

2021-22 Budget Hearing

JULY 26, 2021, 7:00 PM

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Budget Hearing Agenda

1. Call to Order by School Board President
2. Public Access to the Meeting
3. Pledge of Allegiance
4. Presentation of Proposed 2021-22 Budget
5. Motion to Approve the Proposed 2021-22 Budget
6. Discussion and Questions Regarding the Proposed 2021-22 Budget
7. Action by the School Board to Approve the 2021-22 Budget
8. Adjourn Budget Hearing

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2021-22 Budget

Student Focused
Fiscally Responsible
Promoting Quality Learning Environments



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Budget Assumptions

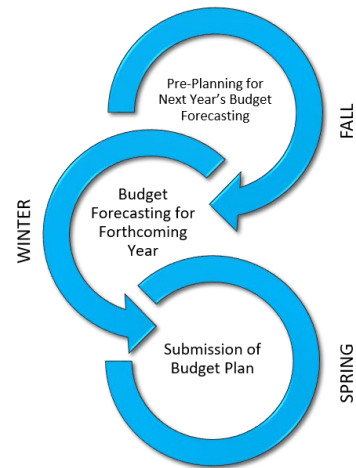
- Decrease of 39 Resident Students
- 2% increase in Equalized Values
- \$1.2million in state aid revenue
- No new spendable dollars through the state biennial budget
- ESSER Funding

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Budget Development

Our best estimates of the resources and costs necessary to operate the school district for the upcoming school year.

The budget development process started in Fall 2020 and will be complete in October 2021.



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Budget Variables

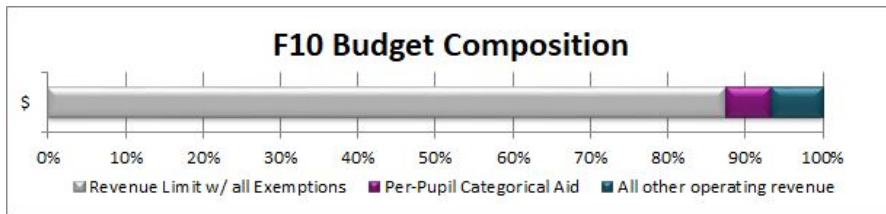


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Budgeting Basics - Revenue Limit

Revenue Limit

- Restricts amount a school district can levy to the community
- Based on a formula that uses resident enrollment
- Operational Budget largely controlled by state calculations

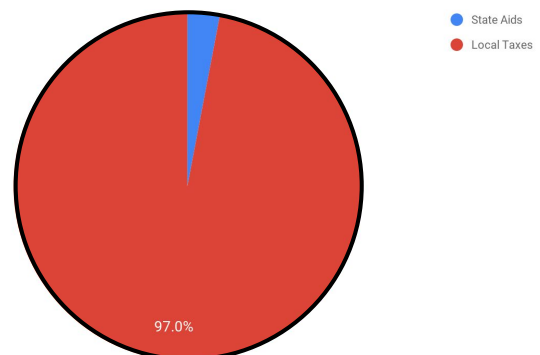


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Budgeting Basics - Revenue Limit

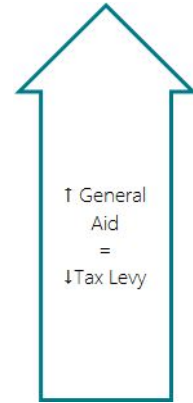
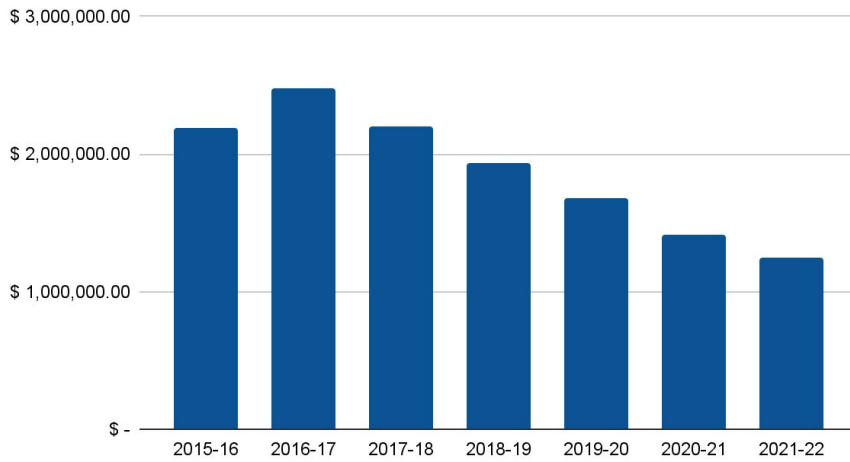
Think of the Revenue Limit as a pie:

- The limit itself is the outer “crust”, defining the size of the pie.
- There are two “fillings”, state aids and local taxes. As one increases, the other decreases.



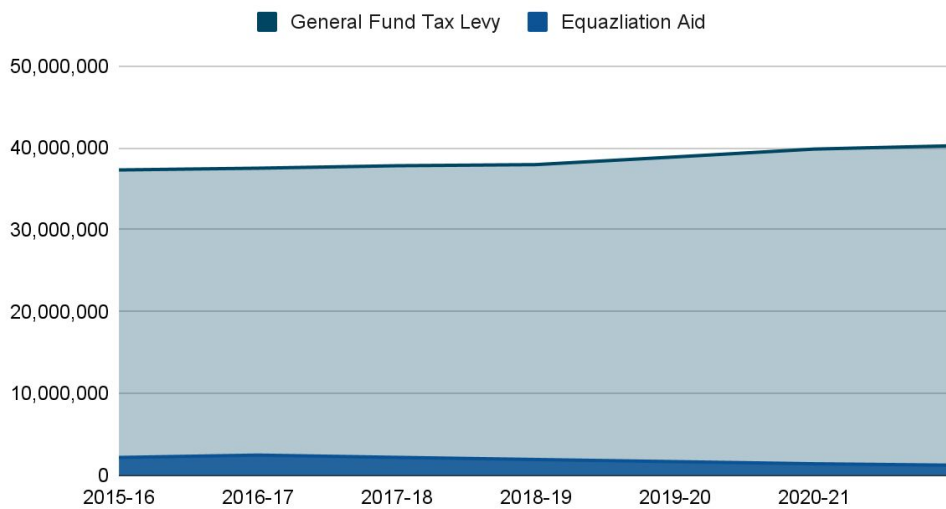
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October 15 Aid Certification



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Equalization Aid vs General Fund Tax Levy



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Enrollment

Historical, Current and Projected Resident Enrollment Data
2012-13 through 2021-22

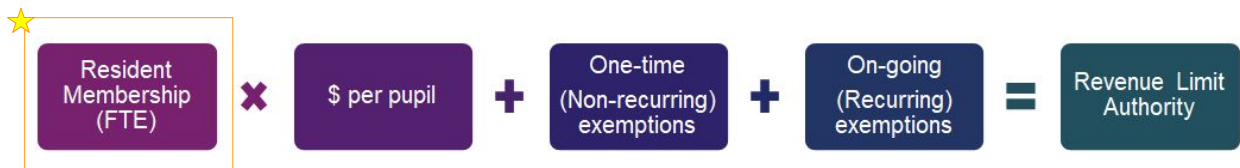
Grade	2012-13	2013-14	2014-15	2015-16*	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
ECH	32	32	37	9	13	15	21	12	14	6
4K	0	0	0	150	134	167	186	173	148	170
5K - 5	1,350	1,391	1,372	1,343	1,314	1,319	1,356	1,371	1,313	1,314
6 - 8	815	811	841	834	830	811	812	791	773	747
9-12	<u>1,275</u>	<u>1,271</u>	<u>1,242</u>	<u>1,259</u>	<u>1,284</u>	<u>1,270</u>	<u>1,269</u>	<u>1,292</u>	<u>1,230</u>	<u>1,202</u>
	3,472	3,505	3,492	3,595	3,575	3,582	3,644	3,639	3,478	3,439
Inc/Dec	(25)	33	(13)	103	(20)	7	62	(5)	(161)	(39)
% Change		0.95%	-0.37%	2.95%	-0.56%	0.20%	1.73%	-0.14%	-4.42%	-1.12%

*2015 - 1ST year 4K program.

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Revenue Limit Authority

Resident enrollment impacts the amount a district may levy



- ➔ Resident Enrollment: 3,439
- ➔ Full-Time Equivalent (FTE): 3,368
- ➔ 3-year Average: 3,447

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Revenue Limit Authority



Non-recurring exemptions

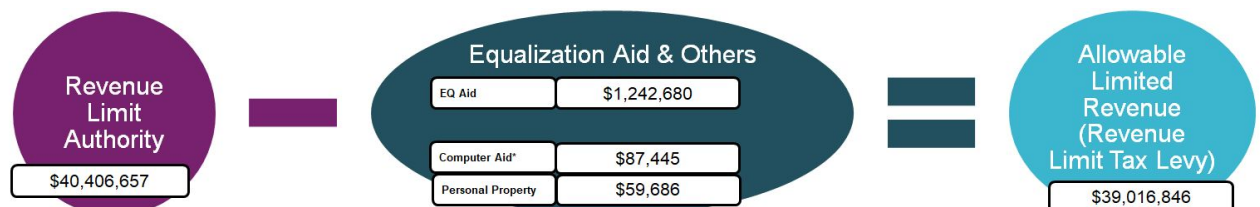
- Hold Harmless Exemption: \$766,701
- Declining Enrollment Exemption: \$766,703
- Private School Voucher: \$414,506
- Special Needs Voucher: \$156,924

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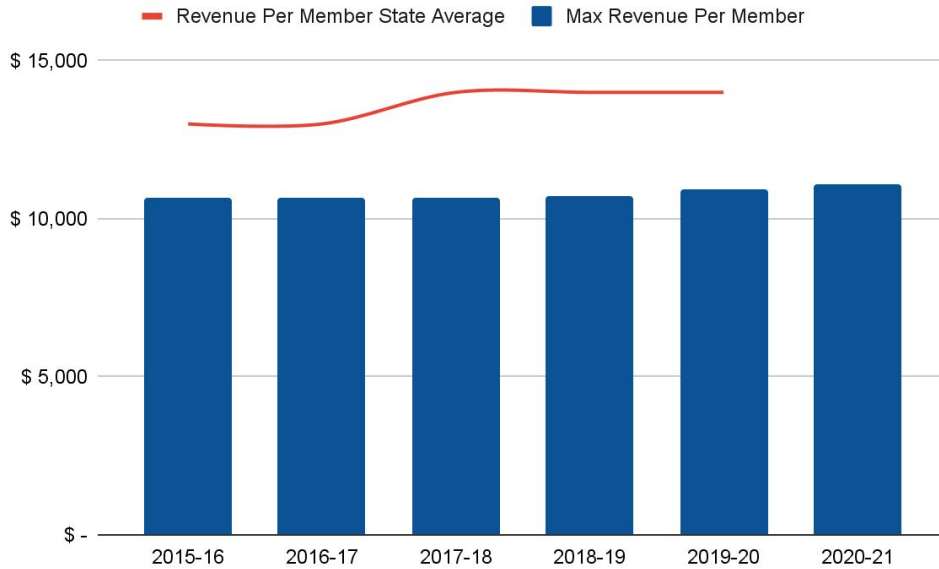
General State Aid

Estimated State General Aid: **\$1,242,680**

- Equalization Aid: \$655,282
- Integration Aid: \$587,398



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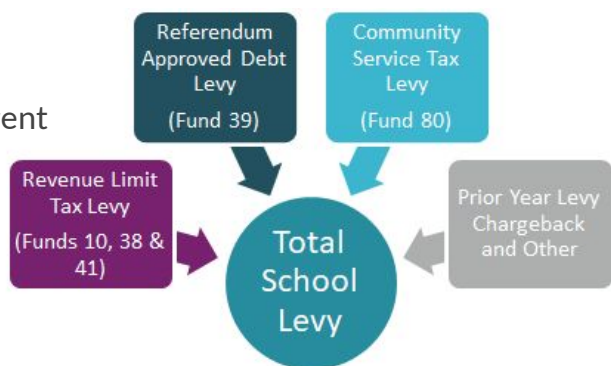


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2021-22 Proposed Tax Levy

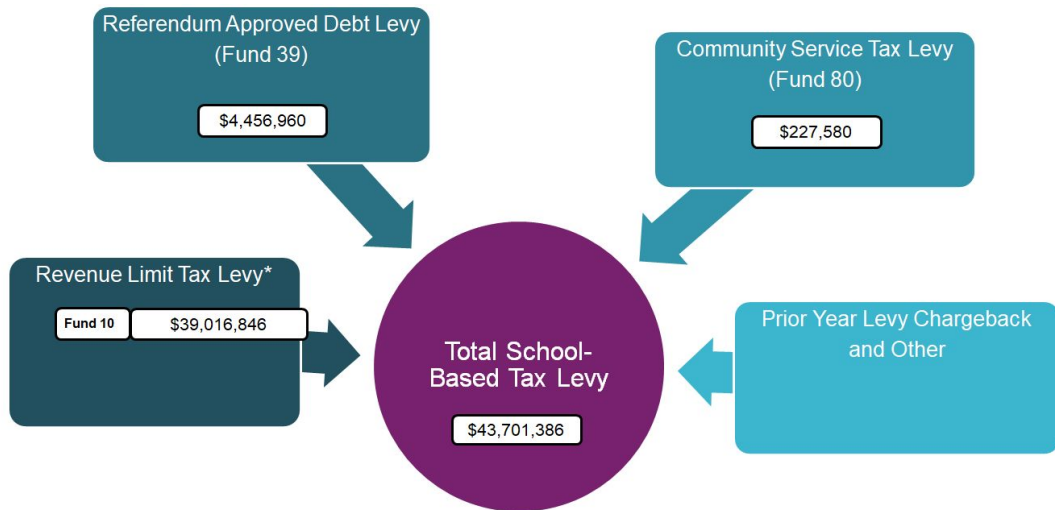
➤ Total Proposed Levy: \$43,701,386

Maximum tax levy allowed based on current projections in state aid, state budget assumptions and enrollment.



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Levy Breakdown



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Equalized Values

Estimated 2% increase

Total Equalized Value: \$5,528,995,218

Municipality	Equalized Valuation
V. Thiensville	\$400,433,640
C. Cedarburg	\$3,491,144
C. Mequon	\$5,125,070,434



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Mill Rate



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Tax Levy & Rate Information

Fund	2021-22 Proposed Levy	2021-22 Proposed Mill Rate	2020-21 Levy	2020-21 Mill Rate	Inc/(Dec)	% Change
General	\$39,016,846	7.06	\$38,437,613	7.10	\$579,233	1.48%
Debt Service	\$4,456,960	0.80	\$4,460,596	0.82	\$(3,636)	-.08%
Community Service	\$227,580	0.04	\$227,580	0.04	\$0	0.00%
Total	\$43,701,386	7.90	\$43,125,789	7.96	\$575,597	1.33%

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Tax Levy & Rate Information

EFFECT OF CHANGES IN EQUALIZED VALUATION ON TAX RATE

Percent Increase	Equalized Valuation	Mill Rate
0%	\$5,420,583,547	\$8.06
1%	\$5,474,789,382	\$7.98
2%	\$5,528,995,218	\$7.90
2.5%	\$5,556,098,136	\$7.87
3%	\$5,583,201,053	\$7.83
4%	\$5,637,406,889	\$7.75

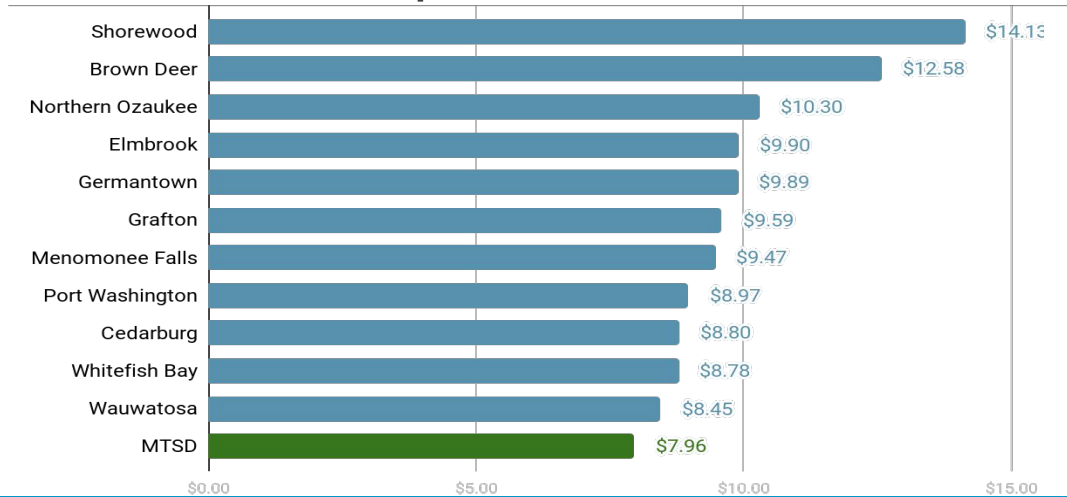
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2021-22 School Levy Impact

Value of Home	2020-21 (actual)	2021-22 (proposed)	Change(+/-)
200,000	\$1,592.00	\$1,574.00	-18.00
400,000	\$3,184.00	\$3,160.00	-24.00
600,000	\$4,776.00	\$4,740.00	-36.00
800,000	\$6,368.00	\$6,320.00	-48.00

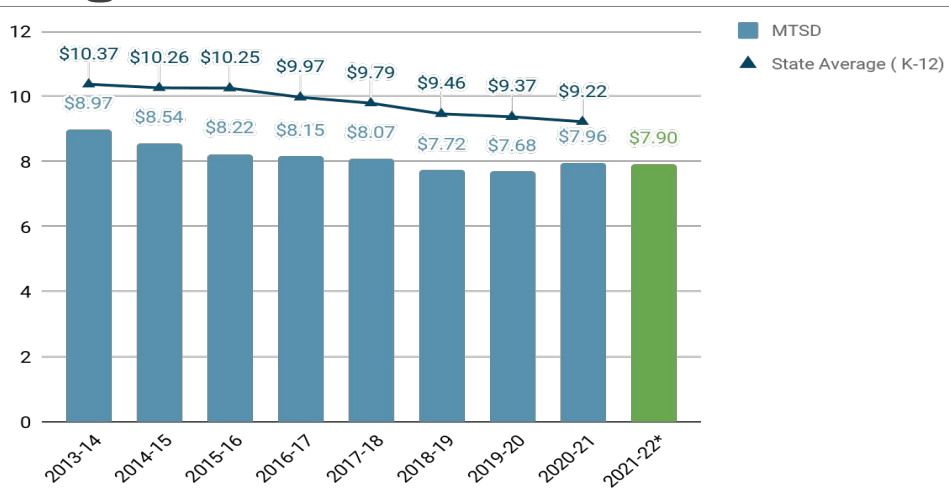
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Mill Rate Comparison 2020-21



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Mill Rate Analysis - MTSD vs. State Average



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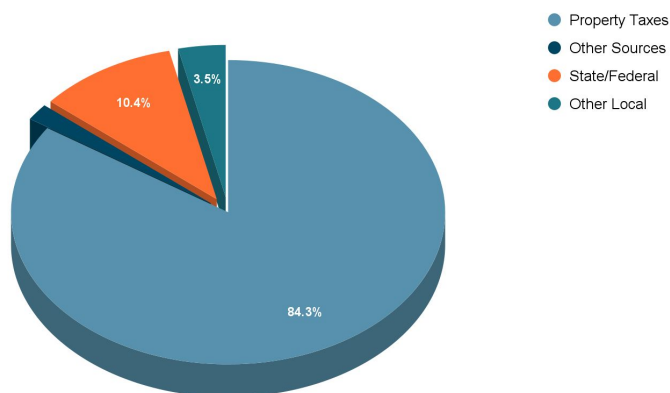
2021-22 Proposed Budget

Budgeting Basics - Fund Accounting



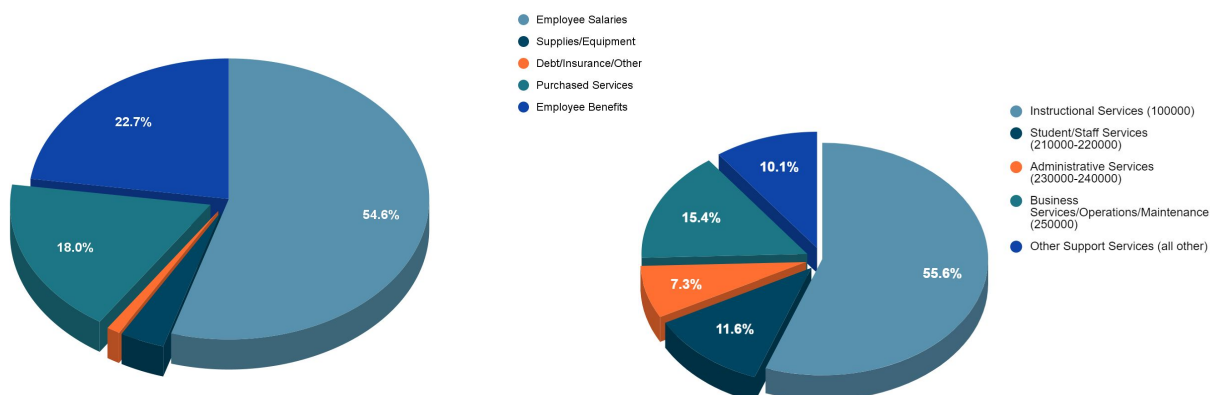
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General & Special Education – Revenue Analysis



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General & Special Education – Expenditure Analysis



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General Fund – Fund 10

Total Budget - \$46,265,759

→ Increase of .98% from 2020-21 budget

Tax Levy - \$39,016,846

→ Increase of 1.5%

→ \$7.06/\$1,000 of total levy

The General Fund accounts for district general operating expenses.

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Special Projects Fund – Fund 21

Total Budget - \$850,000

The special projects fund is used to account for trust funds, such as gifts and donations that are used for district operations. Additionally, student activity accounts are held here.

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Special Education Fund – Fund 27

Total Budget - \$7,694,280

The Special Education Fund is used to account for the cost of providing special education and related services for students with disabilities.

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Debt Service Fund – Fund 30

Fund 39

Total Budget - \$7,517,338

Tax Levy - \$4,456,960

→ \$.82/\$1,000 of total levy

Outstanding Long Term Debt amount is \$71,135,000

The Debt Service Fund is used to account for the retirement of long-term debt according to a schedule established when debt was incurred.

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Capital Projects Fund – Fund 40

Fund 46

Total Budget \$0

Balance on 6/30/2021 - \$1,847,306.83

The Long Term Capital Improvement Trust Fund is used to fund capital projects per a district long-term capital improvement plan.

Fund 46 is funded with a transfer from fund 10.

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Capital Projects Fund – Fund 40

Fund 49

Total Budget \$36,589,012

The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of capital facilities.

Fund 49 is financed with proceeds from the district's approved referendum borrowing.

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Food Service Fund – Fund 50

Total Budget - \$1,350,000

- Self-sufficient – no tax or budget subsidy from district
- Surplus funds must remain in food service account
- National School Lunch Program Participant
- Operated by Aramark Education

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Community Service Fund – Fund 80

Proposed Budget - \$1,125,808

- Supported Primarily by User Fees (80%)
- Proposed Tax Levy - \$227,580

\$.04/\$1,000 of total levy

No Increase since 2009-10

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Community Service Fund – Fund 80

- Supports operation of the M-T Recreation Department
- Provides Recreation, Leisure and Enrichment activities for youth, adults and seniors in the communities of Mequon and Thiensville
- Summer Academy
- Before and After School Program – Kids' Campus
- Summer Camp - NEW!

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Community Service Fund – Fund 80

	Actual 2019-20	Unaudited 2020-21	Budget 2021-22	Inc/(Dec)
Ending Fund Balance	\$6,977	\$128,303	\$128,303	\$-
Revenue	\$686,544	\$764,127	\$1,125,808	\$361,681
Expenditures	\$924,546	\$642,801	\$1,125,808	\$666,950

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**MEQUON-THIENSVILLE SCHOOL DISTRICT
2021-22 BUDGET SUMMARY**

The following table summarizes the proposed 2021-22 Budget, dollar change and percent increase as compared to the 2020-21 Budget:

2021-22 Proposed Budget Overview - All Funds				
	2020-21	2021-22	Dollar	Percent
	<u>Budget (Unaudited)</u>	<u>Proposed</u>	<u>Change</u>	<u>Change</u>
General Fund (10)	\$45,815,184	\$46,265,759	\$450,575	0.98%
Special Projects Fund (21)	\$800,000	\$850,000	\$50,000	6.25%
Special Education Fund (27)	\$7,360,189	\$7,694,280	\$334,091	4.54%
Debt Service Fund (30)	\$2,709,719	\$7,517,338	\$4,807,619	177.42%
Capital Projects Fund	\$5,000,000	\$36,589,012	\$31,589,012	631.78%
Food Service (50)	\$1,350,000	\$1,350,000	\$0	0.00%
Community Service Fund (80)	\$852,749	\$1,125,808	\$273,059	32.02%
Gross Total Expenditures - All Funds	\$63,887,841	\$101,392,197	\$37,504,356	
Less: Interfund Transfers- All Funds	\$4,974,874	\$4,858,316	-\$116,558	
Net Total Expenditures - All Funds	\$58,912,967	\$96,533,881	\$37,620,914	

Percentage Increase - Net Total Fund Expenditure
from Prior Year

63.86%

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