



SCHOOL BOARD

March 21, 2019

FY2020 Budget Markup #1

Presentation

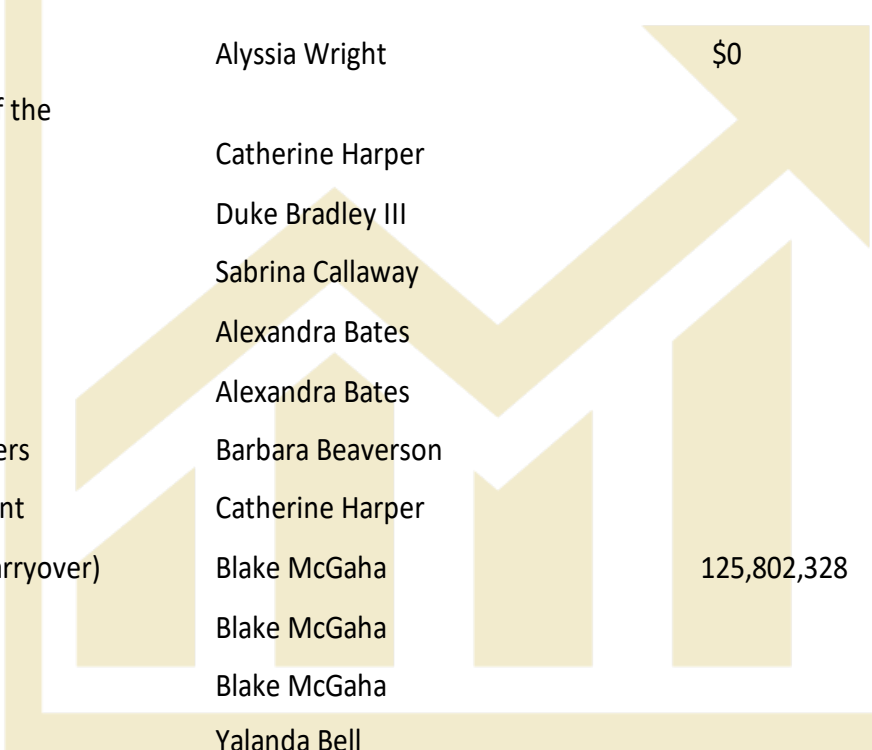


Agenda

- Budget Summary by Program
- Pension Fund
- School Nutrition Fund
- Title I Fund
- Title VI-B fund
- Pre-Kindergarten Fund
- Debt Service Fund
- Next Steps



FY19 vs. FY20 Tentative Budget Summary by Program



Grants and Special Revenue Title	Grant Manager	FY20 General Fund Contribution	FY19 Revenues	FY20 Revenues	Change
School Nutrition Program	Alyssia Wright	\$0	\$27,030,087	\$26,635,846	(\$394,241)
Title I-A, Improving the Academic Achievement of the Disadvantaged	Catherine Harper		21,504,305	20,214,047	(1,290,258)
School Improvement Federal - G Funds	Duke Bradley III		1,107,570	996,865	(110,705)
Education for Homeless Children and Youth	Sabrina Callaway		66,987	52,689	(14,298)
Title II-A, Improving Teacher Quality	Alexandra Bates		2,635,599	2,503,819	(131,780)
Title II-A, Advanced Placement	Alexandra Bates		9,000	15,865	6,865
Title III-A, Language Instruction for English Learners	Barbara Beaverson		790,924	790,924	-
Title IV, Student Support and Academic Enrichment	Catherine Harper		1,540,048	1,447,645	(92,403)
Special Education - VIB Flow through (includes carryover)	Blake McGaha	125,802,328	17,734,958	18,613,128	878,170
Special Education - Preschool	Blake McGaha		416,632	476,422	59,790
High Cost Fund Pool (*)	Blake McGaha		365,553	473,580	108,027
CTE - Perkins IV Grants - Program Improvement	Yalanda Bell		764,880	764,880	-
CTAE - Perkins Plus Reserve	Yalanda Bell		25,000	25,000	-
Total of Federal Grants		\$125,802,328	\$73,991,543	\$73,010,710	(\$980,833)

FY19 vs. FY20 Tentative Budget Summary by Program

Grants and Special Revenue Title	Grant Manager	FY20 General Fund Contribution	FY19 Revenues	FY20 Revenues	Change
Preschool Disability Services	Blake McGaha	\$0	\$2,170,084	\$2,259,613	\$89,529
Tuition for Multiple Disabilities (*)	Blake McGaha		400,330	308,946	(91,384)
Residential Treatment Centers Grant	Blake McGaha		354,689	348,275	(6,414)
CTAE - Ag Extended Day/Year	Yalanda Bell		52,286	52,285	(1)
Career, Technical, and Agriculture - CTE Apprenticeship	Yalanda Bell		38,173	38,393	220
CTAE - CTE Extended Day	Yalanda Bell		491,433	491,433	-
CTAE - Supervision	Yalanda Bell	77,157	57,192	103,269	46,077
Charter Schools - Facilities	Andrea Cooper-Gatewood		299,521	300,000	479
Total of Fund 100 State Grants		\$77,157	\$3,863,708	\$3,902,214	\$38,506
Pre-Kindergarten Program	Montreal Bell	\$902,600	\$7,262,103	\$7,255,590	(\$6,513)
Total of Other State Grant		\$902,600	\$7,262,103	\$7,255,590	(\$6,513)
Metro Atlanta Policy Lab for Education	James Yerich	\$0	\$100,322	\$100,322	-
Verizon Foundation Grant	John T. Madden		\$25,000	\$25,000	-
Total of Miscellaneous Grants and Donations		\$0	\$125,322	\$125,322	\$0
SPECIAL REVENUE TOTAL		\$126,782,085	\$85,242,676	\$84,293,836	(\$948,840)

Note: All state grants are required to be recorded in the school system's General Fund. All other grant programs are recorded in the Special Revenue Fund 40. This includes the general fund contribution.

The FY19 grants with an (*) are preliminary budgets only, not actual awards.

SUMMARY OF FY20 REVENUE SOURCES		
Federal	\$73,010,710	34.6%
State DOE Fund 100 Grants	\$3,902,214	1.8%
Other State Grant	\$7,255,590	3.4%
Misc. Grants & Donations	\$125,322	0.1%
General Fund Contribution	\$126,782,085	60.1%
Total	\$211,075,921	100.0%





FY2020 Annual Planning Presentation

*Fulton County Schools Employees Pension Fund
Greta Tinaglia, Executive Director of Accounting and
Retirement Services*





Budget FY20:

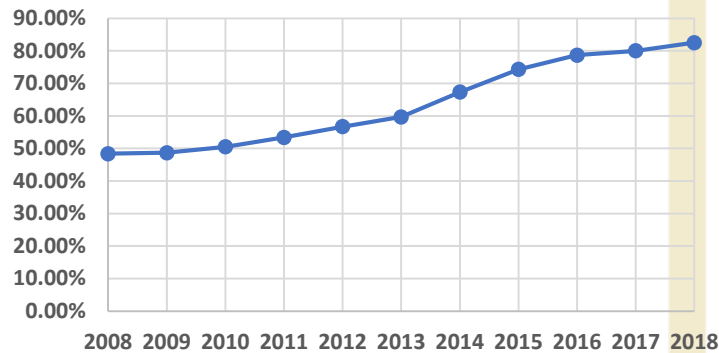
Annual Budget	2020
Employer Contributions	\$23,060,000
Employee Contributions	\$2,500,000
Investment Earnings	\$30,450,000
Total Revenues	\$56,010,000
Benefit Payments	\$35,649,600
Investment Expenses	\$957,000
Salary and Benefits	\$443,252
Administrative Costs	\$453,000
Total Expenses	\$37,502,852

Esimtated Fund Balance	2020
Estimated Beginning Fund Balance	\$435,000,000
Excess of Revenues Over Expenditures	\$18,507,148
Estimated Ending Fund Balance	\$453,507,148



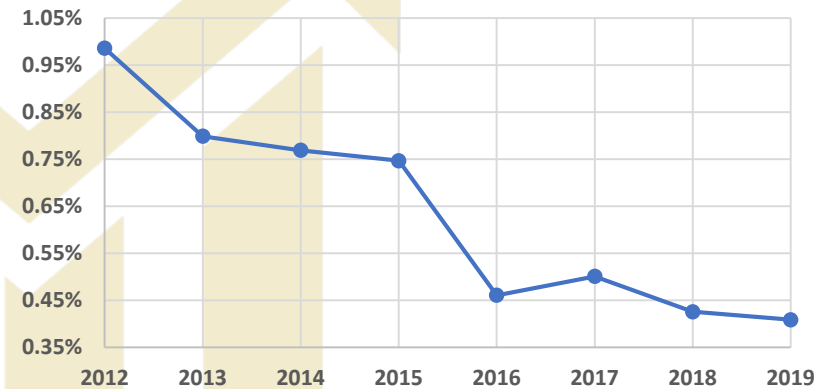
Positive:

- Improved Funding Ratio



- Projected Full Funding By 2025!

- Declining Expense Ratio

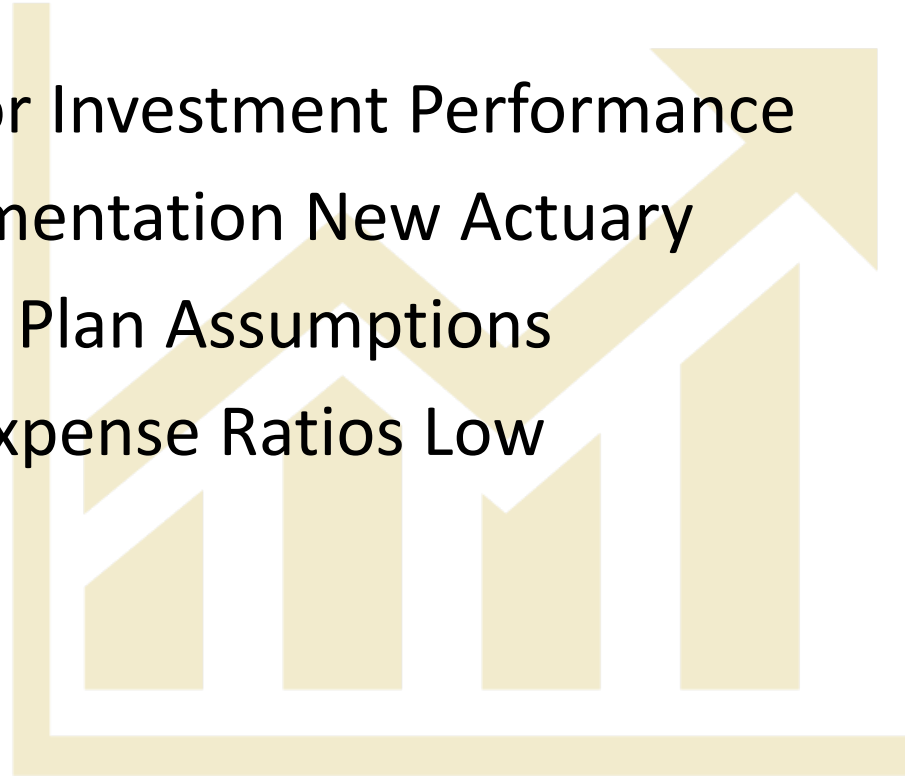


- BOE gained legislative control in FY 19.



Looking Ahead:

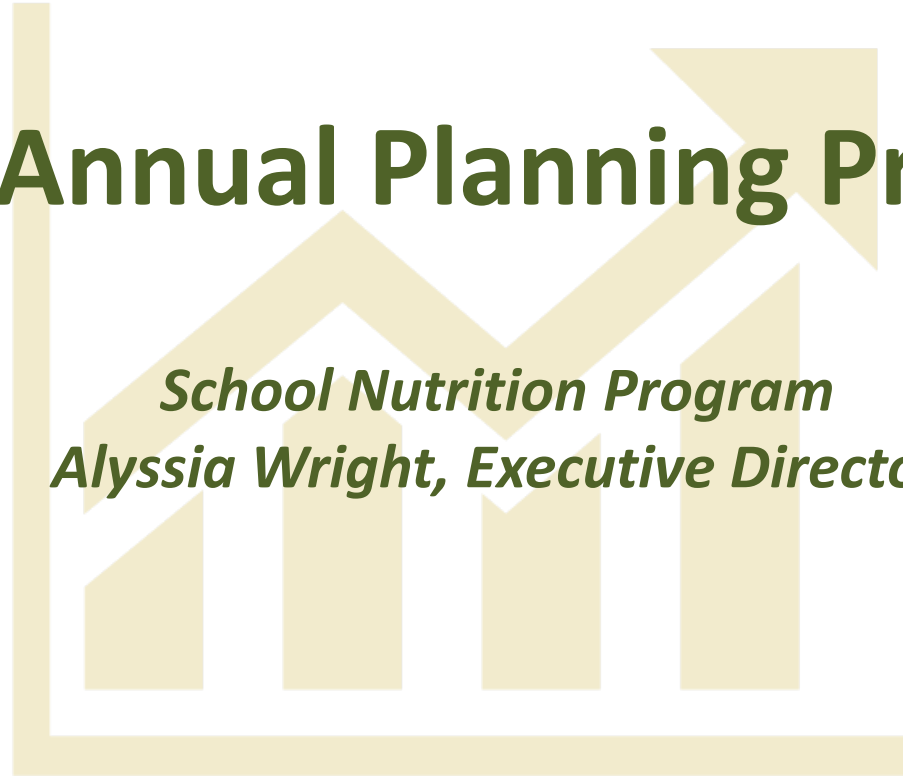
- Monitor Investment Performance
- Implementation New Actuary
- Review Plan Assumptions
- Keep Expense Ratios Low



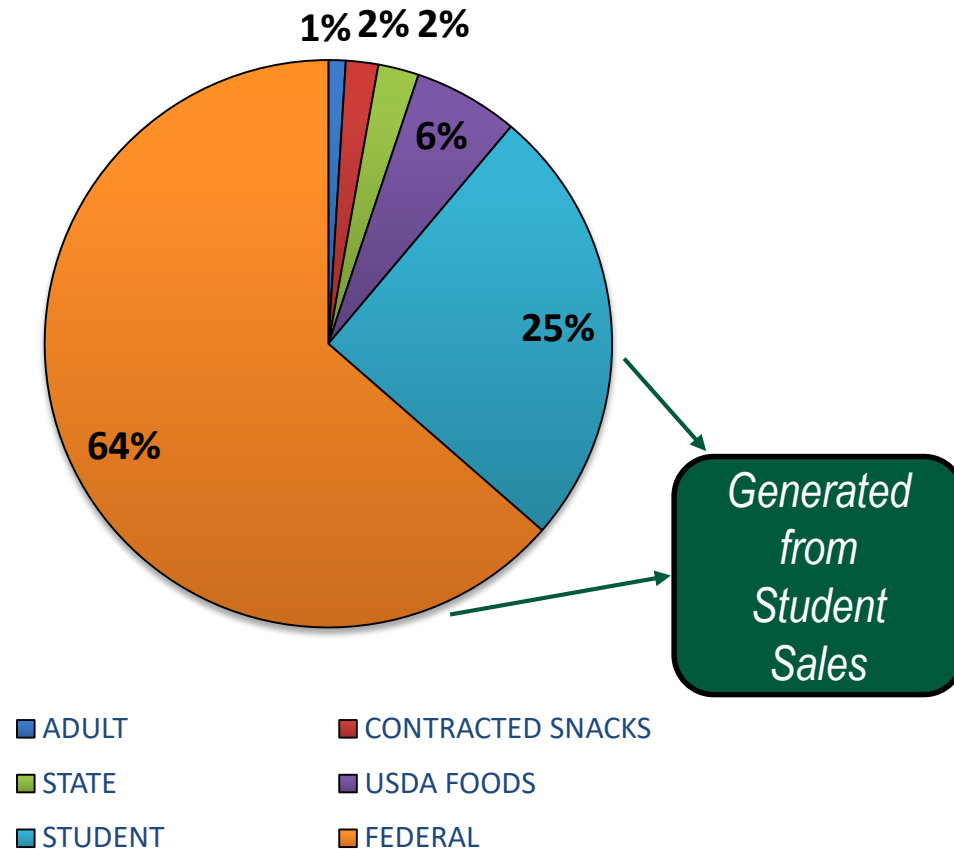


FY2020 Annual Planning Presentation

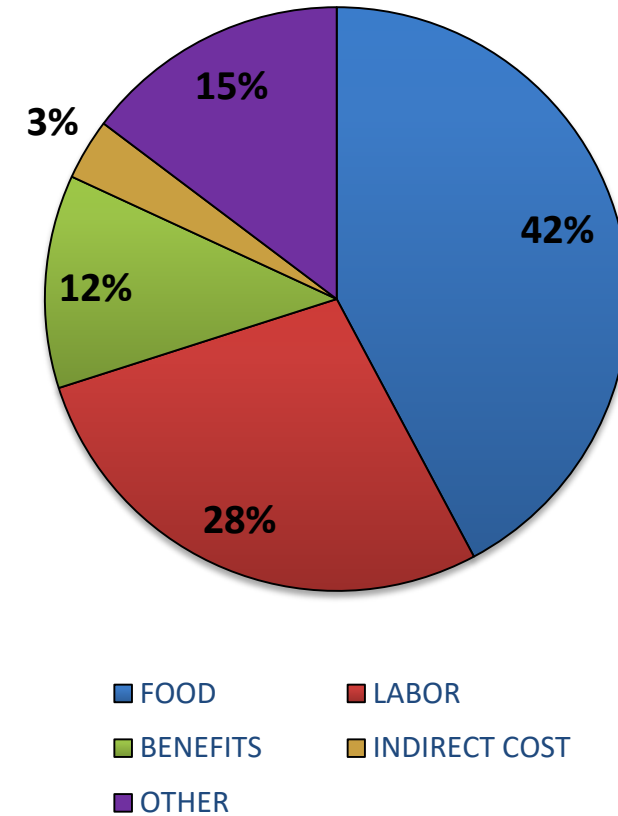
School Nutrition Program
Alyssia Wright, Executive Director



Forecasted Revenue - \$42,043,127



Forecasted Expenditures - \$41,982,069



*** No Meal Price Increase 19-20 ***



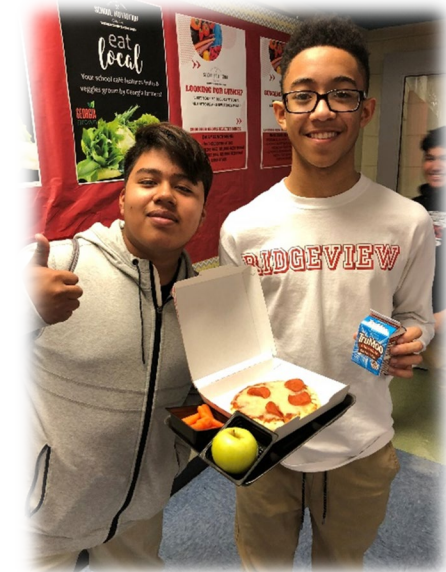


What are we Doing?

- Utilizing Social Media
- Announcements in School Newsletters
- Yard Signs and Flyers posted at Schools
- Job Fairs

Student Focused Innovations:

- Gourmet Coffee
- Mobile Ordering
- Expansion of Mobile Foodservice





FY2020 Annual Planning Presentation

*Title I Department
Catherine Harper, Director*



Budget FY20:

Total FY2020 Estimated: \$20,214,047 (94% of FY19)

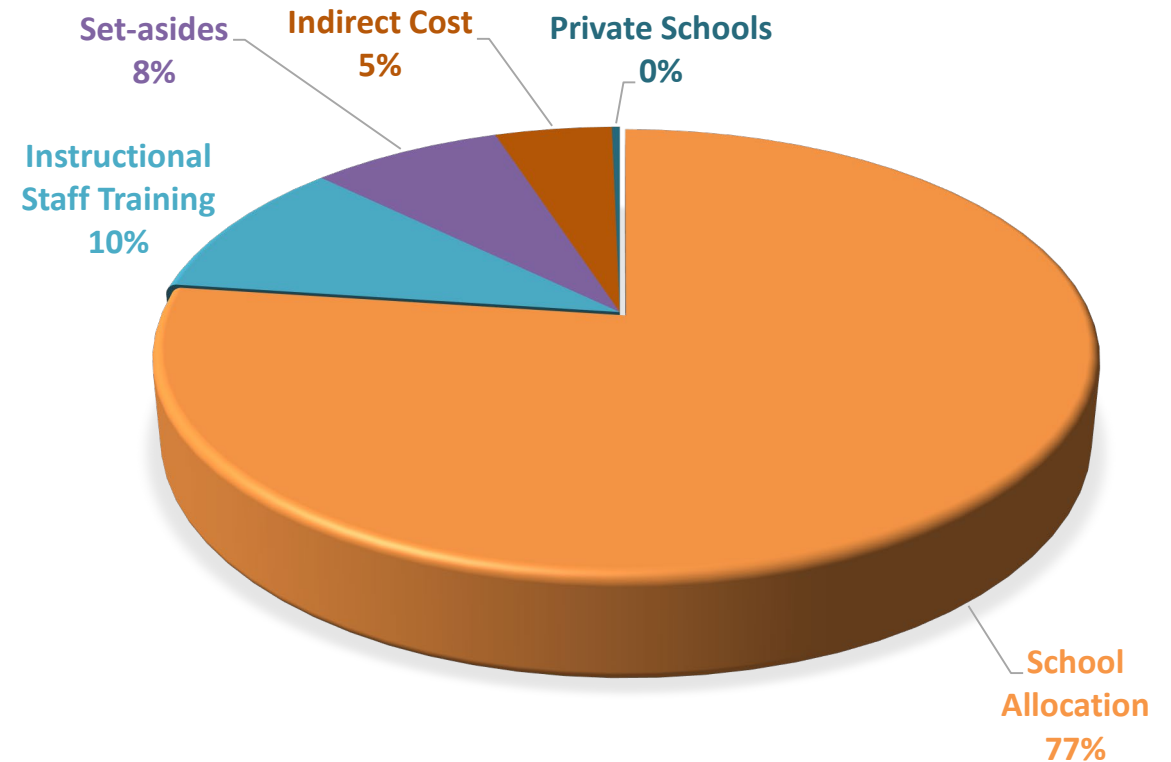
Direct School Allocation: \$15,585,793

Instructional Staff Training: \$2,043,788

Set Asides: \$1,565,849
(admin, family engagement, homeless, foster, N&D, summer camp)

Indirect Costs: \$953,401

Private School Portion: \$65,216





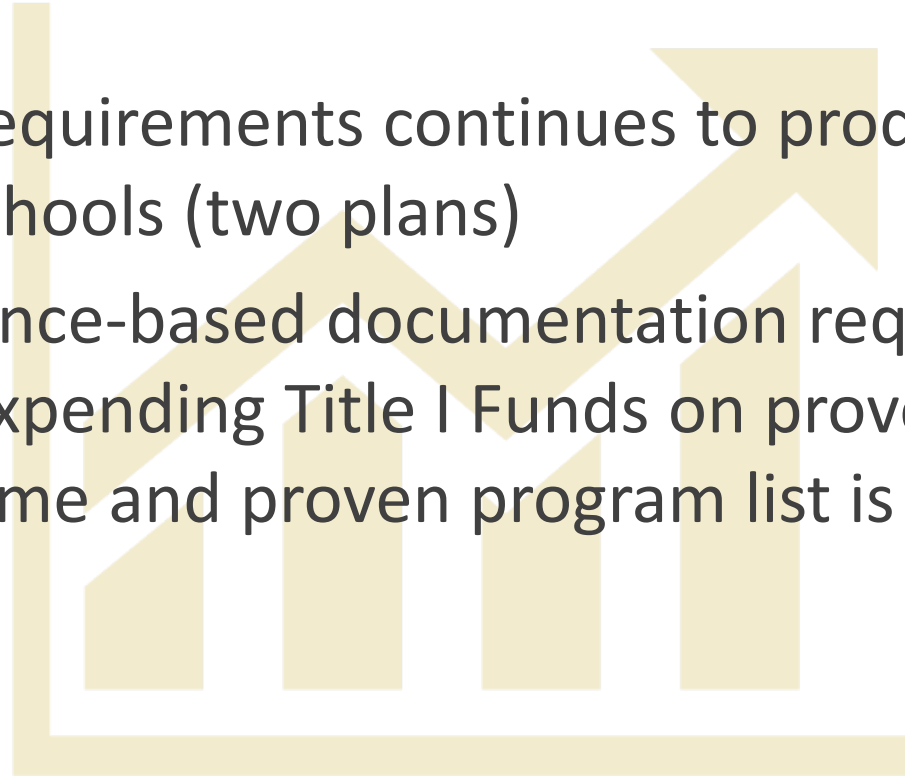
Positive:

- 4 Title I Reward Schools:
 - Amana Academy
 - Hillside ES
 - River Eves ES
 - Woodland ES
- Academic Summer Camp served more than 200 students
- Streamlined Title I Planning Process for schools – to align with school strategic plans and goals
- Participated in Streamlined CLIP – which aligns federal programs plan and goals with Strategic Plan 2020
- 5 Consolidated Schools – excellent mid-year review by GaDOE
 - Lake Forest
 - Esther Jackson
 - Elkins Pointe
 - Woodland MS
 - Banneker



Challenges:

- Federal Title I Plan requirements continues to produce extra strategic planning steps for schools (two plans)
- Federal (ESSA) evidence-based documentation requirements attempt to assure schools are expending Title I Funds on proven programs but the process is cumbersome and proven program list is too limited at the current time





Looking Ahead:

- 59 Title I schools
- 9 private schools
- 6 facilities that serve neglected children
- 15 schools participating in the Consolidation of Funds initiative





FY2020 Annual Planning Presentation

*Services for Exceptional Children
Blake McGaha, Executive Director*



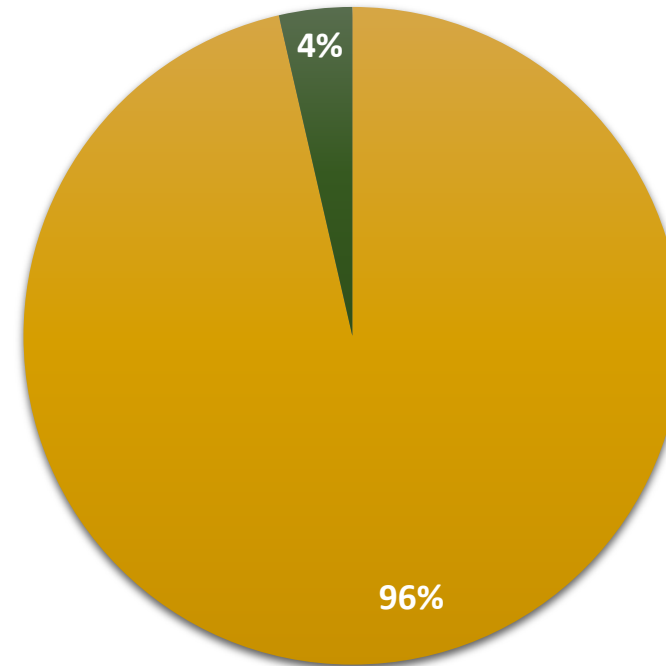


Budget FY20:

TITLE VIB FY20 FISCAL FORECAST:

\$18,613,128

- *96% of Federal Funds go straight to personnel resources that support students in our schools*
- *The other 4% of Federal Funds are used to support*



- Fund Special Ed Teachers, Special Ed Admin Staff, Bilingual School Psychologist, Occupational Therapists
- Fund CBI Transportation, Indirect Costs, Assistive Technology, SNPK Supplemental Materials



Positive:

- Implemented an improved FTE count process which is expected to produce a significant increase in future FTE earnings.
- Increased supports for new SEC staff in an effort to improve retention rates and employee satisfaction: **New IST Academy & Go Tip for SEC teachers.**
- Implemented a series of face-to-face cohorts to support the instructional skills of SEC teachers: **Literacy Cohorts & Math Cohorts.**
- Restructured SEC Department to align to an instructional focus, one that supports teaching and learning for all Students with Disabilities (SWD).
- SEC continues to have no determination of significant disproportionality.



Challenge(s):

- FCS is only funded 12.58% in FY19 versus the promised 40% when IDEA was written in 1975.
- High Cost explanation: FCS identifies students in which the cost to instruct these students is at least 3 times that of the average pupil (must exceed \$27,000 per student). \$1,424,792
- Residential explanation: FCS identifies students who require extensive, around the clock services that can only be provided through a residential setting. \$670,036



Looking Ahead:

- Continued increases in FTE funding due to improved business practices.
- Remapped transition support structure for MS and HS students to better support aimed at monitoring attendance, discipline, and credits to improve graduation rates.
- SEC has developed a **3-year scope & sequence** for professional learning for all special education staff that focuses on Specially Designed Instruction (SDI) for Students with Disabilities.
- Thank you to the Board for the compensation enhancements that will help with recruiting of special education teachers and paraprofessionals.



FY2020 Annual Planning Presentation

*Prekindergarten Programs
Montreal Bell, Coordinator, Early Childhood Programs*

Budget FY20: Pre-K Program

85 Classes in 45 Schools



Proposed Budget: \$8.16M

- Local supplements for teachers and paraprofessionals
- Subs for Professional Development (state required training)
- Materials and supplies for Pre-K classrooms (allocated in school budgets)
- Meals for Category One students
- Central Office Support for instruction, behavior, families and community

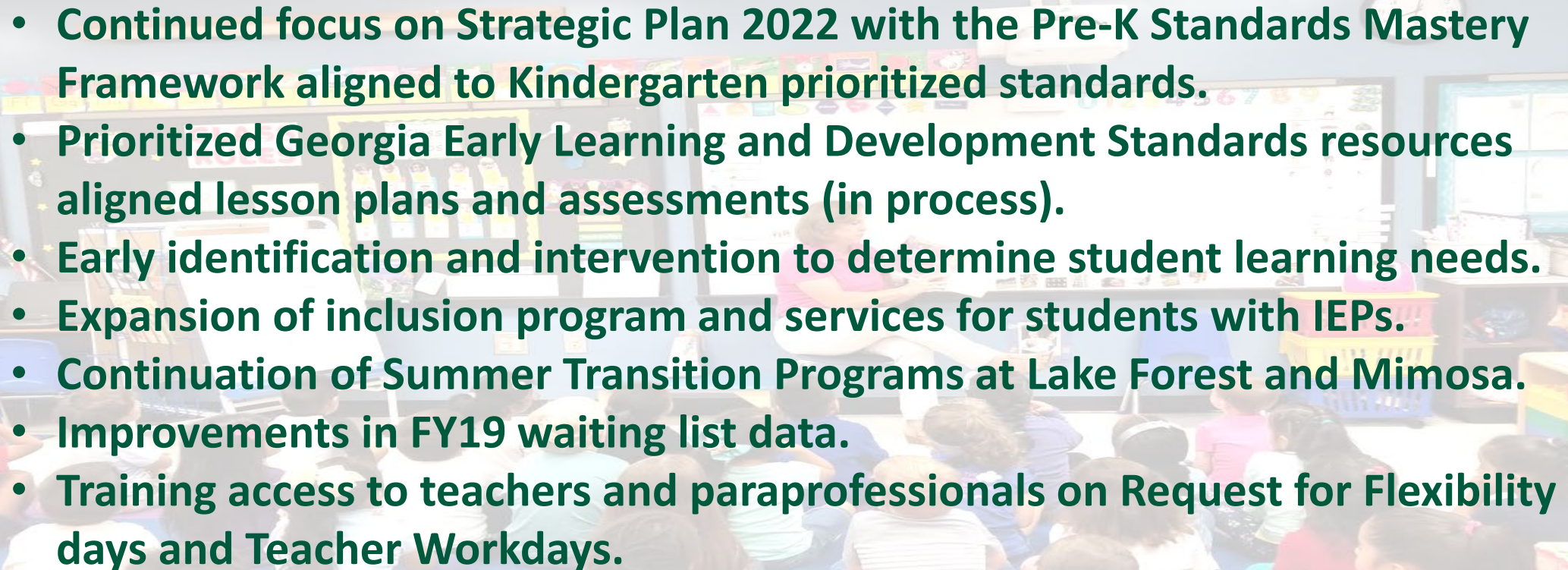
Estimated State Revenue: \$7.2M

- Teacher credentials and experience
- Full classrooms (operating costs)
- Benefits are based on teacher credential levels (Bachelors degree, T4, T5)
- Additional transportation revenue generated when Category One students ride the school bus
- Additional revenue would include the proposed pay raises for teachers (\$2775) and paraprofessionals (2%)

Possible Increases & Impacts

- *FULTON's proposed pay raise for teachers of \$2775 and paraprofessionals of 3% will increase the proposed budget*
- TRS is expected to increase by 1.15%. Increases in salaries could also increase contributions and other benefits
- Flat rate for Health Insurance could increase budget by more than \$268K
- State proposed funding for supplies could be added to Operational Funds

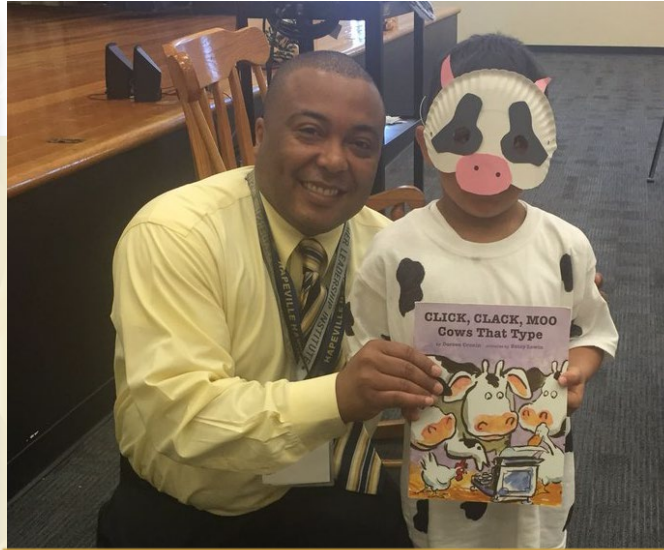
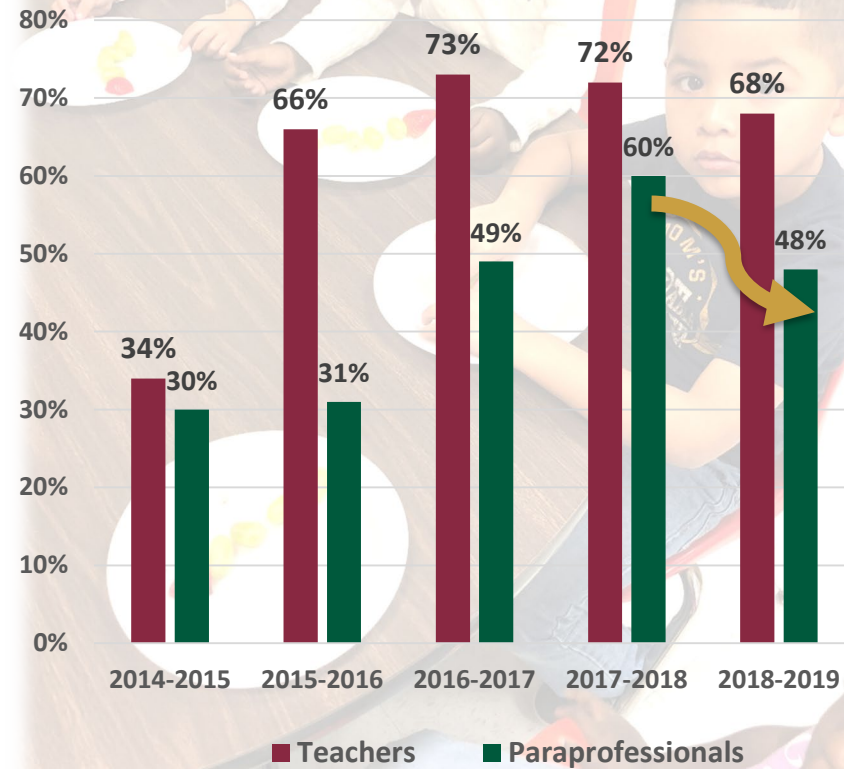
Positives: PRE-K PROGRAM

- 
- Continued focus on Strategic Plan 2022 with the Pre-K Standards Mastery Framework aligned to Kindergarten prioritized standards.
 - Prioritized Georgia Early Learning and Development Standards resources aligned lesson plans and assessments (in process).
 - Early identification and intervention to determine student learning needs.
 - Expansion of inclusion program and services for students with IEPs.
 - Continuation of Summer Transition Programs at Lake Forest and Mimosa.
 - Improvements in FY19 waiting list data.
 - Training access to teachers and paraprofessionals on Request for Flexibility days and Teacher Workdays.

Challenges: Pre-K Program



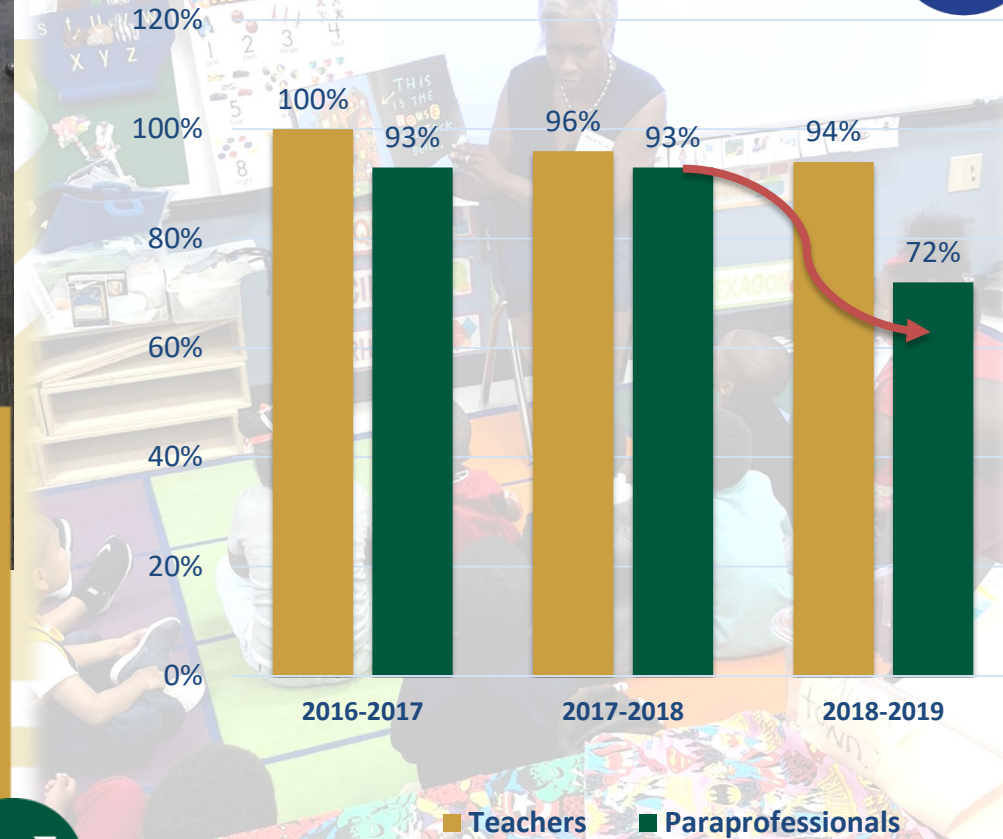
Teacher and Paraprofessional Retention Data



- K-5 Attrition
- Increased costs in health insurance, TRS and other benefits
- Competition for local dollars
- Training of new and existing staff



READY on Day 1





- Build early literacy and numeracy skills of students.
- Increase Kindergarten Readiness.



- Develop Teacher Leaders to assist with Standards Mastery implementation.
- Continue to support staff on Professional Development days to assist with Instructional, Behavioral and Collaboration.



- Partner with Community agencies that provide services to children and families.
- Continue to attend community collaborative meetings and provide resources available to families that need assistance.
- Collaborate with private prekindergarten providers to ensure a reciprocal support system.



- Continue communication with state to help close funding gaps.
- Monitor changes in TRS and other legislation regarding health insurance and benefits for state employees.



FY2020 Annual Planning Presentation

Debt Service Fund
Marvin Dereef, Deputy Chief Financial Officer





Budget FY2020:

Debt Service	Amount
Beginning Fund Balance	\$5,651,146
Revenues	
Local Revenues	1,600
SPLOST Transfers	6,415,930
Interest	54,000
Expenditures	
Principal Payments	10,890,000
Interest Payments and Fees	1,232,676
Revenues Less Expenditures	(5,651,146)
Ending Fund Balance	\$0



Positive:

	<u>June 30, 2018</u>
Assessed Value	\$36,112,540,909
Debt Limit - 10% of Assessed Value	3,611,254,091
Debt applicable to Limit:	
General Obligation Bonds	32,715,000
Less: Amount reserved for repayment of General Obligation Debt	5,611,047
Total Debt applicable to Limit	27,103,953
Legal Debt Margin	<u>\$3,584,150,138</u>
Total Net Debt applicable to the limit as a % of the Debt Limit	<u>0.74%</u>



Looking Ahead:

- General Obligation Bond Series 1998
 - Total Payments \$247.6 million/Final Payment 1-1-2021
 - Total Principal Outstanding FY 2020 \$22.4 million
- Qualified School Construction Bond Series 2011
 - Total Payments \$61.6 million/ Final Payment 1-1-2027
 - Total Principal Outstanding FY 2020 \$19.0 million



Next Step

FY2020 Board Budget Calendar

March 21

Recommend budget calendar revisions

