

FY 2016-17 Preliminary General Fund Budget

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Purpose

- To provide an overview of the preliminary FY 2016-17 General Fund budget and timeline to the Committee of the Board

Agenda

- Review of the FY 2016-17 budget guidelines adopted by the BOE on February 23, 2016
- Presentation of macro FY 2016-17 General Fund budget numbers
- Staffing the Schools
- Budget Development schedule
- Questions

Key Planning Assumptions

- SSSC 2.0 Plan is first consideration in funding.
- Class size ranges will determine teacher FTEs.
- Budget based on current laws.
- Blended Site-Based and Centralized funding method will be used for schools.
- A table detailing the average salary and benefits will be provided for budget preparations.
- **The budget should maintain an unassigned fund balance of at least five percent (5%) of the general fund expenditures in accordance with the BOE policy.**
- Non-School programs will be reported into three (3) categories: Central Administration, District-wide Support, and School Service Support.
- Fully Financed budgets with anticipated revenues and expenditures over $500,000 for the 2016-17 school year will be included in the Adopted budget.
- The FY 2016-17 budget must be approved by the Board of Education by June 30, 2016

The Adopted budget will be published on the Business Office website (http://businessoffice.spps.org)

Influencing Factors

- 3rd quarter projections impact fiscal year end fund balance
- Enrollment fluctuations impact revenue, class size and building capacity
- Contractual Commitments in Labor Agreements
- Legislative adjustments impact revenue
- Previous year's October 1 Free & Reduced lunch count impacts revenue (Comp Ed)
- Bond ratings

FY 2016-17 General Fund Preliminary Big Picture

	FY16 Adopted (in millions)	FY17 Preliminary (in millions)	Difference
Revenue	$522.8	$518.2	($4.6)
Use of Fund Balance	2.5	0	(2.5)
Expenditures	525.3	533.3	(8.0)
Balance	$0	($15.1)	

FY 2016-17 General Fund Factors Impacting Shortfall

Item	Amount $M
Projected Shortfall (as of 1/19/16)	($9.3)
Contractual commitments	(3.5)
Compensatory Revenue decrease	(1.1)
Gen Ed Revenue decrease (2/29 Projected enrollment)	(1.2)
Total Shortfall	($15.1)

Unknown Factors for the FY2016-17 Budget

- Additional Secondary Electives/Study Hall Reductions
- Elementary Class Size Alignment
- Safety & Security
- Transportation - bus route contracts
- Substitutes

Areas of Consideration for FY 2016-17 Budget Reductions

- 0% Inflation increase in most program budgets
- Targeted program reductions/eliminations
- Hiring freeze (March – June 2016)
- Postpone FY17 OPEB contribution to trust
- Professional Learning Communities (PLC)
- Transportation bus routes
- Early Retirement Incentive (ERI)



Staffing the Schools

Funding for SSSC 2.0

SSSC 2.0 Class Size Ranges
Higher Poverty Sites

Grade	FY17 Target Ranges
Pre-K	20
KG	20 – 24
1 – 3	22 – 25
4 – 5	25 – 28
6 – 8	29 – 33
9 - 12	30 - 35

Higher Poverty threshold is the top 30 schools per the teacher's contract

SSSC 2.0 Class Size Ranges
Lower Poverty Sites

Grade	FY17 Target Ranges
Pre-K	20
KG	22 - 26
1 – 3	22 – 27
4 – 5	25 – 29
6 – 8	29 – 35
9 - 12	30 - 37

FY2016-17
Site Staffing Criteria

Site Configurations

- Pre-K – 5
- K – 8
- Dual Campus
- 6 – 8
- 6 – 12
- 9 - 12

Staffing Categories

- Principal
- Assistant Principal
- Administrative Intern
- Teachers
- Clerks
- Counselors
- Library Media Specialists
- Nurses
- Social Workers
- Psychologists
- MLL Teachers
- Library Support (EA or TA)
- SSSC 2.0 Site Staff for Program Articulation

FY 2016-17
Budget Adoption Calendar

Date	Description
November-December 2015	Community budget presentations (Introduction to School District Finance & SPPS Budget)
November – February 2016	FY 2016-17 budget planning meetings (Supt, Asst Supts, Finance, Cabinet, Program Administrators, Principals)
December 15, 2015	SPPS Board of Education Certifies Pay 16 Levy for FY 2016-17
January 2016	FY 2016-17 Revenue & Expenditure Projections
February 2016	SPPS Hyperion (new budget planning system) Go Live
February 5, 2016	REA Office provides preliminary FY17 enrollment projections
February 29, 2016	REA Office provides final FY17 enrollment projections to Finance
March 2016	Hyperion training for budget administrators
March 7, 2016	Presentation to District leadership at Cabinet meeting

FY 2016-17
Budget Adoption Calendar

Date	Description
March 8, 2016	Presentation of the FY 2016-17 Preliminary General Fund budget to the Committee of the Board
March 31, 2016	Distribute school allocations Distribute General Fund program allocations
April 4 – April 29, 2016	Joint budget & staffing meetings (Principals, Human Resources & Finance)
April 1-June 21, 2016	Community engagement budget presentations
April 29, 2016	School budgets returned Program budgets returned HR Staffing worksheets due
June 21, 2016	FY 2016-17 Budget adopted by Board of Education

Questions?