

**SCHOOL DISTRICT OF MANAWA
FINANCE COMMITTEE MEETING
AGENDA**

Google Meet joining information

Video call link: <https://meet.google.com/pru-wbhg-byz>

Or dial: (US) +1 502-785-9538 PIN: 717 664 069#

Date: December 12, 2022

Time: 5:00 p.m.

Hybrid Meeting Format (In-person Meeting for Board of Education at MES Board Room, 800 Beech Street & Virtual Components)

Board Committee Members: Jepson (C), Reiersen, Fietzer

In Attendance:

Timer: _____ **Recorder:** _____

1. Budget Development, Communication, and Tracking (Information / Action)
2. Fund 46 CD Investment (Information / Action)
3. Salary Comparisons for Administrators, Educators, and Support Staff (Information/Action)
4. Top 6 Projects as Discussed at Recent Buildings & Grounds Meeting (Information / Action)
5. Monthly Financial Summary (Information)
6. Finance Committee Planning Guide (Information / Action)
7. Next Finance Committee Meeting Date: _____
8. Next Finance Committee Items:
 - 1.
 - 2.
7. Adjourn

Budget Planning and Development

Month/ Tasks	July- September	October	November	December- February	March	April -June	July	August- October
	Analyze prior year's budget results	Board Walk Through	Preliminary budget projections for next fiscal year	Staff and Program change proposals	Preliminary budget shared with BOE	Generate purchase order for issuance on July 1	Issue purchase orders	Reconcile packing slips with purchase orders
	Identify one-time revenues and expenses		Revenue limit and aid projections	Staff budget preparation due by Feb. 15 (requisitions, quotes, & bids)			Place initial central supply orders	Publish budget and present at Annual Meeting/ Budget Hearing
	Analyze budget variables		Set building allocations- Student FTE: Elem. 1.0 Sec. 1.25	Nonrenewal notices				Budget variables monitored/ updated
	Check plan status/completion and update for technology			Develop central supply lists -Instructional -Cus./Main.				Set levy
	Check plan status/completion and update for curriculum rewrite			Inventory central supply type resources				
	Check plan status/completion and update for maintenance							



School District of Manawa
Students Choosing to Excel, Realizing Their Strengths

To: Board of Education
From: Carmen O'Brien
cc: Dr. Melanie Oppor
Date: 12/7/2022
Re: Fund 46 Investment

Recommendation:

I recommend investing \$350,000 of Fund 46 money in a 12-month CD at the American Deposit Management Company (ADM).

Rationale:

Currently, there is \$350,269.87 in Fund 46, the long-term capital improvement trust fund. This account earns 0.02% interest. These funds were accessible starting in October 2022 for long-term capital improvement projects. I do not foresee needing to use these funds this year because of a significant fund balance in Fund 10 and no long-term capital improvement projects planned. If an emergency arose, the Fund 10 fund balance would adequately cover any expenses and Fund 46 could "pay back" Fund 10 upon BOE approval. A comparison of CD and Money Market rates for this amount of money are as follows:

Bank	12-month CD interest rate	Amount of Interest on \$350,000	Early Withdrawal Penalties
ADM	4.75-5.00%	\$16,625	Varies bank to bank. If the District would need to close a CD, the bank partner will try to find a buyer for the remainder of the term. Depending on the market at that time, principal may or may not be lost.
First State Bank	1.21%	\$4,235	3 months interest on the amount withdrawn
Premier Community Bank	2.25%	\$7,875	Amount equal to 12 months of interest on the amount withdrawn

Bank	Money Market interest rate (variable)
ADM	2.40%
First State Bank	0.50%
Premier Community Bank	0.90%



Reserve Certificate Program

An exclusive benefit for **ADM clients ONLY**.

Our team has worked hard to secure **special rates** with limited availability. Contact us **today** to secure your spot in our Reserve Certificate Program.

Term	Rate Range ¹
3 Month	4.05% to 4.15%
6 Month	4.50% to 4.60%
9 Month	4.60% to 4.70%
12 Month	4.75% to 5.00%
18 Month	4.75% to 5.00%
2 Year	4.75% to 4.90%
3 Year	4.25% to 4.40%
4 Year	4.10% to 4.30%
5 Year	4.00% to 4.05%

Certificates of Deposit (CD)¹

Disclaimer

¹Actual ADM network bank rates as of 12/06/2022. Clients' ability to obtain highest rates may be subject to restrictions and limitations. Rates and availability subject to change. Maximum deposit of \$245,000 per placement. Exclusions may apply. Gross rates do not reflect CD placement fee.

You may be subject to an early withdrawal penalty assessed by the financial institution. If the financial institution consents to the request for withdrawal, you agree to pay the penalty determined by the financial institution. You also acknowledge that the penalty is separate from any fees charged by ADM in connection with the placement of the CD and the penalty may decrease your principal balance depending on the terms and conditions of the account.

Money market accounts and Certificates of Deposit satisfy the Federal Deposit Insurance Corporation's (FDIC)'s and National Credit Union Association's (NCUA) requirements for agency pass-through deposit insurance coverage. Program and custodial banks are not affiliated with ADM and are not responsible for, and do not guarantee the products, services or performance of third-party providers. ADM is not a member of the FDIC or NCUA, but the banks and credit unions where your money is deposited are FDIC and NCUA members.



Member FDIC

Deposit Interest Rates

Rates effective as of December 6, 2022 and subject to change without notice.

Certificates of Deposit (CDs)^{1,2}

Term	Min. Balance	Base Interest Rates	
		Interest Rate	APY ³
30 Days	\$5,000	0.30%	0.30%
3 Months	\$5,000	0.35%	0.35%
6 Months	\$5,000	0.40%	0.40%
12 Months	\$5,000	0.46%	0.46%
18 Months	\$5,000	0.51%	0.51%
24 Months	\$5,000	0.56%	0.56%
36 Months	\$5,000	0.61%	0.61%
48 Months	\$5,000	0.66%	0.66%
60 Months	\$5,000	0.71%	0.71%
15 Month Special	\$10,000	1.25%	1.25%
31 Month Special	\$10,000	1.25%	1.26%

Individual Retirement Accounts (IRAs)^{1,2}

Term	Min. Balance	Interest Rate	
		Rate	APY ³
18 Month Variable Rate IRA - 0.25% Floor ⁴	\$500	3.81%	3.86%
12 Months (Fixed Rate)	\$500	0.46%	0.46%
30 Months (Fixed Rate)	\$500	0.56%	0.56%
48 Months (Fixed Rate)	\$500	0.66%	0.66%
60 Months (Fixed Rate)	\$500	0.71%	0.71%

Checking, Savings, and Money Market Accounts

	Minimum Opening Deposit	Minimum Daily Balance to Obtain APY	Interest Rate	APY ³
Interest Checking & 50+ Interest Checking ^{1,5}	\$50	\$0.01	0.01%	0.01%
Top Tier Checking ^{1,5}	\$50	\$0.01 - \$1,499.99 \$1,500.00 +	0.01% 0.02%	0.01% 0.02%
Business Interest Checking ^{1,5}	\$50	\$0.01 - \$4,999.99 \$5,000.00 +	0.01% 0.02%	0.01% 0.02%
First State Bank Money Market Account ^{1,5}	\$5,000	\$0.01 - \$9,999.99 \$10,000.00 - \$24,999.99 \$25,000.00 - \$49,999.99 \$50,000.00 +	0.01% 0.05% 0.05% 0.15%	0.01% 0.05% 0.05% 0.15%
Top Tier Money Market Account ^{1,5}	\$50,000	\$0.01 - \$99,999.99 \$100,000.00 - \$249,999.99 \$250,000.00 - \$499,999.99 \$500,000.00 +	0.01% 0.25% 0.50% 1.00%	0.01% 0.25% 0.50% 1.00%
Regular Savings & Business Savings ^{1,5}	\$100	\$200.00	0.02%	0.02%
Youth Savings ^{1,5}	\$25	\$0.01	0.02%	0.02%
Christmas Club Savings ^{1,2,5}	\$5	\$0.01	0.02%	0.02%
Health Savings Accounts ⁵	\$100	\$0.01 - \$4,999.99 \$5,000.00 - \$9,999.99 \$10,000.00 - \$24,999.99 \$25,000.00 +	0.01% 0.01% 0.02% 0.02%	0.01% 0.01% 0.02% 0.02%
Earnings Credit - Commercial Checking & Business Account Analysis ⁵			0.01%	0.01%
Business Platinum Checking ^{5,6} (Grandfathered; no new accounts may be opened.)			0.01%	0.01%
Business NOW Checking ^{5,6} (Grandfathered; no new accounts may be opened.)			0.01%	0.01%

Preferred CD Interest Rates
Available when total current balances of deposits and/or in-house loans meets or exceeds specified levels at time CD is opened or renegotiated.

	\$25,000 Total Relationship		\$75,000 Total Relationship	
	Interest Rate	APY ³	Interest Rate	APY ³
30 Days	0.55%	0.55%	1.05%	1.06%
3 Months	0.60%	0.60%	1.10%	1.10%
6 Months	0.65%	0.65%	1.15%	1.15%
12 Months	0.71%	0.71%	1.21%	1.21%
18 Months	0.76%	0.76%	1.26%	1.26%
24 Months	0.81%	0.81%	1.31%	1.32%
36 Months	0.86%	0.86%	1.36%	1.37%
48 Months	0.91%	0.91%	1.41%	1.42%
60 Months	0.96%	0.96%	1.46%	1.47%
15 Month Special	1.50%	1.50%	2.00%	2.00%
31 Month Special	1.50%	1.51%	2.00%	2.02%

¹Fees could reduce earnings on these accounts. ²Penalties may be applied for early withdrawal. ³APY = Annual Percentage Yield.

⁴The 18 Month Variable Rate IRA rate and APY may change after the account is opened on the first Tuesday of each month.

⁵The interest rate and APY for these accounts may change at any time after the account is opened. ⁶Interest earned on monthly average collected balances.

Time requirements – The first maturity date for your account will be _____.

Early withdrawal penalties – (a penalty will be imposed for withdrawals before maturity) – We will impose an early withdrawal penalty. The fee we will impose will equal:

- For terms 12 months or less = 3 months interest on the amount withdrawn subject to penalty.
- For terms greater than 12 months up to and including 23 month = 6 months interest on the amount withdrawn subject to penalty.
- For terms greater than 23 months = 12 months interest on the amount withdrawn subject to penalty.
- In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty.

For any time deposit which earns an interest rate that may vary from time to time during the term, the interest rate we will use to calculate this early withdrawal penalty will be the interest rate in effect at the time of the withdrawal.

Withdrawal of interest prior to maturity – The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Automatically renewable time account (certificate of deposit)* – This account will automatically renew at maturity at the base rate then in effect based upon the renewal term designated below:

Original Term	Renewal Term at Maturity	Original Term	Renewal Term at Maturity
30 Days	30 Days	24 – 35 Months	24 Months
3 Months	3 Months	36 – 47 Months	36 Months
6 – 11 Months	6 Months	48 – 59 Months	48 Months
12 – 17 Months	12 Months	60 Months	60 Months
18 – 23 Months	18 Months		

You will have ten calendar days after maturity to withdraw the funds without a penalty.

You may prevent renewal if we receive written notice from you before maturity of your intention not to renew or you withdraw the funds in the account at maturity (or within the grace period mentioned above). If you prevent renewal, interest will not accrue after final maturity.



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To: Board of Education
From: Carmen O'Brien
cc: Dr. Melanie Oppor
Date: 12/7/2022
Re: Project Finance

	Project	Cost
1	MES Playground	\$161,000
2	Curriculum Resource Materials	\$150,000 (estimate)
3	Storage Building	?
4	Tuck-pointing	\$59,000 (estimate)
5	MES Water Bottle Fillers	\$12,000 (estimate)
6	MES Corridor Floor Repair	\$10,000 (estimate)
7	5 th Grade Teacher	\$23,140-45,117
	TOTAL	\$415,140-437,117 + storage building

I estimate that the District should keep about 22% of the previous year's expenditures in fund balance to avoid short-term borrowing and to be able to absorb emergency costs such as a boiler needing a full repair in the middle of winter. This amount equals approximately \$2 million. Accounting for other projects that were started and not completed in the 2021-22 school year as well as the 2022-23 budget, I am confident that \$750,000 can additionally be spent and the fund balance will remain over the 22% needed.

At this time, I am not able to predict what the future budget(s) will look like. The State of Wisconsin usually gives a preliminary budget in January-February. At that time, I will be able to start forecasting. The 2023-24 school year will have about \$300,000 in ESSER III funds available to mitigate staffing costs. If nothing changes, significant cuts will be needed in the 2024-25 school year.

School District of Manawa
800 Beech Street
Manawa, WI 54949

Phone: (920) 596-2525
Fax: (920) 596-5308

**Little Wolf High School
Manawa Middle School**
515 E. Fourth St
Manawa, WI 54949

Phone: (920) 596-2524
Fax: (920) 596-2655

Manawa Elementary
800 Beech Street
Manawa, WI 54949

Phone: (920) 596-2238
Fax: (920) 596-5339

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