

Manitowoc Public School District
Minutes of the Finance & Budget Committee Meeting
Wednesday, April 7, 2021, 10:00 am

Finance and Budget Committee Chairperson Richard Nitsch called the meeting to order at 10:00 am. Committee Members present were Richard Nitsch and Dave Nickels along with Superintendent Mark Holzman, and Director of Business Services, Angela Erdmann.

The meeting covered the following agenda items:

APRIL 6TH SPRING ELECTION RESULTS (Information/Discussion)

- The committee discussed the results of the referendum passing at 59%.
- Even with this victory, we discussed the need to reinforce the message that our school funding formula is not working to truly support school funding - even in times where we are not going to referendum.
- The committee discussed adding more financial information on the website, especially in respects to how property tax bills work in relation to the net tax levy, which is the piece that the school district does establish.
- The committee discussed strategies used in other districts who also go to referendum for operational funds and considerations for future referendums. For example, we can go after two years instead of waiting three years.
- Debt payment will fall off in three years, so that will also help our financial forecast as a whole.
- Superintendent Holzman met with the local legislatures to advocate for the need for operational funds. As school finance is complicated to understand - even local elected officials who struggle to understand the need for operational funds, especially in light of COVID relief funding.
- Mr. Nitsch expressed the positive to going back to the public before the last possible chance to extend the referendum in the future.

III. 2021-2022 BUDGET UPDATE (Information/Possible Action)

A. WI Fiscal Bureau - Consumer Price Index (CPI) Rate 2021-2022 (Information/Discussion)

- Wisconsin Employee Relations Commission Rate Increase - asking for support to approach the MEA regarding a recommendation to use a 1.23% increase in the WERC rate/CPI for the 2021-22 budget.
- Since Act 10, the WERC rate is the max that can be negotiated.
- The increase would be about \$321,763.73 in addition to the budget for the teacher group.
- With the permission to proceed with talking to MEA, the MEA can ratify and accept the amount and then formal approval would come to the board on either the April 27th or May 11th meeting.
- May 15th is the deadline for the district to provide contracts.
- The Committee Members support moving forward with the 1.23%. They felt the amount of the increase was more than reasonable and feel it also symbolizes the board's support of the staff as a result of the community's support of the referendum.
- We will still continue to work to cut \$1,300,000 from the budget over the next three years to work to eliminate the need to take money from fund balance in order to fund expenditures. Superintendent Holzman and Director of Business Services, Angela Erdmann have already started to review and identify areas for budget reductions.

Dave Nickels made a motion to adjourn the meeting, seconded by Dick Nitsch at 10:22 am. Motion carried, 2-0.

Respectfully submitted,
Angela M. Erdmann
Acting Secretary
April 11, 2021