

BALTIMORE COUNTY PUBLIC SCHOOLS

DATE: September 20, 2005

TO: **BOARD OF EDUCATION**

FROM: Dr. Joe A. Hairston, Superintendent

SUBJECT: **PROPOSED FY 2007 STATE & COUNTY CAPITAL BUDGET REQUEST**

ORIGINATOR: J. Robert Haines, Deputy Superintendent

RESOURCE PERSON(S): Barbara Burnopp, Executive Director, Fiscal Services
Kevin Grabill, Fiscal Analyst, Budget & Reporting

RECOMMENDATION

That the Board of Education review the capital budget process in preparation for the work session on September 21, 2005, and for Board action on October 5, 2005.

* * * * *

FY2007 Capital Budget Process



September 20, 2005



Operating vs. Capital



Operating Budget

- ④ Approved each year by the County
- ④ Primary source of funds
 - ④ County income and property taxes
 - ④ State formula aid
 - ④ Federal grants
- ④ Use of funds
 - ④ Salaries and benefits – 85%
 - ④ Textbooks, supplies, contracts, maintenance, and equipment
- ④ Funds remaining at year-end must be reappropriated



Capital Budget

- ④ 6-year budget plan - budget year and 5 “out years”
- ④ Primary source of funds - State and County
 - ④ Sale of bonds
 - ④ Pay-go (Current Expense) funds can be appropriated
- ④ Use of funds
 - ④ New schools, additions, and renovation projects
 - ④ Site purchase (county only)
- ④ Funds available until project is completed



County Government

- ④ Primary source of capital funds
- ④ Two-year capital budget cycle
- ④ FY07 is an off year
- ④ Council authorizes amount
- ④ Voters approve borrowing the funds
- ④ Planning Board review



State Government

- ④ Public School Construction Program (PSCP) under the direction of the Interagency Committee (IAC)
- ④ State will participate based on State/local cost formula
- ④ Annual process
- ④ County funding levels must be endorsed by the local government




Aging School Funding

- ④ PSCP administers the program
- ④ Annual program that funds renovation projects in schools at least 15 years old
- ④ Use of funds
 - ④ ADA upgrades, boilers, lighting, windows and doors.
- ④ 18-month time limit on the use of funds
- ④ Unspent funds revert to the State



Qualified Zone Academy Bonds (QZAB) Program

- ④ Federal funds administered by PSCP
- ④ 35% or more Free and Reduced lunch
- ④ Use of funds – same as Aging Schools
- ④ 10% cash or volunteer hours match required
- ④ 18-month time limit on the use of funds



Capital Budget Process



State Process

- ④ **October** – request due to state
- ④ **Late October** – BCPS meets with PSCP to review request
- ④ **November** – IAC make recommendations
- ④ **January/February** – appeals to IAC and Board of Public Works
- ④ **April** – state legislature approves budget; BCPS receives final approved projects
- ④ **May** – Board of Public Works final approval
- ④ **July** – funds become available



County Process

- ④ **January** – request due to county
- ④ **February/March** – budget is analyzed; final recommendations from County Planning Board; approval from County Executive
- ④ **April** – County Executive submits request to County Council
- ④ **May** – County Council approves request
- ④ **July** – funds become available



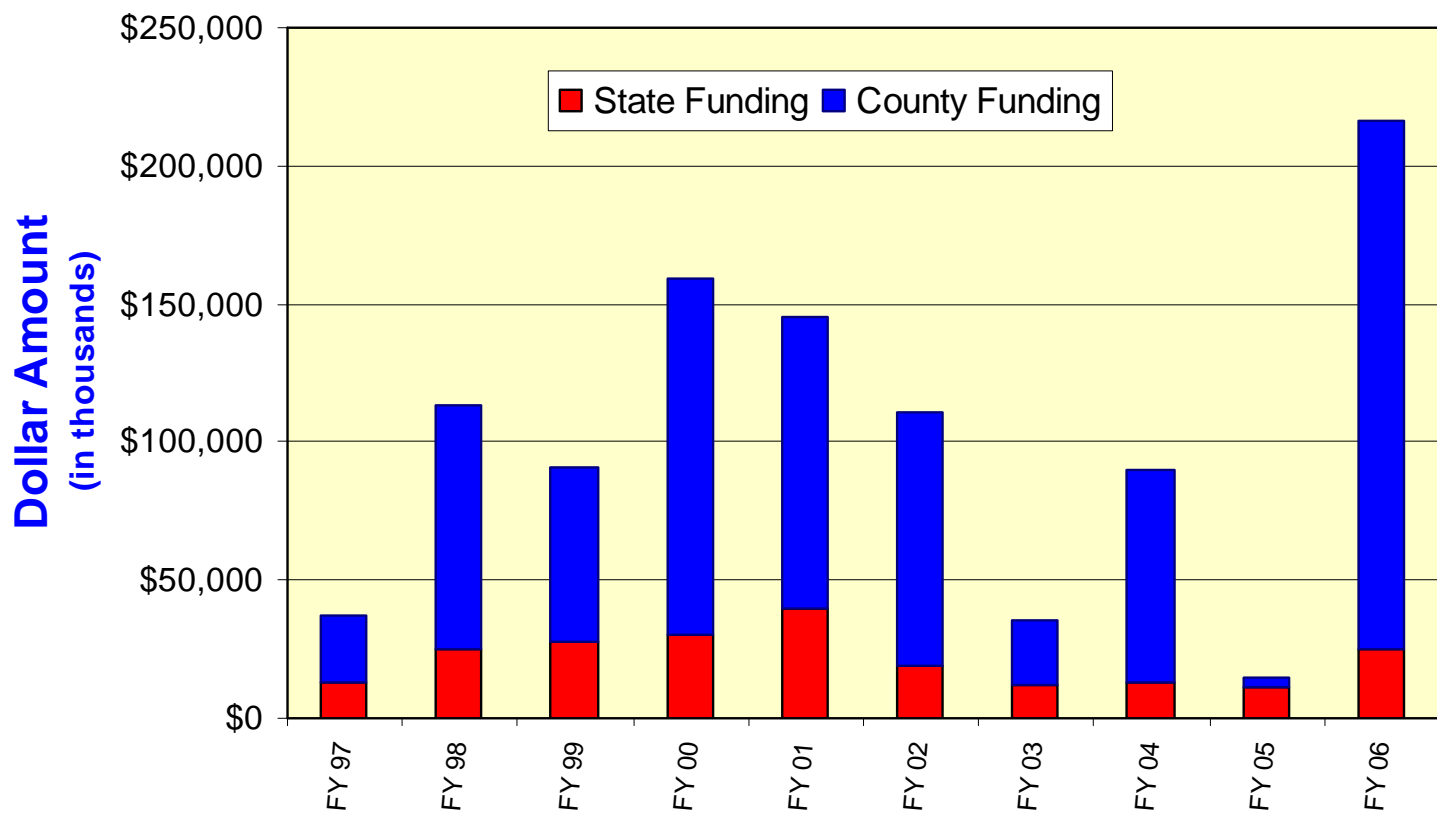
Historical Funding

Compiled by the Office of Budget & Reporting
September 20, 2005

| Year | State Funding (in thousands) | County Funding (in thousands) | Total Funding (in thousands) | Two Year Funding (in thousands) |
|-------------|--|---|--|---|
| FY 97 | \$13,055 | \$24,064 | \$37,119 | |
| FY 98 | \$25,000 | \$88,252 | \$113,252 | \$150,371 |
| FY 99 | \$28,000 | \$62,441 | \$90,441 | |
| FY 00 | \$30,011 | \$129,015 | \$159,026 | \$249,467 |
| FY 01 | \$39,683 | \$105,817 | \$145,500 | |
| FY 02 | \$18,705 | \$91,715 | \$110,420 | \$216,237 |
| FY 03 | \$12,470 | \$23,143 | \$35,613 | |
| FY 04 | \$13,121 | \$76,941 | \$90,062 | \$125,675 |
| FY 05 | \$11,563 | \$2,892 | \$14,455 | |
| FY 06 | \$24,987 | \$191,227 | \$216,214 | \$230,669 |



Capital Budget - County & State Funding





Proposed State Priorities

- ④ Windsor Mill Middle
- ④ Southwest Academy
- ④ Vincent Farms Elementary
- ④ Boiler-Chiller Replacements
- ④ Middle School Renovations
- ④ Roofs Replacements
- ④ Windows Replacements