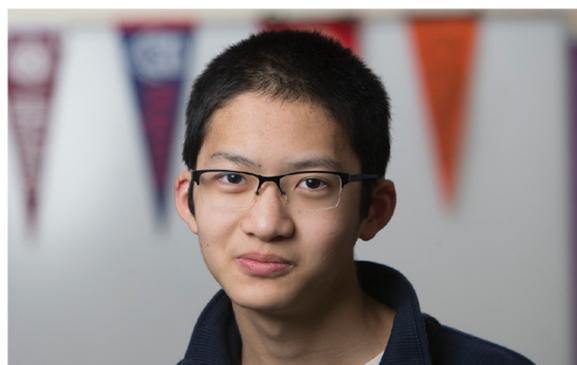


2017 Year End Closing



Expect great things.



2017 Financial Closing

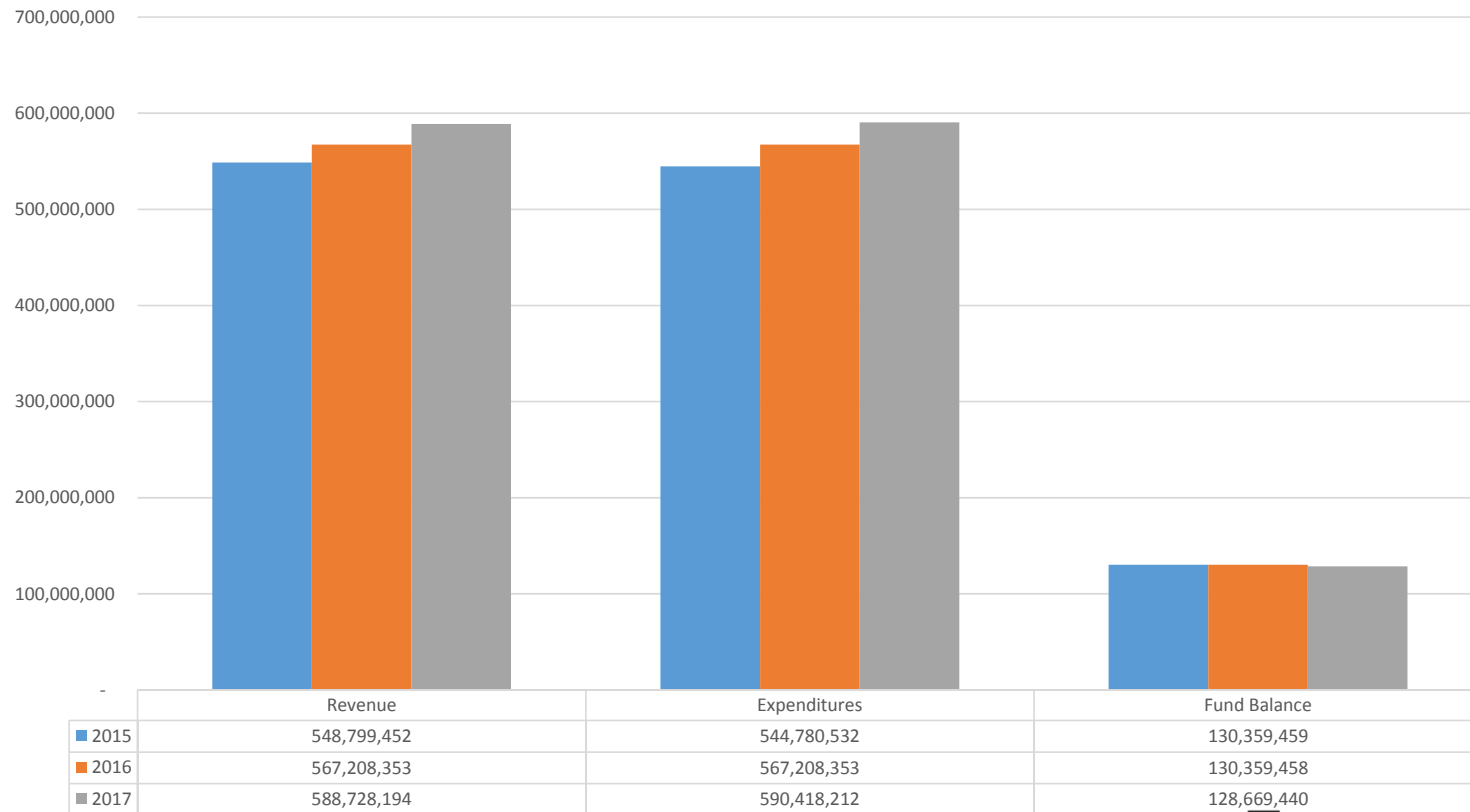
- There was an operating **deficit** of **\$1.7 Million** for 2017
- Final Revenues for 2017 were **\$588.7 Million**
 - Represents a 3.8% increase from final 2016 revenue and 1.7% increase from the Adopted 2017 budget
- Final Expenditures for 2017 were **\$590.4 Million**
 - Represents a 4.1% increase from final 2016 expenditures and a 0.7% decrease from the Adopted 2017 budget
- Total Fund Balance at the end of 2017 was **\$128.7 Million**. Unassigned Fund Balance was **\$83.4 Million**

Current Financial Forecast

	Actual Year Ended 2017	Projected Year Ended 2018	Projected Year Ended 2019	Projected Year Ended 2020	Projected Year Ended 2021
Total Revenues	\$588,728,194	\$600,651,874	\$612,962,465	\$628,759,332	\$641,550,204
Total Expenditures	\$590,418,212	\$621,960,355	\$635,728,163	\$650,011,197	\$663,778,524
Beginning Balance	\$130,359,458	\$128,669,440	\$107,360,959	\$84,595,261	\$63,343,397
Operating Surplus/(Deficit)	(\$1,690,018)	(\$21,308,481)	(\$22,765,698)	(\$21,251,864)	(\$22,228,319)
Ending Fund Balance	\$128,669,440	\$107,360,959	\$84,595,261	\$63,343,397	\$41,115,078
Less Projected Reservations	(\$7,882,149)	(\$2,500,000)	(\$2,500,000)	(\$2,500,000)	(\$2,500,000)
Less Committed Fund Balance	(\$16,100,000)	(\$16,100,000)	(\$16,100,000)	(\$16,100,000)	(\$16,100,000)
Less Assigned Fund Balance	(\$21,308,481)	(\$22,765,698)	(\$21,251,864)	(\$22,228,319)	(\$22,515,078)
Unassigned Fund Balance	\$83,378,810	\$65,995,261	\$44,743,397	\$22,515,078	\$0
% Budgeted Expenditures	14.12%	10.61%	7.04%	3.46%	0.00%
Minimum Fund Balance per Board Policy #721	\$29,520,911	\$31,098,018	\$31,786,408	\$32,500,560	\$33,188,926
Compliance with Fund Balance Policy	Yes	Yes	Yes	No	No
Funds needed to comply with Fund Balance Policy				\$9,985,482	\$33,188,926

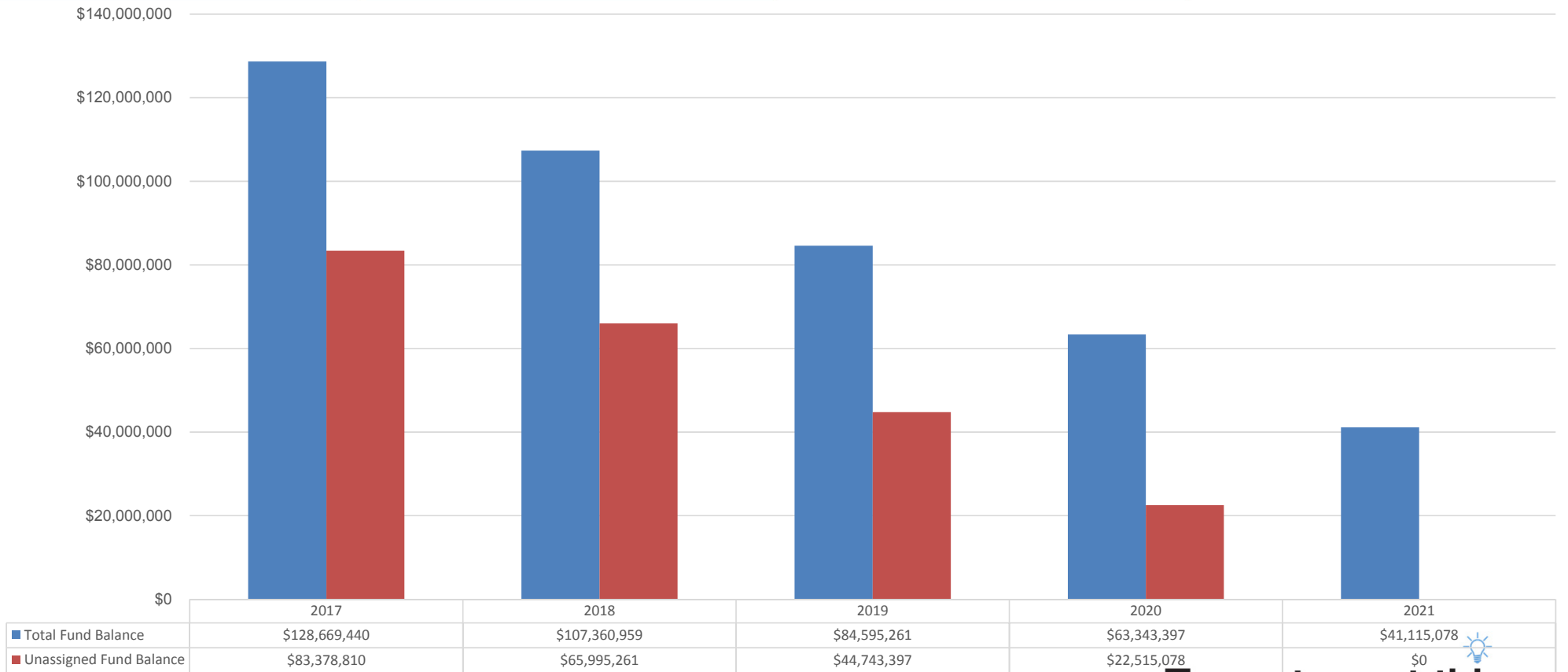
 Expect great things.

Key Financial Indicators



 Expect great things.

Fund Balance



Expect great things. 

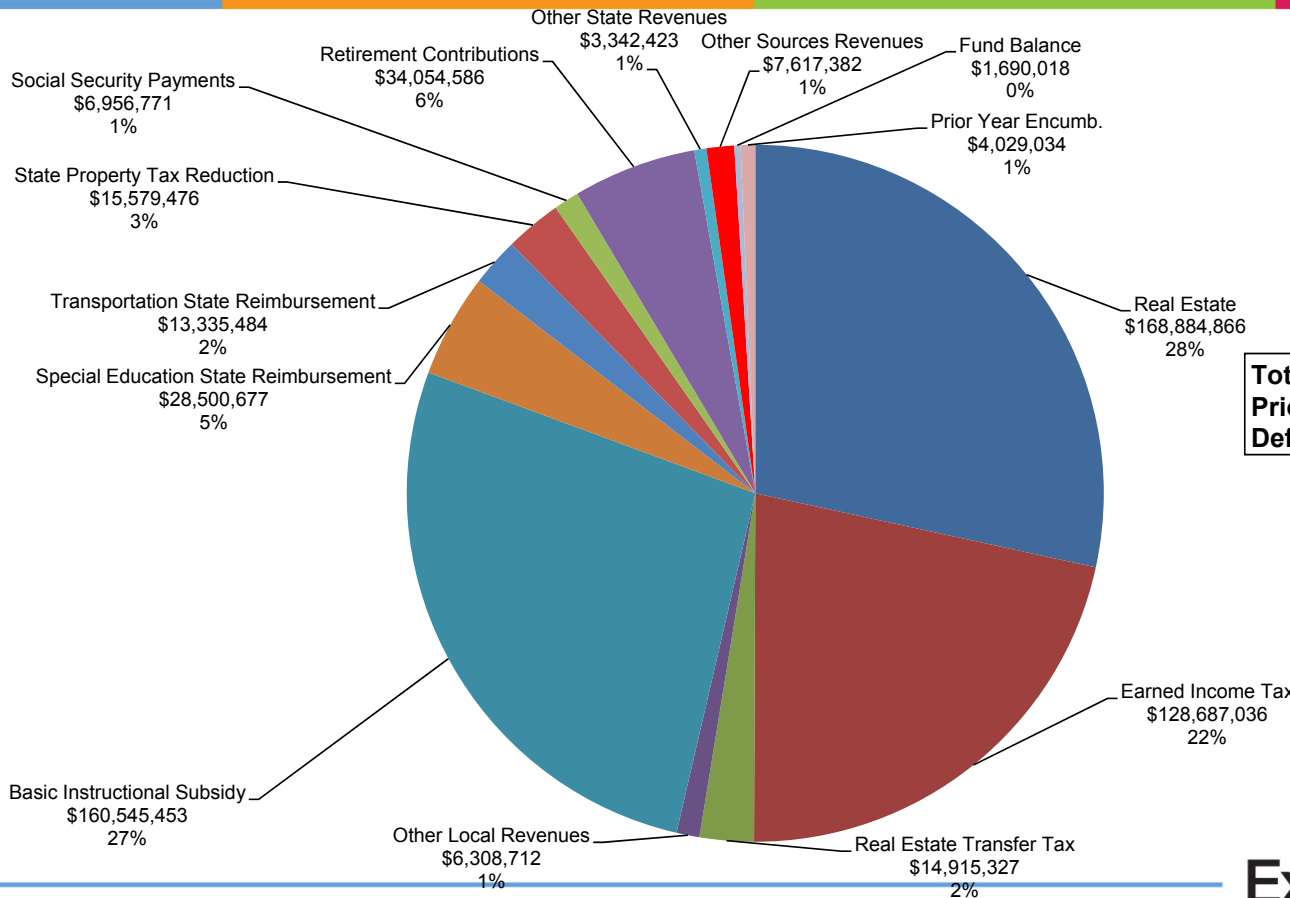
2017 Cash Flow



	January	February	March	April	May	June	July	August	September	October	November	December
— 2017	(29,425,98)	97,469,998	(14,099,40)	(229,690)	(5,889,544)	27,322,648	(7,354,046)	(2,754,627)	(51,475,24)	(15,604,30)	(14,897,41)	15,247,604

Expect great things. 

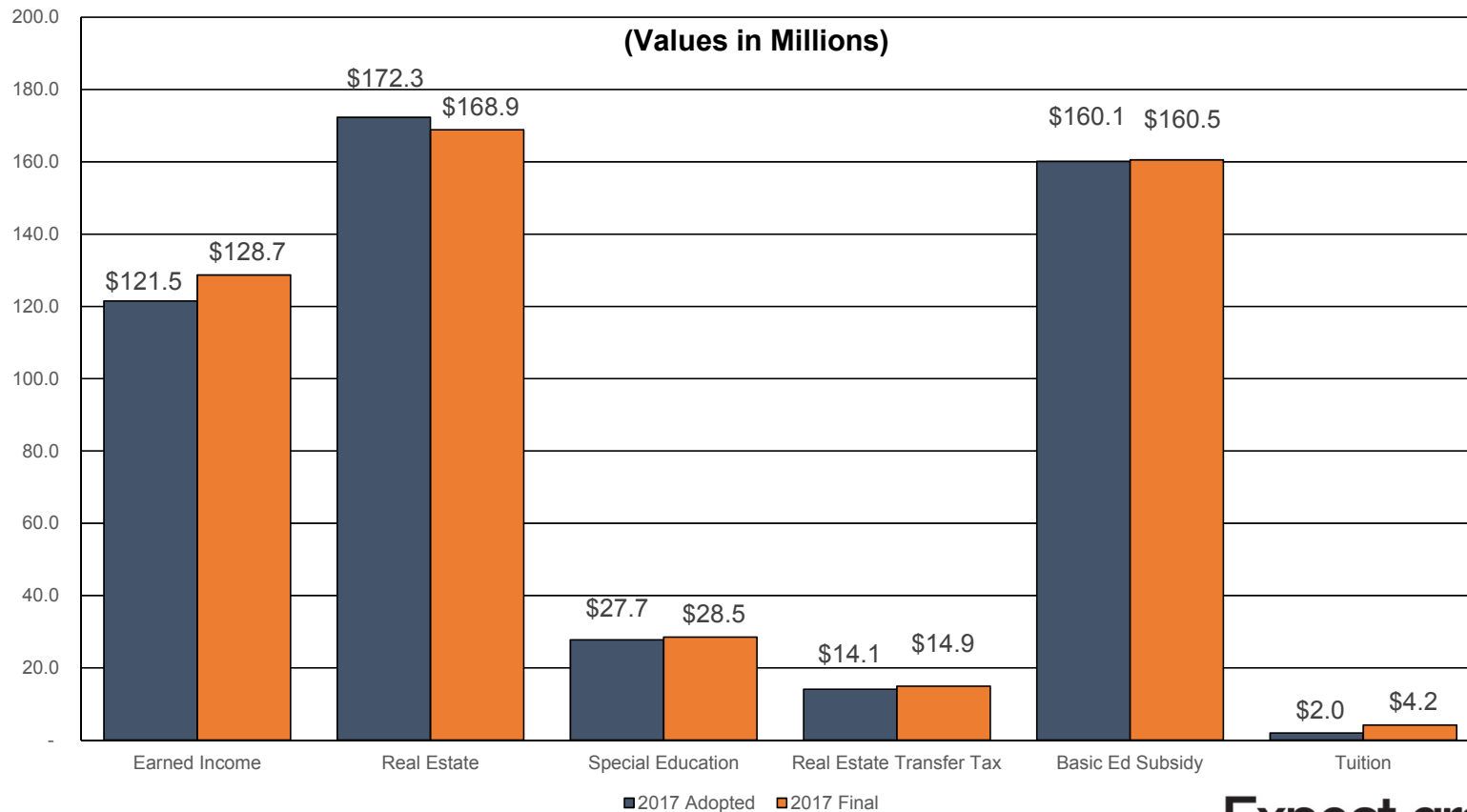
2017 Revenue



Total Revenue	\$588,728,194
Prior Encumbrances	\$ 4,029,034
Deficit	\$ 1,690,018

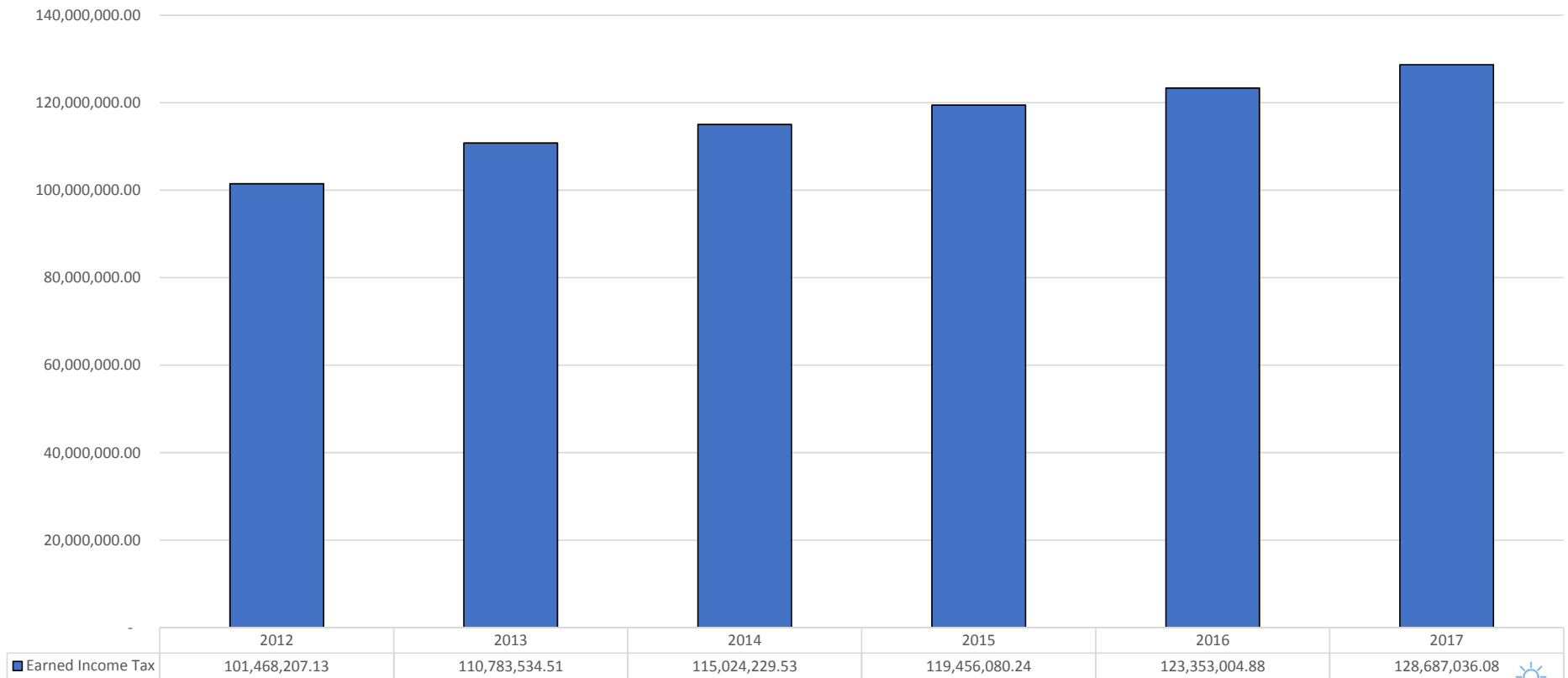
Expect great things. 

Comparison of Major Revenue Sources



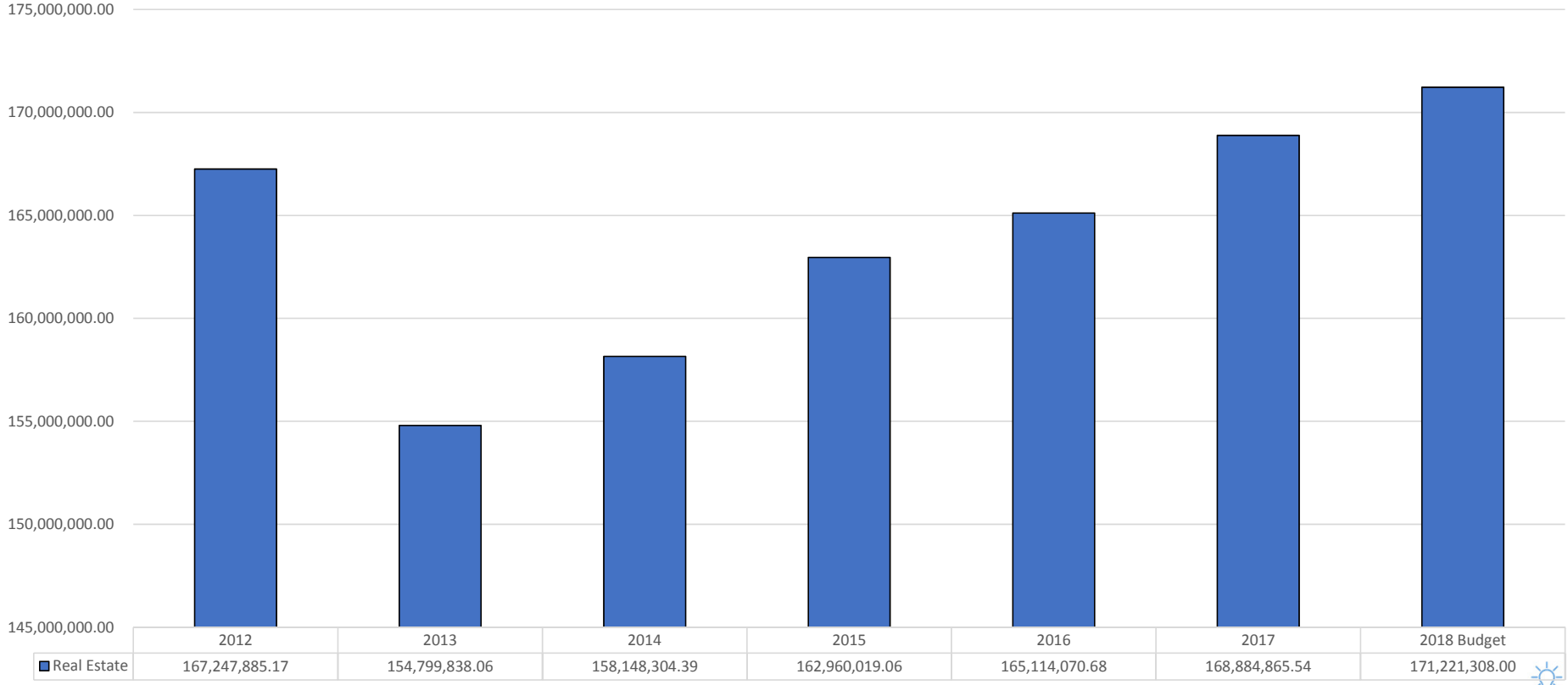
 Expect great things.

Earned Income Tax



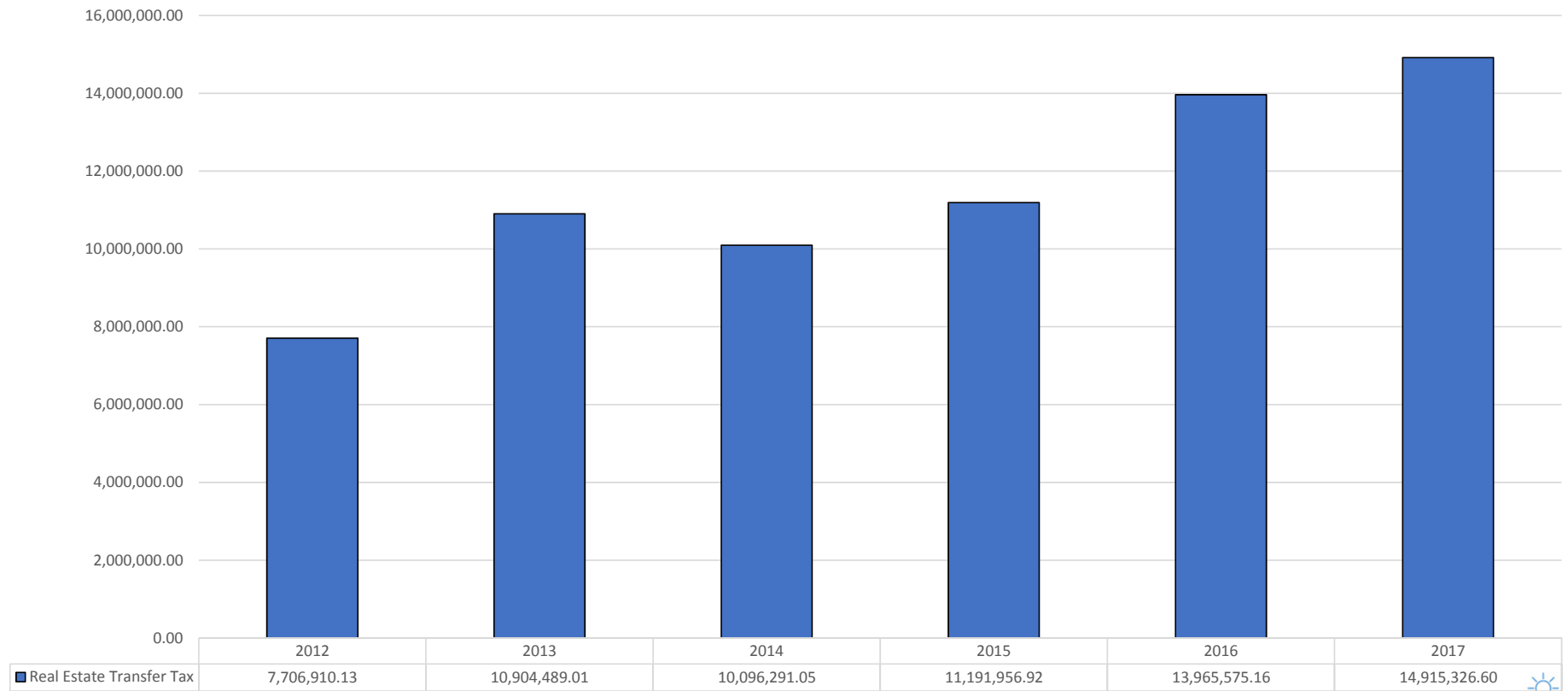
Expect great things. 

Real Estate Tax



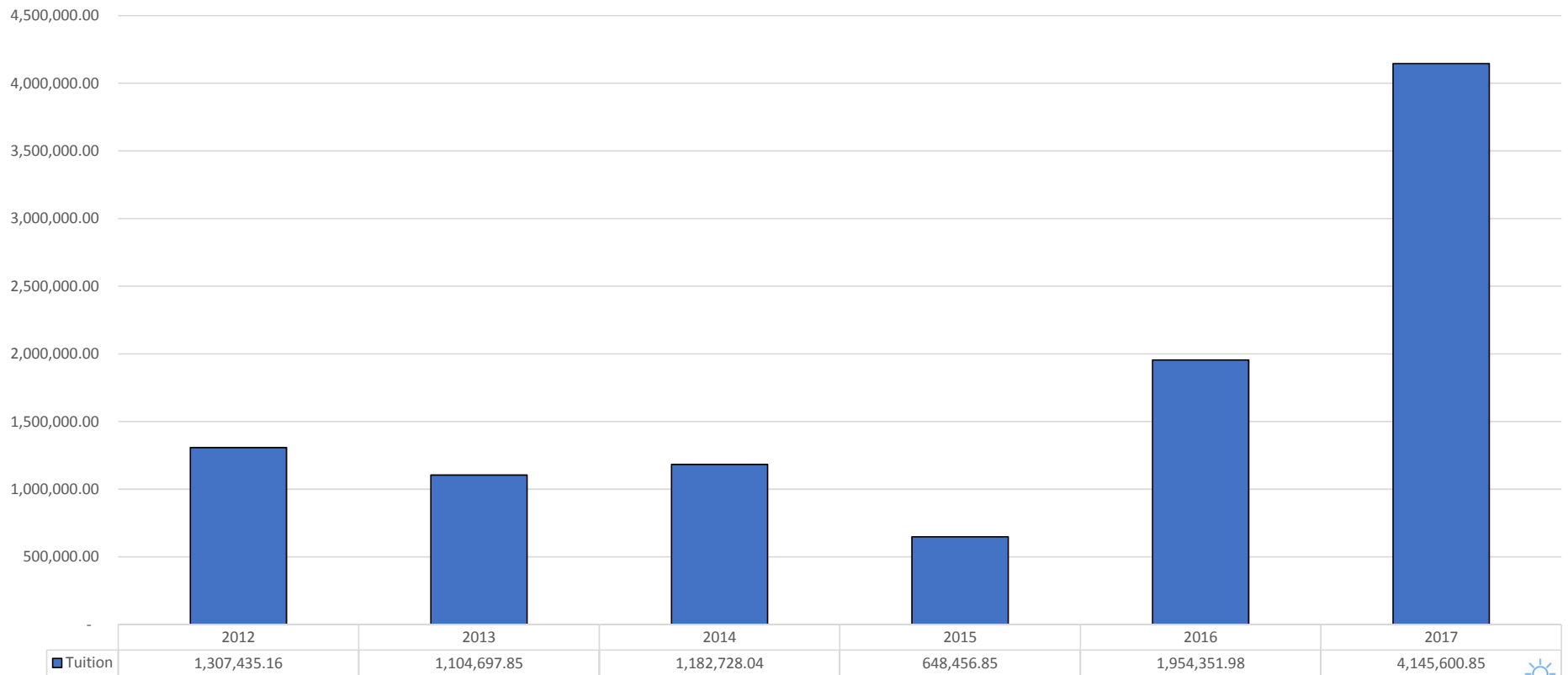
Expect great things. 

Real Estate Transfer Tax



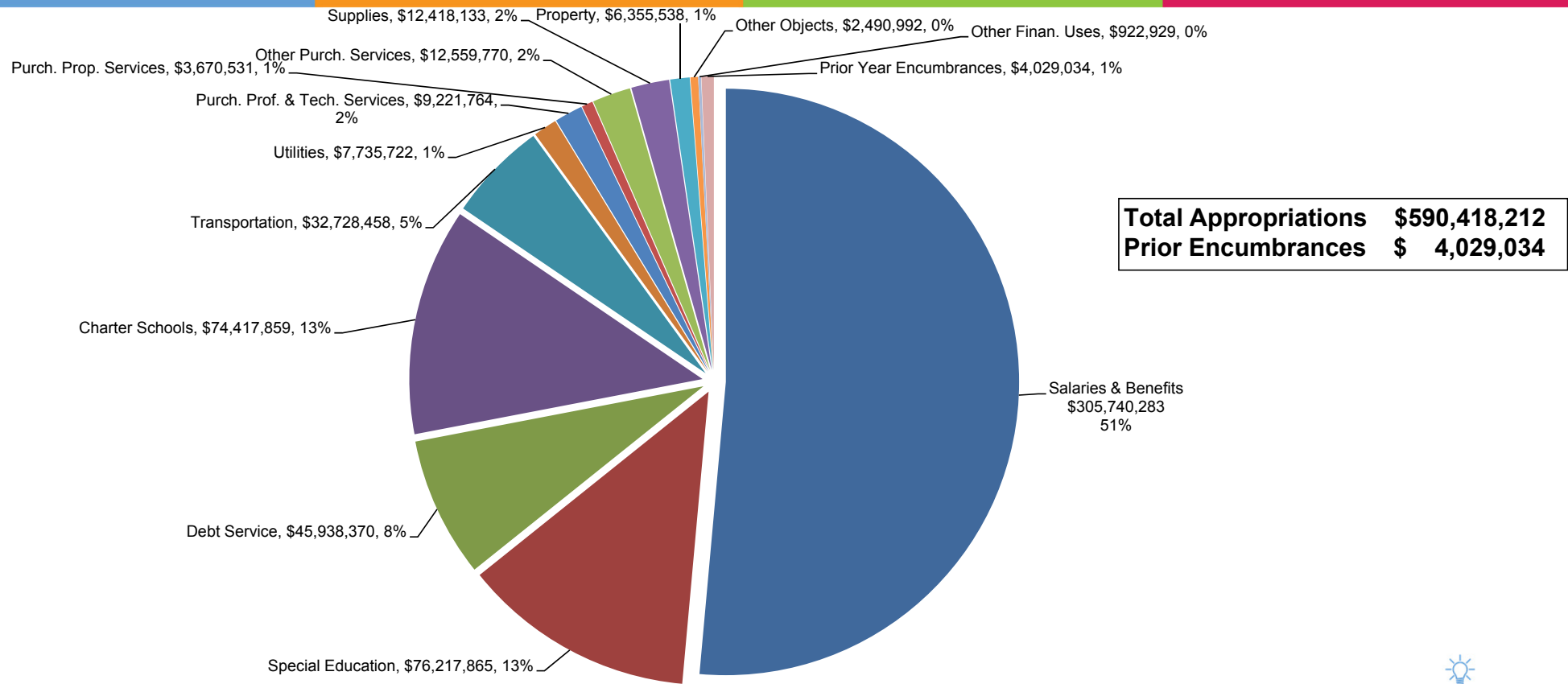
Expect great things. 

Tuition



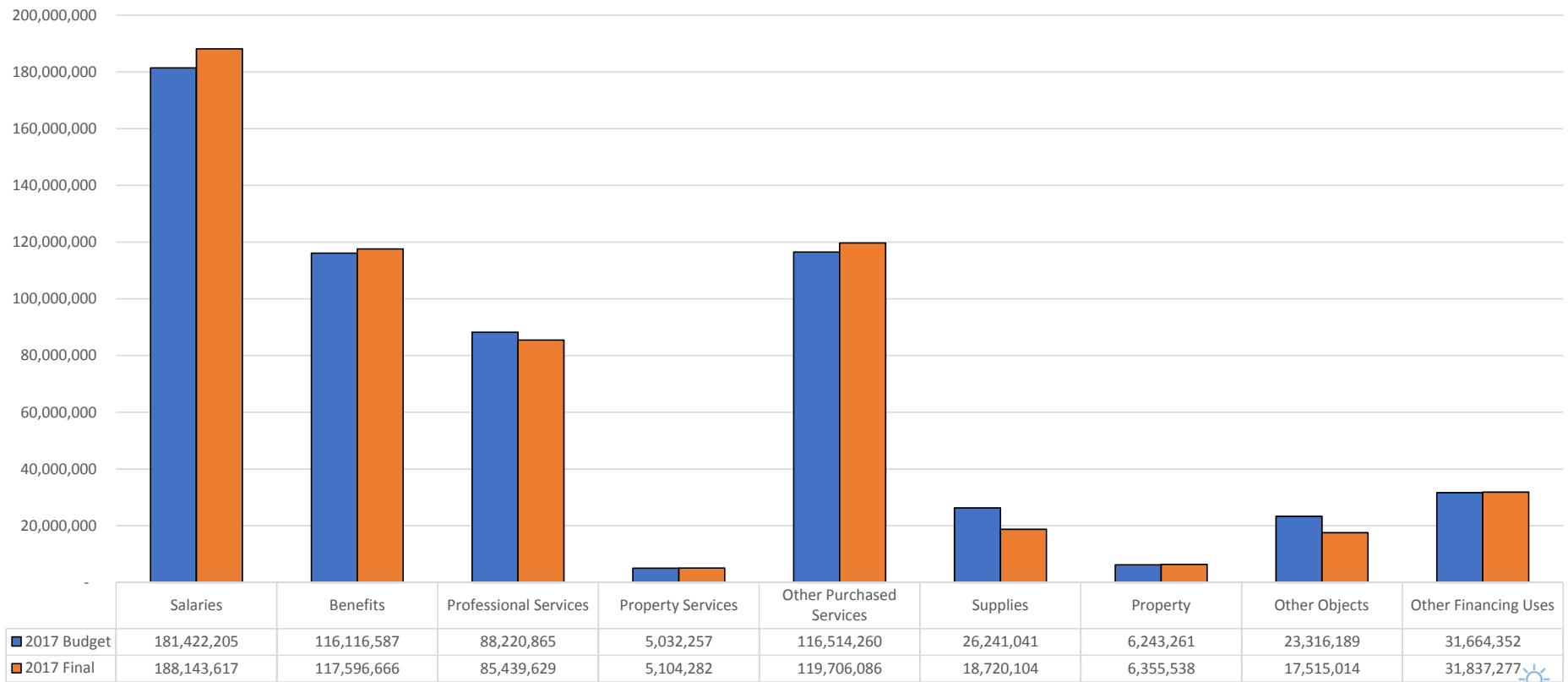
Expect great things. 

2017 Expenditures by Major Object



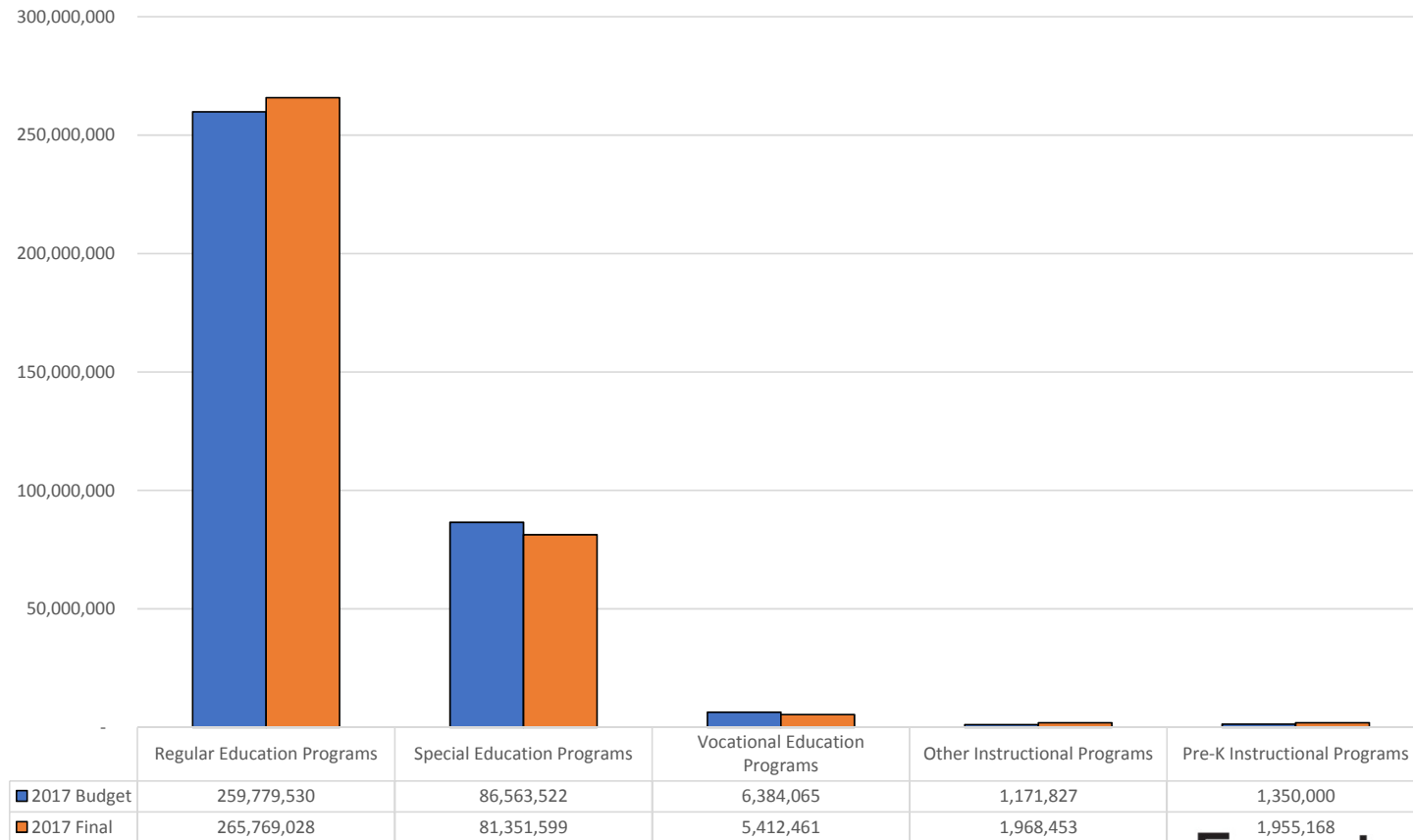
Total Appropriations	\$590,418,212
Prior Encumbrances	\$ 4,029,034

Major Object



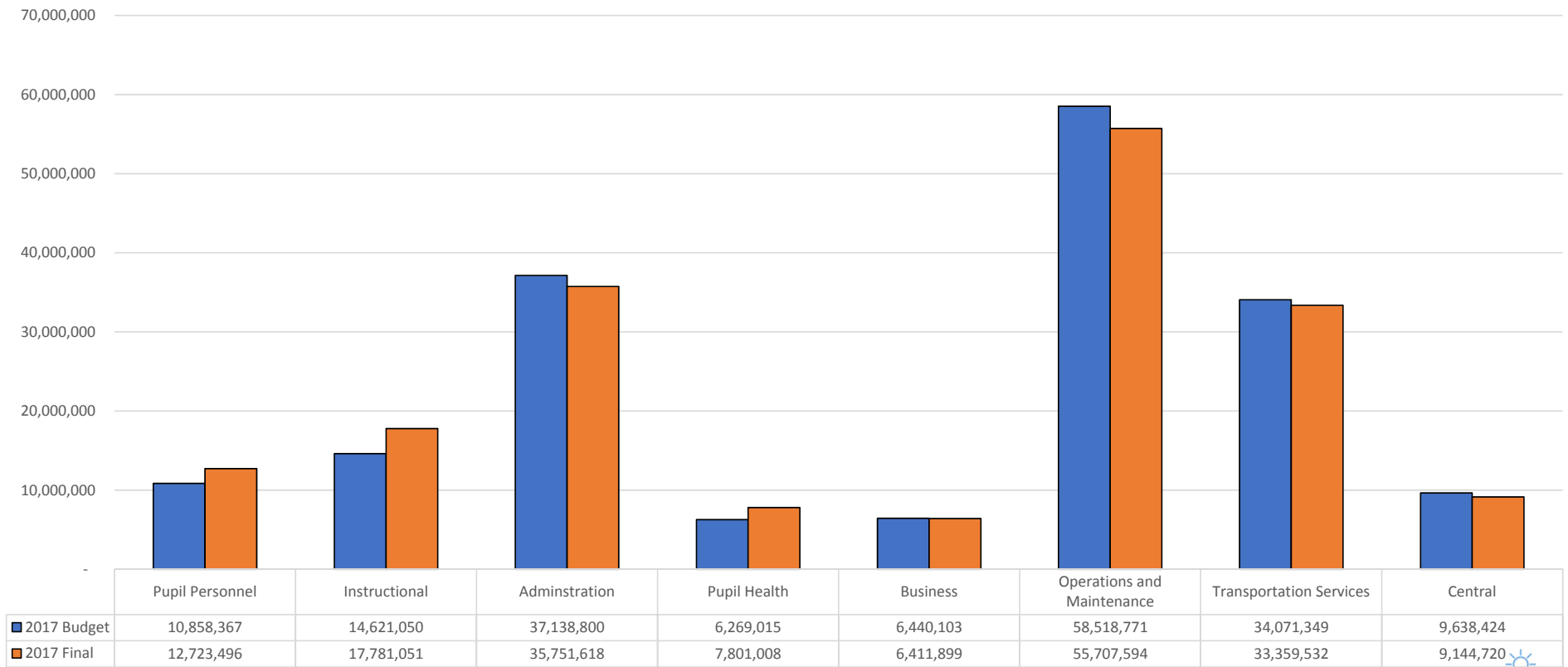
Expect great things. 

Instructional Programs



Expect great things. 

Support Services



Expect great things. 

2017 District Investments

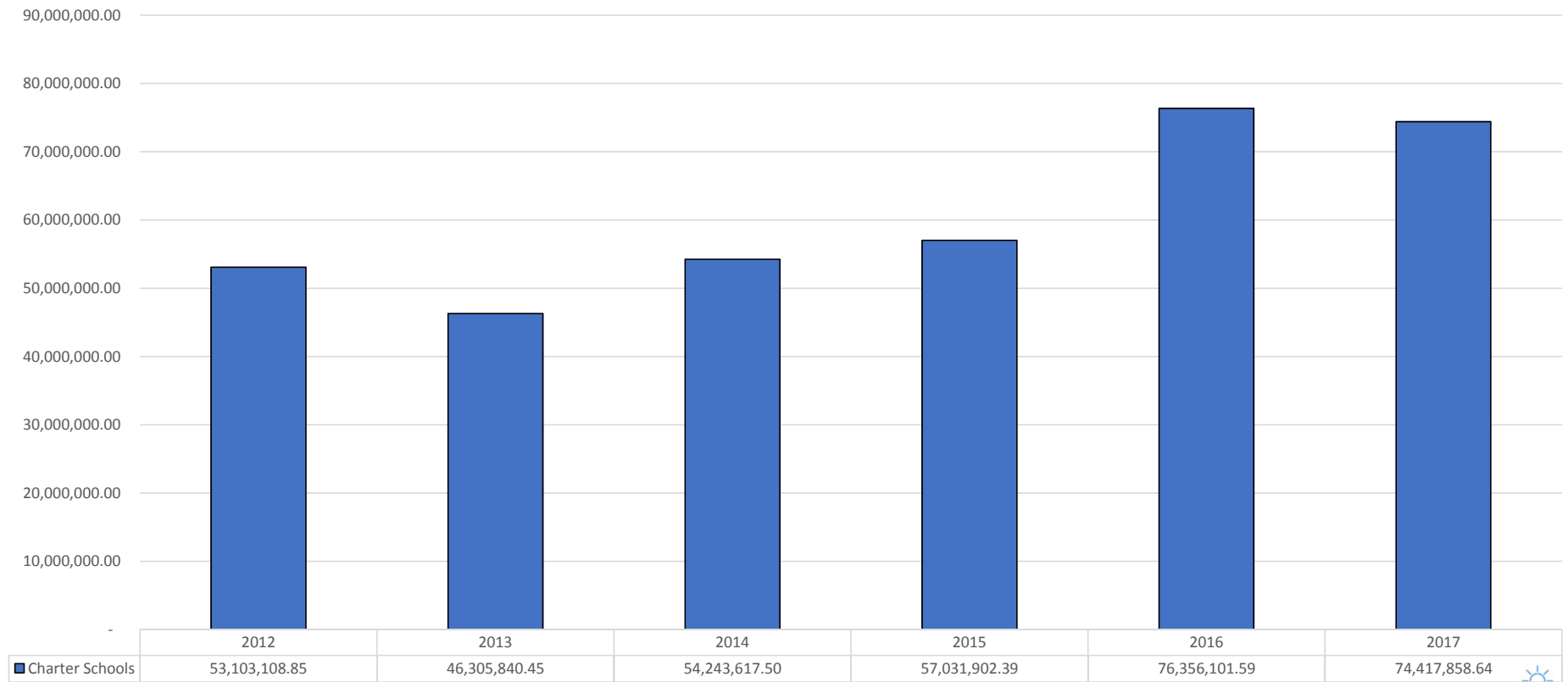
- Positions Additions

Position	FTE	2017 Cost	Projected Annual Cost
Academic Coaches	60.00	\$ 3,048,000	\$ 7,620,000
Nurses	17.00	\$ 812,403	\$ 2,031,007
Librarians	11.70	\$ 557,931	\$ 1,394,827
Assistant Principals	7.00	\$ 586,779	\$ 1,173,557

- Other Expenses

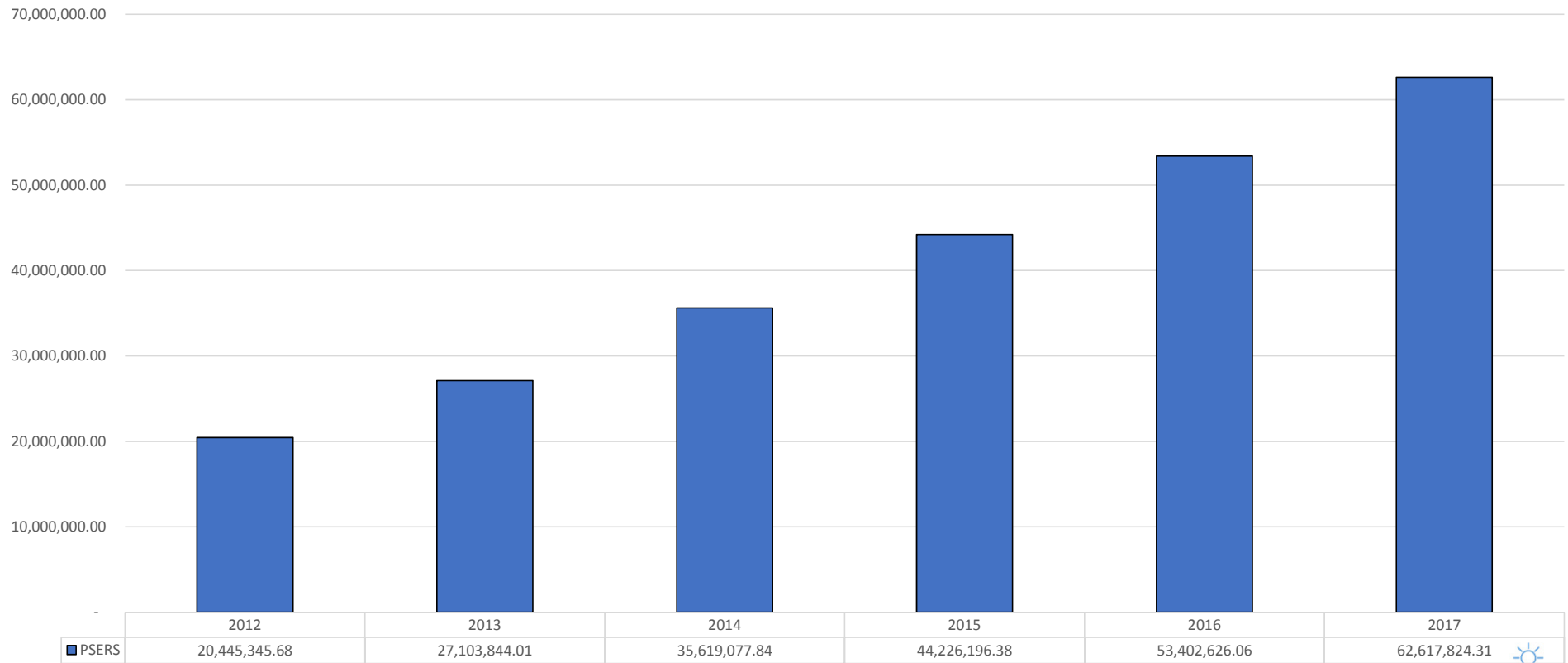
Category	2017 Cost	Description
Curriculum	\$ 2,729,447	Pearson Education ELA Textbooks
Curriculum	\$ 964,589	Houghton Mifflin Harcourt Pre-K Curriculum/ PD
Technology Fund	\$ 670,325	2,500 Computers for ELA

Charter Expenditures



Expect great things. 

Retirement Contributions (PSERS)



Expect great things. 

Decreasing Supplemental Funding

- We have seen decreasing Title Funding in recent years, and there is long-term uncertainty over its availability

Program	2016-17 Allocation	2017-18 Allocation	Decrease
Title I	\$ 15,424,778	\$ 14,279,297	\$ (1,145,481)
Title II	\$ 3,341,385	\$ 1,690,641	\$ (1,650,744)
Title III	\$ 235,429	\$ 226,406	\$ (9,023)

Governor's Budget Highlights

- Statewide Budget Highlights:
 - Increases for Basic Education Funding and Special Education
 - Level Funding for the Ready to Learn Block Grant

	2017-18	2018-19		%
	<u>ESTIMATED</u>	<u>PROPOSED</u>	<u>VARIATION</u>	<u>CHANGE</u>
BASE YEAR BASIC EDUCATION FUNDING BASE	\$153,804,126	\$153,804,126	\$0	0.00%
STUDENT WEIGHTED BEF INCREASE	\$7,008,553	\$7,859,958	\$851,405	12.15%
TOTAL BASIC EDUCATION FUNDING	\$160,812,679	\$161,664,084	\$851,405	0.53%
READY TO LEARN BLOCK GRANT	\$3,955,423	\$3,955,423	\$0	0.00%
SPECIAL EDUCATION	\$28,632,316	\$28,801,541	\$169,225	0.59%
TOTAL	\$193,400,418	\$194,421,048	\$1,020,630	0.53%

Our 2017 Was Better Than Anticipated, While The Long-Term Has Stabilized

BUDGETED YEAR-END FUND BALANCE COMPARISON (In Millions)				
	2017	2018	2019	2020
2016 Closing - Mar 2017	114.83	93.99	73.02	54.23
2017 Closing - Mar 2018	124.28	101.08	76.72	53.79

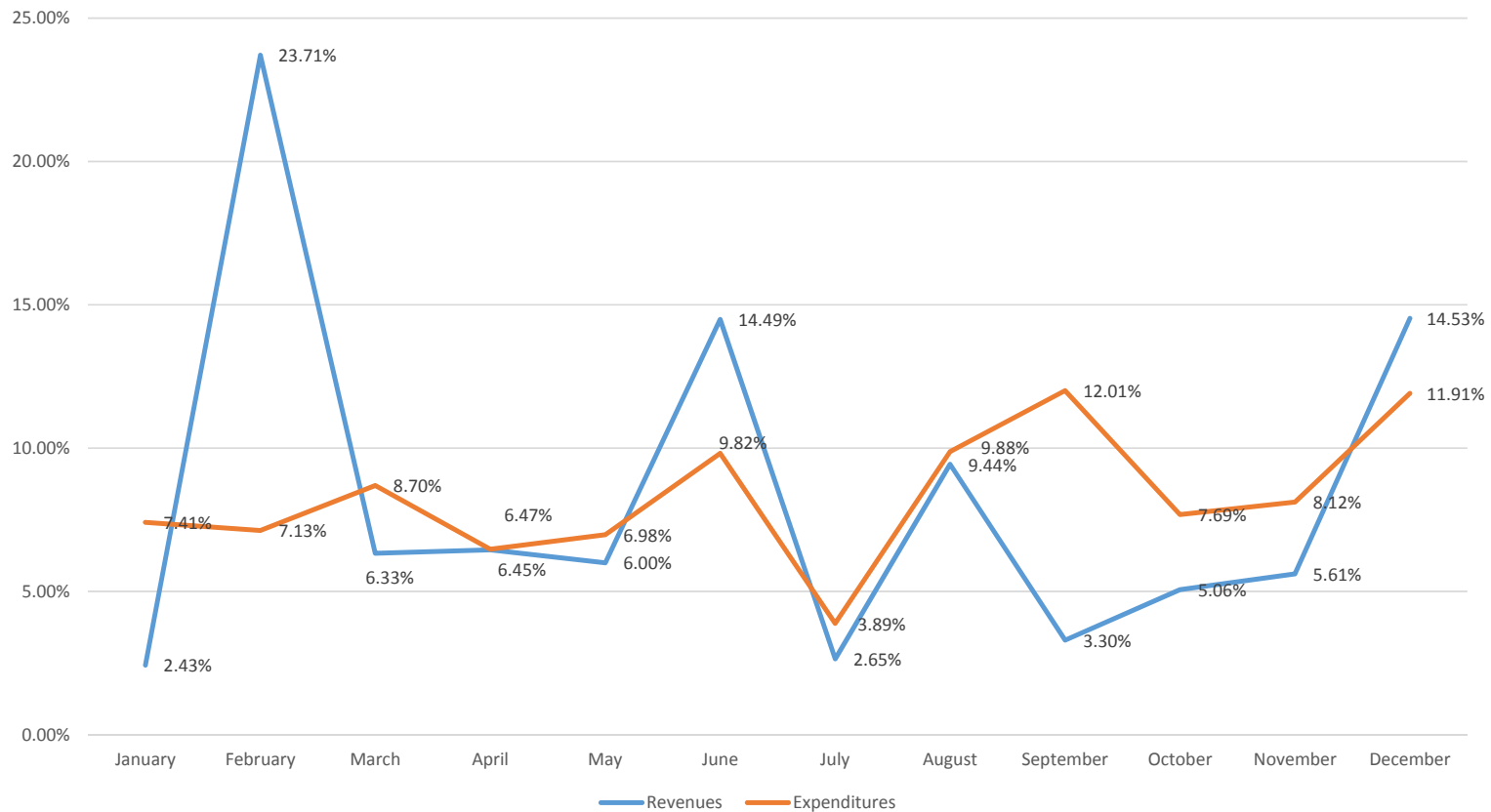
Expect great things. 



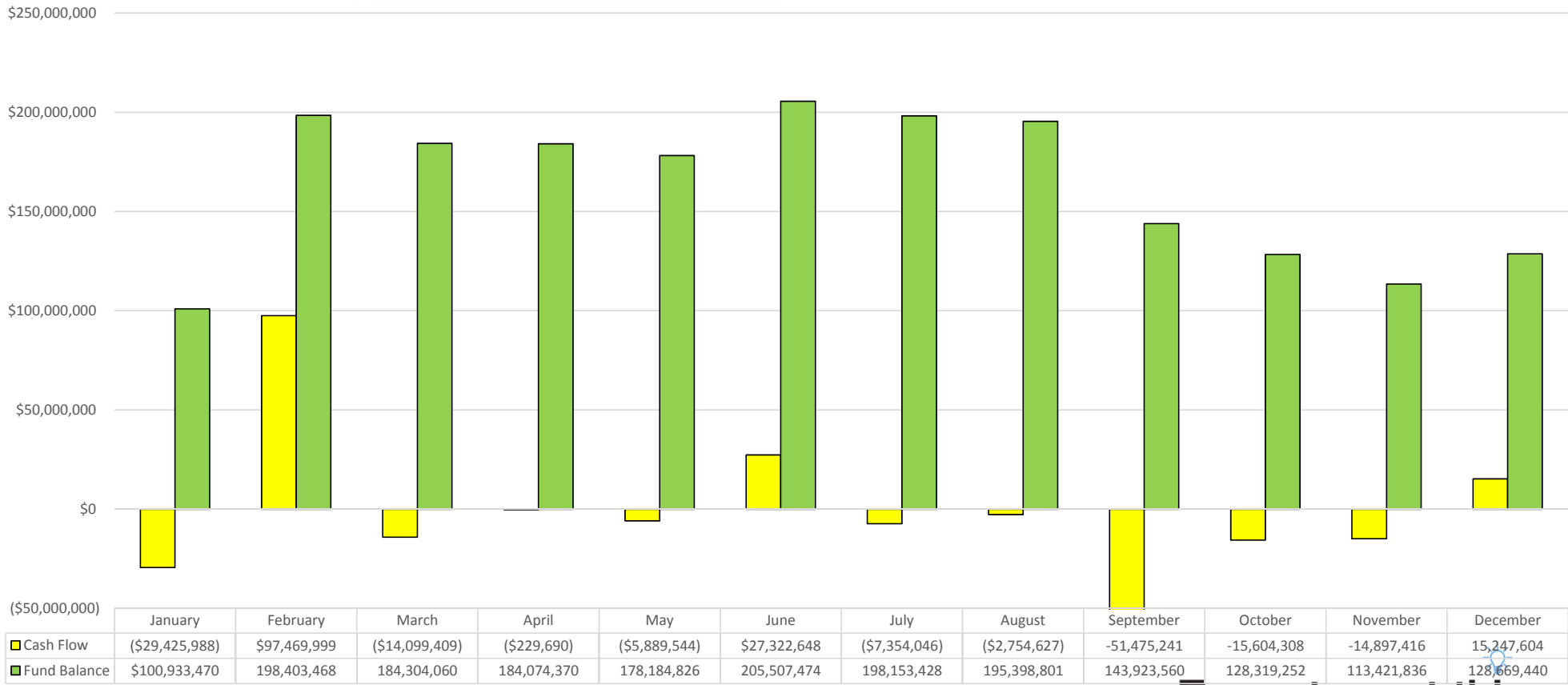
Appendix

Expect great things. 

Monthly Flow of Expenditures and Revenues




2017 Cash Flow and Fund Balance



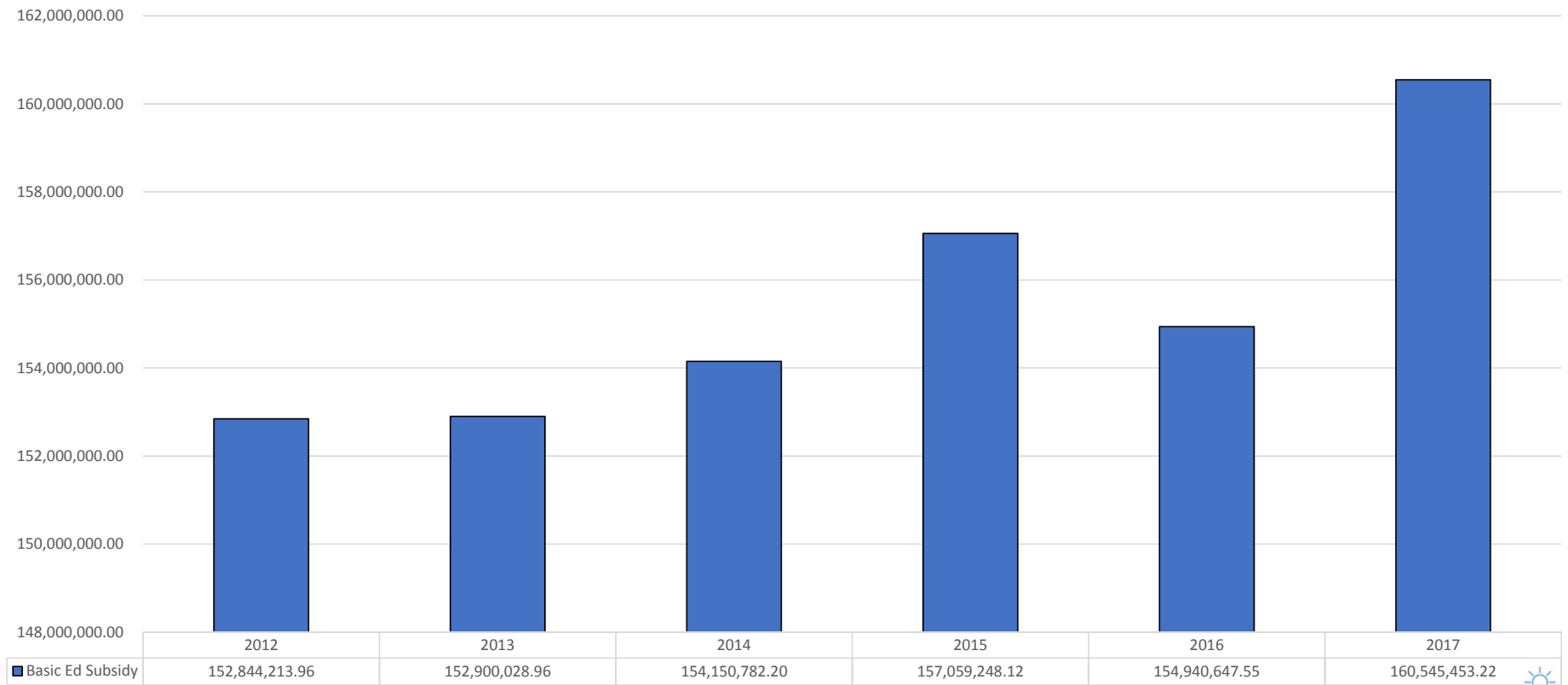
Expect great things.

2017 Revenue

LOCAL SOURCES	PROJECTED REVENUES	PERCENT OF TOTAL	
Real Estate	\$168,884,866	28.42%	
Earned Income Tax	\$128,687,036	21.65%	
Real Estate Transfer Tax	\$14,915,327	2.51%	
Other Local Revenues	\$6,308,712	1.06%	
Total - Local Sources	\$318,795,941		53.64%
STATE SOURCES			
Basic Instructional Subsidy	\$160,545,453	27.01%	
Special Education State Reimbursement	\$28,500,677	4.79%	
Transportation State Reimbursement	\$13,335,484	2.24%	
State Property Tax Reduction	\$15,579,476	2.62%	
Social Security Payments	\$6,956,771	1.17%	
Retirement Contributions	\$34,054,586	5.73%	
Other State Revenues	\$3,342,423	0.56%	
Total - State Sources	\$262,314,872		44.12%
REVENUE FROM OTHER SOURCES	\$7,617,382	1.28%	
			1.28%
FROM FUND BALANCE	\$1,690,018	0.28%	
			0.28%
RESERVE FOR PRIOR YEAR ENCUMBRANCES	\$4,029,034	0.68%	
			0.68%
TOTAL	\$594,447,246		100.00%

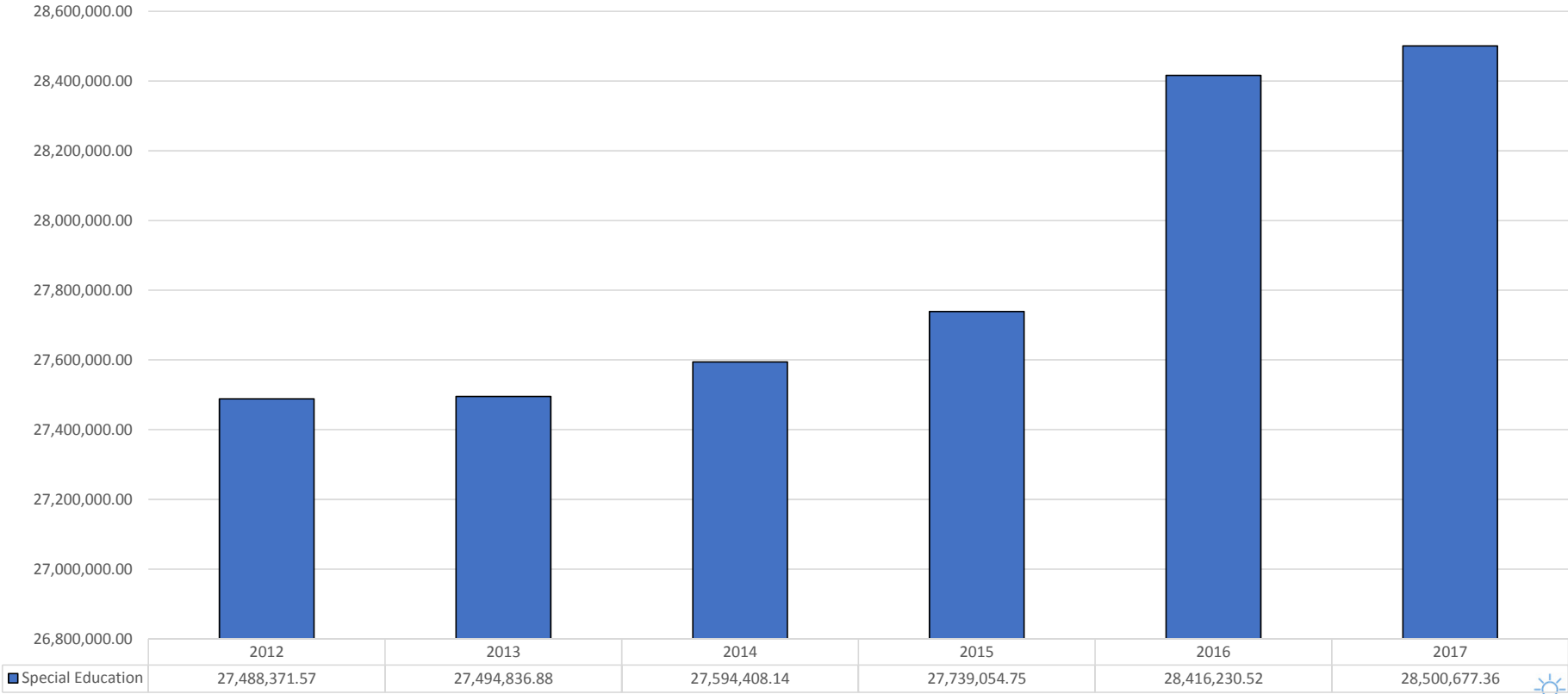
Expect great things. 

Basic Education Subsidy



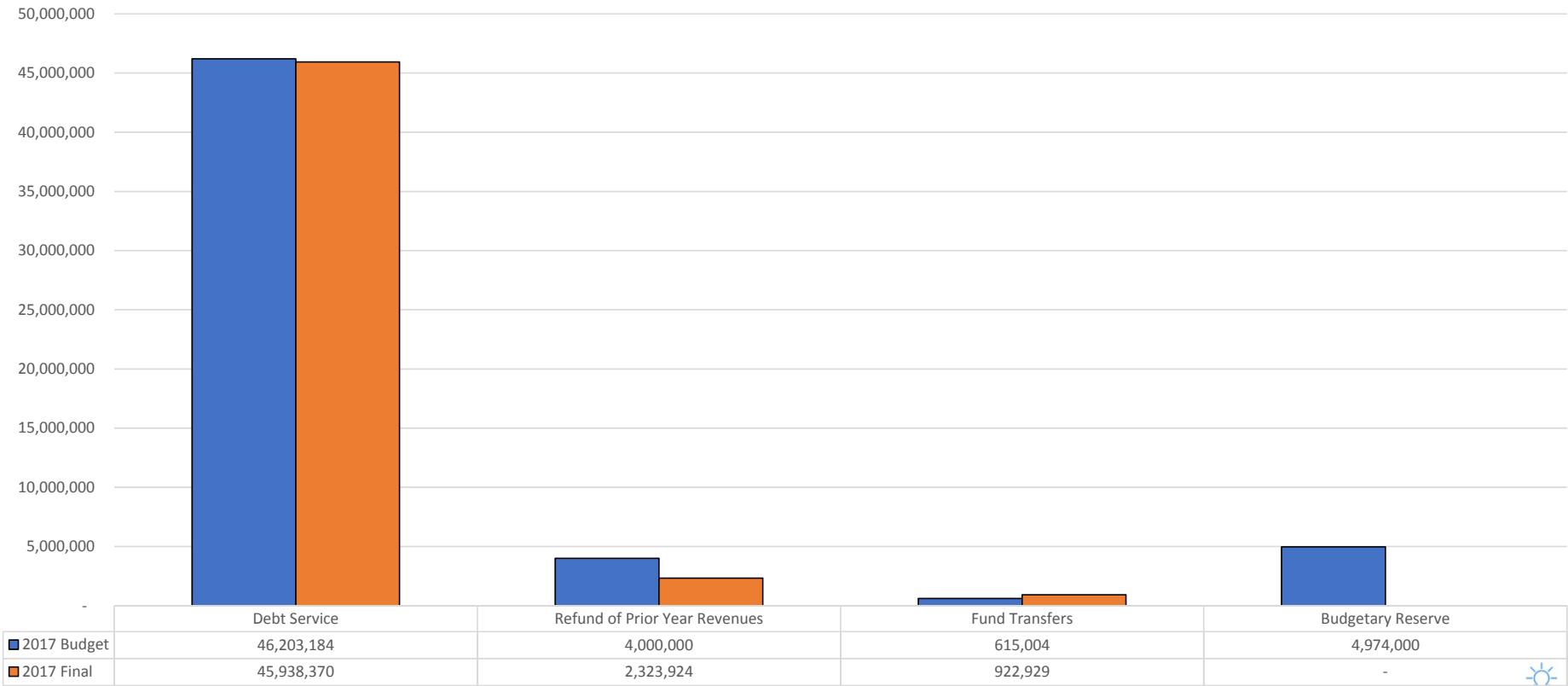
Expect great things. 

Special Education Revenue



Expect great things. 

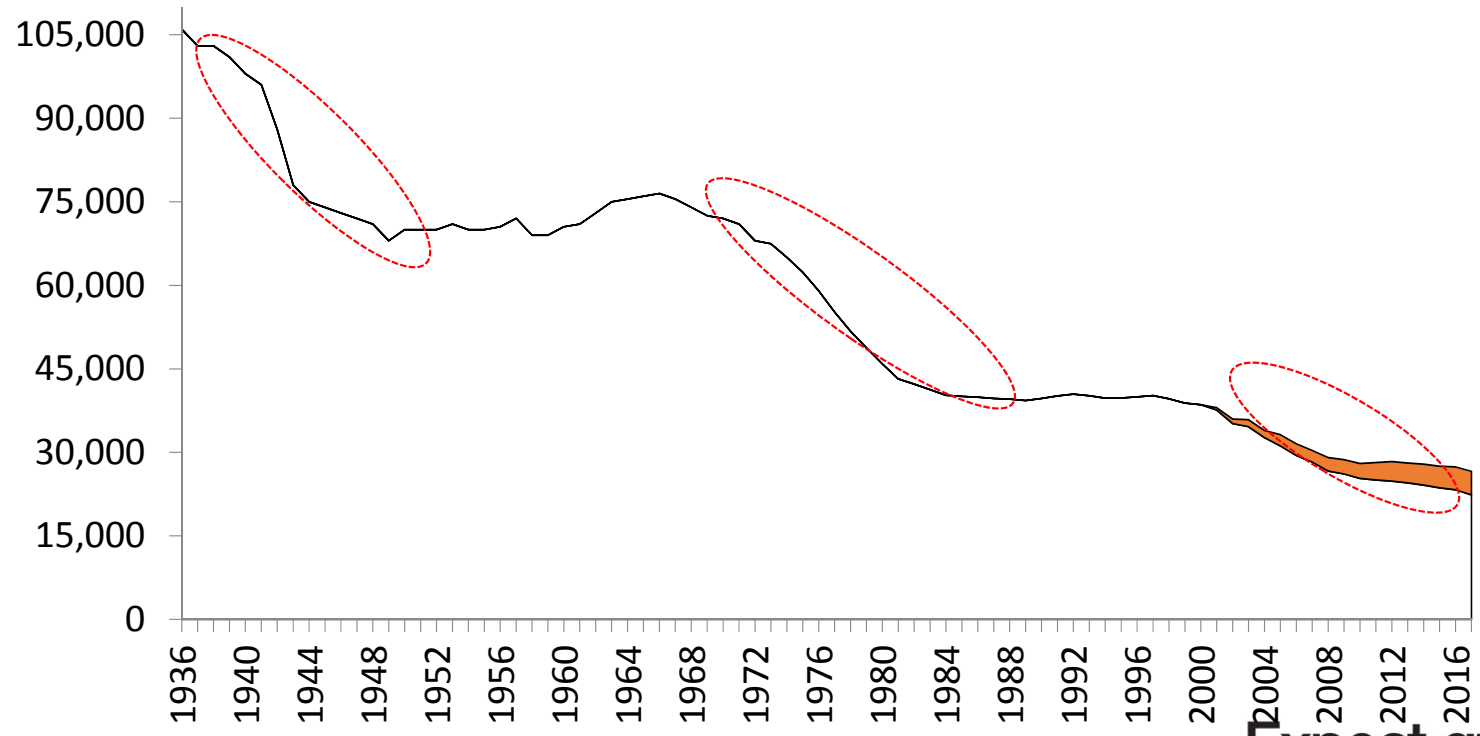
Other Financing Uses



Expect great things. 

Enrollment

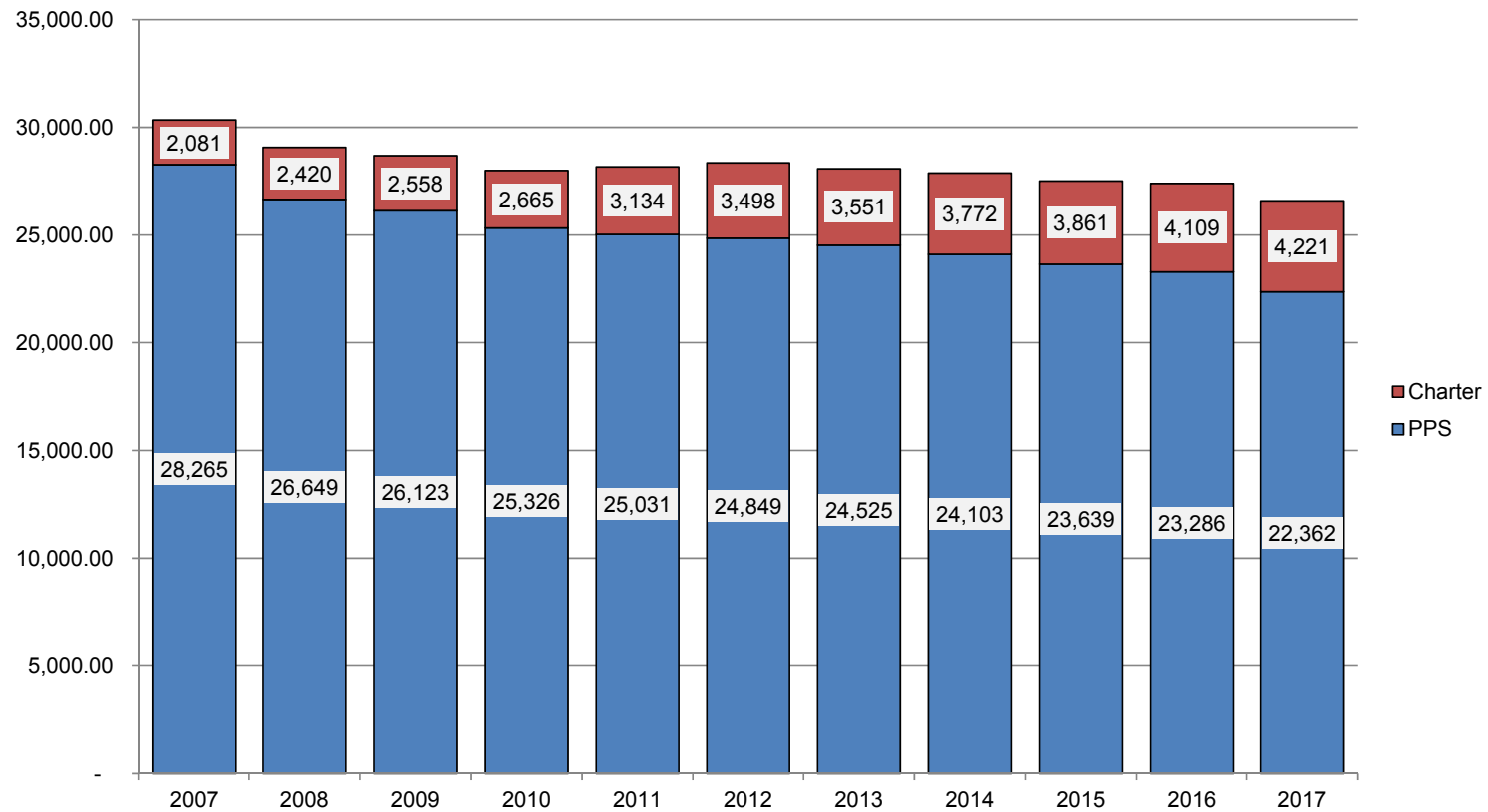
Average Daily Membership (ADM) 1936 until Present
Count of K-12 students enrolled at PPS (or Charter LEA post 1999)



Source: PPS Historic General Fund Budgets, 1980 through present

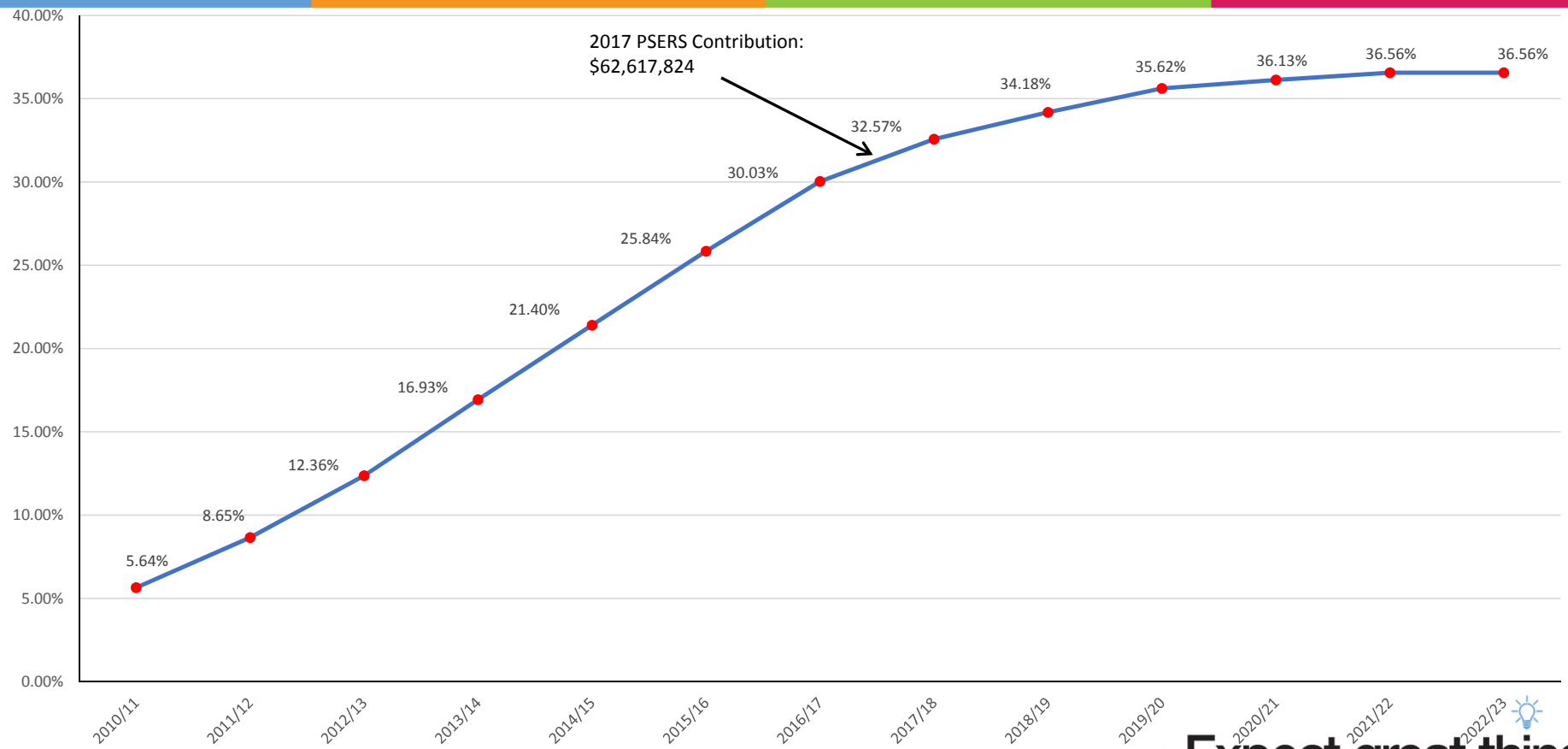
 **Expect great things.**

Charter Enrollment



 Expect great things.

Retirement Contributions (PSERS)



Expect great things. 