

# Birmingham

PUBLIC SCHOOLS

Achievement • Character • Community

## *Birmingham Public Schools 2018-2019 Final Budget Amendment June 18, 2019*





# General Operating Fund



# General Operating Fund Revenue Comparisons

	2018-2019 AMENDED BUDGET		2018-2019 PROPOSED FINAL AMENDED BUDGET			
	First Amended 3/19/19	% of Total	Proposed Amended Budget	% of Total	Increase (Decrease)	% Change
<b>REVENUES:</b>						
Local	57,420,663	47.3%	57,064,697	46.5%	(355,966)	-0.6%
*State	59,666,739	49.1%	61,153,990	49.8%	1,487,251	2.5%
Federal and Intermediate	4,326,648	3.6%	4,546,437	3.7%	219,789	5.1%
Total	<u>121,414,050</u>	<u>100.0%</u>	<u>122,765,124</u>	<u>100.0%</u>	<u>1,351,074</u>	1.1%
<b>OPERATING TRANSFERS</b>	<u>(285,242)</u>		<u>(312,339)</u>		<u>(27,097)</u>	9.5%
<b>NET REVENUES</b>	<u>121,128,808</u>		<u>122,452,785</u>		<u>1,323,977</u>	1.1%

Note: Does not include Cash Flow Stabilization Fund, Federal Projects Fund, or Athletics Fund.



# General Operating Fund Revenue Adjustments

## Budget Assumptions - Amended Budget March 19, 2019

<u>Local</u>	<u>State</u>	<u>Federal &amp; Intermediate</u>
<ul style="list-style-type: none"><li>- Hold Harmless Rate @ 7.6429</li><li>- Adjustment for Hold Harmless calculation</li><li>- Decrease in projected Property Tax Values</li><li>- Increase in Interest Revenue</li><li>- Increase for one-time revenues<ul style="list-style-type: none"><li>a. \$200,000 Auditorium Liability</li><li>b. \$196,794 Print Shop Liability</li><li>c. \$470,000 FICA refund from IRS</li></ul></li><li>- Additional transfer of \$600,000 from Capital Equipment Fund</li></ul>	<ul style="list-style-type: none"><li>- \$120 Increase in Foundation Allowance</li><li>- 7998 Blended Enrollment FTE</li><li>- Reduction in MPSERS UAAL Stabilization 147C revenues</li></ul>	<ul style="list-style-type: none"><li>- Increase in PA-18 revenues of approximately \$370,000</li><li>- Miscellaneous adjustments for Indirect Costs and other revenues from Oakland Schools</li></ul>

## Budget Assumptions – Final Amended Budget June 25, 2019

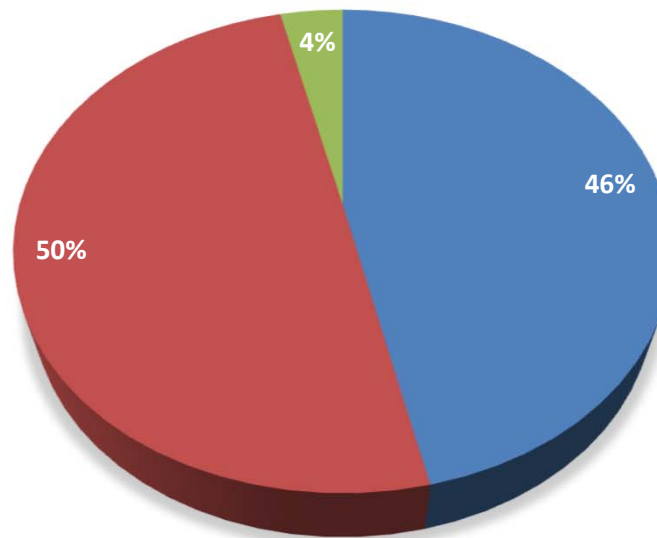
<u>Local</u>	<u>State</u>	<u>Federal &amp; Intermediate</u>
<ul style="list-style-type: none"><li>- Decrease in Property Tax Values due to MTT adjustments</li><li>- Increase in Interest revenues</li></ul>	<ul style="list-style-type: none"><li>- 8001 Blended Enrollment FTE</li><li>- Increase in Prior Period adjustments due to changes in Property Tax Valuations</li></ul>	<ul style="list-style-type: none"><li>- Increase in PA-18 revenues of approximately \$200,000</li></ul>

Note: Does not include Cash Flow Stabilization Fund, Federal Projects Fund, or Athletics Fund.



# General Operating Fund Revenue Overview

Projected Revenues 6/30/19



■ Local ■ State ■ Federal and Intermediate

*Note: Does not include Cash Flow Stabilization Fund, Federal Projects Fund, or Athletics Fund.*



# 2018-2019 General Operating Fund Expenditures by Function Comparison

	2018-2019 AMENDED BUDGET		2018-2019 PROPOSED FINAL AMENDED BUDGET			
	First Amended 3/19/19	% of Total	Proposed Amended Budget	% of Total	Increase (Decrease)	% Change
<b>EXPENDITURE APPROPRIATIONS BY FUNCTION:</b>						
Instruction	75,135,825	61.0%	75,399,870	61.0%	264,045	0.4%
Instructional Support Services*	24,726,614	20.1%	24,890,251	20.1%	163,637	0.7%
Administrative Support Services**	21,852,392	17.7%	21,883,793	17.7%	31,401	0.1%
Community Services	1,433,940	1.2%	1,461,528	1.2%	27,588	1.9%
Total	<u>123,148,771</u>	<u>100.0%</u>	<u>123,635,442</u>	<u>100.0%</u>	<u>486,671</u>	<u>0.4%</u>
<b>CURRENT YEAR OPERATIONS</b>	<u>(2,019,963)</u>		<u>(1,182,657)</u>		<u>837,306</u>	
* Includes Pupil and Instructional Staff Support Services, including Special Education Support and School Administrative Services.						
**Includes Custodial, Maintenance, Utilities, Transportation, Finance, Payroll, Insurance, Security, General Administration, Data Processing, Personnel, and Informational Services.						

Note: Does not include Cash Flow Stabilization Fund, Federal Projects Fund, or Athletics Fund.



# 2018-2019 General Operating Fund Expenditures by Object Comparison

## 2018-2019 AMENDED BUDGET

## 2018-2019 PROPOSED FINAL AMENDED BUDGET

	First Amended 3/19/19	% of Total	Proposed Amended Budget	% of Total	Increase (Decrease)	% Change
<b>EXPENDITURE APPROPRIATIONS BY OBJECT:</b>						
Salaries	60,342,030	49.0%	60,775,300	49.2%	433,270	0.7%
Benefits	40,591,057	33.0%	40,842,311	33.0%	251,254	0.6%
Utilities	2,836,642	2.3%	2,791,132	2.3%	(45,510)	-1.6%
Purchased Services	14,478,595	11.8%	14,162,249	11.5%	(316,346)	-2.2%
Supplies	3,340,100	2.7%	3,338,746	2.7%	(1,354)	0.0%
Capital Outlay	179,813	0.1%	209,325	0.2%	29,512	16.4%
Other	1,380,535	1.1%	1,516,379	1.2%	135,844	9.8%
Total	<u>123,148,771</u>	<u>100.0%</u>	<u>123,635,442</u>	<u>100.0%</u>	<u>486,671</u>	<u>0.4%</u>

Note: Does not include Cash Flow Stabilization Fund, Federal Projects Fund, or Athletics Fund.



# General Operating Fund Expenditure Adjustments

## **Budget Assumptions - Amended Budget March 19, 2019**

- *Salaries increased by additional 1.2% to account for full-steps for all groups and 2%-5% increase for all other salaries.*
- *Benefits decreased by a net of 1.4% which includes a reduction to MPSERS UAAL 147c one-time revenues, decreases to anticipated health care costs and increases in retirement costs attributable to increase in salaries.*
- *Utilities increase for gas and electric usage and rates of approximately \$208,000*
- *Increase in transportation contract with Durham School Services*
- *Reduction in supplies primarily for annual textbook purchase of \$350,000*
- *Capital Outlay increases for state and local grants*

## **Budget Assumptions – Final Amended Budget June 25, 2019**

- *Salary and benefit adjustments primarily for movement of staff from Autistic Center Fund to General Fund based on actual work assignments*
- *Decrease in transportation costs with Durham School Services and an increase in custodial/maintenance costs with GRBS*
- *Increase in other expenditures for online tuition courses*

*Note: Does not include Cash Flow Stabilization Fund, Federal Projects Fund, or Athletics Fund.*





# General Operating Fund Expenditure Adjustments

## 2018-19 Mid-Year Budget Reductions/Revenue Enhancements

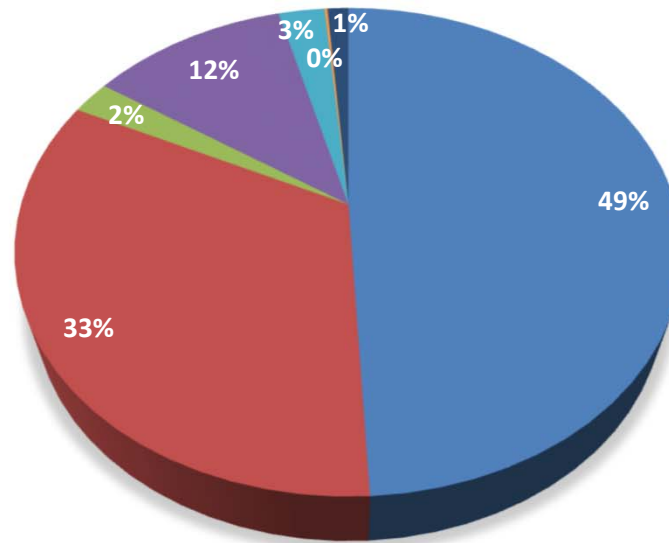
• One Time Revenues for Auditorium and Print Shop Liability, Potential IRS refund, and Transfer from Capital Equipment Fund	\$ 1,470,000
• ½ Payroll Coordinator in Finance – Eliminate	51,000
• ½ Benefits Coordinator in Human Resources – Reduce	20,000
• Community Service Positions – Bill to CSO Fund	77,000
• Contracts with Previous Finance/HR Software Provider – Eliminate	67,000
• Crisis Orientation Planning – Reduce	5,000
• Diversity and Equity Purchased Services – Reduce	5,000
• Finance Purchased Services – Reduce	20,000
• Human Resources Substitutes for Negotiations – Reduce	20,000
• Strategic Plan Allocation – Eliminate for 2018-19	41,920
• Textbooks – Reduce	350,000
• Workshops/Conferences for Central Admin – Additional 10% Reduction	<u>12,000</u>
<b>Total 2018-19 Mid-Year Changes</b>	<b><u>\$ 2,138,920</u></b>

Note: Does not include Cash Flow Stabilization Fund, Federal Projects Fund, or Athletics Fund.



# General Operating Fund Expenditure Overview

## Projected Expenditures 6/30/19



■ Salaries ■ Benefits ■ Utilities ■ Purchased Services ■ Supplies ■ Capital Outlay ■ Other

*Note: Does not include Cash Flow Stabilization Fund, Federal Projects Fund, or Athletics Fund.*



# 2018-19 General Operating Fund Summary

	2017-2018 Actual	2018-2019 Original Budget	2018-2019 Amended Budget	2018-2019 Final Amended	2018-2019 Increase (Decrease)
<b>Expenditures:</b>					
Salaries	58,910,520	59,646,493	60,342,030	60,775,300	433,270
Benefits	40,155,361	41,164,585	40,591,057	40,842,311	251,254
Utilities	2,651,039	2,628,018	2,836,642	2,791,132	(45,510)
Purchased Services	13,831,252	14,288,101	14,478,595	14,162,249	(316,346)
Supplies	3,691,718	3,725,810	3,340,100	3,338,746	(1,354)
Capital Outlay	133,869	30,657	179,813	209,325	29,512
Other	1,321,031	1,383,674	1,380,535	1,516,379	135,844
Total Expenditures	<u>120,694,790</u>	<u>122,867,339</u>	<u>123,148,771</u>	<u>123,635,442</u>	<u>486,671</u>
<b>Net Revenues</b>	\$117,274,050	\$118,712,972	\$121,128,808	\$122,452,785	1,323,977
<b>Expenditures</b>	<u>120,694,790</u>	<u>122,867,339</u>	<u>123,148,771</u>	<u>123,635,442</u>	<u>486,671</u>
<b>Net Revenue Over/(Under) Expense</b>	(3,420,740)	(4,154,367)	(2,019,963)	(1,182,657)	837,306
<b>Beginning Fund Balance</b>	<u>14,600,401</u>	<u>10,546,891</u>	<u>11,179,661</u>	<u>11,179,661</u>	-
<b>Ending Fund Balance</b>	<u>\$ 11,179,661</u>	<u>\$ 6,392,524</u>	<u>\$ 9,159,698</u>	<u>\$ 9,997,004</u>	<u>\$ 837,306</u>
<b>Fund Balance as % of Total Budgeted Expenditures</b>	<u>9.26%</u>	<u>5.20%</u>	<u>7.44%</u>	<u>8.09%</u>	

Note: Total Net Revenues are net of Operating Transfers



## Other Funds



## 2018-19 Other Funds Summary

<u>Fund Type</u>	<u>Designation</u>	<u>Use/Purpose</u>	<u>Anticipated Balance @ 6/30/19</u>
Cash Flow Stabilization (Reports to MDE as General Fund)	Committed Fund	Non-expenditure fund to secure cash flow for BPS operations, i.e. payroll	\$ 7,336,827
Federal Projects Fund (Reports to MDE as General Fund)	N/A	Federal grant activities, kept separate from general operations	\$ 0
Athletic Fund (Reports to MDE as General Fund)	N/A	Athletics	\$ 0
HS Stadiums Fund	Committed Fund	Established to accrue balance to pay for replacement of turf fields	\$ 272,932
Wee Care Fund	Committed Fund	Wee Care child care center, 0-3 program	\$ 0
Early Childhood Center Fund (ECC)	Committed Fund	Early Childhood Center, 3-5 program. Balance earned from tuition paid by parents.	\$ 1,032,708
Capital Equipment Fund	Committed Fund	Fund established for capital expenditures. Originated from the sale of old administration center.	\$ 207,920
Building and Site Fund	Committed Fund	Fund established for building and site maintenance	\$ 257,804
Autistic Center Fund	Restricted Fund	PA18 funds for autistic center services	\$ 2,538,751
Cafeteria Fund	Restricted Fund	Food service operations	\$ 250,020
Debt Fund	Restricted Fund	Repayment of district bonded debt obligations	\$ 2,162,602
2015 and 2018 Building and Site Construction Fund	Restricted Fund	Bond proceeds, passed in two-series	\$ 3,176,588



*The End*

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