

**Manitowoc Public School District**  
**Minutes of the Finance & Budget Committee Meeting**  
**Monday, October 4, 2021, 3:00 p.m.**

Finance and Budget Committee Chairperson Kathy Willis called the meeting to order at 3:01 p.m. Committee Members present were Kathy Willis, Lisa Johnston, and Collin Braunel. Director of Business Services, Angela Erdmann and Superintendent Mark Holzman were also in attendance.

The meeting covered the following agenda items:

**I. 2021-2022 BUDGET UPDATE (Information/Discussion)**

Director of Business Services, Angela Erdmann provided an high-scale overview of the 2021-2022 budget as published for the budget hearing. The overview covered all funds. Main points covered increased expenditures related to COVID expenditures with revenues to cover the additional expenditures, our ability to pay in advance on our debt service since it is now in callable status, our ability to save on utilities due to the partnership with Cenergistic for the energy savings program, expanded virtual learning opportunities through the McKinley Virtual Academy, and decrease in open enrollment out expenditure. While we will continue to utilize some fund balance for our budget, the overall impact is far less due to a successful operational referendum. Of note is that part of our fund balance use is accounted for by the early payment of debt and proposed set-aside for special projects.

Preliminary savings on the levy is slated for 4.23%. We are also anticipating \$125 additional in categorical aid this year that will amount to about \$620,000 per student. This is a one-time additional aid that we will lose next year. Additionally, we have to keep in mind that there is no additional per-pupil allocation for next year in the revenue limit, so we will have less funding to work with next year. It was further clarified in discussion that there are no strings attached to the additional categorical aid for this year. Additional discussion around the challenges of our funding formula and approaches we can take in future referendums that can help us manage the levy. At this time, we have limited tools as a district to control the levy and with increased state aid and growing equalized property value, the mill rate continues to plummet to historic lows. This is good news for taxpayers, but provides challenges when we seek support for future referendums.

**II. ESSER/GEERs Funding Update (Information/Discussion)**

Information regarding ESSER/GEER funding requirements from DPI (<https://docs.google.com/presentation/d/1fzrTdBdIcoearvyMiE0bQzX5GX0ahs9WGFdDE771Qek/edit?usp=sharing>) was shared with the committee. The district will have to create and file a formal plan to describe how it will use ESSER III funding which includes community input. We are required to use at least 20% of the allocation to demonstrate how we are closing the achievement gap created by the pandemic.

**III. Year-End Fund Balance Designation**

Director of Business Services Erdmann shared that we would be examining the district's fund balance designation and considering the use of fund balance for special projects at our next meeting on October 8th. Once purchase, Skyward, is over the \$100,000 threshold, so there was discussion around taking Skyward as a separate action item as well as approving the other projects as well.

Collin Braunel made a motion to adjourn, second by Lisa Johnston, motion carried 3-0. The meeting adjourned at 3:50 p.m.

Respectfully submitted,  
Angela M. Erdmann  
Acting Secretary  
October 10, 2021