

# FREDERICK COUNTY PUBLIC SCHOOLS

## Adopted FY2014 Operating Budget Highlights V 3.0

The Board of Education's requested fiscal year 2014 operating budget totals \$532,697,886. It reflects an increase of \$9,610,246 or 1.8% over the fiscal year 2013 operating budget. \$4 million of the requested budget is one-time revenue and expense due to the projected sale of four surplus properties in fiscal year 2014. This budget continues addressing several priorities:

- Retaining and attracting quality staff
- Technology needs and equity
- Security staffing and equipment

The adopted budget includes expenditures that the BOE believes are needed to continue to provide quality educational services to the children of Frederick County for FY2014. It reflects the feedback obtained from extensive public engagement.

### Revenue Highlights

The county portion of \$244.2 million represents Maintenance of Effort (MOE), the minimum level of funding required under state law (based on 40 new students). It also includes an increase of \$1.6 million for the teacher pension shift, \$4 million associated with the sales proceeds from four surplus properties and \$0.6 million for increases of in-kind services for a total increase of \$6.4 million or 2.7%

Estimated state funds are \$259.4 million, a decrease of \$1.2 million or 0.4% from last year's amount. This includes \$6.4 million in the estimated Geographic Cost of Education Index funding.

Other sources of funding include \$18.6 million in federal funds plus \$10.5 million of various fees, tuition and interest.

### Major Sources of Change in FY2014

**Reversals and Adjustments:** There is a \$3.9 million increase due to reversals and adjustments, mostly associated with the cost to implement the partial-year increment employees received in FY2013.

**Continuation of Programs and Services:** The change in this area includes health and dental insurance increases due to inflation; new retirees and temporary employees transitioning to permanent positions; implementation of the middle school schedule change; and increases to county in-kind services. The increase in continuation of programs and services is mitigated by savings due to employee turnover, utility efficiencies and a decreased contribution for Other Post Employment Benefits (OPEB).

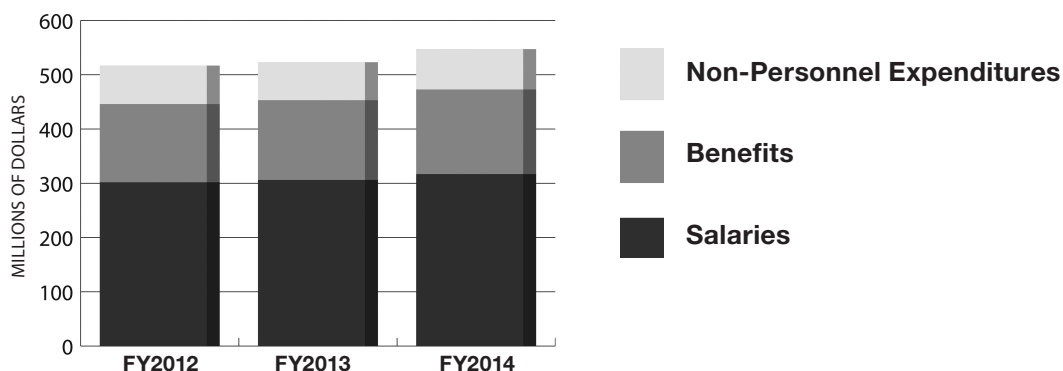
**Enrollment:** Due to lower-than-anticipated enrollment for September 2012 and a modest projected increase for FY2014, formula-based staffing will decline. The adopted budget includes an expanded Pyramid Program to help offset the increasing cost of non-public placements. Overall the budget includes a net reduction of \$2.0 million as a result of enrollment.

**Mandated:** A \$3.2 million increase is mainly due to allocations to our newest charter school and the net growth in allocation to our other charter schools.

**Salary and Staffing Resource Pool:** This funding will be used for salary increases and staffing to meet systemic needs.

**Restricted:** The \$2.5 million increase results from several items: the payment on the central office lease from the surplus property proceeds, increase in the legislated local cost of state pension sharing and correction to the pension amount shown in the FY2013 budget.

### Operating Fund Expenditures FY2012 through FY2014



# Fiscal Year 2014 Operating Budget

## List of Expenditure Adjustments

Description	Position	Amount
<b>FY 2013 Unrestricted Operating Budget</b>		<b>\$ 450,149,183</b>
<b>Reversals &amp; Adjustments</b>		
Workers Compensation Rate Stabilization Fund		110,000
Textbook Replacement		500,000
Technology Replacement		(500,000)
Oakdale High School Start-up		(100,000)
Phase II of Energy Conservation Pilot	(1.00)	(79,300)
Regular Salary - STEP		4,052,157
Move IGT Budget to Restricted Operating Budget		(1,180,000)
<b>Continuation of Programs &amp; Services</b>		
Health & Dental Insurance		4,639,381
Health & Dental Insurance - New Retirees		783,600
Workers Compensation		147,651
Employee Transition - Temporary to Regular Status		525,900
Utilities - Gas/ Heating Oil/ Water & Sewer		(729,323)
Parking - Frederick and Brunswick		29,925
Liability Insurance		100,000
Regular Salary Savings		(1,650,000)
FCPS Consolidation Recovery - Warehouse		(44,251)
Tuition Reimbursement		(200,000)
Energy Conservation Projects		25,000
School Based Allocation Reduction \$ (241,305)		
Elementary Schools - Increase to 15%		(94,011)
Middle Schools - Increase to 15%		(49,900)
High Schools - Increase to 20%		(97,394)
Middle School Schedule Change \$ 357,961		
Regular Salary	2.30	128,644
Curriculum Workshops		118,317
School Improvement Teams		26,000
Start-up Materials of Instruction		85,000
School Security		
Security Equipment Technician	0.50	23,660
Security Equipment Supplies & Materials		25,000
Inter-scholastic Athletic Wages, Contracts, and Transportation		85,000
Other Post Employment Benefits (OPEB)		(11,294,035)

## Fiscal Year 2014 Operating Budget

Description	Position	Amount
<b>Enrollment</b>		
Enrollment Growth (Elementary Formula)	(26.60)	(1,487,580)
Enrollment Growth (Middle Formula)	(1.50)	(85,200)
Enrollment Growth (High Formula)	(14.40)	(870,120)
Business Manager - High School	(1.00)	(86,162)
Enrollment Growth (Reading Intervention Formula)	(0.60)	(34,080)
Enrollment Growth (Special Education Formula)	5.44	308,992
Enrollment Growth (English Language Learner Program)	(0.60)	(34,080)
Enrollment Growth (School Based Foundation)		(59,561)
Special Education Pyramid Program	10.00	355,888
<b>Mandated</b>		
Medical Supplies - Epinephrine Auto-Injectors		18,000
Replacement of 14 & 15 year old Busses		(1,040,000)
Department of Juvenile Services		125,000
Tuition to Other LEAs - Out of County Living		90,000
Non-Public Placement of Special Education Students		700,000
FCPS Support Employee Retirement Contribution		468,435
Dual Enrollment Payments per Senate Bill 740		55,407
Charter Schools \$ 2,809,653		
Charter School - Monocacy Valley Montessori		63,221
Charter School - Carroll Creek Montessori		282,505
Charter School - Frederick Classical		2,463,927
<b>Salary/Staffing Pool</b>		
Salary Resource Pool		10,283,387
Staffing Resource Pool		188,934
<b>Net FY 2014 Unrestricted Budget Increase/(Decrease)</b>	<b>(27.46)</b>	<b>\$ 7,093,934</b>

<b>FY 2014 UNRESTRICTED OPERATING BUDGET</b>	<b>\$ 457,243,117</b>
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<b>FY 2013 APPROVED RESTRICTED BUDGET</b>		<b>\$ 72,938,457</b>
Move IGT Budget from Unrestricted Operating Budget		1,180,000
Surplus Property Proceeds to Pay Down Lease		4,000,000
MABE Food Service Grant		10,000
Increase in Medical Assistance		575,000
MD State Pension Cost Sharing		1,576,667
BOCC In-kind Services		
Student Health Services		298,473
Frederick County Developmental Center		166,051
School Resource Officers		60,247
School Crossing Guards		(632)
Internal Audit Services		53,467
Insurance Appraisals		500
All Other Grant Adjustments (Pension & Health)		(5,403,461)
<b>Net FY 2014 Restricted Budget Increase/(Decrease)</b>	<b>-</b>	<b>\$ 2,516,312</b>

<b>FY 2014 RESTRICTED OPERATING BUDGET</b>	<b>\$ 75,454,769</b>
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<b>TOTAL FY 2014 BOE OPERATING BUDGET</b>	<b>\$ 532,697,886</b>
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