

Manitowoc Public School District
Minutes of Finance & Budget Committee Meeting
Monday, October 12, 2020

Finance and Budget (F&B) Committee Chairperson Richard Nitsch called the Finance and Budget Committee to order at 10:02 a.m. with F&B committee member David Nickels present. Director of Business Services Shawn M. Alfred was also present. Superintendent Holzman joined the meeting at 10:16 am due to some technology issues.

2020-2021 Proposed Budget

Director of Business Services Shawn Alfred presented the 2020-2021 MPSD Proposed Budget.

Director Alfred went through the 2020-2021 Budget Proposal Memorandum that detailed highlights and various impacts of the 2020/2021 budget:

- Total Tax Levy proposed is \$19,565,873 resulting in a Net Tax Levy Rate of \$7.268, a (2.72%) decrease from 2019-2020.
- Manitowoc's equalized property value increased by 4.62% from 2019-2020; therefore, Tax Levy would impact would be (7.02%) decrease if the DPI does not allow the Declining Enrollment Exemption.
- Total expenditures for the District's General Fund are \$65,357,336, a 3.40% increase from 2019-2020. The increases primarily result in:
 - 1.81% School Board approved in staff salaries
 - Open Enrollment Out increase expense of approximately \$956,000
 - Self-Funded Health Insurance increase of approximately \$1,500,000 due to increase in claims from COVID-19 shutdown and potential high cost medication claim. enrollment out.
- The District's Fund Balance will need to decrease by \$2,159,272 to due to expenses being large than expected revenue. Preliminary 2019-2020 audit figures detail an approximate \$1,761,170 increase in fund balance due to health cost deferrals; therefore, net effect of \$398,102 fund balance decrease.

Director Alfred also went through the other Fund's Budget Summary's, Tax Levy Limit, Debt Schedule, and Tax Apportionments that would occur with the Committee. Chairperson Nitsch and Member Nickels asked questions, and further discussion occurred in regards to the presented documents.

Director Alfred noted that after October 15th, The Department of Instruction will release their final documents in regards to Tax Levy Limit and State Equalization aid which may or may not affect the proposed budget. One item mention was the Declining Enrollment Exemption which may add \$630,000 to our allowable levy and would change our -7.02% decrease to a -4.03% decrease.

A motion was made by Chairperson Nitsch and seconded by Member Nickels to bring to the School Board for approval of the proposed budget draft and for a public hearing on Tuesday, October 13th. The motion carried.

A motion was made by Member Nickels and seconded by Chairperson Nitsch to adjourn, and the motion carried. The meeting adjourned at 10:38 a.m.

Respectively submitted,

Shawn M. Alfred

Acting Finance & Budget Committee