



# **Board of Education Budget Workshop**

**January 19, 2012**



**GREENE COUNTY SCHOOL SYSTEM**

# Budget Preview

## Greene County School District

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January 19, 2012

*Work in Progress*



# Budget Overview



# Framework for Budget Development

- Keep strong academic focus coupled with data driven decision making
- Align resources to support Strategic Plan
- Recognize and plan for the impact of the economic environment and employ sound fiscal management – respond to signals from state and local sources that funding may be limited
- Acknowledge uncertainty regarding expected funding levels from all sources; use the best information available to prepare budget



# Framework for Budget Development – cont'd

- Identify savings opportunities through efficiencies and effective operations
- Request funding from Board of Education for sustaining operations, growth and new initiatives, if necessary.
- Establish flexibility in the budget to allow for various reduction levels.

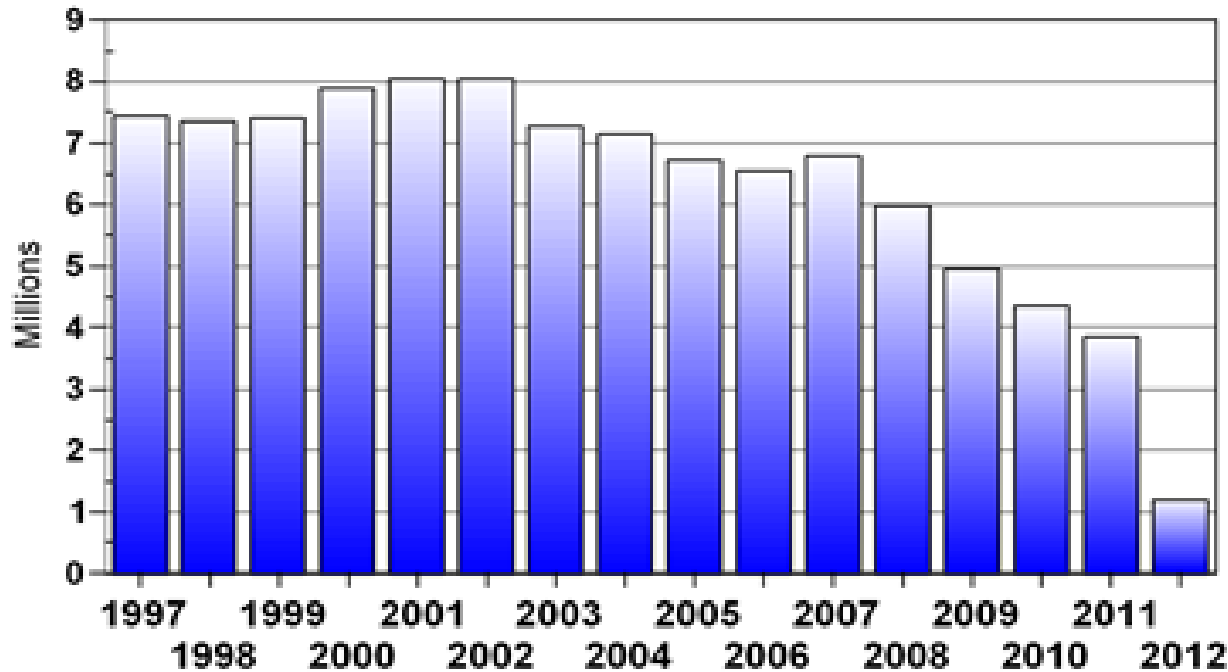


# TRENDS



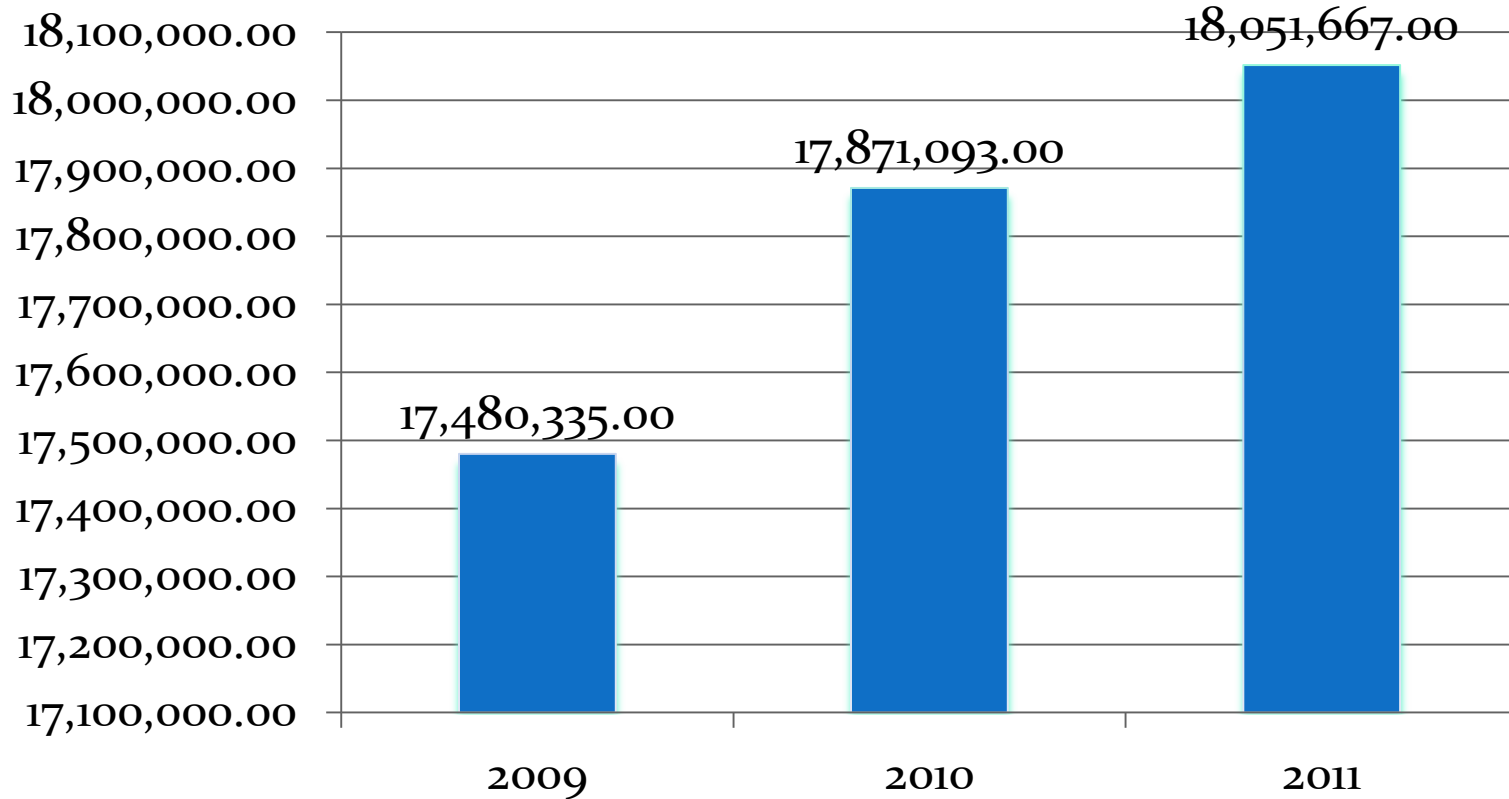
# State Funding

## Change in Net QBE Earnings



# Local Funding

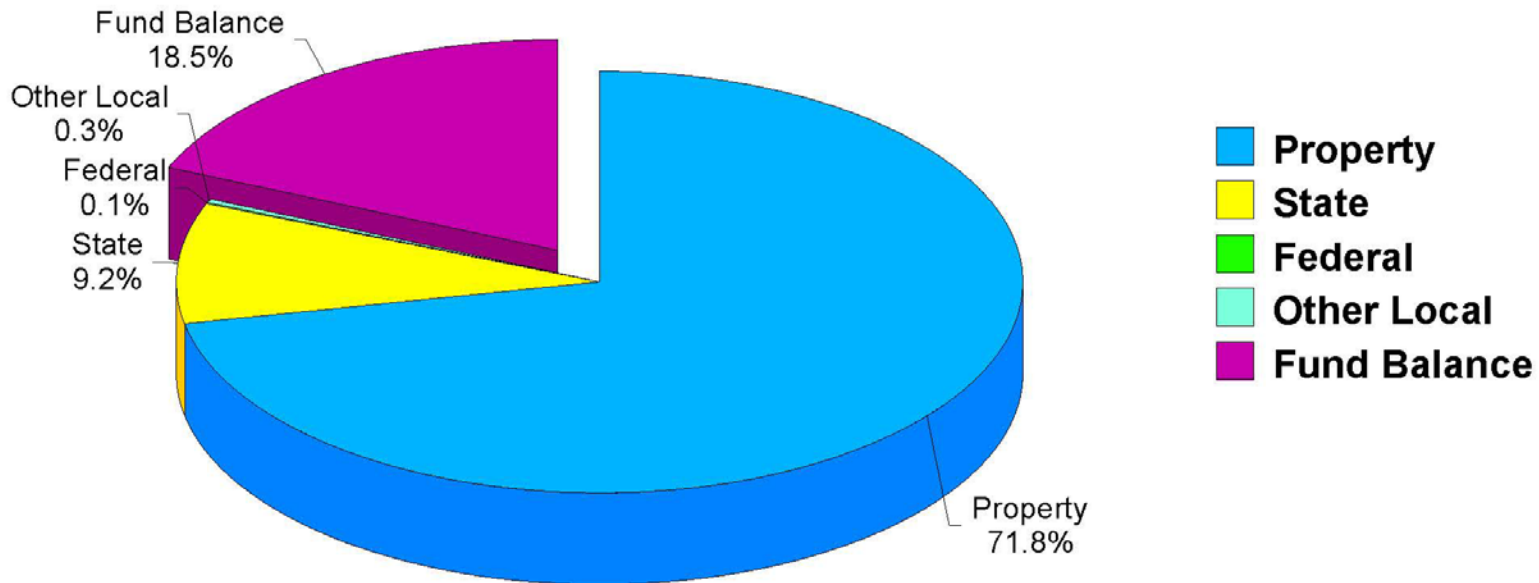
Local Funding



# 2011-2012 Adopted Budget Sources

## \$24,005,180

Pie 1



# **HISTORICAL BUDGET REDUCTIONS**



<b>2012 Reductions</b>		
<b>UPE</b>		
AP	\$121,293.45	
Teacher	\$69,148.01	
Teacher	\$56,540.31	
Counselor	\$62,587.22	
TECHNOLOGY	\$27,848.50	
		\$ 337,417.49
<b>GES</b>		
Teacher	\$56,540.31	
Teacher	\$58,387.71	
TECHNOLOGY	\$27,848.50	
Teacher	<b>\$82,449.14</b>	
		\$ 225,225.66



<b>2012 Reductions – cont'd</b>		
<b>CMS</b>		
ELA	\$87,927.02	
Teacher	\$49,173.72	
Teacher	\$49,173.72	
Teacher	\$69,148.01	
Counselor reduction	\$18,936.93	
		\$ 274,359.40
<b>GCHS</b>		
GCHS	\$82,449.14	
Voc dir change	\$12,392.75	
		\$ 94,841.89
<b>Prek</b>		
Teacher	\$36,130.68	
		\$ 36,130.68
<b>Central</b>		
M&O Director	\$41,396.63	
		\$ 41,396.63



<b>2012 Total Reductions</b>		
Salaries and Benefits		\$ 1,009,371.75
7% operations reductions in all areas		\$ 154,000.00
<b>Total Reductions</b>		<b>\$ 1,163,371.75</b>



# Staff Reductions

School Year	# of Personnel	
2008-09	30	
2009-2010	23	
2010-2011	17	
2011-2012	16	
	86	

\*2006-07, there were total of 388 staff members  
2011-2012, there are a total of 299 staff members



# 2012-2013 Budget Outlook



# General Fund Budget Comparison - Revenues

	2012	2013	Difference
<u>Estimated Revenues</u>			
Property Taxes	\$ 16,680,840.21	\$ 16,680,840.21	\$ 0.00
State Revenues	2,399,259.33	2,399,259.33	0.00
Federal Revenues	34,000.00	34,000.00	0.00
Other Local	<u>68,000.00</u>	<u>68,000.00</u>	<u>0.00</u>
Total Estimated Revenues	\$ <u>19,182,099.54</u>	\$ <u>19,182,099.54</u>	\$ <u>0.00</u>



***Work in Progress***

# General Fund - Budget Comparison- Expenditures

<u>Expenditures</u>	<u>2012</u>	<u>2013</u>	<u>Difference</u>
Instruction	\$ 11,195,662.09	\$ 11,478,631.85	\$ 282,969.76
Pupil Services	871,217.48	880,874.76	9,657.28
Improvement of Instruct Services	529,383.57	538,702.35	9,318.78
Ed Media	479,133.93	489,185.05	10,051.12
Gen Admin	796,299.51	799,798.33	3,498.82
School Admin	1,242,473.13	1,261,023.26	18,550.13
Business Admin	613,379.28	617,003.97	3,624.69 (4)
Maintenance & Operations	2,274,821.83	2,282,565.88	7,744.05
Student Transportation	1,233,844.59	1,241,986.67	8,142.08
Central Support	57,745.35	59,356.99	1,611.64
Other Support	435,673.41	435,673.41	0.00
Other Uses	<u>4,275,546.44</u>	<u>4,299,504.39</u>	<u>23,957.95</u> (5)
<b>Total Estimated Expenditures</b>	<b>\$ <u>24,005,180.61</u></b>	<b>\$ <u>24,384,306.91</u></b>	<b>\$ <u>379,126.29</u></b>

1. *No changes to staff numbers*
2. *Teacher Retirement Increases*
3. *Step increases/Health insurance increases*
4. *Indirect Cost not charged to Federal Pgms*
5. *Includes LOA per pupil/Library/4H, does not include enrollment increase*

**Work in Progress**

# General Fund - Budget Comparison – Excess Revenues over Expense and Change in Fund Balance

		2012		2013 projections		
Excess Revenue Over/Under Exp	\$	-4,823,081.08	\$	-5,202,207.37	\$	-379,126.29
Fund Balance July 1		<u>8,000,000.00</u>		<u>3,176,918.92</u>		<u>0.00</u>
Fund Balance June 30	\$	<u>3,176,918.92</u>	\$	<u>-2025288.45</u>	\$	<u>-379,126.29</u>



***Work in Progress***



# Special Revenue Fund-Budget Comparison

	2012	2013	Difference
<u>Estimated Revenues</u>			
State Revenues	\$ 505,570.00	\$ 505,570.00	\$ 0.00
Federal Revenues	5,492,161.30	5,515,951.31	23,790.01
Other Local	<u>49,700.00</u>	<u>49,700.00</u>	<u>0.00</u>
Total Estimated Revenues	\$ <u>6,047,431.30</u>	\$ <u>6,071,221.31</u>	\$ <u>23,790.01</u>
<u>Expenditures</u>			
Instruction	\$ 3,226,042.07	\$ 3,299,018.44	\$ 72,976.37
Pupil Services	288,516.00	288,516.00	0.00
Improvement of Inst	986,314.72	993,806.30	7,491.58
Gen Admin	352,568.76	356,936.21	4,367.45
Maintenance & Oper	24,019.46	24,428.53	409.07
Student Transportation	123,858.82	124,575.16	716.34
Other Support Services	30,000.00	30,000.00	0.00
School Nutrition	<u>1,157,266.07</u>	<u>1,169,208.96</u>	<u>11,942.89</u>
Total Estimated Expenditures	\$ <u>6,188,585.89</u>	\$ <u>6,286,489.60</u>	\$ <u>97,903.71</u>
Excess Revenue Over/Under Exp	\$ -141,154.60	\$ -215,268.29	\$ 57,724.93
Fund Balance July 1	<u>354,054.00</u>	<u>354,054.00</u>	<u>0.00</u>
Fund Balance June 30	\$ <u>212,899.40</u>	\$ <u>138,785.71</u>	\$ <u>-74,113.69</u>

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# Capital Projects-Budget Comparison

	2012	2013	Difference
<u>Estimated Revenues</u>			
Elost Revenues	\$ 838,562.50	\$ 0.00	\$ 0.00
Other Local	<u>13,000.00</u>	<u>0.00</u>	<u>0.00</u>
Total Estimated Revenues	\$ <u>851,562.50</u>	\$ <u>0.00</u>	\$ <u>0.00</u>
<u>Expenditures</u>			
Facilities Acquisition & Construction	\$ <u>5,852,789.50</u>	\$ <u>0.00</u>	\$ <u>0.00</u>
Excess Revenue Over/Under Exp	\$ 5,001,227.00	\$ 0.00	\$ 0.00
Fund Balance July 1	<u>5,001,227.00</u>	<u>0.00</u>	<u>0.00</u>
Fund Balance June 30	\$ <u>0.00</u>	\$ <u>0.00</u>	\$ <u>0.00</u>

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# Debt Service-Budget Comparison

	2012	2013	Difference
<u>Estimated Revenues</u>			
Elost Revenues	\$ 2,047,087.50	\$ 0.00	\$ -2,047,087.50
Transfers from General Fund	<u>1,347,735.00</u>	<u>1,348,235.00</u>	<u>500.00</u>
Total Estimated Revenues	\$ <u>3,394,822.50</u>	\$ <u>1,348,235.00</u>	\$
<u>Expenditures</u>			
Debt Service	\$ <u>3,394,822.50</u>	\$ <u>1,348,235.00</u>	\$ <u>-2,046,587.50</u>
Excess Revenue Over/Under Exp	\$ 0.00	\$ 0.00	\$ 0.00
Fund Balance July 1	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Fund Balance June 30	\$ <u>0.00</u>	\$ <u>0.00</u>	\$ <u>0.00</u>

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# LOA Comparison (projections)

<u>Student Cost</u>	2012	2013	Increase in Funding
	\$2,659,762.50	\$3,355,742.40	\$695,979.90
	Based on 260 students	Based on 310 students (unconfirmed)	
	This does not include bond payments		

***Work in Progress***



# State & Local Budget Outlook



# Our QBE Funding has been reduced to \$1.2 M for FY 2012

- As we begin the 2013 budgeting process we anticipate a loss of \$1 Million from State QBE Funds. Our projections have been sent to DOE, but no response/confirmation has been received
- The local fair share (LFS) has been frozen for the past two years and FY 2013 is the year that the freeze is to be lifted which will allow the LFS to increase. This addresses the value of the mill in Greene County and its affect on our funding.
- This process runs approximately two years behind; similar to FTE funding. Should the value increase by \$200,000.00 per mill, we would lose an additional \$1,000,000.00 through the Local Fair Share Reduction. Example: 5 mills X \$200,000.00= \$1,000,000.00. This much more would be reduced from the Allotment page.
- Allotment pages may be available by February



- The austerity reduction is currently \$ 726,263 and should remain the same.
- Property values have decreased as will the value of a mill. *This is not to be confused with the State's Local Fair Share.* Paragraph 2 addressed this. With property values declining so should the value of the mill that is used to generate the property taxes. Example: 10 mills valued at \$1,500,000.00 per mill will generate \$15,000,000.00, but 10 mills valued at \$1,300,000.00 per mill will generate \$13,000,000.00. A loss of \$2,000,000.00.
- Decrease in Federal Funding due to Feds making reductions. The Federal Government continues to reduce not only the funding for existing programs, but it is anticipated that they will continue eliminate some programs altogether.
- Loss of Elost Funding.



# Projected Changes in Expenditures

- Rate increase in Employer's cost for Teachers Retirement. The rate is being raised from 10.28% to 11.41% increasing the budget by \$123,695. This is based on FY 2012's budget.
- Rate increase in Employer's cost of State Merit Insurance. This amount will be projected. Last year the increase came midyear and the increase in cost was approximately \$93,702.96
- Increase in grade level at LOA. We are awaiting enrollment numbers.
- Due to loss of ELOST funds
  - Textbook expenditures to be moved back to General Fund
  - Software/License renewals to be moved back to General Fund
  - Drivers Ed car, classroom equipment, buses, district's portion of erate, HVAC units, compressors, computer equipment (units that cannot be repaired).



## D. What else can we do? (FY2012)

### Reduce the number of days to be worked

		<u>Certified</u>	<u>Classified</u>
a)	1 day equals	\$ 80,906	\$ 66,296 + \$ 14,610
b)	5 days equals	\$404,529	\$331,481 + \$ 73,048
c)	10 days equals	\$809,058	\$662,962 + \$146,096

- Currently 3 days are built into all current teacher contracts for furlough purposes – this realizes \$242,717
- Reducing days will save us on
  - a) Social security
  - b) Teacher retirement
  - c) Workers compensation



# Budget Assumptions

- **Revenue:**
  - The revenue budget will be prepared using conservative projections.
  - The State QBE mid-year adjustment will not be included in the initial budget
  - Reductions will be made consistent with the reductions from the state.
  - We will explore all potential grants that support mission and goals of the Board and the District.



# Budget Assumptions

- **Expenditure:**
  - Support core (basic) academic programs and Georgia High School graduation requirements
  - Provide instructional and student support service resources necessary to improve student achievement
  - Recruit, train and maintain a highly qualified and effective work force
  - Ensure a safe and orderly learning environment
  - Provide clean and well-maintained facilities



# Brainstorming

—

*The following ideas were part of brainstorming by staff*



# Brainstorming

- Combine Schools - Combine GES and UPE
- Eliminate 4-H funding support (\$43K)
- Reduce the number of SROs
- Library –
  - Cut out \$5,000
  - Reduce amount given to library
  - Eliminate all public library money
  - Reduce library funding by \$10,000



# Brainstorming – cont'd

- Athletics –
  - Stop transporting athletic players home after practices
  - Reduce coaching supplements
  - Reduce sports offered
  - Reduce transportation
  - Reduce athletic supplements



# Brainstorming – cont'd

- Reduce supplements –
  - Cut other supplements; (dept. chair, SPED, advisors, etc.)
  - Teacher (All)
  - Reduce local
- Reduce advertising
- Reduce system wide



# Brainstorming – cont'd

- Reduce/Cut Positions –
  - 1 less AP at the HS
  - P.E. position
  - Media clerks
  - .5 Nurses
  - Art
  - Tech-CMS
  - Elementary Art
  - Non-essential paras
  - Academic/Instructional coaches
  - Some custodial & maintenance
  - Decrease athletic/academic coaches



# Brainstorming – cont'd

- Reduce
  - trips
  - Afterschool Buses
  - Consolidate pick up/drop-off
  - Afterschool transportation
  - No afterschool transportation
  - Cut field trips
  - Field trips
  - Reduce



# Brainstorming – cont'd

- Move staff around at operations department
- Culinary @ GCHS & CMS
- CTAE Dir.
- Shared counselors/central office staff within the schools
- Increase function fees
- Student fees for supplies
- Cut subs



# Brainstorming – cont'd

- Reduce Staff –
  - Principal & APs – 10 month contracts
  - Principals – 11.5 month contract
  - APs – 10.5 month contract
  - Academic Coaches
    - 12 month to 10.5
    - 11 month to 10
  - Look @ 11 & 12 month contracts (look at .5 reductions)
  - 12 month to 11.5 (All)
  - RIF
  - Examine different dept.
  - 12 month to 11 month administrators
  - 11 & 12 month employment
  - Reduce Principal-11 and AP - 10



# Brainstorming – cont'd

- Reduce School Calendar –
  - 10 days from calendar
  - Cut school calendar 20 days
  - 4 day work week
  - Reduce # of days
  - 4 day weeks
  - 180 days to 160 days
  - Reduce some school days (Fridays as needed)
  - 4 day work week
  - Tue-Fri work week
  - Reduce all staff by 5 days; 4 day work week



# Brainstorming – cont'd

- Federal Funds Spending –
  - More synergy (sub coverage)
  - Title 1 funds to support Pre-K
- Tech/software
- Board member expenses/software; paper costs
- Cut Schoolnet
- Reduced professional travel
- Conservation methods (control ac, heat)
- Software/Technology programs; Reduce Tech software not being utilized
- On travel unless it is essential
- Extracurricular activities



# Brainstorming – cont'd

- Peer to Peer training for all
- Cut professional development
- Cut Renzulli
- No new programs purchased
- Reduce consultant trips expenses
- Contract with other systems for bulk purchases and services
- No new programs students & teachers can only do so much.



# Strategic Cuts through Attrition

- When positions vacate through retirement, termination or resignations
  - Review position need
  - Review budgets for funding, can they be moved to a grant funding source

# Cumulative Financial Impact

	Cost
Last salary increase occurred prior to 2008; there have been no salary increases for any staff members since 2008	\$-0-
Teacher retirement cost increases	\$123,695
GCSS medical benefits more costly	\$162,000.00

# Strategies used during recession

- Applications made for grant funds
- Use of grant funds for new staff, training opportunities, supplies and materials
- Where possible/feasible, general fund staff moved to grants
- More partnerships with universities & colleges

# Stresses on Employees and Organization

- Work related stress rising
- Pressure for test scores
- Increase in garnishments
- Increase in bankruptcies
- More staff holding second jobs

# “It takes a village to raise a child”

