

# Budget, 2012-13

School Board Work Session

January 26, 2012

# Assumptions

## Governor's Amended Budget

- State Revenue
  - Loss of 600 thousand dollars
- Federal Revenue
  - Loss of 1.3 million dollars
  - Savings from 11-12 applied through September 30
- Local Revenue
  - Level Funding (12-13 same as 11-12)
- VRS expenditures
  - Increase by 1.9 million dollars
- Health Insurance is expected to increase

# Budget Shortfall-Net Effect

- 3.8 million dollars
  - 1.9 million in revenue loss
  - 1.9 million increased VRS expense
- Net effect will be 7.3% of total budget

# Operational Cost per Pupil

School Year	Operational Budget	Fall Membership	Financial Support per Pupil
2008-09	59,190,318	5,924	<b>9,991</b>
2009-10	57,489,243	5,960	<b>9,645</b>
2010-11	52,220,309	5,914	<b>8,829</b>
2011-12	52,041,345	5,691	<b>9,144</b>
***2012-13	50,141,345	5,650	<b>8,874</b>

**\*\*\* Projected based on revenue: Assumes VRS increase will be accommodated through operational cuts without an additional revenue**

# Funding Factors

- Composite Index
  - Change from .3703 to .3798
  - Loss of revenue equivalent to 302,544
- Enrollment Trend/Projections
  - Have steadily declined
  - Projected to continue to decline
- Federal Jobs Bill money ends
- State and Localities need to reinvest in VRS
  - Economy deterring investment by State and Locality
  - Hoping the General Assembly will mitigate impact

# Budgeted ADM

- 2010-11
  - Budgeted ADM, 5,925
- 2011-12
  - Budgeted ADM, 5,850
- 2012-13
  - Budgeted ADM, 5,650

# Enrollment History

<b>School Year</b>	<b>Fall Membership</b>	<b>March ADM</b>	<b>ADM as Percent of Fall</b>
2000-01	6,451	6,411	99.4%
2001-02	6,379	6,350	99.6%
2002-03	6,333	6,309	99.6%
2003-04	6,195	6,147	99.2%
2004-05	6,113	6,078	99.4%
2005-06	6,074	6,000	98.8%
2006-07	6,032	5,949	98.6%
2007-08	5,996	5,910	98.6%
2008-09	5,924	5,871	99.1%
2009-10	5,960	5,919	99.3%
2010-11	5,914	5,850	98.9%
2011-12	5,691		

# Enrollment and Staffing

School Year	Fall Membership	Actual FTE	Increase/ Decrease
2004-05	6,113	887.68	
2005-06	6,074	884.30	-3.38
2006-07	6,032	884.20	-0.10
2007-08	5,996	876.10	-8.10
2008-09	5,924	873.62	-2.48
2009-10	5,960	869.23	-4.39
2010-11	5,914	833.23	-36.00
2011-12	5,691	*803.57	-29.66
***2012-13	5,650		
		Total=	-84.11

# Enrollment Projections Weldon Cooper Center

	K-5		6-8		9-12	
2012	2,505		1,318		1,822	
2013	2,447		1,348		1,761	
2014	2,391		1,319		1,750	
2015	2,308		1,412		1,719	
2016	2,288	-217	1,358	+40	1,769	-53

# Considerations for budget

- Generate 2.7 million dollars in additional revenue
- Absorb 40-50 positions
  - Use attrition and reallocate staff
- Reduce non-compensation expenses by 436,000
- Pass employee share of VRS group life insurance to employees (savings of 217,000)
- Eliminate 10-day option for staff (savings of 110,000)
- Combine 8<sup>th</sup> grade and high school schedules (transportation savings of approximately 80,000)
- Request additional local funding to provide pay raise
  - 2012-13 will be 5<sup>th</sup> year same salary without a pay raise

# Retirement Incentive???

- 70 professional personnel eligible for full retirement under VRS
- 24 support personnel eligible for full retirement under VRS
- Must be a full-time employee and a member of VRS. Must be eligible for full (unreduced) retirement under VRS and in good standing with GCPS.
- If eligible, employees would receive 15% of contracted salary and deemed as creditable income under VRS.

# Health Insurance

- Uncertain of claims history and premium implications
- Certainty of increase in premium for employer/employee
- Products and benefits will be reviewed
- May continue to pass on costs to those who require health services, in lieu of evenly distributing the costs

# Capital Needs

- A minimum of 5 new buses, 3 regular propane buses and 2 special education (96,000-3 propane, 84,000-2 Special Education)
- Refurbish track at GHS-333,000
- Refurbish tennis courts at GHS-51,000
- Flooring (gym, tile, carpet)-250,000
- Renovate bathrooms-530,000
- Replace casework at elementary-200,000
- HVAC/Roofs in CIP
- Roof coating-700,000

# Closing T.C. Walker

- Current enrollment is 298
- Capacity in other five schools will be 325
- Projected K-5 loss of another 217 students over next five years.
- T.C. Walker is oldest school and the most challenging to stage buses and cars
- T.C. Walker is not large enough to accommodate a new middle school or even the rising 8<sup>th</sup> grade (447)
- Closing another school would be challenging for transportation.
- Closing a school will require redistricting of the other five schools.
- Staff would be reallocated to other schools once 40-50 positions are absorbed through attrition