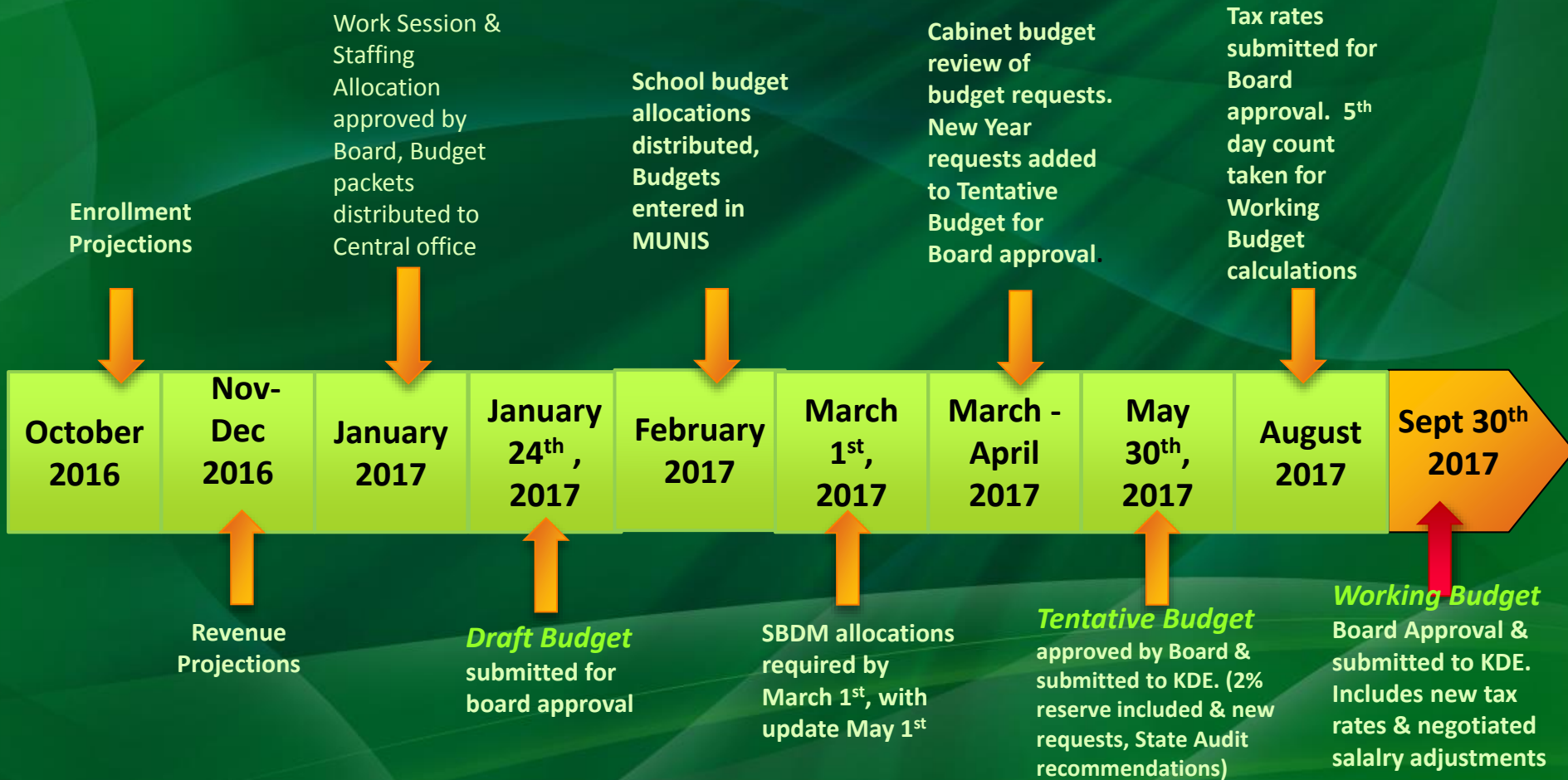


**STUDENT PROJECTION PROCESS and
FY2017-18 DRAFT BUDGET
Work Session – January 10, 2017**

JANUARY 24th

- Draft Budget
- Enrollment Projections
- ↓
- Revenue
- ↓
- Allocation Standards - \$400 Million plus

Budget Timeline for 2017-18

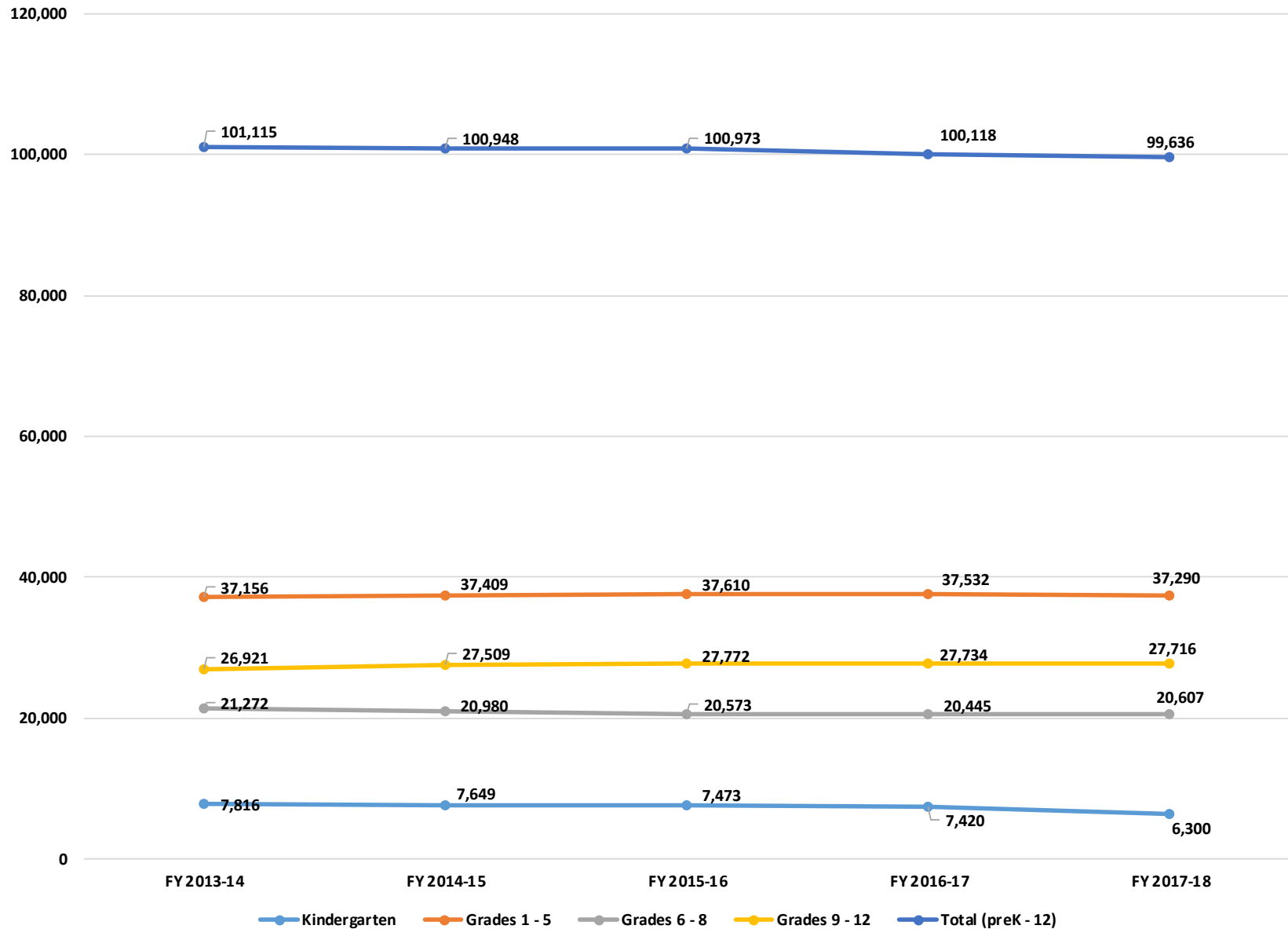


Draft includes estimates for school allocations.

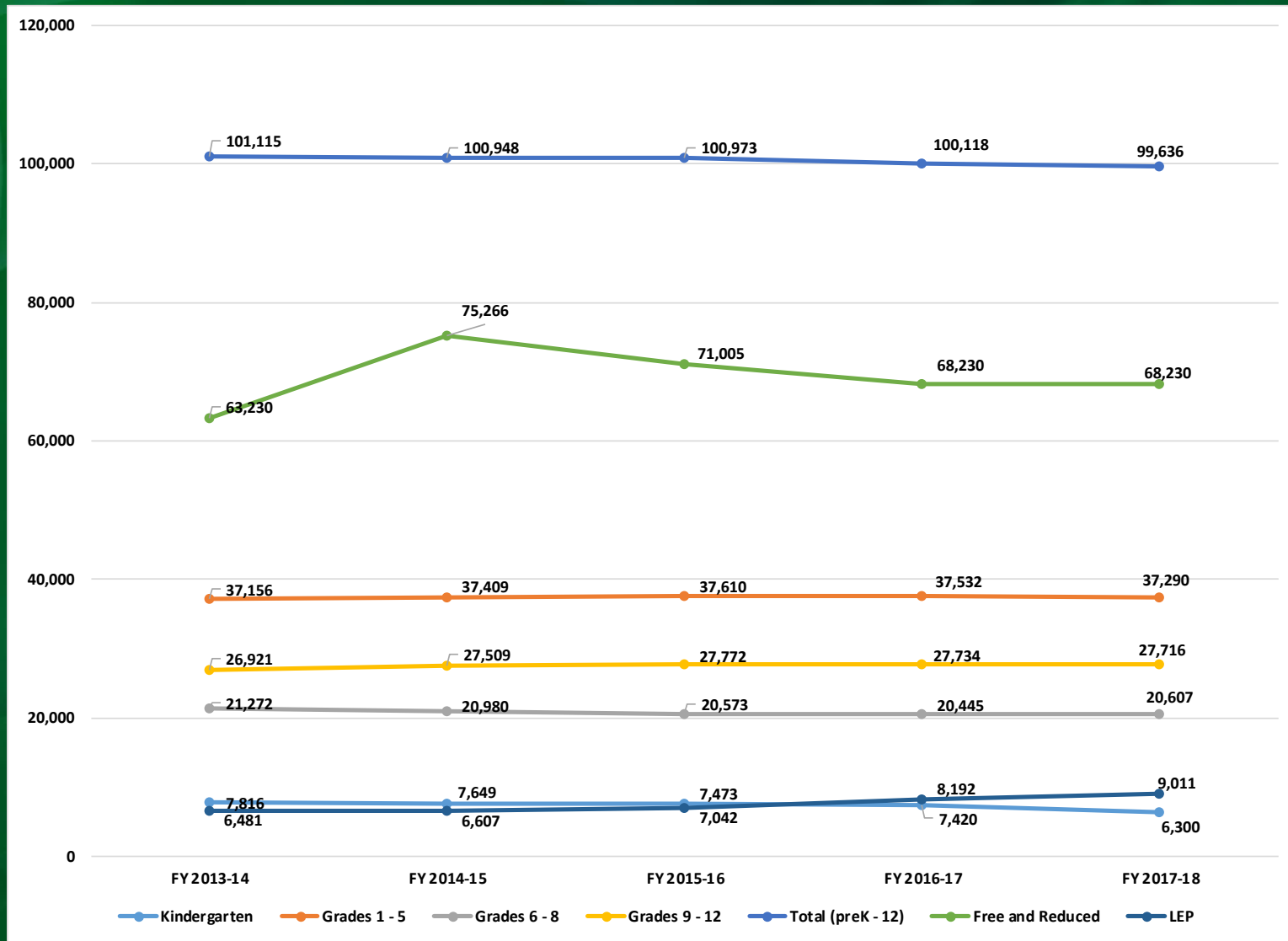
Tentative includes line item distribution of codes, approvals of requests from Cabinet meetings, and 2% reserve.

Working includes new tax rates, salary approvals, carryover & carry forward from previous year, update on revenue projections.

Student Enrollment Trend and Projection Data



Student Enrollment Trend and Projection Data



Prior years based on 1st month enrollment, 17-18 data is draft projection

IMPACT OF POPULATION DECREASE

- The state changed the enrollment age for kindergarten for the 2017-18 school year, from October 1 to August 1

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>
Student Population Change	(1,223)	(1,223)	(1,223)
Impacted Grade	K	1st	2nd
Projected State SEEK Revenue Change	0	(2,262,623)	(4,521,365)
<hr/>			
Projected Impact on Allocation			
Teachers (55 quantity)	(3,697,265)	(3,697,265)	(3,697,265)
Itinerant Teachers (6 quantity)	(406,699)	(406,699)	(406,699)
Instructional Assistants (55 qty)	(1,438,525)	0	0
Section 6	<u>(171,220)</u>	<u>(171,220)</u>	<u>(171,220)</u>
TOTAL IMPACT ON ALLOCATION	(5,713,709)	(4,275,184)	(4,275,184)

JANUARY 24th

- Draft Budget
- Enrollment Projections
- ↓
- Revenue
- ↓
- Allocation Standards - \$400 Million plus

TOTAL REVENUE SUMMARY

• General Fund	\$1,220,852,000
• Grants and Awards	\$ 135,211,000
• Education Foundation	\$ 2,284,000
• Activity Accounts	\$ 453,000
• Capital Improvement	\$ 98,407,000
• Enterprise	<u>\$ 95,469,000</u>

TOTAL	\$1,552,676,000
-------	-----------------

TOTAL REVENUE		FY 2015-16	FY 2016-17	FY 2017-18
GENERAL FUND				
Receipts		863,443	884,468	899,949
State-paid Benefits		189,563	190,927	190,927
Beginning Fund Balance		119,207	135,071	129,976
Total General Fund		1,172,213	1,210,466	1,220,852
CATEGORICAL				
Grants and Awards				
Early Childhood				
Head Start		12,311	11,882	11,882
Early Head Start		2,235	3,058	3,058
KERA PreK		8,437	10,100	10,100
(excl. Flex Focus transfer)				
Title I PreK		10,300	10,300	10,300
IDEA PreK		798	798	798
Subtotal		34,081	36,138	36,138
Special Needs				
IDEA		21,690	22,762	22,762
Medicaid Program		4,212	4,085	4,085
IDEA Co-Op		917	899	899
Crusade Grants		252	204	204
Subtotal		27,071	27,950	27,950

TOTAL REVENUE (continued)	FY 2015-16	FY 2016-17	FY 2017-18
CATEGORICAL			
Grants and Awards			
Title I	32,082	27,808	27,808
(includes ERS funding, SIG for FY'16, and part D)			
Other State Grants	22,392	21,783	21,783
KETS Grant	4,187	3,450	3,450
(includes Local Matching)			
Title II	4,508	4,149	4,149
Adult Ed	3,449	3,307	3,307
(state and federal)			
Trust Fund Donations	1,813	2,000	2,000
Carl Perkins	1,132	1,169	1,169
Title III	1,045	1,085	1,085
Fresh Fruit and Veggies	682	1,090	1,090
YOU Grants	934	927	927
ROTC	749	732	732
Louisville Partnership	530	526	526
State MOAs	432	431	431
School Leadership Dev.	1,994	0	0
Compass	0	1,249	1,249
All Others	1,081	1,417	1,417
Total Grants and Awards	138,162	135,211	135,211

TOTAL REVENUE (continued)		FY 2015-16	FY 2016-17	FY 2017-18
	Education Foundation	2,103	2,284	2,284
	Activity Accounts	1,637	453	453
	Capital Improvement			
	Construction Fund	63,671	52,307	55,000
	Building Fund	34,151	34,680	34,680
	Capital Outlay	8,719	8,727	8,727
	Total Capital Improvement	106,541	95,714	98,407
ENTERPRISE				
	Nutrition Services	86,726	93,284	93,284
	Daycare	675	652	652
	Enterprise Fund	184	138	138
	(incl. Challenger and Swim Pools)			
	Adult Ed Tuition	352	488	488
	Tuition Program	886	907	907
	Total Enterprise	88,823	95,469	95,469
TOTAL REVENUE	in 000's	1,509,479	1,539,597	1,552,676

General Fund Revenue Projections

	2015-16 ACTUAL REVENUE	2016-17 WORKING BUDGET	2017-18 DRAFT BUDGET
LOCAL REVENUE			
General and Personal Property	382,662	399,958	415,363
Delinquent Property	5,017	5,000	5,000
Motor Vehicle	26,861	27,968	28,528
Franchise	9,444	9,626	10,012
Total Property Taxes	423,984	442,552	458,903
Occupational Taxes	151,822	160,931	164,210
Other Taxes and Local revenue	12,637	13,304	13,370
Total Local Revenue	588,443	616,787	636,483
STATE REVENUE			
SEEK Funds	266,225	258,776	254,543
Other State	2,194	2,194	2,194
Total State General Funds	268,419	260,970	256,737
FEDERAL REVENUE (GF)			
Impact Aid	5	5	5
Indirect Costs	6,576	5,809	6,724
Total Federal Funds (GF)	6,581	5,814	6,729
Total General Fund Revenue	863,443	883,571	899,949
State-Paid Benefits	189,563	190,927	190,927
Total GF with State-paid benefits	1,053,006	1,074,498	1,090,876
Beginning Fund Balance	119,208	132,741	129,976
TOTAL REVENUE WITH FUND BALANCE	1,172,214	1,207,239	1,220,852

in 000's

DRAFT BUDGET STATUS - December 2016

REVENUE

	1,220,852,111
less fund balance	<u>129,976,000</u>
Net Revenue	1,090,876,111

EXPENSES

	1,220,852,111
less contingency code	<u>135,436,547</u>
Net Expenses	1,085,415,564

REVENUE OVER EXPENSES

5,460,547

PROJECTED SAVINGS

E-Rate reimbursement	842,808
Unused salary budget (v.c.)	8,000,000
Transportation Reimb.	400,000
PreK Reimb. (Amount unknown)	0

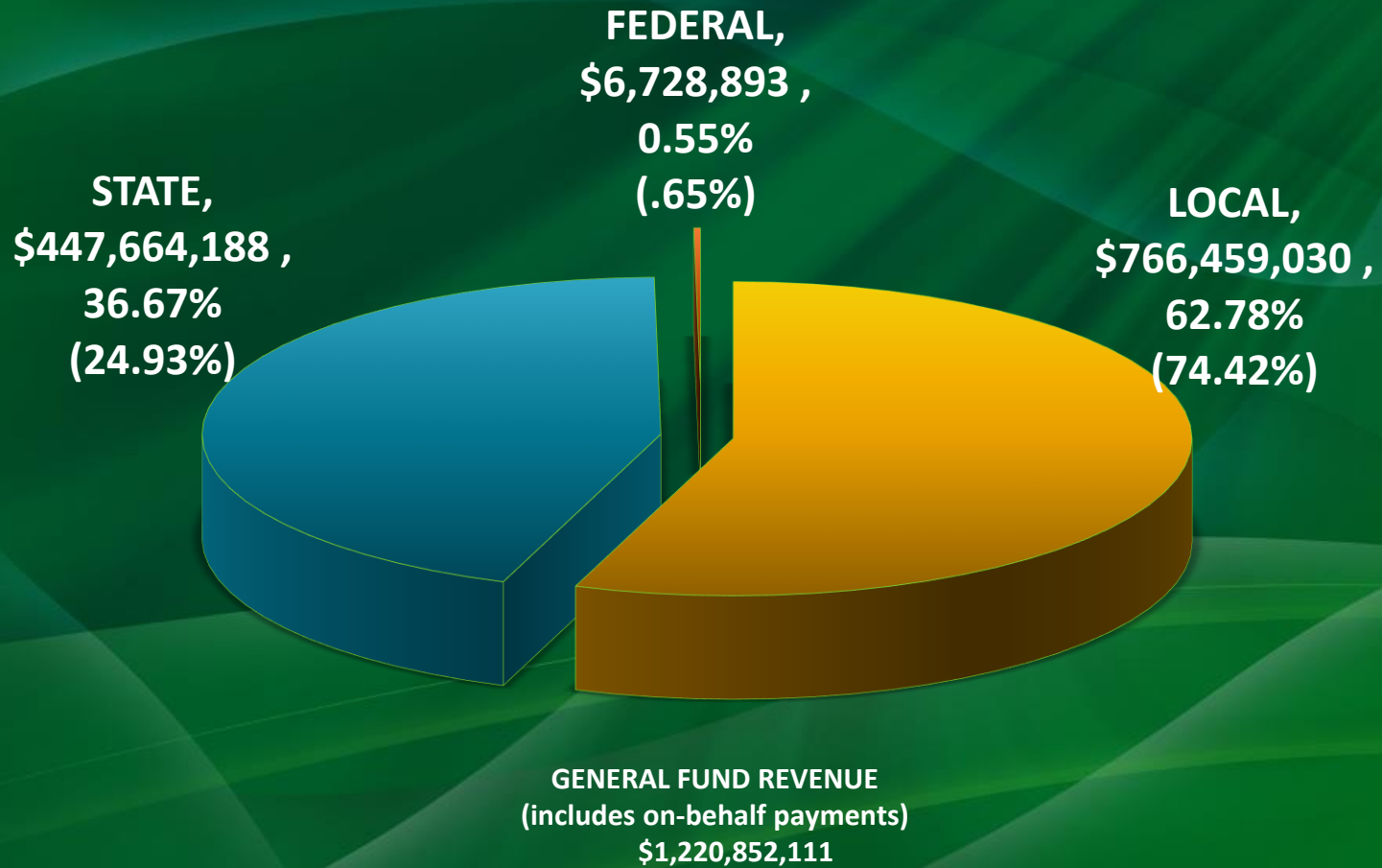
NET AVAILABLE

14,703,355

BUDGET ASSUMPTIONS

- Cost of Living & STEP included for JCTA and Teamsters ONLY.
- Property revenue based on the possible Board approval of the 4% Rate. (estimated \$14 million).
- BASE SEEK – stays the same per state biennial budget, and so state SEEK decreases as property values increase.
- Occupational taxes still increasing but not at robust pace as post recession years. (These receipts have slowed down).

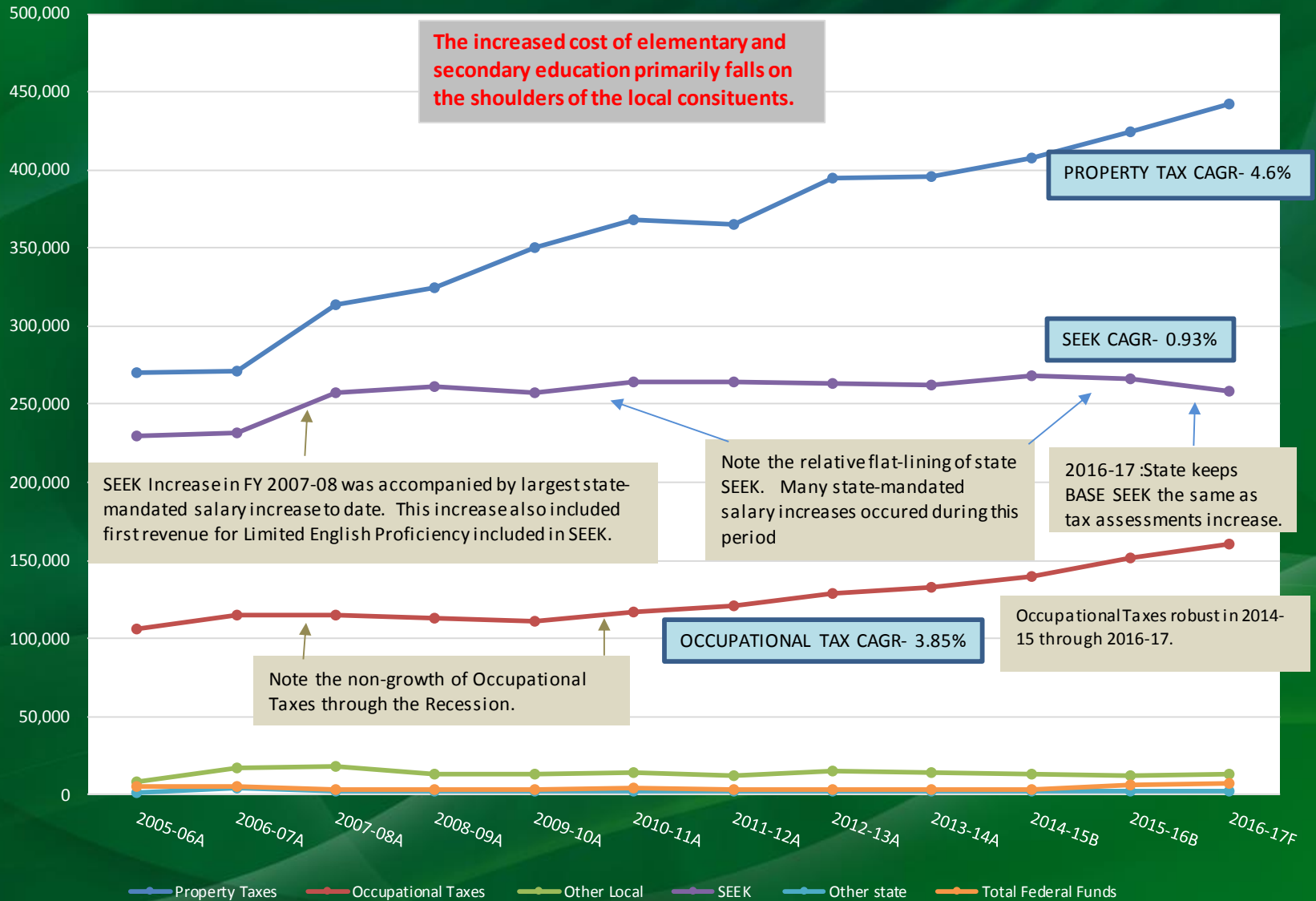
Jefferson County Public Schools General Fund Revenue by Source



Bottom percent is without state-paid benefits included.

JCPS GENERAL FUND REVENUE TRENDS

in 000's



Impact of Property Rate to Homeowner FY 2016-17

	<u>Rate</u>	<u>Annual Tax Impact on \$300,000 House</u>
COMPENSATING RATE	68.1	\$2,043
4% EQUIVALENT RATE	70.8	\$2,124
Yearly Difference	2.7	\$81

Property Tax Rates

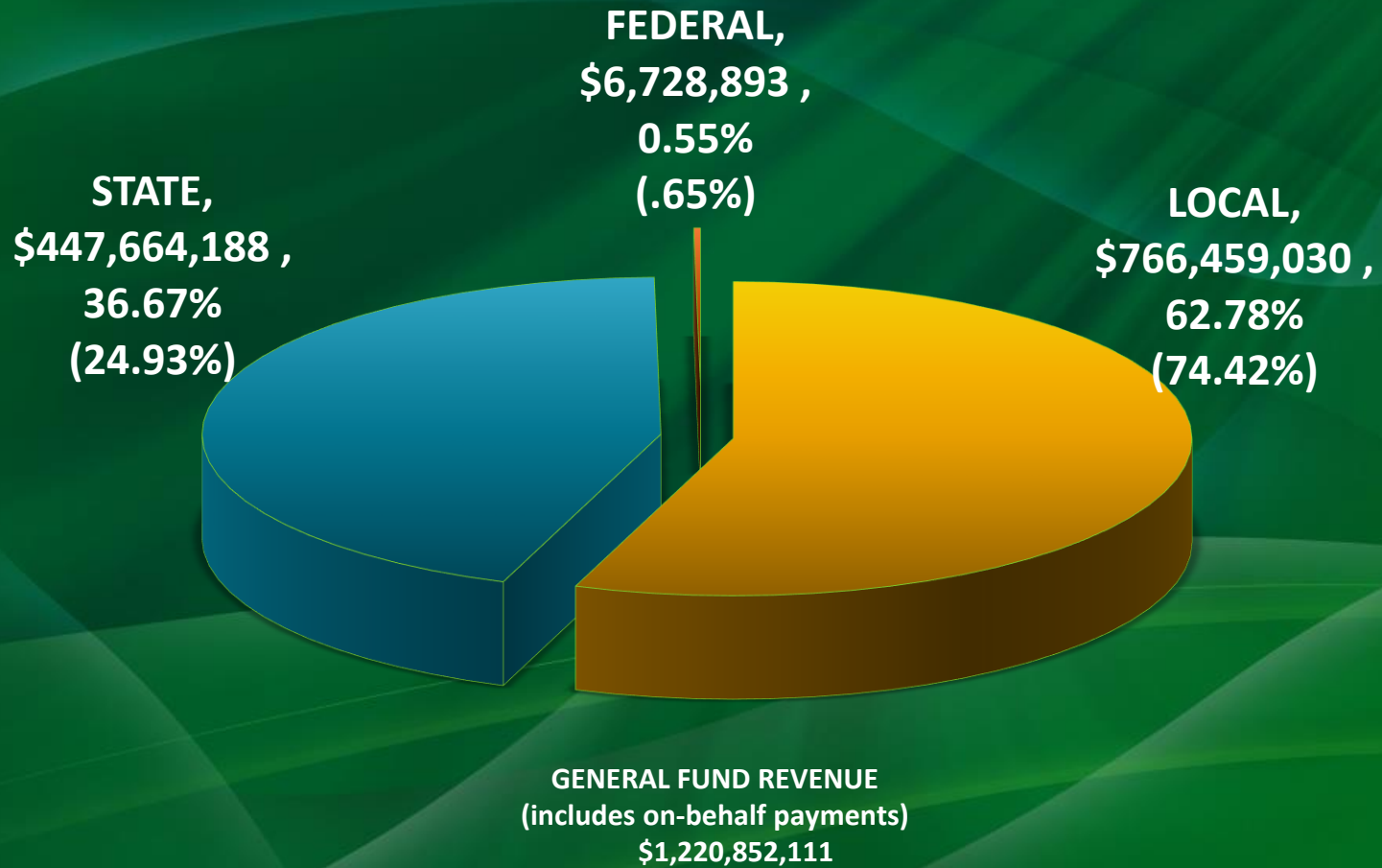
● JCPS Property Tax History

●	FY'06	62.5	HB 940
●	FY'07	61.5	4% revenue rate
●	FY'08	61.5	4% revenue rate
●	FY'09	62.5	4% revenue rate
●	FY'10	64.6	4% revenue rate
●	FY'11	67.6	4% revenue rate
●	FY'12	67.7	Compensating
●	FY'13	70.0	4% revenue rate
●	FY'14	71.0	Other
●	FY'15	71.0	Other
●	FY'16	71.0	4% revenue rate
●	FY '17	70.8	4% revenue rate

● FY'16 Surrounding Counties Tax Rates

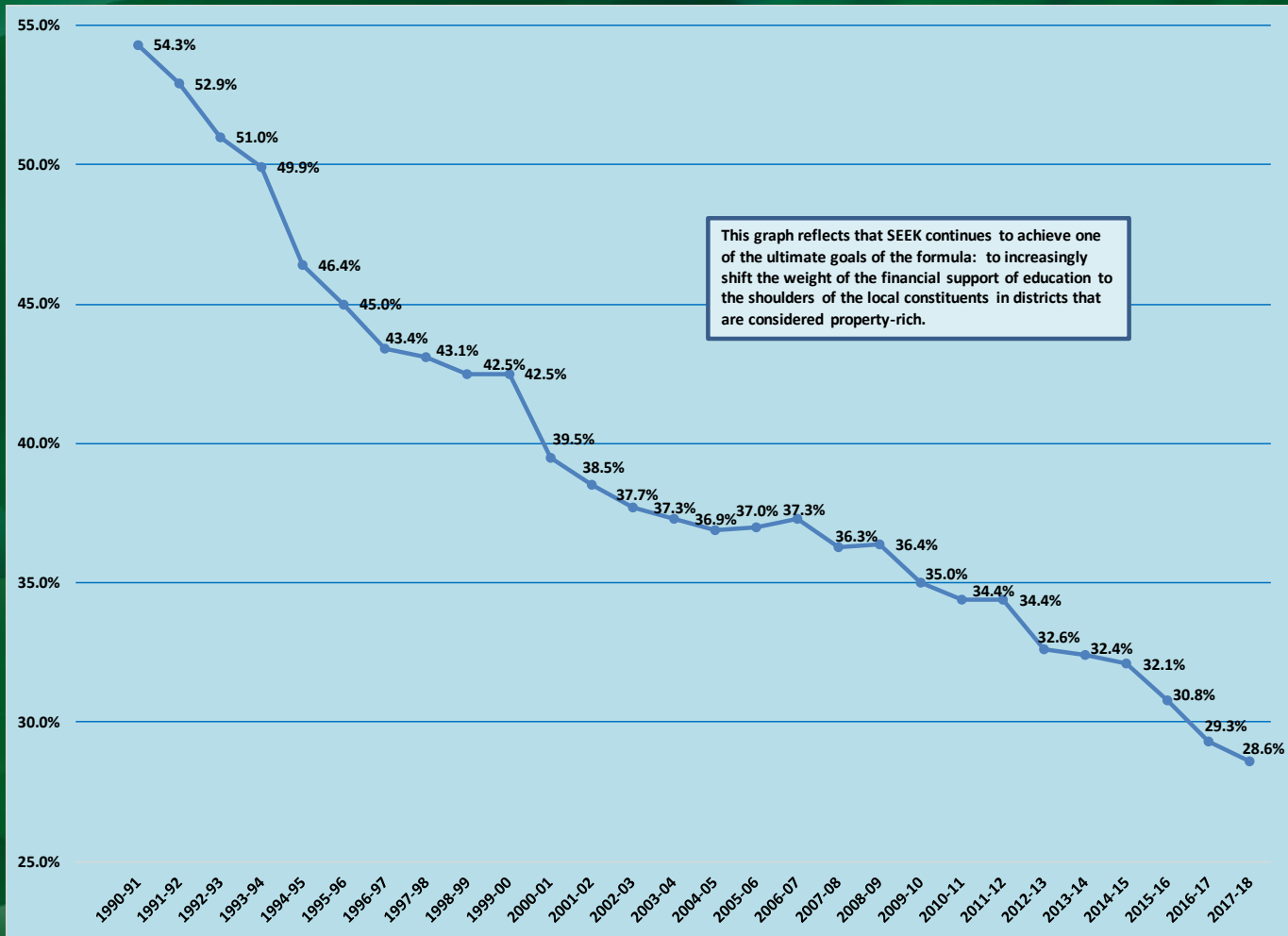
●	Anchorage	98.2
●	Bullitt	66.2
●	Fayette	74.0
●	Nelson	74.0
●	Oldham	76.5
●	Shelby	71.5
●	Spencer	63.0

Jefferson County Public Schools General Fund Revenue by Source



Bottom percent is without state-paid benefits included.

Jefferson County Public Schools FY 1990-91 through FY 2013-14 SEEK Revenue As Percent of General Fund (excluding State On-Behalf Payments)



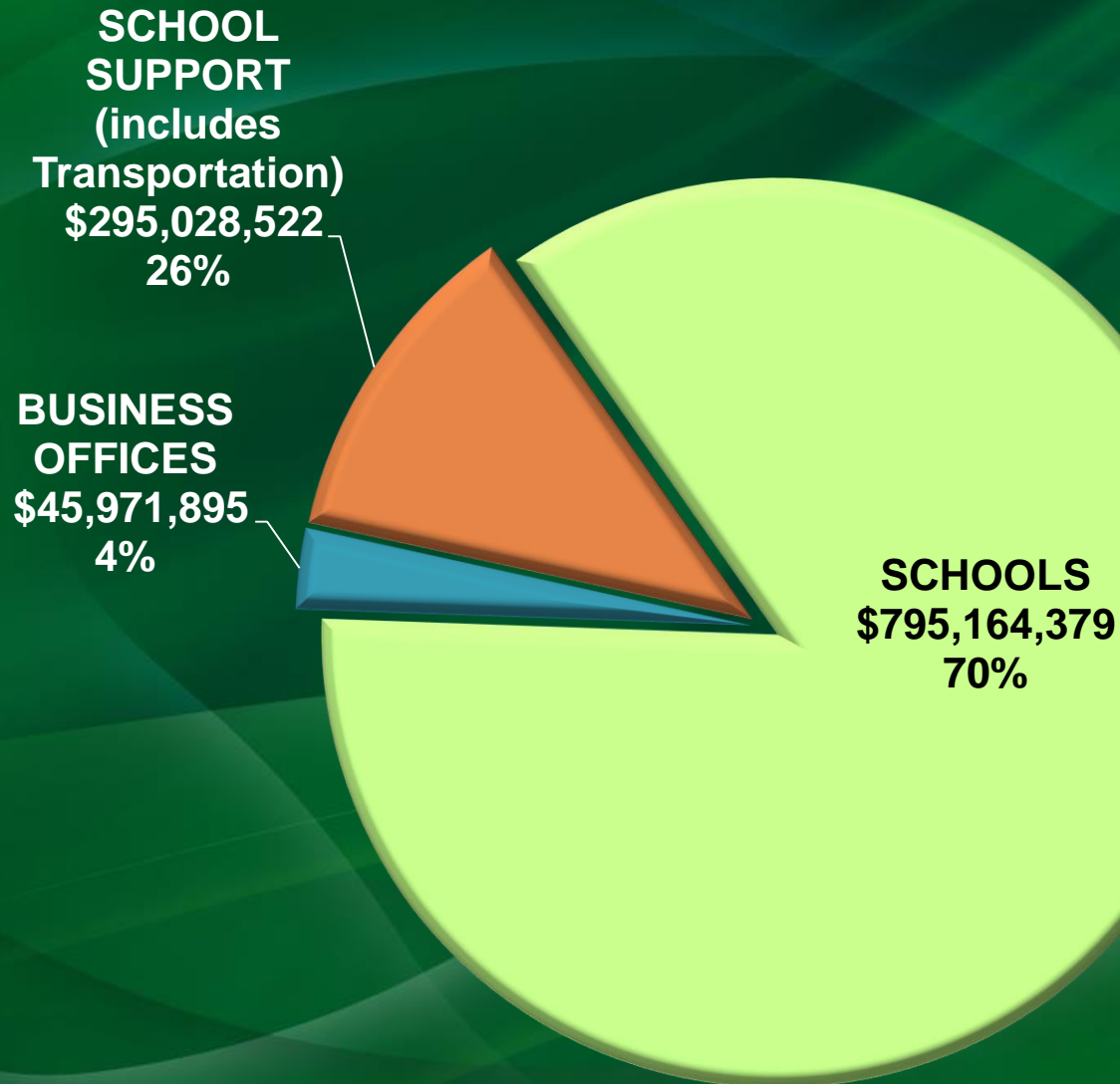
The Erosion of State Grants

YEAR	FRYSCs	Gifted Talented 1300	ESS 1200	Preschool 1350	PD 1400	Textbooks 160	Safe Schools 168	Flex Focus (Combined total of the 5 programs.)	State Agency Children (KECSAC) 17K0	Read to Achieve 1820	Comm. Ed. 1100	Local Area Vocational Centers 1060	CSI 1050	Every1Reads	Elementary Arts & Humanities 11F0	Total Allocation
FY 2016-17	6,946,763	151,698	3,570,622	10,100,211	1,328,917	2,422,147	861,643	18,283,540	2,459,479	1,358,000	20,000	2,663,437	0	0	0	31,882,917
FY 2015-16	6,983,347	151,698	3,744,877	8,437,447	1,175,000	2,414,866	863,933	16,636,123	2,564,801	1,358,000	20,000	2,663,437	0	451,400	0	30,828,806
FY 2014-15	7,013,311	151,698	2,541,327	9,004,864	998,981	2,416,524	571,448	15,533,144	2,438,997	1,358,000	25,000	2,513,886	0	451,400	0	29,485,436
FY 2013-14	6,908,216	151,698	1,865,337	9,664,110	375,444	0	263,116	12,168,007	2,478,740	1,358,000	20,000	3,006,247	0	451,400	0	26,542,308
FY 2012-13	6,986,680	151,698	1,859,923	10,494,774	375,172	0	260,659	12,990,528	2,478,762	1,358,000	20,000	2,491,512	0	451,400	0	26,928,580
FY 2011-12	7,195,974	156,847	1,884,595	10,102,848	375,172	0	291,980	12,654,595	2,657,907	1,358,000	20,000	2,840,762	0	475,500	43,000	27,402,585
FY 2010-11	7,345,098	156,847	1,977,100	9,631,241	376,703	0	317,850	12,302,894	2,529,380	790,092	20,000	2,760,817	0	475,500	43,000	26,423,628
FY 2009-10	7,857,724	159,074	2,244,559	10,146,436	751,376	87,040	340,325	13,569,736	2,423,452	1,680,000	20,000	2,979,070	0	500,000	43,000	29,232,056
FY 2008-09	7,873,038	159,105	2,190,636	10,003,207	697,505	2,173,066	336,045	15,400,459	2,302,339	1,680,000	20,000	3,079,999	0	500,000	45,980	31,060,920
FY 2007-08	7,915,740	167,605	5,544,300	10,232,383	1,916,680	3,068,894	846,675	21,608,932	2,503,176	1,830,000	20,000	2,991,445	164,577	500,000	48,400	37,749,875
Percent Change	(968,977)	(15,907)	(1,973,678)	(132,172)	(587,763)	(646,747)	14,968	(3,325,392)	(43,697)	(472,000)	0	(328,008)	(164,577)	(500,000)	(48,400)	(5,866,958)
	-12.2%	-9.5%	-35.6%	-1.3%	-30.7%	-21.1%	1.8%	-15.4%		-25.8%	0.0%	-11.0%	-100.0%			-15.5%

General Fund Continues to Supplement Grants

Preschool	
General Fund	5,789,639
General Fund (transportation waiver)	<u>4,500,000</u>
subtotal	10,289,639
State Agency	14,351,237
KERA -Locally Operated Voc Tech	4,596,071
FRYSC Grant	1,106,088
Rescue of Title IV (Safe School Assessment Center)	1,043,199
LEEP	460,853
Center for School Safety	250,000
Adult Ed	163,241
National Board Certification	263,455
TOTAL	<u>32,523,782</u>

Jefferson County Public Schools FY 2017-18 General Fund Draft Budget Percentage of Budget Direct to Schools



Total General Fund Budget
\$1,220,852,111

JANUARY 24th

- Draft Budget
- Enrollment Projections
- ↓
- Revenue
- ↓
- Allocation Standards - \$400 Million plus

Staffing Requirements - KRS 157.360

	<u>KRS 157.360</u>	<u>JCPS</u>	<u>DIFFERENCE</u>
Primary grades K - 3	24/1	24/1	0
Grade 4	28/1	24/1	4 students per teacher
Grade 5	29/1	24/1	5 students per teacher
Grade 6	29/1	28/1	1 student per teacher
Grade 7 through 12	31/1	28/1	3 students per teacher
no more than 150 pupil hours = 25/1		calculated on 140 pupil hours = 23.3/1 (Trimester calculated on 113 pupil hrs.)	
Part of School Media Librarian		Full-time Librarian Allocated High Schools receive 2 librarians Elementary and Middle Schools also receive 0.5 library clerk	
	<u>702 KAR 3:246</u>	<u>JCPS</u>	
SECTION 6	\$139 per student	\$140	\$40 per student
	<u>\$100</u> per student		
	State Budget Language		

Current Administrative and Counseling Staff Model - JCPS 2015-16

ELEMENTARY

ASSISTANT PRINCIPAL 1 for each school

COUNSELOR 1 for each school.
2 counselors for enrollment of 660 or more.

MIDDLE

ASSISTANT PRINCIPAL 2 for each school
3 assistant principals for enrollment of 700 or more.
4 assistant principals for enrollment of 1,300 or more.

COUNSELOR 2 for each school
2.5 counselors for enrollment of 900 or more.
3.5 counselors for enrollment of 1100 or more.

SECONDARY

ASSISTANT PRINCIPAL 2 for each school
3 assistant principals for enrollment of 1,250 or more.
3.75 assistant principals for enrollment of 1,800 or more.

COUNSELOR 2 for each school
3 counselors for enrollment of 900 or more.
4 counselors for enrollment of 1,500 or more.

OTHER PARTICIPATING SCHOOLS

ESL Newcomer
Breckinridge Metro
Waller Williams

FUNDING VISION 2020

FY 2017-18

Cumulative Cost

Current Projected Costs

38,685,840

Additional Proposals

4,000,000

(Individual School Requests,

Renovations for Talent Development Centers)

Subtotal

42,685,840

42,685,840

FY 2018-19

Additional ESL Expansion

4,006,100

Bellarmino Literacy Expansion

1,100,000

Summer Literacy Boost Expansion

2,700,000

Subtotal

7,806,100

50,491,940

FY 2019-20

Additional ESL Expansion

4,502,000

Bellarmino Literacy Expansion

1,100,000

Summer Literacy Boost Expansion

1,834,000

Subtotal

7,436,000

57,927,940

FY 2020-21

Additional ESL Expansion

4,147,100

Summer Literacy Boost Expansion

888,000

Subtotal

5,035,100

62,963,040

Difficult Decisions

- \$14.7 Million in Available Resources
- \$42.7 Million in Proposals tied to Vision 2020 for FY 2017-18
- \$63 Million in Cumulative Requests through FY 2020-21

Potential Cost Savings



- Certified Administrators and Classified Staff Salary Savings - \$60 Million annually
- Health Care Clinics Pilot - \$25 Million over 4 years.
- School Rehabs and Energy Upgrades - \$6-8 Million annually. \$282 Million in potential bonding capacity.

Salary Premiums Relative to Market Based on MAG, Inc. Salary Study

Category	Cost
Teacher Premium	\$53 Million
Certified Administrators and Classified Staff	\$52 – 66 Million
Local Market Economics	Unknown at this time
Total Premium Pay	\$105 – 119 Million

Positions Over Maximum by Category

