

2011-12 General Fund Budget – Amended
Wednesday, June 29, 2011
Prepared by the Communications Department

Key Points – 2011-12 General Fund Budget

- General Fund Budget includes restoration of FY 11 principal-determined school cuts of \$75 per student and reduces class size formulas by one student for 5K through 12th grades, returning classes to 2009-10 levels.
- Eligible teachers will receive a step increase. Other teachers and all other employees will receive a partial cost-of-living salary increase of 1.64% (full cost of living would be 3.4%). This ensures all employees receive at least a 1.64% increase. Also, included is a salary increase for certified staff who upgrade their certificate.
- Budget includes almost \$16.7 million in savings generated by cuts and employees' efforts over the past three years. \$4.6 million in savings is used to partially fund the Base Budget. \$12 million of savings is used to fund the Budget Supplement - Essential Needs. Funding of Essential Needs in subsequent years depends on revenue and other budget needs.
- Local millage increase of 4.7 mills is required to balance the budget. The impact of this additional tax is \$4.23 for a car valued at \$15,000 and \$141 for business property valued at \$500,000.

The Board of Trustees approved the amended 2011-12 General Fund (GF) Budget in the amount of \$442.8 million by a vote of 8 to 2 Wednesday evening, June 29.

The amended GF Fund includes the same expenditures approved earlier this month by the School Board. Revenue is revised to include a 4.7 local tax millage increase for cars, boats, rental property and businesses to make up the difference between the \$1,959 Base Student Cost set by the Senate and used for preparing the GF budget and the \$1,880 State Student Cost set by the Legislative Conference Committee.

The State Base Student Cost of \$1,880 was approved when the Governor's veto for funding the Education Finance Act (EFA) at that level was overridden by the House and Senate. The Governor's veto for the EFA hold harmless supplement of \$4.7 million was also overridden by the House and Senate.

The \$430.8 million Base Budget includes about \$23 million in additional local required expenditures with almost \$13.6 million to replace Federal Stimulus Funds used to pay for utility and liability insurance costs, \$6.2 million to decrease the student-teacher ratio by 1 for grades 5K-12, and about \$4.3 million for State mandates.

The 2011-12 Budget Supplement includes about \$12 million from generated savings to restore a portion of previous years' cuts (Essential Needs), including \$5.1 million in principal-determined school cuts, \$138,000 for high school guidance counselor supplemental days, and \$427,098 for professional development. Also included are \$4.7 million for teacher salary steps and \$1.7 million for a partial cost of living increase (1.64%) for other employees.

General Fund - Base Budget

Budgeted Expenditures for 2010-11 ----- \$406,935,000

State Mandated Expenditures for 2011-12 ---- \$4,278,000

Goal 2: Ensure Quality Personnel in All Positions

Teacher Certificate Upgrades ----- 600,000
State Health Employer Insurance Increase - 7.2% (Estimate) ----- 1,350,000

Goal 4: Effectively Manage and Further Develop Financial Resources

Additional Payments to Charter Schools ----- 2,178,000
PowerSchool Update ----- 150,000

Local Required Expenditures for 2011-12 --- \$23,036,000

Goal 1: Raise the Academic Challenge and Performance of Each Student

Decrease Student-Teacher Ratio by 1 for Kindergarten (5K) -----830,000
Decrease Student-Teacher Ratio by 1 for 1st -12th Grades ----- 6,100,000
Personnel for Student Growth ----- 2,000,000
Opening of New South Elementary School (Scheduled for August, 2012) ----- 141,000

Goal 3: Provide a School Environment Supportive of Learning

Utilities and Liability Insurance (Utilities = \$12,768,145, Liability Insurance = \$831,855) -----13,600,000

Goal 4: Effectively Manage and Further Develop Financial Resources

Procurement Audit (Required Every 3 Years) ----- 15,000
Annual Technology Software Agreements ----- 350,000

Transfer/Reduction of Expenditures for 2011-12 --- (3,489,000)

Transfer Consolidated Expenditures to EIA ----- (\$2,189,000)
Special Education Services Adjusted Based on Student Population ----- (\$1,300,000)

Total Proposed Expenditures for 2011-12 ----- \$430,760,000

General Fund - Budget Supplement

Essential Needs for 2011-12 --- \$12,024,098

Goal 1: Raise the Academic Challenge and Performance of Each Student

High School Guidance Counselor Supplemental Days (Cut in FY 11) ----- \$138,000
Principal-Determined School Level Reductions (\$75 Per Pupil) (Cut in FY 11) ----- 5,100,000

Goal 2: Ensure Quality Personnel in All Positions

Professional Development for School Needs (Cut in FY 10) ----- 427,098
Teacher Step/Salary Increase (Last Salary Step Increase was in FY 10) ----- 4,659,000
Partial Cost of Living Increase (1.64%) for Support Personnel (Last Increase was in FY 09) -- 1,700,000