



## Executive Summary



**MILWAUKEE**  
PUBLIC SCHOOLS

*2019–20 Superintendent's Proposed Budget*  
**Fiscal Year: July 1, 2019 – June 30, 2020**  
*Submitted to the Milwaukee Board of School Directors*

Office of Finance | 5225 W. Vliet St., Milwaukee, WI 53208 | [mpsmke.com](http://mpsmke.com)





**MILWAUKEE**  
PUBLIC SCHOOLS

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**5225 W. Vliet St.**  
**Milwaukee, WI 53208**  
**(414) 475-8002**  
**[mps.milwaukee.k12.wi.us](http://mps.milwaukee.k12.wi.us)**

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Christopher Hauser, *Interim Deputy Superintendent*  
Marla Bronaugh, *Chief Communications & School Performance Officer*  
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Jeremiah Holiday, *Ph.D., Interim Chief Academic Officer*  
Martha Kreitzman, *Chief Financial Officer*  
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Maricha Harris, *Special Assistant to the Superintendent*

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It is the policy of Milwaukee Public Schools, as required by section 118.13, Wisconsin Statutes, that no person will be denied admission to any public school or be denied the benefits of, or be discriminated against in any curricular, extracurricular, pupil services, recreational or other program or activity because of the person's sex, race, color, religion, national origin, ancestry, creed, pregnancy, marital or parental status, sexual orientation or physical, mental, emotional or learning disability.

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For section 118.13, Wisconsin Statutes, federal Title IX: Matthew Boswell, Senior Director, Department of Student Services, Room 133, Milwaukee Public Schools, 5225 W. Vliet St., P.O. Box 2181, Milwaukee, WI, 53201-2181

For section 504 of the Rehabilitation Act of 1973 (Section 504), federal Title II: J. Andy Woyte, Interim Section 504/ADA Coordinator, Department of Specialized Services, 6620 W. Capitol Dr., Milwaukee, WI, 53216, (414) 438-3677

TTD: (888) 692-1408

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# Executive Summary

The Milwaukee Public Schools budget is organized into four sections: Executive Summary; Organizational; Financial, including Schools, Central Services and Line Items; and Informational, including City Profile, MPS Profile and Glossary.

The Executive Summary of the 2019-20 Superintendent’s Proposed Budget provides summary information on the district’s overall budget. The topics are covered in more detail in the subsequent sections. The budget is posted on the district’s website with linked tables of contents that allow readers to locate descriptions by topic.

## Organizational Component

### About MPS

Milwaukee Public Schools (MPS) is the largest school district in the state of Wisconsin with a rich variety of educational programs and extracurricular activities for children from three-year old kindergarten through high school. With projected enrollment of 75,234 students as young as age three through grade 12 and 9,682 full-time equivalent (FTE) staff positions, MPS is a diverse community spread across 159 schools.

MPS is governed by the nine-member Milwaukee Board of School Directors (MBSD) as detailed in Chart 1.1. One member is elected at large and eight are elected from geographic districts. Board members serve four-year terms. MBSD is the policy making body for the school system, with a superintendent who is appointed by the Board to lead the district’s administration. The senior team supports the superintendent in turning the district’s strategic vision into action.

*Chart 1.1 Members of the School Board and First-Level Administrative Personnel*

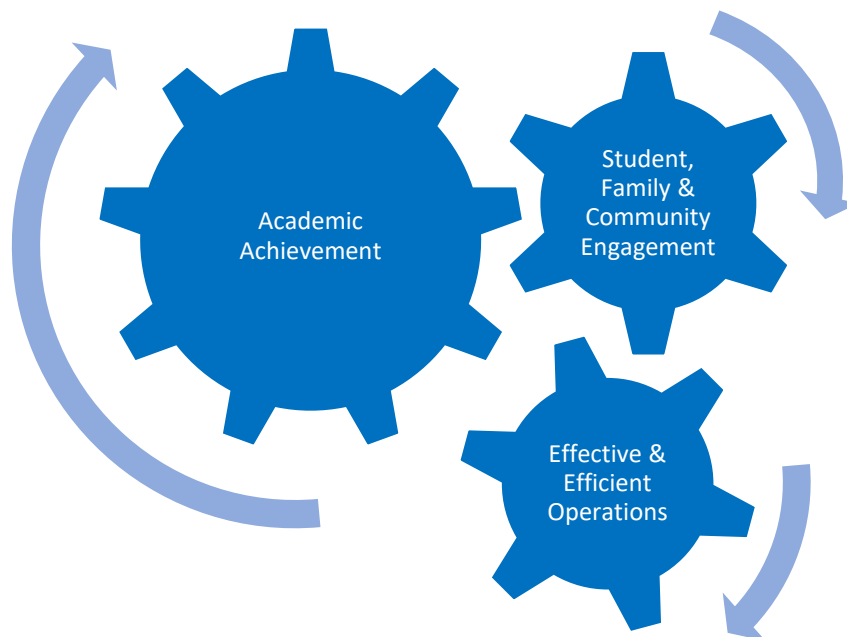
<b>MISSION STATEMENT</b> Milwaukee Public Schools is a diverse district that welcomes all students, preparing them for success in higher education, post-educational opportunities, work and citizenship.	<b>SUPERINTENDENT</b> Dr. Keith P. Posley
<b>SCHOOL BOARD MEMBERS</b> District #1 – Marva Herndon District #2 – Erika Siemsen District #3 – Sequanna Taylor District #4 – Annie Woodward District #5 – Larry Miller (President) District #6 – Luis A. (Tony) Báez, Ph.D. (Vice President) District #7 – Paula Phillips District #8 – Megan O’Halloran Member at Large – Bob Peterson	<b>SENIOR TEAM</b> Rosana Mateo, Ph.D., Deputy Superintendent Christopher Hauser, Interim Deputy Superintendent Marla Bronaugh, Chief Communications & School Performance Officer Katrice Cotton, Ed.D., Chief School Administration Officer Jeremiah Holiday, Ph.D., Interim Chief Academic Officer Martha Kreitzman, Chief Financial Officer Evangeline (Leia) Scoptur, J.D., Interim Chief Human Resources Officer Sue Saller, Manager III, Superintendent’s Initiatives Maricha Harris, Special Assistant to the Superintendent

MPS is committed to accelerating student achievement, building positive relationships between youth and adults and cultivating leadership at all levels. More MPS students are taking college-level Advanced Placement and International Baccalaureate courses. Three MPS high schools were rated among the best in the state and nation by *U.S. News and World Report* in spring 2018. The Class of 2018 earned a record of over \$86 million in scholarships and grants. Eight MPS schools are honored as Wisconsin Title I Schools of Recognition for success in educating students.

MPS offers an extensive variety of educational programs and activities for children from preschool through high school. Offerings include neighborhood schools, specialty schools, comprehensive middle and high schools, traditional schools, charter schools, alternative schools, and partnership and contracted agency schools. The district's goal is for every child to graduate ready for success in college, career and life. MPS continues to offer and expand the high-performing programs families desire such as strong college preparatory to fine arts, bilingual education, career and technical education, gifted and talented, language immersion and Montessori. MPS also offers other college and career preparatory programs including Advanced Placement and International Baccalaureate. MPS recently added a two-year world language high school graduation requirement.

MPS is proud of its many accomplishments and progress made but still faces challenges on many fronts. To tackle the challenges head-on and change the operating dynamics of Wisconsin's largest school district, MPS has established three system-wide goals that are essential to the accomplishment of MPS's vision and mission. The three goals are the following:

- ▶ Academic achievement
- ▶ Student, family and community engagement
- ▶ Effective and efficient operations





## Mission Statement

Milwaukee Public Schools is a diverse district that welcomes all students and prepares them for success in higher education, post-educational opportunities, work and citizenship.

## Vision Statement

Milwaukee Public Schools will be among the highest-student-growth school systems in the country. All district staff will be committed to providing an equitable educational environment that is child-centered, supports achievement, and respects and embraces diversity. Schools will be safe, welcoming, well-maintained and accessible community centers that meet the needs of all. Relevant, rigorous and successful instructional programs will be recognized and replicated. The district and its schools will collaborate with students, families and community for the benefit of all.



## Core Beliefs

- 1 Students come first.
- 2 Wherever students are learning is the most important place in the district.
- 3 Educators and school staffs have high expectations for all students and provide the foundation for their academic success.
- 4 Leadership, educator development, and child-driven, data-informed decision making are keys to student achievement.
- 5 Equity drives all district decision making.
- 6 Involved families are integral to increasing student achievement.
- 7 Student voice is encouraged and respected.
- 8 Quality community partnerships add value.
- 9 Increased operational and financial efficiencies are consistently pursued to support learning opportunities for our students.
- 10 Central Services supports student achievement, efficient and effective operations, and student, family, and community engagement.
- 11 Public education provides the cornerstone of American democracy.

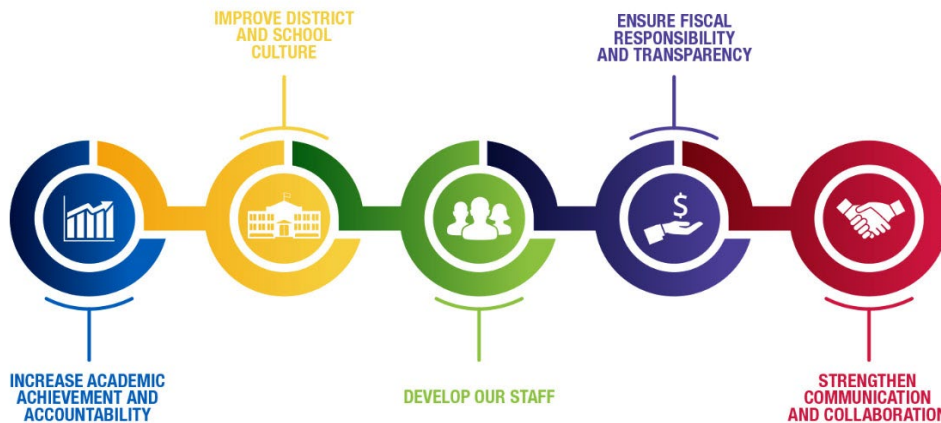
## 2019–20 Initiatives

The superintendent has further refined the method of implementing the strategic plan that commits the district to the success of every child through the Five Priorities for Success. Focusing the strategic plan in this way allows MPS to accomplish its overall goals of academic achievement, student, family and community engagement and effective and efficient operations.

In an urban setting, neighborhoods are diverse and a student's life experiences encompass a wide spectrum. It is critical that the educational process considers the child as a whole and creates systems that are inclusive of social-emotional learning, wellness and opportunities that include community organizations that extend beyond the school walls. District staff will continue to follow the Five Priorities for Success throughout the 2019–20 school year. MPS students deserve a comprehensive education that supports the well-being of the whole child and facilitates success in college, career and citizenship.

# Priorities for Success

Chart 1.2 Five Priorities for Success



The superintendent’s entry plan served to establish a structure for a transparent, smooth and efficient transition. The plan identified priorities that support the success of every child as shown in Chart 1.2. The proposed budget emphasizes student-centered alignment of resources and an organizational structure that supports schools and classrooms. Chart 1.3 outlines these priorities aligned to major objectives. The proposed budget supports the district’s commitment to the success of every child through the Five Priorities for Success.

Chart 1.3 Five Priorities for Success Aligned to Major Objectives



- Increase Academic Achievement and Accountability**
- Reading – to prepare all students to read at grade level
  - Writing – to prepare all students for authentic writing opportunities across disciplines
  - Mathematics – to prepare all students starting in kindergarten for success in algebra

**IMPROVE DISTRICT AND SCHOOL CULTURE**



- Improve District and School Culture**
- Decrease the number of office discipline referrals
  - Decrease the district suspension rate
  - Increase the number of schools implementing restorative practices





**DEVELOP OUR STAFF**

**Develop Our Staff**

- Fully staff all positions with qualified professionals
- Provide comprehensive pay and benefits packages
- Utilize state-of-the-art systems to process information efficiently and transparently

**ENSURE FISCAL RESPONSIBILITY AND TRANSPARENCY**



**Ensure Fiscal Responsibility and Transparency**

- Increase operational efficiency through implementation of systems and standard operating procedures
- Prioritize student success through enhanced student-focused budgeting processes
- Attain fiscal savings for the district through strategic planning and continuously analyzing and implementing best practices in the area of financial management



**STRENGTHEN COMMUNICATION AND COLLABORATION**

**Strengthen Communication and Collaboration**

- Increase positive impressions of the MPS brand by using effective marketing techniques at the district and school level
- Create strategic partnerships that meet the needs of schools, the district and community partners
- Develop collaborative relationships with families that result in improved communication and increased student achievement

The first step taken by the superintendent toward the Five Priorities for Success was to move funding from centralized accounts back to school site allocations. As a result, schools’ budgets and funding for staff positions were increased. For 2019–20, schools have kept the same per-pupil base allocation along with funding to cover the increase in benefit costs. As a result, school positions will increase by 99.0 FTE’s, 62.0 of which are teachers and 21.6 of which are for educational assistants.

As part of the Five Priorities for Success, MPS is moving toward equity and culturally responsive practices. This includes offering professional development in equity and culturally responsive practices to the staff and deploying culturally responsive teaching fellows to help school staff provide culturally responsive teaching to students. MPS also provides restorative practices through the Violence Prevention Program and the Manhood Academy support.

The Department of Black and Latino Male Achievement (BLMA) held student listening sessions to assess Black and Latino male students' current level of engagement and their experiences at school. As a result of the information shared during these sessions, the following programs have been created: Manhood Academies were piloted in four schools; Black and Latino Male Mentorship expanded from two to five schools; Leadership and Brotherhood (LAB) Summit for Young Men of Color was created and implemented in partnership with Marquette University for BLMA participants. MPS will continue to apply an equity lens throughout the district to influence the changes needed. It is critical to improve the outcomes for all students. To this end, the district will expand these programs for Latina and black females as well.

### ***Budget Process and Timeline***

In January 2019, the administration proposed and the MBSD adopted parameters that guide the development of the 2019–20 proposed budget. The parameters are necessarily modified by the resources available, but help to guide the decisions made during the budget preparation process. The adopted budget parameters called for the 2019–20 proposed budget to be prepared under the following guidance:

1. Preparation of the budget in accordance with state law
2. Preparation of the budget with maximum revenue limits
3. Adjustments and repurposing of educational programming and departmental budgets to promote student achievement and a balanced budget
4. Consideration of salary increases for all employee groups through the budget and negotiation processes to attract and retain qualified staff
5. Consideration of employee benefit changes for eligible employees to identify cost savings and increase efficiencies
6. Exploration of operating efficiencies
7. Development of a budget that reflects a commitment to fair resources, quality and socially transformative learning, a supportive environment for employees and an equitable education system for all

Budgeting is the process of setting financial and enrollment goals, forecasting future financial resources and needs, and evaluating progress toward achieving the district's goals. Detailed budget planning allows MPS to maximize instructional opportunities for children while ensuring prudent use of resources.

The districtwide budget development process is a multi-year collaborative process involving many stakeholders including students, School Engagement Councils, families, school leaders, learning teams, Central Services personnel, task forces, community stakeholders, the superintendent and the MBSD.

The budget preparation process begins each year in August with the review of performance indicators and continues through the beginning of June with the adoption of the budget by the MBSD. In fall, the Department of Financial Planning & Budget Services, within the Office of Finance, works with the superintendent's senior team and with school leaders and program coordinators to make any programmatic and budget changes necessitated by enrollment changes or other developments.

In winter, Ambitious Instruction Budget Conversations were held with the leader and school team of each school with a 2017–18 Wisconsin Department of Instruction (DPI) school report card designation of "fails to meet expectations." In addition, other schools had the opportunity to request an Ambitious Instruction Budget



Conversation. These conversations were hosted by the superintendent and included the deputy superintendents, chiefs and regional superintendents. The purpose of the conversations was to make informed decisions about allocating resources that are focused on providing the best education for students. A letter served as a follow-up to the school leader that summarized the conversation and offered additional support. The superintendent also facilitated office budget conversations with each chief to review accomplishments, proposed budget modifications and supports to schools.

Increased support and input was gathered for each school's budget through regional resolution debriefs. Regional resolution debriefs are a collaborative approach to forming the schools' budgets. Included on the regional resolution teams are the regional superintendents, Office of Academics staff, instructional leadership directors, Human Resources staff and Financial Planning & Budget Services staff. Each school received input on the school budget from staff and parents and their School Engagement Councils.

The district is using many different vehicles to solicit and act upon feedback from staff and the community. Some of these methods are staff open-office hours, principal collaboration, and a student advisory group that works with the Office of the Superintendent. The District Advisory Council is made up of parent representatives from all schools and meets monthly with district staff. These sessions provide individuals with an opportunity to learn more about and give feedback on the progress toward the district initiatives, as those efforts form the basis of budget recommendations.

Board meetings were used to gather input from community stakeholders. These board discussions included budget parameters, five-year forecast, budget timeline and strategic initiatives. Board meetings were well attended and input was gathered through public testimony. Chart 1.4 outlines the budget development timetable.



Chart 1.4 Budget Development Timetable

2019–20 Budget Development Timetable	
<b>August–December</b>	<b>September–October</b>
<ul style="list-style-type: none"> <li>• Discuss the budget timetable, potential parameters, new programs, school changes and initiatives to be considered when preparing budget recommendations</li> <li>• Collect a variety of inputs, ideas, and costs with analysis of their impact for budget planning</li> <li>• Collect stakeholder input into budget development</li> </ul>	<ul style="list-style-type: none"> <li>• Revise budgets for the current year based on actual enrollment and identify future funding needs</li> <li>• Hold school budget resolution debriefs</li> </ul>
<b>October</b>	<b>November–December</b>
<ul style="list-style-type: none"> <li>• Hold community listening sessions</li> <li>• Strategic Planning and Budget Committee holds work session</li> <li>• Hold Board meetings for possible action on amendments to the adopted budget for the current fiscal year based on updated enrollment and revenue data</li> <li>• Transmit the amended adopted budget to the Milwaukee Common Council</li> </ul>	<ul style="list-style-type: none"> <li>• Finalize next year’s enrollment projections</li> <li>• Hold Student Achievement and School Innovation Committee meeting to discuss and take possible action on potential school changes</li> <li>• Recommend school funding priorities</li> <li>• Collect cost-to-continue information</li> </ul>
<b>December</b>	<b>January</b>
<ul style="list-style-type: none"> <li>• Review current programs and funding levels and the school allocations for establishing school-based budgets</li> </ul>	<ul style="list-style-type: none"> <li>• Discuss the district’s five-year financial forecast and strategic plan progress</li> <li>• Hold Strategic Planning and Budget Committee meeting for discussion and possible action on the proposed budget timetable, potential parameters, and new programs and initiatives to be considered</li> <li>• Publish approved budget development timetable</li> <li>• Discuss budget process and preliminary allocations</li> <li>• Hold school Ambitious Instruction Budget Conversations</li> <li>• Prepare, with input from School Engagement Councils, proposed school budgets</li> </ul>
<b>February–March</b>	<b>April</b>
<ul style="list-style-type: none"> <li>• Hold school budget resolution debrief meetings</li> <li>• Prepare proposed office budgets</li> <li>• Hold office budget conversations</li> </ul>	<ul style="list-style-type: none"> <li>• Hold office budget conversations</li> <li>• Compile the Superintendent’s Proposed Budget</li> </ul>
<b>May</b>	<b>June</b>
<ul style="list-style-type: none"> <li>• Release MPS Superintendent’s Proposed Budget</li> <li>• Hold public hearings on proposed budget</li> <li>• Publish statutory public hearing notice</li> <li>• Hold statutory hearing on proposed budget</li> <li>• Board members submit and take possible action on amendments to the proposed budget</li> <li>• Hold Board meetings for possible action on proposed budget</li> </ul>	<ul style="list-style-type: none"> <li>• Transmit adopted budget to the Milwaukee Common Council</li> </ul>
<b>August</b>	<b>Ongoing</b>
<ul style="list-style-type: none"> <li>• Review performance indicators and use the results to inform operational performance</li> </ul>	<ul style="list-style-type: none"> <li>• Plan, organize and coordinate the development, preparation, presentation, implementation and evaluation of the district’s budget</li> <li>• Facilitate listening sessions and public input</li> <li>• Collect online stakeholder feedback on the budget and budget process</li> </ul>

## *Significant Changes in the Budget*

2019-20 will be the first year of the State's biennial budget. As such, the governor's proposed budget is in the process of being deliberated by the legislature. At this time, the district is following the current law to determine projected revenues. The district's total projected revenue for 2019-20 is \$1.2 billion. The following significant changes in spending are projected to occur in 2019-20:

- An increase in school-based funding
- An increase in the number of teachers and paraprofessionals at the schools
- Adjustments in educational programming to reflect regional development
- Decreases in other wages, supplies and other expenses
- An increase in projected costs of employee benefits
- An increase in expected grants to fund supplemental school supports
- An addition to the Extension Fund to increase access and services for Milwaukee community recreation

## *Allocation of Human and Financial Resources to Achieve Goals and Objectives*

Improving educational outcomes for students means focusing our collective energy in one place: classrooms. The 2019-20 Superintendent's Proposed Budget reflects this commitment by directing resources to our schools and increasing efficiency to expand the school-based focus at Central Services. One of the core beliefs of the district is that the classroom is the most important place in the district. The budget reflects the district's continuing commitment to the children we are privileged to serve. Even in tight fiscal times, the 2019-20 budget reflects a commitment to maximizing available resources to provide support to students and schools.

Through an integrated system of school support, supervision and accountability, MPS promotes academic achievement; meaningful student, family and community engagement; and effective and efficient operations. Work across the Office of Academics and the Office of School Administration is aligned to support each school community in improved service to students and families. Other offices and departments have adjusted their practices to assist schools with problem solving and their individual improvement efforts.





The Office of School Administration works with school leaders to support the implementation of best practices in teaching and learning. While district and school reform continues to be a vital component of the overall strategic plan, the Office of School Administration provides specific supports to the district’s continuous improvement efforts as well as instructional implementation supports and strategies through four geographical regions, a high school region and a transformation network of schools. Each region or network is supported by a team, which includes an instructional leadership director accountable for supporting the overall instructional focus of each school by providing coaching and guidance in executing research-based methods to improve achievement.

Each regional superintendent leads a cross-functional team, which includes representatives from the Office of Academics and the Office of School Administration that is accountable for supporting operational effectiveness. Regional superintendents assume general oversight of the day-to-day operational activities of school leaders related to culture and climate and help ensure compliance with the district’s administrative requirements and deadlines.

MPS schools feature strong curriculum, tied to the rigorous Common Core State Standards that prepares students to succeed in college and careers. The strong curriculum is being implemented through Ambitious Instruction which has high expectations, develops cultural competence (with a focus on language acquisition based on context), and connects student learning to lived experiences while maintaining an intentional and consistent focus on the cultural identities and linguistic needs of students in reading, writing and math. MPS is home to the nation’s largest concentration of students participating in Project Lead the Way, which uses hands-on learning opportunities to expose students to engineering, math, science and technology in middle and high school. MPS also boasts the nation’s largest number of public Montessori schools.

## Financial Component

### *Revenues and Expenditures for All Funds*

Specific financial strategies and plans to support the MBSD’s goals and objectives are described in the budget. The district, as required under Governmental Accounting Standards Board (GASB) pronouncements, uses various fund types to report financial activity for its operating units. MPS administers the following funds: School Operations, School Nutrition Services, Construction, Extension and Categorically Aided Programs funds. Within these funds, expenses are budgeted and recorded in schools, departments and other MPS entities.

Chart 1.5 shows the types of expenditures that are budgeted districtwide. Salaries and benefits are 66.8 percent of funds budgeted. The School Operations Fund budget is only 0.2 percent more than the previous fiscal year, which creates difficult decisions as the district continues its commitment to invest more resources in the

*Chart 1.5 2019–20 Districtwide Expenditures*

2019–20 Districtwide Expenditures (\$M)	
Type	Amount
Salaries	\$493.0
Other Wages	26.4
Employee Benefits	282.7
Purchased Services	291.2
Supplies	59.4
Debt Service	37.0
Capital Expenses	3.9
Other Expenditures	6.4
<b>Total</b>	<b>\$1,200.0</b>

classroom and develop a well-qualified workforce. Please note that charts in millions of dollars are noted (\$M) throughout the budget. In addition, the sums of figures do not always equal the total displayed due to rounding.

The 2019–20 Superintendent’s Proposed Budget is balanced; i.e., the authorized expenditures are equal to projected revenues. The budget projects \$1.2 billion in total revenues and expenditures and the School Operations Fund totaling \$944.7 million. Chart 1.6 provides a projected pro forma financial summary for 2019–20 revenues and expenditures by fund.

*Chart 1.6 Pro-Forma Projected Revenues and Expenditures*

2019–20 Pro Forma Budgeted Revenues and Expenditures (\$M)						
	School Operations	School Nutrition	Categorical	Extension	Construction	Total
<b>Revenues</b>	<b>\$944.7</b>	<b>\$52.7</b>	<b>\$168.2</b>	<b>\$31.8</b>	<b>\$2.6</b>	<b>\$1,200.0</b>
<b>Expenditures</b>						
Salaries and Wages	\$416.4	\$12.8	\$78.3	\$11.9	\$0.0	\$519.4
Employee Benefits	227.7	8.9	42.1	4.0	-	282.7
<b>Total Salary and Benefits</b>	<b>\$644.1</b>	<b>\$21.7</b>	<b>\$120.4</b>	<b>\$15.9</b>	<b>\$0.0</b>	<b>\$802.1</b>
Student Transportation	\$63.8	\$0.0	\$0.3	\$0.2	\$0.0	\$64.3
Contracted Services	100.8	1.9	36.4	6.2	-	145.2
Construction Contracts	-	-	-	6.6	2.6	9.3
Interdistrict Student Tuition	37.9	-	0.1	-	-	38.0
Utilities	22.9	-	-	0.5	-	23.4
Maintenance Contracts	6.8	-	-	0.0	-	6.8
Telephone	2.3	0.0	-	0.0	-	2.3
Postage	0.9	-	0.0	0.1	-	1.0
Other Purchased Services	-	0.3	1.4	1.0	-	2.7
<b>Total Purchased Services</b>	<b>\$235.4</b>	<b>\$2.1</b>	<b>\$38.1</b>	<b>\$14.5</b>	<b>\$2.6</b>	<b>\$292.8</b>
<b>Debt Service</b>	<b>\$37.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$37.0</b>
Textbooks	\$1.2	\$0.0	\$0.0	\$0.0	\$0.0	\$1.2
Non-Textbooks	4.1	-	0.1	-	-	4.2
Consumable Supplies	12.4	2.4	7.2	0.4	-	22.4
Other Supplies	3.7	25.4	2.3	0.3	-	31.7
<b>Total Supplies</b>	<b>\$21.4</b>	<b>\$27.8</b>	<b>\$9.6</b>	<b>\$0.7</b>	<b>\$0.0</b>	<b>\$59.5</b>
<b>Insurance</b>	<b>\$4.3</b>	<b>\$0.1</b>	<b>\$0.0</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$4.8</b>
Capital Expenses	\$1.8	\$0.7	\$0.1	\$0.1	\$0.0	\$2.7
Building Modifications	0.8	0.3	-	0.3	-	1.4
<b>Total Capital Expenses</b>	<b>\$2.6</b>	<b>\$0.9</b>	<b>\$0.1</b>	<b>\$0.3</b>	<b>\$0.0</b>	<b>\$3.9</b>
<b>Other Accounts</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$5.7</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$5.7</b>
<b>Less Indirect Costs</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$5.7)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$5.7)</b>
<b>Total</b>	<b>\$944.7</b>	<b>\$52.7</b>	<b>\$168.2</b>	<b>\$31.8</b>	<b>\$2.6</b>	<b>\$1,200.0</b>

Ensuring that dollars reach the classroom can be challenging. While great strides have been made in directing resources to classrooms, the district’s best efforts to create a standard of care for all students are greatly influenced by funding decisions at the state and federal levels.

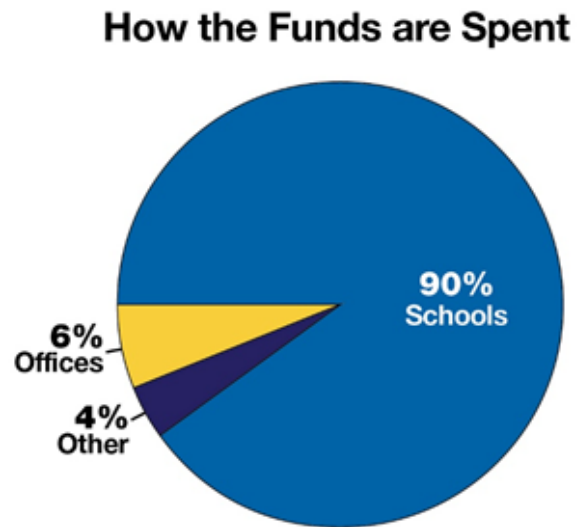
For every dollar budgeted in the MPS School Operations Fund, ninety cents is used to educate and support children in Milwaukee, as shown in Chart 1.7. This includes both supplies and personnel but especially the district’s largest group of employees: teachers. Six cents of every dollar in the fund is used to support non-school-based staff and services, while the remaining four cents supports necessary operations expenses such as insurance, technology licenses and debt repayment.

Chart 1.8 shows that schools and school accounts are budgeted at \$817.0 million of the School Operations Fund budget. School accounts include support such as art, music, physical education, librarians, guidance counselors, school nurses, school safety, interscholastic athletics and academics. School Nutrition provides direct support to schools.

*Chart 1.8 Use of School Operations Fund Summary*

District Use of School Operations (General & Debt) Fund Summary (\$M)	
Office	Amount
Board/Board Governance	\$2.4
Accountability & Efficiency	0.8
Superintendent	2.0
Communications & School Performance	4.0
Academics	8.4
School Administration	30.2
Finance	4.6
Human Resources	14.9
Schools and School Accounts	817.0
Other Accounts	70.8
Inter-department & Inter-fund	-10.5
<b>Total</b>	<b>\$944.7</b>

*Chart 1.7 School Operations Fund Spending*



### *Budget Comparisons for All Funds*

Annual budgetary decisions are focused on general operating funds received from state aid, property taxes, federal aid and local sources. Chart 1.9 shows that the majority of general operations funding is from state aids and the local property tax levy, which are capped by the state’s revenue limit.

*Chart 1.9 Where Do the Funds Come From?*

2019–20 Revenue Sources	
Source	Percent
Property Tax Levy /State Equalization/Integration Aids	85.1%
State Other Aids	11.6%
Federal Aids	1.7%
Local Non-Property Tax Revenues	1.7%



Chart 1.10 shows a revenue comparison between the 2019–20 proposed budget and the 2018–19 amended adopted budget for the district’s five funds. The budget has total projected revenues of about \$1.2 billion. Summary notes for each fund follow the chart, and more information for each fund is detailed in the financial section.

*Chart 1.10 District Revenue Overview*

District Revenue Overview: 2018–19 Amended Adopted Budget Compared to 2019–20 Proposed Budget						
	Operations	Nutrition	Extension	Construction	Categorical	Total
2019–20 Proposed Budget	\$944.7	\$52.7	\$31.8	\$2.6	\$168.2	\$1,200.0
2018–19 Amended Adopted Budget	943.2	54.0	27.5	2.6	161.0	1,188.3
<b>Year-to-Year Increase/(Decrease)</b>	<b>\$1.5</b>	<b>(\$1.3)</b>	<b>\$4.3</b>	<b>\$0.0</b>	<b>\$7.2</b>	<b>\$11.7</b>
	<b>0.2%</b>	<b>-2.6%</b>	<b>13.5%</b>	<b>0.0%</b>	<b>4.3%</b>	<b>1.0%</b>

The majority of district revenues are capped by the state’s revenue limit regulations in place since 1993. For MPS, the revenue limit for 2019–20 is projected to be \$804.9 million, which is \$2.1 million lower than 2018–19.

Due to a small increase of about 0.2 percent in the district’s operations fund coupled with rising costs, difficult choices have been made to ensure quality services for children without eroding the district’s limited fund balance. Initiatives that show promise for moving the district forward can be funded only with reductions in other areas.

The School Nutrition Services Fund is an enterprise fund. The fund is managed by the Department of Nutrition Services, which administers the National School Lunch and Breakfast Programs in all MPS schools as well as the Afterschool Snack program, Child and Adult Care Food Program, Summer Food Service Program and the Fresh Fruit and Vegetable Program. As an enterprise fund, operations are expected to generate sufficient revenue to cover costs. Revenues include federal and state meal reimbursements and revenue earned from cafeteria sales. The budgeted \$52.7 million in revenue is a decrease of \$1.3 million. While there is an anticipated increase in the federal reimbursement rate for meals, the projected decrease in the number of meals served will result in decreased funding.

The 2019–20 proposed budget for the Extension Fund anticipates revenues and authorizes expenditures totaling \$31.8 million, which is an increase of \$4.3 million. The revenues include property tax levy and local revenues (including fees for recreation programs) which are intended to support community programs and services outside of regular curricular and extracurricular programs. Increased funding will support updating a number of playfields, improving access and expanding services.

The Construction Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for the acquisition or construction of capital facilities. It is also used to fund additions to, and/or remodeling of, existing buildings. The proposed budget for the Construction Fund anticipates revenues and authorizes expenditures of only \$2.6 million. Notably, the district’s use of local tax levy for the Construction Fund will remain low to reserve limited funds for instructional and support services in the operations fund.

The Categorically Aided Programs Fund is used to account for proceeds from federal, state and private grants that fund special projects based on need. These funds must be used according to the funder’s timeline, purpose and rules. The 2019–20 proposed budget for the categorical fund assumes total revenue and expenditures of \$168.2 million, which is an increase of \$7.2 million compared to 2018–19.

## Trends, Events and Initiatives

### Achievements

The district's commitment to improvement under the MBSD goals is apparent through the following achievements:

### Goal 1: Academic Achievement

- MPS Developed, implemented and supported an Ambitious Instruction Plan in the areas of reading, writing and math
- MPS Developed, implemented and supported a professional development roadmap for the 2018–19 school year
- MPS Collaborated with city and community partners to plan an early childhood initiative
- MPS Developed a five-year implementation plan for the bilingual resolution and expanded language opportunities
- MPS Developed and implemented a Language Summit for the 2018–19 school year
- MPS Developed a five-year Montessori Strategic Plan in collaboration with parents, school and district staff and community members
- MPS Developed and implemented the Regional Support Systems for the schools
- MPS Developed and implemented the “Attend Today, Achieve Tomorrow” district attendance campaign to provide strategies to all schools for promoting and improving student attendance
- MPS Developed the 53206 Initiative and provided additional supports, such as additional substitute teachers, paraprofessionals and trauma support specialists, to improve student achievement outcomes in Milwaukee’s most disadvantaged zip code
- MPS Opened a Virtual Education Program in January 2019 to provide an additional educational opportunity for students and families seeking unique programming
- Infused culturally responsive teaching and restorative practices to strengthen student-teacher relationships
- MPS Developed, implemented and supported the Student 8th Grade Transition Initiative
- MPS Chartered an instrumentality charter school at the Webster campus
- MPS Supported three schools that were accepted as International Baccalaureate candidate schools
- MPS Received awards for eight MPS schools for Wisconsin Department of Instruction Title I Schools of Recognition
- MPS Received a five star rating of “significantly exceed expectations” for five MPS schools, and the top score in the city of Milwaukee for one MPS school on the Wisconsin Department of Public Instruction 2017–18 School Report Card. In addition, nine schools moved into the top three categories on the school report card, meeting, exceeding or significantly exceeding expectations. Altogether, seventy-nine schools improved their report card score.

### FIVE PRIORITIES FOR SUCCESS



## Goal 2: Student, Family and Community Engagement

- MPS Convened the Youth Leadership Summit hosting students and staff from 34 middle and high schools
- MPS Expanded locally sourced food items and expanded communication opportunities from stakeholders through School Nutrition Services
- MPS Expanded Midnight League through MPS CARES to include a Northside basketball location and coed soccer
- MPS Convened the student advisory group to work with the Office of the Superintendent and provide regular updates to the Milwaukee Board of School Directors
- MPS Promoted Black Lives Matter at School Week of Action and facilitated week-long activities focused on equity, to draw attention to issues that impact African American lives today and to improve outcomes for students
- MPS Renovating and updated playfields throughout the city
- MPS Held eight Community Conversations to discuss solutions that create the best possible learning environment in every school
- MPS Hosted enrollment fairs that included eighth-grade student school selection and kindergarten school selection
- MPS Continued to reconfigure schools, as part of the Regional Development Plan, to better serve families and students, including changing Andrew S. Douglas to a state-of-the art middle school, improving programs and offerings to re-envision North Division as a flagship high school and creating a feeder pattern within the 53206 zip code
- MPS Instituted the Equity-Education-Empowerment series, which seeks to engage students, families and the community as partners in education
- MPS Increased web story frequency from three times per week to four times per week in order to showcase students, staff and schools
- MPS Increased the district's social media presence to communicate and engage with students, families and community stakeholders
- MPS Expanded use of "Where's the Bus?" parent smartphone application for school transportation
- MPS Facilitated student focus groups in high schools
- MPS Conducted weekly school visits to engage with students and school staff
- MPS Conducted weekly radio and television sessions to discuss and highlight current district events and initiatives





## Goal 3: Effective and Efficient Operations

- MPS Restructured Central Services to better serve students, families and schools
- MPS Piloted an evaluation system for senior staff
- MPS Developed health management programs through quarterly communication campaigns that educate employees about available resources
- MPS Provided employee benefits to substitute teachers on special assignment and supplemental teachers
- MPS Increased the number of benefit-eligible positions in School Nutrition Services
- MPS Increased the number of courses offered through Milwaukee Public School University (MPSU)
- MPS Held three district recruitment fairs for certificated and classified staff
- MPS Increased funding to schools in the spring of 2018 and maintained the increased per-pupil allocation for spring 2019
- MPS Improved safety in schools through the Wisconsin Department of Justice School Safety Grant to fund professional development, equipment and security cameras in all schools
- MPS Increased the number of safety assistants in schools so that all schools, including elementary schools, could be assigned safety personnel
- MPS Provided a pay raise to employees as part of an overall compensation and retention strategy, implemented the educational assistant salary structure and completed the third year of the Road to \$15 plan to increase the district's lowest-paid employees' hourly wages to \$15 an hour
- MPS Implemented all budget conversations aligned to resource allocation to maximize learning for all students

### FIVE PRIORITIES FOR SUCCESS





# MPS at a Glance 2018-19

## FIVE PRIORITIES FOR SUCCESS



HOME TO  
**3**  
OF THE  
STATE'S  
TOP HIGH  
SCHOOLS

According to *U.S. News & World Report* 2017-18

**\$86+**  
**MILLION**

in college scholarships and grant offers  
Class of 2018

Offering  
**161**  
School Options



## Signs of Success

**9** more schools  
in the **TOP 3**  
WI State Report Card  
categories 2017-18

**88%**  
of budget dollars  
go directly to  
classrooms  
2018-19

Educating  
**75,081**  
2018-19 STUDENTS

**89.2%** students of color  
**82.5%** economically disadvantaged  
**20.3%** special needs

**\$10,122**  
PER STUDENT SPENDING  
2018-19

**34**  
SCHOOLS  
improving at least one  
category level on the WI  
State Report Card 2017-18

Dr. Keith P. Posley  
Superintendent of Schools

[mpsmke.com](http://mpsmke.com)

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## 2018–19 Highlights

Chart 1.11 *MPS at a Glance*, on the previous page, provides a 2018–19 district overview. MPS has worked to refine a comprehensive plan to improve student outcomes. This plan includes a regional development effort to increase the number of high-performing seats throughout the district, while creating learning pathways for students and improving the capacity of quality community support activities. Regional development takes into consideration community feedback to provide high-quality programs throughout the city taking into consideration program trends. Repurposing space allocation was taken into consideration in order to ensure that education options meet the needs of students. Through the regional development work and the recommendations of the Long-Range Facility Master Plan the 53206 Initiative was developed. Through the 53206 Initiative, nine schools will have grade bands and programming reconfigured to create a seamless education pathway and additional supports for students. Andrew S. Douglas is currently being remodeled to be a state-of-the-art middle school. Elementary schools will serve as feeder schools to Andrew S. Douglas middle school with North Division as the high school of choice. Vertical alignment of the curriculum will ensure that students are prepared to attend the science, technology, engineering and mathematics (STEM)-focused middle school and high school.

In addition, Green Bay Elementary School will be repurposed to become a citywide success center beginning in 2019–20. The success center will offer short-term academic and support services to students struggling in their regular school.

The district has developed and piloted a virtual education program and will be expanding the program in 2019–20. The virtual education program offers access to educational programming for students seeking an alternative option.

The district has developed, implemented and supported the Ambitious Instruction Plan for reading, writing and math to provide an explicit framework for teaching and learning. The plan lays out the goals, vision, essential skills, strategies and professional development needed to ensure that differentiated tiered support is provided to students. Schools aligned their school improvement plan with the goals and strategies of the Ambitious Instruction Plan. Each month ambitious instruction professional development was provided to principals and school support teachers who would then facilitate professional development at the school level.

Milwaukee Public Schools, in collaboration with the City of Milwaukee and other public and private partners, has come together to improve early childhood education across the city. The district is committed to strengthening the foundation of our youngest learners by creating the conditions and opportunities that promote early literacy development.

MPS conducted its first Language Summit, which included student performances and sessions about bilingual education, English as a second language, immersion education, world language and First Nations studies. The summit provided an opportunity to showcase language and culture in MPS. Black Lives Matter Week of Action events hosted by MPS and its partners had widespread participation and included families, staff, students, board members and the community. This weeklong event was MPS’s first year of promoting the national movement for advocacy and education to bring about positive social justice change.





## Financial and Demographic Changes

The population of the City of Milwaukee has been stable for the past couple of decades. However, there has been a decline of the number of school-age children. MPS’s revenues are tied directly to its enrollment. The highly competitive nature of the K–12 education landscape in Milwaukee along with the decline in the number of school-age children impacts MPS enrollment. Families living in the City of Milwaukee can choose MPS neighborhood schools, specialty schools, MPS charter schools or MPS partnership schools, but they can also choose non-MPS charter schools, suburban district schools through open enrollment or private schools that are bolstered by the voucher/Choice program.

With all this in mind, this budget is designed to uphold our commitments to the district’s goals while responsibly preparing for the years to follow. MPS must ensure the use of best practices in delivery of efficient and highly effective services that maximize support for students and improve student achievement.

## Informational Component

### Budget Forecast

The district prepares five-year projections by statutory fund as part of the spring budget process for the following fiscal year. Chart 1.12 shows an estimate of revenues and expenditures in the School Operations Fund (general and debt) for each year through 2023–24. Information includes the amended adopted budget for 2018–19; the proposed budget for 2019–20; an early estimate of revenues and expenditures for each year 2020–21, 2021–22, 2022–23, 2023–24; and changes from the amended adopted 2018–19 budget to the estimated 2023–24 budget.

Chart 1.12 School Operations Fund—Five-Year Projection

School Operations Fund - Five-Year Projection (\$M)							
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	FY24 vs. FY20
	F.A.	P.B.	Estimated	Estimated	Estimated	Estimated	Inc / (Dec)
<b>Revenues (without applied surplus)</b>	\$943.2	\$944.7	\$946.0	\$948.9	\$929.9	\$933.6	(\$11.1)
<b>Expenditures</b>							
Salaries/Wages	\$411.8	\$416.4	\$424.6	\$431.2	\$437.8	\$444.6	\$28.2
Benefits	220.3	227.7	232.5	239.2	246.6	254.7	27.0
Purchased Services	238.2	235.4	247.3	252.5	257.7	263.1	27.7
Supplies/Materials	23.0	21.4	24.4	25.1	25.8	26.6	5.2
Capital Purchases	2.7	2.6	2.9	2.9	3.0	3.1	0.5
Other Objects	47.1	41.2	48.5	47.3	49.5	50.0	8.8
<b>Total Expenditures</b>	\$943.2	\$944.7	\$980.2	\$998.2	\$1,020.5	\$1,042.1	\$97.4
Balance (before use of prior year funds)	-	-	(34.2)	(49.3)	(90.6)	(108.5)	
Use of prior year funds for legacy costs	-	-	-	-	-	-	
<b>Final Surplus/ (Deficit)</b>	\$0.0	\$0.0	(\$34.2)	(\$49.3)	(\$90.6)	(\$108.5)	
<b>Cumulative Surplus / (Deficit)</b>	(\$1.6)	(\$1.6)	(\$35.8)	(\$85.1)	(\$175.6)	(\$284.1)	

School operations revenues are projected to remain largely the same while expenditures are expected to increase by \$97.4 million between 2018–19 and 2023–24. The primary drivers of the increases are salaries and medical inflation. Medical costs are projected to increase over five percent, compounded annually, over the next five years. The administration is pursuing options and alternatives to stabilize enrollment and contain costs to ensure that MPS avoids the projected deficits if the status quo is maintained.

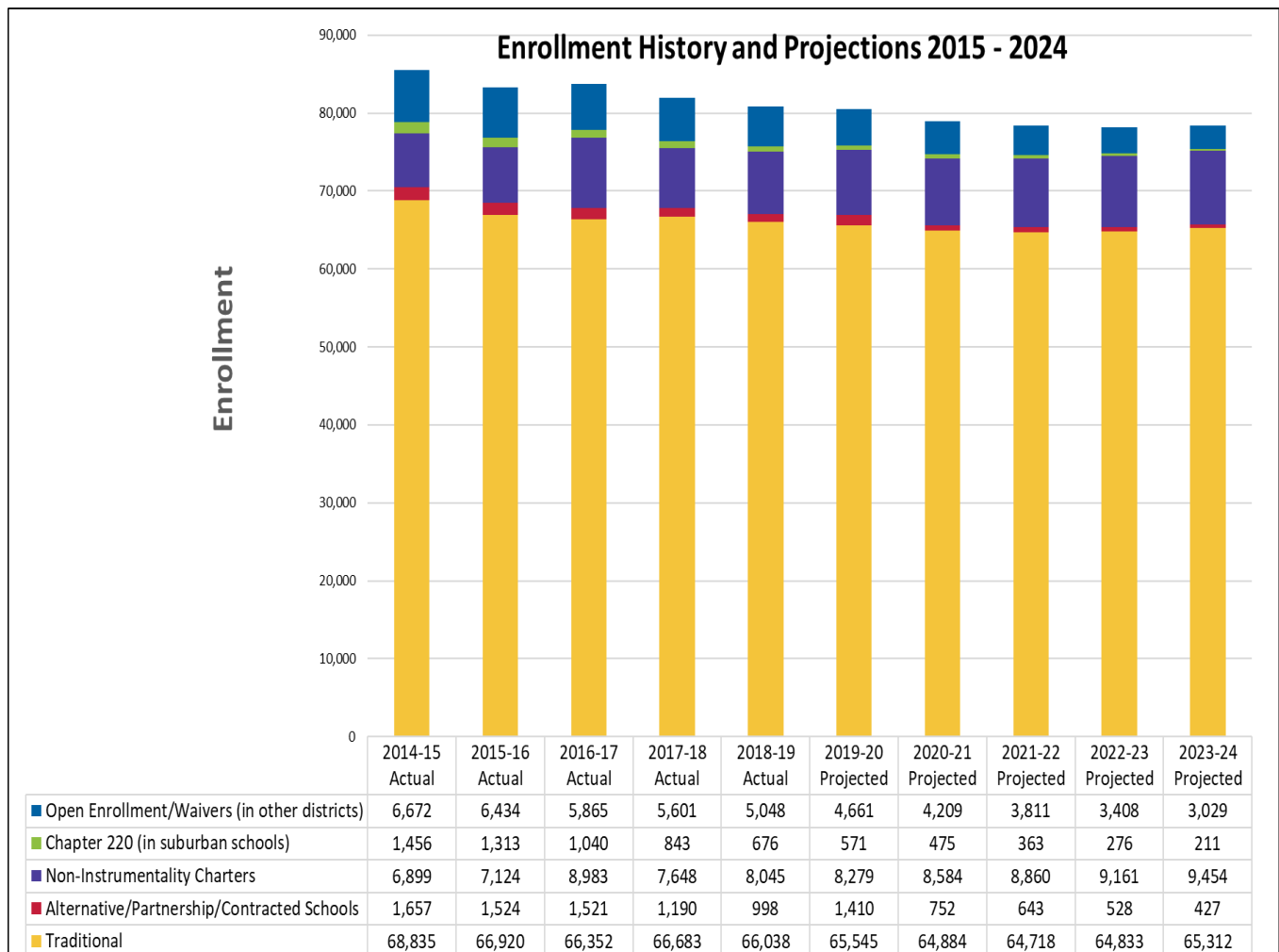
## Student Enrollment Trends and Forecast

Student enrollment is a major factor in determining the state revenue. Lower enrollment, along with legislative action regarding the revenue limits, leads to lower state revenues for the district. In 2019–20, the district is projected to serve 75,234 students in 159 schools. The students are served throughout 95 elementary and K–8 schools, two early childhood centers, five schools serving grades 6–12 or K–12, seven middle schools, fifteen high schools, sixteen non-instrumentality charter schools, six instrumentality charter schools, seven partnership schools and six alternative schools.

Enrollment is projected to increase slightly in 2019–20. Open enrollment has decreased by 9.9 percent and Chapter 220 has decreased by 19.6 percent. Both the open enrollment and the Chapter 220 program allow students to reside in one district and attend school in another. Due to a change in law, no new students have been enrolled in the Chapter 220 program since 2015–16.

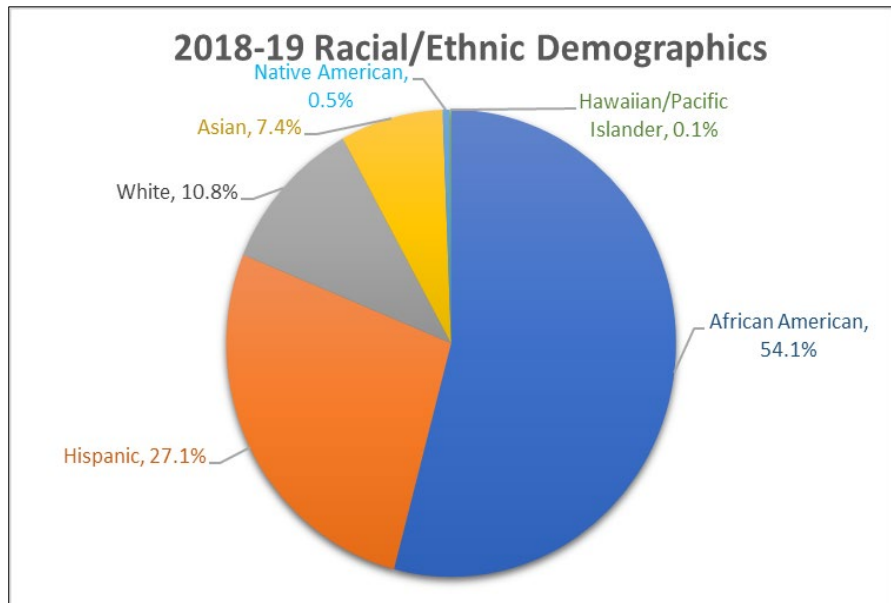
Five years of actual student enrollment history and projections for the next five years are found in Chart 1.13 and are based on the Third Friday of September enrollment. The Third Friday number reflects the students who began the school year enrolled in an MPS school and determines a school’s per-pupil allocation. The administration uses demographic data and enrollment trends to develop a system-wide projection of pupil counts.

Chart 1.13 Student Enrollment History and Projections



The students of MPS are racially and ethnically diverse as displayed in Chart 1.14. The majority of these students are African-American or Hispanic. MPS English learners have comprised between 9.8 and 12.0 percent of the district's enrollment for the past three years. Of all students enrolled in MPS, 20.3 percent are students with special needs and 82.5 percent come from economically disadvantaged households.

Chart 1.14 Demographics



### Tax Base and Rate Trends

The city is required to levy and collect property taxes to support the MPS budget. The property tax levy is the amount of money that will be raised from taxes on City of Milwaukee homes and businesses. The tax bill received by owners of non-tax exempt real estate in the city contains the property tax for six units of government: City of Milwaukee, Milwaukee County, Milwaukee Public Schools, Milwaukee Area Technical College, Milwaukee Metropolitan Sewerage District and the State Forest Fund.

Property tax is calculated by multiplying the property's assessed value by the property tax rate. Assessed valuation is determined by the City of Milwaukee Assessor's Office. Equalized valuation is determined by the State of Wisconsin Department of Revenue. Chart 1.15 details the assessed valuation of taxable property in Milwaukee.

Chart 1.15 Milwaukee Assessed and Equalized Valuation

Assessed and Equalized Valuation - City of Milwaukee (\$M)			
Assessed Year	Assessed Valuation	Assessed Valuation Increase / (Decrease)	Equalized Valuation
2013	\$25,034	\$(288)	\$26,090
2014	25,024	(10)	26,138
2015	25,263	238	25,967
2016	25,121	(142)	27,027
2017	25,974	853	27,042
2018	28,335	2,361	27,682

Source: City of Milwaukee Assessor's Office

The aggregate amount of property taxes to be levied for school purposes is determined according to provisions of Chapter 120 of the Wisconsin State Statutes. Property taxes for the district are adopted by the MBSD by early November and are certified to the city for levy and collection. DPI provides districts with an estimate of general school aids and potential tax levy in July of each year. The district’s property taxes are levied annually prior to December 31, are administered by the city and are recognized as district revenue in the fiscal year levied.

*Chart 1.16 Tax Levies and Rates for School Purposes*

Tax Levies (\$M) and Rates for School Purposes					
Budget Year	School Operations	Construction	Extension	Total	Tax Rates per Thousand
2014	\$ 272.8	\$ 9.6	\$17.1	\$299.5	\$10.51
2015	275.6	9.6	17.1	302.3	10.66
2016	273.0	10.6	17.1	300.6	10.20
2017	260.1	1.1	20.0	281.2	9.33
2018	248.2	3.9	20.0	272.1	8.52
2019	228.9	1.5	20.0	250.4	7.47

Source: 2018 MPS Comprehensive Annual Financial Report (CAFR), MPS Board materials October 2018 and City of Milwaukee Assessor’s Office. The tax rate results from dividing the levy by total taxable property value.

Chart 1.16 above shows a five-year history of the tax levy amounts adopted by the MBSD and five years of the related tax rate. As explained above, the city determines the tax rate—the amount per thousand dollars of assessed property value—that Milwaukee taxpayers will pay toward the MPS budget. The rate amount varies in part because of the changing citywide assessment, a \$28 billion figure (see chart 1.15).





## Personnel Resources Changes

Districtwide personnel costs are projected to be \$802.1 million, which at 66.8 percent of the proposed budget is the district's largest expense. The district distributes employee benefit costs to school and department budgets by charging a set-rate benefit cost. The fringe benefit rate used for school and department budgets increased from 53.8 percent in 2018–19 to 54.8 percent in 2019–20.

The district is committed to maximizing classroom resources and continues to explore all options when it comes to enhancing student instructional support. The largest job categories are teachers and educational assistants who work directly with students. The proposed budget provides for an increase of 99.0 school-based FTEs and a gain of 9.0 non-school-based FTEs; the majority of the non-school positions are support staff for schools including eight school performance coordinators. The FTEs show how many employees would be required if all employees worked a full-time schedule. Of the 9,682 staff in MPS, 8,623 or 89.0 percent are school-level positions. Teaching positions will increase by 60 FTEs compared to 2018–19 amended adopted budget. Educational assistant positions will increase by 23 FTEs. Chart 1.17 provides changes in staff from the 2018–19 amended adopted budget to the 2019–20 proposed budget.

Chart 1.17 MPS Staff Distribution

MPS Staff Distribution 2019–20 Proposed Budget							
Position Type	2018–19 F.A.	2019–20 P.B.	School Position Change	Non- School Change	Total Change	School Positions FY20	Non-School Positions FY20
Certificated Administrators	256	258	11	-9	2	50	208
Principals	126	125	-1		-1	125	0
Assistant Principals	127	130	3	0	3	130	0
Teachers	4,702	4,762	62	-3	60	4,661	100
Therapists	45	48	0	3	3	32	16
Social Workers	164	169	5	0	5	147	22
Psychologists	152	154	3	-1	2	145	9
School Nurses	66	68	-2	4	2	57	11
Classified Technical & Administrative	408	398	0	-11	-11	42	356
Trades Workers & Foremen	145	145	0	0	0	0	145
Clerical/Secretaries	366	372	2	4	6	278	94
School Bookkeepers	33	33	0	0	0	33	0
Children's Health Assist./Nurse Assoc	293	293	0	0	0	290	3
Educational Assistants	1,288	1,311	22	1	23	1,294	17
Safety Aides	276	281	2	3	5	278	3
Social Worker Assistants	31	27	-6	2	-4	19	8
Building Services Helpers	351	355	-7	11	4	328	27
Engineers/Boiler Attendants	250	253	0	3	3	213	40
Food Service Managers/Trainees	95	101	6	0	6	101	0
Food Service Assist./Assist.-in-Charge	400	401	0	0	0	401	0
<b>Totals</b>	<b>9,574</b>	<b>9,682</b>	<b>99</b>	<b>9</b>	<b>108</b>	<b>8,623</b>	<b>1,059</b>

Please note the sums of figures do not always equal the total displayed due to rounding to the nearest whole numbers.

## Changes in Debt

The City of Milwaukee has authority under Chapters 67 and 119 of Wisconsin Statutes to issue municipal obligations for specific school purposes. All issuance of debt, whether short-term or long-term, is approved by the MBSD. The City of Milwaukee continues to maintain high bond ratings from three major agencies. This, along with favorable reviews of the district's financial management, allows for borrowing at competitive rates that minimize costs.

The par value of all bonds issued in FY17 was \$56,185,000. The bonds issued provided Construction Fund proceeds of \$1.4 million for arts and culinary academies and \$61.2 million in proceeds for energy efficiency projects at schools that will reduce energy consumption and address infrastructure maintenance needs. The related 20-year debt service cost began to come due in 2017–18.

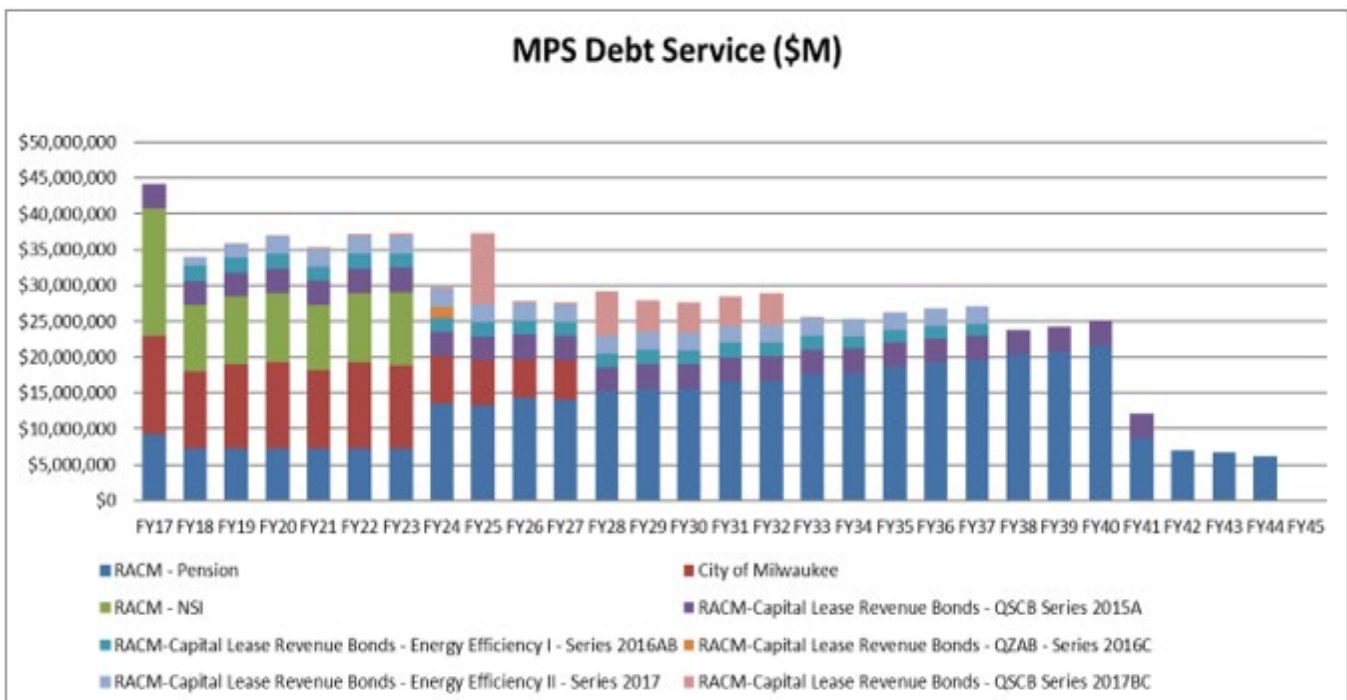
In FY17, the district issued \$29.1 million of refunding revenue bonds to refund \$31.9 million of Neighborhood Schools Initiative (NSI) bonds that were originally financed in 2002 and 2003. The district projects to realize \$3.0 million of net savings over the remaining life of the bonds from the refunding.

Projects chosen to be financed with debt are considered in light of the MPS Strategic Plan. Chart 1.18 provides a summary for the past ten fiscal years of MPS's outstanding debt. Chart 1.19 shows how various existing debt obligations will grow or shrink in future years. For example, 2023–24 is the year MPS is scheduled to retire the Redevelopment Authority of the City of Milwaukee Neighborhood Schools Initiative (RACM-NSI) debt, have lower obligations for funds borrowed directly from the City of Milwaukee and face a significant increase in payments due for pension financing.

Chart 1.18 Outstanding Debt

Outstanding Debt (\$M)	
Fiscal Year	Debt Outstanding
2009	\$328.3
2010	369.3
2011	358.1
2012	349.8
2013	342.2
2014	337.3
2015	367.2
2016	359.3
2017	382.8
2018	402.8

Chart 1.19 MPS Debt Service – Cash Flow



# Financial Management

The Board and Administration have adopted policies and procedures that ensure effective and efficient use of the district's financial resources. Authorization, recording and custodial activities are performed in accordance with legal and regulatory requirements and are annually reviewed by an external auditor. MPS also maintains a robust internal audit function that reports directly to the Milwaukee Board of School Directors and is dedicated to performance and financial auditing activities in the district.

## Summary

Stable revenues are not enough to sustain the district's operations as they are today. Modest inflationary pressures require growing revenues. The district also faces more significant inflationary pressure in medical costs and other employee benefits. Planning for 2019–20 has required careful reduction efforts to effectively support the strategic plan while maintaining the fiscal health of the district.

The 2019–20 proposed budget reflects an overall increase in spending of \$11.7 million, or 1.0 percent, from the 2018–19 amended adopted budget. Projected revenues in the general operations budget are increased 0.2 percent compared to 2018–19. Much of the overall increase stems from changes in the Extension Fund and categorical funds.

The total 2019–20 proposed budget—that includes grant funding and funding for Milwaukee Recreation—is \$1,199,996,392, up from \$1,188,331,311 in 2018–19.

MPS is proud that the 2019–20 Superintendent's Proposed Budget continues to support efforts that further sharpen the district's focus on the classroom while moving forward with the strategic plan that will improve student outcomes. The 2019–20 budget focuses resources to support MPS students. In doing so, we place significant emphasis on supporting staff to support students, providing resources for professional development, opportunities for increased collaboration and access to real-time, actionable data.

Despite continued budget challenges, the budget provides staff and students with every opportunity possible and within the current means to achieve success in their MPS journey. This budget is a plan to win—in partnerships, in operations and most importantly, in academic achievement.

## Accessing the Budget

Feedback to support the development of the annual budget is gathered throughout the year from School Engagement Councils, district work groups, social media, community meetings, community listening sessions and online surveys.

Online versions of the 2019–20 Superintendent's Proposed Budget are posted at [www.mpsmke.com/budget](http://www.mpsmke.com/budget) or via the district's website under *MPS > District > About MPS > Offices & Departments > Office of Finance > Financial Planning and Budget Services*. For more information about the 2019–20 Superintendent's Proposed Budget, please contact the MPS Office of Finance at (414) 475-8851 or via email at [budget@milwaukee.k12.wi.us](mailto:budget@milwaukee.k12.wi.us).