

GOB Financial Update



FY2013-14 1st Quarter Financials

October 24, 2013



FY2013-14 Budget Objectives

- ▶ Improve academic outcomes
 - Implement SLPS Initiatives
 - Re-align resources to support principals, teachers and students
 - Target resources to schools based on academic need
- ▶ Establish Full Accreditation
- ▶ Balance expenditures and revenues
- ▶ Reinforce a culture of high expectations and accountability



FY2013-14 Spending Priorities

- ▶ Maintain pupil teacher ratio at the Desirable Level based on attendance ☒
- ▶ Offer Early Retirement Program – 230 impacted ☒
- ▶ Open new Bio-Medical High School ☒
- ▶ Consolidate schools – closing Sherman and L'Ouverture ☒
- ▶ Reduce cost of procured goods and services/energy costs ☒



FY2013-14 Q1 Year-End Projection

	<u>FY14 Budget</u>	<u>Q1 Projection</u>
Revenues	\$286.2M	\$286.2M
Expenditures	<u>\$286.2M</u>	<u>\$286.2M</u>
Surplus/(Deficit)	-	-



FY2013-14 Considerations

- ▶ Lower Assessed Valuations
- ▶ State Formula Funds
- ▶ Salary Action
- ▶ 1% Professional Development
- ▶ Homeless Transportation

Risks

- ▶ Staffing
- ▶ Lower Benefit Rates
- ▶ ERIP Salary Savings
- ▶ ERIP Incentive Payments
- ▶ Savings Due to Improved Contract Monitoring

Opportunities



FY2013-14 Comparison

(in millions)

	FY2012-13 <u>UNAUDITED</u>	FY2013-14 <u>PROJECTION</u>	<u>VARIANCE</u>
Local Revenue	226.8	215.7	(11.0)
State Revenue	61.9	61.0	(0.9)
County Revenue	3.4	3.5	0.1
Federal Revenue	6.4	5.9	(0.5)
Revenues	\$298.5	\$286.2	(\$12.3)
Salaries	136.3	140.1	3.8
Temp/Overtime	12.0	12.4	0.3
Benefits	61.4	60.9	(0.5)
Professional Services	26.4	25.6	(0.8)
Property Services	10.7	11.0	0.2
Transportation	22.0	23.5	1.6
Operational Expenses	12.7	11.5	(1.1)
Debt Obligations	0.8	1.1	0.3
Expenditures	\$282.3	\$286.2	\$3.8
Annual Surplus/(Deficit)	\$16.1	\$0.0	(\$16.1)
Beginning Fund Balance	\$3.3	\$19.4	\$16.1
Ending Fund Balance	\$19.4	\$19.4	\$0.0