



City of San Antonio

Agenda Memorandum

File Number:17-2051

Agenda Item Number: 14.

Agenda Date: 5/11/2017

In Control: City Council A Session

DEPARTMENT: Pre-K 4 SA

DEPARTMENT HEAD: Sarah Baray, Ph.D.

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Pre-K 4 SA FY 2018 Budget

SUMMARY:

An Ordinance considering approval of the Pre-K 4 SA program FY 2018 Budget adopted by the Pre-K 4 SA Board of Directors on April 18, 2017.

BACKGROUND INFORMATION:

City staff provided City Council with an overview of the Pre-K 4 SA program's FY 2018 Budget during the May 10 "B" session. The Pre-K 4 SA Board of Directors bylaws, which were approved by City Council, require that the City Council approve the program's annual Budget on or before July 1 of each year. As stated in the bylaws, an Annual Budget is required to be adopted by the Board before May 1 each year and approved by City Council prior to the start of the new program year on July 1.

ISSUE:

The Pre-K 4 SA Board of Directors adopted the FY 2018 Operating Budget on April 18, 2017. This item is for City Council's consideration of the approval of the Board's FY 2018 annual operating budgets. The Pre-K 4 SA fiscal year begins July 1 and ends June 30 of each year.

Below is an overview of the Board of Director's Adopted Operating Budget for FY 2018 to include major

program areas.

Operating Expenses	Adopted Budget FY 2018
Pre-K 4 SA Education Center Services	\$ 25,415,717
Facilities Leases & Maintenance	\$ 6,123,605
Competitive Grants	\$ 4,954,719
Professional Learning	\$ 2,250,433
Administration	\$ 1,606,285
Public Relations/Marketing	\$ 952,994
Transportation Services	\$ 869,554
Enrollment/Attendance Services	\$ 750,065
Program Assessment	\$ 313,111
Sales Tax Collection Fee	\$ 704,043
Debt Service Payments	\$ 4,333,810
<i>Total Budget</i>	<i>\$ 48,274,336</i>

Revenues	Adopted Budget FY 2018
Dedicated Sales Tax	\$ 35,202,167
Planned Use of Fund Balance	\$ 6,519,779
State/Local Match	\$ 4,464,000
USDA (Food)	\$ 1,454,575
Sliding Scale Tuition	\$ 600,000
Interest/Misc Revenue	\$ 33,815
<i>Total Revenues & Transfers</i>	<i>\$ 48,274,336</i>

The FY 2018 sales tax assumes a 3.5% growth rate from FY 2017 estimated sales tax revenue. Sales tax makes up 84% of the Pre-K 4 SA total revenue.

The FY 2018 Board of Director's Adopted Annual Expenditure Budget reflects a 1.5% increase from the FY 2017 Adopted Annual Budget. Pre-K 4 SA will accept a total of 2,000 students for the 2017-2018 school year. Appropriations are required for the hiring of Education Center staff, food service, and other expenses required for the daily operations of each Education Center.

ALTERNATIVES:

City Council could choose to not approve the FY 2018 Pre-K 4 SA Budget and request changes to the budget by Pre-K 4 SA. In this event, the Pre-K 4 SA Board of Directors would need to amend their adopted Budget(s) and forward the budget(s) to the City Council for approval.

FISCAL IMPACT:

This action will not impact the City's General Fund Budget. The FY 2018 Pre-K 4 SA program Budget is \$48,274,336.

RECOMMENDATION:

Staff recommends that City Council approve the FY 2018 Annual Budget as recommended and adopted by the Pre-K 4 SA Board of Directors on April 18, 2017.