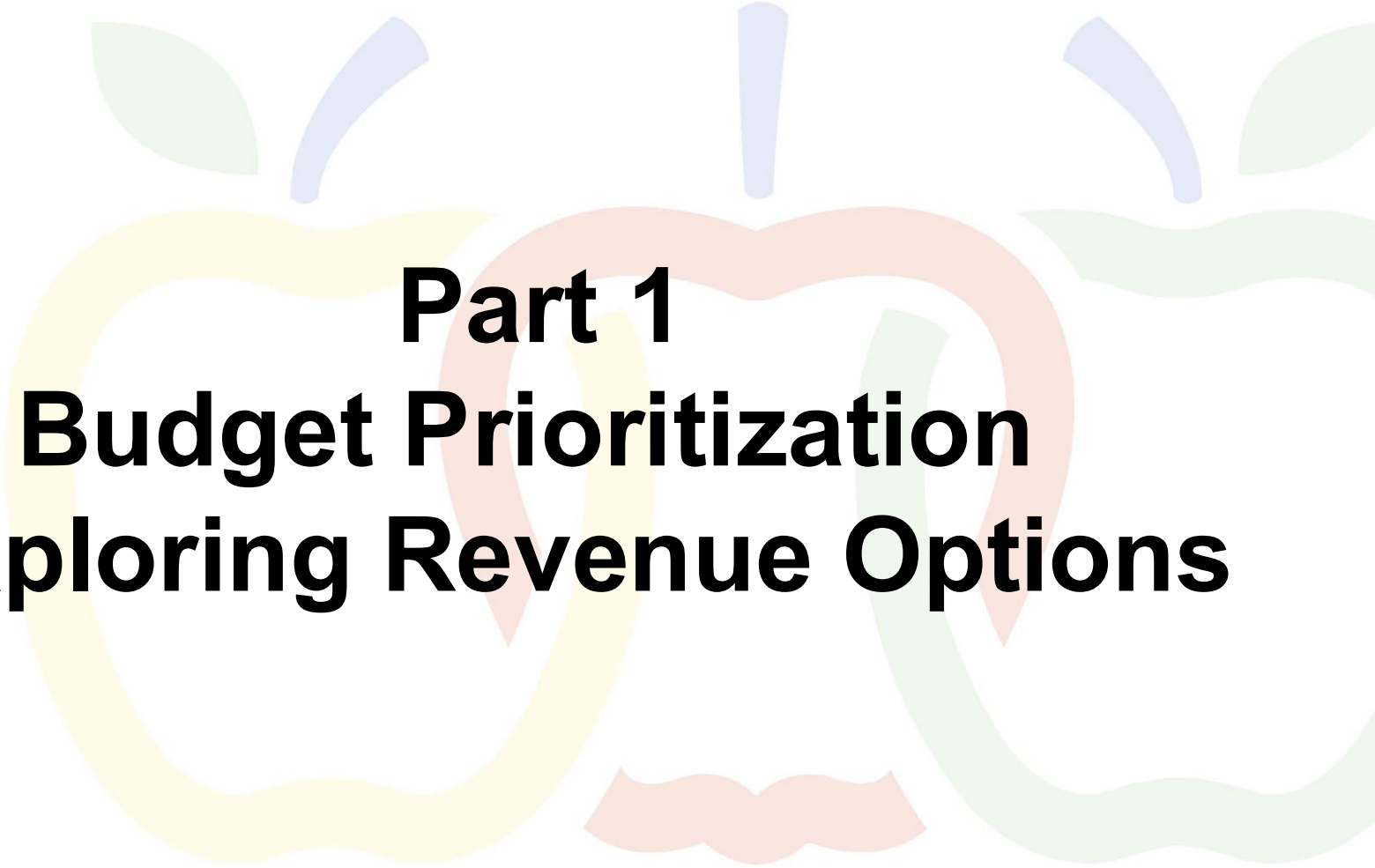


June 9, 2025

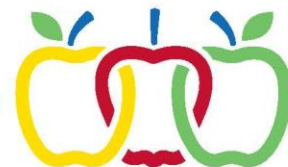


Part 1

Budget Prioritization

Exploring Revenue Options

Holly Burr, Executive Director of Finance



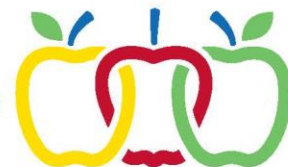
Why a Financial Strategy Matters

- Sustainable funding is essential for maintaining and improving student outcomes.
- Rising costs and evolving educational demands require proactive planning.
- State Aid continues to fall short of inflationary cost increases.
- Additional funding through ESSER has ended and we are nearing the end of our discretionary fund balance dollars.
- The first step is to evaluate options to generate additional revenue for long-term financial health.



What Are Our Revenue Sources?

- State Aid
 - Equalization
 - Categorical
- State and Federal Grants
- Local Sources
 - Open Enrollment
 - Other Sources (Gifts/Donations, Local Grants, Partnerships, Fees)
 - Local Taxes
 - Fund 80
 - Operating Referendum



State Aid

- **Equalization Aid**: Balances funding across districts based on property wealth
2024-25 total Aid = **\$114,883,926**
 - **Pros:**
 - Core component of district revenue – 53.4% of revenues
 - May increase with enrollment or need (prior year use of funds)
 - **Cons:**
 - Subject to Revenue Limits
 - Subject to state budgeting and political climate
 - **Decreases if enrollment declines**
- **Categorical Aid**: Targeted funding for specific programs
2024-25 total Aid = **\$24,135,755**
 - **Per Pupil Aid** - \$742/member 2024-25 = \$10.4 million
 - **Special Education Aid** – Prior year expense reimbursement
– 2024 Rate = 32.4% 2024-25=\$11.6 million
 - **Other Categorical Aids**: Transportation, School Mental Health Programs, WI Common School Funds (Library Aid), High-Cost Special Ed Aid.
2024-25= \$2.1 million
 - **Pros:**
 - Outside of Revenue Limits
 - May increase with enrollment or need
 - **Cons:**
 - Subject to state budgeting and political climate
 - Limited flexibility in use



State Aid

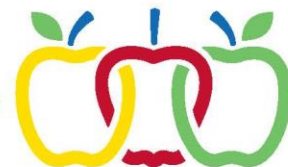
- Projected Revenue Limit Increase:
 - \$325/member = \$4,733,000
 - Which is a 2.7% increase over current
- Per Pupil Aid
- Special Education Aid:
 - 30% = \$11,615,000
 - 45% = \$17,422,500
 - 60% = \$23,230,000
 - Sum certain vs sum sufficient

Advocacy: Engage in advocacy efforts at the state level to influence policy discussions and potential revisions to the aid formula & Categorical Aid allocations



State and Federal Grants

- Grant Sources: Wisconsin DPI, Federal (Titles I, II, III, IV, ESSA, IDEA, Medicaid)
 - \$15.5 million
- **Pros:**
 - Funding for innovation and program enhancement
 - Offsets local tax burden
- **Cons:**
 - Competitive and time-intensive
 - Often non-recurring and restrictive in scope



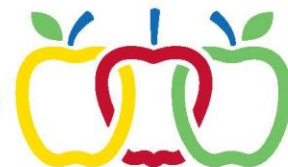
Other Local Revenue Sources

Open Enrollment (net) - \$6.4 million

- **Pros:**
 - Allows students/families choice – we are positively aided (we have more students enrolling in than our district residents enrolling out)
 - Positive community image
- **Cons:** Reimbursement is at a lesser rate than in-District students who are counted and aided through the equalization formula

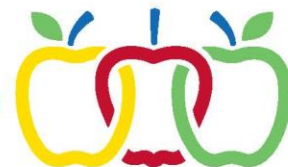
Other:

- Gifts/Donations/Grants - \$2.5 million
 - Split between District (general) and site specific is about equal
- Student fees - \$1.3 million
- Other Misc. revenues - \$500,000
- **Pros:**
 - Additional funding outside of revenue limits – eases tax burden
- **Cons:**
 - Resources to manage the use of the funding
 - Generally one-time amounts (small in scale)



Local Taxes - Fund 80

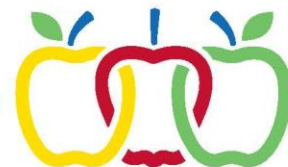
- [Fund 80](#) Definition: A school district may establish and maintain community education, training, recreational, cultural or athletic programs and services, outside of its regular curricular and extracurricular programs for pupils.
- Current Fund 80:
 - Budget \$2,839,000
 - Tax Impact = \$.23 of mill rate
 - Uses - Community use of buildings, pools, and ropes course, three Community Schools programs, Before/After school programs, community programs & event partnerships, ACT-Prep course, Birth-Five and Evenstart programs, safety/security programs (SRO and crossing guards).
- [Exclusions](#) –
- Potential tax impact - \$500,000 = \$.04



Local Taxes – Referendum

Operational Referendum: Increases revenue limit = increases the tax levy to local taxpayers.

- Recurring: A one-time referendum
 - Approved amount is added to the per-pupil base moving forward
 - **Pro:** One-time cost of running a referendum
 - **Cons:**
 - If low revenue ceiling is increased by the state – referendum approved increase is overridden
 - Flat amount each year
- Non-Recurring: Operating Referendum for a set number of years.
 - Approved amount is added to the revenue limit annually for each year approved.
 - **Pro:** Option of using a phased model (step model)
 - **Cons:**
 - Only continues for the number of years it is approved
 - Cost of running referendums every xx years.
 - Program cuts if future referendum not approved
- Estimated tax (mill rate) impact



Key Considerations

- What are our current and projected financial gaps?
- How do we ensure sustainability?
- What mix of funding supports our mission?
- How can we involve stakeholders?



Questions & Discussion

- Which options are most promising for AASD?
- How do we prepare for referendum and grant cycles?
- What support do we need from the community?



Next Steps for AASD

- Continue revenue analysis
- Identify grant and aid opportunities
- Explore referendum timing and outreach
- Foster partnerships and new revenue streams

