

MPS Budget FY2010

Principal Meeting

January, 2009

FY10 calendar

- Feb. 5, 2009 – **Earlier deadline!** Schools submit budget plans developed with school communities in accordance with educational plans.
- January through May -- MBSD Committee on Strategic Planning and Budget reviews key budget issues.
- April 21 – Superintendent's proposed budget released.
- May -- Board seeks public comment and continues budget review.
- June 4 -- Board adopts budget.

FY10 calendar

- Summer – Board transmits tax levy to the Common Council.
- October -- Board finalizes budget based on actual enrollments and revenue.
- Early November – Board transmits revised levy to the Common Council

No budget increase

- ✓ The Board directed the administration to develop a no-increase budget.
- ✓ Total enrollment projected =90,462 v. 92,261 (Fall 2008), a 1,799-student drop.

FY10 budget

Enrollment in MPS traditional and instrumentality schools is projected to go down by 1,149 students, from 79,297 to 78,148.

That is a decline of 1.4%.

FY10 budget (approved in June)

(in million \$)

- School Ops Fund \$988.1
- Construction Fund \$ 58.7
- Extension Fund \$ 13.7

July 1 state aid *estimate*

	FY09 (Final May Calculation)	FY10 (July Estimate)	Change	% Change
Gen. Aide (No Choice Deduct.)	\$ 645,391,425	\$641,919,020	\$(3,472,405)	(0.54)
Gen Aid (No Choice Ded.)	\$ (57,976,425)	\$ (59,427,450)	\$(1,451,025)	2.50
Poverty Aid	\$ 9,864,309	\$ 9,740,560	\$ (123,749)	(1.25)
Net State Aid	\$ 597,279,309	\$592,232,130	\$(5,047,179)	(0.85)

Potential levies

	FY09	FY10
Operations	\$ 201,657,731	\$ 221,634,878
Choice levy	\$ 57,976,425	\$ 59,427,450
Construction	\$ 17,001,718	\$ 3,055,000
Extension	\$ 9,864,309	\$ 10,802,206
Total	\$ 287,778,700	\$ 294,919,534

FY10 issues

The district fared relatively well in a dismal state aid environment mainly because of a decline in relative property wealth. For FY09, the district's property value per member was 64.2% of the statewide average, according to the Department of Public Instruction; for FY10, it is 62.1%.

Fundamental changes in the school aid formula are needed.

FY10 issues

Fringe benefit rate

62.8%

FY10 issues

MPS has been identified as a District Identified for Improvement under No Child Left Behind legislation. This means:

- Central Services program funds will pay for reading teachers and math instructional leaders at neediest schools;
- SIFI, Intensive Monitoring/NEA Focus and all schools that failed to make adequate yearly progress (AYP) in one or more subgroups are required to reserve 10% of school Title I funds for professional development activities; and

FY10 issues

- All schools are expected to use budgets to better serve needs of student groups failing to make AYP.

FY10 issues

School closing savings distributed to schools will increase from \$73.71 per pupil in FY09 to \$77.12 per pupil in FY10, an increase of \$3.41.

FY10 issues

Debt service costs are up \$12.1 million.

Textbook costs are down
\$900,000.

Transportation costs are up
\$1.8 million.

Financial stresses are magnified due to declining enrollments and excess building capacity.

FY10 issues

SAGE support is budgeted at \$2,237 per pupil, a \$13 decrease. The state did not keep its public commitment to fund the program at \$2,250 per pupil in FY09.

SAGE supplements and other CSR support decreases from \$14.6 million in FY09 to \$14.1 million in FY10 due to school closings and declining enrollment.

FY10 issues

Reading First and Early Reading First grants are discontinued for FY10.

The district will continue to fund high school supplemental instructional support.

FY 10 issues

Common teacher salary of

\$56,500

regardless of funding source or grade level

That is the same as in FY09.

The total cost of a teacher is up 1.6% for
FY10 due to fringe benefit increases.

FY10 issues

To maximize per-pupil allocations to schools, school vacancy adjustments will be reduced from 100% to 75%.

The 75% still will allow schools to pay for substitutes.

New for FY10

- All traditional and instrumentality charter schools will participate in “performance-based budgeting” to more clearly align budgets to educational plans and the District’s “Working Together, Achieving More” strategic plan.
- There are new suggested minimums for art, music and phy ed. staffing in elementary and K-8 schools.
- Schools that did not meet AYP in reading are required to have a literacy coach.
- Literacy coach job descriptions will be revised to reflect the model used for math teacher leaders.

FY10

- Schools will prepare a contingency plan for 3rd Friday.
- Due in May.
- Will help schools make adjustments for actual enrollment in alignment with the educational plan.

Questions?

Core beliefs

- Children come first
- Families are valuable partners
- Community partnerships add value
- The classroom is the most important place in the school system
- Central Services support student achievement
- Leadership and accountability are keys to our success

MPS FY10 Enrollment Projections

<u>Schools</u>	<u>2008 Third</u> <u>Friday</u> <u>Enrollment*</u>	<u>2009 Third</u> <u>Friday</u> <u>Projection</u>	<u>Projected</u> <u>Enrollment</u> <u>Change</u>	<u>Projected</u> <u>Percent</u> <u>Change</u>
Elementary Schools	19,546	19,032	-514	-2.6%
K-8 Schools	30,911	30,959	48	0.2%
Middle Schools	6,841	6,431	-410	-6.0%
High Schools	21,999	21,726	-273	-1.2%
SUB TOTAL	79,297	78,148	-1,149	-1.4%
MPS Alternative Schools	568	610	42	7.4%
Partnership Schools**	1,981	1,826	-155	-7.8%
K-8 Contracted Programs**	333	333	0	0.0%
Non-Instrumentality Charters**	3,190	2,557	-633	-19.8%
SUB TOTAL	6,072	5,326	-746	-12.3%
MPS SITES TOTAL**	85,369	83,474	-1,895	-2.2%
Chapter 220 (in suburban schools)	2,525	2,300	-225	-8.9%
Open Enrollment (in other districts)	4,367	4,688	321	7.4%
SUB TOTAL	6,892	6,988	96	1.4%
GRAND TOTAL	92,261	90,462	-1,799	-1.9%