

BALTIMORE COUNTY PUBLIC SCHOOLS

DATE: February 27, 2007

TO: **BOARD OF EDUCATION**

FROM: Dr. Joe A. Hairston, Superintendent

SUBJECT: **FY 2008 PROPOSED OPERATING BUDGET**

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

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

RECOMMENDATION

That the FY 2008 Board Proposed Operating Budget as defined in Option 1 or Option 2 be approved.

The Superintendent's proposed FY 2008 budget was introduced to the Board on January 9, 2007. A public hearing was held on January 24, 2007. The Board held a budget work session on January 30, 2007. Once approved, the budget will be forwarded to the County Executive by March 1, 2007.

The Superintendent proposes amending the original recommendation to reflect changes both technical and material in nature. Expanded requests include: raising the minimum hourly wage for all BCPS employees to \$10 and adjusting pay scales to keep all hourly scales relative to the increased minimum wage (\$20,511,467), placing kindergarten helpers in each classroom (\$2,747,000), additional classroom sound enhancements (\$450,000), and expanding the AVID program at Woodlawn High School (\$57,000). These proposals are included in Option 1 along with technical adjustments for enrollment and other items totaling \$464,993. Option 2 includes all of the above except the for \$10 minimum hourly wage increase (\$20,511,467).

FY 2008 Proposed Operating Budget

- Attachment I: FY 2008 Board Proposed Budget (Option I)
- FY 2008 Revenue Appropriation
 - FY 2008 Expense Appropriation
 - FY 2008 General Fund Revenue

- Attachment II: FY 2008 Board Proposed Budget (Option II)
- FY 2008 Revenue Appropriation
 - FY 2008 Expense Appropriation
 - FY 2008 General Fund Revenue

- Attachment III: FY 2008 Maintenance of Effort Comparison Chart

FY 2008 Proposed Operating Budget

Attachment I

**Baltimore County Public Schools
FY2008 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 2008, the following amounts by fund, category, and revenue source.

	<u>Board Proposed</u>
<i>Revenue Appropriation</i>	
<i>General Fund</i>	
Local	\$ 673,199,835
State	506,453,358
Other	<u>10,560,000</u>
<i>Total General Fund Revenue</i>	\$ 1,190,213,193
 <i>Special Revenue Fund</i>	
Local	44,000
State	10,170,805
Federal	72,790,684
Other	<u>1,731,583</u>
<i>Total Special Revenue Fund Revenue</i>	\$ 84,737,072
 <i>Debt Service Fund</i>	
Local	<u>26,953,267</u>
<i>Total Debt Service Fund Revenue</i>	\$ 26,953,267
 <i>Enterprise Fund</i>	
State	830,000
Federal	16,817,470
Operating Revenue	18,544,550
Other Non-Operating Revenue	<u>4,736,449</u>
<i>Total Enterprise Fund Revenue</i>	\$ 40,928,469
 <i>Capital Fund</i>	
Local	155,589,000
State	94,530,000
<i>Total Capital Fund Revenue</i>	\$ 250,119,000
 <i>Total of All Sources of Revenue</i>	 <u><u>\$ 1,592,951,001</u></u>
 <i>Revenue Summary</i>	
Local	855,786,102
State	611,984,163
Federal	89,608,154
Other	35,572,582
<i>Total of All Sources of Revenue</i>	<u><u>\$ 1,592,951,001</u></u>

FY 2008 Proposed Operating Budget

Attachment 1

**Baltimore County Public Schools
FY2008 Board Proposed Budget
*Expenditure Appropriation - Option 1***

	<u>Board Proposed</u>
<i>Expenditure Appropriation</i>	
<i>General Fund</i>	
Administration	\$ 35,251,356
Mid-Level Administration	78,304,214
Instructional Salaries	439,953,042
Instructional Textbooks and Supplies	26,574,607
Other Instructional Costs	19,321,866
Special Education	141,526,140
Pupil Personnel	6,676,890
Health Services	12,524,886
Transportation	50,629,769
Operations	95,144,159
Maintenance	29,817,892
Fixed Charges	249,438,861
Capital Outlay	<u>4,556,474</u>
<i>Total General Fund</i>	1,189,720,156
<i>Special Revenue Fund</i>	
Restricted Programs	84,737,072
<i>Debt Service Fund</i>	
Debt Service	26,953,267
<i>Enterprise Fund</i>	
Food and Nutrition	41,421,506
Capital Fund	<u>250,119,000</u>
<i>Total of All Funds</i>	<u>\$ 1,592,951,001</u>

FY 2008 Proposed Operating Budget

Attachment I

Baltimore County Public Schools FY2008 General Fund Revenue Option 1

	<u>FY06 Actual</u>	<u>FY07 Adj. Budget</u>	<u>Board FY08 Proposed</u>	<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
<i>Local - Baltimore County</i>	\$ 591,656,029	\$ 606,237,744	\$ 673,199,835	\$ 66,962,091	11.0%
<i>State</i>					
Foundation Program	266,320,664	295,037,176	334,757,670	39,720,494	13.5%
Formula-Compensatory Ed	51,396,146	68,694,414	86,201,356	17,506,942	25.5%
Out of County Living-State	4,143,261	4,000,000	4,100,000	100,000	2.5%
Limited English Proficiency	5,092,171	6,736,293	9,732,498	2,996,205	44.5%
Formula-Students w/ Disabilities	18,685,104	23,043,240	28,681,768	5,638,528	24.5%
Nonpublic Placements	13,317,032	13,384,679	15,013,269	1,628,590	12.2%
Formula-Transportation	20,588,129	22,216,941	23,845,320	1,628,379	7.3%
Aging Schools Program	2,734,982	2,734,477	2,734,477	-	0.0%
Extended Elementary Education Program	-	1,189,770	-	(1,189,770)	-100.0%
Advanced Prof Certif. Stipends	387,000	750,000	800,000	50,000	6.7%
National Certification Stipend	-	200,000	460,000	260,000	130.0%
Signing Bonus Stipend	-	300,000	127,000	(173,000)	-57.7%
<i>Total State</i>	<u>\$ 382,664,489</u>	<u>438,286,990</u>	<u>506,453,358</u>	<u>68,166,368</u>	<u>15.6%</u>
<i>Other Sources</i>					
Tuition-Nonresident	210,433	120,000	120,000	-	0.0%
Tuition-Summer School	382,369	400,000	400,000	-	0.0%
Tuition-Foster Care Agency	63,157	170,000	60,000	(110,000)	-64.7%
Tuition-Evening High School	61,194	71,000	80,000	9,000	12.7%
Universal Svc Fee Discount	1,148,624	1,150,000	1,200,000	50,000	4.3%
MABE Refund	-	-	-	-	-
Miscellaneous Revenue	2,207,225	1,000,000	1,700,000	700,000	70.0%
Prior Year Fund Balance	4,900,943	4,155,741	2,500,000	(1,655,741)	-39.8%
Out of County Living - MD LEAs	4,155,733	4,000,000	4,000,000	-	0.0%
Informal Kinship Care - MD LEAs	714,841	500,000	500,000	-	0.0%
Escheat Funds	380,000	-	-	-	-
<i>Total Other Sources</i>	<u>14,224,519</u>	<u>11,566,741</u>	<u>10,560,000</u>	<u>(1,006,741)</u>	<u>-8.7%</u>
<i>Grand Total of All Sources</i>	\$ 988,545,037	\$ 1,056,091,475	\$ 1,190,213,193	\$ 134,121,718	12.7%

FY 2008 Proposed Operating Budget

Attachment II

**Baltimore County Public Schools
FY2008 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 2008, the following amounts by fund, category, and revenue source.

	<u>Board Proposed</u>
<i>Revenue Appropriation</i>	
<i>General Fund</i>	
Local	\$ 652,688,368
State	506,453,358
Other	<u>10,560,000</u>
<i>Total General Fund Revenue</i>	\$ 1,169,701,726
 <i>Special Revenue Fund</i>	
Local	44,000
State	10,170,805
Federal	72,790,684
Other	<u>1,731,583</u>
<i>Total Special Revenue Fund Revenue</i>	\$ 84,737,072
 <i>Debt Service Fund</i>	
Local	<u>26,953,267</u>
<i>Total Debt Service Fund Revenue</i>	\$ 26,953,267
 <i>Enterprise Fund</i>	
State	830,000
Federal	16,817,470
Operating Revenue	18,544,550
Other Non-Operating Revenue	<u>4,736,449</u>
<i>Total Enterprise Fund Revenue</i>	\$ 40,928,469
 <i>Capital Fund</i>	
Local	155,589,000
State	94,530,000
<i>Total Capital Fund Revenue</i>	\$ 250,119,000
<i>Total of All Sources of Revenue</i>	<u>\$ 1,572,439,534</u>
 <i>Revenue Summary</i>	
Local	835,274,635
State	611,984,163
Federal	89,608,154
Other	<u>35,572,582</u>
<i>Total of All Sources of Revenue</i>	<u>\$ 1,572,439,534</u>

FY 2008 Proposed Operating Budget

Attachment II

**Baltimore County Public Schools
FY2008 Board Proposed Budget
*Expenditure Appropriation - Option 2***

	<u>Board Proposed</u>
<i>Expenditure Appropriation</i>	
<i>General Fund</i>	
Administration	\$ 34,753,690
Mid-Level Administration	76,381,963
Instructional Salaries	435,884,900
Instructional Textbooks and Supplies	26,574,607
Other Instructional Costs	19,321,866
Special Education	138,087,526
Pupil Personnel	6,617,547
Health Services	12,414,565
Transportation	47,421,807
Operations	91,080,620
Maintenance	28,674,080
Fixed Charges	248,016,279
Capital Outlay	4,472,276
<i>Total General Fund</i>	\$ 1,169,701,726
<i>Special Revenue Fund</i>	
Restricted Programs	84,737,072
<i>Debt Service Fund</i>	
Debt Service	26,953,267
<i>Enterprise Fund</i>	
Food and Nutrition	40,928,469
Capital Fund	<u>250,119,000</u>
<i>Total of All Funds</i>	<u>\$ 1,572,439,534</u>

FY 2008 Proposed Operating Budget

Attachment II

Baltimore County Public Schools FY2008 General Fund Revenue Option 2

	<u>FY06 Actual</u>	<u>FY07 Adj. Budget</u>	<u>Board FY08 Proposed</u>	<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
<i>Local - Baltimore County</i>	\$ 591,656,029	\$ 606,237,744	\$ 652,688,368	\$ 46,450,624	7.7%
<i>State</i>					
Foundation Program	266,320,664	295,037,176	334,757,670	39,720,494	13.5%
Formula-Compensatory Ed	51,396,146	68,694,414	86,201,356	17,506,942	25.5%
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Limited English Proficiency	5,092,171	6,736,293	9,732,498	2,996,205	44.5%
Formula-Students w/ Disabilities	18,685,104	23,043,240	28,681,768	5,638,528	24.5%
Nonpublic Placements	13,317,032	13,384,679	15,013,269	1,628,590	12.2%
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Aging Schools Program	2,734,982	2,734,477	2,734,477	-	0.0%
Extended Elementary Education Program	-	1,189,770	-	(1,189,770)	
Advanced Prof Certif. Stipends	387,000	750,000	800,000	50,000	6.7%
National Certification Stipend		200,000	460,000	260,000	130.0%
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Tuition-Summer School	382,369	400,000	400,000	-	0.0%
Tuition-Foster Care Agency	63,157	170,000	60,000	(110,000)	-64.7%
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MABE Refund	-	-	-	-	
Miscellaneous Revenue	2,207,225	1,000,000	1,700,000	700,000	70.0%
Prior Year Fund Balance	4,900,943	4,155,741	2,500,000	(1,655,741)	-39.8%
Out of County Living - MD LEAs	4,155,733	4,000,000	4,000,000	-	0.0%
Informal Kinship Care - MD LEAs	714,841	500,000	500,000	-	0.0%
Escheat Funds	380,000	-	-	-	
<i>Total Other Sources</i>	14,224,519	11,566,741	10,560,000	(1,006,741)	-8.7%
Grand Total of All Sources	\$ 988,545,037	\$ 1,056,091,475	\$ 1,169,701,726	\$ 113,610,251	10.8%

FY08 Proposed Maintenance of Effort

Fiscal Year	MOE Amount	County Funding of MOE *	Amount Above MOE *	% 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	566,984,118	585,426,077	18,441,959	3.3%
2007	585,260,390	600,315,484	15,055,094	2.6%
2008 Superintendent's Request	594,693,553	633,621,036	38,927,483	6.5%
2008 Board Proposed (Option 1)	594,693,553	657,851,496	63,157,943	10.6%
2008 Board Proposed (Option 2)	594,693,553	637,340,029	42,646,476	7.2%
Average above the MOE increases received = 3.9%				
*Excluding MSDE approved non-recurring costs.				