

Fiscal Year 2018  
Preliminary Budget



# Preliminary Budget

- Represents the financial plan for the 2017-2018 school year.
- Final budget will be presented after certification of the Sept. 30<sup>th</sup> unit count.
- Overview of budget reviewed by CFOC on July 3.

# Budget Assumptions

- ▶ Student enrollment and unit growth 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%.
- ▶ Recommended tuition tax increase of 4 cents is approved.

# Revenues

- State Revenue estimated to decrease 1.26% (However, once the salary increase is backed out, the change from last years revenue estimate is a decrease of over 7%).
- Local revenue is estimated to increase 8.98% from last year's budget due to the successful referendum and the recommended increase in tuition tax. Budget deficit has been eliminated and \$1.3 million is programmed to go into the district's reserve funds.
- Federal revenue increased by 10% overall but both Title II and III saw decreases for the second year in a row. A new federal grant was added (Title IV) called the Student Support and Academic Enrichment grant.
- **OVERALL REVENUE GROWTH IS 0.99%**

# Expenditures

- Expenditure growth is 0.97% over FY 2017.
- Principal budgets were increased by an average of 15%. Allocations are again tied to units earned.
- Salary growth includes restoring positions, step increases and lane changes as well as funds for negotiations.
- Tuition budgets include increases to ‘right size’ spending by shifting from current expense funds to tuition.

# Expenditures (cont.)

- ▶ Budgets were increased where categorical revenue is expected to increase.
- ▶ Division budgets were reviewed and reductions were made where possible.
- ▶ Shifts in budgets may be possible as the plan for the operational budget cut implemented by the State are developed.

# Detailed Budgets

- ▶ The General District budget is increasing due to an expected increase in the cost of the DSC contribution.
- ▶ The Transportation and Nutrition budgets will be presented in the Final Budget.
- ▶ Budget for John G. Leach is increasing by 5% and the district contribution is increasing due to a decrease in enrollment from other districts.

# Summary

- ▶ Successful operating referendum eliminates the budget deficit and restores majority of staff.
- ▶ Increase in tuition funds allow appropriate costs to shift from operating dollars, allowing a small amount to be added to district reserve funds. This will also help extend the life cycle of this operating referendum.
- ▶ The options available to meet the ‘operational’ cut implemented by the State will be reviewed over the coming months.



**Questions?**

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