

BALTIMORE COUNTY PUBLIC SCHOOLS

DATE: February 14, 2006

TO: **BOARD OF EDUCATION**

FROM: Dr. Joe A. Hairston, Superintendent

SUBJECT: **FY2007 PROPOSED OPERATING BUDGET**

ORIGINATOR: J. Robert Haines, Deputy Superintendent, Business Services

RESOURCE PERSON(S): Barbara Burnopp, Chief Financial Officer
Stephanie Ennels, Acting Director, Office of Budget and Reporting

RECOMMENDATION

That the FY2007 Board Proposed Operating Budget as defined in Option 1 or Option 2 be approved.

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The Superintendent's proposed FY2007 budget was introduced to the Board on January 10, 2006. A public hearing was held on January 25, 2006. The Board held a budget work session on January 31, 2006. Once approved, the budget will be forwarded to the County Executive by March 1, 2006.

The Superintendent proposes amending the original recommendation to reflect changes both technical and material in nature. Technical changes include: adjustment for maintained state funds, increased funds for elementary math textbooks and school furniture, incentives and transportation services associated with the Woodlawn Middle School restructuring plan.

Material changes include: salary adjustments based on final labor negotiations, piloting a sound system program in select schools, and inclusion of paid parent helpers in elementary schools (Option 1 & Option 2). Option 1 provides for the inclusion of paid parent helpers in all kindergarten classrooms. Option 2 provides one paid parent helper per elementary school.

Attachment I: FY2007 Board Proposed Budget (Option I)

- FY2007 Revenue Appropriation
- FY2007 Expense Appropriation
- FY2007 General Fund Revenue

- Attachment II: FY2007 Board Proposed Budget (Option II)
- FY2007 Revenue Appropriation
 - FY2007 Expense Appropriation
 - FY2007 General Fund Revenue

Attachment III: FY2007 Maintenance of Effort Comparison Chart

**Baltimore County Public Schools
FY2007 Board Proposed Budget
Revenue Appropriation - Option 1**

In accordance with Policy 3112, be it resolved that a budget for Baltimore County Public Schools be requested for Fiscal Year 2007, the following amounts by fund, category, and revenue source.

	<u>Board Proposed</u>
<i>Revenue Appropriation</i>	
<i>General Fund</i>	
Local	\$ 621,805,082
State	441,625,774
Other	10,274,741
<i>Total General Fund Revenue</i>	\$ 1,073,705,597
 <i>Special Revenue Fund</i>	
Local	64,000
State	7,311,237
Federal	80,315,332
Other	468,125
<i>Total Special Revenue Fund Revenue</i>	\$ 88,158,694
 <i>Debt Service Fund</i>	
Local	27,014,009
<i>Total Debt Service Fund Revenue</i>	\$ 27,014,009
 <i>Enterprise Fund</i>	
State	920,591
Federal	15,519,505
Operating Revenue	20,111,331
Other Non-Operating Revenue	3,551,719
<i>Total Enterprise Fund Revenue</i>	\$ 40,103,146
 <i>Capital Fund</i>	
Local	87,753,000
State	110,069,000
<i>Total Capital Fund Revenue</i>	\$ 197,822,000
<i>Total of All Sources of Revenue</i>	\$ 1,426,803,446
 <i>Revenue Summary</i>	
Local	736,636,091
State	559,926,602
Federal	95,834,837
Other	34,405,916
<i>Total of All Sources of Revenue</i>	\$ 1,426,803,446

**Baltimore County Public Schools
FY2007 Board Proposed Budget
Expenditure Appropriation - Option 1**

		<u>Board Proposed</u>
<i>Expenditure Appropriation</i>		
<i>General Fund</i>		
Administration	\$	33,768,175
Mid-Level Administration		70,708,227
Instructional Salaries		413,004,414
Instructional Textbooks and Supplies		23,205,978
Other Instructional Costs		15,486,556
Special Education		127,736,392
Pupil Personnel		5,361,737
Health Services		11,211,805
Transportation		43,967,123
Operations		83,115,578
Maintenance		28,824,282
Fixed Charges		213,609,386
Capital Outlay		<u>3,705,944</u>
<i>Total General Fund</i>	\$	1,073,705,597
 <i>Special Revenue Fund</i>		
Restricted Programs		88,158,694
 <i>Debt Service Fund</i>		
Debt Service		27,014,009
 <i>Enterprise Fund</i>		
Food and Nutrition		40,103,146
Capital Fund		<u>197,822,000</u>
<i>Total of All Funds</i>	\$	<u>1,426,803,446</u>

**Baltimore County Public Schools
FY2007 General Fund Revenue
Option 1**

	<u>FY05 Actual</u>	<u>FY06 Adj. Budget</u>	<u>Board FY07 Proposed</u>	<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
<i>Local - Baltimore County</i>	\$ 570,385,533	\$ 591,656,029	\$ 621,805,082	\$ 30,149,053	5.1%
<i>State</i>					
Foundation Program	241,586,294	266,323,263	295,040,946	28,717,683	10.8%
Formula-Compensatory Ed	40,246,479	50,779,793	68,694,414	17,914,621	35.3%
Out of County Living-State	4,245,695	4,000,000	4,000,000	-	0.0%
Limited English Proficiency	3,986,639	5,073,242	6,736,318	1,663,076	32.8%
Formula-Students w/ Disabilities	14,861,455	18,664,146	23,024,683	4,360,537	23.4%
Nonpublic Placements	11,322,571	17,187,133	16,532,702	(654,431)	-3.8%
Formula-Transportation	19,287,323	20,631,798	22,216,941	1,585,143	7.7%
Aging Schools Program	2,417,694	2,576,000	2,940,000	364,000	14.1%
Extended Elementary Education Program			1,189,770	1,189,770	
Advanced Prof Certif. Stipends	429,000	650,000	750,000	100,000	15.4%
National Certification Stipend		180,000	200,000	20,000	11.1%
Signing Bonus Stipend		350,000	300,000	(50,000)	-14.3%
<i>Total State</i>	\$ 338,383,150	386,415,375	441,625,774	55,210,399	14.3%
<i>Other Sources</i>					
Tuition-Nonresident	114,427	130,000	120,000	(10,000)	-7.7%
Tuition-Summer School	382,378	400,000	400,000	-	0.0%
Tuition-Foster Care Agency	177,188	170,000	170,000	-	0.0%
Tuition-Evening High School	69,426	35,000	71,000	36,000	102.9%
Universal Svc Fee Discount	939,306	1,150,000	1,150,000	-	0.0%
MABE Refund	-	227,000	-	(227,000)	-100.0%
Miscellaneous Revenue	1,470,008	800,000	1,000,000	200,000	25.0%
Prior Year Fund Balance	3,242,526	4,224,983	2,863,741	(1,361,242)	-32.2%
Out of County Living - MD LEAs	4,068,869	4,000,000	4,000,000	-	0.0%
Informal Kinship Care - MD LEAs	727,624	300,000	500,000	200,000	66.7%
Escheat Funds		380,000		(380,000)	-100.0%
<i>Total Other Sources</i>	11,191,752	11,816,983	10,274,741	(1,542,242)	-13.1%
Grand Total of All Sources	\$ 919,960,435	\$ 989,888,387	\$ 1,073,705,597	\$ 83,817,210	8.5%

**Baltimore County Public Schools
FY2007 Board Proposed Budget
Revenue Appropriation -Option 2**

In accordance with Policy 3112, be it resolved that a budget for Baltimore County Public Schools be requested for Fiscal Year 2007, the following amounts by fund, category, and revenue source.

	<u>Board Proposed</u>
<i>Revenue Appropriation</i>	
<i>General Fund</i>	
Local	\$ 619,617,164
State	441,625,774
Other	10,274,741
<i>Total General Fund Revenue</i>	\$ 1,071,517,679
 <i>Special Revenue Fund</i>	
Local	64,000
State	7,311,237
Federal	80,315,332
Other	468,125
<i>Total Special Revenue Fund Revenue</i>	\$ 88,158,694
 <i>Debt Service Fund</i>	
Local	27,014,009
<i>Total Debt Service Fund Revenue</i>	\$ 27,014,009
 <i>Enterprise Fund</i>	
State	920,591
Federal	15,519,505
Operating Revenue	20,111,331
Other Non-Operating Revenue	3,551,719
<i>Total Enterprise Fund Revenue</i>	\$ 40,103,146
 <i>Capital Fund</i>	
Local	87,753,000
State	110,069,000
<i>Total Capital Fund Revenue</i>	\$ 197,822,000
<i>Total of All Sources of Revenue</i>	\$ 1,424,615,528
 <i>Revenue Summary</i>	
Local	734,448,173
State	559,926,602
Federal	95,834,837
Other	34,405,916
<i>Total of All Sources of Revenue</i>	\$ 1,424,615,528

**Baltimore County Public Schools
FY2007 Board Proposed Budget
*Expenditure Appropriation - Option 2***

	<u>Board Proposed</u>
<i>Expenditure Appropriation</i>	
<i>General Fund</i>	
Administration	\$ 33,768,175
Mid-Level Administration	70,708,227
Instructional Salaries	410,971,977
Instructional Textbooks and Supplies	23,205,978
Other Instructional Costs	15,486,556
Special Education	127,736,392
Pupil Personnel	5,361,737
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Fixed Charges	213,453,905
Capital Outlay	3,705,944
<i>Total General Fund</i>	\$ 1,071,517,679
 <i>Special Revenue Fund</i>	
Restricted Programs	88,158,694
 <i>Debt Service Fund</i>	
Debt Service	27,014,009
 <i>Enterprise Fund</i>	
Food and Nutrition	40,103,146
Capital Fund	197,822,000
<i>Total of All Funds</i>	\$ 1,424,615,528

Baltimore County Public Schools
FY2007 General Fund Revenue
Option 2

	<u>FY05 Actual</u>	<u>FY06 Adj. Budget</u>	<u>Board FY07 Proposed</u>	<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
<i>Local - Baltimore County</i>	\$ 570,385,533	\$ 591,656,029	\$ 619,617,164	\$ 27,961,135	4.7%
<i>State</i>					
Foundation Program	241,586,294	266,323,263	295,040,946	28,717,683	10.8%
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<i>Total Other Sources</i>	11,191,752	11,816,983	10,274,741	(1,542,242)	-13.1%
<i>Grand Total of All Sources</i>	\$ 919,960,435	\$ 989,888,387	\$ 1,071,517,679	\$ 81,629,292	8.2%

FY07 Proposed Maintenance of Effort

Fiscal Year	MOE Amount	County		% Above MOE
		Funding of MOE *	Amount Above MOE *	
1999	\$429,773,428	\$436,977,416	\$7,203,988	1.7%
2000	442,769,950	459,187,424	16,417,474	3.7%
2001	461,914,141	498,576,934	36,662,793	7.9%
2002	501,272,835	534,529,052	33,256,217	6.6%
2003	536,427,807	547,711,788	11,283,981	2.1%
2004	555,761,919	560,272,491	4,510,572	0.8%
2005	565,205,034	570,494,248	5,289,214	0.9%
2006	566,989,651	585,426,077	18,436,426	3.3%
2007 Superintendent's Request	586,460,407	604,487,492	18,027,085	3.1%
2007 Board Proposed (Option 1)	586,460,407	608,289,756	21,829,349	3.7%
2007 Board Proposed (Option 2)	586,460,407	606,101,838	19,641,431	3.3%
Average above the MOE increases received = 3.3%				
*Excluding MSDE approved non-recurring costs.				