FY 2013 BUDGET RECAP

Barrow County School System
Boldly Committed to Student Success
SIGNIFICANT BUDGET CHALLENGES

- STATE FUNDING – AUSTERITY REDUCTIONS
- LOCAL TAX DIGEST
- UNFUNDED MANDATES
  (a) CLASSIFIED HEALTH INSURANCE ($150 per month per covered employee increase)
  (b) TEACHERS RETIREMENT SYSTEM (increase to 11.41% from 10.28%)

Austerity Reductions is defined as the amount deducted per fiscal year from the amount allocated to the school system per the education funding formula. In FY 2013, BCSS should have received $68 million from State funding. Instead due to a reduction of $9 million only $59 million will be received.
Funding Public Education in Georgia

State’s responsibility

Local’s responsibility

QBE Minimum Funding

Required 5-mill Local Fair Share

Enhanced education
## Impact of Inflation and Austerity Cuts on Barrow County Funding

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

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: 9.14 mills
Funding Public Education in Georgia

State’s responsibility

QBE Minimum Funding

Required Local Share

Enhanced education

Local’s responsibility

Austerity Reductions

Inflationary increase in cost of goods and services

9.14 mills in Barrow County
Tax Digest History

- 2012: -15.00%
- 2011: -10.00%
- 2010: -5.00%
- 2009: 0.00%
- 2008: 5.00%
- 2007: 15.00%
Tax Digest Decreases
Three Year Trend

Barrow  Walton  Newton  Jackson  Rockdale  Hall  Clarke  Oconee

2012  2011  2010
Fiscal Year 2012 FTE
Value of a Mill

<table>
<thead>
<tr>
<th>County</th>
<th>2012 FTE</th>
<th>Value of a Mill (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Floyd</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liberty</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lowndes</td>
<td></td>
<td></td>
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<tr>
<td>Catoosa</td>
<td></td>
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<tr>
<td>Effingham</td>
<td></td>
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<tr>
<td>Clarke</td>
<td></td>
<td></td>
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<tr>
<td>Troup</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glynn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barrow</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Walton</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Tax Digest Decreases Combined for Last Three Years

Barrow: Combined Decrease
Walton: Combined Decrease
Newton: Combined Decrease
Jackson: Combined Decrease
Rockdale: Combined Decrease
Hall: Combined Decrease
Clarke: Combined Decrease
Oconee: Combined Decrease
Tax Millage Analysis

![Graph showing the millage rate and value of a mill for FY2013 to FY2006.](image)

- **Millage Rate**
- **Value of a Mill (in millions)**
REVENUE ASSUMPTIONS USED FOR FY 2013 BUDGET

- 16% Decrease in local tax digest or $4 million
- State Austerity reduction ( $9.2 million)
- No Mid-Term Adjustment was budgeted
- No Charter System funding was budgeted
FY 2013 Budget Differences

- Tax Digest– Projected 16% Decrease. Actual was only 12.5%. Additional Revenues of $950,000 generated.
- Charter System Funding– No amount was budgeted but $1,106,079 was received.
- Mid Term Adjustment– No amount was budgeted but it is estimated that $1.3 million will be received.
OPERATING REVENUE/EXPENSE
FY 2013 BUDGET

- Revenue: $84,916,595
- Expenditures: $88,971,796
- Reserves Used: $4,055,201
- Projected Reserves Remaining: $5,209,043
- Increase to Reserves from Estimated Budget Differences: $4,946,925
- Projected Beginning Reserves FY 2014: $10,155,968
Where The Money Comes From FY 2013

- **Local Sources**
  Includes Property Taxes, Car Ad Valorem Taxes, Real Estate Transfers, Alcohol Beverage Taxes, Interest Earnings, and Miscellaneous Fees
  - $25,688,562 30%

- **State Sources**
  Quality Basic Education Funding (QBE) & Miscellaneous State Grants
  - $59,228,033 70%

  $84,916,595
Estimated Expenditure Reductions FY 2013

- 6 Furlough Days: $1,772,120
- Reassignment of Personnel: $300,288
- Reduced System Contribution for Health Insurance: $512,529
- Attrition of Teachers: $1,057,153
- Reduction in Extended Year Contracts: $33,816
- Reduction in Force 49% Positions: $222,327
- Pay Grade and Supplement Adjustments: $135,402
- Contracted Services–Custodial Services: $460,561
- From 180 to 160 Day Instructional Calendar: $440,752
- Change Subdivision Pickup Points: $44,032
- Adjust school sites for Students with Disabilities: $13,024
- Limited Field Trips (MS/HS pay 25%): $12,893
- Review Phone and Internet Accessibility: $4,000

Total: $5,008,907
# How The Money is Spent FY 2013

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructional Salaries and Benefits</td>
<td>$66,187,066</td>
<td>74.39%</td>
</tr>
<tr>
<td>Admin Salaries and Benefits</td>
<td>$  6,082,013</td>
<td>6.84%</td>
</tr>
<tr>
<td>Classified Salary and Benefits</td>
<td>$ 6,340,280</td>
<td>7.13%</td>
</tr>
<tr>
<td>Instructional Operations</td>
<td>$ 2,321,271</td>
<td>2.61%</td>
</tr>
<tr>
<td>Admin Operations</td>
<td>$  416,376</td>
<td>0.47%</td>
</tr>
<tr>
<td>Maintenance and Operations</td>
<td>$ 7,624,790</td>
<td>8.56%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$88,971,796</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

**Instructional Salaries**— Teachers, Paraprofessionals, Technology Specialists, Counselors, Nurses, Psychologists, Social Workers, Media Specialists

**Admin Salaries**— Superintendent, Executive Directors of Teaching and Learning, Principals, Assistant Principals, Clerical

**Classified Salaries**— Business Services, Maintenance, Transportation, Human Resources
How the Money is Spent FY 2013

- 74%: Instructional Salaries and Benefits
- 9%: Instructional Operations
- 7%: Admin Salaries and Benefits
- 7%: Admin Operations
- 3%: Classified Salaries and Benefits
- 0%: Maintenance and Operations
# Expenditure Breakdown

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>57,714,910</td>
<td>64.87%</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>10,093,095</td>
<td>11.34%</td>
</tr>
<tr>
<td>FICA(7.65%)</td>
<td>4,117,833</td>
<td>4.62%</td>
</tr>
<tr>
<td>Teachers Retirement</td>
<td>6,219,524</td>
<td>6.99%</td>
</tr>
<tr>
<td>Other Benefits</td>
<td>43,997</td>
<td>.06%</td>
</tr>
<tr>
<td>Workers Compensation</td>
<td>420,000</td>
<td>.47%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>78,609,359</strong></td>
<td><strong>88.35%</strong></td>
</tr>
<tr>
<td>Other Expenditures</td>
<td>10,362,437</td>
<td>11.65%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>88,971,796</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>
12,820 FTE Students For FY 2012

The FTE does not include 380 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
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
General Admin per Student for FY 2012

Barrow County
Newton County
Walton County
Oconee County
Hall County
Jackson County
Rocdale County
Clarke County
Gwinnett County
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
Index includes average of all CRCT sections, EOCT sections, and Writing Assessments
**FY 2014 Budget Forecast**

- **Forecasted Revenues**
  (a) Tax Digest Decrease of 10%
  $87,436,657

- **Forecasted Expenditures**
  (a) Reduction of furlough days to 3 ($932,709)
  (b) Instructional calendar increase to 170
    ($530,555)
  (c) Annual step increase ($900,000)
  (d) Increase in Certified Health Insurance ($1,000,000)
  (e) Increase in Classified Health Insurance ($550,000)
  (f) Increase in Teachers Retirement Contribution ($720,000)
  $94,221,563

- **Forecasted Reserves Used**
  $6,784,906

- **Forecasted Fund Balance FY 14**
  $3,371,062

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.
COMMUNITY MEETING APALACHEE CLUSTER MARCH 28, 2013
AHS Cafeteria 6:30 P.M. to 7:30 P.M.

COMMUNITY MEETING WINDER BARROW CLUSTER APRIL 1, 2013
WBHS Cafeteria 6:30 P.M to 7:30 P.M.

BOARD BUDGET FINANCIAL PLANNING SESSION APRIL 9, 2013
PDC Board Room 6:00 P.M.

BOARD BUDGET FINANCIAL PLANNING SESSION APRIL 23, 2013
PDC Board Room 6:00 P.M.

TOWN HALL MEETING WINDER BARROW CLUSTER MAY 20, 2013
WBHS Cafeteria 6:30 P.M. to 7:30 P.M.

TOWN HALL MEETING APALACHEE CLUSTER MEETING MAY 23, 2013
AHS Cafeteria 6:30 P.M. to 7:30 P.M.
Estimated Expenditure Reductions
FY 2012

- 6 Furlough Days $1,928,561
- Attrition of Teachers $250,200
- Operational Costs of Facilities $24,000
- Transportation Fuel Costs $12,471
- Reduce Middle School Athletics $9,436
- Eliminate Middle School Golf $4,966
- Eliminate Middle School Tennis $2,465
- Freeze Local and Coaches Supplements $83,844

$2,315,943
Estimated Expenditure Reductions FY 2011

- 6 Furlough Days: $1,331,443
- Reassignment of Personnel: $1,500,695
- Reduced System Contribution for Health Insurance: $418,889
- Attrition of Teachers: $225,180
- Closed the Early Learning Center: $749,695
- Reduction 15 Clerical Positions: $337,500
- Reduction of Professional Learning: $179,908
- Eliminate personal items from classrooms: $74,538
- Common summer closing to save on energy: $40,000
- Eliminate mailing of paychecks in summer: $1,800

Total: $4,859,648
Questions

- We are preparing a Frequently Asked Question on the FY 2014 Budget
- Questions can be submitted to budget2014@barrow.k12.ga.us