



Challenge ★ Inspire ★ Support

2009-10 Preliminary Budget



2009-10 Preliminary Budget Presentation Topics

- 2008-09 Year-end Budget Status Update
- Revenue Limit Explanation & Overview
- 2009-10 Preliminary Budget Overview
 - Total Budget by Fund
 - Revenue Budget
 - Expenditure Budget
 - Tax Levy



2008-09 Year-end Budget Status Update

General Fund Revenue Budget:

- G/L postings to record outstanding receivables and adjustments are in the process of being finalized. Total revenues are tracking at approximately 100% of budget.

General Fund Expenditure Budget:

- G/L postings to record outstanding payables and adjustments are in the process of being finalized. Total expenditures are tracking at approximately 98% of budget.

Other Major Funds:

- Special Project Funds - expenditures and revenues tracking at 99% of budget
- Debt Service Funds - on budget
- Food Service Fund - expenditures tracking at 100% of budget and revenues tracking at 101% of budget



Revenue Limit Explanation

The revenue limit:

- is the maximum amount that a school district may raise per student through general state aid (equalization and special adjustment) and the property tax levy

The revenue limit is determined using:

- district's prior year revenue
- student enrollment **averaged over a period of three school years**
- a per-student increase set by the Legislature
- there are several exceptions to the revenue limit



2009-10 Revenue Limit Overview

Student Enrollment (Membership):

- Based on a projected enrollment increase of 47 students in 2009-10 (Sept 3rd Friday Count)

Inflationary Increase:

- Increase of \$200 per student (member)
(1.95% increase)

Other Allowable Increases/Exemptions:

- Transfer of Service Exemption (\$125,000)

**Estimated 2009-10 Revenue Limit
Increase = \$2.24 million or 3.79%**



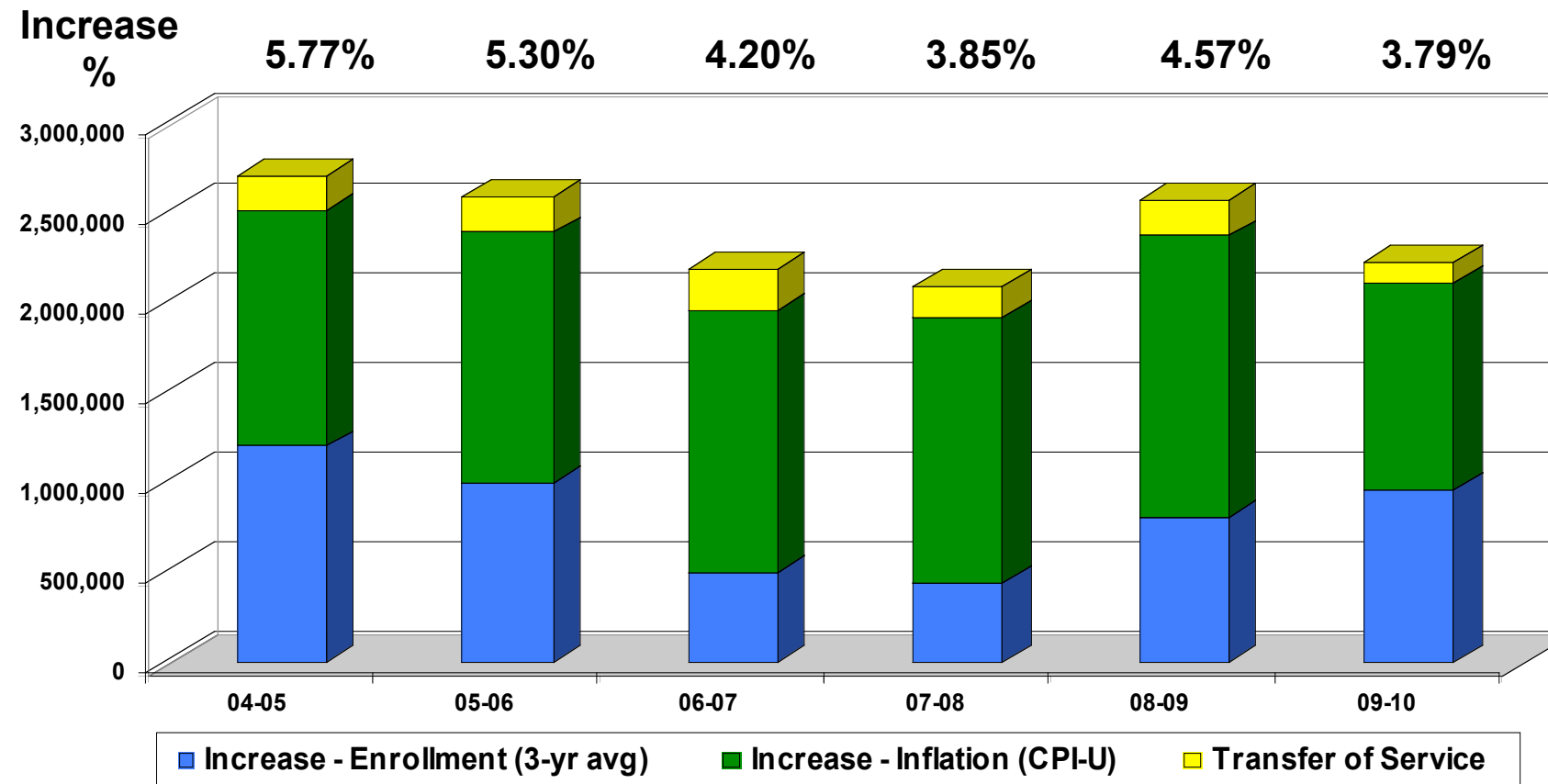
Revenue Limit Increases

Year	Per Member Increase	% Increase ¹	Revenue Limit Increase	% Increase
2004-05	\$241.01	2.73%	\$2,709,467	5.77%
2005-06	\$248.48	2.73%	\$2,630,740	5.30%
2006-07	\$256.93	2.74%	\$2,193,590	4.20%
2007-08	\$264.12	2.73%	\$2,096,127	3.85%
2008-09	\$274.68	2.76%	\$2,582,533	4.57%
2009-10	\$200.00	1.95%	\$2,239,019	3.79%

¹ Increase from prior year revenue limit base per member

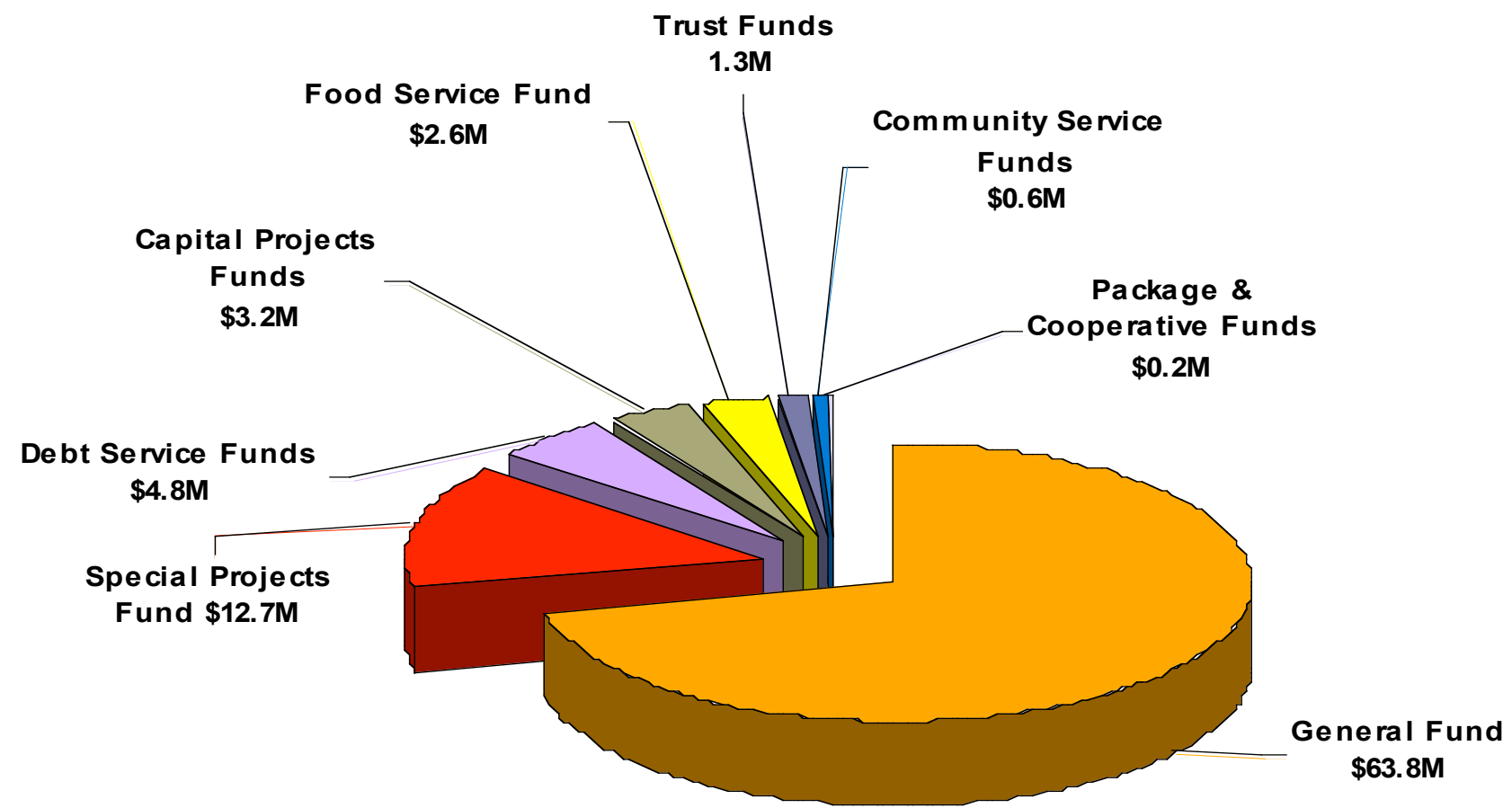


Revenue Limit Increases





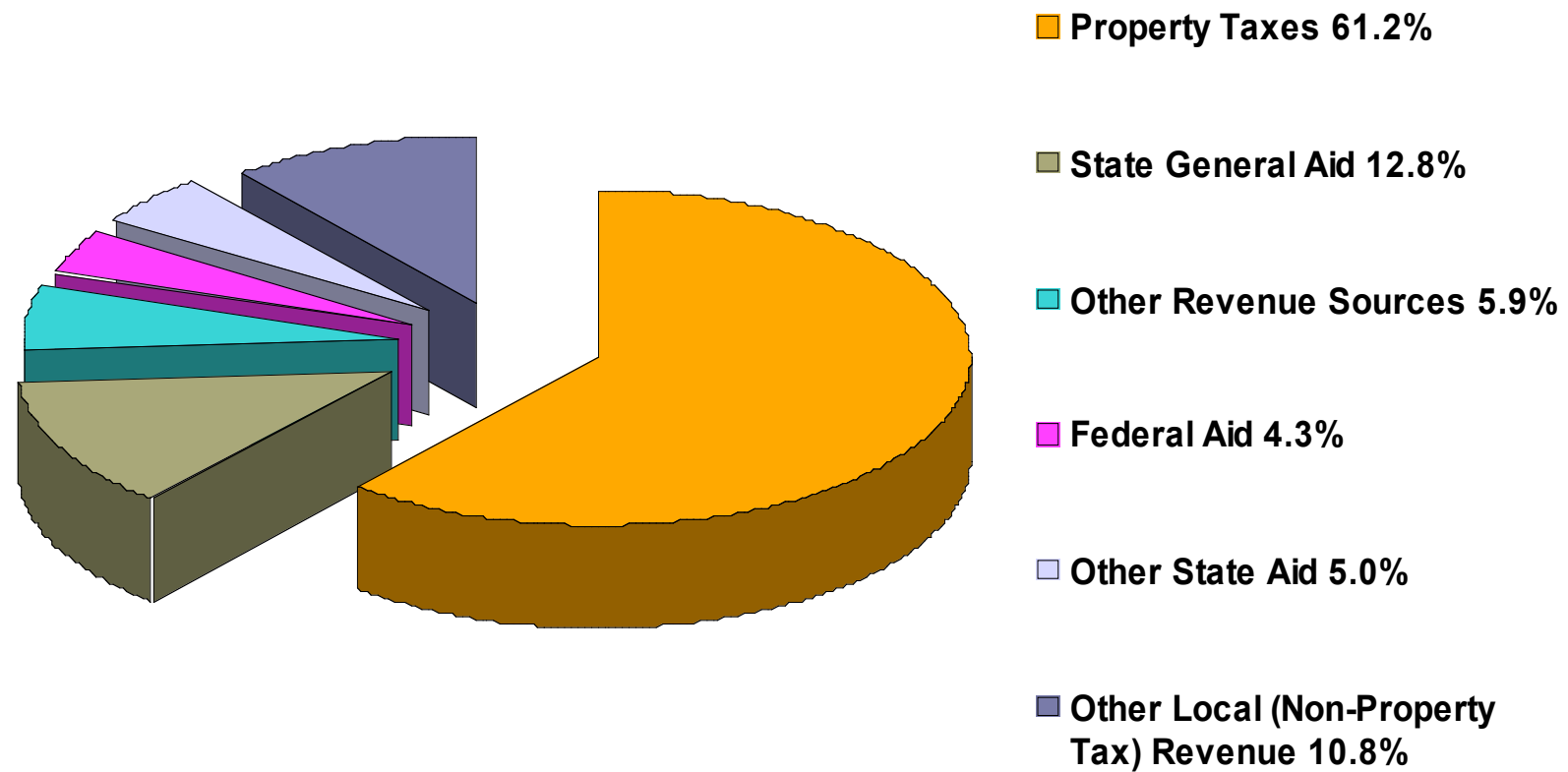
2009-10 Preliminary Budget by Fund



(in millions)

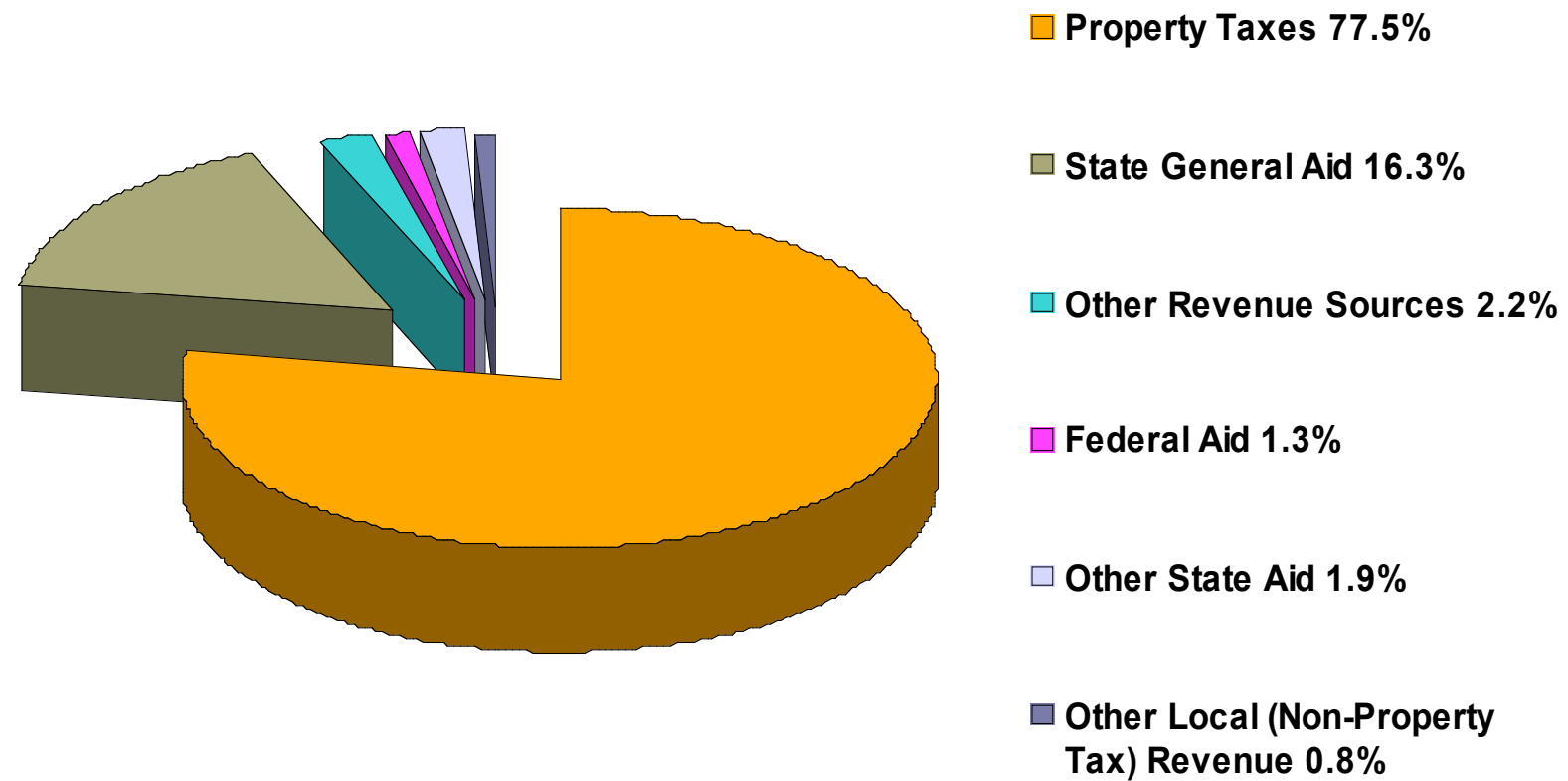


2009-10 Revenue Budget (not including interfund transfers)



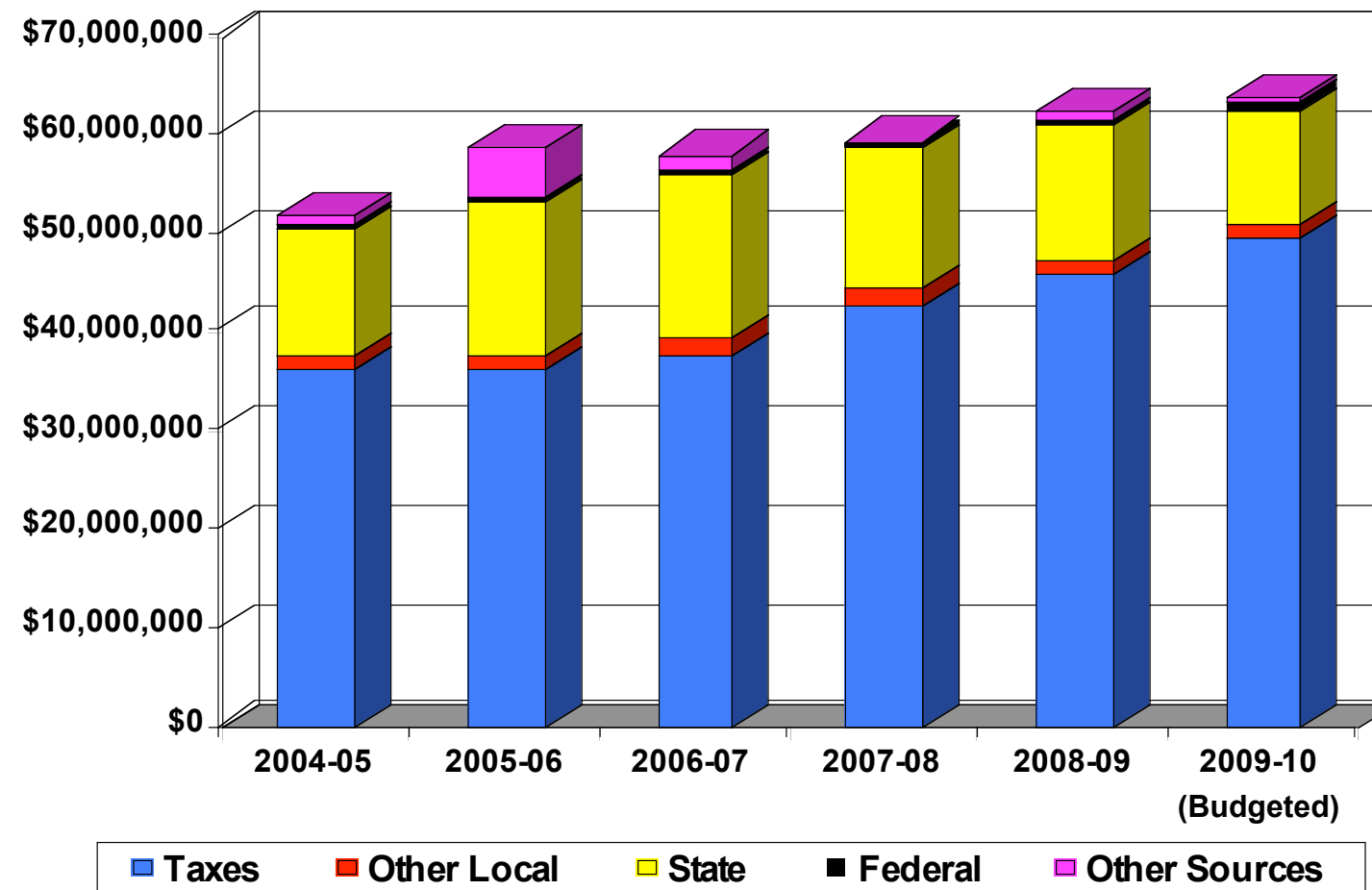


2009-10 General Fund Revenue Budget





General Fund Revenue History 2004-05 through 2009-10



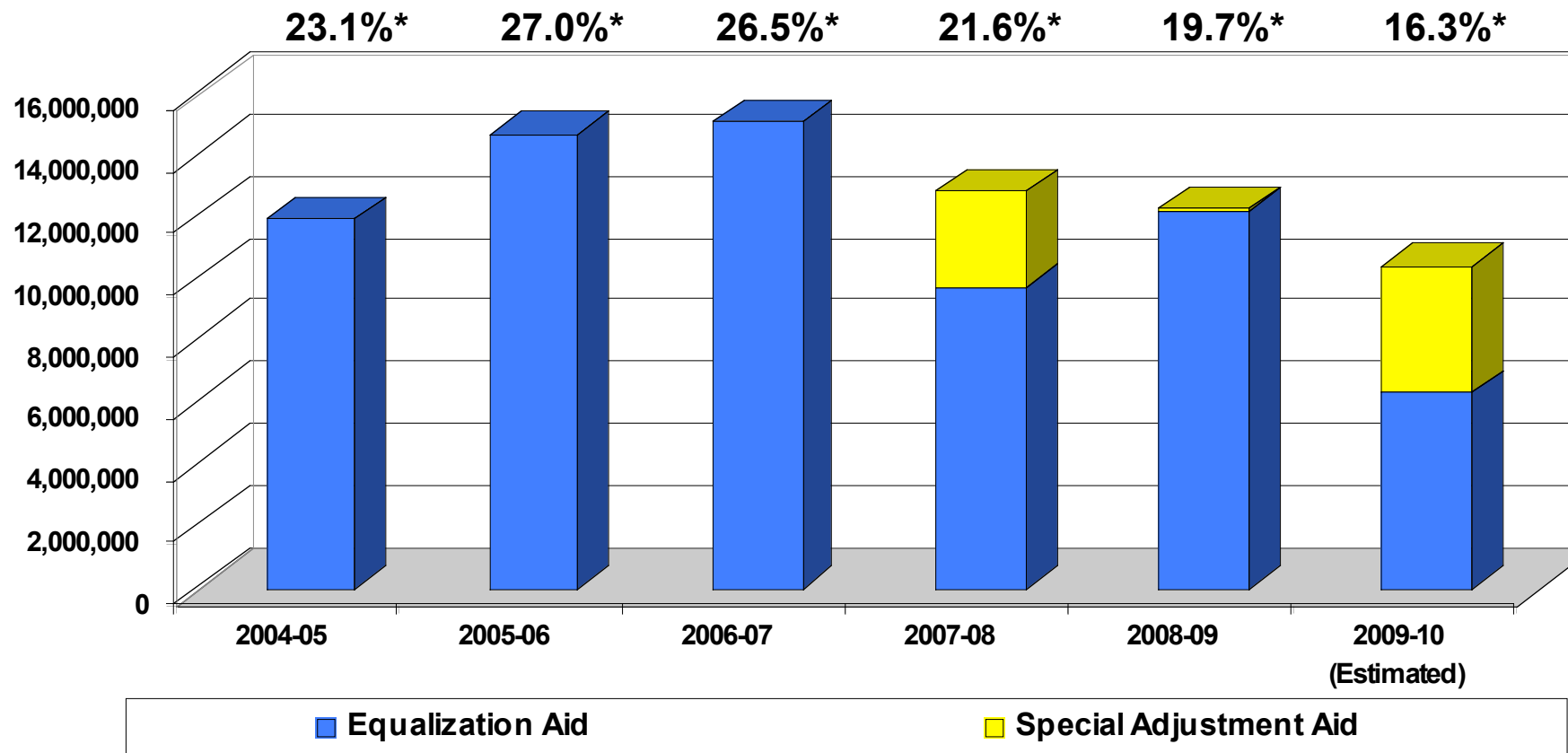


2009-10 Revenue Budget Highlights

- 15.3% Estimated Reduction in State General Aid (\$1.88 million)
- Reduction in investment earnings
- ARRA (Federal Stimulus) Funds
- Special Education High Cost (State & Federal) and Categorical Aid



State General Aid History 2004-05 through 2009-10



* State General Aid as a percentage of General Fund revenues (adjusted in FY 2005-06 and FY 2006-07 for revenue generated through sale of surplus property)



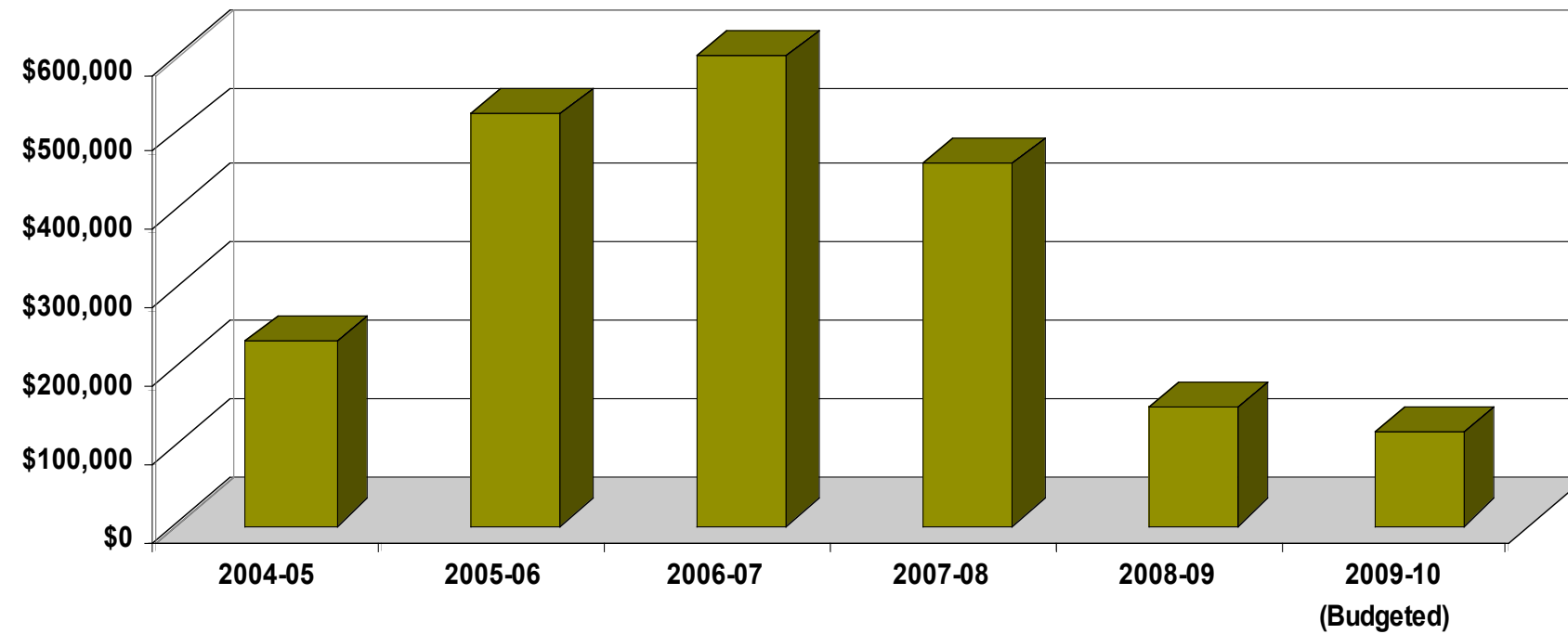
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General Fund Investment Earnings History 2004-05 through 2009-10

July*	1.07%	3.15%	5.13%	5.21%	2.23%	0.34%
June*	2.97%	4.91%	5.19%	2.23%	0.39%	?.??%



* State Local Government Investment Pool (LGIP) interest rates at the beginning month of the fiscal year (July) and ending month of the fiscal year (June)



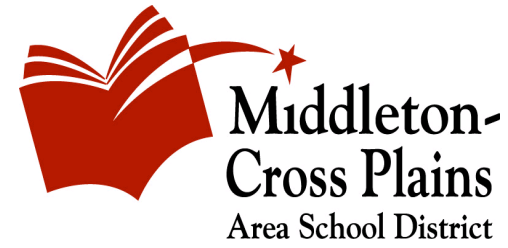
2009-10 Revenue Budget Highlights

- 15.3% Estimated Reduction in State General Aid (\$1.88 million)
- Reduction in investment earnings
- **ARRA (Federal Stimulus) Funds**
 - Approximately \$1.5 million (over next 2 years)
 - The District was able to redirect a total of \$498 thousand of costs over the next 2 years (by applying Maintenance of Effort formula) from the General Fund to the Special Projects Fund (to utilize ARRA funding)
- Special Education High Cost (State & Federal) and Categorical Aid

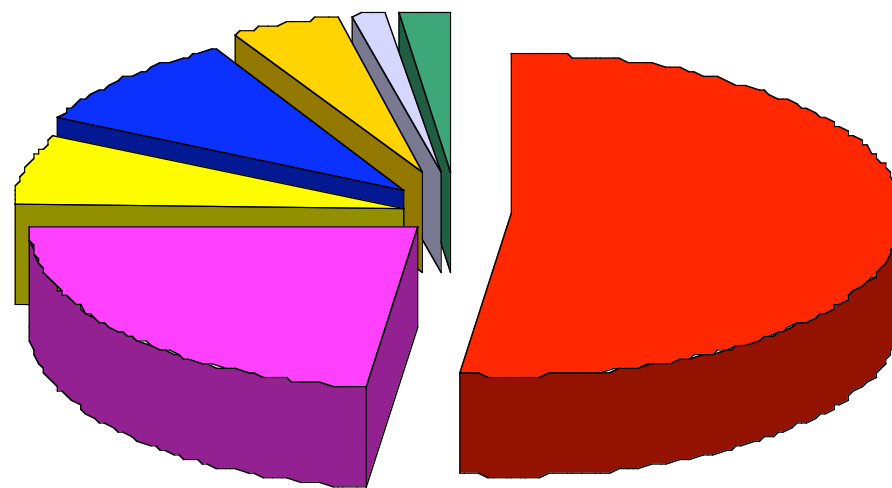


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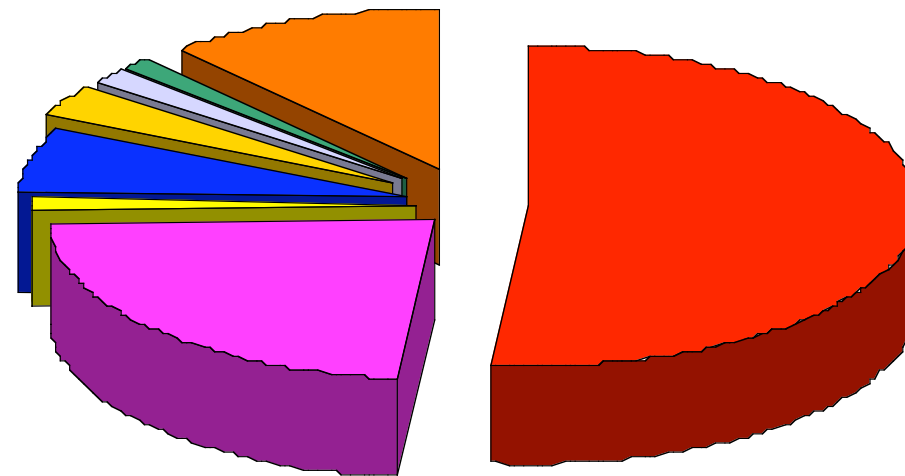
2009-10 Expenditure Budget (not including interfund transfers)



- Salaries 51.9%
- Fringe Benefits 23.0%
- Debt Retirement 6.8%
- Purchased Services 9.6%
- Non-Capital Objects 4.5%
- Capital Objects 1.4%
- Other Objects 2.2%



2009-10 General Fund Expenditure Budget

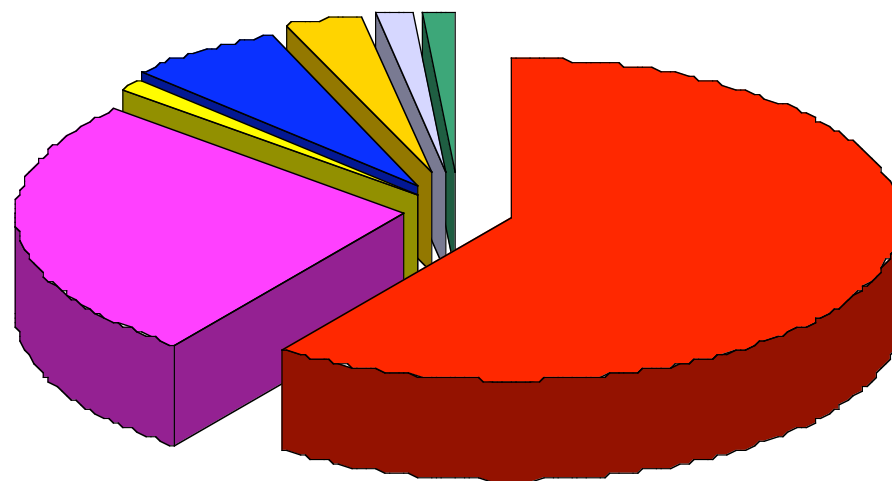


- Salaries 51.7%
- Fringe Benefits 22.8%
- Debt Retirement 1.0%
- Purchased Services 6.6%
- Non-Capital Objects 3.4%
- Capital Objects 1.5%
- Other Objects 1.4%
- Interfund Transfers 11.6%





General & Special Projects Funds 2009-10 Expenditure Budget (not including interfund transfers)



- Salaries 59.8%
- Fringe Benefits 26.5%
- Debt Retirement 1.0%
- Purchased Services 6.4%
- Non-Capital Objects 3.3%
- Capital Objects 1.5%
- Other Objects 1.3%



2009-10 Budget Reductions

- Transportation Center Project Close-out and Start-up Costs
- Building Rental (due to new Transportation Center)
- Northside Elementary Addition
- Security Improvements at MHS & KMS (our District's portion of the project not funded through the COPS grant or City of Middleton)
- Utilities (natural gas)
- Fuel budget for school transportation vehicles



2009-10 Budget Reductions

- Para-educator positions (Bi-lingual and Special Education)
- Certified Occupational Therapy Assistant (COTA)
- Speech & Language Therapist
- Vision Teacher
- School Nutrition Services Program Staffing Reorganization



2009-10 Budget Program Investment / Expenditure Increases

- Literacy & Instructional Support Specialists at Elementary and Middle Schools (ARRA)
- Service Delivery Model Specialist at MHS (ARRA)
- Progress Monitoring Specialist (ARRA)
- Continuous Improvement and Accountability Specialist
- Increased Textbook / Instructional Materials Budget (supplemented through budget carry-over)
- Elementary Guidance Position
- Director of Teaching & Learning



2009-10 Budget Program Investment / Expenditure Increases

- Bi-lingual / ELL Teacher
- Cross Categorical Teacher at MHS (funded through reduction in para-educator positions)
- Increased Open Enrollment Tuition Budget



2009-10 Preliminary Budget Tax Levy

<u>FUND</u>	<u>2008-09</u>	<u>2009-10</u>	<u>Change</u>
General Fund	\$ 45,770,077	\$49,420,907	+ 7.98%
Debt Service (Fund 38)	107,500	104,500	- 2.79%
Debt Service (Fund 39)	4,307,216	4,423,915 ¹	+ 2.71%
Capital Projects	350,000	775,000 ²	+ 121.43%
Community Service	<u>345,965</u>	<u>339,913</u>	- <u>1.75%</u>
TOTAL:	<u>\$50,880,758</u>	<u>\$55,064,235</u>	<u>+ 8.22%</u>

¹ Debt Service fund balance was utilized to reduce the tax levy by \$200,000

² Increase in Capital Projects levy represents a shift in expenditures and levy from the District's General Fund - the total amount levied for capital maintenance projects in FY 2009-10 increased by \$35,000



Tax Levy & Mill Rate History

	<u>05-06</u>	<u>06-07</u>	<u>07-08</u>	<u>08-09</u>	<u>09-10*</u>
TAX LEVY	\$41.02M	\$43.55M	\$47.92M	\$50.88M	\$55.06M
% Change	-0.07%	+6.17%	+10.03%	+6.17%	+8.22%
EQUALIZED VALUATION	\$4,436M	\$4,849M	\$5,262M	\$5,706M	\$5,934M
% Change	+12.55%	+9.30%	+8.52%	+8.43%	+4.00%
MILL (TAX) RATE	\$ 9.25	\$ 8.98	\$ 9.11	\$ 8.92	\$ 9.28
% Change	-11.23%	-2.92%	+1.45%	-2.09%	+4.04%

* Estimated



2009-10 Preliminary Tax Levy - Estimated Impact

<u>Property Value</u> ¹	<u>2008-09 Tax</u> ²	<u>2009-10 Tax</u> ²	<u>Increase</u> ²
\$200,000 → \$206,000	\$ 1,784	\$ 1,912	\$ 128
\$300,000 → \$309,000	\$ 2,676	\$ 2,868	\$ 192
\$450,000 → \$463,500	\$ 4,014	\$ 4,301	\$ 287

¹ Assumes same assessment of 100% for both years (2008 and 2009) with an increase of 3% in 2009.

² Estimated school taxes. The 2009-10 estimated school taxes were calculated using a projected school tax (mill) rate of \$9.28 per \$1,000 of equalized (full market) property value.



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Questions