



2024

Mercer School District

Referendum Information

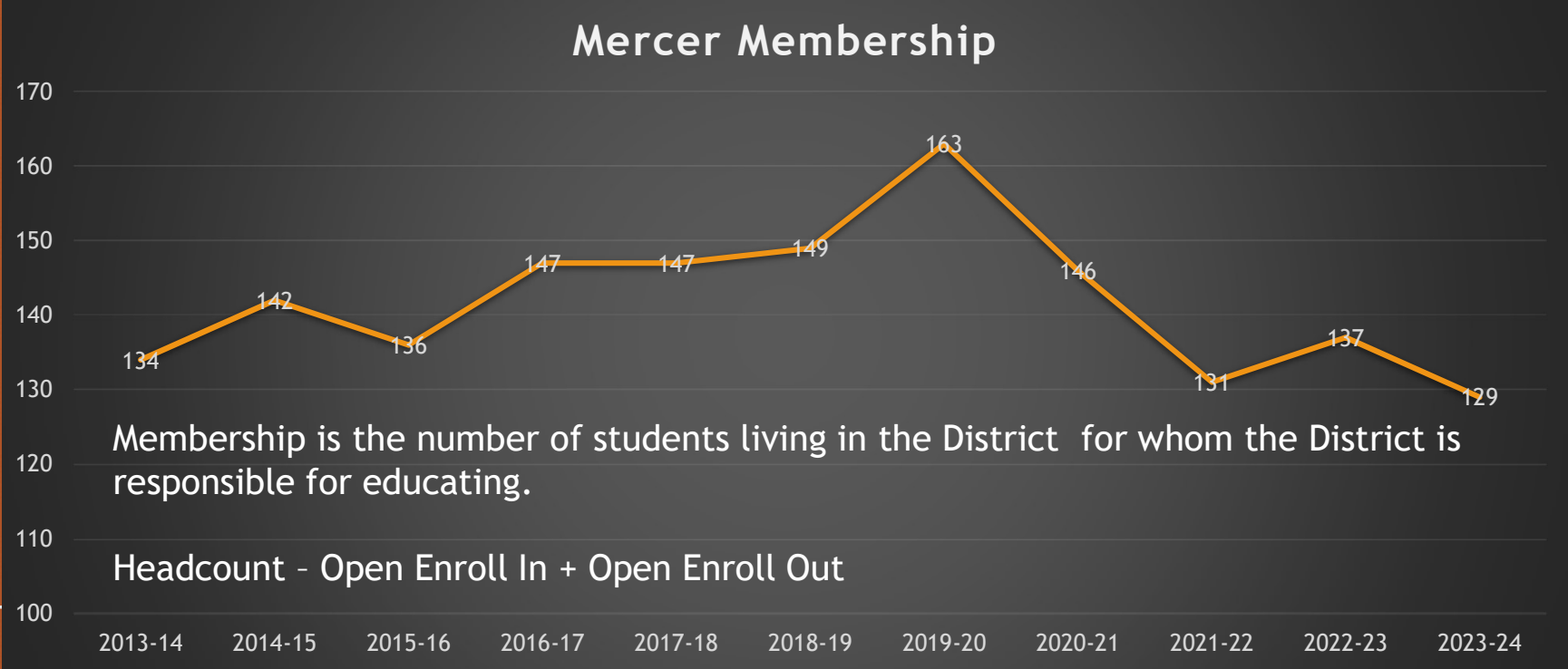
How is the Revenue Limit Calculated?

A district's revenue limit is the maximum amount of revenue that may be raised through state general aid and property tax for the General (Fund 10), Non-Referendum Debt (Fund 38), and Capital Expansion Funds (Fund 41)



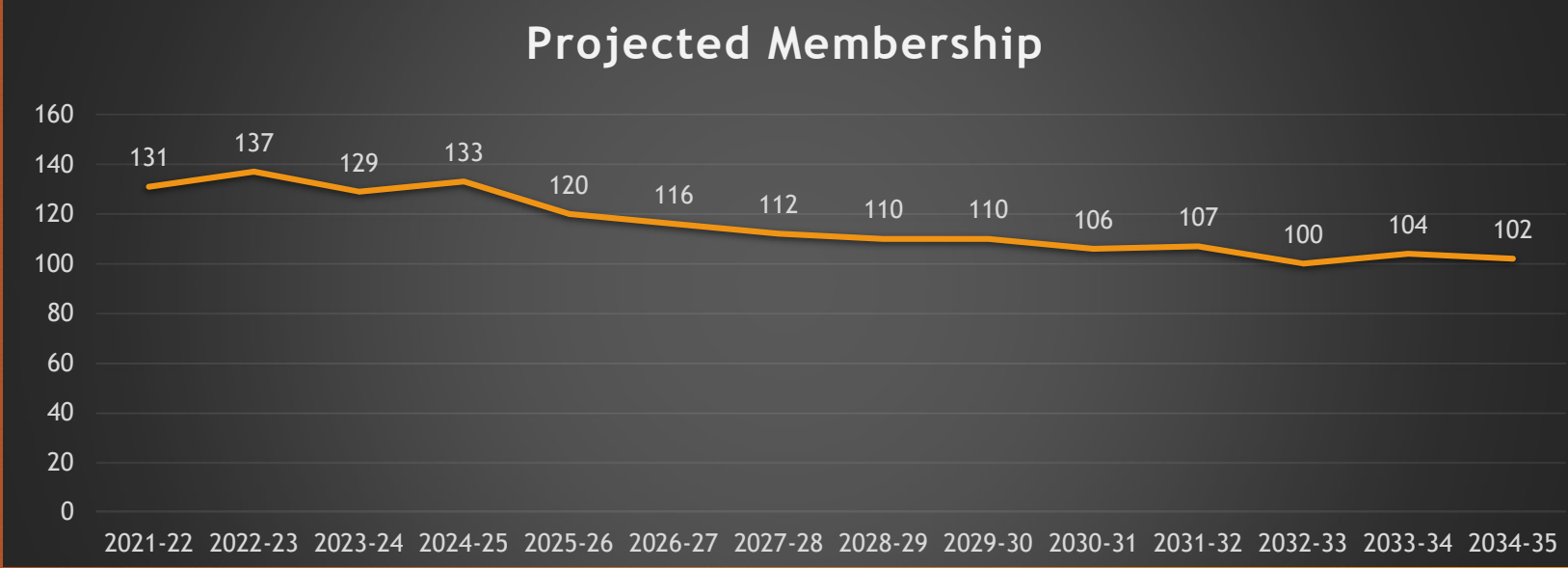
District Membership

Membership is largest factor in determining the revenue limit



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Membership is the number of students living in the District for whom the District is responsible for educating.

Headcount - Open Enroll In + Open Enroll Out

ASSUMPTIONS

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REVENUE

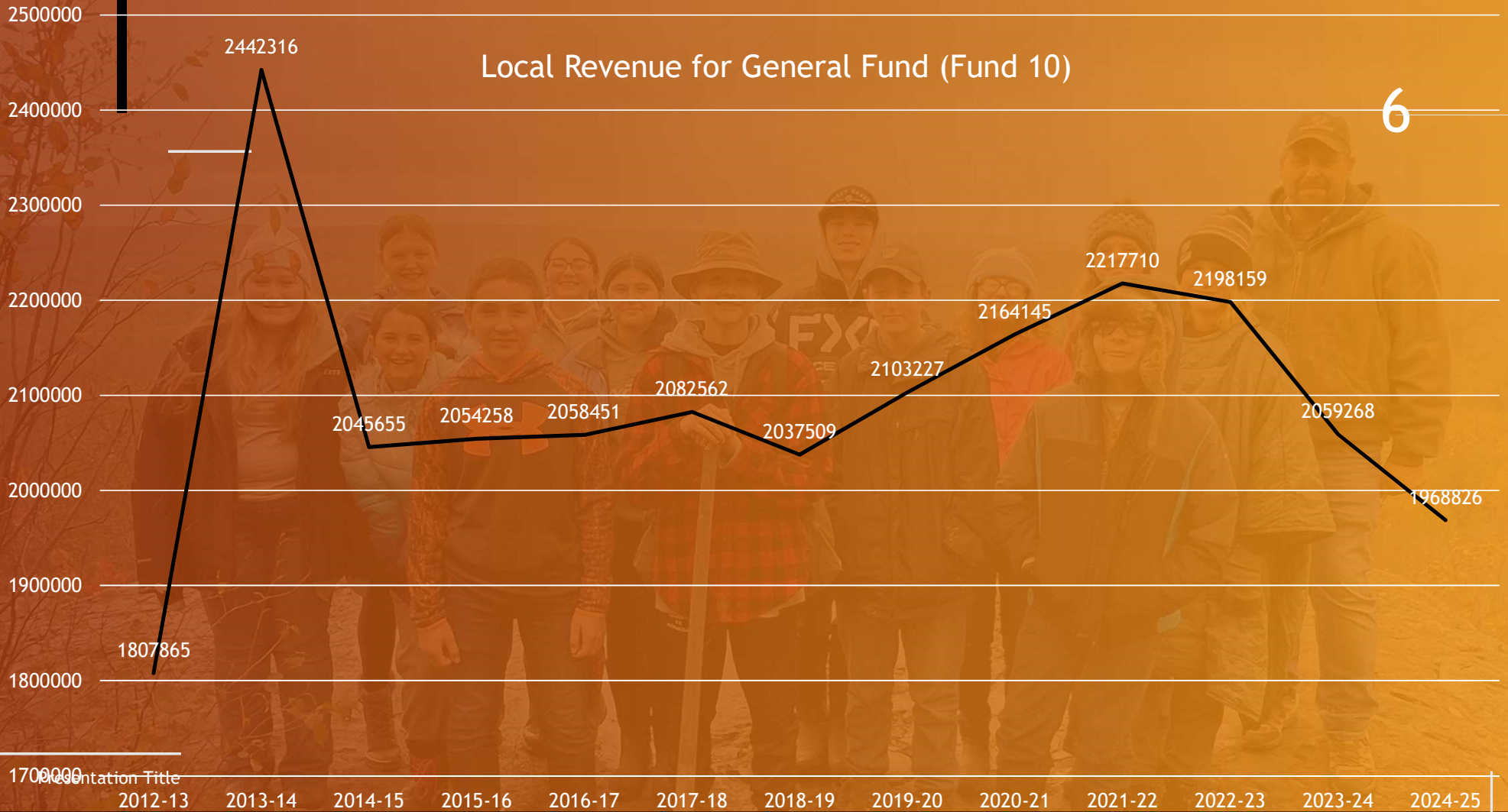
- Enrollment declining
- ESSER funds expire
- Increase in revenue \$325 per pupil
- No change in open enrollment

EXPENSES

- Increase Staffing (English, Special Education)
- Deferred Maintenance
- Salary/Benefit Increases
- Increase in Materials, Supplies and Operating Costs (MSOCs) of 3%
- No change in open enrollment

Local Revenue for General Fund (Fund 10)

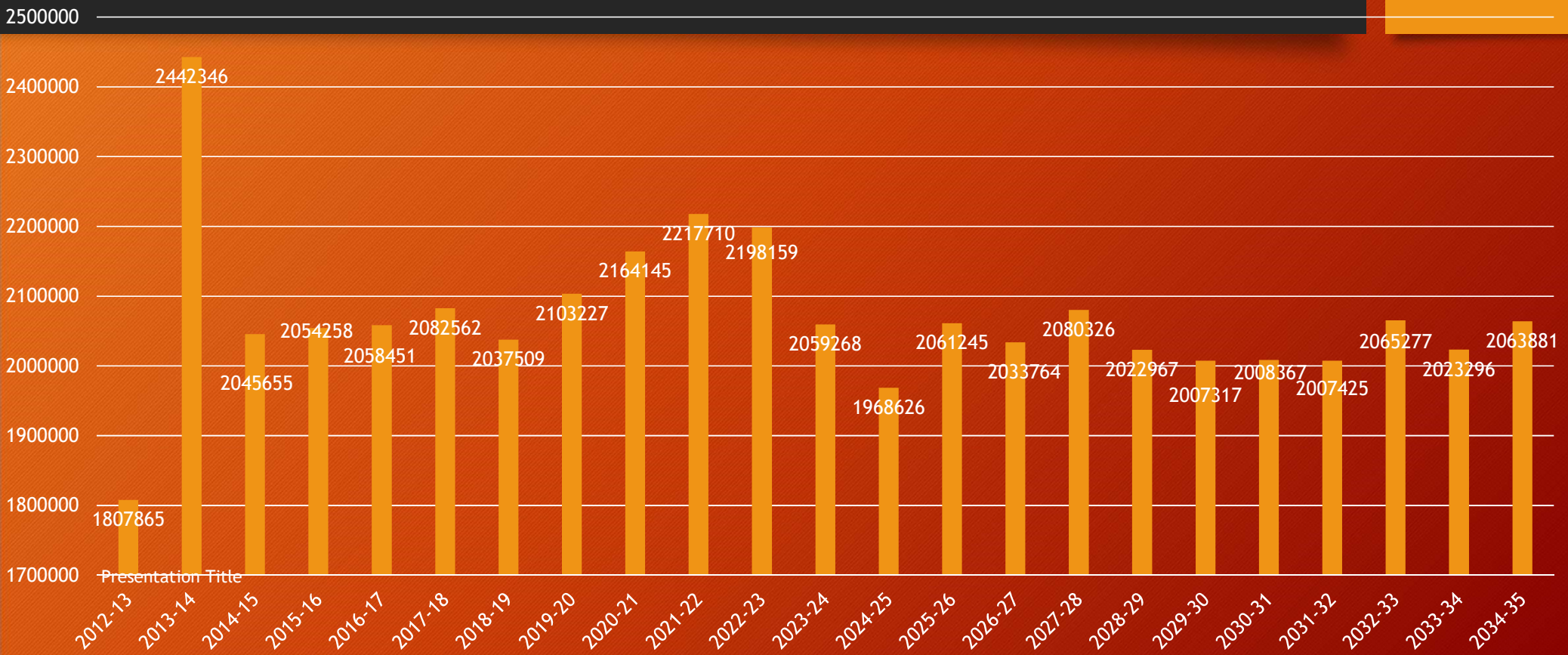
6



1700000
Presentation Title
2012-13

Local Revenue for Fund 10

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Budget Plan

FUND 10 IF Referendum is Approved

Declining Revenue Limit Authority

Declining Revenue Expiring Grants

Deferred Maintenance: Boiler, Ventilation, Circuit Breakers

Payroll Increase to Attract and Retain Staff

Hire English Teacher, Special Education Support, Custodian

Instructional Materials

Increase Cash on Hand to Avoid Short Term Borrowing

AVERAGE ANNUAL IMPACT \$800,000

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Facilities 2021-22 Audited Annual Data

	Total Cost	% of Total Expenses
State	\$1,110,151,964.00	8.30%
Mercer	\$32,493.00	1.00%
Hurley	\$2,406,273.00	21.90%
North Lakeland	\$200,238.00	4.20%
Lakeland	\$1,162,574.00	6.80%
Ashland	\$3,201,473.00	9.60%
Bayfield	\$582,325.00	4.20%

Referendum Recommendations

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- Type: Non-recurring
- Term 5 years
- Purpose maintain operations, programs and facilities
- Amount \$800,000 for 5 years
- When: Spring General Election 4/2/2024
 - *Adopt and file resolution 1/23/2024*

Mill Rate

2022-23 \$4.84 Total Levy \$2,465,355

2023-24 \$3.72 Total Levy \$2,351,846

With \$800,000 Levy

2024-25 \$4.84 Total Levy \$3,061,899

Without levy

2024-25 \$2,261,899 or a mill rate of \$3.58

Mill rate is the levy rate per \$1,000 equalized property value

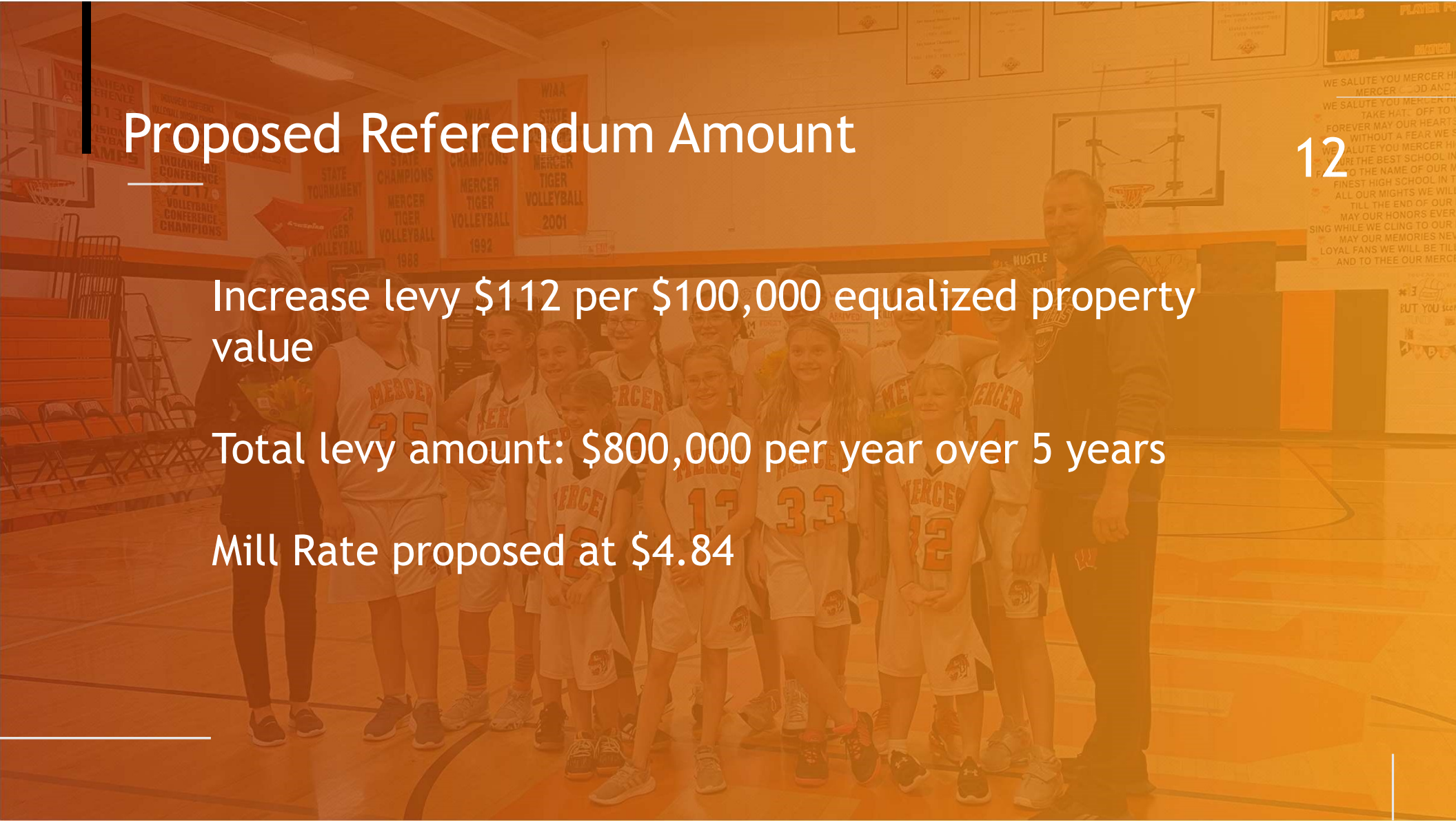
Proposed Referendum Amount

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Increase levy \$112 per \$100,000 equalized property value

Total levy amount: \$800,000 per year over 5 years

Mill Rate proposed at \$4.84



Budget Summary



Future Revenue

Federal one-time funds expire

Decrease in pupil count
(membership)



Expenses

Inflation

- Payroll increases
- Increase in cost of operations



Fund Balance

Equity (assets-liability) on June 30

A healthy fund balance allowed Mercer to be fiscally resilient as expenses increased

The fund balance has now dropped well below 25%. This means more short term borrowing at higher rates.

What does this mean for the future?

- Increase in revenue
 - Voters approve to increase the levy limit (operational referendum)
- OR
- Decrease in expenses
 - Reductions in programs and staff