

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

March 12, 2020

Time: 6:00 p.m.

**MES Board Room
800 Beech Street, Manawa**

Board Committee Members: Pohl (C), J. Johnson, Pethke

In Attendance:

Timer: _____ **Recorder:** _____

1. Monthly Financial Report (Informational)
2. 2020-21 Budget Updates (Informational)
3. 2020-21 Staff and Program Changes (Action)
4. 2019-20 Budget Revision (Action)
5. CESA 6 WI OPEB Trust Investment Selection (Action)
6. Finance Committee Planning Guide (Information / Action)
7. Next Finance Committee Meeting Date: _____
8. Next Finance Committee Items:
 - 1.
 - 2.
11. Adjourn

January 31, 2020

Monthly Financial Summary

	Revenues Month	Expenses Month	Revenues YTD	Expenses YTD	
Fund 10 - General	\$ 1,385,963.24	\$ 570,393.81	\$ 3,449,348.23	\$ 3,723,674.89	
Fund 27 - Special Education	\$ 30,836.01	\$ 81,431.22	\$ 109,368.76	\$ 476,374.43	
Fund 50 - Food Service	\$ 32,976.56	\$ 15,397.57	\$ 150,170.24	\$ 155,329.57	
Fund 80 - Community Fund	\$ -	\$ 577.50	\$ 990.00	\$ 25,503.69	
			Interest Earnings to Date		Project Exp to Date
Fund 39/49 - Referendum (2018)	\$ 25,922.54	\$ 639,258.36	\$ 146,766.43	\$ 3,746,449.76	\$ 4,751,195.60
Demo Referendum Project	\$ -	\$ 602.26	\$ -	\$ 229,296.46	

Accounts	Balance	Interest Rate
General Checking	\$ 1,313,387.34	1.663%
General Money Market	\$ 5,170.32	0.182%
ADM Investment Savings	\$ 150,230.93	1.600%
Student Activity Account	\$ 98,020.00	0.190%
OPEB	\$ 262,710.11	2.54% Average
Fund 46 - Savings	\$ 200.32	

Grants Fund 10	Allocation	Carryover	Total	Claimed to Date	Outstanding Revenue
Carl Perkins (Tech. Ed)	\$ 7,185.00	\$ -	\$ 7,185.00	\$ -	\$ 7,185.00
Title I - Public (Reading/Math)	\$ 104,935.00	\$ 5,149.99	\$ 110,084.99	\$ -	\$ 110,084.99
Title II - Public (Professional Dev.)	\$ 24,305.00	\$ 14,979.32	\$ 39,284.32	\$ -	\$ 39,284.32
Title IV (Stud. Support & Enrich.)	\$ 10,000.00	\$ 5,872.47	\$ 15,872.47	\$ -	\$ 15,872.47
Fund 27					
Flow Through (SPED)	\$ 173,801.00	\$ 16,589.13	\$ 190,390.13	\$ -	\$ 190,390.13
Preschool (Early Childhood)	\$ 8,086.00	\$ 1.99	\$ 8,087.99	\$ -	\$ 8,087.99

Revenues	Budgeted	Collected to Date	Outstanding	2018-19
Property Taxes	\$ 3,000,000.00	\$ 1,352,004.89	\$ 1,647,995.11	\$ 3,372,470.00
Mobile Home Tax	\$ -	\$ 7,307.07	\$ (7,307.07)	\$ -
Athletic Event Admission	\$ 11,000.00	\$ 9,560.60	\$ 1,439.40	\$ 10,534.45
Open Enrollment In	\$ 185,670.00	\$ -	\$ 185,670.00	\$ 163,669.00
Transportation Aid	\$ 24,000.00	\$ 19,980.00	\$ 4,020.00	\$ 24,610.85
Equalization Aid	\$ 4,323,683.00	\$ 1,701,147.00	\$ 2,622,536.00	\$ 4,584,608.00
Sparsity Aid	\$ 285,600.00	\$ 285,600.00	\$ -	\$ 295,600.00
Per Pupil Aid	\$ 524,594.00	\$ -	\$ 524,594.00	\$ 479,382.00
High-Cost Transportation Aid	\$ 30,000.00	\$ -	\$ 30,000.00	\$ 35,380.23

Fund 10 Expenses	2018-19 FY Activity	2019-20 Budget	2019-20 FYTD Activity	Percent Expended to Date	Unexpended Balance
Salaries	\$ 3,578,713.22	\$ 3,561,426.00	\$ 1,721,890.83	48.35%	\$ 1,839,535.17
Benefits	\$ 1,501,290.79	\$ 1,493,345.00	\$ 715,568.61	47.92%	\$ 777,776.39
Purchased Services	\$ 2,951,070.37	\$ 2,542,271.85	\$ 922,536.44	36.29%	\$ 1,619,735.41
Non-Capital Objects	\$ 310,371.17	\$ 234,145.46	\$ 140,405.45	59.97%	\$ 93,740.01
Capital Objects	\$ 158,750.11	\$ 120,579.69	\$ 103,862.94	86.14%	\$ 16,716.75
Debt Retirement	\$ 3,299.99	\$ -	\$ -		\$ -
Insurance & Judgments	\$ 85,125.48	\$ 104,203.00	\$ 100,029.53	95.99%	\$ 4,173.47
Transfers (i.e. to Fund 27)	\$ 524,513.73	\$ 581,440.00	\$ -	0.00%	\$ 581,440.00
Other (Dues & Fees)	\$ 37,298.16	\$ 38,227.00	\$ 19,381.09	50.70%	\$ 18,845.91
TOTAL	\$ 9,150,433.02	\$ 8,675,638.00	\$ 3,723,674.89	42.92%	\$ 4,951,963.11

Fund 50 - Revenues	Monthly Total	2019-20 FYTD	2018-19 FYTD
MES Sales	\$ 5,780.90	\$ 26,996.25	\$ 33,021.00
HS Sales	\$ 12,678.55	\$ 57,330.35	\$ 54,087.20
Catering	\$ 2,422.22	\$ 2,701.97	\$ 213.12
Aid	\$ 12,094.89	\$ 63,141.67	\$ 49,030.92
Total	\$ 32,976.56	\$ 150,170.24	\$ 136,352.24
Fund 50- Expenses			
Salaries	\$ 11,018.12	\$ 67,144.18	\$ 61,443.66
Benefits	\$ 3,747.09	\$ 25,313.72	\$ 21,770.60
Purchased Services	\$ -	\$ 105.00	\$ 99.00
Repair/Maintenance	\$ -	\$ 2,785.98	\$ 9,346.87
Operational Services	\$ -	\$ 1,127.68	\$ 65.10
Employee Travel	\$ -	\$ -	\$ -
Fuel - Vehicle	\$ -	\$ 45.00	\$ 24.00
Commodity Charges	\$ 632.36	\$ 3,607.68	\$ 4,189.57
Central Supply	\$ -	\$ 3,115.20	\$ 7,573.88
Food	\$ -	\$ 51,882.53	\$ 42,917.64
Non-Capital Equipment	\$ -	\$ 202.60	\$ 53.27
Other Non-Capital Objects	\$ -	\$ -	\$ -
Total	\$ 15,397.57	\$ 155,329.57	\$ 147,483.59
Fund Balance	\$ 56,921.00	\$ (5,159.33)	



Students choosing to excel; realizing their strengths.

To: Board of Education
From: Carmen O'Brien
cc: Dr. Melanie Oppor
Date: 3/11/2020
Re: 2020-21 Budget Updates

Enrollment:

Enrollment is the largest factor in determining funding for the School District of Manawa. Currently, the District is experiencing a population decline in that the classes that are graduating are larger than the classes that are entering school (see the monthly enrollment report). According to census data, we can expect this decline to start to level off in 2022-23.

Forecast 5 Model:

After the revised budget was imported to the Forecast 5 model, projections were calculated. All budget lines are rolled forward and the following assumptions were made:

Revenue

- 0.5% increase in property values (0.84% increase this year)
- Enrollment – grades are rolling up and used census data (-30 students next year)

Expenditure

- Professional Teaching staff - Salary Advancement Model (+\$50,400)
- Support Staff and Administration – 1.78% increase (CPI est.) (+\$22,287)
- Health Aide position eliminated (-\$15,150)
- 1-year 6th grade teaching contract expires (-\$54,600)
- Medical Insurance (+10% = +\$98,183)
- Dental Insurance (+2% = +\$1,488)
- Vision Insurance (+2% = +\$130)
- Retirement (+2.5% = +\$6,790)
- Social Security/Medicare (+2.5% = +\$7,752)
- Gas, Electricity, Water, & Sewer (+2% = +\$5,116)
- Busing (+2.5% = +\$11,556)

After levying to the allowable limit, the District will have to cut an estimated \$247,000 more in expenditures. In addition, the medical insurance renewal came in at a 19% increase with the current provider, WCA Group Health Trust. A 10% increase was budgeted for and another 9% on top of that would cost \$88,365 more. This has prompted our consortium to go out to bid. We should know more about this in the coming weeks.

A retirement option has been offered to any staff that have worked in the district for 20 or more years and are at least 55 years old. If any staff choose this option, it will affect the 2020-21 budget. The administrative team will continue to revise Staff and Program changes to provide the Board of Education with a balanced budget for school year 2020-21.

Monthly Enrollment Count for SY2019-2020

Grade	21-May-18	16-Sep-19	3rd Fri SEPT	OCT	NOV	DEC	JAN	2nd Fri JAN	FEB	MA	APR	MAY
EC / Speech .5	7	6	6	6	6	6	6	7	7			
4K .6	37	30	31	31	30	32	30	30	30			
Kdg	30	38	39	39	39	40	40	40	39			
1	46	29	30	30	29	30	28	28	29			
2	31	52	52	52	51	51	51	51	52			
3	33	30	30	30	30	30	29	29	29			
4	50	34	34	34	35	35	34	34	35			
5	37	55	55	55	54	54	53	53	53			
6	37	38	37	37	38	39	39	39	39			
7	52	38	38	37	38	38	38	37	38			
8	54	52	52	52	52	52	51	51	52			
9	53	59	60	60	60	60	58	59	58			
10	66	52	52	52	52	52	52	52	52			
11	50	63	64	63	62	62	62	62	61			
12	62	54	54	54	54	54	53	52	52			
Students Enrolled	645	630	634	632	630	635	624	624	626			
Less OE IN (non-resident)	-18	-22	-25	-25	-26	-24	-24	-24	-22			
Plus OE OUT (resident)	91	107	88	89	89	90	88	88	90			
Less Tuition Sharing	-2	-3	-3	-3	-3	-3	-3	-3	-3			
Plus Cty Sch Enrollment		1	1	2	2	2	2	1	1			
Total Resident Count	716	713	695	695	692	700	687	686	692			
3rd Friday Sept 2018	#											

Note: September Open Enrollment numbers are tentative until after the 3rd Friday Count and Open Enrollment is Verified with other districts.

Revised 1/30/2020

GENERAL FUND (FUND 10)	Budget 2019-20	Revised Budget 2019-20
Beginning Fund Balance (Account 930 000)	2,019,342.91	2,019,342.91
TOTAL ENDING FUND BALANCE (ACCT. 930 000)	2,019,342.91	2,019,342.91
REVENUES & OTHER FINANCING SOURCES		
100 Transfers-in	192,300.00	0
Local Sources		
210 Taxes	3,000,000.00	3,000,000.00
213 Mobile Home tax	0.00	7,300.00
270 School Activity Income	11,000.00	11,000.00
280 Interest on Investments	12,000.00	18,000.00
290 Other Revenue, Local Sources	29,100.00	29,100.00
Subtotal Local Sources	3,052,100.00	3,065,400.00
Other School Districts Within Wisconsin		
310 Transit of Aids	0.00	0.00
340 Payments for Services	165,000.00	185,670.00
Subtotal Other School Districts within Wisconsin	165,000.00	185,670.00
Intermediate Sources		
510 Transit of Aids	7,389.00	7,389.00
Subtotal Intermediate Sources	7,389.00	7,389.00
State Sources		
610 State Aid -- Categorical	54,000.00	58,521.00
620 State Aid -- General	4,323,683.00	4,323,683.00
630 DPI Special Project Grants	4,880.00	4,880.00
660 Other State Revenue Through Local Units	2,000.00	2,000.00
690 Other Revenue	849,944.00	849,944.00
Subtotal State Sources	5,234,507.00	5,239,028.00
Federal Sources		
710 Federal Aid - Categorical	0.00	0.00
730 DPI Special Project Grants	44,375.00	44,375.00
750 IASA Grants	104,935.00	119,094.00
Subtotal Federal Sources	149,310.00	166,451.00
Other Revenues		
960 Adjustments	1,000.00	1,000.00
970 Refund of Disbursement	0.00	4,700.00
990 Miscellaneous	0.00	6,000.00
Subtotal Other Revenues	1,000.00	11,700.00
TOTAL REVENUES & OTHER FINANCING SOURCES	8,801,606.00	8,675,638.00
EXPENDITURES & OTHER FINANCING USES		
Instruction		
100 000 Regular Instruction	4,090,094	3,774,675
Subtotal Instruction	4,090,944.00	3,774,675.00
Support Sources		
200 000 Support Services	3,242,363	3,503,095
Subtotal Support Sources	3,242,363.00	3,503,095.00
Non-Program Transactions		
400 000 Inter-fund Transfers	1,468,299	1,397,868
Subtotal Non-Program Transactions	1,468,299.00	1,397,868.00
TOTAL EXPENDITURES & OTHER FINANCING USES	8,801,606.00	8,675,638.00

Employee Benefit Trust Fund of School District of Manawa

Selection of Investments

Introduction

The overall objective of this statement is to provide guidance for the investment of contributions and other Employee Benefit Trust Fund assets to help maintain adequate funding for Trust liabilities. The investment selection sets forth the strategy that will be applied in accordance with Investment Policy and State Statutes.

Standard of Prudence

The standard of prudence to be used by the investment officials shall be the “prudent investor” and shall be applied in the context of managing the portfolio. Investments shall be made with the care, skill, prudence and diligence that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character with like aims.

The Investment Advisor may employ investments that have disciplines outside of the established asset allocation guidelines as appropriate to meet the Standard of Prudence.

Rebalancing

The Investment Advisor will evaluate Trust asset allocation against the preferred targets and acceptable ranges at least on a quarterly basis, or more frequently if market conditions dictate. If a particular asset class exceeds the maximum or minimum constraints of its acceptable range, the Investment Advisor will rebalance Trust assets to bring the asset class allocation back within the asset allocation guidelines established in the portfolio strategies. Trust assets will not be rebalanced when the Committee requests that the Investment Advisor hold cash equivalents for shorter-term needs causing certain asset classes to fall outside the acceptable ranges.

Asset Class	Ultra Conservative		Conservative		Moderate		Aggressive	
	Strategy 1		Strategy 2		Strategy 3		Strategy 4	
	Min-Max	Target	Min-Max	Target	Min-Max	Target	Min-Max	Target
Money Funds	0-100%	70%	0-30%	5%	0-25%	3%	0-20%	2%
Fixed Income Investment Grade	0-50%	30%	40-75%	57%	20-50%	38%	5-30%	17%
High Yield	0%	0%	0-20%	8%	0-25%	10%	0-25%	8%
Domestic Equity	0%	0%	10-40%	30%	30-60%	45%	40-70%	60%
International Equity	0%	0%	0-10%	0%	0-15%	0%	0-25%	5%
Inflation Sensitive	0%	0%	0-10%	0%	0-15%	4%	0-20%	8%
	100%		100%		100%		100%	

Investment Selection

Sub-Account:

CESA 6 WI OPEB Manawa School District
Roll-Up Account (Account: 99-IT56-AA-9)

Investment Strategy:

_____ (1-4)

Date approved:

February 17, 2020

Signature: _____

Name: Carmen O'Brien

Title: Business Manager

District: School District of Manawa



Book	Policy Manual
Section	6000 Finances
Title	INVESTMENT INCOME
Code	po6144
Status	Active
Adopted	July 18, 2016

6144 - **INVESTMENT INCOME**

The Board of Education authorizes the District Administrator or the Business Manager to make investments of available monies, with approval of the Board of Education from the funds of the District on a competitive basis in:

- A. time deposits in any credit union, bank, savings bank, trust company, or savings and loan association that is authorized to transact business in the State, if the time deposits mature in not more than three (3) years;
- B. bonds or securities issued or guaranteed as to principal and interest by the Federal government or by a commission, board, or other instrumentality of the Federal government;
- C. bonds or securities of any county, city, drainage district, technical college district, village, town, or school district in the State;
- D. other securities authorized by 66.0603;
- E. the local government pooled-investment fund.

The purpose of the investments is to maximize the returns on the District's cash balances consistent with safety of those monies and with the desired liquidity of the investments.

Interest derived from an investment shall be deposited, except as otherwise provided by law, in the District's General Fund.

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Last Modified by Kayla Reichley on September 9, 2019



Book	Policy Manual
Section	6000 Finances
Title	TRUST AND AGENCY FUNDS
Code	po6670
Status	Active
Adopted	July 18, 2016

6670 - **TRUST AND AGENCY FUNDS**

The Board of Education directs the establishment of Trust and Agency Funds for the financial administration of trusts operated by and duly approved by the Board.

The Business Manager shall be responsible for the administration of Trust and Agency Funds. Funds will be audited annually and will be administered under appropriate accounting controls. The books of account will record income and expenses separately for each approved area.

Post-Employment Benefits

Funds held in trust for post-employment benefits may be invested and re-invested in the same manner as authorized in Policy 6144. Interest derived from these investments shall accrue, except as otherwise provided by law, to these designated trust funds.

At the annual meeting, the Treasurer's report shall include the amount in the trust, the investment return earned since the last annual meeting, the total disbursements since the last annual meeting, and the name of the investment manager if investment authority has been delegated under Wis. Stats. 66.0603(3)(b).

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Legal 66.0603, 120.11, Wis. Stats.

Last Modified by Kayla Reichley on September 9, 2019