



City of San Antonio

Agenda Memorandum

File Number:16-1359

Agenda Item Number: 4.

Agenda Date: 2/2/2016

In Control: Early Childhood Education Municipal Development Corporation Board of Directors

DEPARTMENT: Pre-K 4 SA

DEPARTMENT HEAD: Kathy Bruck, CEO

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

FY 2016 Six Plus Six Financial Report

SUMMARY:

FY 2016 Six Plus Six Financial Report (2nd Quarter Actuals with Annualized Projections) and an amended personnel complement will be provided with an informational briefing on the Pre-K 4 SA Fiscal Year (FY) 2016 Budget status through the second quarter (July through December).

BACKGROUND INFORMATION:

The Board adopted a balanced budget on April 4, 2015 for the Pre-K 4 SA fiscal year that began July 1, 2015. Total Appropriations approved by the Board are \$38,845,301. This includes funding for 4 Education Centers with a total enrollment of 1,700 students for the 2015-2016 school year and authorized 407 positions. On May 14, 2015 City Council approved the FY 2016 Pre-K 4 SA Annual Operating Budget.

ISSUE:

The Six Plus Six Financial report will provide the Board with an informational briefing on the Pre-K 4 SA FY 2016 financial status of revenues and expenses through the second quarter of the fiscal year (July to December) and projections for the remaining six months (January to June). In addition, an updated personnel complement will be presented for approval that recommends two additional positions for the purpose of managing the Competitive Grants program.

The Mid-Year Budget Adjustment addresses the following:

- Revise Sales Tax revenue to reflect less than projected collections due to declines in revenue from the Oil & Gas industry
- Adjust other revenues due to changes in student population (free vs. tuition).
- Funding for three additional classrooms due to Pre-K 4 SA exceeding its goal of 1,700 students. This includes additional master teachers, meals, and classroom supplies.
- Addressing the Living Wage increase approved by City Council in September 2015 and implemented in January 2016.
- Changes to City of San Antonio charges such as City indirect costs, revised health benefit costs, workers compensation assessments and other fees.
- Amended Program Assessment contract approved by the Board in December 2015.

FISCAL IMPACT:

The FY 2016 mid-year budget report shows a positive variance. Revenues are favorable and above budget. Expenditures are also favorable and below budget. The net ending project balance based on the six plus six is a favorable variance of \$344,931.00.

RECOMMENDATION:

Staff recommends for the Board to accept the FY 2016 Six Plus Six Financial Report and approve the updated personnel complement of two additional positions for a total of 409 authorized positions.