

AN ORDINANCE 2013-06-06-0382

APPROVING FISCAL YEAR 2013 AND 2014 ANNUAL OPERATING BUDGETS FOR THE "PRE-K 4 SA" PROGRAM AS ADOPTED BY THE SAN ANTONIO EARLY CHILDHOOD EDUCATION MUNICIPAL DEVELOPMENT CORPORATION IN THE RESPECTIVE AMOUNTS OF \$828,684.00 AND \$22,877,981.00.

* * * * *

WHEREAS, Chapter 379A, Texas Local Government Code (the "Act") authorizes a municipality to create a municipal development corporation to develop and implement programs for early childhood development that prepare each child to enter school and make each child ready to learn after completing the program, that provide educational services to promote literacy, and that establish math, reading, and lifelong learning skills; and

WHEREAS, the City Council (the "City Council") of the City of San Antonio, Texas (the "City") authorized the creation of the San Antonio Early Childhood Education Municipal Development Corporation (the "Corporation") for the purposes of developing early childhood literacy and educational programs in accordance with the Act; and

WHEREAS, pursuant to the Act, the City called a sales tax election, held on November 6, 2012, for voter approval to levy a sales and use tax for the benefit of the Corporation; and

WHEREAS, the voters approved the imposition of a 1/8 cent sales tax, and the City Council has passed an ordinance adopting and imposing such tax on December 13, 2012; and

WHEREAS, the Act requires the Board for the Corporation to adopt a budget and submit same for approval by the governing body that created the Corporation; and

WHEREAS, the Corporation adopted budgets for fiscal years 2013 and 2014 on April 13, 2013, in accordance with the Corporation's bylaws, and these budgets were presented in a B Session to the City Council on May 29, 2013, and the City Council now approves the adopted fiscal year budgets in accordance with the Act; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Council for the City of San Antonio hereby approves the fiscal year 2013 and 2014 annual operating budgets for the "Pre-K 4 SA" program, as adopted by the San Antonio Early Childhood Education Municipal Development Corporation, in the respective amounts of \$828,684.00 and \$22,877,981.00. A copy of the proposed budgets is attached hereto and incorporated herein for all purposes as **Attachment I**.

SECTION 2. City staff is hereby authorized to take those necessary actions to implement the budgets attached hereto and approved by City Council.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 4. This ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 6th day of June, 2013.


M A Y O R
Julián Castro

ATTEST:

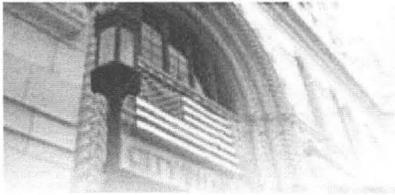


Leticia M. Vacek, City Clerk

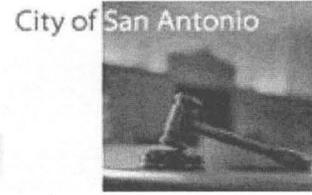
APPROVED AS TO FORM:



for Michael D. Bernard, City Attorney



Request for
**COUNCIL
ACTION**



Agenda Voting Results - 4

Name:	4						
Date:	06/06/2013						
Time:	10:42:54 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance approving Fiscal Year 2013 and 2014 annual operating budgets for the "Pre-K 4 SA" program as adopted by the San Antonio Early Childhood Education Municipal Development Corporation in the respective amounts of \$828,684.00 and \$22,877,981.00. [Peter Zanoni, Deputy City Manager; Maria Villagomez, Budget Director]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x			x	
Cris Medina	District 7		x				x
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
Carlton Soules	District 10		x				

CITY OF SAN ANTONIO

Pre-K 4 SA

Program Operating Budget



As Adopted by the

Early Childhood Municipal Development Corporation

On April 16, 2013

**Special Revenue Fund
Pre-K 4 SA
8-Year Program Financial Forecast**

	ADOPTED BUDGET FY 2013	ADOPTED BUDGET FY 2014	PROJECTED BUDGET FY 2015	PROJECTED BUDGET FY 2016	PROJECTED BUDGET FY 2017
AVAILABLE FUNDS					
Beginning Balance	\$	6,433,535	15,503,534	19,618,064	23,301,175
Adjustment for Reserve					
<i>Net Balance</i>	\$	-	6,433,535	15,503,534	19,618,064
REVENUES					
Sales Tax	\$	7,262,219	29,399,397	30,428,376	31,341,228
State/Local Match		-	2,016,000	4,320,000	4,896,000
USDA (Food)		-	542,775	1,195,655	1,397,219
Sliding Scale Tuition		-	63,000	135,000	153,000
Facility Occupancy Reimbursement					
<i>Total Revenue & Transfers</i>	\$	7,262,219	32,021,172	36,079,032	37,787,447
TOTAL AVAILABLE FUNDS	\$	7,262,219	38,454,708	51,582,566	57,405,510
APPROPRIATIONS					
Operating Expenses					
Administration	\$	206,983	755,246	946,980	976,367
Pre-K Centers		575,348	9,854,291	18,481,507	20,614,428
Transportation		-	1,069,658	2,266,432	2,483,737
Pre-K Facility Leases		-	8,899,539	5,821,561	5,733,196
Professional Development		46,353	1,991,547	4,024,875	4,040,723
Program Assessment		-	307,700	318,420	123,489
Competitive Grants		-	-	-	5,440,000
<i>Total Operating</i>	\$	828,684	22,877,981	31,859,775	33,971,940
Transfers					
General Fund-Indirect Cost	\$		73,193	104,727	132,395
<i>Subtotal Transfers</i>	\$	-	73,193	104,727	132,395
TOTAL APPROPRIATIONS	\$	828,684	22,951,174	31,964,502	34,104,335
ENDING BALANCE	\$	6,433,535	15,503,534	19,618,064	23,301,175

Special Revenue Fund
Pre-K 4 SA
8-Year Program Financial Forecast

PROJECTED BUDGET FY 2018	PROJECTED BUDGET FY 2019	PROJECTED BUDGET FY 2020	PROJECTED BUDGET FY 2021	
				AVAILABLE FUNDS
19,618,182	16,441,559	13,810,457	11,519,002	Beginning Balance
				Adjustment for Reserve
19,618,182	16,441,559	13,810,457	11,519,002	<i>Net Balance</i>
				REVENUES
33,249,908	34,247,406	35,274,828	27,043,977	Sales Tax
5,760,000	5,760,000	5,760,000	5,760,000	State/Local Match
1,730,542	1,777,578	1,825,893	1,875,521	USDA (Food)
180,000	180,000	180,000	180,000	Sliding Scale Tuition
			1,650,000	Facility Occupancy Reimbursement
40,920,451	41,964,984	43,040,721	36,509,498	<i>Total Revenue & Transfers</i>
60,538,633	58,406,543	56,851,178	48,028,500	TOTAL AVAILABLE FUNDS
				APPROPRIATIONS
				Operating Expenses
1,037,102	1,068,832	1,102,033	1,136,801	Administration
24,403,547	24,939,678	25,488,752	26,050,287	Pre-K Centers
2,958,062	2,995,064	3,031,302	3,071,301	Transportation
5,839,859	5,895,310	5,952,583	6,011,392	Pre-K Facility Leases
4,091,095	3,926,994	3,984,189	4,370,189	Professional Development
133,548	136,348	139,456	142,648	Program Assessment
5,440,000	5,440,000	5,440,000	5,440,000	Competitive Grants
43,903,213	44,402,225	45,138,315	46,222,618	<i>Total Operating</i>
				Transfers
193,861	193,861	193,861	193,861	General Fund-Indirect Cost
193,861	193,861	193,861	193,861	<i>Subtotal Transfers</i>
44,097,074	44,596,086	45,332,176	46,416,479	TOTAL APPROPRIATIONS
16,441,559	13,810,457	11,519,002	1,612,022	ENDING BALANCE

Pre-K4SA Personnel Complement

Summary of 8-Year Program Financial Forecast

Administration

Count	Position Title	FY 2013 # of Pos	FY 2014 # of Pos	FY 2015 # of Pos	FY 2016 # of Pos	FY 2017 # of Pos	FY 2018 # of Pos	FY 2019 # of Pos	FY 2020 # of Pos	FY 2021 # of Pos
1	Chief Executive Director	1	1	1	1	1	1	1	1	1
1	Management Analyst			1	1	1	1	1	1	1
1	Sr. Executive Secretary	1	1	1	1	1	1	1	1	1
1	Department Fiscal Administrator	1	1	1	1	1	1	1	1	1
1	Senior Account	1	1	1	1	1	1	1	1	1
1	HR Generalist	1	1	1	1	1	1	1	1	1
1	Time and Attendance Specialist			1	1	1	1	1	1	1
1	Procurement Specialist	1	1	1	1	1	1	1	1	1
1	Accounting Clerk			1	1	1	1	1	1	1
9		6	6	9	9	9	9	9	9	9

Pre-K Centers

Count	Position Title	FY 2013 # of Pos	FY 2014 # of Pos	FY 2015 # of Pos	FY 2016 # of Pos	FY 2017 # of Pos	FY 2018 # of Pos	FY 2019 # of Pos	FY 2020 # of Pos	FY 2021 # of Pos
4	Director	2	4	4	4	4	4	4	4	4
8	Assistant Director	4	8	8	8	8	8	8	8	8
100	Master Teacher/Teacher		36	76	86	100	100	100	100	100
8	Floating Teachers	0	4	8	8	8	8	8	8	8
20	Ancillary Teacher		4	10	14	20	20	20	20	20
100	Teacher Assistant	0	36	76	86	100	100	100	100	100
8	Family Specialist	0	4	8	8	8	8	8	8	8
4	Senior Nurse	0	2	4	4	4	4	4	4	4
8	Administrative Associate	4	4	8	8	8	8	8	8	8
4	Cafeteria Assistant		2	4	4	4	4	4	4	4
4	Cafeteria Supervisor		2	4	4	4	4	4	4	4
268		10	106	210	234	268	268	268	268	268

Facilities Maintenance

Count	Position Title	FY 2013 # of Pos	FY 2014 # of Pos	FY 2015 # of Pos	FY 2016 # of Pos	FY 2017 # of Pos	FY 2018 # of Pos	FY 2019 # of Pos	FY 2020 # of Pos	FY 2021 # of Pos
1	Supervisor	0	1	1	1	1	1	1	1	1
4	Crew Leader II	0	2	4	4	4	4	4	4	4
12	Building Maintenance Custodian	0	6	12	12	12	12	12	12	12
17		0	9	17	17	17	17	17	17	17

Transportation

Count	Position Title	FY 2013 # of Pos	FY 2014 # of Pos	FY 2015 # of Pos	FY 2016 # of Pos	FY 2017 # of Pos	FY 2018 # of Pos	FY 2019 # of Pos	FY 2020 # of Pos	FY 2021 # of Pos
49	Transportation Aide	0	20	40	40	49	49	49	49	49
49		0	20	42	45	49	49	49	49	49

Professional Development

Count	Position Title	FY 2013 # of Pos	FY 2014 # of Pos	FY 2015 # of Pos	FY 2016 # of Pos	FY 2017 # of Pos	FY 2018 # of Pos	FY 2019 # of Pos	FY 2020 # of Pos	FY 2021 # of Pos
1	Director	1	1	1	1	1	1	1	1	1
17	Trainers	0	15	15	15	17	17	17	17	17
1	Professional Dev Coordinator		0	1	1	1	1	1	1	1
1	Administrative Assistant	1	1	1	1	1	1	1	1	1
20		2	17	18	18	20	20	20	20	20
363	TOTAL	18	158	296	323	363	363	363	363	363

ADMINISTRATION



APPROPRIATIONS BY FUND	FTE	ADOPTED FY 2013	ADOPTED FY 2014
Pre-K 4 SA Fund	6.00	\$206,983	\$755,246
Total Funding	6.00	\$206,983	\$755,246

ADMINISTRATION**PRE-K 4 SA FUND****PROGRAM INFORMATION**

To successfully lead the Pre-K 4 SA initiative, a Chief Executive Officer (CEO) will be hired to provide the oversight for the City, the Municipal Corporation Board, and the school districts. The CEO works closely with district partners and constituents to incorporate feedback to improve educational opportunities and outcomes. The CEO is also responsible for hiring of the leaders and teachers for each of the Pre-K 4 SA Educational Centers.

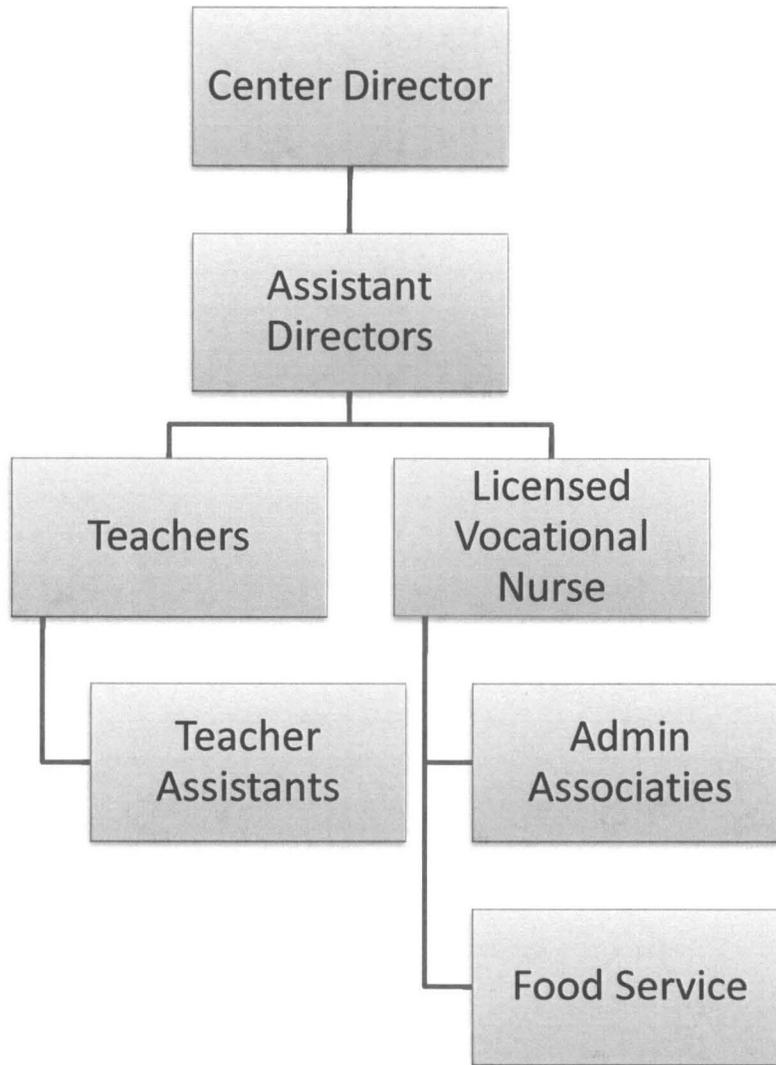
Administration staff will oversee the operations of the entire Pre-K f4 SA program. The opening of the first two Model Education Centers will occur in FY 2014. Two Center Directors will be hired by the Administration to provide leadership and oversight of the activities, operations and continuous improvement of each center. In FY 2014 a total of four Center Directors will be hired to lead each of the Model Education Centers. In addition, there will be Professional Development staff to improve training throughout the community.

To successfully deliver the goals of the Pre-K 4 SA Initiative, Master Teachers, Teacher Assistants and other administrative and operational staff will provide instruction and support to each of the centers, including transportation, food service, family support, fiscal, procurement and human resources.

PRE-K 4 SA FUND EXPENDITURES BY CLASSIFICATION

	ADOPTED BUDGET FY 2013	ADOPTED BUDGET FY 2014
PERSONAL SERVICES	\$146,702	\$585,065
CONTRACTUAL SERVICES	19,748	92,743
COMMODITIES	2,775	11,100
SELF INSURANCE/OTHER	16,068	66,338
CAPITAL OUTLAY	21,690	0
TOTAL EXPENDITURES	\$206,983	\$755,246
AUTHORIZED POSITIONS	6	6
FULL-TIME EQUIVALENTS	6.00	6.00

PRE-K CENTERS



APPROPRIATIONS BY FUND	FTE	ADOPTED FY 2013	ADOPTED FY 2014
Pre-K 4 SA Fund	106.00	\$575,348	\$9,854,291
Total Funding	106.00	\$575,348	\$9,854,291

PRE-K CENTERS

PRE-K 4 SA FUND

PROGRAM INFORMATION

Two Model Education Centers will open in FY 2013-2014 in the north and south areas of town. An additional two Centers will begin operation in FY 2014-2015. Student enrollment in the program will be based on the State of Texas' prekindergarten eligibility criteria and the City of San Antonio will reserve 10 percent of the total enrollment to enroll students who do not fall within the state's eligibility criteria. The goals of the program are to reduce the achievement gaps by at least 25 percent in language, 33 percent in math, and 90 percent in literacy when compared to kindergarten students that do not attend the model education centers. By the third grade, the goal is to have students from the program close the achievement gaps in STAAR reading and math assessments by at least 10 percent. In addition, there will be an anticipated 20-40 percent reduction for special education placement and grade retention.

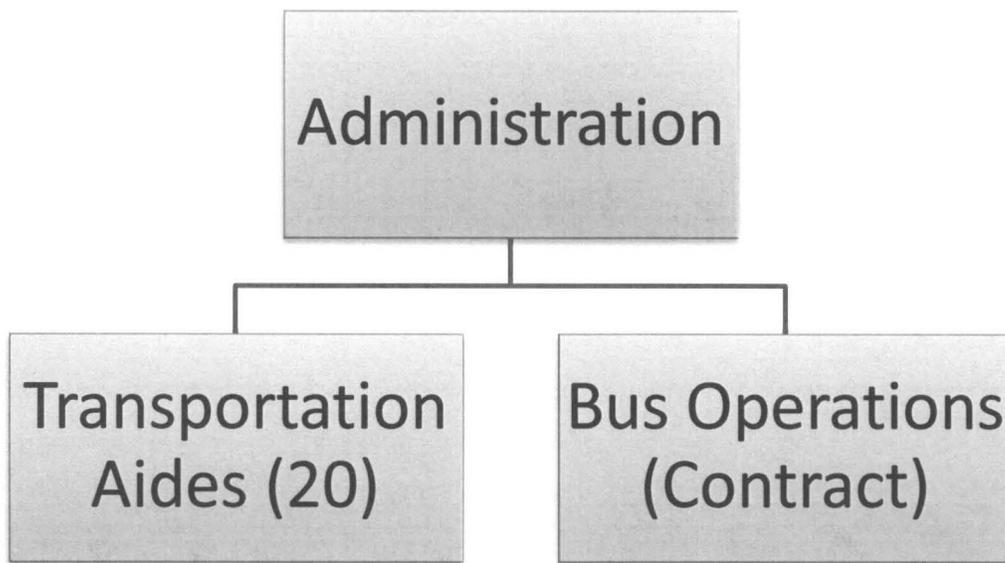
Pre-K 4 SA is hiring teachers who excel in their field and have a proven dedication to early childhood education. The program will hire "Master Teachers" who have at least three years of early childhood teaching experience, the ability to train other teachers and develop ongoing professional development activities. There will be a total of 40 Master Teachers in year one and 108 at full program capacity. There will be a total of 36 Teacher Assistants in the year one and 100 at full program capacity. With the Master Teachers and Teacher Assistants combined, the student-teacher ratio will be 20-2.

Pre-K 4 SA will provide students with a comprehensive, innovative curriculum to assist in guiding instruction. While the curriculum will align with the ten domains of the Texas Education Agency's (TEA) pre-kindergarten guidelines, the curriculum will also seek to exceed the mandated requirements by being innovative and cutting-edge in early childhood education. The curriculum will focus on the main tenets early childhood instruction. Numeracy, literacy, social and emotional development, multicultural relevancy, and student assessment will all be core components for student instruction. The curriculum will also look to incorporate bilingual instruction, where needed, to ensure that all students in Pre-K 4 SA have a similar learning experience. In addition, the curriculum will connect the student, parent and teachers by providing the families with information on thematic units, consumable print materials for home use, and instructional and support strategies for parents. The goal of Pre-K 4 SA is to provide ongoing learning for the student even when they are not in school.

PRE-K 4 SA FUND EXPENDITURES BY CLASSIFICATION

	ADOPTED BUDGET FY 2013	ADOPTED BUDGET FY 2014
PERSONAL SERVICES	\$252,121	\$6,828,743
CONTRACTUAL SERVICES	249,637	1,536,798
COMMODITIES	0	717,290
SELF INSURANCE/OTHER	73,590	771,460
TOTAL EXPENDITURES	\$575,348	\$9,854,291
AUTHORIZED POSITIONS	10	106
FULL-TIME EQUIVALENTS	10.00	106.00

TRANSPORTATION



APPROPRIATIONS BY FUND	FTE	ADOPTED FY 2013	ADOPTED FY 2014
Pre-K 4 SA Fund	20.00	\$0	\$1,069,658
Total Funding	20.00	\$0	\$1,069,658

TRANSPORTATION

PRE-K 4 SA FUND

PROGRAM INFORMATION

Free transportation will be available to and from school and for field trips. Based on data from school districts and charter school transportation programs for Pre-K and Kindergarten students, it is estimated that fifty percent of students will utilize the Pre-K 4 SA transportation service.

There will be four to six designated pick-up/drop-off sites in the North, servicing the North Pre-K 4 SA Education Center, and four to six sites in the South, servicing the South Pre-K 4 SA Education Center. Designated pick-up and drop-off locations will be at city-owned facilities such as a library or community center which has a contained, covered area for children to wait.

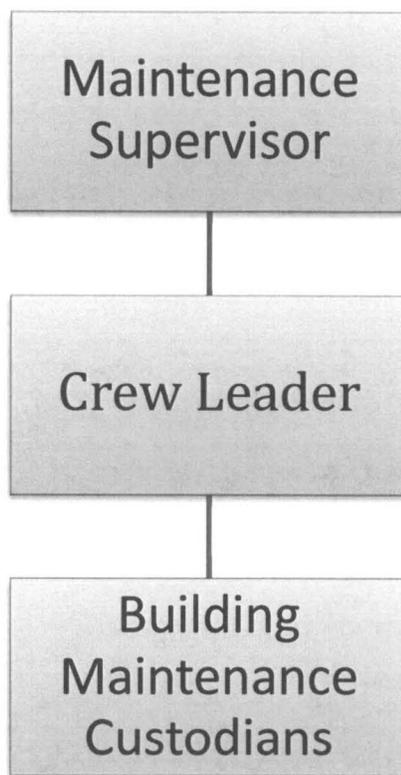
For daily school transportation, parents and guardians are responsible for dropping their child off at one of the pick-up/drop-off sites. A school aide will remain with the children at each designated location until the bus arrives. An additional one to two aides will supervise the children on the bus until they arrive at the school and are escorted into the school by staff. The return trip will include all the same requirements.

In order to provide the safest transportation possible, an outside vendor was selected using a Request for Competitive Sealed Proposals. As part of this contract, the vendor will have to comply with the Texas Transportation Code, the Texas Education Code, the Texas Administrative Code, and the Texas Human Services Code. The contract is for two years with three additional one-year options. Professional development for both aides and bus drivers will ensure that the values and lessons taught in the school will be reinforced on the bus.

PRE-K 4 SA FUND EXPENDITURES BY CLASSIFICATION

	ADOPTED BUDGET FY 2013	ADOPTED BUDGET FY 2014
PERSONAL SERVICES	\$0	\$434,302
CONTRACTUAL SERVICES	0	489,000
SELF INSURANCE/OTHER	0	146,356
TOTAL EXPENDITURES	\$0	\$1,069,658
AUTHORIZED POSITIONS	0	20
FULL-TIME EQUIVALENTS	0	20.00

FACILITY LEASES & MAINTENANCE



APPROPRIATIONS BY FUND	FTE	ADOPTED FY 2013	ADOPTED FY 2014
Pre-K 4 SA Fund	9.00	\$0	\$8,899,539
Total Funding	9.00	\$0	\$8,899,539

FACILITY LEASES AND MAINTENANCE**PRE-K 4 SA FUND****PROGRAM INFORMATION**

The Pre-K 4 SA initiative will include four Education Centers. The first two will open in August 2013 in the north and south areas of the City. The second two will open in August 2014 in the east and west areas of the City.

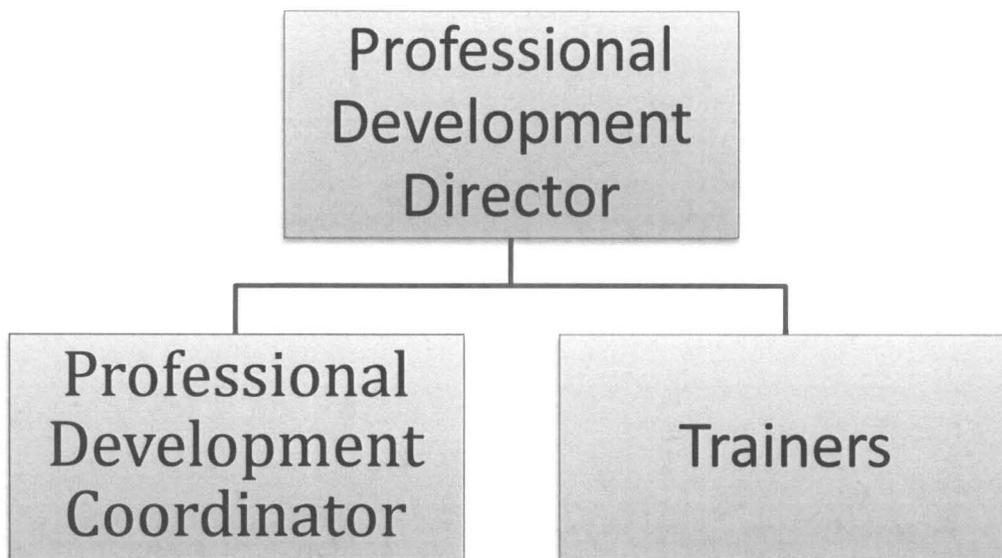
In December 2012, the City approved leases with an eight-year term for the initial two Pre-K 4 SA Education Centers. The north center is located at 3635 Medical Drive. This 30,000 square foot facility is a re-use facility that will be expanded to 50,000 square feet offering 25 classrooms at full implementation and other amenities. The south center is located at 2535 South East Military Drive. This 50,000 square foot facility is a build-to-suit facility offering 25 classrooms at full implementation, two large training rooms, administrative offices and other amenities. In April, 2013, the Pre-K 4 SA Board approved the site selection process for the two additional Education Center that will open in August 2014. Specific sites will be selected in FY 2013 with construction of facilities in FY 2014.

As part of the program, City staff will provide maintenance of the facilities. All staff will be trained on the mission of the Pre-K 4 SA Program. This also will allow for consistent staffing to maintain the buildings at the highest industry standard.

PRE-K 4 SA FUND EXPENDITURES BY CLASSIFICATION

	ADOPTED BUDGET FY 2013	ADOPTED BUDGET FY 2014
PERSONAL SERVICES	\$0	\$336,039
CONTRACTUAL SERVICES	0	1,830,587
COMMODITIES	0	208,139
SELF INSURANCE/OTHER	0	177,970
CAPITAL OUTLAY	0	6,346,804
TOTAL EXPENDITURES	\$0	\$8,899,539
AUTHORIZED POSITIONS	0	9
FULL-TIME EQUIVALENTS	0	9.00

PROFESSIONAL DEVELOPMENT



APPROPRIATIONS BY FUND	FTE	ADOPTED FY 2013	ADOPTED FY 2014
Pre-K 4 SA Fund	17.00	\$46,353	\$1,991,547
Total Funding	17.00	\$46,353	\$1,997,547

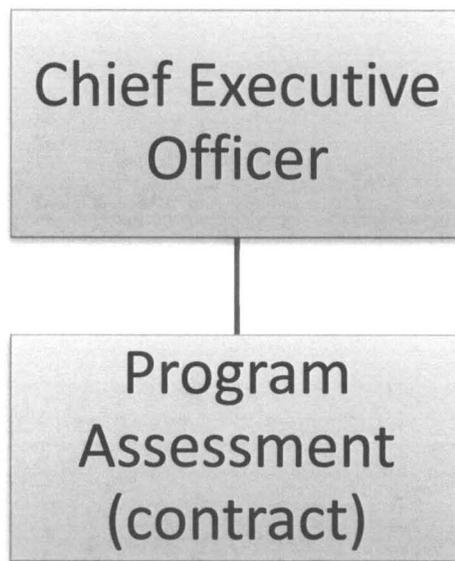
PROFESSIONAL DEVELOPMENT**PRE-K 4 SA FUND****PROGRAM INFORMATION**

In addition to providing a high-quality prekindergarten program, Pre-K 4 SA will also provide annual in-service training for approximately 2,300 to 3,150 teachers, principals, early education leaders and community providers. A Director of Professional Development will lead the City of San Antonio's efforts to develop, launch and sustain an exceptional early elementary education teacher professional development initiative. The Professional Development Director is responsible for building a comprehensive professional development program to address training needs for early childhood educators, and engage teacher investment in professional development. There will also be a core set of coaches that will serve as mentors to Pre-K 4 SA teachers as well as other early childhood education teachers throughout the community. Combined these efforts will help to improve the overall level of early childhood education in San Antonio.

PRE-K 4 SA FUND EXPENDITURES BY CLASSIFICATION

	ADOPTED BUDGET FY 2013	ADOPTED BUDGET FY 2014
PERSONAL SERVICES	\$36,353	\$1,733,355
CONTRACTUAL SERVICES	10,000	184,199
COMMODITIES	0	6,097
SELF INSURANCE/OTHER	0	67,896
TOTAL EXPENDITURES	\$46,353	\$1,991,547
AUTHORIZED POSITIONS	2	17
FULL-TIME EQUIVALENTS	2.00	17.00

PROGRAM ASSESSMENT



APPROPRIATIONS BY FUND	FTE	ADOPTED FY 2013	ADOPTED FY 2014
Pre-K 4 SA Fund	0	\$0	\$307,700
Total Funding	0	\$0	\$307,700

PROGRAM INFORMATION

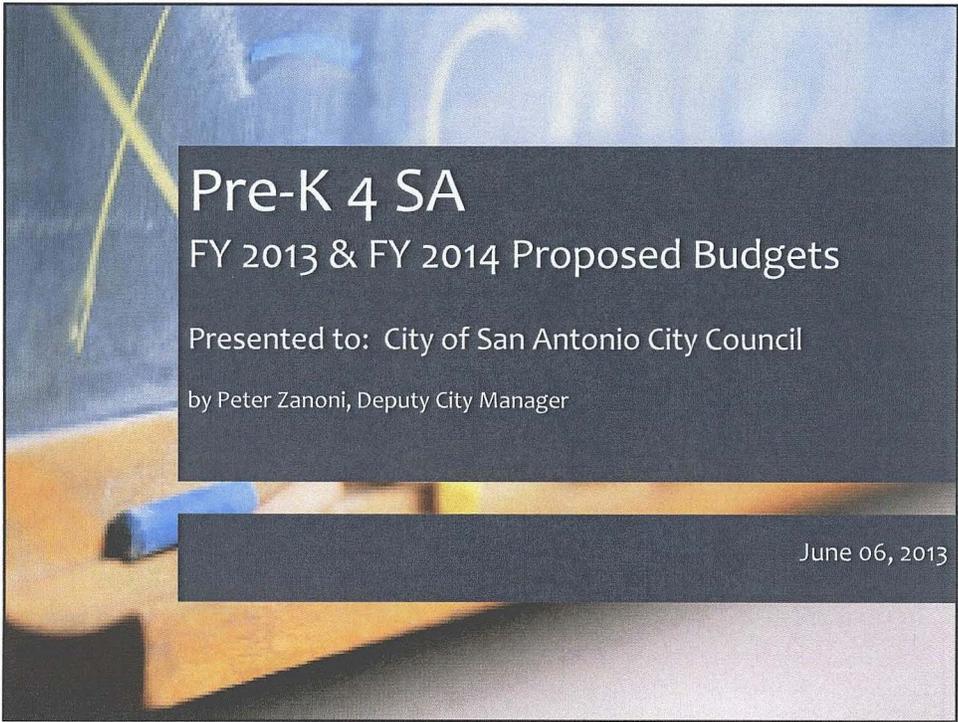
Continuous program evaluation and improvement will be an important part of Pre-K 4 SA to ensure the program maintains high-quality education for students. To assist with that goal the Corporation has budgeted annually for a consultant to provide program assessment. The consulting services contract would be for an initial five years, with a potential three year extension. The purpose of this eight year longitudinal study is to determine the effectiveness of Pre-K 4 SA model education centers and teacher professional development on students from pre-kindergarten through 3rd grade. The study will look to answer questions in the following areas:

- How does attendance at Pre-K 4 SA impact kindergarten readiness?
- How does attendance at Pre-K 4 SA impact school performance in years K-3?
- Do professional development and competitive grant awards improve program quality?
- How is the early education workforce changing?
- How has parental involvement changed as a result of the implementation of Pre-K 4 SA?
- How do components of the Pre-K 4 SA curriculum put children at an advantage/disadvantage in their following school years? Which components make the biggest difference?
- Do high nutritional standards in Pre-K 4 SA provided meals and nutrition education have an effect on the child’s future health?

In addition, the selected consultant for program assessment will conduct an alignment study for kindergarten assessment in literacy, math and science. Prior to school starting, school districts evaluate a student’s readiness for kindergarten. However, within the State of Texas there is currently no standard test to measure a student. The San Antonio area has 15 different school districts that may provide up to 15 different assessments. Students completing the Pre-K 4 SA program may attend up to 15 different districts for kindergarten. In order to properly assess the impact of Pre-K 4 SA, the Corporation will need to be able to correlate the kindergarten readiness of the students using the different assessments. This study will help accomplish that goal.

PRE-K 4 SA FUND EXPENDITURES BY CLASSIFICATION

	ADOPTED BUDGET FY 2013	ADOPTED BUDGET FY 2014
CONTRACTUAL SERVICES	\$0	\$307,700
TOTAL EXPENDITURES	\$0	\$307,700
AUTHORIZED POSITIONS	0	0
FULL-TIME EQUIVALENTS	0	0



Pre-K 4 SA

FY 2013 & FY 2014 Proposed Budgets

Presented to: City of San Antonio City Council
by Peter Zanoni, Deputy City Manager

June 06, 2013



Presentation Overview

- Budget and Financial Background
- Pre-K 4 SA Business Plan
- FY 2013 Budget
- FY 2014 Budget



2



Item Overview

- Today we will be presenting the FY 2013 and FY 2014 Budgets that were adopted by the Pre-K 4 SA Board on April 16, 2013
- Both Budgets were presented to City Council at May 29, 2013 “B” Session
- Staff recommends City Council approve the FY 2013 and FY 2014 Pre-K 4 SA Budgets as adopted by the Board



3

Budget and Financial Background



Budget Requirements

- Local Government Code Chapter 379A (State Statue Allowing Pre-K 4 SA)
 - Requires City to collect tax and remit to Corporation
 - Pre-K 4 SA Board of Directors
 - Adopts rules to govern Pre-K 4 SA
 - Accepts grants or loans
 - Employs necessary personnel
 - San Antonio City Council
 - Approves final budget submitted by the Board
 - Amends budget during fiscal year with two-thirds approval



5



Budget Requirements

- Pre-K 4 SA Bylaws
 - Pre-K 4 SA Board of Directors
 - Adopts budget prior to May 1
 - Annually prepares and presents financial statements
 - Submits financial quarterly reports to Council and City Manager
 - July 2013 for April to June
 - San Antonio City Council
 - Approves final budget submitted by the Board by July 1



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Financial Management Practices for Pre-K 4 SA

- Monthly Reporting to CEO
- Quarterly Reporting to Board
 - 3 plus 9 Budget & Finance Report
 - 6 plus 6 Budget & Finance Report & Mid-Year Budget Adjustment
 - 9 plus 3 Budget & Finance Report
 - Year End Report
- Audited Annual Financial Statements



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Budget Background

- Initial Pre-K 4 SA Budget and Business Plan developed in July/August 2012
- Budget development team included City staff and outside experts:
 - Dr. David Anthony, Retired Superintendent, Cypress Fairbanks ISD
 - Dr. John Folks, Retired Superintendent, NISD
 - Dr. Shari Albright, Chair, Department of Education, Trinity University
 - David Thompson, Thompson & Horton, LLP

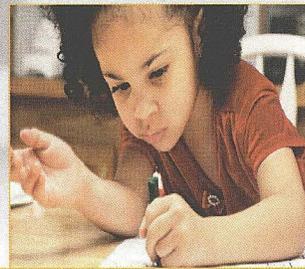


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Budget Background

- Today's presentation provides updated budget assumptions and amounts since August 2012
- Proposed forecast and adopted budget reflects updated business model based on best practices and additional services including:
 - Updated personnel levels
 - Added Transportation
 - Converted construction budget for East and West centers in 2014 to facility leases



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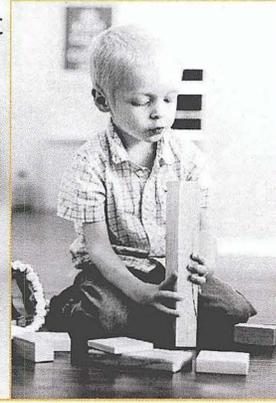


Pre-K 4 SA Business Plan



Initiative Overview

- Purpose
 - To improve quality and quantity of Pre-K childhood education for four-year-olds citywide
 - To provide professional development for Pre-K through grade 3 educators
- Eight-year program
 - 22,000 children to be served
 - 3,700 annually at full implementation
 - In partnership with ISDs and other education providers
- Funded by 1/8 cent sales tax



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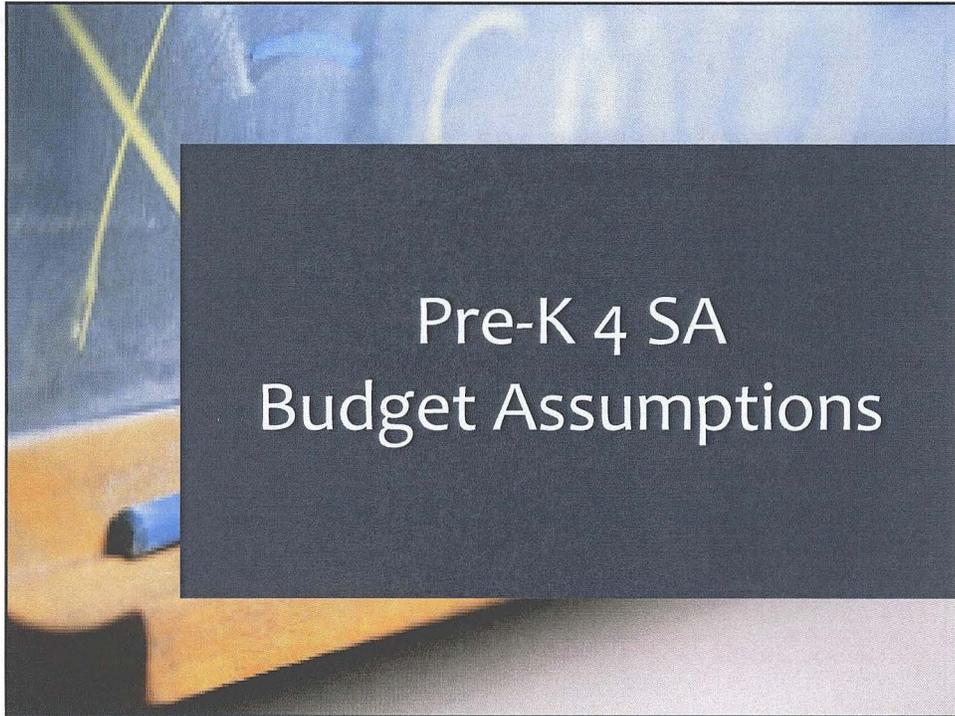
Service Model

Service	Year 1 FY 2014	Year 2 FY 2015	Year 3 FY 2016	Year 4 FY 2017	Year 5 FY 2018	Year 6 FY 2019	Year 7 FY 2020	Year 8 FY 2021
Initial Two Model Centers	700	800	900	1,000	1,000	1,000	1,000	1,000
Additional Two Model Centers		700	800	1,000	1,000	1,000	1,000	1,000
Competitive Grants in ISDs & Partner Programs				1,700	1,700	1,700	1,700	1,700
Total Served	700 children	1,500 children	1,700 children	3,700 children	3,700 children	3,700 children	3,700 children	3,700 children
Number Served at Model Centers through Sliding Scale Tuition (10% of Model Centers)	70	150	170	200	200	200	200	200

Three- Year Ramp Up

Five-Year Academic Assessment at Full Capacity

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Budget Assumptions

- Fiscal year begins July 1 and ends on June 30
- FY 2013 covers 6 months from January 1, 2013 – June 30, 2013
- FY 2014 covers 12 months from July 1, 2013 – June 30, 2014
- 2 Pre-K Centers will open in FY 2014 and 2 more in FY 2015
- 44 Teachers and 36 Teacher Assistants in FY 2014



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Budget Assumptions

- 20 Students per two teaching professionals (1 teacher and 1 teacher's assistant)
- Extended-day service provided at Centers free of charge
- Family support services
- Transportation available
- Breakfast, lunch, and snacks provided



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FY 2013 Pre-K 4 SA
Budget



FY 2013 Revenue Budget

- FY 2013 Budget: \$7.3 Million in Sales Tax
- Sales tax collection began April 1, 2013
- 3 months of collected revenue for FY 2013 Budget

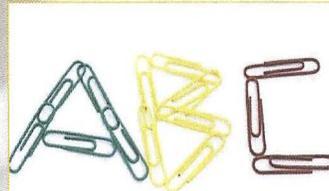


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FY 2013 Expenditure Budget

- FY 2013 Budget of \$828,684
 - Authorizes 18 total positions
 - Marketing and Advertising Expenses
 - Initial Classroom Curriculum
 - Consultant Services
 - Hiring of initial staff members
 - Chief Executive Officer
 - Center Directors / Assistant Directors
 - Professional Development Director



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FY 2013 Pre-K Centers

- Includes funding for Center Directors, Assistant Directors, Administrative personnel and classroom curriculum
- FY 2013 Budget \$575,348
 - 10 Positions funded at 3 months

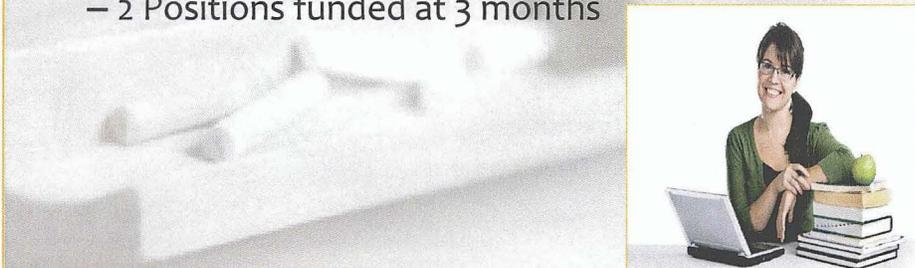


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FY 2013 Professional Development

- Includes funding for Professional Development Director and Administrative personnel
- FY 2013 Budget \$46,353
 - 2 Positions funded at 3 months



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FY 2013 Administration

- Includes funding for Chief Executive Officer, Fiscal and Human Resources Support
- FY 2013 Budget: \$206,983
 - 6 Positions funded at 3 months



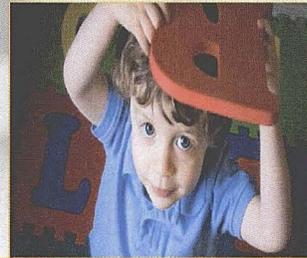
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FY 2014 Pre-K 4 SA
Budget



FY 2014 Revenue Budget

- FY 2014 Budget: \$32 Million
 - \$29.4 Million in Sales Tax
 - \$2.0 Million In State Pre-K Pass Through
 - \$542,775 in Food Reimbursement
 - \$63,000 in Sliding Scale Tuition
- Annual Sales Tax Growth Rate Assumptions
 - FY 2014: 3.5%
 - FY 2015: 3.5%
 - FY 2016 – FY 2021: 3%

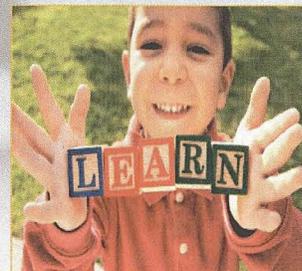


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FY 2014 Expenditure Budget

- FY 2014 Budget of \$23 Million
 - Serves 700 children at two centers
 - Authorizes 158 positions
 - Funds two leases and tenant finish out for two additional centers
 - Adds Transportation
 - Funds Year 1 of 8-year Independent Evaluation
 - Includes close to \$2 Million in Professional Development

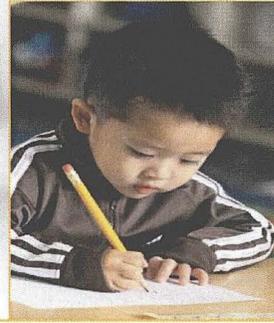


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FY 2014 Pre-K Centers

- Includes funding for Master Teachers, Teacher Assistants, Family Specialists, Food Service staff, Classroom Supplies and Classroom Curriculum
- FY 2014 Budget \$9.9 Million
 - 105 positions funded at 12 months
 - Classroom Supplies
 - Classroom Curriculum
 - Child Nutrition Services



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FY 2014 Transportation



- Includes budget for 10 transportation depots and 2 field trips
- FY 2014 Budget \$1.1 Million
 - 20 Transportation Aides
 - 10 Buses provided initially
 - 50% Ridership projected

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FY 2014 Facility Leases and Maintenance

- Includes funding for leases and facility Maintenance
- FY 2014 Budget \$8.9 Million
 - 9 Maintenance Positions
 - North and South Leases
 - East and West Tennant Improvements
 - Furniture and Playgrounds
 - Computers and IT Equipment



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FY 2014 Professional Development

- Includes Three Components
 - Classroom Training with Master Teacher
 - Teacher Coach Training in ISDs
 - In-Service Training
- FY 2014 Budget \$2 Million
 - 17 Positions funded at 12 months



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FY 2014 Program Assessment

- Includes Three Components
 - Independent Program Evaluation
 - Assessment for Education Center Students
 - Test Score Alignment Study
- FY 2014 Budget \$307,700



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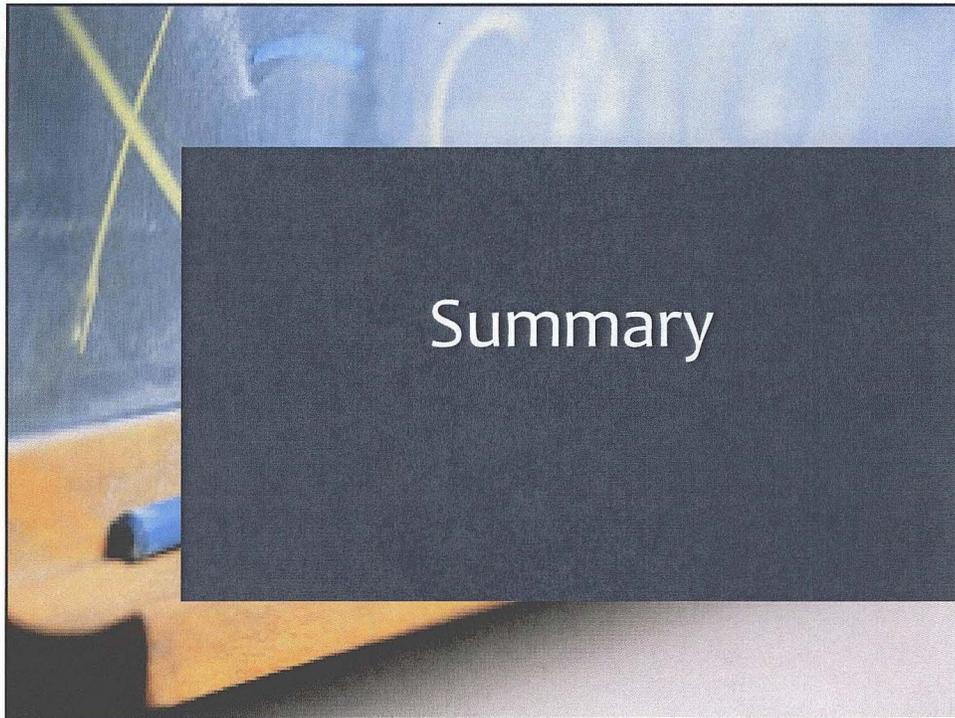


FY 2014 Administration

- Includes funding for Fiscal, Administrative and Human Resources personnel
- FY 2014 Budget: \$755,246
 - 6 Positions funded at 12 months

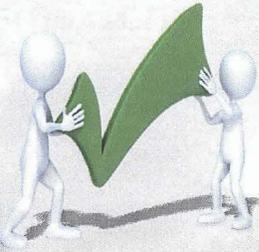


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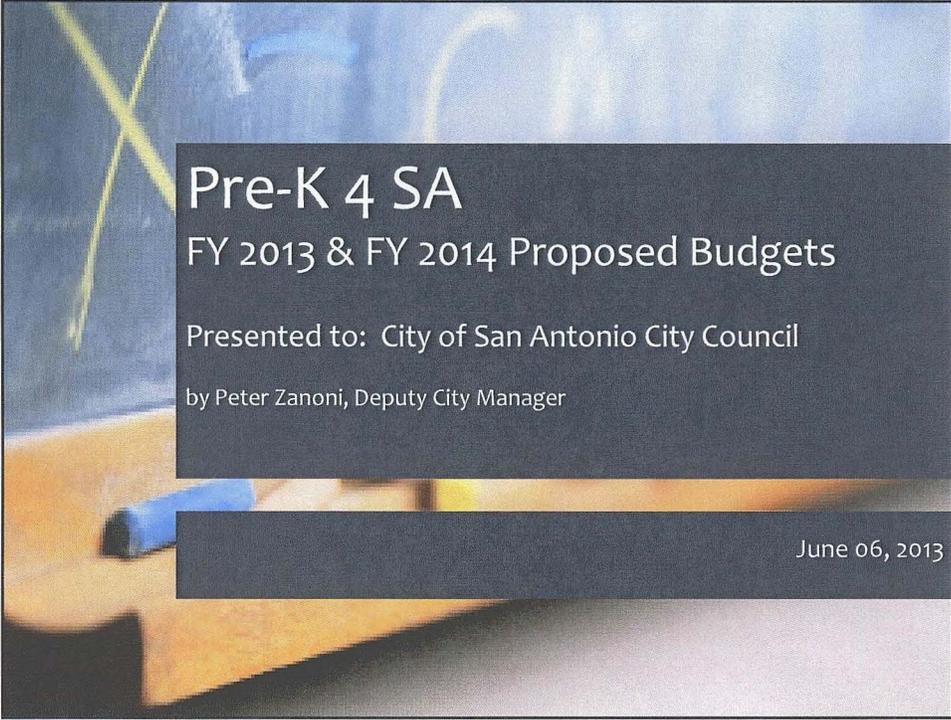


Summary

- FY 2013 and FY 2014 Budgets
 - FY 2013: \$828,684
 - FY 2014: \$22,951,174
- Personnel Counts
 - FY 2013: 18 positions
 - FY 2014: 158 positions
- Staff recommends City Council approve the Pre-K 4 SA Adopted FY 2103 and FY 2014 Budgets



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Pre-K 4 SA

FY 2013 & FY 2014 Proposed Budgets

Presented to: City of San Antonio City Council

by Peter Zaroni, Deputy City Manager

June 06, 2013

