FY24 Operating Budget
Superintendent Proposed

January 11, 2023
State Revenue Outlook

• Continued transition to Blueprint for Maryland’s Future

• Student enrollment increase

• Preliminary revenue estimate increase of $11.5m over FY23
Local Revenue Outlook

- County Operating Plan includes an ongoing revenue increase of $6.7m over FY23
- Additional request = $6.7m
- Total County request = $13.4m increase in ongoing
## Revenue Summary

<table>
<thead>
<tr>
<th>Preliminary Revenue Estimates</th>
<th>Increase over FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Revenue</td>
<td>$11.5m</td>
</tr>
<tr>
<td>County Request</td>
<td>13.4m</td>
</tr>
<tr>
<td>Fund Balance</td>
<td>1.0m</td>
</tr>
<tr>
<td>Other</td>
<td>0.6m</td>
</tr>
<tr>
<td>Total Increase</td>
<td>$26.5m</td>
</tr>
</tbody>
</table>
## Expenditure Summary

<table>
<thead>
<tr>
<th>Preliminary Expenditure Estimates</th>
<th>Increase over FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflationary Impacts</td>
<td>$ 2.8m</td>
</tr>
<tr>
<td>Blueprint requirements</td>
<td>3.0m</td>
</tr>
<tr>
<td>Transportation</td>
<td>2.1m</td>
</tr>
<tr>
<td>Substitute rates</td>
<td>1.4m</td>
</tr>
<tr>
<td>Staffing</td>
<td>1.3m</td>
</tr>
<tr>
<td>Blueprint Priorities &amp; Employee Salary</td>
<td>15.9m</td>
</tr>
<tr>
<td><strong>Total Increase</strong></td>
<td><strong>$ 26.5m</strong></td>
</tr>
</tbody>
</table>
Preliminary Expenditures

• Inflationary Impacts – utilities, insurances, employee benefits
• Blueprint Mandates – dual enrollment / AP, career counseling, TSI, Pre-k full day (final 5 classrooms)
• Transportation / Bus Contractors
• Substitute Rates increase
• Staffing – 2 CCCTC Custodians, 1 Project Manager, 7 Fund Balance positions (Security, Health Svc, Technology (4), Psychologist), 12-month AD’s
• Blueprint Priorities
• Employee Salaries / Negotiations
Items Not Included

• Additional Bus Contractor Requests @ $600k
• Additional Blueprint Requirements
  • Additional Teachers (more planning time)
  • Teacher Salary minimum
  • Career Ladders to be designed
  • Additional Pre-k (4yr & 3yr)
• Infrastructure investments – technology, security, maintenance
• Other system requests
Other Discussion Items

Blueprint Restrictions

• Accountability for reporting shares’ expenditures:
  – Spending funds within program areas (ie. Comp Ed)
  – Spending 75% at the school level based on student population

• Demonstrating equity in use of funds at the school level

• FY24 budget plan not developed with restrictions

• Would require shifting staffing across system for next school year to meet requirements
Fund Balance

• Unassigned Fund Balance at June 30, 2022
  • $12.8 million (3.4%)

• Board Policy DBDA – Fund Balance Reserve
  • Minimum: 1% of Unrestricted Operating Budget $3.7 million
  • Maximum: 5% of Unrestricted Operating Budget $18.6 million
Projected Fund Balance Uses – FY24

• Transportation - Fuel Increases & Admin
• Special Ed Case Manager (MOU year 2 of 2)

• Infrastructure (Security, Technology, and Maintenance) to be reviewed and included in final budget
Next Steps

• Release the FY24 Proposed Operating Budget book
• FY24 Operating Budget public hearing January 18th
• Governor’s proposed budget release January 20th
• FY24 Operating Budget public hearing and Board work session February 1st.
• Board’s budget request adopted at February 8th Board meeting – forwarded to County
QUESTIONS AND DISCUSSION