

**Budget Hearing  
and  
Annual Meeting**

**DeForest Public  
Library  
Community Room**

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**August 22, 2005  
7:00 pm**

**Presented By:**

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**Board of Education  
and  
Administration**



Informational Page

**Board of Education**

<u>Board Member</u>	<u>Home Telephone Number</u>	<u>E-mail Address</u>
Jan Berg, President	846-9160	<a href="mailto:bergjd@scls.lib.wi.us">bergjd@scls.lib.wi.us</a>
Sue Paulson, Vice President	846-5172	<a href="mailto:suepaulson@centurytel.net">suepaulson@centurytel.net</a>
Mike Hirsch, Clerk	846-3820	<a href="mailto:mibehirsch@earthlink.net">mibehirsch@earthlink.net</a>
Glenn Olson, Treasurer	241-8884	<a href="mailto:geolson@charter.net">geolson@charter.net</a>
Tony Capozziello, Director	846-4028	<a href="mailto:pizzat@charter.net">pizzat@charter.net</a>
Rick Herschleb, Director	846-2534	<a href="mailto:marick@merr.com">marick@merr.com</a>
Dave Miller, Director	846-2600	<a href="mailto:david.j.miller@pioneer.com">david.j.miller@pioneer.com</a>
Martin Palus, Director	846-3627	<a href="mailto:mapalus@merr.com">mapalus@merr.com</a>
Steve Tenpas, Director	846-8726	<a href="mailto:stenpas@charter.net">stenpas@charter.net</a>

**Board of Education Meeting Schedule**

- Date: 2<sup>nd</sup> Monday of the Month – Board Development  
4<sup>th</sup> Monday of the Month – Board Business Meeting
- Time: 6:15 p.m.
- Place: Holum Education Center – Board Room

All board meetings are posted in the DeForest Time-Tribune, the official newspaper of the School District. Additional notices are posted in all school buildings, district office, DeForest Area Community Center, DeForest Public Library, Village of DeForest Office, Town Halls of Vienna, Burke, Windsor and Leeds, Post Office of Morrisonville.

**Administration & School Telephone Numbers**

	Number		Number
General Operator/Information	842-6500	<b>Coordinators Cont.</b>	
<b>District Administrator</b>		Food & Nutrition Services	842-6511
Superintendent of Schools	842-6577	Learning Information Systems	842-6536
<b>Directors</b>		School/Community Services	842-6581
Administrative Services	842-6580	<b>Elementary Schools</b>	
Business & Auxiliary Services	842-6510	Eagle Point Elementary School	842-6200
Human Resources Services	842-6521	Morrisonville Elementary School	846-6542
Instructional Services	842-6531	Windsor Elementary School	842-6300
Pupil Services	842-6526	Yahara Elementary School	842-6400
<b>Coordinators</b>		<b>Secondary Schools</b>	
Accounting Services	842-6505	DeForest Area Middle School	842-6000
Buildings & Grounds Services	842-6541	DeForest Area High School	842-6600



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**Mission Statement**

The mission of the DeForest Area School District is to provide an excellent education by engaging, challenging, and inspiring all students to pursue their full potential.

**Vision Statement**

The DeForest Area School District is committed to a culture that honors knowledge, respects individuals, demands excellence, fosters life-long learning, and supports relationships that strengthen individuals, families and community.



**Annual Meeting Agenda 2005**

- I. Meeting Called to Order: Jan Berg, Board of Education President
  - A. Introductory Comments: Jan Berg
    - 1. Introduction of Board of Education Members
    - 2. Introduction of District Administrator
  - B. District Administrator: Jon Bales
    - 1. Introduction of Administrative Staff
    - 2. Introduction of Legal Counsel/Parliamentarian
- II. Election of Chairperson
- III. Minutes of the 2004 Annual Meeting: Mike Hirsch, Board of Education Clerk
- IV. Financial Report: Ted Kozlowski, Director of Business & Auxiliary Services
- V. New Business:
  - A. District Update to the Community:
    - 1. DASD Organizational Report to Stakeholders
    - 2. DASD Operational and Programming Priorities for 2005 – 2006
  - B. Budget Hearing and Adoption of Proposed 2005-06 Tax Levy
  - C. Authorize 2005-06 Salaries of Board of Education Members
  - D. Authorize the payment of actual and necessary expenses of Board of Education members when traveling in performance of duties.
  - E. Authorize the DeForest Area School District to make payment for student insurance.
  - F. Authorize the sale and/or disposal of school property, if determined appropriate by the Board of Education.
- VI. Date of Next Annual Meeting

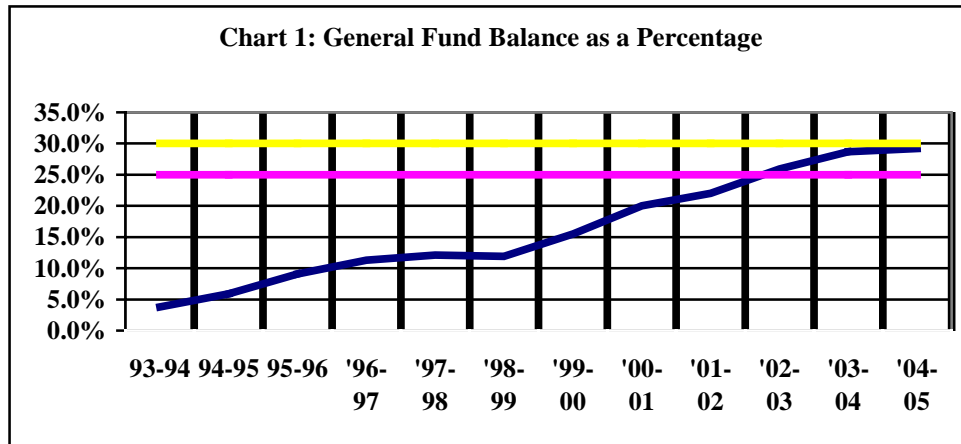
The electors at the annual meeting may authorize the Board of Education to determine the date and hour of the annual meeting. No annual meeting may be held before May 15 or after October 31. Section 120.08(1), Wisconsin Statutes.



**Financial Report 2004-05**

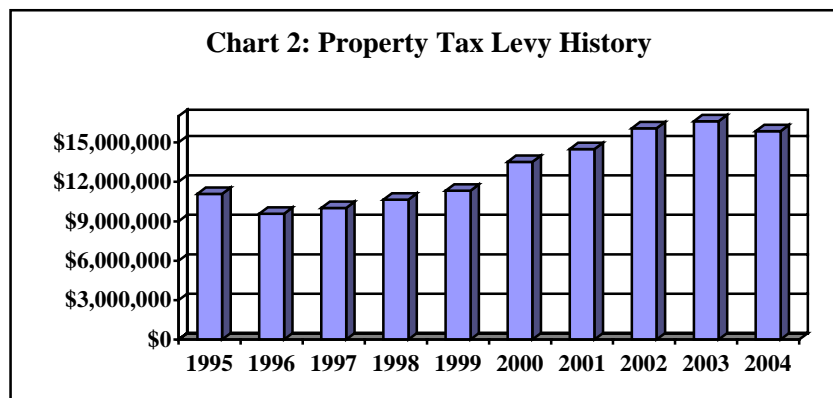
• **2004-05 Fund Balance**

The unreserved fund balance for cash flow purposes in the General Fund will increase despite the earmarking of \$716,600 for the refunding of property taxes to the City of Madison for the district’s portion because of Madison’s over assessment of the American Family Insurance property and the additional hookup charges for the expanded recreational land use at the High School to Madison Metropolitan Sewerage District. The resulting fund balance after reserving the earmarked amount maintains the district’s targeted range of twenty-five to thirty percent fund balance. The resulting percentage of unreserved fund balance at the end of 2004-05 is 29.2%.



• **2004-05 Property Tax Reduction**

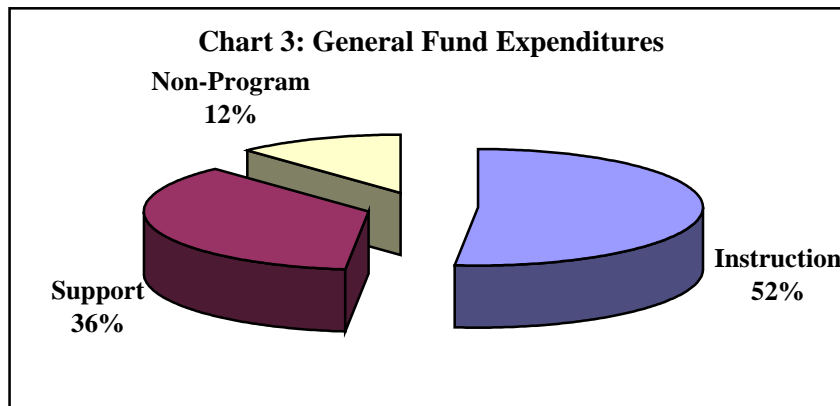
The revenue generated from property tax during the 2004-05 school year was down from the previous year by \$753,540 or 4.5%. The property tax levy consists of levies for the General Fund, \$12,281,847, Debt Service Fund, \$3,560,403, and Community Service Fund, \$17,575 totaling \$15,859,825. Chart 2 shows the property tax levies since 1995:



- 2004-05 Budget Growth**

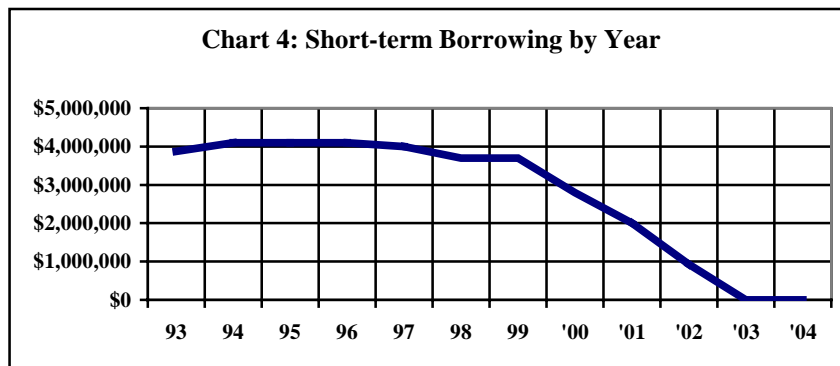
The district has been allowed to maintain its educational programming goals during a time where many districts have been required to cut programs due to limitations brought about by the State's Revenue Limits. The fact that the district's enrollment had increased for the 2004-05 fiscal year and that the revenue cap considers student enrollment as a major factor in determining the limit has allowed the district to modestly increase its budget and provide appropriate funding for its programs.

The district's enrollment increased by 2.0% and the General Fund expenditures increased by 4.3%. The General Fund instructional cost of \$ 14,271,395 is the largest cost followed by \$10,067,756 of expenditures for support of instruction with non-program costs showing \$3,263,256.



- 2004-05 Short-Term Borrowing**

Another indicator of a strong financial position is the fact that for the second straight year the district has not had a need to borrow to meet its financial obligations on a short-term basis. Borrowing was consistently in the range of \$4,000,000 annually during the 1990's and the fiscal practices of the district reduced the borrowing needs down to zero in 2003-04 and 2004-05 school years.



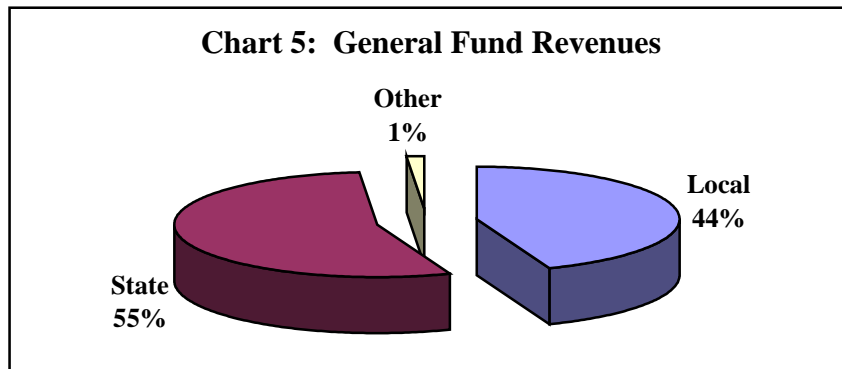


• 2004-05 General Fund Notes

Property taxes and General State Aid are the two major sources of revenue supporting the General Fund and represented 96.8% of the total revenues for the General Fund in 2004-05. Budgeted revenues were exceeded by actual revenue by \$90,164 mainly due to the underestimate of open enrollment students coming into the district. Open enrollment expenditures turned out to be higher than anticipated also but the net difference between open enrollment revenues and expenditures was \$6,014.

Table 1: General Fund Revenue by Source

Source	Budget	Activity	(Over)/Under
Local	\$12,688,803	\$12,687,842	\$960
Inter-district	\$77,900	\$212,498	(\$134,598)
State	\$15,654,652	\$15,667,920	(\$13,268)
Federal	\$189,620	\$177,868	\$11,752
Other	\$59,100	\$28,889	\$30,211
<b>Total</b>	<b>\$28,670,074</b>	<b>\$28,760,238</b>	<b>(\$90,164)</b>



The total expenditures for the General Fund were \$27,590,711 with the percentage of direct instructional costs remaining the same at 52%, while the support of instruction percentage went down by 1% to 36% and non-program transactions went up by 1% to 12% compared to last year. Direct instruction expenditures are those that are a teacher-student interaction. Support of instruction expenditures are for services that supplement the instructional program, such as, guidance, library, and transportation. Non-program expenditures are primarily for inter-fund transfers to our Special Education sub-fund.

• 2004-05 Special Project Fund Notes

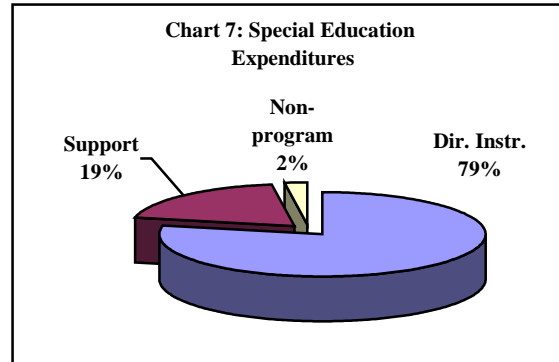
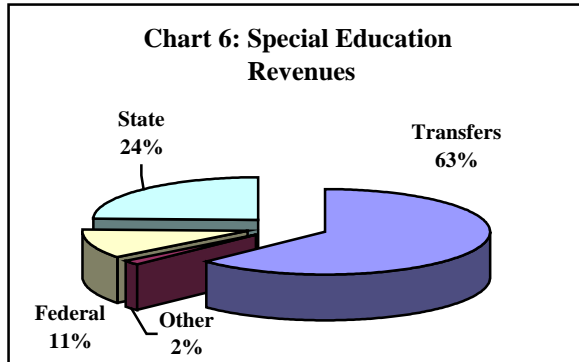
The Special Project Fund consists of three sub-funds. The sub-funds are Special Revenue Trust, TEACH, and Special Education. The new Special Revenue Trust sub-fund has been established to handle gifts and donations from private sources



# Annual Meeting Report 2005

and can be used for district operations. In the past these gifts and donations were recorded in the General Fund. The TEACH sub-fund is used to account for the repayment of our TEACH loan. The major sub-fund is Special Education. All expenses related to our special education programs are recorded in this sub-fund.

The Special Project Fund total expenditures were \$4,722,517 of which \$4,710,420 were from the Special Education sub-fund, \$12,031 from the TEACH sub-fund and \$67 from the Special Revenue Trust.



## • 2004-05 Debt Service Fund

The 2004-05 certified equalized value was \$1,395,159,472 and is used in determining the debt service cap. In Wisconsin the debt service cap is 10% of the equalized value which means the total for the district would be \$139,415, 947. The district's outstanding debt principal is \$38,911,000, which equates to 27.9% of total available. The remaining borrowing limit for the district is \$100,504,947.

**Table 2: Long-term Debt**

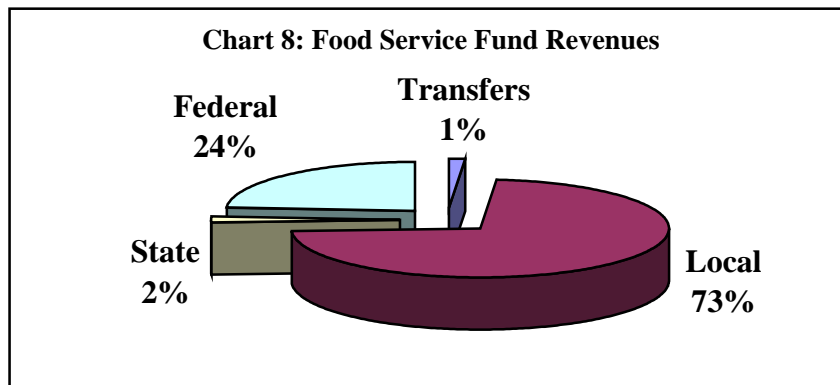
Amount	Dated	Description	Balance
<b>General Obligation Notes</b>			
\$2,000,000	07/01/02	YES-IAQ Remediation	\$1,490,000
\$935,000	01/15/04	Unfunded Pension Liability	\$730,000
<b>General Obligation Bonds</b>			
\$5,800,000	07/01/97	Series 1997 Refinanced 02 & 03	\$825,000
\$27,650,000	07/01/02	Series 2000 Refinanced 02 & 03	\$7,580,000
\$8,690,000	03/15/04	Refunding Bonds	\$8,630,000
\$6,000,000	09/01/02	Refunding Bonds	\$5,905,000
\$4,415,000	01/11/94	Refunding Bonds, Series 1994, Refinancing 03 (original note \$5,590,000)	\$3,370,000
\$1,855,000	04/13/93	Refunding Bonds, Series 1993, Refinancing 03 (original note \$4,645,000)	\$780,000
\$960,000	01/01/99	Series 1999, Refinanced 04	\$330,000
\$9,285,000	10/15/03	Refinancing	\$9,115,000
<b>Land Contract</b>			
\$260,000	07/11/02	2000 Land Purchase	\$156,000
<b>Total Debt Service</b>			<b>\$38,911,000</b>

- **2004-05 Capital Project Fund Notes**

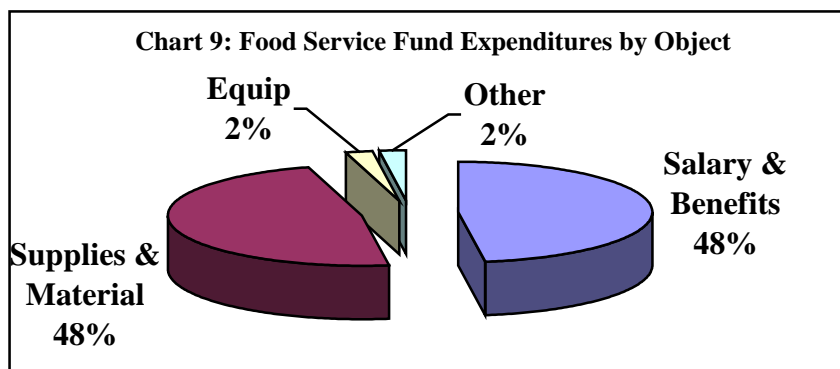
During 2004-05 two (2) major capital projects were completed and closed out with the remaining borrowed funds transferred to the Debt Service Fund to reduce property taxes. They were the Yahara Elementary Indoor Air Quality Remediation project balance of \$163,451 and the High/Middle School remodeling/additions referendum 2000 project balance of \$184,247 totaling \$347,698. The Alliant Energy Savings project is remaining.

- **2004-05 Food Service Fund Notes**

Breakfast, lunch, milk, and ala Carte programs are operated in our schools through the Food & Nutrition Services. The Fund operates with four (4) funding sources local, state, transfers and federal. The programs generated revenues totaling \$1,145,023.



Expenditures of \$1,114,668 were necessary to support the programs during the school year. Breaking down these expenditures by type or object you see the salaries and benefits are similar to supplies and materials. Chart 9 shows the percentage breakdown by object.



The Food Service Fund has been and continued to operate in the black. There was no General Fund subsidy required in 2004-05.



• 2004-05 Student Activity Fund Notes

The district has a fiduciary responsibility with the Student Activity Fund and is a custodial relationship with the individual student organizations. All the normal internal controls are to be followed and all activities of student organizations are accounted in the agency fund. Table 3 shows the relationship between revenues and expenditures for each of the schools.

Table 3: Student Activity Fund by School

School	Revenues	Expenditures
Eagle Point Elementary School	\$3,471.65	\$3,025.01
Windsor Elementary School	\$5,883.75	\$5,002.53
Yahara Elementary School	\$4,824.74	5,864.22
DeForest Middle School	\$43,947.71	\$49,864.22
DeForest High School	\$380,497.03	\$380,273.05
<b>Total All Schools</b>	<b>\$438,624.88</b>	<b>\$444,029.03</b>

• 2004-05 Scholarship Trust Fund Notes

The district is the trustee for donated funds for student scholarships. The scholarships are either established to expend principal and interest or only interest proceeds. Total investments for the various scholarships total \$263,385 as of June 30, 2005 that is an increase of \$12,259 or 4.9% over the end of the 2003-04 school year.

Table 4: Major Scholarships in the Trust

Olson	McLaughin	Alfonso	Holum
Rademacher	McHugh	Stalder	Brue
Grover	Chase	Swiggum	Grinde
Martinson	Burckhardt	Business & Education Partnership	

• 2004-05 Community Service Fund Notes

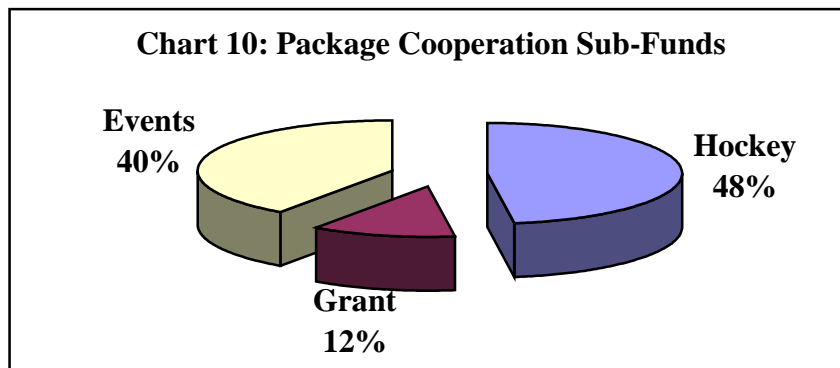
The Community Service Fund has been established for community education, training, recreational, cultural or athletic programs and services, outside regular curricular and extracurricular programs. Access to these activities is not limited to pupils enrolled in the district’s educational programs. An operational tax levy of \$17,575 was levied to offset the cost of the community recreational swimming program in 04-05. In addition to the recreational swimming program, other programs accounted for in the Fund are High School Performing Arts Center, Recreation Youth Programs, and other community programs.

- **2004-05 Package & Cooperative Program Fund Notes**

There are three (3) sub-funds that are included in the Package & Cooperative Program Fund and include Hockey Cooperative, Teaching Grant and Student Events. The Hockey Cooperative is between Blue Line Booster Club, Poynette School District and DeForest Area School District with DeForest as fiscal agent. The two school districts share the costs associated with coaching staff and the Blue Line Booster Club assumes the other costs of the program. The total costs of the program were \$33,340 for 04-05.

This was the last year of the Teaching Grant. The sub-fund is being closed after the final expenditure of \$8,353 this year.

Cooperative student activities between school districts, which we are the fiscal agent, are recorded in the Student Events sub-fund. Athletic, music and forensic events are examples of the types of cooperative event areas that amounted to \$28,104 in 04-05.





**Facts-At-A-Glance: What to Know About Your DeForest Area School District**

The DASD has evolved into a large, complex organization serving a diverse community in northeast Dane County in Wisconsin. The District, like the communities it serves, is poised to grow in a manner that extends the tradition of quality and excellence in the services it provides to the citizens of this area. It may be of interest to the reader to take stock in the organizational features of the District as they exist today.

- Population served by DASD (2000 census) approx. 17,000
- Municipalities serviced by district 9
- District boundaries 100 sq. miles
- DASD enrollment (2004-05) 3,250
  - 3<sup>rd</sup> largest of 14 districts in Badger Conference
  - 6<sup>th</sup> largest of 17 districts in Dane County
  - Top 15% in size across state in Wisconsin
- Annual growth rate projection 2-3%
- Total budget - all funds Over \$41.5m
- Full- and part-time employees 607
- Payroll Over \$28m
- Total square footage in facilities 120,000 sq. ft.
- Total land acreage 125 acres
- Daily bus miles approx. 1,725 mi.
- Number of students transported 1,690
- Average daily meals served 2,332
- Students receiving free and reduced-priced meals 403
- Graduation rate (2005) 99%
- Students pursuing 2- or 4-year post-graduate education 85%
- Students receiving special education services approx. 470
- WIAA girls and boys sports 19
- Extra and Co-curricular Activities approx. 80
- Computer stations Over 1,200
- Computer labs 20
- Fiber optic cable within district boundaries 7 miles
- Annual technology expenditures \$500,000



***DASD Operational and Programming Priorities for 05-06***

Since 1999, the District has been engaged in a journey toward the vision our public designed for us in our Framework for Our Future Conference. This vision established key elements of importance for us:

- Building Community
- Creating learning programs that are comprehensive, globally oriented and promote excellence
- Supporting the overall growth and development of children
- Providing optional learning structures and school programs of choice
- Developing life-long and community-wide learning opportunities

Each year, the District establishes important initiatives through which to focus energy and activities of everyone involved in the greater school community. In 2005-2006, primary emphasis will be placed in the following two areas as we engage in strategic actions throughout the District.

- I. Continuous Improvement
  - a) develop building level structures to assess student progress through performance based assessments (Measures of Academic Progress – MAP)
  - b) align all district building and program activities to the District wide goal of assuring that our students perform among the top third of all students in the conference across all measures
  - c) engage in a comprehensive study of our high school program to determine areas of excellence as well as areas in need of improvement
  
- II. Long Range Facilities Planning
  - a) school facilities development
    - i. What type to build
    - ii. Where to locate facilities
    - iii. When to begin additions

The District will develop ongoing strategies to engage stakeholders throughout the school community to provide input into strategies and planning in each of these areas of emphasis. We invite all those interested into the process when the opportunities arise.



**2005-06 Budget & Property Tax Levy**

**• Introduction to the Budget**

This year, as in recent times, budget development has been difficult due to the unknown caused by the State legislatures' own budget development process. Property tax relief has been the State's primary concern by both the legislature and Governor during the 2005-07 budget process. The legislature submitted a partisan budget to the Governor. The final budget signed by the Governor on July 18<sup>th</sup> is significantly different than the one submitted to the Governor because of the Governor's line item vetoes. The approved State budget does not change revenue limits and maintains 2/3<sup>rd</sup> funding for public K-12 education.

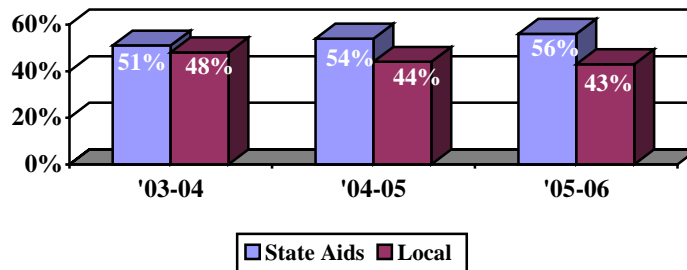
The 2005-06 district budget was developed starting in January 2005 assuming that the revenue limits would not be changed significantly from current law. Current law allowed the district the flexibility to anticipate growth in the revenue limit based on the anticipated enrollment increase projected to meet district identified program needs. The budget the Board approved within revenue limits increases the General Fund revenues over 2004-05 by 4.6%.

The revenue limit won't be final until the major variable factor, enrollment, is counted on the third Friday in September 2005.

**• 2005-06 General Fund Budget**

Local and State aids are the two major sources of funding for the General Fund and represent 99% of the total \$30.0 million of revenues. State aids are projected to increase by 7.9% while local sources, which includes taxes, less than 1%.

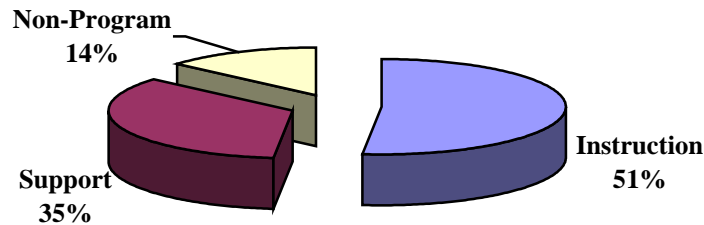
**Chart 11: General Fund Major Sources as a Percentage of Total Revenue**



The \$30.7 million General Fund budget includes \$716,600 for one-time expenditures that will be funded through fund balance. The remaining \$30.0 million budget breaks down as follows:

- \$15,489,695 Direct Instruction
- \$10,426,561 Support of Instruction
- \$4,077,456 Non-Program Transactions

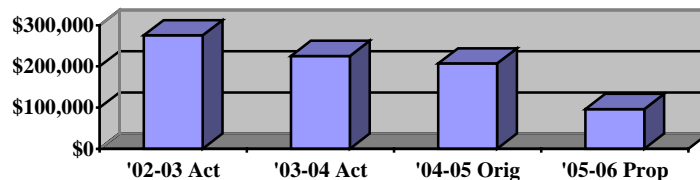
**Chart 12: General Fund Major Functions**



**Key Budget Points:**

- The allocations to the schools as budget centers saw an increase of 7.4%.
- Student testing is expanded in this budget with the WKCE test being administered for the first time at the High School for tenth graders.
- A one-time cost for the district's American Family's property valuation settlement with the City of Madison of \$686,000 is expected. This property tax refund amount, if we are required to make the payment to the City of Madison, will be designated in our fund balance to meet current obligation.
- The chart below shows the negative trend the district has been experiencing with federal funding. Not only do the individual grants continue to be reduced we also have seen the end of funding for our Alternative Education Grant in the 2004-05 school year. Our level of funding was \$275,000 in 2002 and is projected to be \$96,458 next year.

**Chart 13: Budget Center - Grants**



- The teacher mentoring program was increased from one (1) half-time mentor and two (2) staff extra assignments to two half-time mentors for 2005-06.

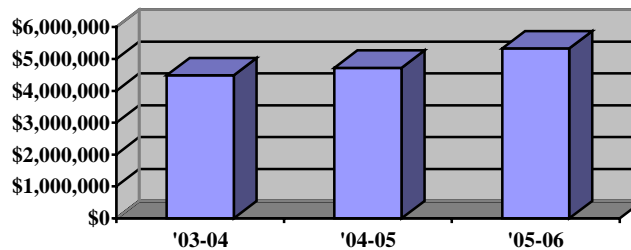


- Transportation costs are projected to increase by 11% due to the anticipation of the addition of two (2) regular routes and an increase in special education and homeless transportation.
- The Village's new storm water management program allows them to bill all entities based on roofs and blacktop square footage. This new charge is estimated to be \$17,000 for 05-06.
- The budget also includes a one-time cost from the Madison Metropolitan Sewer District for soccer athletic or recreation area connection charges west of Stadler Field in the amount of \$30,600.

### ● 2005-06 Special Projects Fund Budget

Special Revenue Trust, TEACH, and Special Education are the three (3) sub-funds that comprise the Special Projects Fund. The budget for this fund totals \$5,328,811.

**Chart 14: Special Project Fund**



The newest fund is the Special Revenue Trust Fund 21. This fund is used to account for trust funds that can be used for district operations. The revenues come from gifts and donations from private parties. The Big Hill Project has been accounted for in 2004-05 and all gifts and donations from PTA's, Booster Clubs, etc. are now being accounted for in this fund. The budget for these operational gifts and donations for 2005-06 is \$102,850.

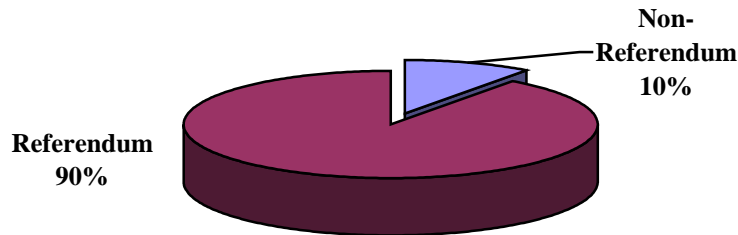
The Teach Grant Fund 23 we received in prior years is being phased out. The only expenditures we have are payment of the capital lease interest and principal payments. This year the total is \$12,032.

The largest of the sub-funds is the Special Education Fund. All special education expenses and revenues are required to be reported in this sub-fund. The proposed budget for 2005-06 is \$5,213,929 and represents 98% of the Fund expenditures.

- **2005-06 Debt Service Fund Budget**

The payment of principal and interest payments for 2005-06 on district long-term debt is up 2.8% over last year totaling \$4,144,643. This total is broken down by two (2) sub-funds, non-referendum debt and referendum debt \$415,014 and \$3,729,629 respectfully.

**Chart 15: Debt Service Sub-Funds Percentages**



- **2005-06 Capital Project Fund Budget**

The only funds remaining in the Capital Project Fund are from the Alliant Energy Savings Project. The funds have been earmarked to develop a training lab at the Holum Center for professional in-service activities.

- **2005-06 Food Service Fund Budget**

The Food Service Fund is a self-sustaining fund that includes breakfast, lunch, ala Carte, milk and catering programs. These programs have a total budget of \$1,224,610 for expenditures and \$1,226,607 for revenues.

The budget includes a new Production Coordinator position as well as an increase in lunch prices for the first time in eight (8) years. The increases are different at the three (3) levels to address the actual costs at each level. The increase at the elementary level is \$0.15, middle school level \$0.10 and the high school level \$0.15. The new rates are shown below:

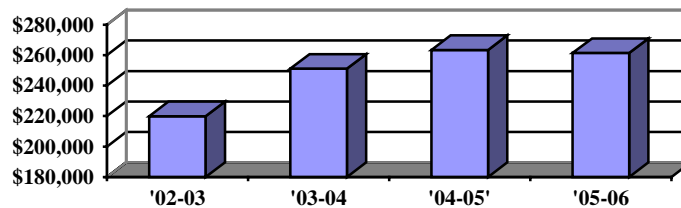
**Table 5: School Lunch Meal Prices 2005-06**

Elementary	\$1.65
Middle	\$1.85
High	\$2.00
Reduced	\$0.40

- **2005-06 Scholarship Trust Fund**

This fund is used to account for gifts and donations specified for the benefit of private individuals and organizations not under the control of the school board. Scholarships are recorded in this fund. Cash and investment accounts in this fund are required as specified by donors. There may be a fund balance in this fund.

**Chart 16: Scholarship Trust Fund Ending Balances**



- **2005-06 Community Service Fund**

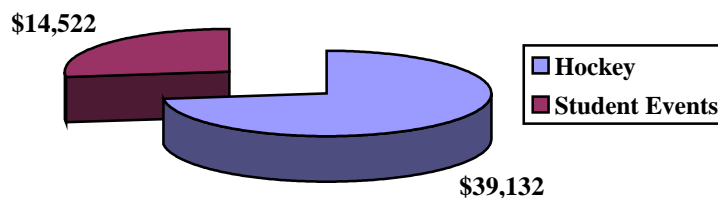
The community programs accounted for in this fund include the Village's recreation facility use, the Performing Arts Center and the community pool use. This fund includes a property tax of \$21,230 to help fund the community pool use.

- **2005-06 Package & Cooperative Program Fund**

There are two sub-funds that are accounted for in this fund, the Hockey cooperative and student events programs. The Hockey cooperative is between the District, Poynette School District and Blue Line Club. DeForest and Poynette school districts contribute the costs of coaches and officials and the Blue Line Club provides revenues for the remaining expenditures of the program.

The student events sub-fund is designed to provide an accounting for cooperative programs linked to students where the district is the fiscal agent. This fund is primarily used for invitational events and WIAA tournaments.

**Chart 18: Hockey & Student Events Cooperative**

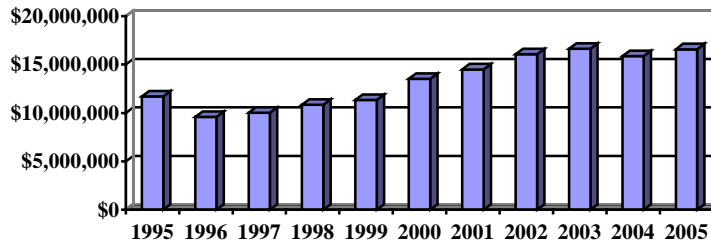




• **Property Tax Levy 2005-06**

One of the major functions of the Annual Meeting is to adopt the 2005-06 property tax. The total property tax levy estimate to meet the needs of the 2005-06 budget is \$16,570,023 up \$710,198 or 4.5% over the 2004-05 levy.

**Chart 19: Property Tax Levy History**



The levy is broken down into General Fund Levy, Debt Service Levy, and Community Service Levy as shown in Table 6 below:

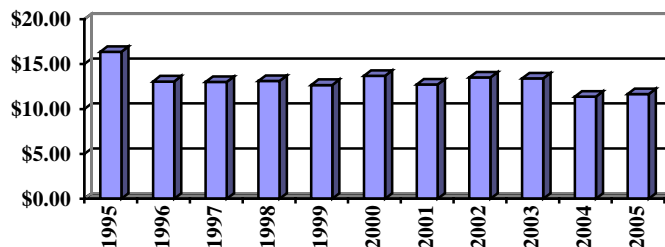
**Table 6: Property Tax Levy by Fund**

Fund	2003-04	2004-05	2005-06
General	\$12,952,472	\$12,281,847	\$12,453,830
Debt Service	\$3,632,083	\$3,560,403	\$4,094,963
Community Service	\$28,810	\$17,575	\$21,230
<b>Total</b>	<b>\$16,613,365</b>	<b>\$15,859,825</b>	<b>\$16,570,023</b>

The common way the public looks at the property tax levy is as a tax rate based on the equalization value of the district. This calculation results in a rate per \$1,000 of equalized value. You can use the rate in general terms but it is not intended to reflect an individuals tax increase.

Chart 20 represents the historical tax rates. The 2005-06 projected rate is based on a 1.76% increase in equalized value.

**Chart 20: Propert Tax Rate History**





**Appendix A – 2004 Minutes**

**DeForest Area School District  
BUDGET HEARING AND ANNUAL MEETING MINUTES**

**Monday, August 23, 2004 – 7:00 pm**

**DeForest Area Public Library, Community Room, 203 Library Street, DeForest**

I. Meeting Called to Order:

The August 23, 2004 Budget Hearing and Annual Meeting of the DeForest Area School District was called to order by Jan Berg, President of the DeForest Board of Education, at 7:03 p.m. at the Community Room of the DeForest Area Public Library, 203 Library Street, DeForest, WI 53532.

A. Introductory Comments: Jan Berg

1. Introduction of Board of Education Members

Jan Berg introduced the Board of Education members present: Rick Herschleb, Mike Hirsch, Janet Klosterman, Dave Miller, Glenn Olson, Marty Palus, Sue Paulson and Tony Capozziello.

2. Introduction of District Administrator

Jan Berg introduced Dr. Jon Bales, District Administrator. Bales welcomed the attendees.

B. District Administrator: Jon Bales

1. Introduction of Administrative Staff

Jon Bales introduced the following members of the administrative staff: Ted Kozlowski, Director of Business & Auxiliary Services, Mike Finke, Director of Administrative Services, Peter O’Neil, Director of Instructional Services, Jim Kohlmetz, Director of Pupil Services, Renee McConville, Director of Human Resources Services, Tim Onsager, Principal, DeForest Area High School, Ann Higgins, Principal, DeForest Area Middle School, Ann Schoenberger, Principal, Eagle Point Elementary School and Holum Educational Center, Nancy Laubmeier, Principal, Yahara and Morrisonville Elementary Schools, Debbie Brewster, Coordinator of School/Community Relations, Sally White, Principal, Windsor Elementary School, Kim Christian, Assistant Principal, DeForest Area Middle School and Roz Craney, Assistant Principal, DeForest Area Middle School.

2. Introduction of Legal Counsel/Parliamentarian



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Jon Bales introduced Mike Julka, Attorney with Lathrop & Clark, LLC, who served as Legal Counsel/Parliamentarian for the DeForest Area School District Annual Meeting.

### II. Election of Chairperson

Jan Berg was nominated to be Chair of the meeting on a motion by Sue Paulson, seconded by Mike Finke. Berg was elected Chair of the Budget/Hearing Annual Meeting by a unanimous voice vote.

### III. Minutes of the 2003 Annual Meeting: Mike Hirsch, Board of Education Clerk

A motion to dispense with the reading of the minutes from the 2003 annual meeting was made by Jim Kohlmetz, seconded by Tim Onsager, and passed unanimously by voice vote.

### IV. Financial Report: Ted Kozlowski, Director of Business & Auxiliary Services

Ted Kozlowski presented the Financial Report. Details of the report were included in a handout of the Annual Meeting Report 2003 – 2004. Kozlowski answered questions regarding hot lunch prices and growth in the District.

### V. New Business:

#### A. District Update to the Community:

##### 1. DASD Organizational Report to Stakeholders

Bales presented an overview of the accomplishments, status and important elements that faced the DeForest Area School District during the 2003 – 2004 school year. Included was information regarding:

- Financial Stability
- Staffing
- Data
- Technology
- Engaging Stakeholders

##### 2. DASD Operational and Programming Priorities for 2004 – 2005

Bales discussed operational and programming priorities for the upcoming 2004 – 2005 school year including:

- Future Focus Areas (FACTS, Monitoring, Continuous Improvement)
- Growth Planning
- Regionalization
- Infrastructure



- Communication

Bales answered questions regarding a future referendum, state aid and growth in the District.

### B. Budget Hearing and Adoption of Proposed 2004-05 Tax Levy

Jan Berg announced that the citizens were now in the Budget Hearing portion of the meeting. Ted Kozlowski, Director of Business & Auxiliary Services, presented the 2004-2005 budget and proposed tax levy. Included in his presentation were:

- 2004 – 2005 General Fund Budget
- Equalization Aid
- Property Tax Levy – down 5.2%
- Revenue Limits

On a motion by Rick Herschleb, seconded by Sue Paulson, and passed unanimously by voice vote, the tax levy of \$15,751,335 was approved.

### C. Authorize 2004-05 Salaries of Board of Education Members

A motion by citizen, Deanne Symbolik, seconded by citizen, Bill Landgraf, to authorize the salaries of the Board of Education members at \$2,000, and the Board President at \$2,800 was passed unanimously, by voice vote.

### D. Authorize the payment of actual and necessary expenses of Board of Education members when traveling in performance of duties

On a motion by Mike Finke, seconded by Tim Onsager, and passed unanimously by voice vote, the citizens authorized the district to make payment of actual and necessary expensed of Board of Education members when traveling in performance duties.

### E. Authorize the DeForest Area School District to make payment for student insurance.

On a motion by Jim Kohlmetz, seconded by Mike Finke, and passed unanimously by voice vote, the District was authorized to make payment for student insurance.

Discussion was held explaining the purpose of student insurance.

### F. Authorize the sale and/or disposal of school property, if determined appropriate by the Board of Education.

On motion by Rick Herschleb, seconded by Janet Klosterman, to authorize the Board of Education to sell or dispose of school property as appropriate was passed unanimously by voice vote.



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Kozlowski answered a question about the sale of school disposable property.

### VI. Date of Next Annual Meeting

The electors at the annual meeting may authorize the Board of Education to determine the date and hour of the annual meeting. No annual meeting may be held before May 15 or after October 15. Section 120.08(1), Wisconsin Statutes.

On a motion by Tim Onsager, seconded by Mike Finke, and passed unanimously by voice vote, the Board of Education was authorized to determine the date and hour of the annual meeting.

On a motion by citizen, Bill Landgraf, seconded by Mike Hirsch, and passed unanimously by voice vote, the Budget Hearing and Annual Meeting adjourned at 7:50 pm.



***Appendix B – 2005- 06 Budget Notice***

<b>GENERAL FUND</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
Beginning Fund Balance	6,552,968	7,589,760	8,759,287
Net Residual Equity Transfer In (Out)	-	-	-
<b>Ending Fund Balance</b>	<b>7,589,760</b>	<b>8,759,287</b>	<b>8,042,687</b>
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>			
Operating Transfer-IN (Source 100)	2,791	-	-
Local Sources (Source 200)	13,240,714	12,673,063	12,767,920
Inter-district Payments (Sources 300 + 400)	156,915	212,498	152,000
Intermediate Sources (Source 500)	272	-	-
State Sources (Sources 600)	13,897,439	15,667,920	16,910,983
Federal Sources (Sources (700)	157,079	177,868	96,458
All Other Sources (Sources 800 + (900)	38,475	28,889	753
<b>TOTAL REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>27,493,685</b>	<b>28,760,238</b>	<b>29,928,114</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>			
Instruction (Function 100 000)	13,740,997	14,271,395	15,424,127
Support Service (Function 200 000)	9,649,738	10,067,423	11,143,131
Non-Program Transactions (Function 400 000)	3,066,158	3,251,893	4,077,456
<b>TOTAL EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>26,456,893</b>	<b>27,590,711</b>	<b>30,644,714</b>

<b>SPECIAL PROJECTS FUND</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
Beginning Fund Balance	97,898	49,184	50,814
Ending Fund Balance	49,184	50,814	36,804
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>4,438,381</b>	<b>4,718,917</b>	<b>5,314,801</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>4,487,095</b>	<b>4,722,517</b>	<b>5,328,811</b>

<b>DEBT SERVICE FUND</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
Beginning Fund Balance	1,095,690	1,020,744	1,053,345
Net Residual Equity Transfers In (Out)	-	-	-
Ending Fund Balance	1,020,744	1,053,345	1,025,165
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>22,892,372</b>	<b>4,063,086</b>	<b>4,116,463</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>22,967,318</b>	<b>4,030,485</b>	<b>4,144,643</b>

<b>CAPITAL PROJECTS FUND</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
Beginning Fund Balance	1,889,446	435,528	92,820
Net Residual Equity Transfers In (Out)	-	-	-
Ending Fund Balance	435,528	92,820	2,820
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>10,157</b>	<b>2,648</b>	<b>500</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>1,464,075</b>	<b>345,356</b>	<b>90,500</b>



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<b>FOOD SERVICE FUND</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
Beginning Fund Balance	170,309	209,788	240,144
Net Residual Equity Transfers In (Out)	-	-	-
Ending Fund Balance	209,788	240,144	242,141
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>1,093,101</b>	<b>1,145,024</b>	<b>1,226,607</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>1,053,622</b>	<b>1,114,668</b>	<b>1,224,610</b>

<b>AGENCY FUND</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
Assets	105,887	128,300	122,888
Liabilities	105,887	128,300	122,888

<b>TRUST FUND</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
Beginning Fund Balance	219,925	251,133	263,385
Ending Fund Balance	251,133	263,385	261,366
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>39,058</b>	<b>18,854</b>	<b>4,831</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>7,850</b>	<b>6,602</b>	<b>6,850</b>

<b>COMMUNITY SERVICE FUND</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
Beginning Fund Balance	68,609	88,142	99,868
Net Residual Equity Transfers In (Out)	-	-	-
Ending Fund Balance	88,142	99,868	105,431
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>45,480</b>	<b>38,116</b>	<b>40,110</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>25,947</b>	<b>26,390</b>	<b>34,547</b>

<b>PACKAGE &amp; COOPERATIVE PROGRAM FUND</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
Beginning Fund Balance	10,737	9,898	1,545
Ending Fund Balance	9,898	1,545	1,545
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>54,216</b>	<b>61,444</b>	<b>53,654</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>55,055</b>	<b>69,797</b>	<b>53,654</b>

<b>ALL FUNDS</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
<b>GROSS TOTAL EXPENDITURES - ALL FUNDS</b>	<b>56,517,855</b>	<b>37,906,526</b>	<b>41,528,329</b>
Interfund Transfers (Source 100) - ALL FUNDS	3,109,020	3,330,891	3,186,769
Refinancing Expenditures (FUND 30)	-	-	-
<b>NET TOTAL EXPENDITURES - ALL FUNDS</b>	<b>53,408,835</b>	<b>34,575,635</b>	<b>38,341,560</b>
<b>PERCENTAGE INCREASE - NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR</b>		-35.26%	10.89%



## Annual Meeting Report 2005

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### PROPOSED PROPERTY TAX LEVY

<b>FUND</b>	<b>Audited 2003-2004</b>	<b>Unaudited 2004-2005</b>	<b>Budget 2005-2006</b>
General Fund	12,952,472	12,281,847	12,453,830
Debt Service Fund	3,632,083	3,560,403	4,094,963
Capital Expansion Fund	-	-	-
Community Service Fund	28,810	17,575	21,230
<b>TOTAL SCHOOL LEVY</b>	<b>16,613,365</b>	<b>15,859,825</b>	<b>16,570,023</b>
<b>PERCENTAGE INCREASE - TOTAL LEVY FROM PRIOR YEAR</b>		-4.54%	4.48%

The below listed new or discontinued programs have a financial impact on the proposed 2005-2006 budget:

<b>DISCONTINUED PROGRAMS</b>	<b>FINANCIAL IMPACT</b>
<b>NEW PROGRAMS</b>	<b>FINANCIAL IMPACT</b>
One time property tax refund	686,000
One time athletic/recreation fields sewerage hookup charge	30,600
Additional grade testing WKCE and MAP	6,600



**Appendix C – 2005-06 Combined Statement**