

Manitowoc Public School District
Minutes of the Finance & Budget Committee Meeting
Wednesday, September 1st, 2021, 4:00 p.m.

Finance and Budget Committee Chairperson Kathy Willis called the meeting to order at 4:01 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. CENERGISTIC TRAINING - Out of State Travel Request for Angela Erdmann ; Dallas, TX September 27-29, 2021- (Information/Action)

Director of Business Services, Angela Erdmann requested permission to attend Program Liaison Training in Dallas Texas from September 27th-29th, 2021 for the Cenergistic Program. The training will include analytics software training to aid the district in understanding the realized savings for the energy program and additional training for her role as Program Liaison. Motion to approve was made by Collin Braunel and seconded by Lisa Johnston, motion carried 3-0.

II. PREVIEW OF REVENUE BUDGET FOR 2021-22 (Information)

Director of Business Services Angela Erdmann provided a review of the Revenue Limit Worksheet for the 2021-22 Fiscal Year with the information we have available to date. It is important to always keep in mind that while we know more information at this time, numbers are not finalized until the Certification of Aid is released on October 15th. At that time, we will work to make adjustments to the budget as presented at the budget hearing and finalize the budget and tax levy for official certification with DPI and local municipalities.

Erdmann shared the estimated property valuation amounts provided by Baird Financial. With values increasing an overall 5.7% (\$2,850,010,362 of total value) combined with additional state aid estimated, we estimate we will see a historically low mill rate of approximately \$7.06. While this is not finalized, this figure would be a \$0.75 drop (-9.6%) from the \$7.81 mill rate used for the 2020-21 budget. In addition, we are not slated to receive any additional per pupil allocation or categorical aid compared to our overall revenue limit. The committee also did discuss that more aid does not equate to more money for the school district, but a decrease in the amount levied to taxpayers. The question was asked whether local property assessments were linked to this valuation increase. We discussed that the process of local property assessments and equalized land value were separate matters as individual property assessments are handled at the municipal level, not by the school district. Ultimately, the district is limited in the amount it is able to levy based on the revenue limit formula. The equalized value increase establishes the impact of the levy amount across the total land value across the Manitowoc Public School District tax base.

The committee was presented with an overview of the first draft of the revenue budget for the 2021-22 fiscal year. All funds were reviewed. In addition, we reviewed the funding formula for Special Education at this time that is estimated to be at 28.2%. With the goal to provide $\frac{2}{3}$ funding, our district is required to use Fund 10, general fund operational funds to cover the amount that is not funded by the state. This equates to about 8 million dollars annually for the Manitowoc Public School District. Special Revenue funds, because they are linked to special projects and fundraisers will not have a revenue budget linked to them. Fund 38 uses revenue from the Fund 10 budget to cover Debt Service Obligations. Combining money available from our Debt Sinking Fund, we will be on track to be debt-free after the 2022-2023 fiscal year. Fund 46 takes in a small amount of interest, which is very low at this point, and Fund 50, our Food Service fund will benefit this year again from Federal Aids through the USDA's extension of the Summer Food Service Program. While we will receive that same aid level for the USDA program this year, our expenses will increase because we are going back to a model of offering more choices to students.

III. ESSER/GEERS Funding Update

The MPSD Director Team and Superintendent Holzman have been working on a three-year plan to spend both ESSER II and III funds as the use of ESSER I and GEER I funds is near completion. Our main goal in this work is to carefully plan for needs in a way that will best impact all students as well as avoid a fiscal cliff due to the unsustainability of the funds. One project, the air exchange project to improve HVAC air ventilation is in the beginning stages and will be completed over the next year.

The next meeting of the Finance and Budget Committee will be held on September 22nd at 4:00 p.m.

Collin Braunel made a motion to adjourn, second by Lisa Johnston, motion carried 3-0. The meeting adjourned at 4:41 p.m.

Respectfully submitted,
Angela M. Erdmann
Acting Secretary
September 12, 2021