

ORANGE COUNTY  
BOARD OF EDUCATION

AGENDA ITEM ABSTRACT

Meeting Date: April 18, 2011

AGENDA ITEM No. 11-04-(2)-13

ACTION ITEM: (Y/N) Y

SUBJECT: 2011-2012 Local Budget Adoption

INFO. CONTACT: G. Patrick Rhodes PHONE: 919-732-8126

- ATTACHMENTS:
1. 2011-2012 Superintendent's Recommended Current Expense Budget
  2. Orange County Schools 2011-2012 Recommended Budget at a Glance
  3. Proposed 2011-2012 Local Budget Reductions

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**PURPOSE:** The purpose of this agenda item is to provide the Board of Education the opportunity to adopt the 2011-2012 local current expense budget.

**BACKGROUND:** The Board of Education's 2011-2012 local current expense budget has been under development since November, 2010. The board has conducted budget work sessions on December 3, 2010, January 3, February 7, February 21, March 7, March 21, and April 4, 2011. A public hearing on the 2011-2012 recommended local current expense budget was held on March 21, 2011.

To support the budget development process, the Board of Education established a budget subcommittee consisting of three board members, teachers, principals, the superintendent, and select cabinet members. This group developed a number of recommendations which are included in the budget.

The superintendent's recommended budget for board consideration requests a per pupil appropriation of \$3,096. Based on a projected enrollment of 7,272 students, the total requested appropriation is \$23,043,528. Due to increased enrollment of 80 students and adjustments for out-of-district and charter school students, the overall appropriation increases by \$268,432.

If approved, this budget will be presented to the Board of County Commissioners on April 26, 2011.

**FINANCIAL IMPACT:** As submitted, and if approved by the Board of Education and the Board of County Commissioners, Orange County Schools will receive \$23,043,528 in operating revenues. This total represents an additional \$268,432 in county funding support.

**RECOMMENDATION:** The Superintendent recommends the Board of Education approve the recommended 2011-2012 Local Current Expense Budget.

**ORANGE COUNTY SCHOOLS  
2011-12 SUPERINTENDENT'S RECOMMENDED CURRENT EXPENSE BUDGET**

<u>REVENUES</u>		<u>2010-11 Budget</u>	<u>2011-12 Budget</u>
2.4110	County Appropriation	\$ 22,775,096	\$ 23,043,528
2.4110.007	County Appropriation - Health	494,000	494,000
2.4410	Fines & Forfeitures	215,358	257,600
2.4450	Interest	30,000	33,300
2.4910	Fund Balance - Carryover	160,547	146,810
<b><u>TOTAL REVENUES</u></b>		<b><u>\$ 23,675,001</u></b>	<b><u>\$ 23,975,238</u></b>

**ORANGE COUNTY SCHOOLS**  
**2011-12 SUPERINTENDENT'S RECOMMENDED CURRENT EXPENSE BUDGET**

<u>EXPENSES</u>		<u>2010-11 Budget</u>	<u>2011-12 Budget</u>
PRC 001	Regular Classroom Teachers	\$ 6,637,688	\$ 7,246,673
PRC 002	Central Office Administration	1,040,777	1,074,972
PRC 003	Non-Instructional Support	3,286,390	2,287,110
PRC 005	School Building Administration	1,558,640	1,837,507
PRC 007	Instructional Support	784,091	730,031
PRC 009	Non-Contributory Benefits	366,535	325,000
PRC 012	Driver's Education	4,117	-
PRC 013	Career and Technical Education	4,248	4,248
PRC 027	Teacher Assistants K-3	739,883	788,221
PRC 032	Exceptional Children	318,029	418,029
PRC 034	AIG	244,575	332,687
PRC 036	Transfer To Charter Schools	816,146	850,000
PRC 054	ESL	82,550	121,373
PRC 056	Transportation	652,706	500,706
PRC 061	Instructional Supplies	171,427	171,427
PRC 069	At Risk Student Services	200,000	170,000
PRC 103	Literacy Coordinator	43,737	43,737
PRC 509	HCS Study Grant	485	435
PRC 513	Project House	151,405	146,375
PRC 514	Habitat House	25	0
PRC 701	After School Program	150,000	104,301
PRC 706	Non-Yellow Bus	10,000	10,000

**ORANGE COUNTY SCHOOLS  
2011-12 SUPERINTENDENT'S RECOMMENDED CURRENT EXPENSE BUDGET**

<u>EXPENSES</u>	<u>2010-11 Budget</u>	<u>2011-12 Budget</u>
PRC 801 Curricular Services	\$ 610,380	\$ 270,925
PRC 802 Operation of Plant	3,847,130	3,579,130
PRC 803 Human Resources	84,402	95,252
PRC 804 Financial Services	400,882	393,382
PRC 805 Support Services	9,863	9,863
PRC 840 DSS Family Social Workers	354,000	354,000
PRC 850 Project Graduation	-	12,000
PRC 851 Cultural Arts	46,907	47,803
PRC 854 Band	63,940	63,940
PRC 860 Athletics	606,271	611,013
PRC 861 Co-curricular Clubs	48,244	48,579
PRC 890 Board of Education	225,082	221,783
PRC 891 Executive Administration	36,000	26,000
PRC 900 Public Relations	78,446	76,570
<b>Reserve for Potential Legislative Action</b>	-	1,002,168
<b>TOTAL EXPENSES</b>	<b>\$ 23,675,001</b>	<b>\$ 23,975,238</b>

**Orange County Schools  
2011-2012  
Recommended Budget at a Glance**

**Projected Enrollment:**

2011-12	7272
2010-11	<u>7192</u>
Increase	<u><u>80</u></u>

**Adjusted ADM:**

7,272	2011-12 State Projection
(98)	Less: Out-of-District Students
<u>269</u>	Add: Charter School Students
<u><u>7,443</u></u>	Adjusted ADM Projection

**Per Pupil Allocation of \$3,096 x 7,443 students = County Appropriation of \$23,043,528**

**Revenues:**

County Appropriation	\$ 23,043,528
Fair Funding	494,000
Fines & Forfeitures	257,600
Interest	33,300
Fund Balance - Carryover	146,810
	<u><u>\$ 23,975,238</u></u>

**Employee Benefits Increases:**

Retirement	\$ 145,681	(10.51% to 11.62%)
Health Insurance	104,516	(\$4, 929 to \$5,422)
	<u><u>\$ 250,197</u></u>	

**Contingencies for State Reductions:**

Fund Balance	\$ 1,400,000
Operating Budget Reductions	1,186,215
Lottery Proceeds	571,000
	<u><u>\$ 3,157,215</u></u>

**PROPOSED 2011-12 LOCAL BUDGET REDUCTIONS**

Transportation (Reduce inventories, streamline purchasing procedures)	\$	152,000
Maintenance (Operational efficiencies, use federal QSCB funds)	\$	173,000
Middle School After School (Budget based on actual costs, no reduction in services)	\$	45,699
Curriculum & Instr. (Remaining budget is 100K above 08-09 levels. Realign resources & one-time expenditures)	\$	339,455
Board of Education (Trim contracted services)	\$	5,000
Executive Admin. (Reduction to superintendent's budget: postage & supplies)	\$	10,000
Middle College (Renegotiate contract, base funding on enrollment)	\$	22,000
Finance (Materials & supplies, final stages of paperless payroll)	\$	7,500
Electricity Costs (Projected 5% savings based on 2 degrees temp. set point changes)	\$	95,000
Substitute Teacher Costs (Do not use half day subs)	\$	10,000
Overtime Pay Reductions (\$49,277, reduced by \$5,000)	\$	5,000
At-Risk Services (\$170K remains in budget, no reduction in services)	\$	30,000
Human Resources (Based on actual expenditures)	\$	8,150
Non-Contributory Benefits (Decline in Worker's Compensation insurance cost)	\$	41,535
Payroll Savings	\$	120,000
Public Relations (Cuts to supplies and printing)	\$	1,876
Position Realignments TBD	\$	120,000
	<u>\$</u>	<u>1,186,215</u>

## 2011-12 LOCAL CURRENT EXPENSE BUDGET

### Proposed Local Operational Revenue Shifts:

Fund Balance	\$	1,400,000
Lottery Funds	\$	571,000
Proposed Local Budget Reductions	\$	1,186,215
<b>Total</b>	<b>\$</b>	<b><u>3,157,215</u></b>

Note: These funds will be used to offset anticipated cuts in state funding.

### Increases:

Exceptional Children	\$	100,000
Project Graduation	\$	12,000
Criminal Records Check	\$	19,000
Increase in Retirement Rate (10.51% to 11.62% = 1.11% increase)	\$	145,681
Increase in Hospitalization Ins. (10% increase = \$493 incr. per employee)	\$	104,516
	<b>\$</b>	<b><u>381,197</u></b>