

AN ORDINANCE **2016-05-12-0348**

APPROVING THE FISCAL YEAR 2017 ANNUAL OPERATING BUDGET FOR THE "PRE-K 4 SA" PROGRAM AS ADOPTED BY THE SAN ANTONIO EARLY CHILDHOOD EDUCATION MUNICIPAL DEVELOPMENT CORPORATION IN THE AMOUNT OF \$47,559,214.00.

* * * * *

WHEREAS, the Board of Directors for the San Antonio Early Childhood Education Municipal Development Corporation (Corporation) adopted its FY 2016 Annual Operating Budget for the Corporation's Pre-K 4 SA program on April 5, 2016, consistent with the Corporation's Bylaws; and

WHEREAS, staff for the Corporation and the City of San Antonio provided City Council with an overview of the Corporation's FY 2016 Annual Operating Budget during the May 11, 2016 "B" session; and

WHEREAS, as stated in the Corporation's bylaws, an Annual Budget is required to be adopted by the Corporation's Board before May 1 each year and approved by City Council prior to the start of the new program year on July 1; **NOW THEREFORE**:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Council for the City of San Antonio hereby approves the fiscal year 2016 annual operating budget for the "Pre-K 4 SA" program, as adopted by the San Antonio Early Childhood Education Municipal Development Corporation, in the amount of \$47,559,214.00. A copy of the proposed budget is attached hereto and incorporated herein for all purposes as **Attachment I**.

SECTION 2. The personnel complement set out within **Attachment II** is hereby authorized and approved.

SECTION 3. City staff is hereby authorized to take those necessary actions to implement the budget attached hereto and approved by City Council.

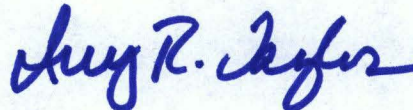
SECTION 4. The Budget Director is authorized to amend the Pre-K 4 SA FY 2016 budget to conform to re-estimates included in the Pre-K 4 SA FY 2017 Budget. Budget adjustments are authorized between Funds to reflect final internal services and indirect cost assessments originally authorized in the City's FY 2016 Budget and as re-estimated in the proposed Pre-K 4 SA FY 2017 Budget.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost

Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

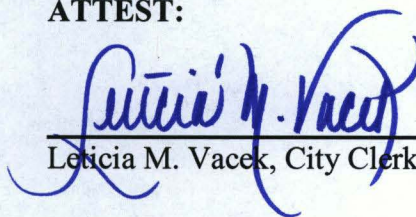
SECTION 6. This ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 12th day of May, 2016.




M A Y O R
Ivy R. Taylor

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Martha G. Sepeda, Acting City Attorney

Agenda Item:	20						
Date:	05/12/2016						
Time:	11:56:30 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance approving the Fiscal Year 2017 Budget in the amount of \$40,618,127 for the Pre-K 4 SA program as adopted by the Pre-K 4 SA Board of Directors. [Peter Zanoni, Deputy City Manager; Kathy Bruck, CEO, Pre-K 4 SA]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x			x	
Alan Warrick	District 2		x				
Rebecca Viagran	District 3	x					
Rey Saldaña	District 4	x					
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7	x					
Ron Nirenberg	District 8	x					x
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

**PRE-K 4 SA
SUMMARY OF ADOPTED BUDGET**

Description:

In November 2012, voters approved a 1/8 cent sales tax to fund the Pre-K 4 SA initiative to provide high quality pre-k for four year olds throughout San Antonio. The Fiscal Year for Pre-K 4 SA runs from July 1 through June 30.

	ACTUAL FY 2015	BUDGET FY 2016	ESTIMATED FY 2016	ADOPTED FY 2017
AVAILABLE FUNDS				
Beginning Balance	\$ 17,556,680	\$ 18,957,445	\$ 19,585,654	\$ 19,510,394
<i>Net Balance</i>	\$ 17,556,680	\$ 18,957,445	\$ 19,585,654	\$ 19,510,394
REVENUES				
Sales Tax	\$ 32,137,216	\$ 34,033,665	\$ 33,068,357	\$ 34,101,742
State/Local Match	3,114,667	4,047,360	3,692,615	4,166,400
USDA (Food)	933,609	1,308,012	1,235,906	1,425,416
Sliding Scale Tuition	393,483	374,000	666,182	900,000
Interest/Misc Revenue	437,326	28,244	106,661	24,569
<i>Total Revenues & Transfers</i>	\$ 37,016,301	\$ 39,791,281	\$ 38,769,721	\$ 40,618,127
TOTAL AVAILABLE FUNDS	\$ 54,572,981	\$ 58,748,726	\$ 58,355,375	\$ 60,128,521
APPROPRIATIONS				
Operating Expenses				
Pre-K 4 SA Education Centers	\$ 20,973,245	\$ 23,632,869	\$ 23,844,366	\$ 26,413,182
Transportation Services	954,547	1,026,128	985,575	1,026,332
Facilities Leases & Maintenance	5,062,482	5,615,222	5,098,144	5,653,342
Competitive Grants	-	-	-	4,592,019
Professional Development	1,841,125	2,045,781	1,907,620	1,966,810
Program Assessment	195,719	132,068	237,467	237,467
Enrollment/Attendance Services	-	-	-	662,287
Public Relations/Marketing	367,036	379,361	664,605	909,394
Sales Tax Collection Fee	635,223	680,673	674,522	682,035
Administration	1,470,124	1,762,162	1,675,309	1,575,811
<i>Subtotal Operating</i>	\$ 31,499,501	\$ 35,274,264	\$ 35,087,608	\$ 43,718,680
Transfers To				
General Fund-Indirect Cost	176,665	235,553	423,666	486,370
Transfers to Debt Service	3,311,161	3,335,484	3,333,707	3,354,165
Transfers to Insurance Reserve	-	-	-	-
<i>Subtotal Transfers</i>	\$ 3,487,826	\$ 3,571,037	\$ 3,757,373	\$ 3,840,535
TOTAL APPROPRIATIONS	\$ 34,987,327	\$ 38,845,301	\$ 38,844,981	\$ 47,559,214
GROSS ENDING BALANCE	\$ 19,585,654	\$ 19,903,425	\$ 19,510,394	\$ 12,569,306

Attachment II

Pre-K 4 SA FY 2017 Proposed Personnel Complement

Public Relations/Marketing

Position Title	FY 2016 Adopted	FY 2016 Midyear	FY 2017 Adopted
Special Projects Manager	1	1	1
	1	1	1

Competitive Grants

Position Title	FY 2016 Adopted	FY 2016 Midyear	FY 2017 Adopted
Special Projects Manager	0	1	1
Management Analyst	0	1	2
Professional Development Coach	0	0	2
	0	2	5

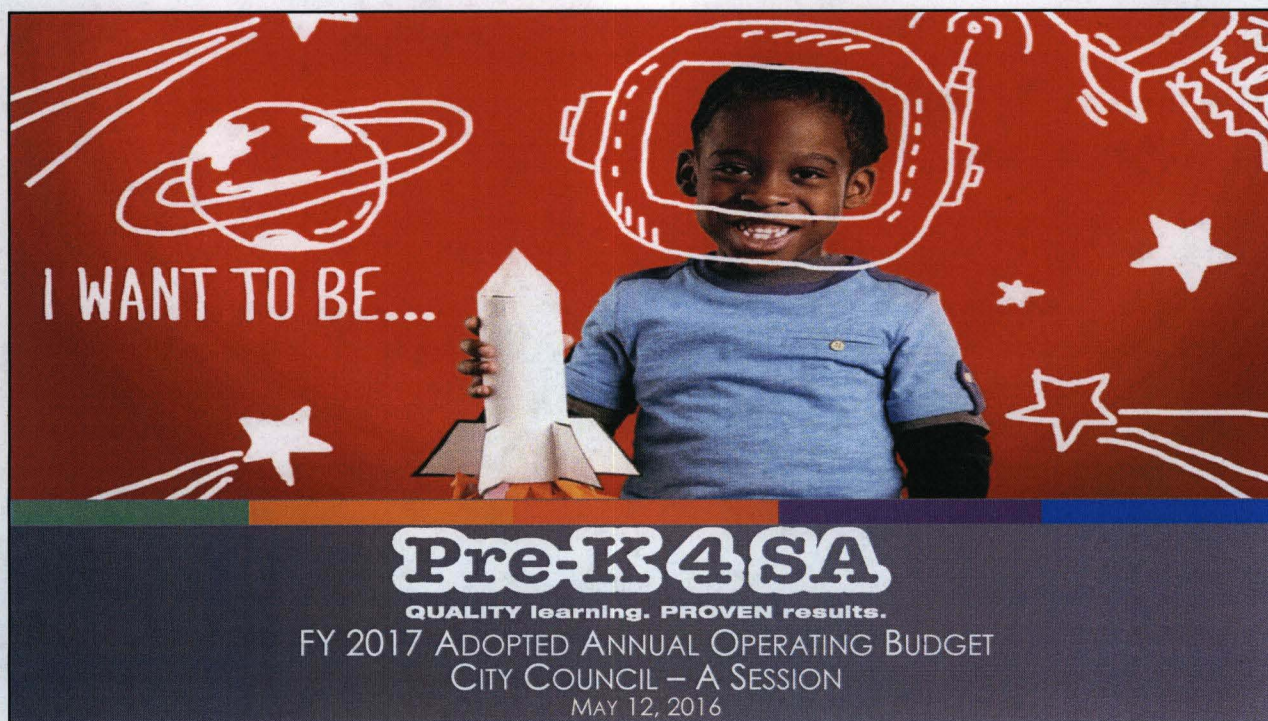
Enrollment

Position Title	FY 2016 Adopted	FY 2016 Midyear	FY 2017 Adopted
Sr. Management Analyst	0	0	1
Administrative Assistant I (Data Clerk)	0	0	4
Administrative Associate	0	0	1
	0	0	6

Administration

Position Title	FY 2016 Adopted	FY 2016 Midyear	FY 2017 Adopted
Chief Executive Officer	1	1	1
Sr. Executive Secretary	1	1	1
Special Projects Manager	1	1	1
Department Fiscal Administrator	1	1	1
Senior Accountant	1	1	1
Accountant	1	1	1
Procurement Specialist II	1	1	1
Time & Attendance Specialist	2	2	2
Employee Relations Business Partner	1	1	1
Human Resources Specialist	1	1	1
Executive Assistant	1	1	1
Sr. Management Analyst	3	3	2
Administrative Associate	3	2	1
Total	18	17	15

	FY 2016 Adopted	FY 2016 Midyear	FY 2017 Adopted
TOTAL POSTIONS	407	409	463



OVERVIEW



- \$47.6 million program
 - 84% of revenue is from dedicated local sales tax
- Serving 2,000 four-year-olds in high quality full-day pre-k enrichment
 - 20:2 Ratio
- 463 Employees
 - 80 Part-Time Employees
 - 116 Teacher Assistants
 - 120 Master Teachers
- Professional Development services
- Competitive Grants totaling \$4.2 million of sales tax
- Board of Directors adopted FY 2017 Budget on April 5, 2016



GOVERNANCE OVERVIEW



- State Statute Allowing Pre-K 4 SA
- 11-Member Board of Directors with 2-Year Terms
 - Adopts rules to govern program
 - Awards grants and approves contracts
 - Hires CEO in collaboration with City Management
- City Council
 - Appoints Board of Directors
 - Approves budget submitted by Board
 - Can amend budget during fiscal year
- Fiscal Year is July 1 – June 30
- Finances are audited annually by 3rd party and program is evaluated annually by 3rd party



3

PROVEN RESULTS



- Completed 2nd Year Independent Evaluation
- Six Areas: Cognitive, Literacy, Mathematics, Oral Language, Physical, Social-Emotional
- Pre-K students begin each year below national sample
- By the end of the year, Pre-K 4 SA students exceeded or met the national sample in each of the six categories

4

FY 2017 ADOPTED BUDGET



5

FY 2017 ADOPTED BUDGET



- Total Appropriations = \$47.6 million
 - 10.6% increase from Year 3 to Year 4 without competitive grants
 - Increase of 300 students
- Sales Tax = 84% of revenue
- Fund balance moves from \$19.6 million to \$12.6 million
 - Consistent with original 8-year model
 - Full capacity at 2,000 students
 - Year 1 of 5-year Competitive Grants program

6

FY 2017 ADOPTED REVENUE BUDGET



Source of Revenue	Value in Millions	Percent of Total
Sales Tax	\$34.1	84%
State/Local Match	4.2	11%
USDA (Food)	1.4	3%
Sliding Scale Tuition & Other Revenue	0.9	2%
Total Revenues	\$40.6	100%

- FY 2017 Sales Tax assumes 3.1% growth rate from FY 2016 estimate
- FY 2017 also uses \$7 million in prior year fund balance

7

FY 2017 ADOPTED BUDGET BY PROGRAM



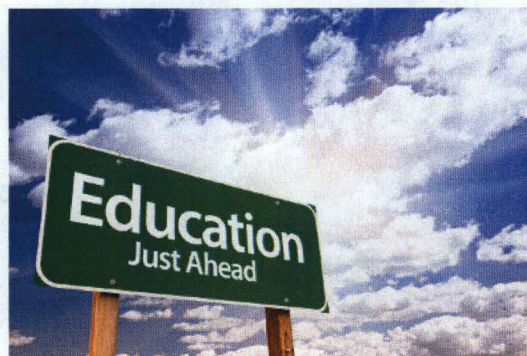
Appropriations	Value in Millions	Percent of Total
Pre-K 4 SA Education Center Services	\$28.7	60%
Transportation Services	1.0	2%
Facilities, Leases, & Maintenance	9.0	19%
Competitive Grants	4.6	10%
Professional Development	2.0	4%
Program Assessment	0.2	1%
Administration	1.6	3%
Transfers	0.5	1%
Total Appropriations	\$47.6	100%

8

PRE-K 4 SA EDUCATION CENTER SERVICES



- \$28.7 million budget
- 350 Instructional staff
- Curriculum
- Special Education
- Family services
- Extended day
- Nutrition program



9

FACILITIES, LEASES & MAINTENANCE



- \$9.0 million budget
- Lease payments for North, South, and West Centers
- Debt service primarily for East Center
- Utilities, janitorial services



10

COMPETITIVE GRANTS

Pre-K
4SA
QUALITY learning.
PROVEN results.

- \$4.6 million budget
- 1st year of a 5-year program
- \$4.2 million in grant awards to 15 recipients
- Monitoring and compliance staff added

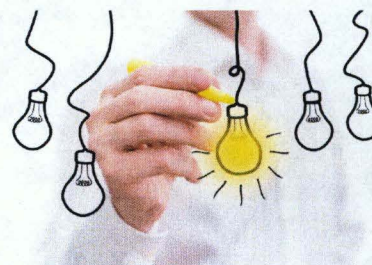


11

PROFESSIONAL DEVELOPMENT

Pre-K
4SA
QUALITY learning.
PROVEN results.

- \$2.0 million budget
- In-service training
- Over 100 research-based sessions impacting 3,000 teachers pre-k through 3rd grade
- One-on-one instructional coaching, mentoring, and shadowing
- Training & goal setting
- Curriculum alignment



12

FY 2017 ADOPTED BUDGET: PERSONNEL COMPLEMENT



Program	FY 2016 Current	FY 2017 Adopted
Pre-K Education Centers	347	399
Facilities Maintenance	26	26
Professional Development	16	16
General Administration	20	22
Total	409	463

13

GOALS AND EFFICIENCY STUDIES



- Track student achievement to 3rd grade
- Curriculum alignment
- Extended Day Program
- Transportation services
- Professional Development Program
- Fund balance forecast



14



FY 2016 ACCOMPLISHMENTS



Education Centers

- Student enrollment increasing from 1,700 to 2,000 students
- Strong results obtained from independent evaluation Year 2
- WolfTrap affiliate status achieved for San Antonio

Competitive Grants

- Successful rollout of competitive grants RFP awarding \$4.2 million to 15 agencies for 2016-17 school year

Professional Development

- 103 unique research-based sessions developed and presented for 3,000+ participants year to date for the 2015-16 school year

Parent Engagement

- Workshops, classes, and volunteer work
- Parent conferences
- Activities with parent and child

GRANT FUNDING: OVERVIEW



Category	Total Awards
Public/Charter (6 Districts)	\$ 3,407,559
Private/Parochial (2 Agencies)	\$ 467,743
Childcare Centers (7 Organizations)	\$ 330,000
Total Requests	\$ 4,205,302

17

GRANTS AWARDED: PUBLIC AND CHARTER



Applicant	Requested Amount	Recommended Award
North East ISD	\$ 1,097,798	\$ 950,451
Northside ISD	\$ 1,142,429	\$ 827,080
San Antonio ISD	\$ 1,549,977	\$ 757,278
Harlandale ISD	\$ 2,171,897	\$ 500,000
Edgewood ISD	\$ 286,500	\$ 241,500
Southwest ISD	\$ 150,000	\$ 131,250
George Gervin	\$ 1,000,000	\$ 0
Total	\$ 7,398,601	\$ 3,407,559

18

GRANTS AWARDED: PRIVATE AND PAROCHIAL



Applicant	Requested Amount	Recommended Award
Hope for the Future (Archdiocese)	\$ 589,999	\$ 358,743
St. Mary Magdalen	\$ 109,000	\$ 109,000
St. Anthony's Catholic School	\$ 90,002	\$ 0
SA Liberty Field Prep School	\$ 1,237,350	\$ 0
Total	\$ 2,026,351	\$ 467,743

19

GRANTS AWARDED: CHILDCARE CENTERS



Applicant	Requested Award	Recommended Award*
Family Service Assoc.	\$ 90,000	\$ 90,000
Knowledge Universe Ed.	\$ 140,000	\$ 70,000
YMCA	\$ 60,000	\$ 60,000
Daughters of Charity	\$ 50,000	\$ 50,000
La Petite Academy	\$ 20,000	\$ 20,000
Nite Owl Child Care	\$ 20,000	\$ 20,000
Summerlin Childcare & Learning Center	\$ 20,000	\$ 20,000

**Value of bundle of services, materials, and professional development*

20

GRANTS AWARDED: CHILDCARE CENTERS



Applicant	Requested Amount	Recommended Award
Happy Learning Center	\$ 20,000	\$ 0
La Mision Child Care	\$ 20,000	\$ 0
Playworks Early Childhood Program	\$ 20,000	\$ 0
Rainbow Station	\$ 70,000	\$ 0
Train Up A Child	\$ 20,000	\$ 0
Total	\$ 550,000	\$ 330,000

**Value of bundle of services, materials, and professional development*