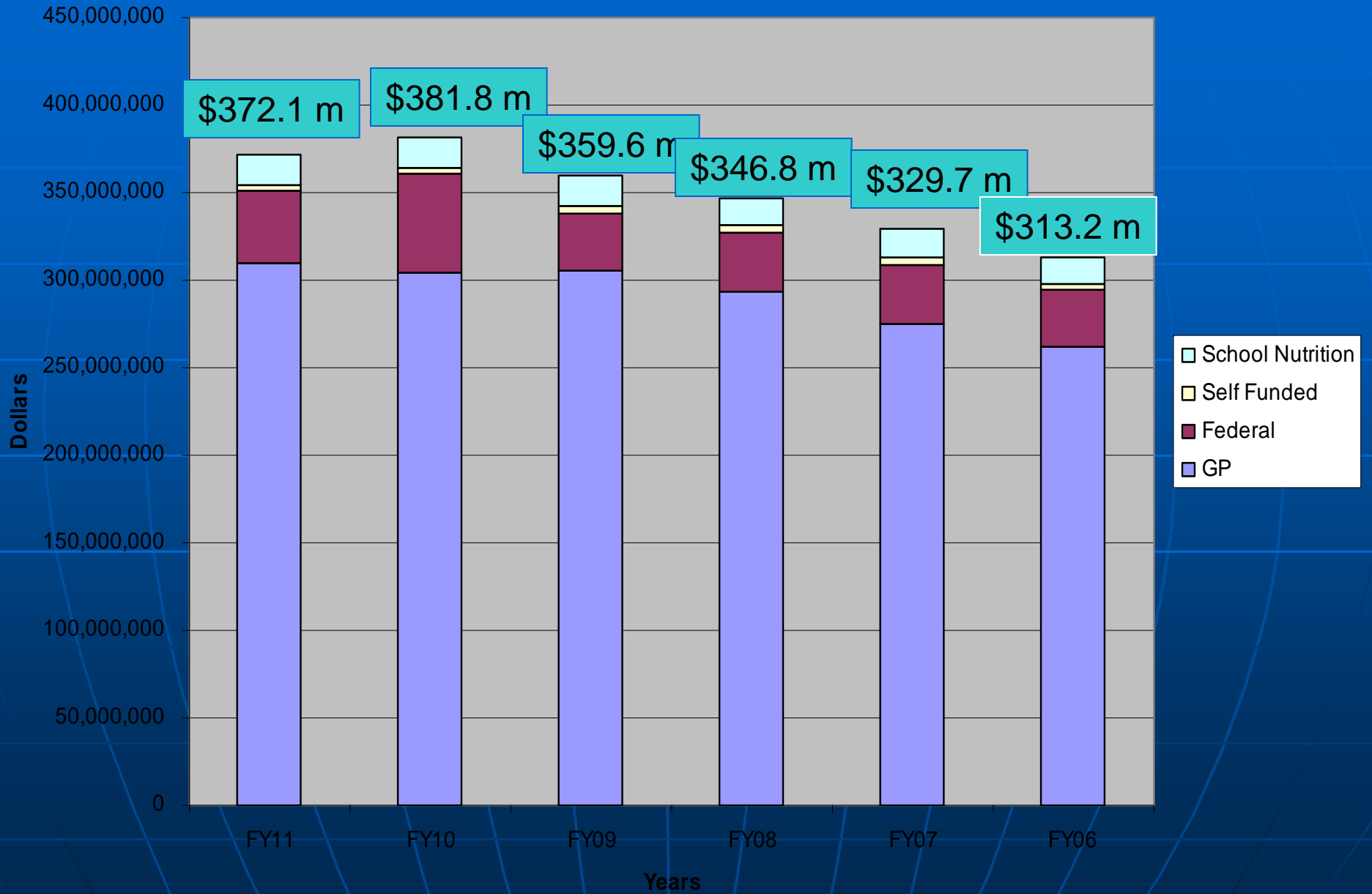


Hamilton County Schools FY2011 Budget

School Board Presentation

April 22, 2010

HCDE - Budget FY11-FY06



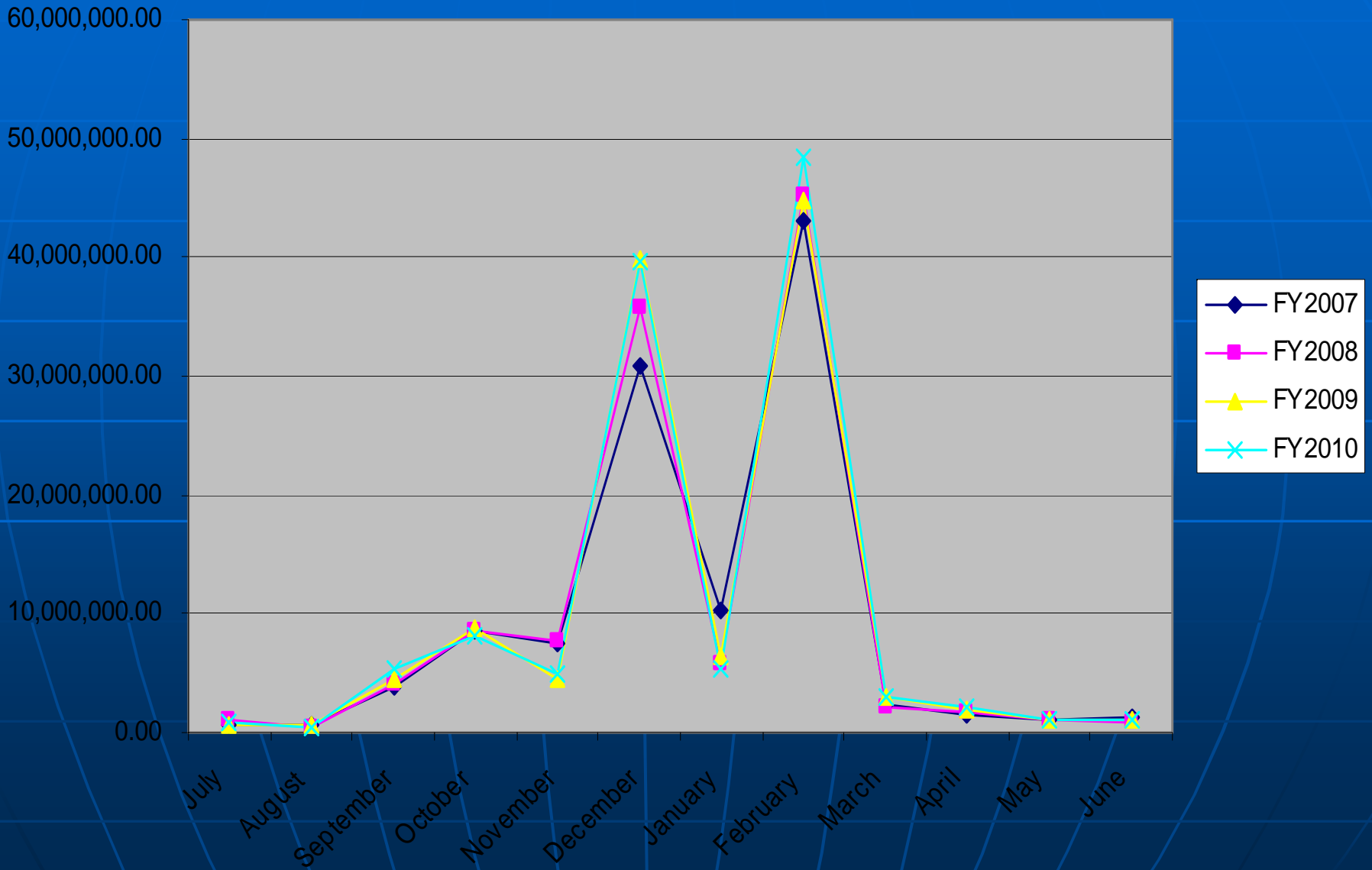
Change from FY10 to FY11 Budget

	<u>FY10</u>	<u>Change</u>		<u>FY11</u>
		<u>\$</u>	<u>%</u>	
Discretionary GP	\$304,729,969	\$5,358,100	1.73%	\$310,088,069
Federal Programs	\$56,078,330	(\$14,576,199)	(35.12%)	\$41,502,131
Self Funded Programs	\$3,228,864	(\$745,923)	(30.04%)	\$2,482,941
School Nutrition	\$17,834,458	\$229,243	1.27%	\$18,063,701
Total	\$381,871,621	(\$9,734,779)	(2.62%)	\$372,136,842

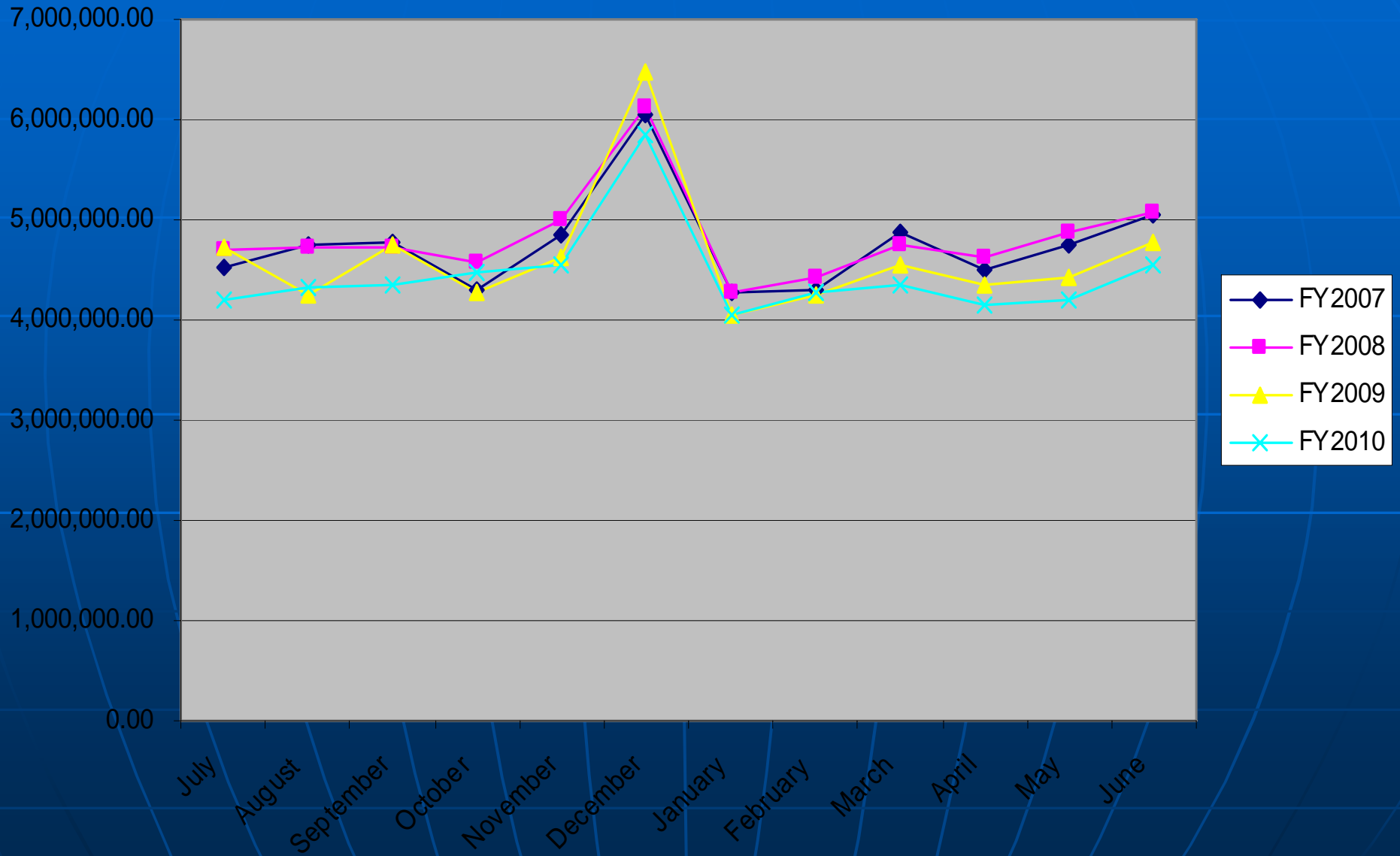
Discretionary GP FY10 Projected Revenues Reconciliation

BOY Adopted Budget	\$304,265,542
1 st Half Adjustments	(\$452,407)
Mid Year Adjusted Budget	\$303,813,135
2 nd Half Adjustments	\$916,834
FY10 Adopted Amended Budget as of 4/22/10	\$304,729,969

Comparative Monthly Property Tax Receipts FY2007, FY2008, FY2009 and FY2010

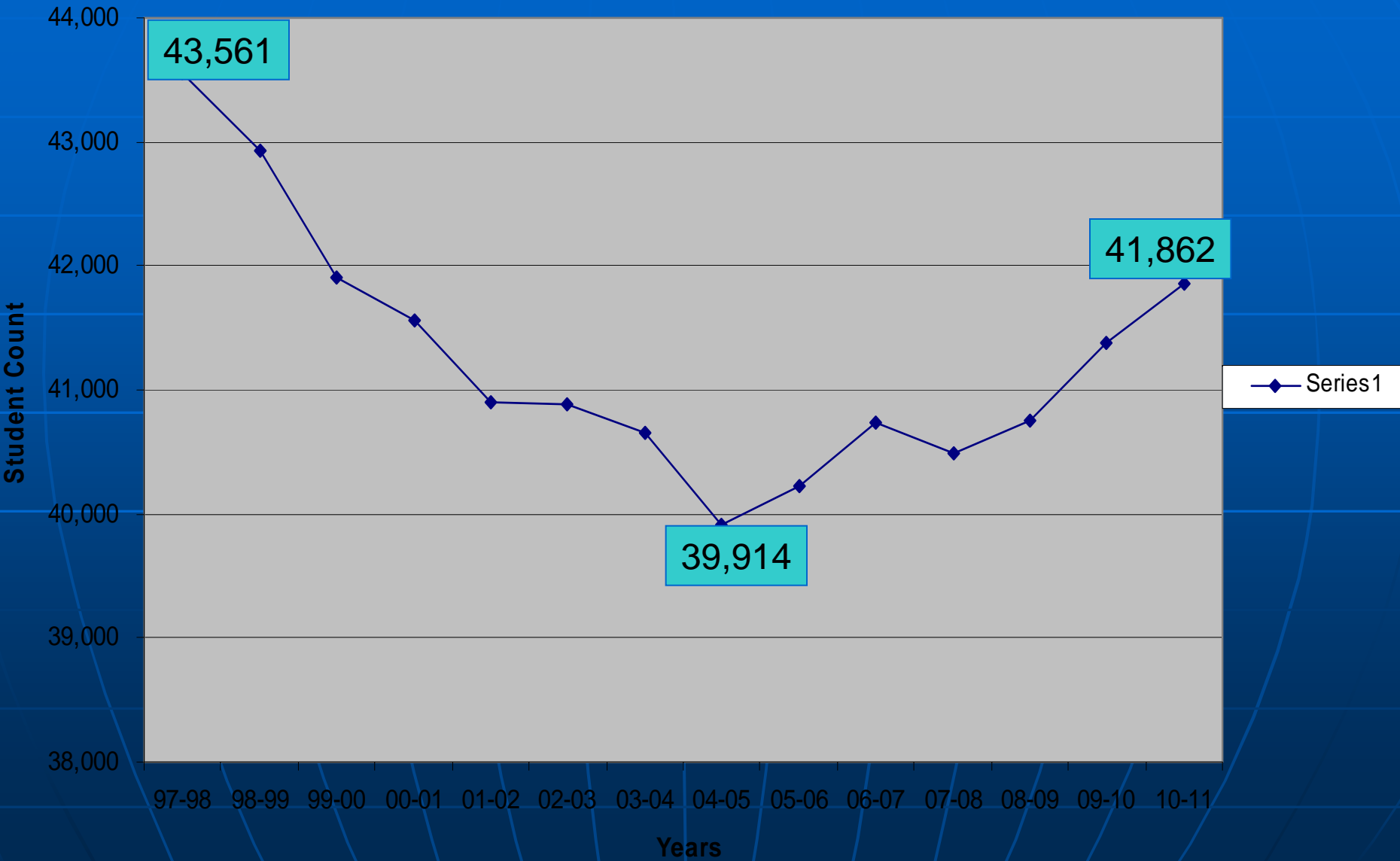


Comparative Monthly Sales Tax Receipts FY2007, FY2008, FY2009 and FY2010



Total All Students

First Month Enrollment Comparison FY98 - FY11



Recap of FY11 Projected Revenue

	<u>\$</u>	<u>%</u>
BEP	\$5,334,000	4.67%
Sales Taxes	(\$3,090,698)	(5.80%)
Property Taxes	\$5,232,354	4.34%
Investment Income	(\$1,000,000)	(250%)
Career Ladder Program	(\$287,867)	(15.28%)
C/L Ext. Contract	(\$345,000)	(28.74%)
EIS Transfers	\$386,285	
Child Care	(\$11,946)	(0.45%)
Pre-K Lottery	\$57,807	2.30%
Total	\$6,274,935	2.07%

Projected Revenue Growth

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
BEP	\$5,334,000	\$1,906,884	\$1,927,170	\$1,947,456	\$1,967,742
Sales Tax	(3,090,698)	\$1,061,512	\$1,082,742	\$1,104,397	\$1,126,485
Property Tax	\$5,232,354	\$9,432,917	\$3,694,210	\$3,796,539	\$3,901,703
Investment	(1,000,000)	\$0	\$0	\$0	\$0
C/L Program	(287,867)	\$0	\$0	\$0	\$0
C/L Ext. Contract	(345,000)	\$0	\$0	\$0	\$0
EIS Transfer	\$386,285	\$0	\$0	\$0	\$0
Child Care	(11,946)	\$0	\$0	\$0	\$0
Pre-K	\$57,807	\$0	\$0	\$0	\$0
Total	\$6,274,935	\$12,401,313	\$6,704,121	\$6,848,392	\$6,995,930

Projected Expense Growth

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
STEP	\$2,600,000	\$2,600,000	\$2,600,000	\$2,600,000	\$2,600,000
Retirement	\$4,314,361	\$4,314,361	\$4,400,648	\$4,400,648	\$4,488,661
State Bonus	\$1,400,000	\$0	\$0	\$0	\$0
Utilities	(1,140,000)	\$181,574	\$184,298	\$187,062	\$189,868
Transpot.	\$291,192	\$297,016	\$302,956	\$309,016	\$315,196
Custodial	\$230,000	\$234,600	\$239,292	\$244,078	\$248,959
Health	\$2,190,163	\$6,518,688	\$7,496,491	\$8,620,965	\$9,914,110

Projected Expense Growth (continued)

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Charter Schools	\$540,000	\$540,000	\$540,000	\$0	\$0
Instr. Res.	\$1,800,000	\$1,836,000	\$1,872,720	\$1,910,174	\$1,948,378
Instr. Staff	\$628,800	\$748,272	\$763,237	\$778,502	\$794,072
New Students					
Textbooks	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Model Classroom	\$320,000	\$326,400	\$332,928	\$339,587	\$346,378
MSNS	\$500,000	\$510,000	\$520,000	\$530,604	\$541,216
Total	\$14,874,517	\$19,306,911	\$20,452,771	\$21,120,636	\$22,586,839

What are the major challenges facing the District with this budget?

- Normal Growth in Expenditures exceeds the Normal Growth in Revenues.
- While FY2010 and Projected FY2011 have not seen the normal growth in revenues, this problem has been recurring for a substantial period of time.

Net Excess/(Shortfall) Growth

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Revenues	\$6,274,935	\$12,401,313	\$12,824,121	\$13,088,392	\$13,355,930
Expenses	\$14,874,517	\$19,306,911	\$20,452,771	\$21,120,636	\$22,586,839
Net Excess/ (Shortfall)	(8,599,581)	(6,905,598)	(7,628,650)	(8,032,244)	(9,230,909)

What is not in our FY11 Budget Plan?

- Competitive Salaries,
- Providing the resources to meet the higher state standards (i.e. professional development, programs, etc.),
- Maintaining a Pupil Teacher Ratio that is below the State Regulation,
- Providing the resources to meet the anticipated growth in students due to the opening of Volkswagen and related companies, as well as the commitment made for a German Program,

What is not in our FY11 Budget Plan?

- Resources to address the District's aging technology,
- Resources to address the District's aging facilities,
- Sustainability and expansion of existing programs.

Plan of Action

Plan of Action Goals:

- Short-Term:
- Freeze the Exceptional Education Budget. (\$640,000).
- Eliminate under-utilized electives and use a Standard Pupil Teacher Ratio.
- Lower central office expense level.
- Move to self-insurance of the HMO Plan.
- Utilize fund balance.

Recap of Staffing Level Changes GP Fund Only

	<u>School Based</u>	<u>Central Office</u>	
<u>Description</u>			<u>Total</u>
FY09 EOY Levels	3,699.12	300.00	3,999.12
FY10 Budget Adjustments	(67.66)	(36.00)	(103.66)
FY10 Adopted Budget	3,631.46	264.00	3,895.46
FY10 Subsequent Budget Adjustments	81.00	0.50	81.50
FY10 Adjusted Staffing	3,712.46	264.50	3,976.96
Reconciliation Adjustment	(2.16)	0	(2.16)
Net Changes	11.20	(35.50)	(24.30)
FY11 Budget Staffing Levels	3,710.30	264.50	3,974.80

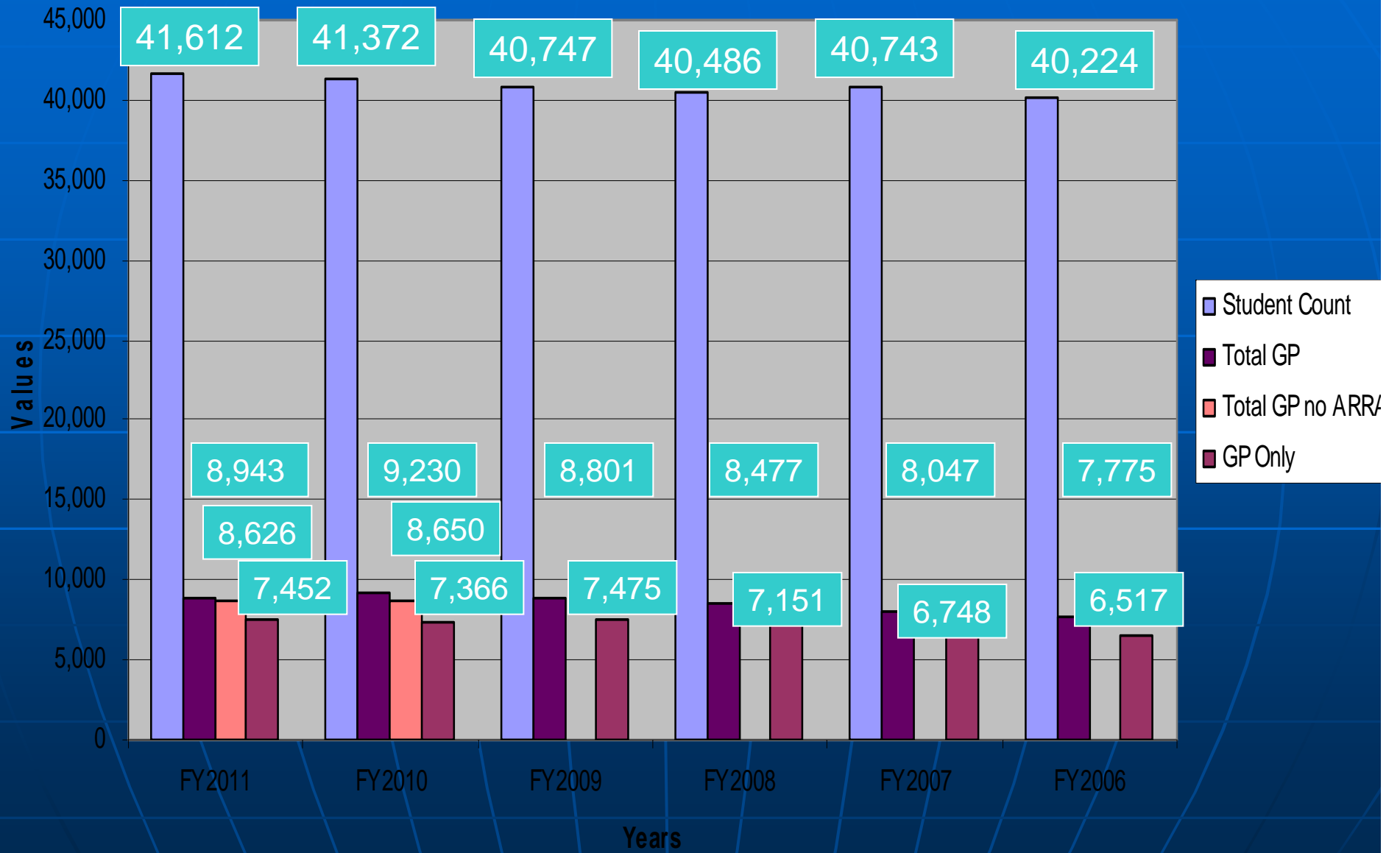
Proposed School Based Staffing Changes

	<u>Reduction</u>	<u>Add</u>	<u>Net Change</u>
High	(29)	0	(29)
Middle	(12)	0	(12)
Elementary	(2)	0	(2)
Combo	(3)	5	2
Total	(46)	5	(41)

Plan of Action

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Shortfall	(8,599,581)	(6,905,598)	(7,628,650)	(8,032,244)	(9,230,909)
Exception Ed.	640,000	640,000	640,000	640,000	640,000
Central Office	750,000	750,000	750,000	750,000	750,000
School Based	2,670,000	2,670,000	2,670,000	2,670,000	2,670,000
Vacancy	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
East Ridge/ McBrien	250,000	250,000	250,000	250,000	250,000
Fund Balance	3,089,581	4,485,180	6,265,632	8,787,876	10,400,00
PY Used FB	0	(3,089,581)	(4,332,422)	(6,265,632)	(8,592,990)
Net Overage/ (Shortage)	0	0	0	0	(1,913,899)

Per Pupil Expenditure FY2010 vs. FY2009



Next Steps

- April 29, 2010 – Workshop to finalize Plan of Action.
- May 6, 2010 – Special School Board Meeting to adopt FY11 Budget.
- May 12, 2010 – Presentation of FY11 Budget to the County Commission.