



FY 2019 Superintendent's Budget Recommendation

School Board
Meeting
May 17, 2018



- Fiscal Year 2018 marked the beginning of the first year of Strategic Plan 2022.
- Plan and prepare a budget that aligns instructional priorities of the district as outlined in FCS' Strategic Plan 2022 and has them as its central focus.

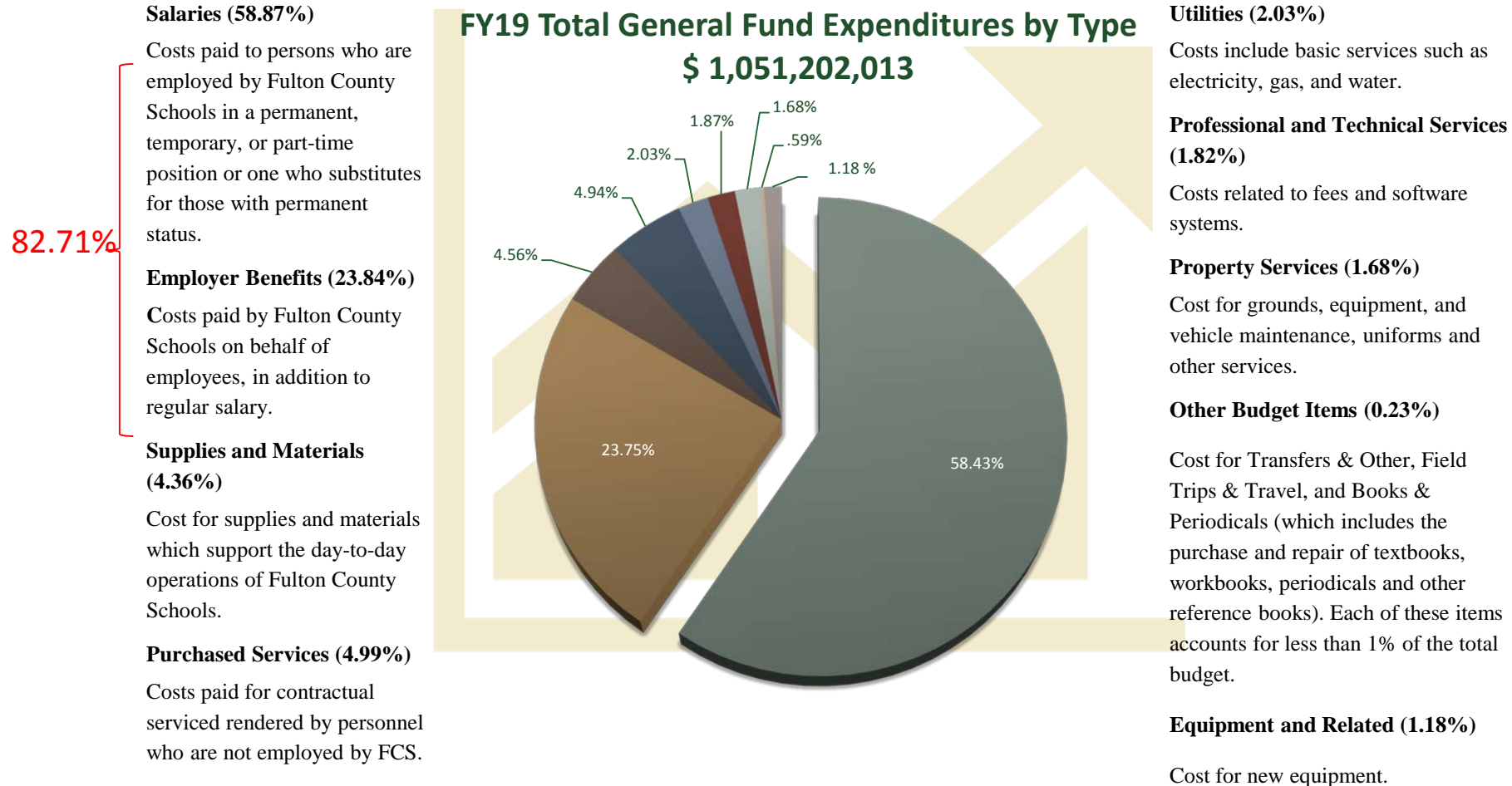




Budget by Fund for FY2019

Fund	Revenue	Expenditure
General Fund	\$1,060,610,780	\$1,051,202,013
Debt Service	\$12,170,925	\$12,130,840
Capital Program	\$175,706,545	\$509,009,734
Special Revenue	\$54,173,065	\$54,173,065
School Nutrition	\$42,005,909	\$41,991,355
Pension	\$54,511,000	\$34,165,441
Student Activity	\$19,219,733	\$19,219,733
Total Budget	\$1,418,397,957	\$1,721,892,180

Expenditure Summary by Object Type



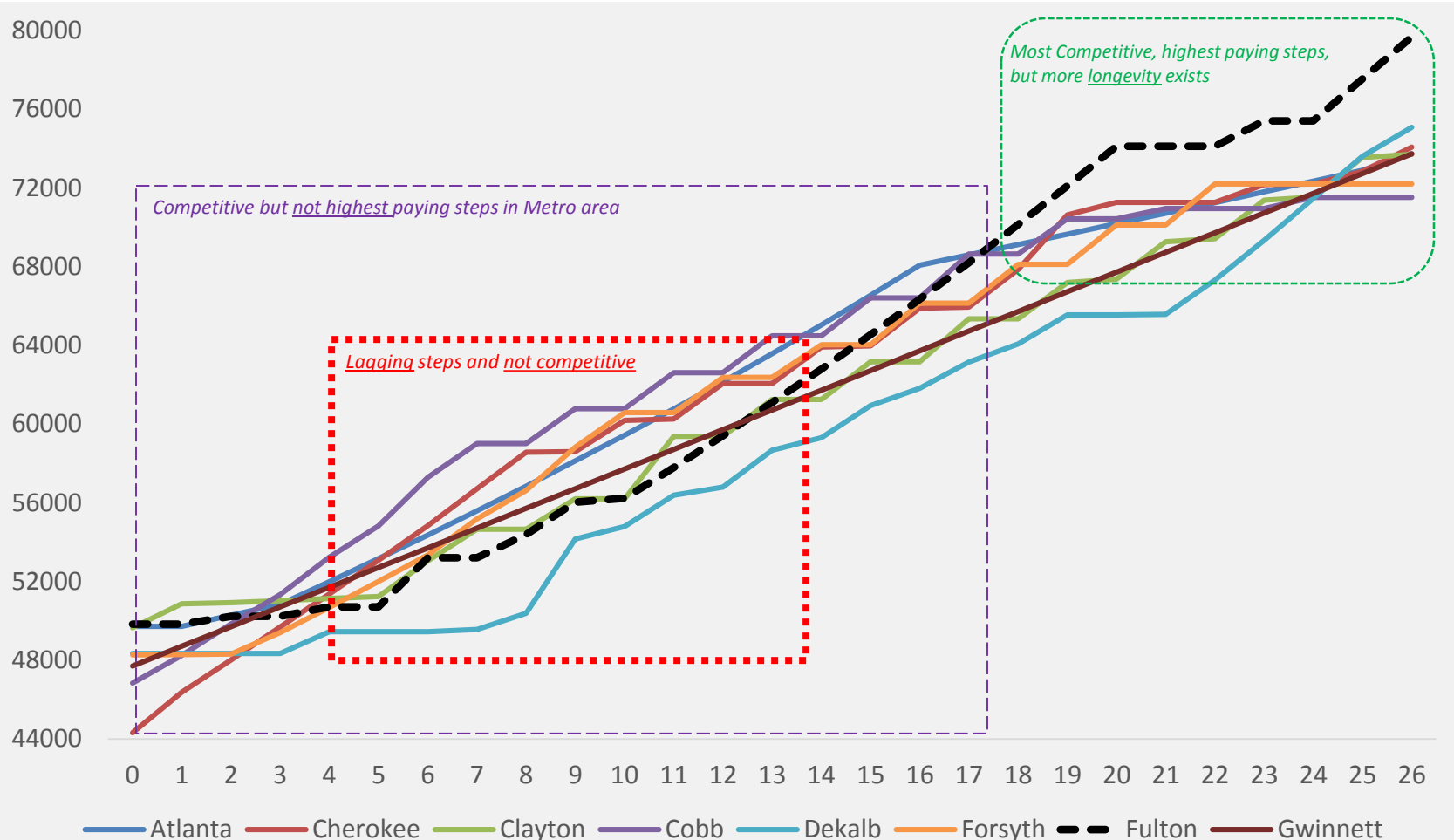


FY19 Employee Compensation Recommendation

Recommendation	Salary Treatment	Employee Impact	Other Details	FY19 Total Estimated Cost
Step Increase and 2% Teacher Steps (4-14) <i>(Provided at <u>midyear</u> pending an additional increase in tax revenues*)</i>	Provide a permanent systemic step increase to all eligible employees (Cost: \$13.3M) and At the midyear*, increase steps (4-14) only on the Teacher Salary Schedules by 2% (Cost: \$1.6M)	Teachers on steps (4-14) only would receive the 2% at midyear; teachers on all other steps will receive no % increase . All other eligible employees will receive a step increase only	There will be No STEP increase @ <u>longevity steps</u> on the schedule or for staff with unsatisfactory performance. <i>(The average step =2.8%)</i> The mid-steps on the <u>Teacher Salary Schedules</u> have lagged for several years, thus, there is an impact to our ability to competitively and consistently attract and retain experienced teachers in the Atlanta metro area.	\$14.9M

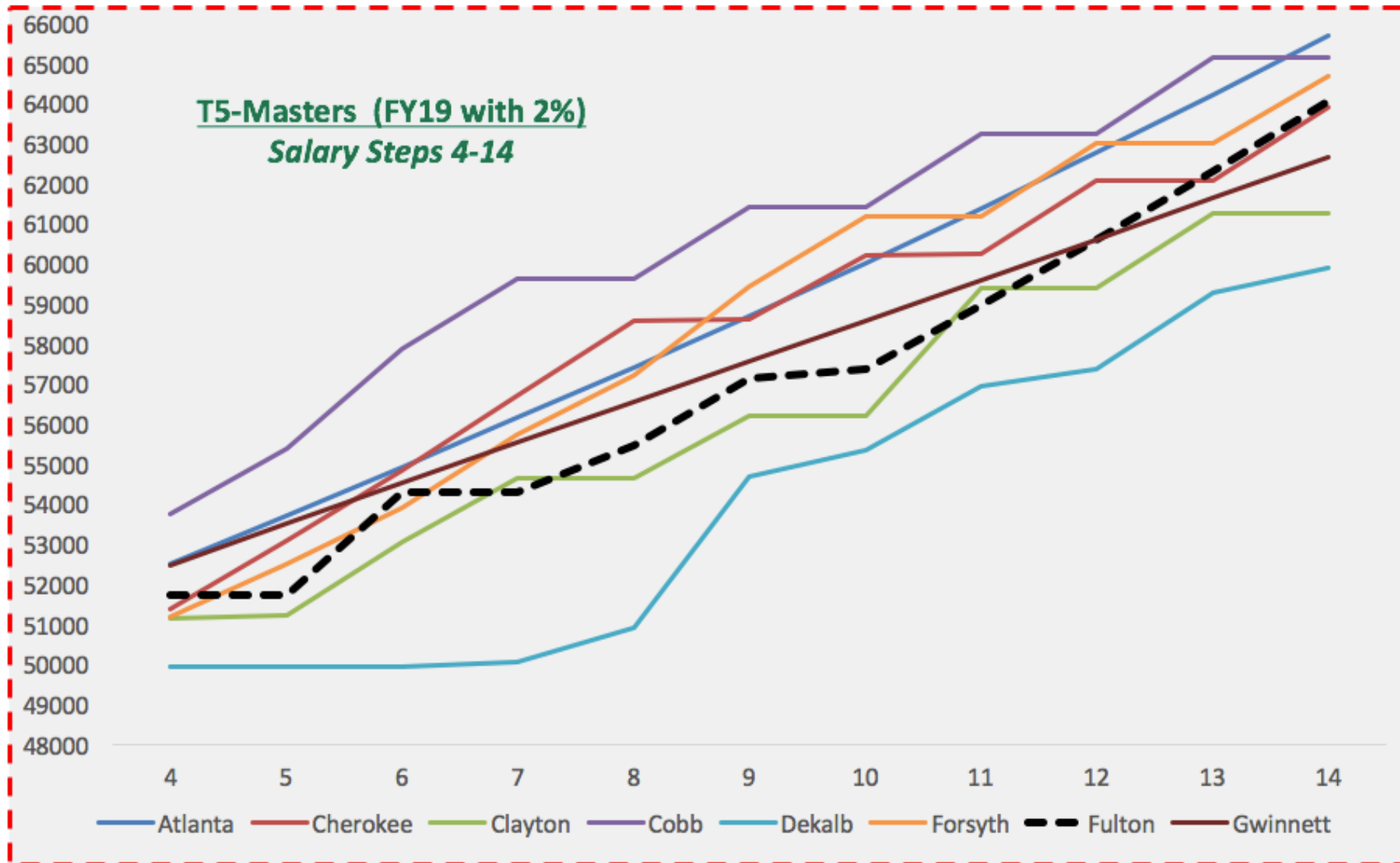
FY19 Salary Considerations of other Metro School Districts

School District	Unofficial Response
APS	Proposal is all employees receive 1% plus step increase
Cherokee	Plans to give normal step increase
Clayton	Proposal is to retain current step and current salaries; no step increase, no % increase
Cobb	Proposal is to give a step increase for all eligible employees plus 1.1% plus a 1% teacher one-time payment
DeKalb	No decision at this time
Forsyth	Proposal is to give a step increase ; Still discussing a % increase
Gwinnett	Proposal is all full-time employees receive 1.5% plus step increase
Marietta City	Proposal is 0.5% plus step increase for certified and 1% plus step increase for classified
Decatur City	Proposal is all employees receive 2% plus step increase



There are competitive **weaknesses** and competitive **strengths** within our teacher salary schedules. The proposed 2% increase for **Steps (4-14)** is an effort to address the area of competitive weakness.





BUDGET BY ORGANIZATION

Category	Total Existing Positions	Total New Position Requests	Total Onetime*	Total Recurring	Total 2019 Request	Total FY2018 Current	Total FY2018 Original	Change From FY2018 Current to FY2019 Request	Change From FY2018 Original to FY2019 Request
Schools*	9,846.30	(44.28)	\$ -	\$ 827,693,824	\$ 827,693,824	\$ 799,380,896	\$ 795,777,122	3.54%	4.01%
Admin Services	36.49	0.50	\$ -	\$ 4,663,115	\$ 4,663,115	\$ 4,420,378	\$ 4,749,059	5.49%	-1.81%
Academics	157.70	(0.08)	\$ 575,000	\$ 53,339,073	\$ 53,914,073	\$ 64,439,851	\$ 48,382,885	-16.33%	11.43%
Operations	1,222.70	69.00	\$ 2,439,729	\$ 98,383,599	\$ 100,823,328	\$ 109,309,851	\$ 100,766,421	-7.76%	0.06%
Information Technology	169.30	4.00	\$ -	\$ 23,205,971	\$ 23,205,971	\$ 25,518,785	\$ 22,721,571	-9.06%	2.13%
Talent	46.00		\$ -	\$ 5,074,395	\$ 5,074,395	\$ 5,175,967	\$ 7,454,247	-1.96%	-31.93%
Financial Services	61.75		\$ 40,000	\$ 11,153,993	\$ 11,193,993	\$ 13,621,343	\$ 11,007,410	-17.82%	1.70%
Districtwide			\$ -	\$ 24,633,313	\$ 24,633,313	\$ 25,116,415	\$ 22,454,557	-1.92%	9.70%
Grand Total	11,540.24	29.14	\$ 3,054,729	\$ 1,048,147,284	\$ 1,051,202,013	\$ 1,046,983,487	\$ 1,013,313,270	0.40%	3.74%

Revenue			
Source	FY19	Per Pupil	%
State Revenue	\$ 377,288,724	\$ 3,965.12	35.57%
Local Revenue	\$ 682,637,056	\$ 7,174.17	64.36%
Federal Revenue	\$ 685,000	\$ 7.20	0.06%
Total Revenue	\$ 1,060,610,780	\$ 11,146.49	
Expenditures			
Function	FY19	Per Pupil	
Instruction	\$ 707,633,777	\$ 7,436.88	67.32%
Pupil Services	\$ 44,485,175	\$ 467.52	4.23%
Improvement Of Instruction	\$ 28,533,320	\$ 299.87	2.71%
Staff Development - Personnel	\$ 1,772,754	\$ 18.63	0.17%
Educational Media Services	\$ 15,538,464	\$ 163.30	1.48%
Federal Grant Administration	\$ -	\$ -	0.00%
General Administration	\$ 2,821,666	\$ 29.65	0.27%
School Administration	\$ 58,372,540	\$ 613.47	5.55%
Support Services-Business	\$ 16,295,755	\$ 171.26	1.55%
Maintenance And Operating	\$ 84,129,286	\$ 884.16	8.00%
Student Transport Services	\$ 54,350,095	\$ 571.19	5.17%
Support Services-Central	\$ 36,263,584	\$ 381.11	3.45%
Other Support Services	\$ 40,035	\$ 0.42	0.00%
Other Outlays	\$ 965,563	\$ 10.15	0.09%
Total Expenditures	\$ 1,051,202,013	\$ 11,047.61	
Fund Balance		% of Expenditures	
Beginning Fund Balance	\$ 186,931,535		
Net Change in Fund Balance	\$ 9,408,767		
Ending Fund Balance	\$ 196,340,302	19%	

FY2019 Fund Balance Breakout	\$186,931,535
Non Spendable	466,468
Restricted	0
Textbooks	10,000,000
Proficiency Scales	300,000
Musical Instrument Replacement	805,617
Risk Management	4,000,000
Charter System	4,400,000
Student Information System	2,078,627
Mid-year compensation	1,600,000
Working Capital Reserve *	52,349,174
Catastrophic Event Reserve *	52,349,174
Revenue Stabilization Reserve *	52,349,174
Assigned	28,039
Unassigned Fund Balance	\$6,205,261
* Committed per Board Policy DIBA	

General Fund Long-term Forecast

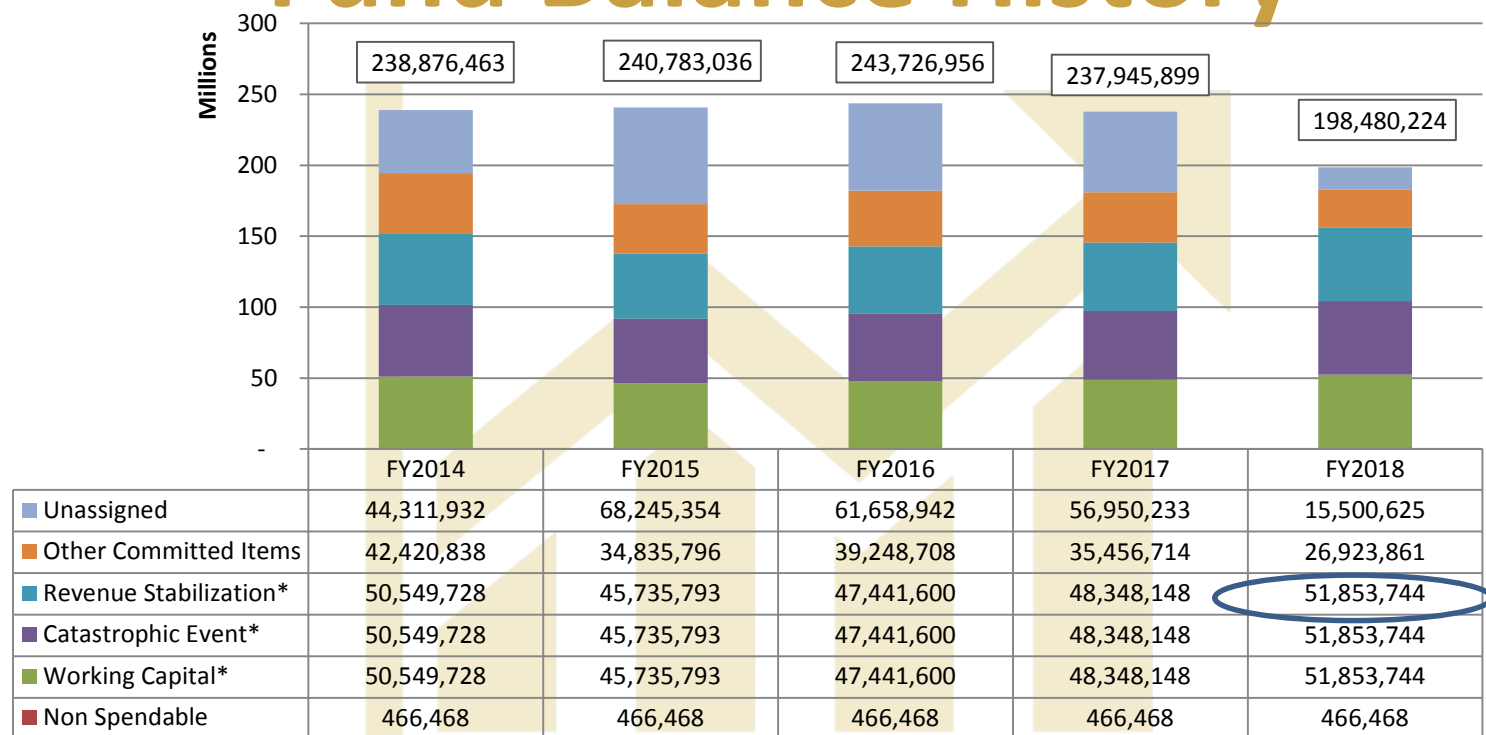
General Fund	FY2019	FY2020	FY2021	FY2022	FY2023
Beginning Fund Balance	\$186,931,535	\$196,340,302	\$173,267,525	\$181,314,346	\$196,828,709
Revenue	\$1,060,610,780	\$1,026,499,218	\$1,043,621,120	\$1,063,348,731	\$1,079,403,379
Expenditure	\$1,051,202,013	\$1,049,571,995	\$1,035,574,299	\$1,047,834,368	\$1,038,518,909
Ending Fund Balance	\$196,340,302	\$173,267,525	\$181,314,346	\$196,828,709	\$237,713,179
As a % of Expenditures	19%	17%	18%	19%	23%
Change in Fund Balance	\$9,408,767	(\$23,072,777)	\$8,046,821	\$15,514,363	\$40,884,470

Long-term Assumptions

- We benefit from an estimated -5% to 14% of the annual digest growth
- No change in millage rate
- Current State funding formula minimum FTE growth
- Based on long-term Enrollment projections (slight decline after FY2019)
- Includes anticipated new schools (STEM)



Fund Balance History



*Board Policy DIBA requires :

- Working Capital Reserve** - This will be established based upon 5% of annual budgeted expenditures and is intended to be permanent in nature and not subject to draw down.
- Catastrophic Event Reserve** - This reserve will also be established based upon 5% of budgeted annual expenditures and may be drawn down in the event of unanticipated catastrophic events.
- Revenue Stabilization Reserve** - This will be established based upon 5% of budgeted annual expenditures and may be drawn down in the event of a decrease in the property tax digest or reduction to state funding.

