

# MONONA GROVE SCHOOL DISTRICT

## Annual Meeting & Budget Hearing

October 4<sup>th</sup>, 2017



Promoting Excellence for Global Opportunities

# Call Meeting to Order

Jenifer Smith

Board of Education President



# Declaration of Public Notice



# Election of Chairperson

## Suggested Motion:

*I \_\_\_\_\_, of (address), move to nominate \_\_\_\_\_  
to serve as Chairperson of the 2017 Monona Grove School  
District Annual Meeting and Budget Hearing*



# Announcement of the Availability of the Minutes from the 2016 Annual Meeting



# Superintendent's Report

Daniel Olson



# Superintendent's Report

1. 2016-2020 Strategic Plan Update
2. 2016 Operational Referendum Update
3. Facilities Planning Update



# 2016-2020 Strategic Plan

## Five Specific Strategy Areas:

- Teaching and Learning
- Guaranteeing Equitable Opportunity, Access, and Outcomes
- Highly Effective Personnel
- Engaging the Community
- Ensuring Financial Sustainability and Efficiency





# 2016-2020 Strategic Plan

## Progress Report and 2017-2018 Goals



# Operational Referendum

On April 5th, 2016, voters in the Monona Grove School District approved an Operational Funding Referendum in the amount of \$2.6 million per year for the next five school years. The funds will be used for costs associated with sustaining or updating **curriculum, technology, personnel, equipment purchases, and facility maintenance.**



# 2016-2017 Referendum Update

Page 16 - Annual Meeting Booklet

## **Curriculum**

- 4K-5 Classroom Library Materials
- Implementation of District-Wide Curriculum Review Cycles
- New Curriculum Materials to Update, Supplement and Replace Current Curriculum Materials
- Professional Development

## **Technology**

- Fully Funded Technology Plan: (Ipads for 4K to 2nd grade and Chromebooks for grades 3 through 12th grade)
- Replacement equipment such as Projectors, iPads, Desktop Computers, and Laptops

## **Personnel**

- Added 8 new teacher positions to reduce or maintain class sizes
- Added additional staffing in the area of Gifted and Talented
- Implemented and transitioned to new Teacher Compensation Model
- Reinstated Library Paraprofessional positions that were lost due to budget reductions



# 2016-2017 Referendum Update

Page 16 - Annual Meeting Booklet

## **Equipment Purchases**

- Technical Education Equipment Replacement
- Music Instrument Replacement
- New Classroom Desks and Chairs
- New Classroom Storage Equipment

## **Facility Maintenance**

- New High School Science Lab
- Cabinet replacement in Cottage Grove School Art Classroom
- Window Replacements
- Roof Replacement at Winnequah and Taylor Prairie Schools
- Safety Improvements



# Facilities Planning

## 2015 Long-Range Facilities Planning Committee:

- Toured facilities
- Assessed building capacity and utilization
- Evaluated building conditions and systems
- Studied future growth for the District
- Committee's work resulted in several recommendations to the Board of Education



# Long-Range Facilities Plan: Summary of Recommendations

1. Accept the District-wide Facility Study to assist in making future decisions.
2. Adopt the following category-specific recommendations as guidelines for Phase 2:
  - Grade Level Configuration
  - Building Capacity and Utilization
  - Capital Maintenance
  - District Owned Property
  - Athletics & Co-curriculars
3. Proceed to Phase 2 and engage architectural and construction management firms to support the LRFPC and implement the above recommendations.



# Phase 2 of Facilities Planning – District Planning Data Collection

- Examination and understanding of the District community, as well as anticipation of present and future community expectations.
- Understanding of present and future school and community growth.
- Planning and potential construction needs to increase the school capacity effectively as enrollment increases.
- Proposal and presentation of a cost effective comprehensive school district architectural plan to optimize the current and future needs of students and the community.
- Assist the District in defining and clarifying its corresponding building needs, defining the scope of the needed construction over a detailed timeline and solving architectural problems in an effective manner.
- Assist in the leadership and planning of stakeholder groups and other community groups.



# Facilities Advisory Committee

(Approved by BOE 8/23/17)

## Charge of Committee:

- Review background information, including:
  - MGSD mission and vision;
  - MGSD program and curriculum drivers and future goals;
  - 2015 Long Range Facilities Planning Committee recommendations;
  - Capital maintenance and infrastructure needs, and;
  - District enrollment projections and building capacity data.
- Analyze facilities options and reach committee consensus on a recommendation about which option(s) best meets the district's current and future capacity, capital maintenance and learning environment needs.





# Facilities Advisory Committee (cont.)

(Approved by BOE 8/23/17)

- Assess the costs and potential tax impact of the facilities options. Recommended preliminary option(s) prior to a community-wide survey.
- Report monthly to the Board on committee progress/actions.
- Prepare a final advisory statement for the Board summarizing the Committee's work, describing its recommended course of action, and specifying why alternative facilities options are less viable.



# Facilities Advisory Committee Timeline

- The Committee will convene in October, 2017.
- The Committee will prepare preliminary recommendations by January, 2018 in preparation for a community-wide survey and a final recommendation for the Board by no later than June, 2018.
- For committee updates, visit <http://www.mononagrove.org/welcome/facilities-planning.cfm>



# Questions?



# Financial Report – Auditor’s Statement



# 2017-2018 Budget Hearing

Jerrud Rossing  
Director of Business Services



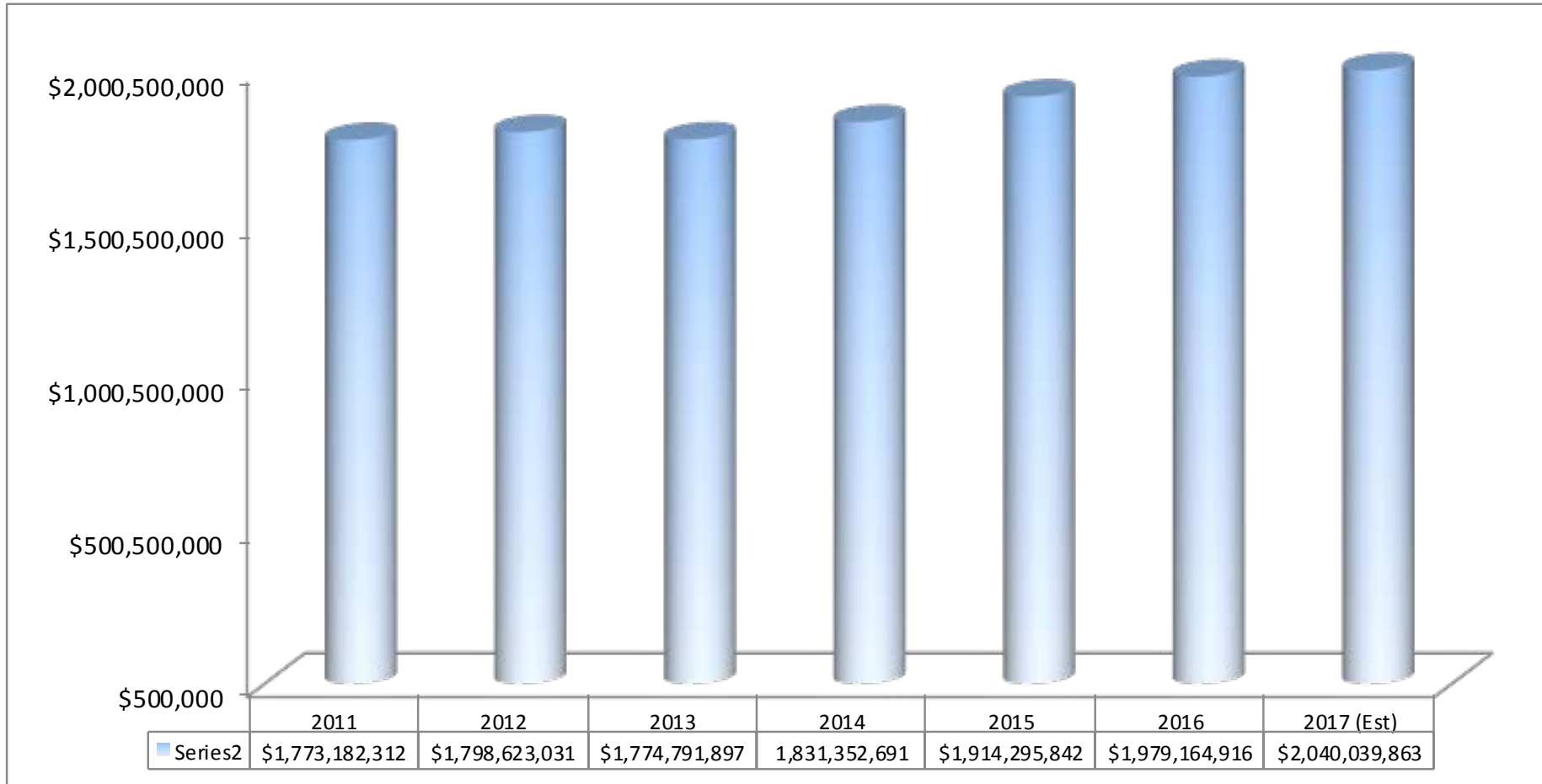
# Our Districts' Demographics

Property Valuations as of 2016-2017

- City of Monona 52.57%
  - Village of Cottage Grove 30.75%
  - Town of Cottage Grove 16.04%
  - Town of Blooming Grove .41%
  - Town of Sun Prairie .10%
  - City of Madison .13%
- 2017-2018 Estimated Valuation: \$2,040,039,863



# Equalized Value History



# District Buildings

- 3 Elementary Schools
  - Cottage Grove, Taylor Prairie & Winnequah
- 1 Middle School
  - Glacial Drumlin
- 1 High School
  - Monona Grove High School
- 1 District Office Building
  - Houses: District Administration, MG21 (District Charter School), Dane County School-to-Work
- Other Buildings
  - Maywood Elementary (Leased to Madison School District)
  - 3 – Vacant Residential Houses





# Public School Funding

- The majority of school district revenue is obtained through two sources:
  - Equalization Aid
  - Local property taxes
- These are counterbalancing forces – as state aid goes down, local property tax increases. Revenue limit caps the amount of funds that can be generated from these sources through a state calculation largely based on resident student enrollment.

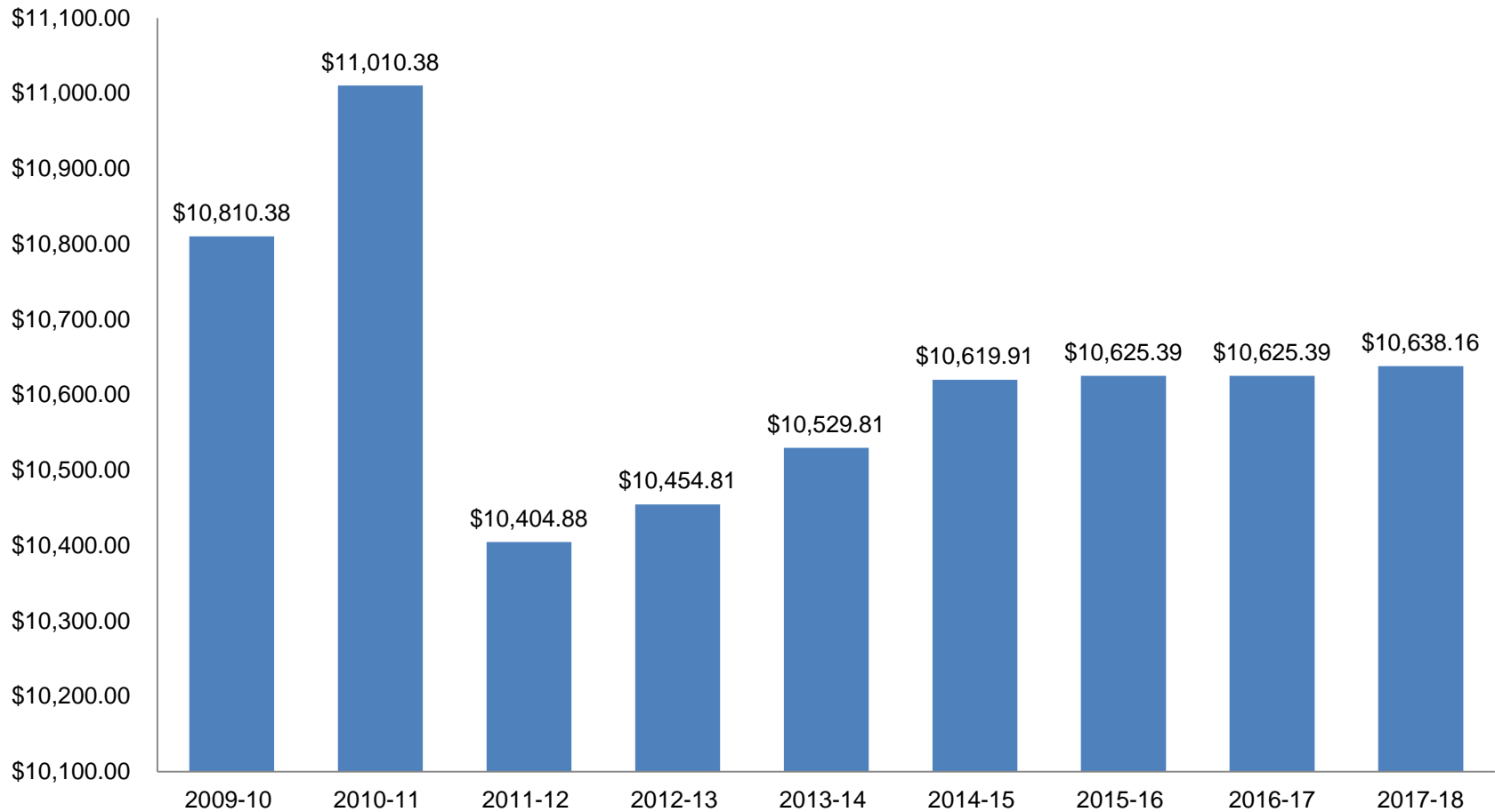


# Revenue Limits

- Established by the Legislature in 1993 presumably to help control property taxes
- Establishes the maximum amount of revenue that a district may raise through general state aid and the property tax levy
- Fluctuates with changes in enrollment, debt and state aid
- Revenue limit increased by \$0.00 per resident student



# Revenue Limits Per Pupil Amount



# Equalization and Per Pupil Aid

## Equalization Aid

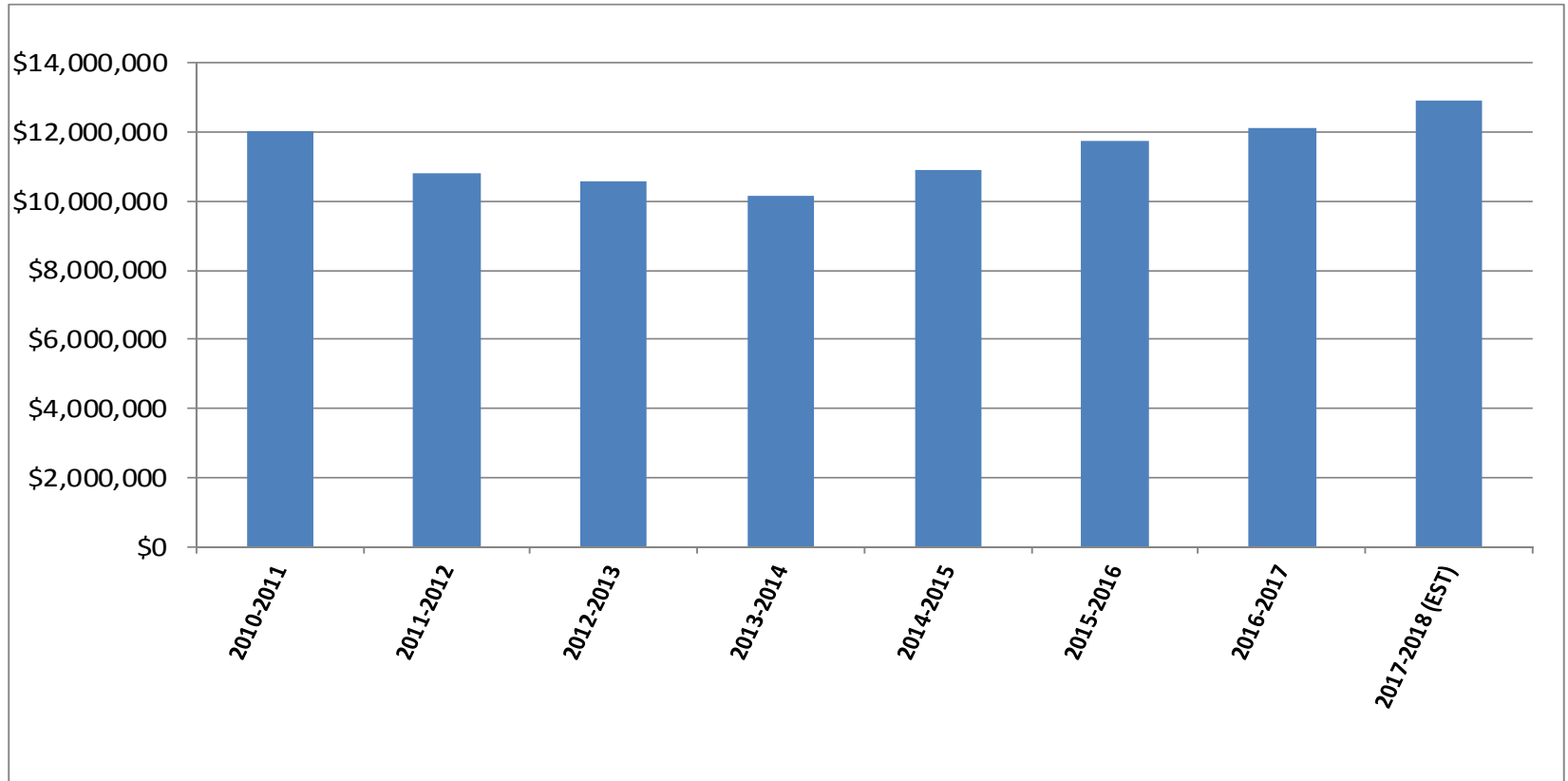
- The amount of Equalization Aid a District receives is dependent upon the State Aid formula
- There are three tiers to the aid formula:
  - Primary, Secondary and Tertiary
- Districts with a high equalized value per pupil are considered “property rich” and receive negative tertiary aid (total aid is reduced by the amount of negative tertiary aid.)
- Equalization Aid reduces the District tax levy
- Estimated increase of \$826,542

## Per Pupil Aid

- Per Pupil Aid (new over the last two state budgets)
  - 2016-2017 - \$250 per pupil
  - 2017-2018 - \$450 per pupil (additional revenue of \$619,200)



# Historical View of Equalization Aid



# 2017-2018 Budget Overview

- The Budgeting Process began back in January 2017
- “Zero-Based” Budgeting Process
- Passage of \$2.6 million Operational Referendum (Year 2)
- Per Pupil Aid Increase of \$200
- Balanced Budget
- Proposing a Total Tax Levy of \$27,371,132



# Fund Breakdown

- General Fund
  - Fund 10
- Special Projects Fund
  - Fund 21 – Special Revenue Trust Fund
  - Fund 27 – Special Education Fund
- Debt Service Fund
  - Fund 38 – Non-Referendum Debt Service Fund
  - Fund 39 – Referendum Approved Debt Service Fund
- Capital Project Fund
  - Fund 40
- Food Service Fund
  - Fund 50
- Community Service Fund
  - Fund 80
- Package & Cooperative Program Fund
  - Fund 99



# General Fund

## (Fund 10)

<b>GENERAL FUND</b>	<b>Audited 2015-16</b>	<b>Unaudited 2016-17</b>	<b>Budget 2017-18</b>
Beginning Fund Balance	8,510,753.82	8,077,646.64	8,136,300.41
<b>Ending Fund Balance</b>	<b>8,077,646.64</b>	<b>8,136,300.41</b>	<b>8,136,300.41</b>
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>			
Transfers-In (Source 100)	0.00	0.00	0.00
Local Sources (Source 200)	19,343,039.42	22,279,720.45	22,104,575.00
Inter-district Payments (Source 300 + 400)	2,183,726.50	2,468,636.49	2,500,000.00
Intermediate Sources (Source 500)	0.00	0.00	0.00
State Sources (Source 600)	13,226,207.90	13,981,329.53	15,415,125.00
Federal Sources (Source 700)	418,574.68	576,227.15	518,500.00
All Other Sources (Source 800 + 900)	105,711.49	222,239.88	125,000.00
<b>TOTAL REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>35,277,259.99</b>	<b>39,528,153.50</b>	<b>40,663,200.00</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>			
Instruction (Function 100 000)	17,735,952.85	18,993,859.89	19,655,751.00
Support Services (Function 200 000)	13,456,506.12	15,260,331.36	15,532,049.00
Non-Program Transactions (Function 400 000)	4,517,908.20	5,215,308.48	5,475,400.00
<b>TOTAL EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>35,710,367.17</b>	<b>39,469,499.73</b>	<b>40,663,200.00</b>





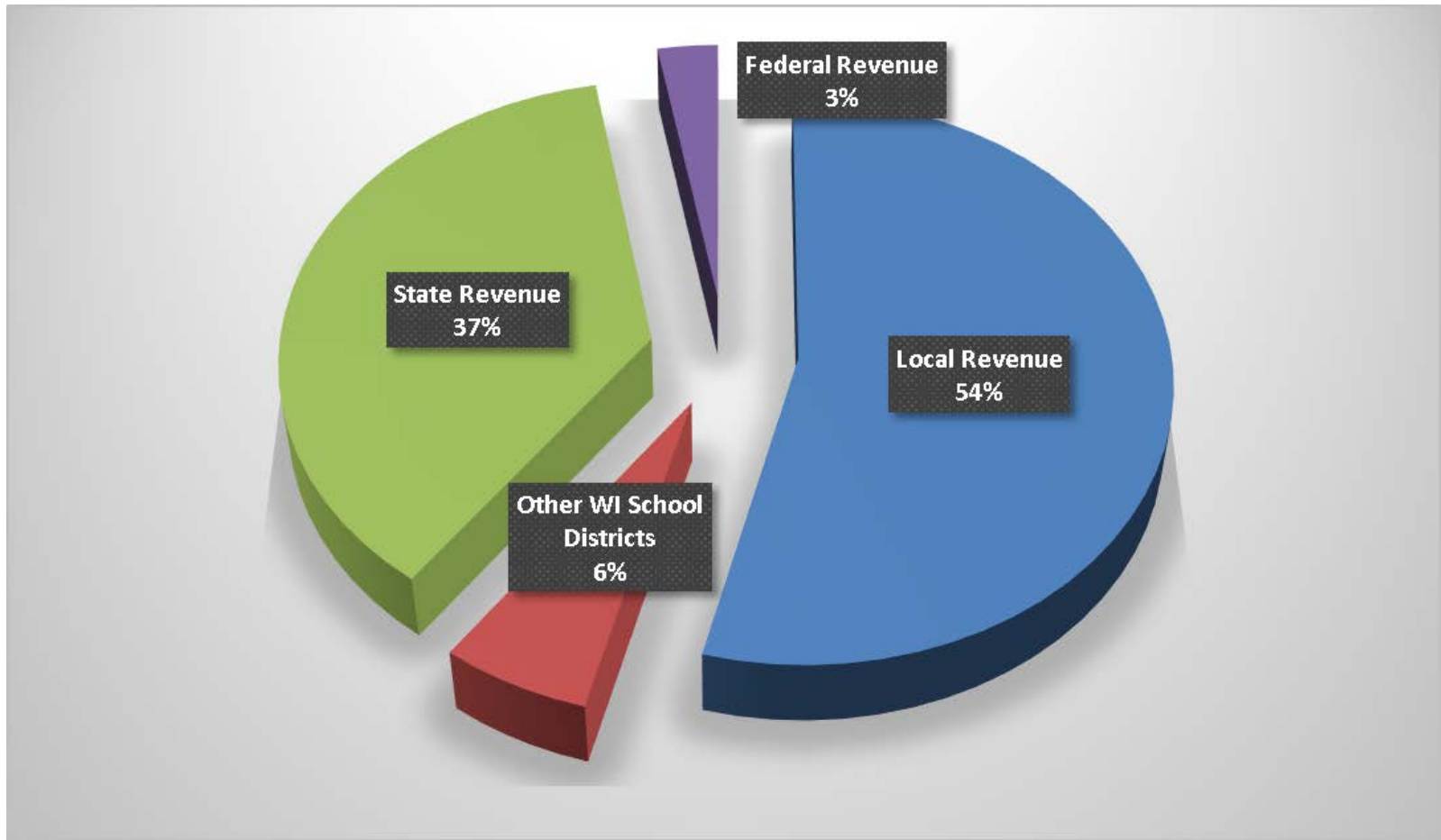
# Special Project Fund

## (Fund 21 & Fund 27)

<b>SPECIAL PROJECTS FUND</b>	<b>Audited 2015-16</b>	<b>Unaudited 2016-17</b>	<b>Budget 2017-18</b>
Beginning Fund Balance	55,087.84	59,176.96	73,971.99
<b>Ending Fund Balance</b>	59,176.96	73,971.99	73,971.99
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	5,893,373.59	6,267,021.00	6,535,000.00
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	5,889,284.47	6,252,225.97	6,535,000.00



# Revenues

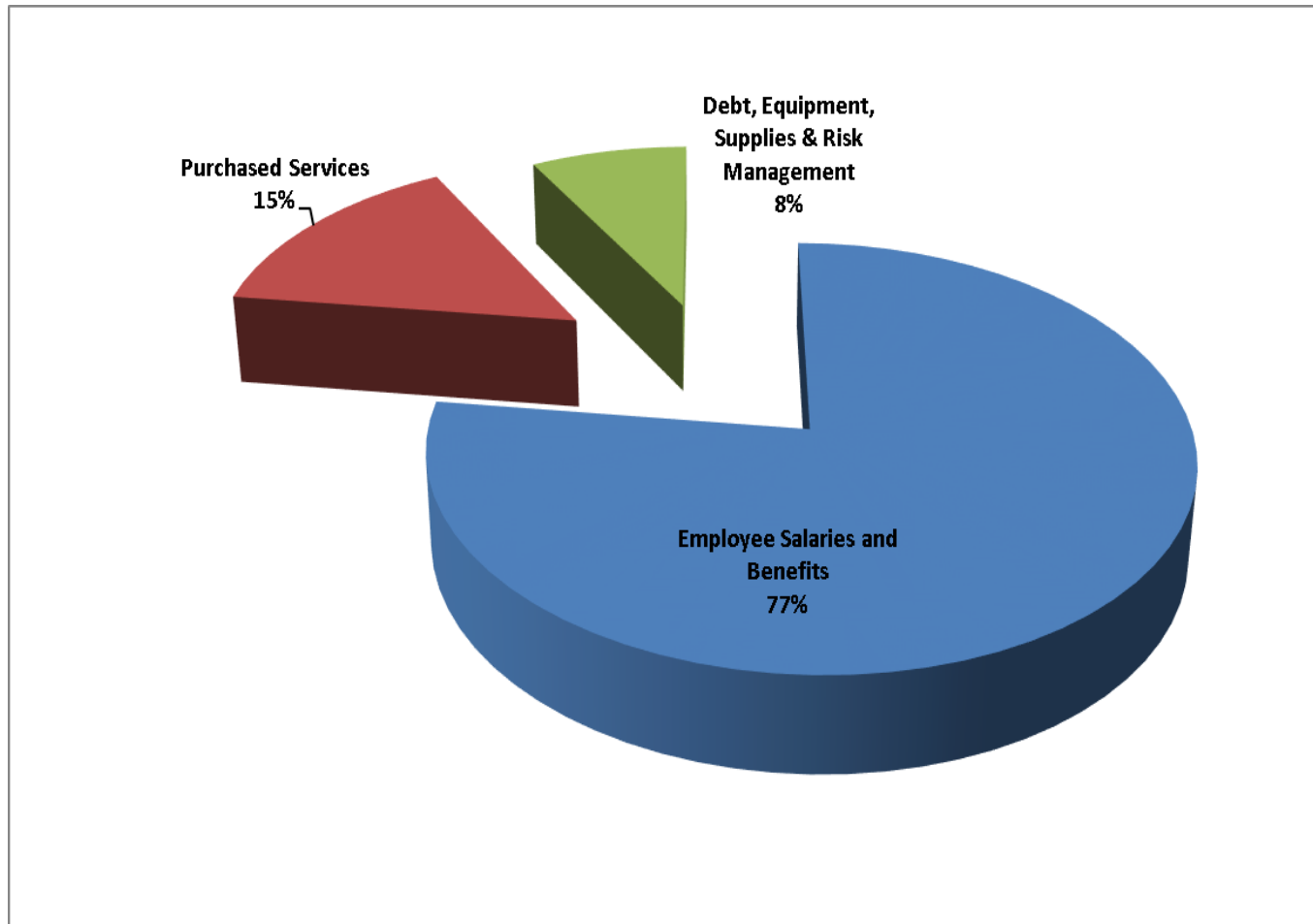


# How We Use Our Funding

- Salaries/Benefits: FICA, WRS, Health/Dental & Post Employment Benefits
- Purchased Services: Substitute Cost, Transportation, Utilities & Contracts
- Non-Capital Objects: Supplies, Apparel, Textbooks & Workbooks
- Capital Objects: Equipment
- Debt Retirement: Capital lease payments
- Insurance: Liability, Workers Compensation & Property
- Transfers: Special Education
- Other Objects: District Dues, Fees & Prior Year Expenditures



# Expenditures



# Debt Service Fund

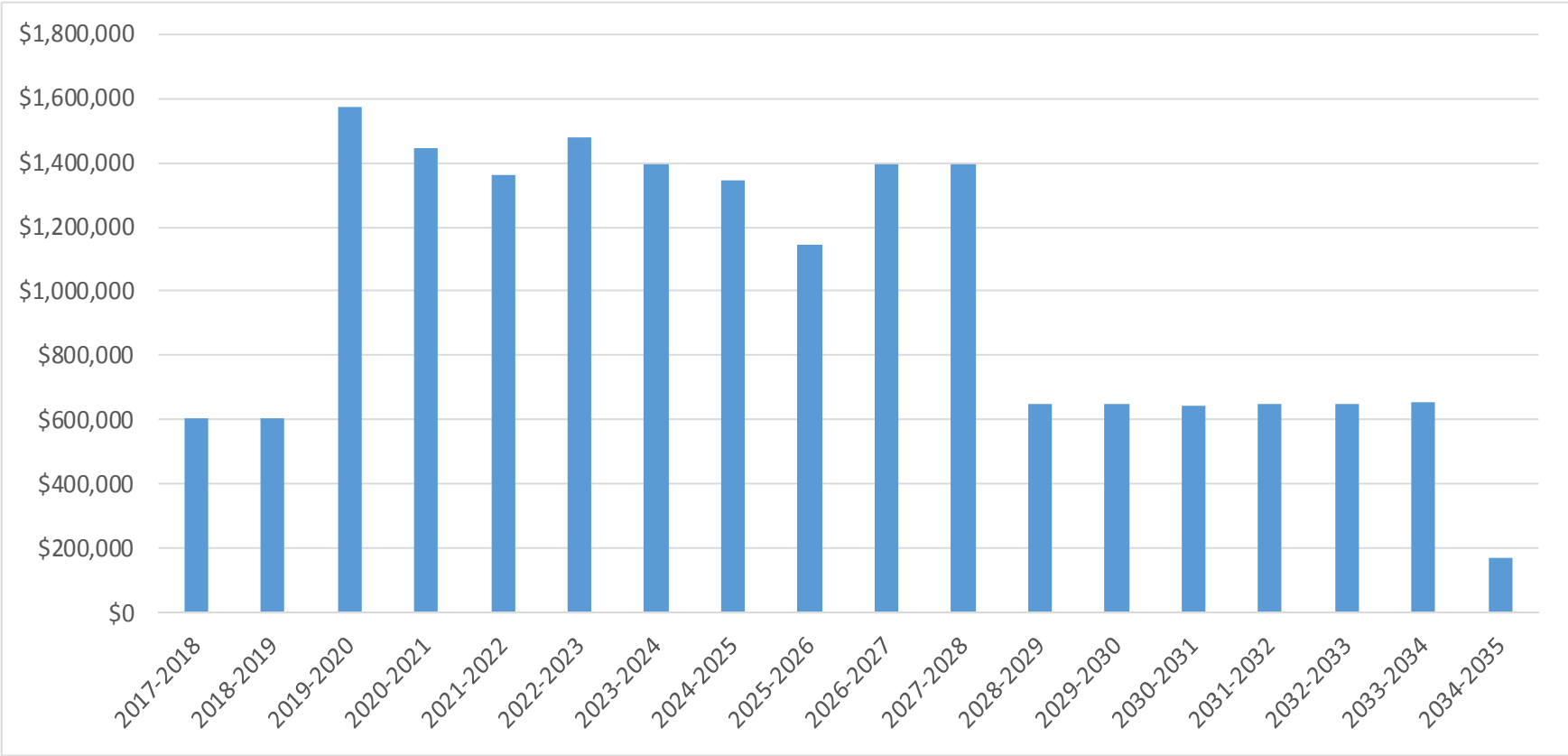
## (Fund 38 & Fund 39)

Debt Service Detail – Pages 17 - 20 Annual Meeting Booklet

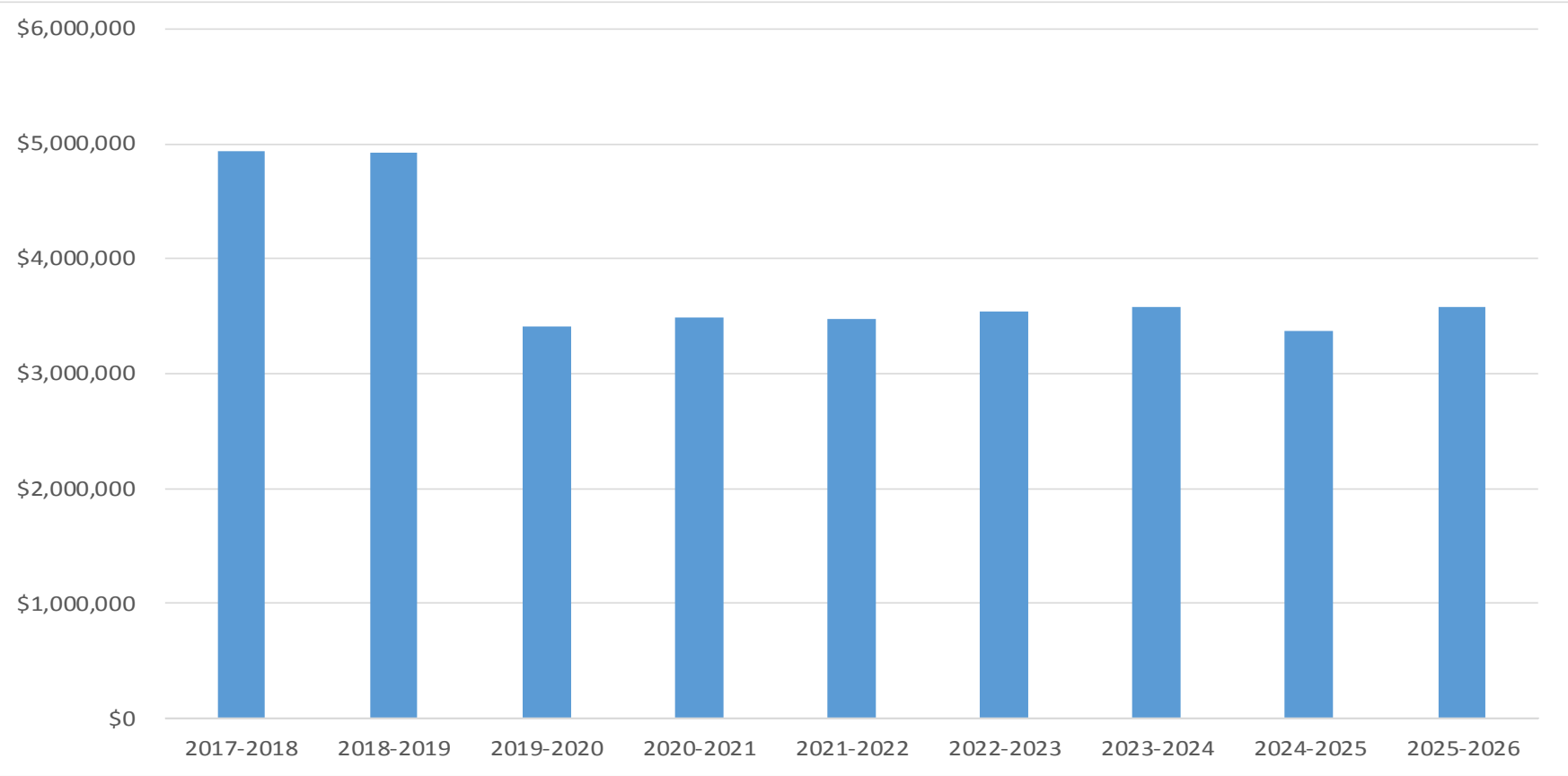
<b>DEBT SERVICE FUND</b>	<b>Audited 2015-16</b>	<b>Unaudited 2016-17</b>	<b>Budget 2017-18</b>
Beginning Fund Balance	1,302,854.35	1,319,187.44	1,385,759.25
<b>Ending Fund Balance</b>	1,319,187.44	1,385,759.25	1,346,225.25
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	14,038,668.65	5,533,080.86	5,531,557.00
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	14,022,335.56	5,466,509.05	5,571,091.00



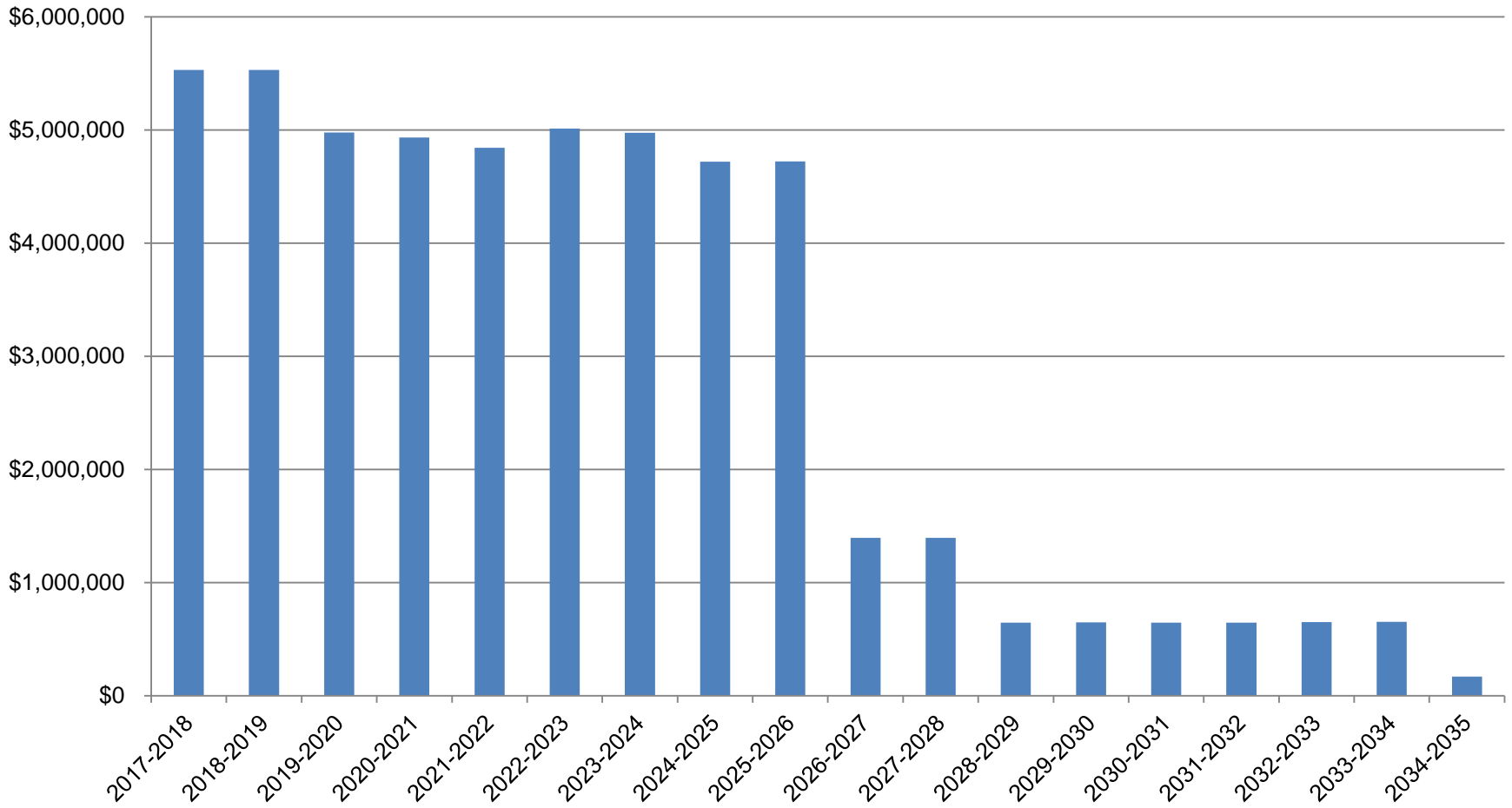
# Fund 38 Debt Schedule



# Fund 39 Debt Schedule



# Total Debt Service





# Food Service Fund

## (Fund 50)

<b>FOOD SERVICE FUND</b>	<b>Audited 2015-16</b>	<b>Unaudited 2016-17</b>	<b>Budget 2017-18</b>
Beginning Fund Balance	272,855.78	359,501.41	501,513.67
<b>Ending Fund Balance</b>	<b>359,501.41</b>	<b>501,513.67</b>	<b>501,513.67</b>
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>1,251,139.47</b>	<b>1,296,328.81</b>	<b>1,347,828.00</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>1,164,493.84</b>	<b>1,154,316.55</b>	<b>1,347,828.00</b>

### **Fund 50 Food Service Fund**

All revenues and expenditures related to pupil and elderly food service activities are recorded in this fund. A fund balance in the Food Service Fund is permitted. There may be no deficit in the Food Service Fund. Any food service fund deficit, resulting from student food services, must be eliminated by an operating transfer from the General Fund.



# Community Service Fund

## (Fund 80)

<b>COMMUNITY SERVICE FUND</b>	<b>Audited 2015-16</b>	<b>Unaudited 2016-17</b>	<b>Budget 2017-18</b>
Beginning Fund Balance	406,309.17	446,582.40	383,028.50
<b>Ending Fund Balance</b>	<b>446,582.40</b>	<b>383,028.50</b>	<b>383,028.50</b>
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>413,457.42</b>	<b>372,413.35</b>	<b>385,000.00</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>373,184.19</b>	<b>435,967.25</b>	<b>385,000.00</b>

- Personnel and Supplies for Facility Use By Community
- Summer Recreation Programming (Summer Camps)
- Community Based Pool (Pool Personnel and Supplies)
- Auditorium Usage (Community)
- City of Monona Partnerships (School Resource Officers)
- Media Personnel/Supplies (Monona/Cottage Grove Cable)



# Package & Cooperative Program Fund

<b>PACKAGE &amp; COOPERATIVE PROGRAM FUND</b>	<b>Audited 2015-16</b>	<b>Unaudited 2016-17</b>	<b>Budget 2017-18</b>
Beginning Fund Balance	0.00	0.00	0.00
<b>Ending Fund Balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>335,695.78</b>	<b>479,322.77</b>	<b>429,091.00</b>
<b>EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>335,695.78</b>	<b>479,322.77</b>	<b>429,091.00</b>

These funds are used to account for activities in which a district acts as fiscal agent for combined programs and activities. Costs of services are generally shared on a pro-rated basis depending on participation. The District serves as the Fiscal Agent for Dane County School-to-Work Consortium.



# Summary

## Total Expenditures and Other Financing Uses

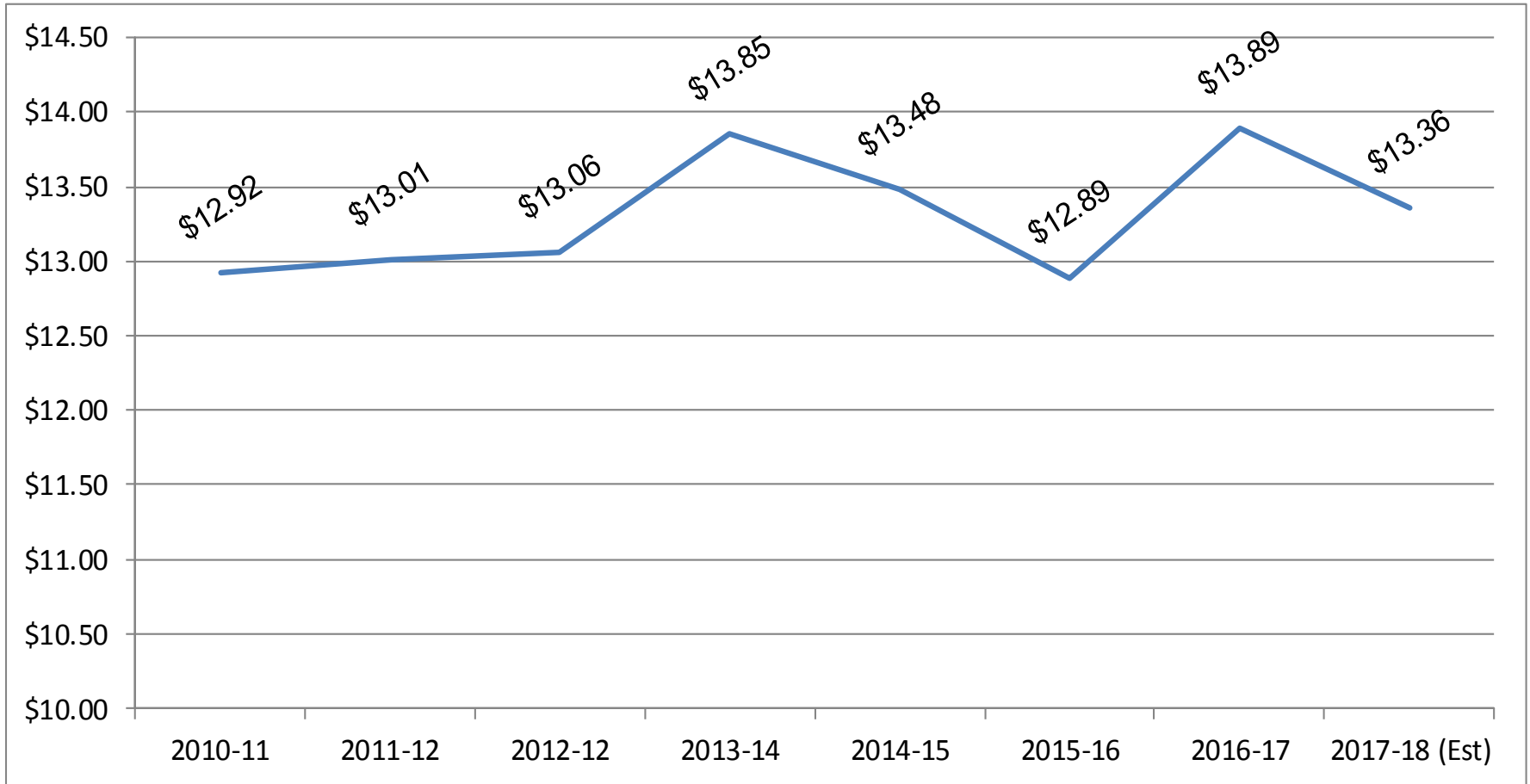
ALL FUNDS	Audited 2015-16	Unaudited 2016-17	Budget 2017-18
<b>GROSS TOTAL EXPENDITURES -- ALL FUNDS</b>	57,502,742.01	53,257,998.79	55,014,799.65
Interfund Transfers (Source 100) - ALL FUNDS	3,733,713.40	4,304,338.00	4,550,000.00
Refinancing Expenditures (FUND 30)	8,353,580.92	0.00	0.00
<b>NET TOTAL EXPENDITURES -- ALL FUNDS</b>	<b>45,415,447.69</b>	<b>48,953,660.79</b>	<b>50,464,799.65</b>
<b>PERCENTAGE INCREASE – NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR</b>		<b>7.79%</b>	<b>3.09%</b>

## PROPOSED PROPERTY TAX LEVY

FUND	Audited 2015-16	Unaudited 2016-17	Budget 2017-18
General Fund	18,686,132.00	21,697,838.00	21,514,575.00
Referendum Debt Service Fund	5,026,488.00	4,929,626.00	4,929,592.00
Non-Referendum Debt Service Fund	651,712.00	596,965.00	601,965.00
Capital Expansion Fund	0.00	0.00	0.00
Community Service Fund	315,250.00	275,000.00	325,000.00
<b>TOTAL SCHOOL LEVY</b>	<b>24,679,582.00</b>	<b>27,499,429.00</b>	<b>27,371,132.00</b>
<b>PERCENTAGE INCREASE -- TOTAL LEVY FROM PRIOR YEAR</b>		<b>11.43%</b>	<b>-0.47%</b>



# Mill Rate History



# Amounts Subject to Change

- Some of the amounts used to determine the revenue cap, state aid and overall tax levy are subject to change
- Although significant fluctuations are not anticipated, certain amounts will not be finalized until a later date. These items include:
  - Final Membership Count (3<sup>rd</sup> Friday Count)
  - Certification of District Equalized Property Value
  - Certification of the Total State Aid



# Next Steps – Important Dates

- October 2nd – Department of Revenue Property Values are released
- October 13<sup>th</sup> – Final State Aid Calculation
- October 25<sup>th</sup> – Board Action on Final Budget and Tax Levy



# Questions

This concludes the Budget Hearing portion of the Annual Meeting.

For detailed information or follow up questions, please contact:

Jerrud Rossing

Director of Business Services

608-316-1916

[jerrud.rossing@mgschools.net](mailto:jerrud.rossing@mgschools.net)





# Adoption of Tax Levy

## *Suggested Motion:*

“I \_\_\_\_\_, of (address), move Approval of a Tax Levy in the total amount of \$23,371,132.



# Authorization of Salaries for School Board Members

## *Suggested Motion:*

“I \_\_\_\_\_, of (address), move to set the 2017-2018 annual salaries of School Board members at \$\_\_\_\_\_.”

**\*NOTE:** *2016-2017 Actual Salaries were \$3,100 per member*



# Reimbursement of School Board Member Related Expenditures

## *Suggested Motion:*

“I \_\_\_\_\_, of (address), move to authorize the reimbursement of School Board members for expenses incurred in the performance of duties.”



# Authorize the School Board to Establish the Date, Time, and Place of the 2018 Annual Meeting

## *Suggested Motion:*

“I \_\_\_\_\_, of (address), move to authorize the School Board to establish the date, time and place of the 2018 Budget Hearing and Annual Meeting.”



# Approval of a Resolution Authorizing Site Acquisition and Designating Said Site for Potential School District Buildings



# Proposed Land Purchase Information

## Background

- On September 13<sup>th</sup>, the Monona Grove Board of Education voted unanimously to seek approval at the District's Annual Meeting for authority to purchase approximately 40 acres of land adjacent to Glacial Drumlin Middle School in Cottage Grove.

## Property Location:

- 4490 Buss Road,  
Cottage Grove, WI



# Proposed Land Purchase Information

## Why is the Board asking for authority to purchase land?

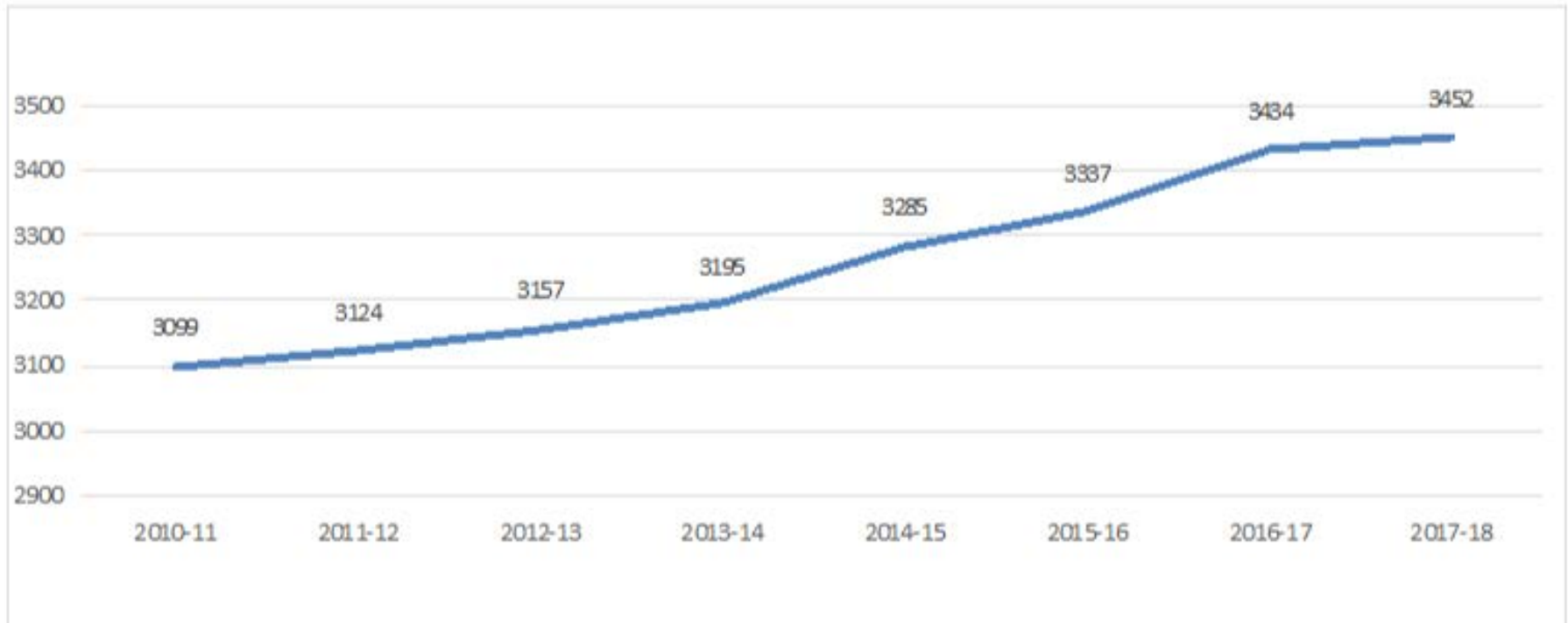
- Monona Grove is a rapidly growing school district and this growth is projected to continue well into the future. Continued enrollment growth means District schools are projected to soon reach or exceed their capacities.
- Enrollment has increased by nearly 300 students from 2012-13 and 2017-18. The District currently enrolls almost 3,500 students. *District enrollment is projected to increase by more than 750 students between 2017-18 and 2030-31.*
- Earlier in 2017, the urban planning firm Vandewalle & Associates completed a study of enrollment patterns and housing development plans within the District. Vandewalle projects District enrollment will grow 13% by 2020-21 and an *additional* 9% by 2030. Much of the projected enrollment growth is expected to be concentrated in the Cottage Grove area.

## Why now?

- Enrollment projections show several District facilities will soon be at or near capacity. Recognizing this emerging school capacity concern, the District is expanding its facilities planning options by proposing to secure additional land.
- In addition, the land proposed for purchase is located adjacent to Glacial Drumlin Middle School. The proximity of the land to an existing District facility makes it a unique opportunity.

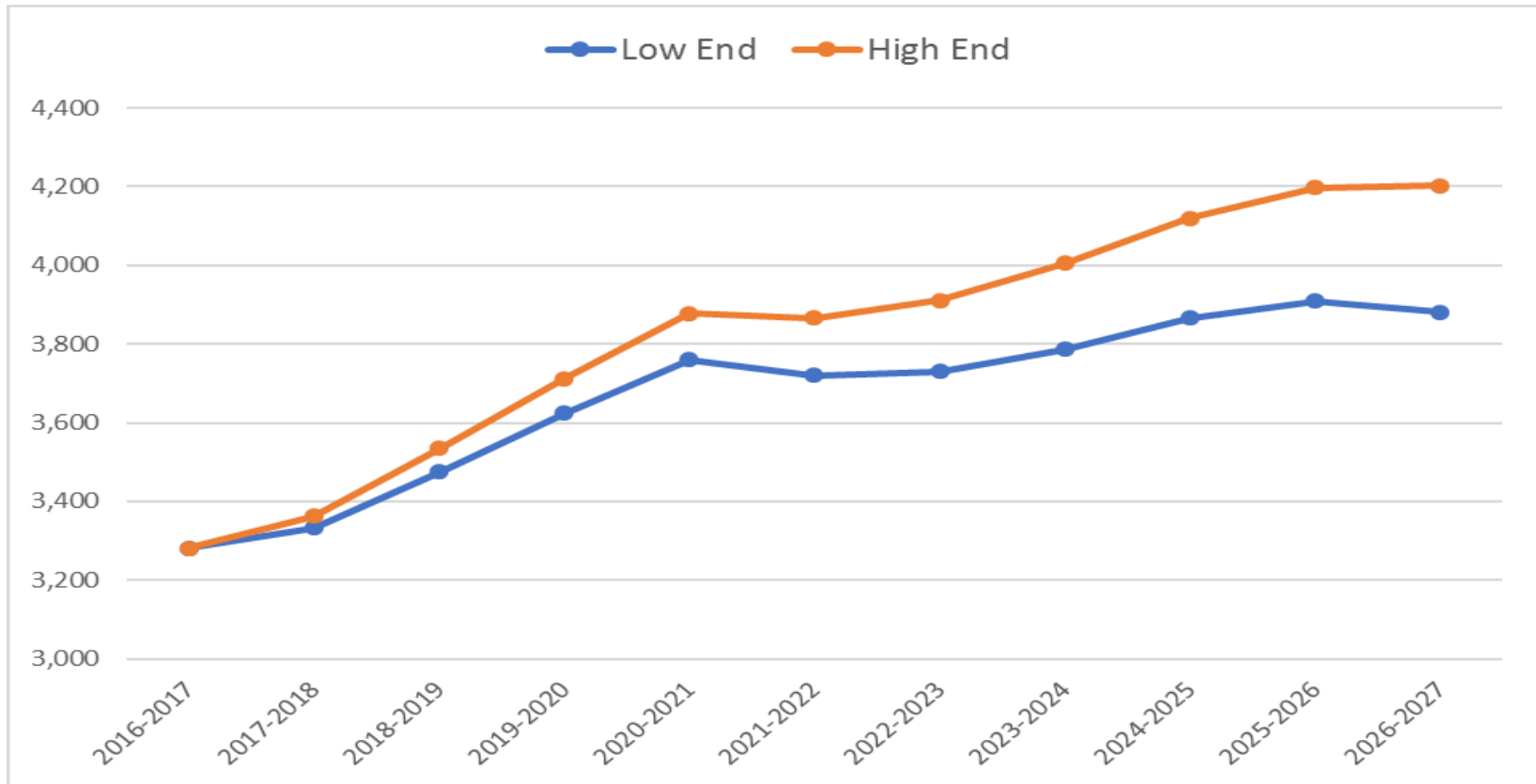


# Current Enrollment Trend





# Enrollment Projection



# Land Purchase Cost

## How much will the land cost?

- The proposed purchase price is \$1.6 million for approximately 40 acres, or about \$40,000 per acre.

## Will the land purchase impact the district's tax rate?

- The District is proposing to use short-term borrowing in Fund 38 (Non-Referendum Debt) to finance the purchase of the land. The short-term borrowing will have no impact on the district tax rate unless the voters of the Monona Grove School District approve a referendum in the future to pay off the short-term borrowing used to purchase the land, if needed.

## Will the proposed land purchase impact funding devoted to the classroom?

- It is the intent of the District that funding devoted to classroom will not be impacted by the purchase. The District will finance the land purchase through short-term borrowing in Fund 38 (Non-Referendum Debt). The short-term borrowing will allow the District to examine multiple options to pay for the land purchase.

–Such as:

- Selling Property currently identified by the Long-Range Facilities Committee that is not useable by the district
- Utilize funds from a upcoming TID District closing
- Referendum



# Land Purchase Financing

## Overview of Financing:

- The District is proposing to short-term borrow, which will have not impact on the district tax rate
- We looked at two options:
  - Short-Term Borrowing from the State Trust Fund
    - Principal and Interest Payment of \$212,287
  - Short-Term Borrowing via Note Anticipation Notes (Going to the Market) (Recommended)
    - Interest Payment of \$23,907 in 2017-2018
    - Interest Payment of \$26,400 in 2018-2019
- If authorization is granted at the Annual Meeting, the Board of Education at their next Board of Education meeting (October 11<sup>th</sup>, 2017) – will need to approve an resolution to beginning the financing process



# Proposed Land Purchase

## Questions



# Proposed Land Purchase

## *Suggested Motion:*

“I \_\_\_\_\_, of (address), moved to approve the following resolution:

BE IT RESOLVED by the electors of the Monona Grove School District, Dane County, Wisconsin, that the School Board be authorized to acquire a site necessary for School District purposes and located as described in the following real estate description, (which is incorporated herein by this reference) to be designated for potential School District buildings pursuant to Sections 120.10(5m) and (5) of the Wisconsin Statutes:

*The approximately 40 acres located at 4490 Buss Rd, Town of Cottage Grove, Dane County, Wisconsin, with a legal description of: "the Southwest ¼ of the Southwest ¼, Section 5, Township 7N, Range 11E, Town of Cottage Grove, Dane County, Wisconsin.*



# Annual Meeting Agenda Item

## Other Business



# Adjournment

## *Suggested Motion:*

“I \_\_\_\_\_, of (address), move that the meeting be adjourned.”



Thank you for attending the 2017  
Annual Meeting and Budget  
Hearing.

