

# Why do we need an Operational Referendum?

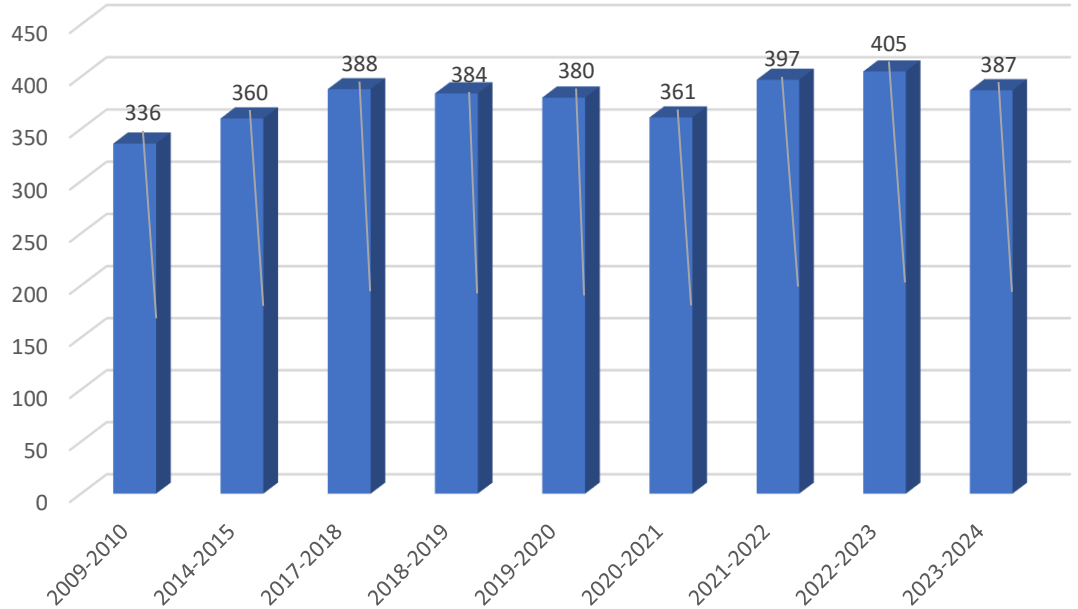


**Addressing the financial  
needs and preparing for an  
operational referendum**

# Most important factor for school funding



Total Enrollment



# Factors influencing schools



- Student needs have increased
- Special education – 30% funded
- Mental health needs increased
- State and Federal Govt. mandate services but don't provide enough funding
- Rising cost to operate – Heat, Fuel, Sewer, Electric, Salaries, Benefits, Meals, Curriculum, Supplies, etc..

# Ways the District Has Tried to Save \$\$

- Switched Health Insurance Provider / Shopped with different Broker in 2022
- Updated Lighting in Parking Lot to cut future costs on energy
- Continual Evaluation of Programs and Enrollments
- Used Esser Federal Grants to update bus fleet, curriculum, staff costs, & computers
  - Grant \$ has all been spent which leaves a hole in the budget from previous revenue sources
- Staff Raises have been less than the Cost of Living Increases each year.
- We still have furniture and other updates that we need to do. We have prioritized on purchases and been responsible with our spending

*The Wisconsin Department of Public Instruction indicates that it **does not see the funding formula for schools changing** in the foreseeable future.*



# Funding Structure Broken in the State of Wisconsin



- Revenue caps put in place 1993 Same funding structure for the 30 past years.
- What consists of revenue caps? (taxes and state aid)
- Only way to increase revenue – Enrollment
- 2023-24 State increase per pupil amount From \$10,000 (actual \$10,499) to \$11,000 – giving Belmont an additional \$180,360
- If we averaged 300 resident students over 30 years and received \$1000 more per student = \$9 million over the 30 years.

# Funding Structure Broken in the State of Wisconsin – Inequity of funding



- Belmont is Low Revenue District - \$11,000
- Cuba City = \$11,568 \*\*
- Benton = \$11,612
- Cassville = \$13,102
- Platteville = \$11,133 \*\*
- Shullsburg = \$11,202
- Potosi = \$13,932 \*\*
- Mineral Point = \$12,509

\*\* Ran an operational referendum in April

# Funding Structure Broken in the State of Wisconsin – additional dollars if equal

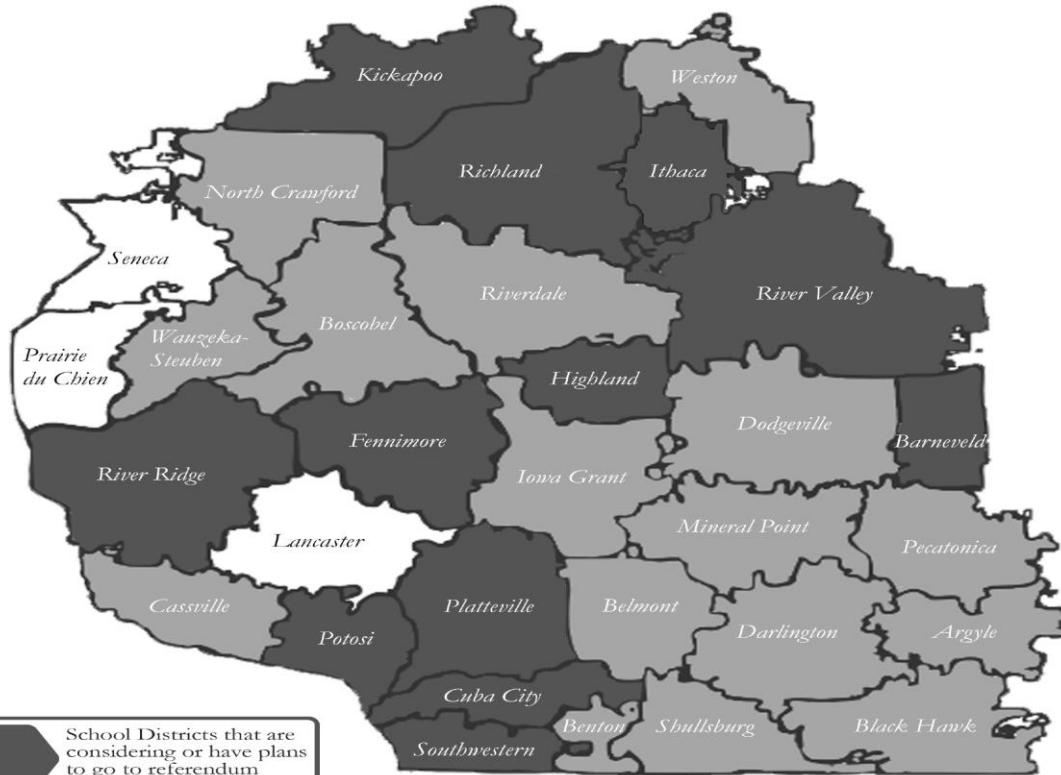



- Belmont is Low Revenue District - \$11,000
- Cuba City = \$11,568 \*\* = \$201,072
- Benton = \$11,612 = \$216,648
- Cassville = \$13,102 = \$744,108
- Platteville = \$11,133 \*\* = \$47,082
- Shullsburg = \$11,202 = \$71,508
- Potosi = \$13,932 \*\* = \$1,037,928
- Mineral Point = \$12,509 = \$534,186


\*\* Ran operational referendum in April



# CESA 3 DISTRICT MAP

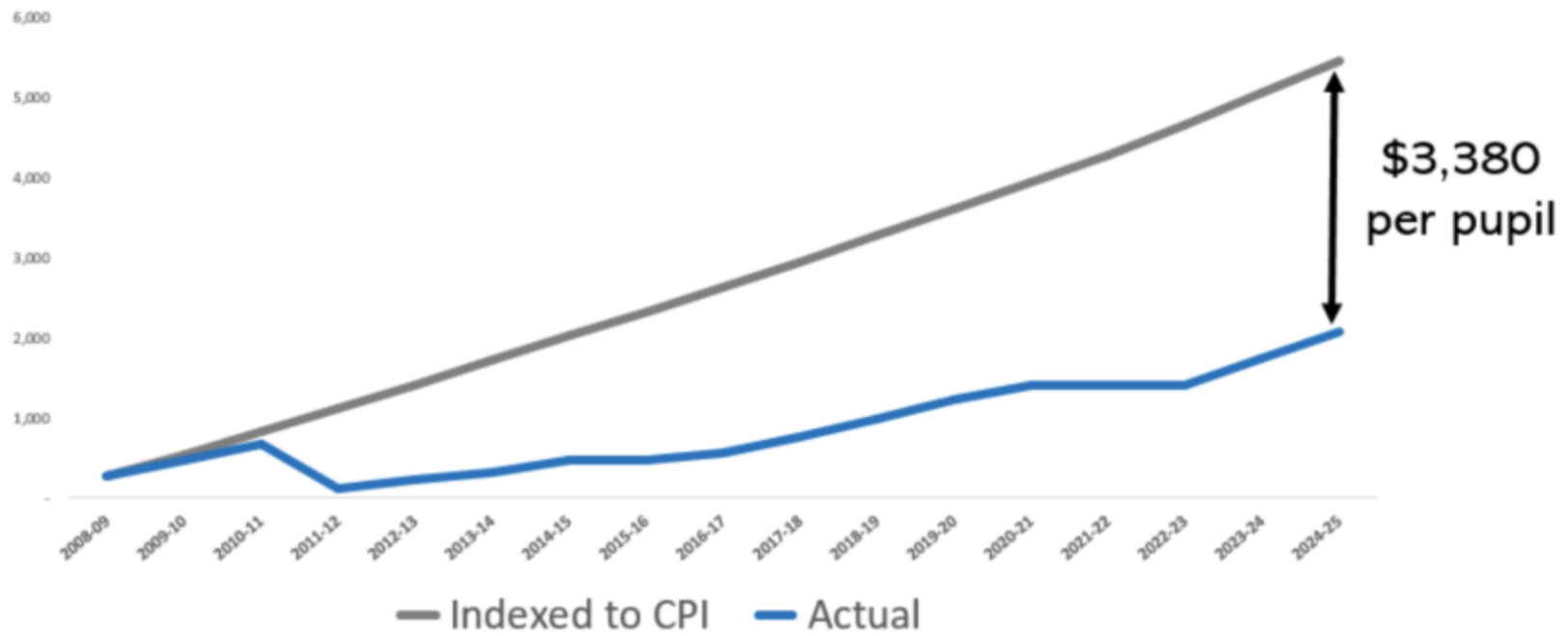


 School Districts that are considering or have plans to go to referendum **within the next year**

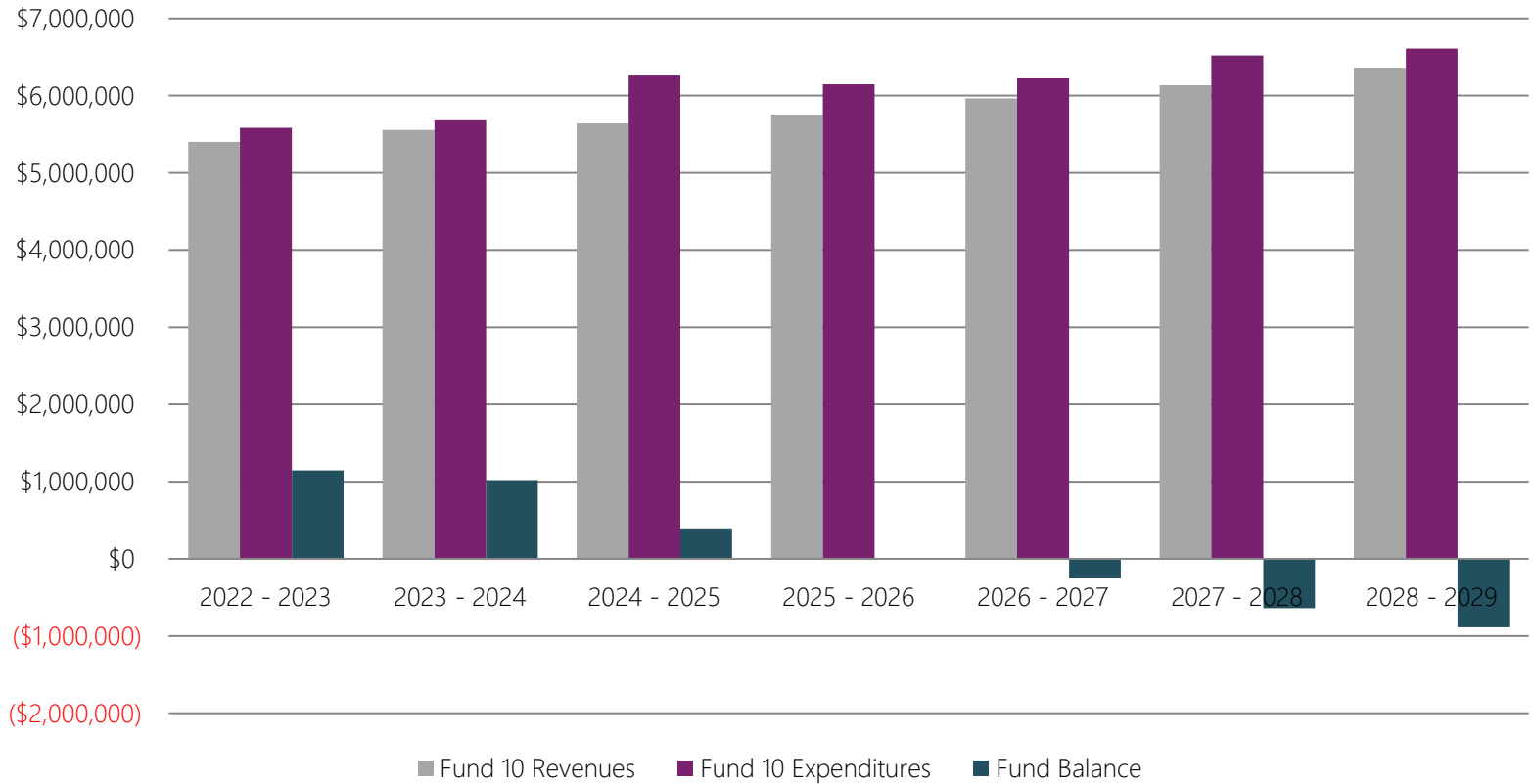
 School Districts that have had one or more referendums **in the past 5 years**



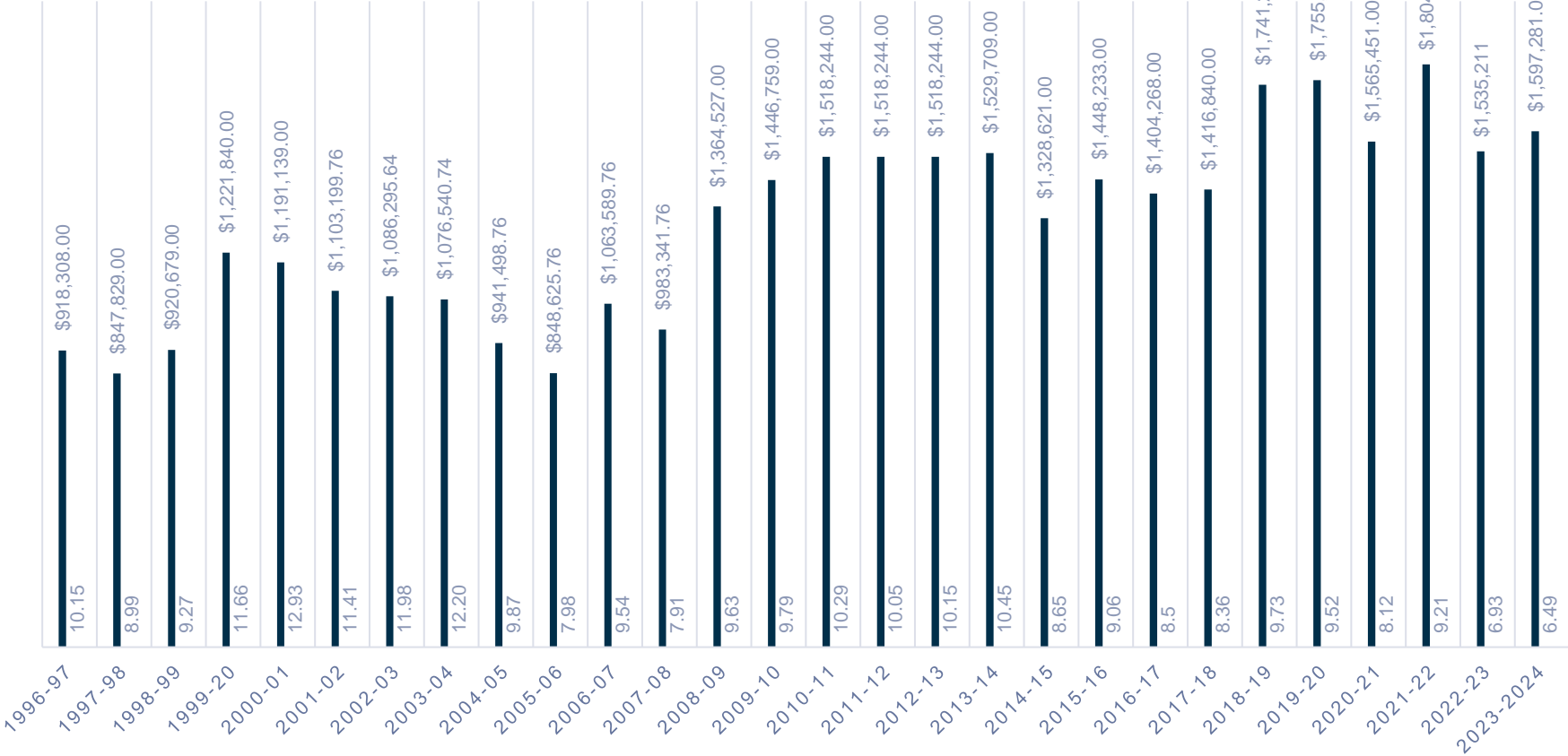
# General school district revenues per pupil lag inflation by more than \$3,300 since 2009



# Revenue and Expenditure Projection without Referendum

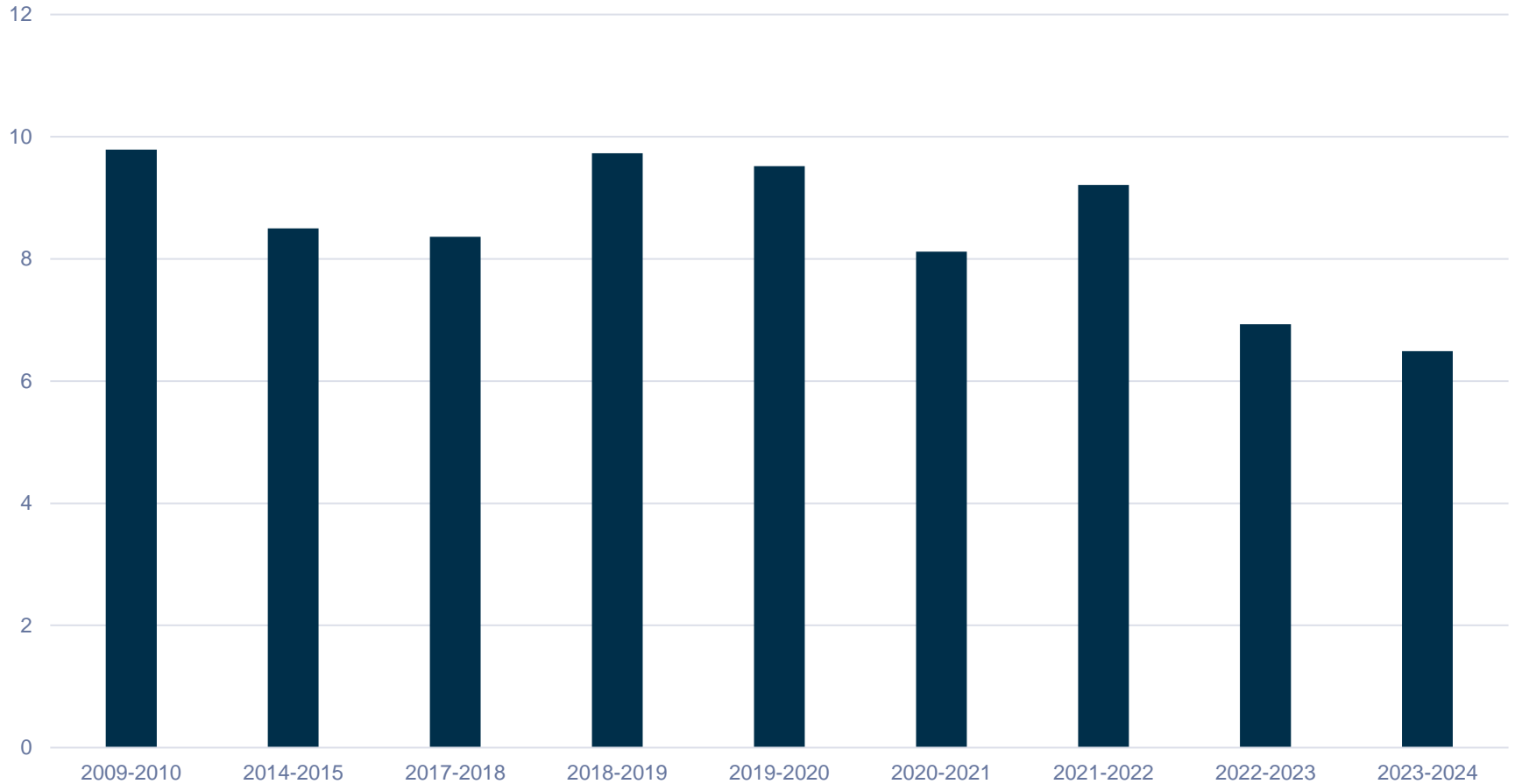


# HISTORY OF THE LEVY



The District has done it's best to keep taxes low. We let the mill rate drop when we did not have to do each of the last two years.

# Mill Rate



The Village of Belmont is being reassessed this year. This makes the tax payment predictions more difficult.

**Mill Rate is then determined by the  
formula below**

**Total Equalized Value in the  
District plus Computer  
Exemption divided by the Local  
Levy Amount**



# Mill Rate Projections

## Mill Rate Analysis

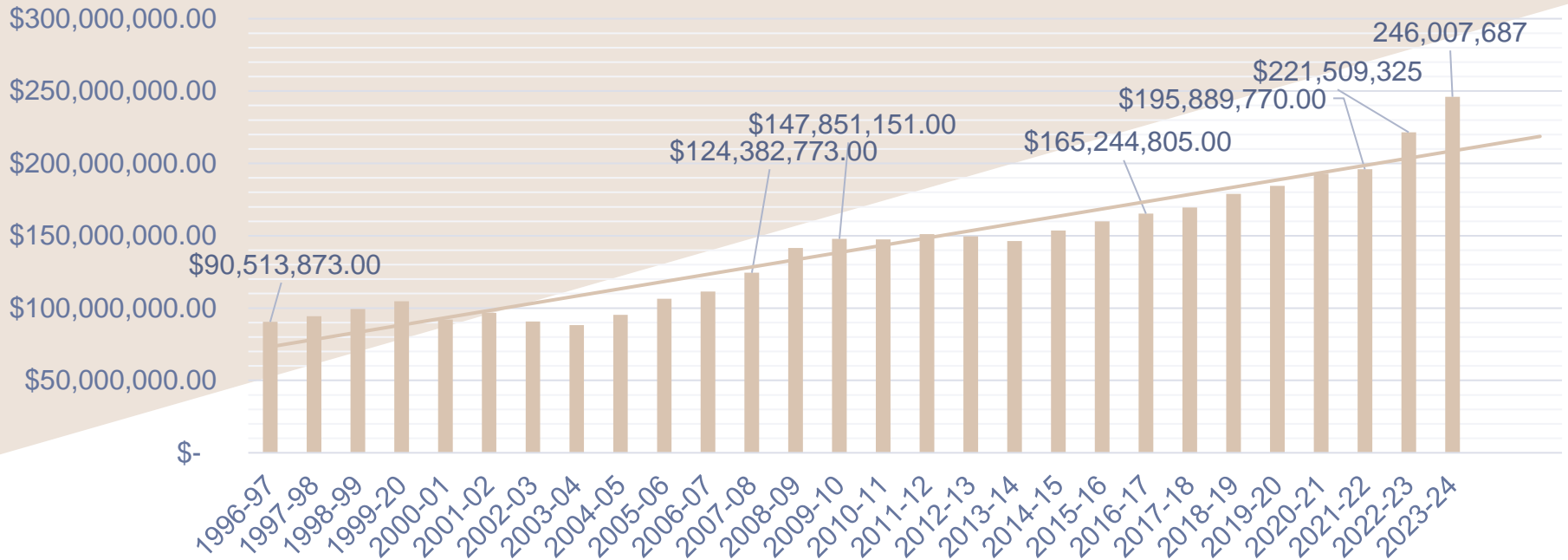
		<u>2022 - 2023</u>	<u>2023 - 2024</u>	<u>2024 - 2025</u>	<u>2025 - 2026</u>	<u>2026 - 2027</u>	<u>2027 - 2028</u>	<u>2028 - 2029</u>
<b>General Fund</b>	<b>Fund 10</b>	\$4.09	\$3.94	\$5.78	\$5.73	\$5.71	\$5.69	\$3.75
<b>Non-Referendum Debt Service</b>	<b>Fund 38</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Capital Expansion</b>	<b>Fund 41</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Revenue Limit Mill Rate</b>		<b>\$4.09</b>	<b>\$3.94</b>	<b>\$5.78</b>	<b>\$5.73</b>	<b>\$5.71</b>	<b>\$5.69</b>	<b>\$3.75</b>
<b>Referendum Approved Debt Service</b>	<b>Fund 39</b>	<b>\$2.81</b>	<b>\$2.55</b>	<b>\$2.46</b>	<b>\$2.43</b>	<b>\$2.38</b>	<b>\$2.32</b>	<b>\$2.28</b>
<b>Community Service</b>	<b>Fund 80</b>	<b>\$0.03</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Property Tax Chargeback/Other</b>	<b>Fund 10</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total School-Based Mill Rate</b>		<b>\$6.93</b>	<b>\$6.49</b>	<b>\$8.25</b>	<b>\$8.16</b>	<b>\$8.09</b>	<b>\$8.01</b>	<b>\$6.04</b>
<b>% Change</b>		<b>-24.75%</b>	<b>-6.32%</b>	<b>27.03%</b>	<b>-1.06%</b>	<b>-0.86%</b>	<b>-0.93%</b>	<b>-24.67%</b>

# How is State Aid determined?

- First -- Equalized Value is determined
  - Second -- three-year average determines membership
  - Third -- Equalized Value is divided by membership which = Value per student.
- The higher value per student, the lower the aid....The lower the Aid the higher the levy

# Actual EAV Numbers Comparing Over Time

## EQ Value



For example: Let's assume you were taxed at an assessed value of \$200,000, the **school portion** of your tax bill before credits in 2022 was about \$1386.

This year, if the value of your home is still \$200,000 your school portion before credits will be about \$1298.

In 2022, it would have been **\$1386** and in 2023, it would be **\$1298**. One factor that is unique is the drastic increase in assessed value so this is somewhat misleading.

Total Value \$200,000



**2022** School Taxes = \$1386

Total Value \$200,000



**2023** School Taxes = \$1298

# Projections on Impact of a 4 year \$550,000 Operating Referendum on School Taxes Paid

## Taxpayer Estimated Analysis

Taxpayer Starting <u>Equalized</u> Value	<u>2022 - 2023</u>		<u>2023 - 2024</u>		<u>2024 - 2025</u>		<u>2025 - 2026</u>		<u>2026 - 2027</u>		<u>2027 - 2028</u>	
	Est. Value*	Est. Tax Imp.	Est. Value*	Est. Tax Imp.	Est. Value*	Est. Tax Imp.	Est. Value*	Est. Tax Imp.	Est. Value*	Est. Tax Imp.	Est. Value*	Est. Tax Imp.
<b>\$100,000</b>	<b>\$100,000</b>	<b>\$693</b>	<b>\$111,060</b>	<b>\$721</b>	<b>\$114,392</b>	<b>\$944</b>	<b>\$116,679</b>	<b>\$952</b>	<b>\$119,013</b>	<b>\$963</b>	<b>\$121,393</b>	<b>\$972</b>
If taxpayer value increased 98% of average			\$108,839	\$706	\$112,104	\$925	\$114,346	\$933	\$116,633	\$944	\$118,965	\$953
If taxpayer value increased 102% of average			\$113,281	\$735	\$116,679	\$963	\$119,013	\$971	\$121,393	\$982	\$123,821	\$992
<b>\$200,000</b>	<b>\$200,000</b>	<b>\$1,386</b>	<b>\$222,119</b>	<b>\$1,442</b>	<b>\$228,783</b>	<b>\$1,887</b>	<b>\$233,359</b>	<b>\$1,904</b>	<b>\$238,026</b>	<b>\$1,926</b>	<b>\$242,786</b>	<b>\$1,945</b>
If taxpayer value increased 98% of average			\$217,677	\$1,413	\$224,207	\$1,850	\$228,692	\$1,866	\$233,265	\$1,887	\$237,931	\$1,906
If taxpayer value increased 102% of average			\$226,562	\$1,470	\$233,359	\$1,925	\$238,026	\$1,942	\$242,786	\$1,964	\$247,642	\$1,984
<b>\$400,000</b>	<b>\$400,000</b>	<b>\$2,772</b>	<b>\$444,239</b>	<b>\$2,883</b>	<b>\$457,566</b>	<b>\$3,775</b>	<b>\$466,717</b>	<b>\$3,808</b>	<b>\$476,052</b>	<b>\$3,851</b>	<b>\$485,573</b>	<b>\$3,889</b>
If taxpayer value increased 98% of average			\$435,354	\$2,825	\$448,415	\$3,699	\$457,383	\$3,732	\$466,531	\$3,774	\$475,861	\$3,812
If taxpayer value increased 102% of average			\$453,124	\$2,941	\$466,717	\$3,850	\$476,052	\$3,885	\$485,573	\$3,928	\$495,284	\$3,967

\*Est. Value reflects prior year value \* average district growth

# Wisconsin Referendum History

- 2019-2020 - Total 60 referenda - 32 operational - 10 recurring, 22 non-recurring
- 2020-2021 - Total 122 referenda - 65 operational - 18 recurring, 47 non-recurring
- 2021-2022 - Total 82 referenda - 47 operational - 8 recurring, 39 non-recurring
- April 2023 - 52 Districts went for an operational referendum
- April 2024 - 66 Districts seeking operational - 22 Districts reoccurring - 44 districts non-reoccurring



# Fund Balance History

- Best Practice to have Fund Balance near 20-25%
- Projections take us to 18% which is down from 23% previously
- Cost of inflation and wanting to maintain programs in place we will need to pass the referendum to remain in good standing.



# Fund Balance History



	Historical Data					Historical
<b>Fund Balance- Fund 10</b>	<b>2018 - 2019</b>	<b>2019 - 2020</b>	<b>2020 - 2021</b>	<b>2021 - 2022</b>		<b>2022 - 2023</b>
<b>Fund 10 Revenues</b>	\$4,483,212	\$4,724,557	\$5,200,114	\$5,712,585		\$5,400,310
<b>Fund 10 Expenditures</b>	\$4,577,332	\$4,633,732	\$4,975,827	\$5,556,536		\$5,582,516
Surplus (Deficit)	(\$94,120)	\$90,825	\$224,287	\$156,049		(\$182,206)
<b>Fund Balance</b>	<b>\$858,008</b>	<b>\$948,834</b>	<b>\$1,173,121</b>	<b>\$1,329,170</b>		<b>\$1,146,964</b>
<b>Fund Balance as % of Expenditures</b>	18.74%	20.48%	23.58%	23.92%		20.55%



# Fund Balance Projections without Referendum

Fund Balance- Fund 10	Budget Year	Forecast			
	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028	2028 - 2029
<b>Fund 10 Revenues</b>	\$5,595,252	\$5,611,144	\$5,725,484	\$5,841,774	\$5,996,440
<b>Fund 10 Expenditures</b>	\$6,076,641	\$6,145,096	\$6,281,458	\$6,346,322	\$6,614,929
Surplus (Deficit)	(\$481,389)	(\$533,952)	(\$555,974)	(\$504,548)	(\$618,489)
<b>Fund Balance</b>	<b>\$538,248</b>	<b>\$4,296</b>	<b>(\$551,678)</b>	<b>(\$1,056,226)</b>	<b>(\$1,674,715)</b>
<b>Fund Balance as % of Expenditures</b>	8.86%	0.07%	-8.78%	-16.64%	-25.32%

# Fund Balance Projections with Referendum

Fund Balance- Fund 10	Budget Year	Forecast			
	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028	2028 - 2029
<b>Fund 10 Revenues</b>	\$6,145,252	\$6,161,144	\$6,275,484	\$6,391,774	\$5,996,440
<b>Fund 10 Expenditures</b>	\$6,076,641	\$6,145,096	\$6,281,458	\$6,346,322	\$6,614,929
Surplus (Deficit)	\$68,611	\$16,048	(\$5,974)	\$45,452	(\$618,489)
<b>Fund Balance</b>	<b>\$1,088,248</b>	<b>\$1,104,296</b>	<b>\$1,098,322</b>	<b>\$1,143,774</b>	<b>\$525,285</b>
<b>Fund Balance as % of Expenditures</b>	17.91%	17.97%	17.49%	18.02%	7.94%

# Vision for Future of Belmont Schools

- Improve State Assessment Scores
- Increase number of students who pass AP Exams
- Act 20 – Improve Literacy Instruction
- Continue to increase rigor in our instruction
- Maintain small class sizes when possible
- Competitive Pay for our Staff to Retain and Recruit High Quality Educators
- Celebrate our Diversity
  - Strong Special Education Program
  - Strong English Language Learners Program
- Maintain positive relationships with our students and families
- Maintain facilities to attract new students and families
- Prepare students for post-secondary opportunities
  - Youth Apprenticeship
  - College & Career Readiness
- Maintain extra-curricular opportunities
  - Help connect students to leadership opportunities
  - Help motivate students to work harder in the classroom

# Referendum Question - November 5, 2024

Question:

**Shall the School District of Belmont Community, Lafayette County, Wisconsin be authorized to exceed the revenue limit specified in Section 121.91, Wisconsin Statutes, by \$550,000 annually for the 2024-2025, 2025-2026, 2026-2027, & 2027-2028 for non-recurring purposes consisting of operational expenses?**