



2017-18 Budget Discussion:
Goals, Principles, Priority Actions

Operations Work Group

October 17, 2016

Elements of the Budget Development Cycle

The budget development process followed a sequence which:

- Began by establishing budget goals and guiding principles
- Created a revenue forecast based on current law and projected enrollment
- Funded strategic priority actions
- Developed a positive compensation strategy, including salaries/wages and benefits
- Provided for expected increases, such as utilities and transportation costs
- Identified budget balancing reductions at the central office level to reduce impact on schools
- Minimized reductions at the school level to the extent possible to protect schools while balancing the budget



2017-18 Planning Context

Financial Context:

2015-16 financial results were on target at +\$1.6 million

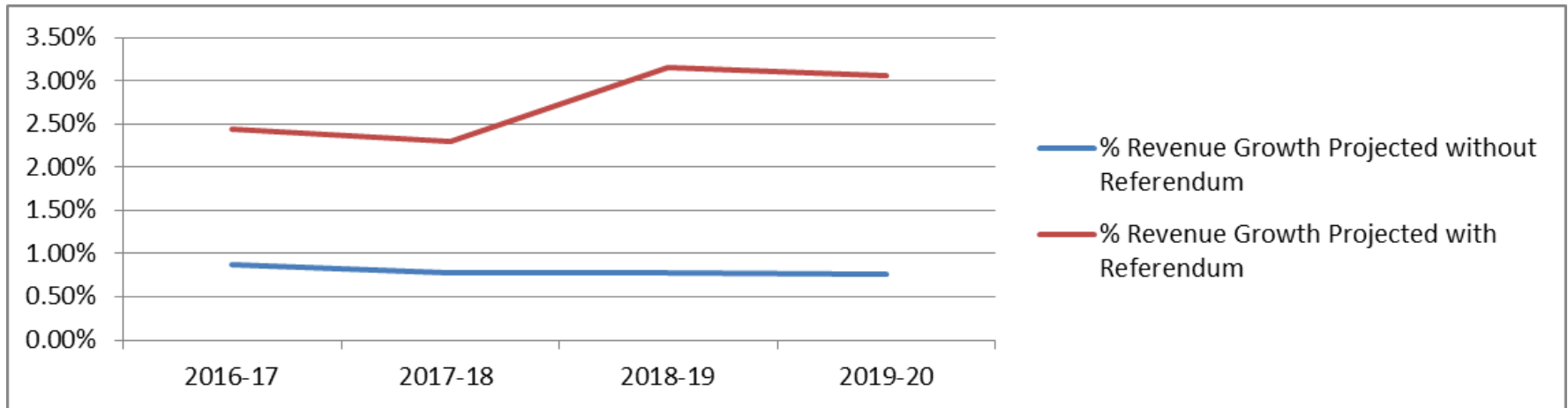
2016-17 budget is on target, but will use \$1.6 million in reserves

2017-18 planning:

- Balanced budget is a must for 2017-18
- State budget next spring is an unknown for K-12
- 2-year trend of declining enrollment expected to reverse in fall '17
- Referendum Nov 8th for additional levy authority is critical

November 8 Referendum: Two Perspectives on Funding MMSD

Year	% Revenue Growth Projected <u>without</u> Referendum	% Revenue Growth Projected <u>with</u> Referendum
2016-17	0.87%	2.45%
2017-18	0.78%	2.30%
2018-19	0.77%	3.15%
2019-20	0.76%	3.05%
Avg. Increase / Yr.	0.80%	2.74%



MMSD Enrollment Chart

By Grade and Level

Grade	History					Forecast				
	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21
K	2204	2257	2271	2257	2127	2069	2140	2212	2249	2279
1	2198	2171	2176	2107	2154	2035	1980	2048	2116	2152
2	2083	2148	2079	2137	2073	2109	1993	1939	2005	2072
3	1917	2033	2071	2018	2059	2009	2044	1931	1878	1943
4	1896	1861	1990	2009	1951	2002	1953	1987	1877	1826
5	1954	1835	1829	1931	1940	1899	1948	1901	1934	1827
Elementary Total	12252	12305	12416	12459	12304	12123	12058	12016	12060	12100
6	1769	1882	1789	1782	1882	1889	1849	1897	1851	1883
7	1706	1710	1825	1781	1709	1835	1842	1803	1850	1804
8	1664	1710	1719	1807	1753	1699	1824	1831	1792	1839
Middle Total	5139	5302	5333	5370	5344	5423	5515	5531	5492	5526
9	1802	1742	1798	1824	1889	1844	1787	1918	1925	1885
10	1759	1786	1741	1820	1854	1906	1860	1803	1935	1943
11	2102	1967	1974	1905	1824	1987	2042	1993	1932	2074
12	1807	1909	1845	1927	2016	1794	1954	2009	1960	1900
High School Total	7470	7404	7358	7476	7583	7530	7643	7723	7753	7801
Total	24861	25011	25107	25305	25231	25076	25215	25270	25305	25427
Change		150	96	198	-74	-155	140	54	35	122



2017-18 Planning Context

Strategic Context:

- Leverage priority actions for maximum gap narrowing impact
- Support opportunities to innovate for organizational learning
- Create a win/win on benefits redesign that supports a thriving workforce
- Re-engineer staffing process to improve efficiency, transparency and best use of resources

Developing Guiding Principles

2015-16

- Keep cuts away from classroom to extent possible
- Preserve priority actions to extent possible
- Maximize resources for greatest impact on student learning
- Keep multi-year perspective in mind

2016-17

- Allocate resources for greatest impact on students, raising achievement and narrowing gaps
- Sustain the focus and momentum of existing priority actions aimed at building capacity necessary to accelerate student achievement
- Maintain a multi-year perspective to support momentum and effective support to schools

2017-18

- Allocate resources for greatest impact on students, raising achievement and narrowing gaps
- Leverage priority actions to accelerate gap narrowing progress
- Maintain a multi-year perspective to propel momentum and effective support to schools
- Support opportunities to innovate for organizational learning

Developing Budget Goals

2015-16

- Alignment to the strategic framework
- Equitable use of resources
- Transparency in budget development

2016-17

- Close alignment to the strategic framework
- Support recruitment, selection and retention of high quality staff
- More equitable use of resources
- Transparency in budget development

2017-18

- Close alignment to the strategic framework goals
- Promote recruitment, selection and retention of high quality staff
- Demonstrate equitable use of resources to support schools with highest needs
- Improve transparency in budget development by focusing on the staffing process and more detailed cost per pupil reporting
- Begin budget development earlier to allow more time for strategic, pre-decisional input by Board and Community

STRATEGIC PRIORITY ACTIONS

2015-16 Priority Actions

- Quarterly Release - K-2 schools that receive intensive support
- Reading intervention K-8 at schools that receive intensive support – web-based program
- Leadership and instructional design for equity
- DLI/DBE Teacher Network for bi-literacy planning
- BEP Year 2
- ELL – DLI Planner
- Pathways – PD and ACP
- Comprehensive Counseling – Secondary
- AVID Expansion
- PD on Family Engagement
- Recruiting .5 FTE
- Begin wellness program
- Student-based budget model
- Tech Plan G1 w/ G2 PD

2016-17 Priority Actions

- Reading intervention
- Intensive support for middle schools
- Access to bilingual education
- Academic and career planning
- Personalized pathways development
- Parent academy
- Mentoring and youth leadership opportunities
- Community Schools
- Madison Out of School Time
- Wellness - Mindfulness
- Long-range facility planning
- Capital maintenance funding
- Alternative program locations
- Technology plan
- Family Youth and Community Engagement Coordinator

2017-18

2017-18 Developing Priority Actions

What strategic priority actions do you believe will significantly accelerate momentum towards achieving our framework goals?

- Teaching and Learning
- Professional Development
- Compensation
- Enrollment Strategy
- Operations
- Staffing Model
- Big Opportunities

Next Steps in Budget Development

- Adopt budget and levy for 2016-17
- Run budget v1 by October 31 (Internal Only)
- Key work streams for budget v2:
 - Goals, Principles & Priority Actions
 - Enrollment Projection
 - Benefits Design
 - E-Workbook Design
- November 8 Referendum
- November 14 Operations Work Group – Budget Design
- Run budget v2 by November 23