

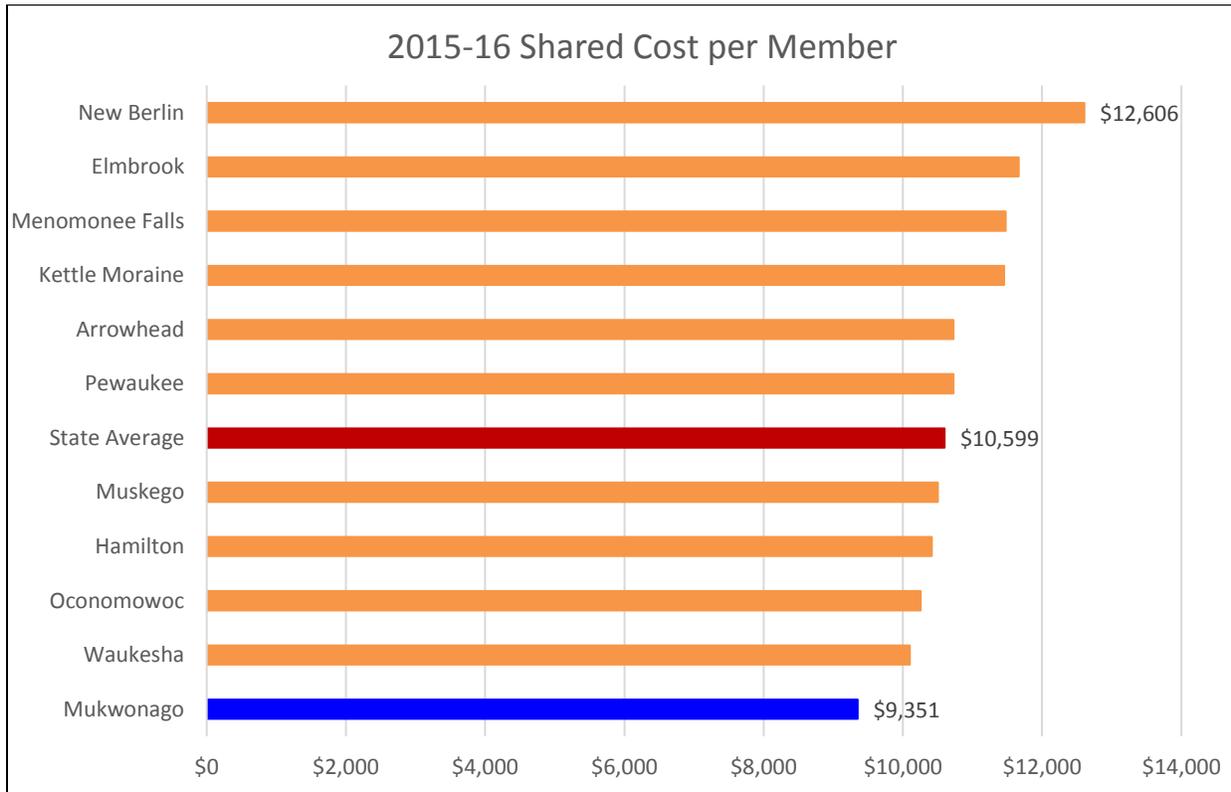


Mukwonago Area School District

Building Better Schools Together

To: Residents of the Mukwonago Area School District
From: Thomas Karthausser, Director of Business Services
Date: December 7, 2016
Re: 2015-16 Shared Cost per Member

Below is a graph of 2015-16 shared cost per member (i.e. per student) for school districts in Waukesha County. As you can see, MASD ranks the lowest in spending with a shared cost per member of \$9,351. Furthermore, MASD is well below the state average shared cost per member of \$10,599.



A good question at this time might be, “What is shared cost per member and what does it represent?”

Shared costs are the aggregate of the following expenditures:

- General operating costs (salaries, benefits, supplies, utilities, transportation, etc.)
- Short-term debts (debts less than \$1 million)
- Long-term debts (debts in excess of \$1 million; mainly referendum debt)
- Capital maintenance costs (roofs, walls, renovations, big ticket building costs, etc.)



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These expenses can be considered as the most basic and essential costs required to run a school district on a day-to-day basis. These costs are referred to as “shared costs” because state government takes a share of these expenses and reimburses MASD through state equalization aid.

In order to make “apples-to-apples” comparisons among school districts, shared costs are divided by district membership counts (i.e. the count of resident students within the boundaries of a district). Shared cost per member is a metric that allows for public school districts to make expenditure comparisons to one another.

Within the earlier graph, you can see that MASD is a low-spending district. In order for MASD to approach the state average, we would have to increase our expenditures by almost \$6 million annually. Out of 424 school districts in Wisconsin, MASD’s rank for shared cost per member is 411 which puts MASD in the bottom 3% of all school districts statewide.

We take great pride in keeping costs low, which in turn keeps taxes low. We understand the importance of being fiscally conservative and avoiding wasteful spending.

If you have any questions regarding this contents of the letter, please contact me. I am more than happy to help explain the fiscal state of the Mukwonago Area School District.

Take care,

Thomas Karthausser
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Mukwonago Area School District
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