

**SCHOOL DISTRICT
OF
TOMAHAWK**

**FISCAL YEAR END
JUNE 30, 2016**

**2016-2017
PROPOSED BUDGET
REPORT TO THE PUBLIC**

School District of Tomahawk

1048 East King Road
Tomahawk, Wisconsin 54487
715-453-5555
www.tomahawk.k12.wi.us

School Board

Christine Brown
Cherie Hafeman
Dick Huseby
Cherie Krueger
Cathy Meyer
Curt Powell
Cathy Schmit
Tyler Stevenson
Kay Kissinger-Wolf

Superintendent of Schools

Terry Reynolds

SCHOOL DISTRICT OF TOMAHAWK

1048 E Kings Rd.
TOMAHAWK, WISCONSIN 54487
Phone 715-453-5555 Fax 715-453-6736

Notice of ANNUAL MEETING
School District of Tomahawk
September 13th, 2016 6:00 p.m.
High School Library

AGENDA

1. Call to Order
2. Election of Chairperson
3. Approval of September 8, 2015 minutes of Annual Meeting
4. Presentation and Adoption of Treasurer's Report
5. Presentation and Adoption of Annual School Board Report
6. Hearing of Proposed Budget
7. Old Business
8. New Business
 - A. Approval of Necessary Tax Levy for Support of the 2016-2017 Budget
 - B. Approval to Provide the 2016-2017 National School Lunch Program (Hot Lunch)
 - C. Approval to Furnish Textbooks
 - D. Approval to Borrow Money, If Necessary, to Operate Until Taxes and Aids Become Available
 - E. Approval to Prosecute/Defend Any Legal Action or Proceeding in which the School District has an Interest
 - F. Approval to Authorize the Acquisition of Real Estate through Purchase or Condemnation
 - G. Approval of Salaries of School Board Members
 - H. Approval to Authorize Payment of Actual and Necessary Expenses of Board Members who Travel in the Performance of Duties
 - I. Approval of 2014 Annual Meeting Date-September 12th, 2017
9. Adjourn

The School District of Tomahawk does not discriminate on the basis of sex, race, age, color, national origin, ancestry, creed, religion, pregnancy, marital or parental status, sexual orientation, or physical, mental, emotional or learning disability.

Minutes of Annual School Board Meeting School District of Tomahawk

An Annual School Board Meeting of the School District of Tomahawk was held Tuesday, September 8, 2015, beginning at 6:00 PM in the Auditorium.

- I. Call to Order: President Meyer called the meeting to order at approximately 6:00 p.m. There were 30 people registered and 32 counted in attendance.
- II. Election of Chairperson: Curtis Powell nominated Cathy Meyer with a second by Ken Dirks. No further nominations were made. Nominations were closed. Cathy Meyer was elected chairman by majority.
- III. Approval of September 9th, 2014 meeting minutes: Moved by Cherie Hafeman, seconded by Cherie Krueger to approve the September 9th, 2014 meeting minutes. Motion carried.
- IV. Presentation and Adoption of Treasurer's Report:
Joe Innis presented to the Board a written treasurer's report:
Total Assets: \$11,113,069.30
Total Liabilities \$1,142,491.13

Fund Balance \$9,970,578.17

Cash Balance & Investments \$7,513,847.54
Moved by Dick Huseby, seconded by Cherie Hafeman and carried to approve to adopt the Treasurer's report. Motion carried.
- V. Presentation and Adoption of Annual School Board Report: Moved by Curtis Powell, seconded by Dick Huseby to approve the 2015 Annual School Board Report pursuant to Wisconsin Statutes 120.11 (3).
- VI. Hearing of Proposed Budget
- VII. Old Business: There was none.
- VIII. New Business
 - A. Approval of Necessary Tax Levy for Support of the 2015-2016 Budget: Moved by Curtis Powell, seconded by Cherie Krueger to set the tax levy at \$11,145,847.00. Motion carried.

Curtis Powell asked that it be noted even though we changed the funding of the pool from fund 80 to fund 10 the Board is committed to make certain that the pool stays as a community center that the community can use.
 - B. Approval to Provide the 2015-2016 National School Lunch Program (Hot Lunch):

Moved by Ken Dirks, seconded by Kay Kissinger Wolf. Motion carried.

- C. Approval to Furnish Textbooks: Moved by Scott Swenty, seconded by Penny Antell. Motion carried.
 - D. Approval to Borrow Money, If Necessary, to Operate Until Taxes and Aids Become Available: Moved by Curtis Powell, seconded by Mitch Hamm. Motion carried.
 - E. Approval to Prosecute/Defend any Legal Action or Proceeding in which the School District has an Interest: Moved by Cherie Krueger, seconded by Scott Swenty. Motion carried.
 - F. Approval to Authorize the Acquisition of Real Estate through Purchase or Condemnation: Moved by Ken Schulz, seconded by Tyler Stevenson. Motion carried.
 - G. Approval of Salaries of School Board Members: Moved by Curtis Powell, seconded by Scott Swenty to approve to set the salary of \$45.00 per meeting for School Board members. Motion carried.
 - H. Approval to Authorize Payment of Actual and Necessary Expenses of Board Members who travel in the Performance of Duties: Moved by Cherie Krueger, seconded by Penny Antell. Motion carried.
 - I. Discuss Petition requesting that the number of School Board members for the School District of Tomahawk be reduced from 9 members to 7 members and that a plan of Apportionment be Established to Reflect the Reduction in Conformity with the Provisions of 120.02, Wisconsin Statutes: No Action was taken.
 - J. Approval of 2016 Annual Meeting Date September 13, 2016: Moved by Penny Antell, seconded by Cathy Schmit.
- IX. Adjourn: Moved to by Meyer to adjourn at approximately 7:02 p.m.

SCHOOL DISTRICT OF TOMAHAWK

1048 E. Kings Road
Tomahawk, WI 54487

School Board Annual Report
FYE June 30, 2016
(Required under Wisconsin Statutes 120.11(3))

General Fund

Revenues

Operating Transfers In	\$0.00
Local Sources	\$10,508,631.64
Interdistrict Payments	\$369,204.00
Intermediate Sources	\$8,356.47
State Sources	\$2,528,664.16
Federal Sources	\$274,189.38
Other Sources	\$70,817.67
Total Revenues	\$13,759,863.32

Expenditures

Instruction	\$6,938,878.00
Support Services	\$5,634,239.50
Non-Program Transactions	\$1,432,481.94
Total Expenditures	\$14,005,599.44

Special Projects Fund

Revenues	\$1,881,252.55
Expenditures	\$1,881,252.55

Debt Service Fund

Revenues	\$708,584.10
Expenditures	\$717,603.00

Capital Projects Fund

Revenues	\$200.00
Expenditures	\$0.00

Food Services Fund

Revenues	\$645,707.76
Expenditures	\$627,198.03

Agency Fund

Assets	\$313,170.19
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Liabilities	\$313,170.19
Expendable Trust Fund	
Revenues	\$80,971.91
Expenditures	\$78,692.00
Non-Expendable Trust Fund	
No Activity	
Community Service Fund	
Revenues	\$103,313.25
Expenditures	\$108,727.56
Package and Cooperative Program Fund	
No Activity	

Treasurer's Report

Assets

Cash on Hand & Investments	\$7,110,503.43
Receivable	\$3,745,735.77
Prepaid Expenses	\$0.00
Other Assets	\$0.00
Total Assets	\$10,856,239.20

Liabilities

Temporary Notes Payable	\$0.00
Withholding and Related Fringes	\$382,848.39
Accrued Payroll Payable	\$689,823.85
Other Payable	\$47,724.91
Total Liabilities	\$1,120,397.15
Fund Balance (Fund Equity)	\$9,735,842.05

The Board anticipates a tax for the support of the schools in the ensuing year to be in the amount of \$11,066,177.00 which include a tax of \$85,986.00 for Community Service, a tax of \$10,265,416.00 for the General Fund, and a tax of \$714,775.00 for the Debt Service Fund.

The Treasurer's Report is printed in lieu of an oral report. This is an audited report of the District's financial status at the end of the fiscal year. Fund equity is the difference between the assets and liabilities and does not necessarily reflect the District's cash position.

Submitted by

Curt Powell,
Treasurer,
School District of Tomahawk

School District of Tomahawk

Empowering all students to be socially responsible, life-long learners in an ever changing world.

Our District Vision

The School District of Tomahawk will become the district of choice, known for its high levels of student achievement, the excellence of its programs, and its sound stewardship.

- Student understanding will be fostered through a rigorous, coordinated curriculum that embraces global perspectives and best instructional practices, including relevant applications of current technologies.
- Meaningful relationships among students, staff, and community members will be the foundation for student successes.
- Coordinated efforts between the school and community will effectively meet the social, emotional and academic needs of the whole child and every child.

Our Commitments

To our Students:

- Establish and maintain high standards that challenge all students to achieve at their highest levels.
- Provide sound instructional practices that recognize the unique needs of all students.
- Recruit, develop, and retain educators with a passion for learning and a commitment to excellence.
- Offer a rigorous curriculum that extends beyond the classroom and includes 21st century skills.

To our District Staff and Profession:

- Create an environment that fosters a culture of continuous improvement.
- Provide an environment to work collaboratively in the best interest of all students.
- Provide the appropriate resources necessary to advance our vision.
- Provide a conduit to community partners.
- Continue to grow professionally and share successful strategies and best practices with colleagues.

To our Parents and Community:

- Actively challenge barriers to reform and the underlying assumptions of the status quo.
- Provide a facility that is safe and well maintained that meets our academic, community, and co-curricular needs.
- Provide a school that welcomes, respects, and values open communication.
- Graduate students with a well-rounded background to be successful in their futures.
- Maintain high-level educational programs while operating the district in a fiscally responsible manner.

District Description and Organization

The School District of Tomahawk is located in northern Lincoln County. The school district currently serves 1,297 students in grades Pre K-12. The district serves students in the City of Tomahawk, and the towns of Birch, Skanawan, Bradley, Little Rice, Wilson, King, Harrison, Rock Falls, Nokomis, and Tomahawk.

An elected school board oversees the administration of the school district and consists of nine (9) members elected to represent selected towns for three-year terms.

School District of Tomahawk Board Members

Cathy Meyer	President
Cathy Schmit	Vice President
Curt Powell	Treasurer
Cherie Hafeman	Clerk
Tyler Stevenson	Member
Cherie Krueger	Member
Dick Huseby	Member
Kay Kissinger-Wolf	Member
Christine Brown	Member

School District of Tomahawk Administration

Terry Reynolds	District Administrator
Penny Antell	Elementary Principal
Paul Kurth	Middle School Principal
Scott Swenty	High School Principal
Thersea Burzynski	Director of Instruction
Katherine Strong	Director of Special Education/Pupil Services
Ryan Huseby	Associate High School Principal

School District of Tomahawk

Vital Signs--The Priority Areas on our District Dashboard

1. **Core Improvement Development**—*Fostering conditions and actions around a culture of excellence in curriculum, instruction, and assessment.*
2. **Community Engagement & Communication**—*Developing intentional and structured ways to communicate with and engage our community, both internally and externally.*
3. **Fiscal Strength**—*Maximizing the district's financial resources in the development of our priority work, exploring ways to contain costs, and communicating the impact of the Wisconsin school funding formula on our district.*
4. **Strategic Planning**—*Setting and monitoring the course for the district over the next five to seven years and beyond.*
5. **High Impact Governance**—*Putting systems and structures in place to enable the school board and administration to tend to the priority work of the district in a sophisticated way. Together we will work hard on the right work.*

Strategic Directions

These are the core areas in which the District must make continual progress in order to achieve our mission and make progress toward our vision of becoming the district of choice.

1. Continual improvement of rigorous and relevant academic content.
2. Employ best instructional practices and strategies for assessing student learning.
3. Nurture structures and coalitions to support the needs of the whole child.
4. Foster an understanding of diverse cultures and human conditions.
5. Teach the value of interpersonal relationships and social skills.

The Annual Meeting

The School District of Tomahawk is a Common School District. State law requires that every common and union high school district hold an annual meeting. Unless changed at an annual meeting, the common district must meet at 8 p.m. on the fourth Monday in July. The annual meeting must be in the district school or the nearest available place designated by the school board.

Electors at an annual meeting may determine or may authorize the school board to hold subsequent annual meetings on a date and hour different from that specified in the statute. No annual meeting may be held before May 15 or after September 30. Up to two special meetings may be held between annual meetings provided the school board moves to have them or a petition is received by the district clerk signed by 3% of the number of heads of families residing in the school district as enumerated by the last school census or 100 electors whichever is less. If the petition includes a subject beyond the power of the special meeting to transact, the school district clerk shall reject such subject and so notify each elector signing the petition [Wisconsin Statute 120.08 (2)(a)].

If a petition, signed by 100 eligible electors, is filed at least 60 days prior to the annual meeting for the consideration of a special subject which is within the powers of the annual meeting and presented to the district clerk, then that subject shall be included in the notice of the annual meeting. If the subject is beyond the power of the annual meeting, then the clerk shall reject the petition and notify the designated representative within 20 days [Wisconsin Statute 120.09].

Wisconsin Statute 120.10 lists the powers of the annual meeting. The attorney general has ruled that the powers of the annual meeting are advisory in nature when it deals with taxation. Those powers include:

1. Elect a chairperson and clerk (in the absence of the school district clerk),
2. Adjourn from time to time,
3. Vote annual salaries of school board members,
4. Authorize reimbursement of expenses for school board members,
5. Designate sites for school buildings and provide for the erection or lease of suitable buildings,
6. Authorize the board to acquire real estate and structures,
7. Vote a tax to purchase or lease suitable sites for school buildings, to build, rent, lease or purchase and furnish, equip and maintain district buildings,

8. Vote a tax to purchase, operate and maintain transportation vehicles and to purchase liability insurance for such vehicles and to finance contracts for the use and service of such vehicles,
9. Vote a tax for the operation of the school district,
10. Vote a tax necessary to discharge any debts or liabilities of the school district,
11. Vote a tax to create a fund for the purpose of paying all current bonded indebtedness for capital expenditures,
12. Vote a tax to create a fund for the purpose of financing all current and future capital expenditures related to buildings and sites,
13. Vote a tax for recreation authority,
14. Direct and provide for the prosecution or defense of any action on proceedings in which the district is interested,
15. Authorize the board to furnish textbooks, which shall continue in effect until revoked by a subsequent annual meeting,
16. Direct the board to furnish school lunches to the pupils of the district and appropriate funds for that.

THE BUDGET PROCESS

The School District Budget is a financial plan for the education program that is going to take place for the children of the District. It is therefore important that sufficient money be allocated to complete the educational program planned. School district budgets have a different fiscal year than other levels of government. For example, city governments have their year-end December 31 and a new year beginning on January 1. School district fiscal years begin on July 1 and end on June 30. They do not coincide with the school year so it can be a bit confusing.

Budget hearings, on proposed budgets, are usually held prior to the new fiscal year beginning and prior to adoption of budgets by municipal boards. The exception to this is Common School Districts where the budget hearing is held after the fiscal year begins.

The budgetary process, for the next fiscal year, begins shortly after the adoption of the current fiscal year budget and after the current fiscal year begins. Administrative staff and office personnel begin gathering information important for the development of the new budget in August. Building principals, teachers, support staff, advisory committees, and others begin preparing and planning for renovations of existing educational programs or new educational programs to meet the ever increasing needs of the student population. Capital projects are

discussed to meet the needs of the new programs or existing programs as well as repair and renovation of current facilities. Generally speaking, a change in educational programming takes approximately one year to research, design, and implement. Research and design many times takes much longer than one would think since it is important to consider many factors when proposing a curriculum or educational change.

The goal of the administration is to have a preliminary budget ready for presentation to the full Board prior to Annual Meeting. At that time the full Board will either approve it for publication or send it back for further study and change. The formal public hearing on the proposed budget is held at the Annual Meeting. After the Annual Meeting and public hearing, the proposed budget is either adopted or rejected by the Board. If adopted, the new budget is retroactively effective July 1. The Board cannot levy local taxes, which if combined with state equalization aid, exceed the revenue caps set by state law. If the Annual Meeting should advise the Board to approve a tax levy which would be more than the permitted revenue limit, the Board must adopt a levy in November less than the recommendation of the Annual Meeting in order not to exceed the revenue caps.

Can the budget change after the Annual Meeting? Yes, it can. From the beginning of the fiscal year on July 1 until the start of school, there can be many factors which affect the expenditures the District must make. Under the revenue cap law, however, the tax levy cannot be higher than mandated without the proposal going to referendum. The District may spend available funds, but may not tax more than permitted. The State Department of Public Instruction will finalize the amount the district may tax in October. This will differ from the amount anticipated at the Annual Meeting if the student enrollment changes or changes in State Aid occur.

State statutes mandate that the Board of Education must determine the amount necessary to be raised to operate and maintain the schools of the district and then certify the amount of taxes to be raised to the various municipalities it serves. The Board is obligated by law to do so no later than the first Monday In November. This means that tax approved by the advisory vote at the Annual meeting must be changed by the Board in November if other conditions have changed causing expenditures to change. However, neither the Board nor the Annual Meeting can approve a levy higher than permitted by the revenue caps law. Any district which exceeds the revenue caps without referendum will have its state aid reduced the following year by the amount the revenue exceeded the allowable limits.

Revenue Trends

Revenue Limits

In 1993 Wisconsin State Statute 121.90 placed a limit on the revenue a school district is entitled to receive from general state aid and local property tax levies for the General, Non-Referendum Debt and Capital Expansion Funds, also referred to as Fund 10, Fund 38, and Fund 41 respectively. The maximum limit is based on student enrollment, the Consumer Price Index, and each district's controlled revenue from the previous year.

Revenue limits have been and will continue to be a topic of debate at the state level. Below are the allowed per pupil revenue limit increases in recent years and projected years based on the current state biennial budget:

2010-11	\$ 200.00
2011-12	(\$ 519.82)
2012-13	\$ 50.00
2013-14	\$ 75.00
2014-15	\$ 75.00
2015-16	\$ 0.00
2016-17	\$ 0.00

Equalization Aid

Equalization aid is state aid which may be used in financing the general educational program as the district sees fit. Changes to the aid formula, significant changes in district property value, and/or changes in student enrollment could significantly impact the amount of equalization aid the school district receives. The School District of Tomahawk monitors trends in each of these areas to estimate future impact. For our budget projection purposes, equalization aid support is projected per current state law.

When revenue limits were fully phased in in 1995, the state provided a two-thirds funding commitment to districts on a state-wide average, with the level of state aid received by individual districts fluctuating above or below the two-thirds level depending on the district's per-student shared costs and equalized property values. The percentage of actual state equalization aid to the School District of Tomahawk General Fund budget over time is below:

2011-12	20 %
2012-13	16 %
2013-14	14 %
2014-15	12 %
2015-16	10 %
2016-17	10 % (Budgeted)

Local Property Tax Levy

Due to our low percentage of equalization aid, the local levy is the greatest source of revenue for the School District of Tomahawk. Generally, the higher the equalized property valuation in a school district in comparison to other school districts in the state, the lower the amount of state aid the district receives. Below is the percentage of the district budget that has been supported by the local tax levy:

2011-12	69 %
2012-13	71 %
2013-14	73 %
2014-15	74 %
2015-16	76 %
2016-17	76 % (Budgeted)

Revenue Account Titles and Explanations

The revenues that the district receives are distributed and budgeted in a number of areas. These areas are defined below:

Fund 10 (General Fund)

Local Sources

Taxes

The local property tax levy for the General Fund is recorded under this account. To obtain the total levy, the district has to add all of the levies reported in Fund 10, 30, 40, and 80.

School Activity Income - Admissions

The gate receipts for our athletic events and other activities are recorded here.

Interest on Investments

Each year the district invests its receipts so as to gain interest income in order to offset expenses during the year.

Other Revenue Local Sources

This broad general account includes student fees, rentals, transportation receipts, and so on. Our buildings receive wide and varied use and are open to the community throughout the year. Fees are charged for their use.

Intermediate Sources

Revenue-Intermediate Source

Under this account are recorded those special state and federal aids we receive via our CESA agency based upon expenses in the prior year or state aids which are in transit.

State Sources

State Aid – Categorical

This broad account area includes three state categorical aid groupings. The first is special education aid. We receive aid from the State of Wisconsin to help offset the cost of special education. We are, by law, to receive 63% of those costs. In 2015-16 the District received less than 27% of the costs.

The next area is transportation aid. Transportation aid is assistance from the state for costs related to transporting students based upon the distance students live from school and the cost the district incurs. Our transportation costs are high because of the large area of the school district.

The third area is library aid. This aid is based on the number of children identified in our spring census of children in the district. It is very important, therefore that our census is as accurate as possible.

State Aid-General

These are the general aids paid to school districts based on enrollment and property valuation. These aids are divided up or "equalized" among the school districts utilizing the appropriated money from the legislature. If our enrollment increases our aid increases. If our enrollment decreases our aid decreases. However, as our property values increase, relative to others in the state, our state equalization aid decreases. It is a double-edged sword.

Special Project Grants

State grants which are received are recorded in this account.

State Youth Initiative Program

Grants for students in state programs would be recorded here.

Federal Sources

Transit of Aids

Any federal aid which is in transit, from CESA or the state, would be recorded here.

Special Projects Grants

This is similar to the "Special Project Grants" noted in the State Sources section, but for federal grants.

ESEA

The district receives federal revenue through the Elementary and Secondary Education Act. Title I is a program within this grant revenue designed to meet the educational needs of students having difficulty achieving in reading and mathematics.

Other Financing Sources

Compensation, Fixed Assets

From time to time we have out of date or surplus materials which we sell. Receipts earned from these sales are recorded here.

Other Revenues

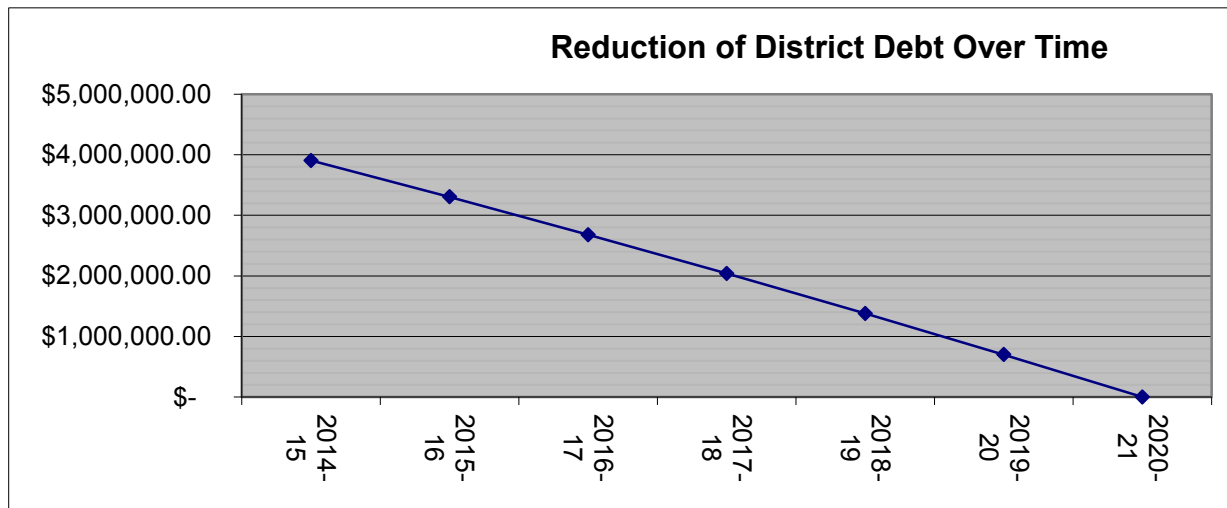
Revenue that is not anticipated or does not fit into the above accounts will be recorded here. The other three funds, Debt Service, Capital Projects, and Community Service, receive their revenues from two sources; property tax and any interest revenue from invested funds.

District Debt

The amount of district debt outstanding on June 30, 2016 was \$3,305,000.00. This reflects a \$600,000.00 decrease in principal compared with the previous year.

District Debt Fiscal Year End

Year End	2016	2017	2018	2019	2020	2021
Principal	\$3,305,000	\$2,680,000	\$2,040,000	\$1,380,000	\$ 700,000	\$ 0.00



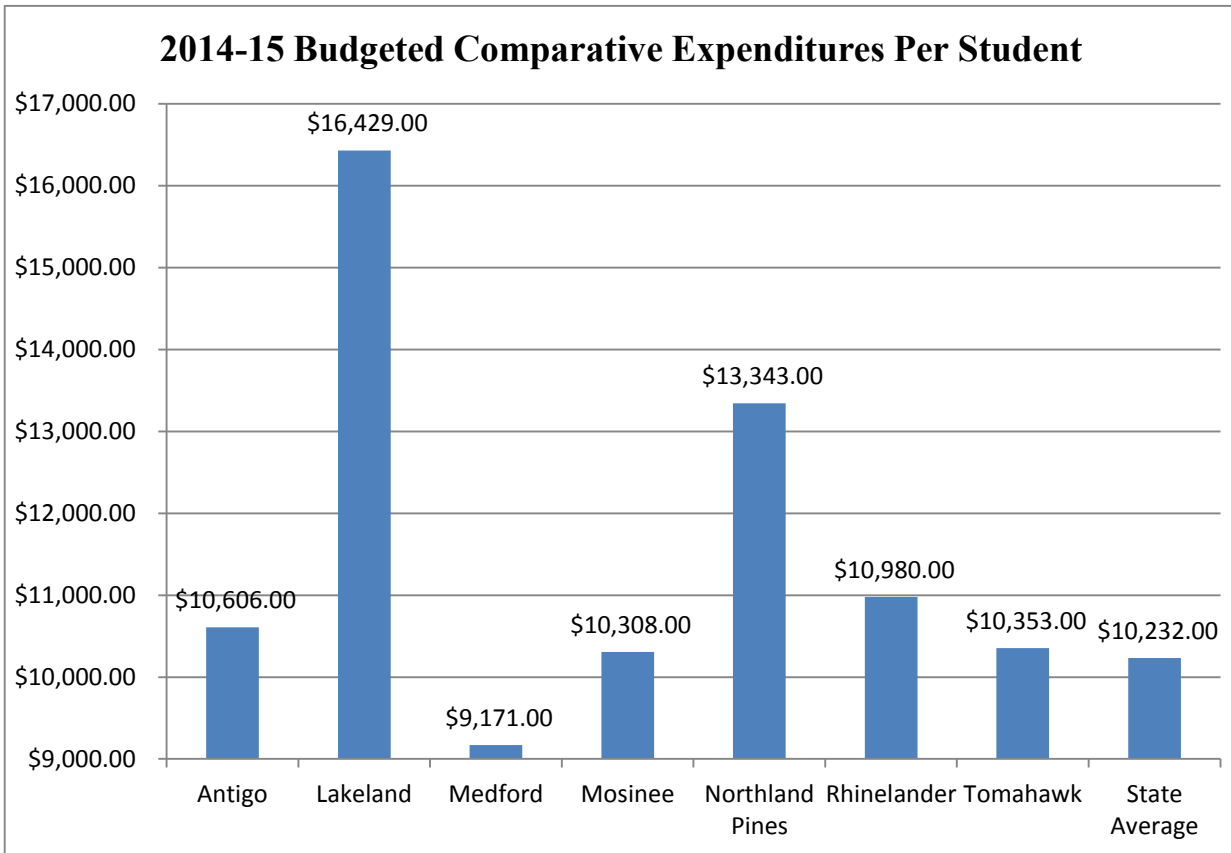
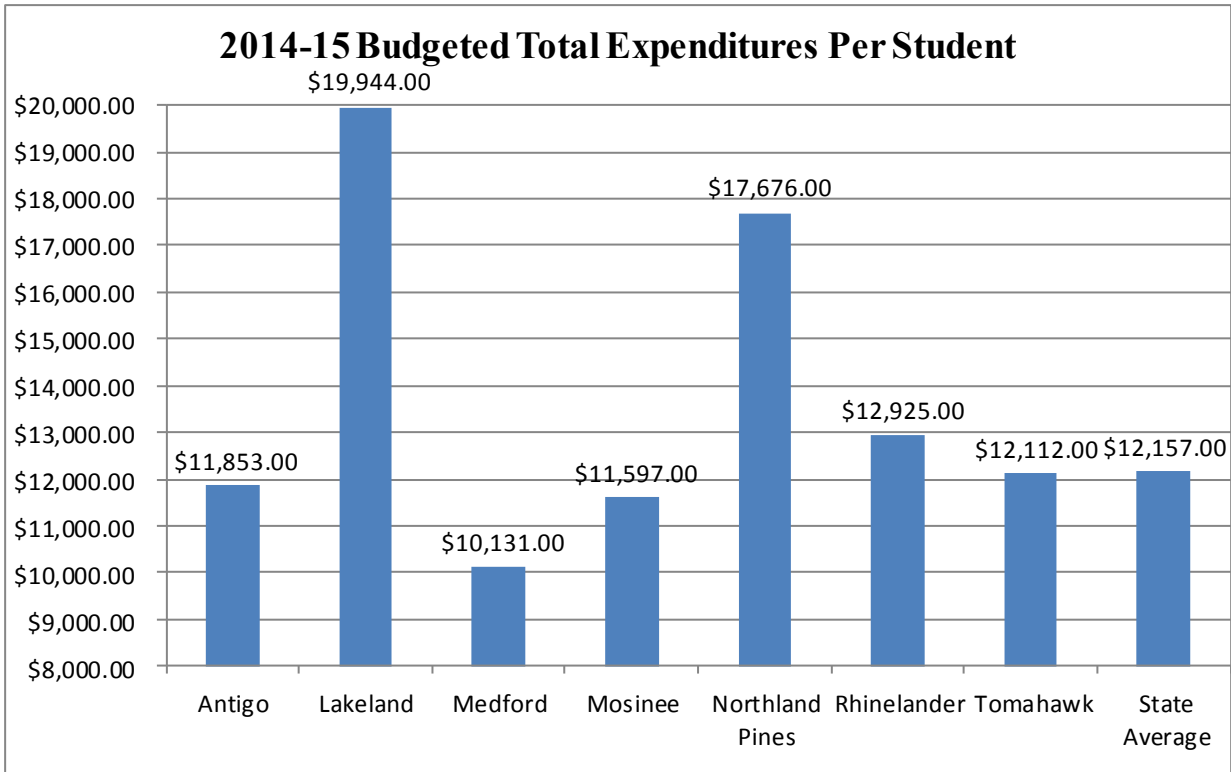
Comparative Budget Expenditures Per Student

The non-profit, non-partisan Wisconsin Taxpayer’s Alliance annually publishes a comprehensive collection of school district information entitled *SchoolFacts15*. Their most recent publication, *SchoolFacts15* shows that the School District of Tomahawk’s 2014-15 comparative budget was \$10,353 per student. This was \$121 dollars per student above the state average.

Comparative Expenditures—Comparative spending is a more accurate way to measure the “education-related” spending in a school district. This measure accounts for only those costs directly associated with serving students, and excludes transportation, capital expenditures and debt service, and miscellaneous expenditures. This also allows for more meaningful spending comparisons between districts.

School District	2014-15 Budgeted Comparative Expenditures Per Student	2014-15 Budgeted Total Expenditures Per Student
Antigo	\$ 10,606	\$ 11,853
Lakeland	\$ 16,429	\$ 19,944
Medford	\$ 9,171	\$ 10,131
Mosinee	\$ 10,308	\$ 11,597
Northland Pines	\$ 13,343	\$ 17,676
Rhineland	\$ 10,980	\$ 12,925
Tomahawk	\$ 10,353	\$ 12,112
State Average	\$ 10,232	\$ 12,157

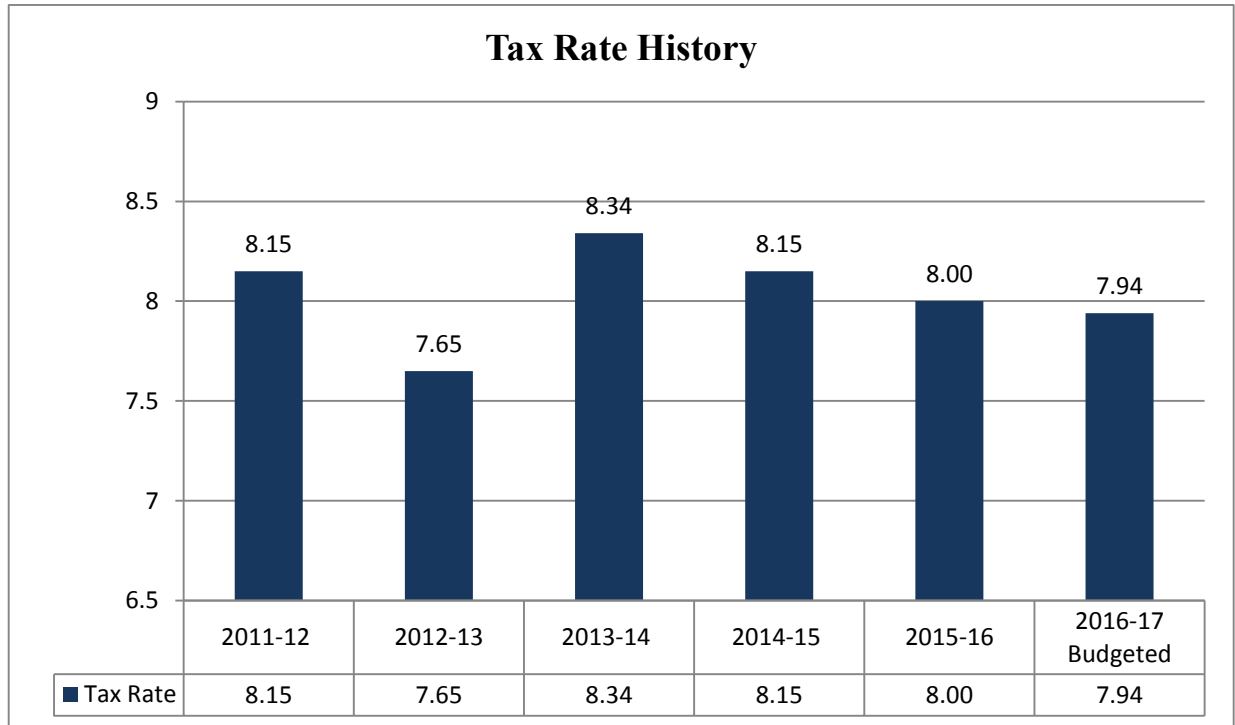
The chart above and the graphs below show both comparative and total budgeted expenditures for the districts in the Great Northern Conference for the 2014-15 school year (Source: *SchoolFacts15*).



Property Tax

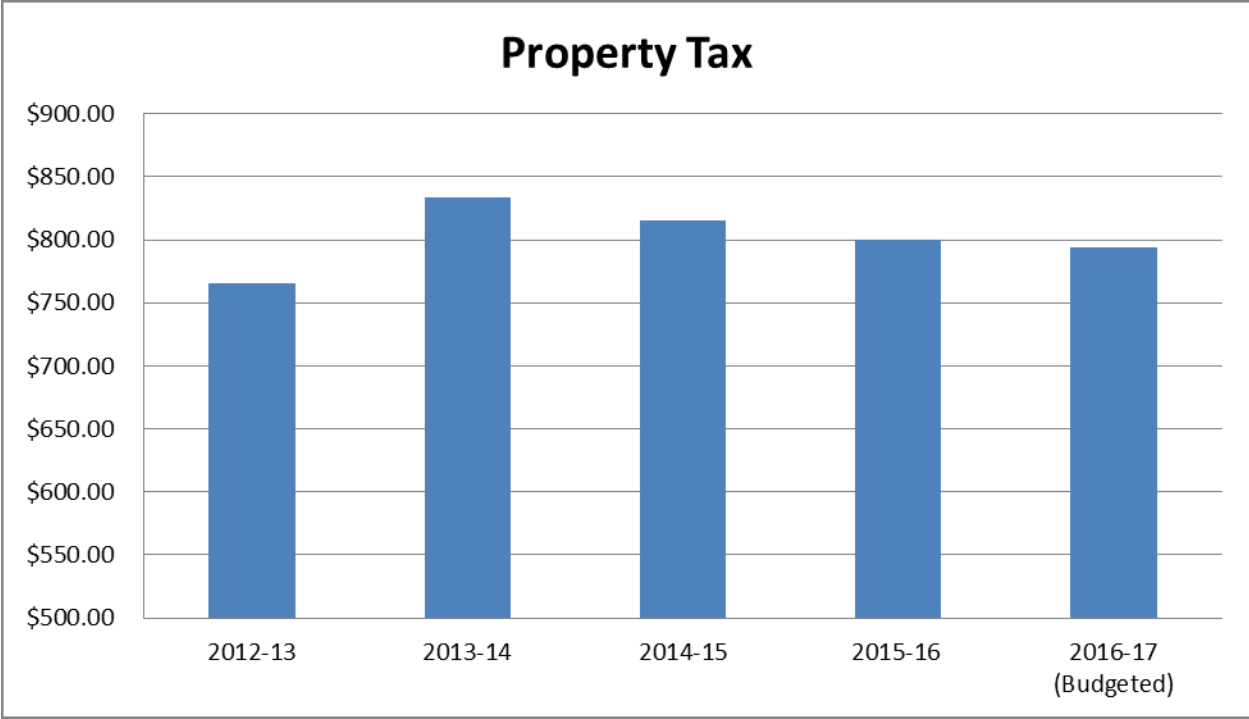
Tax Rate History

The equalized tax rate has fluctuated between 7.65 and 8.34 over a period of the last five years. The equalized rate will decrease .75% in the 2016-17 school year from the previous year. The chart below represents the recent trend in the district’s equalized tax rate or “mill rate.” This rate is based on \$ 1,000 of equalized property value.



The following chart and graph reflect the actual changes in property taxes on a \$100,000 dollar home over recent years.

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGETED
Equalized Tax Rate	\$7.65	\$8.34	\$8.15	\$8.00	\$7.94
Percent of Change	-6.14%	9.02 %	-2.28 %	-1.84 %	-0.75 %
Equalized Property Tax	\$765.00	\$834.00	\$815.00	\$800.00	\$794.00
Property Tax Change	-\$50.00	\$69.00	-\$19.00	-\$15.00	-\$6.00



The table below illustrates the history of the equalized valuation and percent increase or decrease of that valuation, taxes levied and percent increase or decrease in that levy, the mill rate and the percent increase or decrease in that rate. As a reminder, the mill rate is the amount of tax assessed per \$1,000 of property valuation.

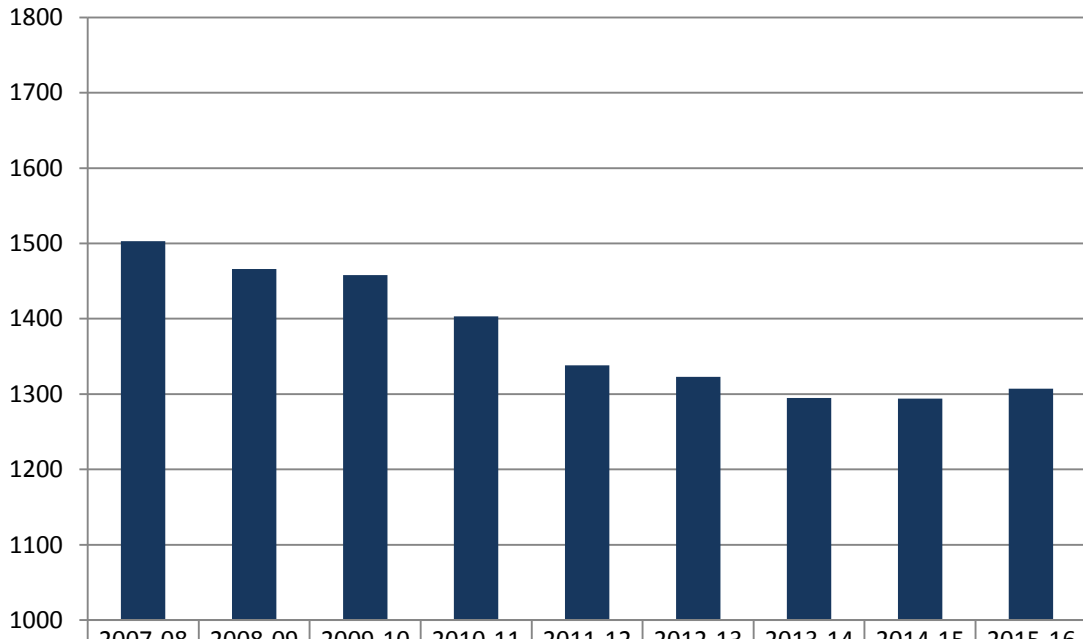
<i>Year</i>	<i>Valuation</i>	<i>Percent Change</i>	<i>Levy</i>	<i>Percent Change</i>	<i>Mill Rate</i>	<i>Percent Change</i>
2015-16	\$1,393,234,782.00	1.82%	\$11,152,122.00	0.06%	8.00448	-1.73%
2014-15	\$1,368,311,517.00	1.57%	\$11,145,847.00	-0.85%	8.14569	-2.43%
2013-14	\$1,347,126,922.00	-5.79%	\$11,240,032.00	2.79%	8.34371	9.11%
2012-13	\$1,429,989,836.00	-0.96%	\$10,935,040.00	-7.06%	7.64694	-6.16%
2011-12	\$1,443,877,029.00	-4.42%	\$11,765,613.00	0.00%	8.14863	4.62%
2010-11	\$1,510,618,010.00	-1.48%	\$11,765,613.00	5.16%	7.78861	6.72%
2009-10	\$1,532,997,908.00	1.79%	\$11,188,058.00	5.98%	7.29816	4.12%
2008-09	\$1,506,054,041.00	7.35%	\$10,556,785.00	1.75%	7.00957	-5.22%
2007-08	\$1,402,968,339.00	2.69%	\$10,375,288.00	9.33%	7.39524	6.46%
2006-07	\$1,366,169,140.00	12.59%	\$9,489,772.00	10.59%	6.94626	-1.8%
2005-06	\$1,213,401,935.00	8.16%	\$8,581,236.00	-7.29%	7.07205	-14.3%
2004-05	\$1,121,910,621.00	4.44%	\$9,255,555.00	9.32%	8.24981	4.67%
2003-04	\$1,074,247,479.00	13.26%	\$8,466,776.00	7.98%	7.88159	-4.66%
2002-03	\$948,497,001.00	5.38%	\$7,840,769.00	5.38%	8.26652	0%
2001-02	\$900,093,991.00	12.76%	\$7,440,794.00	9.64%	8.26669	-2.76%
2000-01	\$798,272,197.00	11.24%	\$6,786,664.00	25.77%	8.50169	13.06%
1999-00	\$717,619,223.00	14.30%	\$5,396,111.00	2.10%	7.51946	-10.67%
1998-99	\$627,823,155.00	10.91%	\$5,284,875.59	3.57%	8.41778	-6.62%
1997-98	\$566,065,215.00	11.11%	\$5,102,672.00	7.64%	9.01428	-3.12%
1996-97	\$509,482,638.00	13.56%	\$4,740,635.00	-19.34%	9.30480	-28.97%
1995-96	\$448,665,811.00	16.44%	\$5,877,593.00	-1.92%	13.10016	-15.77%
1994-95	\$385,329,010.00	10.01%	\$5,992,875.00	-1.68%	15.55262	-10.63%
1993-94	\$350,279,134.00	11.08%	\$6,095,552.00	3.34%	17.40198	-6.97%
1992-93	\$315,333,683.00	4.37%	\$5,898,625.00	7.83%	18.70598	3.32%
1991-92	\$302,120,684.00	5.17%	\$5,470,123.20	3.34%	18.10576	-1.74%
1990-91	\$287,261,607.00	2.05%	\$5,293,158.25	4.27%	18.42626	2.17%
1989-90	\$281,482,526.00	2.40%	\$5,076,525.00	20.20%	18.03496	17.38%
1988-89	\$274,872,270.00	.67%	\$4,223,339.00	8.88%	15.36473	8.16%
1987-88	\$273,052,116.00	2.68%	\$3,878,963.10	-6.17%	14.20594	-8.62%
1986-87	\$265,928,353.00	-1.03%	\$4,133,942.09	7.58%	15.54532	8.70%
1985-86	\$268,707,605.00	-2.15%	\$3,842,816.56	6.99%	14.30111	9.34%

District Enrollment Trends

Student enrollment projections are a significant consideration when developing a district budget since enrollment drives the amount of revenue the School District of Tomahawk is eligible to receive through state aid and local property taxes. Student enrollment also directly influences instructional and support staff levels which affect budgets.

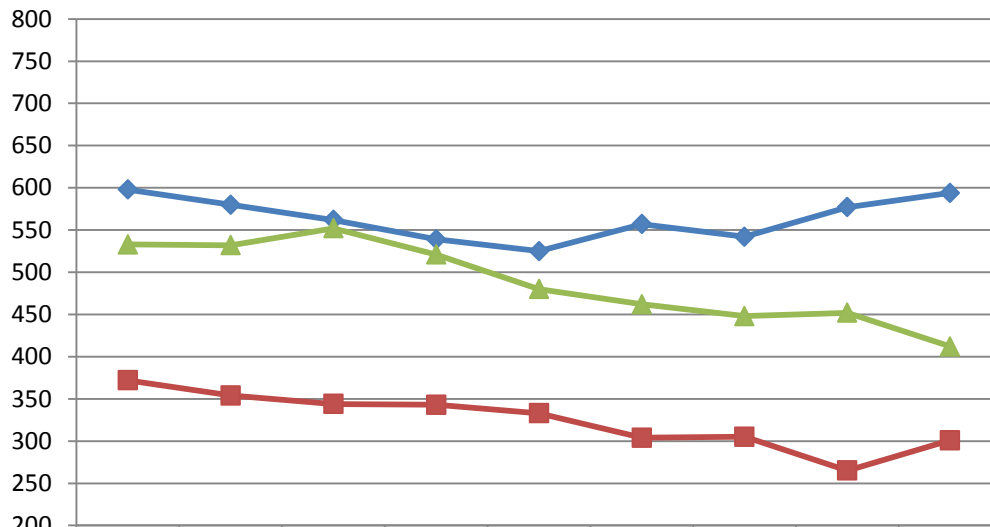
Since the 2007-08 school year the district enrollment has decreased by 196 students. The projected enrollment for the 2016-17 school year is 1298. Kindergarten enrollment appears to be stabilizing; however, those enrollment projections are difficult since there are usually some families who enroll their children just prior to the school year. The district currently anticipates a kindergarten enrollment of approximately 76 students.

District Enrollment



■ Enrollment	1503	1466	1458	1403	1338	1323	1295	1294	1307
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Enrollment Trends by School



	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
◆ Elementary	598	580	562	539	525	557	542	577	594
■ Middle School	372	354	344	343	333	304	305	265	301
▲ High School	533	532	552	521	480	462	448	452	412

Undifferentiated Curriculum

The Undifferentiated Curriculum is basically the pre-K through grade 5 area of the school. Costs of instruction related to those grades are allocated in this portion of the budget.

Regular Curriculum

The Regular Curriculum is the category that grades six through twelve or grades in which classes are not self-contained are placed for expenditure purposes. This category includes the basic educational programs such as Mathematics, Science, English or Language Arts, and Social Studies.

Vocational Curriculum

The Vocational Curriculum contains those areas of the curriculum, which are normally associated with employment preparation or work-related programs. The vocational curriculum addresses the needs of students at both the Middle School and High school and offers students a wide variety of courses.

Physical Curriculum

The Physical Curriculum includes pre-kindergarten through grade twelve physical education, health education and the various alcohol/drug education programs.

Special Curriculum

The Special Curriculum in the Budget includes all special education programs (except the At-Risk Programming) and the Gifted and Talented program.

Co-Curricular Activities

The Co-Curricular Activities section of the budget includes fine arts, athletics, student council, and many more in grades kindergarten through twelve.

Support Services

Support Services are those services designed to support the instructional program of the School District of Tomahawk. They are essential to the successful operation of the school district. Instruction is the district's primary function and all support services shall be provided, guided and evaluated by this commitment.

Pupil Services

Pupil Services includes the areas of PK-12 guidance, health services, psychological services, and the director of pupil services

Instructional Staff Services

Instructional Staff include expenditures for the three libraries in the school system, state-mandated vocational education supervision, part of the mandated director of pupil services or special education director, reading and language arts supervision, director of instruction, athletic director, and Federal Title 1 supervision.

General Administration

General Administration expenditures include the district administrator and central office secretary as well as Board of Education wages and expenditures, legal expenses, audit expenses, and election expenses. Annual Meeting costs are placed in this category.

School Building Administration

School Building Administration expenditures include the building principals, assistant principal, secretarial staff and other expenses.

Business Administration

Business Administration is a diverse expenditure area. It includes fiscal office expenditures, utilities, custodial and maintenance, facilities acquisition and remodeling, special transportation, and regular transportation (Fleet), and physical plant additions authorized by the Board.

Central Services

Central Services includes telephone, postage, FAX, and other expenditures.

Insurance and Judgments

Insurance costs fluctuate on a year to year basis based on usage and experience.

Debt Services

Debt Services include interest payments on temporary debt (short-term borrowing for cash flow purposes) and leases. The amount to be borrowed is bid out to the lowest bidder, therefore the interest rates are determined through competitive bidding. It is not anticipated that the district will need to short-term borrow to meet its cash flow needs for the 2016-17 school year.

Other Support Services

Other Support Services includes certain payments to CESA #9 and fringe benefits. The largest portion of this category is allocated to individuals who have retired from the school system and are drawing on accumulated sick leave to pay for health and dental insurance premiums. Once the accumulated sick leave is used, payments for insurance by the District will cease.

Interfund Operating Transfers

Inter-fund Operating Transfers includes the money transferred from the General Fund to the Hot Lunch account to eliminate any deficit the program may have. Taxation for the amount to cover that deficit is included in the General Fund or Fund 10 tax request.

General Tuition Payments

This category is used to pay tuition for students who choose to attending classes at another school (open enrollment). This category is also used for students who attend classes at Nicolet College (youth options).

Other Non-Program Transactions

Repayments to townships for uncollected personal property taxes are charged to this account. The various townships include these taxes with the general property taxes they pay to the school district. However, if someone then fails to pay their personal property tax, such as a bankrupt business, then the school district must repay the funds. In effect, the rest of the district taxpayers are paying the taxes for others who fail to pay their personal property taxes.

FUND ACCOUNTING

All school districts in Wisconsin are required to budget according to the Wisconsin Uniform Financial Accounting Requirements (WUFAR). Financial administration requires that each transaction be identified for administrative and accounting purposes. The first identification is by “fund,” which is an independent fiscal and accounting entity, requiring its own set of books, in accordance with special regulations, restrictions, and limitations that earmark each fund for a specific activity or for attaining certain objectives. Each fund must be accounted for so that the identify of its resources and obligations and its revenues and expenditures is continually maintained.

All funds used by Wisconsin school districts are identified by specific “fund types.” The major fund types are the General Fund, Special Projects Fund, Debt Service Fund, Capital Projects Fund, Food Service Fund, Agency Fund, Expendable Trust Fund, and Community Service Fund. The funds are listed below with an explanation of each fund’s use:

GENERAL FUND—FUND 10

The General Fund is used to account for district financial activities for current operations, except those that are required to be accounted for in separate funds. Approximately 75% of all District expenditures are conducted through the General Fund.

SPECIAL PROJECTS--FUND 20

The Special Projects Fund is used to account for Special Education and related services funded completely or in part with state or federal special education aid or charges for services provided to other districts as a result of being a host district for special education package or cooperative program.

DEBT SERVICE --FUND 30

The Debt Service Fund is used to pay the District's long term obligations on its building projects. As of August 13, 1994, the law was changed so that any future new obligation on the part of the District must be approved by a referendum. Any obligation which is not approved by referendum and causes the District to exceed its revenue cap will be assessed against the district's state equalization aid. Any obligation incurred by the District prior to that date is exempt from the law.

CAPITAL PROJECTS--FUND 40

The Capital Projects Fund (along with the Debt Service Fund and Fund Equity) is being used to finance the construction of the new addition to the school complex. According to new state law, if a tax is included in Capital Projects, it cannot cause the District to exceed the revenue caps unless the District has been successful in receiving approval through referendum.

FOOD SERVICE--FUND 50

This is used to finance the Hot Lunch program at the school. The bulk of the revenue is received from fees paid for hot lunch and milk by students and adults and from state and federal aid sources. Any shortfalls in the account are required to be made up from the General Fund. The amount expended for Fund 50 must also be included in the total expenditures of the District. Any fund balance must be retained for future use for Food Services.

AGENCY FUND--FUND 60

The Agency Fund is the fund which expenditures for student activity accounts are managed through the various building offices. There are no tax moneys used in this account. According to the WUFAR (Wisconsin Uniform Financial Accounting Requirements) accounting system required of all schools in the State, this fund is used as a balance sheet account. Revenues for student organizations and others are placed in this account and are under the control of the various building principals.

EXPENDABLE TRUST FUND--FUND 72

The Expendable Trust Fund is that fund from which scholarships are paid to the various students in our district. Income is received from interest on investments on funds held in trust and in donations or gifts from individuals, industry, clubs, or businesses. There is no tax money in Fund 72.

COMMUNITY SERVICE--FUND 80

The Community Service Fund is used to support the cost of functions which primarily serve the community and adult education. This fund is used to finance part of the Swimming Pool wages, fringes, and Middle School activities.

PROPOSED BUDGET SUMMARY

FYE June 30, 2017

The proposed budget and tax levy for the School District of Tomahawk for FYE June 30, 2017 is based upon an estimated fall district equalized valuation of \$1,393,234,782.00. The actual levy rate (mill rate) will be determined based on the certified October 2016 equalized valuation. If the equalized valuation increases, then the levy rate will decrease. State equalization aid is based on student enrollment and the equalized valuation of the previous year.

Proposed property taxes for 2016-17 are:

General Fund	\$ 10,273,301
Community Service	\$ 85,986
Debt Service	\$ 714,775
Less Computer Aid Received	(\$ 7,885)
Property Tax Chargeback	\$ <u>0</u>
Total Levy	\$11,066,177

This represents a decrease of \$85,945.00 or 0.77% decrease from the previous year (2015-16) and a tax levy rate of \$7.94 per thousand of valuation compared to \$8.00 per thousand in 2015-16.

The revenues proposed in this budget cannot exceed the allowable revenue caps as determined by the State Department of Public Instruction. Revenue caps are determined by student enrollment and equalized valuation. If the enrollment should increase, then the revenue caps would increase and vice versa.

The Department of Public Instruction estimates that the State Equalization Aid will be \$1,350,000.00. This is a decrease of \$75,014.00 from the year just ended.

Community Service Fund (Fund 80) Summary 2016-2017

The School District of Tomahawk's Community Service Fund (Fund 80) was primarily established for Community Open Swim. The Board of Education approved that starting with the 2015-2016 school year that all Middle School Athletics be included in Fund 80 also. These programs meets the Wisconsin Department of Public Instruction's requirements for use of the Community Service Fund as they are available to the general public. User fees and direct tax levy fund the costs associated with operating these programs. These programs have been annually audited by an external audit company for comparison to the Department's criteria and has been deemed to meet the criteria with no audit findings regarding the use of the Community Service Fund for the program.

The programs includes open swim hours during the day for the entire community to utilize the district's swimming pool and all Middle School Athletics. These programs are designed to break even each year, but have carried a fund balance from year to year to be able to purchase new equipment, supplies and major repairs as needed to operate.

Expenses for this program include:

• Wages and benefits of pool director and lifeguards	\$ 27,655.00
• Middle School Athletics	\$ 68,313.00
• Supplies such as flippers	\$ 2,900.00
• Travel to meetings for pool director	\$ 700.00
• Equipment	\$ 800.00
• Dues/Fees	<u>\$ 750.00</u>
Total Expenses	\$101,118.00

Revenues for this program include:

• Tax Levy	\$ 85,986.00
• Middle School Athletics User Fees	\$ 4,000.00
• Pool User Fees	<u>\$ 11,132.00</u>
Total Revenues	\$101,118.00

SCHOOL DISTRICT OF TOMAHAWK
BUDGET PUBLICATION 2016-2017

	Audited 2014-2015	Unaudited 2015-2016	Budget 2016-2017
<u>GENERAL FUND</u>			
Beginning Fund Balance	\$ 9,974,745.79	\$ 9,981,578.17	\$ 9,735,842.05
Residual Equity Transfers in (Out)	\$ -	\$ -	\$ -
Reserve for Retirement Account	\$ -	\$ -	\$ 3,094,171.01
Reserve for Current Year Expenditures	\$ -	\$ -	\$ -
Reserve for School Forest	\$ -	\$ -	\$ 105,215.45
Ending Fund Balance	\$ 9,981,578.17	\$ 9,735,842.05	\$ 5,326,984.59
<u>REVENUES & OTHER FINANCING SOURCES</u>			
Operating Transfers In (Source 100)	\$ -	\$ -	\$ -
Local Sources (Source 200)	\$ 10,404,886.24	\$ 10,508,631.64	\$ 10,377,016.00
Interdistrict Payments (Source 300 & 400)	\$ 318,539.81	\$ 369,204.00	\$ 400,000.00
Intermediate Sources (Source 500)	\$ 7,671.25	\$ 8,356.47	\$ -
State Sources (Source 600)	\$ 2,741,644.16	\$ 2,528,664.16	\$ 2,392,885.00
Federal Sources (Source 700)	\$ 300,909.34	\$ 274,189.38	\$ 294,925.00
All Other Sources (Source 800 & 900)	\$ 30,514.21	\$ 70,817.67	\$ 20,000.00
TOTAL REVENUES & OTHER FINANCING SOURCES	\$ 13,804,165.01	\$ 13,759,863.32	\$ 13,484,826.00
<u>EXPENDITURES & OTHER FINANCING USES</u>			
Instruction (Function 100,000)	\$ 6,889,747.34	\$ 6,938,878.00	\$ 7,215,882.00
Support Services (Function 200,000)	\$ 5,564,830.25	\$ 5,634,239.50	\$ 5,928,780.00
Non-Program Transactions (Function 400,000)	\$ 1,342,755.04	\$ 1,432,481.94	\$ 1,549,635.00
TOTAL EXPENDITURES & OTHER FINANCING USES	\$ 13,797,332.63	\$ 14,005,599.44	\$ 14,694,297.00
<u>SPECIAL PROJECT FUNDS (FUND 20)</u>			
Beginning Fund Balance	\$ -	\$ -	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -
REVENUES & OTHER FINANCING SOURCES	\$ 1,837,516.68	\$ 1,881,252.55	\$ 2,057,808.00
EXPENDITURES & OTHER FINANCING USES	\$ 1,837,516.68	\$ 1,881,252.55	\$ 2,057,808.00
<u>DEBT SERVICE FUND (FUND 30)</u>			
Beginning Fund Balance	\$ 119,122.48	\$ 111,505.78	\$ 102,486.88
Ending Fund Balance	\$ 111,505.78	\$ 102,486.88	\$ 93,058.88
REVENUES & OTHER FINANCING SOURCES	\$ 709,611.30	\$ 708,584.10	\$ 715,175.00
EXPENDITURES & OTHER FINANCING USES	\$ 717,228.00	\$ 717,603.00	\$ 724,603.00
<u>CAPITAL PROJECTS FUND (FUND 40)</u>			
Beginning Fund Balance	\$ -	\$ -	\$ 200.00
Residual Equity Transfers (Out)	\$ -	\$ -	\$ -
Ending Fund Balance	\$ -	\$ 200.00	\$ 200.00
REVENUES & OTHER FINANCING SOURCES	\$ -	\$ 200.00	\$ -
EXPENDITURES & OTHER FINANCING USES	\$ -	\$ -	\$ -

FOOD SERVICE FUND (FUND 50)			
Beginning Fund Balance	\$ 9,914.63	\$ 58,780.68	\$ 77,290.41
Residual Equity Transfers (Out)	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 58,780.68	\$ 77,290.41	\$ 90,790.41
REVENUES & OTHER FINANCING SOURCES	\$ 594,907.55	\$ 645,707.76	\$ 597,700.00
EXPENDITURES & OTHER FINANCING USES	\$ 546,041.50	\$ 627,198.03	\$ 584,200.00
AGENCY FUND (FUND 60)			
Assets	\$ 305,495.06	\$ 313,170.19	\$ 313,170.19
Liabilities	\$ 305,495.06	\$ 313,170.19	\$ 313,170.19
EXPENDABLE TRUST FUND (FUND 72)			
Beginning Fund Balance	\$ 167,917.87	\$ 177,679.12	\$ 179,959.03
Ending Fund Balance	\$ 177,679.12	\$ 179,959.03	\$ 179,959.03
REVENUES & OTHER FINANCING SOURCES	\$ 79,286.25	\$ 80,971.91	\$ 70,000.00
EXPENDITURES & OTHER FINANCING USES	\$ 69,525.00	\$ 78,692.00	\$ 70,000.00
COMMUNITY SERVICE FUND (FUND 80)			
Beginning Fund Balance	\$ 146,719.19	\$ 264,157.14	\$ 258,742.83
Residual Equity Transfers (Out)	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 264,157.14	\$ 258,742.83	\$ 258,742.83
REVENUES & OTHER FINANCING SOURCES	\$ 155,753.50	\$ 103,313.25	\$ 101,118.00
EXPENDITURES & OTHER FINANCING USES	\$ 38,315.55	\$ 108,727.56	\$ 101,118.00
PACKAGE & COOPERATIVE PROGRAM FUND (FUND 90)			
Beginning Fund Balance	\$ -	\$ -	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -
REVENUES & OTHER FINANCING SOURCES	\$ -	\$ -	\$ -
EXPENDITURES & OTHER FINANCING USES	\$ -	\$ -	\$ -
TOTAL EXPENDITURES - ALL FUNDS	\$ 17,005,959.36	\$ 17,419,072.58	\$ 18,232,026.00
Percentage Increase	3.12%	2.43%	4.67%
<i>Total Expenditures from Prior Year</i>	\$ 16,491,593.98	\$ 17,005,959.36	\$ 17,419,072.58
BUDGET PUBLICATION, Proposed Property Tax Levy - 2016-2017			
Fund			
General Fund	\$ 10,290,385.00	\$ 10,357,986.00	\$ 10,265,416.00
Debt Service Fund	\$ 709,462.00	\$ 708,150.00	\$ 714,775.00
Capital Projects Sinking Fund	\$ -	\$ -	\$ -
Community Service Fund	\$ 146,000.00	\$ 85,986.00	\$ 85,986.00
TOTAL SCHOOL LEVY	\$ 11,145,847.00	\$ 11,152,122.00	\$ 11,066,177.00
PERCENTAGE INCREASE	1.9278%	0.0563%	-0.7707%
TOTAL LEVY FROM PRIOR YEAR	\$ 10,935,040.00	\$ 11,145,847.00	\$ 11,152,122.00