



2015 – 2016 Adopted Budget

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School District of Menomonee Falls

2015-16 School Year Budget

Mission of the School District of Menomonee Falls

In partnership with family and community, the School District of Menomonee Falls provides the best personalized and comprehensive education so our students will be prepared for, and positively contribute to, a profoundly different future.

Our Strategic Performance Targets: 2013-2018

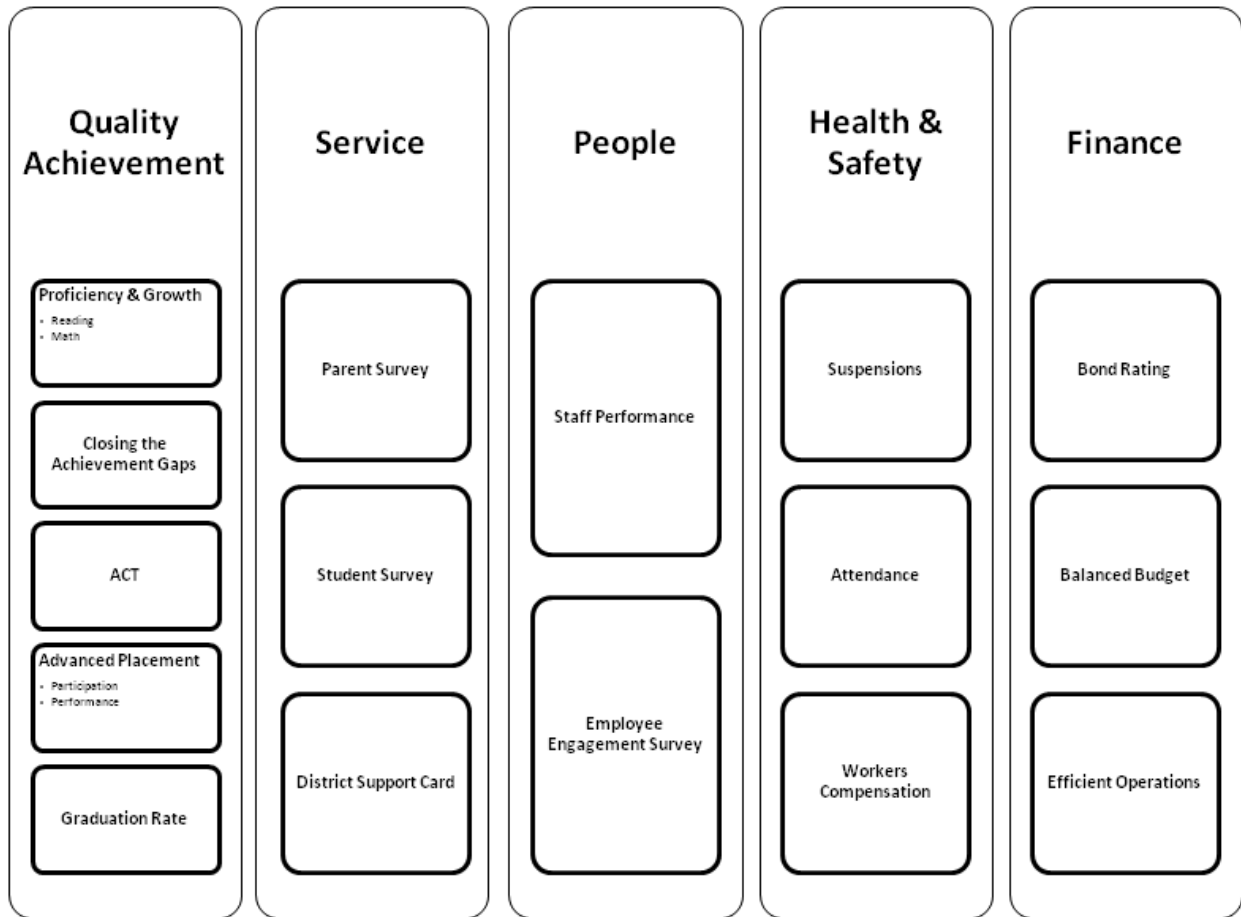
While we examine the progress toward our overall goals every 45 days and annually, we set specific measures to monitor our progress annually and for a 3 year focus for growth.

Strategic Goals

Increase college/career readiness for reading and math.	Improve culture for learning for students.	Increase staff workforce engagement and development.	Demonstrate safe, effective, and efficient operations.
<ul style="list-style-type: none"> • Improve performance for all students • Close the subgroup achievement gap • Increase advanced placement (AP) test participation and performance. • Graduate a high percentage of high school students within four years. 	<ul style="list-style-type: none"> • Increase student attendance • Increase student and parent satisfaction scores • Improve parent perception of organizational communication 	<ul style="list-style-type: none"> • Improve implementation of key processes • Increase employee retention • Improve employee engagement scores 	<ul style="list-style-type: none"> • Reduce the number of student suspensions • Reduce the costs due to work related injuries • Increase operational efficiency • Increase revenue and revenue sources

Annual performance levels are set for meeting each goal. Beginning with the 2014-15 school year, school and division scorecards were used to determine performance results aligned to the goals.

Our System Score Card



All schools, divisions, and central office leaders have score cards that define the quality of performance and targets for growth.

Points of Pride - Top 2015 Celebrations

Quality Achievement (Learning Results)

- District Exceeds Expectations on State Report Card (top 12% of the state)
- MFHS on US News & World Report's list of most challenging high schools
- International Recognition for continuous improvement & LEAN Six Sigma
- 5th highest graduation rate in the state for schools with 300+ students
- 74 Advanced Placement Scholars and 7 National Merit Semi-finalists
- AdvancEd Accreditation for the HS
- 4 Schools (BF, NMS, RS, SL) recognized as Schools of Distinction and 1 School (VV) as a School of Merit by the Wisconsin Response to Intervention (RtI) Center
- Advanced Technology Use with One to One at Secondary
- 40+ College Level Courses
- Highest Summer Learning Participation
- Career Academies Linked to High Demand Careers
- Nationally Recognized Future Business Leaders of America (FBLA)
 - First Place Finish at State
- National Merit Finalist & Kohl Scholars
- Over \$2M in Scholarships Awarded (\$250K from our community)
- 50+ co-curricular and athletic offerings
- Athletic State Champions Baseball
- Athletic State Qualifiers Boys Soccer, Girls Soccer, Baseball
- Athletic Individual Qualifiers Girls Swim, Boys Swim, Ski, Trap Shooting, Boys Track, Girls Track, Wrestling, Bowling
- State Qualifiers Academic Decathlon
- State Recognized Art and Music Programs
- 1500+ Registered Volunteers are Committed to our Schools
- Senior Center Accreditation

Points of Pride - Top 2015 Celebrations (continued)

Service

- Overall Parent Satisfaction 4.13 on a 5 Point Scale
- Service Support Satisfaction 4.45 on a 5 Point Scale

People

- District named one of Milwaukee Journal Sentinel's Top Work Places
- Employee Engagement Score 4.17 on a 5 Point Scale

Health & Safety

- 5 Schools of Merit and Distinction for PBIS (positive behavior interventions and supports)
- Reduction of Suspensions
- Reduction in Work Comp Claims

Finance

- Strong Fiscal Management Aa2 Bond Rating
 - Financial Rating Ranks Among the Top 10% in State
- Over \$6.4 Million Dollars in Energy Cost Avoidance since 2001
- \$2.6 Million Dollar Reduction in Employee Benefit Costs
 - with expanded benefit coverage
- 59% (\$15 Million) Reduction in Retirement Liability
- Nearly \$2.5 Million Dollars saved in Debt Service Costs
- Short Term Borrowing Reduced by 50% (\$5.25 Million) since 2006
- 90% (\$270,000) reduction of out of district tuition costs
 - With increased ability to meet needs of Special Need Students
- Projected Tax Levy Rate – no increase from 2014-15
 - \$11.53/\$1,000 of property value (down 6.5% form 2013-14)

Our Budget Process

Aligning Limited Resources with Strategic Goals and Guiding Principles

Each member of the leadership team is involved in aligning limited resources to the goals of the system. The guiding principles for Evidence Based Leadership are used to focus decision making, and recommendations are advanced to the Board of Education. The **Nine Guiding Principles** for Evidence Based Leadership (Studer Group):

1. Commit to Excellence
2. Measure the Important Things
3. Build a Culture Around Service
4. Create and Develop Leaders
5. Focus on Employee Satisfaction
6. Build Individual Accountability
7. Align Behaviors with Goals and Values
8. Communicate at All Levels
9. Recognize and Reward Success

Our Budget Goals

1. Prioritize the strategies to improve student academic achievement, staff performance, and continuous improvement in all departments and at each school level in order to prepare students well and to exceed the expected performance levels.
2. Personnel decisions will prioritize:
 - a. Sustaining class size ratios at an appropriate level
 - b. Programming to ensure students make successful college and career transitions
3. Sustain efficient and effective operations.
4. Prioritize strategic areas of improvement in the budget process
5. Safeguard the taxpayers' investment in the Menomonee Falls Public Schools by sustaining high performance, strong home values for our Village, and demonstrating a culture of quality.

Budget planning is a continuous 18 month process... The overview of the calendar for budget planning includes:

July	Strategic Plan Update & Goals
August	Audit Review (of previous fiscal year)
September	Annual Meeting & Budget Hearing (current fiscal year) Pupil Enrollment Count (current fiscal year)
October	Finalizing the Levy (current fiscal year) Updating the financial forecast (5 year forecast)
November	Certifying the Levy (current fiscal year)
Dec-Feb	Examining the priorities for the next budget (next fiscal year) Refine budget goals Zero Based Budget Planning Budget Scorecard Established Retirement Notification
March	Communicate Budget Planning to Staff, Parents, Community Preliminary Non-renewal (due to budget) Notices
April	Preliminary Staff Plan
May	Final Non-Renewal (due to budget) Notices Staffing for next school year
June	Prepare budget for community approval and Annual Meeting Close of previous fiscal year
July	Strategic Plan Update & Goals
August	Audit Review (of previous fiscal year)
September	Annual Meeting & Budget Hearing (current fiscal year) Pupil Enrollment Count (current fiscal year)
October	Finalizing the Levy (current fiscal year) Updating the financial forecast (5 year forecast)
November	Certifying the Levy (current fiscal year)
	{18 Month Cycle Continues}

Financial Section

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**SCHOOL DISTRICT OF MENOMONEE FALLS
2015-16 ADOPTED BUDGET SUMMARY**

GENERAL FUND	Audited 2013-14	Audited 2014-15	Adopted Budget 2015-16
Beginning Fund Balance	9,775,315	10,761,462	10,789,075
Ending Fund Balance	10,761,462	10,789,075	10,452,800
REVENUES & OTHER FINANCING SOURCES			
Transfers-In (Source 100)	0	11,514	0
Local Sources (Source 200)	36,230,420	35,303,198	36,435,262
Inter-district Payments (Source 300 + 400)	2,148,042	2,444,002	2,217,500
Intermediate Sources (Source 500)	32,574	10,780	0
State Sources (Source 600)	8,063,744	9,381,345	8,078,039
Federal Sources (Source 700)	513,261	485,900	366,808
All Other Sources (Source 800 + 900)	617,912	487,410	342,660
TOTAL REVENUES & OTHER FINANCING SOURCES	47,605,953	48,124,149.17	47,440,269
EXPENDITURES & OTHER FINANCING USES			
Instruction (Function 100 000)	24,201,670	24,759,227	24,509,340
Support Services (Function 200 000)	17,017,406	17,827,518	17,632,488
Non-Program Transactions (Function 400 000)	5,400,730	5,509,792	5,634,716
TOTAL EXPENDITURES & OTHER FINANCING USES	46,619,806	48,096,536	47,776,544
SPECIAL PROJECTS FUND			
Beginning Fund Balance	86,363	54,566	114,345
Ending Fund Balance	54,566	114,345	114,345
REVENUES & OTHER FINANCING SOURCES			
	7,384,895	7,811,344	7,866,797
EXPENDITURES & OTHER FINANCING USES			
	7,416,693	7,751,564	7,866,797
DEBT SERVICE FUND			
Beginning Fund Balance	1,188,666	1,146,187	1,607,419
Ending Fund Balance	1,146,187	1,607,419	1,575,284
REVENUES & OTHER FINANCING SOURCES			
	3,273,507	12,944,056	3,311,063
EXPENDITURES & OTHER FINANCING USES			
	3,315,985	12,482,825	3,343,198
CAPITAL PROJECTS FUND			
Beginning Fund Balance	123,518	123,521	123,525
Ending Fund Balance	123,521	123,525	123,525
REVENUES & OTHER FINANCING SOURCES			
	3	4	0
EXPENDITURES & OTHER FINANCING USES			
	0.00	0.00	0.00
FOOD SERVICE FUND			
Beginning Fund Balance	204,173	168,507	216,647
Ending Fund Balance	168,507	216,647	211,937
REVENUES & OTHER FINANCING SOURCES			
	1,374,507	1,350,680	1,444,000
EXPENDITURES & OTHER FINANCING USES			
	1,410,174	1,302,540	1,448,710
COMMUNITY SERVICE FUND			
Beginning Fund Balance	669,969	527,531	339,354
Ending Fund Balance	527,531	339,354	245,464
REVENUES & OTHER FINANCING SOURCES			
	1,905,390	2,035,205	2,390,991
EXPENDITURES & OTHER FINANCING USES			
	2,047,828	2,223,382	2,484,881
PACKAGE & COOPERATIVE PROGRAM FUND			
Beginning Fund Balance	0	0	0
Ending Fund Balance	0	0	0
REVENUES & OTHER FINANCING SOURCES			
	105,988	65,913	0
EXPENDITURES & OTHER FINANCING USES			
	105,988	65,913	0
Total Expenditures and Other Financing Uses			
ALL FUNDS	Audited 2013-14	Audited 2014-15	Adopted Budget 2015-16
GROSS TOTAL EXPENDITURES -- ALL FUNDS	60,916,474	71,922,760	62,920,130
Interfund Transfers (Source 100) - ALL FUNDS	4,612,716	4,835,349	4,939,391
Capital Leases	506,685	371,952	161,160
Refinancing Expenditures (FUND 30)	0	9,050,964	0
NET TOTAL EXPENDITURES -- ALL FUNDS	55,797,073	57,664,495	57,819,579
PERCENTAGE INCREASE -- NET TOTAL FUND	-2.76%	3.35%	0.27%
PROPOSED PROPERTY TAX LEVY			
FUND	Audited 2013-14	Audited 2014-15	Adopted Budget 2015-16
General Fund	35,072,875	34,035,915	35,389,932
Debt Service Fund	3,244,977	3,867,692	3,289,139
Capital Project Fund	0		0
Community Service Fund	750,000	750,000	750,000
TOTAL SCHOOL LEVY	39,067,852	38,653,607	39,429,071
PERCENTAGE INCREASE --	1.98%	-1.06%	2.01%

Section I - Tax Levy & Tax Rate Schedule

<u>Total Taxes</u>		<u>Audited 2013/14</u>	<u>Audited 2014/15</u>	<u>Adopted 2015/16</u>	
1	General Fund-Current Operations	\$ 35,037,547	\$ 34,004,340	\$ 35,386,205	1
2	Debt Service Fund	3,244,977	3,867,692	3,289,139	2
3	Capital Projects Fund	0	0	0	3
4	Community Service Fund	750,000	750,000	750,000	4
5	Uncollected Prior Year Levies	35,328	31,575	3,727	5
6	Total Levy	\$ 39,067,852	\$ 38,653,607	\$ 39,429,071	6
7	Percent Change fr Previous Year	1.98%	-1.06%	2.01%	7

Equalized Calculations - Total Tax Base

8	Total Tax Levy	\$ 39,067,852	\$ 38,653,607	\$ 39,429,071	8
9	Equalized Value	\$ 3,162,676,195	\$ 3,352,199,906	\$ 3,397,888,891	9
10	Percent Change fr Previous Year	-2.85%	5.99%	1.36%	10
11	Tax Rate Per \$1,000	\$ 12.35	\$ 11.53	\$ 11.60	11
12	Percent Change fr Previous Year	4.97%	-6.65%	0.63%	12
For Example-A Home Valued at \$250,000:					
13	Equalized Property Taxes	\$ 3,090.38	\$ 2,882.70	\$ 2,901.00	13
14	Dollar Change fr Previous Year	\$ 146.29	\$ (207.68)	\$ 18.29	14

Section I - Fund Balance Schedule

<u>Fund Description</u>		<u>Audited 2013/14</u>	<u>Audited 2014/15</u>	<u>Adopted 2015/16</u>	
1	General Fund	10,761,462	10,789,075	10,452,800	1
2	Special Revenue Trust Funds	54,566	114,345	114,345	2
3	Debt Service Fund	1,146,187	1,607,419	1,575,284	3
4	Capital Project Fund	123,521	123,525	123,525	4
5	Food Service Fund	168,507	216,647	211,937	5
6	Community Service Fund	527,531	339,354	245,464	6
7	Total	\$ 12,781,775	\$ 13,190,366	\$ 12,723,355	7
8	Change in Fund Balance-All Funds	5.60%	3.20%	-3.54%	8

Employee Benefit Trust (at Cost)

1	Balance as of July 1	\$ 2,844,867	1
2	Dividend/Interest Income	25,000	2
3	Balance as of June, 30	\$ 2,869,867	3
4	Deposits to trust during the year	772,662	4
5	Less : Disbursements through June 30	728,783	5
6	Ending balance as of June 30, 2016	\$ 2,913,747	6

Section II - Revenue & Expenditure Budget By Source & Object

	Audited 2013/14	Audited 2014/15	Adopted 2015/16	
Fund 10 - General Fund				
Revenues				
Property Taxes				
1	35,037,547	34,004,340	35,386,205	1
2	35,328	31,575	3,727	2
3	3,691	2,986	3,500	3
4		104,406	0	4
5	<u>35,076,566</u>	<u>34,143,307</u>	<u>35,393,432</u>	5
Local Sources				
6	156,481	135,820	111,800	6
7	102,970	76,107	80,000	7
8	8,610	6,415	8,650	8
9	664,769	733,128	645,500	9
10	102,903	91,862	70,980	10
11	78,513	89,119	81,900	11
12	39,610	27,441	43,000	12
13	<u>1,153,854</u>	<u>1,159,891</u>	<u>1,041,830</u>	13
Interdistrict Payments				
14	1,716,472	2,061,418	1,950,000	14
15	408,290	319,181	254,500	15
16	55,854	74,183	13,000	16
17	<u>2,180,616</u>	<u>2,454,782</u>	<u>2,217,500</u>	17
State Revenues				
18	88,816	82,975	75,000	18
19	135,078	156,276	153,000	19
20	1,868,310	1,525,026	1,362,507	20
21	290,700	574,050	564,000	21
22	5,293,746	6,679,411	5,620,004	22
23	26,640	44,700	0	23
24	360,454	318,907	303,528	24
25	<u>8,063,744</u>	<u>9,381,345</u>	<u>8,078,039</u>	25
Federal Revenues				
26	273,766	270,489	249,500	26
27	239,495	215,411	117,308	27
28	<u>513,261</u>	<u>485,900</u>	<u>366,808</u>	28
Other Revenues				
29	506,685	371,952	161,160	29
30	52,349	20,446	80,000	30
31	31,326	20,377	20,000	31
32	27,552	74,635	81,500	32
33	<u>617,912</u>	<u>487,410</u>	<u>342,660</u>	33
Other Financial Sources				
34	0	11,514	0	34
35	<u>0</u>	<u>11,514</u>	<u>0</u>	35
36	<u>\$ 47,605,953</u>	<u>\$ 48,124,149</u>	<u>\$ 47,440,269</u>	36
37	-6.00%	1.09%	-1.42%	37

Section II - Revenue & Expenditure Budget By Source & Object

		Audited 2013/14	Audited 2014/15	Adopted 2015/16		
Fund 10 - General Fund						
Expenditures						
Salaries						
38	Administration/Board	1,668,208	1,719,090	1,815,479	38	
39	Professional Technical Non-Certified	864,110	925,340	984,736	39	
40	Clerical	837,876	893,215	925,183	40	
41	Faculty	16,306,969	16,266,548	16,281,081	41	
42	Aides	1,020,909	1,074,660	1,097,500	42	
43	Substitute Faculty	579,310	646,148	605,900	43	
44	Substitute Teachers' Aides	37,926	60,511	62,150	44	
45	Support Faculty	310,293	376,862	358,428	45	
46	Custodians	1,259,464	1,284,330	1,309,179	46	
47	Maintenance	277,655	304,801	313,547	47	
48	Retirees	142,435	138,730	113,762	48	
49	Student Workers	7,679	20,069	20,200	49	
50	Total Salaries	23,312,834	23,710,302	23,887,145	50	
Employee Benefits						
51	Retirement	1,497,386	1,517,833	1,561,396	51	
52	Social Security	1,738,043	1,774,182	1,838,307	52	
53	Life Insurance	68,552	62,731	60,629	53	
54	Medical/Dental Insurance	4,440,328	4,065,444	4,111,309	54	
55	Income Protection/Annuities	123,697	113,249	206,878	55	
56	Other Employee Benefits	357,430	381,185	392,908	56	
57	Contribution To Employee Benefit Trust	1,038,625	968,245	619,305	57	
58	Total Employee Benefits	9,264,061	8,882,869	8,790,732	58	
Purchased Services						
59	Personal Services	805,220	935,197	884,273	59	
60	Property/Equipment Services	1,509,917	2,069,787	1,752,600	60	
61	Utilities	876,274	864,291	872,500	61	
62	Pupil & Employee Travel	1,879,151	1,843,758	1,808,643	62	
63	Communications	113,078	146,304	196,025	63	
64	Payment to Non-Government Agencies	84,950	33,121	79,325	64	
65	Intergovernmental Payments for Services	762,827	781,762	646,950	65	
66	Total Purchased Services	6,031,417	6,674,220	6,240,316	66	
Non-Capital Expenditures						
67	Supplies	724,284	774,055	770,334	67	
68	Apparel	19,593	22,281	13,083	68	
69	Instructional Media	144,125	165,281	200,686	69	
70	Non-Capital Equipment	497,198	1,000,311	587,625	70	
71	Resale Items	92,772	93,315	111,800	71	
72	Equipment Components	5,160	15,477	1,000	72	
73	Textbooks & Workbooks	185,854	384,131	447,300	73	
74	Non-Instructional Software	228,815	307,009	306,056	74	
75	Other Non-Capital Expenditures	14,457	8,346	8,500	75	
76	Total Non-Capital Expenditures	1,912,259	2,770,206	2,446,384	76	

Section II - Revenue & Expenditure Budget By Source & Object

	Audited 2013/14	Audited 2014/15	Adopted 2015/16	
Fund 10 - General Fund				
Expenditures				
Capital Expenditures				
77	32,780	32,780	33,000	77
78	396,275	121,058	222,350	78
79	25,153	25,300	24,495	79
80	<u>454,207</u>	<u>179,138</u>	<u>279,845</u>	80
Debt Retirement				
81	207,061	324,282	348,036	81
82	23,528	16,630	37,583	82
83	19,592	14,472	15,300	83
84	<u>250,181</u>	<u>355,384</u>	<u>400,919</u>	84
Insurance & Judgements				
85	241,600	360,108	390,000	85
86	90,442	38,852	75,000	86
87	0	879	0	87
88	<u>332,041</u>	<u>399,840</u>	<u>465,000</u>	88
Other Expenditures				
89	330,137	220,012	211,812	89
90	9,209	4,156	5,000	90
91	110,744	76,574	110,000	91
92	<u>450,090</u>	<u>300,742</u>	<u>326,812</u>	92
Other Financial Uses				
93	<u>4,612,716</u>	<u>4,823,835</u>	<u>4,939,391</u>	93
94	<u>\$ 46,619,806</u>	<u>\$ 48,096,536</u>	<u>\$ 47,776,544</u>	94
95	-1.05%	3.17%	-0.67%	95
Excess (Deficiency) of Revenues				
96	\$ 986,147	\$ 27,613	\$ (336,275)	96
97	\$ 9,775,315	\$ 10,761,462	\$ 10,789,075	97
98	<u>\$ 10,761,462</u>	<u>\$ 10,789,075</u>	<u>\$ 10,452,800</u>	98
99	23.08%	22.43%	21.88%	99

Section II - Revenue & Expenditure Budget By Source & Object

	Audited 2013/14	Audited 2014/15	Adopted 2015/16	
<u>Fund 27-Special Education</u>				
<u>Revenues</u>				
Interdistrict Payments				
1	81,540	48,961	40,000	1
2	81,540	48,961	40,000	2
State Revenues				
3	1,797,635	1,717,334	1,727,000	3
4	1,797,635	1,717,334	1,727,000	4
Federal Revenues				
5	612,039	746,402	908,051	5
6	187,891	217,510	150,000	6
7	799,930	963,911	1,058,051	7
Other Revenues				
8	2,105	2,305	0	8
Other Financial Sources				
9	4,612,716	4,823,835	4,939,391	9
10	\$ 7,293,926	\$ 7,556,347	\$ 7,764,442	10
11	-13.26%	1.91%	3.39%	11
<u>Expenditures</u>				
Salaries				
12	112,620	114,764	116,990	12
13	106,568	103,297	111,000	13
14	2,865,986	2,915,294	2,905,735	14
15	886,327	1,026,437	1,057,300	15
16	74,200	86,664	86,100	16
17	27,229	39,282	40,000	17
18	606,295	585,932	608,051	18
19	4,679,225	4,871,671	4,925,176	19
Employee Benefits				
20	306,249	316,841	334,450	20
21	355,588	366,860	382,614	21
22	11,640	11,768	11,667	22
23	892,774	914,327	944,179	23
24	10,676	8,682	10,458	24
25	266,588	209,109	116,757	25
26	1,843,514	1,827,586	1,800,125	26
Purchased Services				
27	63,026	83,763	112,004	27
28	308	590	0	28
29	370,600	438,158	469,400	29
30	669	175	850	30
31	27,469	12,461	54,000	31
32	209,649	213,577	228,460	32
33	671,722	748,723	864,714	33

Section II - Revenue & Expenditure Budget By Source & Object

	Audited 2013/14	Audited 2014/15	Adopted 2015/16	
<u>Fund 27-Special Education</u>				
Non-Capital Expenditures				
34	44,539	64,937	53,127	34
35	3,753	2,449	12,500	35
36	18,209	15,372	7,100	36
37	1,510	109	1,000	37
38	9,337	10,762	9,500	38
39	15,617	14,116	14,000	39
41	<u>92,965</u>	<u>107,744</u>	<u>97,227</u>	41
Capital Expenditures				
42	0	0	75,000	42
45	<u>0</u>	<u>0</u>	<u>75,000</u>	45
Insurance & Judgements				
46	0	0	1,500	46
47	<u>0</u>	<u>0</u>	<u>1,500</u>	47
Other Expenditures				
48	6,500	622	700	48
49	<u>6,500</u>	<u>622</u>	<u>700</u>	49
50	<u>\$ 7,293,926</u>	<u>\$ 7,556,347</u>	<u>\$ 7,764,442</u>	50
51	-5.70%	3.60%	2.75%	51
52	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	52

Fund 21: Special Revenue Trust Funds

<u>Revenues</u>				
1	90,969	254,997	102,355	1
2	<u>\$ 90,969</u>	<u>\$ 254,997</u>	<u>\$ 102,355</u>	2
<u>Expenditures</u>				
3	0	0	0	3
4	15,980	26,368	0	4
5	81,096	124,496	58,015	5
6	21,340	31,093	44,340	6
7	4,351	13,262	0	7
8	<u>\$ 122,766</u>	<u>\$ 195,218</u>	<u>\$ 102,355</u>	8
Excess (Deficiency) of Revenues				
9	\$ (31,797)	\$ 59,779	\$ 0	9
10	\$ 86,363	\$ 54,566	\$ 114,345	10
11	<u>\$ 54,566</u>	<u>\$ 114,345</u>	<u>\$ 114,345</u>	11

Section II - Revenue & Expenditure Budget By Source & Object

	Audited 2013/14	Audited 2014/15	Adopted 2015/16	
<u>Fund 30 - Debt Service</u>				
<u>Revenues</u>				
1	3,244,977	3,867,692	3,289,139	1
2	922	1,762	2,150	2
3	27,608	23,639	19,774	3
4	0	9,050,964	0	4
5	<u>\$ 3,273,507</u>	<u>\$ 12,944,056</u>	<u>\$ 3,311,063</u>	5
<u>Expenditures</u>				
6	2,225,000	2,535,000	2,630,000	6
7	1,061,235	745,760	691,890	7
8	29,750	25,500	21,308	8
9	0	9,176,565	0	9
10	<u>\$ 3,315,985</u>	<u>\$ 12,482,825</u>	<u>\$ 3,343,198</u>	10
Excess (Deficiency) of Revenues				
11	\$ (42,478)	\$ 461,231	\$ (32,135)	11
12	\$ 1,188,666	\$ 1,146,187	\$ 1,607,419	12
13	<u>\$ 1,146,187</u>	<u>\$ 1,607,419</u>	<u>\$ 1,575,284</u>	13

Fund 40 - Capital Projects

<u>Revenues</u>				
1	3	4	0	1
2	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 0</u>	2
<u>Expenditures</u>				
3	0	0	0	3
4	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	4
Excess (Deficiency) of Revenues				
5	\$ 3	\$ 4	\$ -	5
6	\$ 123,518	\$ 123,521	\$ 123,525	6
7	<u>\$ 123,521</u>	<u>\$ 123,525</u>	<u>\$ 123,525</u>	7

Section II - Revenue & Expenditure Budget By Source & Object

	Audited 2013/14	Audited 2014/15	Adopted 2015/16	
<u>Fund 50-Food Service</u>				
<u>Revenues</u>				
1 Food Sales	852,752	838,686	927,200	1
2 State Aids	19,667	18,442	19,800	2
3 Federal Aids	502,089	493,552	497,000	3
4 Total Revenues	\$ 1,374,507	\$ 1,350,680	\$ 1,444,000	4
<u>Expenditures</u>				
5 Salary	545,317	525,839	559,386	5
6 Employee Benefits	186,493	149,712	189,974	6
7 Purchased Services	18,997	24,933	20,900	7
8 Non-Capital, Food	654,105	595,767	664,750	8
9 Capital	0	2,902	8,500	9
10 Dues & Fees	5,263	3,387	5,200	10
11 Total Expenditures	\$ 1,410,174	\$ 1,302,540	\$ 1,448,710	11
Excess (Deficiency) of Revenues				
12 Over Expenditures	\$ (35,667)	\$ 48,140	\$ (4,710)	12
13 Beginning Fund Balance	\$ 204,173	\$ 168,507	\$ 216,647	13
14 Ending Fund Balance	\$ 168,507	\$ 216,647	\$ 211,937	14
<u>Fund 80-Community Services</u>				
<u>Revenues</u>				
1 Property Taxes	750,000	750,000	750,000	1
2 Program Fees	1,103,922	1,237,515	1,597,791	2
3 Rental	15,985	9,273	10,000	3
4 Other	35,482	38,417	33,200	4
5 Total Revenues	\$ 1,905,390	\$ 2,035,205	\$ 2,390,991	5
<u>Expenditures</u>				
6 Salary	965,971	1,073,961	1,226,715	6
7 Employee Benefits	224,208	266,704	310,262	7
8 Purchased Services	554,693	543,411	529,450	8
9 Non-Capital	211,452	214,856	296,069	9
10 Capital	18,063	19,951	43,000	10
11 Dues & Fees & Misc.	73,441	104,500	79,385	11
12 Total Expenditures	\$ 2,047,828	\$ 2,223,382	\$ 2,484,881	12
Excess (Deficiency) of Revenues				
13 Over Expenditures	\$ (142,438)	\$ (188,177)	\$ (93,890)	13
14 Beginning Fund Balance	\$ 669,969	\$ 527,531	\$ 339,354	14
15 Ending Fund Balance	\$ 527,531	\$ 339,354	\$ 245,464	15

Section II - Revenue & Expenditure Budget By Source & Object

	Audited 2013/14	Audited 2014/15	Adopted 2015/16	
<u>Fund 90-Cooperative Programs</u>				
<u>Revenues</u>				
1 Intermediate Sources	105,988	65,913	0	1
2 Total Revenue	\$ 105,988	\$ 65,913	\$ 0	2
<u>Expenditures</u>				
3 Salary	59,550	34,330	0	3
4 Employee Benefits	16,201	2,641	0	4
5 Purchased Services	18,213	16,498	0	5
6 Non-Capital	9,569	930	0	6
7 Dues & Fees	2,455	0	0	7
8 Total Expenditures	\$ 105,988	\$ 54,399	\$ 0	8
<u>Other Financial Sources</u>				
9 Transfer	\$ 0	\$ 11,514	\$ 0	9
10 Net Increase (Decrease) In Fund Balance	\$ 0	\$ 0	\$ 0	10

Summary (All Funds)

11 Gross Total Revenue s-All Funds	\$ 61,650,243	\$ 72,331,351	\$ 62,453,120	11
12 Interfund Transfer (Use 800)-All Funds	4,612,716	4,835,349	4,939,391	12
13 Refinancing Revenue		9,050,964	0	13
14 Capital Leases	506,685	371,952	161,160	14
15 Net Total Revenue - All Funds	\$ 56,530,842	\$ 58,073,086	\$ 57,352,569	15
16 % Change in Revenues-All Funds	-1.14%	2.73%	-1.24%	16
17 Gross Total Expenditures-All Funds	\$ 60,916,474	\$ 71,922,760	\$ 62,920,130	17
18 Interfund Transfer (Src 100)-All Funds	4,612,716	4,835,349	4,939,391	18
19 Refinancing Expenditure (Fund 30)	0	9,050,964		19
20 Capital Leases	506,685	371,952	161,160	20
21 Net Total Expenditures-All Funds	\$ 55,797,073	\$ 57,664,495	\$ 57,819,579	21
22 % Change in Expenditures-All Funds	-2.76%	3.35%	0.27%	22

Section III - Expenditure Budget By Program

	Audited 2013/14	Audited 2014/15	Adopted 2015/16	
<u>Fund 10-General Fund</u>				
Instruction				
1	8,368,452	8,500,050.05	8,424,402.00	1
2	11,743,060	12,278,335.03	12,114,816.00	2
3	1,473,638	1,357,849.55	1,398,785.00	3
4	1,375,973	1,393,449.24	1,376,521.00	4
5	678,704	694,671.39	685,091.00	5
6	561,844	534,871.76	509,725.00	6
7	24,201,670	24,759,227	24,509,340	7
Support Services				
8	1,335,031	1,329,411	1,329,926	8
9	2,331,190	2,178,685	1,994,103	9
10	538,147	633,473	622,732	10
11	2,274,618	2,269,610	2,370,099	11
12	8,013,450	8,395,482	8,077,836	12
13	1,660,934	2,053,130	2,026,133	13
14	349,291	400,680	518,500	14
15	250,181	355,384	400,919	15
16	264,564	211,664	292,240	16
17	17,017,406	17,827,518	17,632,488	17
Non-Program Transactions				
18	4,612,716	4,823,835	4,939,391	18
19	668,060	605,226	580,325	19
20	119,954	80,730	115,000	20
21	5,400,730	5,509,792	5,634,716	21
22	\$ 46,619,806	\$ 48,096,536	\$ 47,776,544	22
<u>Fund 27-Special Education</u>				
Instruction				
1	5,359,901	5,557,559	5,550,626	1
Support Services				
2	999,801	973,161	1,014,756	2
3	337,775	370,209	396,591	3
4	366,042	427,005	524,259	4
5	189	3,889	9,250	5
6	0	0	1,500	6
7	1,703,807	1,774,263	1,946,356	7
Non-Program Transactions				
8	230,219	224,524	267,460	8
9	\$ 7,293,926	\$ 7,556,347	\$ 7,764,442	9

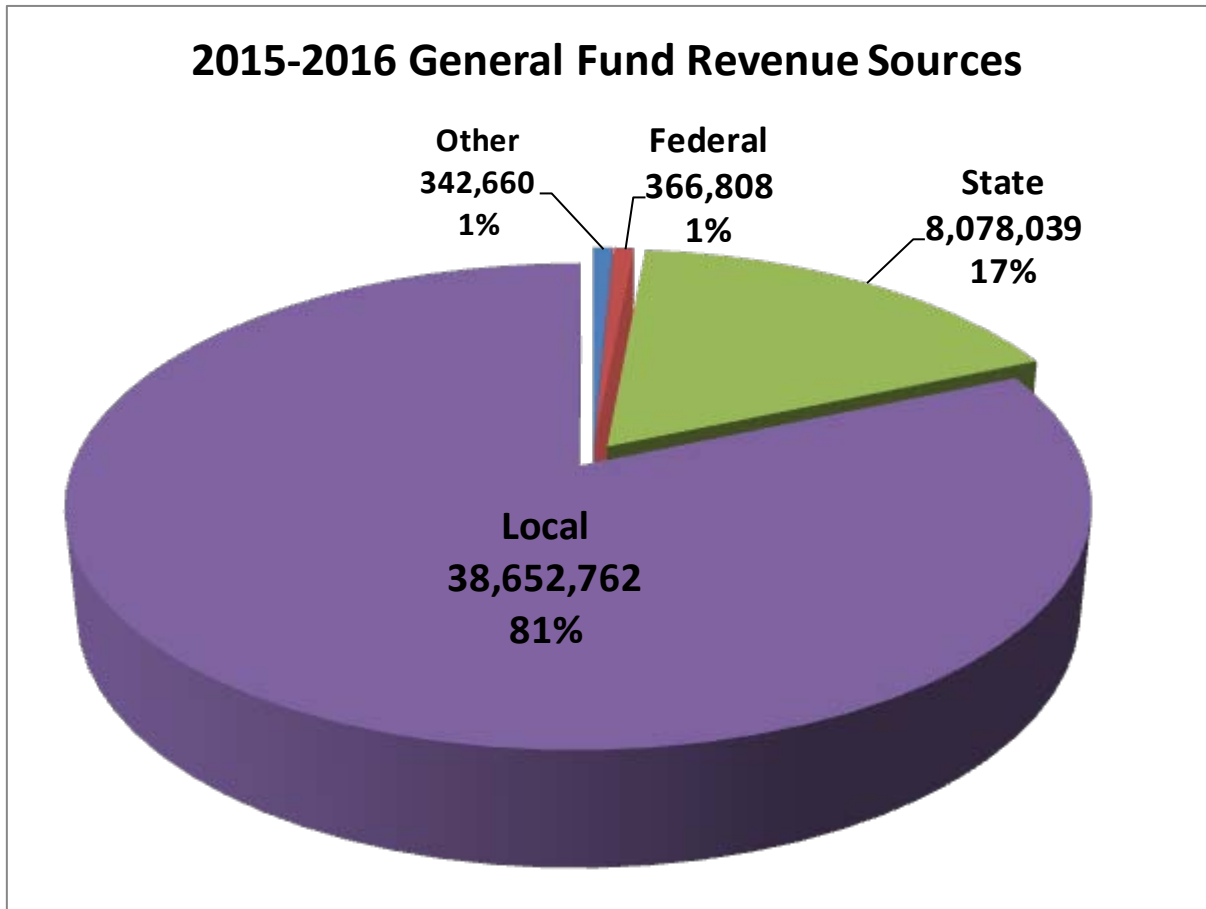
Section III - Expenditure Budget By Program

	Audited 2013/14	Audited 2014/15	Adopted 2015/16	
<u>Fund 21-Special Revenue Trust Funds</u>				
Instruction				
1 Elementary Curriculum	58,809	26,856	37,293	1
2 General Curriculum-Secondary	13,875	41,540	4,182	2
3 Vocational Curriculum	1,367	27,084	0	3
5 Co-Curricular/Other	15,619	71,705	14,324	5
6 Other Instruction	1,071	2,297	0	6
7 Total Instruction	90,742	169,483	55,799	7
Support Services				
8 Pupil Services	2,707	2,981	3,011	8
9 Instructional Staff Services	2,207	191	4,250	9
10 School Administration	9,294	5,362	5,832	10
11 Business Administration	17,713	17,201	0	11
12 Central Services	103	0	33,463	12
13 Total Support Services	32,024	25,735	46,556	13
14 Total Special Funds Expenditures	\$ 122,766	\$ 195,218	\$ 102,355	14
<u>Fund 30-Debt Service</u>				
1 Total Debt Payments	\$ 3,315,985	\$ 12,482,825	\$ 3,343,198	1
<u>Fund 40-Capital Projects</u>				
1 Transfer to General Fund	0	0	0	1
2 Total capital Project fund Expenditures	\$ -	\$ -	\$ -	2
<u>Fund 50-Food Service</u>				
1 Business Services	71,796	71,378	70,200	1
2 Food Services	1,338,378	1,231,162	1,378,510	2
3 Total Food Services Fund Expenditures	\$ 1,410,174	\$ 1,302,540	\$ 1,448,710	3
<u>Fund 80-Community Service</u>				
1 General Administration	645,758	608,485	496,800	1
2 Business Services	502,954	679,454	579,492	2
3 Community Services	899,116	935,443	1,408,589	3
4 Total Community Services Fund Expendit	\$ 2,047,828	\$ 2,223,382	\$ 2,484,881	4
<u>Fund 90-Cooperative Programs</u>				
1 Support Services	105,988	54,399	0	1
2 Transfer to F10		11,514		2
3 Total Cooperative Fund Expenditures	\$ 105,988	\$ 65,913	\$ 0	3

2015-16 Budget Frequently Asked Questions

Q: Where do school districts' revenues come from?

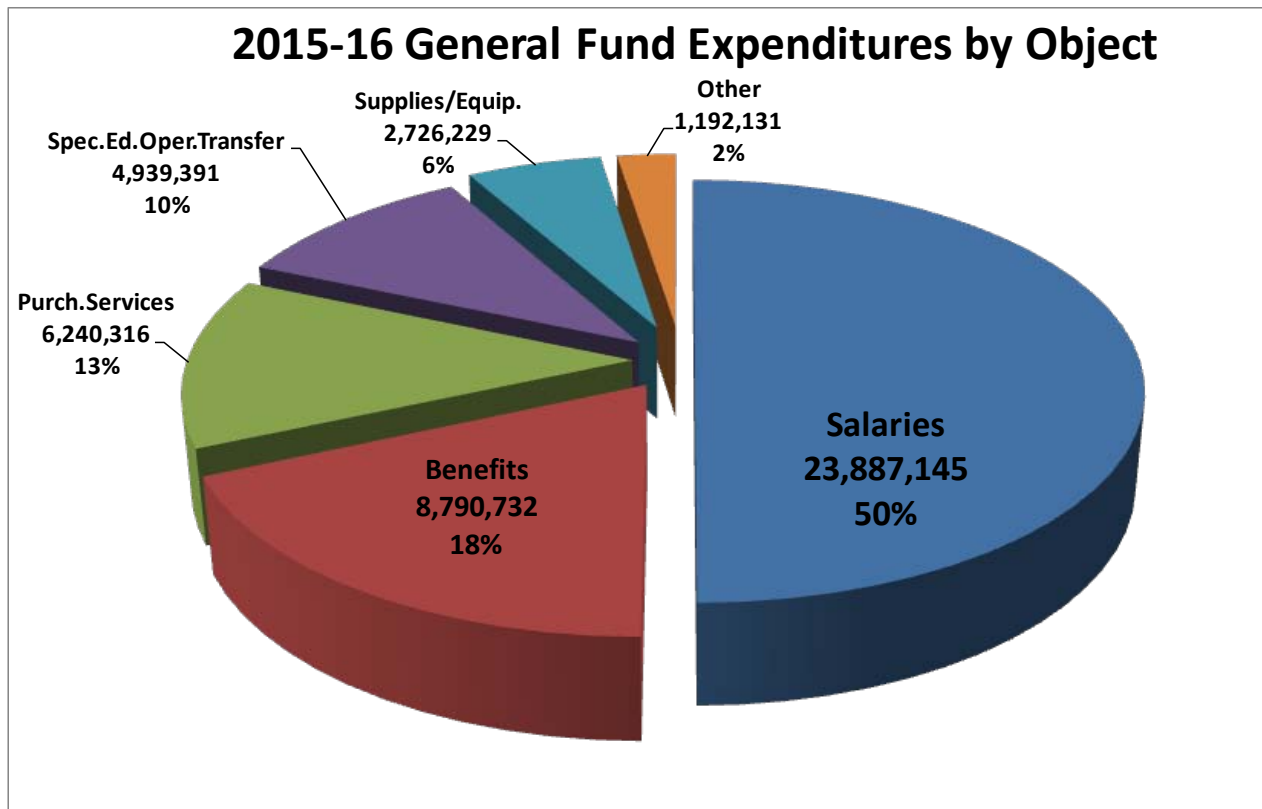
A: School districts have two major revenue sources: local property taxes and state aid. Districts receive minimal federal aid and limited revenue from other sources, but the vast majority of the revenue comes from local property taxes and state aid.



Menomonee Falls is primarily funded by local property taxes rather than state aid because the district's property value is high (in comparison to other parts of the State). Property values are the major component in determining the amount of state aid a district receives.

Q: Where do school districts' spend their money?

A: Like most organizations and companies, salaries and benefits make up the greatest expenditures of a school district. Most school districts try to spend less than 80 percent of their budgets on salaries and benefits.



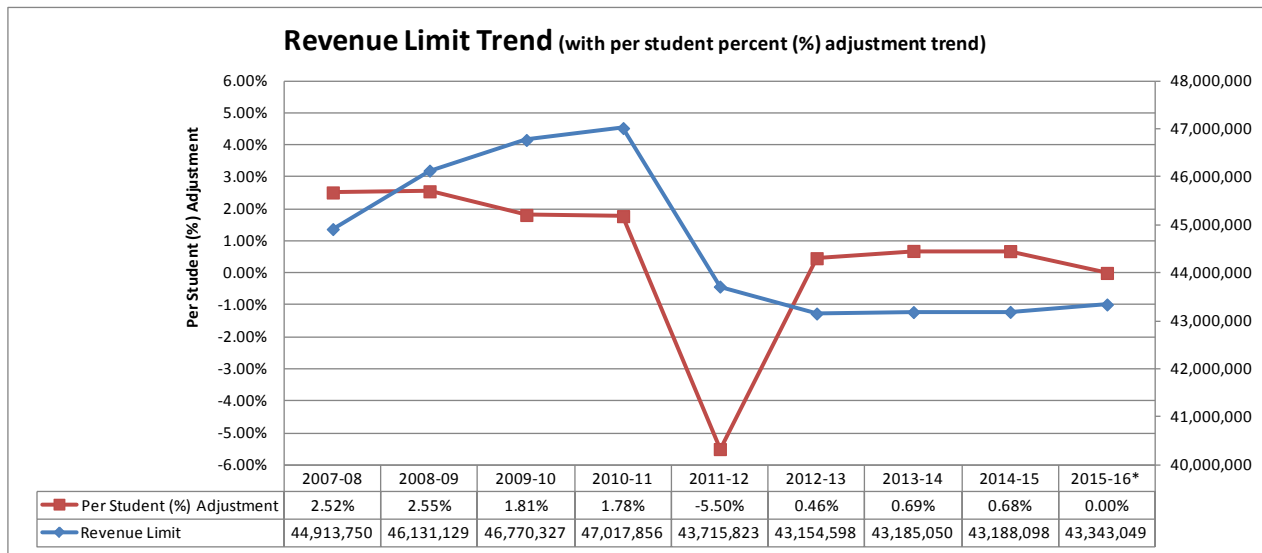
In the School District of Menomonee Falls (SDMF), 68% of its expenditures are on salaries and benefits. Most school districts try to spend less than 80 percent on salaries and benefits (many do not achieve this).

Q: We hear much about revenue limits. Just what is this and how does it work?

A: The State Legislature implemented a system of revenue limits in 1993 in order to keep taxes down. Districts’ revenues were capped at their level of spending in 1993, and adjustments are made to the revenue limit in each biennial budget approved by the legislature.

Revenue limits are perhaps best described in terms of per-student allowable spending. This means the amount of money the state allows a school district to spend per student per year while keeping a balanced budget. Since 1993, revenue limits had increased with inflation (the consumer price index, or CPI), but in each year since 2009-10, the State Legislature has set the limit lower than CPI. This results in challenges for school districts in keeping up with naturally rising costs of goods and services like heat, light, gas, fuel, insurance, etc.

While districts have become more efficient with resources, years of revenue limits have taken their toll. Efficiencies are harder to find and difficult decisions about programming, staffing and class sizes are forced to be made across the state. We have saved more than \$6.4 million on energy in the last 13 years through our cost avoidance energy reduction program, have saved over \$3.1 million on insurance benefit changes, and have saved over \$15.1 million on retiree benefit changes.

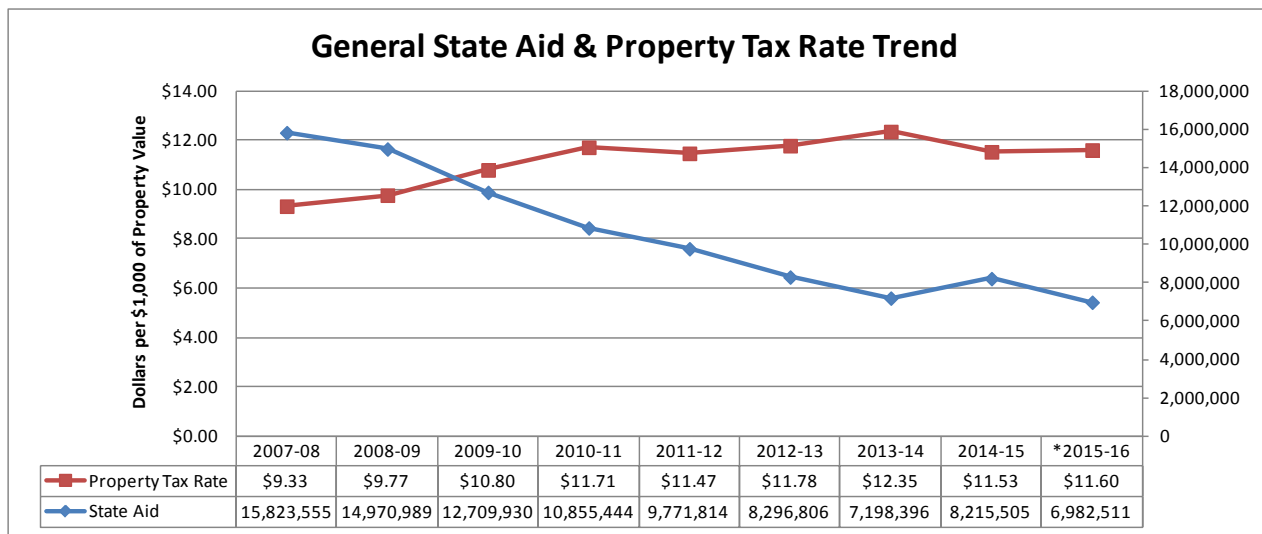


Our revenue limit has decreased by almost \$3.5 million since it stopped pacing with the consumer price index (CPI) in 2009-10.

Q: So if state aid increases in a given year, don't districts' revenue limits increase?

A: Oddly, no, and this is a confusing element to the State's education funding formula. The total dollars to educate students does not change unless the revenue limit per-student dollar amount is adjusted.

The State Legislature may vote to increase state aid without raising the revenue limit. Even an increase in the state budget for education (state aid) may not mean an increase in revenue to each district for operating. Since Menomonee Falls is considered "property rich" – it has high property values in comparison to other parts of the State – we receive less state aid to offset our local property taxes than the majority of school districts across the state.



As our state aid decreases, local property taxpayers pay a larger share of the educational costs. Menomonee Falls has lost more than \$8.8 million (56%) in state aid since 2007-2008.

Q: Do property values play a part in educational funding? How?

A: Yes. Property values impact the amount we receive in state aid through a complex, three-tiered formula. Menomonee Falls is considered a property wealthy community, therefore, we receive limited state aid. A portion of our state aid is reduced (thus increasing our local property taxes) and redistributed to educate children across the state from less affluent communities.

Q: What factors are used to determine the per-student revenue limit dollar amount? And why do they differ among districts?

A: The revenue limit is based on the following three factors: Number of students (3 year average of resident enrollment), Base revenue limit (beginning in 1993), and per-pupil dollar increase (set by the Legislature every two years with the biennial budget). Districts' base revenue in 1993 varied by school district, as did program offerings for students based on what each community valued.

Q: How does a district's student enrollment apply to the revenue limit?

A: The revenue limits are based on student count. Those districts that are growing in student enrollment are better positioned to sustain programs because their revenues pace more closely to expenditure increases. Menomonee Falls has been declining slightly in enrollment, therefore, we are more significantly impacted by the revenue limit. The revenue limit does not keep pace with increasing costs; and with fewer students there is less revenue available to educate all of the children. As a result, we need to reduce expenditures, which typically leads to staff and programming reductions for students.

Q: How has declining enrollment impacted Menomonee Falls? Why does it seem like we're pressured more with revenue limits and budgets than neighboring districts?

A: Currently, our enrollment is declining slightly; and historically, we have served many more students. During the course of the 1970's, our enrollment reached approximately 7,000 students. Our programming was designed during a time when we served many more students. Since the revenue limits were instituted in 1993, resources available to sustain these programs are much more limited. Student performance expectations are higher today, in the core academic areas, than ever before. Therefore, programs traditionally valued need to be adjusted as our resources have become more limited and performance expectations have increased.

School districts that are experiencing growing enrollments may have started with fewer program offerings (in comparison to what we have traditionally offered). With (their) new enrollment growth, it adds to their revenue limit and their ability to grow programming. With (our) slightly declining enrollment, coupled with revenue limits not pacing with inflation, the funding we're allowed to operate with is decreased, which requires us to adjust programming and limits our ability to expand programming.

Q: What will be the determining factors into which programs will be reduced?

A: Our Priorities for the Budget process are as follows:

1. Prioritize the strategies to improve student academic achievement, staff performance, and continuous improvement in all departments and at each school level in order to prepare students well and to exceed the expected performance levels.
2. Personnel decisions will prioritize:
 - a. Sustaining class size ratios at an appropriate level
 - b. Programming to ensure students make successful college and career transitions
3. Sustain efficient and effective operations.
4. Prioritize strategic areas of improvement in the budget process
5. Safeguard the taxpayers' investment in the Menomonee Falls Public Schools by sustaining high performance, strong home values for our Village, and demonstrating a culture of quality.

Q: How will the Leadership Team prioritize reductions and staff layoffs?

A: Seniority is no longer the determining factor for layoff and reduction in force. Some program reductions will be made based on the prioritization stated above. The balance of the decisions will indeed be challenging ones.

Like any other industry that needs to reduce their workforce, we will need to determine in the process which staff members we will retain and who we will need to reduce. Determining factors will include performance, ability to work effectively with students, families and colleagues, certification levels and flexibility, specific training that falls in our priority areas, and overall ability to contribute and make a difference in our organization.

Q: What is the impact of Act 10 on a school district's budget?

A: Act 10 gives the authority to school boards to change insurance carriers and other benefits. Many districts had used the Wisconsin Education Association Trust (WEA) health plan for years. With Act 10 in place, many districts switched health carriers and required their employees to contribute more toward their benefit packages.

Act 10, however, does not have any impact on the state's revenue limit statute. While Act 10 provided some ability of school boards to save on benefit plans, it does not allow districts to raise more revenue to keep up with other continual rising costs. The board weighs the salary and benefit compensation decisions with the district's available revenues, while remaining competitive in the region, in order to sustain a quality workforce.

Q: What was the impact of the last teacher contract on the budget?

A: The last teacher's contract expired June 30, 2013. It implemented provisions of Act 10 while Act 10 was being debated in the legislature and the court system. The board decision to approve the contract was driven by a deadline to switch health carriers prior to the start of the 2011-2012 fiscal year (July 1st). While there was some question of whether or not Act 10 would be approved in the legislature and whether or not it would be overturned by a court, the district implemented the provisions of Act 10 in its contract, which was agreed upon by the School Board and the Menomonee Falls Education Association (the teachers union at the time).

It's important to note that if Act 10 would not have been approved by the legislature or if it had been overturned by a court, the school district would still have implemented its provisions as they were outlined in the mutually agreed upon teachers contract.

The school district has moved to the use of employee handbooks as the contracts have expired for the employee work groups. The district is now self-insured, with high-deductible plan options for healthcare (saving more than 34% (\$3.0 million/year)), and has reduced its retirement liability by 67% (more than \$16.9 Million).