



Algoma School
District
Motto

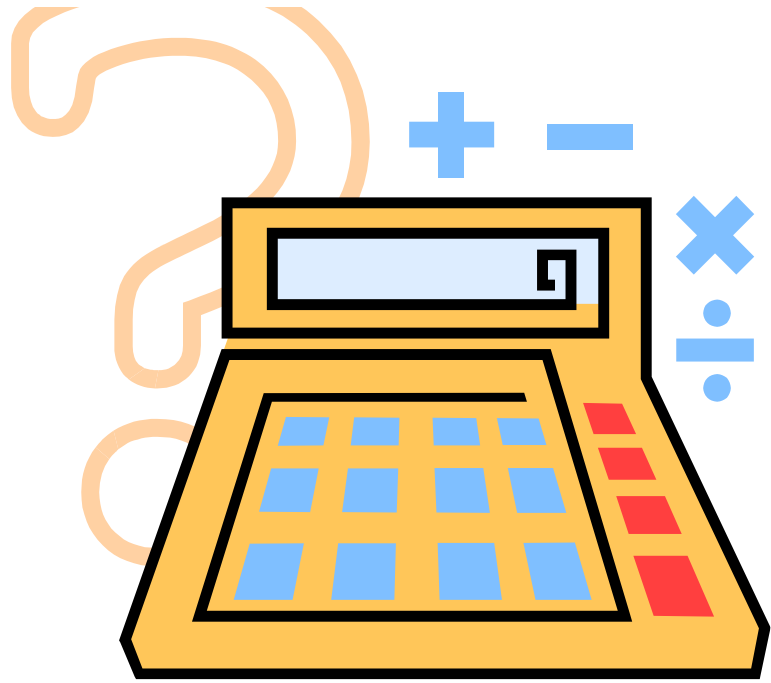
Small Town
Values;
Big World
Opportunities

School Board

Barb Rodgers—President
Ann Schmitz-Vice-President
Pat Qualman-Treasurer
Priscilla Swoboda-Clerk
John Pabich—Member
Joann Wiesner—Member
David Wessel—Member

Administration

Nick Cochart—Superintendent
MS/HS Principal
Jason Melotte—Director of
Business Services
Katie Servi—Elementary Principal
Katie Horn—Special Ed Director



2020-2021 Algoma School District Budget Hearing

October 26, 2020

6 p.m.

1715 Division Street

Algoma, WI 54201

Hearing in Board Room #117

Citizen’s Delegation Phone# 1-678-369-8766, PIN: 672 168
664#



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School District of Algoma
Budget Hearing

TV Room – 1715 Division St., Algoma, WI 54201
Citizen’s Delegation Phone# 1-678-369-8766, PIN: 672 168 664#
Monday, October 26, 2020 – 6:00 P.M.
Agenda

1. President Rodgers call meeting to order
2. Secretary to note roll call
3. Superintendent/Business Manager’s Report
 - Discussion
 - 1) Presentation of the 2020-21 School Budget
 - 2) Fund 73 Balance Sheet and Investments as of 6/30/20

Action – ALL ROLL CALL VOTES

Board to Tentatively Approve 2020-21 Budget as Presented

Board to Levy a Tax of \$2,791,394 in Accordance with the General Fund 10

Board to Levy a Tax of \$500,000 Capital Project Sinking Fund 39

Board to Levy a Tax of \$200,000 in Community Services Fund 80

4. Adjournment

Budget Reporting

Accounts used in school district budgeting and financial reporting are designated by the Department of Public Instruction. A uniform accounting system is important for the facilitation of reporting, auditing, data processing, inter-district comparisons, and financial accounting for cooperative programs. A complete list of allowable account codes and account code explanations are available for review on the website at: http://dpi.state.wi.us/sfs/pdf/wufar_final.pdf.

Fund Accounting

Financial administration requires that each transaction be identified for administrative and accounting purposes. The first identification is by fund which is an independent fiscal and accounting entity, requiring its own set of books, in accordance with special regulations, restrictions, and limitations that earmark each fund for a specific activity or for attaining certain objectives. Each fund must be so accounted for that the identity of its resources and obligations and its revenues and expenditures is continually maintained.

All funds used by Wisconsin school districts must be classified into one of nine fund types. The major fund types are the General Fund, Special Projects Fund, Debt Service Fund, Food Service Fund, Agency (Pupil Activity) Fund, and Community Service Fund.

Basis of Accounting

The basis of accounting refers to the point in time when revenues, expenditures or expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. In other words, the basis of accounting determines the timing with which the accounting system recognizes transactions.

Governmental funds, expendable trust funds, and agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available (susceptible to accrual). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. State general and categorical aids, federal impact aid, and other entitlements are recognized as revenue at the time for receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven programs currently reimbursable are recognized as revenue when the qualifying expenditures have been incurred.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Employee services and payroll-related costs (employee health, life, disability insurance, FICA, Medicare, Wisconsin Retirement System contributions, annuities) other than compensated absences, termination, and other post-employment benefits are recognized in the fiscal period when incurred.

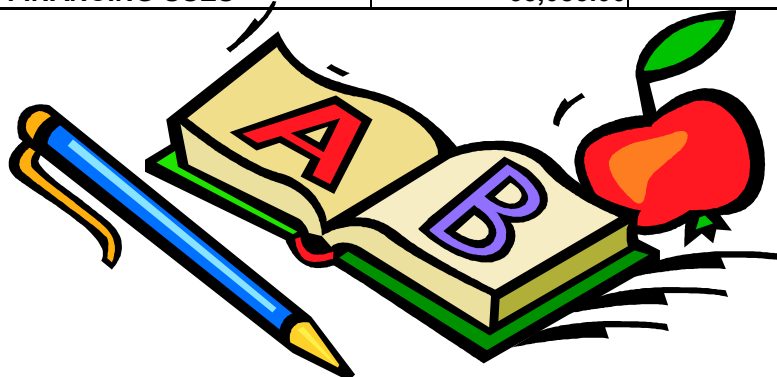
The following tables provide actual audited results for 2016-17, unaudited 2017-18 school year and proposed budget for 2018-19. Detail of the budget can be viewed at the District Administrative Office by contacting the Director of Business Services, Jason Melotte.

GENERAL FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	2,602,724.00	2,940,953.44	3,229,310.96
Ending Fund Balance	2,940,953.44	3,229,310.96	3,028,420.96
REVENUES & OTHER FINANCING SOURCES			
Transfers-In (Source 100)	0.00	0.00	0.00
Local Sources (Source 200)	2,674,509.10	2,599,630.46	2,866,994.00
Inter-district Payments (Source 300 + 400)	216,800.00	266,728.00	260,000.00
Intermediate Sources (Source 500)	4,504.47	4,559.95	5,573.00
State Sources (Source 600)	5,110,249.37	5,448,523.92	5,368,841.00
Federal Sources (Source 700)	124,483.84	141,769.23	228,668.00
All Other Sources (Source 800 + 900)	3.25	4,450.62	6,000.00
TOTAL REVENUES & OTHER FINANCING SOURCES	8,130,550.03	8,465,662.18	8,736,076.00
EXPENDITURES & OTHER FINANCING USES			
Instruction (Function 100 000)	3,361,678.51	3,398,781.41	3,676,413.00
Support Services (Function 200 000)	3,027,567.94	3,110,614.47	3,438,748.00
Non-Program Transactions (Function 400 000)	1,403,074.14	1,667,908.78	1,821,805.00
TOTAL EXPENDITURES & OTHER FINANCING USES	7,792,320.59	8,177,304.66	8,936,966.00

SPECIAL PROJECTS FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	177,669.40	243,554.18	295,307.34
Ending Fund Balance	243,554.18	295,307.34	305,829.59
REVENUES & OTHER FINANCING SOURCES	1,497,766.63	1,578,448.07	1,592,551.25
EXPENDITURES & OTHER FINANCING USES	1,431,881.85	1,526,694.91	1,582,029.00

DEBT SERVICE FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	205,249.48	54,830.09	449,969.52
Ending Fund Balance	54,830.09	449,969.52	74,953.52
REVENUES & OTHER FINANCING SOURCES	653,600.02	838,269.07	60,924.01
EXPENDITURES & OTHER FINANCING USES	804,019.41	443,129.64	435,940.01

CAPITAL PROJECTS FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	743,402.04	744,453.14	837,398.98
Ending Fund Balance	744,453.14	837,398.98	912,398.98
REVENUES & OTHER FINANCING SOURCES	66,134.10	92,945.84	75,000.00
EXPENDITURES & OTHER FINANCING USES	65,083.00	0.00	0.00



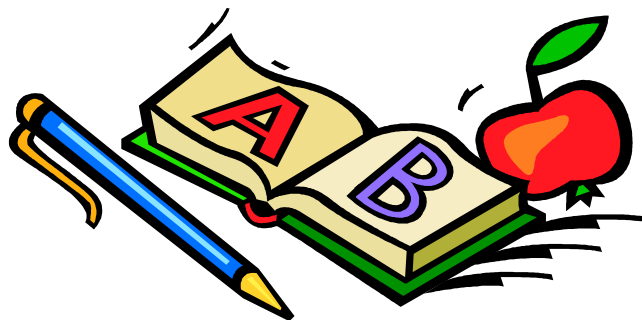
FOOD SERVICE FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	111,822.69	54,645.13	160,228.36
Ending Fund Balance	54,645.13	160,228.36	112,224.36
REVENUES & OTHER FINANCING SOURCES	312,183.76	497,917.50	259,760.00
EXPENDITURES & OTHER FINANCING USES	369,361.32	392,334.27	307,764.00

COMMUNITY SERVICE FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	27,253.11	54,728.83	42,768.76
Ending Fund Balance	54,728.83	42,768.76	(49,046.79)
REVENUES & OTHER FINANCING SOURCES	318,678.84	312,127.10	286,200.00
EXPENDITURES & OTHER FINANCING USES	291,203.12	324,087.17	378,015.55

PACKAGE & COOPERATIVE PROGRAM FUND	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
Beginning Fund Balance	0.00	0.00	0.00
Ending Fund Balance	0.00	0.00	0.00
REVENUES & OTHER FINANCING SOURCES	0.00	0.00	0.00
EXPENDITURES & OTHER FINANCING USES	0.00	0.00	0.00

Total Expenditures and Other Financing Uses

ALL FUNDS	Audited 2018-19	Unaudited 2019-20	Budget 2020-21
GROSS TOTAL EXPENDITURES -- ALL FUNDS	10,753,869.29	10,863,550.65	11,640,714.56
Interfund Transfers (Source 100) - ALL FUNDS	927,011.64	0.00	0.00
Refinancing Expenditures (FUND 30)	0.00	0.00	0.00
NET TOTAL EXPENDITURES -- ALL FUNDS	9,826,857.65	10,863,550.65	11,640,714.56
PERCENTAGE INCREASE – NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR		10.55%	7.15%



Fund 10 General Fund

The general fund is used to account for all financial transactions relating to current operations, except for those required to be accounted for in other funds.

Special Projects Funds

Special projects funds reported below include combined budgets for both the Gift Fund and Special Education Fund.

Fund 21 Special Revenue Trust Fund

This fund is used to account for trust funds that can be used for district operations. The source of such funds is gifts and donations from private parties. Cash and investments in this fund are expended pursuant to donor specifications. There may be a fund balance in this fund.

Fund 27 Special Education Fund

This fund is used to account for special education and related services funded wholly or in part with state or federal special education aid or charges for services provided to other districts as a result of being a host district for a special education package or cooperative program. No fund balance or deficit can exist in this fund.

Fund 38 Debt Service Funds

These funds are used for recording transactions related to repayment of the following general obligation debt: promissory notes (issued per statute 67.12(12)) and bonds. Debt tax levies must be recorded in these funds. The resources in these funds may not be used for any other purpose as long as a related debt remains.

Fund 39 Referendum Approved Debt Service Funds

This fund is used to account for transactions for the repayment of debt issues that were either authorized by school board resolution before August 12, 1993, or approved by referendum. If the district uses funds other than Fund 39, the district must combine and report these funds as Fund 39. A fund balance may exist in this fund.

Fund 50 Food Service Fund

All revenues and expenditures related to pupil and elderly food service activities are recorded in this fund. A fund balance in the Food Service Fund is permitted. There may be no deficit in the Food Service Fund. Any food service fund deficit, resulting from student food services, must be eliminated by an operating transfer from the General Fund.

Fund 80 Community Service Fund

This fund is used to account for activities such as adult education, community recreation programs and other programs which are not elementary and secondary educational programs but have the primary function of serving the community. The district may adopt a separate tax levy for this Fund. Statute 120.13(19) permits a school board to establish and maintain community education, training, recreational, cultural or athletic programs and services, outside regular curricular and extracurricular programs for pupils, under such terms and conditions as the school board prescribes. The school board may establish and collect fees to cover all or part of the costs of such programs and services.

TAX LEVY EXPLANATION

The school district tax levy is made up of several components. These include:

- Amount of operational dollars needed-General Fund , Capital Projects, Community Service levies
- Amount of debt service tax dollars needed-Debt Service Fund levy
- Equalized value of property in the school district
- Mill (tax) rate

The **tax levy** is the total amount of property taxes levied or assessed to municipalities in our school district to fund school operations. The maximum tax levy amount, other than referendum-approved long-term debt or long-term debt incurred prior to 1993, is determined through the state's revenue cap (limit) formula. Taxpayer approval, through the referendum process, is required if a school district wants to exceed the revenue limit. The tax levy approved at the Budget Meeting will be adjusted by the Board of Education in October when student enrollment has been determined (September 3rd Friday count) and the Department of Public Instruction (DPI) has certified the district's state equalization aid amount for the 2018-2019 fiscal year which is received in 2019-2020.

Equalized valuation is the fair market value of all properties within a school district as determined by the Wisconsin Department of Revenue. The Wisconsin Department of Revenue uses property sales information to determine a municipality's equalized "fair market" valuation. This information is reported to the school district in October of each year.

The school district distributes the certified (approved) tax levy among the municipalities according to the proportion of equalized value each municipality has in comparison to the total equalized value of the school district. Each municipal treasurer distributes this levy among the various residents based on the assessed value of the property within the municipality.

Equalized valuation plays a very important role in determining the school mill (tax) rate. For purposes of budget projections, the school district must estimate the equalized value. In October, the actual certified equalized values of all municipalities within the school district are reported by the Department of Revenue. The district then calculates the actual mill (tax) rate per thousand dollars of equalized valuation.

To calculate the school mill (tax) rate, the district uses the tax levy certified (approved) by the School Board in October and divides that amount by the total equalized value of the school district. The mill rate is defined as the rate one thousand dollars of equalized valuation will raise in property taxes. Property owners in a municipality having more than one school district, fire district, or other governmental entity may find that mill rates vary within the municipality. Property owners may realize different changes (typically increases) in their property assessments depending upon conditions within their community and surrounding communities.

The District is proposing a total tax levy of \$3,425,587 to fund the 2019-20 budget. To determine the rate per thousand, the district divides \$3,425,587 by the estimated equalized value of the district, \$387,399,328. This produces a projected mill (tax) rate of \$ 8.84. Since the district does not receive the official (certified) equalized valuation until October 15, 2019, the property taxpayer in the Algoma School District may realize a change in the estimated 2019-20 mill rate. For example, if the tax levy remains the same as approved, but the total equalized valuation decreases from the estimate used, the mill rate would increase. If the total equalized valuation increases from the estimate used, the mill rate would decrease. The Board is required to make any adjustments, if needed, to the levy on or before November 7, 2019. The final determination of state aid will also modify the estimated mill rate.

Year	Total Tax Levy	Equalized Value	Levy % of Equalized Value	Mil Rate	Mil Rate +/-
92-93	\$2,409,705.00	\$122,072,188.00	1.97%	19.74	
93-94	\$2,262,639.00	\$128,049,745.00	1.77%	17.67	(2.07)
94-95	\$2,165,821.00	\$136,625,787.00	1.59%	15.85	(1.82)
95-96	\$2,234,446.00	\$144,960,970.00	1.54%	15.41	(0.44)
96-97	\$1,618,348.00	\$157,741,364.00	1.03%	10.26	(5.15)
97-98	\$1,915,332.00	\$167,080,742.00	1.15%	11.46	1.20
98-99	\$2,089,396.00	\$190,794,860.00	1.10%	10.95	(0.51)
99-00	\$1,975,403.00	\$204,714,199.00	0.96%	9.65	(1.30)
00-01	\$2,042,937.00	\$216,997,054.00	0.94%	9.25	(0.40)
01-02	\$2,125,633.00	\$245,394,752.00	0.87%	8.66	(0.59)
02-03	\$2,242,814.00	\$254,863,855.00	0.88%	8.8	0.14
03-04	\$2,471,899.00	\$268,460,266.00	0.92%	9.21	0.41
04-05	\$2,390,785.00	\$280,190,715.00	0.85%	8.21	(1.00)
05-06	\$2,263,336.00	\$292,802,743.00	0.77%	7.72	(0.49)
06-07	\$2,565,765.00	\$305,845,819.00	0.84%	8.38	0.66
07-08	\$2,575,470.00	\$329,686,768.00	0.78%	7.81	(0.57)
08-09	\$2,943,153.00	\$355,744,613.00	0.83%	8.24	0.43
09-10	\$3,300,170.00	\$356,907,787.00	0.92%	9.22	0.98
10-11	\$3,306,820.00	\$349,369,387.00	0.95%	9.5	0.28
11-12	\$3,209,806.00	\$340,531,358.00	0.94%	9.43	(0.07)
12-13	\$3,108,982.00	\$334,665,850.00	0.93%	9.28	(0.15)
13-14	\$3,146,141.00	\$336,560,300.00	0.93%	9.34	0.06
14-15	\$3,057,807.00	\$335,290,164.00	0.91%	9.09	(0.25)
15-16	\$3,010,783.00	\$342,832,496.00	0.88%	8.8	(0.29)
16-17	\$3,182,639.00	\$349,529,457.00	0.91%	9.12	0.32
17-18	\$3,279,547.00	\$361,154,458.00	0.91%	9.08	(0.04)
18-19	\$3,306,914.00	\$368,196,246.00	0.90%	8.98	(0.10)
19-20	\$3,425,587.00	\$387,399,328.00	0.88%	8.84	(0.14)
20-21	\$2,791,394.00	\$401,481,036.00	0.70%	8.69	(0.15)

DISTRICT:	Algonquin	70	2020-2021 Revenue Limit Worksheet	
Line 1 Amount May Not Exceed Line 11 - (Line 7B-Line 10) of Final 19-20 Revenue Limit				
2019-20 General Aid Certification (19-20 Line 12A, src 621)			4,603,843	(from left)
2019-20 Computer Aid Received (19-20 Line 12C, Src 691)			6,679	(from left)
2019-20 HI Pov Aid (19-20 Line 12B, Src 628)			0	(with cents)
2019-20 Aid for Exempt Personal Property (19-20 Line 12D, Src 691)			8,490	10,000
2019-20 Fnd 10 Levy Cert (19-20 Line 14A, Levy 10 Src 211)			2,518,887	179.00
2019-20 Fnd 38 Levy Cert (19-20 Line 14B, Levy 38 Src 211)			0	121.00
2019-20 Fnd 41 Levy Cert (19-220 Line 14C, Levy 41 Src 211)			0	0.00
2019-20 Aid Penalty for Over Levy (19-20 FINAL Rev Limit Wksht)			19,400	(from left)
2019-20 Total Levy for All Levied Non-Recurring Exemptions*			47,199	(rounded)
NET 2020-21 Base Revenue Built from 2019-20 Data (Line 1)			7,071,300	7,071,300
*For the Non-Recurring Exemptions Levy Amount, enter actual amount for which district levied; (7B) Hold Harmless, Non-Recurring Referenda, Declining Enrollment, Energy Efficiency Exemption, Refunded/Rescinded Taxes, Prior Year Open Enrollment Pupils, Reduction for Ineligible Fund 80 Expendts, Other Adjustments, Private School Voucher Aid Deduction, Private School Special Needs Voucher Aid Deduction)				
September & Summer FTE Membership Averages				
Count Ch. 220 Inter-District Resident Transfer Pupils @ 75%				
Line 2: Base Avg: ((17+ 4ss)+(18+ 4ss)+(19+ 4ss))/3 =	2017	2018	2019	729
Summer FTE:	20	27	27	
% (40,40,40)	8	11	11	
Sept FTE:	714	723	721	
New ICS - Independent Charter Schools FTE	0	0	0	
Total FTE	722	734	732	
Line 6: Curr Avg: ((18+ 4ss)+(19+ 4ss)+(20+ 4ss))/3 =	2018	2019	2020	702
Summer FTE:	27	27	2	
% (40,40,40)	11	11	1	
Sept FTE:	723	721	640	
New ICS - Independent Charter Schools FTE	0	0	0	
Total FTE	734	732	641	
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 2020:				
Line 10B: Declining Enrollment Exemption =			270,000	
Average FTE Loss (Line 2 - Line 6, if > 0)			27	
X (Line 5, Maximum 2020-2021 Revenue per Memb) =			27	
Non-Recurring Exemption Amount:			10,000.00	
			270,000	
End 2020 Property Values.				
2020 TIF-Out Tax Apportionment Equalized Valuation			401,481,036	
CELL COLOR KEY: Auto-Calc DPI Data District-Entered				
Worksheet is available at: http://dpi.wi.gov/sf/limits/worksheets/revenue				
<i>Calculation Revised: 8/15/2020, Rounding in Total FTE brackets.</i>				
1. 2019-20 Base Revenue (Funds 10, 38, 41)				(from left)
2. Base Sept Membership Avg (2017+ 4ss, 2018+ 4ss, 2019+ 4ss)/3				(from left)
3. 2019-20 Base Revenue Per Member (Ln 1 / Ln2)				(with cents)
4. 2020-21 Per Member Change (A+B)				
2020-21 Low Revenue Ceiling per s.121.905(1):				
A. Allowed Per-Member Change for 20-21 (\$179, all districts)			10,000	
B. Low Rev Incr (Low Rev Ceiling-(3+4A)-4C) NOT-0			179.00	
C. Value of the CCDEB (DPI Computed-CCDEB Discts only)			0.00	
5. 2020-21 Maximum Revenue / Member (Ln 3 + Ln 4)				10,000.00
6. Current Membership Avg (2018+ 4ss, 2019+ 4ss, 2020+ 4ss)/3				(from left)
7. 2020-21 Rev Limit, No Exemptions (Ln7A + Ln 7B)				(rounded)
A. Max Rev/Memb x Cur Memb Avg (Ln 5 x Ln 6)			7,020,000	
B. Hold Harmless Non-Recurring Exemption			51,300	
8. Total 2020-21 Recurring Exemptions (A+B+C+D+E)				(rounded)
A. Prior Year Carryover			0	
B. Transfer of Service			0	
C. Transfer of Territory/Other Reorg (if negative, include sign)			0	
D. Federal Impact Aid Loss (2018-19 to 2019-20)			0	
E. Recurring Referenda to Exceed (if 2020-21 is first year)			0	
9. 2020-21 Limit with Recurring Exemptions (Ln 7 + Ln 8)				
10. Total 2020-21 Non-Recurring Exemptions (A+B+C+D+E+F+G+H+I)				
A. Non-Recurring Referenda to Exceed 2020-21 Limit			0	
B. Declining Enrollment Exemption for 2020-21 (from left)			270,000	
C. Energy Efficiency Net Exemption for 2020-21 (see pg 4 for details)			0	
D. Adjustment for Refunded or Rescinded Taxes, 2020-21			124	
E. Prior Year Open Enrollment (uncounted pupil(s))			0	
F. Reduction for Ineligible Fund 80 Expenditures (enter as negative)			0	
G. Other Adjustments (Environmental Rem + Fund 39 Bal Transfer)			0	
H. WPCP and RPCP Private School Voucher Aid Deduction			76,638	
I. SNSP Private School Voucher Aid Deduction			0	
11. 2020-21 Revenue Limit With All Exemptions (Ln 9 + Ln 10)				7,418,062
12. Total Aid to be Used in Computation (12A + 12B + 12C + 12D)				4,626,668
A. 2020-21 October 15 Certification of General Aid			4,610,834	
B. State Aid to High Poverty Districts (not all districts)			0	
C. State Aid for Exempt Computers (Source 691)			6,679	
D. State Aid for Exempt Personal Property (Source 691)			9,155	
REMEMBER TO USE THE OCTOBER 15 AID CERTIFICATION WHEN SETTING THE DISTRICT LEVY.				
13. Allowable Limited Revenue: (Line 11 - Line 12)				2,791,394
(10, 38, 41 Levies)				
14. Total Limited Revenue To Be Used (A+B+C)				Not > line 13
Entries Required Below: Enter amnts needed by purpose and fund:				
A. Gen Operations: Fnd 10 Src 211			2,791,394	(Proposed Fund 10)
B. Non-Referendum Debt (inside limit) Fund 38 Src 211			0	(to Budget Rpt)
C. Capital Exp. Annual Meeting Approved: Fund 41 Src 211			0	(to Budget Rpt)
15. Total Revenue from Other Levies (A+B+C+D)				700,000
A. Referendum Apprvd Debt (Fund 39 Debt-Src 211)			500,000	(to Budget Rpt)
B. Community Services (Fund 80 Src 211)			200,000	(to Budget Rpt)
C. Prior Year Levy Chargeback for Uncollectible Taxes (Src 212)			0	(to Budget Rpt)
D. Other Levy Revenue - Milwaukee & Kenosha Only			0	(to Budget Rpt)
16. Total Fall, 2020 ESTIMATED All Fund Tax Levy (14A + 14B + 14C + 15)				3,491,394
Line 16 is the total levy to be apportioned in the PI-401.				Levy Rate = 0.00868629

Districts are responsible for the integrity of their revenue limit data & computation. Data appearing here reflects information submitted to DPI and is unaudited.