

2009-10 Budget



& District Profile

April 2009

MADISON METROPOLITAN SCHOOL DISTRICT

Madison, Wisconsin



LETTER FROM THE SUPERINTENDENT

Dear Members of Our Community,

The mission of the Madison Metropolitan School District is to assure that every student has the knowledge and skills needed for academic achievement and a successful life.

A few months ago, a group of community and school staff members committed time to redevelop a Strategic Plan for the school district. This plan will be presented to the Board of Education in May/June 2009 and will be reviewed and updated annually.

For the foreseeable future, this plan will serve as our road map to know if we are making a difference relative to important student learning outcomes and for the future of our community. To make the most difference, we must continue to partner with you, our community. We are indeed very fortunate to be able to educate our children in a very supportive, caring community.

As a school district, our highest priority must be on our work related to student learning. For our students and the community's children to become proficient learners and caring and contributing members of society, we must remain steadfast in this commitment.

This proposed budget represents how we will fulfill this commitment during the 2009-10 school year.

Related to our mission, we also base our work on the following belief statements:

Every child has...

- an inexhaustible capacity to learn
- high expectations for his or her learning
- unique attributes, talents and experiences
- the capacity to make responsible decisions
- freedom of thought and expression
- an obligation for the stewardship of resources
- potential to create his/her own future and the future of society
- the right to realize his/her full potential
- the right to be safe and to live free from violence and harassment.

Families...

- are structured in many different ways
- represent a variety of cultures with different expectations and needs
- have high expectations for the school district to meet the needs of their children
- want what is best for their children

- have significant influence on the development of the individual and society
- are integral partners in our learning community.

Learning is enhanced when...

- expectations for achievement are clear
- standards for performance are consistently high for all students
- the educational process reinforces the joy of learning
- the focus is child by child
- schools help focus student effort around a demanding, research-based curriculum
- positive reciprocal relationships among students, staff, families and our community are nurtured
- a culturally relevant curriculum is provided.

Quality of life and learning is...

- enriched by diversity
- realized by acknowledging the intrinsic dignity within every individual.

Our staff...

must be highly competent, caring, child-centered and committed to student success.

This budget proposal reflects the manner in which we are focusing on our mission-work as a district.

Who do we serve?

- 24,189 students (K-12) - 2nd largest district in Wisconsin

	<u>1990-1991</u>	<u>2008-2009</u>
White	79%	50%
Hispanic	3%	14%
Asian	5%	11%
Black	12%	24%
Native American	1%	1%

- 2000 Census – Dane County 11% Persons of Color
- 50.9% Males, 49.1% Females
- 11,363 Elementary
- 5,178 Middle School
- 7,648 High School
- 61 languages spoken in the district
- 3,760 English Language Learners (16% District/5% State)

- 45% Free and Reduced Lunch (32% State)
- 15.6% Students with Disabilities (14.5% State)

Our Mission-Work

Our mission-work is to assure that our students develop well as learners and future citizens.

Over the past several years, we have been focusing on the following three Board of Education goals:

- All students complete 3rd grade reading at grade level or beyond.
- All students complete Algebra by the end of 9th grade and Geometry by the end of 10th grade.
- All students, regardless of racial, ethnic, socioeconomic or linguistic subgroup, attend school at a 94 percent attendance rate at each grade level.

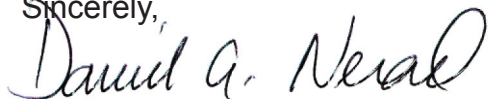
In the future we will realign goals to the district's revised Strategic Plan and identify new outcome measures to determine the progress we are making in meeting these goals. Future budgets will also reflect more defined proposals to address these needed commitments for our students.

Summary

Because we understand the relationship between a high quality education and important life outcomes, we take very seriously our responsibility to educate children well. We also understand the trust our community places in us and will continue to listen and engage with members of our community as we further our mission-work as a proud, long-standing institution within our community.

The potential of every child is in our collective hands; we are eager to work with you in fulfilling this honorable goal and commit to utilizing the resources proposed in the 2009-10 district budget to fulfill important student outcomes. We proudly present this budget for the Board of Education's consideration.

Sincerely,



Daniel A. Nerad, Ed.D.
Superintendent of Schools

INTRODUCTION

The Executive Summary provides information about the overall Madison Metropolitan School District (MMSD) budget, key factors in building the budget, a budget overview, and a summary budget by departments.

This Executive Summary is designed to explain many of the budget's complexities. For more details, review the 2009-10 Budget Profile, available on the MMSD web site at <http://drupal.madison.k12.wi.us/budget/mmsd/2010>.

The outcome of the budget development process is a balanced budget.

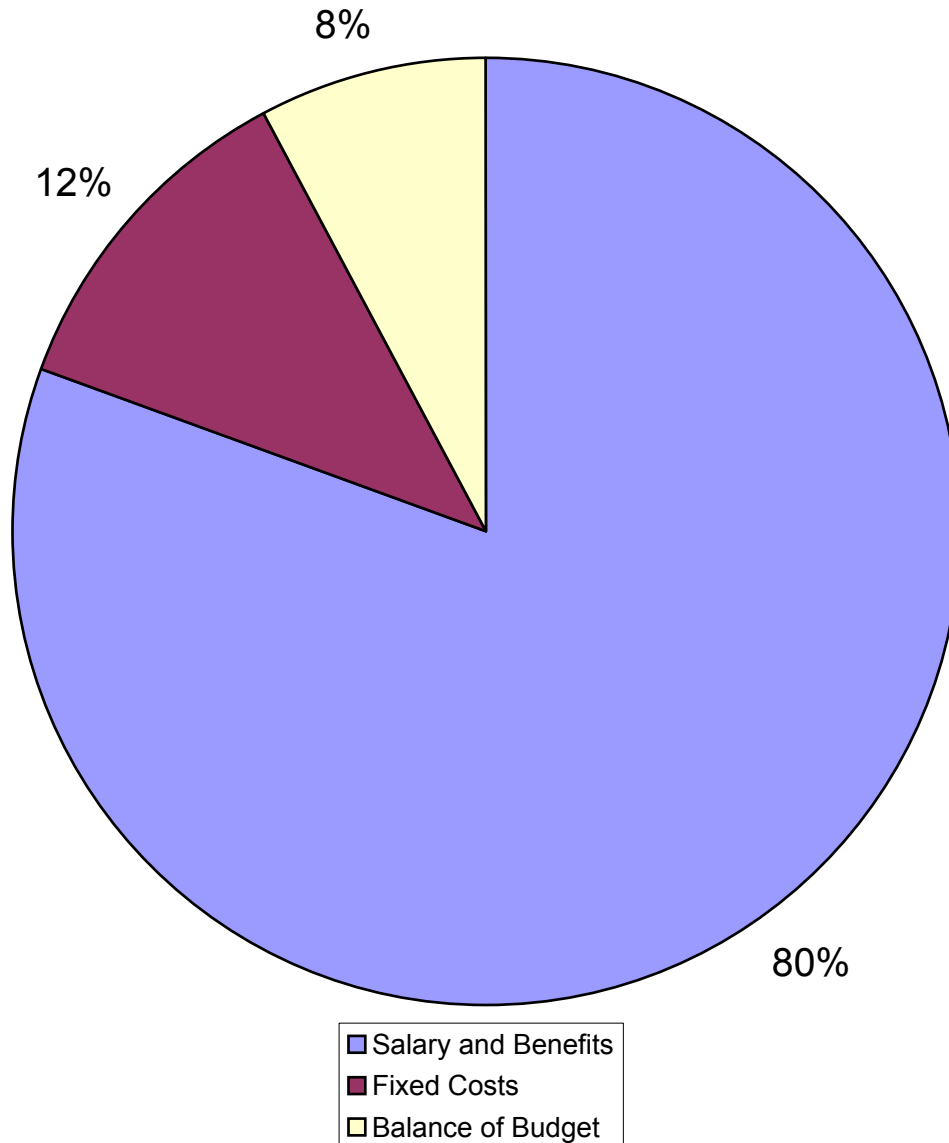
State-imposed revenue limits, the Qualified Economic Offer and other factors that increase operating costs are critical to understanding the annual need to change or reduce services. Explanations of these factors are included.

As always, we welcome your feedback. Send your comments via e-mail to comments@madison.k12.wi.us or via mail to the Public Information Office, 545 W. Dayton St., Madison, WI 53703.



WHERE THE BUDGET DOLLARS GO

How and where Madison Metropolitan School District dollars are spent.



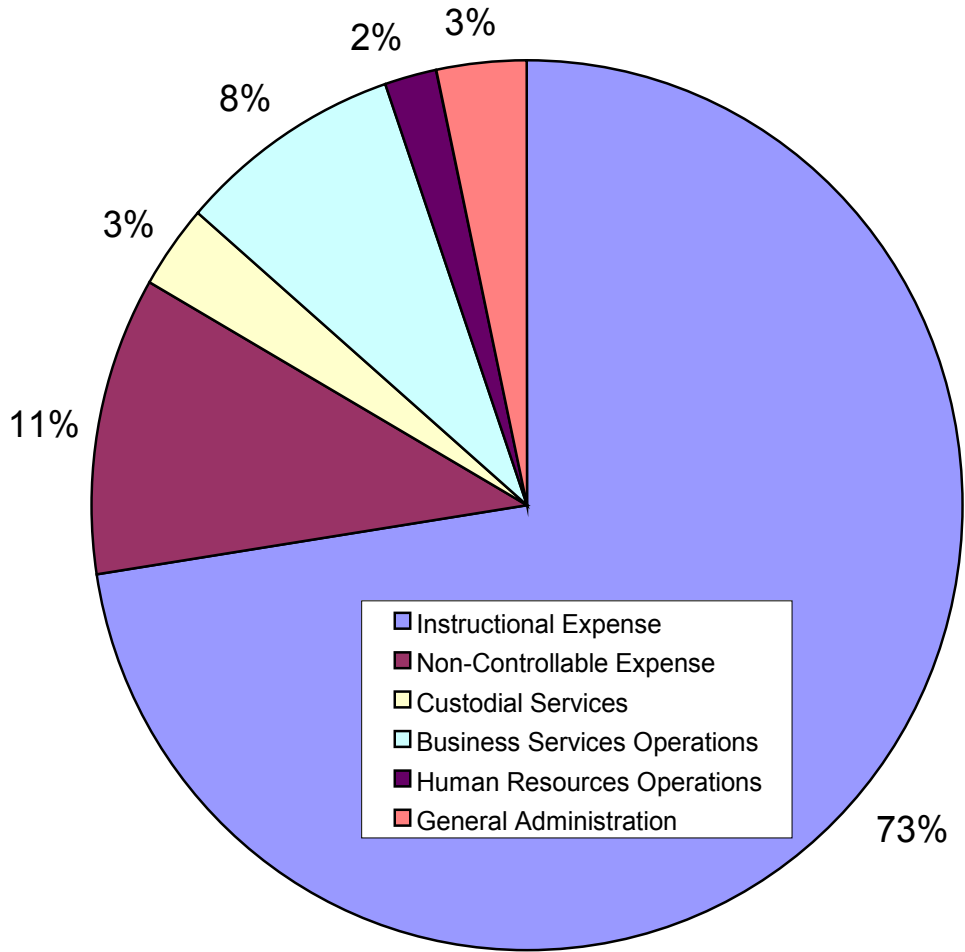
Salaries and Fringe Benefits (80%) include: salaries, Wisconsin Retirement System contribution, FICA, employer contributions to health, dental and life insurance.

Fixed Costs (12%) include: utilities, student transportation, maintenance, debt service, district insurance, etc.

Balance of Budget (8%) includes: controllable costs such as supplies, materials, equipment, professional development, etc.



WHERE THE BUDGET DOLLARS GO - Continued



Instructional Expense (73%) includes: direct pupil instruction, Special Education, ESL/Bilingual, staff professional development and Student Services.

Non- Controllable Costs (11%) includes: insurance, FICA, retirement, utilities, transportation and debt service.

Custodial Services (3%) includes: custodians and cleaning supplies.

Business Services Operations (8%) includes: building maintenance, accounting, budgeting, risk management, delivery services, printing, purchasing, technical services and business information systems.

Human Resources Operations (2%) includes: employment services, labor relations, benefits management, business information systems and payroll management.

General Administration (3%) includes: superintendent’s office, Board of Education, legal services, public communication and federal grant management.

This chart does not include the Madison School and Community Recreation (MSCR) budget.



BUILDING THE BUDGET

When building the budget, the goals and strategic priorities established by the Board of Education are first considered.

Board Goals:

- All students complete 3rd grade reading at grade level or beyond.
- All students complete Algebra by the end of 9th grade and Geometry by the end of 10th grade.
- All students, regardless of racial, ethnic, socioeconomic or linguistic subgroup, attend school at a 94 percent attendance rate at each grade level.

Board Strategic Priorities:

- Instructional Excellence
 - Improving student achievement
 - Offering challenging, diverse and contemporary curriculum and instruction
- Student Support
 - Assuring a safe, respectful and welcoming learning environment
- Staff Effectiveness
 - Recruiting, developing and retaining a highly competent workforce that reflects the diversity of our students
- Home and Community Partnerships
 - Strengthening community and family partnerships and communication
- Fiscal Responsibility
 - Using resources efficiently and strategically

Revenue Limits and the Qualified Economic Offer (QEO)

Since 1993, Wisconsin’s school funding laws have restricted the amount of revenue a local school district can raise from the local property tax levy. The revenue limit law allows a school district to increase its spending based on student enrollment.

For the 2009-10 school year, the district can increase its budget by \$275.00 per student – an amount tied to the annual Consumer Price Index (estimate) – which increases by 2.5% those areas controlled under the revenue limits.

Allowable Revenue Per Student (3 year average)	
2008-2009	\$10,682.96
Statutory increase (est.) (+2.5%)	275.00
2009-10	\$10,957.96

BUDGET OVERVIEW

The Madison Metropolitan School District’s proposed 2009-10 budget provides resources for a sound education for the district’s children.

The proposed 2009-10 budget continues to put resources where they are most needed in the classrooms. The budget includes a 2.5% increase per pupil which allows for each school’s formula allocation to increase over the prior year based upon projected enrollment figures.

Total spending under the proposed budget is \$367,912,077 which is a decrease of \$100,209 or -.03% over 2008-09. The increase under the revenue limit plus other fund increases or decreases comprises the entire proposed budget. The property tax levy would increase by \$9,330,761 or 4.12% to \$235,661,046.

The total MMSD 2009-10 budget includes many funds. A fund is a separate set of accounting records, segregated for the purpose of carrying on specific activities. A fund is established for accountability purposes to demonstrate that financial resources are being used only for permitted purposes. The Wisconsin Department of Public Instruction specifies the various funds required to be used by Wisconsin school districts.

2009-10 Budget by Fund

Budget	2008-09	2009-10	Change	% Change
General (Funds 10, 21, 23, 27,) Less Interfund Transfers	\$ 320,793,077	\$ 324,430,491	\$ 3,637,414	1.13%
Debt Service (Funds 38, 39)	8,058,577	7,296,888	\$ (761,689)	-9.45%
Capital Projects (Fund 40)	12,168,448	8,876,886	\$ (3,291,562)	-27.05%
Food Service (Fund 50)	9,848,281	10,534,330	\$ 686,049	6.97%
Trust Fund (Fund 70)	68,540	-	\$ (68,540)	-100.00%
Community Services (Fund 80)	15,271,206	14,897,122	\$ (374,084)	-2.45%
Cooperative Programs as Fiscal Agent (Fund 90)	1,804,157	1,876,360	\$ 72,203	4.00%
Totals	\$ 368,012,286	\$ 367,912,077	\$ (100,209)	-0.03%



2009-10 Property Tax Levy by Fund

Property Tax Levy	2008-09	2009-10	Change	% Change
General (Funds 10, 21, 23, 27,)	\$ 198,215,490	\$ 209,020,137	\$ 10,804,647	5.45%
Debt Service (Funds 38, 39)	7,326,782	7,241,044	(85,738)	-1.17%
Capital Projects (Fund 40)	8,668,448	8,876,886	208,438	2.40%
Community Services (Fund 80)	12,119,565	10,522,979	(1,596,586)	-13.17%
Totals	\$ 226,330,285	\$ 235,661,046	\$ 9,330,761	4.12%

The district continues to face revenue uncertainties because final state and federal education budgets as they affect the MMSD have not been determined at this time (April, 2009).

The following two pages contain the proposed budget’s expenditures, broken out by the nine district departments.

- (1) **District Wide** includes *Contingencies* and *Interfund and interdistrict transfers*:
- Contingencies** - Contingency accounts hold undesignated dollars to be allocated by the Board of Education at a later date.
 - Interfund and interdistrict transfers**
 - Interfund Transfers - Transfer of dollars from one fund of the district to another for services received.
 - Example: Educational Services is expended in Fund 27 and receives dollars from the General Fund to balance.
 - Interdistrict Transfers – Transfer of dollars to other districts for educational services received.
 - Example: The district is a Fiscal Agent for the Dane County School-To-Work program and also receives educational services from that program, therefore, dollars are transferred to fund 99 for the services that are provided.
- (2) **FTE - Full-Time Equivalency**: A full-time position equals 1.0 FTE. A half-time position equals 0.5 FTE.



2009-10 Executive Summary

Financial Information

2009-2010 Proposed Expenditures Summary by Department

Line#	2008-2009 Revised Budget	2009-2010 Cost to Continue	2009-2010 Balanced Budget	2009-2010 Incr/Decr	2007-2008 Actuals	2008-2009 Revised Budget	2009-2010 Cost to Continue	2009-2010 Balanced Budget	2009-2010 Incr/Decr
1	7.36	8.46	8.46	0.00	1,275,461	1,064,192	991,228	991,228	0
2	1,015.72	1,004.16	995.16	-9.00	71,210,483	77,764,808	79,433,249	78,889,545	-543,704
3	0.00	0.00	0.00	0.00	10,764	6,711	6,879	6,879	0
4	1,023.08	1,012.62	1,003.62	-9.00	72,496,708	78,835,711	80,431,356	79,887,652	-543,704
5	14.50	14.80	14.80	0.00	1,007,356	2,517,599	2,558,484	2,558,484	0
6	386.28	392.73	390.23	-2.50	29,229,635	30,346,230	32,044,532	31,893,499	-151,033
7	414.05	425.32	422.82	-2.50	34,624,141	35,094,488	36,062,581	35,911,548	-151,033
8	3.00	3.00	3.00	0.00	2,061,085	2,182,785	2,345,350	2,345,350	0
9	0.00	0.00	0.00	0.00	10,484	9,169	9,398	9,398	0
10	817.83	835.85	830.85	-5.00	66,932,702	70,150,271	73,020,346	72,718,280	-302,066
11	777.83	810.86	790.86	-20.00	58,121,920	59,615,938	60,995,882	59,904,178	-1,091,704
12	205.52	215.29	204.29	-11.00	13,680,201	14,577,719	15,889,945	15,173,659	-716,286
13	0.00	0.00	0.00	0.00	498,903	618,448	728,877	728,877	0
14	983.35	1,026.15	995.15	-31.00	72,301,023	74,812,104	77,614,704	75,806,714	-1,807,990
15	11.50	12.90	12.90	0.00	1,970,940	2,050,784	2,189,257	2,189,257	0
16	2.00	2.00	2.00	0.00	648,751	321,671	299,243	299,243	0
17	6.50	7.50	7.50	0.00	683,288	765,463	791,012	791,012	0
18	8.00	7.00	7.00	0.00	924,360	769,051	638,288	638,288	0
19	0.00	0.00	0.00	0.00	282,769	148,170	99,297	99,297	0
20	4.95	4.95	4.95	0.00	679,044	801,330	565,345	565,345	0
21	11.24	11.20	11.20	0.00	1,417,123	1,489,979	1,298,632	1,298,632	0
22	1.00	1.00	1.00	0.00	350,511	575,371	524,404	524,404	0
23	1.50	1.50	1.50	0.00	529,076	510,884	299,836	299,836	0
24	7.00	7.00	7.00	0.00	662,051	683,800	716,977	716,977	0
25	53.69	55.05	55.05	0.00	8,147,914	8,116,502	7,422,290	7,422,290	0
26	1.50	1.50	1.50	0.00	1,947,180	236,461	261,956	261,956	0
27	15.28	15.26	15.26	0.00	2,589,034	3,277,782	3,358,217	3,358,217	0
28	16.50	16.50	15.50	-1.00	6,810,798	8,079,230	8,060,271	7,125,242	-935,029
29	239.15	240.25	242.25	2.00	33,913,515	38,515,176	38,102,649	38,273,106	170,457
30	113.16	112.17	112.17	0.00	8,859,434	9,356,395	9,999,535	9,999,535	0
31	0.00	0.00	1.00	1.00	56,613,120	58,597,550	61,523,829	59,922,873	-1,600,956
32	385.59	385.68	387.68	2.00	110,733,080	118,062,595	121,306,457	118,940,929	-2,365,528
33	3.00	3.00	3.00	0.00	381,528	379,106	383,747	393,747	0
34	4.00	4.00	4.00	0.00	7,041,887	8,562,396	7,647,065	7,647,065	0
35	10.01	10.00	10.00	0.00	1,240,551	1,228,945	1,296,351	1,296,351	0

2009-10 Executive Summary

Financial Information

2009-2010 Proposed Expenditures Summary by Department

Line#	2008-2009 Revised Budget	2009-2010 Cost to Continue	2009-2010 Balanced Budget	2009-2010 Incr/Decr	2007-2008 Actuals	2008-2009 Revised Budget	2009-2010 Cost to Continue	2009-2010 Balanced Budget	2009-2010 Incr/Decr
36	Labor Relations	6.22	6.19	6.19	0.00	736,043	823,493	823,493	0
37	Recruiting	1.00	1.00	1.00	0.00	161,042	177,116	177,116	0
38	Payroll	4.00	4.00	4.00	0.00	334,169	363,946	363,946	0
39	Operations	0.00	0.00	0.00	0.00	112,580	696,448	696,448	0
40	HUMAN RESOURCES	28.23	28.19	28.19	0.00	10,007,800	11,398,165	11,398,165	0
41	Office of MSCR	20.74	21.76	21.76	0.00	3,158,782	2,936,446	2,936,446	0
42	Adult Programs	8.00	8.00	8.00	0.00	1,185,379	1,562,586	1,562,586	0
43	Youth Programs	25.00	26.40	26.40	0.00	3,747,434	7,042,631	7,042,631	0
44	CLC Grant Programs	1.00	0.00	0.00	0.00	2,537,903	0	0	0
45	MSCR/COMMUNITY RECREATION	54.74	56.16	56.16	0.00	10,629,497	11,541,663	11,541,663	0
46	Office of Student Services	2.70	3.75	3.75	0.00	337,930	363,911	363,911	0
47	Social Work & Psychologists	76.80	78.80	78.80	0.00	6,890,666	6,952,691	6,952,691	0
48	Health Services	54.63	55.87	55.87	0.00	3,791,334	4,005,165	4,005,165	0
49	Alternative Education Programs	59.28	58.85	58.85	0.00	7,776,203	8,893,615	8,893,615	0
50	AODA	2.00	1.35	1.35	0.00	282,296	93,728	93,728	0
51	Guidance	29.00	26.90	26.90	0.00	2,699,647	2,615,646	2,615,646	0
52	STUDENT SERVICES	224.41	225.52	225.52	0.00	21,758,076	22,924,755	22,924,755	0
53	Office of Superintendent	29.75	31.74	31.74	0.00	1,868,252	2,593,980	2,593,980	0
54	Public Info/Commun Development	10.11	10.09	10.09	0.00	1,046,223	1,049,610	1,049,610	0
55	Special Asst To Superintendent	5.00	5.00	5.00	0.00	960,867	1,018,559	1,018,559	0
56	Board Of Education	8.00	8.00	8.00	0.00	226,203	209,875	209,875	0
57	Legal Services	4.50	4.50	4.50	0.00	726,765	763,898	763,898	0
58	Government Programs	7.71	10.76	10.76	0.00	1,575,597	970,895	970,895	0
59	CIO	35.00	35.00	35.00	0.00	7,870,142	7,943,633	7,943,633	0
60	Cooperative Programs	0.96	0.96	0.96	0.00	425,901	254,354	254,354	0
61	SUPERINTENDENT	101.03	106.05	106.05	0.00	14,699,952	14,804,804	14,804,804	0
62	Fund 40s (Not 41)	-	-	-	-	12,483,039	3,500,000	-	-
63	Fund 60s	-	-	-	-	2,478,233	-	-	-
64	Fund 70s	-	-	-	-	284,253	68,540	-	-
65	DISTRICT TOTALS	3,671.95	3,731.27	3,688.27	-43.00	402,952,276	414,395,558	415,445,253	-5,019,287