

## 2017-2018 Budget Development Overview

### *Public Hearing Information*

We value your input. If you are unable to attend the Public Hearing meeting this coming Monday, January 23<sup>rd</sup>, please see the link to submit your comments or questions. Thank you!!

The School Board endeavors to submit a balanced budget to the County Administrator by the next business day following the April School Board meeting.

The adopted FY 2016/17 School Board Operating Budget for Caroline County Public Schools' totals \$44,369,028 which was an increase of \$1,571,359 from FY 2015/16.

In terms of funding, the majority of the operating budget is funded through state revenue (57%). The remaining revenue is provided by the county (30%), Federal (5%), federal grants (8%) and funding for food services (5%).

### Development of the FY18 Budget

After receiving input from various stakeholders and the Caroline County School Board, the following budget priorities have been identified consideration in the FY18 Operational Budget:

<b>CCPS</b>				
<b>SUMMARY OF</b>				
<b>2017-2018</b>				
<b>BUDGET REQUESTS</b>				
<b>REQUESTED</b>	<b>DEPT</b>	<b>RANKING</b>	<b>BRIEF</b>	<b>ESTIMATED</b>
<b>BY</b>	<b>(IF ANY)</b>		<b>DESCRIPTION</b>	<b>AMOUNT</b>
	Health Insurance		Estimated increase in health insurance	150,000
	VRS		Estimated increase in VRS	500,000
HR	Pay Scale	<b>1</b>	Step Increases for all eligible employees	607,177
HR	Pay Scale	<b>2</b>	Move Bus Drivers From Grade 111 to Grade 115-SEE SLIDE	267,281
HR	Pay Scale	<b>3</b>	Move Paras From Grade 107 to Grade 108-SEE SLIDE	125,176
HR	Pay Scale	<b>4</b>	Adjustment to Paraprofessional Salaries based on Ed. Degrees	8,500
CHS	School Improvement	<b>5</b>	Administrative Assistant for Testing and Remedial Programs-CHS	60,000
CMS	School Improvement	<b>6</b>	Administrative Assistant for Testing and Remedial Programs-CMS	60,000
Instruction	ESL	<b>7</b>	One K-12 ESL Teacher	60,000
Instruction	Gifted	<b>8</b>	Gifted Teacher	60,000
Dr. Monroe	School Nurses	<b>9</b>	Nurses Aide for CMS and CHS	25,000
HR/SPED	Teacher Licensure	<b>10</b>	Praxis Support for Special Education Teachers	3,000
Instruction	Curriculum Support	<b>11</b>	Stipends and Substitutes for 15 Content Liaisons	42,000
Mr. Honan	Cyclical Maintenance	<b>12</b>	Move Annual Cyclical Maintenance to Operational Budget	57,000
Mr. Murray	Digital Conversion	<b>13</b>	Purchase of Learning Management System for 1:1 Device Initiative	12,000
Dr. Calveric	Administrative Office Support	<b>14</b>	Administrative Assistant to Directors of C&I/ School Leadership	35,000
Mrs. Glass	Special Education	<b>15</b>	Special Education Compliance Specialist	55,000
Mr. Murray	School Tech Support	<b>16</b>	Information Tech Aides 12 MO. Hourly	29,000
HR/Tech	Employee Stipends	<b>17</b>	Replacement of Division Cell Phones with Stipend	10,000
CHS	Diversified Studies	<b>18</b>	Math Teacher for Diversified Studies Program	60,000
CHS/CMS	Athletic Programs	<b>19</b>	Adjustments and Additional Athletic Program Stipends	10,000
Mr. Honan	Custodial Coverage	<b>20</b>	Up to (4) Additional Full-Time Custodial Positions	65,000
Dr. Parker	Student Leadership	<b>21</b>	Send Student Leaders to VHSL Leadership Conf.	20,000
HR	Pay Scale	<b>22</b>	Adjustment to Advanced Degree Supplements	147,875
			<b>TOTAL</b>	<b>2,469,009</b>

## VRS

- ▶ VRS is large and uncontrollable expense. The increase costs of VRS will be in the neighborhood of \$500,000. Rates for the three components (VRS, GLI and HCC) are going up about 2.5%

## Healthcare

- On October 1, 2015, we switched our health insurance to The Local Choice. They provide excellent coverage and the school system is as generous as possible to the employees regarding how much of the premium the school pays.
- There have been many headlines about large increases in premiums next year. We have had an excellent record with our claims so far and our premium increase at this point is expected to be quite modest. Increases in health insurance is expected to be modest, in the 2.5%-4.0% range. That is \$125,000 to \$200,000.

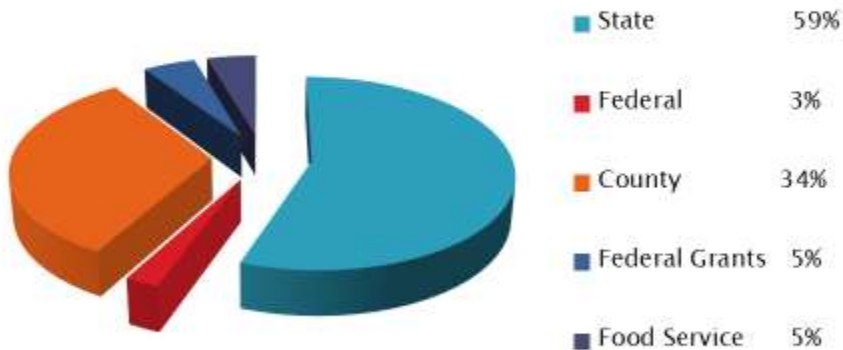
## Salary Step Increase

- Through careful budgeting we were able to give staff a step increase for teachers and a pay raise to everyone else. We corrected our “compression” problem which occurs when teachers remain on the same step for two or more years. A lot of school districts are still struggling with that and some may never be able to address it.
- It is imperative that we maintain this effort going forward in fiscal year 18 and in future years in order to try to compete with not only other school districts for the talent and dedication we need but also with employers in the private sector

## Revenue Projections

### Major Revenue Sources

2017-2018



State Average for Local Funding is approximately 52% of the budget

## 2017-18 Proposed Revenue Budget

DESCRIPTION	FY2017	FY2018 (Proposed)	INCREASE / (DECREASE)	% INCREASE / (DECREASE)
Local	13,000	13,000	0	0%
State	25,474,806	26,020,149	545,343	2%
Federal	1,117,787	1,117,787	0	0%
County	13,360,975	15,284,641	1,923,666	14%
Federal Grants	2,282,416	2,282,416	0	0%
Food Service	2,120,044	2,120,044	0	0%
<b>TOTAL</b>	<b>44,369,028</b>	<b>46,838,037</b>	<b>2,469,009</b>	<b>5.48%</b>

The \$1,923,666 from the County is needed to fund 100% of the FY18 budget priorities. A one cent increase in real estate tax rate translates to approximately \$257,000 in additional revenue so a rate increase of approximately 7 ½ cents would be needed to fund \$1.9 million dollars.

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## State and County Revenue

Finally, in combined funding, we are somewhat ahead of where we were in 2008-2009.

However, if a modest rate of inflation is factored in, our funding for 2016-2017, just to maintain level purchasing power, would have to be slightly more than \$28,000,000 from the State and approximately \$15,000,000 from the County.

Fiscal Year	State Funding	County Funding	Total
2008-2009	22,988,278	12,342,281	35,330,559
2009-2010	19,985,675	11,342,281	31,327,956
2010-2011	20,618,767	11,216,270	31,835,037
2011-2012	21,197,482	11,566,270	32,763,752
2012-2013	23,400,392	11,566,270	34,966,662
2013-2014	23,899,483	11,216,270	35,115,753
2014-2015	23,448,609	12,117,383	35,565,992
2015-2016	24,674,581	12,639,981	37,314,562
2016-2017	25,474,806	13,360,975	38,835,781

The State percentage is higher than a lot of districts. State funding is based on a combination of the size of the student population and the County's ability to contribute to school funding. That ability or capacity is assigned a number which is called the Local

Composite Index(LCI). The State contributes more to less affluent districts. Statewide, the majority of funding comes from local funds. That is not the case in Caroline. What we are asked to contribute, as a percentage, is modest compared to many other school divisions. The state averages are: State 42%, Local 52%, Federal 6% for FY15. In FY15, we contributed \$2,914 per pupil in County funding. That compares to the state average of \$5,949 and puts Caroline County at number 108 out of a total of 134 school districts.

The budget for 2016-2017 is based on a LCI of .3258 and a projected Average Daily Membership (ADM) of 4175 students. The LCI is slightly lower than for the 2015-2016 year. That means the State is contributing slightly more to Caroline County in 2016-2017 than it did in 2015-2016.

Based on the Governor’s proposed 2017-2018 budget, we are projecting an increase in State funding in the amount of \$545,343. That number is likely to change as a result of the legislative session currently in progress.

CCPS is requesting an increase of 14% in local funding from the County.

### State and Local Funding

## Upcoming Opportunities for Community Input

### Key Dates on the School Board’s calendar:

- Monday, January 23, 2017.....Public Hearing on the budget - Caroline Middle School at 6:00 p.m.
- Monday, February 13, 2017.....School Board considerations and approval of budget
- Tuesday, February 14, 2017.....School budget submitted to County Administrator
- Thursday, February 16, 2017.....School Board presents FY 2016 school budget to County Board of Supervisors
- Tuesday, May 9, 2017.....Request to Board of Supervisors for appropriation of funds.

### Key Dates on the County’s calendar

- |                             |  |
|-----------------------------|--|
| Thursday, February 16, 2017 | School Budget Presentation to Board of Supervisors                       |
| Tuesday, March 14, 2017     | County Administrator’s Proposed Budget Submitted to Board of Supervisors |
| Tuesday, March 28, 2017     | County Public Hearing (Including CIP)                                    |
| Tuesday, April 11, 2017     | Adopt FY2016-2017 County Budget and Property Tax Rates                   |