

FY 2015 ADOPTED OPERATING BUDGET HIGHLIGHTS

Operating Budget Highlights

The adopted fiscal year 2015 operating budget totals \$539,524,595. It reflects an increase of \$6,826,709 or 1.3% over the fiscal year 2014 operating budget. This budget focuses on the following main areas:

- Retaining and attracting quality staff
- Ensuring adequate and current instructional resources
- Providing technology upgrade initiatives

The adopted budget includes expenditures that the Board believes are needed to continue to provide quality educational services to the children of Frederick County for fiscal year 2015. It reflects the feedback obtained during Town Hall meetings and extensive public engagement.

Revenue Highlights

The county allocation of \$244.3 million represents Maintenance of Effort (MOE), the minimum level of funding required under state law. It also includes an increase of \$1.0 million for the teacher pension shift and a reduction of \$2 million associated with the sales proceeds from four surplus properties.

Estimated state funds are \$264.7 million, an increase of \$5.4 million or 2.1% over last year's funding.

Other sources of funding include \$19.3 million in federal funds, \$6.2 million from prior year fund balance and \$5.0 million from various fees, tuition and interest.

Expenditure Highlights

Reversals and Adjustments: There is \$4.2 million due to reversals and adjustments, mostly associated with the reversal of the recognition of sale proceeds from four surplus properties.

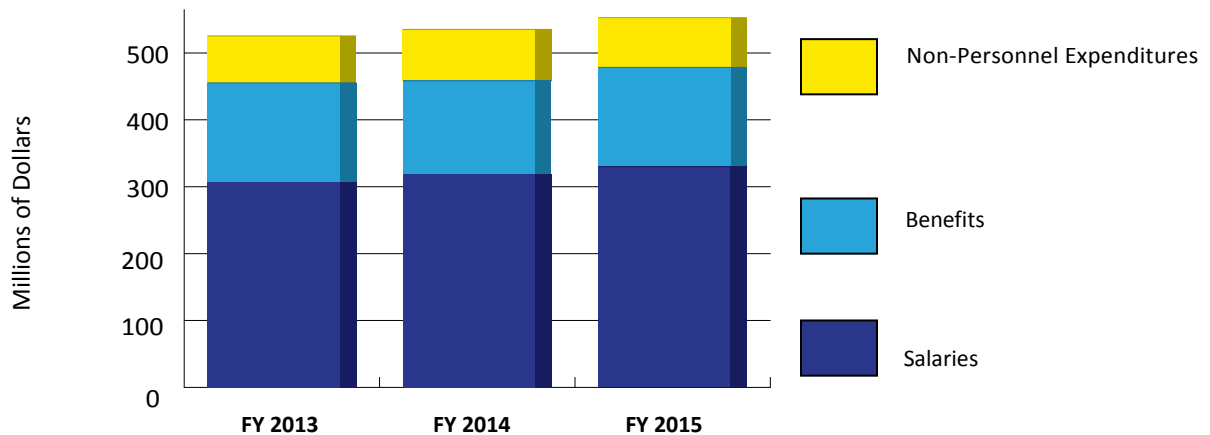
Continuation of Programs and Services: The \$2.5 million increase in this area includes health and dental insurance increases due to inflation; new retirees and temporary employees transitioning to permanent positions; funding for curriculum resources; and projected increases to various grants. The increase in continuation of programs and services is mitigated by savings due to employee turnover and utility efficiencies.

Enrollment: Due to a modest projected enrollment increase for fiscal year 2015, formula-based staffing will increase. The adopted budget includes a net increase of \$0.6 million as a result of enrollment.

Mandated: A \$3.6 million increase is mainly due to a net increase in pension expenses and the net growth in allocation to our charter schools. The legislated local cost of state pension sharing is offset partially by an increase in the transfer from the local government associated with this pension cost sharing.

Salary and Staffing Resource Pool: Funding of \$4.4 million will be used for salary increases and staffing to meet systemic needs.

Operating Fund Expenditures FY2013 through FY2015



To obtain more details, please refer to the FCPS FY 2015 Adopted Operating Budget Book (to be published and posted on the FCPS website by November 30, 2014)