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PUBLIC SCHOOLS**

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Report on FY18 Estimated Revenues, Enrollment and Long-range Financial Forecast

Darienne B. Driver, Ed. D., Superintendent of Schools

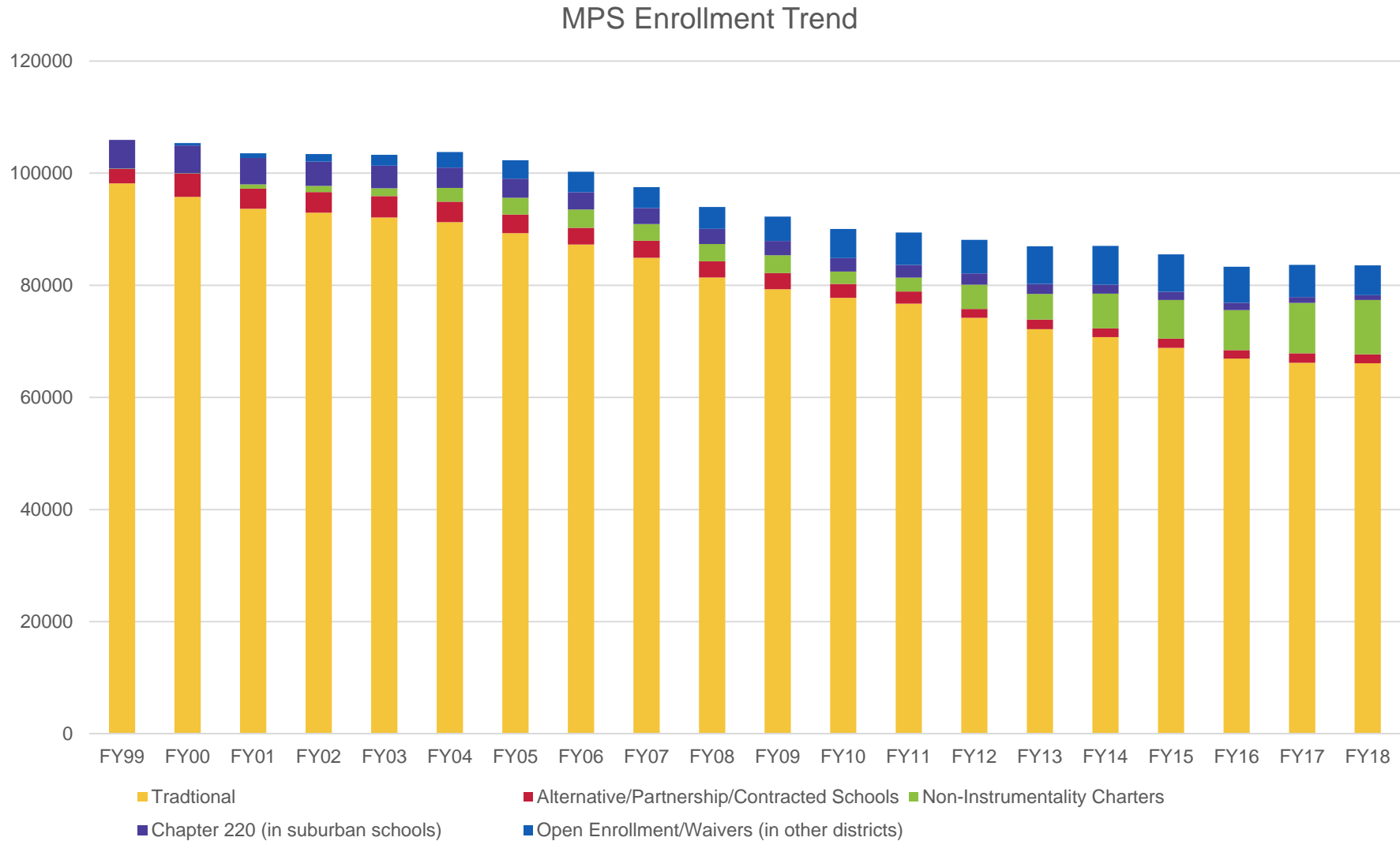
Gerald Pace, J.D., Chief Financial Officer

Shannon Gordon, Sr. Director Financial Planning & Budget Services

Michael Trueblood, Manager Office of Accountability & Efficiency

12/15/2016

MPS Enrollment Trend



Five-Year Forecast: Construction

Construction Fund - Five-Year Projection							
(In Millions)							
(In Millions)	FY17	FY18	FY19	FY20	FY21	FY22	Change FY22 vs FY17
	Budgeted	est	est	est	est	est	
Revenues							
Property tax	\$1.1	\$10.6	\$10.6	\$10.6	\$10.6	\$10.6	\$9.5
Borrowed funds - Energy projects	\$27.0	\$30.0					(\$27.0)
Borrowed Funds -Maintenance and Remodel	\$1.5		\$34.0				(\$1.5)
Applied Surplus	\$2.3						(\$2.3)
Other revenues	\$2.3	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	(\$0.3)
Total Revenues	\$34.1	\$42.6	\$46.6	\$12.6	\$12.6	\$12.6	(\$21.5)
Expenditures							
Preservation of Capacity							
Environmental/Safety/Vehicle/Security	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.0
Major Maintenance	\$4.8	\$18.0	\$18.0	\$18.0	\$18.0	\$18.0	\$13.2
Energy Conservation	\$27.0	\$30.0					(\$27.0)
Total Preservation of Capacity	\$32.4	\$48.6	\$18.6	\$18.6	\$18.6	\$18.6	(\$13.8)
Expansion of Capacity							
Program Consolidation/Relocations	\$1.7	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	(\$1.2)
Total Expansion of Capacity	\$1.7	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	(\$1.2)
Total Expenditures	\$34.1	\$49.1	\$19.1	\$19.1	\$19.1	\$19.1	(\$15.0)
Final Surplus (Deficit)	\$0.0	(\$6.5)	\$27.5	(\$6.5)	(\$6.5)	(\$6.5)	

School Operations Fund - Construction-related Revenue and Cost - Five-Year Projection							
(In Millions)							
(In Millions)	FY17	FY18	FY19	FY20	FY21	FY22	Change FY22 vs FY17
	Budgeted	est	est	est	est	est	
Revenues - Special Property Tax- Energy Projects		\$2.0	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2
Expenditures - Debt - Energy Borrowing		\$2.0	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2
Final Surplus (Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	

Five-Year Forecast: Extension

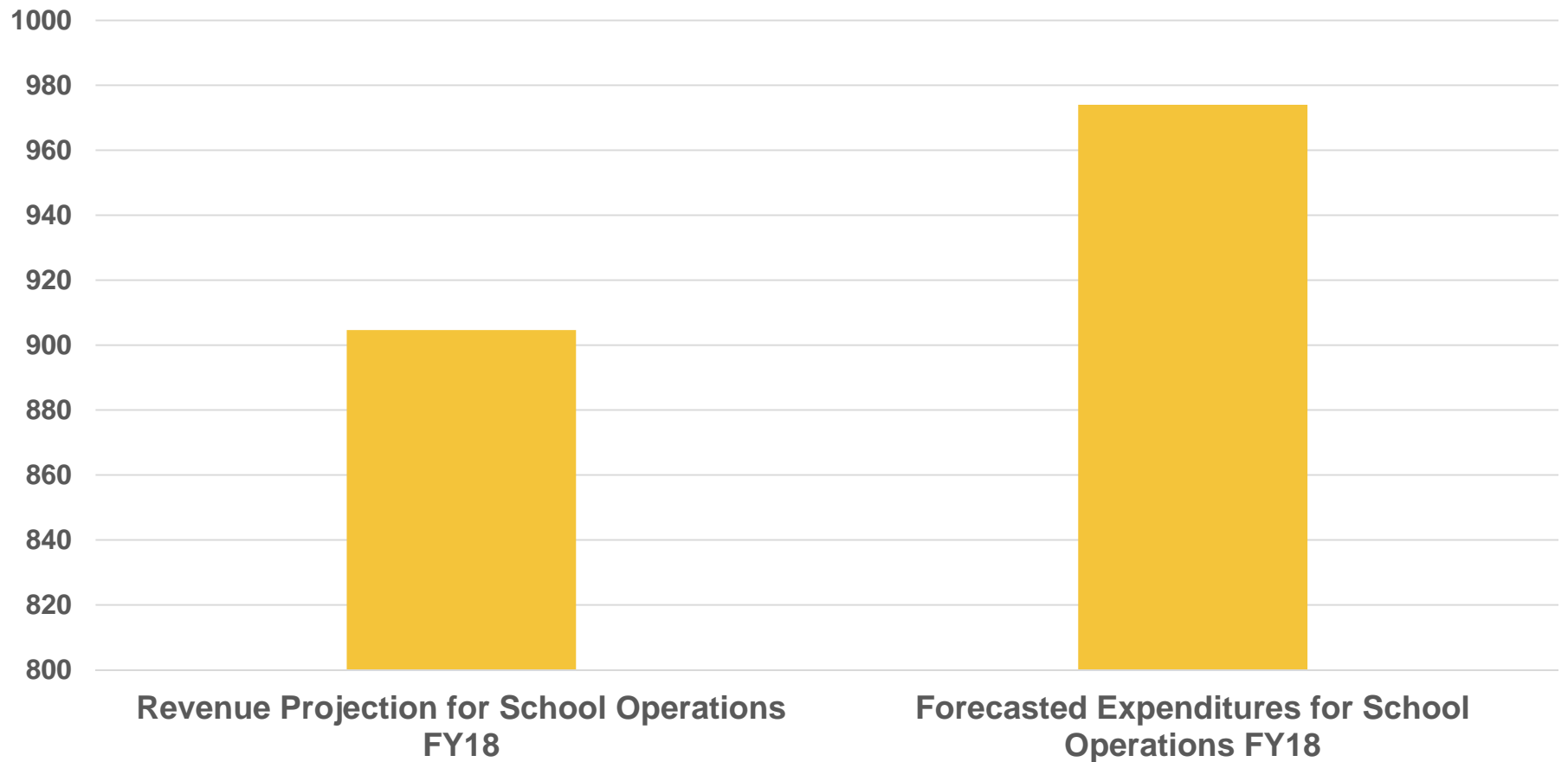
Extension Fund - Five Year Projection							
(In Millions)							
	FY17	FY18	FY19	FY20	FY21	FY22	Change FY22
(In Millions)	Budgeted	est	est	est	est	est	vs FY17
Revenues (without applied surplus)	\$23.0	\$23.0	\$23.0	\$23.0	\$23.0	\$23.0	\$0.0
Expenditures							
Salaries/Other Wages	\$10.9	\$11.0	\$11.1	\$11.2	\$11.3	\$11.4	\$0.5
Benefits	\$2.5	\$2.6	\$2.8	\$2.9	\$3.1	\$3.2	\$0.7
Purchased Services	\$7.4	\$7.5	\$7.5	\$7.6	\$7.7	\$7.8	\$0.4
Supplies, Other	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.0
Supplies/Materials	\$1.6	\$1.6	\$1.6	\$1.6	\$1.6	\$1.6	\$0.0
Total Expenditures	\$23.0	\$23.3	\$23.6	\$23.9	\$24.3	\$24.6	\$1.6
Final Surplus (Deficit)	\$0.0	(\$0.3)	(\$0.6)	(\$1.0)	(\$1.3)	(\$1.6)	

Five-Year Forecast: Nutrition

School Nutrition Services Fund - Five-Year Projection							
(In Millions)							
	FY17	FY18	FY19	FY20	FY21	FY22	Change FY22
(In Millions)	Budgeted	est	est	est	est	est	vs FY17
Revenues (without applied surplus)	\$50.6	\$51.4	\$52.2	\$53.1	\$53.9	\$54.8	\$4.2
Expenditures							
Salaries/Other Wages	\$11.4	\$11.5	\$11.6	\$11.8	\$11.9	\$12.1	\$0.7
Benefits	\$6.7	\$7.0	\$7.4	\$7.7	\$8.1	\$8.5	\$1.8
Purchased Services	\$2.7	\$2.7	\$2.7	\$2.8	\$2.8	\$2.8	\$0.1
Supplies/Materials	\$29.9	\$30.2	\$30.5	\$30.8	\$31.1	\$31.4	\$1.5
Total Expenditures	\$50.6	\$51.4	\$52.2	\$53.0	\$53.9	\$54.8	\$4.2
Final Surplus (Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	

FY18 Estimated Revenue vs. Projected Expenses

Change in FY18 Budget



Five-Year Forecast: School Ops

School Operations - Five-Year Projection							
(In Millions)							
	FY17	FY18	FY19	FY20	FY21	FY22	Change FY22
(In Millions)	Budgeted	est	est	est	est	est	vs FY17
Revenues	\$928.3	\$904.6	\$906.9	\$914.5	\$920.1	\$927.9	(\$0.4)
Expenditures							
Salaries/Other Wages	\$420.5	\$429.1	\$433.1	\$437.5	\$441.6	\$446.5	\$26.0
Benefits							
Medical/Vision Insurance-Active	\$110.3	\$117.6	\$124.6	\$132.1	\$140.3	\$149.1	\$38.7
Medical-Retiree (no Vision)	\$51.0	\$51.8	\$53.2	\$55.3	\$58.0	\$60.5	\$9.5
Employee Contribution-Active	(\$12.0)	(\$11.6)	(\$12.0)	(\$12.7)	(\$13.5)	(\$14.3)	(\$2.3)
Employee Contribution-Retiree	(\$1.4)	(\$1.7)	(\$1.9)	(\$2.2)	(\$2.5)	(\$2.9)	(\$1.4)
Other Benefits	\$58.0	\$55.6	\$56.8	\$58.0	\$59.3	\$60.8	\$2.8
Total Benefits	\$205.8	\$211.8	\$220.7	\$230.6	\$241.6	\$253.1	\$47.3
Purchased Services							
Contracted Schools Charters	\$82.8	\$93.5	\$93.1	\$96.8	\$99.0	\$101.2	\$18.4
Open Enrollment -Outbound	\$38.8	\$36.3	\$35.5	\$34.7	\$33.8	\$32.9	(\$5.9)
Pupil Transportation	\$62.8	\$64.1	\$65.4	\$66.7	\$68.0	\$69.4	\$6.5
Other Purchased Scvc.-Includes Utilities	\$71.6	\$66.1	\$66.9	\$67.7	\$68.4	\$69.1	(\$2.4)
Total Purchased Services	\$256.0	\$260.0	\$260.9	\$265.9	\$269.2	\$272.6	\$16.5
Supplies/Materials/Capital Purchases/Other Expenditures	\$35.8	\$40.4	\$40.8	\$41.3	\$41.7	\$42.1	\$6.3
Debt Service	\$31.1	\$32.8	\$34.0	\$34.5	\$33.7	\$35.4	\$4.3
Insurances	\$10.1	\$9.8	\$10.2	\$10.6	\$11.1	\$11.6	\$1.6
Use of prior Year Funds for Legacy Costs	(\$31.0)	(\$10.0)	(\$8.0)	(\$6.0)	(\$4.0)	(\$2.0)	\$29.0
Total Expenditures	\$928.3	\$974.0	\$991.6	\$1014.4	\$1034.8	\$1059.3	\$131.0
Final Surplus (Deficit)	(\$0.0)	(\$69.3)	(\$84.7)	(\$99.9)	(\$114.7)	(\$131.4)	

Challenges Impacting Proposed Funding Choices

- Enrollment
- Student Achievement
- Instructional Support
- Early Start Calendar and J Term Expansion
- Per-pupil Increases Below CPI
- Health & Welfare Costs / Legacy Costs
- Employee Compensation
- Building Operations/Deferred Maintenance
- Federal & State Funding/Regulation Changes
- New Biennial State Budget

Budget Planning



- Equity, access and opportunity forecasting for each school
- ROI Analysis and C2C Projections
- School Budget Carousels
- Facility Budget Carousels
- Office Budget Carousels
- Community Listening Sessions
- Strategic Planning & Budget Committee Meetings
- Budget Hearings

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