

Welcome to 2017-18 Budget Hearing



Inspire, Innovate, Lead

Budget Hearing Agenda

A. Call to Order & Introductions

Mr. Kevin Klimek, Board President

B. Official Meeting Notification

Dr. Deb Kerr, Superintendent

C. Presentation of Budget & Public Comment

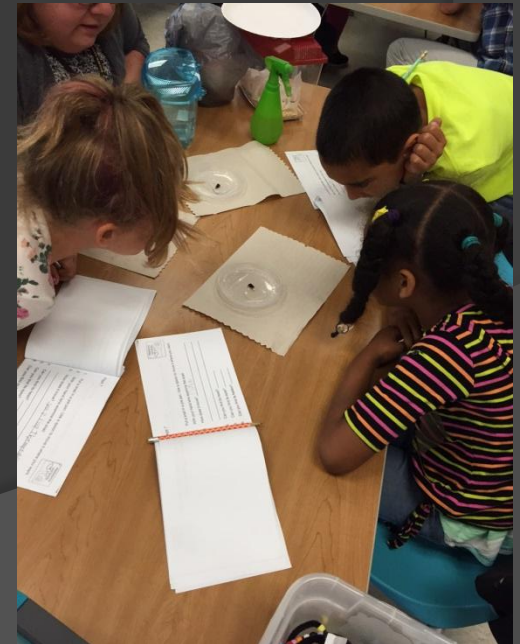
Mr. Jeff Pruefer, Director of Finance

D. Adjourn Budget Hearing

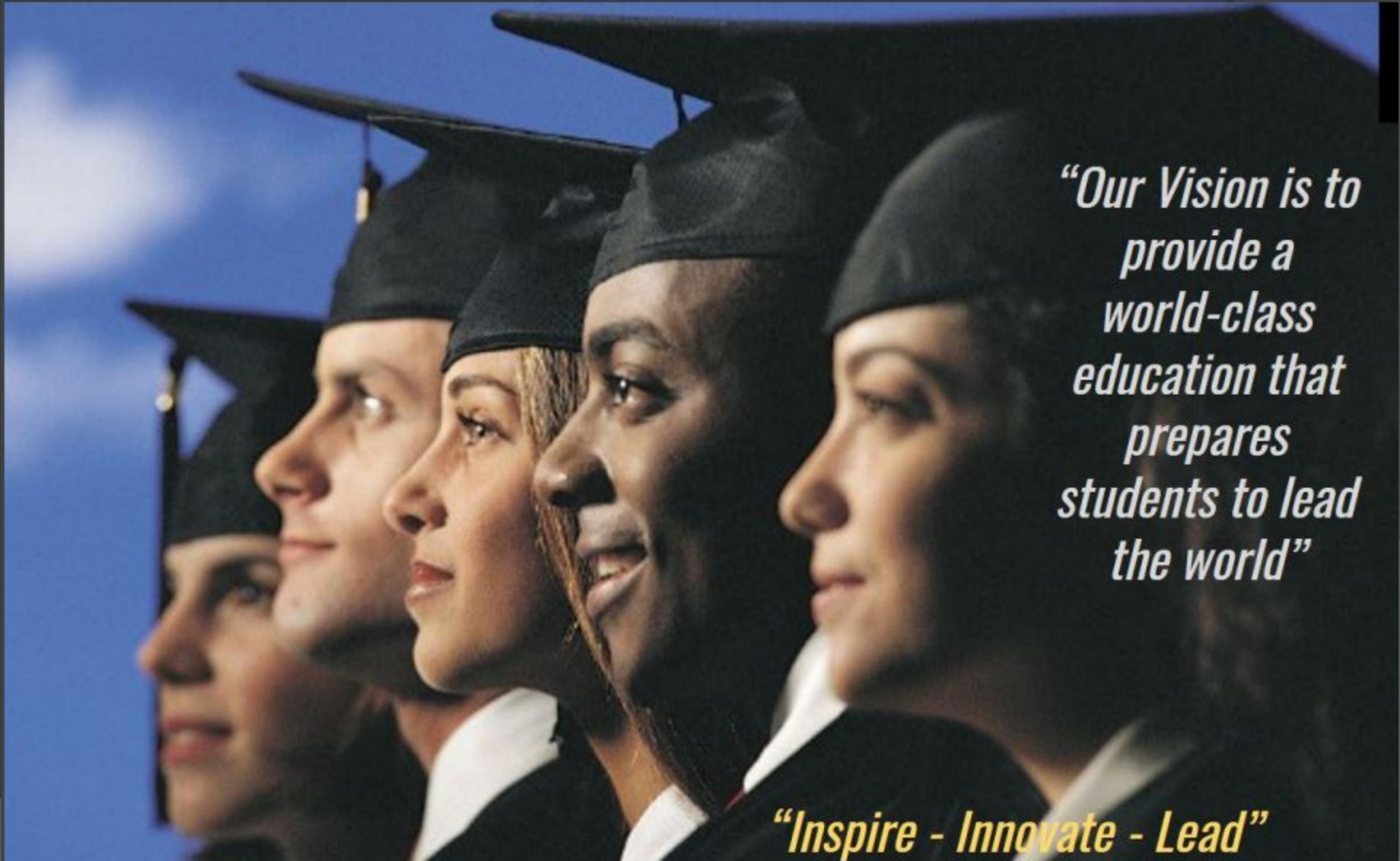


Our Mission

“Together with our families and community, we will inspire students to be passionate learners, creative thinkers, and innovative leaders who enrich our world.”



Vision



“Our Vision is to provide a world-class education that prepares students to lead the world”

“Inspire - Innovate - Lead”

Notice of Budget Hearing and Annual Meeting (Sections 65.90(4) and 120.08(1))

Notice is hereby given to the qualified electors of the School District of Brown Deer that the public hearing on the proposed 2017-18 budget, followed immediately by the annual meeting for the transaction of business will be held in the South Commons at Brown Deer High School, 8060 North 60th Street, on the 12th day of September, at 5:45 p.m. Any and all residents of the school district shall have the opportunity to be heard thereon. A summary of the budget is printed below. Detailed copies of said budget are available for inspection in the District's administration office at 8200 North 60th Street, Brown Deer, Wisconsin.

Dated this 30th day of August, 2017
Amy Machgan, District Clerk

SCHOOL DISTRICT OF
BROWN DEER



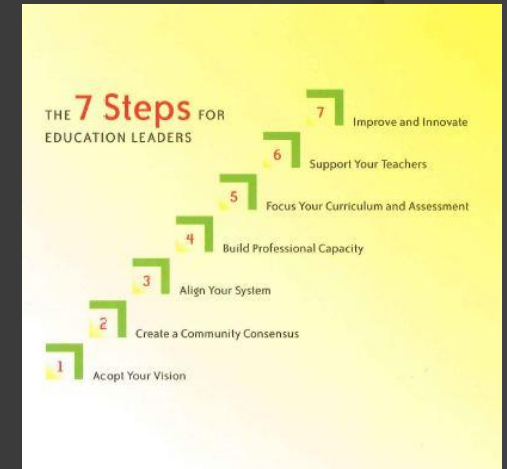
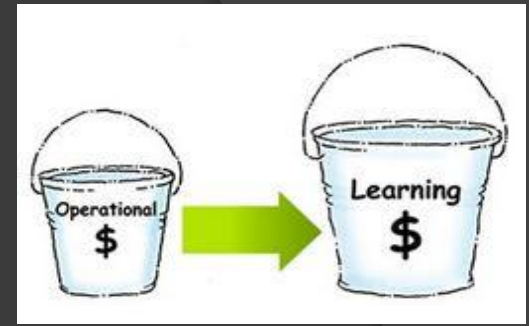
2017-18 Budget Priorities and Budget Process

Jeff Pruefer, Finance Director



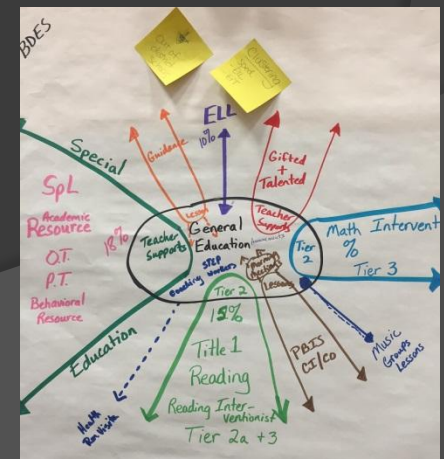
The Budget Process

- **Budget Calendar** – Business Office utilizes calendar to map out clear/concise process for key stakeholders – See *Business Office Website for Details*
- **Transparency** – Community input from Finance and Facility and Teaching and Learning Committees; faculty input; and Board meetings
- **Maintain Programming** – to meet the needs of the “Whole Child,” BBSD strives to maintain offerings both in and outside of the classroom
- **Balanced Budget** – despite state reductions, uncertain economy and other state/federal mandates



Our Budget Priorities

- ▶ Focus on **growth and improvement** of academic achievement
- ▶ **Maintain programming**, use resources more creatively and fiscally
- ▶ Strengthen **community partnerships** that promote the District and Village of Brown Deer
- ▶ Continue to fund **building and grounds** to provide an inviting/innovative educational atmosphere
- ▶ **Invest in Technology** to provide equitable access for all students
- ▶ Distinguish ourselves as a **world-class school district** to remain competitive in the North Shore, in our State, and across the world- preparing students for any pathway



Enrollment Statistics

Enrollment Statistics

2016-17 Enrollment Statistics

Elementary Enrollment	823
<u>MHS Enrollment</u>	<u>778</u>
Total Enrollment	1,601
Special Education Enrollment	234
# of Disabilities	11
ELL Students	82
Economically Disadvantaged	43.5%
Open Enrolled/Tuition Waiver In	96
Open Enrolled/Tuition Waiver Out	175

2017-18 Enrollment Projection

Elementary Enrollment	845
<u>MHS Enrollment</u>	<u>753</u>
Total Enrollment	1,598 (est.)
Special Education Enrollment	229
# of Disabilities	11
ELL Students	84
Economically Disadvantaged	TBD
Open Enrolled/Tuition Waiver In	74 (est.)
Open Enrolled/Tuition Waiver Out	178 (est.)

2017-19 Biennial State Budget

2017-19 Wisconsin Biennium Budget

- Revenue cap flat for 17-18 and 18-19
- 2017-18 Projected revenue cap increase of \$530k
 - Primarily due to increased student FTE
- BDSD budget includes \$150/student per pupil aid increase (from \$250 to \$400/student) in 2017-18
 - JFC has agreed to \$200/pupil increase
 - JFC agreed to OE transfer increase
 - Board will decide how to allocate additional funding in October

2017-18 District Revenues



Operational Revenue (Fund 10)

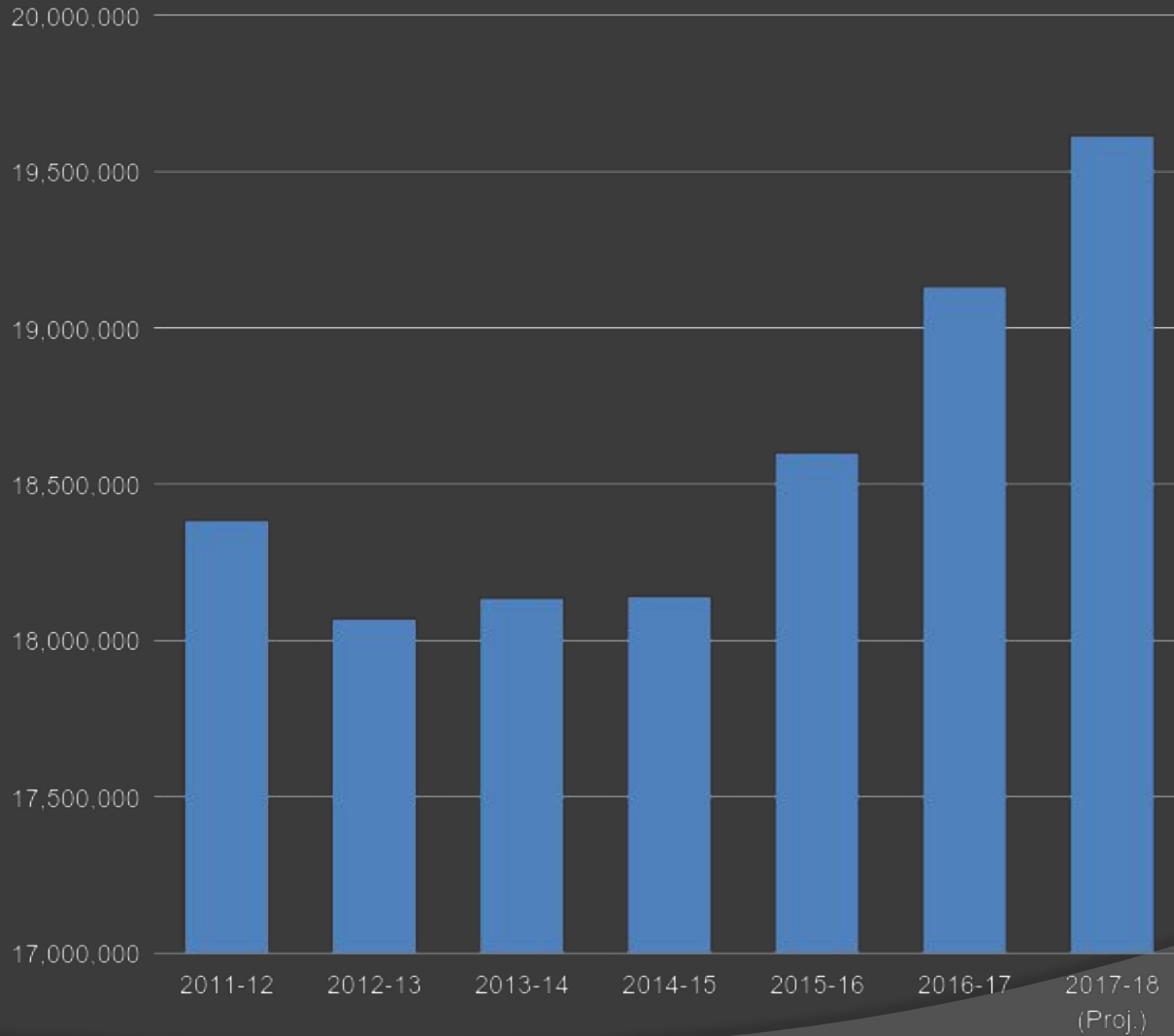
2016-17 Revenue (Actual)

Local Sources	9,891,593
Inter-district Payments	726,005
Intermediate Payments	21,871
State Sources	9,747,973
Federal Sources	344,647
Other	204,257
Total	20,936,346

2017-18 Revenue Projection

Local Sources	9,792,403
Inter-district Payments	558,812
Intermediate Payments	19,852
State Sources	10,591,319
Federal Sources	408,102
Other	134,342
Total	21,504,830

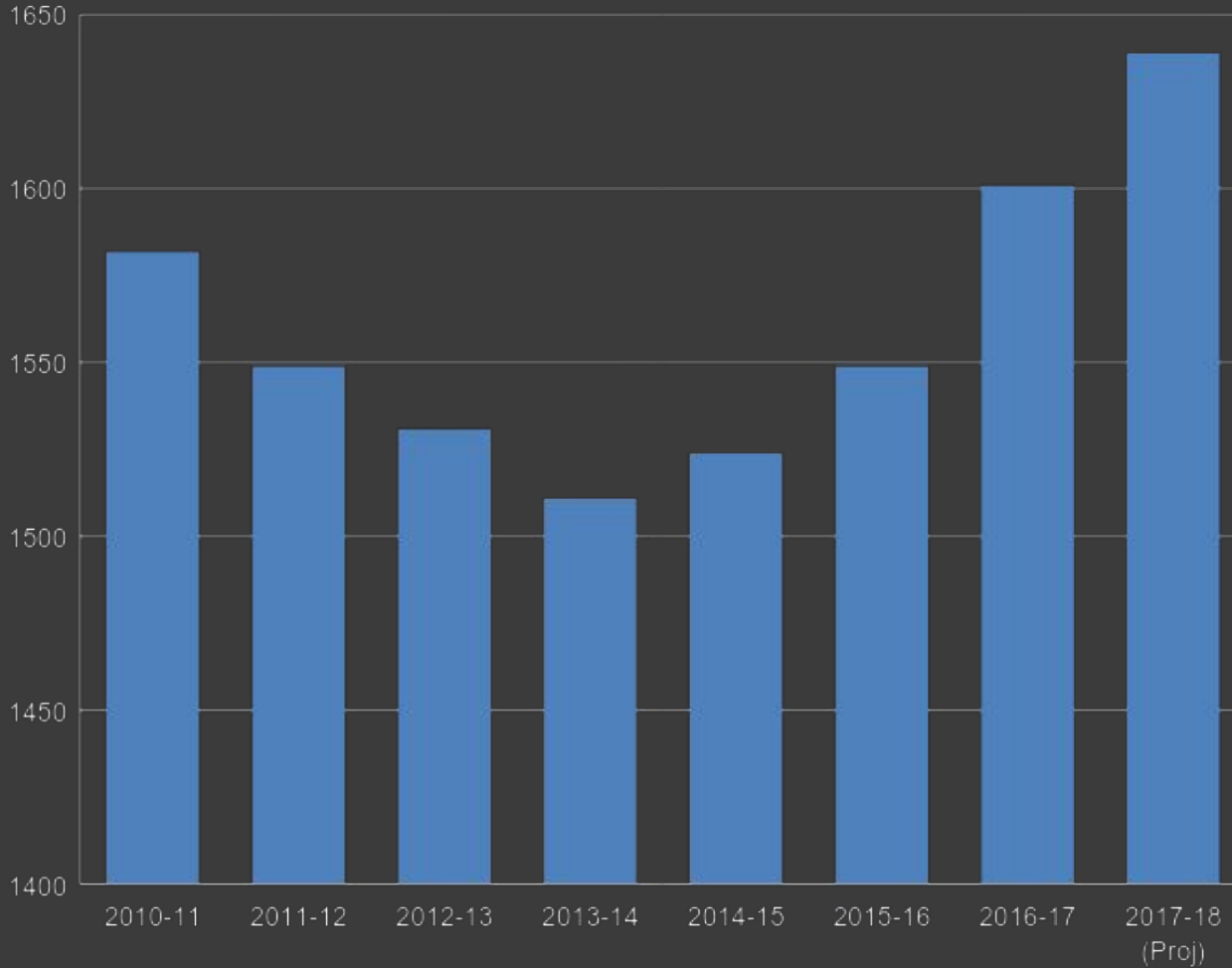
Historical Revenue Limit Authority



Revenue Cap Historical	
2011-12	\$18,385,324
2012-13	\$18,069,336
2013-14	\$18,137,003
2014-15	\$18,129,829
2015-16	\$18,600,145
2016-17	\$19,132,717
2017-18 (proj)	\$19,615,327

Why is the revenue cap up?

Revenue Cap FTE



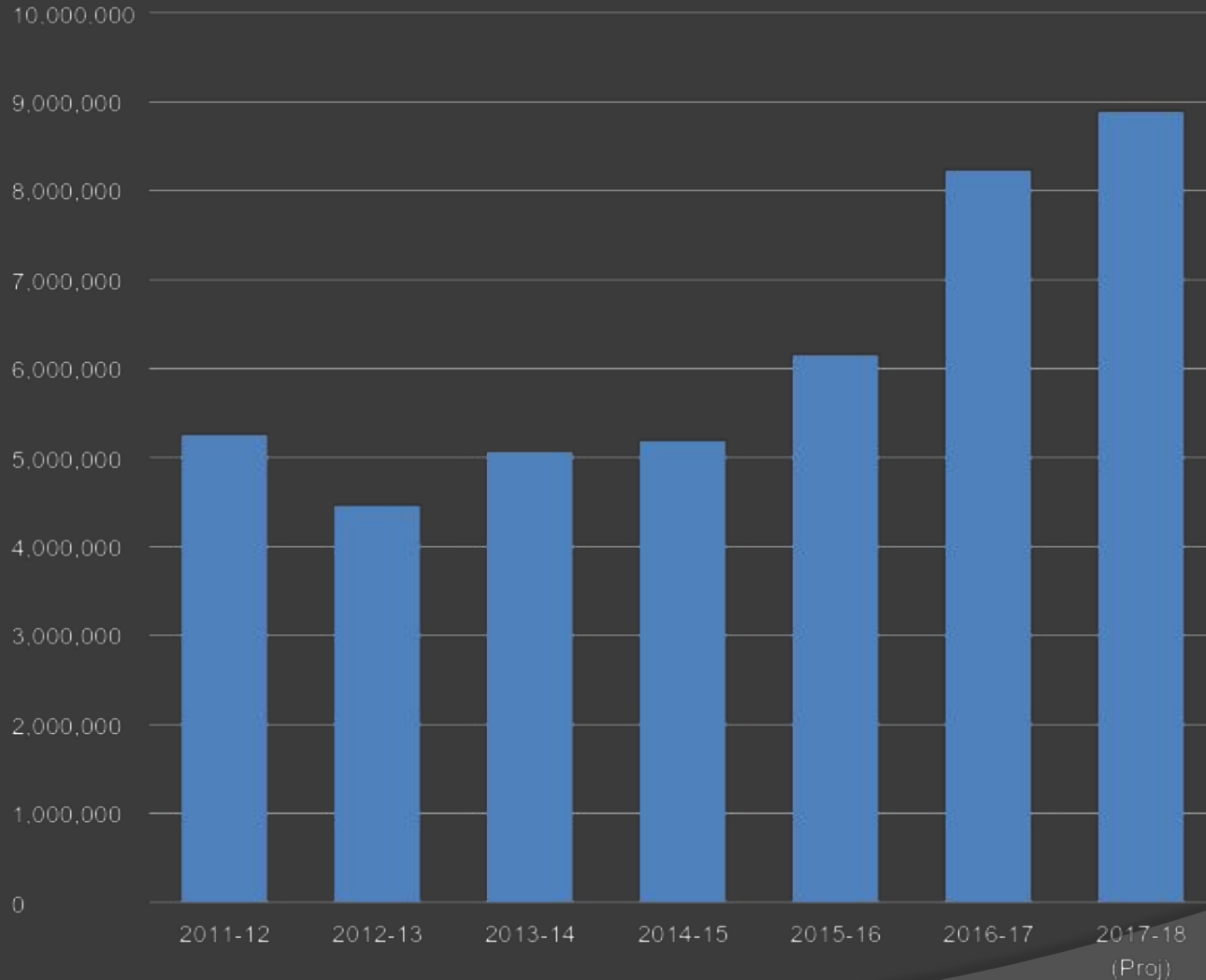
Historical Revenue Cap FTE
(3 Year Average)

2010-11	1,582
2011-12	1,549
2012-13	1,531
2013-14	1,511
2014-15	1,524
2015-16	1,549
2016-17	1,601
2017-18 (Proj)	1,639

SCHOOL DISTRICT OF
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Historical State Aid Amounts



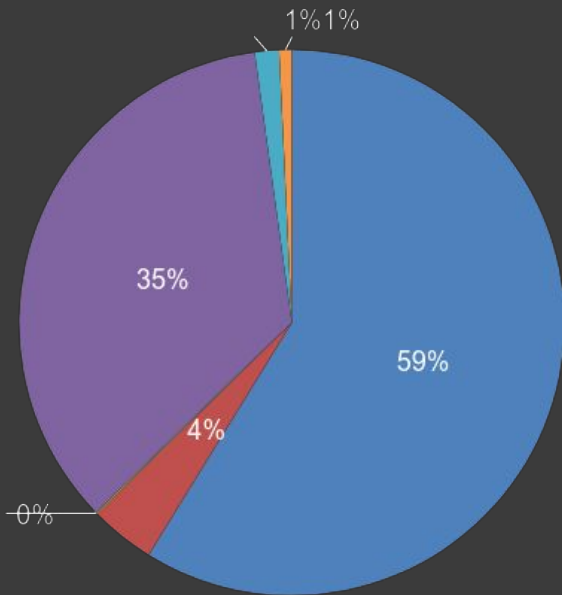
Historical State Aid	
2011-12	5,264,349
2012-13	4,469,689
2013-14	5,071,032
2014-15	5,195,330
2015-16	6,159,428
2016-17	8,236,639
2017-18 (Proj)	8,892,541

SCHOOL DISTRICT OF
BROWN DEER

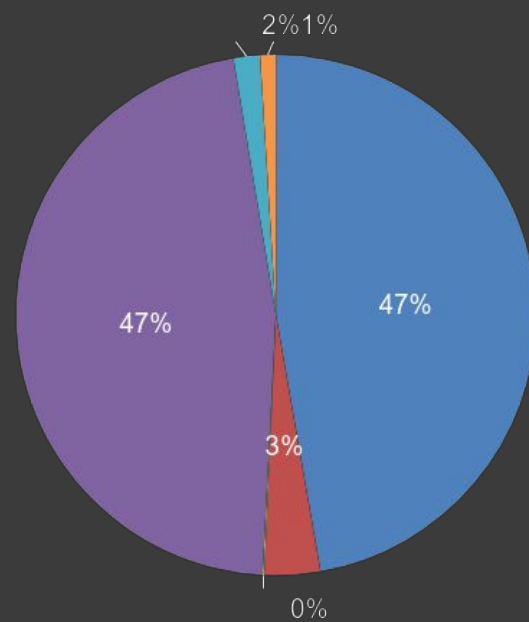
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Shift in Funding Sources

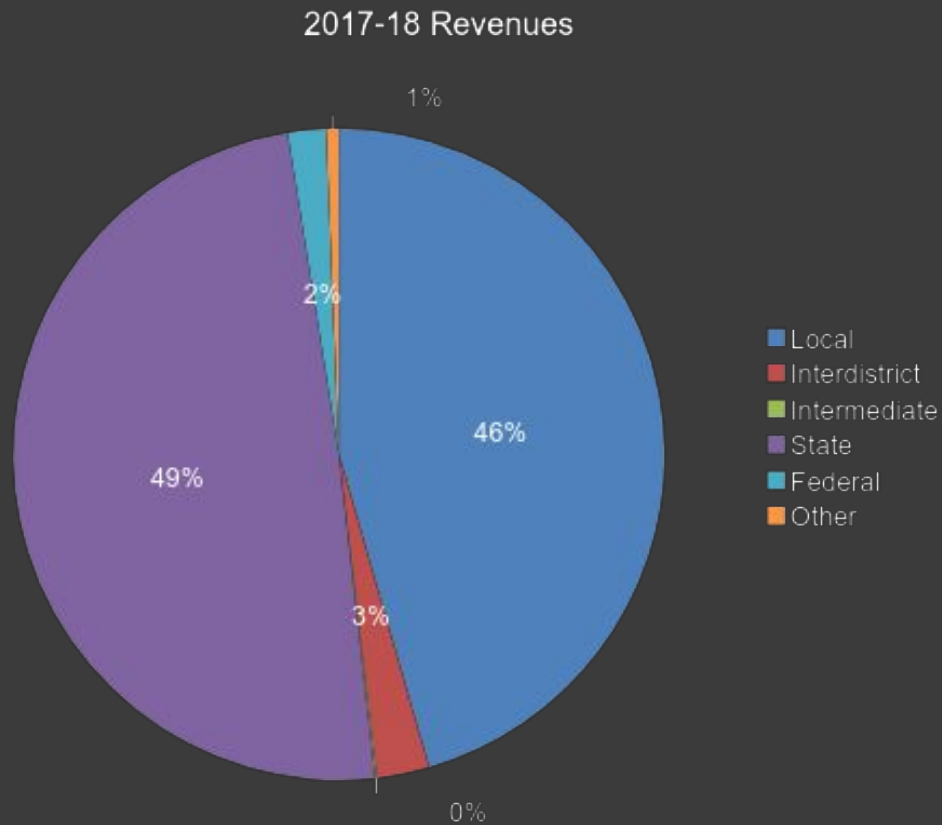
2015-16 Revenues



2016-17 Revenues

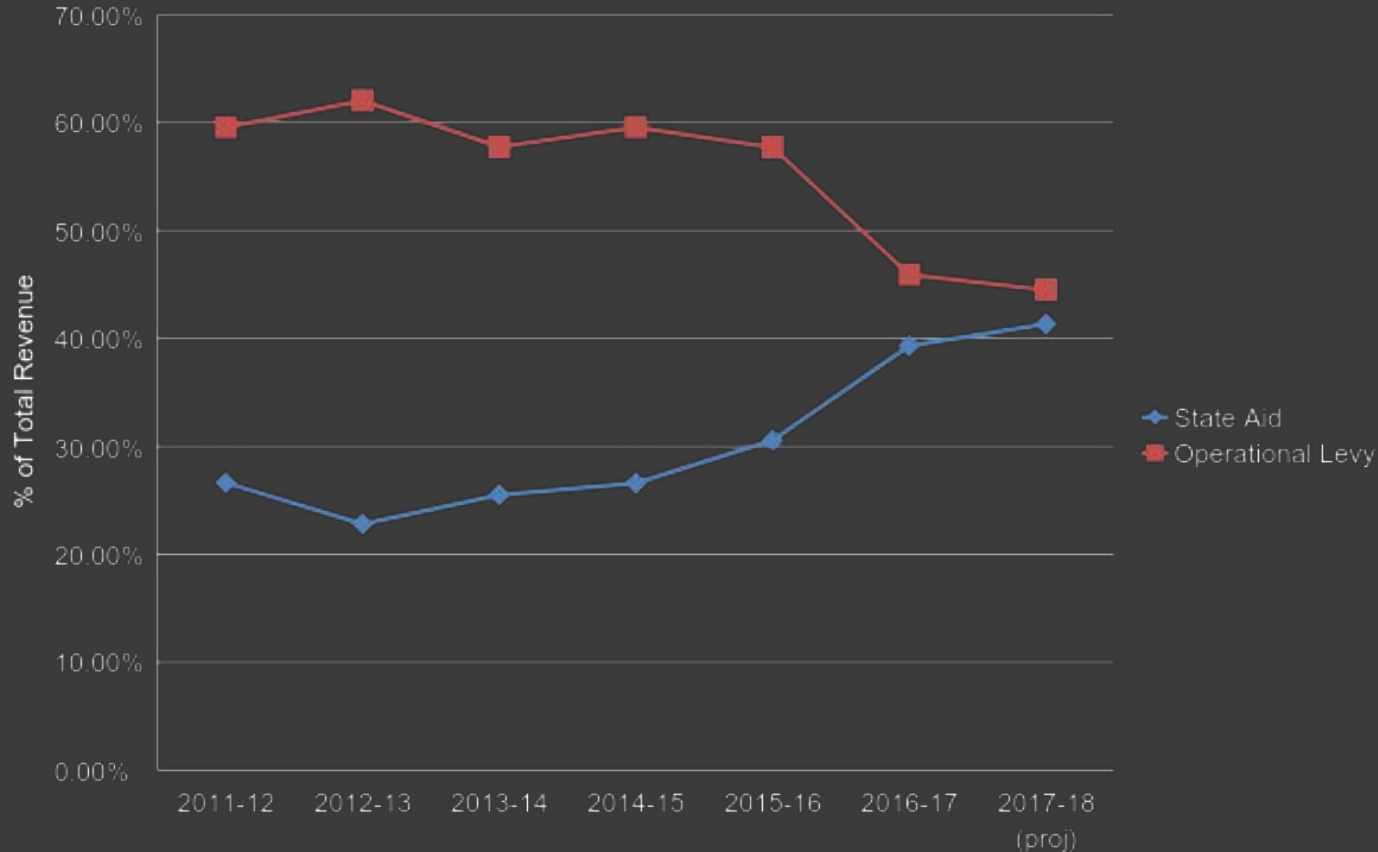


Shift in Funding Sources



General State Aid vs Property Tax

Historical Percentage of Total Fund 10 Revenue



FY	State Aid	Fd 10 Levy
11-12	26.64%	59.55%
12-13	22.83%	62.05%
13-14	25.53%	57.76%
14-15	26.60%	59.58%
15-16	30.57%	57.71%
16-17	39.34%	45.91%
17-18 (Proj)	41.35%	44.50%

SCHOOL DISTRICT OF
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Why is State Share of Revenue Increased?

- State Aid is higher than prior years
 - Increased Student FTE
 - Equalized Valuation increasing at slower rate than State
 - Increased Aid Allocation Statewide
- Per Pupil increase versus revenue cap increase

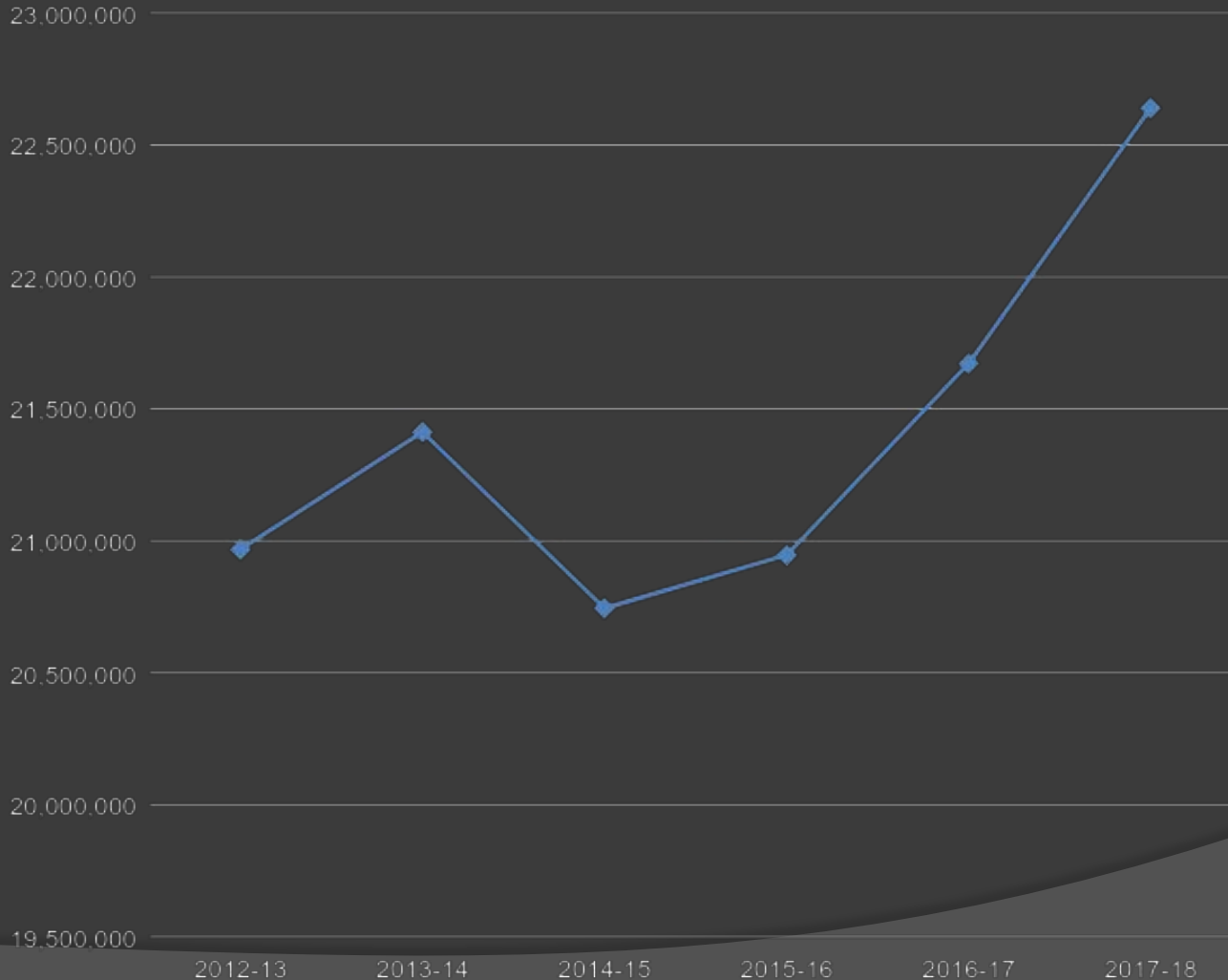
What does this mean?

- Rise in Revenue Limit provides operational revenue increase
 - Increase in aid is primary source of increase in revenue
 - Operational levy projected to decrease / tax relief for local community members
- Levy flexibility for district (Prepayment of debt)
- Per pupil increase (\$150 budgeted) represents more funds for the classroom

2017-18 District Expenses

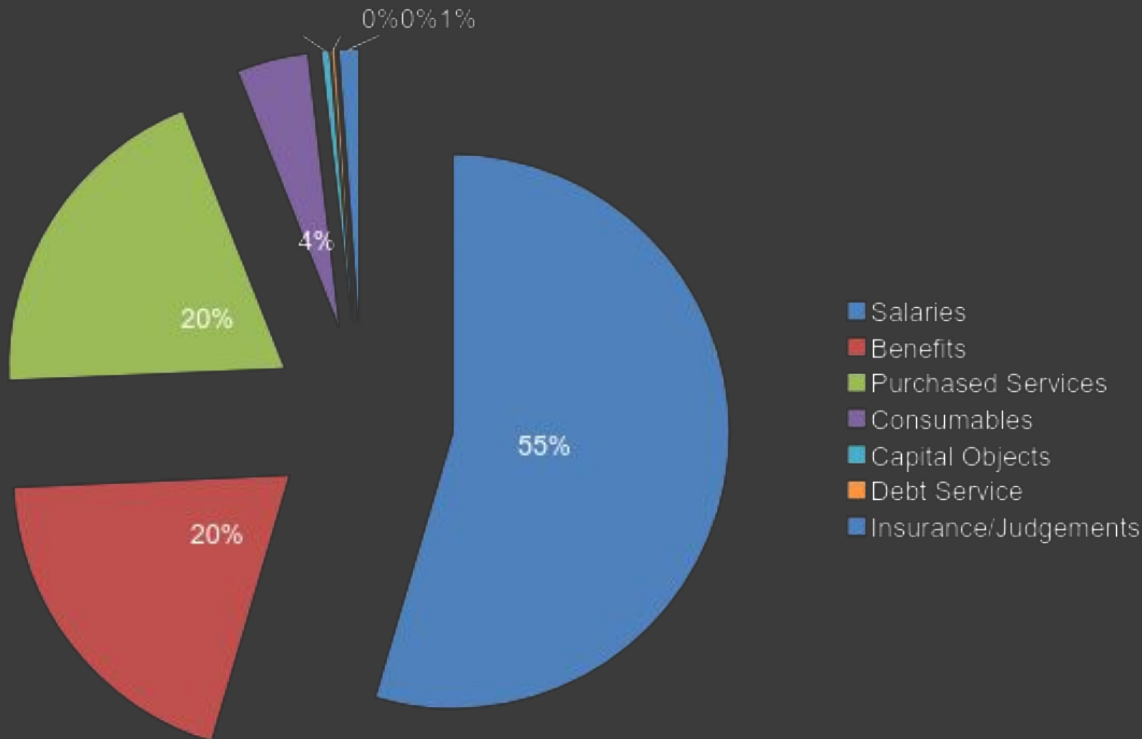


Historical Fund 10/27 Expenditures



Historical Fund 10/27 Expenses		
2012-13	20,967,656	5.13%
2013-14	21,412,909	2.12%
2014-15	20,744,722	-3.12%
2015-16	20,946,086	0.97%
2016-17	21,671,990	3.47%
2017-18	22,639,600	4.46%

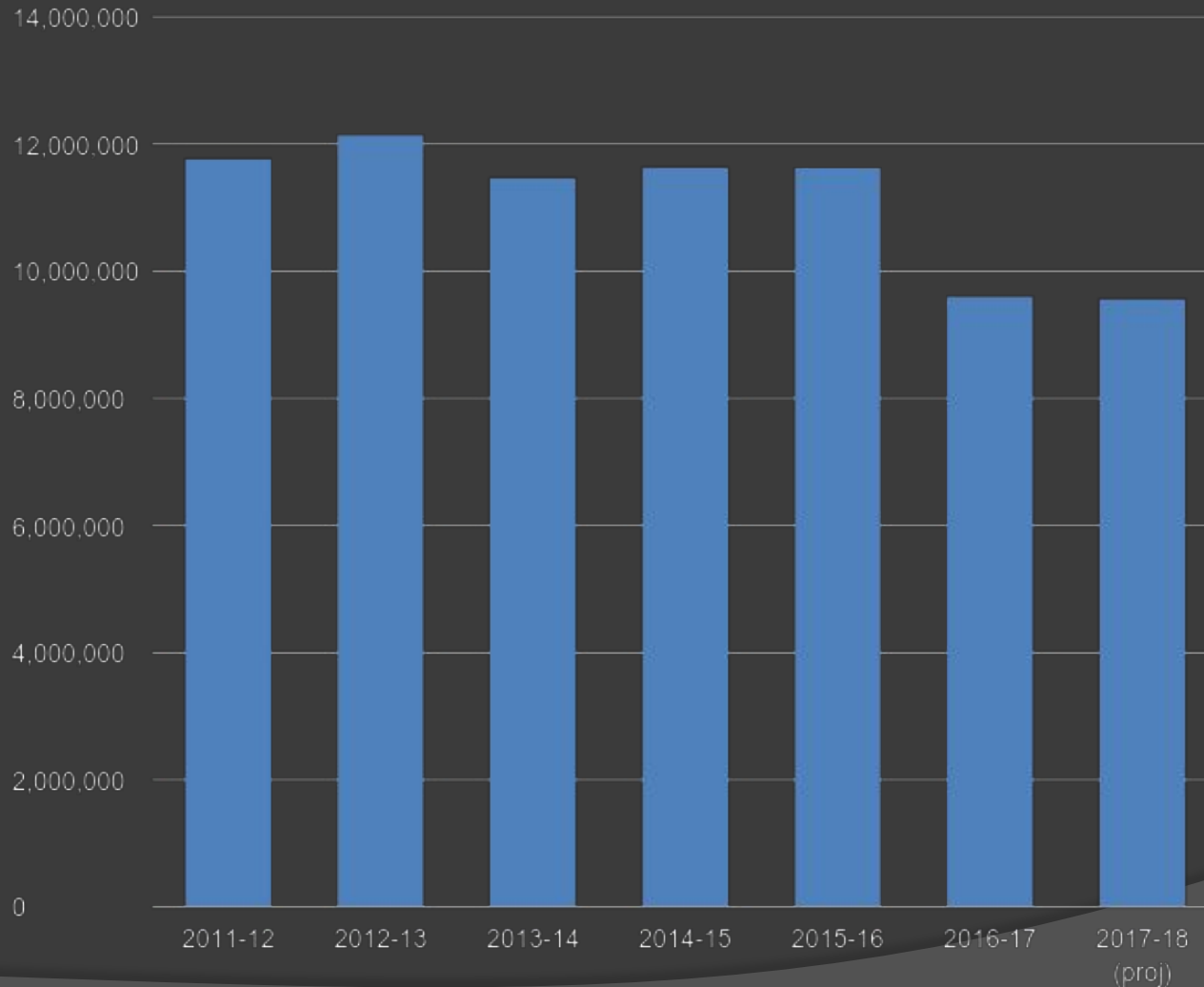
2017-18 Expenses (Funds 10 & 27)



2017-18 Budgeted Expenses	
Salaries	12,309,605
Benefits	4,454,694
Purchased Services	4,439,454
Consumables	945,001
Capital Objects	109,410
Debt Service	45,000
Insurance/Judgements	260,143
Other	76,293
Total	22,639,600

2017-18 Tax Levy

Historical Fund 10 Levy



Historical Fund 10 Levy	
2011-12	11,768,785
2012-13	12,149,141
2013-14	11,473,853
2014-15	11,635,590
2015-16	11,626,636
2016-17	9,610,892
2017-18 (proj)	9,570,403

Fund 30 – Debt Service Tax Levy

- The district has two funds that house revenues/expenses related to debt payment (Funds 38 & 39)
- Shown below is a historical graph demonstrating debt services levy by fund



	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Fund 38	546,066	512,253	546,236	465,017	254,414	254,981	232,422
Fund 39	878,462	612,320	1,223,625	1,193,699	1,600,700	3,095,554	2,574,810

Fund 39 Debt Prepayment

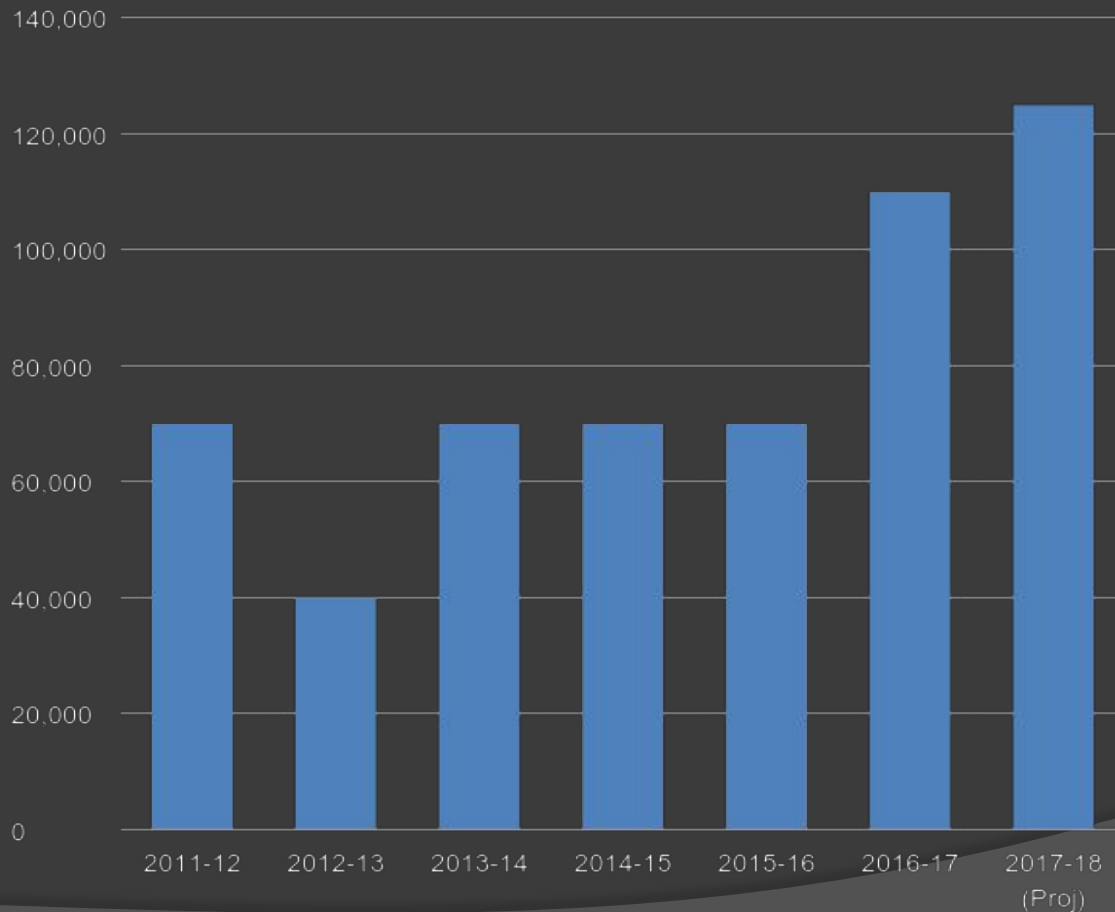
- District levied additional funds to prepay debt in 2016-17
 - Callable Debt (4.1M Bonds - 2007)
 - Science classrooms and MAC Relocation
 - Paid down \$1.425M in debt
 - Advantages: Reduce overall debt of district; Interest Savings (Over \$400k); levy flexibility in fall
- District proposing continuing to pay down debt in 2017-18
 - Pay off remainder of 4.1M (\$850k)
 - Advantages: Reduce overall debt of district; Interest Savings (\$83k)

Fund 80 – Community Services Fund

- This fund allows the school district to permit use of the District's resources for civic purposes.
- Services which have the primary function of serving the community and which are not classified as instructional or supporting services must be accounted for in this fund.
- There are six programs/costs accounted for in Fund 80:
 - CLC Program
 - Pool Utilities (small portion)
 - STEP Program
 - Community Outreach Specialist
 - Facility Scheduling
 - Personnel Costs Related to Community Events

Fund 80: Community Services Fund

Historical Fund 80 Levy



Historical Fund 80 Levy	
2011-12	70,000
2012-13	40,000
2013-14	70,000
2014-15	70,000
2015-16	70,000
2016-17	110,000
2017-18	125,000

Proposed 2017-18 Tax Levy

Fund	Levy
General Operations (10)	9,570,403
Non-Referendum Debt (38)	232,422
Referendum Debt (39)	2,574,810
Community Services (80)	125,000
Total Levy	12,502,635

Historical Tax Levy

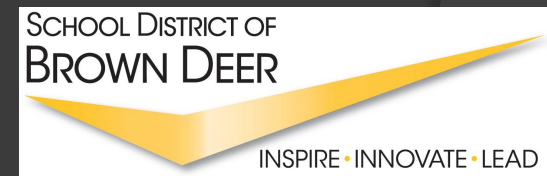


Historical Tax Levy							
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (Proj)
Fund 10	11,768,785	12,149,141	11,473,853	11,635,590	11,626,636	9,610,892	9,570,403
Fund 38	546,066	512,253	546,236	465,017	254,414	254,981	232,422
Fund 39	878,462	612,320	1,223,625	1,193,699	1,600,700	3,095,554	2,574,810
Fund 80	70,000	40,000	70,000	70,000	70,000	110,000	125,000
Total	13,263,313	13,313,714	13,313,714	13,364,306	13,551,750	13,071,427	12,502,635
% Change	---	0.38%	0.00%	0.38%	1.40%	-3.54%	-4.35%

Where do we go from here regarding the 2017-18 budget?

The school district will modify the budget based on:

- Revenue Changes
 - Final Revenue Limit Calculation
 - Actual student count (September enrollment count)
 - Final district property values (Used for revenue limit calculation)
 - Aid certification in October
 - Prior Year Open Enrollment Exemption
 - Final Per Pupil Allocation from State
- Budget changes that may take place
 - Cash flow borrowing expense finalized in September
 - Open Enrollment/Voucher shifts
 - District grants
 - Staff Changes / Benefit Selections
 - Other....
- Board meeting set for October 24, 2017 to approve the budget adoption and set the final tax levy for 2017-18 school year



Budget/Financial Reviews

- The budget/financial status of the district is reviewed by multiple internal and external groups including:
 - FFC Chair: Michael Bembenek
 - School Board FFC Committee
 - Board of Education
 - Finance Director: Jeff Pruefer
 - Superintendent: Dr. Deb Kerr
 - Department of Public Instruction (DPI)
 - External School Board Auditor (Reilly, Penner & Benton LLP)
 - Financial Advisors: Baird, PMA
 - External Private Businesses (Moody's)
 - Link to latest bond rating (Aa3) ([Rating](#))
 - Any district resident who makes a request

Budget Hearing Discussion

- I am happy to answer questions from the floor