






Budget Outlook

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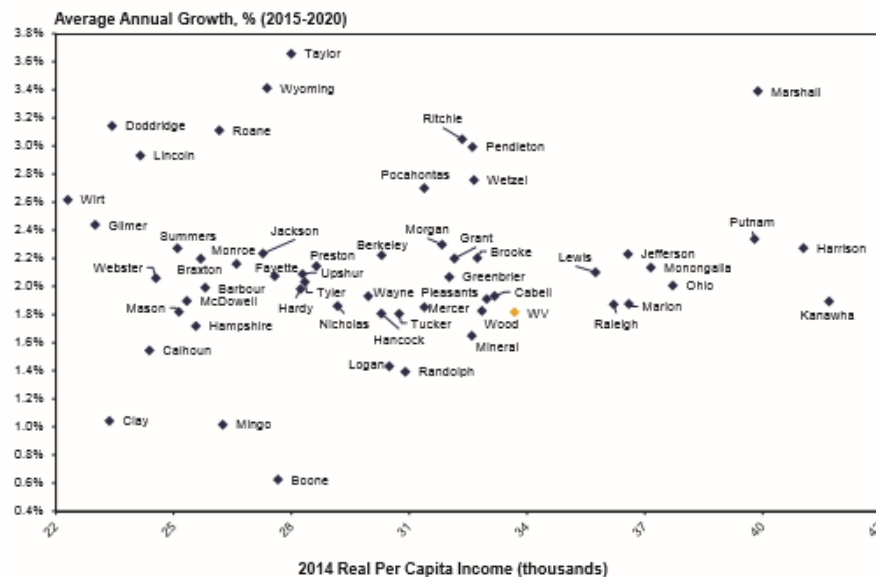
Agency appropriations submitted September 1 per August 1 instructions




- EOM October revenue projections vs. actual were down \$91m
- \$68m of it was severance taxes
- EOM December revenue projections vs. actual were down \$158m
- \$94m of it was severance taxes
- EOM March was \$146m lower...

Remember that chart from last year?


FIGURE 5.7: West Virginia County Real Per Capita Income






Mid-October Budget Cuts

\$137m Overall
\$16.5m Education




ONE VOICE
ONE FOCUS
All Students Achieving



History of Cuts Since FY 2010

- ✓ FY10 2% equaling \$2.4 million
- ✓ FY10 3.4% mid-year equaling \$2.5 million
- ✓ FY11 4% \$4.3 million
- ✓ FY13 mid-year \$700,000
- ✓ FY14 7% equaling \$8 million
- ✓ FY14 mid-year equaling \$3.23 million
- ✓ FY15 7.5% equaling \$8.6 million
- ✓ FY15 mid-year \$2.45 million



ONE VOICE
ONE FOCUS
All Students Achieving



History of Cuts Since FY 2010 cont'd

- ✓ FY16 vacancy sweeps equaling \$1.9 million
- ✓ FY16 mid-year cut equaling \$4.96 million
- ✓ PLUS FY16 mid-year state aid cut \$11.49 million
- ✓ FY17 non-formula cuts \$7 million



Legislative Session 2016

- January 13 Governor's State of the State proposed \$90m in cuts, \$70m from the Rainy Day Fund and \$19m in one-time special revenue expirations
- March 12 Regular session ended
- March 15 new projection of \$92m less revenues and extended session adjourned with no budget bill
- May 16 Special session began. Governor's proclamation included enacting a budget, tobacco tax, increasing sales tax, telecommunications tax, furlough bill, etc.
- An amended proclamation included adding a \$2.174m supplemental appropriation for Boone County Schools.





Legislative Session 2016

- June 2 Legislature passed budget using \$245m for a \$270m deficit that was predicted to cause a \$380m deficit in fy18
- June 8 the Governor vetoed HB101 in it's entirety and announced a compromise with the Senate including a 65 cent tobacco tax
- June 14 the Legislature closed a 17-day special session with the approval of SB1013 (the budget bill). It also included a new PEIA reserve fund to lessen the impact of pending premium increases.
- June 17 the Governor approved SB1013 (the budget bill) with seven line item vetoes. SB1013 included a 65 cent tobacco tax projected at \$98m plus \$120m in cuts and sweeps plus the use of \$70m Rainy Day fund.



So How Did We Do?

The state finished the fiscal year June 30 with a state law required balanced budget and a modest \$900,000 surplus, state Revenue Secretary Bob Kiss said Friday.

Overall for the fiscal year, collected revenues missed estimates by \$426 million.

"The best thing about Fiscal Year 2016 is that it's over," Kiss told reporters.





State Deputy Revenue Secretary Mark Muchow said the course of the new budget year's revenues won't be known until September but there should be a bounce back in some areas. "The coal industry continues to hemorrhage a little bit, however I'd say that most of the downtrend in severance tax is over with. We do expect natural gas receipts to rebound a bit," Muchow said.

"Gas prices have started to rebound and come back somewhat and that's a positive sign, but by any measure 2017 and 2018 are going to be extremely challenging years," Kiss said.



WEST VIRGINIA BOARD OF EDUCATION
APPROVED BUDGET BILL
FOR FISCAL YEAR 2017

Updated June 19, 2016

			(1)	(2)	(3)	(4)
Ref.		Appno. Code Reappropriated	FY 2016 Appropriation HB2016	FY 2017 Appropriation Request	FY2017 Appropriation SB1013	Difference Between FY2016 & SB1013
	WVDE:					
	General Revenue Fund:					
	0303 School Lunch Program					
1	Personal Services & Benefits	00100	361,665	361,665	321,931	(39,734)
2	Current Expenses	13000	2,118,490	2,118,490	2,118,490	-
3	Total		2,480,155	2,480,155	2,440,421	(39,734)
	0306 Cedar Lakes Camp & Conference Center					
4	Personal Services & Benefits	00100	600,273	521,000	-	(600,273)
5	Current Expenses	13000	128,033	203,596	-	(128,033)
6	Unclassified	09900	-	-	-	-
7	BRIM Premium	91300	21,694	25,404	-	(21,694)
8	Total		750,000	750,000	-	(750,000)

	0313 State Department of Education					
9	Other Allowances Under the Public School Support Program:					
10	Teachers Retirement Savings Realized	09500	34,472,000	34,472,000	37,656,000	3,184,000
11	Increased Enrollment	14000	5,260,000	3,430,000	3,430,000	(1,830,000)
12	Safe Schools	14300	5,028,664	4,978,816	4,980,178	(48,486)
13	Allowance for County Transfers	26400	469,993	375,392	282,732	(187,261)
14	English as a Second Language	52800	100,000	100,000	96,000	(4,000)
15	Regional Education Service Agencies	97200	3,690,750	3,690,750	3,543,120	(147,630)
16	Subtotal		49,021,407	47,046,958	49,988,030	966,623
	Other Funds Distributed to LEAs:					
17	Technology System Specialists	06200	2,000,000	2,000,000	2,000,000	-
18	Teacher Mentor	15800	R 592,034	592,034	550,000	(42,034)
19	National Teacher Certification	16100	R 150,000	150,000	-	(150,000)
20	Technology Repair and Modernization	29800	R 951,003	951,003	951,003	-
21	Early Retirement Notification Incentive	36600	R 300,000	300,000	300,000	-
22	Math Program	36800	R 366,532	366,532	336,532	(30,000)
23	21st Century Fellows	50700	R 274,899	274,899	274,899	-
24	Teacher Reimbursement	57300	R 297,188	297,188	297,188	-
25	High-Y Youth in Government	61600	R 100,000	100,000	100,000	-
26	High Acuity Special Needs	63400	R 1,500,000	1,500,000	1,500,000	-
27	Principals Mentorship	64900	R 69,250	69,250	69,250	-
28	Educational Enhancements	69500	R -	-	-	-
29	Early Literacy Program	75600	R 5,700,000	5,700,000	5,700,000	-
30	School-Based Truancy Prevention	78101	R 2,000,000	2,000,000	2,000,000	-
31	Innovation in Education	78102	R -	-	2,496,144	2,496,144
32	Local Solutions Dropout Prevention and Recovery	78000	R 2,230,000	2,230,000	-	(2,230,000)
33	Elementary/Middle Alternative Schools	83300	R 900,000	900,000	-	(900,000)
34	21st Century Innovation Zones	87600	R 266,144	266,144	-	(266,144)
35	High Acuity Health Care Needs Program	92000	R 925,000	925,000	-	(925,000)
36	21st Century Tech Infrastruc Network Tools & Supp	93300	R 7,636,586	7,636,586	7,636,586	-
37	WW Commission on Holocaust Education	93500	R 13,875	13,875	-	(13,875)
38	Educational Program Allowance	99600	R 516,250	516,250	516,250	-
39	Subtotal		26,788,761	26,788,761	24,727,852	(2,060,909)

	Department Operations:					
40	Personal Services & Benefits	00100	4,366,344	4,366,344	4,278,989	(87,355)
41	Repairs and Alterations	06400	50,000	10,000	-	(50,000)
42	Equipment	07000	5,000	5,000	5,000	-
43	Unclassified	09900	R 300,000	300,000	300,000	-
44	Current Expenses	13000	R 2,673,081	2,713,081	2,518,992	(154,089)
45	Buildings	25800	R 1,000	1,000	1,000	-
46	HVAC Technicians	35500	R 491,258	491,258	495,507	4,249
47	Assessment Programs	39600	R 2,339,588	2,339,588	1,339,588	(1,000,000)
48	Hospitality Training	60000	R 264,973	264,973	267,123	2,150
49	Foreign Student Education	63600	R 89,231	89,231	150,000	60,769
50	State Board Of Education Administrative Costs	68400	R 363,428	363,428	366,152	2,724
51	Other Assets	69000	R 1,000	1,000	1,000	-
52	IT Academy	72100	R 500,000	500,000	500,000	-
53	Land	73000	R 1,000	1,000	1,000	-
54	21st Century Learners	88600	R 1,716,874	2,276,874	1,706,441	(10,433)
55	Technology Initiatives	90100	R 230,000	230,000	-	(230,000)
56	BRIM Premium	91300	R 285,686	295,036	295,036	9,350
57	21st Century Assessment and Professional Develo	93100	R 4,496,283	4,496,283	2,999,007	(1,497,276)
58	Subtotal		18,174,746	18,744,096	15,224,835	(2,949,911)
59	Total		93,984,914	92,579,815	89,940,717	(4,044,197)
	0314 Aid for Except. Children & Institutional Programs					
60	Special Education-Counties	15900	7,271,757	7,271,757	7,271,757	-
61	Special Education-Institutions	16000	3,707,066	3,707,066	3,748,794	41,728
62	Ed of Juveniles Held in Predispositional Juv Detenti	30200	589,370	589,370	591,646	2,276
63	Education of Institutionalized Juveniles and Adults	47200	R 17,335,390	17,540,735	17,574,235	238,845
64	Total		28,903,583	29,108,928	29,186,432	282,849

Ref.		Appro. Code	Reappropriated	FY 2016 Appropriation HB2016	FY 2017 Appropriation Request	FY2017 Appropriation SB1013	Difference Between FY2016 & SB1013
	0317 State Aid to Schools						
65	Step 1 - Professional Educators	15100		869,841,621	856,017,057	856,017,057	(13,824,564)
66	Step 2 - Service Personnel	15200		294,796,569	295,780,182	290,711,435	(4,085,134)
67	Step 3 - Fixed Charges	15300		103,420,680	102,470,270	102,033,345	(1,387,335)
68	Step 4 - Transportation	15400		76,249,111	74,729,928	74,729,928	(1,519,183)
69	Step 5 - Professional Student Support Personnel	65500		37,927,850	36,952,999	36,952,999	(974,851)
70	Step 6 - Other Current Expenses	02200		154,485,546	152,723,553	152,089,960	(2,395,586)
71	Step 7a - Improved Instructional Programs	15600		47,840,943	48,994,463	49,131,108	1,290,165
72	Step 7b - 21st Century Strategic Technology Learning	93600		18,176,651	20,483,690	20,756,981	2,580,330
73	Step 7c - Advanced Placement	05300		526,406	543,661	543,661	17,255
74	Basic Foundation Allowance			1,603,265,377	1,588,695,803	1,582,966,474	(20,298,903)
75	Less Local Share			(454,137,621)	(465,672,816)	(467,039,269)	(12,901,648)
76	Adjustments - Taxes Not Collected			-	118,644	118,644	118,644
77	Adjustments - Payments in Lieu of Taxes			-	(2,645,688)	(2,645,688)	(2,645,688)
78	Total Adjustments			-	(2,527,044)	(2,527,044)	(2,527,044)
79	Total Basic State Aid			1,149,127,756	1,120,495,943	1,113,400,161	(35,727,595)
80	Public Employees' Insurance Agency	01200		214,590,471	212,117,410	241,429,043	26,838,572
81	Teachers' Retirement System	01900		66,486,618	67,607,000	67,464,000	977,382
82	School Building Authority	45300		23,423,270	23,421,520	23,421,520	(1,750)
83	Retirement Systems-Unfunded Liability	77500		298,584,000	305,568,000	320,634,000	22,050,000
84	Total			1,752,212,115	1,729,209,873	1,766,348,724	14,136,609

	0390 CTE Programs						
85	Personal Services & Benefits	00100		1,293,783	1,293,783	1,275,473	(18,310)
86	Unclassified	09900		280,000	280,000	268,800	(11,200)
87	Current Expenses	13000		918,886	918,886	882,131	(36,755)
88	Wood Products-Forestry Vocational Program	14600		64,841	65,631	67,417	2,576
89	Albert Yanni Vocational Program	14700		131,951	131,951	131,951	-
90	Vocational Aid	14800		22,193,335	22,302,875	22,215,162	21,827
91	Adult Basic Education	14900		4,470,114	4,503,864	4,523,322	53,208
92	Program Modernization	30500		884,313	884,313	884,313	-
93	High School Equivalency Diploma Testing	72600	R	1,067,176	1,067,176	778,815	(288,361)
94	FFA Grant Awards	83900		11,496	11,496	11,496	-
95	Pre-Engineering Academy Program	84000		265,294	265,294	265,294	-
96	Total			31,581,189	31,725,269	31,304,174	(277,015)
97	Total General Revenue Fund - WVDE			1,909,911,956	1,885,854,040	1,919,220,468	9,308,512
	LOTTERY FUND:						
	3951 Dept of Education						
98	FBI Checks	37200		108,031	108,031	108,860	829
99	Vocational Educational Equip Replac	39300		800,000	800,000	800,000	-
100	Assessment Program	39600	R	2,935,751	2,935,751	2,946,059	10,308
101	21st Century Tech Infrastructure Network Tools & Support	93300	R	14,108,744	14,116,444	14,151,287	42,543
102	Total Appropriated - Lottery Fund - WVDE			17,952,526	17,960,226	18,006,206	53,680
103	TOTAL APPROPRIATED FROM ALL FUNDS - WVDE			1,927,864,482	1,903,814,266	1,937,226,674	9,362,192

Ref.		Appro. Code	FY 2016 Appropriation HB2016	FY 2017 Appropriation Request	FY2017 Appropriation SB1013	Difference Between FY2016 & SB1013
	OTHER FUNDS:					
	3937 Strategic Staff Development					
104	Personal Services & Benefits	00100	134,000	134,000	134,000	-
105	Current Expenses	13000	265,000	265,000	265,000	-
106	Unclassified	09900	1,000	1,000	1,000	-
107	Total		400,000	400,000	400,000	-
	3960 FFA-FHA Conf Center					
108	Personal Services & Benefits	00100	1,169,194	1,169,194	-	(1,169,194)
109	Repairs and Alterations	06400	57,500	57,500	-	(57,500)
110	Unclassified	09900	17,000	17,000	-	(17,000)
111	Current Expenses	13000	707,223	707,223	-	(707,223)
112	Buildings	25800	1,000	1,000	-	(1,000)
113	Equipment	07000	1,000	1,000	-	(1,000)
114	Land	73000	1,000	1,000	-	(1,000)
115	Other Assets	69000	10,000	10,000	-	(10,000)
116	Total		1,963,917	1,963,917	-	(1,963,917)
117	Total - Other Funds -WVDE		2,363,917	2,363,917	400,000	(1,963,917)

Ref.		Appro. Code	FY 2016 Appropriation HB2016	FY 2017 Appropriation Request	FY2017 Appropriation SB1013	Difference Between FY2016 & SB1013
	FEDERAL FUNDS:					
	8712 Federal Consolidated					
118	Personal Services & Benefits	00100	7,078,855	7,078,855	7,078,855	-
119	Current Expenses	13000	208,917,820	210,917,820	210,917,820	2,000,000
120	Repairs and Alterations	06400	10,000	10,000	10,000	-
121	Equipment	07000	10,000	10,000	10,000	-
122	Other Assets	69000	10,000	10,000	10,000	-
123	Unclassified	09900	2,000,000	2,000,000	2,000,000	-
124	Federal Economic Stimulus	89100	2,000,000	-	-	(2,000,000)
125	Total - Fund 8712		220,026,675	220,026,675	220,026,675	-
	8713 School Nutrition					
126	Personal Services & Benefits	00100	1,992,648	1,992,648	1,992,648	-
127	Current Expenses	13000	128,101,265	113,101,265	128,101,265	-
128	Repairs and Alterations	06400	20,000	20,000	20,000	-
129	Equipment	07000	100,000	100,000	100,000	-
130	Other Assets	69000	25,000	25,000	25,000	-
131	Unclassified	09900	1,150,500	1,150,500	1,150,500	-
132	Total - Fund 8713		131,389,413	116,389,413	131,389,413	-

Ref.		Appro. Code	Reappropriated	FY 2016 Appropriation HB2016	FY 2017 Appropriation Request	FY2017 Appropriation SB1013	Difference Between FY2016 & SB1013
	8714 CTE Programs						
133	Personal Services & Benefits	00100		1,519,972	1,519,972	1,519,972	-
134	Current Expenses	13000		14,320,081	13,820,081	14,320,081	-
135	Repairs and Alterations	06400		10,000	10,000	10,000	-
136	Equipment	07000		10,000	10,000	10,000	-
137	Other Assets	69000		10,000	10,000	10,000	-
138	Unclassified	09900		155,000	155,000	155,000	-
139	Total - Fund 8714			16,025,053	15,525,053	16,025,053	-
	8715 Special Programs						
140	Personal Services & Benefits	00100		4,044,940	4,044,940	4,044,940	-
141	Current Expenses	13000		107,646,390	107,646,390	107,646,390	-
142	Repairs and Alterations	06400		10,000	10,000	10,000	-
143	Equipment	07000		10,000	10,000	10,000	-
144	Other Assets	69000		10,000	10,000	10,000	-
145	Unclassified	09900		1,000,000	1,000,000	1,000,000	-
146	Total - Fund 8715			112,721,330	112,721,330	112,721,330	-
147	TOTAL - FEDERAL FUNDS - WVDE			480,162,471	464,662,471	480,162,471	-
148	TOTAL APPROPRIATIONS - WVDE			2,410,390,870	2,370,840,654	2,417,789,145	7,398,275

Ref.		Appro. Code	Reappropriated	FY 2016 Appropriation HB2016	FY 2017 Appropriation Request	FY2017 Appropriation SB1013	Difference Between FY2016 & SB1013
	General Fund:						
	0573 Office of Educ Performance Audits						
149	Personal Services & Benefits	00100		903,491	875,000	848,582	(54,909)
150	Unclassified	09900		7,000	7,000	7,000	-
151	Current Expenses	13000		942,099	382,000	294,316	(647,783)
152	Repairs and Alterations	06400		1,000	1,000	1,000	-
153	Equipment	07000		1,000	1,000	1,000	-
154	Other Assets	69000		1,000	1,000	1,000	-
155	Total - OEPA			1,855,590	1,267,000	1,152,898	(702,692)
	0320 Schools for the Deaf & Blind						
156	Personal Services & Benefits	00100		11,551,213	11,519,660	11,606,686	55,473
157	Unclassified	09900		107,329	107,329	107,329	-
158	Current Expenses	13000		1,690,291	1,761,169	1,761,169	70,878
159	Repairs and Alterations	06400		75,000	115,000	115,000	40,000
160	Buildings	25800	R	25,000	25,000	50,000	25,000
161	Equipment	07000		35,000	35,000	35,000	-
162	Other Assets	69000		25,000	25,000	-	(25,000)
163	Capital Outlay and Maintenance	75500	R	62,500	62,500	62,500	-
164	BRIM Premium	91300		68,628	102,750	102,750	34,122
165	Total - WVSDB			13,639,961	13,753,408	13,840,434	200,473
166	TOTAL APPROPRIATIONS			2,425,886,421	2,385,861,062	2,432,782,477	6,896,056

