

Cedarburg School District



2015-16 Budget Recommendations

Board of Education
April 27, 2015

Cedarburg School District
2015-16 Budget Projection & Reconciliation
April 27, 2015

(See Reverse Side for Different View of Information Provided Below)

	Description	Inc/(Dec)	Totals
	Initial Revenue Limit Assumptions:		
	Revenue Limit (Per pupil increase of \$0 and Membership decrease of 48)	182,365	
	Total Revenue Increase/(Decrease)		182,365
	Initial Assumptions:		
	Salary/Benefit Increase (Salary 2% and Insurance 5%)	463,633	
	Utilities Increase (2%)	17,851	
	Transportation Increase (2%)	21,796	
	District Insurance Increase (5%)	12,263	
	Total Expenditure Increase/(Decrease)		515,543
	Total Initial Budget Gap		(333,178)
1	Decrease Open Enrollment Revenue	(112,795)	(445,973)
2	Decrease Salary Assumption from 2.0% to 1.62%	77,012	(368,961)
3	Decrease Transportation Assumption from 2.0% to 1.62%	4,141	(364,820)
4	Decrease Transportation Guarantee from 1.62% to 1.50%	1,308	(363,512)
5	Decrease Retiree Benefit Assumption	65,272	(298,240)
6	Decrease Utilities Assumption from 2.0% to 0%	17,851	(280,389)
7	Increase Employee Dental Premium Share to 12.6%	31,574	(248,815)
8	Remove Teacher Lane Movement	10,000	(238,815)
9	Remove Elementary Interns	31,766	(207,049)
10	Transfer Mentor Coach to Grant and Adjust FTE .44 to .40	21,234	(185,815)
11	Decrease Cash Flow Borrowing Budget	20,000	(165,815)
12	Transfer District Office Copy Machine Costs to Departments	5,700	(160,115)
13	Transfer Conference Substitute Costs to Schools/Departments	6,000	(154,115)
14	Reduce Legal Budget	25,000	(129,115)
15	Increase Course Option Tuition Budget	(12,000)	(141,115)
16	Reduce E-rate Consultant Budget	6,000	(135,115)
17	Decrease Compass Learning Budget	8,585	(126,530)
18	Decrease Compass Learning Subscriptions	13,500	(113,030)
19	Transfer Reading Recovery Budget to C&I Budget	3,000	(110,030)
20	Reduce C&I Budget	7,000	(103,030)
21	Reduce Human Resources Wellness Budget	5,760	(97,270)
22	Reduce Administrator National Conference Budget	4,000	(93,270)
23	Reduce ATOD Budget	6,000	(87,270)
24	Increase Student Parking Revenue	17,500	(69,770)
25	Increase Student Fee Revenue	32,550	(37,220)
26	Increase Elementary Teacher Staffing .75 FTE	(52,681)	(89,901)
27	Decrease Elementary Appendix B Allocation	16,859	(73,042)
28	Decrease Elementary Aide Staffing	78,268	5,226
29	Increase Webster Chorus Teacher Staffing .33 FTE	(33,646)	(28,420)
30	Increase Webster World Language Teacher Staffing .20 FTE	(15,859)	(44,279)
31	Decrease Webster Appendix B Allocation	4,700	(39,579)
32	Decrease Webster Overloads	2,300	(37,279)
33	Eliminate Lunch Room Supervision Budget	5,885	(31,394)
34	Transfer After School Tutoring Costs to Webster	1,859	(29,535)
35	Increase High School Staffing 1.49 FTE	(62,042)	(91,577)
36	Decrease High School Appendix B Allocation	10,350	(81,227)
37	Decrease High School Aide Staffing	14,231	(66,996)
38	Special Education Paraprofessional Staffing	0	(66,996)
39	Change Budget/Expense Process for Bonus Program	498,180	431,184
	Potential decrease of \$150 per pupil categorical aid in 2015-16	(431,700)	(516)

Different View of 2015-16 Budget Projection & Reconciliation

Description	Amount	Reconciliation Line Item
Total Initial Budget Gap	(333,178)	
Decrease to Open Enrollment Revenue	(112,795)	1
Subtotal	(445,973)	
Potential Decrease of \$150 per pupil categorical aid	(431,700)	
Sub Total	(877,673)	
Salary Assumption change	77,012	2
Transportation Assumption change	5,449	3, 4
Retiree Benefit Assumption change	65,272	5
Utilities Assumption change	17,851	6
Adjusted Assumptions	165,584	
Adjusted Initial Budget Gap	(712,089)	
Increase Student Fees	50,050	24, 25
Increase Teacher FTE 2.77	(156,043)	26, 29, 30, 32, 33, 35
Increase Course Option Tuition Budget	(12,000)	15
Increase Employee Insurance Premium	31,574	7
No change to Special Education Staffing	0	38
Eliminate Budgets no Longer Needed	41,766	8, 9
Transfer Miscellaneous Budgets to School/Department Budgets	16,559	12, 13, 19, 34
Transfer General Fund to Grant Fund	21,234	10
Decrease Appendix B Allocation	31,909	27, 31, 36
Decrease Aide Staffing	92,499	28, 37
Decrease Compass Learning Allocation	22,085	17, 18
Decrease National Conference Administration Budget	4,000	22
Decrease C&I Budget	7,000	20
Decrease Business Office Budget	45,000	11, 14
Decrease Human Resources Budget	5,760	21
Decrease Technology Budget	6,000	16
Decrease Pupil Services Budget	6,000	23
Change in Budget/Expense Process for Bonus Program	498,180	39
Total Budget Changes	711,573	
Budget Balance to Date	(516)	

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(Additional comments generated from discussion at the P&F meeting can be found in red below)

1. Decrease Open Enrollment Revenue **Fiscal Impact \$112,795**

- This amount reflects a decrease to revenue based on 17 twelfth grade open enrollment students not returning next year. The estimated amount per student is currently \$6,635.
- Administration recommended zero open enrollment seats for the 2015-16 school year, which was approved by the School Board at the January 20, 2015 school board meeting.
- The district uses class size limits based on average pupil-teacher ratios to determine spaces available for open enrollment.
- Board policy states the low end of the preferred district-wide average class size will be used to determine available space.
- To allow for additional residents who may move into the district at any time, open enrollment seats will only be established when the actual projected class size average is at least one full student below the low end of the preferred district-wide average.

2. Decrease Salary Assumption from 2.0% to 1.62% **Fiscal Impact \$77,012**

- The initial budget assumption reflected a 2.0% salary increase.
- The initial assumption has now been updated to reflect the July 1, 2015 CPI-U of 1.62% as determined by the WI Department of Revenue and released to school districts by the WERC.
- The salary and corresponding benefits were recalculated using a salary increase of 1.62%.

3. Decrease Transportation Assumption from 2.0% to 1.62% **Fiscal Impact \$4,141**

- The initial assumption of 2.0% has now been updated to reflect the July 1, 2015 CPI-U of 1.62%.
- In 2014-15 three years of guaranteed transportation increases were negotiated and approved by the School Board at the March 18, 2014 meeting. The increase approved for 2015-16 was the lessor of 2.95% or the July 1 CPI-U.

4. Decrease Transportation Guarantee from 1.62% to 1.50% **Fiscal Impact \$1,308**

- The 1.62% guaranteed increase was negotiated to 1.50%.

5. Decrease Retiree Benefit Assumption **Fiscal Impact \$65,272**

- Each year the initial assumption rolls forward the current retiree amount.
- After the district receives retirement notices the budget is adjusted to reflect increases for new retirees and decreases for retirees where the district has met its post-employment obligation.

6. Decrease Utilities Assumption from 2.0% to 0% **Fiscal Impact \$17,851**

- The utilities budget was reviewed by Director of Facilities and it was determined the current 2014-15 budget would be sufficient to cover utilities for 2015-16.

7. Increase Employee Dental Premium Share to 12.6% **Fiscal Impact \$31,574**

- It is recommended the following changes to employee dental premium shares become effective with the July 1, 2015 premium.
 - ✓ Teachers currently eligible for dental insurance contribute 1.0% of the premium. The total annual premium is \$1,426.32 for a family plan and \$509.40 for a single plan. The current 1.0% annual employee share is \$14.28 for family and \$5.04 for single. The employee premium share at 12.6% would be \$179.76 or an increase of \$165.48 for a family plan and \$64.20 or an increase of \$59.16 for a single plan.
 - ✓ Administrators and support staff eligible for dental insurance currently contribute 0% of the premium. The employee premium share at 12.6% would be \$179.76 for a family plan and \$64.20 for a single plan.
- Employee premium shares for health were changed from 5.0% to 12.6% in 2012-13, which was one year after Act 10. At this time it was expected the dental premium would increase to 12.6% at a later date.

8. Remove Teacher Lane Movement **Fiscal Impact \$10,000**

- Beginning with the 2011-12 school year it was determined teachers would no longer be eligible for lane movement. On September 20, 2011 the School board approved grandfathering 13 teachers that were currently enrolled in an accredited Master's degree program. The total amount was estimated to be \$41,498.
- To date nine employees have completed their Master's degree program and have been appropriately compensated.
- The balance remaining for the four teachers that have not completed their program is \$15,995. It is recommended the district no longer budget a separate

line item and incorporate the increase into the normal salary estimate when or if the employee completes their master's degree program.

9. Remove Elementary Interns **Fiscal Impact \$31,766**

- In 2014-15 parents expressed concerns about class sizes at all three elementary schools over the past two years. A budget was created to hire interns and ultimately one intern was hired at Parkview.
- The class sizes for 2015-16 are within the guidelines and the intern budget is no longer necessary.

10. Transfer Mentor Coach to Grant and Adjust FTE .44 to .40 **Fiscal Impact \$21,234**

- The Instructional Mentor Coach is currently a .44 FTE and district funds support .25 of the FTE and .19 of the FTE is supported by grant funds.
- The Coach is responsible for working with new teachers to the district and continuing teachers in their second and third years. The district's portion of the Coaches' salary will now be fully funded from the ESEA Title II Entitlement grant funds, which are designated for professional development.
- The total FTE for this position will decreased from .44 to .40 which is sufficient to cover the needs of new teachers.
- It is recommended this position is transferred from a teacher position to an exempt employee position.

11. Decrease Cash Flow Borrowing Budget **Fiscal Impact \$20,000**

- Beginning in 2010-11 the district began borrowing only the funds needed and for a shorter period of time, thus decreasing the total interest expense generated for cash flow needs.
- It is anticipated that this practice will continue over the next couple of years and that interest rates will remain favorable.
- The recommendation is to reduce this budget from \$35,000 to \$15,000. The impact of this reduction means the business office budget will have less flexibility to contribute to other costs throughout district that cannot be covered within department and school budget allocations.
- **The interest expense for cash flow borrowing was \$4,025 in 2014-15, \$5,147 in 2013-14 and \$4,258 in 2012-13.**

12. Transfer District Office Copy Machine Costs to Departments **Fiscal Impact \$5,700**

- This recommendation is a decrease to the business office budget which currently covers copy machine costs for all district office departments.
- It is an attempt to manage color copying costs versus black and white costs.

- Departments will now be responsible for their copy machine costs out of their current budget allocation.

13. Transfer Conference Substitute Costs to Schools/Departments Fiscal Impact \$6,000

- This recommendation is a reduction to the district wide substitute budget.
- Individual schools/departments may choose to send an employee to a conference or seminar. They currently cover the costs of registration, lodging, transportation and meals. They will now be required to cover the cost of the substitute teacher too.
- The daily cost of a substitute teacher is currently \$120.
- **The amount expended at conferences/seminars in 2013-14 totaled \$107,952 (CESA 6 training and Literacy Collaborative training are not included in this amount).**

14. Reduce Legal Budget Fiscal Impact \$25,000

- The current legal budget has on average been under expended for several years. It is anticipated that this will continue thus allowing this budget to be reduced from \$100,000 to \$75,000.
- **Legal fees totaled \$23,550 in 2013-14, \$95,531 in 2012-13 and \$52,314 in 2011-12. The estimated expenditure for 2014-15 is \$50,000.**

15. Increase Course Option Tuition Budget Fiscal Impact \$12,000

- The state is no longer funding this program that allows high school students to take college courses. In order to allow our students to take advantage of the program, the district has to cover the cost of tuition.

16. Reduce E-rate Consultant Budget Fiscal Impact \$6,000

- The district currently contracts with Education Consortium for Telecommunications Savings (ECTS) for the application, tracking and reimbursement of district telecommunications services with federal E-rate dollars.
- In the 2015-16 consulting fees for services from ECTS will cease as all details of E-rate filing will be handled internally by district technology staff

17. Decrease Compass Learning Budget Fiscal Impact \$8,585

- In 2012-13 the district added \$50,585 for Compass Learning as an additional intervention program.
- In the summer of 2014 a reorganization of licensing in the form of an elimination of licenses at the middle school level and additional licenses allocated at each of the three elementary schools.
- The budget will be decreased to reflect the actual expenditure of \$42,000.

18. Decrease Compass Learning Subscriptions **Fiscal Impact \$13,500**

- Currently each elementary school has 90 licenses of Compass Learning, an intervention and extension program to address core content learning needs. With the increase of other learning opportunities, we can reduce licenses by 30 and still provide targeted opportunities for learning in the core content.

19. Transfer Reading Recovery Budget to C&I Budget **Fiscal Impact \$3,000**

- The Reading Recovery program, that targets early reading intervention in first grade, will be transferred to the C&I budget. In the past the program was charged to its own budget, however now the C&I budget will absorb the cost of Reading Recovery.

20. Reduce C&I Budget **Fiscal Impact \$7,000**

- With the State of Wisconsin picking up the cost of the ACT Exam, school districts no longer need to be saddled with that cost. Through a combination of adjusting the overall C&I budget and change in funding the ACT Exam, this reduction is made possible.

21. Reduce Human Resources Wellness Budget **Fiscal Impact \$5,760**

- With every aspect of the budget being scrutinized and the desire to make reductions that have the least negative impact on students, reducing the wellness budget can be managed.
- There is little evidence to document existing wellness activities are impacting health insurance costs (that is not an indictment of current efforts; it is simply very difficult to produce any cause/effect relationship under the current model). Expectations of the Wellness Committee will have to be adjusted.
- With the District examining wellness initiatives and opportunities that are directly linked to health benefit costs; it is likely that new wellness programs/options will be implemented in collaboration with the district's health care provider and insurance consultant.

22. Reduce Administrator National Conference Budget **Fiscal Impact \$4,000**

- The current policy allows for up to four administrators to attend a National Conference annually.
- This budget has come in under budget for the last several years and administration recommends reducing the current \$6,000 budget to \$2,000.
- The remaining \$2,000 would first be used to cover any funds needed to send administrators to accept awards for their school or departments.
- If an administrator is approved to attend a National Conference they will need to cover the costs with their school or department budget allocation.

- The amount expended in 2014-15 totals \$2,481, in 2013-14 \$1,435 and in 2012-13 \$5,646.

23. Reduce ATOD Budget **Fiscal Impact \$6,000**

- The current ATOD budget has been under expended for the last several years. It is anticipated that this will continue and allows this budget to be reduced from \$11,000 to \$5,000.

24. Increase Student Parking Revenue **Fiscal Impact \$17,500**

- This recommendation would increase student parking at the high school from \$100 annually to \$150 annually.
- The recommendation is based on the average amount charged by surrounding school districts. The highest amount charged from the comparable districts is \$300 annually and the lowest is \$50 annually.
- It is the intent of administration to review this fee annually and increase each year based on the average fee of surrounding school districts.
- **Please see the fee schedule attached to the back of this document for complete fee information.**

25. Increase Student Fee Revenue **Fiscal Impact \$32,550**

- This recommendation is based on the average amount charged by surrounding school districts as follows.
 - ✓ Early Childhood increase from \$20 to \$25
 - ✓ Elementary School increase from \$40 to \$55
 - ✓ Middle School increase from \$50 to \$65
 - ✓ High School increase from \$70 to \$80
- This recommendation is based on the average amount charged by surrounding school districts with the highest and lowest amounts listed below.
 - ✓ Early Childhood low of \$0 and high of \$30
 - ✓ Elementary School low of \$40 and high of \$75
 - ✓ Middle School low of \$45 and high of \$90
 - ✓ High School high low of \$50 and high of \$105
- It is the intent of administration to review this fee annually and increase each year based on the average fee of surrounding school districts.
- **Student fee increases were last discussed by the P&F Committee in 2010-11. At that time it was determined not to increase student fees. The current student fee amounts have been in place since at least 2007-08.**

- ✓ The fees for High School Athletics were increased in 2011-12 and High School Forensic & Debate fees were also added at that time.
- ✓ Please see fee schedule attached to the back of this document for complete fee information.

26. Increase Elementary Teacher Staffing .75 FTE **Fiscal Impact \$52,681**

- This recommendation is to increase Music, Art and Physical Education (MAPE) staffing at Westlawn due to 2015-16 schedule changes.
- After months of extensive examinations of the Elementary School schedules, standardization and consistency between the three schools that has never previously existed will be realized. Increased blocks of time for core academic subjects, common preparation time and remediation/enrichment time are just a few of the benefits of the new schedules.
- In order to realize the advantages of the new schedules, the part-time Music, Art and Physical Education teachers at Westlawn had to be increased to full-time positions. The three positions were at .75 FTE so they were already eligible for prorated health and dental benefits. Increasing the positions to full-time will make the positions more attractive to a larger pool of candidates. Their teaching loads will increase and they will be able to provide supervision that offsets the significant reduction in aide time.

27. Decrease Elementary Appendix B Allocation **Fiscal Impact \$16,859**

- As part of the effort to offset the cost of increasing the Music, Art and Physical Education staffing at Westlawn, the elementary principals agreed to reduce the Appendix B amounts that are issued to elementary teachers.
- A thorough examination of the existing elementary Appendix B contracts revealed significant inequities between the schools. The responsibilities and expectations for each Appendix B allocation will now be commensurate to the compensation, as well as consistent, fair to individuals and equitable across the district.

28. Decrease Elementary Aide Staffing **Fiscal Impact \$78,268**

- A thorough examination of the regular education instructional support staff at the elementary level resulted in a significant reduction in aide time. Between the new school schedules being implemented, the increase in MAPE teacher staffing at Westlawn, small class sizes and our teachers' effectiveness at differentiating instruction to meet students' needs, the principals feel that the remaining regular education instructional support staff can be efficiently and effectively utilized to continue to provide the necessary services for students and staff.
- A formula based on enrollment is now being used to ensure the aide hours assigned to each school are equitable.

29. Increase Webster Chorus Teacher Staffing .33 FTE **Fiscal Impact \$33,646**

- The part-time Chorus teaching position at Webster has been fluctuating between a .67 to .83 FTE for many years. The position is currently a .67 FTE and would be increasing slightly next year due to enrollment. The part-time nature of the position has caused turnover from year to year. In order to stabilize the position and enhance both the Chorus and Drama programs, making the position full-time is desired.
- This position also involves some extra-curricular responsibilities that can be “rolled” into the regular position to offset some of the increased costs. Increasing the position to full-time will also provide for supervision time that is needed at Webster due to other staffing changes.

30. Increase Webster World Language Teacher Staffing .20 FTE **Fiscal Impact \$15,859**

- Enrollment and supervision needs require a slight increase in Foreign Language teacher FTE at the secondary level.

31. Decrease Webster Appendix B Allocation **Fiscal Impact \$4,700**

- Assign duties to part-time Chorus teacher made whole above.
- Include responsibility for extra-curricular music and drama offerings into the salary for the newly created full-time position, the cost to increase the position to full-time can be somewhat offset.

32. Decrease Webster Overloads **Fiscal Impact \$2,300**

- For many years, the two Physical Education teachers at Webster have been teaching an extra adaptive physical education class that is required per special education students’ Individualized Education Plans (IEPs). The classes only require each PE teacher to teach an extra 30 minutes each week.
- The formula previously being used to compensate them for that overload was based on the overload involving a full 45 minute class period. Adjusting the formula to reflect the class is 30 minutes results in some savings.

33. Eliminate Lunch Room Supervision Budget **Fiscal Impact \$5,885**

- This budget was added for Webster in 2013-14 and decreased slightly in 2014-15.
- It is recommended to eliminate this budget in 2015-16 as part-time teachers made whole at Webster will continue to be assigned to lunch room duty.
- Any additional costs for lunch room duty will be covered by the Webster school budget.

34. Transfer After School Tutoring Budget to Webster **Fiscal Impact \$1,859**

- This budget was added for Webster in 2012-13.

- The budget costs will now be covered by the Webster school budget or Webster Appendix B allocation and will be determined as the budget is finalized.

35. Increase High School Staffing 1.49 FTE Fiscal Impact \$62,042

- This recommendation is an increase based on student enrollment, course selection and changes to the 2015-16 High School schedule.
- High School registration takes place in February of each year. A master schedule is generated and course sections are reviewed. Six departments will experience changes in FTE for a net increase of 1.49 FTE.
 - ✓ Art .26
 - ✓ English (.26)
 - ✓ FACE .17
 - ✓ Math .15
 - ✓ Science .33
 - ✓ Social Studies .84

36. Decrease High School Appendix B Allocation Fiscal Impact \$10,350

- A thorough examination of the existing High School Appendix B allocation allows for a decrease in the current allocation based on actual expenditures over the last several years.

37. Decrease High School Aide Staffing Fiscal Impact \$14,231

- In order to assist with balancing the budget the High School proposed eliminating a student supervisor.
- This means that the High School will no longer have a hall monitor that walks the hallways monitoring student issues. This position also currently goes to classrooms to bring students to the office for parent requests or guidance/administrative meetings. This need will now have to be covered by High School office staff.

38. Special Education Paraprofessional Staffing Fiscal Impact \$0

- Each year Special Education staffing is examined and adjusted based on student need.
- In assessing student needs, there is capacity to reduce one paraprofessional that is currently covered by the regular special education fund.
- This reflects no change to FTE since a paraprofessional FTE was added in 2014-15 and paid from out of the Flow Through grant. The added position will be removed from the grant and covered by the regular special education funds so that the district can receive categorical aid on the expenditure.

39. Change Budget/Expense Process for Bonus Program

Fiscal Impact \$498,180

- This recommendation was discussed with the district auditor and will change the way the district currently budgets and expensed its bonus program.
 - ✓ The district currently budgets and expenses teacher bonuses in the current year and pays out the next year for teachers returning to the district and working in the district as of October 1st.
 - ✓ The district currently budgets and expenses administrator and support staff bonuses in the current year and releases bonus allocations as of June 30.

- Because the intent of the School Board is to have the bonus contingent upon working at the district the following year, it would be appropriate to not record the expense until the contingent event is satisfied.
 - ✓ This means the total amount for bonuses and the corresponding benefits won't be expensed in 2014-15, but the funds will be committed to fund balance. This must be done prior to June 30, 2015.
 - ✓ The committed funds will then be budgeted and expensed in 2015-16. This will provide one year of budget relief in 2015-16. The budget will then be added back as normal in 2016-17 and balanced with the \$165 of per pupil aid anticipated in 2016-17.
 - ✓ This change will allow the district to simplify its process and budget the bonus and book the expense in the same year it is released to employees.

- In summary the main changes include the following.
 - ✓ No expense for bonuses will be booked to 2014-15.
 - ✓ The district auditor will report the bonus amount committed to fund balance and to be expensed and released in 2015-16 as a footnote in the 2014-15 financial statements.
 - ✓ Administrators and support staff will not receive their bonus until September 30th (or date approved by the School Board) which is the same as teachers.
 - ✓ No checks will need to be voided.
 - ✓ The entire tracking of the bonus program will be simplified and easier to process.