



**MILWAUKEE
PUBLIC SCHOOLS**

Start. Stay. Succeed.
Comienza. Quédate. Triunfa.

2017-2018 Superintendent's Proposed Budget Overview













Darienne B. Driver, Ed. D., Superintendent of Schools

Gerald Pace, J.D., Chief Financial Officer











Shannon Gordon, Sr. Director Fin Plan & Budget Services

May 4, 2017

Eight Big Ideas Drive 2017-18 Resource Priorities

Strategic Plan Implementation 2017-2019		
Goals	Strategic Objectives	Lines of Effort
MPS Board Goal #1: Academic Achievement	Objective 1: Closing the gap 	<ul style="list-style-type: none">  Equity, access and opportunity  Instructional redesign  School transformation  Bilingual and multicultural education  Academic partnerships
	Objective 2: Educating the whole child 	<ul style="list-style-type: none">  Trauma sensitive schools  Promote healthy choices  Strengthening student-teacher relationships  Expand early childhood opportunities  Improving outcomes for Black and Latino males

Eight Big Ideas Drive 2017-18 Resource Priorities

Strategic Plan Implementation 2017-2019 Continued		
Goals	Strategic Objectives	Lines of Effort
MPS Board Goal #1: Academic Achievement	Objective 3: Redefine the MPS experience 	<ul style="list-style-type: none">  Expand fine arts opportunities  Expand co/extracurricular opportunities  Redefine extended learning opportunities  Recreation enhancement
	Objective 4: Rethinking high schools 	<ul style="list-style-type: none">  Rethink high schools  Rethink middle schools  College readiness transformation  Career readiness transformation



Eight Big Ideas Drive 2017-18 Resource Priorities

Strategic Plan Implementation 2017-2019 Continued		
Goals	Strategic Objectives	Lines of Effort
MPS Board Goal #2: Student, Family and Community Engagement	<p>Objective 5: Re-envision partnerships</p> 	<ul style="list-style-type: none">  Develop robust business partnerships  Enhance community and alumni partnerships  Empower families  Advocate and engage for the well-being of students and the community
	<p>Objective 6: Strengthen communication systems and outreach strategies</p> 	<ul style="list-style-type: none">  Stabilize enrollment  Improve internal communications  Execute branding and awareness campaign  Embed customer service in MPS culture

Eight Big Ideas Drive 2017-18 Resource Priorities

Strategic Plan Implementation 2017-2019 Continued		
Goals	Strategic Objectives	Lines of Effort
MPS Board Goal #3: Effective and Efficient Operations	<p>Objective 7: Develop our workforce</p> 	<ul style="list-style-type: none">  Improve recruitment and retention of staff  Cultivate employee well-being  Performance, compensation, and recognition  Leadership development
	<p>Objective 8: Improve organizational processes</p> 	<ul style="list-style-type: none">  Align infrastructure  Strategic planning and project management within the organization  Student and building safety  Asset and resource development



Budget Highlights

School-based support

- Maintain support for specialty programs and services
- Support a school portfolio plan to increase high-performing, in-demand programs
- Target a portion of educational maintenance funding to support bathroom stall replacement over the next three years

Budget Highlights

School-based support

- Support implementation of new World Language graduation requirement
- Designate at least one full-time school support teacher at each school
- Assign six deans of students to the six comprehensive middle schools to focus on improving school climate

Budget Highlights

Central services reorganization

- Realign services in the offices of School Administration, Academics, and Innovation & Information
- Create a new Transformation Network with eight school zones designed to improve academics and school performance
- Design new regional service hubs to transform and improve teaching and learning
- Maintain a regional cross-functional team lead by each regional superintendent to support operational effectiveness
- Use an integrated business process management system to better manage financial services and human resources
- Support the new Department of Black & Latino Male Achievement

Budget Balancing Measures

The budget defers commitments to the following:

- Initiatives that show promise for moving the district forward, such as development of a virtual school
- Expand charter schools
- Restore the construction fund levy to \$10 million or more
- Employee raises

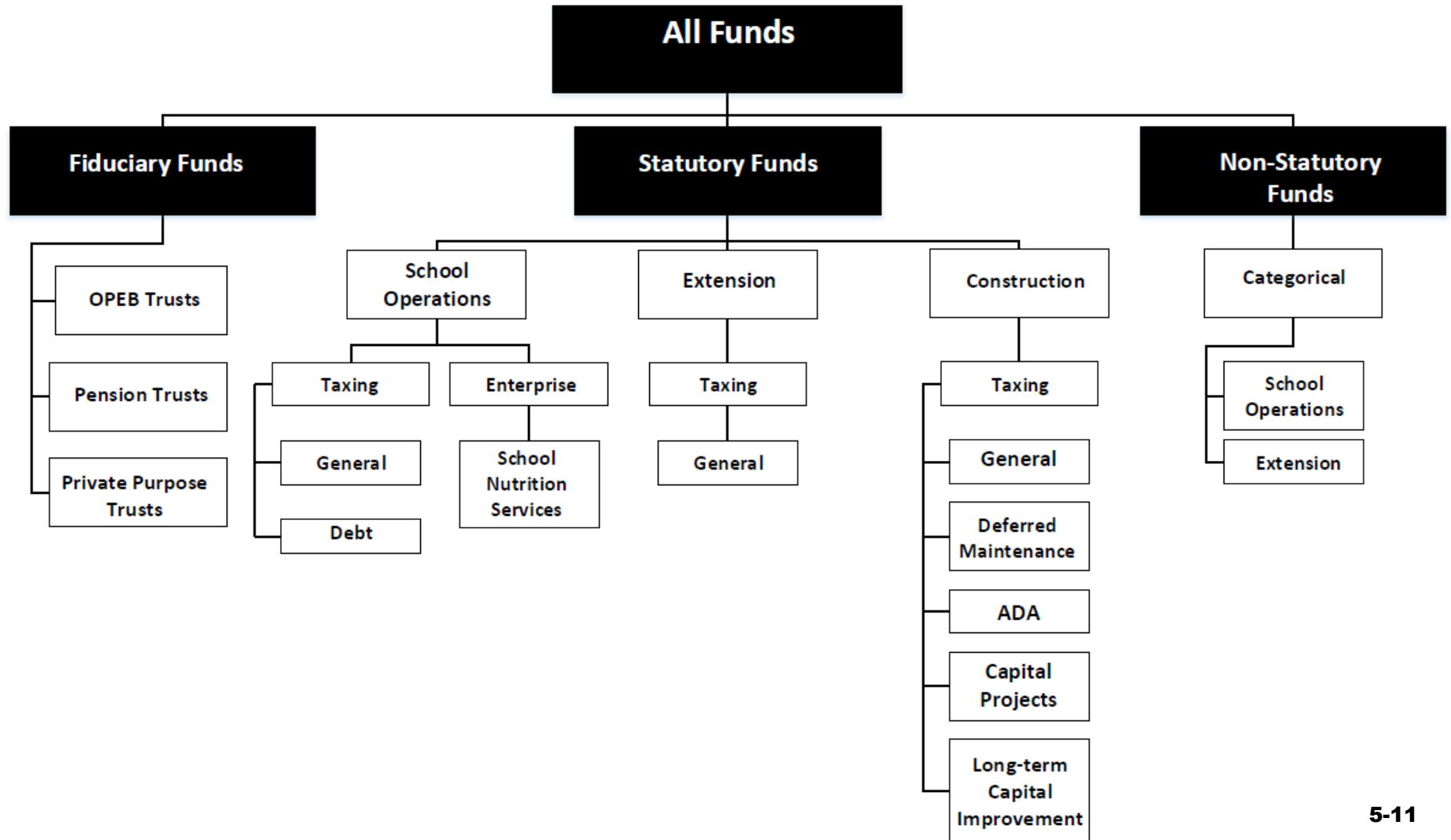
Budget Balancing Measures

Workforce reduction

- Reduce 7.1 FTE central services positions
- Reduce 187.0 FTE school based positions

Note: Due to vacancy and turnover, the number of layoffs resulting from position reductions will be minimal

District Fund Overview



Major Review Sources

- **State aid**
- **Property taxes**
- **Federal aid**
- **Local sources**



District Revenues

District Revenue Overview: 2017-18 Proposed Budget Compared to 2016-17 Amended Adopted Budget (\$M)						
	1	2	3	4	5	
	Operations	Nutrition	Extension	Construction	Categorical	Total
2016-17 F.A.	\$928.3	\$50.6	\$23.0	\$34.1	\$161.1	\$1,197.1
2017-18 P.B.	930.7	51.5	24.8	2.7	166.5	1,176.1
Year-to-Year Increase/(Decrease)	\$2.4	\$0.9	\$1.8	(\$31.5)	\$5.3	(\$21.0)
	0.3%	1.8%	8.0%	-92.1%	3.3%	-1.8%



District Revenues

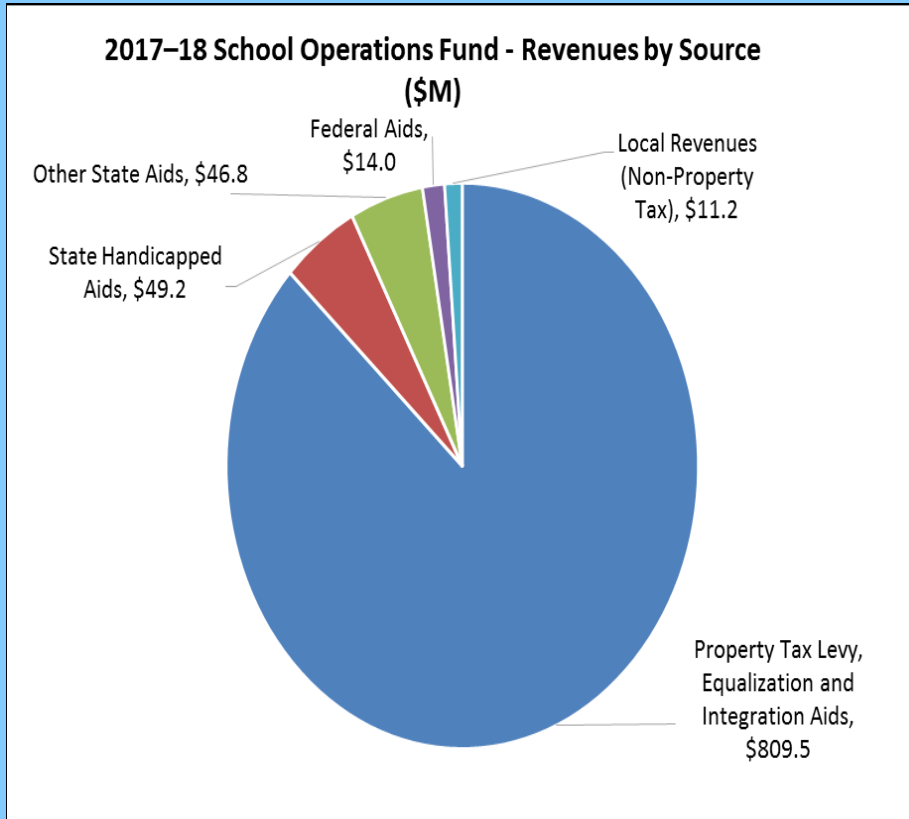
The district's total projected revenue for 2017-18 is \$1.2 billion.

This is down \$21.0 million as compared to the budget for the current year.

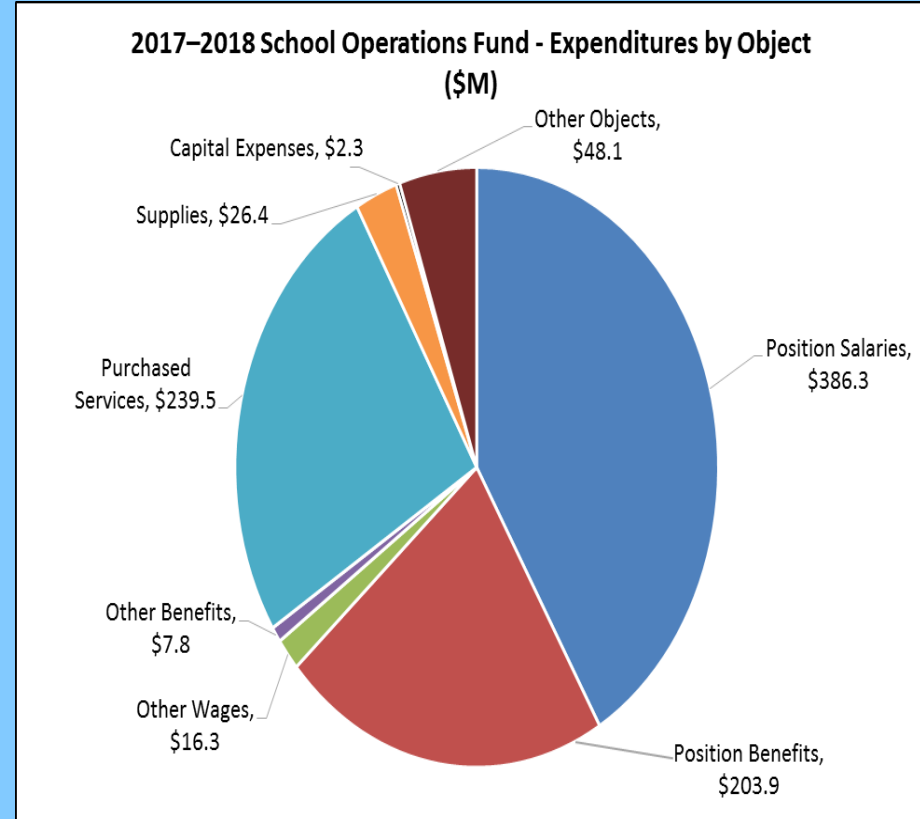
The reduction is due to a reduction of \$28.5 million of borrowing from the previous year.

1 School Operations Fund

Revenue



Proposed Expenditures



School Operations Fund

The state's per-student revenue limit remains flat

- The projected revenue limit for 2017-18 is \$810.6 million
- \$12.9 million lower than 2016-17
- This loss has been offset with increases in categorical aid that are in the governor's proposed budget

Revenue Limit

The state's per-student revenue limit remains flat

- MPS's per-pupil revenue limit in 2016–17 is \$10,122, just \$109 (or one percent) more than it was in 2010–11
- In comparison, the consumer price index rose by 9.2 percent from 2010 to 2016

Enrollment

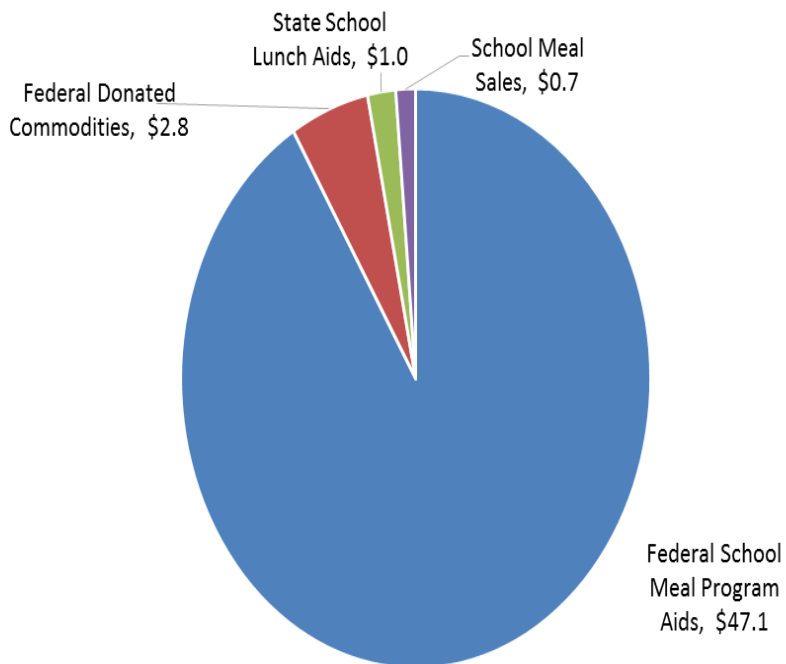
District enrollment drives revenue

- MPS enrollment is stabilizing, and enrollment drives revenue over time
- Larger student enrollment counts generally lead to economies of scale
- District fixed costs can be efficiently funded when there are more students to serve

2 School Nutrition Services Fund

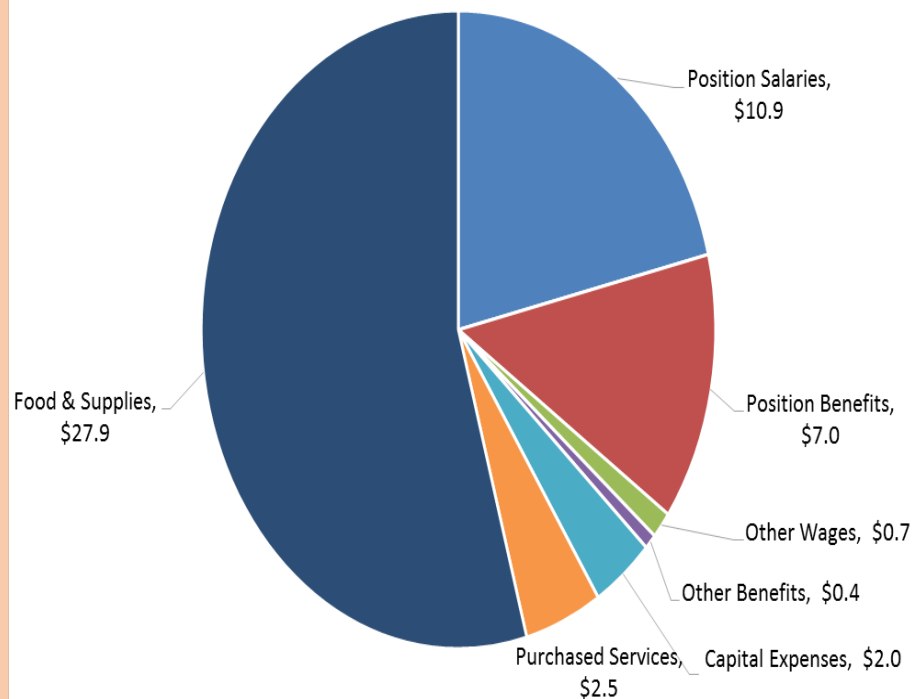
Revenue

2017-18 School Nutrition Services Fund - Revenues by Source (\$M)



Proposed Expenditures

2017-18 School Nutrition Services Fund - Expenditures by Object (\$M)



School Nutrition Services Fund

- Enterprise fund, which accounts for the breakfast, lunch and other meal programs operated by the district for students
- MPS will be in its fourth year of participating in the Community Eligibility Program, wherein high-poverty districts serve free meals to all students
- The number of meals funded by the federal program is steady

School Nutrition Services Fund

- Revenues are projected to increase modestly this year and in future years, primarily because the rate of reimbursement for meals has increased with inflation annually



Extension Fund



After School Programs



Citywide Programs



**Interscholastic Athletics/
Academics**



**Community Centers,
Playgrounds,
and Youth Sports**

Recreation Department Core Functions



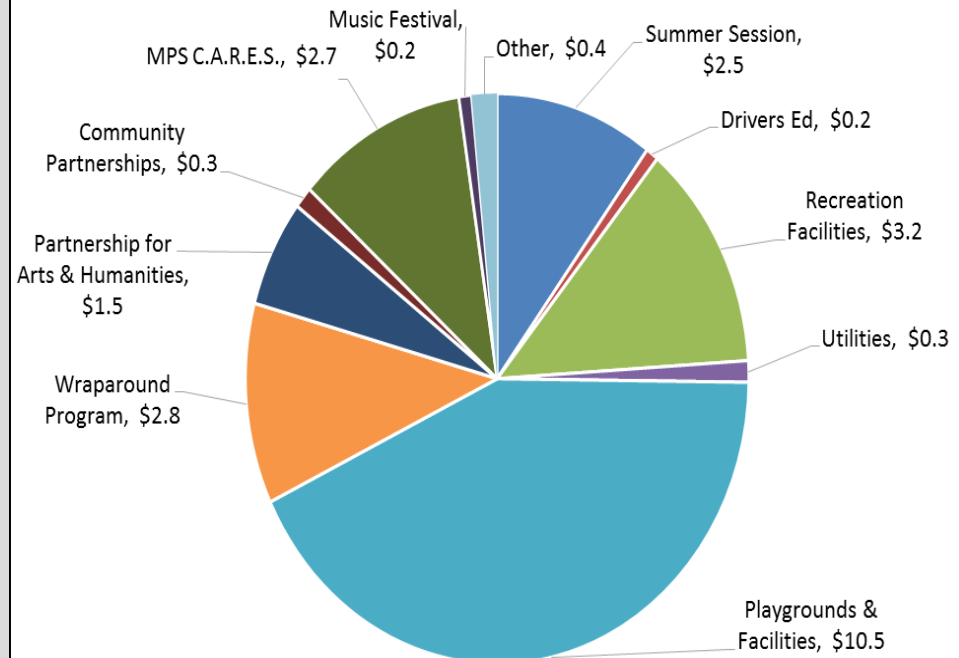
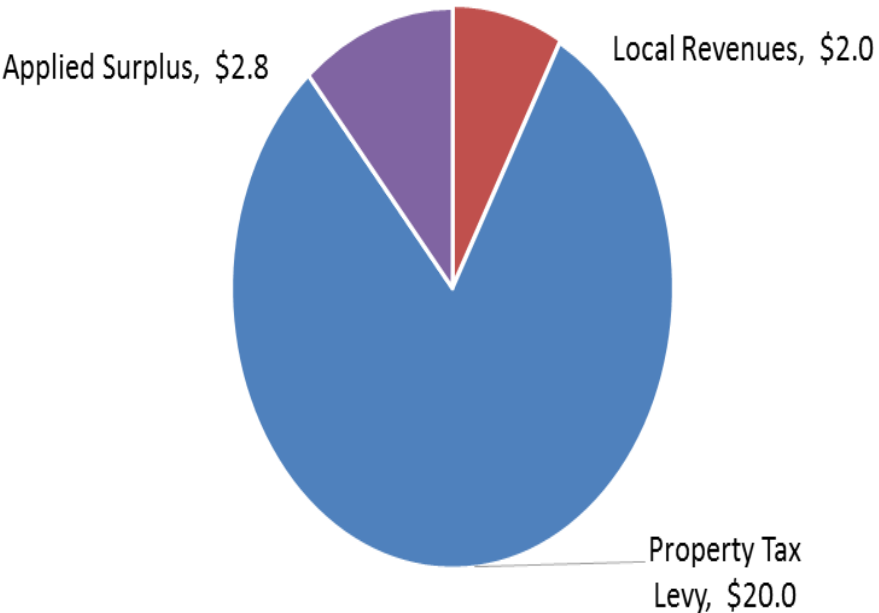
3 Extension Fund

Revenue

Proposed Expenditures

Extension Fund - Revenues by Source (\$M)

2017-18 Extension Fund Expenditures (\$M)



Extension Fund



MPS-managed Outdoor Recreation System

Earn-to-Learn

**Active Older-Adult
Programming**

**Maintenance of the Outdoor
Recreation Facilities**

Summer Reading Program

**Summer and Afterschool
Wraparound Services**



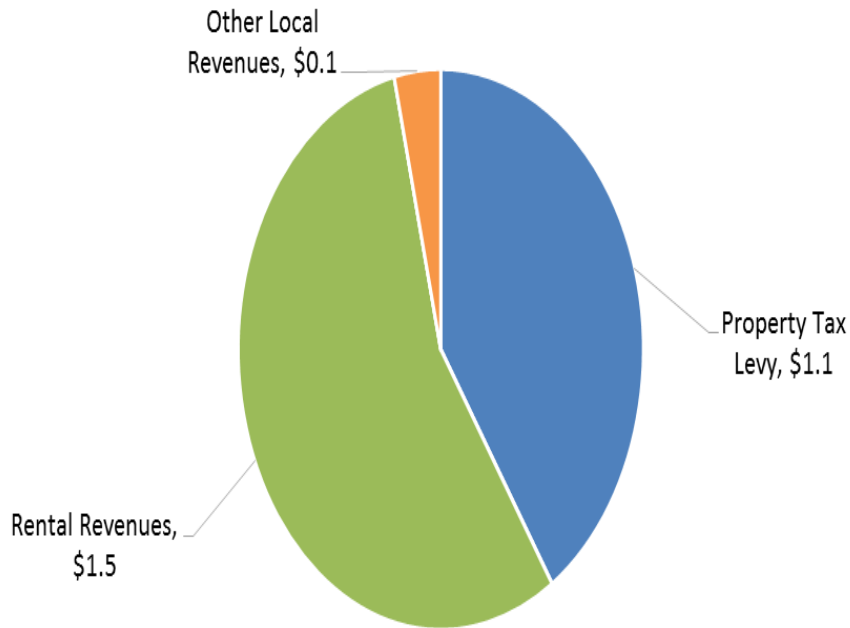
Biennial Music Festival



4 Construction Fund

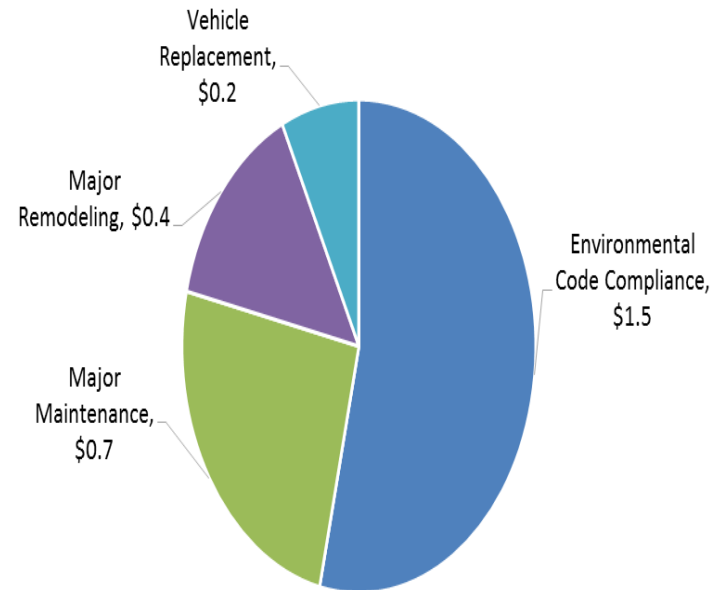
Revenue

2017-18 Construction Fund - Revenues by Source (\$M)



Proposed Expenditures

2017-18 Construction Fund - Expenditures by Project (\$M)



Construction Fund

- Use of local tax levy for the Construction Fund will remain at \$1.1 million to reserve limited funds for instructional and support services
- Tax levy, rental revenues and sale of surplus equipment will provide \$2.7 million for maintenance projects
- Borrowing for energy efficiency projects and it is likely to be included in the fall adjustments to the 2017-18 budget
- Maintenance projects include water quality fixture replacements, water filters, radiator cover replacement, silver coating on roofs and other building code compliance projects
- Major maintenance will be addressed through the use of carryover funds

5. Categorically Aided Programs Fund

Revenue

Categorical Fund - Revenues by Source (\$M)	
	2017-18
Description	P.B.
Federal	\$139.6
State	\$28.6
Private	\$3.4
Less: Indirect	(5.1)
Total Categorical Fund	\$166.5

Types of Programs

- **Federal** includes ESEA (Title I-A, Title II, Title III), SIG, IDEA and Head Start
- **State** includes AGR and other
- **Private** includes GE Foundation and other

Categorically Aided Programs Fund

- The categorical fund is used to account for proceeds that fund social and curriculum needs of special populations within the district
- The district will be required to distribute more of it's ESEA allocation to non-public schools

Changing Federal & State Funding

State and federal budget deliberations are underway

- An increase of \$6.4 million of the district's Title I allocation must be used for non-public school
- The President's initial budget blueprint calls for significant cuts to many areas
- Proposed state budget increases categorical aid by \$15 million outside the revenue limit

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 to 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 2017-18 Superintendent's Proposed Budget is posted on the district's website at:

- MPS > District > About MPS > Offices & Departments > Office of Finance > Financial Planning and Budget Services path at mpsmke.com/Budget
- For more information about the 2017-18 Superintendent's Proposed Budget, please contact the MPS Office of Finance at (414) 475-8526 or via email at budget@milwaukee.k12.wi.us



2017-2018 Superintendent's Proposed Budget Overview

MPS Board of School Directors

Mark Sain, District 1

Wendell J. Harris, Sr., District 2

Michael Bonds, Ph.D., District 3

Annie Woodward, District 4

Larry Miller, District 5

Luis A. Báez (Tony), Ph.D, District 6

Paula Phillips, District 7

Carol Voss, District 8

Terrence Falk, At-Large

MPS Senior Team

Darienne B. Driver, Ed.D., Superintendent

Gina Spang, P.E., Chief of Staff

Tonya Adair, Chief Innovation & Information Officer

Himanshu Parikh, Acting Chief Human Resources Officer

Ruth Maegli, Chief Academic Officer

Gerald Pace, J.D., Chief Financial Officer

Wendell Willis, Chief Operations Officer

Keith Posley, Ed.D., Chief School Administration Officer

Sue Saller, Manager, Superintendent's Initiatives

Ashley Lee, Special Assistant to the Superintendent