

FY 2014 BUDGET BOARD TRAINING SESSION APRIL 9, 2013



Barrow County School System

Boldly Committed to Student Success

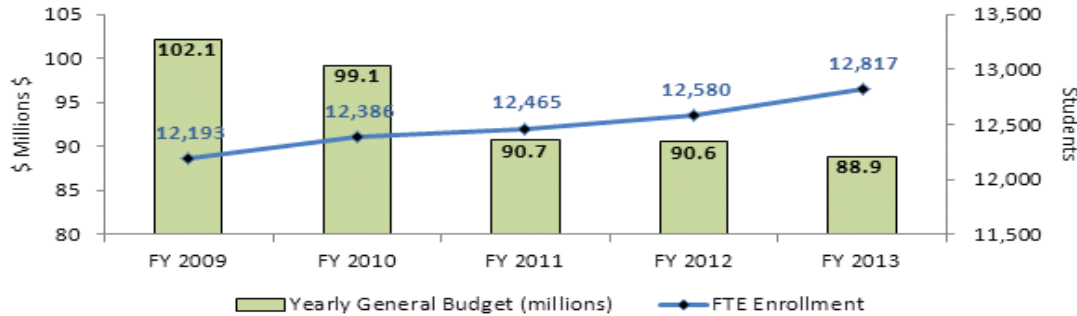
Barrow County Schools 2013 Budget Dashboard and Vital Statistics

Barrow County School System

Boldly Committed to Student Success



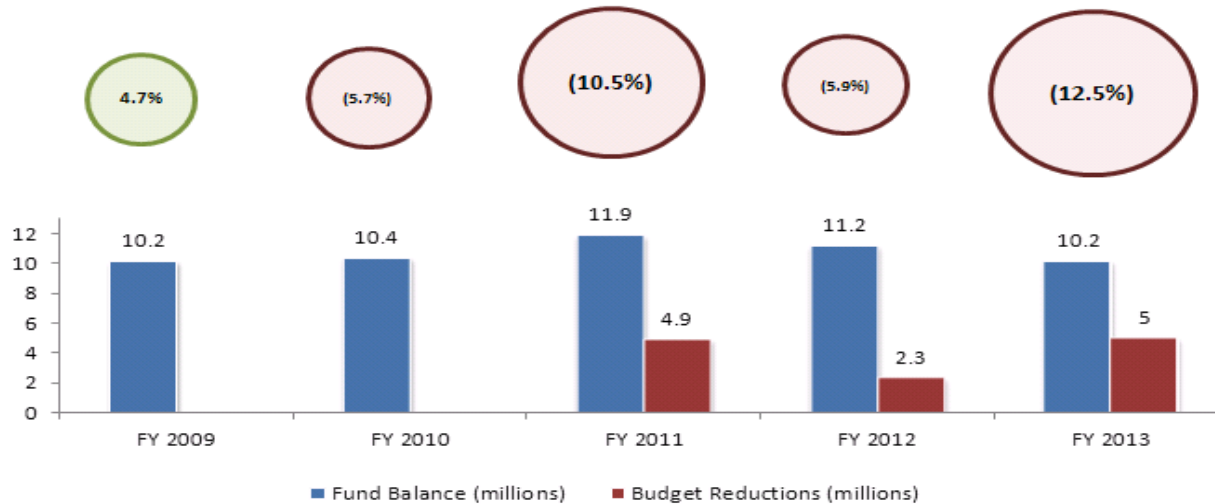
Total Budget and Enrollment Change



Free & Reduced Lunch Population

FY 2009	51.4%
FY 2010	55.6%
FY 2011	60.7%
FY 2012	59.3%
FY 2013	63.2%

Fund Balance (millions) with Yearly Tax Digest Change



Growth in Tax Digest

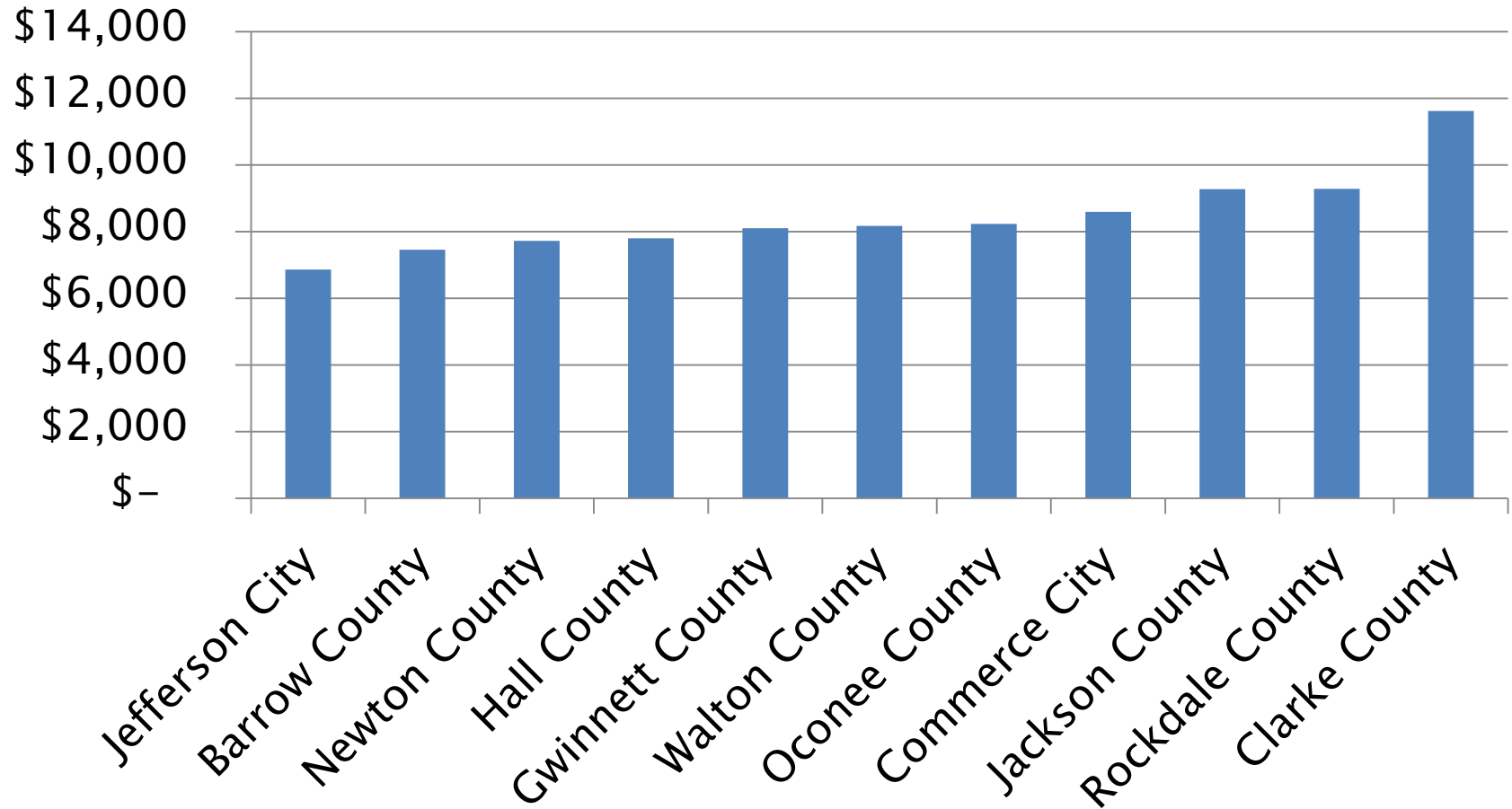
Reduction in Tax Digest

Size of Circle Proportional to Size of Change

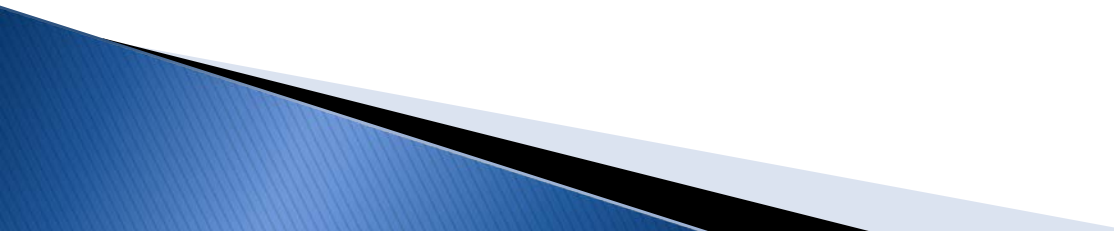
Cost per Student for FY 2012

- ▶ 12,820 FTE Students For FY 2012
- ▶ The FTE does not include 330 Pre-K Students for which we receive separate State Bright from the Start lottery funding
- ▶ \$7,458 Cost per K-12 Student in FY 11-12
- ▶ BCSS Ranked 164th out of 180 School Districts

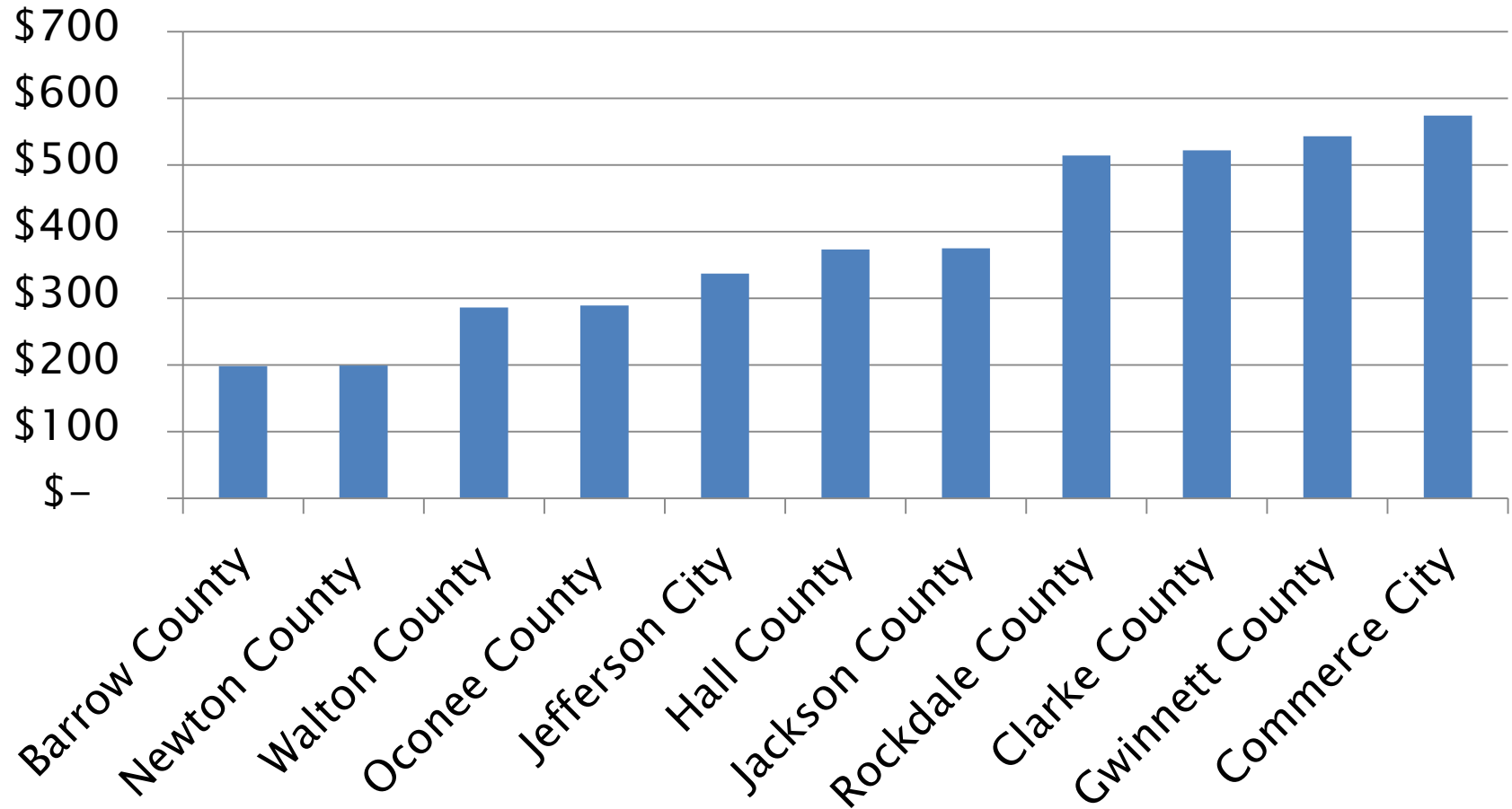
Cost per Student for FY 2012



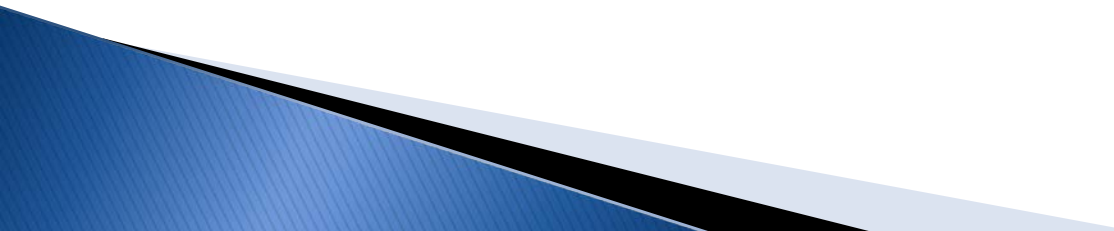
General Administration Expenditures

- ▶ General Admin is comprised of Support Services at the Professional Development Center/Central Office(PDC)
 - ▶ 12,820 FTE Students for FY 2012
 - ▶ General Admin Cost per Student of \$198.34
 - ▶ Ranked 168th out of 180 School Districts
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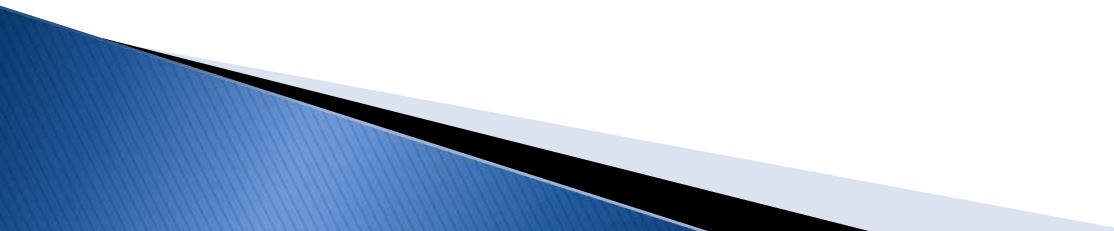
General Admin per Student for FY 2012



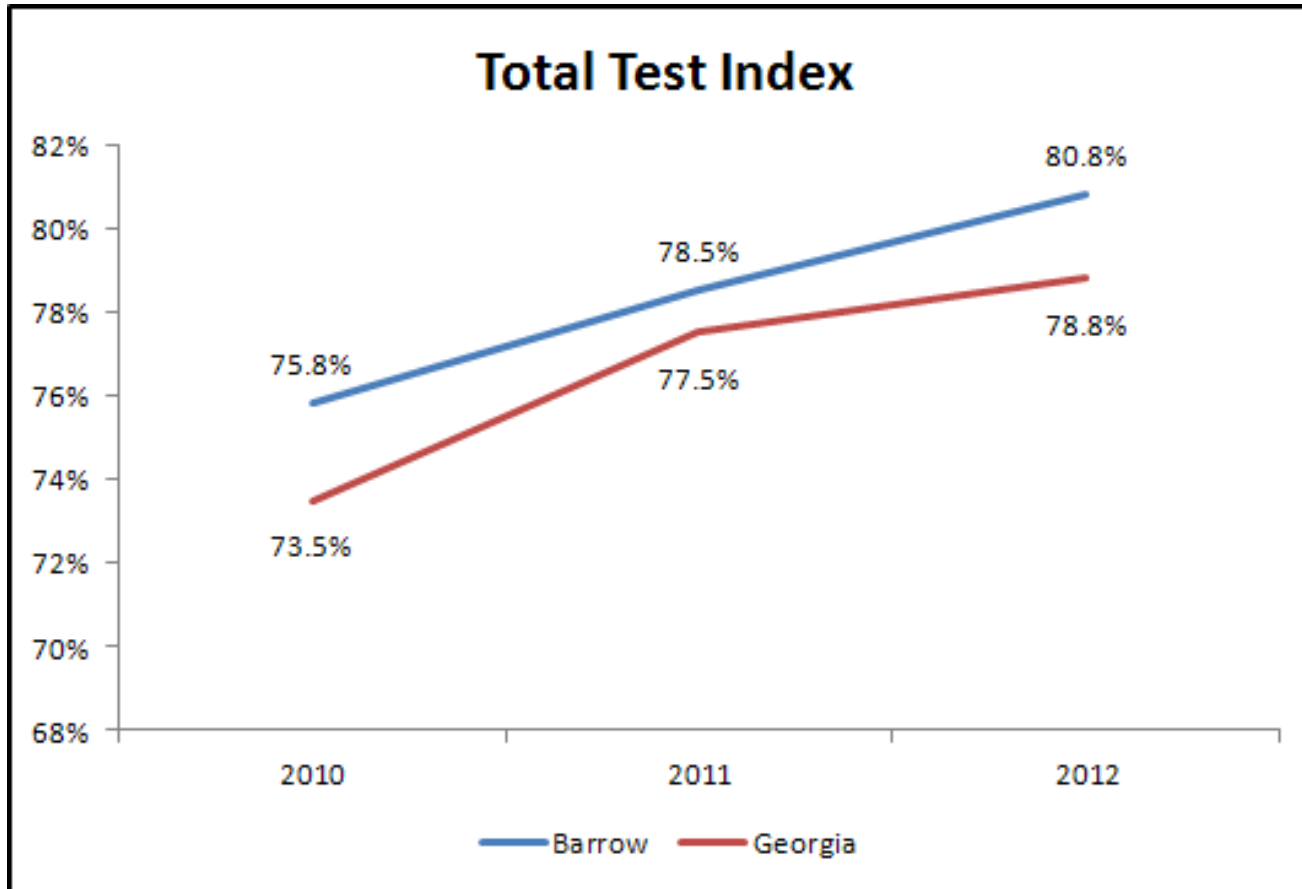
Transportation Expenditures

- ▶ 12,820 FTE Students for FY 2012
 - ▶ Transportation Cost per Student of \$403.58
 - ▶ Ranked 132nd out of 180 School Districts
 - ▶ Revenue received from State of \$1,041,360
 - ▶ FY 2013 Budgeted expenditures of \$5,255,119
- 

Maintenance & Operations Expenditures

- ▶ 12,820 FTE Students for FY 2012
 - ▶ Maintenance & Operations Cost per Student of \$514.96
 - ▶ Ranked 174th out of 180 School Districts
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Pass Rate on All Assessments



Index includes average of all CRCT sections, EOCT sections, and Writing Assessments

FY 2013 Fund Balance

▶ Projected Beginning Fund Balance per Budget	\$ 5,715,510
▶ Property Taxes received above budgeted amount	\$ 816,000
▶ Charter System Funding not budgeted	\$ 1,100,000
▶ Mid Term Adjustment not budgeted	\$ 1,000,000
▶ Salary Accrual Adjustment from DOE	\$ 200,000
▶ Local Funds received above budgeted amount	\$ 300,000
▶ Salaries and Benefits less than budgeted amount	\$ 507,000
▶ Other Operating expenses less than budgeted amount	\$ 1,582,462
▶ Actual Beginning Fund Balance	\$11,220,972

REVENUE ASSUMPTIONS USED FOR FY 2014 BUDGET

- ▶ Projected 10 % decrease in local tax digest or \$2.4 million with total revenue of \$23 million
- ▶ FTE funding growth of \$1.1 million budgeted
- ▶ Equalization increase of \$750 thousand budgeted
- ▶ Charter System funding of \$1.1 million budgeted
- ▶ Mid-Term Adjustment of \$1 million budgeted

EXPENDITURE ASSUMPTIONS USED FOR FY 2014 BUDGET

- ▶ **Certified Health Insurance increase of \$1 million** (The Governors budget for FY 2014 includes \$945 per covered member per month.) We have budgeted \$1,016 per covered member per month (\$12,192 per year) due to an expected mid year increase. The Department of Community Health will meet in May 2013 and hopefully the final amount for FY 2014 will be determined.
- ▶ **Classified Health Insurance increase of \$550 thousand** (Rate is increasing from \$446.20 per covered member per month to \$596.20 per covered member per month or \$7,154 per year.)
- ▶ **Teachers Retirement (TRS) increase of \$720 thousand** (Percentage change from 11.41% to 12.28%.) We continue to pay TRS on total pay without subtracting furlough days whereas other systems have treated the furlough days as a permanent reduction and pay based on net pay.
- ▶ **Annual step increase of \$900 thousand** (Other systems no longer pay the step increase. This is not required.)
- ▶ **Reduction of furlough days by 3 for a total increase of \$933 thousand**
- ▶ **Instructional calendar increase to 170 days for an increase of \$531 thousand**

FY 2014 Budget Forecast

- ▶ Decreased Revenues \$ 552,259
- ▶ Increased Expenditures \$5,459,902

FY 2014 Budget Forecast

▶ Forecasted Revenues	\$87,428,536
▶ Forecasted Expenditures	\$94,505,700
▶ Forecasted Reserves used	\$ 7,077,164
▶ Forecasted Fund Balance FY 14	\$ 3,722,836

Actual Figures are not available at this time in the budgeting process. Therefore the FY14 is a forecast based on predictions formulated from trend data and not verified revenues and expenditures.

The forecasted revenues include charter system funding and the mid term adjustment.

Items to consider

Roll Up Millage to 20 mills– Additional Revenue of \$1.7 million

Starting March 2014– Health Insurance for Substitutes(30 hours or more per week)

Property Taxes

Example of Taxes on a \$100,000 house(School System Taxes only)

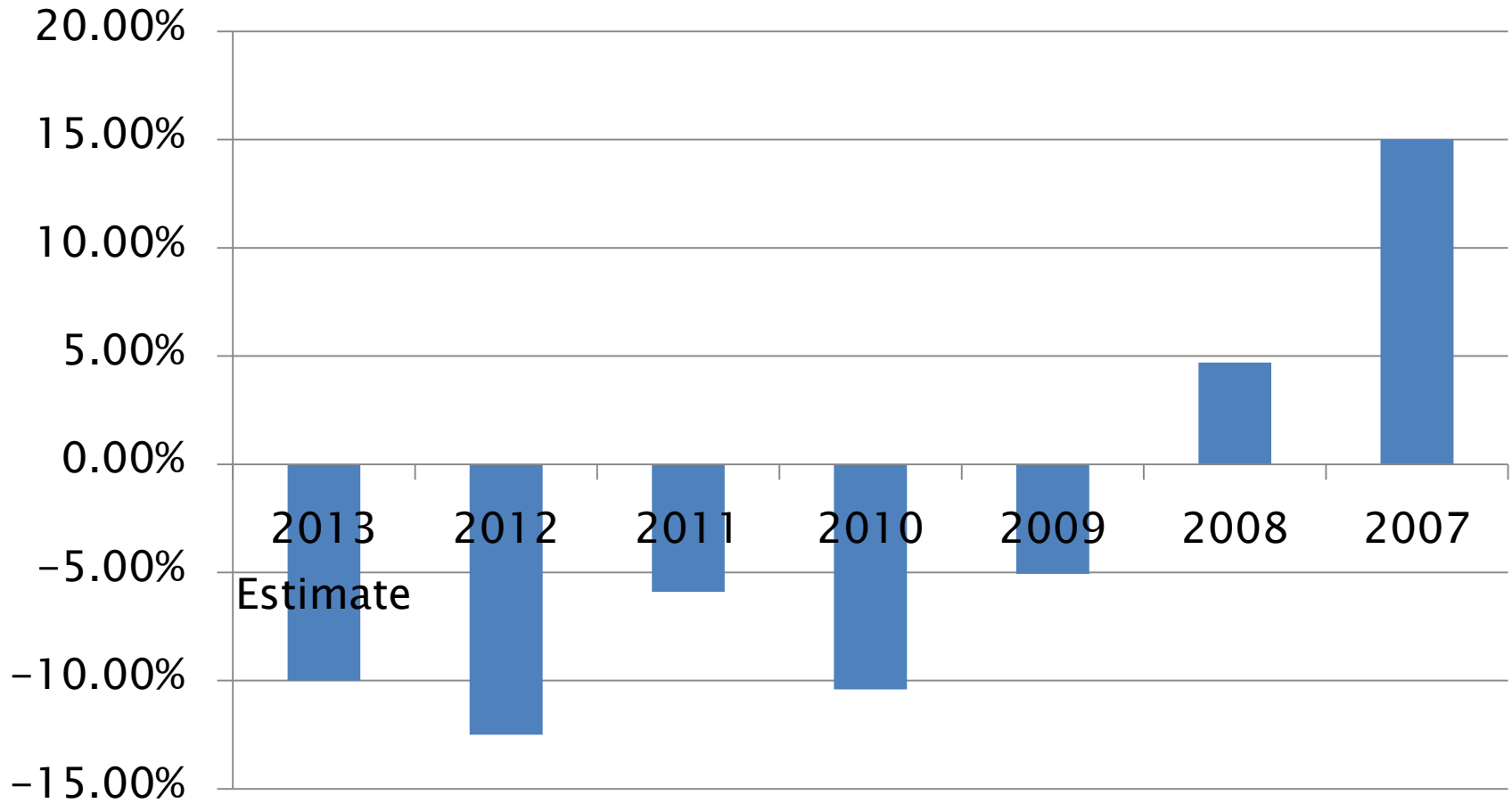
Taxes assessed in 2008(18.5 mills)	\$740.00
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Taxes assessed in 2012(18.5 mills)	\$514.00
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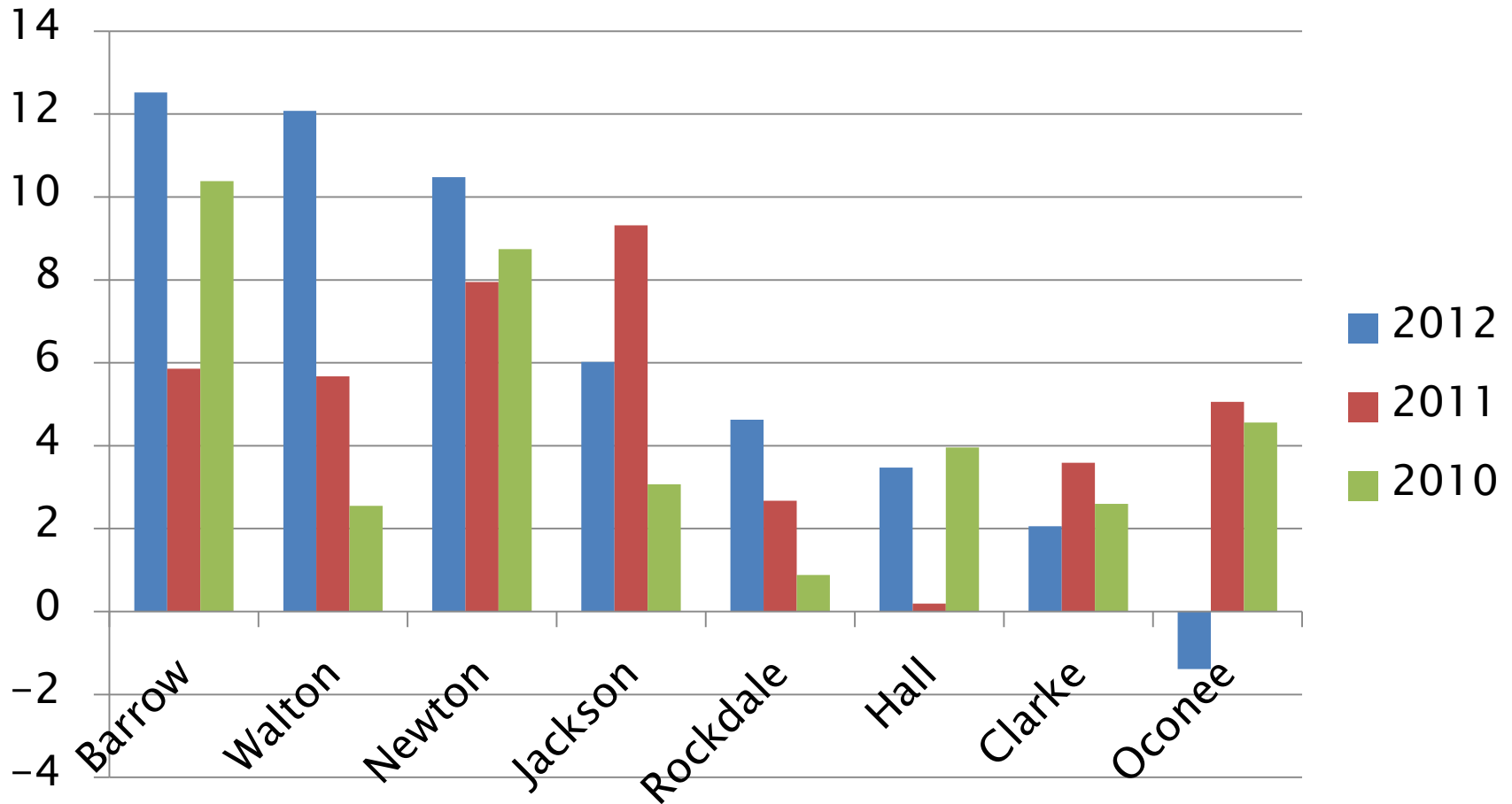
Projected taxes assessed in 2013(18.5 mills)	\$463.00
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Projected taxes assessed in 2013(20 mills)	\$500.00
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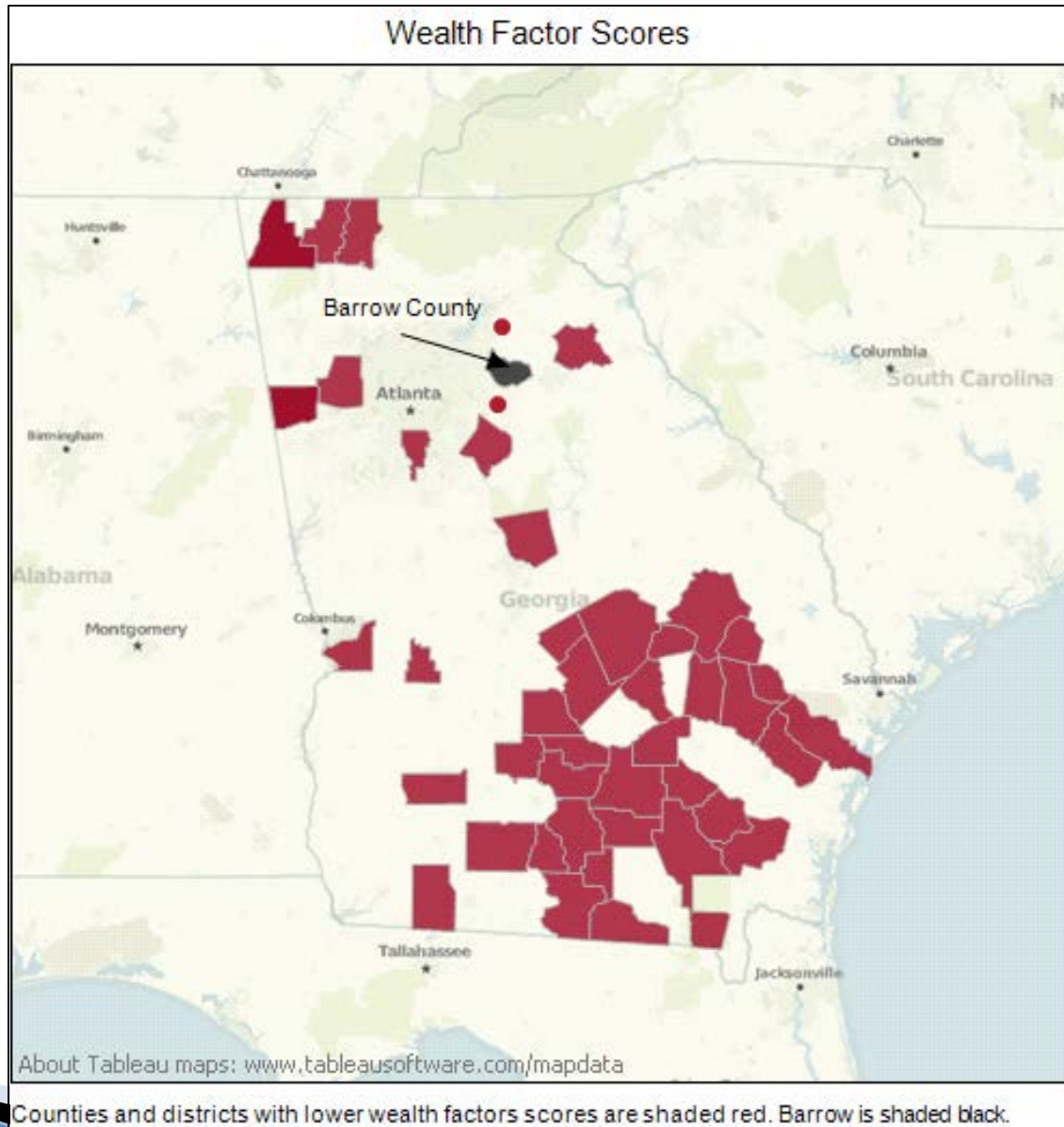
Tax Digest History



Tax Digest Decreases Three Year Trend

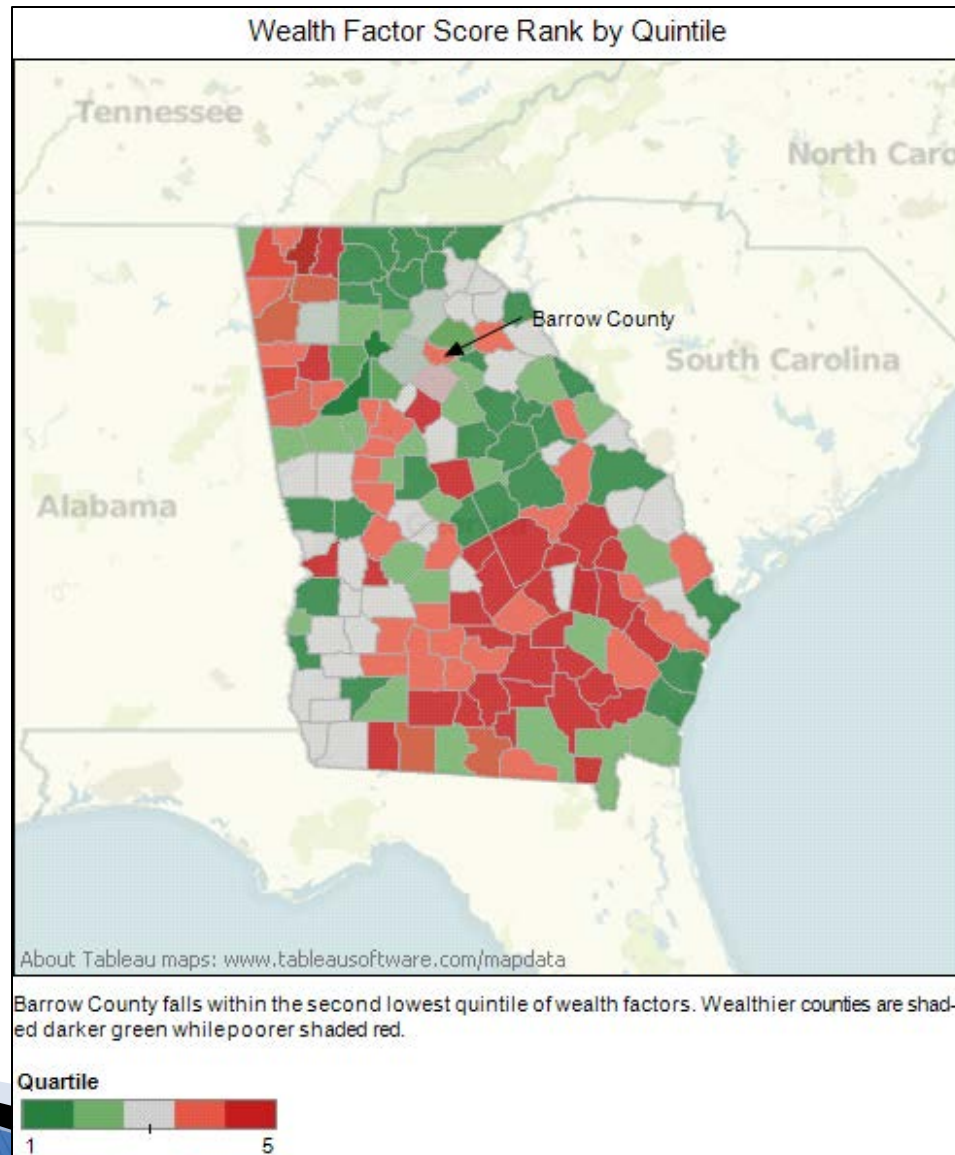


Wealth Factor Scores are derived for each school system by taking a standard percentage (40%) of total taxable property value and dividing the value by the weighted full-time equivalent (FTE) student count



Quintiles break all of the systems down into segments that include 20% of districts in rank order. So the highest 20% in rank order would be the first quintile, the next 20% would be the second quintile and so on.

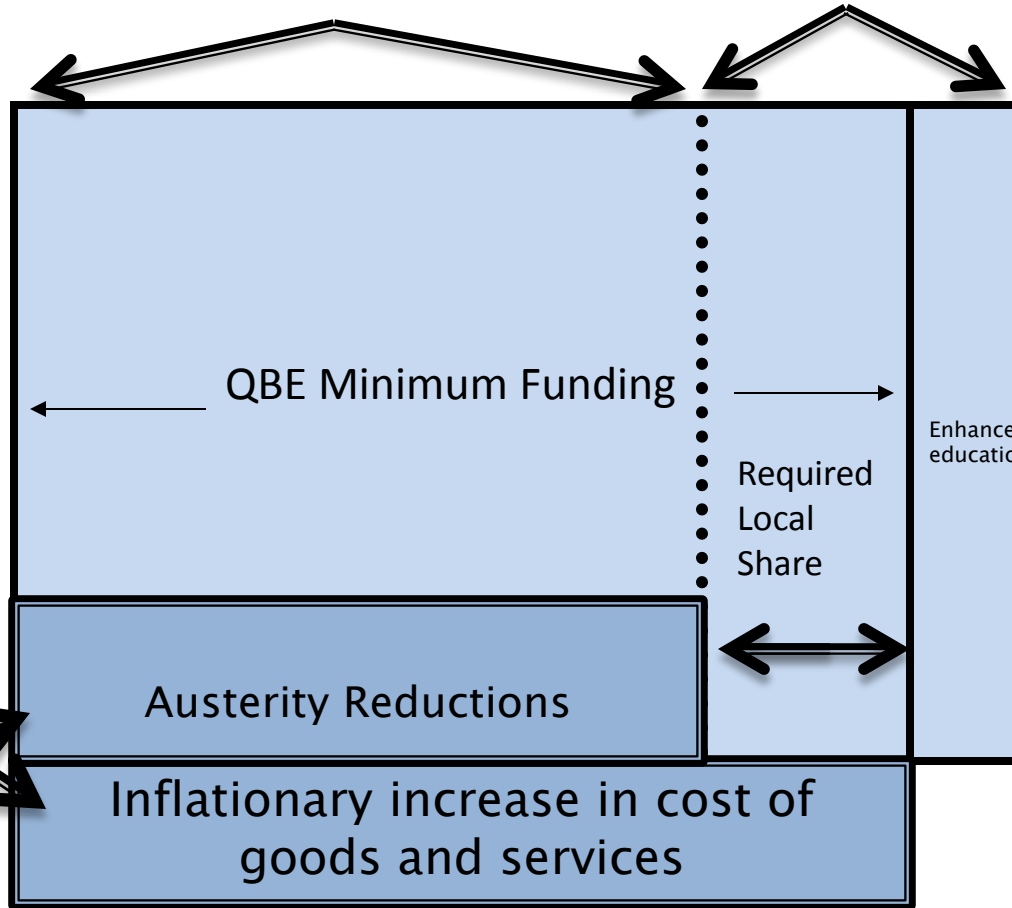
Barrow falls in the fourth quintile while most of our neighboring counties are in the first two.



Funding Public Education in Georgia

State's responsibility

Local's responsibility



**9.14 mills
In Barrow
County**

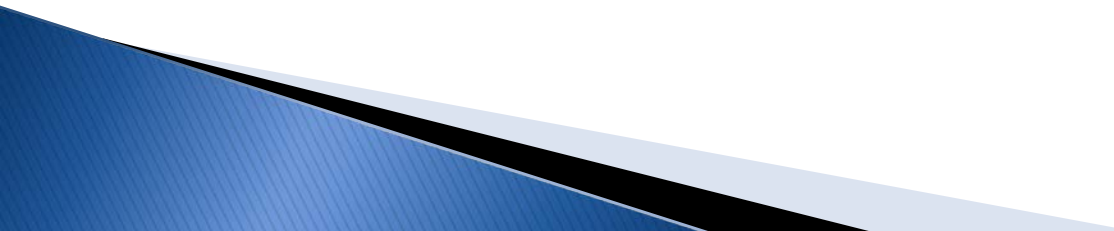
Impact of Inflation and Austerity Cuts on Barrow County Funding

	FY02 Funding	FY13 Funding	Inflation Adjusted FY13	System's Added Liability
FTE	8,612	12,817		
Operations Funding	\$3,748,000	\$5,480,449	\$7,211,295	\$1,730,846
Per FTE	\$435	\$428	\$563	
Transp. Funding	\$1,214,050	\$1,041,360	\$2,335,879	\$1,294,519
Per FTE	\$141	\$81	\$182	
Nursing. Funding	\$179,357	\$217,014	\$345,090	\$128,076
Per FTE	\$21	\$17	\$27	
Austerity	\$0	-\$9,253,540	\$0	\$9,253,540

Increased FY13 funding if above adjustments were made	\$12,406,981
Value of 1 mill in Calendar Year 2012	\$1,357,736
Mills effectively transferred from state to local taxpayers	9.14mills

Mills Used for Basic Education

Austerity reductions	6.8 mills
Local Fair Share	5.0 mills
FICA Portion of Social Security	2.4 mills
Inflation adjusted funding formula	2.3 mills
Total mills used	16.5 mills
Total remaining mills for enhanced	2.0 mills



Enhanced Education

- ▶ Transportation(Not fully funded by QBE formula)
- ▶ Technology
- ▶ School Resource Officers
- ▶ JROTC(Not fully funded by Army)- \$210,000
- ▶ Pre-K Program(Not fully funded by Bright from the Start)-\$125,000
- ▶ Kindergarten Parapros(Not fully funded by QBE formula)
- ▶ Art-Music-PE(Not fully funded by QBE formula)

Pre-K Program

- ▶ 330 Students
 - ▶ Over 500 applied this year
 - ▶ Funding from Bright from the Start for additional class– Funding would be sufficient to cover costs
 - ▶ Bright from the Start has not kept up with rising health insurance costs– Funding that was covering administrative costs is now being used to cover increasing health insurance costs
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