

**BALTIMORE COUNTY PUBLIC SCHOOLS**

**DATE:** February 14, 2008

**TO:** **BOARD OF EDUCATION**

**FROM:** Dr. Joe A. Hairston, Superintendent

**SUBJECT:** **FY 2009 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 2009 Board Proposed Operating Budget be approved.

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The superintendent's proposed FY 2009 budget was introduced to the Board on January 8, 2008. A public hearing was held on January 15, 2008. The Board held a budget work session on January 23, 2008. Once approved, the budget will be forwarded to the county executive by March 1, 2008.

The superintendent proposes an amendment which anticipates the board's February 26, 2008, discussion and adoption of restructuring plans for Woodlawn High School, Lansdowne Middle School, and Southwest Academy. An estimated amount of \$450,000 in non-salary restructuring costs was included in the original budget recommendation. Subsequently, a more detailed restructuring proposal has been developed that includes additional costs of approximately \$885,768, and reallocates some of the originally proposed costs for supplies and materials to teacher training stipends. The updated proposal includes teacher signing bonuses of \$376,000, extending department chair positions from 10 months to 12 months (\$195,000), reducing each department chair's teaching load by one class (\$195,000 and 3.0 FTE positions), and associated fixed charges of \$119,768.

Fixed charges are being reduced by \$761,108 to offset the increased cost of school restructuring because preliminary actuarial projections for health care indicate these costs may be less than previously estimated.

The total budget for all funds remains at \$1,505,614,151.

Attachment I: FY 2009 Revenue Appropriation  
FY 2009 Expense Appropriation  
FY 2009 General Fund Appropriation

Attachment II: FY 2009 Maintenance of Effort Comparison Chart

**Baltimore County Public Schools**  
**FY2009 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 2009, the following amounts by fund, category, and revenue source.

|   | <u>Board Proposed</u>   |
|---|-------------------------|
| <i>Revenue Appropriation</i>                  |                         |
| <i>General Fund</i>                           |                         |
| Local   | \$ 661,352,233          |
| State   | 516,017,115             |
| Other   | 10,993,000              |
| <i>Total General Fund Revenue</i>             | \$ 1,188,362,348        |
| <br><i>Special Revenue Fund</i>               |                         |
| Local   | 48,428                  |
| State   | 7,813,782               |
| Federal                                       | 65,647,437              |
| Other   | 2,135,493               |
| <i>Total Special Revenue Fund Revenue</i>     | \$ 75,645,140           |
| <br><i>Debt Service Fund</i>                  |                         |
| Local   | 30,837,582              |
| <i>Total Debt Service Fund Revenue</i>        | \$ 30,837,582           |
| <br><i>Enterprise Fund</i>                    |                         |
| State   | 830,000                 |
| Federal                                       | 16,489,915              |
| Operating Revenue                             | 18,438,345              |
| Other Non-Operating Revenue                   | 7,592,821               |
| <i>Total Enterprise Fund Revenue</i>          | \$ 43,351,081           |
| <br><i>Capital Fund</i>                       |                         |
| Local   | 82,677,000              |
| State   | 84,741,000              |
| <i>Total Capital Fund Revenue</i>             | \$ 167,418,000          |
| <b><i>Total of All Sources of Revenue</i></b> | <b>\$ 1,505,614,151</b> |
| <br><i>Revenue Summary</i>                    |                         |
| Local   | 774,915,243             |
| State   | 609,401,897             |
| Federal                                       | 82,137,352              |
| Other   | 39,159,659              |

*Total of All Sources of Revenue*

\$ 1,505,614,151

Attachment 1

**Baltimore County Public Schools  
FY2009 Board Proposed Budget  
*Expenditure Appropriation***

Board Proposed

*Expenditure Appropriation*

*General Fund*

|                                      |    |             |
|--------------------------------------|----|-------------|
| Administration                       | \$ | 38,087,524  |
| Mid-Level Administration             | \$ | 80,455,354  |
| Instructional                        |    |             |
| Salaries                             | \$ | 436,641,120 |
| Instructional Textbooks and Supplies | \$ | 28,360,224  |
| Other Instructional Costs            | \$ | 18,024,482  |
| Special Education                    | \$ | 146,647,086 |
| Pupil Personnel                      | \$ | 8,052,625   |
| Health Services                      | \$ | 13,006,982  |
| Transportation                       | \$ | 51,088,867  |
| Operations                           | \$ | 90,997,230  |
| Maintenance                          | \$ | 29,977,217  |
| Fixed Charges                        | \$ | 243,771,134 |
| Capital Outlay                       | \$ | 3,252,503   |

*Total General Fund* 1,188,362,348

*Special Revenue Fund*

|                     |  |            |
|---------------------|--|------------|
| Restricted Programs |  | 75,645,140 |
|---------------------|--|------------|

*Debt Service Fund*

|              |  |            |
|--------------|--|------------|
| Debt Service |  | 30,837,582 |
|--------------|--|------------|

*Enterprise Fund*

|                    |  |            |
|--------------------|--|------------|
| Food and Nutrition |  | 43,351,081 |
|--------------------|--|------------|

Capital Fund

167,418,000

***Total of All Funds***

**\$ 1,505,614,151**

## Baltimore County Public Schools FY2009 General Fund Revenue

|  | FY2007<br><u>Actual Expenditures</u> | FY2008<br><u>Adjusted Budget</u> | FY2009<br><u>Board Proposed</u> | Increase/<br><u>(Decrease)</u> | Percent<br><u>Change</u> |
|--|--------------------------------------|----------------------------------|---------------------------------|--------------------------------|--------------------------|
| <i>Local - Baltimore County</i>          | \$ 607,042,144                       | \$ 617,722,410                   | \$ 661,352,233                  | \$ 43,629,823                  | 7.1%                     |
| <i>State</i>                             |                                      |                                  |                                 |                                |                          |
| Foundation Program                       | 295,037,176                          | 334,624,288                      | 342,037,123                     | 7,412,835                      | 2.2%                     |
| Formula-Compensatory Ed                  | 68,694,414                           | 86,201,356                       | 88,843,115                      | 2,641,759                      | 3.1%                     |
| Out of County Living-State               | 3,608,733                            | 4,290,313                        | 4,250,000                       | (40,313)                       | -0.9%                    |
| Limited English Proficiency              | 6,736,293                            | 9,731,013                        | 10,346,425                      | 615,412                        | 6.3%                     |
| Formula-Students w/ Disabilities         | 23,043,489                           | 28,655,580                       | 28,463,140                      | (192,440)                      | -0.7%                    |
| Nonpublic Placements                     | 13,516,593                           | 16,276,289                       | 13,643,792                      | (2,632,497)                    | -16.2%                   |
| Formula-Transportation                   | 22,216,941                           | 23,845,320                       | 24,518,520                      | 673,200                        | 2.8%                     |
| Aging Schools Program                    | 2,579,980                            | 2,073,388                        | 2,940,000                       | 866,612                        | 41.8%                    |
| Extended Elementary Education Program    | 1,189,770                            | -                                | -                               | -                              |                          |
| Advanced Prof Certif. Stipends           | 480,000                              | 800,000                          | 975,000                         | 175,000                        | 21.9%                    |
| National Certification Stipend           |                                      | 400,000                          | -                               | (400,000)                      | -100.0%                  |
| Signing Bonus Stipend                    |                                      | 100,000                          | -                               | (100,000)                      | -100.0%                  |
| <i>Total State</i>                       | <u>437,103,389</u>                   | <u>506,997,547</u>               | <u>516,017,115</u>              | <u>9,019,568</u>               | <u>1.8%</u>              |
| <i>Federal</i>                           |                                      |                                  |                                 |                                |                          |
| Unrestricted Impact Aid                  | 65,791                               | -                                | -                               | -                              |                          |
| Retiree Drug Subsidy                     | 5,454,159                            | -                                | -                               | -                              |                          |
| <i>Total Federal</i>                     | <u>5,519,950</u>                     | <u>-</u>                         | <u>-</u>                        | <u>-</u>                       |                          |
| <i>Other Sources</i>                     |                                      |                                  |                                 |                                |                          |
| Tuition-Nonresident                      | 214,167                              | 120,000                          | 120,000                         | -                              | 0.0%                     |
| Tuition-Summer School                    | 391,238                              | 400,000                          | 400,000                         | -                              | 0.0%                     |
| Tuition-Foster Care Agency               | 199,103                              | 60,000                           | 30,000                          | (30,000)                       | -50.0%                   |
| Tuition-Evening High School              | 76,586                               | 80,000                           | 50,000                          | (30,000)                       | -37.5%                   |
| Universal Svc Fee Discount               | 1,175,373                            | 1,200,000                        | 1,200,000                       | -                              | 0.0%                     |
| MABE Refund                              | 315,800                              | -                                | 100,000                         | 100,000                        |                          |
| Miscellaneous Revenue                    | 2,293,323                            | 1,721,484                        | 1,843,000                       | 121,516                        | 7.1%                     |
| Prior Year Fund Balance                  | 8,139,941                            | 2,500,000                        | 3,000,000                       | 500,000                        | 20.0%                    |
| Out of County Living - MD LEAs           | 3,660,466                            | 4,000,000                        | 3,750,000                       | (250,000)                      | -6.3%                    |
| Informal Kinship Care - MD LEAs          | 517,660                              | 500,000                          | 500,000                         | -                              | 0.0%                     |
| Escheat Funds                            | -                                    | -                                | -                               | -                              |                          |
| <i>Total Other Sources</i>               | <u>16,983,657</u>                    | <u>10,581,484</u>                | <u>10,993,000</u>               | <u>411,516</u>                 | <u>3.9%</u>              |
| <b><i>Grand Total of All Sources</i></b> | <b>\$ 1,066,649,140</b>              | <b>\$ 1,135,301,441</b>          | <b>\$ 1,188,362,348</b>         | <b>\$ 53,060,907</b>           | <b>4.7%</b>              |

ATTACHMENT II

FY 2009 MAINTENANCE OF EFFORT

Board Proposed Budget FY 2009

9/30/2007 Enrollment

Reported on January 16, 2008

| 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   | 596,089,774   | 610,260,480             | 14,170,706         | 2.4%        |
| 2009   | 600,139,002   | 640,244,509             | 40,105,507         | 6.7%        |
| Average above the MOE increases received = 3.1 % |               |                         |                    |             |
| *Excluding MSDE approved non-recurring costs.    |               |                         |                    |             |