



NICOLET

HIGH SCHOOL

2022-23
Budget Planning Guide

Prepared by Jeff Pruefer, Director of Business Services
February, 2022

Table of Contents

[2022-23 Budget Planning Timeline](#)..... 3-4

HISTORICAL BUDGET INFORMATION

[Historical Enrollment \(Head Count\) Information](#) 5

[Historical Open Enrollment Information](#) 6

[Historical Integration Program \(220\) Enrollment Information](#)..... 7

[Historical Student Demographic Information](#) 8-11

[Historical Budget \(Revenue & Expenses\) Data](#)..... 12-13

[Historical Fund Balance Information](#)..... 14

BUDGET FORECAST INFORMATION

[2022-27 Budget Priorities](#) 15-16

[2022-27 Budget Assumptions Overview](#)..... 16-17

[Wisconsin State Budget Assumptions](#) 17

[2022-23 Enrollment Projection/FTE Projection](#)..... 18-20

[Expenditure Assumptions](#)..... 20-21

[Preliminary Staffing Needs](#) 21-23

[Budget Impact of Debt Structure](#) 23

[ESSER Funding Update](#) 24

[2022-23 Budget Requests](#)..... 25

[Projected 2022-23 Financial Results](#)..... 25

[Long-Range Financial Targets](#) 26

[Projected Tax Levy Information](#)..... 26

Five-Year Financial Forecast Appendix A

Short and Long-Range Enrollment Projection.....Appendix B

2022-23 Budget Planning Timeline

October ('21)	<ul style="list-style-type: none"> ● Submit 2020-21 school level reporting data to DPI (10/1) ● Submit 2021-22 PI 1563 Sept (Pupil Count), PI 1804 (Summer School Pupil Count), and PI 1547-SS (Summer Transportation) to DPI (10/1) ● Board certifies 2021-22 PI 401 (Tax Levy) and District submits to DPI (10/25) ● Board approves 2021-22 Original Budget (10/25) and budget is adopted in Skyward ● Certified levies submitted to municipalities
November ('21)	<ul style="list-style-type: none"> ● Administrative Team builds ESSER III budget (ongoing) ● Business Director drafts 2022-23 budget calendar ● Business Director prepares budget request process for 2022-23
December ('21)	<ul style="list-style-type: none"> ● Business Director releases 2022-23 budget request form to dept. leaders (12/3) ● Board approves 2022-23 Budget Timeline (12/20) ● Board approves new/updated/eliminated courses (12/20)
January ('22)	<ul style="list-style-type: none"> ● Budget requests due from dept. leaders (1/7) ● Business Director conducts budget discussion with District Leadership Team (DLT) to review budget and budget requests (1/10) <ul style="list-style-type: none"> ○ Review district priorities for 2022-23 ○ Review revenue/expenditure assumptions for 2022-23 ○ Review budget requests for 2022-23 ○ Prioritize budget requests for 2022-23 ● Business Director conducts discussion at Board Workshop to establish 2022-23 Budget Assumptions (1/13) ● Board approves Open Enrollment seats (1/24) ● Submit PI 1563-Jan (January Student Count) to DPI (01/28) ● Staff retirement notices due by end of month (1/31)
February ('22)	<ul style="list-style-type: none"> ● Business Office prepares Budget Planning Guide based on: <ul style="list-style-type: none"> ○ Enrollment Assumptions ○ Revenue/Expenditure Assumptions ○ Levy Assumptions (220 Enrollment, property valuation, etc.) ○ Staffing Projection ○ Budget Requests ● Business Director presents 2022-23 Budget Guidelines to Leadership Team (2/7) ● Business Director presents 2022-23 Budget Guidelines at Board Workshop (2/10) ● Board Approves 2022-23 Budget Guidelines (2/28) ● Business Director releases 2022-23 budget allocations to budget managers (3/1)
March ('22)	<ul style="list-style-type: none"> ● Department budget development ● Budget managers submit 2022-23 budgets to business office (Due: 3/28) ● Superintendent conducts staffing needs assessment (after course selections) ● Business Office begins renewal conversations regarding annual agreements
April ('22)	<ul style="list-style-type: none"> ● District submits 2021-22 PI 1570 claims (High Cost SPED) to DPI for 2020-21 costs ● Superintendent finalizes staffing needs assessment (4/8)

	<ul style="list-style-type: none"> ● Personnel Budget development begins (4/9) ● Preliminary Budget development begins (4/9) ● 2022-23 Staffing Plan presented to Board (4/14) ● 2022-23 Staffing Plan presented to Board for approval (4/25) ● Finalization of school fees for 2022-23 to Board (4/25)
May ('22)	<ul style="list-style-type: none"> ● Preliminary Budget presented at Board Workshop (5/12) ● Preliminary Budget presented for Approval (5/23)
June ('22)	<ul style="list-style-type: none"> ● Preliminary Audit field work conducted ● 2021-22 budget updates to Board for approval (6/27)
July ('22)	<ul style="list-style-type: none"> ● 2022-23 fiscal year begins (7/1) ● Equalization Aid estimates released by DPI (7/1) ● Business Office prepares for 2021-22 audit in August ● Submit DPI Transportation Report (Due Date: Early July)
August ('22)	<ul style="list-style-type: none"> ● Publish Preliminary Budget in NorthShore Now (Due Date: Early August) ● Financial audit conducted (Early August) ● Submit PI 1505 - School Census (Due Date: TBD) ● Submit PI 1505 - School Calendar Report (Due Date: TBD) ● Conduct Annual Meeting/Budget Hearing (Date: TBD) ● Submit PI 1505 - AC (Aid Certification) per DPI requirements (updated for 22-23)
September ('22)	<ul style="list-style-type: none"> ● Submit Financial Annual Reports per DPI requirements (updated for 22-23) ● Submit any Transfer of Service Requests (Due Date: TBD) ● Submit PI 1804 - Summer School Pupil Count (Due Date: TBD) ● Conduct Third Friday Pupil Count and submit PI 1563 – (Date: Late September) ● Business Office seeks line of credit approval for 2022-23
October ('22)	<ul style="list-style-type: none"> ● Submit PI 1541 - 220 Program Report (Due Date: TBD) ● Submit SLR - Annual (School Level Reporting) (Due Date: TBD) ● Wisconsin DPI provides certified Equalization Aid (10/15) ● Business Director makes changes to and Board adopts “Original Budget” and certifies the property tax levy (Date: TBD) ● Budget finalized in Skyward Financial Management System ● Certified levy sent to municipalities
November ('22)	<ul style="list-style-type: none"> ● District submits required budgetary information per DPI requirements (updated for 22-23)

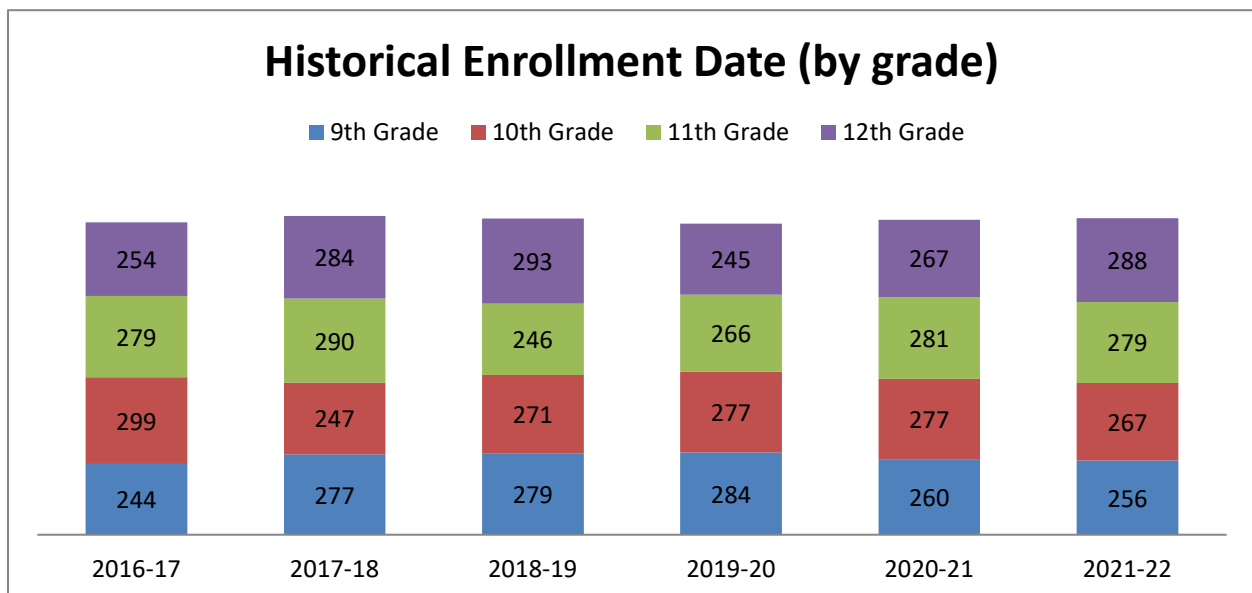
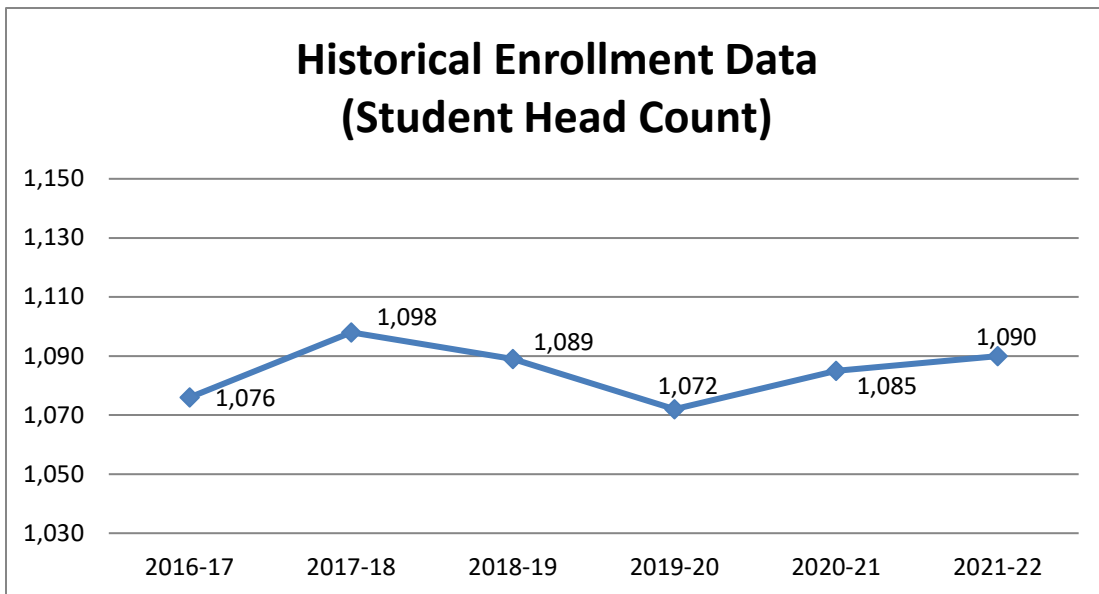
HISTORICAL BUDGET INFORMATION

HISTORICAL ENROLLMENT DATA

Head Count by Year						
Grade	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
9	244	277	279	284	260	256
10	299	247	271	277	277	267
11	279	290	246	266	281	279
12	254	284	293	245	267	288
Total	1,076	1,098	1,089	1,072	1,085	1,090

Notes

- 16-17, & 17-18 data retrieved from DPI WiseDash system
- 18-19, 19-20, 20-21, & 21-22 data based on September student count



HISTORICAL OPEN ENROLLMENT DATA

Open Enrollment In

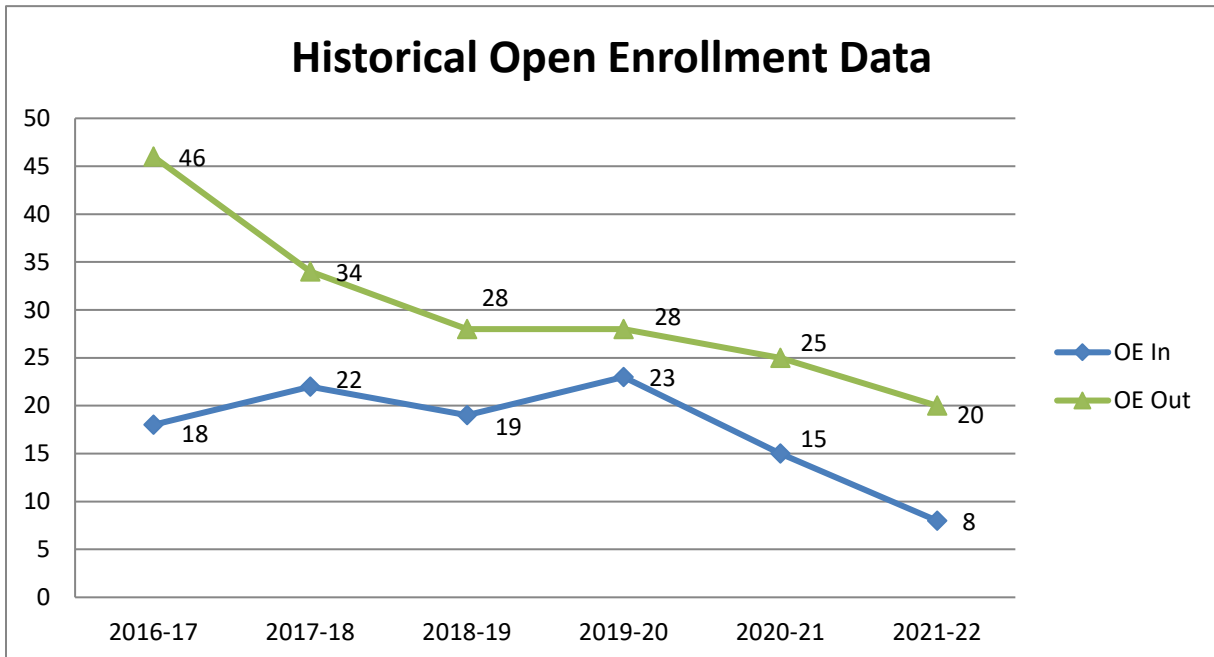
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
9	5	4	4	2	0	0
10	3	7	6	4	2	0
11	6	4	6	8	5	2
12	4	7	3	9	8	6
Total	18	22	19	23	15	8

Open Enrollment Out

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
9	6	4	2	4	6	5
10	12	7	5	7	6	6
11	15	11	11	5	6	3
12	13	12	10	12	7	6
Total	46	34	28	28	25	20

Notes

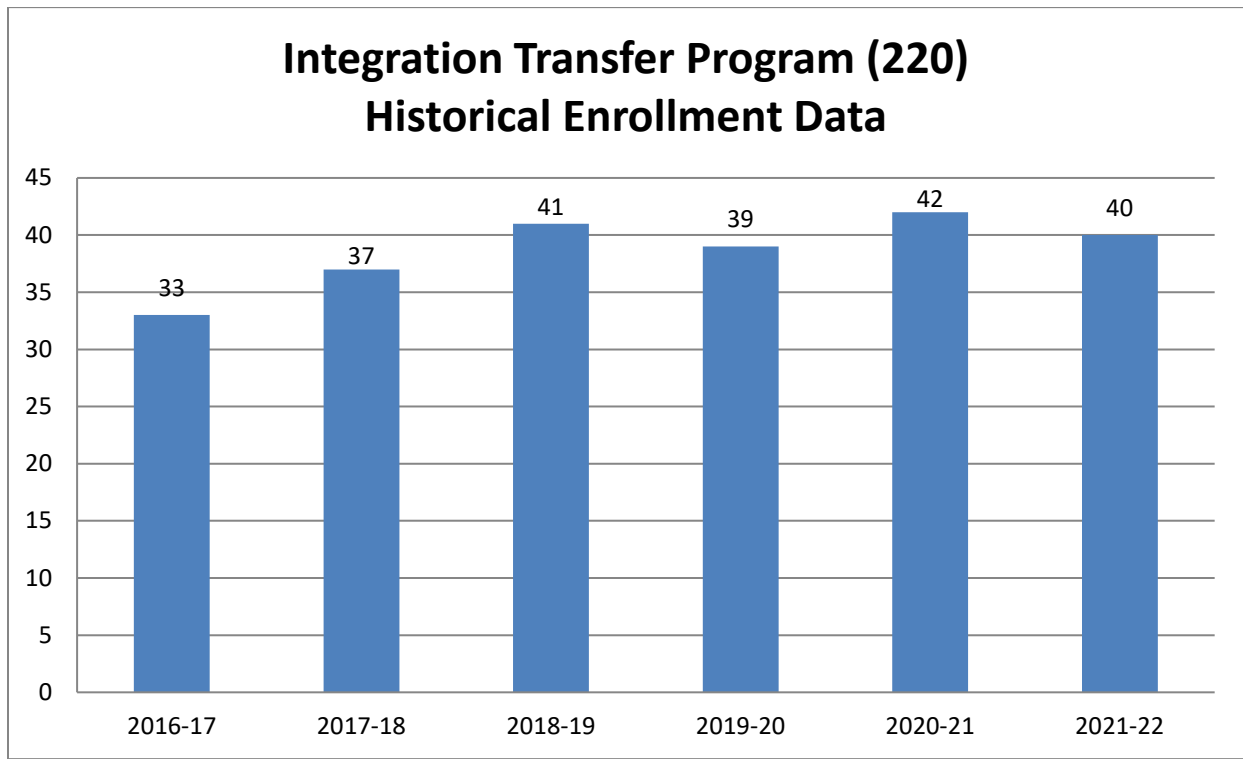
- Historical data retrieved from DPI OPAL website (represents end of year calculation)
- Current year data reflective of DPI OPAL website as of 2/7/2022



HISTORICAL INTEGRATION PROGRAM ENROLLMENT DATA (CHAPTER 220)

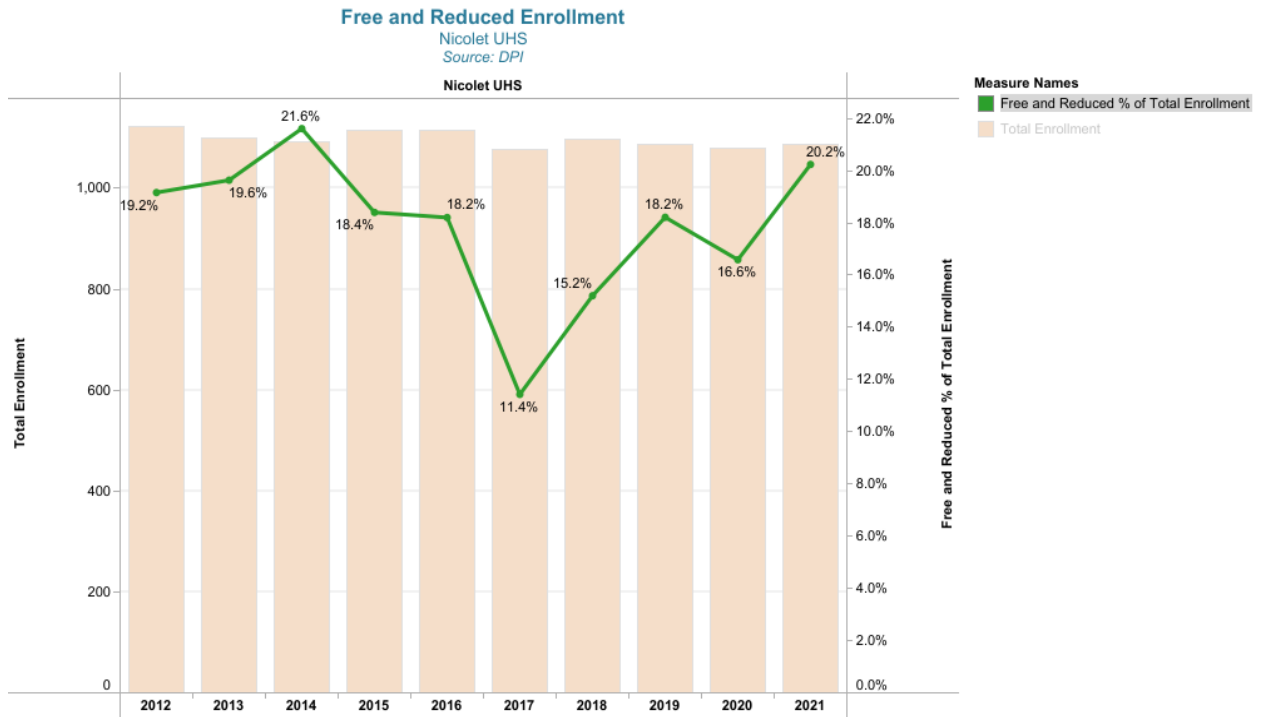
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
9	6	14	12	11	10	10
10	11	6	14	11	11	11
11	7	11	6	11	10	10
12	9	6	9	6	11	9
Total	33	37	41	39	42	40

Note: Current year data as of 02/07/2022

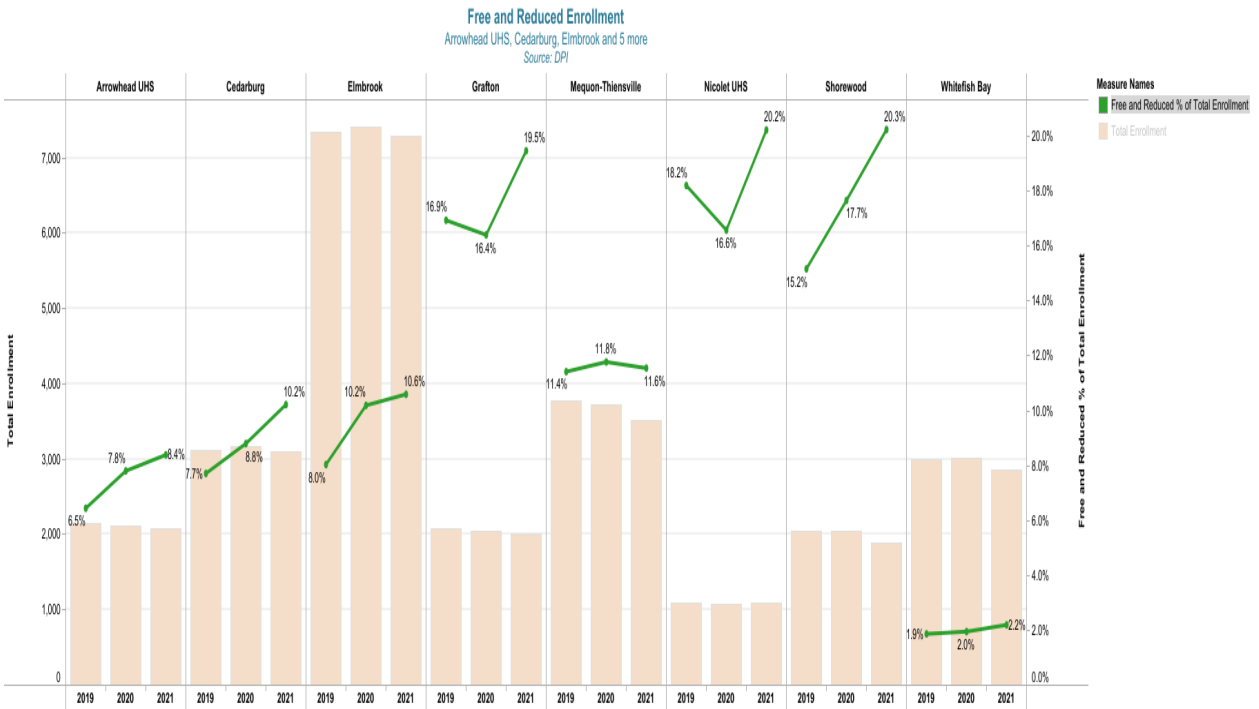


HISTORICAL STUDENT DEMOGRAPHIC DATA

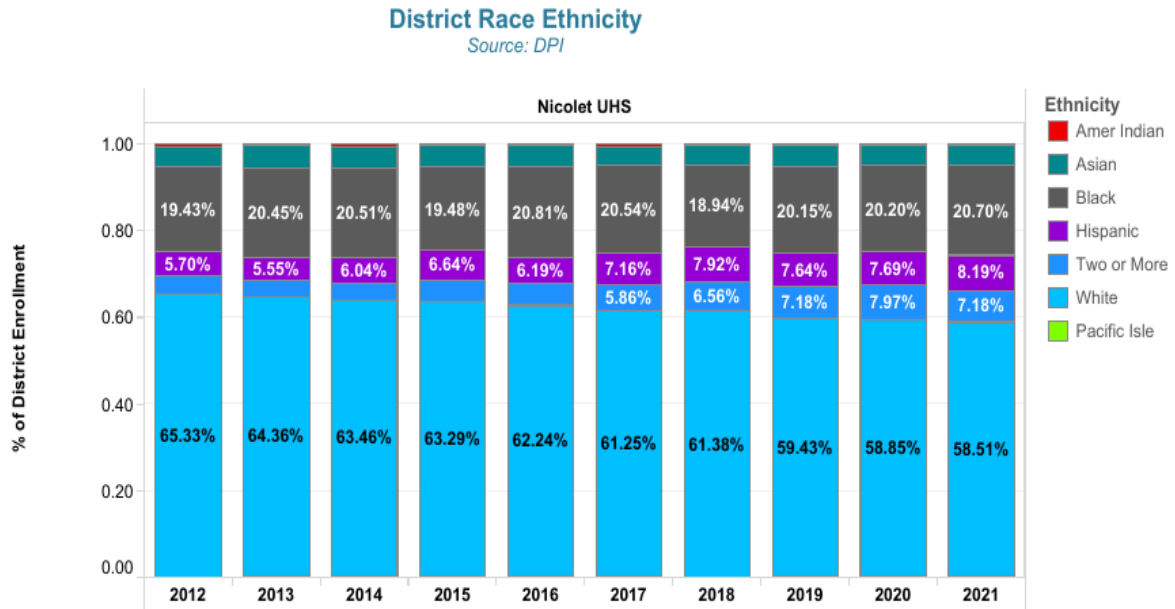
Economically Disadvantaged Data (as a percentage of total enrollment)



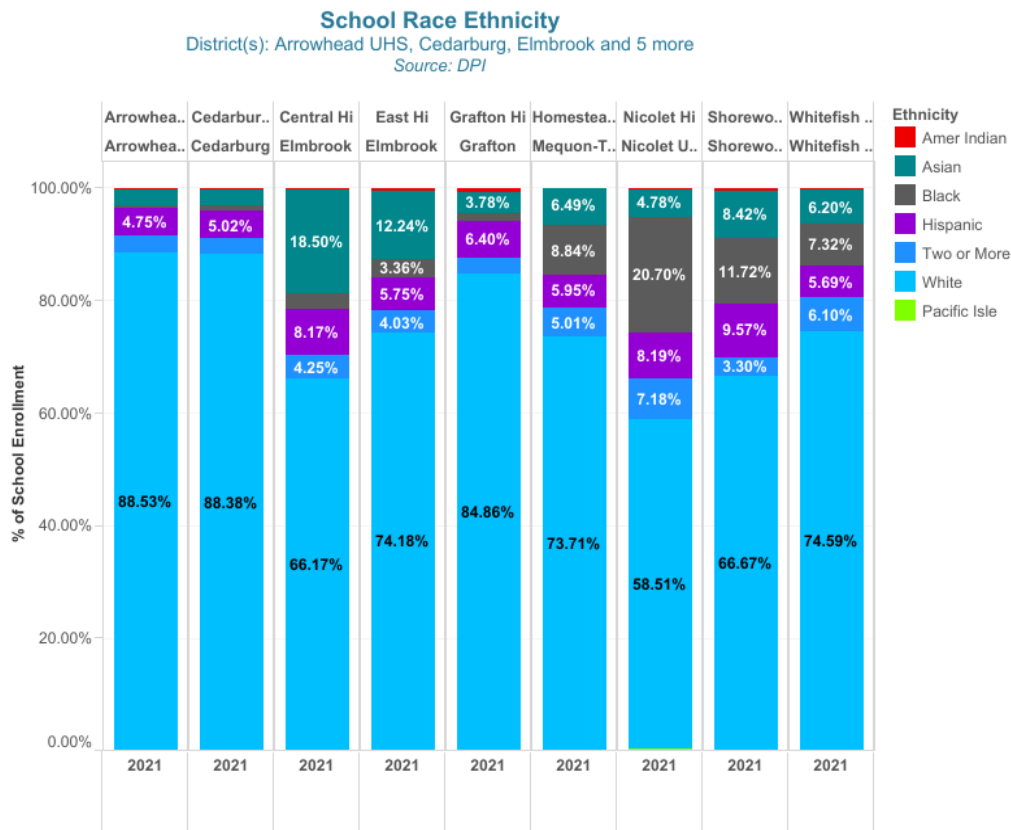
Multi District Economically Disadvantaged Data Comparison (3-Year Lookback)



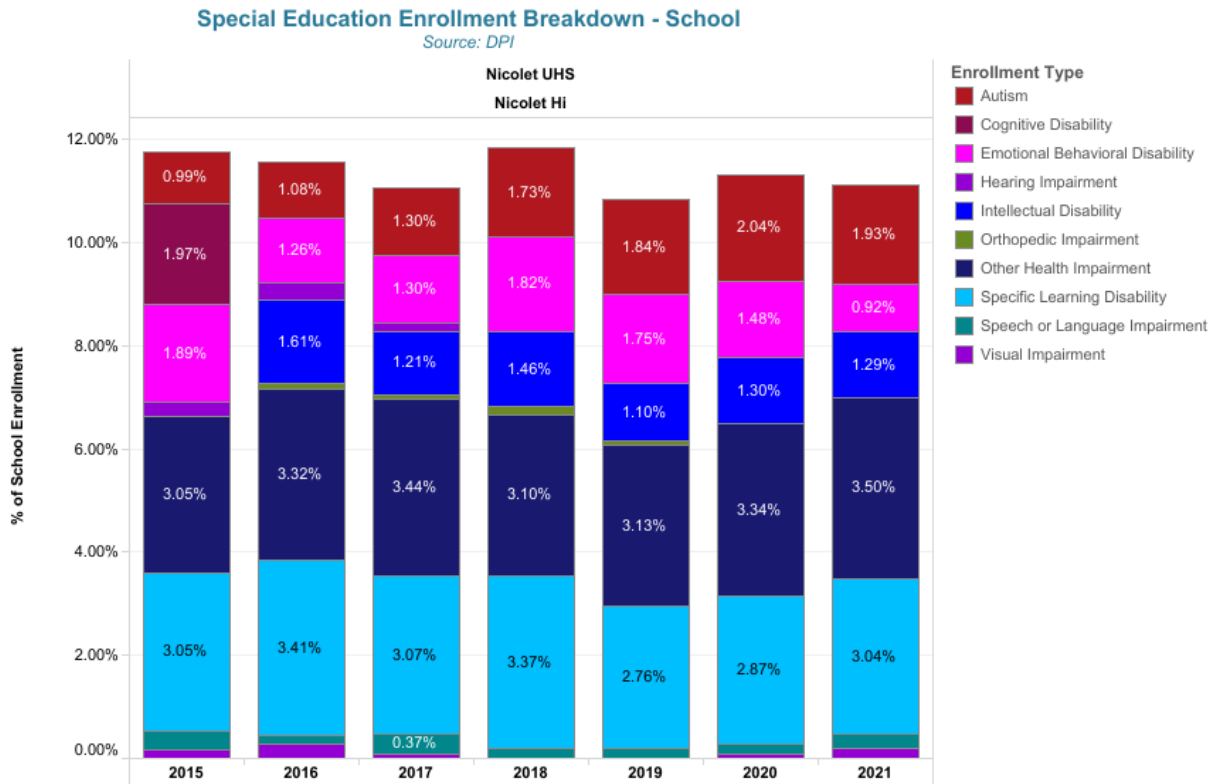
Student Ethnicity Data



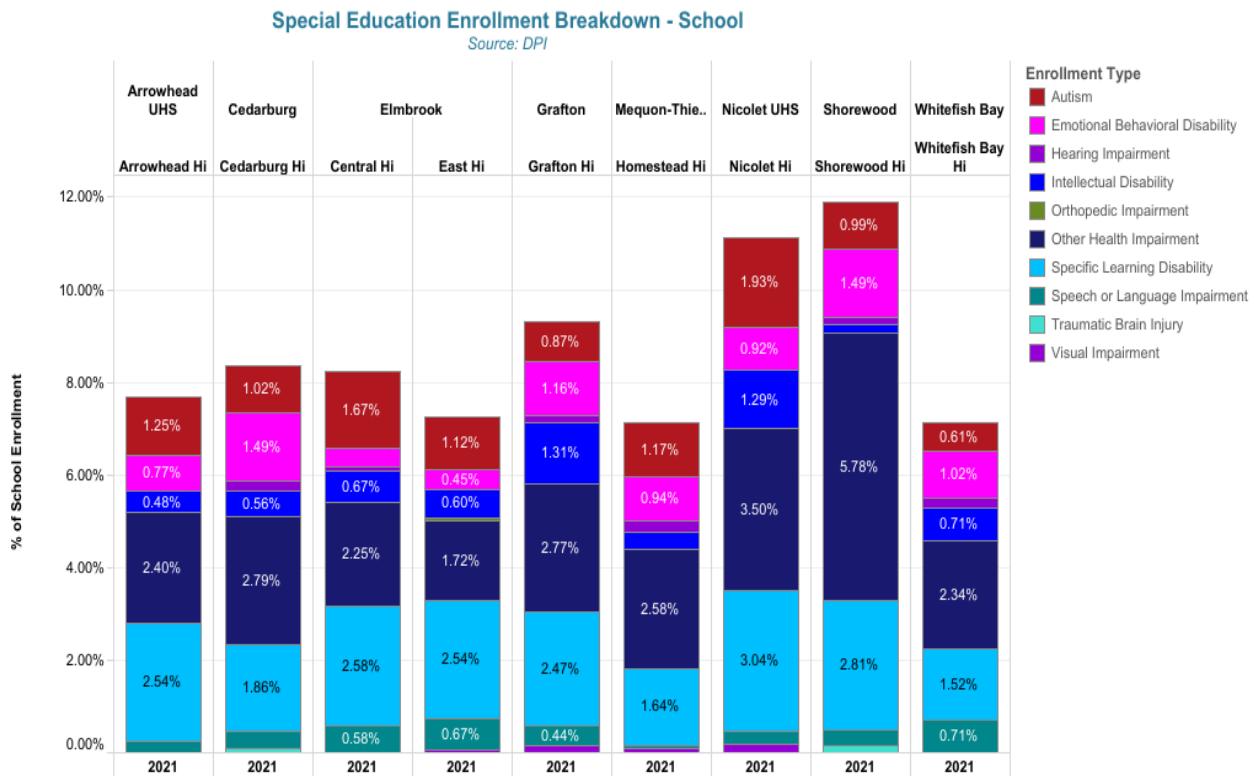
Multi District Student Ethnicity Comparison



Nicolet Special Education Student Data



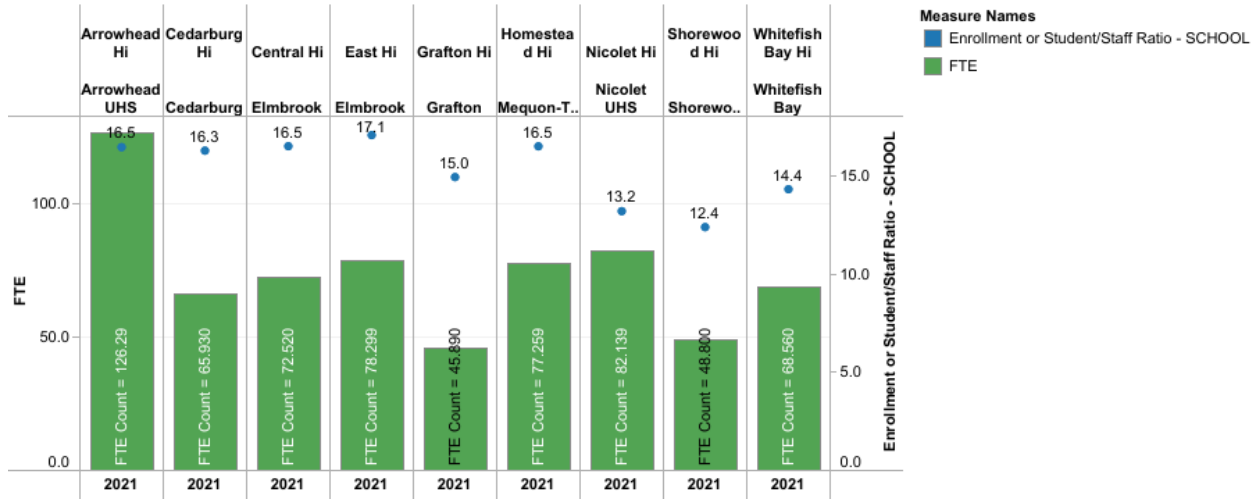
Special Education Multi District Comparison Data



Historical Student to Teacher Ratio

Staffing Ratios - Multi-District School

District(s): Arrowhead UHS, Cedarburg, Elmbrook and 5 more
 Position(s): Instructional Technology Integrator, Other Professional Staff in a Non-educational role, Reading Specialist and 1 more
 Source: DPI PI-1202

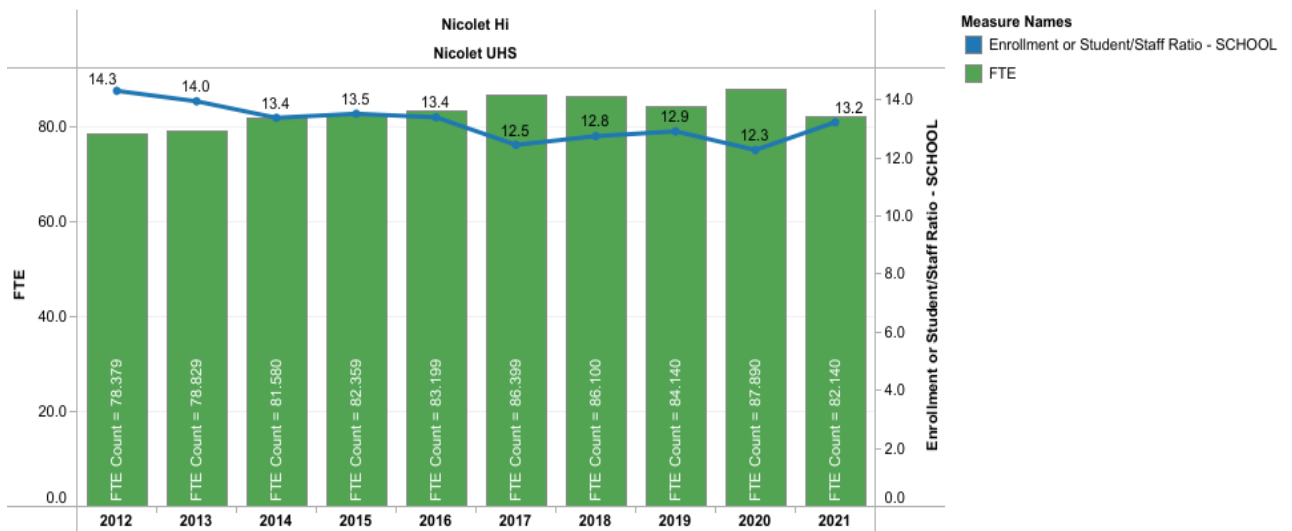


Note: Includes staff designated as teachers, technology integration, interventionist, and reading specialist

Student to Teacher Multi-District Ratio Comparison

Staffing Ratios - Multi-District School

District(s): Nicolet UHS
 Position(s): Instructional Technology Integrator, Other Professional Staff in a Non-educational role, Reading Specialist and 1 more
 Source: DPI PI-1202



Note: Includes staff designated as teachers, technology integration, interventionist, and reading specialist

HISTORICAL REVENUE AND EXPENDITURE DATA

Historical Revenue Data: Funds 10 (General Operations) and 27 (Special Education)

Revenue Type	2017-18	2018-19	2019-20	2020-21	2021-22
Fund 10 State Aid	918,091	1,040,097	1,074,941	998,243	1,064,503
Fund 27 State Aid	543,962	647,014	602,645	639,763	704,348
Property Taxes	17,990,955	18,015,581	17,862,073	18,135,668	18,002,343
Other State Funding	803,765	1,217,070	1,269,283	1,249,101	1,243,857
Fund 10 Fed. Grants	127,541	139,677	175,126	560,412	532,849
Fund 27 Fed. Grants	230,933	206,859	167,361	223,169	363,164
Open Enrollment	150,793	160,538	222,540	173,059	100,000
Local	641,257	703,647	869,109	395,818	467,197
Other	677,511	461,228	537,663	415,136	331,936
Total	22,084,808	22,591,711	22,780,741	22,790,369	22,810,197

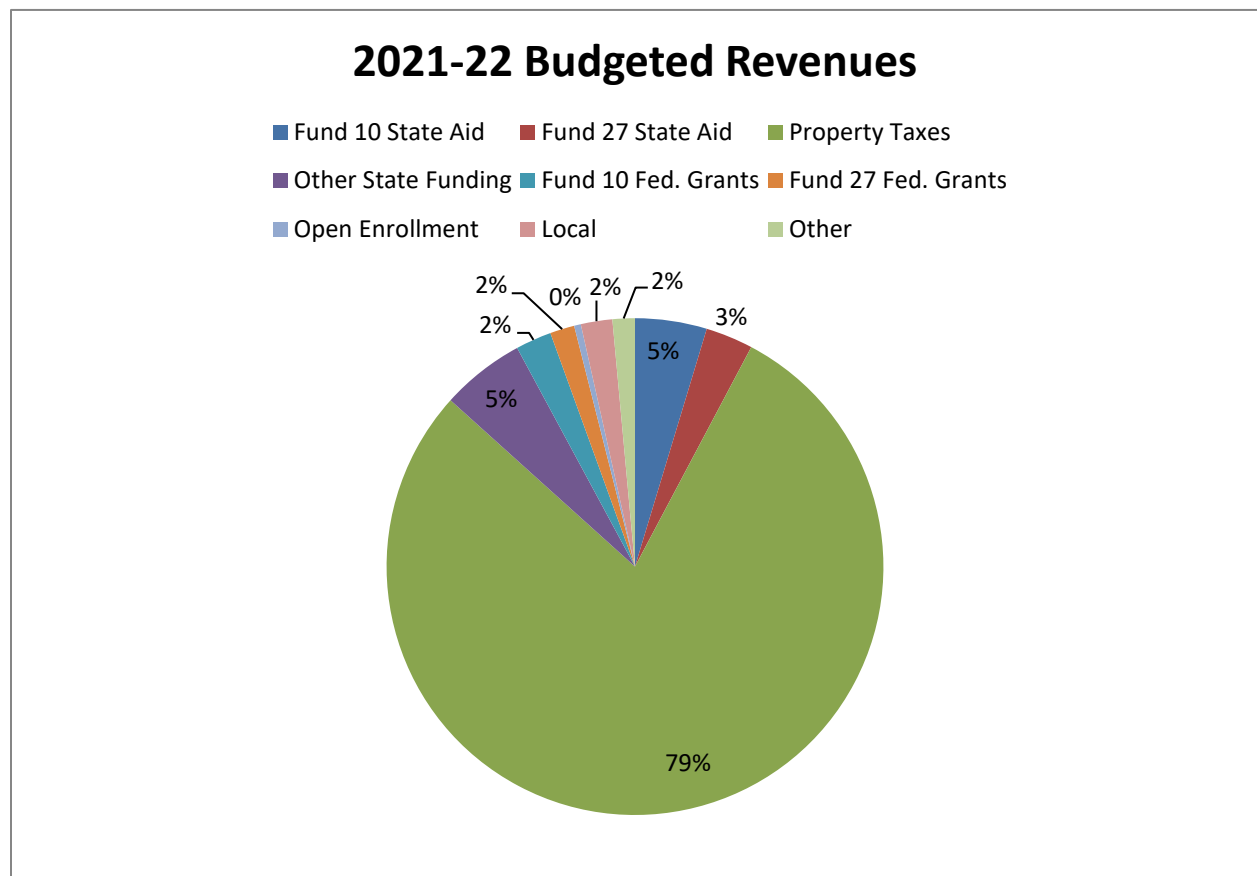
Notes:

Decline in student fees began in 2019-20

TIF Settlement in 2019-20 increasing local funding amount

Other includes "Shared Services" revenue

2021-22 is budgeted information (all other years are actual data)



Historical Expenditure Data: Funds 10 and 27 (Less Transfers)

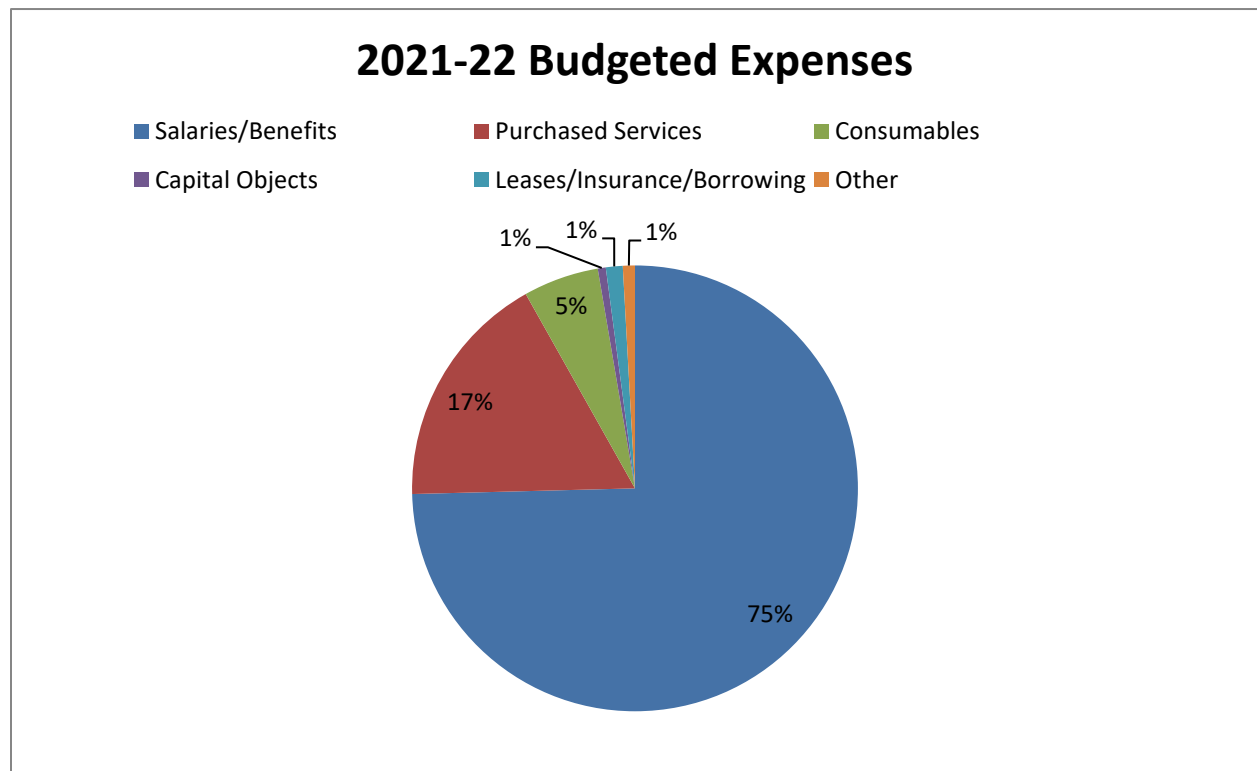
Expense Type	2017-18	2018-19	2019-20	2020-21	2021-22
Salaries/Benefits	16,053,670	16,056,553	16,588,228	16,333,595	17,047,622
Purchased Services	4,248,926	4,346,304	3,196,257	2,971,197	3,943,121
Consumables	1,294,426	1,213,940	1,019,237	1,105,940	1,251,478
Capital Objects	405,109	60,154	228,500	81,767	132,547
Leases/Insurance/Borrowing	268,376	267,391	312,812	297,302	278,922
Other	237,596	270,623	956,719	1,535,542	199,993
TOTAL	22,508,103	22,214,965	22,301,753	22,325,343	22,853,683
Percentage Change (+/-)		-1.30%	0.39%	0.11%	2.37%

Notes:

2019-20 spending included a \$425k additional debt payment and a \$250k contribution to Fund 46

2020-21 spending included a \$1.207M contribution to Fund 46 and a \$175k transfer to Fund 50

2021-22 represents budgeted amounts (all other years are actual data)



HISTORICAL FUND BALANCE DATA

The Board of Education recognizes the importance of maintaining a fund balance at a level sufficient for District needs. Shown below is a history of the beginning fund balance for each year and it's percentage of the current year expenditure budget. Board policy dictates that the fund balance must remain above 25% of current year expenditures.

Year	Beginning Fund Balance	Amount as a % of Expenses
2016-17	6,084,828	30.23%
2017-18	6,852,048	31.52%
2018-19	6,421,853	30.04%
2019-20	6,794,620	31.55%
2020-21	7,273,607	33.63%
2021-22	7,738,634	36.04%

FUTURE BUDGET PLANNING

2022-2023 BUDGET PRIORITIES

To effectively build budgets for the next school year and plan for the future, the District must establish priorities for how the District spends dollars. Within the budget are a few changes for next year that impact the dollars spent on educating students. Shown below are priorities that the District has identified over the last year:

- *Implementation of Teacher Compensation Plan:* The District implemented a Teacher Compensation Plan for the 2021-22 school year. The District intends to honor that grid moving into the future as a way to provide staff with competitive annual wage increases and to create clarity so teaching staff understands their financial growth potential at Nicolet. 75% of teachers at Nicolet currently have a Master's Degree, while another 12% are currently pursuing an advanced degree. At Nicolet, advanced degrees are valued with administration believing that a commitment to lifelong learning benefits the students being educated. *Please note that all teacher wage increases are subject to collective bargaining.*
- *Continued emphasis on shared services:* The District continues to place an emphasis on working with partner Districts to find efficiency. The latest shared service is to include Maple Dale Indian Hill in the shared service agreement for a Director of Building and Grounds. This position was previously shared only between Fox Point Bayside and Nicolet. It will now be shared between all three Districts. In addition, Nicolet grounds staff will now be cutting grass and plowing snow for Maple Dale Indian Hill with the hopes of gaining more revenue for Nicolet and cutting costs for Maple Dale Indian Hill. This change will reduce cost for the Director role and will increase revenue received from the partner schools for additional services.
- *Implementation of new Food Service program:* The Nicolet Food Service Program had been a self sustaining program for many years prior to the COVID 19 pandemic. Unfortunately, the pandemic wiped out the District's food service financial reserves and actually required the District to move funds from general operations to support the lunch program. Due to growing risk and the pending retirement of our long-time director, the Nicolet School Board made the decision to move away from running a self-operating program, where there is more risk of financial loss, to a food service management company. Typically, after making a move such as this, the company will guarantee no losses within the lunch program and this will mitigate any associated financial risk. The District is also moving to the Federal lunch program which will provide reimbursements that the District has previously not qualified for. This is a move to stabilize the program financially and react to meet the growing needs of the student population. This change aligns with the equity audit results, which was conducted last school year.
- *Continued focus on reducing student fees:* The District is continuing to financially support the reduction of class and material fees for students and families. This reduction of fees is removing a barrier to education that administration believes should not exist. The reduction of fees also alleviates some of the financial pressures placed on students and families. This change aligns with the equity audit results which were presented last school year.
- *Implementation of block schedule:* The District is implementing a new block schedule in 2022-23. The actual impact on FTE is currently unknown; however, the District is planning for the potential that there will be a slight reduction in teacher FTE as a result of this shift. The District is planning for the removal of all overloads and the reduction of 2.0 FTE in the teacher group related to this change. The final impact will not be known until registration has concluded in spring, 2022. The goal is to align any staff reductions with planned retirements.

- *Continued financial investment in Student Supports Program:* The District contributes significant dollars to Student Supports. The team is made up of many individuals and provides a multilayered approach to supporting students. Funding for this team comes in the form of local, Title, and ESSER III funding. Please note that the Learning Center Coordinator position is being funded via the ESSER III grant this year and is planned to be funded via ESSER III resources for the 2022-23 and 2023-24 school years.
- *Class and Caseload Sizes:* The District continues to value small class sizes. As the District plans for teacher FTE in 2022-23, maintaining small class sizes is on the forefront of decision making.
- The Student Services team requested and received approval for the creation of a new Special Education teacher to maintain appropriate caseload sizes during the 2021-22 school year. This additional Special Education Teacher is included in the budget projection for 2022-23.
- *Reduction of Special Education Paraprofessional Support:* Since the District has implemented a “Co-plan to Co-Serve” instructional model within the special education department, teachers are in the regular education setting more than ever. This has reduced the need for Special Education paraprofessionals. The budget is built with a reduction of two Special Education paraprofessionals
- *Human Resources (HR) Recordkeeping:* In recent years the District has placed a strong emphasis on accurate recordkeeping across all departments. This position will continue to audit HR records and establish/implement/maintain a new system to ensure accurate recordkeeping moving forward. This is an increase of 1.0 FTE within the Support Staff employment group.
- *Additional Technological Integration:* The District expanded its use of technology during the COVID 19 pandemic; as a result, Nicolet identified advancements that must remain in place as instructional tools. Additional assistance from our experienced technology integrator will advance teaching across multiple disciplines. This is a +0.4 FTE change to increase the job responsibilities of a staff member to eliminate classroom teaching and focus solely on technology integration.
- *Athletic and Activities Director (AD) transitions to full-time:* The AD has been a shared position between the High School Office (HSO) team (0.8) and the Recreation Department (0.2). The AD is moving to a role solely focused on management of athletics and activities and eliminating the Recreation Departments from the list of duties. The District has promoted the current Assistant Director of the Recreation Department to the Director role. This is an increase of 0.2 FTE in the general operations budget for the AD and a decrease of 0.2 FTE in the Recreation Department budget.

2022-2027 BUDGET ASSUMPTIONS OVERVIEW

When preparing an annual budget and a long-range financial forecast, the District must make assumptions for planning purposes. The District makes assumptions as it relates to revenue, debt, enrollment, staffing, various expenses and the annual tax levy. These assumptions balance required spending with priorities notated in the section above. Below is additional detail on assumptions being used.

- *Revenue Limit:* Public schools in the state of Wisconsin are subject to a revenue limit established by the state legislature. The revenue limit revenue (taxes and state aid) accounts for the majority of District revenues. The revenue cap utilizes a formula based on prescribed revenue per pupil and student enrollment. There are a number of other factors that figure into the total limit, but the majority of revenue is based on the revenue per member calculation. Since the

revenue limit is determined by the state and enrollment fluctuates, Districts rely on assumptions to determine these important financial resources.

- *Enrollment:* Since enrollment plays such an important part of determining school district revenue, dedicating time to predicting enrollment is important. Equally important is projecting membership (i.e. resident student responsibility). Details are provided in the enrollment section for 2022-23. Please see Appendix B: Short and Long-Term Enrollment Projection for more details on enrollment.
- *Expenditures:* The District must make certain assumptions related to different types of expenses on an annual basis. Expenses such as salary, benefits, insurance, and transportation must be estimated for future years. The estimates are then used for annual budget planning and long-range forecasting.
- *Staffing:* The District must make assumptions based on preliminary scheduling and planning for the upcoming school year. Since staffing is the largest expenditure of a District (75%-80% of budget), this is a focal point in budget planning. A detailed staffing report with proposed changes is included.
- *Debt:* The structure and payments of debt impact District operations. A section is dedicated to explore the impact of current debt on future operations.
- *ESSER Funding:* The single largest source of new revenue has come from the Federal government in recent years. The Districts plan for utilizing these funds is described in this plan.
- *Tax Levy Impact:* When preparing and planning for a District budget, the impact on taxpayers is a consideration. As mentioned above, the District makes assumptions with regards to the revenue cap and determines a total tax levy projection. That total levy is then broken down further to determine the impact on individual tax payers or better known as a mill rate. Assumptions on property growth must be utilized to determine that calculation.

STATE BUDGET INFORMATION/ASSUMPTIONS

Shown in the list below are assumptions being utilized for both 2022-23 and future years through 2026-27. These assumptions are utilized in the financial forecast described in Appendix A.

- Revenue Limit
 - 2022-23: \$0/pupil
 - (Projection) Future Years: \$75/pupil increase (through 2026-27)
- 2022-23 Voucher Transfer Amounts projected to increase (per estimate from DPI & Baird)
 - Regular Education: Increasing \$63/pupil for 2022-23 (22-23: \$9,045)
 - Special Education: Increasing \$63/pupil for 2022-23 (22-23: \$13,076)
 - Both planned to increase \$100/pupil annually for 2023-24 to 2026-27
- Open Enrollment Transfer Amounts projected to Increase (per estimate from DPI & Baird)
 - Regular Education: Increasing \$63/pupil for 2022-23 (22-23: \$8,224)
 - Special Education: Increasing \$63/pupil annually (22-23: \$13,076)
 - Both planned to increase \$100/pupil annually for 2023-24 through 2026-27
- Computer/Personal Property Aid
 - Held constant through 2026-27
- Per Pupil Categorical Aid Increase
 - 2022-23 through 2026-27: \$0 per pupil
- Special Education Aid Increased
 - Special Education Aid increased to 30.00% of aid eligible expenditures in 2022-23
 - Special Education Aid held constant for 2023-24 to 2026-27

ENROLLMENT ASSUMPTIONS

Based on available information, Nicolet is expecting to have a freshman class next year that is larger than the freshman class from 2021-22. Shown below is the projection for the freshman class.

9th Grade Class Projection		
	Head Count	Membership
Maple Dale	36	36
Fox Point/Bayside	85	81
Glendale/River Hills	106	111
Private Schools	42	42
Total	269	270

Note: Membership is primarily used for revenue limit purposes and is different from head count due to FTE Calculation

The remaining grades were simply cast forward one year and otherwise held constant. Shown below is the projection for the school enrollment and membership (FTE) for the 2022-23 school year.

2022-23 Enrollment and FTE Projection		
Grade	Head Count	Membership
9th	269	270
10th	256	251
11th	267	263
12th	279	267
Total	1,071	1,051

Change in Enrollment: For comparison purposes, overall the head count is projected to decrease by 19 students from the 2021-22 school year. The membership projection is expected to decline by 7 FTE from 2021-22 to 2022-23. After including summer school and averaging over three years for revenue limit purposes, the District is projecting an increase to membership of 7 FTE from 2021-22 to 2022-23. There are a couple of key takeaways with regards to enrollment and membership:

- Nicolet enrolled more students in 2021-22 than it previously predicted. This will provide additional revenue as the District enters the first year of the six-year operational referendum. This will also positively impact future years from a financial perspective.
- The District is projecting fairly consistent enrollment year over year.

Long-Term Enrollment Projection: Beginning with the 2022-23 school year, the District is projecting a decline in enrollment through 2026-27. This is based on data shared from partner schools. Please see “Appendix B: Short and Long-Term Enrollment Projection” for more details.

Additional Information Related to Enrollment Data

Shown below is more information related to enrollment for the 2022-23 projection.

Open Enrollment In: The Board did not approve additional seats in open enrollment for 2022-23. As a result, the projection is below.

2022-23 Open Enrollment In Projection

Grade	Number of Students
9	0
10	1
11	1
12	3
Total	5

220 Program: The District is continuing to see fairly consistent enrollment in the 220 program. Most students in this program come solely from Fox Point/Bayside SD at this point in time. The last students in this program are currently in fifth grade. As this program concludes in the future, the District will receive less state aid. This will impact the District tax levy.

2022-23 Integration Transfer (220) Program Projection

Grade	Number of Students
9	7
10	10
11	11
12	10
Total	38

Open Enrollment Out: The District has seen fairly consistent enrollment with regards to students attending elsewhere. The District is planning for five open enrolled out students at each grade level.

2022-23 Open Enrollment Out Projection

Grade	Number of Students
9	5
10	5
11	5
12	5
Total	20

Private School Voucher Program: The District has seen a steady increase of voucher students throughout the course of the past four years. Enrollment in the voucher program and a projection for next year are shown below:

Year	Voucher Students
2018-19	7
2019-20	15
2020-21	17
2021-22	22
2022-23	24

As a reminder, the number of voucher students does not impact the District’s bottom line. Rather, it primarily affects the tax levy as an additional tax levied to fund the cost associated with private school vouchers. The total projected cost (and tax levy) for 2022-23 is \$221,111. The District is further projecting that the program will increase by 2 students each year through 2026-27. This is factored in to future tax levies for the tax levy forecast (See Appendix A).

2022-23 STUDENT FTE CALCULATION PROJECTION

Calculation Factors	2022-23
Head Count Projection	1,071
Projected 22-23 FTE	1,056 (-7)
21-22 Actual FTE	1,063
Projected 22-23 Three Year Avg.	1,056 (+7)
21-22 Three Year Avg.	1,049

For a more in depth look at the enrollment projection for next year and future years, please review Appendix B (Short and Long-Term Enrollment Projection).

EXPENDITURE ASSUMPTIONS

Listed below are the assumptions being utilized for expenditures for the 2022-23 school year and future years through 2026-27. All assumptions are included within the financial forecast.

Personnel

- Annual Wage Increases
 - Implementation of teacher compensation model (approximate 3% increase)
 - *Note: This is just a projection and the Board must negotiate with the Teacher’s Association on the annual increase*
 - Estimating 4.7% CPI increase for all non-teaching staff
 - *Note: WERC CPI came in at 4.7% for CBA’s effective 07/01/2022*
 - *Note: 4.7% increase is in alignment with various other North Shore Districts*
 - Forecasting a 2% wage increase for future years
 - *Note: This is a change from last year when the District projected a 1% increase. This change is being made to account for increased inflation in the marketplace.)*
- Benefits
 - WRS contribution decreased to 6.5% for majority of wages (2022 Rate: 6.5%)
 - Medical insurance increase budgeted at 3% for next year and all future years
 - Dental insurance held flat for next year and all future years
- Staff Changes
 - - 1.950 FTE Teacher Decrease (Staff changes and overload removal)
 - + 0.200 FTE in Fund 10 for Athletics/Activities Director Change (- 0.2 in Fund 80)
 - + 1.000 FTE for HR Assistant and Records Retention
 - - 1.906 FTE Special Education Paraprofessional

Purchased Services

- Utilities: All utilities increased 2% (Water, sewer, electricity, gas) for 2022-23 and future years
- Transportation: Contract requires a CPI increase
 - Currently budgeting a 4.5% increase for 2022-23 due to inflation
 - Planned 3% increases for all future years

- *Note: District intends to work with Riteway to further reduce route needs*
- CESA: Increased planned CESA costs by 2% for 2022-23 and future years

Leases/Insurance/Judgments

- Increased liability, property, and worker’s compensation insurance by 2% for 2022-23 and future years

2022-23 PRELIMINARY STAFFING NEEDS

Enrollment drives staffing needs. As enrollment fluctuates, the District must react and make staffing decisions in the best interest of students, staff, and taxpayers. Shown below are the staffing levels within each department for the current year and a projection for next year. Due to the fact that registration for 2021-22 is just starting, we currently do not have a projection for staffing levels for next year. This information will become available in early spring and that will be utilized for staffing decisions and budget development.

Professional Educator Staffing Information

Subject Area	21-22 FTE	22-23 FTE	Change
Business Education	3.300	3.000	(0.300)
Family and Consumer Education	2.000	2.000	-
Technology Education	2.000	2.000	-
Art/Photography	3.000	3.000	-
English	10.400	9.000	(1.400)
Theatre	1.000	1.000	-
World Languages	6.600	6.600	-
Mathematics	10.050	9.000	(1.050)
Music	3.000	3.000	-
Science	10.000	10.000	-
Social Studies	9.700	9.500	(0.200)
Physical Education/Wellness	5.400	5.000	(0.400)
Special Education	12.000	13.000	1.000
Learning Center Coordinator	1.000	1.000	-
ASC Teacher	1.000	1.000	-
Literacy Interventionist	1.000	1.000	-
Math Interventionist/Transition Coach	1.000	1.000	-
Speech/Language Pathologist	1.000	1.000	-
Social Worker	1.000	1.000	-
Psychologist	1.000	1.000	-
ELL	1.000	1.000	-
Technology Integrator	0.600	1.000	0.400
School Counselors	4.000	4.000	-
Library Media Specialist	1.000	1.000	-
Equity & Engagement Coordinator	0.500	0.500	-
Total	92.550	90.600	(1.950)

Administration and Confidential/Supervisory Staffing Information

Position	2021-22 FTE	2022-23 FTE	Change
Superintendent	1.000	1.000	-
Director of Teaching and Learning	1.000	1.000	-
Director of Pupil Services	1.000	1.000	-
Director of Business Services	1.000	1.000	-
Building Principal	1.000	1.000	-
Assistant Principal	2.000	2.000	-
Theatre Technician	1.000	1.000	-
Executive Assistant to the Superintendent	1.000	1.000	-
Foundation Director	1.000	1.000	-
Athletic Director	0.800	1.000	0.200
Director of Building and Grounds	0.720	0.333	(0.387)
Custodial Supervisor	1.000	1.000	-
Director of Technology	1.000	1.000	-
Payroll and Benefits Specialist	1.000	1.000	-
District Accountant	1.000	1.000	-
Network Support Technician	1.000	1.000	-
School Nurse	1.000	1.000	-
Instructional Coach/Literacy Coordinator	1.000	1.000	-
Total	18.520	18.333	(0.187) FTE

Notes:

Athletic Director no longer shared with Recreation Office

Director of Building and Grounds now being shared between MDIH, FPBS, & Nicolet

Classified Staffing Information

Position	21-22 FTE	22-23 FTE	Change
Administrative Assistants - Building and Grounds (0.500) - Student Services (1.150) - Special Education (0.850) - High School Office (4.000) - Athletics (1.000)	7.500	7.500	-
Library Paraprofessional	1.000	1.000	-
Testing Center and Student Supports Paraprofessional	1.000	1.000	-
Study Hall Paraprofessional	1.000	1.000	-
Accounts Payable	0.500	0.500	-
HS Financial Specialist	1.000	1.000	-
HR Assistant/Records Retention	---	1.000	1.000
IT Support	1.000	1.000	-
Special Education Paraprofessional	9.375	7.469	(1.906)
Student Information Systems Specialist	1.000	1.000	-
Front Desk/Supervisory/After School Support	3.000	3.000	-
Custodians	9.000	9.000	-
Maintenance/Grounds	5.000	5.000	-
Total	40.375	39.469	(0.906)

Recreation Department Staffing Information

Position	21-22 FTE	22-23 FTE	Change
Recreation Director	0.200	1.000	+0.800
Assistant Recreation Director	1.000	-	(1.000)
Recreation Supervisor	2.000	2.000	-
Recreation Administrative Assistant	1.000	1.000	-
Total	4.200	4.000	(0.200)

Note: The District does not anticipate additions/reductions within the job classifications above.

Food Service Staffing Information

Position	21-22 FTE	22-23 FTE	Change
Food Service Director	1.000	-	(1.000)
Food Service Assistant Director (Shared with Dominican)	0.500	-	(0.500)
Chef	1.000	-	(1.000)
Assistant Chef/Driver	1.000	-	(1.000)
Kitchen Staff	2.310	-	(2.310)
Dominican	1.000	-	(1.000)
Whitefish Bay Middle School	1.063	-	(1.063)
Total	7.873	-	(7.873)

Notes:

The District is going out to RFP for food service management for the 2022-23 school year
All food service employees will be employees of the Food Service Management Company

BUDGET IMPACT OF DEBT STRUCTURE

School Districts are able to borrow funds via different methods. Nicolet’s debt was not approved via referendum. As a result, future debt payments are required to be paid with operational funds (which fall under the revenue cap formula). Since debt payments fall within the revenue cap, any increases/decreases to payments on an annual basis affects the District’s Fund 10 operational budget.

Typically as payments rise and fall, the amount of the operational budget dedicated to debt will follow suit. This is true for most of the debt Nicolet has. However, one of the existing debts is paid via an exception to the revenue cap (Energy Efficiency Exemption). This means that the District can exceed the revenue cap to pay the majority of costs associated with the one specific outstanding debt that this relates to.

Shown below is a table showing the annual total debt levy by year, the associated revenue limit exemptions (if applicable), and the overall affect of debt on the operational budget. A positive number in the right hand column reflects additional flexibility within the operational budget as a result of debt structure. The impact on the operational budget for subsequent years is figured into the District’s short and long-range financial forecast (See Appendix A).

Budget Year	Debt Levy	EEE	Budget Impact
2021-22	586,168	60,107	+121,966
2022-23	674,105	355,607	+207,563
2023-24	673,146	658,523	+303,875
2024-25	---	---	+14,623

ESSER FUNDING UPDATE

The District received funding in each of the three Federal funding packages that have been passed since the beginning of the COVID-19 pandemic. At this point, Nicolet has spent all dollars received from the first two rounds of funding. These dollars were spent for COVID mitigation purposes and other costs.

The third round of funding, ESSER III, provided the largest allocation of dollars totaling \$688,526. These dollars became available in early 2022. This amount must be spent by the end of the 2023-24 school year. The District is planning to spend dollars according to the following schedule:

Spending Year	Amount Anticipated to be Spent	Balance
Beginning Balance	---	\$688,526
2021-22	\$300,000	\$388,526
2022-23	\$210,811	\$177,715
2023-24	\$177,715	---

The dollars in 2021-22 are being spent on a data retreat to understand learning loss, student supports staff to mitigate learning loss caused by the pandemic, additional summer school costs, additional curriculum resources to support digital learning, equipment and supply replacement, and classroom air purification units. In 2022-23, the funding will continue to be used for student supports staff, summer school costs, and literacy software. Finally, in the final year, the current plan is to continue to direct funding to student supports staff and other needs that arise. These dollars have been invaluable to provide the services necessary during the COVID-19 pandemic. The District is planning for this loss of revenue for the 2024-25 school year in its long-range financial planning. This includes shifting the one ongoing cost (student supports staff) back to being locally funded.

2022-23 BUDGET REQUESTS

There is a process for staff to request additions to their budget on an annual or ongoing basis. Department leaders are asked to submit any requests for additions to their budget during December/January. The District Leadership Team (DLT) reviews these requests in January. Once a budget forecast is finalized for the upcoming school year, administration determines what it can and cannot fund. Administration also considers requests for the upcoming school year to determine if any requests can be purchased from current year savings (if applicable).

Shown below is a listing of requests for the upcoming school year.

Requesting Department	Amount Requested	One-time vs. Ongoing Exp.	Type of Request	Status
Photography	\$2,500	One-Time	Supplies for new video game based courses	Approved and Funded within 2022-23 Budget
English	\$3,000	One-Time	Book purchase request for lost text	Approved and Funded within 2022-23 Budget
Wellness	\$3,452	One-Time	Equipment and supplies for new officiating course	Approved and Funded within 2022-23 Budget
Science	\$2,122	Ongoing	Elimination of class fee for Anatomy and Physiology	Approved and Funded within 2022-23 Budget
Science	\$796	One-Time	Equipment purchase	Approved and Funded within 2022-23 Budget
CTE	\$20,000	Ongoing	Elimination/Modification of class fees for Technical Education and Culinary Arts	Approved and Funded within 2022-23 Budget
Digital Media	\$15,000	One-Time	Replacement cameras	Approved and Funded within 2022-23 Budget
Total Requested				\$46,870

PROJECTED 2022-23 FINANCIAL RESULTS (UTILIZING ASSUMPTIONS)

After including all of the above assumptions, the 2022-23 budget projection has a **surplus of \$709,363** (See Appendix A). The 2022-23 fiscal year is the first year of a six-year referendum, which means a planned surplus should exist. The surplus projected last winter during planning for the operational referendum was \$482,001. This surplus is exceeding that amount. Enrollment being higher than expected is the primary reason for this. A secondary reason related to the State of Wisconsin Biennial budget allocating more dollars into special education aid. It is a positive sign that the first year of the next six year cycle is shaping up to exceed expectations financially.

LONG-RANGE FINANCIAL TARGETS

During planning for the 2021 operational referendum, Nicolet established a target fund balance to reach by the end of the 2027-28 fiscal year. The goal was to be at or around 30% fund balance by the end of the six-year cycle. Below is a table showing the projection that was prepared in 2020 versus where we are today in 2022.

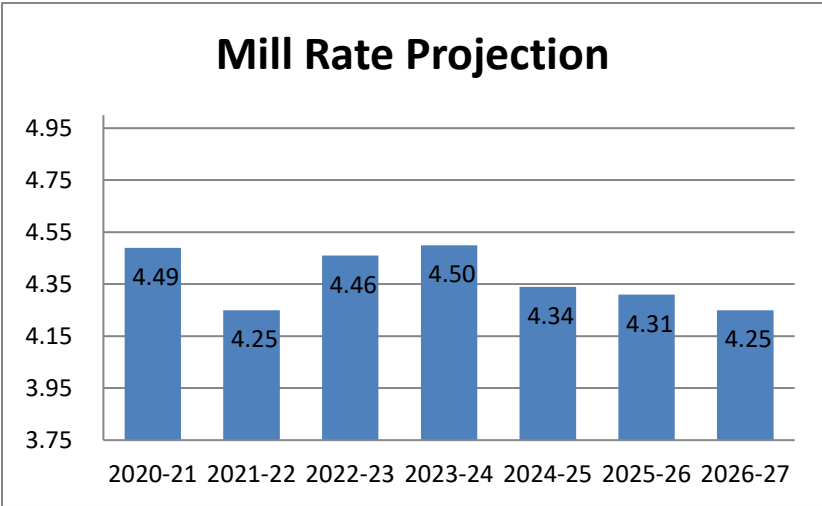
YEAR	PROJECTED SURPLUS/DEFICIT FROM 2020	PROJECTED FUND BALANCE FROM 2020	PROJECTED SURPLUS/DEFICIT FROM 2022	PROJECTED FUND BALANCE FROM 2022
2022-23	482,001	35.23%	709,363	38.32%
2023-24	778,056	38.29%	687,948	40.74%
2024-25	369,228	39.48%	295,061	41.30%
2025-26	(216,548)	38.07%	(187,597)	39.72%
2026-27	(744,567)	34.37%	(720,962)	35.92%
2027-28	(916,761)	30.01%	TBD	TBD

As mentioned, the District is planning for a larger surplus in the first year of the six-year cycle than what was determined in 2020. However, future years are projected to trail the projection financially, primarily due to increasing the annual projected wage increase from 1% to 2% in future years. This is a reaction to the current and projected increase in inflation. Despite this change, fund balance continues to be on track to be at or above 30% (goal identified by Board in 2020).

2022-23 PROPERTY VALUATION/TAX LEVY AND FUTURE YEAR PROJECTION

The District is utilizing a 1% annual increase in equalized valuation for all years within this projection. The total tax levy and mill rate are expected to increase from 2021-22 to 2022-23. This is due to a few factors: (1) EEE rising on the revenue cap due to debt structure. This means that the revenue cap can be raised to pay for this debt, which has a greater amount due in 2022-23 than in 2021-22. (2) Allowable revenue under the revenue cap increased for increased student FTE. (3) The first year of the new \$3.9M operational referendum exemption to the revenue cap coming online.

The projection suggests an increase in mill rate from \$4.25/\$1k of property value to \$4.46/\$1k of property value. The District is also projecting a slight mill rate increase in 2023-24, followed by a decrease in mill rate in each of the subsequent years in this forecast. See below for more details:



FIVE-YEAR FINANCIAL FORECAST

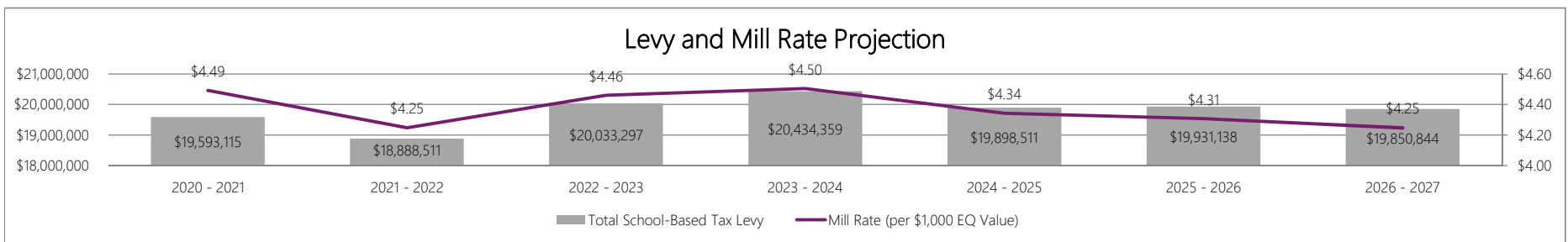
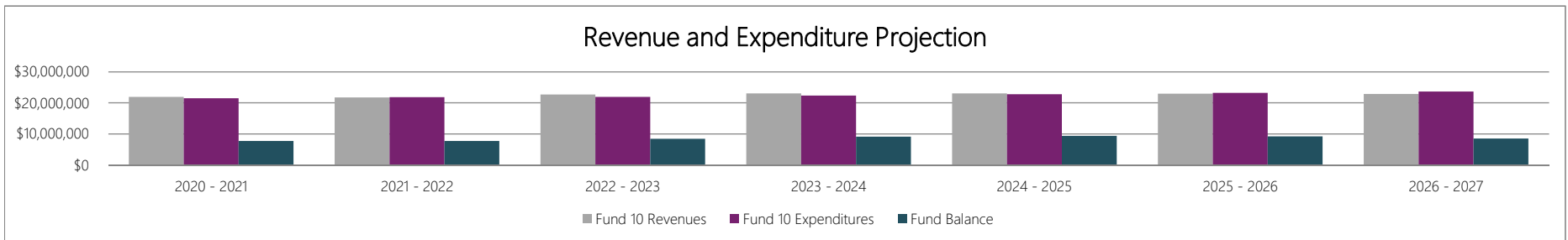
The District budgets and plans for its financial future. School Finance in Wisconsin is a challenging topic to understand, so planning helps to reduce the confusion within the process that is already inherent. Please see "Appendix A" for recent financial results (20-21), current budget (21-22), and future financial forecast (22-27) information.

Nicolet Union High School District

January, 2022 Financial Forecast

Current Model Scenario

	Historical	Current Year	Budget Year	Forecast			
	2020 - 2021	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027
Sept Membership (FTE)	1,044	1,058	1,051	1,041	1,018	1,001	971
Per Pupil Increase	\$179	\$0	\$0	\$75	\$75	\$75	\$75
Per-Pupil Categorical Aid \$	\$742	\$742	\$742	\$742	\$742	\$742	\$742
TIF Out Equalized Valuation Growth	0.96%	1.93%	1.00%	1.00%	1.00%	1.00%	1.00%
Fund 10 Revenues	\$21,935,229	\$21,777,254	\$22,643,797	\$23,004,703	\$23,027,808	\$22,973,981	\$22,882,342
Fund 10 Expenditures	\$21,470,203	\$21,820,739	\$21,934,434	\$22,316,755	\$22,732,747	\$23,161,578	\$23,603,304
Surplus (Deficit)	\$465,027	(\$43,485)	\$709,363	\$687,948	\$295,061	(\$187,597)	(\$720,962)
Fund Balance	\$7,738,634	\$7,695,149	\$8,404,512	\$9,092,460	\$9,387,521	\$9,199,924	\$8,478,962
Fund Balance as % of Expenditures	36.04%	35.27%	38.32%	40.74%	41.30%	39.72%	35.92%
Total School-Based Tax Levy	\$19,593,115	\$18,888,511	\$20,033,297	\$20,434,359	\$19,898,511	\$19,931,138	\$19,850,844
% change		-3.60%	6.06%	2.00%	-2.62%	0.16%	-0.40%
Mill Rate (per \$1,000 EQ Value)	\$4.49	\$4.25	\$4.46	\$4.50	\$4.34	\$4.31	\$4.25
% change		-5.42%	5.01%	0.99%	-3.59%	-0.83%	-1.39%
Non-Recurring Referendum \$	\$3,150,000	\$3,150,000	\$3,900,000	\$3,900,000	\$3,900,000	\$3,900,000	\$3,900,000
Recurring Referendum \$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Referendum Debt Levy	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy Efficiency Exemption	\$467,420	\$60,107	\$370,230	\$673,146	\$0	\$0	\$0
Average tax impact: \$100,000 home	\$449	\$425	\$446	\$450	\$434	\$431	\$425



Nicolet Union High School District

Fund 10 Summary

	Historical	Current Year	Budget Year	Forecast			
	2020 - 2021	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027
Revenues							
Property Tax	\$18,135,265	\$18,001,524	\$19,059,192	\$19,461,213	\$19,598,511	\$19,631,138	\$19,550,844
Open Enrollment	\$173,059	\$100,000	\$41,120	\$24,972	\$25,272	\$25,572	\$25,872
General (a.k.a. EQ) Aid	\$998,243	\$1,064,503	\$1,071,422	\$1,077,197	\$1,152,597	\$1,078,210	\$1,083,878
High Poverty Aid	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State "SAGE"/"AGR" Aid	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Comp. and Pers. Property Aid	\$358,775	\$383,144	\$383,144	\$383,144	\$383,144	\$383,144	\$383,144
Per Pupil Categorical Aid (SCE 695)*	\$776,874	\$778,358	\$783,552	\$782,810	\$772,917	\$760,550	\$743,237
Other State Categorical Aids	\$113,451	\$82,355	\$83,500	\$83,500	\$83,500	\$83,500	\$83,500
Federal Revenue	\$543,298	\$515,443	\$402,760	\$372,760	\$192,760	\$192,760	\$192,760
Other Revenue	\$836,263	\$851,927	\$819,108	\$819,108	\$819,108	\$819,108	\$819,108
Fund 10 Revenues	\$21,935,229	\$21,777,254	\$22,643,797	\$23,004,703	\$23,027,808	\$22,973,981	\$22,882,342
Expenditures							
Salaries	\$9,545,846	\$9,911,772	\$10,021,703	\$10,198,008	\$10,380,091	\$10,567,764	\$10,760,879
WRS	\$618,673	\$638,088	\$635,634	\$646,816	\$658,365	\$670,268	\$682,517
FICA	\$714,806	\$762,999	\$769,479	\$783,016	\$796,997	\$811,407	\$826,234
Health Insurance (obj 240s)	\$2,138,235	\$2,313,824	\$2,333,294	\$2,398,853	\$2,466,463	\$2,536,184	\$2,608,078
Other Benefits	\$1,041,161	\$1,046,978	\$1,080,271	\$1,113,952	\$1,149,547	\$1,187,162	\$1,226,913
Total Salary and Benefits	\$14,058,721	\$14,673,661	\$14,840,382	\$15,140,646	\$15,451,462	\$15,772,784	\$16,104,620
Open Enrollment	\$237,961	\$190,000	\$183,888	\$185,888	\$187,888	\$189,888	\$191,888
Voucher	\$145,657	\$198,408	\$221,111	\$245,832	\$266,922	\$288,412	\$310,302
Non-Capital and Capital Objects	\$1,171,740	\$1,362,935	\$1,251,135	\$1,226,274	\$1,226,274	\$1,226,274	\$1,226,274
Transfer to Fund 27	\$1,793,145	\$1,898,539	\$1,907,199	\$1,947,663	\$1,988,971	\$2,031,140	\$2,074,188
Transfer to Fund 50	\$175,138	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Fund 46	\$1,206,730	\$0	\$0	\$0	\$0	\$0	\$0
All Other Transfers	\$36,905	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
All Other Expenditures	\$2,644,206	\$3,422,196	\$3,455,719	\$3,495,453	\$3,536,230	\$3,578,080	\$3,621,032
Fund 10 Expenditures	\$21,470,203	\$21,820,739	\$21,934,434	\$22,316,755	\$22,732,747	\$23,161,578	\$23,603,304
Surplus (Deficit)	\$465,027	(\$43,485)	\$709,363	\$687,948	\$295,061	(\$187,597)	(\$720,962)
Fund Balance	\$7,738,634	\$7,695,149	\$8,404,512	\$9,092,460	\$9,387,521	\$9,199,924	\$8,478,962
Fund Balance as % of Expenditures	36.04%	35.27%	38.32%	40.74%	41.30%	39.72%	35.92%

2022-23 Nicolet Union High School District		
Enrollment Projection		
Freshman Enrollment Projection		
District	Head Count	Membership
Maple Dale-Indian Hill	36	36
Fox Point-Bayside	85	81
Glendale-River Hills	106	111
Private School	42	42
TOTAL	269	270
2022-23 Enrollment and FTE Projection		
Grade	Head Count	Membership
9th	269	270
10th	256	251
11th	267	263
12th	279	267
TOTAL	1071	1051

Notes: Projected Freshman data provided by partner districts
 Grades 10-12 rolled forward from September, 2021 student count
 All numbers presented reflect estimations and are subject to change

Data from Applied Populations Lab Study Conducted in May of 2020

TABLE 13
 Summary of High School Enrollment Projections
 Nicolet Union School District

	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30
5 Year Trend	1,069	1,060	1,062	1,038	1,003	1,016	1,028	1,029	1,067	1,114
2 Year "Trend"	1,055	1,041	1,034	1,009	985	995	1,002	995	1,021	1,029
Kindergarten Trend	1,069	1,060	1,062	1,038	1,003	1,016	1,028	1,029	1,067	1,090

Long-Range Projection Based on Partner School Data

2023-24 Enrollment and FTE Projection		
Grade	Head Count	Membership
9th	259	253
10th	269	270
11th	256	251
12th	279	267
Total	1063	1041
2024-25 Enrollment and FTE Projection		
Grade	Head Count	Membership
9th	245	244
10th	259	253
11th	269	270
12th	256	251
Total	1029	1018
2025-26 Enrollment and FTE Projection		
Grade	Head Count	Membership
9th	234	234
10th	245	244
11th	259	253
12th	269	270
Total	1007	1001
2026-27 Enrollment and FTE Projection		
Grade	Head Count	Membership
9th	229	240
10th	234	234
11th	245	244
12th	259	253
Total	967	971