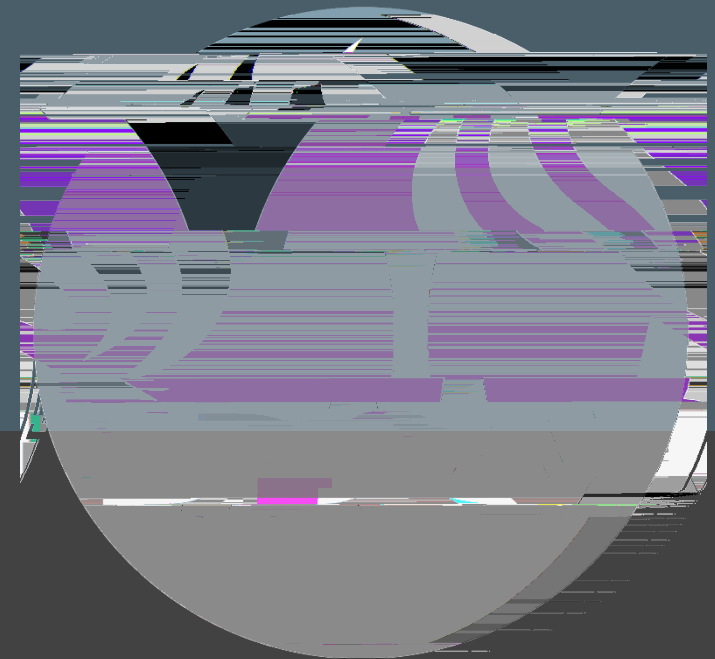


# Operating Budget Overview

JANUARY 25<sup>TH</sup>, 2017 UPDATE





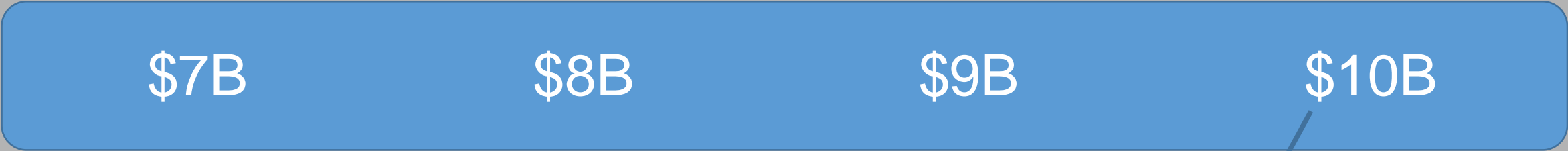
# Agenda

- ‡Refresh

- ‡State Funding Update

- ‡Timeline and next steps

# 2017-19 Funding Summary



QEM Fully Implemented Model

# What Does the Co-

# Š f < SSF Budget Mean to PPS?

Proposed budget for K-12 is \$7.726B

201719 biennium  
OASBO = \$8.4B  
\$350M or 4.7% increase

Budget is allocated to schools through SSF

State School Fund allocated via formula using attendance at all state schools  
Certain funds are set aside for specific programs  
Normally, 49% is allocated in the first year of the biennium

PPS Impact

40% of PPS General Fund from the State School Fund  
These funds are subject to equalization which is impacted primarily by property taxes received by the District

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201718 Share (49%) = \$3.786B

PPS Projected SSF Range = \$220M

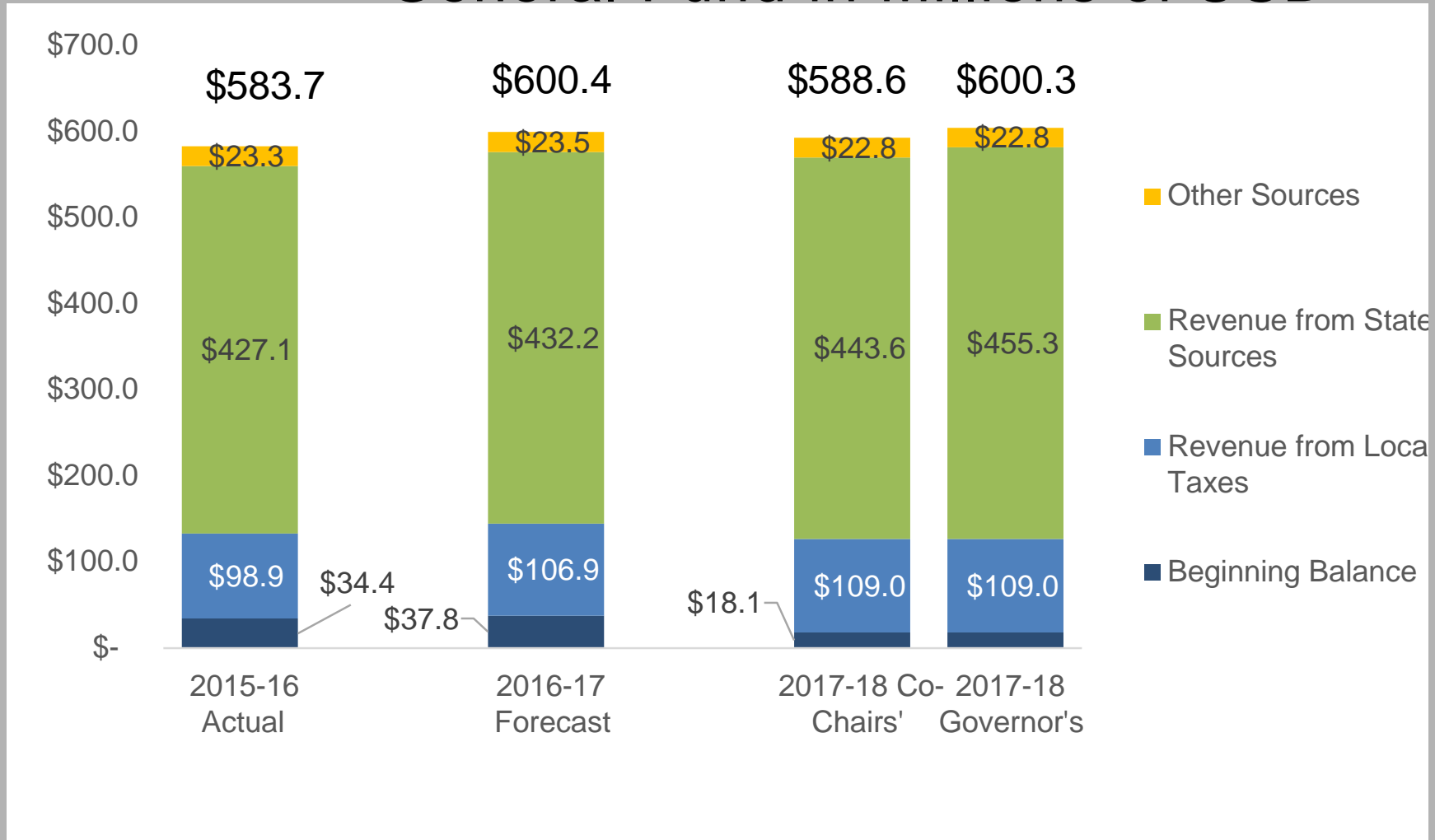
# Preliminary Revenue Estimates 2017

Based on Key Assumptions 1/25/2017

Local Option

# Summarized Resource Trend/2018 Range

## General Fund in Millions of USD



# 201718 Revenue Range

General Fund Only USD in Millions	Forecast 2016-17	Co-Chairs' 2017-18	Governor's 2017-18
Beginning Balance	\$ 37.8	\$ 18.1	\$ 18.1
<b>Revenue</b>			
Revenue from Local Taxes	\$ 106.9	\$ 109.0	\$ 109.0
Increase over Previous Year	8%	2%	2%
Revenue from State Sources			
Property Taxes	216.7	224.4	224.4
SSF - General Support	210.5	214.4	226.1
SSF - Other	5.0	4.8	4.8
Total Revenue from State Sources	\$ 432.2	\$ 443.6	\$ 455.3
Increase over Previous Year	1%	3%	5%
Intermediate and Other Sources			
	23.5	22.8	22.8
<b>Total Revenue</b>	<b>\$ 562.5</b>	<b>\$ 575.4</b>	<b>\$ 587.1</b>
Increase over Previous Year	2%	2%	4%
<b>Total Resources</b>	<b>600.4</b>		

# 201718 Spending Range

General Fund Only	Forecast	Co-Chairs'	Governor's
<b>Requirements</b>			
Instructional Expenses			
Instruction	\$ 332.3	\$ 338.9	\$ 338.9
Instructional Support	216.9	220.4	220.4
<b>Total Instructional Expenses</b>	<b>\$ 549.2</b>	<b>\$ 559.3</b>	<b>\$ 559.3</b>
Central Activities	\$ 23.4	\$ 23.8	\$ 23.8
New Requirements	2.5	9.2	9.2
Other Expenses	7.2	7.3	7.3
Contingency	-	17.4	18.3
<b>Ending Fund Balance</b>	<b>\$ 18.1</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Requirements</b>	<b>\$ 600.4</b>	<b>\$ 617.2</b>	<b>\$ 618.0</b>



# Summarized Financial Scenarios

Scenario's as a sum of 3% contingency. " ± f • ± • C • Š " – ^ f Ž Ž C – ' C F Z \



# Next Steps and Critical Updates

- ‡ Spending cuts across many Depts may be required to balance the budget. To help Budget Holders avoid reducing expenses in essential services (important to achieve PPS vision), prioritization of services within each Dept is required
- ‡ Recommendations
  1. Draft/Finalize the overall PPS educational vision
  2. Accelerate ZBB implementation to more Depts