

MUKWONAGO AREA SCHOOL DISTRICT (MASD)
2014/15 Final Budget Highlights

Budget Factor	Impact Statement
Resident Pupil Enrollment	MASD's resident enrollment, as measured by the third Friday of September count date, is decreased <u>by 78 resident students (average daily membership - ADM)</u> from 4,531 to 4,453. 2014/15 is the seventh year in a row that MASD's resident enrollment has declined at an average yearly rate of over 80 ADM.
Summer School Enrollment	The expansion of summer school class offerings has helped MASD increase its summer school ADM from 16 in 2011 to 33 in 2014.
Open Enrollment (OE)	The 2014//15 school year has 403 students open enrolling in and 193 open enrolling out of MASD for a net positive OE enrollment ratio of <u>210 students</u> . In 2008/09, MASD had a net negative OE ratio of 29 OE students. Since that time, MASD has realized steady improvement in this program.
General Fund Expenditures	<p>The 2014/15 Budget is balanced and in full compliance with state imposed revenue limits.</p> <p>Total general fund expenditures are budgeted to <u>decrease</u> by \$339,667 or 0.72% from the prior year budget.</p>
Property Tax Levy	<p>The 2014/15 Final Budget includes a tax levy <u>decrease</u> of 2.0%. This will be the fourth consecutive year that MASD has lowered the property tax levy.</p> <p>Over the past four years the district tax levy has <u>decreased</u> by 4.39%.</p>
State Aid	MASD shall receive \$18.4 million in state equalization aid for the 2014/15 fiscal year. This is an <u>increase</u> of \$568,268 or 3.2% from 2013/14.
District Property Valuation	MASD property valuation increased for the first time in six years. The 2014 increase in valuation of 2.63% was a key contributor in the tax rate being decreased by \$0.43 per \$1,000 of valuation or -4.55%.
Fund 41 Tax Levy	MASD levying an additional \$367,000 into Fund 41 to offset the future costs of long-term maintenance and facility improvement projects.
Employee Compensation	Under Wisconsin Act 10, school boards were granted much greater

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	<p>authority to manage school operations. Though there are legal challenges still under review, it is presumed for budgetary purposes that this legislation will remain in effect for the 2014/15 school year.</p> <p>MASD & the Teacher's Union have not yet reached a "base wage" settlement for the 2014/15 school year.</p> <p>Total general fund staff salaries are budgeted to decrease by \$325,428 or 1.54% from the prior year budget.</p>
Employee Benefits	<p>MASD was able to realize no increase in health or dental premiums for the 2014/15 school year by bidding out our health coverage which offset a medical inflation trend of 8 to 10% and increased fees and taxes associated with Federal Healthcare Reform.</p> <p>MASD's state mandated contribution rate to the Wisconsin Retirement System is projected to increase by 0.35% on January 1, 2015. This increase has been factored into the 2014/15 Budget.</p> <p>MASD has been evaluating the District's employee benefit offerings over the last several years. When comparing MASD's General Fund 2010/11 employee benefit expenditures to the 2014/15 budget, MASD will be spending nearly <u>\$2.2 million less on employee benefits</u> in the upcoming year.</p>
Staffing Levels	Budget developed based on <u>317.0</u> Teacher FTE
General Fund Revenue	Total general fund revenues are budgeted to <u>decrease by \$398,667 or 0.85%</u> from the prior year budget.
General Fund Balance (GFB) as of 06/30/13.	MASD General Fund Balance level is dictated by Board Policy DCBC which recommends for maintaining a GFB of 15% to 25% of the prior year's general fund expenditures. Current GFB is 26%.
Bond Rating	MASD's last long-term Bond Rating by Standards & Poor's, dated June 13, 2011, was AA . This is a very favorable rating.
District Long-Term Debt	MASD is currently scheduled to pay off its referendum approved debt by the end of the 2019/20 fiscal year.