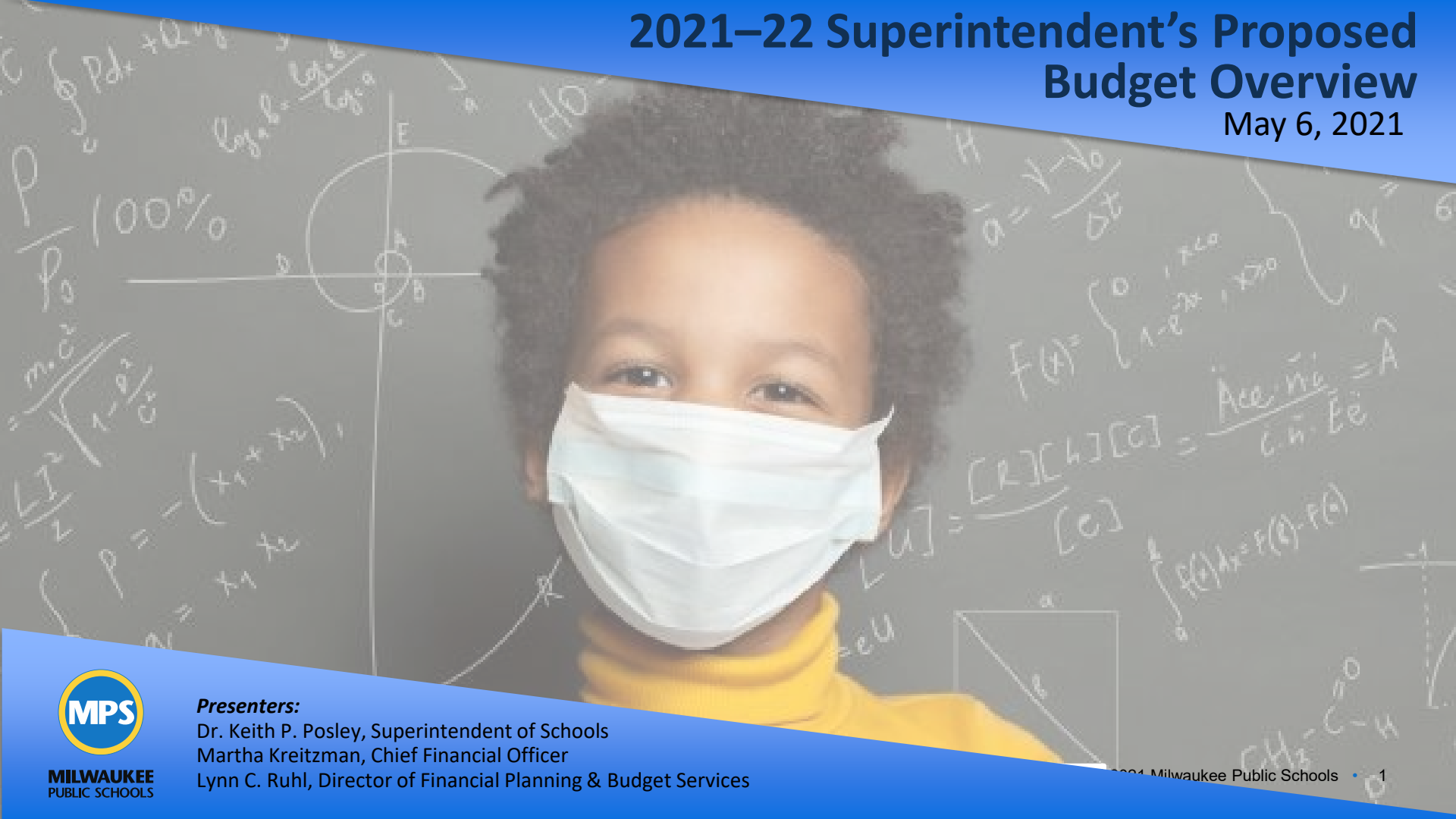


2021–22 Superintendent's Proposed Budget Overview

May 6, 2021



MILWAUKEE
PUBLIC SCHOOLS

Presenters:

Dr. Keith P. Posley, Superintendent of Schools
Martha Kreitzman, Chief Financial Officer
Lynn C. Ruhl, Director of Financial Planning & Budget Services



Presentation Overview

Presentation Overview

- District Overview
 - 2020-21 Highlights
 - Purpose: Public Hearings and Budget
 - Budget Priorities
 - Budget Development
 - Financial Outlook
- Fund Overview Revenues and Expenditures
 - Schools and Central Services Budgets
 - Proposed Long-Range Opportunities
 - Acknowledgements



District Overview



FIVE PRIORITIES FOR SUCCESS



HOME TO **5** OF THE STATE'S TOP HIGH SCHOOLS
According to *U.S. News & World Report 2020*

\$85+ MILLION in college scholarships and grant offers
Class of 2020

Offering **158** SCHOOL OPTIONS



8 IB-authorized schools across the district



Montessori schools, including the only public **K-12** Montessori school in the nation

91% of budget dollars go directly to classrooms
2020-21

Educating **71,867** STUDENTS
2020-21
90.1% students of color
84.1% economically disadvantaged
20.2% special needs

\$10,476 PER STUDENT SPENDING
2020-21

21 BILINGUAL SCHOOLS
4 LANGUAGE IMMERSION SCHOOLS


Dr. Keith P. Posley
Superintendent of Schools

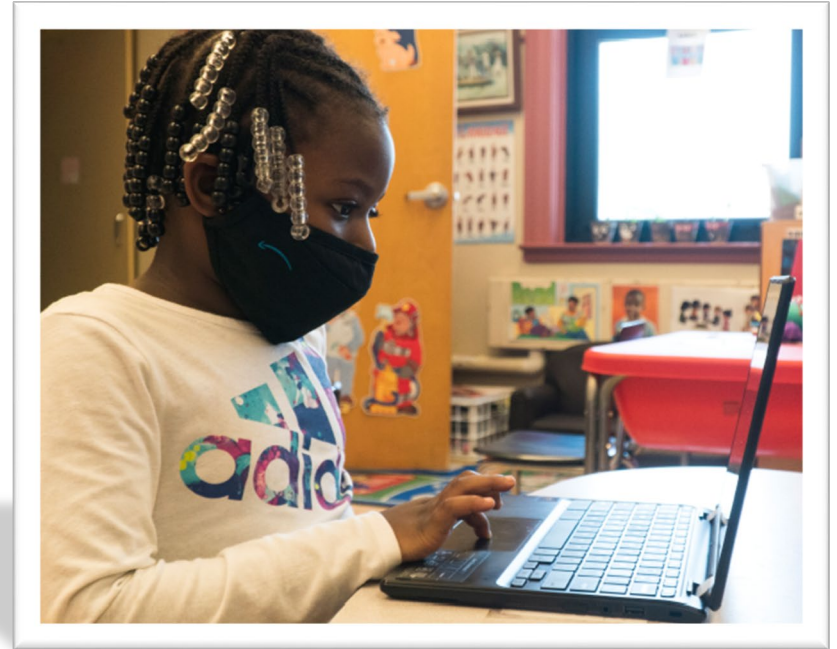
mpsmke.com

2020–21 Highlights

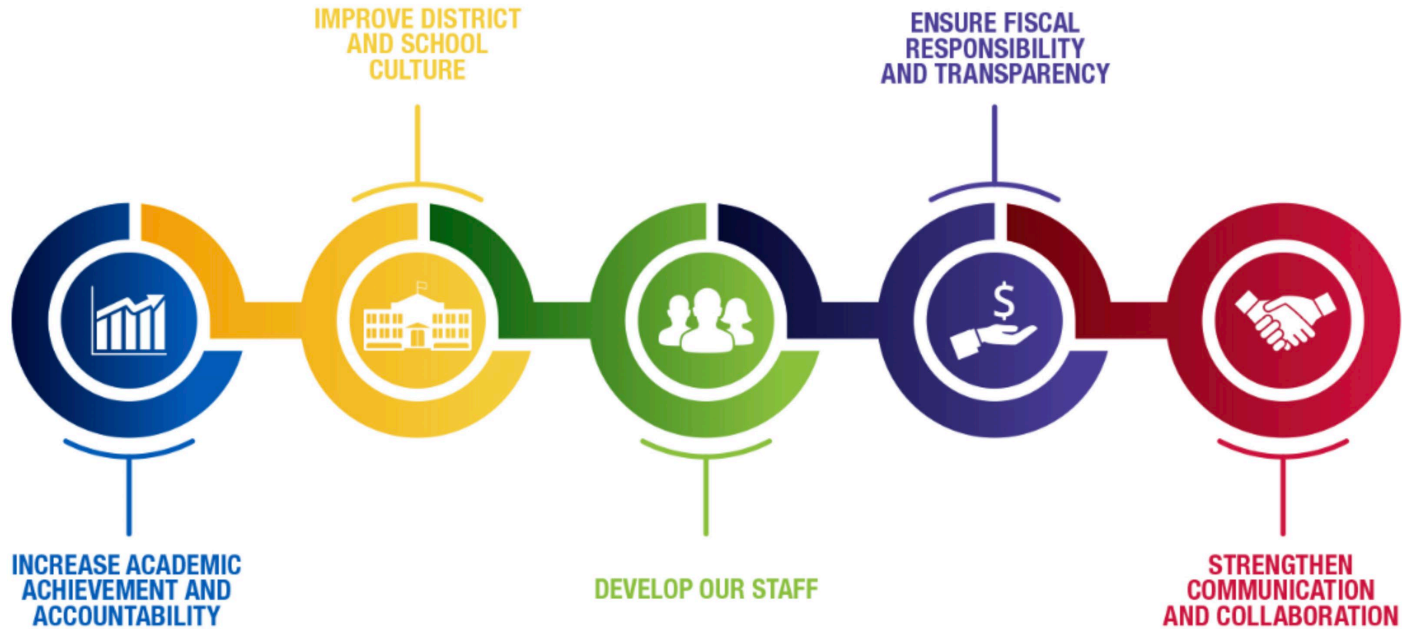


Board Goals

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



Five Priorities for Success



Goal 1: Academic Achievement

- Delivered summer academy 2020 in virtual format
- Pulaski High School added IB Diploma Programme and Career-related Programme
- Offering a new Seal of Biliteracy for high school students who demonstrate proficiency in English and a second language
- MPS sophomores spent time with MATC educators to learn about career paths in engineering and manufacturing as part of a new Lunch and Learn series



Goal 2: Student, Family and Community Engagement

- Hosted virtual family engagement sessions to help parents and guardians throughout the school year
- Provided drop-in mobile recreation program of structured play opportunities, the equipment and activities were free
- Developed pathways to a Wisconsin teaching license and Bilingual Certification to fill MPS's need for bilingual educators
- Provided produce bags, recipes, and online videos featuring cooking instructions and information about the foods provided each week



Goal 3: Effective and Efficient Operations

- Provided extensive professional development to facilitate online learning
- Offered meal programs to families while students were virtual learning throughout most of the year
- Implemented a paperless, online student-athlete eligibility registration system
- Received the Certificate of Achievement in Excellence in Financial Reporting from the Governmental Financial Officers Association and the Meritorious Budget Award by the Association of School Business Officials International





Public Hearings and Budget

Intended Purpose of the Budget

- Present the district's financial plan
- Serve as a communication document
- Guide management staff to aid the control of financial resources
- Provide highlights of financial policies
- Determine how the additional referendum revenue will be utilized

Intended Purpose of Public Hearings



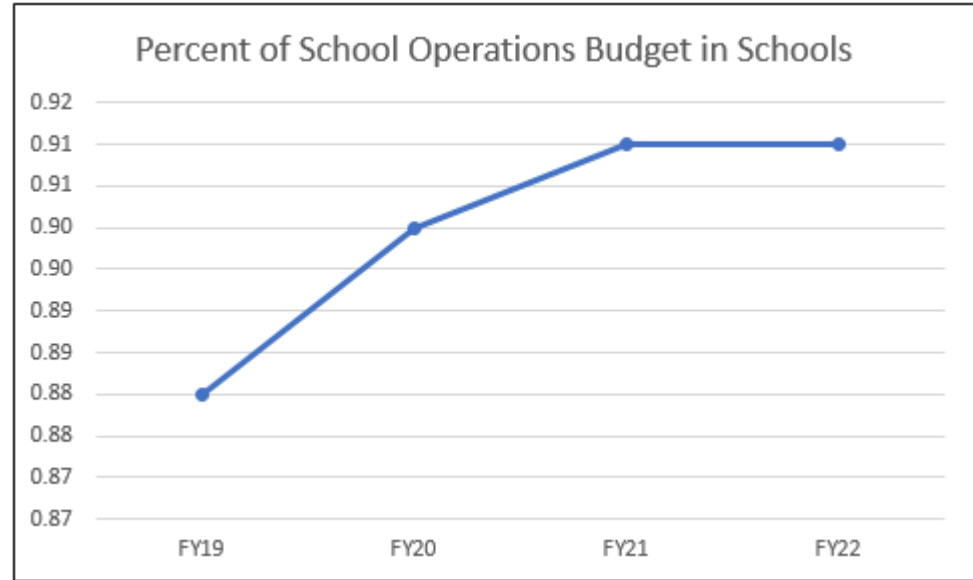
- Balanced proposed budget
- Review
- Discussion
- Possibly amend
- Approve balanced budget



Budget Priorities

Directing Funding to Support Students

For every dollar budgeted in the School Operations Fund, ninety-one cents is used to educate and support MPS students. This has increased over the past four years.



Budget Priorities for 2021–22 (FY22)

- Stabilize school budgets
- Increase school-based staff
- Continue regional development efforts
- Increase school improvement supports
- Implement the art, music and physical education resolutions
- Continue playfield renovations across the city

Budget Development



MBSD Approved Parameters

- Ensure that there are sufficient resources, including a textbook adoption, to provide high-quality classroom instruction at the Tier one level
- Prioritize school budgets by adjusting and repurposing educational programming and departmental budgets
- Implement the salary schedules with possible cost-of-living increase
- Consider employee benefit modifications for eligible employees to identify cost savings and increase efficiencies
- Explore operating efficiencies including those related to transportation



MBSD Approved Parameters Continued

- Implement a multi-tiered mental health approach to promote students' mental health and social-emotional learning
- Strengthen a well-rounded educational experience by increasing the allocation in areas of school library, art, music and physical education
- Provide flexibility to meet standards to safeguard health, safety and educational needs during the COVID-19 pandemic
- Restore revenue to the Construction Fund to address deferred maintenance
- Prepare the budget that is based on state law and maximizes the revenue limit

Budget Development Timetable

December – January

- Review current programs, funding levels and the school allocations
- Hold Strategic Planning and Budget Committee meetings for discussion and possible action on the proposed potential parameters and timetable
- Discuss budget process and preliminary allocations
- Hold school Ambitious Instruction Budget Conversations
- Prepare, with input from School Engagement Councils, proposed school budgets

Budget Development Timetable Continued

February – April

- Hold school budget resolution debrief meetings
- Prepare proposed office budgets
- Hold office budget conversations
- Compile the Superintendent's Proposed Budget
- Release MPS Superintendent's Proposed Budget

May – June

- Hold public hearings on proposed budget
- Publish statutory public hearing notice
- Hold statutory hearing on proposed budget
- Board members submit and take possible action on amendments to the proposed budget
- Hold board meetings for possible action on proposed budget
- Transmit adopted budget to the Milwaukee Common Council



Collaborative Efforts

- Board
- Community
- District
- School

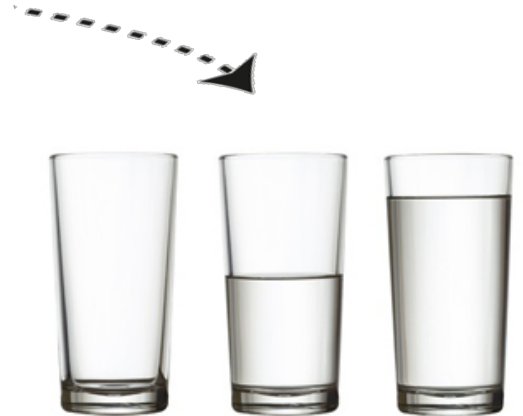


School Budget Conversations/Reviews

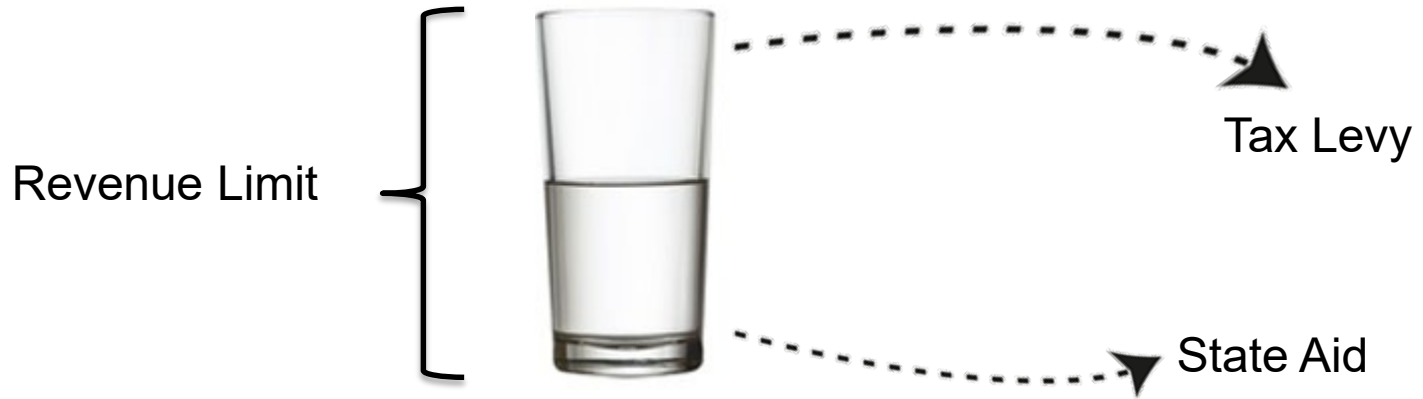
- Ambitious Instruction Budget Conversations
- Regional Resolution Budget Debriefs
- Office Budget Conversations

Revenue Sources School Operations Fund

2019–20 Revenue Sources	
Source	Percent
Property Tax Levy/State Equalization/Integration Aids	85.1%
State Other Aids	11.1%
Federal Aids	1.6%
Local Non-Property Tax Revenues	2.2%



Revenue Limit



Revenue Limit

- \$10,122 was the maximum revenue per member from FY16 through FY19
- \$10,476 is the maximum revenue per member for the current year
- The maximum revenue per member is not yet known for FY22, the Governor's Proposed Budget would increase it to \$10,676

2021-22 Revenue Limit (Continued)

- Base revenue limit actual change compared to 1% increase in the per pupil each year

Comparison of Actual Per Pupil and a One Percent Increase Annually							
Fiscal Year	Increase to per pupil	Actual Revenue limit	Actual Per Pupil	# of Pupils Three Year Average	Increased by 1%	Updated Revenue Limit	Difference Actual compared to Updated
2010-11			10,012.60	85,448.00			
2011-12	1%	802,356,936.00	9,547.89	84,035.00	10,112.73	849,822,929.41	47,465,993.41
2012-13	1%	803,498,514.00	9,689.11	82,928.00	10,213.85	847,014,423.15	43,515,909.15
2013-14	1%	812,030,000.00	9,866.99	82,082.00	10,315.99	846,757,238.32	34,727,238.32
2014-15	1%	816,325,363.00	10,020.24	81,231.00	10,419.15	846,358,112.60	30,032,749.60
2015-16	1%	822,229,412.00	10,122.11	80,033.00	10,523.34	842,214,728.54	19,985,316.54
2016-17	1%	810,102,830.00	10,122.11	78,991.00	10,628.58	839,561,898.94	29,459,068.94
2017-18	1%	799,555,591.00	10,121.73	77,801.00	10,734.86	835,183,031.64	35,627,440.64
2018-19	1%	787,480,716.00	10,121.73	76,871.00	10,842.21	833,451,605.68	45,970,889.68
2019-20	1%	778,092,996.00	10,296.73	75,567.00	10,950.63	827,506,496.10	49,413,500.10
2020-21	1%	778,092,997.00	10,475.73	74,236.00	11,060.14	821,060,515.39	42,967,518.39
Total change							379,165,624.77

Note: FY21 does not include referendum increase



2021-22 Schools and Projected Enrollment

MPS

- 152 Schools
- 71,325 projected enrollment

Census Trends - City of Milwaukee Children							
Age Group	2014	2015	2016	2017	2018	2019	2014-2019 Inc/(Dec)
Under 5 years	47,756	46,843	46,450	44,205	43,675	41,749	(6,007)
5 to 9 years	44,083	44,537	45,182	43,749	41,324	43,509	(574)
10 to 14 years	42,415	42,342	41,834	41,841	43,525	41,324	(1,091)
15 to 19 years	47,559	46,496	46,089	44,155	44,370	43,301	(4,258)
Total All Ages	181,813	180,218	179,555	173,950	172,894	169,883	(11,930)

Source: U.S. Census Bureau



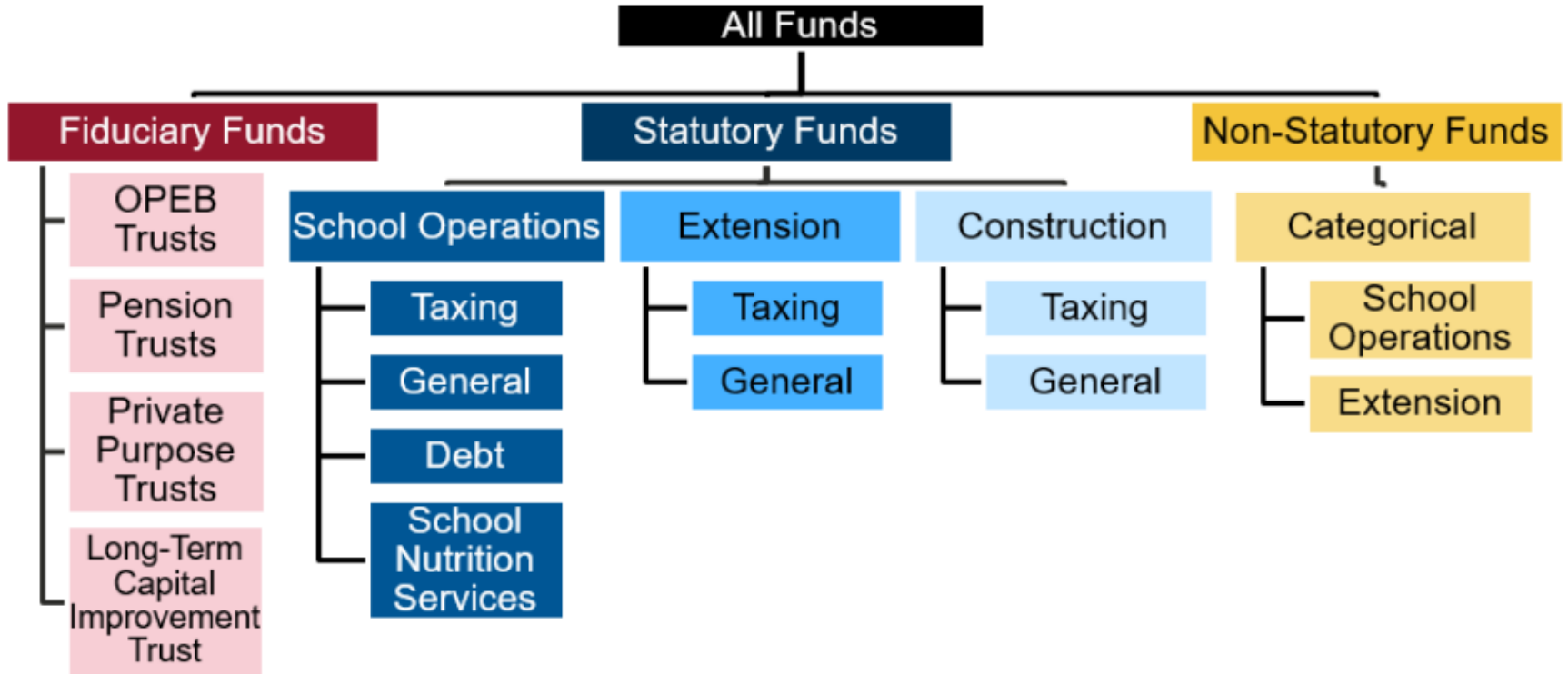


Fund Overview

Projected Revenue

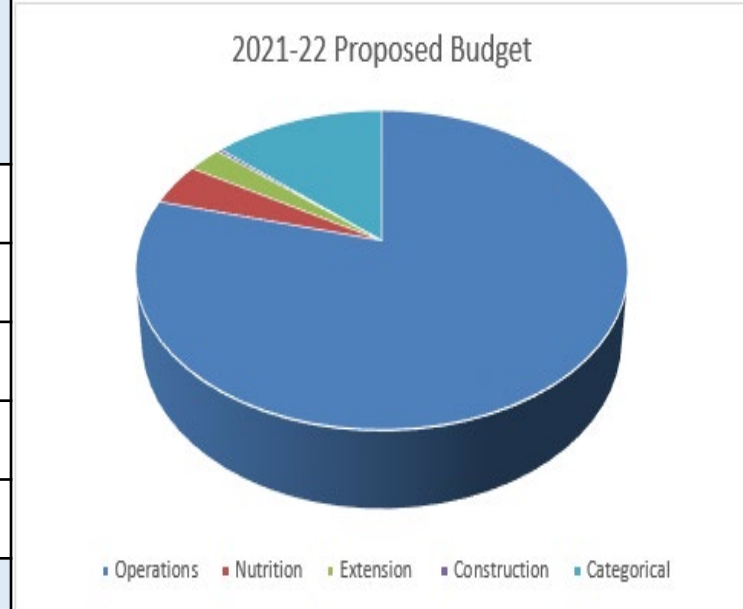
- The district's total projected revenue for 2021–22 is \$1.3 billion
- This is a decrease of \$37.6 million as compared to the budget for the current year
- The decrease is due to a decrease in Categorical funds as a result of the CARES Act

Overview of District Funds



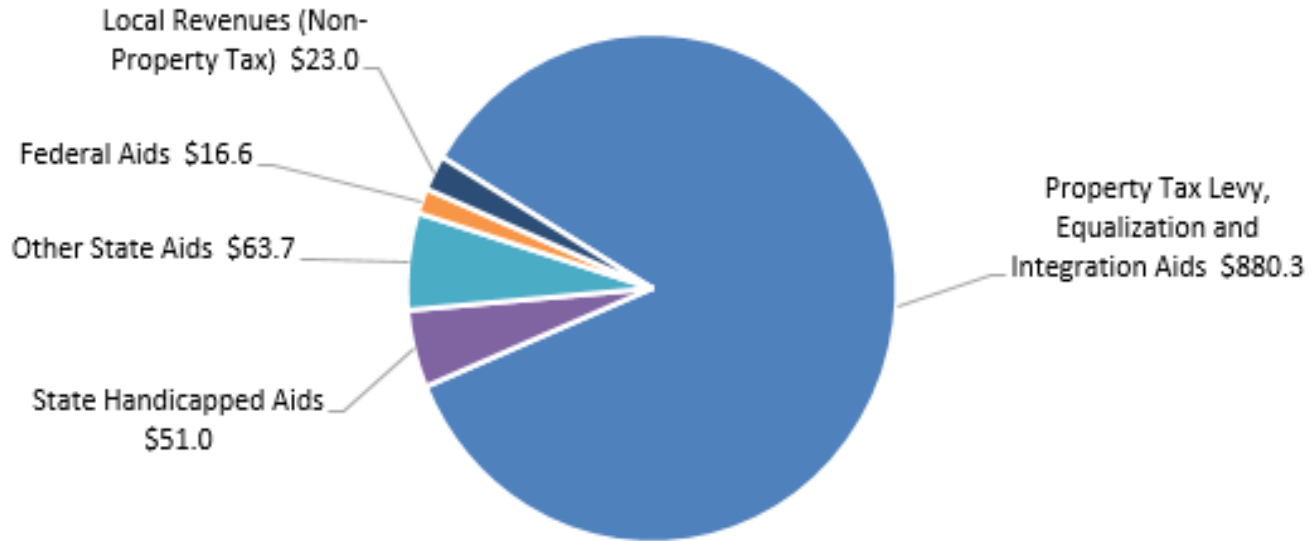
All Funds Revenue 2020–21 vs 2021–22

Fund Category	2020–21 Amended Adopted Budget	2021–22 Proposed Budget	Year-to-Year Difference	Year-to-Year % Difference
Operations	\$1,006.9	\$1,034.7	\$27.7	2.8%
Nutrition	55.6	56.5	0.9	1.6%
Construction	5.8	4.0	(1.7)	(29.7%)
Extension	34.7	34.8	0.1	0.4%
Categorical	240.3	175.7	(64.7)	(26.9%)
Total All Funds	\$1,343.4	\$1,305.7	(\$37.6)	(2.8%)

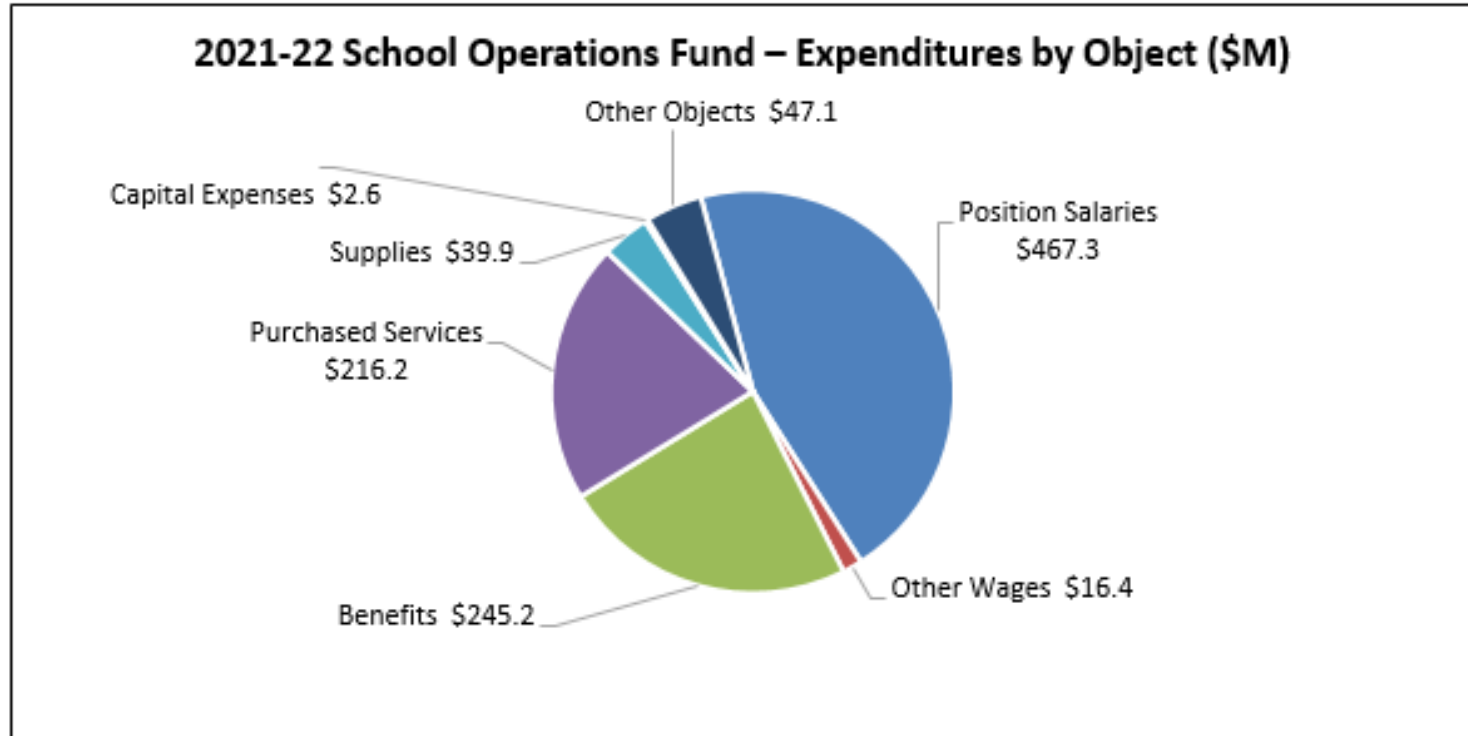


School Operations Fund

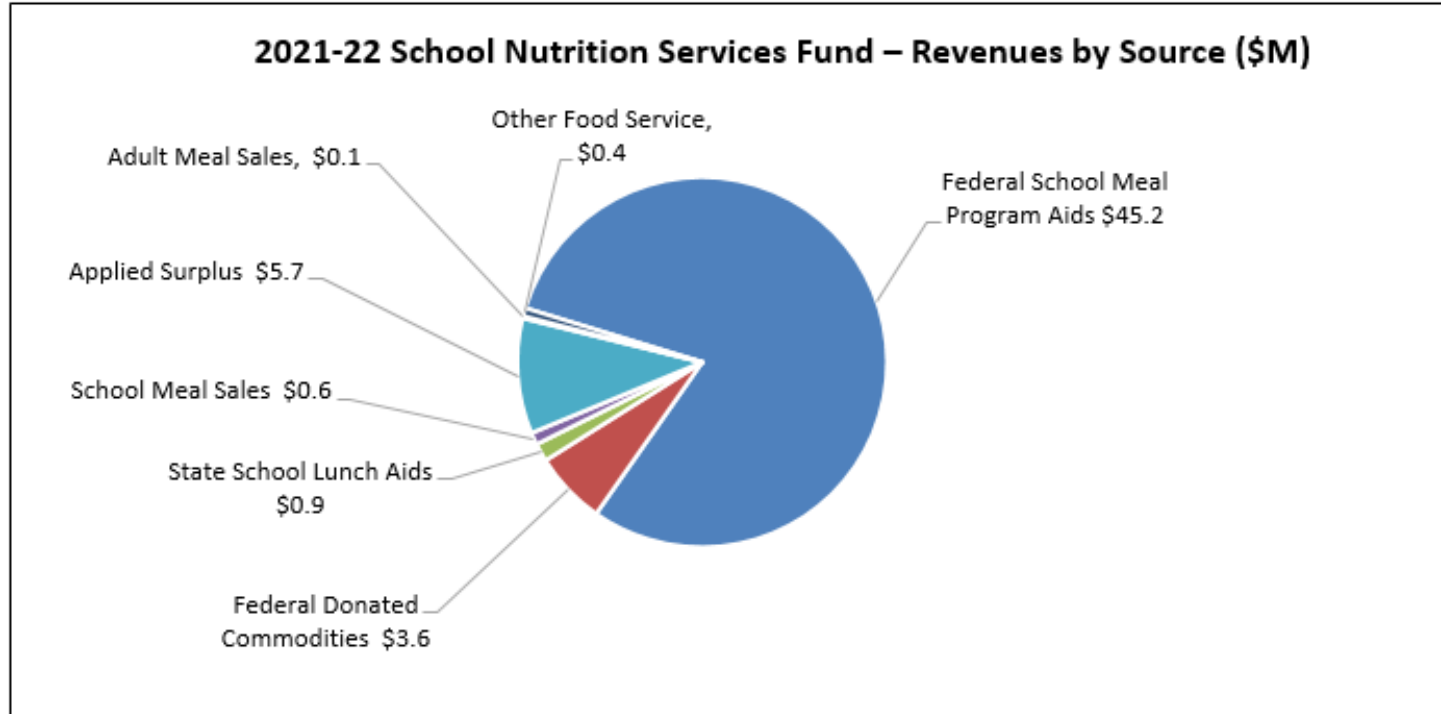
2021-22 School Operations Fund - Revenues by Source (\$M)



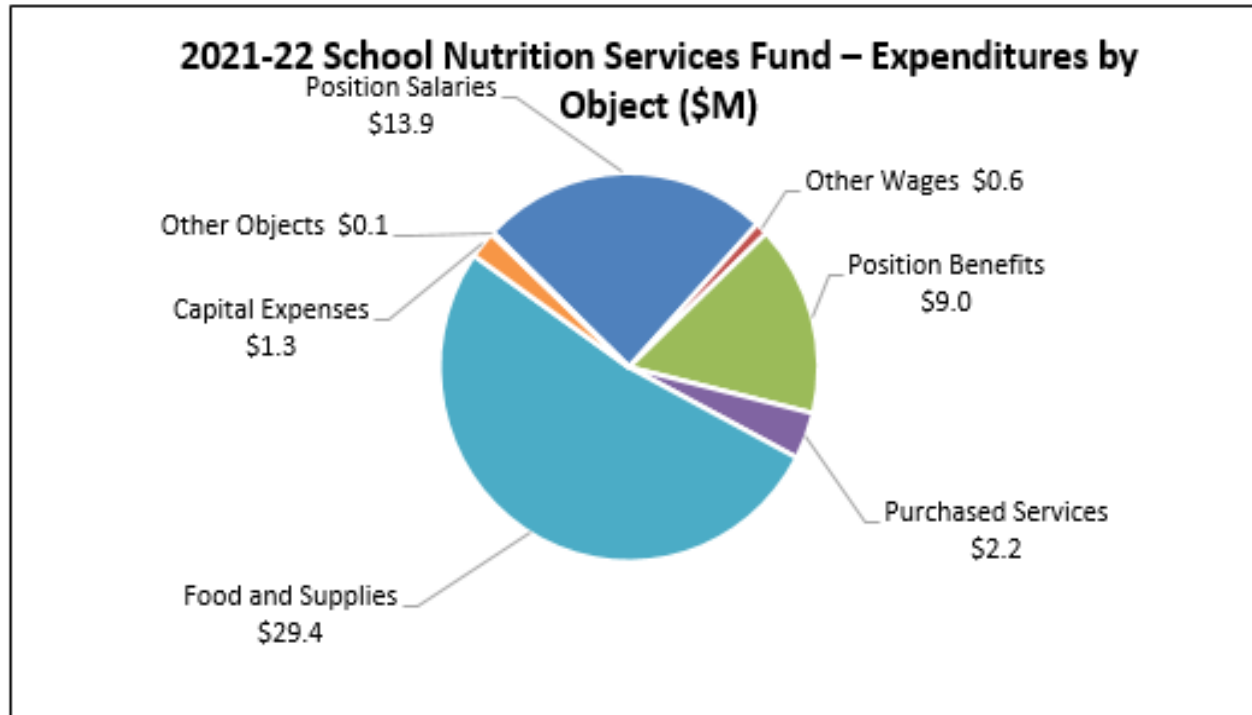
School Operations Fund



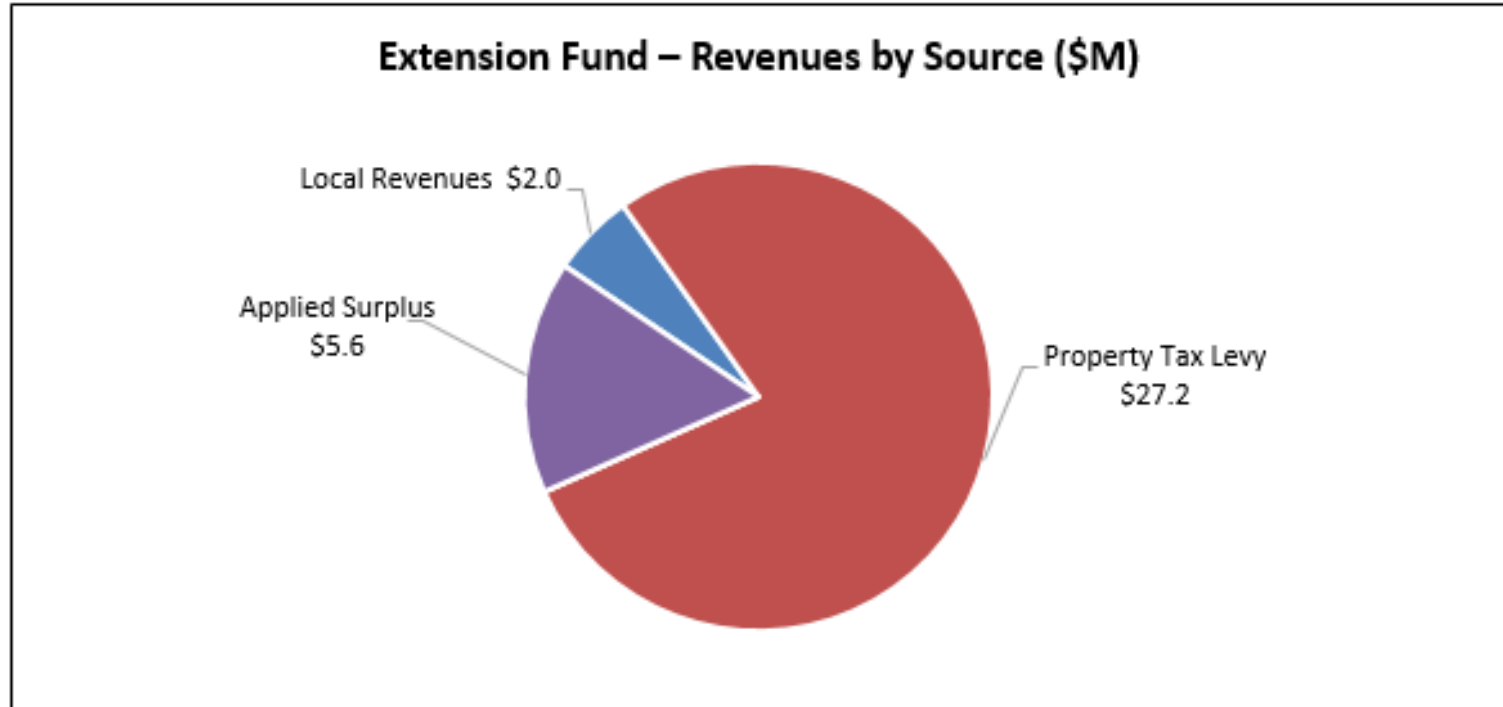
Nutrition Services Fund



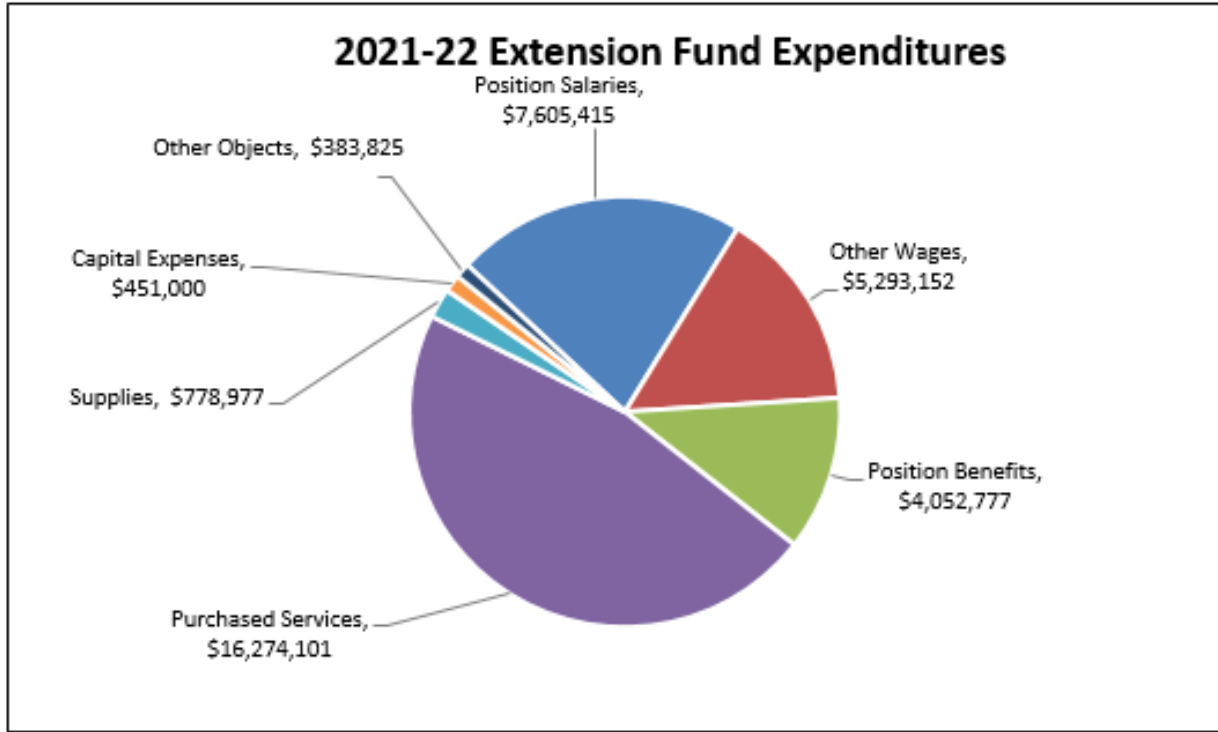
Nutrition Services Fund



Extension Fund



Extension Fund



Categorically Aided Programs Fund

Categorical Fund – Revenues by Source (\$M)

Description	2017-18	2018-19	2019-20	2020-21	2021-22	Inc/(Dec)
	Actual	Actual	Actual	F.A.	P.B.	
Federal	\$ 120.5	\$ 116.8	\$ 116.9	\$ 207.8	\$ 151.5	(\$56.3)
State	\$ 28.5	\$ 34.6	\$ 40.5	\$ 38.2	\$ 29.4	(\$8.8)
Private	\$ 3.2	\$ 2.4	\$ 3.1	\$ 1.2	\$ 0.5	(\$0.7)
Less: Indirect	\$ (5.1)	\$ (4.8)	\$ (6.6)	\$ (6.8)	\$ (5.7)	1.1
Total Categorical Fund	\$147.1	\$149.0	\$154.0	\$240.3	\$175.7	(\$64.6)

Program Types

- **Federal** includes ESEA (Title I-A, Title II, Title III & Title IV), SIG, IDEA and Head Start, CARES
- **State** includes AGR and others
- **Private** includes Rockwell PLTW and others



School and Central Service Budgets

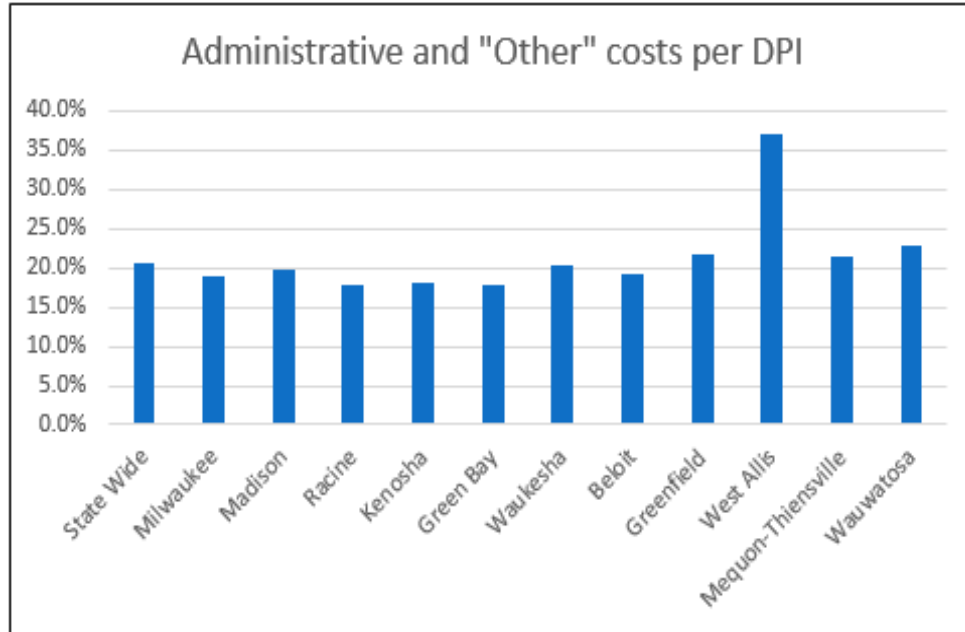
Position Changes (All Funds)

- Increase of 57 positions overall (+0.6%)
- Increase of 39 teacher positions (+0.8%)
- Increase of 9 Food Service Manager positions (9.7%)

District Use of School Operations Fund

Description	FY21	FY22	Difference FY21 v FY22
Academics	\$7.6	\$7.2	-\$0.4
Accountability & Efficiency	\$1.0	\$1.0	\$0.0
Board/Board Governance	\$2.2	\$2.2	\$0.0
Communications & Sch Performance	\$14.4	\$15.1	\$0.7
Finance	\$5.3	\$5.6	\$0.3
Human Resources	\$5.6	\$6.0	\$0.4
Inter-department & Inter-fund	-\$10.8	-\$10.5	\$0.3
Other Accounts	\$62.6	\$52.8	-\$9.8
School Administration	\$32.1	\$34.1	\$2.0
Schools	\$884.8	\$919.1	\$34.3
Superintendent	\$2.1	\$2.1	\$0.0
Total	\$1,006.9	\$1,034.7	\$27.8

Administrative Cost Comparison



MPS is at par, even a bit lower than the state average for administrative costs—the statewide average is 20.6% and MPS is 19.0%

Proposed Long Range Opportunities



School Operations Fund – Five Year Projection

School Operations Fund – Five-Year Projection (\$M)									
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	FY25 vs. FY22
	Actuals	Actuals	Actuals	F.A.	P.B.	Estimated	Estimated	Estimated	Inc / (Dec)
Federal Revenues	\$15.1	\$14.7	\$14.4	\$16.6	\$16.6	\$17.0	\$17.1	\$17.2	\$0.6
State Revenues	658.1	682.0	684.0	696.7	695.1	712.9	696.0	700.4	5.3
Local Revenues	272.7	260.6	267.4	293.6	322.9	300.4	321.7	323.6	0.6
Revenues (without applied surplus)	\$945.9	\$957.3	\$965.8	\$1,006.9	\$1,034.7	\$1,030.4	\$1,034.9	\$1,041.2	\$6.5
Expenditures									
Salaries/Wages	\$411.8	\$404.9	\$410.5	\$466.4	\$484.3	\$486.2	\$505.2	\$522.7	\$38.4
Benefits	221.5	218.9	224.8	232.0	244.6	282.3	290.2	298.8	54.3
Purchased Services	249.5	255.1	248.6	235.7	216.2	246.6	250.1	254.4	38.2
Supplies/Materials	29.7	21.2	24.0	25.9	39.9	27.2	28.0	29.2	(10.7)
Capital Purchases	4.1	3.3	2.8	3.3	2.6	3.4	3.5	3.5	0.9
Other Objects	33.2	45.3	51.4	43.6	47.1	47.3	40.2	48.2	1.2
Total Expenditures	\$949.7	\$948.7	\$962.2	\$1,006.9	\$1,034.7	\$1,093.0	\$1,117.2	\$1,156.9	\$122.3
Balance (before use of prior-year funds)	(3.8)	8.6	3.6	-	-	(62.6)	(82.3)	(115.7)	(115.7)
Use of Prior-Year Funds for Legacy Costs	-	-	-	-	-	-	-	-	-
Final Surplus/(Deficit)	(\$3.8)	\$8.6	\$3.6	\$0.0	\$0.0	(\$62.6)	(\$82.3)	(\$115.7)	
Cumulative Surplus/(Deficit)	\$4.6	\$13.2	\$16.8	\$16.8	\$16.8	(\$45.8)	(\$128.1)	(\$243.9)	



Impacts to Budget

- Possible cost savings opportunities
- COVID-19 impacts
- Referendum
- ESSER II Funds

Referendum

2021-22 Referendum Proposed Budget	FTEs	Amount
Early Childhood/Class Size	30.00	4,403,590
Attracting and Retaining Staff	8.00	36,011,128
Professional Support Staff	73.00	8,325,031
Library, Art, Music and Physical Education	109.50	11,847,546
Advanced Academics	20.90	14,705,051
Career and Technical Education	8.20	1,707,654
Grand Total	249.60	77,000,000

Elementary and Secondary School Emergency Relief Fund

Information Category	ESSER I	ESSER II	ESSER III
Stimulus bill	Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)	American Rescue Plan Act (ARPA)
Performance period	3/13/2020- 9/30/2022	3/13/2020 - 9/30/2023	3/13/2020 - 9/30/2024
Total amount in grants to Milwaukee Public Schools	\$41 million	\$225 million	\$506 million - LEAs must reserve 20% to mitigate learning loss
School districts provide equitable services	Yes; \$15 million	N/A	N/A



ESSER II Funds

Proposed ESSER II Funding	Fiscal Impact
Accelerating Learning	\$93,952,235
Direct Services	\$20,112,635
High Quality Materials	\$52,363,366
Professional Development	\$15,816,158
Indirect	\$5,660,076
Health and Wellness	50,986,572
Mental Health	20,364,766
COVID- 19 and Health Related	10,956,152
Social Emotional Learning	12,437,914
Physical Education and Experiential Learning	5,724,811
Indirect	1,502,929
Facilities	198,687,000
Air Quality	183,070,000
Plumbing	5,500,000
Electrical	1,597,000
Interior	8,520,000
Grand Total	\$343,625,807



Acknowledgements



Acknowledgements

- The annual budget represents the collective effort of district staff to deliver a responsible financial and operating plan on behalf of Milwaukee Public Schools.
- We would like to take this opportunity to acknowledge and thank all district staff and stakeholders for their contributions.

For More Information on the MPS Budget

An online version of the 2021–22 Superintendent’s Proposed Budget is posted on the district’s website at:

mpsmke.com/budget

For more information about the 2021–22 Superintendent’s Proposed Budget, please contact MPS Office of Finance at (414) 475-8851 or via email at:

budget@milwaukee.k12.wi.us



Thank you.

Presenters:

Dr. Keith P. Posley, Superintendent of Schools

Martha Kreitzman, Chief Financial Officer

Lynn C. Ruhl Director of Financial Planning & Budget Services



Keith P. Posley, Ed.D., *Superintendent*

