

FY 2017 Final Budget



Overview

- Financial plan for 2016-2017
- September 30th enrollment has been certified
- District operates under a preliminary budget
- CFOC reviewed the budget on Dec. 6th

REVENUE

- State revenue is up 8% to \$92.2 million.
- Local revenue is up almost 9% to \$57.3 million.
- Federal revenues have increased by almost 1% to \$7.5 million.
- TOTAL- increase of 8% to \$157 million

State Revenue

- State salaries increases due to steps, lane changes, the salary increase and unit growth accounts for majority of revenue growth.
- Increase to Cafeteria salaries to due to a change in how benefits spending is reported- not all growth.
- Other changes are right sizing based on last year's actuals and forecasted changes.

Local Revenue

- Current Expense Receipts- \$34.7 million
- Debt Service- \$4.5 million
- Tuition Tax (inc. Leach)- 9.5 million
- Match/MCI- \$1.15 million
- Other Local sources- \$7.8 million
- Total- \$57.3 million
- If you factor out the increase in deficit spending and Nutrition revenue, local revenue growth is just 1.6% over last year.

Federal Revenue

- Federal revenue has increased 0.98% since last year but some grants have decreased.
 - Title II (PD and class size), Title III (services for ELL students) and Perkins (CTE course support) all decreased from last year.
 - Title I, and the 2 IDEA Grants (one for K-12 students, the other for Pre-K students) all increased.
- Allocation process done at DOE per Federal guidelines

Budget Assumptions- Updated

Preliminary Budget Assumption

Student enrollment is expected to be flat. No large increases or decreases are anticipated

The cost of district choice is expected to be flat but reflects an increase from budget to actual for FY 2016.

Anticipating a small decline in charter school bills as no new schools are opening.

Update based on actuals

Increase of 145 students over last year from 9,763 to 9,908.

Cost of choice declined as Colonial increased students choicing in and decreasing the number choicing out. Net impact is a decrease of 142 students leaving.

Charter school enrollment grew by 43 students.

Expenditures- Operating funds

- School Budgets remain unchanged from the Preliminary budget. Principals are being asked to provide the same services and supplies for our kids with budgets that have been cut by over 20% in the last 2 years. Total- 1.15 million
- Two new budget lines have been created- Music/Arts Curriculum and Language Immersion. The music/arts line will begin to fund supplies and curricular materials in those areas. Immersion is to separate the state resources for that from other spending.
- Furniture budget (\$55K in Prelim budget) was eliminated to allow for additional units to be filled.

Expenditures – Operating funds

- ▶ Almost all Division budgets were trimmed to minimize deficit growth.
- ▶ If you factor out the salary and nutrition budgets, there was less than \$93,000 in budget growth for all other operating units in State/Local budget lines.
- ▶ Total Expenditures - \$157 million.

Expenditures – Tuition budgets

- ▶ No major changes from the Preliminary budget.
- ▶ Some lines were decreased based on spending trends through the first half of 2017.
- ▶ Despite additional revenue generated this year, tuition programs are running on very lean budgets.
- ▶ TOTAL \$7.3 million (excluding Leach)

Child Nutrition

- The Nutrition budget is increasing by 15%
- USDA incentivizes Nutrition Depts. to expand services by offering additional revenues for this.
- Community eligibility provision has increased the revenue available from USDA
- Increased access to breakfast (Kiosks and Grab & Go) has also increased revenues
- Increase in summer feeding utilization
- Supper program at GB, McCullough and WP
- TOTAL \$9.4 million

Transportation

- ▶ Increases in the State formula have helped to offset some of the growth in this budget.
- ▶ Homeless Transportation continues to grow exponentially.
- ▶ District runs are up this year because contractors 'turned in' several runs.
- ▶ Fuel prices, while increasing recently, are lower than expected.
- ▶ Local contribution to Transportation increased to just over \$2 million
- ▶ TOTAL- 7.4 million

John G. Leach

- Enrollment declined this year by 7 students.
- Districts appear to be choosing to keep students in house rather than send to Leach.
- Budgets were adjusted where possible and while the budget has increased over last year, it decreased almost 3% from the Preliminary budget.
- Total - \$10.4 million.

Other Information

- Comparison of Preliminary to Final Budget
- Carryover funds from FY 2016 Budget
- Detail of Local Property Tax Receipts
- Enrollment Information
- Position Entitlement Report

Summary

- ▶ The deficit for this budget is \$6.4 million and was increased because of the growth that we've experienced
- ▶ Unfortunately, our local revenue structure does not grow as our student population does.
- ▶ Passage of the upcoming referendum will help us to continue to serve our growing population.
- ▶ Failure to pass the referendum will require staff cuts in all areas, which inevitably will mean fewer programs and services for our kids.