



Savannah-Chatham County Public School System

208 Bull Street / Savannah, Georgia 31401 / 912.201.5600

May 16, 2007

Members of the Board of Education and Citizens of Chatham County:

I present to you the FY 2007-2008 Adopted Budget for All Funds for the Savannah-Chatham County Public School System.

The Savannah-Chatham County Public School System is committed to facing the brutal facts with candor and objectivity while working to eliminate those things that have restrained us from success. Earlier this year, the Superintendent’s Council boldly set a BHAG (Big Hairy Audacious Goal) for our district:

Savannah Chatham County Public School System will achieve World-Class status by 2012. We have defined World Class as: (1) Elimination of the achievement gap with all students meeting or exceeding State academic standards; (2) All students being powerfully literate; and (3) All students having multiple options and opportunities to learn.

We are a district in transition as we work tirelessly to put the flywheel in motion. This budget will serve as our key operating plan to meet district and school benchmarks within available resources.

A TIME OF AUSTERITY

The national economic downturn which followed September 11, 2001, was mirrored by a significant revenue loss to the state of Georgia. This revenue loss necessitated massive reductions in state aid for local school systems which began late in FY 2002 and is expected to continue through FY 2008. These cuts have come in the form of both designated (program specific) reductions and undesignated “austerity reductions.”

While the revenue picture for the State of Georgia has improved in the last year, the increase has not been sufficient to fully fund the existing State K-12 education funding formula. Austerity reductions continue to significantly impact school finances. The cumulative loss in earned funding over the last six fiscal years in this district alone due just to the undesignated “austerity” reductions totals more than \$31 million. See chart below:

Fiscal Year	Austerity Reduction
2003	(3,163,912)
2004	(6,599,832)
2005	(7,739,187)
2006	(7,739,117)
2007	(3,608,139)
2008	(2,960,516)
Total	
Reductions	\$ (31,810,703)

Mission – To ignite a passion for learning and teaching at high levels
Vision – From school to the world: ALL students prepared for productive futures

“AN EQUAL OPPORTUNITY EMPLOYER”

While Fiscal Years 2007 and 2008 saw a decrease in the amount of the austerity reduction, the reduction to earned QBE funds continues to put a significant strain on local revenues.

It is from this austere revenue position that we began our budget process for FY 2008. Our process began with the approval by the Board of twenty-three specific budget objectives. Each of the approved objectives, along with how it has been incorporated into our financial and operational plans for FY 2008, is discussed below.

BUDGET OBJECTIVES

□ Address Various Compensation Issues.

- Provide meaningful pay increases to all staff without the use of one-time payments.
 - Teachers – 3% State + Step
 - Classified – 3% + Step
 - Assistant Principals – 3% State + Step
 - Principals – 3% + Step
 - Food Service Managers – 3% + Step
 - Administrators – 3% + Step

The Adopted Budget incorporates the proposed compensation structure presented to the Board on March 2, 2007. Sufficient funds have been budgeted to provide all staff with meaningful increases in FY 2008.

- Increase local supplement at the beginning teacher levels to provide more competitive salary for new teachers.

Our teacher salaries were adjusted, bringing the starting pay for a beginning teacher with a four year degree to \$35,000. Corresponding adjustments to the Assistant Principal and Administrator scale (which are indexed to the teacher salary scale), were also made.

- Add step 17 to classified pay scales (year 2 of 5-year phase-in).

Step 17 was added to all Classified Pay Scales. Over 100 current employees benefited from this addition and were advanced from step 16 to step 17.

- Fund remaining grade increases for paraprofessionals and media clerks who meet “Highly Qualified” requirements under NCLB (all must be HiQ by June 30, 2007).

All paraprofessional and media clerk positions are now classified and budgeted at Grade 5 to reflect the requirement to be Highly Qualified.

- Create permanent positions for temporary work anticipated to continue beyond one year.

We created 21 permanent paraprofessional positions to replace duties previously performed by temporary staff in the Special Education and Academies programs.

- Provide funding to begin an employee wellness program to reduce absences and substitute usage.

This budget includes \$50,000 to fund flu shots at no charge to our valued employees.

- Provide funding to continue efforts to standardize work days/hours in key areas at the building level.

The work days for full-time school Information Specialists and Secretaries who were working less than 8 hours per day were increased to 8 hours.

- Provide funding for incentives to teach in “high needs” schools.

This proposal was considered for inclusion in the Federal Title I and Title V budget, but was not funded for FY 2008 due to budget constraints in those two programs.

- Refine the Administrators’ pay scale to reduce the difference between current A-5 and A-6.

The index percentage for Grade A-6 was increased from 60% to 65% of Grade A-5, significantly reducing the gap between these two pay grades.

- Provide funding to begin employer contributions to the employee dental plan to partially offset the cost to employees.

A total of \$50,000 was budgeted for this priority, which will provide a substantial reduction to the employee cost of this important benefit program at the next open enrollment period.

- Provide funding to support year one (of five) D3M (Data Driven Decision Making) Strategic Goals: Student Information System (to include Grades & Attendance), Exceptional Children Management System (Tranquility), Parent Notification System, and Data Warehouse.

The Board approved \$1.5 million to support the D3M initiative.

- Provide necessary funding for continuation of the business systems replacement project.

Action on this priority was deferred at the time of budget adoption with the expectation that any unexpended funds from this project in FY 2007 would be later reappropriated by the Board for use in FY 2008.

- Restructure middle school intervention program options.

Nine new paraprofessional positions were added at the middle schools to operate an in-school suspension program.

- Provide funding for academic coaches at every school to support student achievement (multi-year objective).

This priority was not funded in the adopted budget FY 2008. It will be reconsidered for funding next year.

- Provide funding for Reading teachers at the secondary level.

Six new teacher positions were added at the High School level, and two were added to Alternative Schools.

- Assess the per pupil allocation of resources so that all students have an equal educational opportunity.

This priority was not addressed in the FY 2008 Adopted Budget. It will be reconsidered at a later date.

- Provide equity funding for all schools, including non-magnet and non-Title I schools.

The Board approved \$271,000 to support this initiative which was allotted to nine schools.

- Reinstitute funding for Program Improvement Grants.

The Adopted Budget includes \$500,000 earmarked to support this initiative, with staff to provide recommendations for use after the start of the school year.

- Provide recognition funding for high achieving schools as part of system-wide accountability program.

The Board approved \$100,000 to support this initiative. The award mechanism will be developed later this school year.

- Provide funding to purchase additional automated external defibrillators (AEDs) for schools.

Funding for this initiative was not approved in the FY 2008 Adopted Budget. Staff will continue to explore other avenues to fund this initiative during the course of the school year.

- Provide requisite funding for non-bonded long-term debt (capital leases and contractual obligations)

The FY2008 budget includes \$8.3 million in contributions from the General Fund to fund the district's non-bonded long-term debt.

- Reduce millage rate if feasible.

This budget reduces the millage rates for both of the Board's taxing jurisdictions. The Maintenance and Operations millage rate has been reduced by 0.716 mills to 13.795 mills, and the Bond millage rate has been reduced to 0.00 mills, for a total reduction to property taxes of just over 2 mills.

- Implement voter approved ESPLOST program.

On September 19, 2006 the citizens of Chatham County approved an Education Special Purpose Local Option Sales Tax (ESPLOST). This additional penny of sales tax is estimated to generate up to \$360 million over the next five years. The funds will be used to service existing General Obligation Bond Debt and to fund district facilities needs. Over \$67 Million will be used to service existing bond debt over the five year period. By using ESPLOST funds to pay this bond debt, property owners will save the millage rate equivalent of that \$67 Million dollars over the five year period. The remaining funds will be used to build 8 new schools (3 New Sites and 5 Replacement Sites), provide additions and renovations to several school sites, provide significant upgrades to existing facilities, and provide much needed technology upgrades at a cost of \$293 million. A new position of Director of Facilities Construction position has been added to the General Fund budget to facilitate operations between a contracted Construction Management Firm and the Board of Education.

BUDGET IN BRIEF

The Adopted Budget for All Funds includes the following highlights:

- ❑ Decrease in Maintenance and Operations millage rate of .716 mills.
- ❑ Elimination of the General Obligation Bond millage rate of 1.306 mills.
- ❑ Anticipated State Austerity reductions to the General Fund of \$2.9 million.
- ❑ General Fund fund balance use of \$7.3 million.
- ❑ No increase in per-pupil allocation per student for site-based instructional costs.
- ❑ Continuation funding for a four-day CRCT Camp for students at-risk of failure in grades 3, 5 and 8.
- ❑ Funding for anticipated cost increase for fuel of \$800 thousand.
- ❑ Full funding of the requested increase for the Oglethorpe Charter Middle School.
- ❑ Pay increases for most staff, to include:
 - Teachers / Counselors / Media Specialists / Psychologists / Social Workers will receive a 3.0% increase on State portion of Salary Schedule effective July 1, 2007. Those who are eligible will receive a Step (longevity) increase effective July 1, 2007. Local supplements were increased for beginning teachers.
 - Assistant Principals will receive a 3.0% increase on State portion of Salary Schedule effective July 1, 2007. Those who are eligible will receive a Step (longevity) increase effective July 1, 2007.
 - Principals will receive a 3.0% salary schedule increase. Those who are eligible will receive a Step (longevity) increase effective July 1, 2007.
 - Classified staff (including Food Service) will receive a 3.0% salary schedule increase. Those who are eligible will receive a Step (longevity) increase effective July 1, 2007.
 - Professional Staff will receive a 3.0% salary schedule increase. Those who are eligible will receive a Step (longevity) increase effective July 1, 2007.
- ❑ Full funding for employer cost increase for State Merit Health Insurance (\$3 Million)
- ❑ Utilization of available fund balance in internal service and special revenue funds to reduce the cost to the General Fund for FY 2008 wherever possible.
- ❑ Replacement vehicle purchases for both the Maintenance and Campus Police Departments (\$300 thousand).
- ❑ Funding to cover the increase of employers portion of Teachers Retirement.

- ❑ Board contingency of \$500 thousand.
- ❑ Staffing Reserve for 10th day adjustments of \$1.0 million.
- ❑ Funding of the International Baccalaureate program at Coastal Middle School (\$69 thousand).

RELATIONSHIP TO PRIOR YEARS BUDGET

The national economic downturn which followed September 11, 2001, was mirrored by a significant revenue loss to the state of Georgia. This revenue loss necessitated massive reductions in state aid for local school systems which began late in FY 2002 and are expected to continue through FY 2008. These cuts have come in the form of both designated reductions and undesignated “Austerity reductions” and were highlighted earlier in this letter.

Fiscal Year 2008 also marks the eighth year of the requirements of SB 177, the Taxpayers’ Bill of Rights. The key component of this legislation for the school district is the downward pressure it creates on setting property tax millage rates. The requirements of this legislation are discussed in detail later in this letter.

The 2007-2008 school year marks the seventh year of a now nine-year phase-in of Georgia’s sweeping educational reform effort codified in House Bill 1187. To a large degree, HB 1187 eliminated local flexibility and discretion in the use of state funds and mandated the phase in of lower class sizes. In 2006, the Truth in Class Size Act continued where House Bill 1187 left off by further reducing class sizes in grades K-8.

In addition to these legislative actions, local costs continue to increase. Fuel, energy, property insurance, and health benefits costs are just a few examples where we must pay substantially more for the same level of services. We have also had to address multiple employee compensation issues to create and maintain both internal equity and external competitiveness.

PRIORITIES AND ISSUES FOR THE NEW BUDGET YEAR

Federal No Child Left Behind Act of 2001 (NCLB)

Passed by an overwhelming majority in Congress in 2001 and signed into law by President Bush on January 8, 2002, the No Child Left Behind Act represents the most sweeping change to the Elementary & Secondary Education Act (ESEA) since it was enacted in 1965. The primary goal of the NCLB Act is to achieve a quality education for all students by the 2013-2014 school years. To meet the 100% proficiency goal, each state must define Adequate Yearly Progress (AYP), a set of performance goals that establish the minimum levels of improvement on state standardized tests. NCLB requires one accountability system for all schools.

Under NCLB, school districts and Title I schools that do not meet AYP for two consecutive years will be subject to various forms of assistance, intervention, and other actions, with consequences increasing each year the school or school district fails to meet AYP as outlined below (non-Title I schools are not subject to statutory consequences, but are included on State Accountability reporting):

- ❑ **1st Year Not Meeting AYP = No Consequences**
No Consequences under NCLB, but schools and LEAs should use this information to identify areas that need attention and make necessary adjustments.
- ❑ **2 Years Not Meeting AYP = Needs Improvement Year 1**

Public School Choice: Parents will have option to transfer child to a higher performing public school in the LEA. Parents must be notified of this option. Priority for transportation cost must be given to the lowest-achieving, low-income students in that school.

School Improvement Plan: Schools and LEAs must identify the specific areas that need improvement and work with parents, teachers, and outside experts to develop a plan to raise student achievement. Schools must receive technical assistance from the LEA to help it improve.

❑ **3 Years Not Meeting AYP = Needs Improvement Year 2**

Supplemental Services: Parents of students in Title I schools have option of requesting tutoring and other supplemental educational services either from their school or from a state-approved outside group. Title I funds are used to pay for supplemental educational services.

Technical assistance and public school choice consequences continue.

❑ **4 Years Not Meeting AYP = Needs Improvement Year 3**

Technical assistance, public school choice, and supplemental education services continue. School is identified for corrective action and must thus change its staffing or make another fundamental change (including instituting a new curriculum, appointing an outside expert to advise the school, or extending the school year or school day for the school).

❑ **5 Years Not Meeting AYP = Needs Improvement Year 4**

Plan for Restructuring: School must develop (not implement) an "alternate governance" plan that includes converting it to a charter school, replacing all or most of the staff, turning the school over to a private management company, or having the State take it over.

❑ **6 Years Not Meeting AYP = Needs Improvement Year 5**

Restructuring: School must implement the alternate governance plan that was developed the previous year.

Disabled Homestead Exemption (GA House Bill 1731)

Enacted during the 2002 legislative session and affirmed by local referendum in November 2002, HB 1731 provides a local homestead exemption from school district ad valorem taxes for educational purposes for the full value of the homestead for certain residents of the school district who meet the qualifications of disabled as defined in the law. This local exemption applies to both school taxes for maintenance and operations and for bonded indebtedness. An estimated \$149 million in property values will be exempted from property taxes in calendar year 2007 (LA exemption), for an estimated net revenue impact in FY 2008 of \$2 million (at 13.795 combined mills).

“Stephens-Day” Bill (GA House Bill 1024)

Passed during the 1999 legislative session, HB 1024 provided a homestead exemption that, in effect, freezes the assessed value of each owner-occupied residential property for as long as that owner continues to own and live in the home. Each new year, the homeowner pays taxes based on the assessed value of the home as it was listed at the time the homeowner filed for a homestead exemption, regardless of subsequent increases in the fair market value of the property. This tax relief for Chatham County homeowners takes the form of a homestead exemption that continues to change as the home increases in value. No state dollars are provided to offset the lost revenue. This bill was affirmed by a local referendum in the fall of 2000. As a result of this local legislation, \$999 million in property values will be exempted from property taxes in

calendar year 2007 (L9 exemption), for a net revenue impact in FY 2008 of \$13.7 million (at 13.795 mills for Maintenance and Operations). This exemption does not apply to the School Bond digest.

A Plus Education Reform Act of 2000 (GA House Bill 1187)

Enacted during the 2000 legislative session, this legislation provided for sweeping changes to the delivery of education services at the pre-kindergarten, elementary, secondary, and post-secondary levels. House Bill 1187, in its final form, contained 179 pages with 98 sections. All aspects of education services were impacted, including such substantial areas as reduced class sizes, modifications to funding allocation formulas, more extensive expenditure controls, programmatic additions/deletions/modifications, and new requirements for teacher employment, staff development and certification.

Education Reform Act of 2000 – Amended Provisions (GA House Bill 656)

During the 2001 legislative session, the Georgia General Assembly enacted legislation that further modified, clarified, or added to the sweeping educational reforms adopted the year before (see the A Plus Education Reform Act of 2000 above). New programs (such as the early intervention program for the upper elementary grades) were added, while others (such as remedial education, middle school, kindergarten early intervention, and capital outlay) were modified.

“Truth in Class Size Act” (GA House Bill 1258)

During the 2006 legislative session, the Georgia General Assembly enacted legislation that continued the shrinking of class sizes started by the A+ Education Reform Act of 2000. Kindergarten class size was reduced to 18, or up to 20 with a paraprofessional. Maximum class sizes were also reduced to 21 in grades 1-3 and 28 in grades 4-8.

“Property Taxpayers’ Bill of Rights” (GA Senate Bill 177)

Passed during the 1999 legislative session, Senate Bill 177, commonly known as the “Property Taxpayers’ Bill of Rights,” shifts the burden of proof from homeowners to tax assessors when assessments are increased, and provides procedures to enable taxpayers to obtain information used in the assessment process. Taxpayers’ appeal rights are also strengthened. The essential feature of SB 177, however, is the reinstatement of a “rollback millage rate.” This rate represents the tax millage that would be necessary to raise the same amount of revenue after reassessments as the prior year’s millage rate was able to raise before the reassessments. The legislature passed such a bill in 1992, only to repeal it the following year. The new law, which became effective January 1, 2000, is more rigorous. It mandates that if a local school board opts to set a millage rate higher than the roll-back rate (even if the proposed rate is lower than the prior year’s millage), then three public hearings must be advertised and held prior to final adoption of the new rate. If a local board of education finds it necessary to set a millage rate that is higher than the roll-back rate, it must advertise in the local media using wording prescribed in SB 177. The notice must include the heading “notice of property tax increase,” even if the increase would not apply to any properties that had not been reassessed, and even if the increase is entirely attributable to the increase in the five-mill local fair share (which is not “rolled back”).

FUTURE OUTLOOK

Based on what we already know about FY 2008 and FY 2009, costs will continue to increase at a faster rate than available revenue. Additionally, a major facilities construction effort must begin to remediate substandard learning environments. School improvement efforts must also continue as we raise the bar on academic achievement.

External forces are expected to continue their domination of our planning processes for years to come. Most of these take the form of legislation already enacted which is summarized below:

Federal No Child Left Behind Act of 2001 (NCLB)

Title I schools which fail to make adequate yearly progress are subject to the consequences outlined above. In 2007, more public schools made AYP than ever before in Chatham County. Every elementary school made AYP except Spencer Elementary. DeRenne, West Chatham, Southwest, Hubert, Shuman, Oglethorpe, Mercer, Myers and Coastal Middle School made AYP while Tompkins and Bartlett failed to meet the standard. Savannah Arts, Windsor Forest, Jenkins and Johnson High made AYP while Groves, Beach, and Savannah High failed to meet the standard. Now with 42 of 48 or 85% of public schools making AYP, the trend clearly shows continued progress.

“Property Taxpayers’ Bill of Rights” - GA Senate Bill 177

The legal requirements for the Property Taxpayers’ Bill of Rights will remain in full force and effect for future budget years. For fiscal year 2008, the Savannah-Chatham County Board of Education was able to roll back the millage to the roll-back rate or lower for both the maintenance and operations tax jurisdiction and the bond tax jurisdiction. Downward pressures on millage rates to the “roll-back rate” are expected to continue in the future.

“Stephens-Day Bill” - GA House Bill 1024

HB 1024 (Stephens-Day Bill), provided a homestead exemption that, in effect, freezes the assessed value of each owner-occupied residential property for as long as that owner continues to own and live in the home. No state dollars are provided to offset the lost revenue to the School System, substantially curtailing growth in local tax revenues. This exemption also impacts the roll-back rate calculation required in the Taxpayers’ Bill of Rights, making these values difficult to estimate in advance of the final tax digest (received in June each year). Additionally, this exemption is not included in the State’s equalized tax digest used to calculate the district’s “Local Five Mills” (only statewide exemptions are included).

Disabled Homestead Exemption - GA House Bill 1731

HB 1731 (Disabled Homestead Exemption) allows disabled taxpayers to exempt their homesteads from all school taxes in Chatham County. As with HB 1024, no state dollars are provided to offset the lost revenue to the School System, and this local exemption is not included in the State’s equalized tax digest used to calculate the district’s “Local Five Mills.” As the population ages, the tax digest grows, and taxpayers become familiar with the application process, the value of lost revenue from this exemption is expected to grow.

Statewide Personal Property Exemption - Senate Bill 150

SB 150 (Statewide Personal Property Exemption) increases the exemption on tangible personal property. This exemption is one more example of the trend toward limiting local revenue growth, although its dollar value is expected to be much less than that of either the Stephens-Day exemption or the Disabled Homestead exemption.

Georgia Special Needs Scholarship Act – Senate Bill 10

SB 10 was signed into law in May of 2007. This legislation provides “scholarships” for qualifying special needs students to attend private schools, other public schools in their districts, or even schools in neighboring districts. The stated purpose of the scholarship program is to meet students’ specific needs while enabling families to make independent private choices to direct their resources to appropriate schools. We anticipate as many as 40 children with exceptional needs may elect to receive SB 10 scholarships for FY 2008.

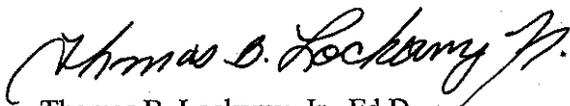
Tax Allocation District

A Tax Allocation District referendum was passed by voters in November 2006 which allowed the City of Savannah to establish tax allocation districts. The City approved its first allocation district for an area of downtown Savannah in September of 2007. Georgia law allows cities or counties to declare an area within a “redevelopment area” to be a Tax Allocation District to assist with funding of redevelopment in the “redevelopment area”. Any property taxes paid to the city (or county) on new development or improvements to properties in the Tax Allocation District would then go into a special fund to be spent on redevelopment (or to pay off bonds which were issued to raise funds for redevelopment). The local board of education may choose to participate in this by allowing the property taxes it would have received on the TAD properties to be used in the redevelopment effort. The local board of education also may choose not to participate. The current plan allocates \$10 million to the School District for school improvements within the TAD boundaries. If approved by the School Board, the District’s tax revenue resulting from any new development or improvements within the TAD would be diverted to pay for TAD projects for the life of the Tax Allocation District

CONCLUSION

I want to thank this community for its interest in, and commitment to, public education. I hope you find this document comprehensive and useful in understanding our financial plan for the coming year. We welcome your input as we move the Savannah-Chatham County School System to a system where ALL students are learning at high levels.

Sincerely,



Thomas B. Lockamy, Jr., Ed.D.
Superintendent of Schools

Savannah-Chatham County Public Schools
FY 2007-2008 Adopted Budget for All Funds
District Snapshot

Element	FY 2004	FY 2005	FY 2006	FY 2007 Modified Budget*	FY 2008 Adopted Budget
	Actual*	Actual	Actual		
Revenues					
Local	149,068,142	153,959,862	167,505,505	165,883,617	226,345,275
State	123,250,358	119,840,361	122,888,064	128,257,169	137,133,887
Federal	35,676,140	43,725,669	43,603,694	49,462,560	47,257,148
Total Revenues	307,994,640	317,525,893	333,997,263	343,603,346	410,736,310
Other Sources					
Lease Proceeds	-	-	-	-	-
Bond Proceeds*		48,820,609			-
Operating Transfers In	10,511,729	10,073,119	17,099,271	12,671,908	27,730,680
Total Revenues/Other Sources	318,506,369	376,419,621	351,096,534	356,275,254	438,466,990
Expenditures					
Salaries	175,565,692	182,932,038	187,627,482	200,182,780	213,278,717
Benefits	45,009,276	45,190,798	48,498,134	60,169,648	67,665,977
Other Expenditures	83,272,922	132,941,544	87,895,360	89,190,349	135,576,306
Total Expenditures	303,847,890	361,064,380	324,020,977	349,542,777	416,521,000
Other Uses					
Bond Refunding*	-	-	-	-	-
Operating Transfers Out	10,511,729	10,073,119	17,099,271	12,671,908	26,460,680
Total Expenditures/Other Uses	314,359,619	371,137,499	341,120,247	362,214,685	442,981,680
Staff Positions	4,780.5	4,837.2	4,802.1	4,852.3	5,081.7
Student Enrollment	34,507	34,544	33,962	34,121	34,752
Free/Reduced Lunch Rate	52.73%	53.59%	55.21%	57.95%	60.10%
Schools	49	48	48	48	47
Other Educational Sites	6	6	6	6	7
Combined Tax Millage Rate	17.768	17.600	17.277	15.817	13.795

*Reflects Bond Refinancing in FY 2005

Savannah-Chatham County Public Schools
FY 2007 – 2008 Budget Calendar

- **November 2006**
 - November 1st – Board Legislative Priorities Workshop for 2007 Session
 - November 28th – Legislative Priorities Breakfast with Chatham County Legislative Delegation
- **December 2006**
 - December 4th – Begin Enrollment Projections (Staff)
- **January 2007**
 - January 8th – Begin Staffing Projections (Staff)
- **February 2007**
 - February 21st – Board Budget Workshop - Staff Presents Proposed Budget Objectives and Calendar for FY2008
- **March 2007**
 - March 7th – Board Meeting – Board Adopts FY2008 Budget Objectives
 - March 21st – Board Budget Workshop
- **April 2007**
 - April 18th – Board Budget Workshop
- **May 2007**
 - May 2nd – Board Meeting – Board Members receive Recommended Budget
 - May 3rd – Recommended Budget to Live Oak Public Libraries
 - May 16th – Board Budget Workshop
 - May 16th – Advertise Board Public Hearing on Budget (to be held May 24th)
 - May 24th – Board Public Hearing on Budget
- **June 2007**
 - June 1st – Tax Digest and Rollback Millage Rate from Chatham County Board of Tax Assessors (Approximate Date)
 - June 6th – Board Budget Workshop / Regular Board Meeting (Tentative Budget / Millage Rates Adoption)
 - June 7th – Staff Issues Press Release on Tentative Recommended Millage Rate
 - June 11th – Advertise Five Year Tax Digest and Tentative Recommended Millage Levy
 - June 12th – Advertise Tentative Budget Adoption by Board
 - June 13th – Advertise Millage Rate Hearings 1 and 2 (to be held June 20th)
 - June 20th – Board Millage Rate Hearings 1 and 2
 - June 20th – Advertise Millage Rate Hearing 3 (to be held June 27th)
 - June 27th – Board Millage Rate Hearing 3
 - June 27th – Board Meeting (Recommended Millage and Final Budget Adoption)
 - June 30th – Fiscal Year 2007 Ends
- **July 2007**
 - July 1st – Fiscal Year 2008 Begins
 - July 2nd – Staff Transmits Certified Millage Resolution to County Commission
 - July 6th – Advertise Five Year Tax Digest and Recommended Millage Levy
 - July 20st – County Commission (Levying Authority) Adopts Millage Rates
 - July 24th – Assessor Submits Tax Digest and Levy submitted to Georgia Department of Revenue for Approval (Approximate Date)
- **August 2007**
 - August 30th – Staff Submits FY 2008 Budget to Georgia Department of Education
- **September 2007**
 - September 26th – Staff Distributes FY 2008 Adopted Budget Book and submits book to GFOA

FY 2007-2008 Adopted Budget for All Funds

Key Assumptions

Revenues

- ❑ Consolidated School (Maintenance and Operations) Tax digest (net of exemptions) will grow by \$1,329,175,115 to \$11,056,785,451, a 13.66% increase for calendar year 2007 (fiscal year 2008). This is inclusive of the Stephens-Day Homestead exemption as well as the recently approved Local Disabled Homestead exemption and Statewide Personal Property exemption increase. The total net assessed value added by reassessments is \$545,922,786.
- ❑ School Bond Tax digest (net of exemptions) will grow by \$1,598,043,827 to \$12,399,330,399, a 14.79% increase (net of exemptions) for calendar year 2007 (fiscal year 2008). This is inclusive of the recently approved Disabled Homestead exemption and Personal Property exemption increase. The total net assessed value added by reassessments is \$813,939,651.
- ❑ Combined millage decrease of 2.022 mills from FY 2008 (see table below):

Category	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08
Maintenance and Operations	16.179	15.326	15.958	15.878	15.746	14.511	13.795
General Obligation (GO) Bond	2.397	2.224	1.810	1.722	1.531	1.306	0
Total	18.576	17.550	17.768	17.600	17.277	15.817	13.795

- ❑ Real and personal property tax collection rate will be 99.8% of levy (current & delinquent). This is due to split digest (calendar year versus fiscal year), late payments, appeals, penalties, and interest charges.
- ❑ Tax Commissioner Collection Fee will remain at 1.75% for FY 2008. Court System Collection Fee will remain at 1.0% for FY 2008.
- ❑ State funding (QBE) amended formula adjustment will be \$3,025,385.
- ❑ State on-behalf payments will total \$1.2 million in FY 2008.
- ❑ Fund balance use by fund:
 - General Fund - \$7,809,009
 - Debt Service Fund - \$0
 - Capital Projects Funds- \$0
 - Internal Service Funds:
 - Worker’s Compensation Fund - \$0
 - Unemployment Fund - \$0
 - Self Insured Risk Pool Fund - \$200,000
 - Special Revenue Funds:
 - Sick Leave Bank Fund - \$25,000
 - Pre-Kindergarten Fund - \$50,000
 - Victoria Jenkins Trust Fund - \$128,953
 - Special Programs Fund - \$53,062
 - Oatland Island Fund – \$50,000
 - Massie Center Fund - \$25,000
 - Food Service Funds - \$725,217
 - Title I Fund - \$298,540

FY 2007-2008 Adopted Budget for All Funds

Key Assumptions

Expenditures

- Pay increases:
 - Teachers / Counselors / Media Specialists / Psychologists / Social Workers will receive a 3.0% increase on State portion of Salary Schedule and no change to Local Supplement Scale effective July 1, 2007. Those who are eligible will also receive a Step (longevity) increase effective July 1, 2007.
 - Assistant Principals will receive a 3.0% increase on State portion of Salary Schedule and no change to Local Supplement Scale effective July 1, 2007. Those who are eligible will also receive a Step (longevity) increase effective July 1, 2007.
 - Principals will receive a 3.0% salary schedule increase. Those who are eligible will also receive a Step (longevity) increase effective July 1, 2007.
 - Classified staff will receive a 3.0% salary schedule increase effective July 1, 2007. Those who are eligible will also receive a Step (longevity) increase effective July 1, 2007.
 - Professional Staff will receive a 3.0% salary schedule increase effective July 1, 2007. Those who are eligible will also receive a Step (longevity) increase effective July 1, 2007.
- Teacher vacancies will be filled at the median grade/step.
- General Fund vacancy factor / position fill variance will be \$7.3 million.
- General Fund Contingency will be \$500,000.
- General Fund Staffing Reserve for 10th day adjustments will be \$750,000.
- All State required expenditure and staffing tests will be met (funds will not need to be returned to the State Treasury due to failure to meet tests).
- Cost savings from changes to transportation routing and energy conservation efforts will occur as planned.
- Fuel and utilities costs do not continue to escalate beyond amounts budgeted.
- State Merit Health Insurance employer rates will not be adjusted mid-year.
- No extraordinary events will occur during the budget year.

Workload

- Pre-Kindergarten through Grade 12 enrollment will increase by 422 students from 20th day FY 2007 (from 34,250 to 34,672 inclusive of Oglethorpe Academy enrollment).
- Actual enrollment will occur by site by grade as forecasted.

**Savannah - Chatham County Public Schools
FY 2007 - 2008 Adopted Budget for All Funds
Summary by Fund Type**

	General	Debt	Capital	Special	Internal	
	Fund	Service	Projects	Revenue	Service	
	Fund	Fund	Funds	Funds	Funds	Totals
Revenues						
Local sources	157,297,256	-	58,868,340	3,329,462	1,311,343	\$220,806,401
State sources	127,941,847	0	0	9,342,466	0	137,284,313
Federal sources	800,460	0	0	46,016,330	0	46,816,790
Total Revenues	\$286,039,563	\$0	\$58,868,340	\$58,688,258	\$1,311,343	\$404,907,504
Other Sources						
Capital Lease Proceeds	3,482,340	-	-	-	-	3,482,340
Operating transfers in		22,636,379	-	1,574,301	2,250,000	26,460,680
TOTAL REVENUES & OTHER SOURCES	\$289,521,903	\$22,636,379	\$58,868,340	\$60,262,559	\$3,561,343	\$434,850,524
Expenditures						
Instruction	\$175,991,143			33,660,188		\$209,651,331
Pupil services	\$16,679,587			3,475,850		20,155,437
Improvement of instruction	\$4,804,133			7,105,016		11,909,149
Educational media services	\$5,685,951			20,459		5,706,410
General administration	\$5,407,487			2,147,333		7,554,820
Business administration	\$4,352,040		41,844			4,393,884
School administration	\$20,349,386			218,499		20,567,885
Pupil transportation	\$18,441,977			359,976		18,801,953
Maintenance and operations	\$26,766,371			376,402		27,142,773
Central support services	\$6,011,685					6,011,685
Other support services	\$30,000			325,269		355,269
Food service operations				13,270,870		13,270,870
Other operations	\$50			25,000	3,761,343	3,786,393
Capital outlay	\$157,186		43,919,576			44,076,762
Debt Service:	\$0	22,636,379				22,636,379
Board Contingency	\$500,000	-	-	-	-	500,000
Total expenditures	\$285,176,996	\$22,636,379	\$43,961,420	\$60,984,862	\$3,761,343	\$416,521,000
Other Uses						
Operating transfers out	12,153,916	-	14,306,764.00		-	26,460,680
TOTAL EXPENDITURES & OTHER USES	\$297,330,912	\$22,636,379	\$58,268,184	\$60,984,862	\$3,761,343	\$442,981,680
Use of Fund Balance	(7,809,009)	-	600,156	(722,303)	(200,000)	(8,131,156)

Savannah-Chatham County Public Schools

FY 2007-2008

Adopted Budget for All Funds

