

# Budget Development FY2015

Information Update

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# BUDGET TIMELINE

Dates are Tentative



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# Budget Timeline

**Dates are Tentative**

<b>Date</b>	<b>Day</b>	<b>Time</b>	<b>Group</b>	<b>Activity</b>
October 24, 2013	Thursday	5:00 p.m.	CBAC	CBAC meeting
November 5, 2013	Tuesday	6:00 p.m.	Board meeting	Discussion: Board Budget Parameters
November 19, 2013	Tuesday	6:00 p.m.	Board meeting	Adoption of the Board Budget Parameters
November 21, 2013	Thursday	6:30 p.m.	CBAC	CBAC meeting
December 18, 2013	Wednesday	6:30 p.m.	CBAC	CBAC meeting

# Budget Timeline, Continued

Date	Day	Time	Group	Activity
December 19, 2013	Thursday	4:15 p.m.	EBAC	EBAC meeting
December 2013	Tuesday		Board work session	Budget Development
January 15, 2014	Wednesday	6:30 p.m.	CBAC	CBAC meeting
January 2014			Legislature	Legislature convenes
January 2014			Governor	Governor publishes budget recommendations and gives State of the Budget address
January 21, 2014	Tuesday		Board work sessions	Budget Development

# Budget Timeline, Continued

Date	Day	Time	Group	Activity
February 5, 2013	Wednesday	6:00 p.m.	Board meeting	
February 11, 2013	Tuesday	4:15 p.m.	EBAC	EBAC meeting
February 11, 2013	Tuesday	6:30 p.m.	CBAC	CBAC meeting
February 18, 2014	Tuesday	6:00 p.m.	Board meeting	Budget development
February 2014	TBD		Board work session	Budget development
February 25, 2013	Tuesday	4:15 p.m.	EBAC	EBAC meeting
February 25, 2013	Tuesday	6:30 p.m.	CBAC	CBAC meeting

# Budget Timeline, Continued

Date	Day	Time	Group	Activity
March 4, 2014	Tuesday		DMPS administration	RELEASE - Proposed FY 2015 Budget released
March 11, 2014	Tuesday	6:00 p.m.	Board meeting	Board discussion Proposed Budget
March 11, 2014	Tuesday	6:00 p.m.	CBAC	Recommendations to the Board
March 11, 2014	Tuesday	6:00 p.m.	EBAC	Recommendations to the Board
March 17-21, 2014				Spring Break
<b>March 19-21, 2014*</b>				<b>Publication. *Must be 10-20 days before Public Hearing</b>
March 26, 2014	Wednesday	6:30 p.m.	Public	<b>PUBLIC FORUM</b> @ Hoover High School Library - Public comment on proposed budget

# Budget Timeline, Continued

Date	Day	Time	Group	Activity
March 29, 2014	Saturday	9:00 a.m.	Public	<b>PUBLIC FORUM</b> @ Central Campus, Board room - Public comment on proposed budget
April 1, 2014	Tuesday	6:00 p.m.	Board meeting	
<b>April 8, 2014</b>	<b>Tuesday</b>	<b>6:00 p.m.</b>	<b><u>Special Board Meeting</u></b>	<b>PUBLIC FORUM/PUBLIC HEARING – Board Adoption and Certification of FY 2014 Budget</b>
<b>April 15, 2014</b>				<b>Statutory deadline to submit FY 2015 budget to County for Certification</b>
May 2013			Legislature	110th day of legislative session

*Dates may change and additional dates may be added as the budget develops.*

# FY2015 BOARD BUDGET PARAMETERS

Management Limitation 2.5



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# FY 2015 PARAMETERS

- Meet and stay within Board Management Limitations.
- Maintain financial health; provide a balanced budget.
- Keep District Student Expectations and Board Beliefs at the forefront.
- Review status of all levies; make strategic adjustments as needed.
- Seek input from the Citizens' Budget Advisory Committee (CBAC) on budget issues.
- Seek input from the Employees' Budget Advisory Committee (EBAC) on budget issues.
- Continue to seek operational efficiencies and improve operational effectiveness.

# FY 2015, continued

- Continue to focus on drop-out prevention and graduation rate improvement strategies.
- Focus on strategies to close the achievement gap.
- Improve English Language Learners (ELL) programming.
- Continue to assess needs and evaluate programming to:
  - Create innovative programs to meet unmet needs
  - Maintain or grow programs that are demonstrating success
  - Strategically abandon programs that do not demonstrate value

# Management Limitation 2.5 – Financial Planning/Budgeting

Financial planning for any fiscal year or remaining part of any fiscal year may not deviate materially from the Board's Ends priorities, risk financial jeopardy. Accordingly, the superintendent shall not present a budget that:

1. Falls below a 15% solvency ratio for the General Fund.
2. Falls below a 10% unspent spending ratio for the General Fund.
3. Creates a situation or condition described as unacceptable in the "Financial Conditions and Activities".
4. Omits credible projections of revenues and expenses and disclosure of planning assumptions.
5. Plans the expenditure of more funds than are projected to be received in any fiscal year.
6. Provides less funding for Board activities during the year than is set forth in the Governance Budget.

# FY 2014 BUDGET TO DATE

## Notable Activities



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# Notable Activities

Topic	
Allowable Growth	FY 2015 has been set at 4%
Property Tax	May decrease in FY 2015
Sequestration	Federal funding; 2 year agreement
Budget Amendments	FY 2014; Bonds
Negotiations	Agreements through FY 2015
Common Core Expenditures	5 million
Technology Expenditures	8 million (over four years)
FTE's	Estimated 30 additional FTE's in FY 2015
General Fund Surplus	TBD

# BUDGET FORECAST

Fiscal Years 2012 - 2018



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## GENERAL FUND

**Allowable Growth = 2%+2% in 2014, 4% in 2015, then 2% in 2016-18**

	Fiscal 2012	Fiscal 2013	Projected Fiscal 2014	Projected Fiscal 2015	Projected Fiscal 2016	Projected Fiscal 2017	Projected Fiscal 2018
<b>Revenues</b>							
Property Taxes	102,565,196	100,340,125	104,383,015	107,392,000	110,614,000	114,485,000	118,492,000
State Foundation Aid-based on current enrollment	188,735,589	200,162,522	209,021,016	217,582,000	221,063,000	224,600,000	228,194,000
State Foundation Aid due to projected enrollment increase				2,574,624	5,100,624	7,677,424	10,305,424
1 time 2% - \$120 x enrollment			3,847,452				
AEA Flow Through	11,699,768	12,235,407	13,086,762	13,218,000	13,350,000	13,484,000	13,619,000
Other State Sources	2,000,629	1,565,270	1,867,679	1,877,000	1,894,000	1,911,000	1,929,000
Federal Sources	48,238,317	37,849,266	29,783,251	29,830,000	29,904,000	30,181,000	30,462,000
Other Local Sources	20,324,062	19,374,236	16,766,000	17,505,000	19,121,000	19,293,000	19,466,000
Board Designated use of Fund Balance			2,000,000	2,000,000	2,000,000	2,000,000	
<b>Total Revenues</b>	<b>373,563,561</b>	<b>371,526,826</b>	<b>380,755,175</b>	<b>391,978,624</b>	<b>403,046,624</b>	<b>413,631,424</b>	<b>422,467,424</b>
Change		-0.55%	2.48%	2.95%	2.82%	2.63%	2.14%
<b>Expenditures</b>							
<b>Instruction</b>	235,003,782	241,179,721	253,691,255	259,411,000	265,909,950	271,480,999	277,436,298
Possible additional expenditures due to enrollment increases				2,574,624	5,100,624	7,677,424	10,305,424
Student Support Services	20,061,831	20,309,171	21,362,738	21,957,000	22,396,000	22,844,000	23,301,000
Instructional Staff Support	11,497,451	12,199,079	12,831,923	13,036,000	13,297,000	13,563,000	13,834,000
General Administration	3,815,155	4,411,926	4,595,068	4,500,000	4,590,000	4,682,000	4,776,000
School Administration	18,378,278	18,767,628	18,800,858	18,863,000	19,240,000	19,625,000	20,018,000
Business & Central Administration	10,987,359	9,323,597	9,607,272	8,580,000	8,752,000	8,927,000	9,106,000
Plant Operation & Maintenance	29,687,463	30,961,440	31,864,850	36,338,000	37,065,000	37,806,000	38,562,000
Student Transportation	8,810,743	9,324,703	9,808,435	9,512,000	9,702,000	9,896,000	10,094,000
<b>Total Support Services</b>	<b>103,238,280</b>	<b>105,297,544</b>	<b>108,871,144</b>	<b>112,786,000</b>	<b>115,042,000</b>	<b>117,343,000</b>	<b>119,691,000</b>
<b>Non-Instructional Expenditures</b>	522,280	501,377	527,387	560,000	580,000	600,000	600,000
AEA Support	11,699,768	12,235,407	13,086,762	13,218,000	13,350,000	13,484,000	13,619,000
Board Designated use of Fund Balance			2,000,000	2,000,000	2,000,000	2,000,000	-
<b>Total Expenditures</b>	<b>350,464,110</b>	<b>359,214,050</b>	<b>378,176,549</b>	<b>390,549,624</b>	<b>401,982,574</b>	<b>412,585,423</b>	<b>421,651,722</b>
Change		2.50%	5.28%	3.27%	2.93%	2.64%	2.20%
<b>Excess Revenues over Expenditures</b>	<b>23,099,451</b>	<b>12,312,776</b>	<b>2,578,626</b>	<b>1,429,000</b>	<b>1,064,050</b>	<b>1,046,001</b>	<b>815,702</b>
<b>Beginning Fund Balance- Unreserved</b>							
Beginning Fund Balance- Unreserved	20,607,861	45,507,578	57,196,424	59,775,050	61,204,050	62,268,100	63,314,101
Reclass to Board Designated Fund		(5,000,000)					
Other adjustments to Unreserved Fund Balance		4,376,070					
Excess of revenues over expenditures		12,312,776	2,578,626	1,429,000	1,064,050	1,046,001	815,702
<b>Ending Fund Balance- Unreserved</b>	<b>45,507,578</b>	<b>57,196,424</b>	<b>59,775,050</b>	<b>61,204,050</b>	<b>62,268,100</b>	<b>63,314,101</b>	<b>64,129,803</b>
<b>Solvency Ratio</b>	<b>12.6%</b>	<b>15.9%</b>	<b>16.3%</b>	<b>16.2%</b>	<b>16.0%</b>	<b>15.8%</b>	<b>15.7%</b>