

WASBO New School Administrator & Support Staff Conference
7 September 2022

Revenue Limit, State General Aid, and Tax Levy

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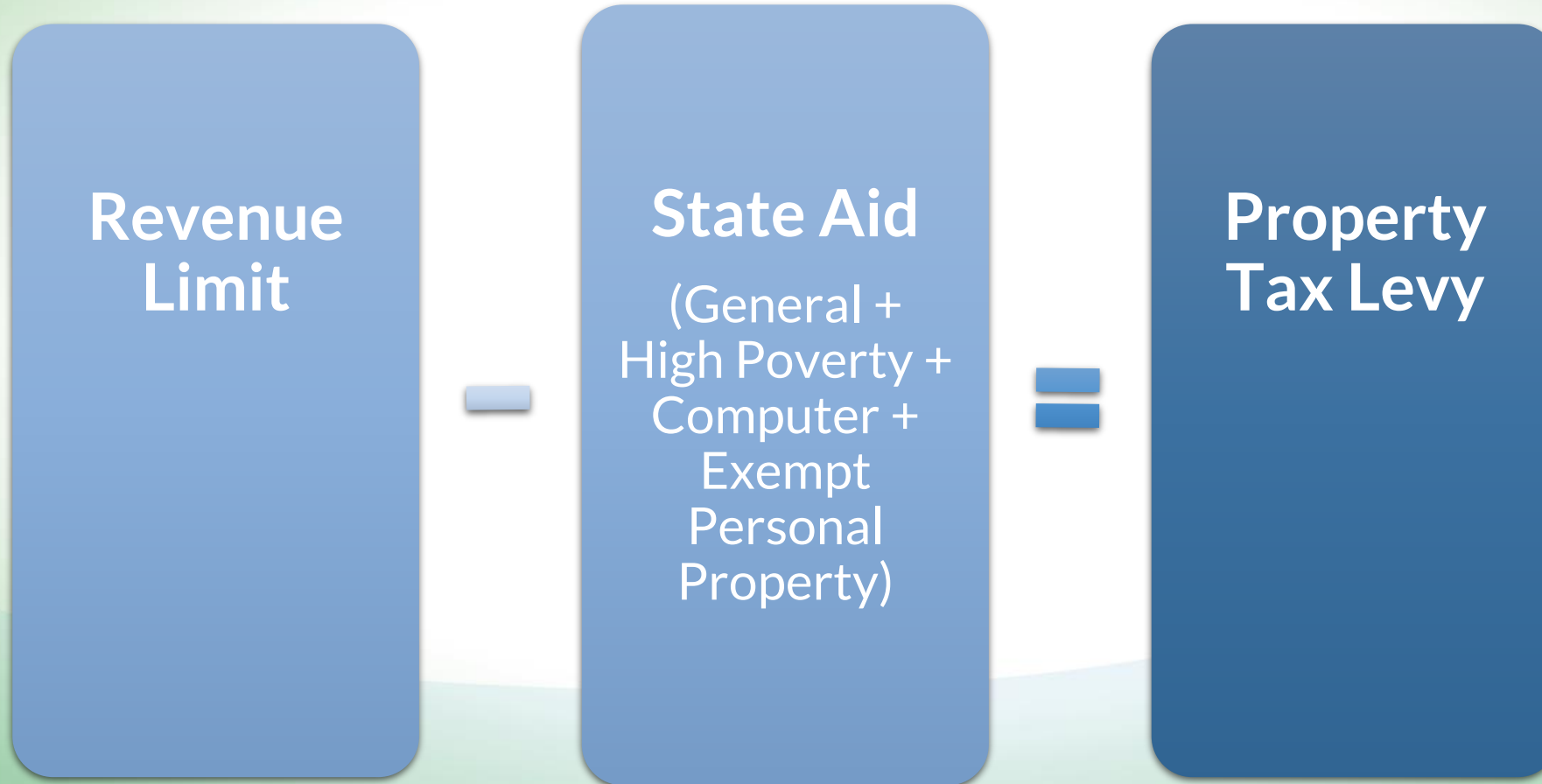


WISCONSIN DEPARTMENT OF
Public Instruction
Jill K. Underly, PhD, State Superintendent

Agenda

- **Basic Formula**
- **Revenue Limits**
- **Property Tax Levy**
- **State Aids**
- **Questions**

Revenue Limits, School Aids, and Property Tax Levies



Revenue Limit History and Overview

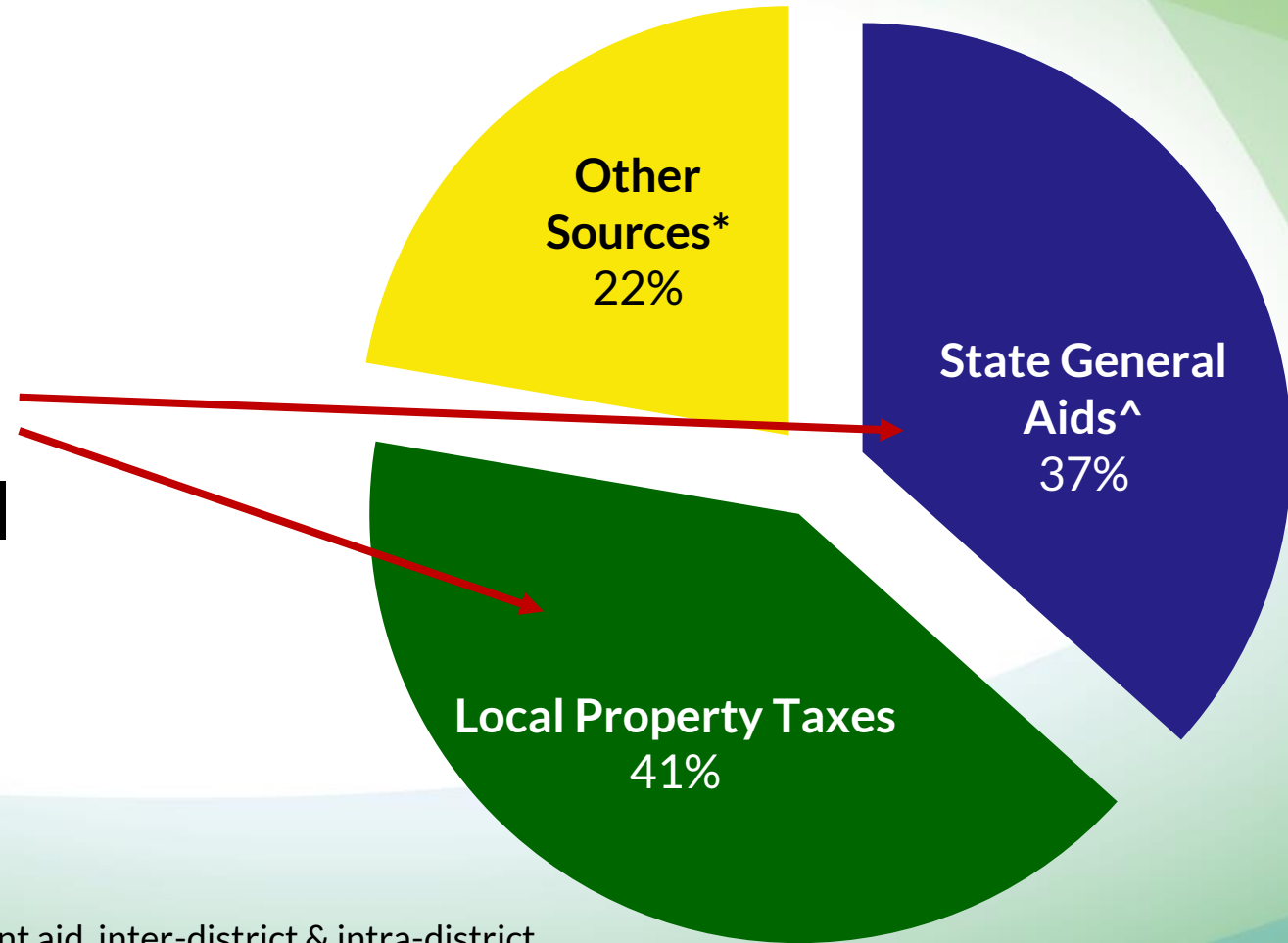
Revenue limits:

- Implemented in 1993-94.
- Designed to restrict the amount of revenue a school district can raise through local property taxes and state general school aids annually on a per pupil basis.
- Do not include state categorical aids, federal aids, local receipts, and most debt service tax levies.
- Use to increase annually on a per pupil basis; 6 of 8 most recent years is \$0.
- Calculated based upon a school district's three-year rolling membership average. Not dependent on changes in other districts.
- Allow for multiple adjustments for certain purposes.
- Can be exceeded if approved through local referendum.

State Totals - School District Revenues

CONTROLLED

Although the mix of aid and taxes is different across districts, the Revenue Limit can control 70-90% of the General Fund budget!



[^] State General Aids includes: equalization aid, special adjustment aid, inter-district & intra-district aids, and high poverty aid (i.e., state aids received under the districts' revenue limit caps).

* Other Sources include: state categorical aids, federal aid, and non-property tax local revenue (i.e., revenue received outside of the districts' revenue limit caps).

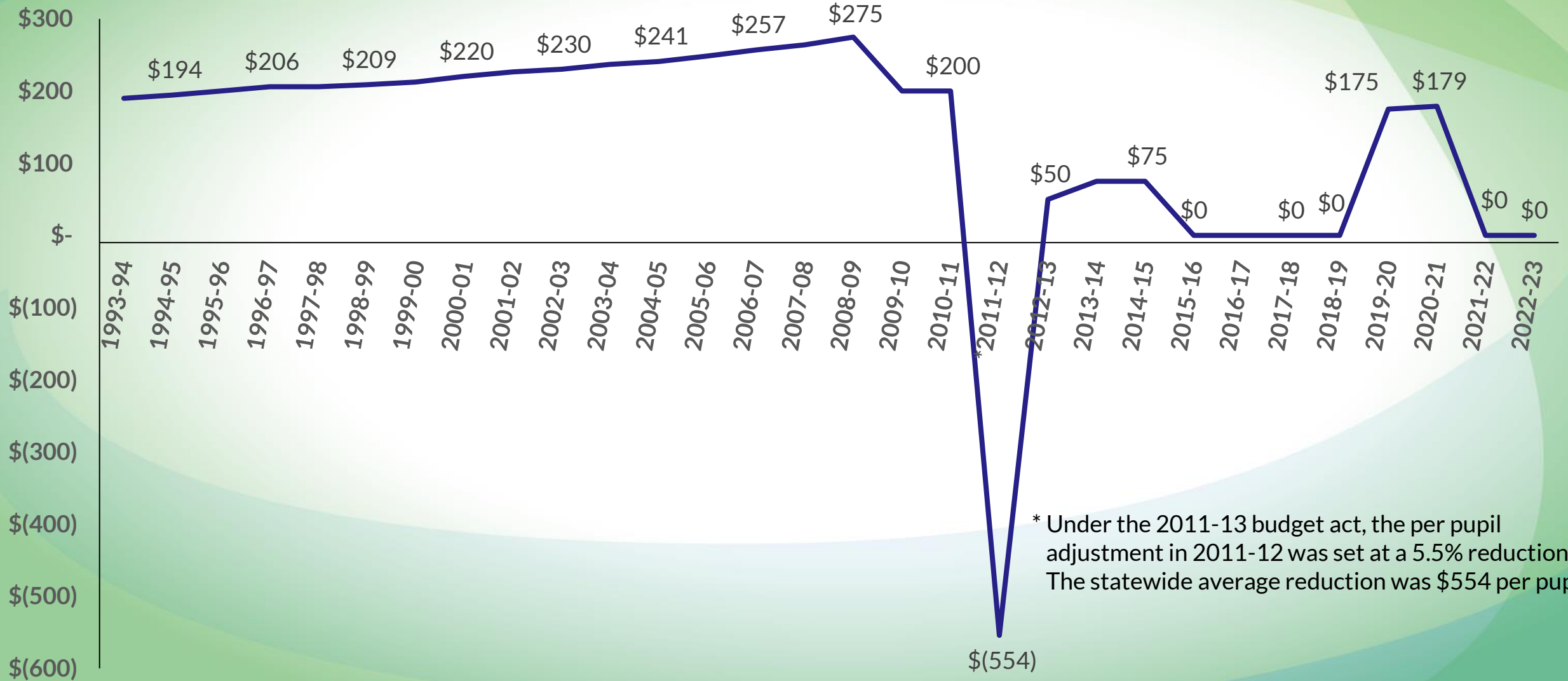
What is within Revenue Limits?

- **Regulates Revenues for Funds 10, 38 and 41**
 - **General Fund (10)**
 - **Property Tax Levy**
 - **General State Aid**
 - **Computer Aid**
 - **Non-Referendum Debt Service Fund (38)**
 - **Property Tax Levy**
 - **Capital Projects Fund (41)**
 - **Property Tax Levy**

What is outside the Revenue Limit?

- Categorical Aids (Special Education **Per Pupil Aid** Library, Transportation, SAGE/AGR, Sparsity, etc.)
- State and Federal Grants
- Student Fees, Gate Receipts, and Donations
- Tax Levy for Referendum Approved Debt Service Fund (39)
- Tax Levy for Community Service Fund (80)

RL: Per Pupil Adjustment History



* Under the 2011-13 budget act, the per pupil adjustment in 2011-12 was set at a 5.5% reduction, The statewide average reduction was \$554 per pupil.

Revenue Limits

Membership

- September Pupil Count FTE + 40% Summer School FTE (3YRA)

Four-Step Process

Step 1: Build the Base Revenue Per Member (Worksheet lines 1-3)

Step 2: Calculate New Revenue Per Member (Worksheet lines 4-7)

Step 3: Determine Allowable Exemptions (Worksheet lines 8-11)

Step 4: Determine Levy (Worksheet lines 13-16)

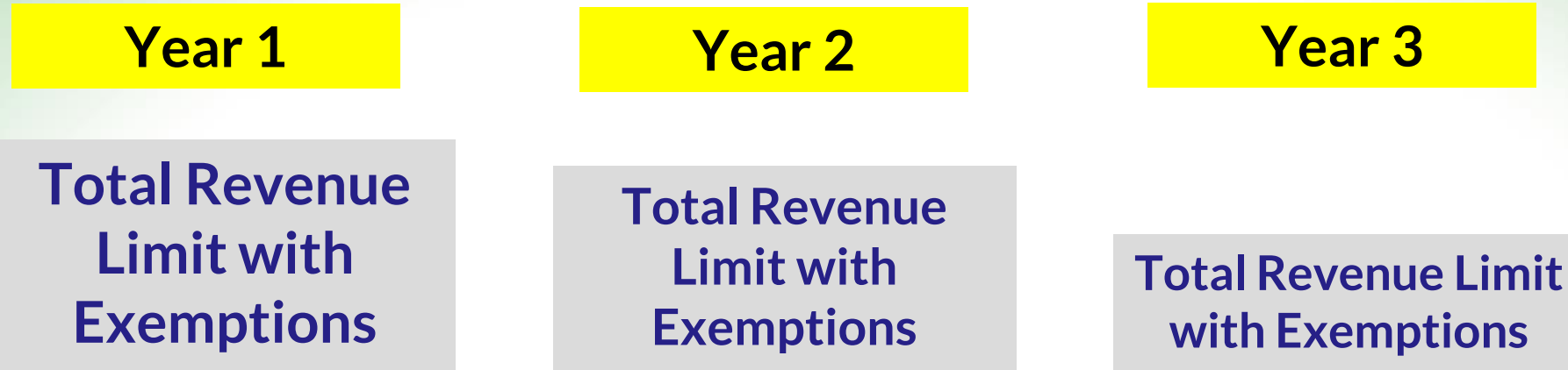
The revenue limit does not include all revenues and it is not a spending

DISTRICT:	Watertown	6125	
FINAL DATA AS OF 6/6/2022, 8:30AM			
Line 1 Amount May Not Exceed (Line 11 - (Line 7B+Line 10)) of Final 20-21 Revenue Limit			
2020-21 General Aid Certification (20-21 Line 12A, src 621)	+	24,314,899	
2020-21 Computer Aid Received (20-21 Line 12C, Src 691)	+	43,458	
2020-21 Hi Pov Aid (20-21 Line 12B, Src 628)	+	0	
2020-21 Aid for Exempt Personal Property (20-21 Line 12D, Src 691)	+	92,128	
2020-21 Fnd 10 Levy Cert (20-21 Line 14A, Levy 10 Src 211)	+	18,328,446	
2020-21 Fnd 38 Levy Cert (20-21 Line 14B, Levy 38 Src 211)	+	320,363	
2020-21 Fnd 41 Levy Cert (20-21 Line 14C, Levy 41 Src 211)	+	0	
2020-21 Aid Penalty for Over Levy (20-21 FINAL Rev Lim, May 2021)	-	0	
2020-21 Total Levy for All Levied Non-Recurring Exemptions*	-	6,410,738	
NET 2021-22 Base Revenue Built from 2020-21 Data (Line 1)	=	36,688,556	
*For the Non-Recurring Exemptions Levy Amount, enter actual amount for which district levied; (7B Hold Harmless, Non-Recurring Referenda, Declining Enrollment, Energy Efficiency Exemption, Refunded/Rescinded Taxes, Prior Year Open Enrollment Pupils, Reduction for Ineligible Fund 80 Expend, Other Adjustments, Private School Voucher Aid Deduction, Private School Special Needs Voucher Aid Deduction)			
September & Summer FTE Membership Averages			
Count Ch. 220 Inter-District Resident Transfer Pupils @ 75%.			
Line 2: Base Avg:((18+.4ss)+(19+.4ss)+(20+.4ss)) / 3 =		3,666	
	2018	2019	2020
Summer FTE:	128	138	38
% (40,40,40)	51	55	15
Sept FTE:	3,716	3,686	3,476
New ICS - Independent Charter Schools FTE	0.00	0.00	0.00
Total FTE	3,767	3,741	3,491
Line 6: Curr Avg:((19+.4ss)+(20+.4ss)+(21+.4ss)) / 3 =		3,585	
	2019	2020	2021
Summer FTE:	138	38	113
% (40,40,40)	55	15	45
Sept FTE:	3,686	3,476	3,456
New ICS - Independent Charter Schools FTE	0.00	0.00	21.00
Total FTE	3,741	3,491	3,522
			3,578
Line 10B: Declining Enrollment Exemption =		810,631	
Average FTE Loss (Line 2 - Line 6, if > 0)		81	
	X 1.00	=	81
X (Line 5, Maximum 2020-2021 Revenue per Memb) =		10,007.79	
Non-Recurring Exemption Amount:		810,631	
Fall 2021 Property Values			
2021 TIF-Out Tax Apportionment Equalized Valuation		2,377,867,787	
CELL COLOR KEY:	Auto-Calc	DPI Data	District-Entered
Worksheet is available at: http://dpi.wi.gov/sfs/limits/worksheets/revenue			
Calculation Revised: 8/5/2020. Rounding in Total FTE buckets.			

2021-2022 Revenue Limit Worksheet			
1.	2021-22 Base Revenue (Funds 10, 38, 41)	(from left)	36,688,556
2.	Base Sept Membership Avg (2018+.4ss, 2019+.4ss, 2020+.4ss)/3	(from left)	3,666
3.	2021-22 Base Revenue Per Member (Ln 1 / Ln2)	(with cents)	10,007.79
4.	2021-22 Per Member Change (A+B)		0.00
	2021-22 Low Revenue Ceiling per s.121.905(1):	10,000.00	
A.	Allowed Per-Member Change for 21-22	0.00	
B.	Low Rev Incr ((Low Rev Ceiling-(3+4A))-4C) NOT<0	0.00	
C.	Value of the CCDEB (21-22 DPI Computed-CCDEB Dists only)	0.00	
5.	2021-22 Maximum Revenue / Member (Ln 3 + Ln 4)		10,007.79
6.	Current Membership Avg (2019+.4ss, 2020+.4ss, 2021+.4ss)/3	(from left)	3,585
7.	2021-22 Rev Limit, No Exemptions (Ln7A + Ln 7B)	(rounded)	36,688,556
A.	Max Rev/Memb x Cur Memb Avg (Ln 5 x Ln 6)	35,877,927	
B.	Hold Harmless Non-Recurring Exemption	810,629	
8.	Total 2021-22 Recurring Exemptions (A+B+C+D+E)	(rounded)	29,345
A.	Prior Year Carryover	0	
B.	Transfer of Service	29,345	
C.	Transfer of Territory/Other Reorg (if negative, include sign)	0	
D.	Federal Impact Aid Loss (2019-20 to 2020-21)	0	
E.	Recurring Referenda to Exceed (If 2021-22 is first year)	0	
9.	2021-22 Limit with Recurring Exemptions (Ln 7 + Ln 8)		36,717,901
10.	Total 2021-22 Non-Recurring Exemptions (A+B+C+D+E+F+G+H+I)		6,674,850
A.	Non-Recurring Referenda to Exceed 2021-22 Limit	3,700,000	
B.	Declining Enrollment Exemption for 2021-22 (from left)	810,631	
C.	Energy Efficiency Net Exemption for 2021-22 (see pg 4 for details)	0	
D.	Adjustment for Refunded or Rescinded Taxes, 2021-22	14,766	
E.	Prior Year Open Enrollment (uncounted pupil[s])	65,071	
F.	Reduction for Ineligible Fund 80 Expenditures (enter as negative)	0	
G.	Other Adjustments (Fund 39 Bal Transfer)	0	
H.	WPCP and RPCP Private School Voucher Aid Deduction	1,856,654	
I.	SNSP Private School Voucher Aid Deduction	227,728	
11.	2021-22 Revenue Limit With All Exemptions (Ln 9 + Ln 10)		43,392,751
12.	Total Aid to be Used in Computation (12A + 12B + 12C + 12D)		24,412,345
A.	2021-22 OCTOBER 15 CERT OF GENERAL AID	24,234,596	
B.	State Aid to High Poverty Districts (not all districts)	0	
C.	State Aid for Exempt Computers (Source 691)	43,458	
D.	State Aid for Exempt Personal Property (Source 691)	134,291	
DISTRICTS MUST USE THE OCT 15 AID CERT WHEN SETTING THE DISTRICT LEVY.			
13.	Allowable Limited Revenue: (Line 11 - Line 12)		18,980,406
	(10, 38, 41 Levies)		
14.	Total Limited Revenue To Be Used (A+B+C)	Not >line 13	18,980,406
Entries Required Below: Enter amnts needed by purpose and fund:			
A.	Gen Operations: Fnd 10 Src 211	18,660,626	(Proposed Fund 10)
B.	Non-Referendum Debt (inside limit) Fund 38 Src 211	319,780	(to Budget Rpt)
C.	Capital Exp, Annual Meeting Approved: Fund 41 Src 211	0	(to Budget Rpt)
15.	Total Revenue from Other Levies (A+B+C+D)		2,188,500
A.	Referendum Apprvd Debt (Fund 39 Debt-Src 211)	1,930,000	
B.	Community Services (Fund 80 Src 211)	258,500	(to Budget Rpt)
C.	Prior Year Levy Chargeback for Uncollectible Taxes (Src 212)	0	(to Budget Rpt)
D.	Other Levy Revenue - Milwaukee & Kenosha Only	0	(to Budget Rpt)
16.	Total Fall, 2021 REPORTED All Fund Tax Levy (14A + 14B + 14C + 15)		21,168,906
	Line 16 is the total levy to be apportioned in the PI-401.	Levy Rate =	0.00890247
Districts are responsible for the integrity of their revenue limit data & computation. Data appearing here reflects information submitted to DPI and is unaudited.			

Revenue Limits & Budget-Building

Watch Change Across Time – Line 11



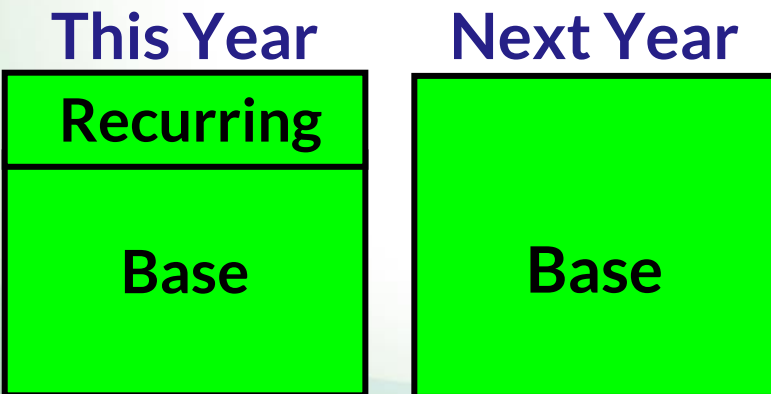
Line 11 represents the total amount of resource your district will get from property tax, state general aids, and exempt computer aid. This will equal about 85-95% of general fund revenues.

For budgeting purposes, it's very important to compare Line 11 with the previous year's Line 11. Major decreases in Line 11 from year to year can have serious implications for your budget. Watch for exemptions.

Know the Difference!

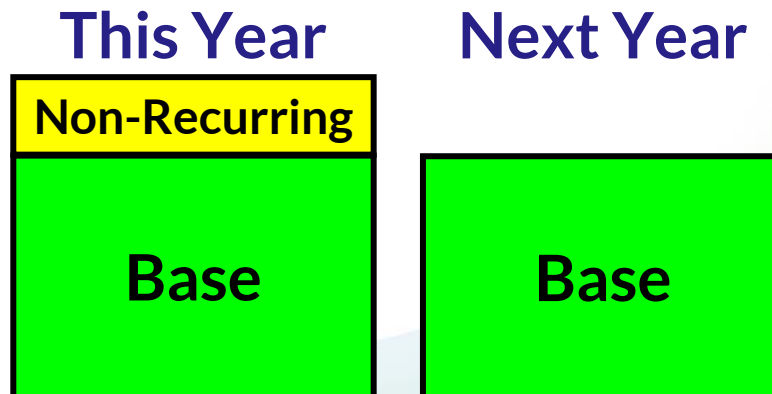
Line 8

Recurring Exemptions –
Permanently in Your Base



Line 10

Non-Recurring Exemptions –
One Year Only



Revenue Limit Takeaways

- The Revenue Limit controls revenue from general state aid (including high poverty aid) and most of your local property tax revenues.
- Revenue Limits are calculated by multiplying the three-year rolling membership average times a per member dollar amount – and adding on any exemptions.
- Most districts are not restrained by their initial calculation but are eligible for various exemptions to increase their Revenue Limit. Exemptions result in additional taxation authority.
- Know the difference between recurring and non-recurring exemptions, especially when planning a referendum.
- Calculating the property tax levy is a direct result of completing the Revenue Limit calculation.

Setting the Levy

➤ Page 2 of the Revenue Limit Worksheet

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B.	Low Rev Incr ((Low Rev Ceiling-(3+4A))-4C) NOT<0	0.00
C.	Value of the CCDEB (21-22 DPI Computed-CCDEB Dists only)	0.00
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B.	State Aid to High Poverty Districts (not all districts)	0
C.	State Aid for Exempt Computers (Source 691)	43,458
D.	State Aid for Exempt Personal Property (Source 691)	134,291
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13.	Allowable Limited Revenue: (Line 11 - Line 12) (10, 38, 41 Levies)	18,980,406
14.	Total Limited Revenue To Be Used (A+B+C) Entries Required Below: Enter amnts needed by purpose and fund:	Not >line 13 18,980,406
A.	Gen Operations: Fnd 10 Src 211	18,660,626 (Proposed Fund 10)
B.	Non-Referendum Debt (inside limit) Fund 38 Src 211	319,780 (to Budget Rpt)
C.	Capital Exp, Annual Meeting Approved: Fund 41 Src 211	0 (to Budget Rpt)
15.	Total Revenue from Other Levies (A+B+C+D)	2,188,500
A.	Referendum Apprvd Debt (Fund 39 Debt-Src 211)	1,930,000
B.	Community Services (Fund 80 Src 211)	258,500 (to Budget Rpt)
C.	Prior Year Levy Chargeback for Uncollectible Taxes (Src 212)	0 (to Budget Rpt)
D.	Other Levy Revenue - Milwaukee & Kenosha Only	0 (to Budget Rpt)
16.	Total Fall, 2021 REPORTED All Fund Tax Levy (14A + 14B + 14C + 15) <i>Line 16 is the total levy to be apportioned in the PI-401.</i>	21,168,906
	Levy Rate =	0.00890247

Districts are responsible for the integrity of their revenue limit data & computation. Data appearing here reflects information submitted to DPI and is unaudited.

The Basic Formula

- Line 11 – Total Revenue Limit
 - (minus)
 - Line 12 – State General Aid
 - (equals)
- Line 13 – Allowable Limited Tax Levy

11.	2021-22 Revenue Limit With All Exemptions (Ln 9 + Ln 10)		43,392,751
12.	Total Aid to be Used in Computation (12A + 12B + 12C + 12D)		24,412,345
A.	2021-22 OCTOBER 15 CERT OF GENERAL AID	24,234,596	
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	(10, 38, 41 Levies)		

State Aid for Exempt Computer Property

- Line 12C
- State aid from the Department of Revenue.
- Replaces the tax revenue the District would have received if this property was still included on the taxable rolls.
- Calculation was changed as part of the 2017-19 Biennial Budget.
- Available around October 15th and paid directly by DOR

The Basic Formula

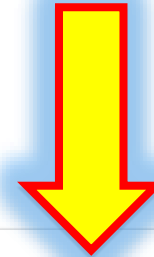
Levy by Fund

- The Line 13 Maximum Levy Amount only applies to three funds.
 - Fund 10 – General Fund
 - Fund 38 – Non-Referendum Debt Service
 - Fund 41 – Capitol Projects Sinking Fund
- On Line 14, you allocate your Line 13 amount among these three funds.

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C. Capital Exp, Annual Meeting Approved: Fund 41 Src 211	0	(to Budget Rpt)

Avoid the Over-Levy

- Line 14 CANNOT exceed Line 13.
- If it does, the worksheet will let you know.



13. Allowable Limited Revenue: (Line 11 - Line 12) (10, 38, 41 Levies)		18,980,406
	EXCEEDS LIMIT !!	
14. Total Limited Revenue To Be Used (A+B+C)	Not >line 13	19,000,000
Entries Required Below: Enter amnts needed by purpose and fund:		
A. Gen Operations: Fnd 10 Src 211	18,660,626	(Proposed Fund 10)
B. Non-Referendum Debt (inside limit) Fund 38 Src 211	319,780	(to Budget Rpt)
C. Capital Exp, Annual Meeting Approved: Fund 41 Src 211	19,594	(to Budget Rpt)

The Basic Formula

- Line 15 adds tax levies for funds outside the Revenue Limit:
 - Fund 39 (and other non-Fund 38 funds) – Referendum Approved Debt Service
 - Fund 80 – Community Services Fund
 - Prior Year Levy Chargeback for Uncollectible Taxes (in Fund 10)
- Designed to recover costs related to approved revenues from prior years.

15. Total Revenue from Other Levies (A+B+C+D)		2,188,500
A. Referendum Apprvd Debt (Fund 39 Debt-Src 211)	1,930,000	
B. Community Services (Fund 80 Src 211)	258,500	(to Budget Rpt)
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<i>Line 16 is the total levy to be apportioned in the PI-401.</i>	Levy Rate =	0.00890247

- These amounts are added to Line 14 to determine the gross total levy.

Revenue Limits POP QUIZ!

What funds are regulated by the revenue limit?

Funds 10, 38, and 41

Funds 39, 80, and the prior year levy chargeback for uncollectible taxes are *outside* the revenue limit.

Gross Total Levy

The amounts on Line 15 are added to Line 14 to determine the gross total levy on Line 16.

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Revenue Limits

How can I predict future limits?

- [SFS Home \(https://dpi.wi.gov/sfs\)](https://dpi.wi.gov/sfs)
- [Revenue Limits Overview](#)
- [Revenue Limit Worksheets for Budget Planning](#)
- [2022-23 Pre-Populated Revenue Limit Worksheet](#)

The screenshot shows the Wisconsin Department of Public Instruction website. The header includes the logo and a search bar. The main content area is titled "Revenue Limits" and includes an "Overview" section with a bar chart showing an upward trend. The text explains that in the fall of 1993, the Wisconsin legislature instituted a limit or control on the revenue a school district is entitled to receive each year. The control applies to revenue received from two sources: general state aid (equalization, special adjustment and integration aids); and select local levies (General Operations-Fund 10, Capital Projects-Fund 41 and Non-Referendum Debt-Fund 38). The results of this computation can have significant impact on district finances, as general state aids and the General Fund (Fund 10) tax levy can comprise anywhere from 70-90 percent of a district's total General Fund revenues. Below the overview, there are links for "Revenue Limit Formula", "Computer Aid", "Exemptions", "Revenue Limit Worksheets for Budget Planning", and "Final Revenue Limit Worksheets".

WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION

Search

SCHOOL FINANCIAL SERVICES / REVENUE LIMITS

Revenue Limits

Overview

In the fall of 1993, the Wisconsin legislature (s. 120.90) instituted a limit or control on the revenue a school district is entitled to receive each year. The control applies to revenue received from two sources:

- general state aid (equalization, special adjustment and integration aids); and
- select local levies (General Operations-Fund 10, Capital Projects-Fund 41 and Non-Referendum Debt-Fund 38).

The results of this computation can have significant impact on district finances, as general state aids and the General Fund (Fund 10) tax levy can comprise anywhere from 70-90 percent of a district's total General Fund revenues.

Browse the following links for more details.

[Revenue Limit Formula](#)
Detailed, narrative explanation of the formula.

[Computer Aid](#)
Description of this state aid program that replaces a portion of the district's local levy.

[Exemptions](#)
Explanations of the additional revenue limit authority available to districts.

[Revenue Limit Worksheets for Budget Planning](#)
Excel spreadsheets available per year for appropriate budget planning.

[Final Revenue Limit Worksheets](#)
Prior-year district by district revenue limit computations.

State General Aids

The fundamental purpose of the Equalization Aid formula is to “level the playing field” by providing assistance (distributing aid) to poorer districts (those with lower property value) to make up for what they can’t get from their property tax base.

Basic Equalization Aid Concepts

- Aid is inversely related to district property value per member.
- One pot of money is split over 421 school districts based on district values, membership, and shared costs. Changes in individual district data affect every other district's aid.
- Depending on district value-per-member, some districts' aid is increased by increasing expenses, while others' aid is decreased by increasing expenses.
- Know where your district is in the formula and be aware of what is happening to your district over time.

Equalization Aid Factors

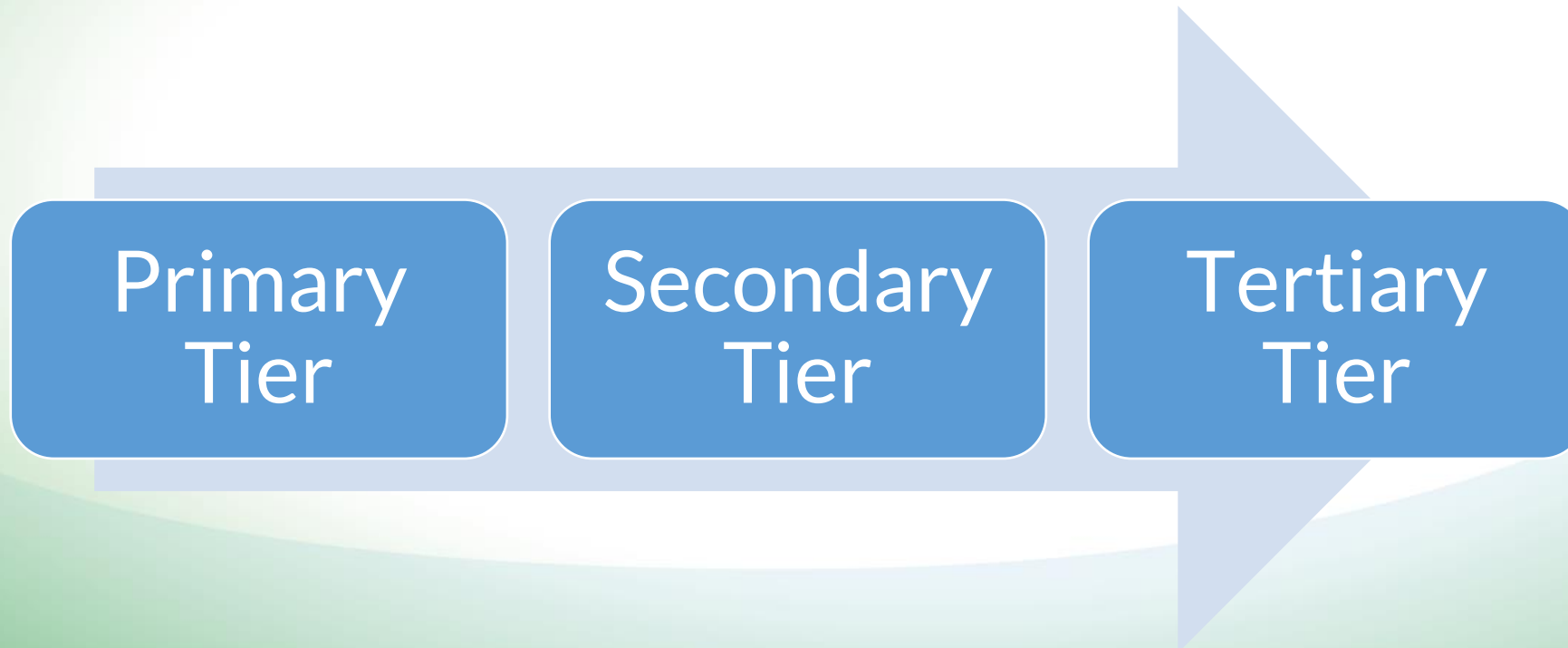
What affects the amount of a district's Equalization Aid?

- **District Factors (Prior Year Audited)**
 - Shared cost
 - Membership (Average of 3rd Friday in Sept + 2nd Friday in January FTE, plus 100% of Summer FTE, plus other adjustments)
 - Equalized property value
- **State Factors**
 - Cost ceilings
 - Guaranteed valuations per member
 - Amount of funding the State puts into the formula

How Equalized Aid Works

The aid computation is actually three individual computations...

The results of all three are summed to get the district's total Equalization Aid



How the Formula “Works in Theory”

Primary Tier & Aid

- 100% minus ($\$1,270,380 / \$1,930,000$) = 34.2%
- Primary Aid: $34.2\% * \$5,441,000 = \$1,859,582$

Secondary Tier & Aid

- 100% minus ($\$1,270,380 / \$1,680,549$) = 24.4%
- Secondary Aid: $24.4\% * \$54,437,205 = \$13,286,405$

Tertiary Tier & Aid

- 100% minus ($\$1,270,380 / \$755,033$) = -68.3%
- Tertiary Aid: $-68.3\% * \$7,345,853 = -\$5,013,904$

WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION
JULY 1 ESTIMATE OF 2022-23 GENERAL AID
 USING 2021-22 BUDGET REPORT DATA, 2021-22 AUDITED MEMBERSHIP
 2021 TIFOUT SCHOOL AID VALUE (CERT MAY 2022) & 2016 COMPUTER VALUE (CERT MAY 2017)

Oconomowoc Area 4060

GUARANTEES FOR JULY 1 AID		K-12	UHS	K-8
PRIMARY (G1)		1,930,000	5,790,000	2,895,000
SECONDARY (G6)		1,680,549	5,041,647	2,520,823
TERTIARY (G11)		755,033	2,265,099	1,132,549

2022-2023 JULY 1 ESTIMATE GENERAL AID

PART E: 2021-22 SHARED COST - CONTINUED		E4 =	67,224,057.90
E6	PRIMARY COST CEILING PER MEMBER		1,000
E7	PRIMARY CEILING (A7 * E6)		5,441,000.00
E8	PRIMARY SHARED COST (LESSER OF E5 OR E7)		5,441,000.00
E9	SECONDARY COST CEILING PER MEMBER		11,005
E10	SECONDARY CEILING (A7 * E9)		59,878,205.00
E11	SECONDARY SHARED COST (LESSER OF E5 OR E10) - E8)		54,437,205.00
E12	TERTIARY SHARED COST (GREATER OF (E5 - E8 - E11) OR 0)		7,345,852.90
	SHARED COST PER MEMBER =	\$12,355	
PART F: EQUALIZED PROPERTY VALUE			
F1	2021 TIFOUT VALUE (CERT MAY 22) + EXEMPT COMPUTER VALUE (CERT MAY 17)		6,912,138,777
	VALUE PER MEMBER =	1,270,380	

2022-23 General Equalization Aid Data (From July 1st Aid Estimate)

2021-22 Property Wealth Data

Most Property Wealthy District

- North Lakeland: \$16,646,813 per pupil
- Equalization aid: \$0 per pupil

Least Property Wealthy District*

- Abbotsford: \$282,065 per pupil
- Equalization aid: \$9,230 per pupil

Statewide Average

- \$755,033 per pupil
- Equalization aid: \$6,235 per pupil

2021-22 Shared Cost Data

Highest Overall District

- Washington Island: \$27,692 per pupil

Lowest Overall District

- Brighton #1 \$8,307

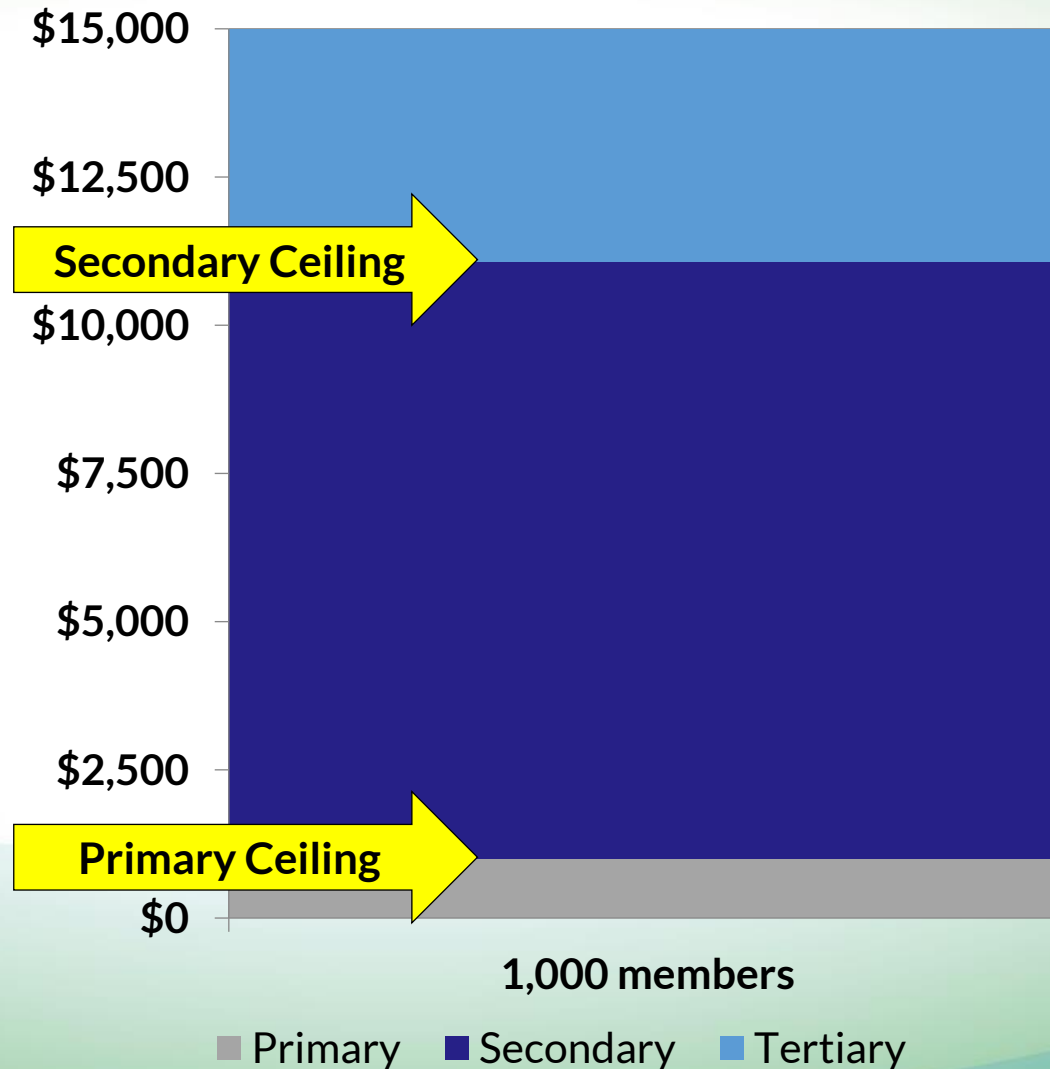
Statewide Average

- \$12,228 per pupil

* *Excluding Norris*

How The Formula Works

Shared Cost is
divided into 3 tiers
by the Cost Ceilings



How The Formula Works

A percentage of shared cost aided is calculated for each tier

$$\% \text{ Aided} = 100\% - \frac{\text{Your Value per Member}}{\text{Guaranteed Value per Member at that tier}}$$



How The Formula Works

Tertiary Tier

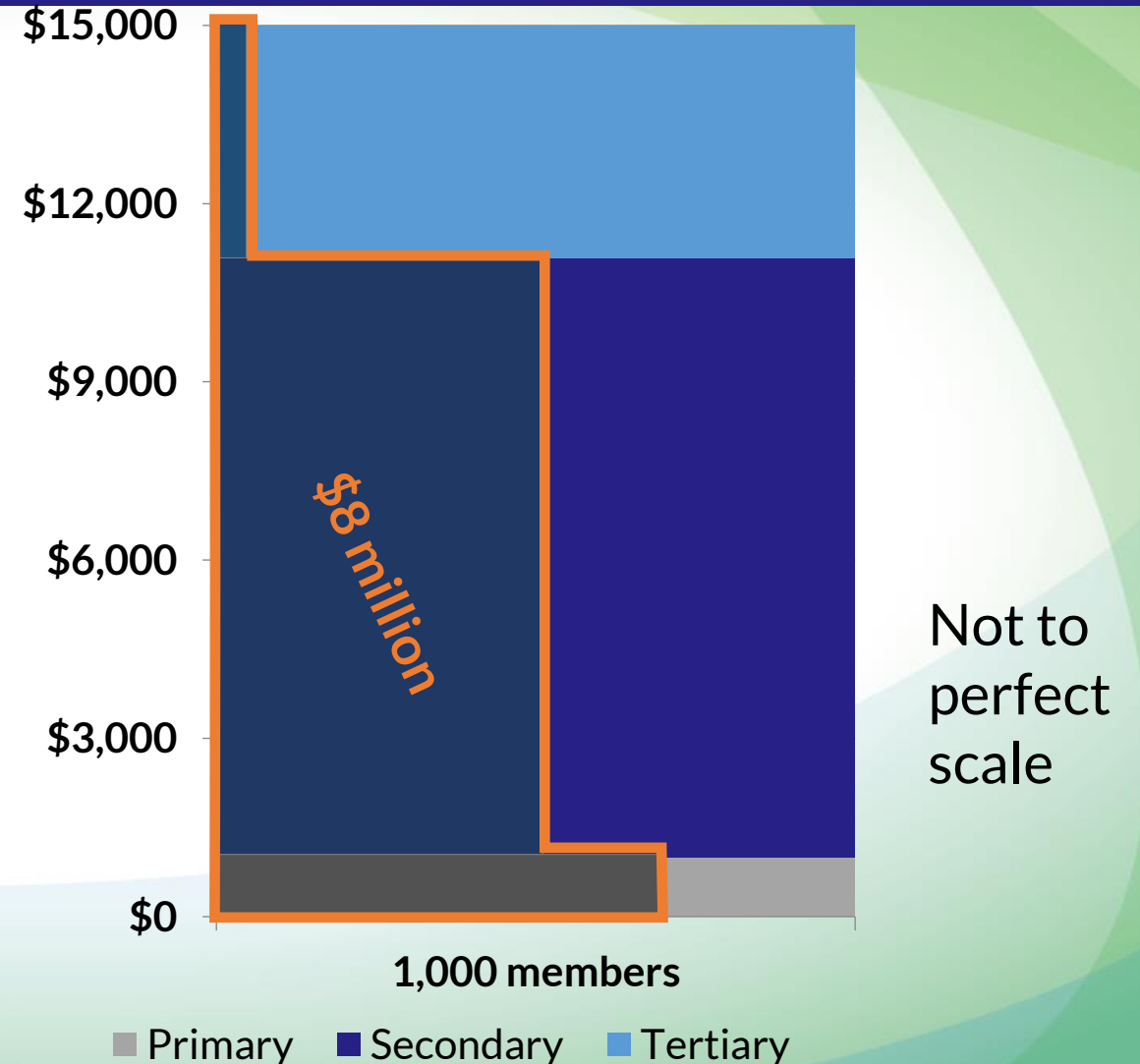
$$100\% - \frac{\$500,000}{\$755,033}$$

Secondary Tier

$$100\% - \frac{\$500,000}{\$1,680,549}$$

Primary Tier

$$100\% - \frac{\$500,000}{\$1,930,000}$$



But What About Negative Aid?

Tertiary Tier

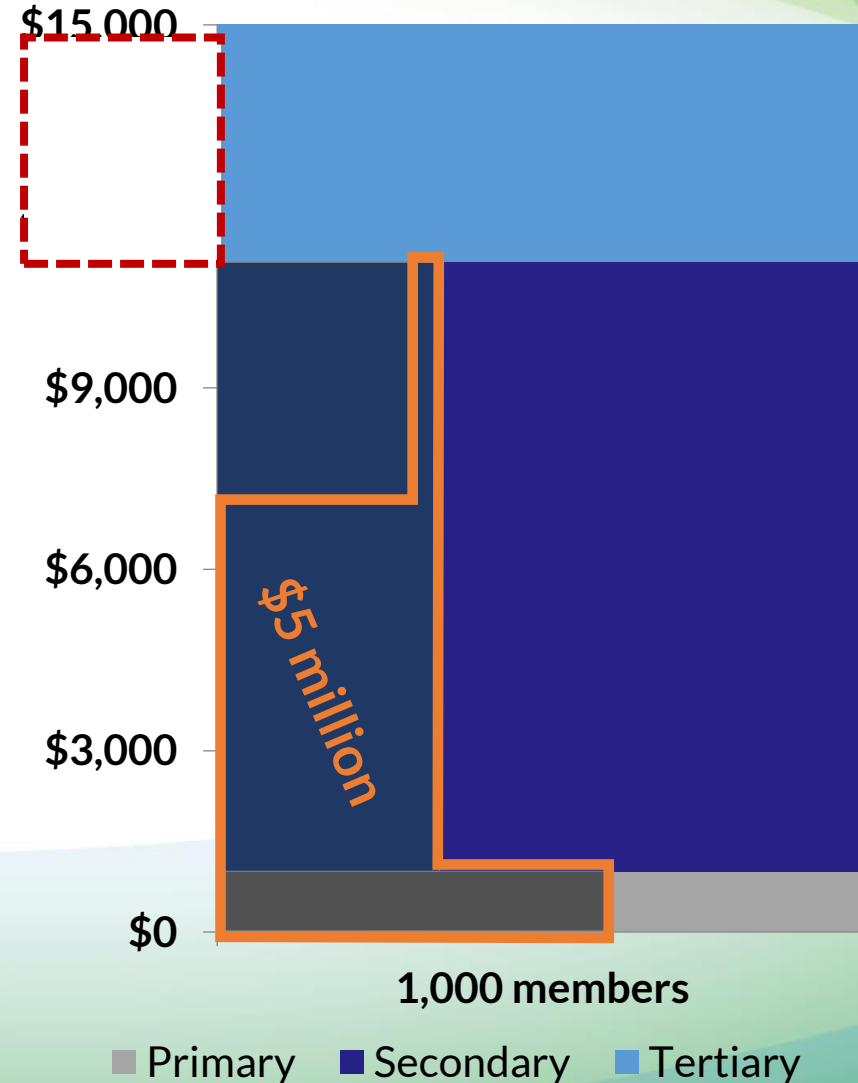
$$100\% - \frac{\$900,000}{\$755,033}$$

Secondary Tier

$$100\% - \frac{\$900,000}{\$1,680,549}$$

Primary Tier

$$100\% - \frac{\$900,000}{\$1,930,000}$$



Equalization Aid

Sample District Values Per Member

	<u>District #1</u>	<u>District #2</u>
Shared Cost	\$ 12,000	\$ 12,000
Equalized Property	\$200,000	\$600,000
Equalization Aid		
Primary	\$ 900	\$ 900
Secondary	\$ 6,000	\$ 2,000
Tertiary	<u>\$ 1,500</u>	<u>\$ - 1,500</u>
Total	\$ 8,400	\$ 1,200
	70%	10%

Percent of total shared
cost - not each
additional dollar of cost

Equalization Aid

How can I find out where my district is in the aid formula?

- SFS Home (<https://dpi.wi.gov/sfs>)
- State and Federal Aid
- General Aid
- Equalization Aid

Percentage Method or Aid Formula Position Excel files

<https://dpi.wi.gov/sfs/aid/general/equalization/overview>

Equalization Aid

POP QUIZ!

What happens when a district's value per member exceeds the guaranteed value per member?

NEGATIVE AID

154 districts are negatively aided at the tertiary level because their property value per member is greater than the tertiary guarantee.

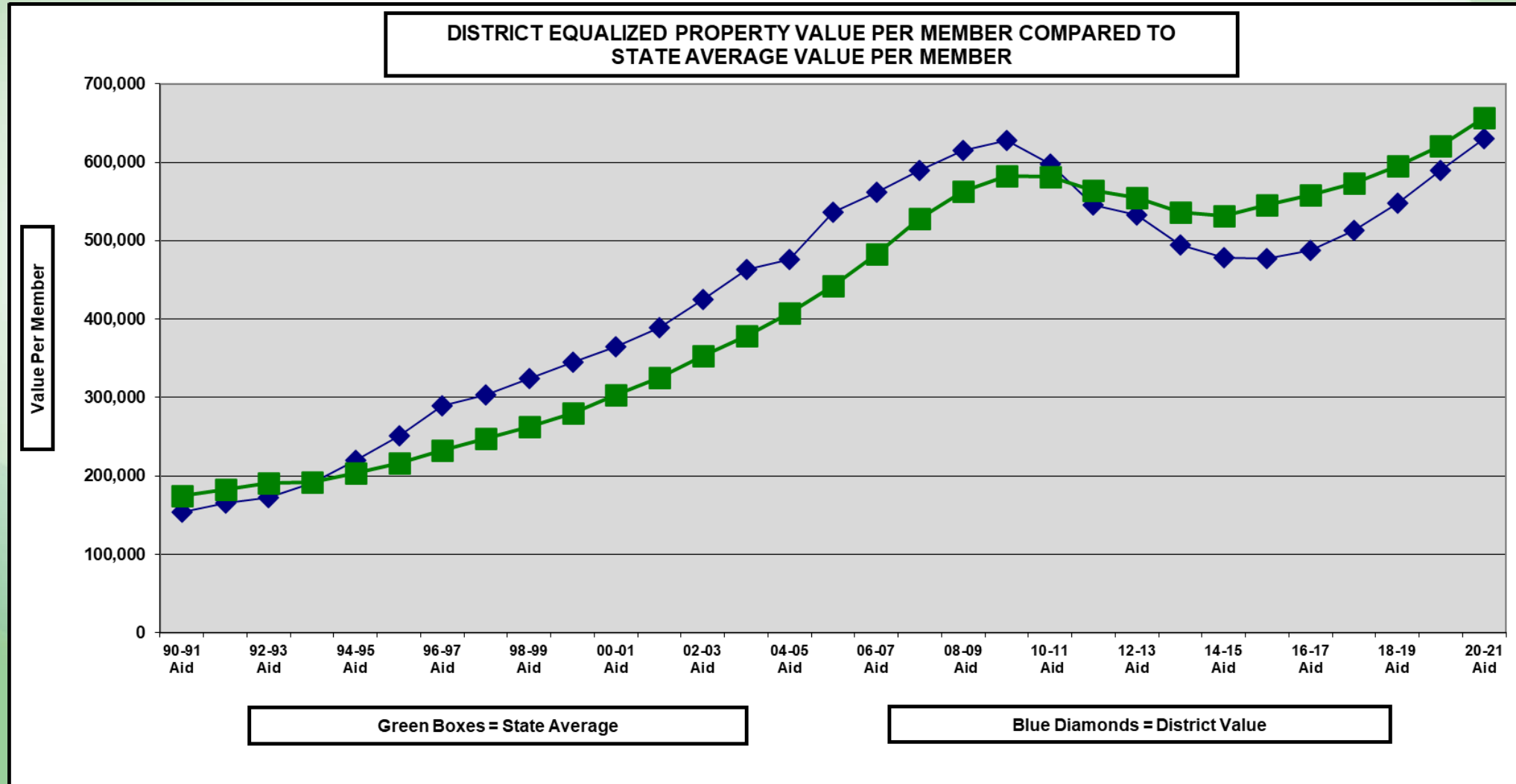
From Gross Aid Eligibility to Actual Aid Payment (I5)

Reductions/adjustments to general aid eligibility (Lines H1 & I1 on Aid Certification)

1. Special adjustment (“hold harmless”) aid ensures a district gets at least 85% of their aid eligibility from the previous year.
2. Prior Year (“October to June”) adjustment: the difference in general aid amounts calculated between the October 15th aid certification and the final aid run of the prior year (+ or – value).
3. Private School Vouchers (Statewide, Milwaukee, Racine & SNSP): reduction in aid to offset the cost of the program.

Watch Value Per Member Over Time

Blair Prayler



Equalization Aid Recap

- One pot of money is split over 421 school districts based on district membership, shared costs and values; changes in individual district data affect every other district's aid.

October 15th!

- Aid Membership = Average of 3rd Friday in Sept + 2nd Friday in January FTE, plus 100% of Summer FTE, plus other adjustments

This differs from Revenue Limit Membership.

- Depending on district value per member, some districts increase their aid by increasing expenses, while others decrease their aid by increasing expenses (negative vs. positive tertiary aid).

Equalization Aid Recap

- Special Adjustment Aid ensures that districts receive at least 85% of the [gross] general aid eligibility the prior year.
- Reductions for the Private Voucher Schools (Statewide, Milwaukee, Racine and Special Needs Scholarship (SNSP)) impact the actual aid received by the district.
- Prior year aid adjustments impact the actual aid payment.
- Be aware of what is happening to your district over time...

Questions?

DPI School Financial Services Team

<https://dpi.wi.gov/sfs>

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