

CEDARBURG SCHOOL DISTRICT

Personnel & Finance Committee Meeting

October 15, 2015

6:00 p.m.

Board of Education Room #75

Minutes

This meeting will be considered an informational meeting of the School Board if a quorum is present.

Members Present: Jeff Brey, Kevin Kennedy, Karen Dvornik
Members Absent: Mark Meisner
Others Present: Todd Bugnacki, Dan Reinert

Mr. Brey called the meeting to order at 6:00 p.m.

I. Approve Minutes of July 14, 2015

Mr. Kennedy moved to approve the Personnel & Finance Minutes of July 14, 2015.
Mr. Brey seconded the motion. Motion passed, 2-0.

II. 2015-16 Budget and Tax Levy Discussion

Ms. Dvornik distributed the 2015-16 Budget Development hand out. The first item discussed was the Enrollment History & Projection chart. The September resident count totaled 2,826, which is a decline of 43 students from the prior year, but up five from the original estimate. She indicated the decrease will not significantly impact the current year revenue limit, but will impact the 2016-17 equalization aid amount, which is calculated based on the average of the 2015-16 September and January counts. She stated many factors play into the equalization aid amount and that a decrease in resident enrollment in the current year will most likely reflect a decrease in aid the next year.

Other points discussed on the Enrollment History & Projection chart included a decrease of 22 open enrollment students and a total headcount decrease of 73, which includes open enrollment students. The open enrollment IN amount is less, mainly due to the fact that no new seats were added in 2015-16. There are 154 continuing open enrollment students from the prior year and the open enrollment OUT students reflects four more than the prior year. Ms. Dvornik indicated the budget will be adjusted for the final open enrollment amounts, which is

Mission Statement

The mission of the Cedarburg School District is to provide an exemplary education that challenges students in a nurturing environment to become lifelong learners, to be responsible members of a global community and to achieve their goals and dreams.

approximately a net decrease of \$75,000 due to more students going out and less students coming in than estimated. Ms. Dvornik indicated it is important to note that the district has a positive net balance and many districts do not, she also indicated that there are 25 twelfth grade open enrollment students this year that will not be in the counts next year. This must be taken into consideration when looking at the 2016-17 budget.

Next the Elementary School Enrollment chart was discussed. Ms. Dvornik reviewed the chart which shows all class sizes for 2015-16 are within or below the guidelines. She indicated that if students were rolled forward as they are shown today, it would mean the district could see two less sections in 2016-17 if the kindergarten numbers remained the same as this year. The final kindergarten numbers reflect a decrease of 28 and the overall decrease to the elementary headcount is 70 students.

The last item reviewed from the packet was the 2015-16 Proposed Tax Levy spreadsheet. Ms. Dvornik reminded the committee that the Revenue limit is calculated on a three year rolling average using the resident count, which declined 43 student FTE's. This continues to keep the district in declining enrollment. The district is currently receiving nonrecurring declining enrollment and hold harmless exemptions. Ms. Dvornik indicated this is just over \$500,000 and is not part of the base when the revenue limit is calculated the next year. The proposed tax levy is highlighted in yellow and utilizes the full revenue limit authority and reflects a decrease of 0.22% for the total levy, which includes debt service and community service levies.

The October Equalization Aid amount received from the DPI is \$8,776,601. This is 3% greater than last year and 4.65% greater than the July estimate. Ms. Dvornik explained this is partially due to a decrease in shared cost. She indicated the district is in negative tertiary aid in the equalization formula and that when less is expended in a given year, the district generally receives more aid the next year. She explained the district changed its process for the bonus program so less was expended in 2014-15 meaning more aid and more was expended in 2014-15 due to the HVAC project meaning less aid. The net amount was less overall so shared cost decreased giving the district just over \$105,000 for these items, along with additional amount for the normal spending which was less in 2014-15.

Finally, Ms. Dvornik indicated the Equalized Valuation reflects an increase of 2.21% which equates to a tax rate of 9.70287 compared to the prior year tax rate of 9.938 or a 2.37% decrease. This means the estimated tax on a \$300K home is \$2,910.86 or an estimated decrease of (\$70.67).

Ms. Dvornik indicated she continues working on adjusting the budget for the final October budget adjustment, and would share more information at the P&F meeting next Wednesday. She did indicate the health insurance rate was favorable at a 0% increase or less. She indicated the \$150 Per Pupil aid totals \$427,950, which as stated in August will be a positive from 2015-16 budget balance. It is still the intent of administration to ask the board to commit any positive balance to the 2016-17 budget.

III. Bridge Road Property Lease Discussion

The District is recommending renewing the Bridge Road Property lease for one more year and bid out next year. It was the intent to bid for 2016, but Ms. Dvornik indicated timing was an issue. She stated the current annual revenue from this property is \$1,620. The committee agreed to move the approval forward to the board at the October 28, 2016 meeting.

IV. 2015-16 Technology Audit Discussion

Mr. Brey discussed the possibility of adding a line item on the Budget for a technology security audit for 2015-16. Mr. Bugnacki indicated he estimated the amount to be \$10,000 and that this may be an ongoing expense.

V. Future Meeting Dates

October 21, 2015, 5:00 p.m.

VI. Adjournment

Mr. Kennedy moved to adjourn the meeting. Mr. Brey seconded the meeting. Motion passed, 2-0.

The meeting adjourned at 6:36 p.m.

Respectfully Submitted,

Ann Weaver

Secretary to the School Board