



**Oak Creek-Franklin
Joint School District**
BUILDING SUCCESSFUL FUTURES TOGETHER



Understanding the 2019-2020 Budget



**Budget Hearing
and**

Annual Meeting

Monday, August 26, 2019

7:00 PM

THE REASON



MISSION
Working together to engage, challenge and inspire every student every day.

- We **engage** our students with exceptional learning experiences and caring support.
- We **challenge** our students to set and achieve ever higher goals.
- We **inspire** our students to think critically, collaborate, communicate, and create.

VISION
Building Successful Futures Together

- Every student graduates **prepared to excel** at their school or career of choice with academic skills, as well as the ability to effectively communicate, collaborate, create, and think critically.
- Every student graduates with necessary civic, global and digital **skills capable of participating** safely, ethically, and productively in a profoundly different future.

CORE VALUES

- *Success of Every Student*
- *Respect & Integrity*
- *Continuous Improvement*
- *High Expectations*
- *Teamwork*
- *Safety*

 **Oak Creek-Franklin
Joint School District**
BUILDING SUCCESSFUL FUTURES TOGETHER

430 Educators

200 Support Staff

11 Facilities




6500 STUDENTS

Budget Hearing Objectives

- State of Wisconsin Biennium Budget & effects on OCFSD
- OCFSD 2019-20 Revenue Limit Projection
- Fund 10 & 27 Revenues and Expenses (Educational Operations)
- All other fund expenses
- Proposed Tax Levy
- Proposed Mill Rate
- Resident Comment

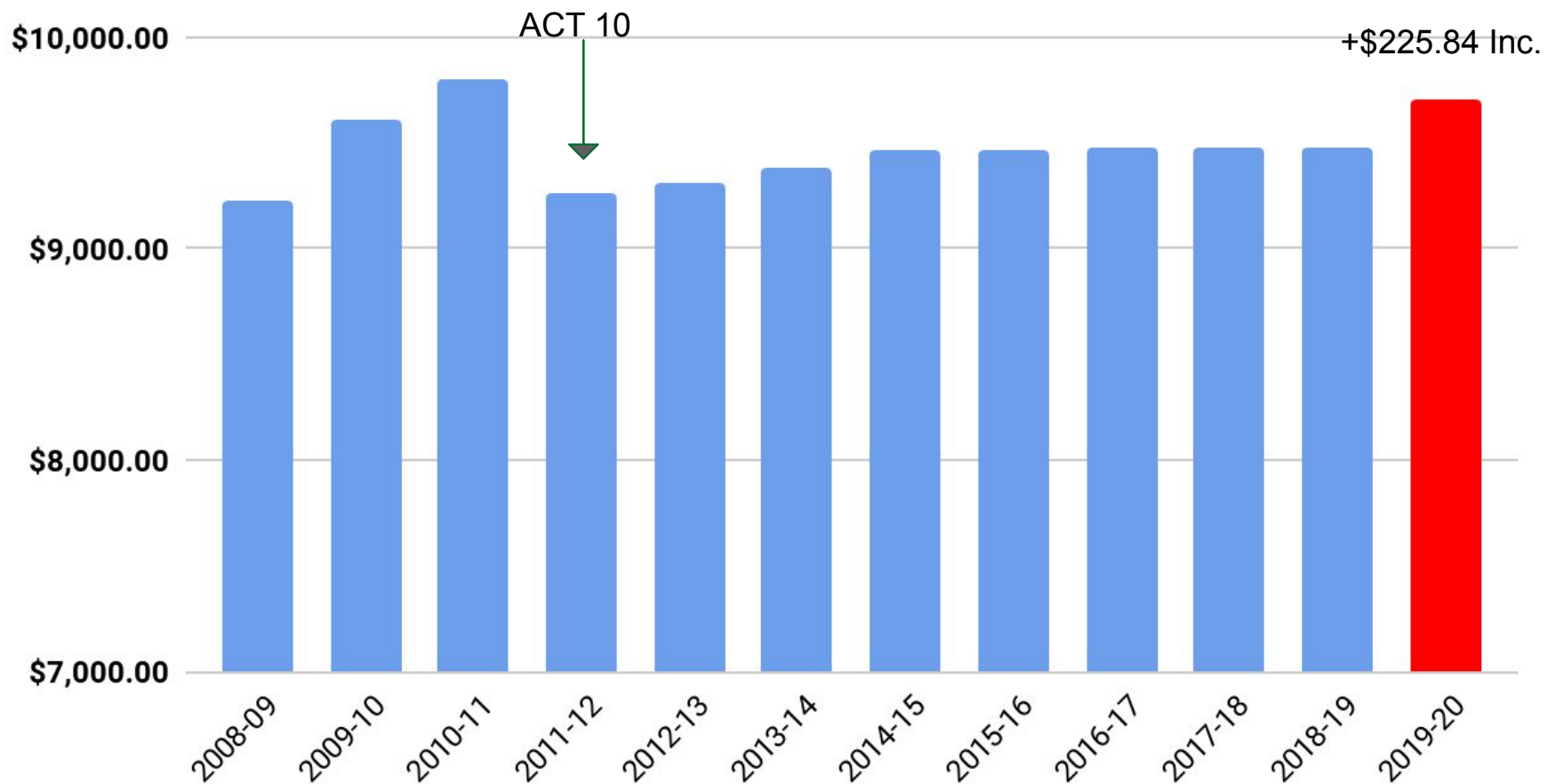
State Biennium Budget Adjustments

2019-2020

- Low Revenue Limit Ceiling = \$9,700
 - +\$225.84 / Student
 - +\$1,419,404 est. for OCF 
- Categorical Aid = \$742
 - +\$88 / Student
 - +\$553,080 est. for OCF 
- Special Education Reimbursement = 25.3% est.
 - + .55%
 - +\$38,900 est. for OCF 

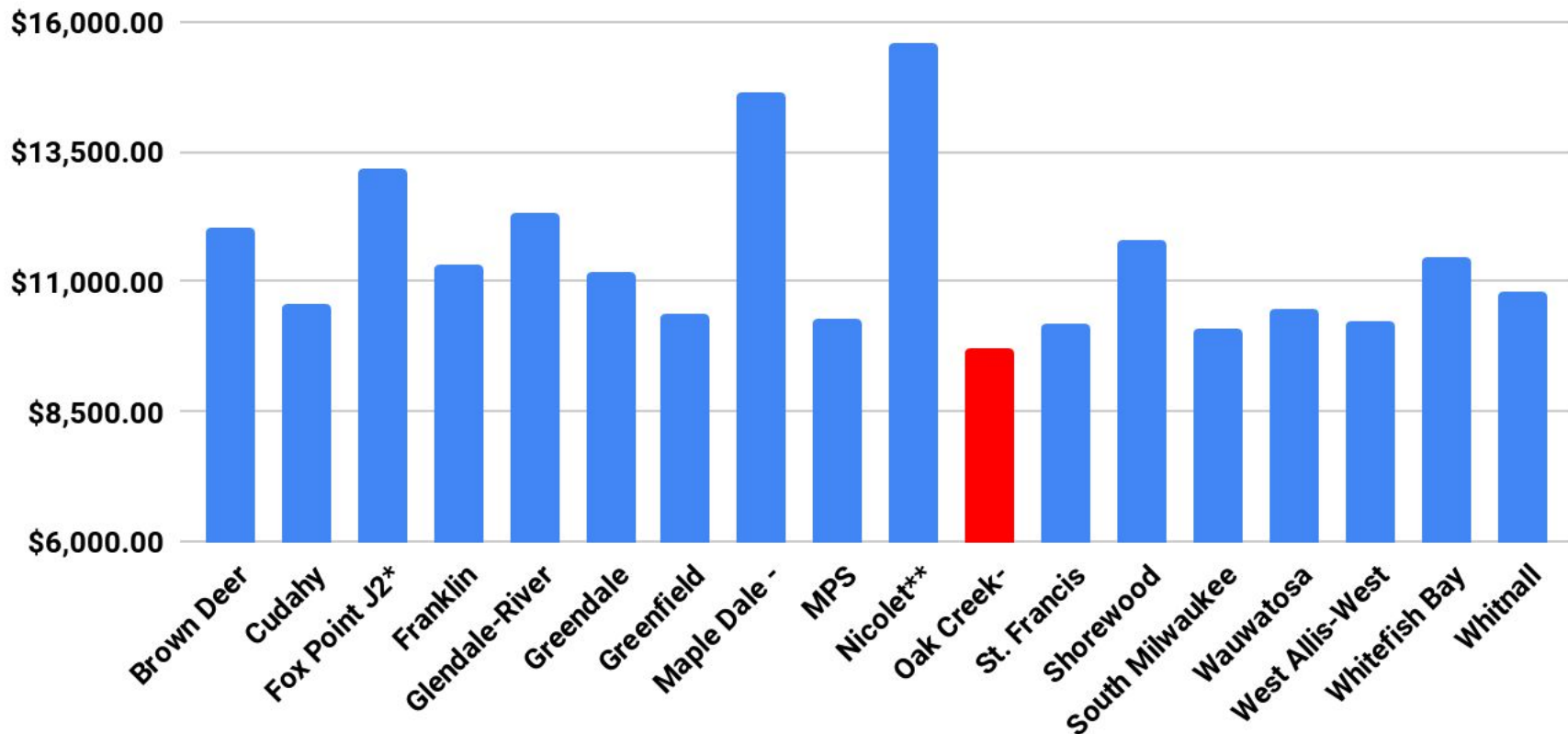
Revenue Limit Per Student History

OCFSD Revenue Limit \$ Per Resident Student



OCFSD Revenue Limit Per Student - Milwaukee County District Comparison

2019-20 Revenue Limit \$ per Resident Student

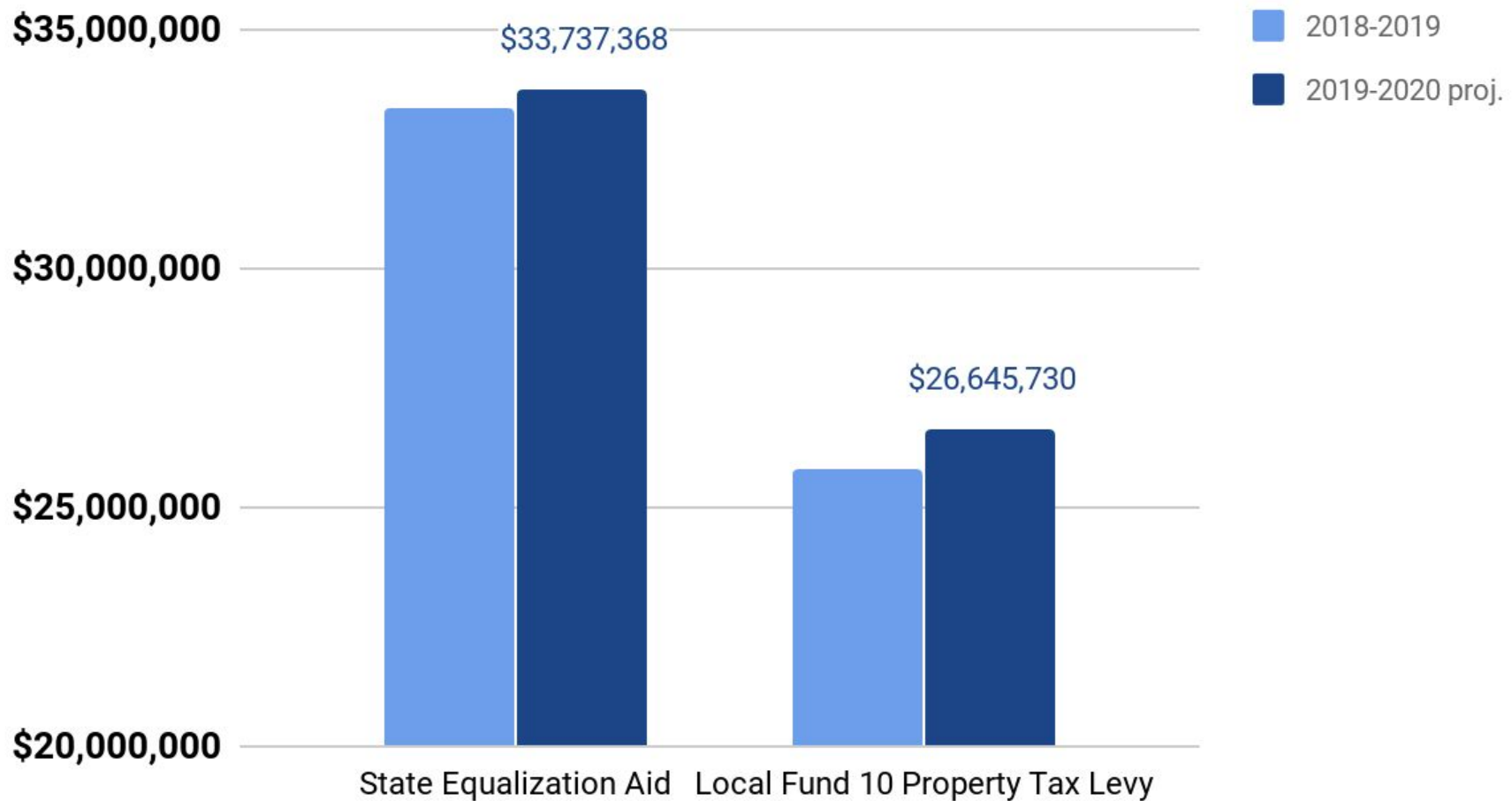


* K-8 District

**Union High School District

Revenue Limit Projection - Equalization Aid & Property Taxes

Equalization Aid & Local Fund 10 Property Tax Levy



Fund 10 Revenues - Projected

Fund 10 Revenue Breakdown

Other

6.4%

Open Enrollment

6.7%

Categorical Aid

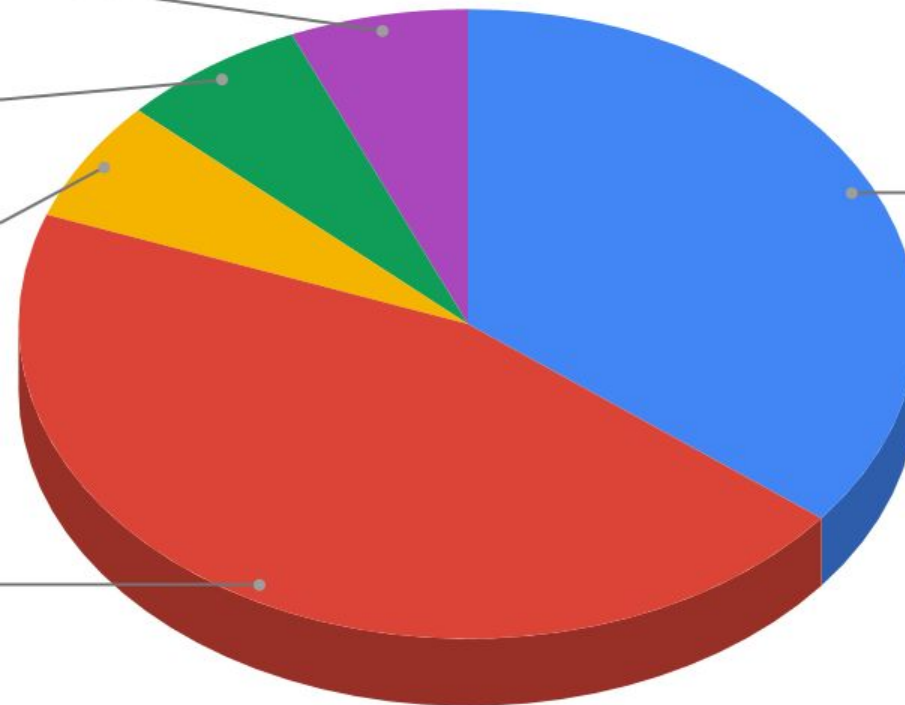
6.2%

State Gen. Aid

45.1%

Local Prop. Tax

35.6%



Fund 10 Revenues Cont. - Other

- Student Fees
- Other State Aids
 - Transportation
 - Common School Funds - *Library Aid*
 - Integration Aid
- Grants
 - Title I
 - Title II
 - Title III
 - Title IV
 - Carl Perkins
- Miscellaneous

Fund 10 Revenues Cont. - Projected

Fund 10 Revenues	2019-2020 Budget	Compared to 2018-2019
Property Taxes	\$26,645,730	+ \$842,635
Equalization Aid	\$33,737,368	+ \$958,881
Categorical Aid	\$4,663,470	+ \$549,810
Open Enrollment	\$5,022,424	+ \$624,925
Other	\$4,803,285	- \$556,687
Total	\$74,872,277	+ \$2,419,563.99

Fund 10 Expenses - Projected

Fund 10 Expense Breakdown

Transfers

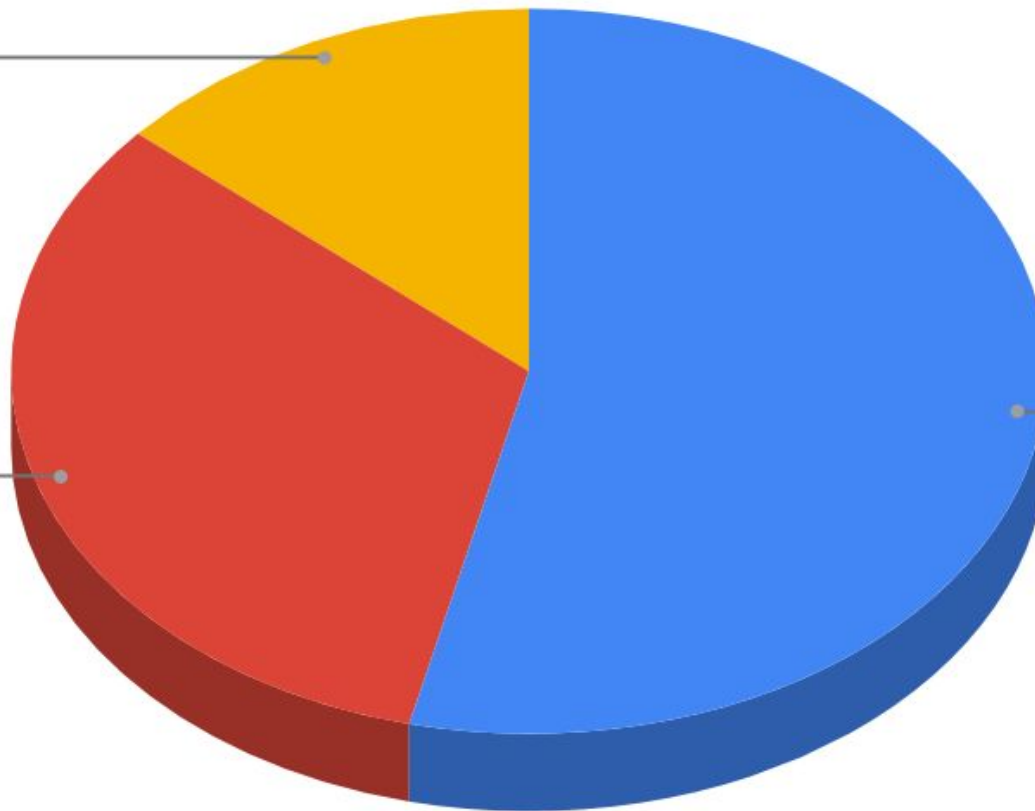
13.6%

Support Services

32.7%

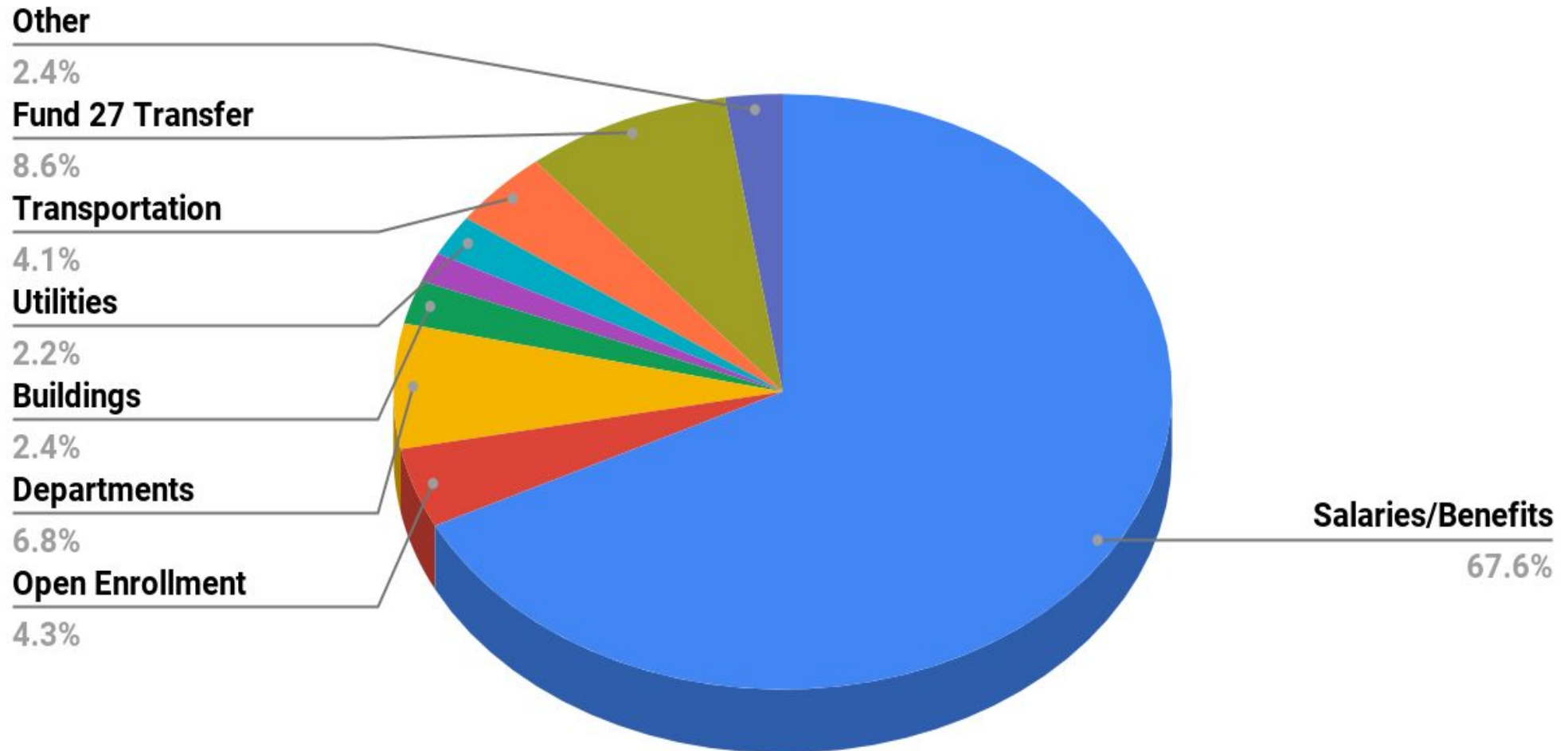
Instruction

53.7%



Fund 10 Expenses - Projected

Fund 10 Expense Breakdown



Fund 10 Expenses Cont.

- Instruction: Directly Instructing Students
- Support Services
 - Counselors, Psychologists, Social Workers, Nurses
 - Secretaries, Principals, Custodians, District Office Staff
- Non-Program Transactions
 - Transfers to Other Funds
 - Transfers to Other Districts (Open Enrollment)
 - Transfers to Other Schools (Special Education)

Fund 10 Expenses Cont. - Projected

Fund 10 Expenses	2019-2020 Budget	Compared to 2018-2019
Instruction	\$40,167,134	+ \$1,996,941.03
Support Services	\$24,421,740	+ \$324,635.52
Non-Program Transactions*	\$10,193,060	+ \$848,458.92
Total	\$74,781,934	+ \$3,170,035.47

***Includes \$6,414,998 Transfer to Fund 27 - Special Education**

Fund 10 Expenses Cont. - Assumptions

- Overall Compensation increase equal to 2.44% for all non-teachers and 3.44% for teachers
 - Pay is allocated on a performance based system
 - CPI for 2018 was 2.44%
- 8% health care premium increase with cash in lieu moving from \$2,000 to \$0
- Continue to fund Health Reimbursement Account (post employment, for future retirees) contribution of \$2.1 million
- Maintain fund balance that eliminates the need to short term borrow

Fund 27 Revenues - Projected

Fund 27 Revenue Breakdown

Other

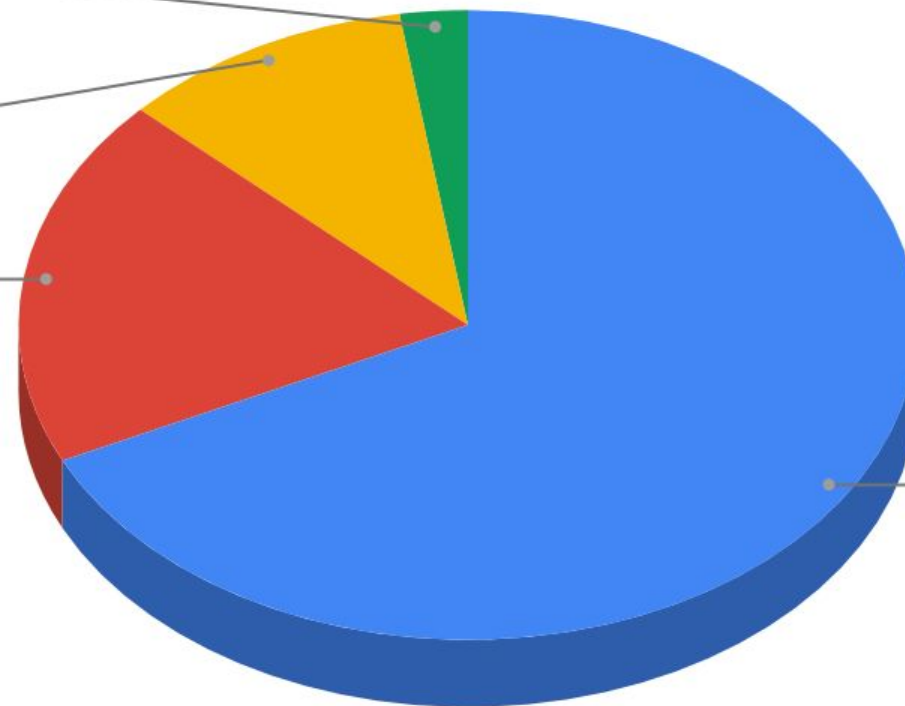
2.4%

Grants

10.6%

State Special

19.1%



Fund 10 Transfer

67.9%

Fund 27 Revenues Cont. - Projected

Fund 27 Revenues	2019-2020 Budget	Compared to 2018-2019
Fund 10 Transfer	\$6,414,998	+ \$903,362.17
State Special Education Aid	\$1,802,081	+ \$48,402
Grants	\$998,521	+ \$151,022.78
Other	\$230,500	- \$212,647.90
Total	\$9,446,100	+ \$890,139.05

Fund 27 Expenses - Projected

Fund 27 Expense Breakdown

Fund Transfers

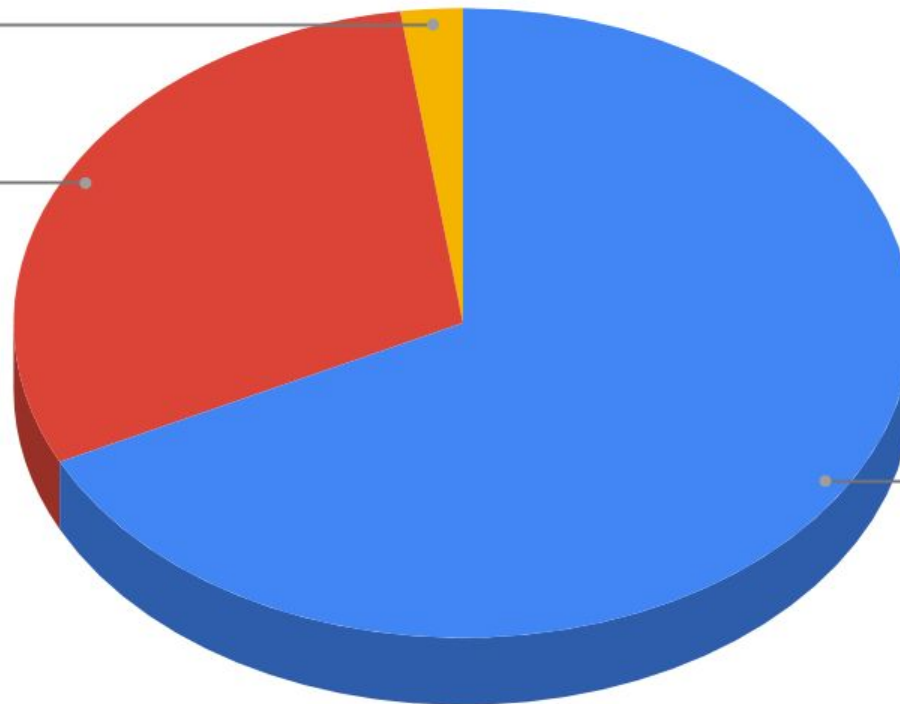
2.2%

Support Services

30.0%

Instruction

67.7%



Fund 27 Expenses - Projected

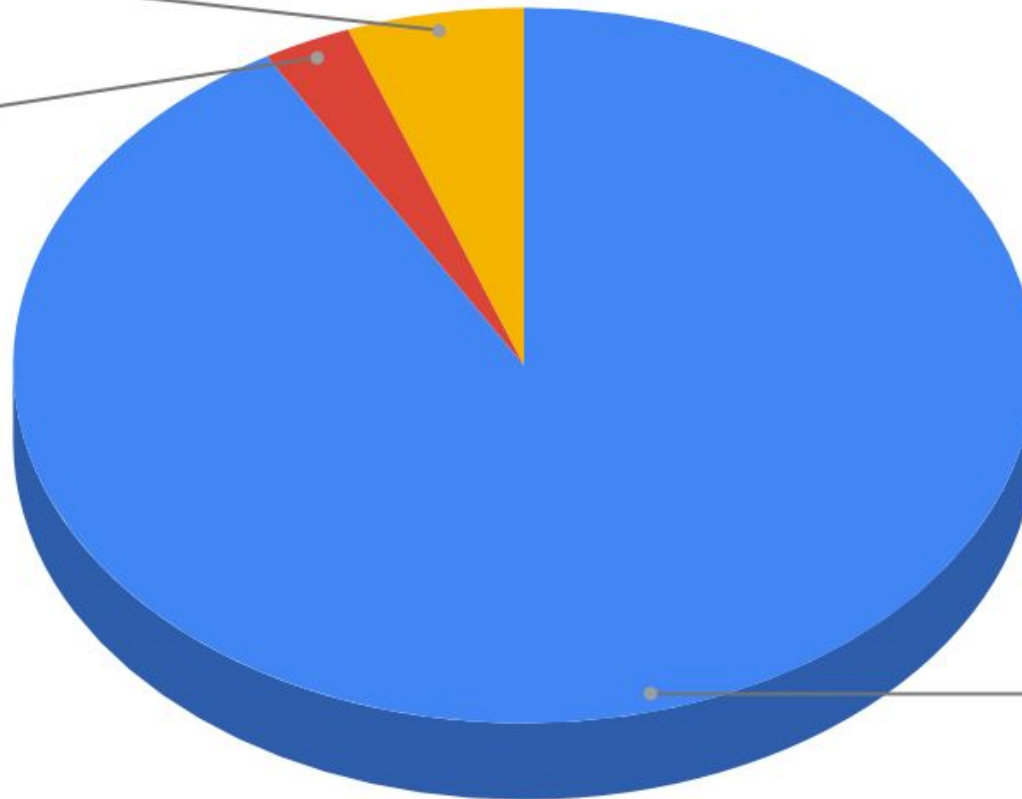
Fund 27 Expense Breakdown

Other

5.6%

Transportation

2.8%



Salaries/Benefits

91.6%

Fund 27 Expenses Cont. - Projected

Fund 27 Expenses	2019-2020 Budget	Compared to 2018-2019
Instruction	\$6,397,152	+ \$435,544.31
Support Services	\$2,838,308	+ \$604,461.78
Non-Program Transactions*	\$210,640	- \$21,850.52
Total	\$9,446,100	+ \$1,018,155.57

Fund 27 Expenses Cont. - Assumptions (Mirrors Fund 10)

- Overall Compensation increase equal to 2.44% for all non-teachers and 3.44% for teachers
 - Pay is allocated on a performance based system
 - CPI for 2018 was 2.44%
- 8% health care premium increase with cash in lieu moving from \$2,000 to \$0
- Continue to fund Health Reimbursement Account (post employment, for future retirees) contribution of \$2.1 million
- Maintain fund balance that eliminates the need to short term borrow

Expenditures - All Funds

Funds	2018-19 Unaudited	2019-20 Budget
General (10)	\$71,611,898.53	\$74,781,934
Special Education/Projects (20)	\$8,534,997.88	\$9,446,100
Debt Service (30)	\$7,958,800.56	\$12,562,935
Capital Projects (40)	\$8,513,037.21	\$19,975,000
Food Service (50)	\$2,418,696.93	\$2,467,005
Community Service (80)	\$1,087,877.41	\$1,248,442

All Funds Total & Other Financing Uses

Funds	2018-19 Unaudited	2019-20 Budget
Gross Total All Funds	\$100,125,308.52	\$120,481,416
Less: Interfund Transfer	(\$6,139,624.83)	(\$6,474,417)
Less: Refinancing	(\$0)	(\$2,310,000)
Net Total	\$93,985,683.69	\$111,696,999
% Change from Prior Year	5.20%	18.84%

***2019-20 budget increase = 6.97% if referenda capital projects are removed when compared to 2018-19, and 5.32% if refinancing removed.**

2019-20 Proposed Tax Levy

- Waiting for Two Critical Pieces of Information
 - ❑ 3rd Friday Count - September 20
 - ❑ State Aid Certification - October 15
- Property Value Assumption
 - ❑ Using a 2.5% Equalized Property Value Growth as a conservative estimate of the previous 5 years
 - ❑ State Property Valuation provided Oct. 1, 2020
- The Final Tax Levy is determined using the REVENUE LIMIT CALCULATION

2019-20 Proposed Tax Levy - Cont.

	2018-19	2019-20 Proposed	2019-20 % Change
General Fund	\$25,658,807	\$26,474,605	+3.18%
Non-Referendum Debt	\$924,375	\$952,636	+3.06%
Referendum Debt	\$6,732,193	\$9,209,073	+36.79%
Community Service	\$0	\$194,467	N/A
State Voucher Program	\$146,822	\$200,000	+36.22%
TOTAL	\$33,462,197	\$37,030,781	
% Change from Prior Year	+1.66%	+10.67%	

2019-20 Projected Mill Rate

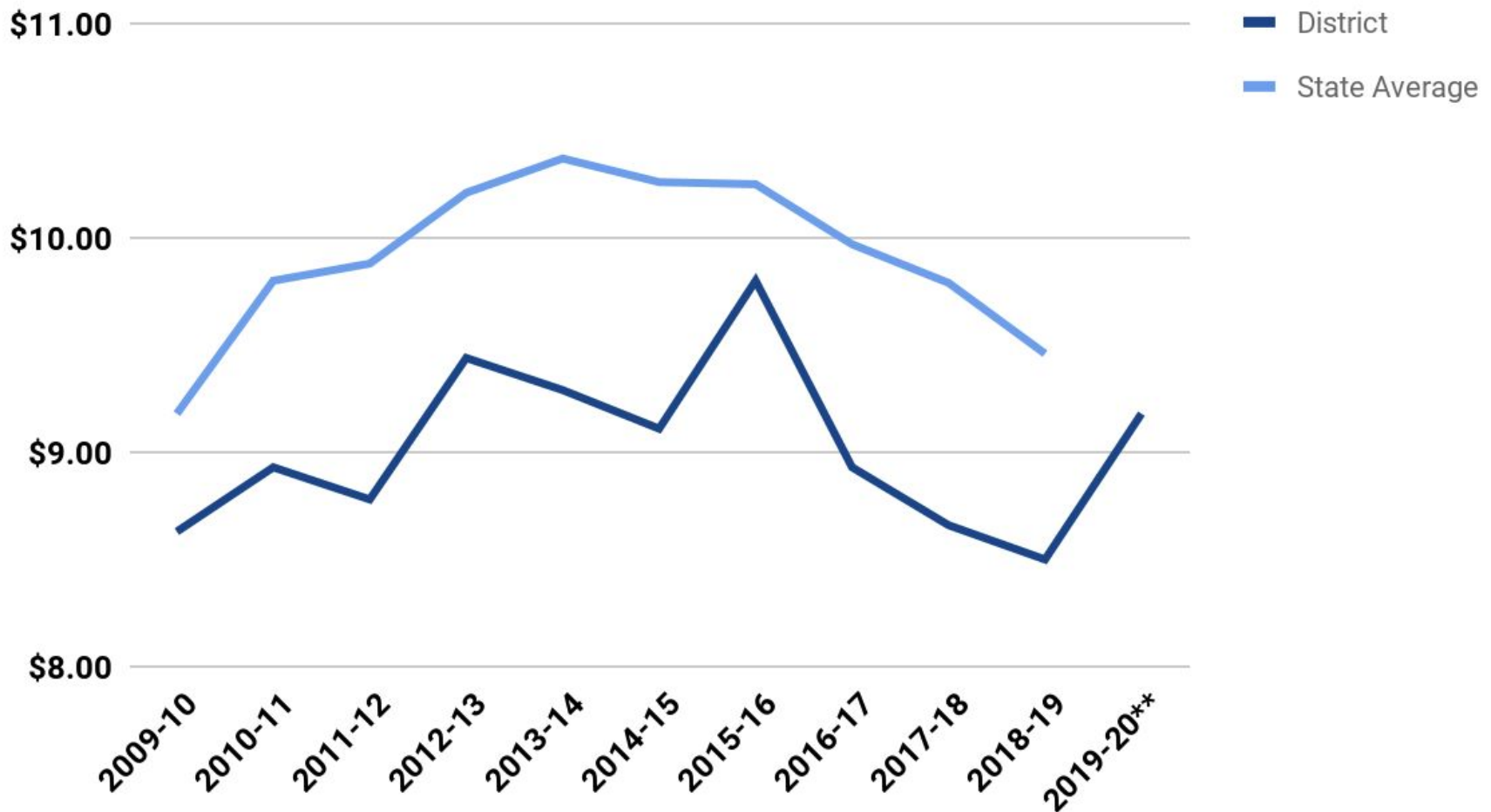
	2017-18	2018-19	2019-20 Projected
Equalized Property Value	\$3,802,114,900	\$3,935,149,675	\$4,033,528,417
Mill Rate: General Education	\$6.80	\$6.56	\$6.61
Mill Rate: Non-Referendum Debt	\$0.10	\$0.23	\$0.24
Mill Rate: Referendum Debt	\$1.76	\$1.71	\$2.28
Mill Rate: Community Services	\$0.00	\$0.00	\$0.05
Mill Rate: TOTAL	\$8.66	\$8.50	\$9.18
Mill Rate TOTAL % Change from Prior Year	-3.03%	-1.85%	8.00%

2019-20 Projected Tax Impact

	<i>2018-19</i>	2019-20	Difference
Home Value	<i>\$100,000</i>	\$100,000	\$0
Mill Rate	<i>\$8.50</i>	\$9.18	+\$0.68
School Property Taxes / Year	<i>\$850</i>	\$918	+\$68.00
Average Home Value	<i>\$225,000</i>	\$225,000	\$0
Mill Rate	<i>\$8.50</i>	\$9.18	+\$0.68
School Property Taxes / Year	<i>\$1,912.50</i>	\$2,065.50	\$153.00

District Mill Rate History

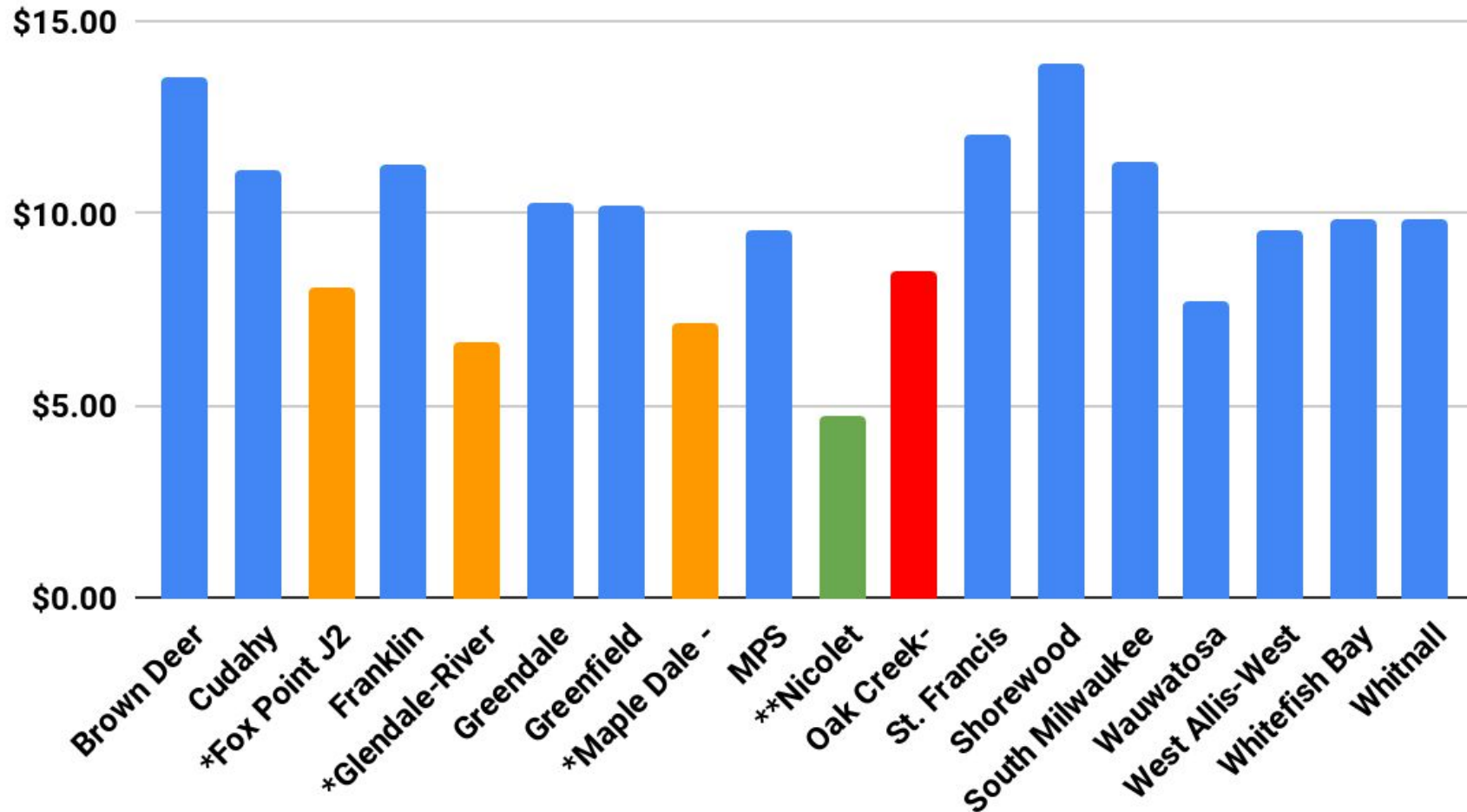
10 Year Mill Rate History



OCFSD Mill Rate - Milwaukee County

I

2018-19 Mill Rate per District



* K-8 District

**Union High School District

Public Comment

Please limit comments to 3 minutes per citizen
to allow time for others to speak.

Thank you

Budget Adoption

I move to adopt the budget as presented on pages 10-11 of the 2019-2020 Budget Hearing and 38th Annual Meeting packet.



**Oak Creek-Franklin
Joint School District**

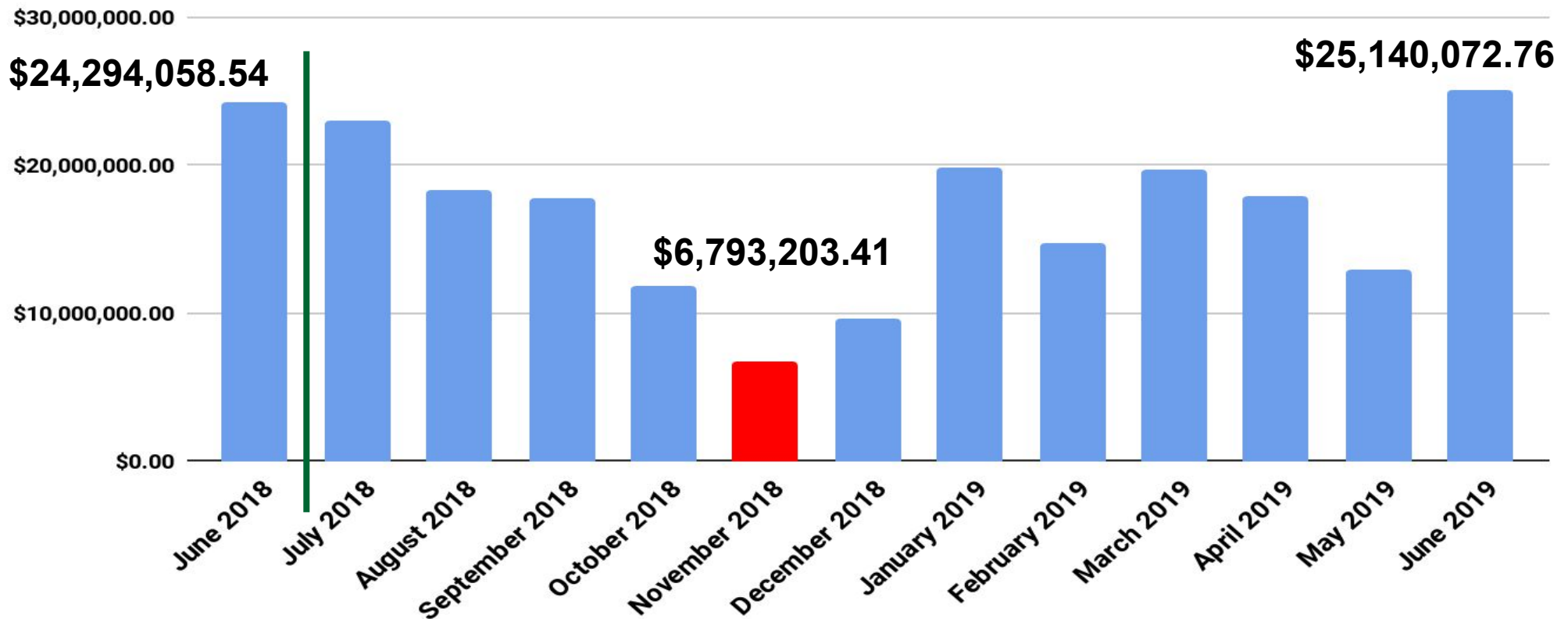
BUILDING SUCCESSFUL FUTURES TOGETHER

2018-19 Treasurer's Report Unaudited

Fund 10 & 27 (Operating Funds)

Fund Balance by Month

Monthly Fund Balance Review



Fund 10 & 27 Fund Balance - WHY?

1. Eliminates the need to short term borrow
 - saves from paying **unbudgeted** interest expense to bank
2. \$424,968.97 generated in interest earnings
 - a. generates funds to apply to district **budgeted** operations
 - b. 2018-19 equates to approximately 5+ teachers with full benefits

Fund 10 & 27 Fund Balance - WHY?

3. Allows the district the opportunity to complete projects without borrowing

Fund 10 & 27 Fund Balance - WHY?



**LED Lights - WMS & EMS =
\$844,000**



**Knights
Construction
Lots = \$225,380**



**HS Scoreboard =
\$350,000**

Fund Balance Designations

Non-Spendable Fund Balance (935000)

- Prepaid Expenses (retiree health/multi year contracts)
- Inventory-intended use within 1 year

Restricted Fund Balance (936000)

- Specific spending requirements or designated funds
 - ☐ 38 non-referendum debt
 - ☐ 39 referendum debt
 - ☐ 46 long term capital improvement
 - ☐ 49 referendum projects

Committed Fund Balance (937000)

- 21 special projects

Assigned Fund Balance (938000)

- Encumbrances
- Self Funded Health/Dental Reserve
- Building Budget Carryover

Unassigned Fund Balance (939000)

Unaudited Treasurer's Report for 2018-19 - Beginning Fund Balance

Beginning Fund Balance as of 7/1/2018	General Operating Fund (10)	All Other Funds	Total
Nonspendable Fund Balance (935000)	\$992,088.03	\$14,016.12	\$1,006,104.15
Restricted Fund Balance (936000)	\$0.00	\$19,664,127.03	\$19,664,127.03
Committed Fund Balance (937000)	\$0.00	\$190,000.00	\$190,000.00
Assigned Fund Balance (938000)	\$295,748.01	\$258,584.18	\$554,332.19
Unassigned Fund Balance	\$23,006,222.50	\$21,481.66	\$23,027,704.16
Total Fund Balance	\$24,294,058.54	\$20,148,208.99	\$44,442,267.53

Unaudited Treasurer's Report for 2018-19 - Revenues

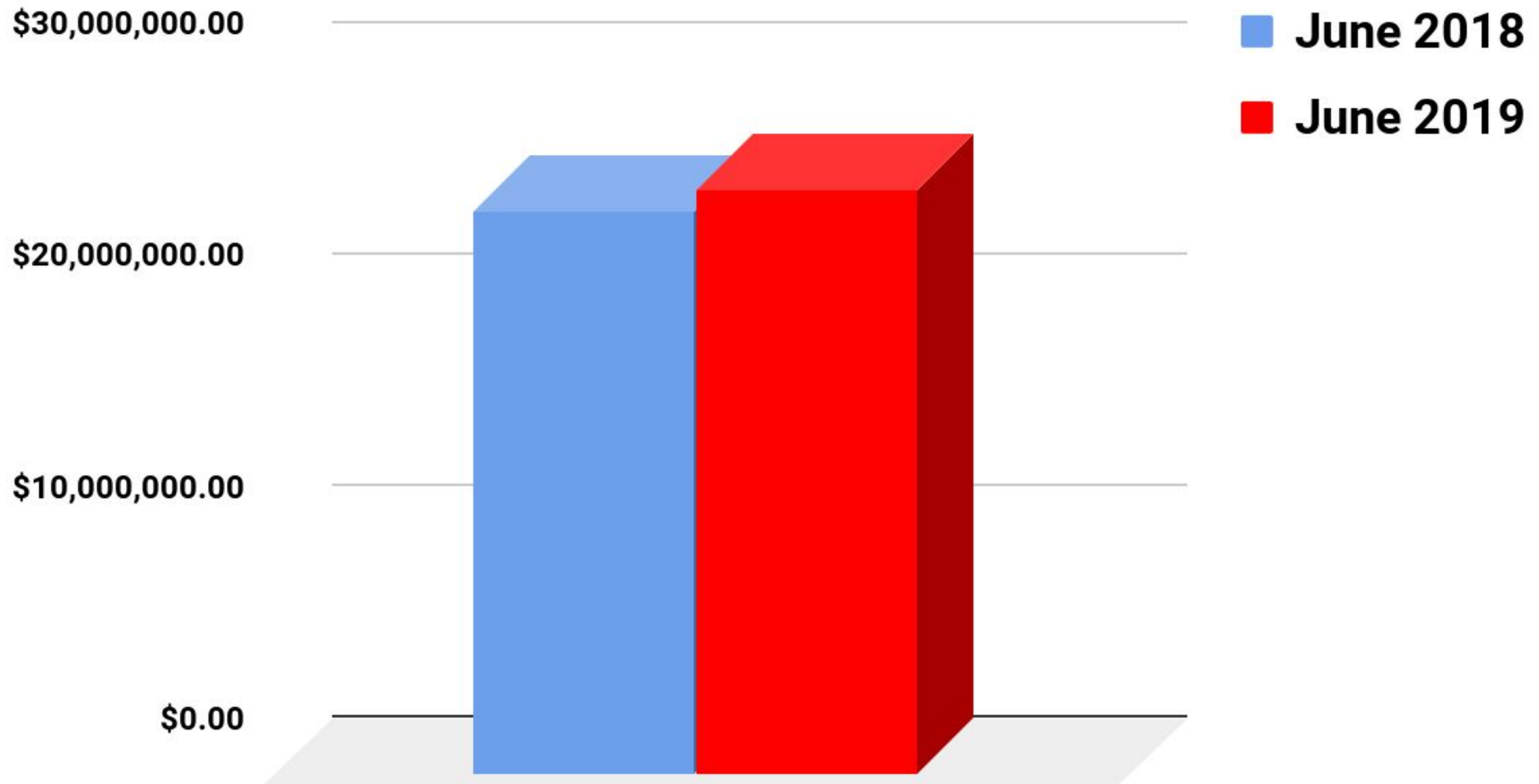
	General Operating Fund	All Other Funds	Total
General Fund (10)	\$72,457,912.75		\$72,457,912.75
Special Education/Projects (20s)		\$8,496,914.99	\$8,496,914.99
Debt Service Fund (30s)		\$8,424,298.04	\$8,424,298.04
Capital Projects Fund (40s)		\$35,488,119.49	\$35,488,119.49
Food Service Fund (50)		\$2,452,181.88	\$2,452,181.88
Community Service Fund (80)		\$1,104,079.04	\$1,104,079.04
Total	\$72,457,912.75	\$55,965,593.44	\$128,423,506.19
Less: Interfund Transfers	<u>\$0.00</u>	<u>\$6,080,578.87</u>	<u>\$6,080,578.87</u>
Total Funds Available	\$72,457,912.75	\$49,885,014.57	\$122,342,927.32

Unaudited Treasurer's Report for 2018-19 - Expenses

	General Operating Fund	All Other Funds	Total
General Fund (10)	\$71,611,898.53		\$71,611,898.53
Special Education/Projects (20s)		\$8,475,951.92	\$8,475,951.92
Debt Service Fund (30s)		\$7,958,800.56	\$7,958,800.56
Capital Projects Fund (40s)		\$8,513,037.21	\$8,513,037.21
Food Service Fund (50)		\$2,418,696.93	\$2,418,696.93
Community Service Fund (80)		\$1,087,877.41	\$1,087,877.41
Total	\$71,611,898.53	\$28,454,364.03	\$100,066,262.56
Less: Interfund Transfers	\$6,080,578.87	\$0.00	\$6,080,578.87
Less: Refinancing	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total Funds Expended	\$65,531,319.66	\$28,454,364.03	\$93,985,683.69

Fund 10 & 27 (Operating Funds)

Fund 10 & 27 Yearly Fund Balance Comparison



Unaudited Treasurer's Report for 2018-19 - Ending Fund Balance

Beginning Fund Balance as of 6/30/2018	General Operating Fund (10)	All Other Funds	Total
Nonspendable Fund Balance (935000)	\$992,088.03	\$14,016.12	\$1,006,104.15
Restricted Fund Balance (936000)	\$769,102.16	\$47,104,706.79	\$47,873,8008.95
Committed Fund Balance (937000)	\$0.00	\$190,000.00	\$190,000.00
Assigned Fund Balance (938000)	\$295,748.01	\$300,306.39	\$596,054.40
Unassigned Fund Balance	\$23,083,134.56	\$75,929.68	\$23,159,064.24
Total Fund Balance	\$25,140,072.76	\$47,684,958.98	\$72,825,031.74

Board Approved Fund Balance Projects

- West Middle School LED Lighting
- Oak Creek High School Athletic Scoreboards (Football Stadium, Gymnasiums)
- Knight's Construction Lots on Shepard Avenue

*Repayment plans approved with each fund balance project