



FY 2024 Proposed Annual Operating Budget Work Session

April 4, 2023

Dr. Sarah Baray, CEO
Daisy Castillo, DFA

Discussion Sequence

- Financial Forecast
- FY 2024
 - Projected revenue
 - Proposed program changes
 - Projected expenditures

FINANCIAL FORECAST

- Current Version of the Financial Forecast includes:
 - Adjusted revenues based on changes observed in the past year;
 - Fully funds all positions including proposed improvements;
 - Adjusted expenses from the City;
 - Current contractual obligations for items such as Meals, Transportation, Program Assessment and other contracts; and
 - Allows for funding of Competitive Grants for FY 2024.

FINANCIAL FORECAST

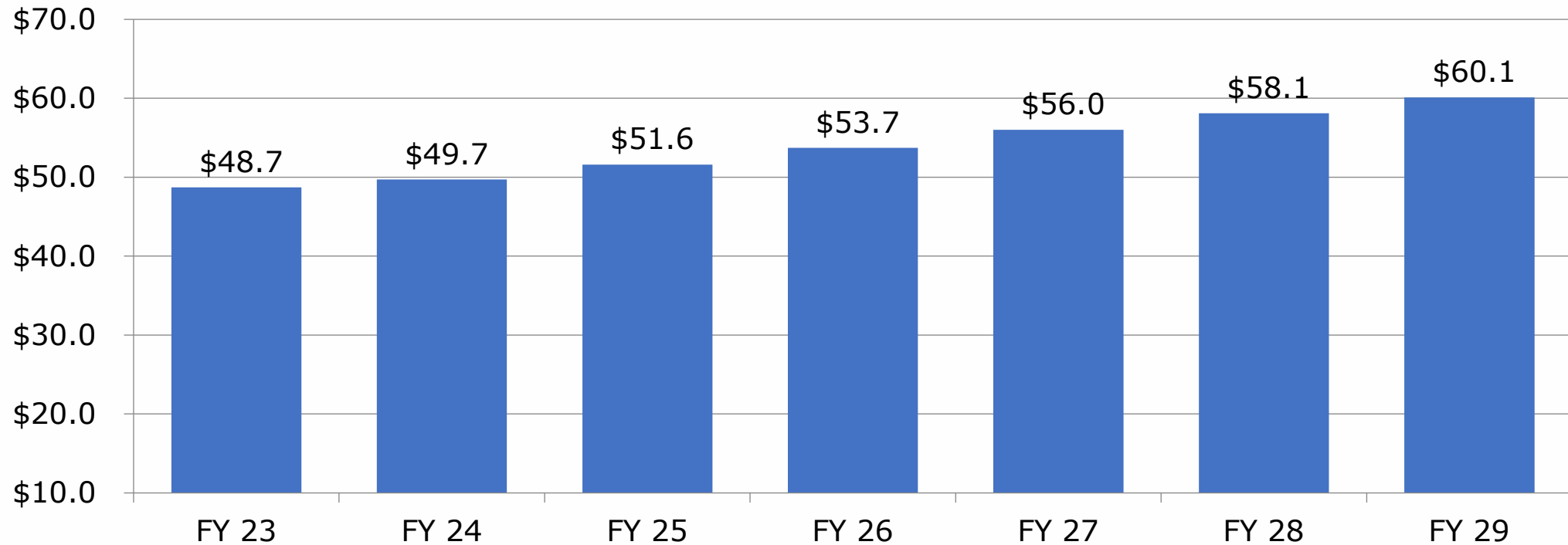
	Projected						
	FY 23*	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29
Beginning Balance	\$23.0	\$33.6	\$29.2	\$25.3	\$23.9	\$23.4	\$23.4
Revenues	60.2	54.4	55.6	57.9	60.2	62.4	64.5
Expenditures	<u>49.6</u>	<u>58.9</u>	<u>59.4</u>	<u>59.3</u>	<u>60.7</u>	<u>62.4</u>	<u>69.9</u>
Gross Ending Balance	\$33.6	\$29.2	\$25.3	\$23.9	\$23.4	\$23.4	\$18.0
Operating Reserve	11.4	13.4	13.5	13.5	13.9	14.3	14.9
Net Ending Balance	\$22.2	\$15.8	\$11.8	\$10.4	\$9.5	\$9.1	\$3.1

- FY 2023 is the Re-Estimate
- South Lease payments begin in FY 2024, balloon payment in FY 2029

FINANCIAL FORECAST: SALES TAX



IN MILLIONS



- FY 2023 estimate; FY 2024-2029 projections.
- FY 2029 projects 12 months of sales tax; pending program re-authorization.

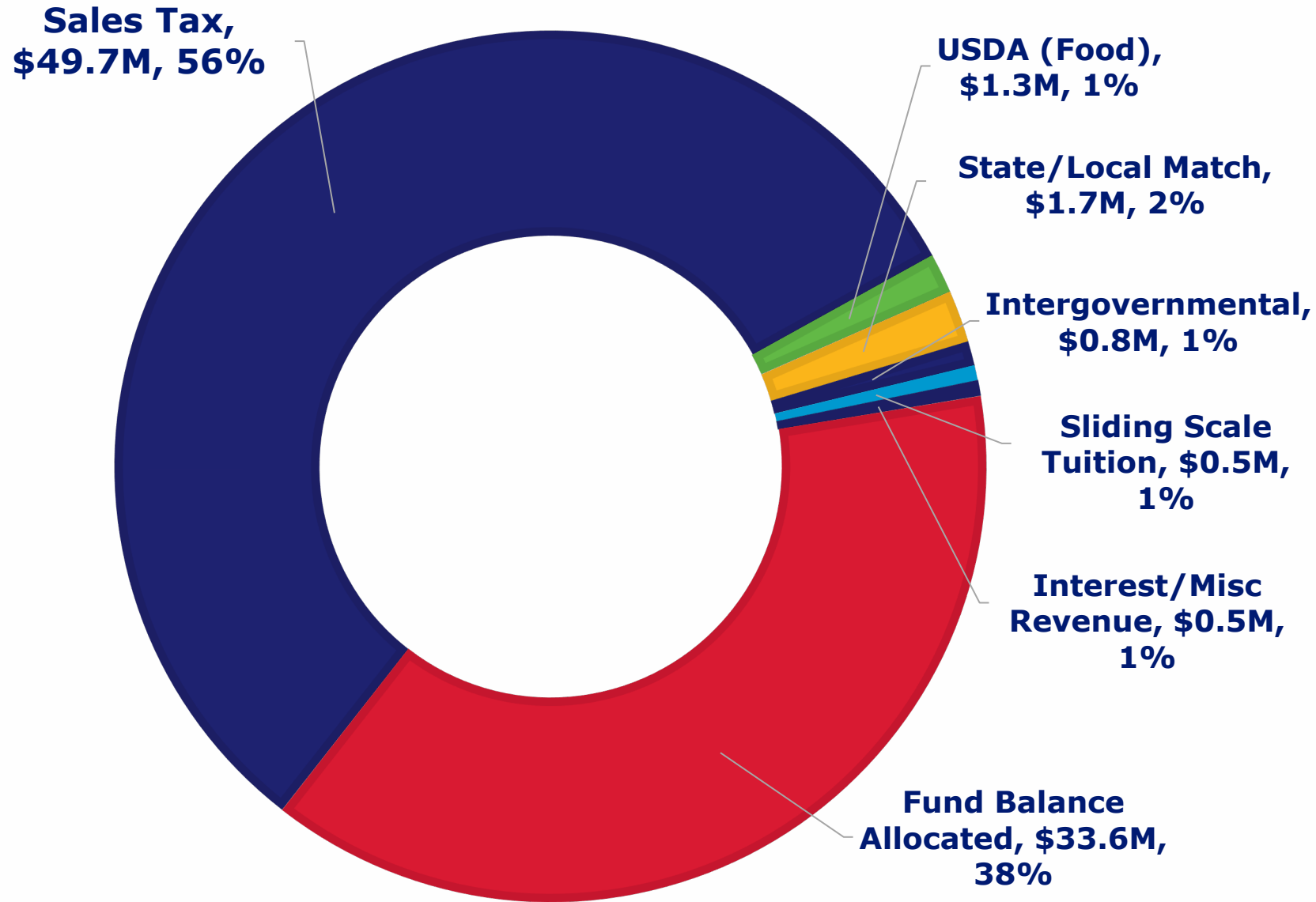
Questions?



FY 2024 Projected Revenue

FY 2024 PROPOSED REVENUE

\$88.1
MILLION



FY 2024 Proposed is \$19.0 Million more than FY 2023 Adopted
(Sales Tax increase, Child Care Relief Funding and Fund
Balance available)

FY 2024 PROPOSED REVENUE

Source of Revenue	FY 2023 Adopted	Re-Estimate (Actuals–Feb)	FY 2024 Proposed	Difference to Adopted
Sales Tax	\$46,861,557	\$48,671,804	\$49,704,614	\$2,843,057
State/Local Match	2,095,732	1,682,370	1,741,253	(354,479)
USDA (Food)	867,740	1,285,308	1,317,441	449,701
Intergovernmental	0	7,696,960	749,878	749,878
Tuition	172,000	468,620	471,725	299,725
Misc. Revenue	<u>33,872</u>	<u>433,588</u>	<u>457,477</u>	<u>423,605</u>
Total Revenue	\$50,030,901	\$60,238,650	\$54,442,388	\$4,411,487

FY 2024 Proposed is \$4.4 Million more than FY 2023 Adopted
(primarily sales tax increase)

Questions?



FY 2024 Proposed Program Changes

STRATEGIC GOAL 1: EXPAND ACCESS TO HIGH-QUALITY PRE-K FOR 3- & 4-YEAR-OLDS



PRE-K 4 SA SCHOOLS:

- Continue to serve as models of high-quality prekindergarten.
- Increase instructional support by reducing average adult-child ratio from 1-10 to 1-8. (Add 2 Teacher Aides/Center)
- Strengthen partnership with military to address need for childcare for military affiliated families

STRATEGIC GOAL 2: STRENGTHEN EARLY LEARNING INFRASTRUCTURE



GRANTS:

- Continue to fund successful projects from FY23 grant cycle
- Continue to support and expand Shared Services
- Support Pre-K 4 SA replication sites:
 - PK-2 (Gardendale)
 - Birth-5 (Educare)
- Revise RFP structure for FY 2024 cycle to support high-impact strategies aligned to strategic goals

STRATEGIC GOAL 3: ELEVATE & SUPPORT FAMILIES AS PARTNERS, LEADERS, & ADVOCATES



FAMILY ENGAGEMENT:

- Continue to offer family programs:
 - Parents as Partners
 - Puentes
 - CHEF
 - Family Fit
- Continue to conduct annual family survey
- Increase capacity to connect families to economic supports
- Expand services to families outside Pre-K 4 SA Schools

STRATEGIC GOAL 4: ATTRACT, DEVELOP, & RETAIN TOP TALENT



PROFESSIONAL LEARNING:

- Continue to support school districts to increase quality in Pre-K and K, early learning leadership, and Reading Academies
- Expand SEL services within Pre-K 4 SA and with partner programs
- Work in partnership with community partners to strengthen ECE teacher and leader pipeline

STRATEGIC GOAL 5: ADVANCE POLICY, RESEARCH & INNOVATION



RESEARCH & INNOVATION:

- Develop research agenda to assess Pre-K 4 SA Innovations
- Develop self-sustaining technical assistance center
- Design a world-class early learning center that supports children, families, and the adults who work with them

Questions?



FY 2024 Projected Expenditures

FY 2024 PROPOSED BUDGET: PRE-K CHANGES

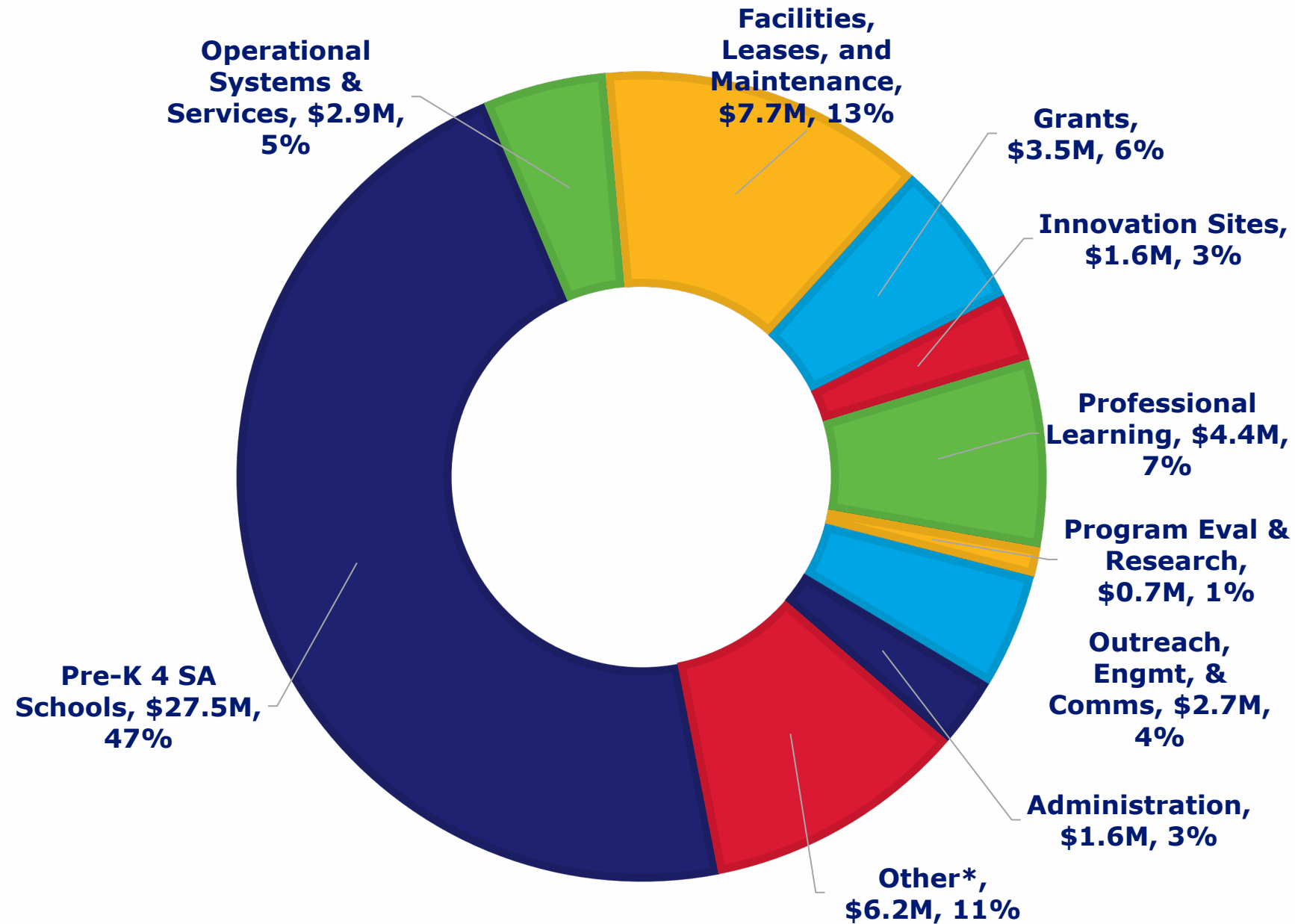
Program	FY 2023 Adopted	Re-Estimate (Actuals–Feb)	FY 2024 Proposed	Difference to Re-Estimate
Personnel Complement				
Pre-K 4 SA Schools	\$19,538,447	\$20,459,760	\$21,164,865	705,105
Professional Learning	3,258,278	3,244,853	3,575,175	330,322
Temporary Services	718,688	968,637	915,442	(53,195)
Transportation Services	571,576	632,276	653,711	21,435
Competitive Grant Awards	3,000,000	2,676,682	1,822,146	(854,536)
Communications Contract	650,000	407,675	650,000	242,325
Program Assessment	239,001	322,998	433,032	110,034
Total	\$27,975,990	\$28,712,881	\$29,214,371	\$501,490

FY 2023 PROPOSED BUDGET: CoSA CHANGES

Program	FY 2023 Adopted	FY 2023 Estimate	FY 2024 Proposed	Difference to Re-Estimate
Civilian Healthcare Assessment	\$4,149,231	\$3,706,938	\$4,277,266	\$570,328
Retiree Health Assessment	63,365	47,752	60,289	12,537
TMRS	2,703,503	2,737,046	3,099,610	362,564
IT Assessment	1,486,904	1,775,927	1,838,084	62,157
Procurement Fee	77,423	77,418	89,296	11,878
Indirect Cost Transfer	1,081,211	1,063,202	1,076,758	13,556
Subtotal	\$9,561,637	\$9,408,283	\$10,441,303	\$1,033,020

FY 2024 PROPOSED EXPENDITURES

\$58.9
MILLION



*Other includes Sales Tax Collection Fees and Transfers.

FY 2024 PROPOSED BUDGET



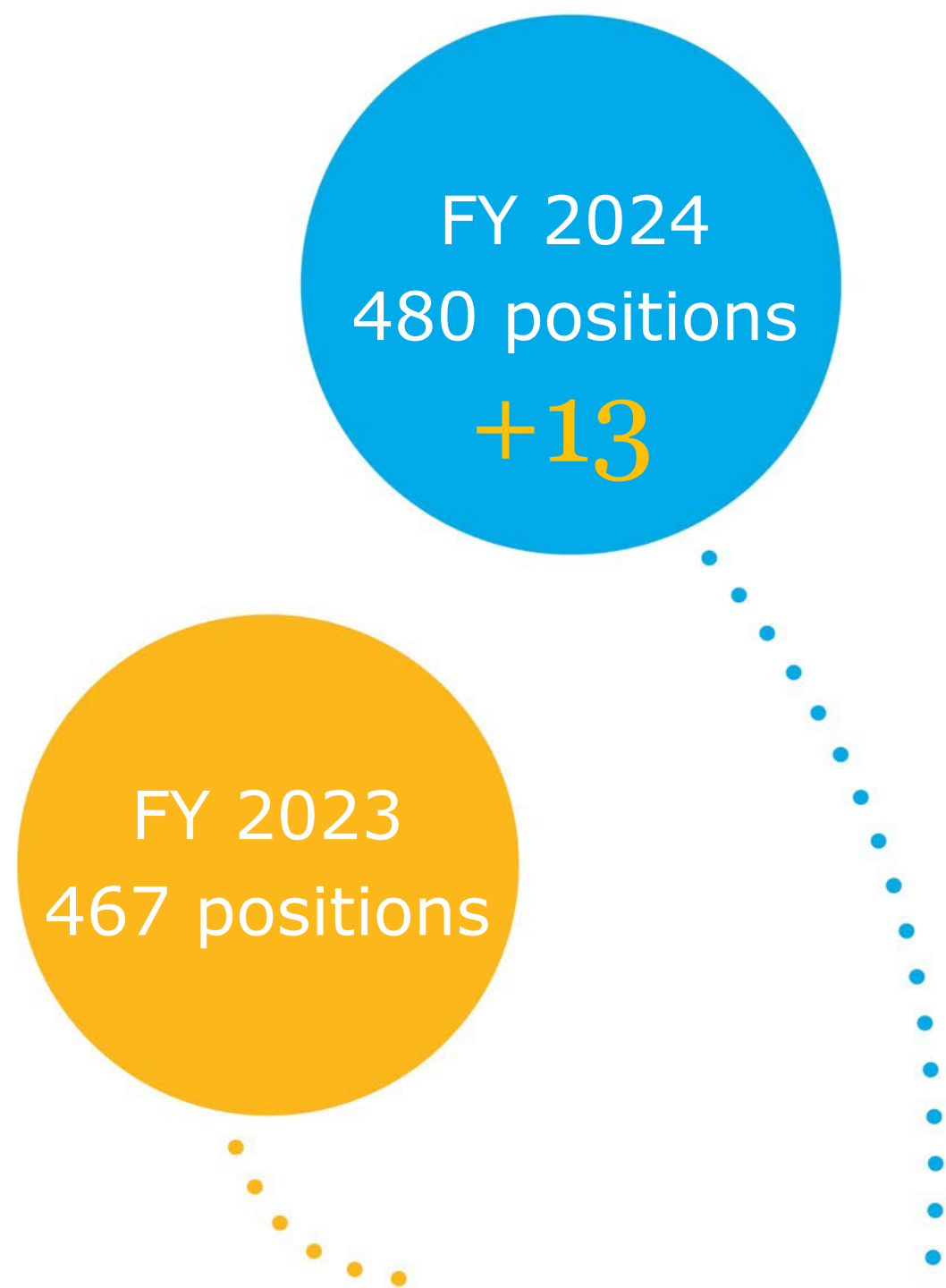
Program	FY 2023 Adopted	Re-Estimate (Actuals–Feb)	FY 2024 Proposed	Difference to Re-Estimate
Pre-K 4 SA Model Schools	\$26,091,748	\$25,884,455	\$27,505,873	\$1,621,418
Operational Systems & Services	1,967,387	1,843,050	2,920,619	1,077,569
Facilities, Leases & Maintenance	7,728,887	7,613,935	7,666,299	52,364
Grants	4,214,408	4,005,342	3,546,015	(459,327)
Innovation Sites	-	-	1,626,567	1,626,567
Professional Learning	3,908,369	4,037,844	4,398,726	360,882
Program Evaluation & Research	422,893	332,516	717,507	384,991
Outreach, Engagement & Comm	2,334,914	2,179,692	2,658,315	478,623
Administration	1,383,471	1,705,746	1,627,816	(77,930)
Other*	<u>4,860,514</u>	<u>2,033,649</u>	<u>6,237,517</u>	<u>4,203,868</u>
Total Appropriations	\$52,912,591	\$49,636,229	\$58,905,254	\$9,269,025

*Other includes Sales Tax Collection Fees and Transfers.

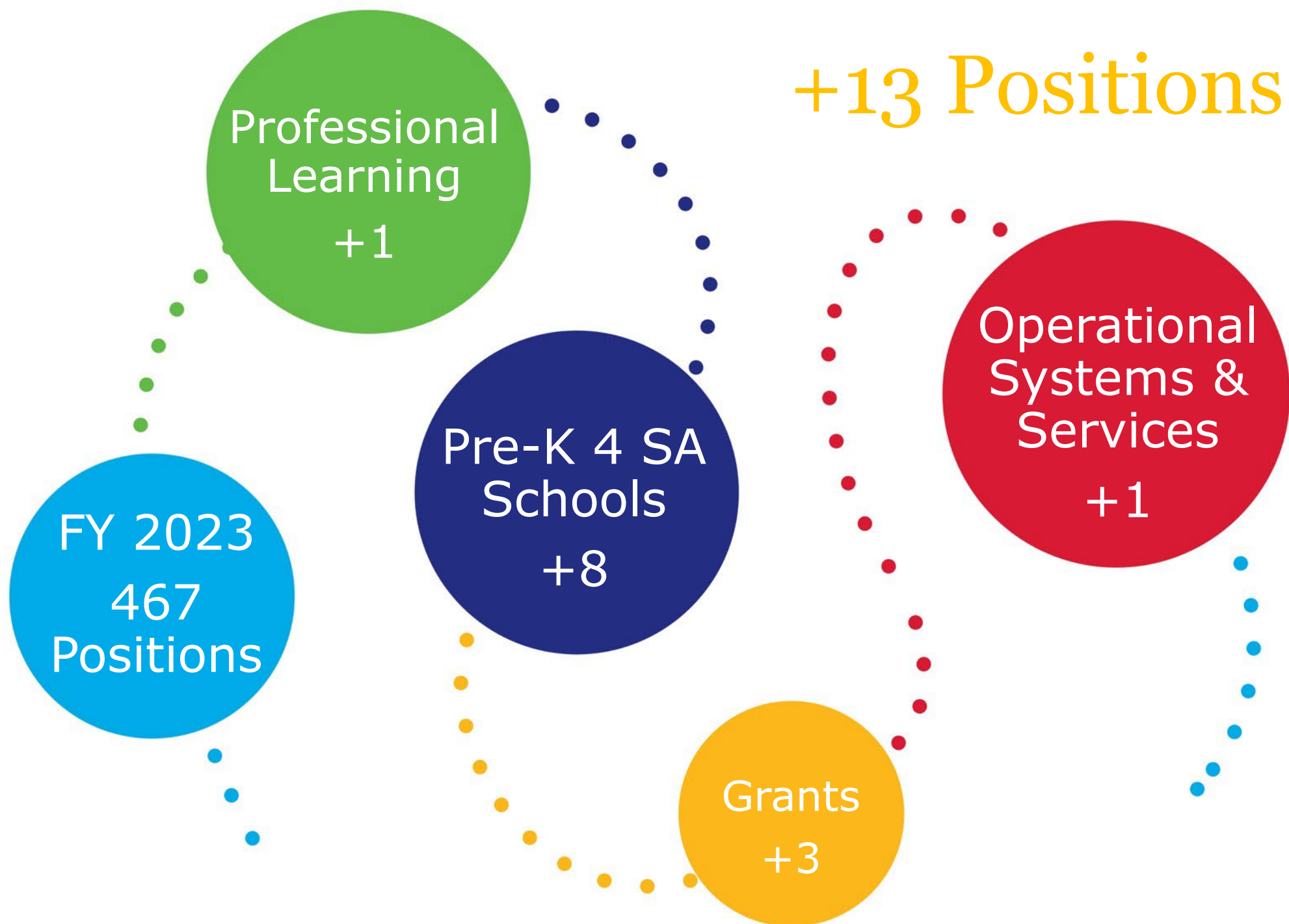
FY 2024 Personnel Complement



- Ensuring we meet the needs of our program
- Expand and support Shared Services
- Support Replication Sites
 - Gardendale (PK – 2)
 - Educare (Birth – 5)



+13 Positions



FY 2024 PROPOSED PERSONNEL COMPLEMENT CHANGES

Program	FY 2023 Current	FY 2024 Proposed	Net New Positions	What is included
Model Schools	339	346	7	Moves (1) AT to Innovation, add (8) FT TA's
Facilities Maintenance	30	30	-	
Operational Systems and Services	22	23	1	Add (1) Contract Manager
Professional Learning	14	15	1	Add (1) Professional Learning Specialist
Program Evaluation & Research	2	2	0	
Outreach, Engmnt & Communications	19	19	0	
Grants	12	15	3	Add (3) positions to support SSA
Innovation Sites	22	23	1	Move (1) AT from Model Schools
Administration	7	7	0	
Total	467	480	13	25

Discussion