

# SCHOOL DISTRICT OF OMRO

## Annual Meeting and Budget Hearing



Middle School Library  
Thursday, October 1, 2015 6:00 pm

Prepared by: Nick Curran, Superintendent of Business Operations  
ncurr@omro.k12.wi.us  
920-303-2310

## Agenda

- I. Call to order – President, Board of Education  
Presentation of Certificate of Proof of Public Notice
- II. Election of Chairperson
- III. Appoint Parliamentarian
- IV. Approve Minutes from the October 2, 2014 meeting
- V. Report of 2014-15 Financial Audit
- VI. 2015-16 Budget Hearing
- VII. Resolution #1 – Adoption of Tax Levy

Current Operation -	\$4,063,198
Debt Retirement -	\$1,205,534
Community Service Fd-	\$65,000
TOTAL LEVY -	\$5,333,732
- VIII. Resolution #2 – Salaries of Board of Education  
  
Resolution #3 – Disposal of Surplus Equipment  
  
Resolution #4 – Depositories of School Funds  
  
Resolution #5 – Resolution to Approve Community Service Fund Tax  
Levy of \$65,000  
  
Resolution #6 – Future Meeting Date
- IX. Additional Resolutions from the Floor
- X. Adjournment

## **2014-15 Annual Meeting and Budget Hearing Minutes**

October 2, 2014

The meeting was called to order at 6:00 p.m. by Board President Peter Kromm. The Certificate of Proof of Giving Public Notice was presented. There were 6 residents present and 1 non-resident present. Board of Education members present: Peter Kromm, Dennis Larsen, and Cheryl Potratz.

Pledge of Allegiance

It was moved by Cheryl Potratz and seconded by Viola Schmick to nominate Peter Kromm as Chairperson of the meeting. A unanimous vote was cast for Peter Kromm as Chairperson.

Dennis Larsen was appointed Parliamentarian by Chairperson Peter Kromm.

It was moved by Cheryl Potratz, seconded by Wayne Schmick, and carried, to approve the Minutes of October 3, 2013 as presented.

Nicholas Curran presented information regarding the 2013-2014 School District Financial Audit.

Nicholas Curran presented the proposed Receipt Budget Summary and Expenditure Budget Summary for 2014-2015. Proposed revenues total \$12,887,273 and proposed expenditures total \$12,887,273. The tax levy proposed is \$3,638,367 for operation, \$1,202,133 for debt retirement, and \$65,000 for community service fund.

Chairperson Peter Kromm read Resolution #1 – Adoption of Tax Levy:

Resolved, that this annual meeting establish a tax levy of \$3,638,367 for the current operation of the school district, levy for debt retirement of \$1,202,133, and levy for the community service fund of \$65,000.

It was moved by Viola Schmick, seconded by Cheryl Potratz, and carried to adopt Resolution #1.

Chairperson Peter Kromm read Resolution #2 – Salary-Board of Education:

The present salary for the Board of Education positions is \$2,000.00 annually. Board members devote many hours to meetings, not counting the hours spent in preparation.

It was moved by Wayne Schmick, seconded by Viola Schmick, and carried, to have Board salaries remain at \$2,000.00 annually.

Chairperson Peter Kromm read Resolution #3 – Disposal of Surplus Equipment:

From time to time the school district has equipment items that should be sold as new and updated items are added to the inventory, such as typewriters, sewing machines, etc., and

Therefore, be it resolved that the School Board be authorized to sell equipment no longer needed by the school district.

It was moved by Viola Schmick, seconded by Cheryl Potratz, and carried to adopt Resolution #3.

Chairperson Peter Kromm read Resolution #4 – Official Depositories:

Resolved that the First National Bank be designated as the official depository of school district funds.

It was moved by Russ Dietzen, seconded by Wayne Schmick, and carried, to adopt Resolution #4.

Annual Meeting

October 2, 2014

Chairperson Peter Kromm read Resolution #5 – Resolution to Approve Community Service Fund Tax Levy of \$65,000.00:

VOTE A TAX IN THE AMOUNT OF \$65,000 TO MAINTAIN A FUND FOR THE PURPOSE OF COMMUNITY SERVICES

WHEREAS, Section 120.13(19), Wis. Stats., authorizes the School Board to establish and maintain community education, training, recreational, cultural or athletic programs and services, outside the regular curricular and extracurricular programs for pupils; and

WHEREAS, the School Board is authorized to establish and collect fees to cover all or part of the costs of such programs and services; and

WHEREAS, the School District of Omro desires to levy a tax to fund community services for the benefit of everyone in the community; and

WHEREAS, levying a tax to maintain a community services fund is in the best interest of the School District of Omro.

“NOW, THEREFORE, BE IT RESOLVED by the electors of the School District of Omro, Winnebago County, State of Wisconsin, that the School Board of the School District of Omro is hereby authorized to levy a tax in the amount of \$65,000 to maintain a fund for the purpose of community education, training, recreational, cultural or athletic programs and services, outside the regular curricular and extracurricular programs for pupils, pursuant to such terms and conditions as determined to be reasonable and appropriate by the School Board.”

*Informational Note: The purpose of the Community Services Fund 80 is two-fold. First, Fund 80 allows the District to identify the amount of funds provided by the district for the support of community programs, allowing the district to be more accessible to its community. Second, Fund 80 is outside the revenue limit, which may free up other dollars for instructional uses*

It was moved by Russ Dietzen, seconded by Cheryl Potratz, and carried, to adopt Resolution #5.

Chairperson Peter Kromm read Resolution #6 – 2015 Annual Meeting:

Resolved that the 2015 Annual Meeting of the School District of Omro be Thursday, October 1, 2015 at 6:00 p.m.

It was moved by Wayne Schmick, seconded by Dennis Larsen, and carried, to have the 2015 Annual Meeting on Thursday, October 1, 2015 at 6:00 p.m.

It was moved by Viola Schmick, seconded by Russ Dietzen, and carried, to adjourn the meeting at 6:51 p.m.

Nicholas Curran  
Supt of Business Operations

## Report of 2014-15 Financial Audit

Revenues	2014-15 Budget	Audited Year- End	Remaining Balance	% Received
Tax Levy	\$3,722,072	\$3,722,072	\$0	100.00%
Other Local Sources	\$114,968	219,753	(104,785)	191.14%
Open Enrollment Tuition	\$603,785	583,092	20,693	96.57%
Grants Through CESA 6	\$0	610	(610)	NA
Transportation Aid	\$36,500	40,570	(4,070)	111.15%
Library Aid	\$50,387	50,387	0	100.00%
Adjustment Aid	\$191,700	191,700	0	NA
Equalization Aid	\$8,071,240	8,071,240	0	100.00%
Other State Revenues	\$27,697	34,785	(7,088)	125.59%
Federal Grants	\$213,468	207,117	6,351	97.02%
Insurance Reimbursements	\$0	6,000	(6,000)	NA
Misc Revenues	\$5,000	21,932	(16,932)	438.64%
<b>Total Fund 10 Revenues</b>	<b>\$13,036,817</b>	<b>\$13,149,258</b>	<b>-\$112,441</b>	<b>100.86%</b>
Expenses	2014-15 Budget	Audited Year- End	Remaining Balance	% Expensed
Omro Elementary/Patch/4K	\$38,716	\$43,655	(4,939)	112.76%
Payment to Partnerships	\$31,200	29,600	1,600	94.87%
Elementary Library	\$25,896	25,416	481	98.14%
Middle School	\$33,798	33,093	704	97.92%
Instrumental Music	\$6,100	5,134	966	84.16%
High School	\$69,774	74,269	(4,495)	106.44%
High School/Middle School Sports	\$72,000	71,502	498	99.31%
Vocal Music	\$3,950	2,472	1,478	62.57%
HS/MS Library	\$34,076	29,701	4,376	87.16%
Expenses related to federal grants	\$163,468	178,751	(15,283)	109.35%
Summer School	\$141,817	135,876	5,941	95.81%
Salaries and Benefits	\$8,382,931	8,214,138	168,793	97.99%
Purchased Services	\$937,923	902,283	35,641	96.20%
Non-Capital Equipment	\$27,130	33,680	(6,551)	124.15%
Short Term Interest	\$500	0	500	0.00%
Insurance & Judgments	\$130,022	140,661	(10,639)	108.18%
Technology	\$159,946	124,541	35,405	77.86%
Pupil Transportation	\$663,100	631,057	32,043	95.17%
Maintenance	\$221,782	210,523	11,260	94.92%
Utilities	\$290,487	281,723	8,765	96.98%
Curriculum	\$55,000	25,949	29,051	47.18%
Safety and Grounds	\$53,545	47,090	6,456	87.94%
Nurse	\$4,018	4,018	0	100.00%
Central Supply	\$42,000	43,327	(1,327)	103.16%
Other Objects	\$19,750	82,346	(62,596)	416.94%
Transfer to Special Ed	\$1,164,502	1,184,776	(20,274)	101.74%
Transfer to Debt Service FUND 38	\$91,820	91,820	0	100.00%
Transfer to Food Service	\$0	0	0	NA
Transfer to Fund 73	\$110,000	195,203	(85,203)	177.46%
<b>Total Fund 10 Expenses</b>	<b>\$12,975,253</b>	<b>\$12,842,603</b>		<b>98.98%</b>
<b>Total Fund 10 Revenues</b>	<b>\$13,036,817</b>	<b>\$13,149,258</b>		<b>100.86%</b>
<b>Total Fund 10 Expenses</b>	<b>\$12,975,253</b>	<b>\$12,842,603</b>		<b>98.98%</b>

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Balance	\$61,564	\$306,655	

## 2014-15 Financial Highlights

- ❖ The 2014-15 full-time equivalency membership decreased by twenty one from 1,283 to 1,262 and the District's three year rolling average decreased by one from 1,279 to 1,278.
- ❖ The District continues to work with 1<sup>st</sup> National Bank in Omro to utilize a line of credit for use to cover expenses when cash flow is low while waiting for state aid and tax levy payments. The result of the program has almost completely eliminated short-term borrowing expenses (\$0 expense in 14-15)
- ❖ The year-end Fund 10 expenses exceeded revenues by \$306,655.
  - 2014-15 Year-end Fund Balance projects to be 20.03% of Fund 10 expenditures
  - With Fund Balance projects year-end expenses exceeded revenues by \$153,512.
- ❖ To maintain and improve facilities, equipment, curriculum, and technology the Board of Education utilized fund balance reporting requirements to authorize the use of fund balance for the purchases of the following items:
  - Heating and air conditioning renovations at Omro Elementary School
  - District wide clock system upgrade/replacement
  - Copy machines at HB Patch and Omro Middle School
  - District van
  - Lawn mower replacements/upgrades
  - Snow brush/blower replacement
  - Soccer Field renovations
  - Sand, paint, and refinish Omro High School gym floor
  - Custodial/Maintenance digital radios
  - Painting of High School classrooms
  - Landscaping at Omro Elementary School
  - Tuckpointing at Omro High School

Total Investment- \$460,167

## 2015-16 Budget Hearing

1. Summary of General Fund Budgets (Fund 10)
2. Summary of Special Education Fund Budgets (Fund 27)
3. Summary of Debt Service Fund Budgets (Fund 38, 39)
4. Summary of Food Service Fund Budgets (Fund 50)
5. Summary of OPEB Trust Fund (Fund 73)
6. Summary of Community Service Fund (Fund 80)

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### Summary of General Fund Budgets – Fund 10

The General Fund (Fund 10) is the operating fund of the school district. Activities relating to regular classroom instruction, maintenance, utilities, insurance, and sports are recorded in this fund. The primary sources of revenue for this fund are general state aid (equalization aid) and property taxes, both of which are limited by current state statute.

#### *REVENUES*

<i>Revenues</i>	<i>2014-15 FINAL</i>	<i>2015-16 DRAFT</i>	<i>Difference</i>	<i>% Change</i>
Tax Levy	\$ 3,722,072	\$ 4,071,472	\$ 349,400	9.39%
Other Local Sources	114,900	110,200	(4,700)	-4.09%
Open Enrollment Tuition	603,785	670,000	66,215	10.97%
Transportation Aid	36,500	40,000	3,500	9.59%
Library Aid	50,387	38,052	(12,335)	-24.48%
2015-16 Categorical Aid	191,700	195,000	3,300	1.72%
Equalization Aid	8,071,240	7,812,646	(258,594)	-3.20%
Other State Revenues	27,697	23,274	(4,423)	-15.97%
Federal Grants/Medicaid	213,468	182,640	(30,828)	-14.44%
Misc Revenues	5,000	7,500	2,500	50.00%
<b>Total Revenues</b>	<b>\$ 13,036,749</b>	<b>\$ 13,150,784</b>	<b>\$ 114,035</b>	<b>0.87%</b>

**EXPENDITURES**

	<b>2014-15 FINAL</b>	<b>2015-16 DRAFT</b>	<b>Difference</b>	<b>% Change</b>
Elementary/Patch	\$ 38,716	\$ 29,746	(8,970)	-23.17%
Payment to Partnerships	31,200	31,200	-	0.00%
Elementary Library	25,896	22,428	(3,468)	-13.39%
Middle School	33,798	35,126	1,328	3.93%
Instrumental Music	6,100	3,850	(2,250)	-36.89%
High School	69,774	69,389	(385)	-0.55%
Athletics	72,000	80,000	8,000	11.11%
Vocal Music	3,950	4,150	200	5.06%
HS/MS Library	34,076	26,156	(7,920)	-23.24%
Expenses related to federal grants	163,468	162,640	(828)	-0.51%
Summer School	141,817	141,151	(666)	-0.47%
Salaries and Benefits	8,382,931	8,468,149	85,218	1.02%
Purchased Services	937,923	1,032,887	94,963	10.12%
Non-Capital Equipment	27,130	27,389	259	0.96%
Capital Equipment	-	-	-	NA
Short Term Interest	500	500	-	0.00%
Insurance & Judgments	130,022	144,060	14,038	10.80%
Technology	159,946	150,000	(9,946)	-6.22%
Pupil Transportation	663,100	644,750	(18,350)	-2.77%
Maintenance	221,782	144,680	(77,102)	-34.76%
Utilities	290,487	294,887	4,400	1.51%
Curriculum	55,000	49,300	(5,700)	-10.36%
Nurse	4,018	7,244	3,226	80.29%



Safety	53,545	49,950	(3,595)	-6.71%
Central Supply/District Copier Maintenance	57,500	40,500	(17,000)	-29.57%
Other Objects	19,750	21,725	1,975	10.00%
Transfer to Special Ed	1,164,502	1,289,295	124,793	10.72%
Transfer to Debt Service FUND 38	91,820	89,600	(2,220)	-2.42%
Transfer to Food Service	-	-	-	
Transfer to Fund 73	110,000	77,200	(32,800)	-29.82%
<b>Total Expenditures</b>	<b>\$ 12,990,751.26</b>	<b>\$ 13,137,952.16</b>	<b>\$ 147,200.90</b>	<b>1.13%</b>

***FUND 10 Revenues and Expenditures Comparison***

<b>Total Revenues</b>	<b>13,036,749.00</b>	<b>13,150,784.00</b>	<b>114,035.00</b>	<b>0.87%</b>
<b>Total Expenditures</b>	<b>12,990,751.26</b>	<b>13,137,952.16</b>	<b>147,200.90</b>	<b>1.13%</b>
<b>Balance</b>	<b>45,997.74</b>	<b>12,831.84</b>	<b>(33,165.90)</b>	

## Summary of Special Education Fund Budgets – Fund 27

### *REVENUES*

<i>Revenues</i>	<i>2014-15 FINAL</i>	<i>2015-16 DRAFT</i>	<i>Difference</i>	<i>% Change</i>
Transfer From General Fund	1,164,502	1,289,295	124,793	<b>10.72%</b>
Open Enrollment	2,399	2,200	(199)	<b>-8.30%</b>
Transit of State Aid-CESA	25,000	26,000	1,000	<b>4.00%</b>
Transit of State Aid-Other Districts	9,000	-	(9,000)	<b>-100.00%</b>
Handicapped Aid	343,481	375,982	32,501	<b>9.46%</b>
Flow Through and Early Childhood	356,393	345,000	(11,393)	<b>-3.20%</b>
Medicaid Reimbursement	25,000	25,000	-	<b>0.00%</b>
Refund of Expenditures	-	-		
<b>Total Revenues</b>	<b>\$1,925,775</b>	<b>\$ 2,063,477</b>	<b>\$137,702</b>	<b>7.15%</b>

### *EXPENDITURES*

<i>Expenditures</i>	<i>2014-15 FINAL</i>	<i>2015-16 DRAFT</i>	<i>Difference</i>	<i>% Change</i>
Salaries and Benefits	1,503,585	1,559,164	55,579	<b>3.70%</b>
Payments to Other Districts	22,685	8,000	(14,685)	<b>-64.73%</b>
Payments to CESA 6	130,000	210,000	80,000	<b>61.54%</b>
Transportation	175,000	135,000	(40,000)	<b>-22.86%</b>
Other Purchased Services	31,350	27,650	(3,700)	<b>-11.80%</b>
Non-Capital Objects	75,082	120,550	45,468	<b>60.56%</b>
Capital Equipment	-	-	-	
Dues and Fees	26,680	3,113	(23,567)	<b>-88.33%</b>
<b>Total Expenditures</b>	<b>\$1,964,382</b>	<b>\$2,063,477.00</b>	<b>\$99,095</b>	<b>5.04%</b>

**FUND 27 Special Education Revenues and Expenditures Comparison**

<i>Total Revenue</i>	<i>\$1,925,775</i>	<i>\$2,063,477</i>	<i>\$137,702</i>	<i>7.15%</i>
<i>Total Expenditures</i>	<i>\$1,964,382</i>	<i>\$2,063,477</i>	<i>\$99,095</i>	<i>5.04%</i>
<i>Balance</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	

**Summary of Debt Service Fund Budgets – Funds 38-39**

The Debt Service Fund is used to track all activity regarding payment of long-term obligations of the school district. Currently the funds are being used to record principal and interest payments for the Wisconsin Retirement Systems Unfunded Pension Liability, and principal and interest payments on the District's long-term general obligation building bond debt.

	<i>2014-15 Audited</i>	<i>2015-16 Projected</i>	<i>Difference</i>	<i>% Change</i>
Beginning Fund Balance	\$ 344,892	\$ 363,563	\$ 18,671	5.41%
<b>Revenues</b>				
Taxes	1,202,133	1,205,534	3,401	0.28%
Interest	2,526	2,300	(226)	-8.95%
QZAB Grant	37,100	37,080	(20)	-0.05%
Transfer from General Fund	91,820	89,600	(2,220)	-2.42%
Transfer from Other Funds	27,160	-	(27,160)	-100.00%
Refinancing Revenues	1,921,243	-	(1,921,243)	-100.00%
<b>Total Revenues</b>	<b>3,281,982</b>	<b>1,334,514</b>	<b>935</b>	<b>0.03%</b>
<b>Expenditures</b>				
Principal Payments	1,130,000	1,183,754	53,754	4.76%
Interest Payments	215,765	149,960	(65,805)	-30.50%

Service Fees	796	800	4	0.53%
Refinancing Expenses	1,916,750	-	(1,916,750)	-100.00%
Total Expenses	3,263,311	1,334,514	(1,928,797)	-125.21%
Ending Fund Balance	\$ 363,563	\$ 363,563	\$ -	0.00%

### **Wisconsin Retirement System Unfunded Pension Liability**

On July 1, 2008 the Board of Education refinanced the District's Wisconsin Retirement System Unfunded Pension Liability to take advantage of favorable interest rates. The coding for these notes is done in Fund 38. This Fund is used to account for transactions for the repayment of debt issues that were either: not authorized by school board resolution before August 12, 1993, or incurred without referendum approval after that date.

On July 29, 2013, the Board of Education refinanced this debt to secure a lower interest rate. The debt service amortization schedule for Fund 38 can be viewed at the following link:

[https://drive.google.com/file/d/0B\\_X4xzNLX7fWTnpKSkZ0UENVQ2iLN0wyMUdpRTZ5VUphRE53/edit?usp=sharing](https://drive.google.com/file/d/0B_X4xzNLX7fWTnpKSkZ0UENVQ2iLN0wyMUdpRTZ5VUphRE53/edit?usp=sharing)

### **Long-Term Obligation Debt**

In 1998 the School District passed a referendum to remodel H.B. Patch Elementary School, construct Omro Elementary School and add on to the High School/Middle School building. The initial resolution authorized the School District to issue \$14,915,000 in general obligation bonds to finance the projects. The original two issues were refinanced in March of 2004 and May of 2005.

On December 3, 2013, the Board of Education refinanced the bond that was refinanced in March of 2004 to secure a lower interest rate.

On December 1, 2014, the Board of Education refinanced the bond that was refinanced in May of 2005 to secure a lower interest rate.

In 2012 the School District passed a referendum for maintenance needs in the amount of \$1,000,000. Additionally the District secured a federal subsidy to cover the interest cost for the duration of the borrowing. The federal subsidy was originally for the full interest cost of \$20,000, however, this amount was reduced in 2013 to \$18,410 by the federal government. The principal balance of \$1,000,000 is due in full in 2019. After making this payment the District will be debt free in the Fund 39 debt service fund.

The current debt service amortization schedules for Fund 39 and the total indebtedness of the District can be viewed at the following link:

[https://drive.google.com/file/d/0B\\_X4xzNLX7fWNkxDVUI0SGZ3Uml6X1dGbFBKbHVKWEtudGpN/view?usp=sharing](https://drive.google.com/file/d/0B_X4xzNLX7fWNkxDVUI0SGZ3Uml6X1dGbFBKbHVKWEtudGpN/view?usp=sharing)

## Summary of Food Service Fund Budgets – Funds 50

All transactions related to the School District’s hot lunch and breakfast programs are recorded in this fund. This fund may carry a fund balance. A deficit is not allowed in this fund, therefore, a transfer from the general fund is necessary to erase any deficit that may be present at fiscal year end.

### *REVENUES – FUND 50*

<i>Revenues</i>	<i>2014-15 FINAL</i>	<i>2015-16 DRAFT</i>	<i>Difference</i>	<i>% Change</i>
Transfer from General Fund	-	-	\$ -	
Pupil Sales	340,000	311,000	(29,000)	<b>-8.53%</b>
Adult Sales	1,350	17,000	15,650	<b>1159.26%</b>
Other Food Service Sales	500	1,400	900	<b>180.00%</b>
State Food Service Aid	11,500	11,000	(500)	<b>-4.35%</b>
Donated Commodities	37,000	40,000	3,000	<b>8.11%</b>
Federal Aid	233,600	237,306	3,706	<b>1.59%</b>
<b><i>Totals</i></b>	<b><i>\$623,950</i></b>	<b><i>\$617,706</i></b>	<b><i>-\$6,244</i></b>	<b><i>-1.00%</i></b>

### *EXPENDITURES – FUND 50*

<i>Expenses</i>	<i>2014-15 FINAL</i>	<i>2015-16 DRAFT</i>	<i>Difference</i>	<i>% Change</i>
Salaries and Benefits	266,776	271,958	\$ 5,182	<b>1.94%</b>
Purchased Services	7,168	7,748	580	<b>8.09%</b>
Supplies	16,250	18,500	2,250	<b>13.85%</b>
Food	329,756	313,000	(16,756)	<b>-5.08%</b>
Non-Capital Equipment	2,500	5,000	2,500	<b>100.00%</b>
Capital Equipment	-	-	-	
Dues and Fees	1,500	1,500	-	<b>0.00%</b>
<b><i>Totals</i></b>	<b><i>\$623,950</i></b>	<b><i>\$617,706</i></b>	<b><i>-\$6,244</i></b>	<b><i>-1.00%</i></b>

***FUND 50 Food Service Revenues and Expenditures Comparison***

<b><i>Total Revenue</i></b>	<b><i>\$623,950</i></b>	<b><i>\$617,706</i></b>	<b><i>(\$6,244)</i></b>	<b><i>-1.00%</i></b>
<b><i>Total Expenditures</i></b>	<b><i>\$623,950</i></b>	<b><i>\$617,706</i></b>	<b><i>(\$6,244)</i></b>	<b><i>-1.00%</i></b>
<b><i>Balance</i></b>	<b><i>\$0</i></b>	<b><i>\$0</i></b>	<b><i>\$0</i></b>	

### **Summary of OPEB (Other Post Employment Benefits) Fund Budgets – Fund 73**

The School District of Omro established Fund 73 for purpose of setting funds aside for future post employment benefit liabilities. Post-employment benefits are benefits paid to employees after the retirement date, resulting from services rendered during employment. Post employment benefits include pension and non-pension benefits such as health benefits.

The School District of Omro contributed \$195,203 to the Trust in 2014-15 for the purpose of funding post employment benefits for the fiscal year. This contribution met the required annual contribution enabling the District to apply for categorical aid.

<i>Revenues</i>	<i>2014-15 FINAL</i>	<i>2015-16 DRAFT</i>	<i>Difference</i>	<i>% Change</i>
Transfer from Other Funds	110,000	75,000	(35,000)	-31.82%
Interest Earnings	25	15	(10)	-40.00%
<b>Totals</b>	<b>\$110,025</b>	<b>\$75,015</b>	<b>(35,010)</b>	<b>-31.82%</b>
<i>Expenditures</i>	<i>2014-15 FINAL</i>	<i>2015-16 DRAFT</i>	<i>Difference</i>	<i>% Change</i>
Post Employment Benefits	110,000	76,144	(33,856)	-30.78%
Purchased Services	75	350	275	366.67%
<b>Totals</b>	<b>\$110,075</b>	<b>\$76,494</b>	<b>(33,856)</b>	<b>-30.76%</b>
<b>Total Revenue</b>	<b>\$110,025</b>	<b>\$75,015</b>	<b>(35,010)</b>	<b>-31.82%</b>
<b>Total Expenditures</b>	<b>\$110,075</b>	<b>\$76,494</b>	<b>(33,856)</b>	<b>-30.76%</b>
<b>Balance</b>	<b>(\$50)</b>	<b>(\$1,479)</b>	<b>(1,154)</b>	

### **Summary of Community Service Fund Budgets – Fund 80**

This fund is created in accordance with Section 120.13(19), Wis. Stats., which, authorizes the School Board to establish and maintain community education, training, recreational, cultural or athletic programs and services, outside the regular curricular and extracurricular programs for pupils. The School Board is authorized to establish and collect fees to cover all or part of the costs of such programs and services.

The School District of Omro desires to levy a tax to fund community services for the benefit of everyone in the community and levying a tax to maintain a community services fund is in the best interest of the School District of Omro. The levy amount shall be \$65,000 to cover necessary expenses (including, salary and benefits) for the upkeep, maintenance, and coordination of these programs.

<i>Revenues</i>	<i>2014-15 FINAL</i>	<i>2015-16 DRAFT</i>	<i>Difference</i>	<i>% Change</i>
Rental Income	-	100	(100)	0.00%
Tax Levy	65,000	65,000	-	0.00%
Fees	-	1,750	(1,750)	0.00%
<b>Totals</b>	<b>65,000</b>	<b>66,850</b>	<b>(1,850)</b>	
<i>Expenditures</i>	<i>2014-15 FINAL</i>	<i>2015-16 DRAFT</i>	<i>Difference</i>	<i>% Change</i>
Expenses	65,000	69,446	(4,446)	0.00%
<b>Totals</b>	<b>65,000</b>	<b>69,446</b>	<b>(4,446)</b>	<b>-</b>
<b>Total Revenue</b>	<b>65,000</b>	<b>66,850</b>	<b>(1,850)</b>	
<b>Total Expenditures</b>	<b>65,000</b>	<b>69,446</b>	<b>(4,446)</b>	<b>-</b>
<b>Balance</b>	<b>-</b>	<b>(2,596)</b>	<b>2,596</b>	

## **District Overview and Summary Section**

### **Part II**

1. 2015-16 Budget Summary/Overview
2. Listing of School Board Members and Administrators

### **Summary of the 2015-16 Budget**

#### **Revenue Highlights**

- ✓ State Aide is projected to decrease by 3.20% or \$258,594 for the 2015-16 school year (per DPI July 1, 2015 estimate).
- ✓ The 2015-16 Tax Levy for general operations is currently projected to increase by 9.39% or \$349,400 (based on data available as of September 30, 2015).
- ✓ The total Tax Levy for 2015-16 is currently projected to increase by 8.30% or \$352,801 (based on data available as of September 30, 2015).

#### **Expenditure Highlights**

- ✓ Building budgets were established by using zero-based budgeting.
- ✓ Library budgets will remain under budget until January when Common School Library Funds allocated to the District are known, at which time a budget adjustment for revenues and expenses will be made.
- ✓ The Middle School Sports budget and the High School Sports budget have been combined to establish one Athletic budget for district wide use.



**District Administration**

**School Board**

Cheryl Potratz  
President  
Serving Since 1997

Dennis Larsen  
Vice President  
Serving since 2014

Robert Kettlewell  
Treasurer  
Serving Since 2007

Tricia Retzlaff  
Clerk  
Serving Since 2010

Joe Schuster  
Serving since 2014

Sandy Markech  
Serving since 2015

Marty Johnson  
Serving Since 2015

**Executive Committee**

Nick Curran  
Kelly Spors  
David Wellhoefer  
Paul Williams

Superintendent of Business Operations  
High School Principal  
Elementary Principal  
Middle School Principal

**Administrators**

Jaime Glaeser  
Dennis Wesenberg  
Rose Ann Boushele  
Vacant  
Erin Calvin  
Chad Gerhke  
Nancy Stoflet

School Psychologist  
Director of Buildings and Grounds  
Director of Food Service  
Director of Pupil Services  
Director of Curriculum and Instruction  
Director of Technology  
District Administrative Professional

## **Organizational Section**

### **Part III**

1. School District
2. Basis of Accounting
3. The Classification of Revenues and Expenditures
4. Budgetary and Financial Laws and Policies
5. Organizational Chart
6. The Budget Development Process
7. The Budget Administration and Management Process

## School District Legal Status

The legal basis for public education in the School District is vested in the will of the people as expressed in the Wisconsin Constitution. Public Education is primarily a State responsibility and a local School District's function.

The official name of this District is the "School District of Omro". The District shall be a common school district providing 4-year-old Kindergarten through twelfth grade educational services to students living in the City of Omro, along with all or parts of the townships of Algoma, Nekimi, Nepeuskun, Omro, Poygan, Rushford, Utica and Winneconne in the County of Winnebago, and the townships of Aurora and Poy Sippi in the County of Waushara.

The District currently serves 1,262 students through H.B. Patch Elementary School, Omro Elementary School, the Omro High School/Middle School, and A Moment in Time Daycare.

The District shall be under the management and control of an elected School Board, which will act as an agent of the State and govern the public schools in accordance with state law.

## Basis of Accounting

The basis of accounting refers to the timing of when revenues, expenditures, and the related assets and liabilities are recognized on the books of the School District.

School districts in Wisconsin use the Modified Accrual Basis of accounting for all governmental, expendable and agency funds. Under this basis of accounting revenues are recognized when measurable and available and expenditures or expenses are recognized when the related fund liability is incurred.

## The Classification of Revenues and Expenses

Each account code that we use is made up of at least 14 digits and many times 17 digits. The first two digits of the code indicate the fund from which the expenditure is being made or revenue is being received. The next three digits indicate the location, i.e. high school, middle school, etc. The next three digits indicate the object for an expenditure or the source for a revenue. The next six digits indicate the function code and the last three digits are the project code.

Example of an expenditure account:

10 - 800 - 411 - 110000 - 057  
Fund Location Object Function Project

Example of a revenue account:

10 - 800 - 611 - 500000 - 000  
Fund Location Source Function Project

## Definitions of Account Codes

### Funds

A fund is an accounting entity consisting of a set of self-balancing set of asset, liability and equity accounts used to account for the District's financial transactions in accordance with laws, regulations, or restrictions. The Department of Public Instruction requires reporting of various revenues and expenditures within specified funds. The different funds that the district uses and their definitions follow:

**10-General Operations:** This is the operating fund of the District. All expenses relating to the operation of the District not required to be reported in the other funds are reported here.

**21-Special Revenue Trust Fund:** All gifts and donations from private parties and their related expenses are recorded in this fund.

**27-Special Education Fund.** All special education transactions are recorded in this fund including salaries and benefits for special education teachers.

**38-Non-Referendum Debt Fund.** Transactions relating to debt incurred without the approval of a referendum are recorded here. The School District of Omro currently uses this fund to record transactions relating to the refinancing of the Wisconsin Retirement System Unfunded Pension Liability.

**39-Referendum Approved Debt Fund.** This fund is used to record transactions relating to debt incurred through a referendum. This usually involves bond issues for capital improvements and/or expansion. The School District of Omro uses this fund to record payments for long-term general obligation debt.

**50-Food Service Fund.** All expenses and revenues related to the lunch program are recorded in this fund.

**60-Agency Fund.** This fund is used to account for assets held by pupil organizations. All student clubs and activity accounts are accounted for here.

**70-Trust Funds.** This fund is used to account for assets held by the district in a trustee capacity for individuals, private organizations, other governments and/or other funds.

**80-Community Service Fund.** This fund is used to account for activities such as adult education, community recreation programs, elderly food service programs, non-special education preschool, day care services, and other programs which are not elementary and secondary educational programs but have the primary function of serving the community.

### Locations

Location codes are used to categorize primarily expenditures and some revenues within a fund by department or building. The location codes are:

- 100-Elementary/OES
- 101-Patch
- 102-Reading
- 104-Elementary Library
- 106-4K
- 200-Middle School
- 300-Enterprise School
- 400-High School
- 401-High School Tech
- 710-Summer School
- 800-District Wide
- 801-MS/HS Library
- 802-Instrumental Music
- 803-Vocal Music
- 804-Health
- 805-Technology
- 806-Transportation
- 807-ELL Budget
- 825-Maintenance
- 826-Special Maintenance Projects
- 827-Utilities
- 829-Nurse
- 845-Driver's Ed
- 846-Safety
- 860-High School Sports
- 861-Middle School Sports
- 870-Central Supply
- 878-RIF

### Objects

Object codes are used to classify expenditures within a fund and within a location. Object codes describe what an expenditure was.

- 100-Salaries
- 200-Benefits
- 300-Purchased services-services performed by others outside of the district
- 400-Non-Capital Equipment-supplies, and equipment under \$500
- 500-Capital Equipment-any equipment, furniture, vehicles etc. over \$500
- 600-Debt Retirement-principal and interest payments
- 700-Insurance-Work Comp, Liability, Property, Unemployment

- 800-Transfers to other funds
- 900-Other-Dues and fees mainly go here

**Functions**

Function codes classify expenditures and revenues according to the what the object being purchased is used for.

- 110000-Elementary Education
- 120000-Secondary Education
- 130000-Vocational Education
- 140000-Physical Education
- 150000-Special Education
- 160000-Co-Curricular Education/Sports
- 170000-Other Special Needs
- 200000-Support Services
- 220000-Instructional Staff Services
- 230000-General Administration
- 240000-Building Administration/Principals
- 250000-Business Administration-this includes transportation and maintenance
- 260000-Central services
- 270000-Insurance
- 280000-Debt
- 290000-Other support services
- 300000-Community Services
- 400000-Non program transactions, includes transfers to other funds
- 500000-District wide – revenues only

**Sources**

Source codes are used to classify revenues according to where the money is coming from.

- 100-Transfer in from another fund
- 200-Local Sources
- 300-Payments from another school district
- 400-Payments from agencies outside the state
- 500-Payments from the state or federal transited through CESA 6
- 600-Revenue received directly from the State
- 700-Revenue received directly from the Federal Government
- 800-Proceeds from refinancing and long term debt transactions
- 900-Other sources

Project codes are more numerous and more specific ways of identifying revenues and expenditures. These are too numerous to list. One major use of these codes is to be able to identify the expenditures of individual teachers.

**Budgetary and Financial Laws and Policies**

**State of Wisconsin Statutes Governing School District Finances**

**120.12(3) & (4)-Tax Levy**

Requires school boards to determine, by November 1, taxes necessary for the operation and maintenance of the district and debt retirement. This amount may be greater or less than the amount voted on by the electors at the annual meeting. It also requires the district clerk to certify the tax amount to local municipalities on or before November 6.

**121.90, 121.905, 121.91 and 121.92-Revenue Limit**

Prohibits school districts from annually increasing revenues derived from general school aid (Equalization Aid) and property taxes above a specified limit. The limit is determined by taking the prior year’s revenue per pupil average plus a per pupil increase determined by the legislature based on the Consumer Price Index for inflation and multiplying by a three-year rolling enrollment average.

**School District of Omro Fund Balance Policy**

The Board of Education recognizes the need for carrying an operating reserve in the general fund to:

1. Provide adequate working capital sufficient to meet the District's cash flow requirements, thus minimizing additional cash flow (short-term) borrowing during the budget cycle.
2. Function as a safeguard to fund unanticipated expenses that the District might incur or to fund unrealized revenues, which may occur but shall not be considered available to meet recurring operational expenses.
3. Demonstrate fiscal responsibility resulting in a high credit rating, which will help to reduce District's borrowing costs. The Board of Education will strive to develop operating budgets, which will add sufficient funds each year to the operating fund balance to maintain fourteen percent (14%) of total operating expenses.

### **The Budget Administration and Management Process**

Management of the budget is the primary responsibility of the District's Superintendent of Business Operations. The Superintendent of Business Operations gives a detailed report to the Board of Education each month summarizing the previous month's revenues and expenditures. The Superintendent of Business Operations also works with building principals in monitoring each building's budget. The budget performance is reviewed on a quarterly basis and adjustments are recommended to the Board each quarter as needed.

## Budget Calendar For Development of 2015-16 Budget

<u>Deadline</u>	<u>Action</u>	<u>Responsible Persons</u>
<b>November 2014:</b>	Review performance of current budget	Admin Team
	Develop budget data collection forms	Business Manager
<b>December 2014:</b>	Adopt Budget Calendar	School Board
	Begin process for requesting textbooks, supplies, equipment, and standard supply and equipment lists	Admin Team
	Begin discussions of staffing needs for next year	Admin Team
	Determine needs for alterations and improvements to buildings and grounds	Executive Committee Director of Buildings
<b>January 2015:</b>	Discussions with principals, supervisors, and other staff regarding the education program and personnel needs	Executive Committee
	Review enrollment data to project ensuing year enrollments	Admin Team School Board
<b>February 2015:</b>	Review budget implications from strategic plan as adopted by the School Board	School Board
	Deadline for submitting budget requests	Teachers, Admin Team
	Approve staffing recommendations	School Board
<b>March 2015:</b>	Review performance of current budget	Admin Team
	Compile and summarize budget requests and financial implications	Admin Team
	Conduct budget workshops with administrators to resolve budget request conflicts, establish budget priorities, and make alterations	Admin Team
<b>April-May 2015:</b>	Initial budget presentation to school board	Business Manager
	Additional budget workshops scheduled if necessary	Executive Committee
<b>July 2015:</b>	Continue revisions of estimates	Business Manager
<b>September 2015:</b>	Adjust budget after third Friday count	Business Manager
<b>October 2015:</b>	Prepare official budget document Budget Hearing	Business Manager
	Final calculation of revenue limit after receipt of certified aid from DPI on October 15 and make other budget adjustments as necessary	Business Manager
	Adopt final tax levy	School Board

### Informational Section

#### Part IV

1. Fall School District Certification Values - Tax Apportionment
2. Tax Levy Rate Information and 10 & 24-year history
3. Equalization Aid Information
4. Analysis of Tax Burden
5. Long-Term Obligation Debt

### **Spring School District of Certification of 2014 Values – Tax Apportionment**

These values, adjusted for any reorganization orders effective July 1, 2014, are used in the October 15, 2015 certification of school district equalization aid eligibility. Note that this file does not yet incorporate the reorganization orders effective July 1, 2015.



County	Municipality	TIDIN	TIDOUT	Computer
		Equalized	Equalized	Aid
		Values	Values	Value
Waushara	T. Aurora	65,656	65,656	0
Waushara	T. Poy Sippi	708,239	708,239	0
Winnebago	C. Omro	172,101,900	172,101,900	696,200
Winnebago	T. Algoma	4,683,077	4,683,077	0
Winnebago	T. Nekimi	409,759	409,759	0
Winnebago	T. Nepeuskun	6,567,978	6,567,978	0
Winnebago	T. Omro	188,212,603	188,212,603	13,300
Winnebago	T. Poygan	41,874,534	41,874,534	1,400
Winnebago	T. Rushford	89,533,204	89,533,204	8,600
Winnebago	T. Utica	20,811,544	20,811,544	117,300
Winnebago	T. Winneconne	12,724,189	12,724,189	0
<b>Total:</b>		<b>537,692,683.00</b>	<b>537,692,683.00</b>	<b>836,800.00</b>

**Tax Levy Rate Information and 31-year history for the  
School District of Omro**

School district property taxes include levies for general operations, debt service, capital expansion, and community services. Property values are equalized to reflect market value rather than local assessed value. The equalized levy rate (Mill Rate) is the total property tax levy divided by the current year equalized property value with tax incremental financing (TIF) values excluded. Levy rates are shown in "mills" or property tax dollars levied per \$1,000 of equalized property value.

School District of Omro 32-year tax levy rate average = \$12.79

### **Equalization Aid Information**

In 1993 the Wisconsin Legislature enacted Act 16, which placed public school districts throughout Wisconsin under revenue limits. This act limited revenue school districts could receive from local property taxes, general state aid (equalization aid) and exempt computer property aid. The maximum limit is based on enrollment times a per-pupil increase that is based on the Consumer Price Index. School districts may exceed this limit only through referendum.

The table and graphs below show the history of the district's revenue limit and the proportion of property taxes and general aid that comprised each limit. General state aid is based on a school district's shared cost, which is the net cost of the general fund and debt service fund after certain deductible receipts have been excluded. The property tax levy is computed by first calculating the revenue limit then subtracting the amount of general state aid. The remainder is the tax levy.

The amount of equalization aid a school district receives is dependent primarily upon the district's equalized property valuation and shared costs. There is an inverse relationship between a district's equalized valuation and the amount of aid it receives from the state. As the valuation increases, a district's state general aid decreases and vice versa. There is a direct relationship between a district's shared cost and the amount of aid it receives. As the shared costs increase so does the aid it receives from the state.

### **Analysis of Tax Burden**

	<i>2014-15 Audited</i>	<i>2015-16 Projected</i>	<i>Difference</i>	<i>% Change</i>

General Fund Tax Levy	\$ 3,722,072	\$ 4,071,472	\$ 349,400	9.39%
Debt Service Fund Tax Levy	\$ 1,202,133	\$ 1,205,534	\$ 3,401	0.28%
Community Service Fund Tax Levy	\$ 65,000	\$ 65,000	\$ -	0.00%
<b>Total Levy</b>	<b>\$ 4,989,205.00</b>	<b>\$ 5,342,006.00</b>	<b>\$ 352,801.00</b>	<b>7.07%</b>
Mill Rate	\$ 9.16	\$ 9.92	\$ 0.76	8.30%
School Property tax on a				
\$100,000 Home	\$ 916.00	\$ 992.00	\$ 76.00	8.30%

**Annual Meeting Resolutions**

**RESOLUTION #1 – ADOPTION OF TAX LEVY**

Resolved, that this annual meeting establish a tax levy of \$4,071,472 for the current operation of the school district, levy for debt retirement of \$1,205,534 and levy for the community service fund of \$65,000.

Moved by: \_\_\_\_\_

Second by: \_\_\_\_\_

Approved: \_\_\_\_\_

Rejected: \_\_\_\_\_

**RESOLUTION #2 – SALARY – BOARD OF EDUCATION**

The present salary for the Board of Education positions is \$2,000 annually. Board members devote many hours to meetings, not counting the hours spent in preparation.

Resolved that the salary for Board of Education positions be established at \$\_\_\_\_\_

Moved by: \_\_\_\_\_

Second by: \_\_\_\_\_

Approved: \_\_\_\_\_

Rejected: \_\_\_\_\_

**RESOLUTION #3 – DISPOSAL OF SURPLUS EQUIPMENT**

From time to time the school district has equipment items that should be sold as new and updated items are added to the inventory, such as typewriters, sewing machines, etc., and,

Therefore, be it resolved that the Board is authorized to sell and dispose of any tangible property belonging to the District that is determined by the Board to be no longer needed for school purposes.

Moved by: \_\_\_\_\_

Second by: \_\_\_\_\_

Approved: \_\_\_\_\_

Rejected: \_\_\_\_\_

RESOLUTION #4 – OFFICIAL DEPOSITORY

Resolved that the First National Bank be designated as the official depository of School District funds.

Moved by: \_\_\_\_\_

Second by: \_\_\_\_\_

Approved: \_\_\_\_\_

Rejected: \_\_\_\_\_

RESOLUTION #5 – RESOLUTION TO APPROVE COMMUNITY SERVICE FUND TAX LEVY OF \$65,000

VOTE A TAX IN THE AMOUNT OF \$65,000 TO MAINTAIN A FUND FOR THE PURPOSE OF COMMUNITY SERVICES

WHEREAS, Section 120.13(19), Wis. Stats., authorizes the School Board to establish and maintain community education, training, recreational, cultural or athletic programs and services, outside the regular curricular and extracurricular programs for pupils; and

WHEREAS, the School Board is authorized to establish and collect fees to cover all or part of the costs of such programs and services; and

WHEREAS, the School District of Omro desires to levy a tax to fund community services for the benefit of everyone in the community; and

WHEREAS, levying a tax to maintain a community services fund is in the best interest of the School District of Omro.

“NOW, THEREFORE, BE IT RESOLVED by the electors of the School District of Omro, Winnebago County, State of Wisconsin, that the School Board of the School District of Omro is hereby authorized to levy a tax in the amount of \$65,000 to maintain a fund for the purpose of community education, training, recreational, cultural or athletic programs and services, outside the regular curricular and extracurricular programs for pupils, pursuant to such terms and conditions as determined to be reasonable and appropriate by the School Board.”

*Informational Note: The purpose of the Community Services Fund 80 is two-fold. First, Fund 80 allows the District to identify the amount of funds provided by the district for the support of community programs, allowing the district to be more accessible to its community. Second, Fund 80 is outside the revenue limit, which may free up other dollars for instructional uses*

Moved by: \_\_\_\_\_

Second by: \_\_\_\_\_

Approved: \_\_\_\_\_

Rejected: \_\_\_\_\_

RESOLUTION #6 – 2016 ANNUAL MEETING

Resolved that the 2016 Annual Meeting of the School District of Omro, be Thursday, October 6, 2016 at 6:00 p.m.

Moved by: \_\_\_\_\_

Second by: \_\_\_\_\_

Approved: \_\_\_\_\_

Rejected: \_\_\_\_\_

ADDITIONAL RESOLUTIONS FROM THE FLOOR

\_\_\_\_\_

\_\_\_\_\_

Moved by: \_\_\_\_\_

Second by: \_\_\_\_\_

Approved: \_\_\_\_\_

Rejected: \_\_\_\_\_

**Adjournment**

Moved by: \_\_\_\_\_

Second by: \_\_\_\_\_