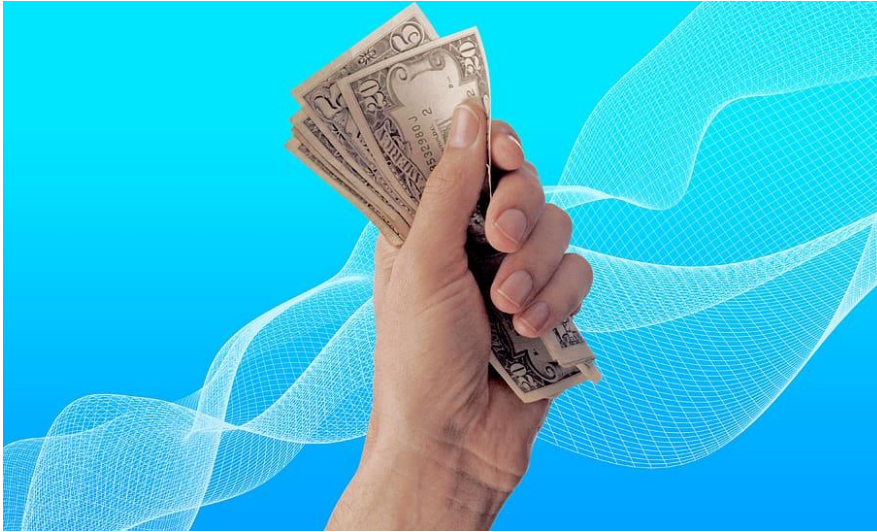




**Oak Creek-Franklin
Joint School District**
BUILDING SUCCESSFUL FUTURES TOGETHER



Grasping the 2020-2021 Budget

**Budget Hearing
and**

Annual Meeting

Monday, August 24, 2020

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


- Understand the State Budget and effects on OCFSD
- OCFSD 2020-21 Revenue Limit Projection and effect on local property taxes
- Fund 10 & Fund 27 Revenues and Expenses (Educational Operation Funds)


Budget Hearing Objectives Cont.


- All other Fund Expenses and Revenues
- Proposed Tax Levy
- Proposed Mill Rate
- Provide Opportunity for Residents to Comment

2019-2021 State Budget Adjustments to Education

2020-2021

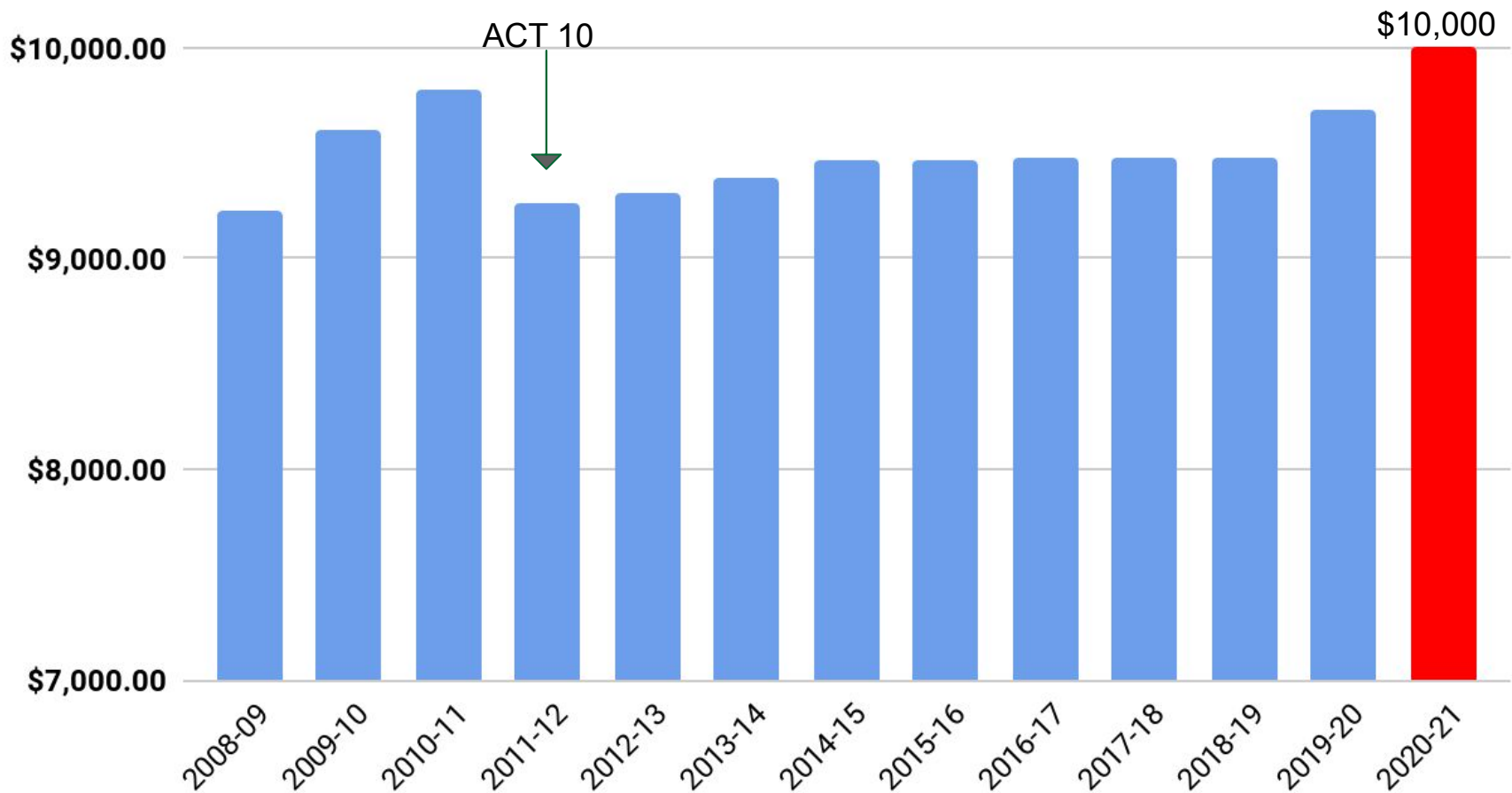
- Low Revenue Limit Ceiling = \$10,000
 - +\$300.00 / Student
 - +\$1,858,500 est. for OCF 

- Categorical Aid = \$742 (same as 2019-20)
 - +\$0 / Student
 - +\$0 est. for OCF 

- Special Education Reimbursement = 30% est.
 - + 4.7%
 - +\$335,000 est. for OCF 

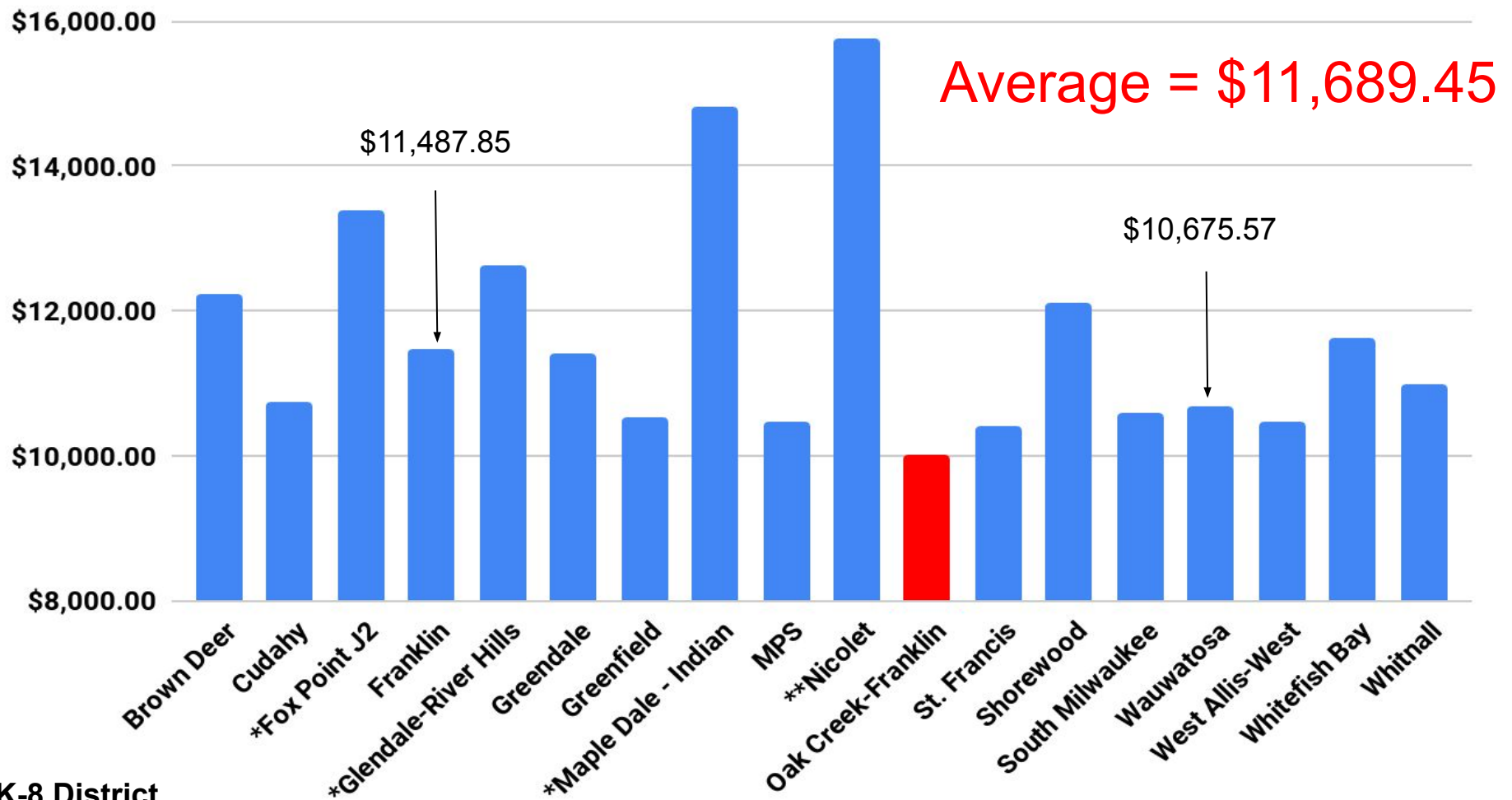
OCFSD Revenue Limit Per Student History

OCFSD Revenue Limit \$ Per Resident Student



OCFSD Revenue Limit Per Student - Milwaukee County District Comparison

2020-21 Revenue Limit \$ per Resident Student

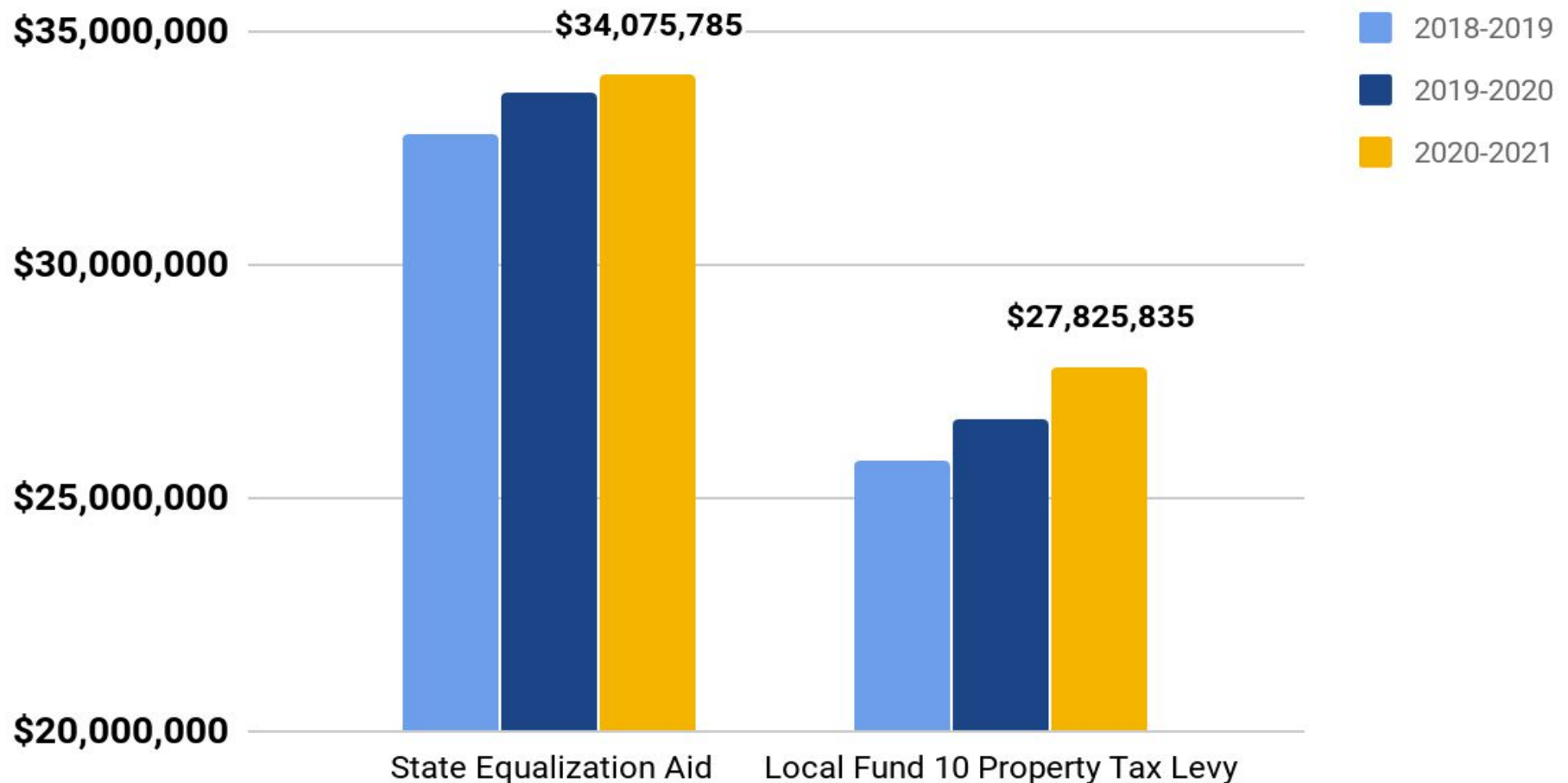


* K-8 District

**Union High School District

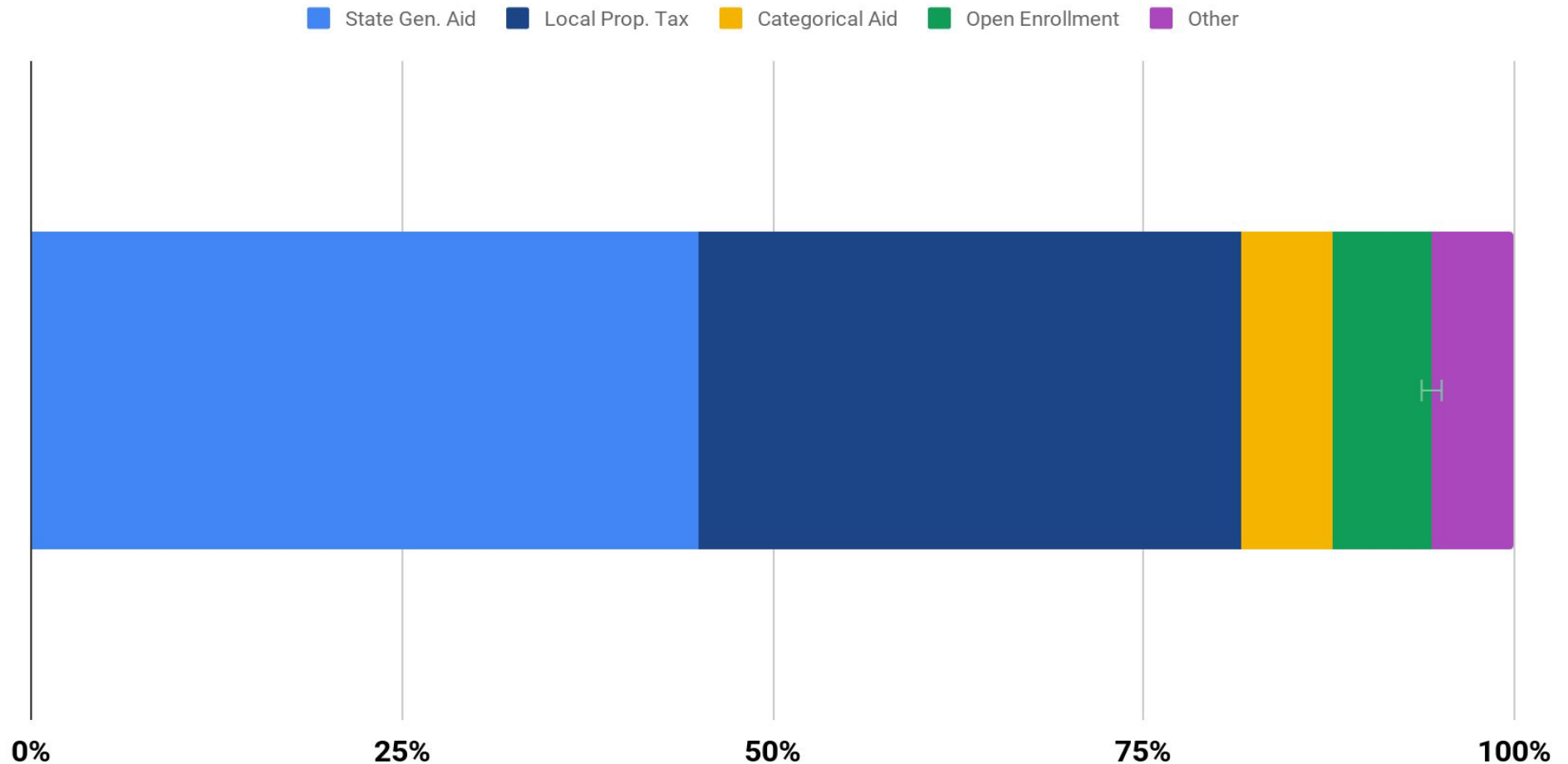
Revenue Limit Projection - Equalization Aid & Property Taxes

Equalization Aid & Local Fund 10 Property Tax Levy



Fund 10 Revenues - Projected

2020-21 Fund 10 Revenue Projection



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	2020-2021 Budget	Compared to 2019-2020 Unaudited
Property Taxes	\$27,825,835	+ \$1,141,595
Equalization Aid	\$34,075,785	+ \$368,352
Categorical Aid	\$4,596,690	- \$41,552
Open Enrollment	\$5,098,077	+ \$373,756
Other	\$4,218,717	- \$1,156,408
Total	\$75,815,104	+ \$685,743

Fund 10 Expenses - Projected

Fund 10 Expense Breakdown

Transfers

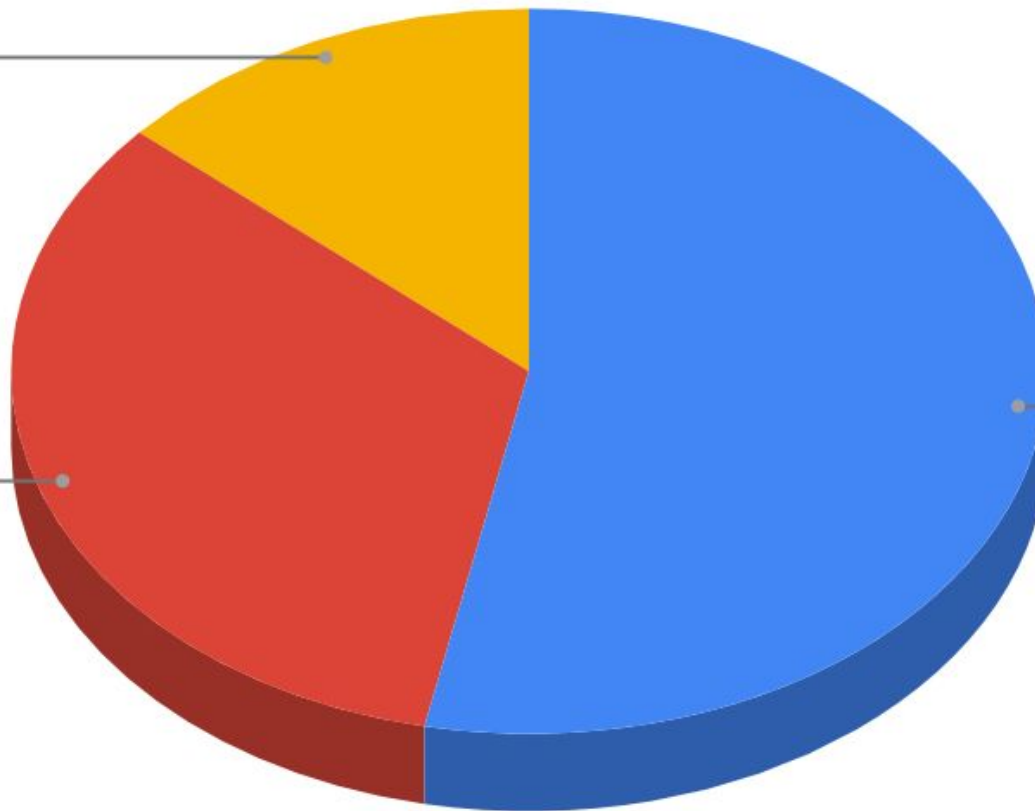
13.6%

Support Services

33.2%

Instruction

53.2%



Fund 10 Expenses Cont. - Projected

- 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)

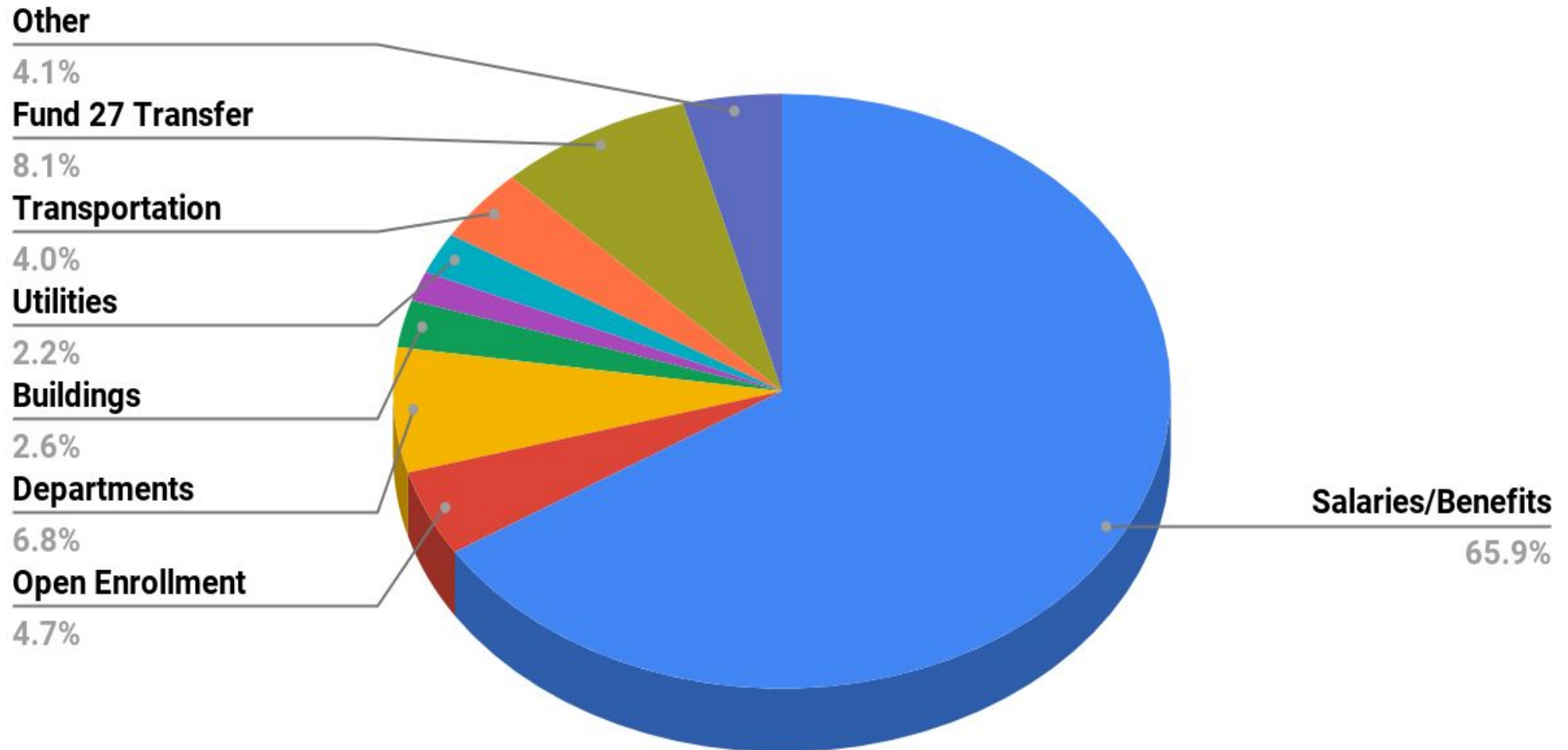
Fund 10 Expenses Cont. - Projected

Fund 10 Expenses	2020-2021 Budget	Compared to 2019-2020
Instruction	\$40,061,748	+ \$1,494,464
Support Services	\$24,992,539	+ \$1,103,084
Non-Program Transactions	\$10,203,797*	- \$682,497
Total	\$75,258,084	+ \$1,915,051

***Includes \$6,112,010 Transfer to Fund 27 - Special Education**

Fund 10 Expenses Cont. - Projected

Fund 10 Expense Breakdown



Fund 10 Expenses Cont. - Assumptions

- Overall Compensation increase equal to 0% for all non-teachers and 1.0% for teachers
 - Teacher allocation is used to operate teacher compensation plan
- 4% health care premium increase
- 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

2.7%

Grants

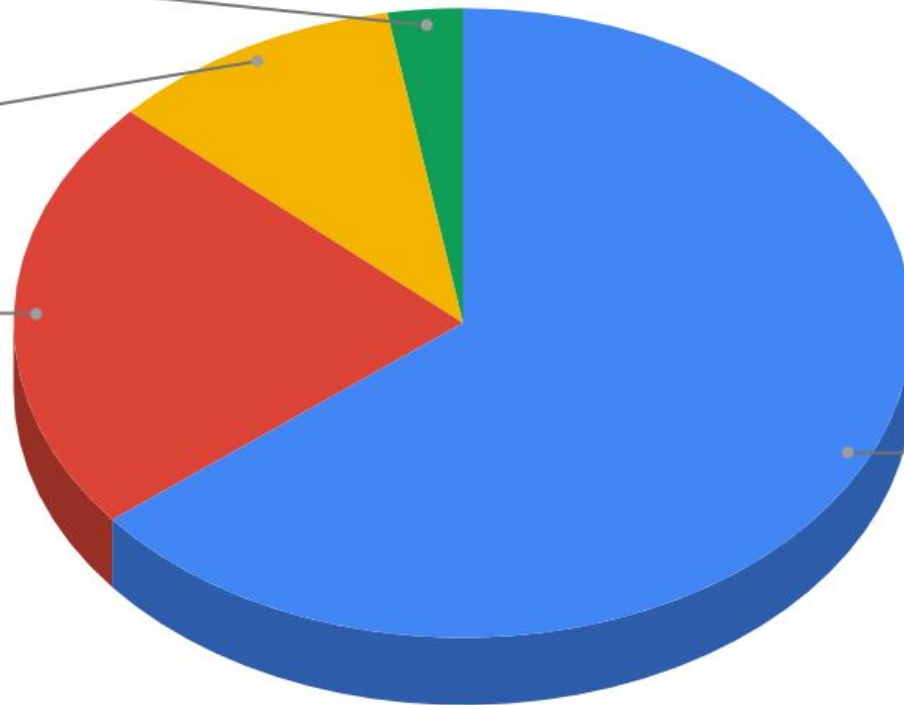
10.6%

State Special

22.5%

Fund 10 Transfer

64.2%



Fund 27 Revenues Cont. - Projected

Fund 27 Revenues	2020-2021 Budget	Compared to 2019-2020 Unaudited
Fund 10 Transfer	\$6,112,010	+ \$214,425
State Special Education Aid	\$2,136,854	+ \$331,633
Grants	\$1,007,433	- \$81,173
Other	\$256,600	+ \$18,722
Total	\$9,512,897	+ \$483,607

Fund 27 Expenses - Projected

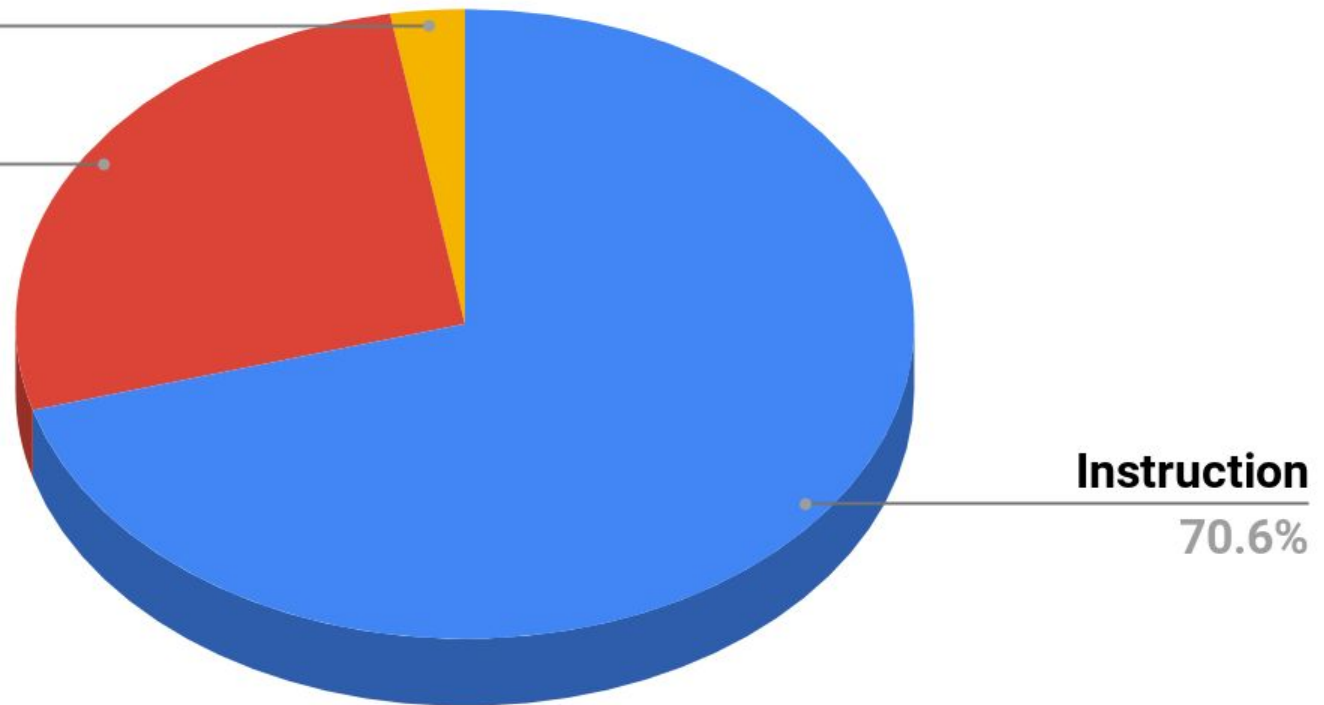
Fund 27 Expense Breakdown

Fund Transfers

2.7%

Support Services

26.7%



Fund 27 Expenses Cont. - Projected

Fund 27 Expenses	2020-2021 Budget	Compared to 2019-2020 Unaudited
Instruction	\$6,714,843	+ \$286,497
Support Services	\$2,544,054	+ \$207,831
Non-Program Transactions*	\$254,000	- \$10,721
Total	\$9,512,897	+ \$483,607

Fund 27 Expenses - Projected

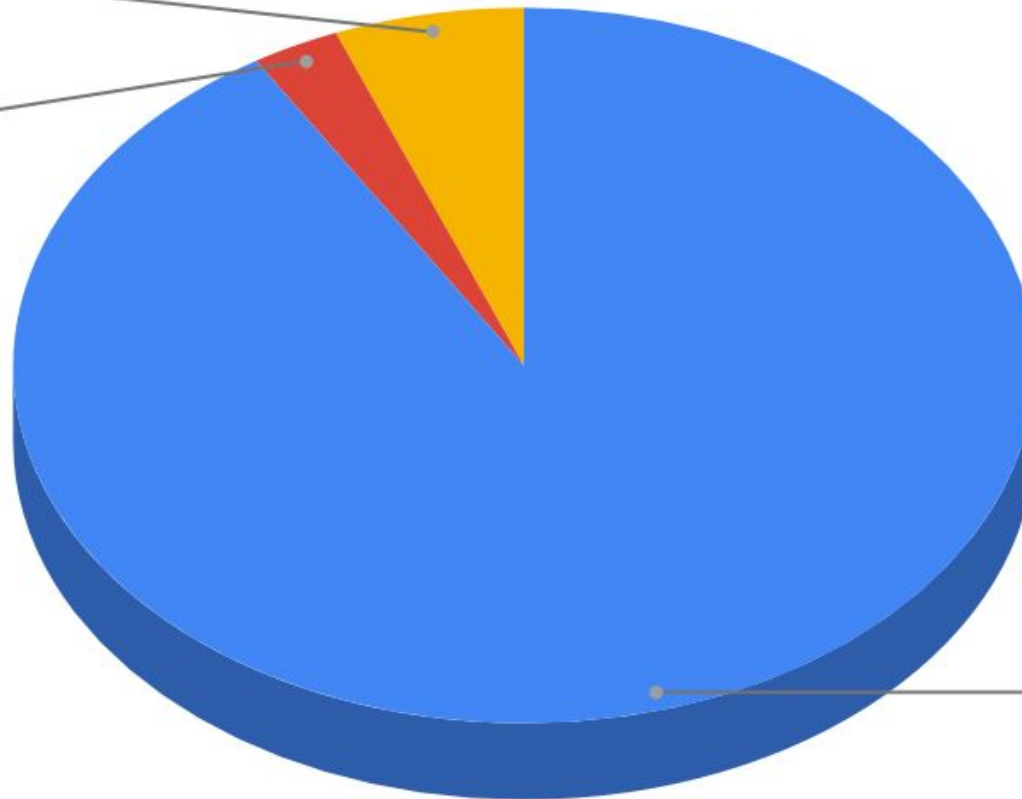
Fund 27 Expense Breakdown

Other

6.0%

Transportation

2.8%



Salaries/Benefits

91.2%

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

- Overall Compensation increase equal to 0% for all non-teachers and 1.0% for teachers
 - Teacher allocation is used to operate teacher compensation plan
- 4% health care premium increase
- 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 10 & 27 - Final Thoughts

Current Budget = +\$557,020

Possibility of 2020-21 State Budget Repair Bill

Discussions for upcoming 2021-2023
Biennium Bill

Fund 10 & 27 - Final Thoughts cont.

Edmentum - Virtual Learning = (\$1,250,000)

Additional Virtual/Remote Learning Staff = (\$502,610)

CARES ACT FUNDING = \$425,351

Expenditures - All Funds

Funds	2020-2021 Budget	2019-2020 Unaudited
General (10)	\$75,258,084	\$73,343,033.00
Special Education/Projects (20)	\$9,512,897	\$10,214,666.42
Debt Service (30)	\$11,225,811	\$32,551,736.60
Capital Projects (40)	\$30,450,000	\$32,683,266.87
Food Service (50)	\$2,573,092	\$2,103,648.15
Community Service (80)	\$1,229,000	\$1,094,860.32

All Funds Total & Other Financing Uses

Funds	2020-2021 Budget	2019-2020 Unaudited
Gross Total All Funds	\$130,248,884	\$151,991,211.36
Less: Interfund Transfer	(\$6,112,010)	(\$7,114,175.64)
Less: Refinancing	(\$0)	(\$20,352,286.10)
Net Total	\$124,136,874	\$124,524,749.62
% Change from Prior Year	-0.31%	32.49%

2020-21 Proposed Tax Levy

- Waiting for Two Critical Pieces of Information
 - ❑ 3rd Friday Count - September 18
 - ❑ State Aid Certification - October 15
- Property Value Assumption
 - ❑ Using a 2% 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

2020-2021 Proposed Tax Levy - Cont.

	2020-2021 Proposed	2019-2020 Actual	2020-2021 % Change
General Fund	\$27,485,835	\$26,384,002	+4.18%
Non-Referendum Debt	\$1,179,950	\$925,623	+27.48%
Referendum Debt	\$9,579,529	\$9,209,073	+4.02%
Community Service	\$217,048	\$194,467	+11.61%
State Voucher Program	\$340,000	\$305,610	+11.25%
TOTAL	\$38,802,362	\$37,018,775	4.82%

2020-2021 Projected Mill Rate

	2020-2021 Projected	2019-2020	2018-2019
Equalized Property Value	\$4,260,964,003	\$4,177,415,689	\$3,935,149,675
General Education	\$6.45	\$6.32	\$6.52
Non-Referendum Debt	\$0.28	\$0.22	\$0.23
Referendum Debt	\$2.25	\$2.20	\$1.71
Community Services	\$0.05	\$0.05	\$0.00
State Voucher Program	\$0.08	\$0.07	\$0.04
Mill Rate: TOTAL	\$9.11	\$8.86	\$8.50
Mill Rate TOTAL % Change from Prior Year	+2.78%	+4.25%	-1.81%

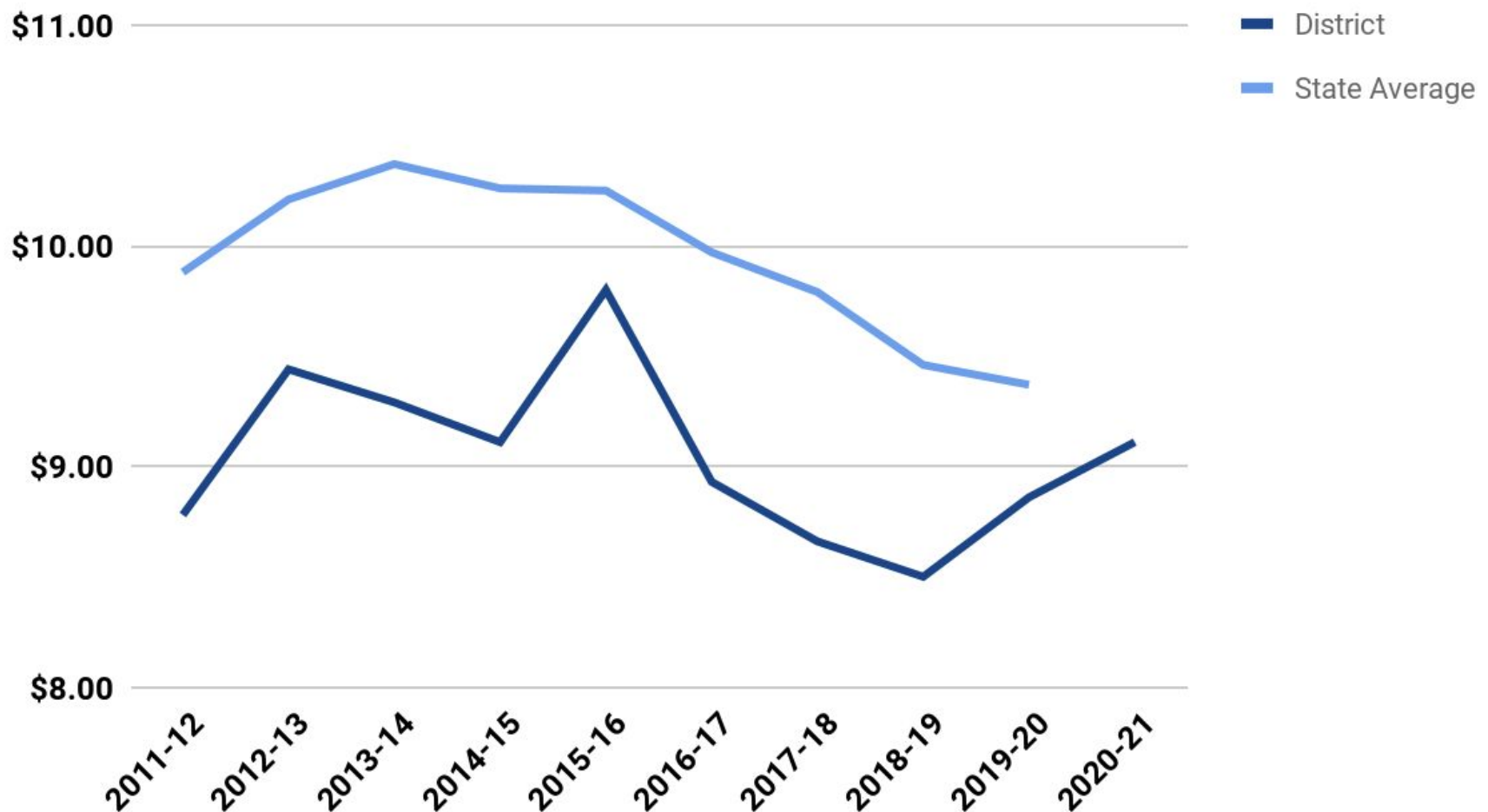
2020-21 Projected Tax Impact

	2020-21	<i>2019-20</i>	Difference
Home Value	\$100,000	<i>\$100,000</i>	\$0
Mill Rate	\$9.11	<i>\$8.86</i>	+\$0.25
School Property Taxes / Year	\$911	<i>\$886</i>	+\$25.00
Median Home Value*	\$266,425	<i>\$266,425</i>	\$0
Mill Rate	\$9.11	<i>\$8.86</i>	+\$0.25
School Property Taxes / Year	\$2,427.14	<i>\$2,360.53</i>	+\$66.61

*Median Home Value from Zillow

District Mill Rate History

10 Year Mill Rate History

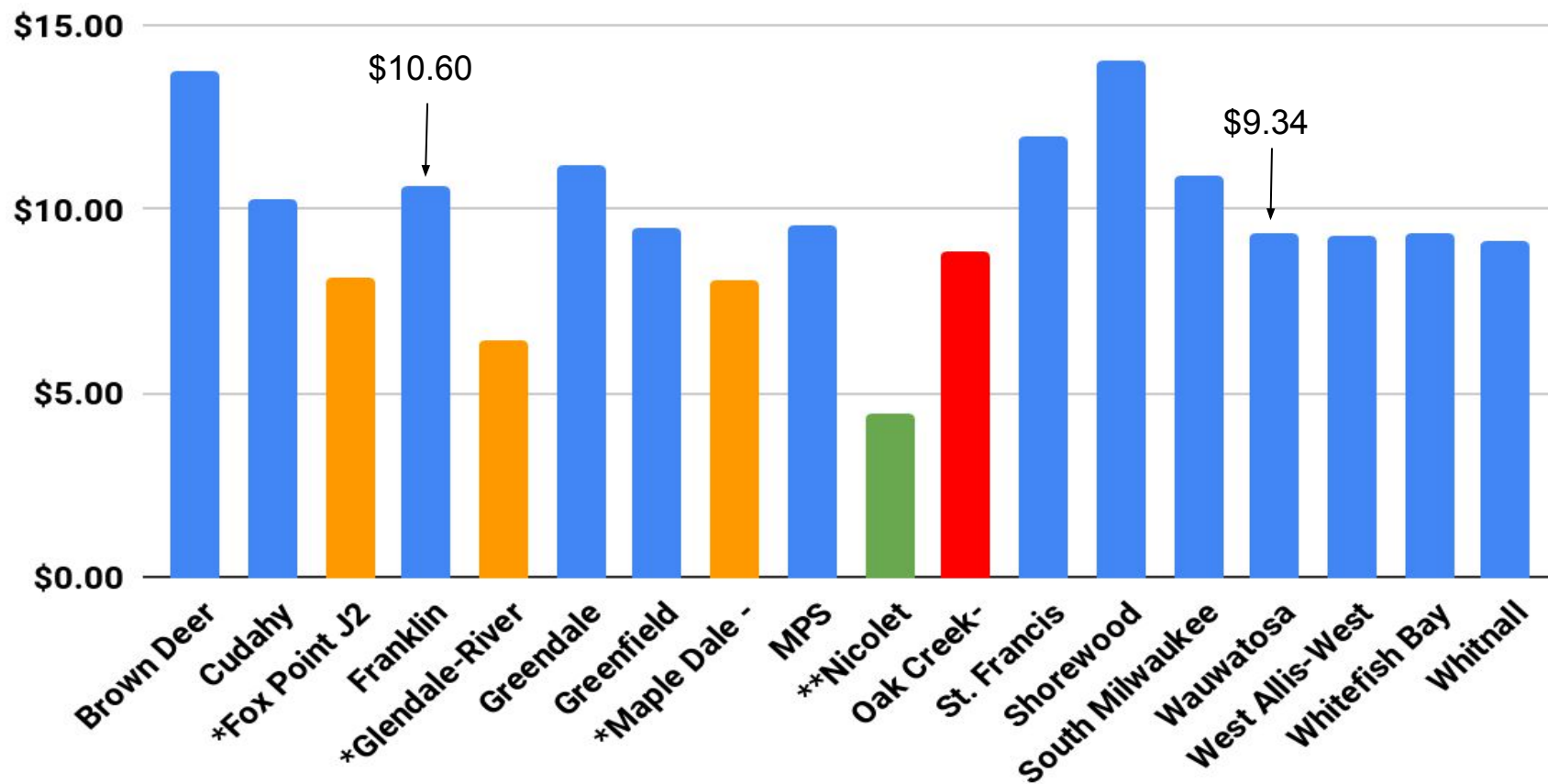


OCFSD Mill Rate - Milwaukee County

District Comparison

2019-20 Mill Rate per District

Average = \$9.72



* 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 10-14 of the 2020-2021 Budget Hearing and 39th Annual Meeting packet.



**Oak Creek-Franklin
Joint School District**

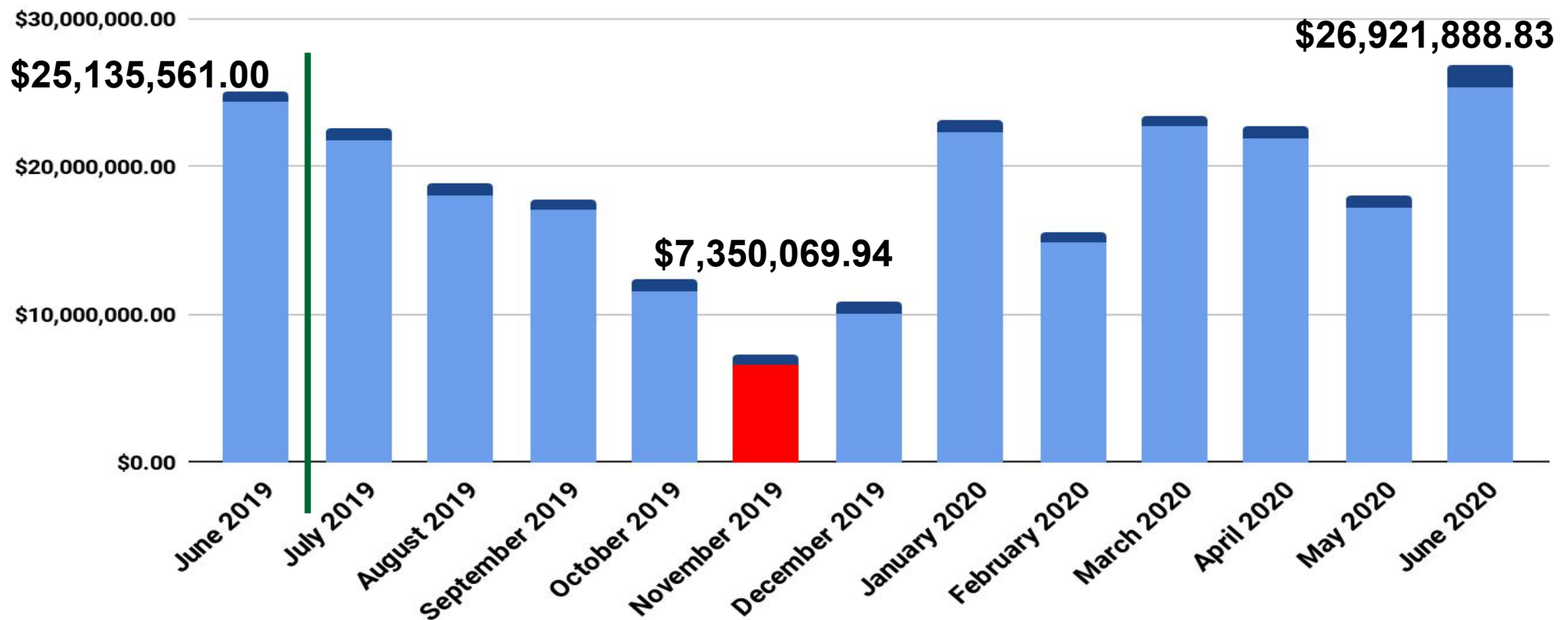
BUILDING SUCCESSFUL FUTURES TOGETHER

2019-20 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. \$281,996.19 generated in interest earnings
 - a. generates funds to apply to district **budgeted** operations
 - b. 2019-20 equates to approximately 3+ 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 (Total cost of projects)**



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



**HS Scoreboard = \$350,000
(Total cost of project)**

Fund 10 & Fund 27

Fund Balance Additions from 2019-20

- Health Savings Account - Self Funded Health = +\$841,699.30
- Repayment of WMS LED Lights (in full) = +\$225,104.00
- Repayment of EMS LED Lights (through 2020-23) = +\$197,660.00
(\$444,735 outstanding fund balance repayment)
- Repayment of HS Scoreboard (in full) = +\$280,000.00
- General Fund Addition = +\$241,864.53

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 2019-20 - Beginning Fund Balance

Beginning Fund Balance as of 7/1/2019	General Operating Fund (10)	All Other Funds	Total
Nonspendable Fund Balance (935000)	\$992,088.03	\$0.00	\$992,088.03
Restricted Fund Balance (936000)	\$769,102.16	\$47,167,703.01	\$47,936,805.17
Committed Fund Balance (937000)	\$0.00	\$190,000.00	\$190,000.00
Assigned Fund Balance (938000)	\$295,748.01	\$71,711.34	\$367,459.35
Unassigned Fund Balance	\$23,078,622.80	\$26,949,.58	\$23,105,572.38
Total Fund Balance	\$25,135,561.00	\$47,456,393.93	\$72,591,924.93

Unaudited Treasurer's Report for 2019-20 - Revenues

	General Operating Fund	All Other Funds	Total
General Fund (10)	\$75,129,360.83		\$75,129,360.83
Special Education/Projects (20s)		\$10,952,199.00	\$10,952,199.00
Debt Service Fund (30s)		\$33,956,953.47	\$10,789,479.00
Capital Projects Fund (40s)		\$27,331,209.34	\$27,331,209.34
Food Service Fund (50)		\$2,107,654.62	\$2,107,654.62
Community Service Fund (80)		\$1,054,242.12	\$1,054,242.12
Total	\$75,129,360.83	\$75,402,258.55	\$150,531,619.38
Less: Interfund Transfers	<u>\$0.00</u>	<u>\$7,114,175.64</u>	<u>\$7,114,175.64</u>
Total Funds Available	\$75,129,360.83	\$68,288,082.91	\$143,417,443.74

Unaudited Treasurer's Report for 2019-20 - Expenses

	General Operating Fund	All Other Funds	Total
General Fund (10)	\$73,343,033.00		\$73,343,033.00
Special Education/Projects (20s)		\$10,214,666.42	\$10,214,666.42
Debt Service Fund (30s)		\$32,551,736.60	\$32,551,736.60
Capital Projects Fund (40s)		\$32,683,266.87	\$32,683,266.87
Food Service Fund (50)		\$2,103,648.15	\$2,103,648.15
Community Service Fund (80)		\$1,094,860.32	\$1,094,860.32
Total	\$73,343,033.00	\$78,648,178.36	\$151,991,211.36
Less: Interfund Transfers	\$7,114,175.64	\$0.00	\$7,114,175.64
Less: Refinancing	<u>\$0.00</u>	<u>\$20,352,286.10</u>	<u>\$20,352,286.10</u>
Total Funds Expended	\$66,228,857.36	\$58,295,892.26	\$124,524,749.62

Unaudited Treasurer's Report for 2019-20 - 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)	\$1,610,801.46	\$43,210,852.70	\$44,821,654.16
Committed Fund Balance (937000)	\$0.00	\$954,482.16	\$954,482.16
Assigned Fund Balance (938000)	\$295,748.01	\$31,093.14	\$326,841.15
Unassigned Fund Balance	\$24,023,251.33	\$0.00	\$24,023,251.33
Total Fund Balance	\$26,921,888.83	\$44,210,444.72	\$71,132,332.95