

School District of Phillips
Phillips, Wisconsin

ANNUAL MEETING AND BUDGET REPORT
Monday, October 4, 2021

City of Phillips

Villages of: Kennan, Catawba

Towns of: Catawba, Elk, Emery, Hackett, Harmony, Flambeau, Georgetown, Kennan, Worcester

SCHOOL DISTRICT OF PHILLIPS

Vision

Preparing for Tomorrow

Mission

To inspire and empower all students to reach their greatest potential.

Goals

- * Review and assess educational opportunities yearly throughout the district that enables each student to achieve their greatest academic and social growth
- * Develop annual objectives and plans that will promote safety and security.
- * To create added awareness of the District by implementing or expanding communication strategies that involve family and community members throughout the District.

Approved April 20, 2009

SCHOOL DISTRICT OF PHILLIPS PHILOSOPHY

The School District of Phillips is committed to providing a quality education for all students. Recognizing that students have different abilities and learning styles, our goal is that all students develop to their fullest capacity as individuals and as productive and responsible citizens.

The District strives to nurture students to be: self-directed learners, civic-minded and ethical decision makers, skillful problem-solvers, and creative and critical thinkers.

Recognizing that education for the development of well rounded students does not end with core academics, the District supports a wide range of curricular and extracurricular opportunities.

The District acknowledges the family as the primary influence in the development of the individual and is committed to a partnership of school, family, and community.

The District, as an integral part of the community, promotes life-long learning and quality of life in the community.

Approved April 20, 2009

DIRECTORY CURRENT SCHOOL BOARD AND ADMINISTRATION

<u>TERM</u> <u>EXPIRES</u> <u>SPRING</u>	<u>SCHOOL BOARD MEMBERS</u>	<u>RESIDENT OF TOWN</u> <u>VILLAGE, OR CITY</u>	<u>ADDRESS</u>
2024	Jon Pesko – President	Worcester	Phillips
2024	Marty Krog - Vice-President	Elk	Phillips
2023	Kevin Rose - Treasurer	Harmony	Phillips
2023	Anne Baxter - Clerk	City of Phillips	Phillips
2023	Joseph Fox	Worcester	Phillips
2024	Hailey Halmstad	Harmony	Catawba
2022	Paula Houdek	Emery	Phillips
2022	Stephen Willett	City of Phillips	Phillips
2022	Currently Vacant	Area III	

ADMINISTRATION/SUPERVISORY STAFF

Rick Morgan	Superintendent
Molly Lehman	Business Manager
Dave Scholz	Grades PreK-5 Principal/Federal Grants Administrator
Colin Hoogland	Grades 6-12 Principal
Vicki Lemke	Director of Pupil Services
Roni Tobias	School Psychologist
Terra Gastmann	Food Service Supervisor
Hannah Larson	Aquatic Director
Jason McMillan	Transportation Manager

Notice for Annual District Meeting (Section 120.08(1))

Notice is hereby given to qualified electors of the School District of Phillips, that the annual meeting of said district for the transaction of business, will be held in Phillips High School Auditorium, on the 4th day of October, 2021, at 6:00 p.m.

Anne Baxter, District Clerk

AGENDA

BUDGET HEARING:

1. INTRODUCTIONS
2. CALL THE BUDGET HEARING TO ORDER
3. PRESENT THE ESTIMATED 2021-2022 BUDGET
4. ADJOURN THE BUDGET MEETING

ANNUAL MEETING OF THE ELECTORATE OF THE SCHOOL DISTRICT OF PHILLIPS:

1. CALL THE ANNUAL MEETING TO ORDER
2. ELECT A CHAIRPERSON
3. READING OF MINUTES OF LAST ANNUAL MEETING HELD OCTOBER 5, 2020
4. TREASURER'S REPORT
5. BOARD MEMBER SALARIES
6. LEVY A TAX FOR THE 2021-2022 SCHOOL YEAR
7. MOTION TO APPROVE FUND 80 LEVY FOR 2021-2022
8. SALE OF GENERAL SCHOOL PROPERTY
9. OLD BUSINESS
10. NEW BUSINESS
11. LONG-TERM PLANNING REPORT
12. ESTABLISH DATE AND TIME FOR 2022 ANNUAL MEETING
13. ADJOURN ANNUAL MEETING

Notices for this meeting were posted on September 10, 2021 at: Phillips Elementary, Middle, and High School, Bus Garage, All-Staff Email, District Website, and Price Co. Review

SCHOOL DISTRICT OF PHILLIPS
PHILLIPS, WISCONSIN
MINUTES OF BUDGET HEARING and ANNUAL MEETING
Monday, October 5, 2020
Phillips High School Auditorium

Present from Board of Education: Baxter, Fox, Lind, and Houdek. Absent from Board of Education: Burkart, Halmstad, Pesko, Rose and Willett. Administration Present: Superintendent Morgan; Finance Manager Lehman, one community member..

BUDGET HEARING:

1. The budget hearing was called to order at 6:00 p.m. by Vice-President Lind.
2. Superintendent Morgan reviewed expenditures and revenues in all funds. Total general fund revenues for 2020-2021 are estimated at \$9,954,649.86 and general fund expenditures for 2020-21 are estimated at \$10,232,294.95. The proposed budget for all funds is 28.99% more than the prior year, primarily due to referendum funds that must be recorded in the year they are received. The proposed mill rate for this year is estimated to be \$8.29 based on a levy of \$5,281,462.02 which is an increase from \$7.61 the previous year. The mill rate is an estimate based on property value projection. Actual figures will be available the end of the month and will be approved by the Board prior to November 1st.
3. The budget hearing was adjourned at 6:11 p.m.

ANNUAL MEETING

1. Vice-President Lind called the annual meeting to order at 6:12 p.m. followed by the Pledge of Allegiance. Superintendent Morgan explained the purpose and procedures for the annual meeting and the need to elect a chairperson for the annual meeting.
2. Paula Houdek/Town of Emery nominated Gabe Lind as chairperson. There were no other nominations. Motion (Houdek-Emery/Baxter-Phillips) to close nominations and have the secretary cast a unanimous ballot for Gabe Lind as chairperson. Motion carried with unanimous vote.
3. Motion (Baxter-Phillips/Houdek-Emery) to waive the reading of the minutes from the last annual meeting and accept them as submitted on pages 4-5 in the Annual Meeting & Budget Report. Motion carried with unanimous vote.
4. Superintendent Morgan gave the treasurer's report. Fund 10 revenues for 2019-20 totaled \$9,469,202.21 and expenditures totaled \$9,299,773.68 for a net difference of \$169,426.53. Revenues for all funds for 2019-20 totaled \$21,801,520.79 and expenditures totaled \$11,953,170.02 for a net difference of \$9,848,350.77 (majority was referendum project funds). The payment of District indebtedness for QZAB loan (elementary school roof) this year was \$17,332.16 in principal and \$1,020.10 in interest. Balance due is \$53,508.39. The payment for District indebtedness for Unfunded Liability was \$106,354.43 of principal and \$33,809.66 of interest. Balance due is \$856,996.47. The payment for District indebtedness for General Obligation Bonds was \$105,000.00 of principal, and \$36,950 of interest. Balance due is \$1,110,000.00. The proposed levy for 2020-2021 is \$5,281,426.02 made up of \$4,120,723 for operations, \$849,203.02 for debt service and \$311,500.00 for community service.

5. Motion (Fox-Worcester) to eliminate board salaries. The chairman called for a second three times. Motion failed for lack of a second. Motion (Houdek-Emery/Baxter-Phillips) to continue current board salaries. Motion carried 3-1.
6. Motion (Baxter-Phillips/Houdek-Emery) to accept the levy of \$5,281,426.02.00. Motion carried with unanimous vote.
7. Motion (Houdek-Emery/Baxter-Phillips) to accept the levy for Fund 80. This fund is used to account for activities such as adult education, community recreation programs and other programs which are not elementary and secondary educational programs but have the primary function of serving the community. The district may adopt a separate tax levy for this Fund. Statute 120.13(19) permits a school board to establish and maintain community education, training, recreational, cultural or athletic programs and services, outside regular curricular and extracurricular programs for pupils, under such terms and conditions as the school board prescribes. The school board may establish and collect fees to cover all or part of the costs of such programs and services. Access to Community Service Fund activities cannot be limited to pupils enrolled in the district's K12 educational programs. Excluded from a Community Service Fund are any academic subjects and extra-curricular activities available only to pupils enrolled in the district. Direct costs to the District result from operating and maintaining the community pool, and community programs. The Community Service Fund levy for the 2020-2021 school year will be \$311,500.00. Motion carried with unanimous vote.
8. Motion (Baxter-Phillips/Houdek-Emery) to authorize the sale of general school property belonging to, but not needed by the District not including real estate. Motion carried with unanimous vote.
9. Old business, new business and long-term planning were included in Mr. Morgan's report. The referendum project design has taken a second seat to the current health situation. However, we are on pace with the timeline and will begin taking bids on the project this winter and spring. Construction will begin in the spring through the following school year. The 29% increase in the budget is due to the referendum project funds received and required to be accounted for in the year expended. Long-range planning for the aquatic center projects has started for community service fund balance as recommended by the auditors.
10. Motion (Houdek-Emery/Baxter-Phillips) to set the Annual Budget Hearing and Annual Meeting for October 4, 2021 at 6:00 p.m. Motion carried with unanimous vote.
11. Motion (Houdek-Emery/Baxter-Phillips) to adjourn. Motion carried with unanimous vote. The annual meeting adjourned at 6:25 p.m.

Respectfully submitted,

Tracie Burkart, Clerk
Board of Education



School District of Phillips Wisconsin K-12 Public Education



To inspire & empower
all students to reach
their greatest potential

Budget Hearing
October 4, 2021

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<u>Name</u>	<u>Term Expires</u>
Anne Baxter (Area II)	Spring 2023
Joe Fox (Area I)	Spring 2023
Hailey Halmstad (Area III)	Spring 2024
Paula Houdek (Area I)	Spring 2022
Marty Krog (Area II) – Vice President	Spring 2024
Vacant (Area III)	Spring 2022
Jon Pesko (Area I) – President	Spring 2024
Kevin Rose (Area III) – Treasurer	Spring 2023
Stephen Willett (Area II)	Spring 2022

Area I includes Emery, Flambeau, and Worcester Townships

Area II includes City of Phillips and Town of Elk

Area III includes Villages of Catawba and Kennan, Township of Harmony and parts of the Townships of Catawba, Georgetown, Hackett and Kennan located within the School District of Phillips boundaries)

Introduction

A budget is a financial plan designed to achieve the educational objectives of the School District of Phillips. The budget needs to be accountable to meet these educational objectives with the financial constraints that exist. The budget needs to be understandable to the Board of Education, administration, staff, parents and the district taxpayers. .

Executive Summary

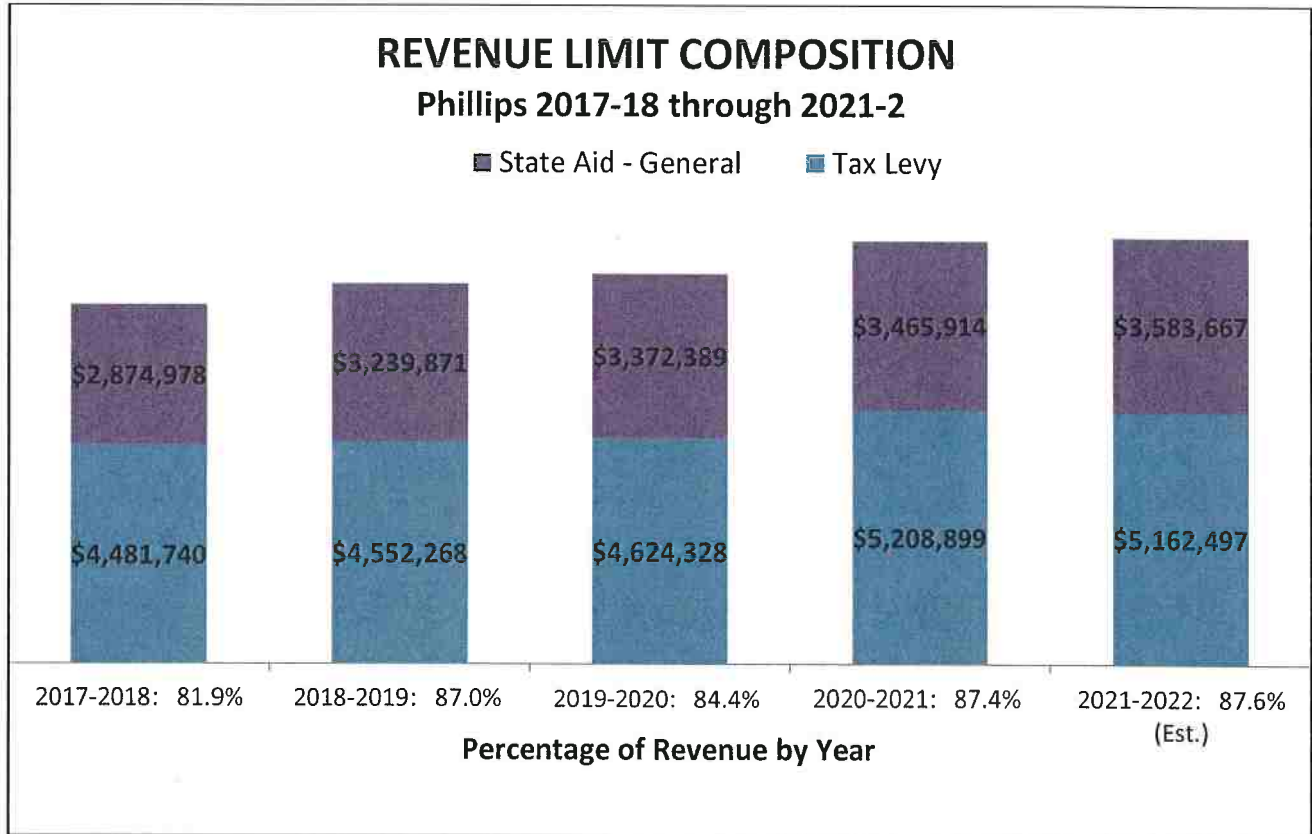
Accounts used in school district budgeting and financial reporting are designated by the Department of Public Instruction. A uniform accounting system is essential for the facilitation of reporting, auditing, data processing, inter-district comparisons, and financial accounting for cooperative programs. A school district’s budget is divided into many “funds”. These “funds” are used to account for specific school district programs. The different “funds” and their descriptions are presented in the table below:

Fund	Description
10	General
21	Special Revenue Trust
27	Special Education
38	Non-Referendum Debt Service
39	Referendum Debt Service
41	Capital Expansion Fund
49	Capital Projects
50	Food Service
72	Private Benefit Trust
73	Employee Benefit Trust
80	Community Service
99	Other Cooperative Funds

Financial administration requires that each transaction is identified for administrative and accounting purposes. The first identification is by the 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 specific objectives. Each fund must be so accounted for that the identity of its resources and obligations and its revenues and expenditures is continually maintained.

A state revenue cap formula is a significant factor in the development of the budget. The revenue cap limits the amount of revenue available to school districts from the two main sources – property taxes and state equalization aid. The revenue cap directly affects Funds 10, 38, and 41, and indirectly affects Fund 27. Fund 27 is primarily funded from a transfer from Fund 10.

The 2021-23 State budget increases the revenue cap per student by \$0.00 during 2021-22 and \$0 during 2022-23. The budget includes a \$0 change in the per pupil categorical aid. The most recent four years of revenue limit composition and the estimated increase for 2021-22 is shown below:



Please note: the 2020-21 thru 2021-22 revenue limit increase is due to the April, 2020 capital referendum project question.

Enrollment

Equalization aid and revenue limit calculations use district pupil count data that is then converted to full time equivalency (FTE). The calculated FTE is referred to as membership. The most recent four years of historical numbers and the September 2021 numbers are shown below.

The historical student count shows a decrease in enrollment along with the September 2021 enrollment. This is due largely to our graduating classes being larger than our incoming kindergarten classes. Enrollment decreases result in the loss of additional revenues being available through the revenue limit formula.

Grade	2017-18	2018-19	2019-20	2020-21	2021-22
Other	1	1.5	2	1.5	.5
4K	30	25.8	25.2	29.4	27
K	50	51	46	42	48
1	47	54	52	44	40
2	57	51	56	54	48
3	54	55	49	58	53
4	46	53	58	52	59
5	64	39	53	59	50
6	55	62	41	55	62
7	66	57	63	46	57
8	51	67	59	65	48
9	68	59	62	55	59
10	68	62	57	59	60
11	62	62	66	52	58
12	63	64	60	65	57
Year Totals	782	763	749	737.9	726.5
% Change	.26%	-2.42%	-1.83%	-1.48	-1.54

Tax Levy

The 2021-2022 tax levy decreased to \$5,162,497.00 or \$46,402 less than 2020-2021. This decrease equates to a .89% decrease. Two years of historical information and the proposed tax levy for this year is shown below.

PROPOSED PROPERTY TAX LEVY			
FUND	Audited 2019-20	Unaudited 2020-21	Budget 2021-22
General Fund	4,013,936.65	4,048,196.00	4,015,600.00
Referendum Debt Service Fund	0.00	548,537.00	685,247.00
Non-Referendum Debt Service Fund	298,891.35	300,666.00	150,150.00
Capital Expansion Fund	0.00	0.00	0.00
Community Service Fund	311,500.00	311,500.00	311,500.00
TOTAL SCHOOL LEVY	4,624,328.00	5,208,899.00	5,162,497.00
PERCENTAGE INCREASE -- TOTAL LEVY FROM PRIOR YEAR	0.02	12.64%	-0.89%

TAX LEVY EXPLANATION

The school district tax levy is made up of several components. These include:

- Amount of operational dollars needed-General Fund, Capital Projects, Community Service levies
- Amount of debt service tax dollars needed-Debt Service Fund levy
- The equalized value of property in the school district
- Mill (tax) rate

The tax levy is the total amount of property taxes levied or assessed to municipalities in our school district to fund school operations. The maximum tax levy amount, other than referendum-approved long-term debt or long-term debt incurred prior to 1993, is determined through the state's revenue cap (limit) formula. Taxpayer approval, through the referendum process, is required if a school district wants to exceed the revenue limit. The tax levy approved at the Annual Meeting will be adjusted by the Board of Education in October when the Department of Public Instruction (DPI) has certified the district's state equalization aid amount for the 2020-2021 fiscal year which is received in 2021-2022.

Equalized valuation is the fair market value of all properties within a school district as determined by the Wisconsin Department of Revenue. The Wisconsin Department of Revenue uses property sales information to determine a municipality's equalized "fair market" valuation. This information is reported to the school district in October of each year.

The school district distributes the certified (approved) tax levy among the municipalities according to the proportion of equalized value each municipality has in comparison to the total equalized value of the school district. Each municipal treasurer distributes this levy among the various residents based on the assessed value of the property within the municipality.

Equalized valuation plays a very important role in determining the school mill (tax) rate. For purposes of budget projections, the school district must estimate the equalized value (\$659,649,506) which is used for the 2021-22 fiscal mil rate estimate reflecting a 3.5% increase in equalized value over last year. In October, the actual certified equalized values of all municipalities within the school district are reported by the Department of Revenue. The

district then calculates the actual mill (tax) rate per thousand dollars of equalized valuation. Property values decreased in the last preceding fiscal year.

To calculate the school mill (tax) rate, the district uses the tax levy certified (approved) by the School Board in October and divides that amount by the total equalized value of the school district. The mill rate is defined as the rate one thousand dollars of equalized valuation will raise in property taxes. Property owners in a municipality having more than one school district, fire district, or other governmental entity may find that mill rates vary within the municipality. Property owners may realize different changes (typically increases) in their property assessments depending upon conditions within their community and surrounding communities.

The Board is proposing a total tax levy of \$5,162,497 to fund the 2021-22 budget. To determine the rate per thousand, the district divides \$5,162,497.00 by the estimated equalized value of the district, \$659,649,506. This produces a projected mill (tax) rate of \$7.83. Since the district does not receive the official (certified) equalized valuation until October 15, 2021, the property taxpayer in the School District of Phillips may realize a change in the estimated 2021-22 mill rate. For example, if the tax levy remains the same as approved, but the total equalized valuation decreases from the estimate used, the mill rate would increase. If the total equalized valuation increases from the estimate used, the mill rate would decrease. The Board is required to make any adjustments, if needed, to the levy on or before November 1, 2021. The final determination of state aid will also modify the estimated mill rate.

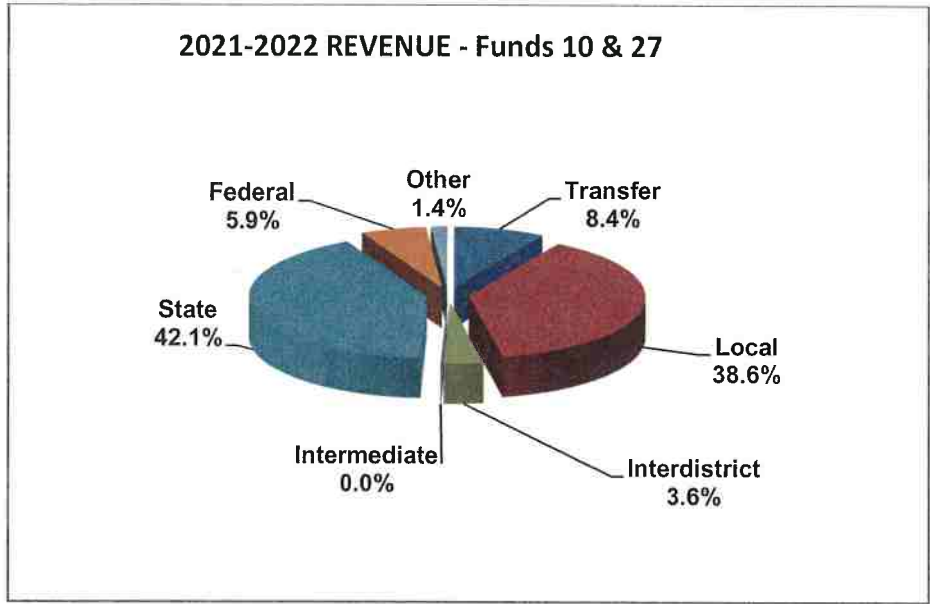
LEVY HISTORY		
<u>For School Year</u>	<u>Dollars</u>	<u>Mill Rate</u>
2011-2012	5,250,710	8.39183
2012-2013	5,474,027	9.04127
2013-2014	5,278,530	8.65706
2014-2015	5,497,150	8.88330
2015-2016	5,731,280	9.61172
2016-2017	5,154,449	8.68088
2017-2018	4,874,852	8.28270
2018-2019	4,552,268	7.71467
2019-2020	4,662,252	7.67397
2020-2021	5,208,899	8.17335
2021-2022	5,162,497	7.82612 (est.)

Total Expenditures

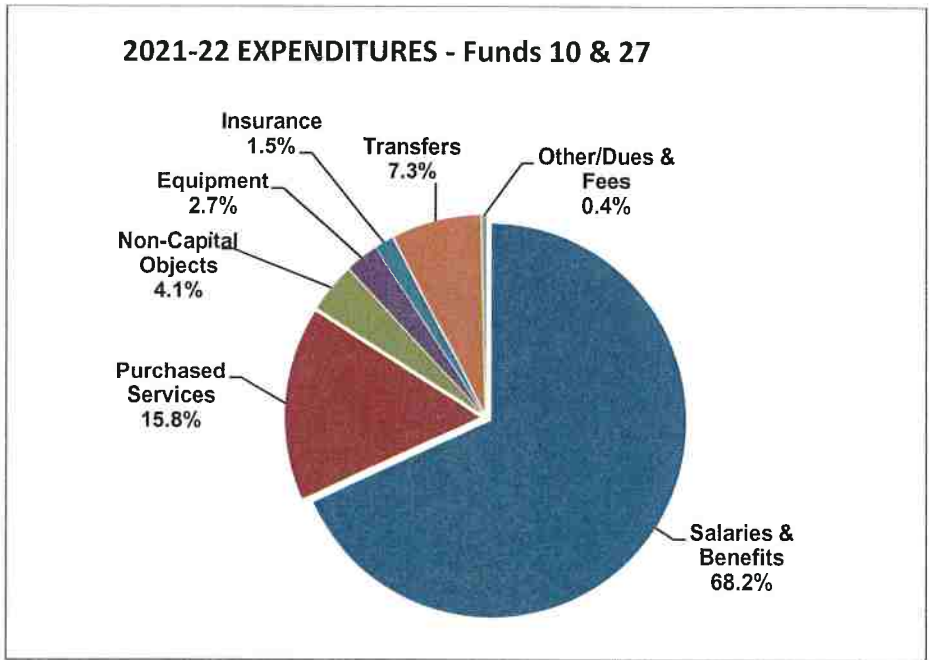
A summary of the expenditures showing two years of historical information and the proposed 2021-2022 budget is shown below. The large increase in expenditures is due to the building project.

Total Expenditures and Other Financing Uses			
ALL FUNDS	Audited 2019-20	Unaudited 2020-21	Budget 2021-22
GROSS TOTAL EXPENDITURES -- ALL FUNDS	11,969,958.98	26,866,567.48	20,579,656.05
Interfund Transfers (Source 100) - ALL FUNDS	873,179.64	861,231.36	873,180.00
Refinancing Expenditures (FUND 30)	0.00	11,805,669.85	0.00
NET TOTAL EXPENDITURES -- ALL FUNDS	11,096,779.34	14,199,666.27	19,706,476.05
PERCENTAGE INCREASE – NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR		27.96%	38.78%

Where do the revenues come from? (Funds 10 and 27)



What are the expenditures spent on? (Funds 10 and 27)



General Fund 10

Purpose of Fund: The purpose of the general fund 10 is to account for the educational programs and operations of the school district, excluding special education programs.

GENERAL FUND	Audited 2019-20	Unaudited 2020-21	Budget 2021-22
Beginning Fund Balance	2,890,253.00	3,059,679.53	3,217,195.14
Ending Fund Balance	3,059,679.53	3,217,195.14	2,864,877.82
REVENUES & OTHER FINANCING SOURCES			
Transfers-In (Source 100)	0.00	0.00	0.00
Local Sources (Source 200)	4,130,314.89	4,108,063.41	4,046,313.00
Inter-district Payments (Source 300 + 400)	367,059.00	341,314.80	362,170.00
Intermediate Sources (Source 500)	2,097.54	6,146.29	4,646.00
State Sources (Source 600)	4,522,183.89	4,600,220.76	4,655,096.28
Federal Sources (Source 700)	359,826.39	649,287.90	888,384.37
All Other Sources (Source 800 + 900)	87,718.50	221,305.79	30,050.00
TOTAL REVENUES & OTHER FINANCING SOURCES	9,469,200.21	9,926,338.95	9,986,659.65
EXPENDITURES & OTHER FINANCING USES			
Instruction (Function 100 000)	4,334,427.15	4,461,217.24	4,541,738.88
Support Services (Function 200 000)	3,653,800.01	3,879,410.79	4,272,827.09
Non-Program Transactions (Function 400 000)	1,311,546.52	1,428,195.31	1,524,411.00
TOTAL EXPENDITURES & OTHER FINANCING USES	9,299,773.68	9,768,823.34	10,338,976.97

Special Projects Funds

Special projects funds reported below include combined budgets for both the Special Revenue Trust Fund and Special Education Fund.

Fund 21 Special Revenue Trust Fund

This fund is used to account for trust funds that can be used for district operations. The source of such funds is gifts and donations. Cash and investments in this fund are expended pursuant to donor specifications. There may be a fund balance in this fund.

Fund 27 Special Education Fund

This fund is used to account for the excess cost of providing special education and related services for students with disabilities during the regular school year or extended school year. Also included are charges for services provided to other districts as a result of being a host district for a special education package or cooperative program. School Age Parent costs are also charged to this Fund. No fund balance or deficit can exist in this fund.

SPECIAL PROJECTS FUND	Audited 2019-20	Unaudited 2020-21	Budget 2021-22
Beginning Fund Balance	128,163.46	50,392.71	234,977.46
Ending Fund Balance	50,392.71	234,977.46	232,483.38
REVENUES & OTHER FINANCING SOURCES	1,387,438.56	1,647,816.91	1,588,976.01
EXPENDITURES & OTHER FINANCING USES	1,465,209.31	1,463,232.16	1,591,470.09

Debt Service Funds

These funds are used for recording transactions related to repayment of the following debt service. Debt tax levies must be recorded in these funds. The resources in these funds may not be used for any other purpose as long as a related debt remains.

Fund 38 Non-Referendum Debt Service Fund

This fund is used to account for transactions for the repayment of debt issues that were either not authorized by school board resolution before August 12, 1993, or incurred without referendum approval after that date. A fund balance may exist in this fund. Sections 67.05(6a) (b) and 67.12(12(e)(2g)) of the Wisconsin Statutes provides authority for school districts to borrow up to \$1,000,000 without elector approval. The specific limit for each school district is the lesser of \$1,000,000 or a calculated amount which uses statewide value and membership data. The district’s limit is cumulative and applies to both bonds and promissory notes. Therefore, at any given time the total debt issued by the district under this provision cannot exceed their calculated authority. If, for example, a district’s authority is \$1,000,000, and they have already issued debt of \$900,000 they would only have authority available of \$100,000. However, every principal payment made on the \$900,000 borrowing would increase their available authority limit.

Fund 39 Referendum Approved Debt Service Funds

This fund is used to account for transactions for the repayment of debt issues that were either authorized by school board resolution before August 12, 1993, or approved by referendum. The district may account for referendum approved debt service transactions in Funds 31, 32, 33, 34, 36, 37 (which are not presently assigned by DPI for reporting purposes) and/or Fund 39. If the district uses funds other than Fund 39, the district must combine and report these funds as Fund 39. A fund balance may exist in this fund.

DEBT SERVICE FUND	Audited 2019-20	Unaudited 2020-21	Budget 2021-22
Beginning Fund Balance	36,903.21	35,328.21	137,605.91
Ending Fund Balance	35,328.21	137,605.91	130,278.91
REVENUES & OTHER FINANCING SOURCES	298,891.35	12,654,872.87	835,397.00
EXPENDITURES & OTHER FINANCING USES	300,466.35	12,552,595.17	842,724.00

DISTRICT INDEBTEDNESS

QZAB	2021-22 Principal Paid	\$18,310.05
	2021-22 Interest Paid	\$42.21
	Balance Due	\$18,048.68
Taxable G.O. Refunding Bonds	2021-22 Principal Paid	\$ 139,000.00
	2021-22 Interest Paid	\$19,972.00
	Balance Due	\$1,538,000.00

General Obligation	2021-22 Principal Paid	\$ 110,000.00
Bonds	2021-22 Interest Paid	\$ 0.00
	Balance Due	\$0.00
General Obligation	2021-22 Principal Paid	\$340,000.00
Refunding Bonds	2021-22 Principal Paid	\$212,100.00
	Balance Due	\$9,165,000.00

Fund 49 Other Capital Project Funds

These funds are used to report capital project fund activities. The School District of Phillips has authorized the use of this fund for the development of a Science-Technology-Engineering-Arts-Math (STEAM) program in conjunction with an Industrial arts fabrication lab (FAB LAB). This project is coordinated in conjunction with the Wisconsin Economic Development Corporation (WEDC) FAB LAB grant the district secured in 2017. As the result of a referendum election on April 7, 2020, the District has been authorized to issue general obligation bonds in an amount not to exceed \$9,860,000 for the public purpose of paying the cost of a school building and improvement program consisting of construction of an addition for classrooms and expansion and renovation of the Middle/High School building to create a single K-12 campus; upgrades and site improvements; potential demolition of a portion of Phillips Elementary School; and acquisition of furnishings, fixtures and equipment (the "Project"). A fund balance may exist in this fund.

CAPITAL PROJECTS FUND	Audited 2019-20	Unaudited 2020-21	Budget 2021-22
Beginning Fund Balance	60,668.78	9,812,544.73	7,453,115.46
Ending Fund Balance	9,812,544.73	7,453,115.46	612,027.46
REVENUES & OTHER FINANCING SOURCES	9,860,537.55	33,498.67	23,232.00
EXPENDITURES & OTHER FINANCING USES	108,661.60	2,392,927.94	6,864,320.00

Fund 50 Food Service Fund

All revenues and expenditures related to pupil food service activities are recorded in this fund. A fund balance in the Food Service Fund is permitted. There may be no deficit in the Food Service Fund. Any food service fund deficit, resulting from student food services, must be eliminated by an operating transfer from the General Fund. In compliance with the federal requirements of the Healthy Hunger-Free Act, the District did not have to increase school lunch prices for 2021-22.

FOOD SERVICE FUND	Audited 2019-20	Unaudited 2020-21	Budget 2021-22
Beginning Fund Balance	106,798.88	104,488.80	82,399.24
Ending Fund Balance	104,488.80	82,399.24	48,552.88
REVENUES & OTHER FINANCING SOURCES	463,432.05	400,610.41	507,745.63
EXPENDITURES & OTHER FINANCING USES	465,742.13	422,699.97	541,591.99

Fund 80 Community Service Fund

This fund is used to account for activities such as adult education, community recreation programs and other programs which are not elementary and secondary educational programs but have the primary function of serving the community. The district may adopt a separate tax levy for this Fund. Statute 120.13(19) permits a school board to establish and maintain community education, training, recreational, cultural or athletic programs and services, outside regular curricular and extracurricular programs for pupils, under such terms and conditions as the school board prescribes. The school board may establish and collect fees to cover all or part of the costs of such programs and services.

Access to Community Service Fund activities cannot be limited to pupils enrolled in the district's K-12 educational programs. Excluded from a Community Service Fund are any academic subjects and extra-curricular activities available only to pupils enrolled in the district.

Direct costs to the District result from operating and maintaining the community pool, and community programs. The Community Service Fund levy for the 2021-2022 school year will be \$311,500.

COMMUNITY SERVICE FUND	Audited 2019-20	Unaudited 2020-21	Budget 2021-22
Beginning Fund Balance	332,277.40	345,439.07	400,050.52
Ending Fund Balance	345,439.07	400,050.52	341,277.52
REVENUES & OTHER FINANCING SOURCES	343,267.58	320,900.35	341,800.00
EXPENDITURES & OTHER FINANCING USES	330,105.91	266,288.90	400,573.00

