

# **FY 2020 BUDGET PROCESS**

**Savannah-Chatham Public School System**

**DAS REMI: 5.A.1 Budget Process**

**Division of Finance**

**May 6, 2019**

# **FY 2020 BUDGET PROCESS**

## ***WHAT WE PLAN TO COVER TODAY***

- ✓ Assumptions
- ✓ General Fund Projected Revenues & Expenditures
- ✓ Debt Service
- ✓ Special Revenue Funds
- ✓ Internal Service Funds
- ✓ Budget Process Calendar
- ✓ Questions

# FY 2020 Budget Process

## Explanation of Funds

- General Fund: regular day-to-day operations
- Debt Service Fund: payment of principal and interest to lenders or creditors on outstanding debt
- Capital Projects Fund: used to account for financial resources for the acquisition or construction, renovation or physical improvement of major capital facilities
  - ESPLOST
  - Maintenance & Operations
- Internal Service Funds: used to account for the District's self-insurance funds (risk management)
  - Worker's Compensation Fund
  - Employee Dental Plan Fund
- Special Revenue Funds: used to account for the proceeds of specific revenue sources which must be devoted to some special use as required by law or specific regulation
  - Title I – Improving the Academic Achievement of the Disadvantaged
  - Pre-K
  - School Food Service

# FY 2020 BUDGET PROCESS

## *ASSUMPTIONS*

- ✓ Slight Growth in Tax Digests
- ✓ State Retirement Rate change will impact costs
- ✓ Staff Salary increases will impact costs

# FY 2020 Budget Process

## General Fund – Revenue

### *Local Funding Highlights*

- ✓ Tax Digest Revenue (Estimate 4.0% digest increase @ 18.881 mills) - \$7M

### *State Funding Highlights*

- ✓ QBE Formula Earnings & Accrual – \$8.3M
- ✓ Nurses – \$5K
- ✓ Transportation - \$36K
- ✓ Military Counselors – \$5K
- ✓ Vocational Supervisor – (\$51K)

# FY 2020 Budget Process

## General Fund - Expenditures

### *Additions/Adjustments*

- ✓ Replenish Staffing Reserve - \$287K
- ✓ Replenish Board Contingency - \$12K
- ✓ TRS Rate Increase 20.9% to 21.14% - 623K
- ✓ Workers Compensation Rate Increase .43% to .68% - 697K
- ✓ Unemployment Rate Decrease .05% to 0% - (\$139K)
- ✓ Net school staffing change based upon projected decrease in enrollment (-21 teachers, -3 Parapros, -1 Secretary, +.5 Media Clerk, +1 Counselor & -1 OSS = -24.5 FTE) - (\$1.9M)
- ✓ QBE Program Variance (+20 FTE) - \$1.5M
- ✓ Charter Schools Contributions - (\$680K)
- ✓ Fund Balance Contribution - \$3M

# FY 2020 Budget Process

## General Fund - Expenditures

### *Additions/Adjustments*

#### **Compensation Plan**

- ✓ Employee Steps on January 1, 2020 With Benefits - \$3.7M
- ✓ Reduction of Campus Police Vehicles – (\$100K)
- ✓ Reduction of Academic Affairs Professional Services and Supplies – (\$75K)
- ✓ Contribution to Other Funds (\$300K)

# FY 2020 Budget Process

## General Fund

FY20 Projected Revenue	\$450,220,313
FY20 Projected Expenditures	\$447,133,140
FY20 Contribution to Fund Balance	\$3,087,173

### *Fund Balance Analysis (% of FY2019 Expenditures)*

Fund Balance – 6/30/2018	7.71%
Estimated Results From Operations	1.41%
Projected Ending Fund Balance – 6/30/2019	9.12%
Estimated Fund Balance Use FY 19	0.00%



# FY 2020 Budget Process

## Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

<b>Revenue</b>	
Operating Transfers In (ESPLOST II)	\$5,454,244
Local (Interest)	500
Operating Transfers In (General Fund)	6,254,494
<b>Total</b>	<b>\$11,709,238</b>

<b>Expenditures</b>	
General Obligation Bonds	\$5,454,244
Capital Leases	6,254,994
<b>Total</b>	<b>\$11,709,238</b>

# FY 2020 Budget Process

## Capital Projects Fund

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

<b>Revenue</b>	
ESPLOST III Taxes	\$73,000,000
Local Income	85,500
State Capital Outlay	500,000
Operating Transfers In	3,400,000
<b>Total</b>	<b>\$76,985,500</b>

<b>Expenditures</b>	
Construction	\$68,235,687
Debt Service	8,749,813
<b>Total</b>	<b>\$76,985,500</b>

# FY 2020 Budget Process

## Special Revenue Funds

Special Revenue is received from federal and state funds and grants.

<b>Fund</b>	<b>Grant / Program</b>	<b>Revenue</b>	<b>Expenditure</b>
412	Title IV - 21 <sup>st</sup> Century Schools	2,481,338	2,481,338
414	Title II – Training & Recruiting Grants	1,279,439	1,279,439
432	Sick Leave Bank Fund	50,000	50,000
439	Victoria Jenkins Charitable Trust	158,431	158,431
440	Special Programs	2,624,705	2,624,705

# FY 2020 Budget Process

## Special Revenue Funds

Special Revenue is received from federal and state funds and grants.

Fund	Grant / Program	Revenue	Expenditure
442	Pre-K Lottery	7,803,482	7,803,482
445	Technical Preparation	1,013,314	1,013,314
450	Coastal Georgia	4,830,936	4,830,936
465	Title III	205,526	205,526
470	Title I	15,806,132	15,806,132
490	Federal Special Education	7,760,295	7,760,295
6XX	Food Service	24,070,914	24,070,914
	<b>Total</b>	<b>\$68,084,512</b>	<b>\$68,084,512</b>

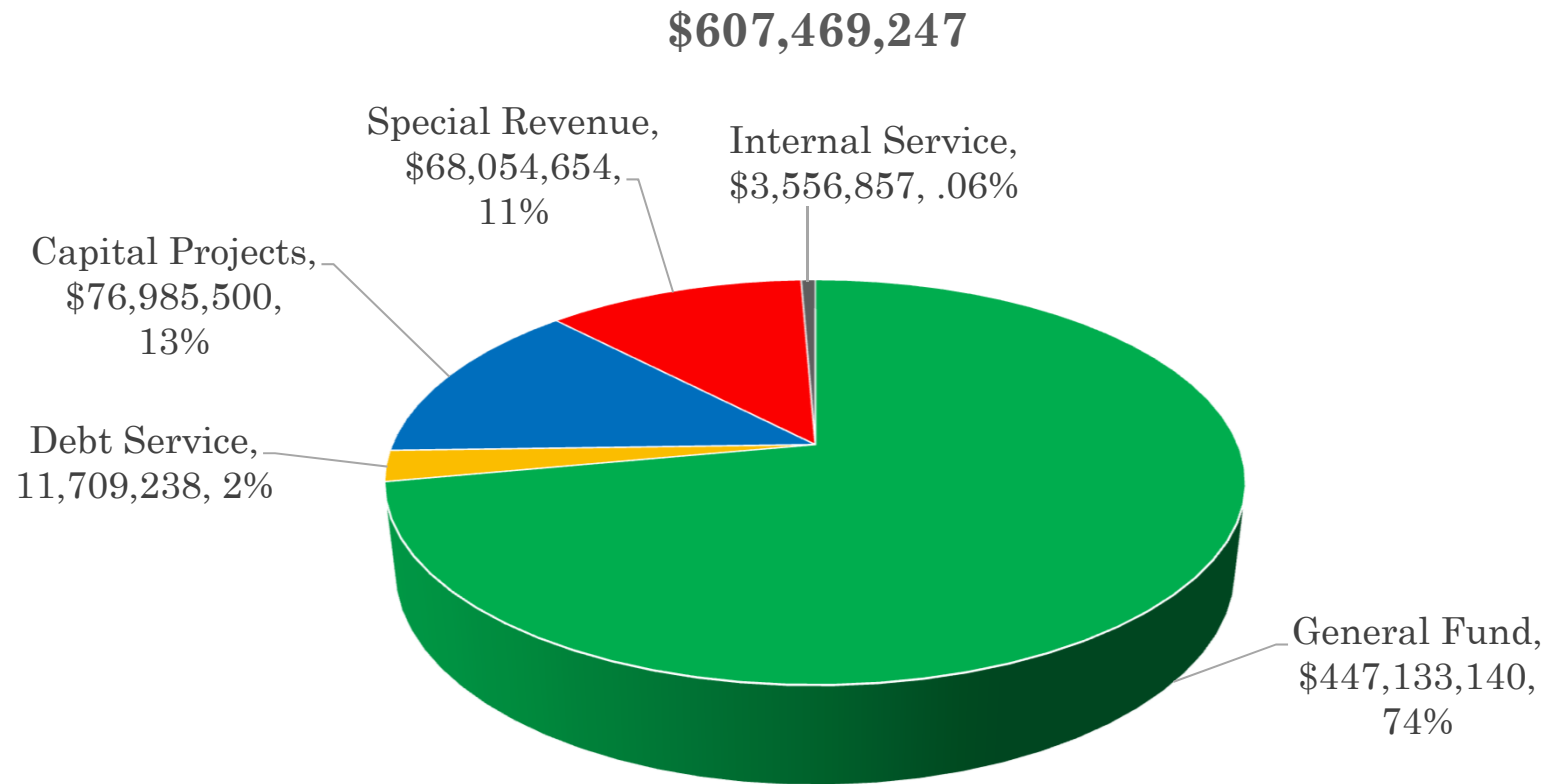
# FY 2020 Budget Process

## Internal Service Funds

Internal Service Funds are used to account for the District's self-insured expenditures.

<b>Fund</b>	<b>Grant / Program</b>	<b>Revenue</b>	<b>Expenditure</b>
710	Worker's Compensation	\$1,945,497	\$1,945,497
720	Unemployment Compensation	0	\$200,300
731	Employee Dental Plan	1,611,360	1,611,360
	<b>Total</b>	<b>\$3,556,857</b>	<b>\$3,556,857</b>

# FY 2020 Budget Process All Funds



# FY 2020 BUDGET PROCESS

## Budget Calendar

May 2019	
6 <sup>th</sup>	Board Budget Workshop – Budget Committee Meeting
6 <sup>th</sup>	Advertise and do press release for Board Public Hearing on Budget (to be held May 15 <sup>th</sup> ) in newspaper and on SCCPSS website
15 <sup>th</sup>	Board Members receive printed Preliminary Budget
	Preliminary Budget to Live Oak Public Libraries
15 <sup>th</sup>	Board Public Hearing on Budget

# FY 2020 BUDGET PROCESS

## Budget Calendar (Continued)

June 2019	
3 <sup>rd</sup>	Tax Digest and Rollback Millage Rate from Chatham County Board of Tax Assessors (Approximate Date)
4 <sup>th</sup>	*Advertise Millage Rate Hearing #1 and #2 (to be held June 12 <sup>th</sup> ) and #3 (to be held June 19 <sup>th</sup> ) in Newspaper and on SCCPSS Website
5 <sup>th</sup>	Regular Board Meeting (Tentative Budget and Tentative Millage Rate Adoption)
6 <sup>th</sup>	*Staff issues Press Release on Tentative Recommended Millage Rate / Required Press Release of Intent to Increase Taxes in Newspaper and on SCCPSS Website
7 <sup>th</sup>	*Advertise Five Year Tax Digest and Recommended Millage Levy in Paper and on SCCPSS Website for Chatham County
10 <sup>th</sup>	*Advertise Five Year Tax Digest and Proposed Millage Levy in Paper and on SCCPSS Website for School Board



# FY 2020 BUDGET PROCESS

## Budget Calendar (Continued)

June 2019	
12 <sup>th</sup>	Board Millage Rate Public Hearing #1 – 11:00 AM and Board Millage Rate Public Hearing #2 – 6:00 PM
19 <sup>th</sup>	Board Millage Rate Public Hearing #3 – 6:00 PM; Special Board Meeting – 6:30 PM (Millage Rate Hearing, Recommended Millage and Final Budget Adoption)
30 <sup>th</sup>	Fiscal Year 2019 Ends

# FY 2020 BUDGET PROCESS

## Budget Calendar (Continued)

<b>July 2019</b>	
1 <sup>st</sup>	Fiscal Year 2020 Begins
	Staff Transmits Certified Millage Resolution to County Commission
5 <sup>th</sup>	County Commission (Levying Authority) Adopts Millage Rate
30 <sup>th</sup>	Assessor Submits Tax Digest and Levy submitted to Georgia Department of Revenue for Approval (Approximate Date)
<b>August 2019</b>	
30 <sup>th</sup>	Staff Submits FY 2020 Budget to Georgia Department of Education
<b>September 2019</b>	
30 <sup>th</sup>	Staff Distributes FY 2020 Adopted Budget Book and submits book to GFOA & ASBO

# **FY 2020 BUDGET PROCESS**

## **Board Discussion / Direction**