

BALTIMORE COUNTY PUBLIC SCHOOLS

DATE: February 7, 2012

TO: **BOARD OF EDUCATION**

FROM: Dr. Joe A. Hairston, Superintendent

SUBJECT: **CONSIDERATION OF THE PROPOSED FY 2013 OPERATING BUDGET**

ORIGINATOR: Joe A. Hairston, Superintendent

RESOURCE PERSON: Barbara Burnopp, Chief Financial Officer
George Sarris, Director of Budget and Reporting

RECOMMENDATION

That the Board of Education approves the FY 2013 Board Proposed Operating budget.

The superintendent's proposed FY 2013 budget was introduced to the Board on January 10, 2012. A public hearing was held on January 17, 2012. The Board held a budget work session on January 24, 2012. Once approved, the budget will be forwarded to the county executive by March 1, 2012.

The superintendent's proposed budget was based on a 1.9% increase of \$9.9 million in state funding of Grades K-12 education. Local county revenues are proposed to remain at Maintenance of Effort as prescribed by state law.

On January 19, 2012, preliminary calculations for major state aid programs were released by the Maryland State Department of Education. These preliminary calculations appear to provide additional funding for Baltimore County Public Schools above the initial projections upon which the budget is based; however, these revenues are not assured due to the governor's proposals on pension funding shifts and increased taxes. Therefore, the proposed budget has not been adjusted.

The total budget for all funds is \$1,482,474,142. It includes \$727,256,014 in local funding from Baltimore County, \$622,403,032 in state funds, \$90,459,118 in federal grants and contributions, and \$42,355,978 in funds from service charges and other sources.

Attachment I: FY 2013 Revenue Appropriation
FY 2013 Expenditure Appropriation
FY 2013 General Fund Appropriation

Baltimore County Public Schools
FY2013 Board Proposed Budget
Revenue Appropriation

In accordance with Policy 3112, be it resolved that a budget for Baltimore County Public Schools be requested for Fiscal Year 2013, the following amounts by fund, category, and revenue source.

| | Original Board Proposed | <u>Board Proposed</u> |
|---|----------------------------|--------------------------------|
| <i>Revenue Appropriation</i> | | |
| <i>General Fund</i> | | |
| Local | 669,082,108 | \$ 675,001,164 |
| State | 504,286,680 | 546,029,777 |
| Federal | | 760,000 |
| Other | | <u>24,570,250</u> |
| <i>Total General Fund Revenue</i> | | \$ 1,246,361,191 |
| <i>Special Revenue Fund</i> | | |
| Local | | 48,428 |
| State | | 5,583,072 |
| Federal | | 65,237,074 |
| Other | | <u>3,403,962</u> |
| <i>Total Special Revenue Fund Revenue</i> | | \$ 74,272,536 |
| <i>Debt Service Fund</i> | | |
| Local | | <u>36,718,422</u> |
| <i>Total Debt Service Fund Revenue</i> | | \$ 36,718,422 |
| <i>Enterprise Fund</i> | | |
| State | | 762,183 |
| Federal | | 24,462,044 |
| Operating Revenue | | 14,376,766 |
| Other Non-Operating Revenue | | <u>5,000</u> |
| <i>Total Enterprise Fund Revenue</i> | | \$ 39,605,993 |
| <i>Capital Fund</i> | | |
| Local | 73,237,000 | 15,488,000 |
| State | 73,391,000 | 70,028,000 |
| <i>Total Capital Fund Revenue</i> | | \$ 85,516,000 |
| <i>Total of All Sources of Revenue</i> | | <u>\$ 1,482,474,142</u> |
| <i>Revenue Summary</i> | | |
| Local | | 727,256,014 |
| State | | 622,403,032 |
| Federal | | 90,459,118 |
| Other | | 42,355,978 |
| <i>Total of All Sources of Revenue</i> | \$ 1,319,996,788 | <u>\$ 1,482,474,142</u> |

Baltimore County Public Schools
FY2013 Board Proposed Budget
Expenditure Appropriation

| | Board Proposed | Superintendent Proposed | Increase/ (Decrease) |
|--------------------------------------|-------------------------|----------------------------|-------------------------|
| <i>Expenditure Appropriation</i> | | | |
| <i>General Fund</i> | | | |
| Administration | \$ 37,905,382 | \$ 37,905,382 | \$ - |
| Mid-Level Administration | 87,020,516 | 87,020,516 | \$ - |
| Instructional Salaries | 458,498,223 | 458,498,223 | \$ - |
| Instructional Textbooks and Supplies | 21,232,809 | 21,232,809 | \$ - |
| Other Instructional Costs | 7,572,440 | 7,572,440 | \$ - |
| Special Education | 160,689,914 | 160,689,914 | \$ - |
| Pupil Personnel | 8,851,039 | 8,851,039 | \$ - |
| Health Services | 14,317,083 | 14,317,083 | \$ - |
| Transportation | 58,556,377 | 58,556,377 | \$ - |
| Operations | 89,510,538 | 89,510,538 | \$ - |
| Maintenance | 29,479,640 | 29,479,640 | \$ - |
| Fixed Charges | 269,596,535 | 269,596,535 | \$ - |
| Capital Outlay | 3,130,695 | 3,130,695 | \$ - |
| <i>Total General Fund</i> | 1,246,361,191 | 1,246,361,191 | \$ - |
| <i>Special Revenue Fund</i> | | | |
| Restricted Programs | 74,272,536 | | |
| <i>Debt Service Fund</i> | | | |
| Debt Service | 36,718,422 | | |
| <i>Enterprise Fund</i> | | | |
| Food and Nutrition | 39,605,993 | | |
| Capital Fund | 85,516,000 | | |
| Total of All Funds | \$ 1,482,474,142 | | |

**Baltimore County Public Schools
FY2013 General Fund Appropriation**

| | FY2011 <u>Actual Expenditures</u> | FY2012 <u>Adjusted Budget</u> | FY2013 <u>Board Proposed</u> | Increase/ <u>(Decrease)</u> | Percent <u>Change</u> |
|---|--------------------------------------|----------------------------------|---------------------------------|--------------------------------|--------------------------|
| <i>Local - Baltimore County</i> | \$ 663,144,082 | \$ 668,495,342 | \$ 675,001,164 | \$ 6,505,822 | 1.0% |
| <i>State</i> | | | | | |
| Foundation Program | 313,353,166 | 330,771,501 | 337,089,237 | 6,317,736 | 1.9% |
| Geographic Cost of Education Index | 1,594,344 | 5,372,832 | 5,475,453 | 102,621 | 1.9% |
| Innovative Programs | | | | - | |
| Formula-Compensatory Ed | 96,136,755 | 112,836,075 | 114,991,244 | 2,155,169 | 1.9% |
| Out of County Living-State | 2,820,789 | 2,900,000 | 2,500,000 | (400,000) | -13.8% |
| Limited English Proficiency | 11,201,161 | 11,625,268 | 11,847,311 | 222,043 | 1.9% |
| Formula-Students w/ Disabilities | 28,724,250 | 29,265,174 | 29,824,138 | 558,964 | 1.9% |
| Nonpublic Placements | 14,103,506 | 14,615,476 | 14,615,476 | - | 0.0% |
| Formula-Transportation | 24,540,365 | 27,121,897 | 27,639,925 | 518,028 | 1.9% |
| Aging Schools Program | 554,016 | 1,231,993 | 1,231,993 | - | 0.0% |
| Advanced Prof Certif. Stipends | 415,500 | 675,000 | 675,000 | - | 0.0% |
| National Certification | 99,000 | 140,000 | 140,000 | - | 0.0% |
| <i>Total State</i> | <u>493,542,852</u> | <u>536,555,216</u> | <u>546,029,777</u> | <u>9,474,561</u> | <u>1.8%</u> |
| <i>Federal</i> | | | | | |
| Passthrough Other Agency | 166,448 | | | - | 0.0% |
| Retiree Drug Subsidy | 2,453,655 | | | | |
| ROTC Reimbursements | 703,250 | 740,000 | 760,000 | 20,000 | 2.7% |
| ARRA SFSF - GCEI Grant | 3,712,345 | | | - | |
| ARRA SFSF - Transportation Grant | 2,560,869 | | | - | |
| ARRA SFSF - Compensatory Education | 6,109,430 | | | - | |
| ARRA SFSF - Limited English Proficiency | | | | - | 0.0% |
| Education Jobs Fund Bill | 15,381,351 | 3,800,000 | | (3,800,000) | 100.0% |
| <i>Total Federal</i> | <u>31,087,348</u> | <u>4,540,000</u> | <u>760,000</u> | <u>(3,780,000)</u> | <u>-83.3%</u> |
| <i>Other Sources</i> | | | | | |
| Tuition-Nonresident | 159,208 | 130,000 | 155,000 | 25,000 | 19.2% |
| Tuition-Summer School | 271,516 | 290,000 | 277,500 | (12,500) | -4.3% |
| Tuition-Foster Care Agency | 80,782 | 45,000 | 80,000 | 35,000 | 77.8% |
| Tuition-Evening High School | 40,463 | 50,000 | 40,000 | (10,000) | -20.0% |
| Universal Svc Fee Discount | 1,909,170 | 1,800,000 | 2,156,500 | 356,500 | 19.8% |
| MABE Refund | | 100,000 | | (100,000) | -100.0% |
| Miscellaneous Revenue | 1,755,368 | 2,041,000 | 2,111,000 | 70,000 | 3.4% |
| Prior Year Fund Balance | 16,130,763 | 9,246,039 | 16,130,000 | 6,883,961 | 74.5% |
| Out of County Living - MD LEAs | 2,884,321 | 2,800,000 | 2,500,000 | (300,000) | -10.7% |
| Informal Kinship Care - MD LEAs | 727,786 | 650,000 | 725,000 | 75,000 | 11.5% |
| Escheat Funds | | | 395,250 | 395,250 | |
| <i>Total Other Sources</i> | <u>23,959,376</u> | <u>17,152,039</u> | <u>24,570,250</u> | <u>7,418,211</u> | <u>43.2%</u> |
| Grand Total of All Sources | \$ 1,211,733,658 | \$ 1,226,742,597 | \$ 1,246,361,191 | \$ 19,618,594 | 1.6% |