

FY 2018 Final Budget



Overview

- Financial plan for 2017-2018
- September 30th enrollment has been certified
- District operates under a preliminary budget
- CFOC reviewed the budget on Jan. 2nd

REVENUE

- State revenue is down by roughly 1%. This includes a cut of \$1,929,190, which is Colonial's portion of the \$26 million cut to Education.
- Local revenue is up roughly 19% due to the successful referendum to \$59.1 million.
- Federal revenues have increased by almost 11% to \$8.3 million.
- TOTAL- increase of 1.2% or roughly \$1.8 million.

State Revenue

- Decrease in State revenue is \$821K. The \$1.9 budget cut is offset mainly by an increase in Unique Alternative (UA) funds and ECAP grant and slight increases in entitlement funding due to increased units.
- UA and ECAP funds are restricted and cannot be used to offset the decreases in other areas.

State Revenue continued

FY 2018 State budget included a cut of \$26 million to Education. The budget allows districts to decide which funds are reduced to meet the reduction amount.

► Colonial's FY 2018 Reduction plan:

\$1,335,800	20 Division I teacher units (\$66,790 each)
\$109,634	1 Asst. Superintendent position
\$102,404	1 Principal position
\$182,926	2 Asst. Principal positions (\$91,463 each)
\$54,809	1 Secretary position
\$1,785,573	Personnel subtotal
	Other funds:
\$21,988	Driver Education funds
\$100,506	Div II Energy funds
\$21,123	Div II Vocational funds for Leach
\$1,929,190	Grand Total

Local Revenue

- Successful referendum increased local operating revenue this year by \$7.7 million.
 - Deficit spending last year was roughly \$6.3 million
 - Net increase is also impacted by Verizon assessment appeal, which decreased revenue by \$473K for FY 18.
 - 'New' revenue available is only \$950K.
- Tuition Tax increase yielded additional revenue of \$1.2 million.
- Match tax and Debt service receipts changed as program requirements dictated.

Federal Revenue

- Federal revenue has increased almost 11% since last year.
- All grants has increases except IDEA Pre-K, which was stagnant and Title III, which decreased.
- Received a new grant under the ESSA law- Title IV. This is known as the Student Support and Academic Enrichment grant.
- 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 choice and charter students is expected to remain flat as well but per pupil cost inflation is estimated at 1%.

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

Update based on actuals

Enrollment and units were largely flat. Enrollment decreased by 89 students but Division I units were up slightly by 4.11 over last year.

The cost of choice decreased by over 25% as more students choice into the district. Charter payments were slightly down due to the reduced spending in FY 2017.

Charter school enrollment grew by 118 students.

Expenditures- Operating funds

- School Budgets have been increased and rightsized for enrollment, with an average increase of 25%. The increase included additional funding for basic special education students.
- Only minor changes were made between the preliminary and final budgets for Division budgets. Almost all discretionary budget increases were for school level budgets.
- Increase in Discipline/SRO budget reflects investment in Constable services.
- Increase in Business Office budget reflects a shift in expense that was formerly housed within the Personnel budget.
- Discretionary spending increased \$170K or 0.4%

Expenditures – Tuition budgets

- ▶ Created school level budgets to support tuition eligible students at every school (Exceptional Children)
- ▶ Existing budgets were increased to reflect rightsizing for program growth that has occurred over several years.
- ▶ While these budgets were increased significantly, continued annual review is needed to ensure that adequate tuition dollars are available to support this ever increasing population.

Child Nutrition

- The Nutrition budget is increasing by 4%
- USDA incentivizes Nutrition Depts. to expand services by offering additional revenues for this.
- Community eligibility provision has increased the revenue available from USDA
- Program growth in multiple areas continues to be strong.
- Now providing meals to DE Design Lab Charter school
- TOTAL \$9.74 million

Transportation

- ▶ Increase in the State formula for maintenance helped to offset some of the local funds needed to balance this budget.
- ▶ Homeless Transportation continues to grow rapidly.
- ▶ Fuel prices remain fairly stable.
- ▶ Local contribution to Transportation decreased slightly to just under \$1.8 million.
- ▶ TOTAL- 7.3 million

John G. Leach

- Enrollment is up by 8 students.
- Composition of students is increasingly Colonial residents.
 - Even with little or no budget growth, Colonial's contribution will increase as fewer tuition dollars come in from other districts.
- Budget lines were adjusted based on last year's actuals and current spending trends.
- Total - \$10.4 million or an increase of just 0.4%.

Other Information

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

Summary

- ▶ Successful referendum saved Colonial from drastic budget and program cuts however;
- ▶ The elimination of the local budget deficit and the State budget cut left us with little 'new money' to increase spending.
- ▶ Additional local revenue expected in FY 2019 will help allow for growth but continued uncertainty at the State and Federal level call for caution. Colonial needs to continue to be fiscally conservative and focus new investments in staff and supporting students.

Questions??

