



Engage | Learn | Improve

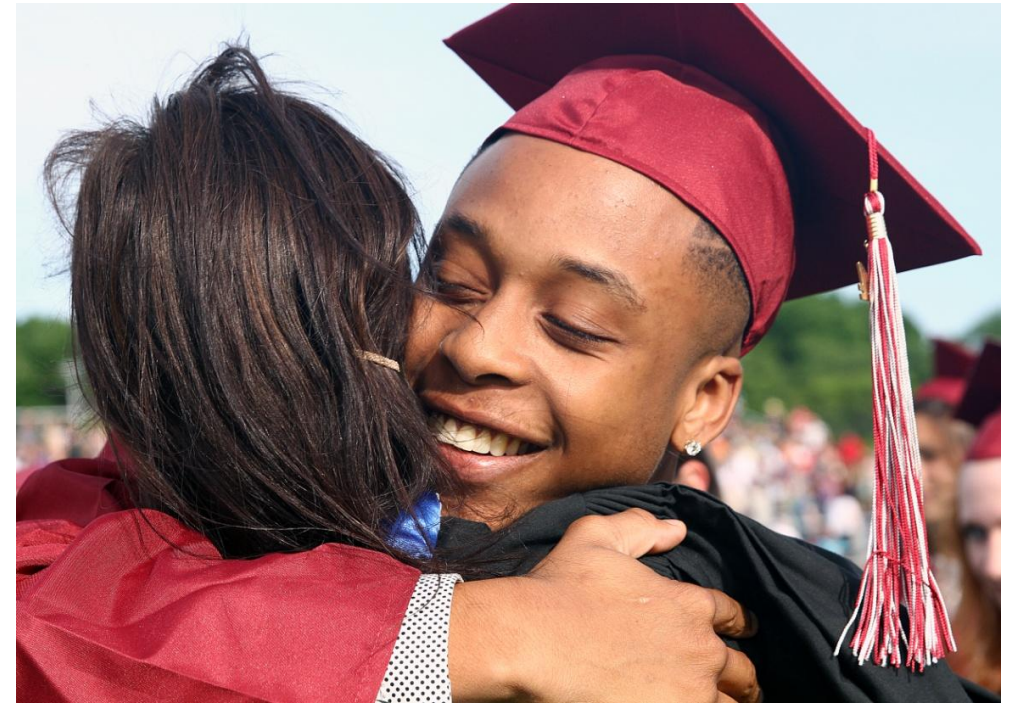
**2025-26**

**Budget Hearing**

*September 8, 2025 | 6:00 p.m.*

# Welcome to the 2025-26 Community Budget Hearing

- Key Factors in This Year's Financial Results
  - Transparency & Accountability
  - Celebrations
  - Budget strategy
  - Controlling costs
- 2024-25
  - Budget recap
- 2025-26
  - Budget goals/priorities
  - Budget planning
  - Budget highlights



# SDMF Strategic Plan 2024-2029

## Menomonee Falls Schools Strategic Plan 2024-2029

<b>Vision</b>	The relentless pursuit of excellence, one person at a time			
<b>Mission</b>	Engage	Learn	Improve	
	<b>Our Students</b>	<b>Our Parents &amp; Families</b>	<b>Our Employees</b>	<b>Our Finance &amp; Facilities</b>
<b>Goals</b>	We prepare our graduates to be college, career and life ready	We engage with our parents and families in effective, 2-way communication to support student learning	We recruit, retain and engage effective employees in all roles	We steward our finances and facilities to maximize student learning while remaining fiscally responsible



# Transparency and Accountability



## School District of Menomonee Falls 2025-26 Budget Development Calendar - Working Draft

V. 6.20.25

**17** Public Discussion Opportunities

<u>General Target Date</u>	<u>Target Date</u>	<u>Description</u>	<u>X = Public Discussion</u>	<u>Responsibility</u>
Months of Dec./Jan.		Develop Budget (Base) Forecast Assumptions & Projection		Dir. Finance & Ops/Cabinet/BoE
Months of Dec./Jan.		Frame Budget Scorecard & Strategic Leverage Priorities		Cabinet/Leadership
<i>Some dates are tentative, or set by committee, and subject to change</i>				
<b>January</b>		<i>Budget Assumptions &amp; Forecast to BoE, Leadership, Staff, &amp; Community</i>		Supt./Dir. Finance & Ops
1st BoE Mtg. - January	January 13, 2025	BoE Discussion of Open Enrollment Seats	X	Dir. Finance & Ops/BoE
PFASC	January 27, 2025	FASC Committee Meeting - Budget Planning Calendar	X	Dir. Finance & Ops
2nd BoE Mtg. - January	January 27, 2025	BoE Approval of Open Enrollment Seats	X	Dir. Finance & Ops/BoE
<b>February</b>		<i>Middle School/High School Registration &amp; Staffing</i>		MS/HS Principals
PFASC	February 24, 2025	PFASC Committee Meeting - Budget Assumptions	X	Dir. Finance & Ops
	February 28, 2025	Retirement Declaration Due (Certified Staff)		Potential Retirees

The full calendar can be seen on page 3 in the packet.

# Transparency and Accountability

## Budget Planning

FYE, Budget Validation/Accuracy		F	B									
Annual Meeting			B									
Third Friday, Second Friday Enrollment Counts				F,B				F				
Five-Year Enrollment Projection						F,B						
Five-Year Budget Projection						F,B						
Budget Scorecard Development							F	F,B	F,B	F,B	F,B	
C&L Leverage Item Development						C&L		C&L				
Budget Communication (staff and community)												
Cost Reductions/Avoidance											F,B	
Staffing Plan, BOE Approval							P,F,B	P,B				
Long-Range Facility Plan									F,B			
Preliminary Budget, BOE Approval	F	B										
Budget Hearing and Annual Meeting			B									
Budget Adoption, Tax Levy Certification				F,B								
<i>F=Finance Committee, B=Board of Education</i>						<i>Admin Focus</i>						
<i>C&amp;L=Curriculum &amp; Learning Committee</i>												



# Celebrations



- Managed operations to end with a positive variance of budget-to-actuals in the General Fund in 24-25
- Independent financial audit opinion continues as unqualified (“clean audit opinion”)
- “Exceeds Expectations” on the DPI School District Report Card



# Celebrations

- Tackled Space Issues at Riverside, Creating Separate & Secure Building from Community Center
- Began Community Ed & Recreation Center Expansion while Maintaining Flat Levy and Mill Rate



# Celebrations

- Rolled out Facility Sponsorship Program



**8x4' LOGO SIGNAGE\***

	Annual Cost**
Football Field	\$6,000
Soccer Complex	\$4,000
New Community Center Gym	\$4,000
North Middle School Gym	\$3,000
Tennis Courts	\$1,000

MFHS Burgundy Gym Scorer's Table \$500

**SCOREBOARD SIGNAGE\***

	Annual Cost**
Football Field	\$7,000
Soccer Complex	\$5,000
New Community Center Gym	\$4,000
High School Burgundy Gym	\$4,000
High School Pool	\$1,000

**NAMING RIGHTS\***

	Annual Cost**
Soccer Complex	\$25,000
New Community Center Gym	\$25,000
North Middle School Auditorium	\$25,000

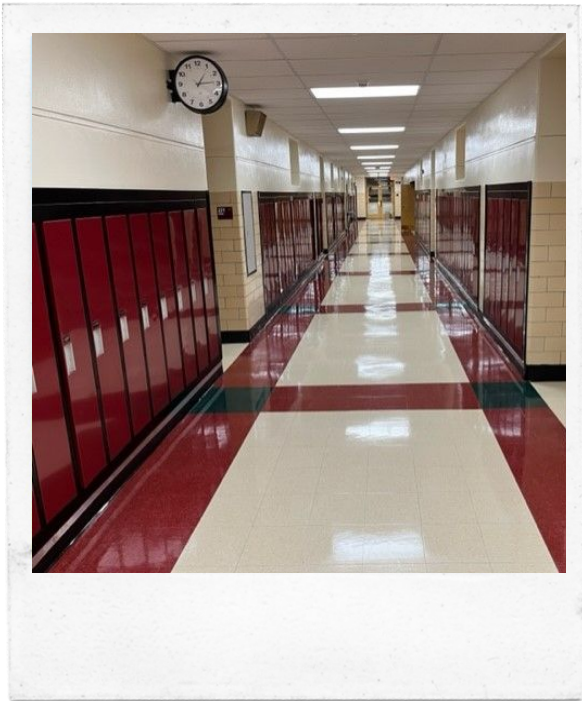
**TURF STITCHING\***

	Annual Cost
Soccer Complex	\$10,000
Football Field	\$10,000

**\*MULTIPLE YEAR COMMITMENT  
\*\*15% PAY-AHEAD DISCOUNT**

# Celebrations

- Investments in our Facilities
  - Ongoing maintenance
  - Summer deep clean
  - Planned projects



These investments benefit all levels and the community!

- **Students**
- **CE & Rec Programs**
- **Community Use**

# Celebrations



**Ben Franklin and High School Roof Sections Complete**



# Long-Term Facility Planning

- Board Approved Capital Improvement Project (CIP) Plan
  - 10-Year Plan
  - “Living” document
  - Prioritize, re-prioritize annually based on need

<u>2025/2026</u>					
112	BF ROOFING	REPLACE ROOF SECTIONS #2, 6, 7	\$490,000	<a href="#">BF Roof Survey</a>	<a href="#">BF Roof Replacement Map</a>
112	BF KITCHEN	SECURE KITCHEN/GARAGE DOORS	\$60,000	<a href="#">Rolling Grille Doors</a>	<a href="#">Rolling Counter Shutters</a>
444	HS ROOFING	REPLACE ROOF SECTION #1, 19-22, 27	\$260,000	<a href="#">HS Roof Survey</a>	<a href="#">HS Roof Replacement Map</a>
444	HS ROOFING	REPLACE ROOF SECTION #6	\$210,000	<a href="#">HS Roof Survey</a>	<a href="#">HS Roof Replacement Map</a>
119	SL	PAINT CONCRETE COLUMNS, REPAIR BRICKS, RUST PAINT DOORS	\$25,000	<a href="#">SL Hardscape Survey</a>	
119	SL	ADD HALLWAY DOORS FOR SECURITY	\$40,000		
119	SL KITCHEN	HVAC	\$110,000		
118	RS KITCHEN	HVAC	\$65,000		
118	RS	ADA AUTO DOOR OPENERS	\$30,000		



# Budget Context & Strategy

- 2025-27 State Biennial Budget is now approved. District budget reflects:
  - \$325 revenue limit per-pupil increase
  - 38% Special Education Reimbursement Rate in 25-26
- Intentional and conservative, yet realistic, in projecting both future revenues and expenditures
- Utilize a long-term budget planning approach



# Budget Context & Strategy

- Realized significant financial benefits of previous cost control strategies
- Challenged with increasing costs, particularly in health insurance
- Ongoing discussions to balance future budgets due to state-imposed revenue limits
- We can do anything, but we can't do everything.



# Controlling Costs for Efficient & Effective Operations

- **Debt Refinance/Defeasance Savings**

(>\$7M in direct taxpayer savings since 2006)

- Defeasing Fund 39 debt in May 2024 created over \$3.3 million of interest savings
- Refinancing Fund 39 debt in January 2021 created over \$500,000 of interest savings
- Eliminated Fund 38 debt with final payment Spring 2024

- **Reduced and the Eliminated Cash-flow Borrowing Need**

- No borrowing needed last six years

- **Partner Schools: K-2nd / 3rd-5th**

- Created efficient staffing model to achieve class size targets, reducing positions through attrition

# Controlling Costs for Efficient & Effective Operations

- **Energy Cost Reductions & Avoidance**

- >\$9.6M since 2001

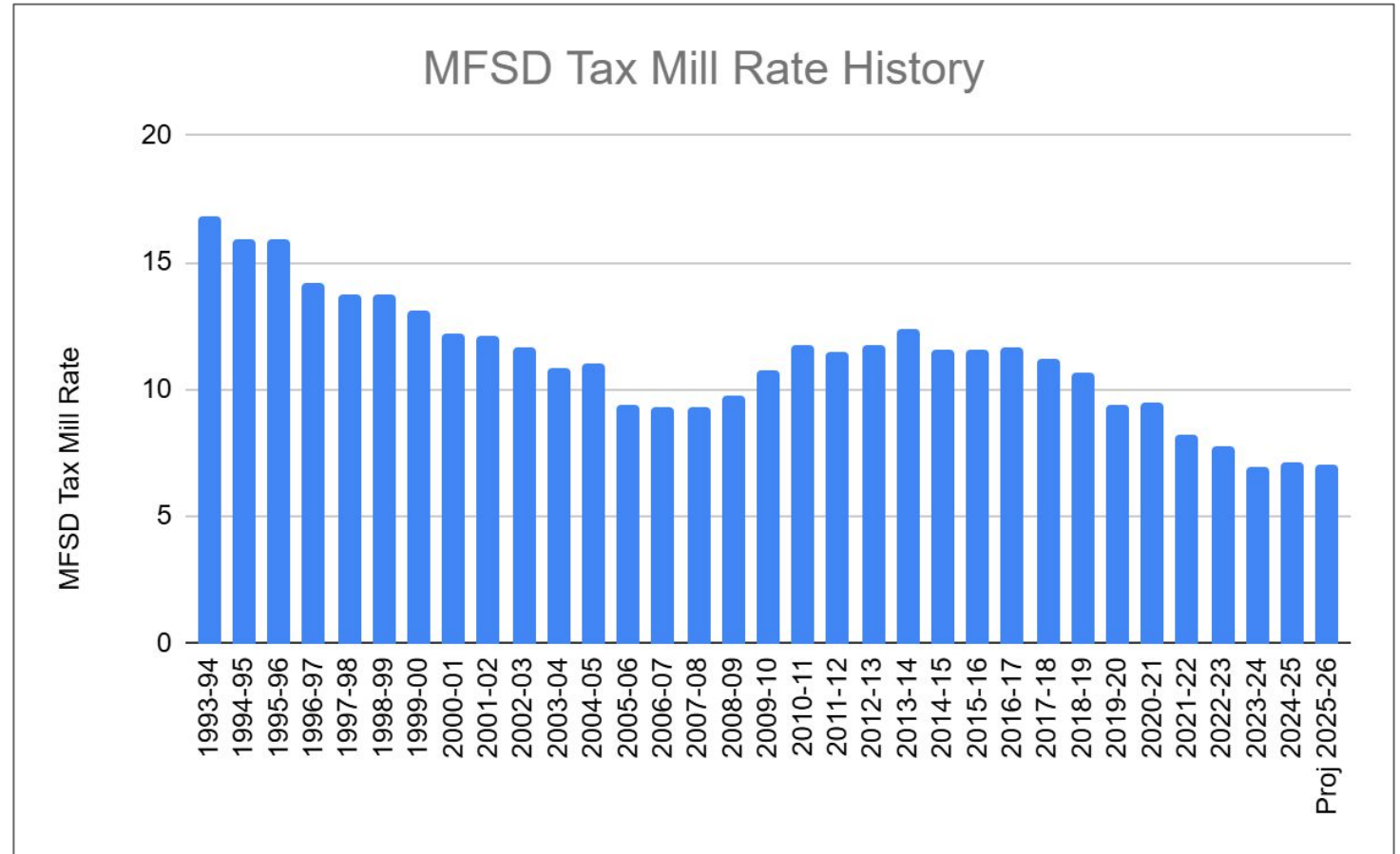
- **Self-Funded Health Insurance**

- Historically experienced local trend below market trend, though currently managing significant increase in costs; Moved to self-funded dental as of 1/1/20 with positive experience

# Controlling Costs for Efficient & Effective Operations

- **Projected Tax Levy and Tax Mill Rate**

- Levy maintenance with minimal fluctuations over the years
- Second-lowest tax mill rate in 33 years (only 2023-24 was lower)



# 2024-25 Budget Recap



# 2024-25 Fiscal-Year-End Recap (Unaudited)

## 2024-25 Fiscal-Year-End Recap

### Fund 10/General Fund - General Operations

	<u>Budget</u>	<u>Actual</u>	<u>\$ Difference</u>	<u>% Difference</u>
Total Revenues	\$55,486,449	\$57,128,978	\$ 1,642,529	<b>102.96%</b>
Total Expenditures	<u>\$58,479,728</u>	<u>\$58,905,074</u>	<u>\$ 425,346</u>	<b>100.73%</b>
<b>Net Change to Fund Balance</b>	<b><u>\$(2,993,279)</u></b>	<b><u>\$(1,776,096)</u></b>	<b><u>\$ 1,217,183</u></b>	



# 2024-25 Fiscal-Year-End Recap (Unaudited)

## Keys to Financially Successful Fiscal Year End

- A. Sustained Higher than Expected Interest Earnings, Conservative Budget Planning
- B. Expenditures Managed under Budget, Cost Control Strategies
- C. Timing Differences- Revenue or Expense falling into Previous or Next Fiscal Year
- D. Long-term Budget Planning Focus, Clearer Picture of Future State and Federal Funding

## Key General Fund Budget Variances

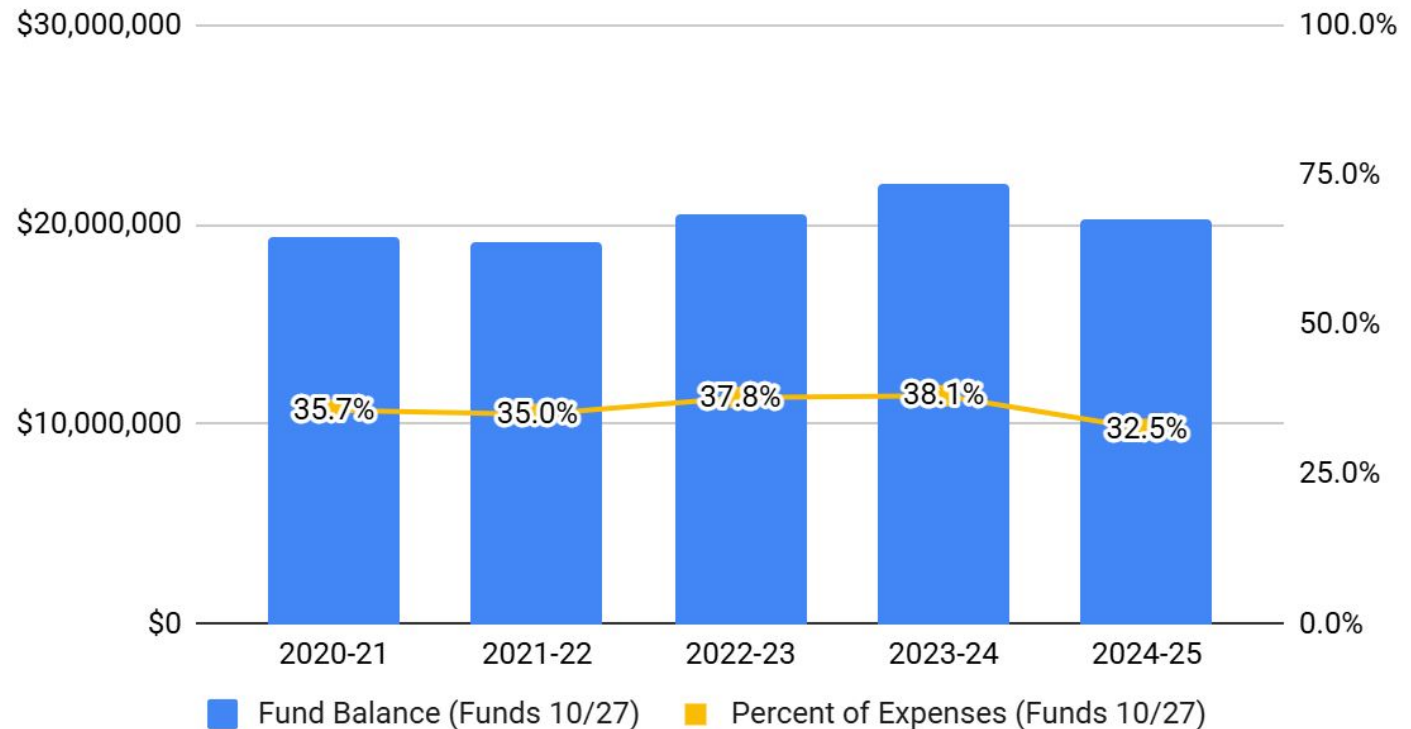
Final ESSER Grant Revenue	533,542	<i>Received final grant claim receipt in early 24-25, rather than 23-24</i>
Interest Earnings	352,786	<i>Revenues earned in excess of budget due to continued high interest rate environment</i>
Timing of Riverside Construction Project	293,224	<i>Majority of project completed in early 25-26, rather than 24-25</i>
Other	<u>37,631</u>	<i>Other variances</i>
	<b>\$ 1,217,183</b>	Reconciliation of budget to actual
	<b><span style="border: 1px solid black; padding: 2px;">\$(1,776,096)</span></b>	Difference in General Fund Balance From Prior Year

# 2025-26 Budget Recap

Fund Balance is the District's Net Equity as of June 30 of Each Year

- Helps to maintain/strengthen district bond rating (Aa2)
- Reduces cash-flow borrowing need and interest expense
- Allows for allocation to long-range capital planning projects
- Provides security for years with unfavorable self-funded health claims
- Provides stability in budgeting with unknown future state revenues

General Fund Balance 5-Year Trend



# 2024-25 Fiscal Year-End Recap

## Other Funds

Fund 21 - Gift and Student Activities Fund

## Highlights

5% increase in expenses, 26% increase in revenue

Fund 27 - Special Education Fund

10% increase in expenses, 8% increase in local transfer

Fund 39 - Referendum Debt Fund

Planned P&I payments

Fund 41 - Capital Project Fund

No activity

Fund 46 - Long-Term Cap Improvement Trust

No activity; Five year "timer" initiated 4/2/2024

Fund 50 - Food Service Fund

Planned use of fund balance on equipment that was end-of-life;  
Inflationary increases in food costs, reduction in federal revenues in post-pandemic era

Fund 73 - OPEB Trust Fund

Funds held in trust for future use; retiree health benefit fully satisfied on August 31, 2021

Fund 80 - Community Services Funds

CE & Rec expansion project underway, \$5 million levied for the project in 24-25

# 2025-26 Budget Summary





2025-26  
Preliminary Budget  
& Tax Levy

September 8, 2025  
Budget Hearing

Caitlin Windler,  
Director of Finance & Operations

Jeff Gardon,  
Finance Manager

## Table of Contents

Page 3	Budget Development Calendar
Page 4	2025-26 Proposed Budget Approval & Publication Summary
<i>Budget Supplemental Information</i>	
Page 5	Section I – Tax Levy & Tax Mill Rate Schedule
Page 6	Section II – Revenue & Expenditure Budget by Source & Object
Page 14	Section III – Expenditure Budget by Program
Page 16	Budget FAQs
Page 20	2024-25 Treasurer’s Report

# Annual Budget Timeline

- **June-August**
  - Update strategic progress
  - Close previous fiscal year
- **September-November**
  - Final budget approval & levy certification
  - Update enrollment projections and budget forecast
- **December-February**
  - Align strategic priorities with budget planning
  - Communicate budget forecast & strategic priorities
- **March-May**
  - Communicate budget plan & approve staffing levels
  - Prioritize summer infrastructure projects



# 2025-26 Budget Highlights

## Fund 10 – General Operations

- Balanced budget
- Wage increases of 2.95%, equivalent to the Consumer Price Index (CPI)
- Health insurance expense increase of \$1 million from prior year
- Increases to student transportation, utilities, supplies and materials



# Additional 2025-26 Budget Highlights

## **Fund 39 – Referendum Debt Service Fund**

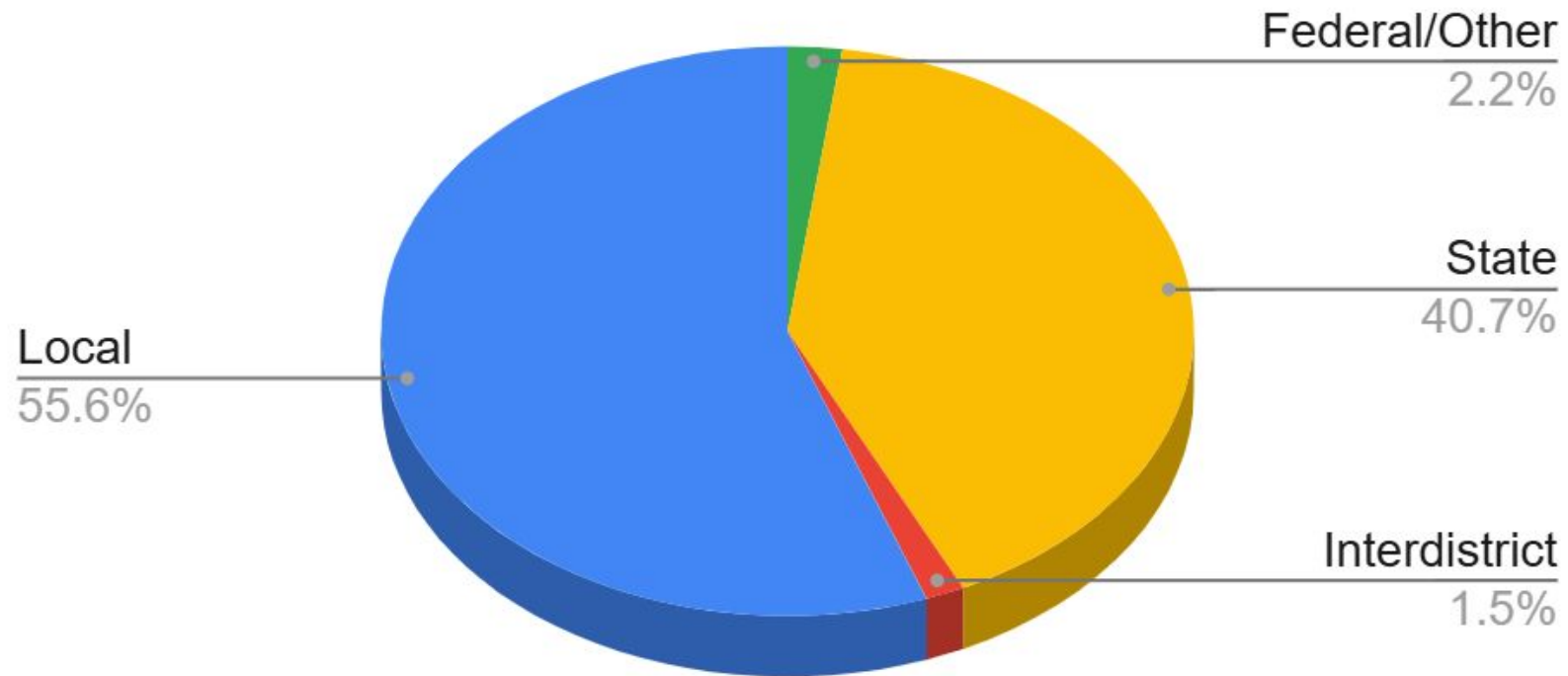
- Debt payments return to “normal” following 24-25 adjustment as part of the Fund 39 debt defeasance (prepayment)
  - Intentional planning to create levy capacity for Fund 80 levy project
- Assists in maintaining a flat, predictable levy for taxpayers

## **Fund 80 – Community Education Fund**

- CE&Rec expansion project has begun. Funded by Fund 80 levy over two years; creates no new debt.

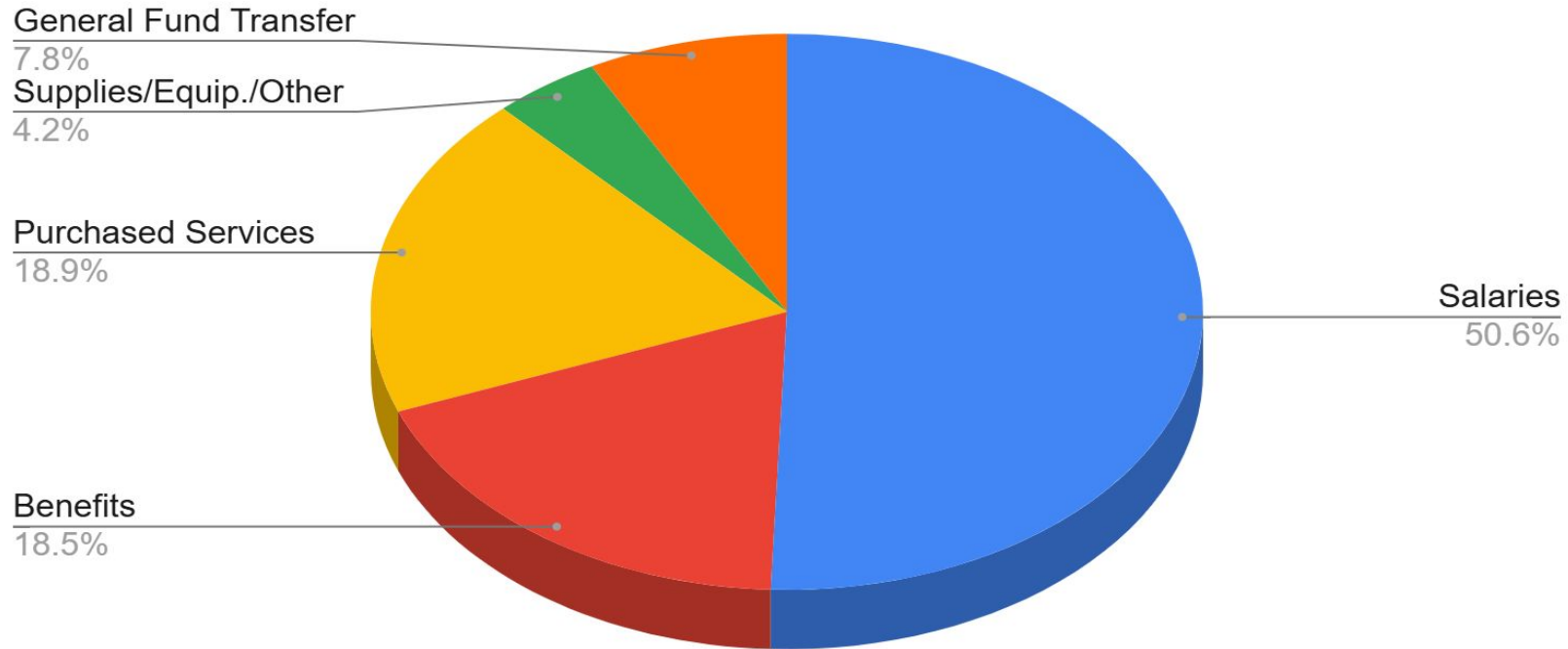
# 2025-26 Revenues

Funds 10/27 Revenue Sources



# 2025-26 Expenditures by Object

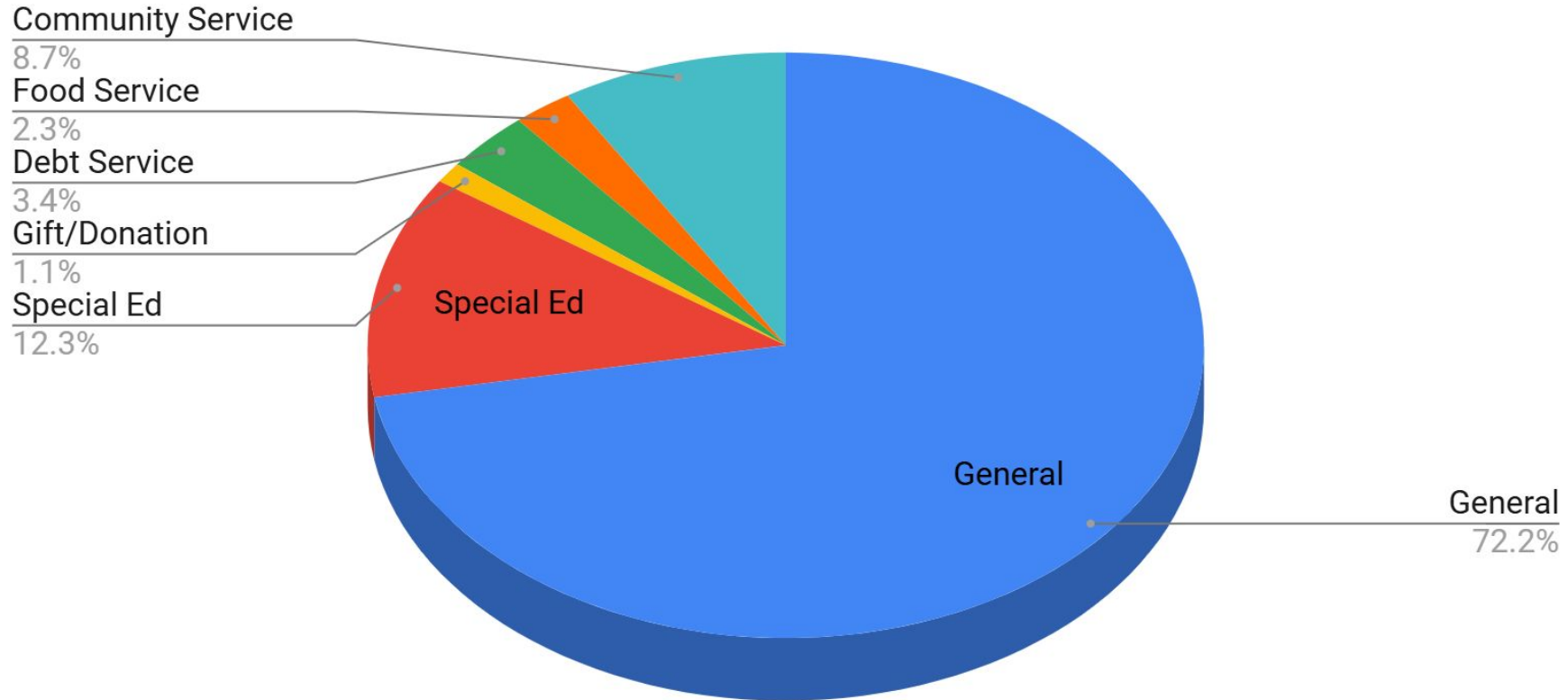
Funds 10/27 Expenditures by Object



Salary and Benefit Expenditures total approximately 70% of the Budget.

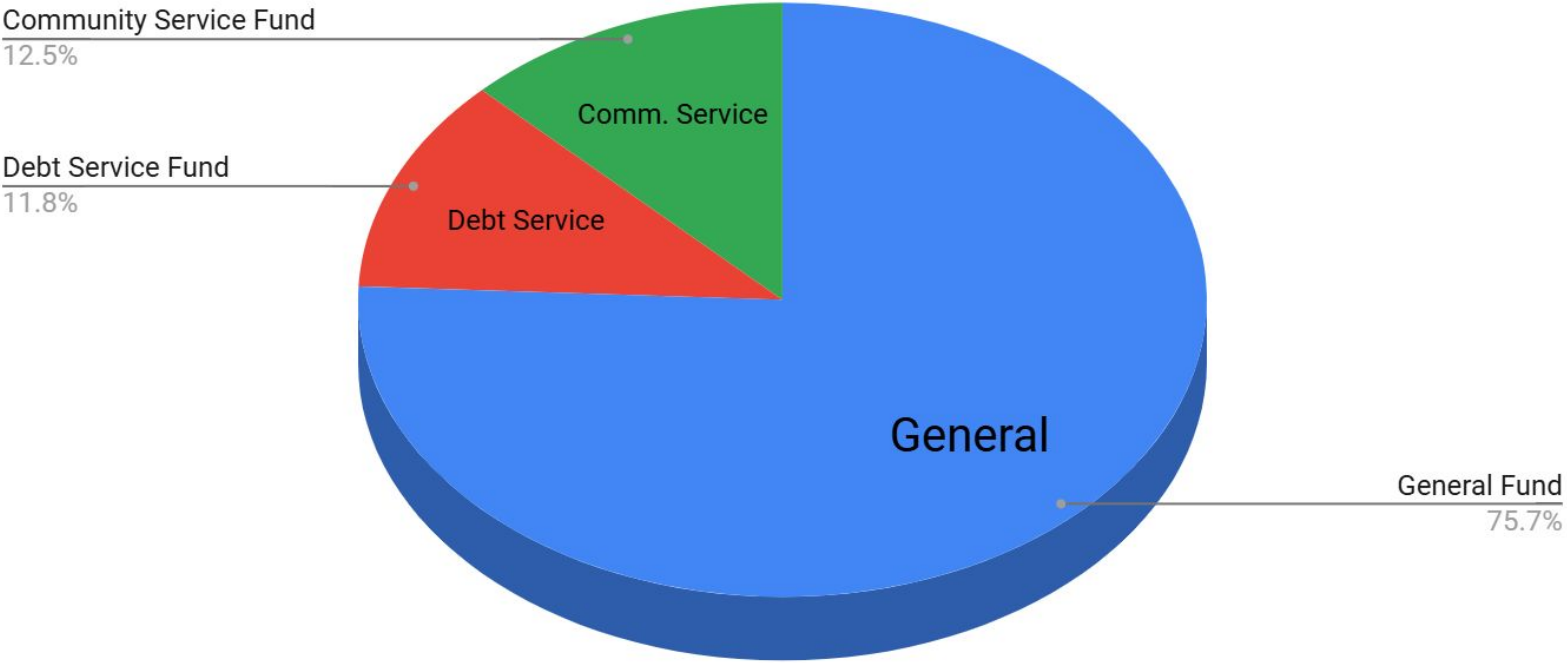
# 2025-26 Total Expenditures by Fund

25-26 Total Expenditures by Fund



# 2025-26 Property Tax Levy

## 2025-26 Property Tax Levy by Fund



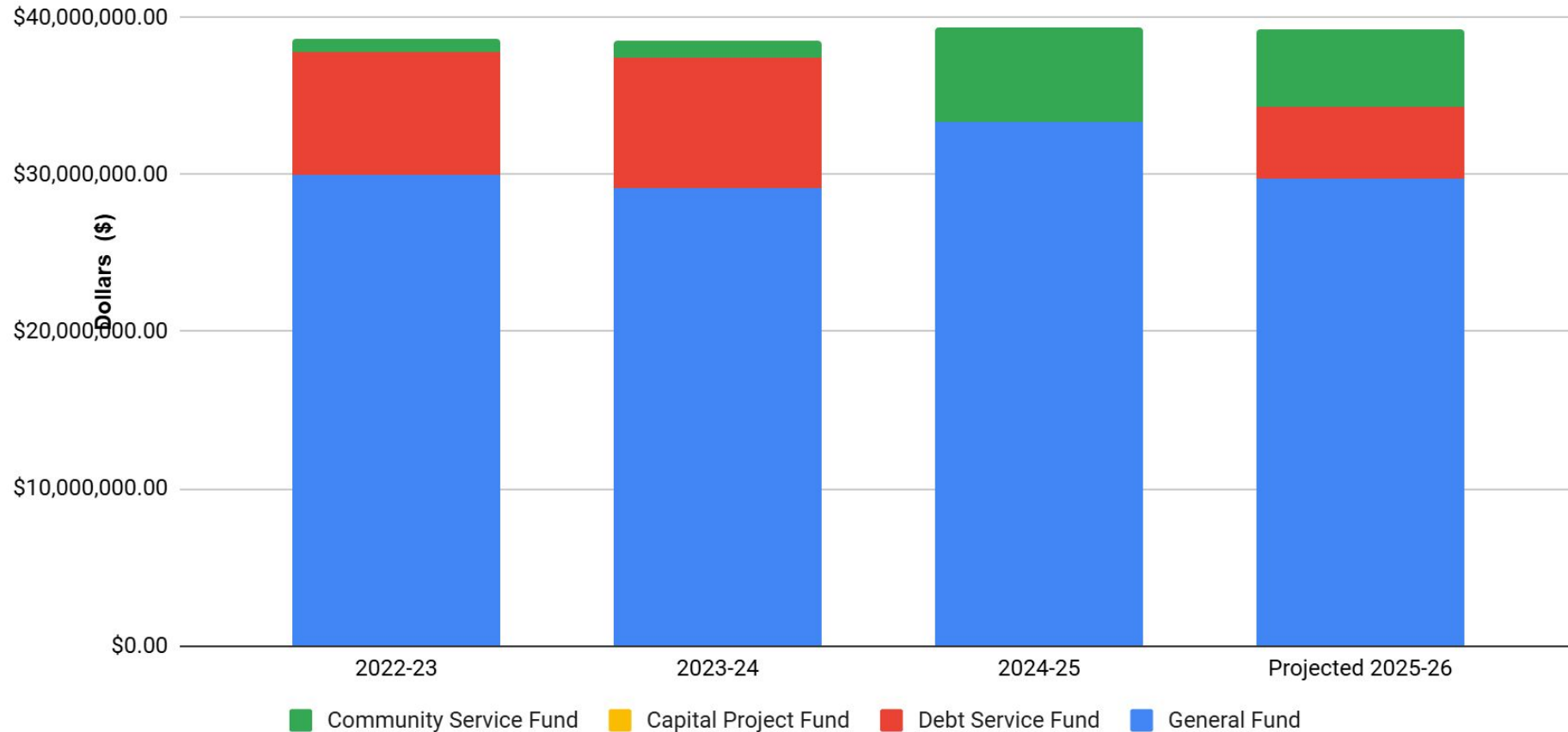
General Fund Levy is 76% of the Total Levy.

General Fund Levy is impacted most by changes in State Aid funding levels and per-pupil increases (revenue limit, charter, voucher/choice)

A portion of the Fund 80 levy is supporting the CE&Rec expansion project.

# Property Tax Levy Trend

Property Tax Levy Trend



2025-26 Total Projected (All Funds) Tax Levy - \$39,206,306



# Property Tax Levy Rate Calculation

2025-26 Total Projected (All Funds) Mill Rate Estimate - \$7.00 per \$1,000 of Property Value

<u>Equalized Calculations - Total Tax Base</u>	<u>Audited</u> <u>2022/23</u>	<u>Audited</u> <u>2023/24</u>	<u>Budget</u> <u>2024/25</u>	<u>Budget</u> <u>2025/26</u>
Total Tax Levy	\$ 38,648,957	\$ 38,476,200	\$ 39,324,455	\$ 39,206,306
Equalized Value (Estimate until October 15th)	\$ 4,984,983,934	\$ 5,565,167,837	\$ 5,546,194,986	\$ 5,601,656,936
Percent Change fr Previous Year	11.67%	11.64%	-0.34%	1.00%
Tax Mill Rate Per \$1,000	\$ 7.75	\$ 6.91	\$ 7.09	\$ 7.00
Percent Change fr Previous Year	-5.68%	-10.83%	2.55%	-1.29%

For Example-A Home Valued at \$310,000:

Equalized Property Taxes (SDMF only)	\$ 2,403.45	\$ 2,143.26	\$ 2,198.01	\$ 2,169.71
Dollar Change fr Previous Year	\$ (144.75)	\$ (260.19)	\$ 54.74	\$ (28.30)



# Property Tax Levy/Rate Trend

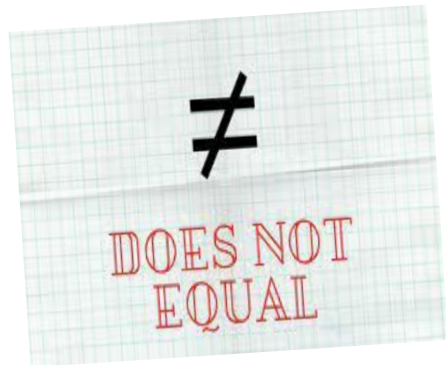
## Equalized SDMF Property Taxes on the Average \$310,000 Home



## Tax Levy & Tax Mill Rate Trend



# Property Tax Levy/Rate Trend



## *Property Taxes - Equalized vs. Assessed?*

School districts are required by statute to calculate a levy and divide that levy amount into the **equalized** property valuation (WI DOR FMV) of the district to calculate a tax rate (as is shown in the previous slides and in your handout).

Municipalities are then required by statute to take their prorated share of the total levy and distribute it across the municipalities' tax base based on an **assessed** valuation - which is what is shown on actual property tax bills that come out in December.

# Property Tax Levy/Rate Trend

ASSESSED VALUES			
Tax Year:	2024	Exempt:	NO
Assessment Type:	FULL	Use Value Assessment:	NO
Assessment Ratio:	94.26%	Prior Taxes Due To:	
Values	Assessed	Est. Fair Market	
Land	\$93,800.00	\$99,500.00	
Improvement	\$232,500.00	\$246,700.00	
Total	\$326,300.00	\$346,200.00	

LINE ITEMS		
Line Item Description	Tax Amount	Tax Rate Per \$1000 of Assessed Value
COUNTY OF WAUKESHA	\$462.54	1.4175228
MENOMONEE FALLS VLLGE	\$1,262.53	3.8692222
WAUKESHA TECH COLLEGE	\$88.24	0.2704143
MENOMONEE FALLS 3437	\$2,433.31	7.4572815
GROSS GENERAL TAXES	\$4,246.62	13.0144408
SCHOOL TAX CREDIT	(\$486.96)	-1.4923636
FIRST DOLLAR CREDIT - 3437	(\$64.52)	
LOTTERY CREDIT 3437	(\$207.75)	
NET GENERAL TAXES	\$3,487.39	11.5220772
GARBAGE / RECYCLING	\$174.12	N/A
TOTAL SPECIAL ASSESSMENTS	\$174.12	N/A
<b>TOTAL TAX BILL</b>	<b>\$3,661.51</b>	



# Property Tax Levy/Rate Trend

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Fair Market Value



School Tax Mill Rate

projected 2025 mill rate:  
\$7.00 → \$0.00700



School Levy Tax Credit



Individual's School-Portion of Tax Bill



# Key Takeaways for Future Budget Planning

- Planning cautiously and resourcefully
- State funding lower than inflationary increases on average over the current and last biennial budgets
- Result of these factors is an annual budget gap the district is working to close

# Key Takeaways for Future Budget Planning

- We will continue to be intentional and conservative in projecting both future revenues and expenditures.
- We will continue to utilize a long-term budget planning approach.
- We have realized significant financial benefits of previous cost control strategies.
- We will continue to seek opportunities to create efficiencies in operations to control costs.





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# 2025-26 Budget Hearing

*Thank you!*