

# Superintendent's Proposed FY 2011 Operating Budget

## Carroll County Public Schools

The mission of Carroll County Public Schools is to ensure that every student can thrive as a responsible citizen in a changing world by providing rigorous and challenging curriculum in partnership with quality staff, caring families, and supportive community members.



January 13, 2010

# **State & Local Tax Revenues**

**“Revenues are expected to continue to be weak well into 2010 if not further”**

Source: *The Wall Street Journal* – “State, Local Tax Revenues Decline 7%” - December 30, 2009

# Property Tax Revenues

**“As property assessments catch up with falling residential and commercial real-estate values, property tax revenues are expected to be weak. That will have a particularly severe impact on local governments, which fund much of their operations from property taxes.”**

Source: *The Wall Street Journal* – “State, Local Tax Revenues Decline 7%” - December 30, 2009

# **CCPS Fiscal Environment**

- **State is projecting a \$2.0 billion shortfall for FY 2011 due primarily to declining sales and income tax revenues**
- **Federal stimulus funds supporting State revenue go away in FY 2012**

# **CCPS Fiscal Environment**

- **County is facing a projected structural deficit due primarily to declining property assessments**
- **Projected deficits are as follows:**
  - **FY 11 \$44.8 Million**
  - **FY 12 \$55.6 Million**
  - **FY 13 \$75.1 Million**
  - **FY 14 \$91.0 Million**
  - **FY 15 \$102.4 Million**

Source: *FY 10 – FY 16 Fiscal Outlook Presentation to BOE – Ted Zaleski - December 9, 2009*

# Estimated Net FY 2011 Revenues & Expenditures

<b>Estimated Revenue Decrease</b>	<b><u>(\$1.0 million)</u></b>
<b>Estimated Net Expenditure Increase</b>	<b>\$2.2 million</b>
<b>Proposed Expenditure Reductions to Balance</b>	<b><u>(\$3.2 million)</u></b>
<b>BALANCE</b>	<b>\$0.0</b>

# Estimated Change in Non-Restricted Revenue

<b>County Operating</b>	<b>\$0</b>
<b>State Foundation</b>	<b><u>(\$1.0 million)</u></b>
<b>TOTAL CHANGE</b>	<b><u>(\$1.0 million)</u></b>

# Estimated Change in Non-Restricted Expenditures

<b>Fringe Benefits &amp; Other Fixed Charges</b>	<b>\$3.5 million</b>
<b>National Teacher Certification Stipends</b>	<b>\$0.2 million</b>
<b>State Mandated Fitness &amp; Athletic Equity Program</b>	<b>\$0.2 million</b>
<b>One-Time Expenses in FY 2010 Budget (MVHS, etc.)</b>	<b>(\$1.1 million)</b>
<b>Other Adjustments &amp; Reductions</b>	<b>(\$0.6 million)</b>
<b>TOTAL NET INCREASE – 0.7%</b>	<b>\$2.2 million</b>

# Guiding Principle

- **Protect our core instructional services**

The mission of Carroll County Public Schools is to ensure every student can thrive as a responsible citizen in a changing world by providing rigorous and challenging curriculum in partnership with quality staff, caring families, and supportive community members.

# Proposed Expenditure Reductions - \$3.2 M

<b>Eliminate 18 Full Time Equivalent, Non-Teaching Positions</b>	<b>(\$1,600,000)</b>
<b>Reduce School Maintenance Budget</b>	<b>(\$500,000)</b>
<b>Reduce Central Office Operating Budgets</b>	<b>(\$400,000)</b>
<b>Eliminate Targeted Improvement Funds</b>	<b>(\$180,000)</b>
<b>Reduce usage of Permanent Substitutes</b>	<b>(\$150,000)</b>
<b>Restructure / Eliminate CLASS Program</b>	<b>(\$100,000)</b>

# Proposed Expenditure Reductions \$3.2 M (continued)

<b>Eliminate Separate 9<sup>th</sup> Grade Athletic Teams</b>	<b>(\$92,000)</b>
<b>Reduce Textbook Replacement Funds</b>	<b>(\$50,000)</b>
<b>Eliminate Central Pre-K Furniture &amp; Equipment Funds</b>	<b>(\$50,000)</b>
<b>Eliminate Indoor Track Athletic Program</b>	<b>(\$31,000)</b>
<b>Eliminate Funds for PSAT for 10<sup>th</sup> Graders</b>	<b>(\$29,000)</b>

# **Proposed Expenditure**

## **Reductions**

### **(continued)**

- **No classroom teaching positions have been cut in this budget**
- **There are no funds included for salary improvements in this budget**

# Estimated Net FY 2011 Revenues & Expenditures

<b>Estimated Revenue Decrease</b>	<b><u>(\$1.0 million)</u></b>
<b>Estimated Net Expenditure Increase</b>	<b>\$2.2 million</b>
<b>Proposed Expenditure Reductions to Balance</b>	<b><u>(\$3.2 million)</u></b>
<b>BALANCE</b>	<b>\$0.0</b>

## The Hard Fix

- **We need to establish a new lower sustainable base**
- **People provide programs and services**
- **Most of our money is in positions**

Source: *FY 10 – FY 16 Fiscal Outlook Presentation to BOE – Ted Zaleski - December 9, 2009*

# Next Steps

- January 27<sup>th</sup> - Public Hearing and Board Work Session on Budget
- February 9<sup>th</sup> - Public Hearing on Budget
- February 24<sup>th</sup> - BOE Adopts Budget
- March – 1<sup>st</sup> – Budget sent to County Commissioners
- March - County Review Budget
- April - Presentation of Budget to Commissioners
- May - County Public Budget Hearing
- May – BOE Approves Budget Categories