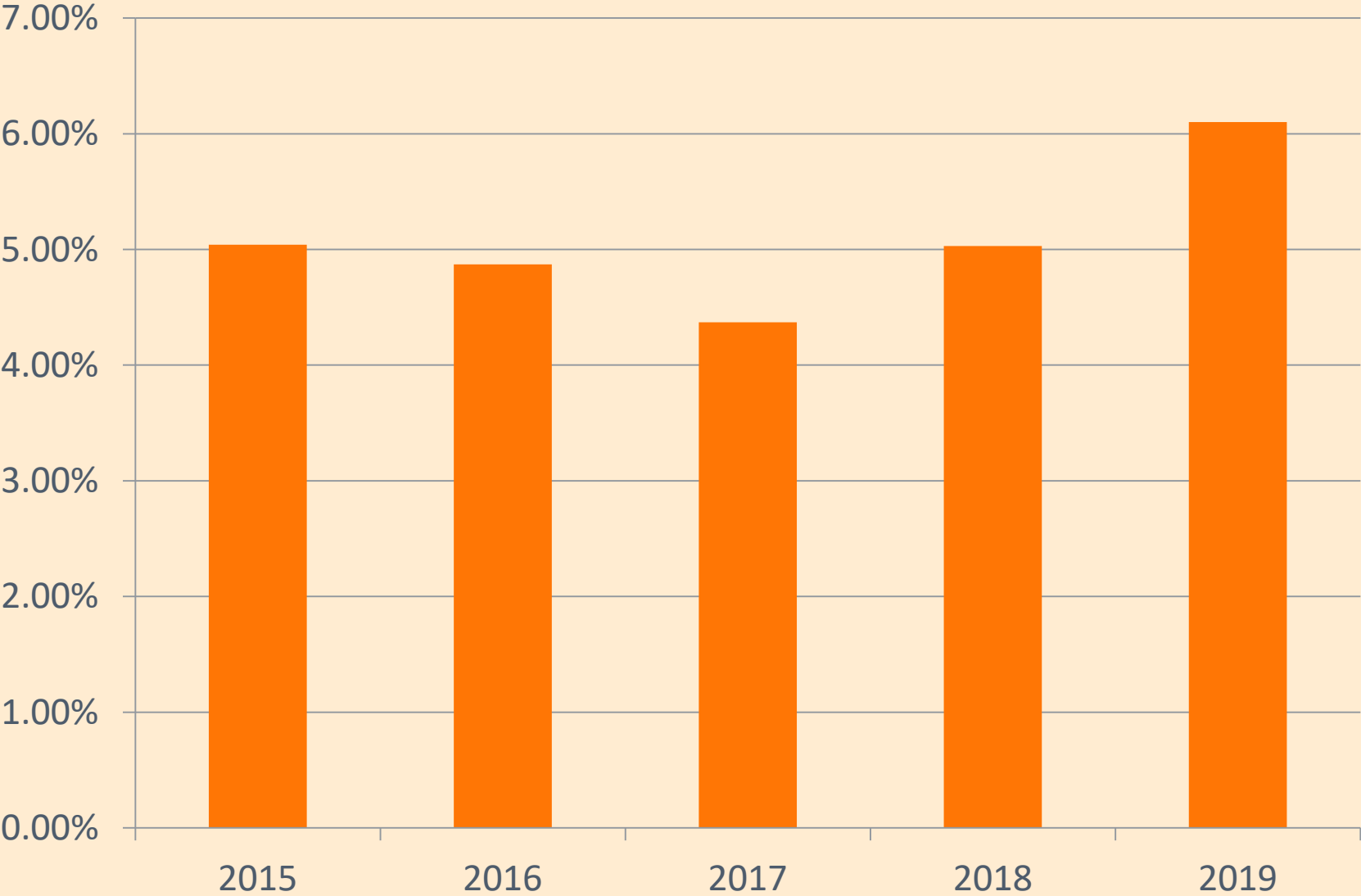




# Staffing Ratio History - SPASD



# 5-Year Minority Teacher Percentage History



# Budgeted Compensation Commitment

- » A 1.8% average increase for all employee groups has been allocated in the budget.
- » In addition, professional educators below the Dane County average received an increase as part of the exceed the revenue cap referendum.
- » The projected salary increase for all employee groups is \$3,200,000.

## Workforce Focus

Proactively recruit, retain and engage talent that reflects and is responsive to our diverse community.

# Budgeted Benefits Commitment

**Effective January 1, 2021:**

- » Health insurance premiums will remain the same due to aggressive bidding in 2018.
- » Dental insurance premiums will remain the same.
- » WRS retirement contributions rates will remain the same.
- » Overall, total package (salary & benefits) will increase 3.1% (\$3,200,000).

## **Workforce Focus**

Proactively recruit, retain and engage talent that reflect and is responsive to our diverse community.

# Fund 10 Operating Budget

- » Revenues: \$114,293,992
- » Expenditures: \$114,293,992





# Debt Levy

- » The debt levy is for voter-approved referendum building projects.
- » In total, the debt service levy budget is \$20,600,000.
- » In 2019, the District was able to borrow \$90,000,000 for the April 2019 referendum financing at a lower interest rate than projected in referendum communication to voters.
- » In 2020, the District borrowed an additional \$40,000,000 at historically low interest rates.
- » Combined, the \$130,000,000 of borrowing avoided \$65,000,000+ in interest costs from the projection used in referendum communications.

## **Facility & Operations Strategic Plan Goal**

Facilities and services meet the needs of our diverse and growing student population and community.

# Community Service (Fund 80)

- » Positions within this fund:
  - > Community Schools; current
  - > Custodians; current
  - > Facility Rental Liaison; new
  - > Performing Arts Center Assistant Manager; current
  - > Pool Assistant Manager; current
  - > Diversity Liaison Consultant; current
  - > Community Schools at Northside; new
- » Projected levy budget at \$614,000



## Community Engagement Strategic Plan Goal

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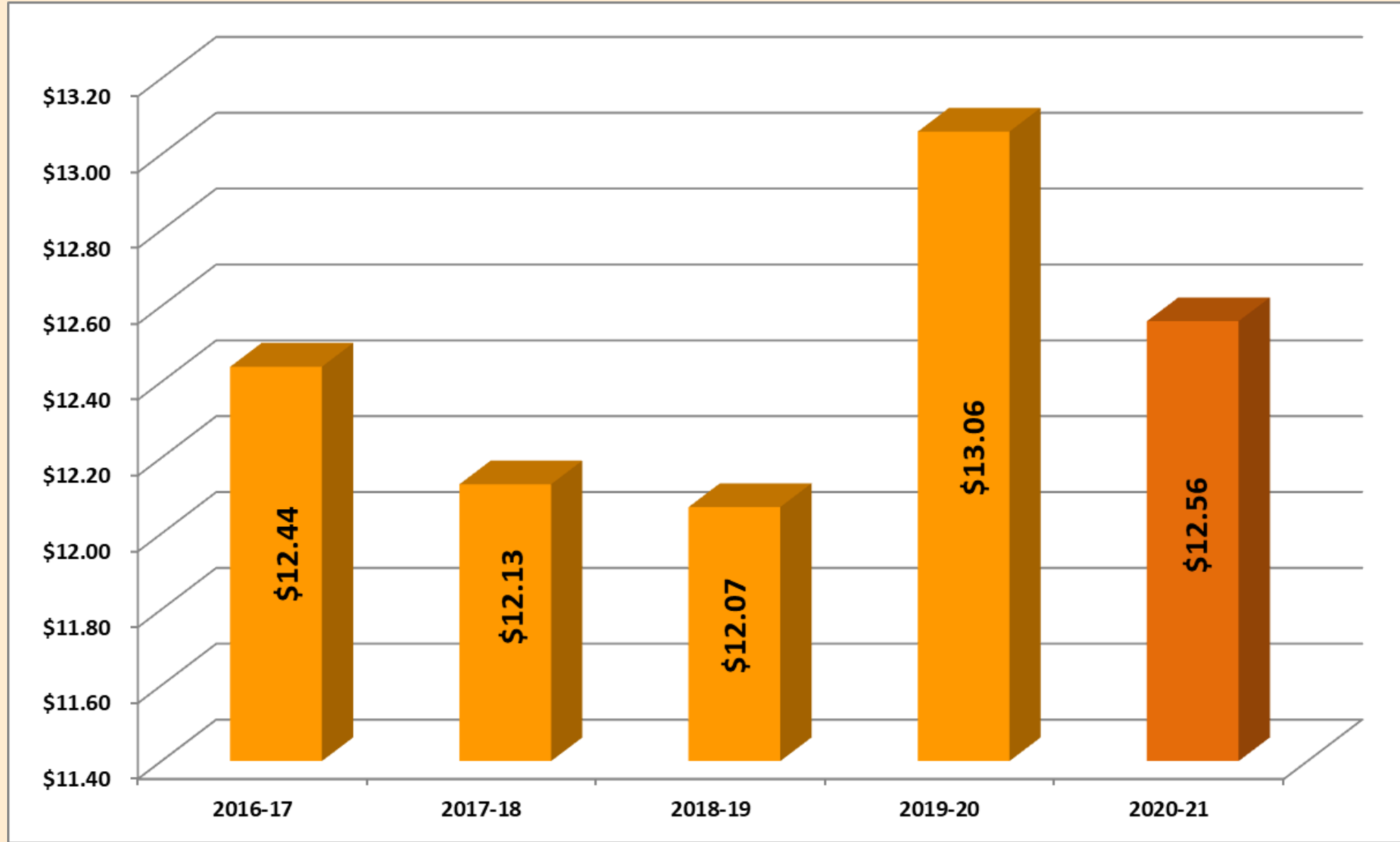
# Projected Total Levy Increase

	Budget	Estimated Increase	% Increase	Total Levy
General Fund Levy	\$114,293,992	\$155,000	0.3%	\$50.3M
Debt Levy	\$18,163,214	\$2,000,000	10.8%	\$20.6M
Community Service Levy	\$704,000	\$166,000	37.3%	\$600K
Combined Levy		\$2,300,000	3.4%	\$71.7M

# Mill/Tax Rate

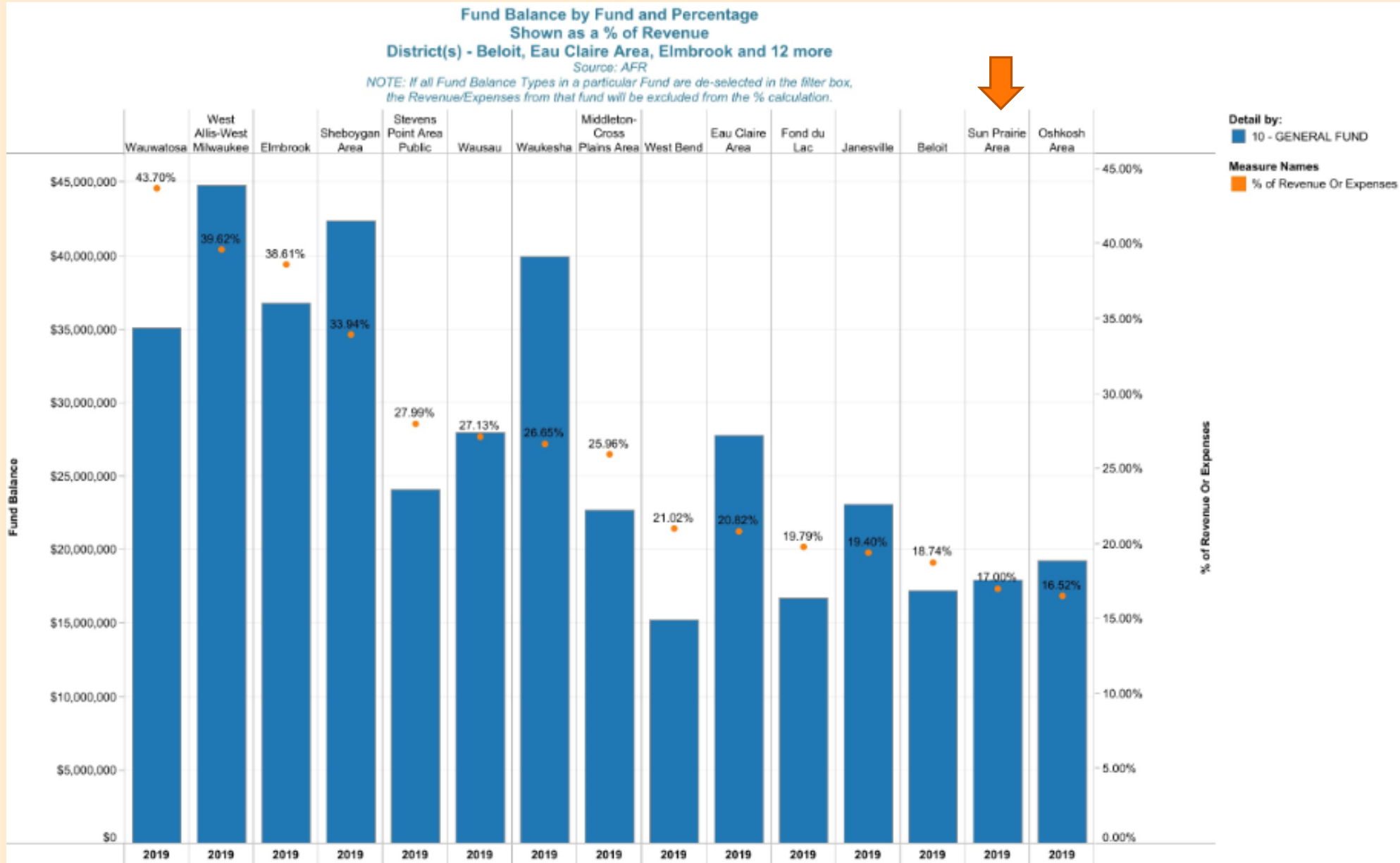
- » Current projections have a 7.5% increase in property value.
- » With a 7.5% property value increase, the mill rate would be \$12.56, or a 3.8% decrease.
- » The percent change will vary among the 10 district municipalities depending on each municipality's change in value compared to the other SPASD municipalities' change in value. District's are required to use equalized value not assessed value.

# Mill/Tax Rate History





# Fund Balance Comparison



# COVID-19 Budget Planning

- » The 2020-21 District budget is based on the current state law.
- » The budget will be adjusted when/if the state law changes.
- » If the state reduces revenue (revenue limit, state aid, etc.), SPASD plans to use conserved funds to cover the shortfall in 2020-21 to give the district more time to plan with and react to revised state factors.
- » The 2020-21 budget will be a very fluid budget.
- » The budget includes \$600,000 in Federal CARES money that has already been used for COVID-19 related expenses.

# Future

- » The District receives the equalized aid amount from DPI on October 15th.
- » The School Board adopts the Original Budget by October 31st.





# Thank you for your attendance and support!



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School District