



FY 2019 Budget Hearing

September 4, 2018 – 8:30 AM

September 4, 2018 – 5:30 PM

Public Hearings

- ▶ Each Board shall–
 - Hold at least two open public hearings
 - Hearing held during scheduled meeting, convenient time/place
 - Publicize date/time in local media
 - Seek input from public
 - Provide proposed budget on SDE forms

- ▶ Purpose–
 - Inform community/foster public support
 - Introduces accountability
 - Enhance planning process

Section 16–13–140,
Code of Alabama

Benefits

Public Hearing

- ▶ Required communications:
 - Budget reflects all available revenue sources and expenditures
 - Projected enrollment by school
 - Projected staff counts at each location
 - Operating costs by category or function at each school
 - Foundation Program revenues earned by school and by category:
 - FTEs, Salaries, Benefits, OCE, CIS funds

ACS Budget Process

- ▶ Comprehensive budget planning process
- ▶ February – establish budget calendar
- ▶ April – internal budget meetings
 - Budget hearings with each school/department administrator
 - Enrollment projections drive personnel requests.
- ▶ May/June – receive State/Federal revenue allocations

ACS Budget Process

- ▶ June/July:
 - Enrollment review – new faculty positions granted accordingly
 - Non-salary budgets approved
- ▶ August – Budget work session with school board
- ▶ September:
 - Public hearings
 - Budget due to State Department of Education – September 15

Key Factors Affecting Budget

- ▶ Enrollment
- ▶ Pupil/Teacher Ratios
- ▶ Salary and Benefits Expense
- ▶ State Funding and Related Mandates
- ▶ Local Revenue Projections
- ▶ Federal Budget Constraints
- ▶ Facilities Capacity
 - ACS Facilities Plan 2028

AUBURN CITY SCHOOLS
COMBINED BUDGET FOR REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL AND EXPENDABLE TRUST FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Exhibit B - I A

Fund Type Descriptions	General	Special Revenue	Debt Service	Capital Projects	Fiduciary/ Expend Trust	TOTAL (Memo Only)
REVENUES						
State Revenues	45,296,102	-	-	2,545,689	-	47,841,791
Federal Revenues	74,500	4,842,778	-	-	-	4,917,278
Local Revenues	36,167,847	5,337,581	11,705,293	-	469,550	53,680,271
Other Revenues	172,000	77,600	-	-	-	249,600
TOTAL REVENUES	81,710,449	10,257,959	11,705,293	2,545,689	469,550	106,688,940
EXPENDITURES						
Instructional Services	48,414,494	3,521,279	-	250,000	42,500	52,228,274
Instructional Support Services	16,082,151	1,330,264	-	100,000	251,919	17,764,335
Operations and Maintenance	7,372,304	120,055	-	894,194	-	8,386,553
Auxiliary Services	4,661,918	4,341,004	-	568,720	3,850	9,575,492
General Administrative Services	2,908,118	250,204	-	-	-	3,158,322
Capital Outlay	-	-	-	2,650,000	-	2,650,000
Debt Services	-	-	11,525,692	-	-	11,525,692
Other Expenditures	394,662	1,161,804	772,863	-	120,650	2,449,978
TOTAL EXPENDITURES	79,833,646	10,724,611	12,298,555	4,462,914	418,919	107,738,646
OTHER FUND SOURCES (USES)						
Other Fund Sources	543,251	1,414,508	593,263	-	-	2,551,021
Other Fund Uses	2,007,770	205,760	-	-	-	2,213,530
Total Other Fund Sources (Uses)	(1,464,520)	1,208,748	593,263	-	-	337,491
Excess Revenue and Other Financing Sources over (under) Expenditures and Other Fund Uses						
	412,283	742,096	-	(1,917,225)	50,631	(712,215)
BEGINNING FUND BALANCE	15,906,180	5,790,712	-	8,166,086	376,039	30,239,017
ENDING FUND BALANCE	16,318,463	6,532,807	-	6,248,861	426,670	29,526,802

School Configurations

<u>School</u>	<u>Grades Served</u>
3 – Elementary Schools	K–2
1 – Elementary School	K–1
1 – Elementary School	2–3
3 – Elementary Schools	3–5
1 – Elementary School	4–5
1 – Middle School	6
1 – Middle School	7
1 – Junior High School	8–9
1 – High School	10–12

Personnel Information

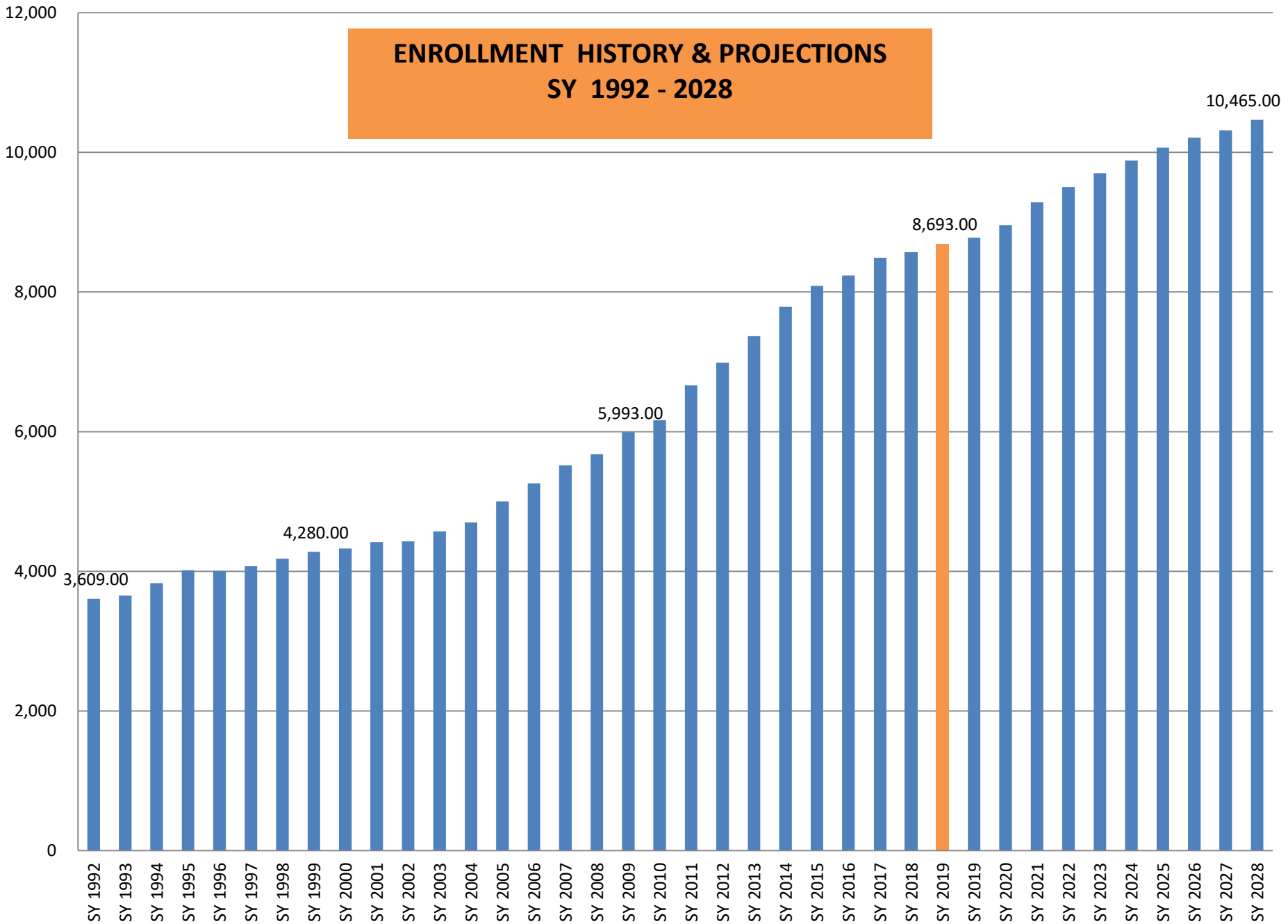
Category	State	Other	Federal	Local	Total
	Funded	State Funded	Funded	Funded	
Teacher Units	491.85	6.75	26.32	52.87	577.79
Principal Units	12.00	-	-	1.00	13.00
Assistant Principal Units	13.08	-	-	3.92	17.00
Counselor Units	15.50	-	-	6.25	21.75
Librarian Units	14.00	-	-	1.00	15.00
Career Tech Directors	0.25	-	-	-	0.25
Certified Support Units	-	0.38	1.50	15.37	17.25
Non-Certified Support Units	-	231.29	58.26	85.45	375.00
Total	546.68	238.42	86.08	165.86	1,037.04

Enrollment Projections by School

School	2018-2019 Enrollment	2017-2018 Enrollment	Increase (Decrease)	Planned Capacity	(Over)/Under Capacity	% of Capacity
Auburn Early Education Center *	512	562	(50)	594	82	86.20%
Cary Woods Elementary	479	519	(40)	506	27	94.66%
Pick Elementary	475	509	(34)	600	125	79.17%
Dean Road Elementary	417	410	7	506	89	82.41%
Ogletree Elementary	462	517	(55)	598	136	77.26%
Wrights Mill Road Elementary	451	463	(12)	552	101	81.70%
Richland Elementary	463	613	(150)	572	109	80.94%
Yarbrough Elementary	449	573	(124)	573	124	78.36%
Creekside Elementary	489	-	489	600	111	81.50%
Drake Middle	672	652	20	1,243	571	54.06%
East Samford School	659	662	(3)	1,315	656	50.11%
Auburn Junior High	1,353	1,305	48	1,724	371	78.48%
Auburn High	1,873	1,844	29	2,200	327	85.14%
Totals	8,754	8,629	125	11,583	2,829	75.58%
* AEEC Includes Pre-K Students	61	59				
K-12 Enrollment	8,693	8,570	123			
<i>Elementary Summary</i>	<i>4,197</i>	<i>4,166</i>		<i>5,101</i>	<i>904</i>	<i>82.28%</i>
<i>Secondary Summary</i>	<i>4,557</i>	<i>4,463</i>		<i>6,482</i>	<i>1,925</i>	<i>70.30%</i>

ENROLLMENT HISTORY & PROJECTIONS

SY 1992 - 2028



Foundation Units by School

School	2019	2018	Increase / (Decrease)
Auburn Early Education Center	39.01	39.00	0.01
Auburn High School	112.14	113.86	(1.72)
Auburn Junior High School	77.83	73.21	4.62
Cary Woods Elementary School	39.97	39.00	0.97
Pick Elementary School	31.56	32.18	(0.62)
Dean Road Elementary School	31.08	31.84	(0.76)
East Samford School	38.11	35.98	2.13
J. F. Drake Middle School	35.51	36.19	(0.68)
Ogletree Elementary School	32.07	34.26	(2.19)
Wrights Mill Road Elementary School	27.63	26.99	0.64
Richland Elementary School	32.02	44.00	(11.98)
Yarbrough Elementary School	22.04	33.47	(11.43)
Creekside Elementary School	27.46	-	27.46
System wide	0.25	0.25	-
Total	546.68	540.23	6.45

Teacher Units by School

School	Teacher Units
Auburn Early Education Center	37.50
Auburn High School	117.96
Auburn Junior High School	83.92
Cary Woods Elementary School	37.25
Pick Elementary School	32.00
Dean Road Elementary School	30.54
East Samford School	35.00
J. F. Drake Middle School	34.38
Ogletree Elementary School	31.08
Wrights Mill Road Elementary School	32.12
Richland Elementary School	35.00
Yarbrough Elementary School	28.50
Creekside Elementary School	36.54
System wide	6.00
Total	577.79

New Personnel / Statistics

Certified Positions

Classroom Teacher	24.00
Instructional Technology Specialist	1.00
Instructional Coach	1.00
Speech Pathologist	1.00
Counselor	1.00
Media Specialist	1.00
Assistant Principal	1.00
Principal	1.00

Total 31.00

Classified Positions

Media Aide	1.00
Computer Lab Aide	1.00
Bookkeeper	1.00
Clerical Aide	1.00
Nurse	2.00
Custodian	3.00
Mechanic	1.00
Bus Driver	4.00

Total 14.00

**Average Teaching Experience:
12 Years**

**Teachers with Advanced Degrees:
73%**

Elementary Pupil/Teacher Ratio Analysis

Grade Level	Enrollment	HR Teachers	Desired Ratio	Actual Ratio
Kindergarten	683	38	19	17.97
First Grade	687	36	20	19.08
Second Grade	693	36	20	19.25
Third Grade	694	35	20	19.83
Fourth Grade	661	26	27	25.42
Fifth Grade	718	28	27	25.64
Total	4,136	199		20.78

- ▶ District-wide ratio of 15.05: 1

Salary and Benefits Costs

- ▶ General Fund and Special Revenue Fund
- ▶ School Board adopts salary schedule annually
 - State Minimum Salary Schedule, ACS Pays More
 - To recruit, hire and retain highest quality teacher
 - State mandated pay increase of 2.5% for FY 2019
- ▶ Total Gross Payroll – \$50.96 million (+3.22 million)
 - GF Gross – \$47.25 million
 - SRF Gross – \$3.71 million
- ▶ Total Matching Benefits – \$19.72 million (+\$1.20M)
 - 21.26% of GF & SRF Budgets
- ▶ Salary & Benefits – 76.19% of GF & SRF budgets

PEEHIP / TRS

- ▶ PEEHIP – Health Insurance
 - \$9,600 per employee annually
 - \$9.93 million, 4.40% increase
 - Must pay regardless of acceptance
- ▶ Teachers' Retirement System
 - Tier I: 12.41% of gross payroll
 - Tier II: 11.35% of gross payroll
 - \$6.12 million, 9.32% increase
- ▶ State Foundation Program – only funds State Earned Units

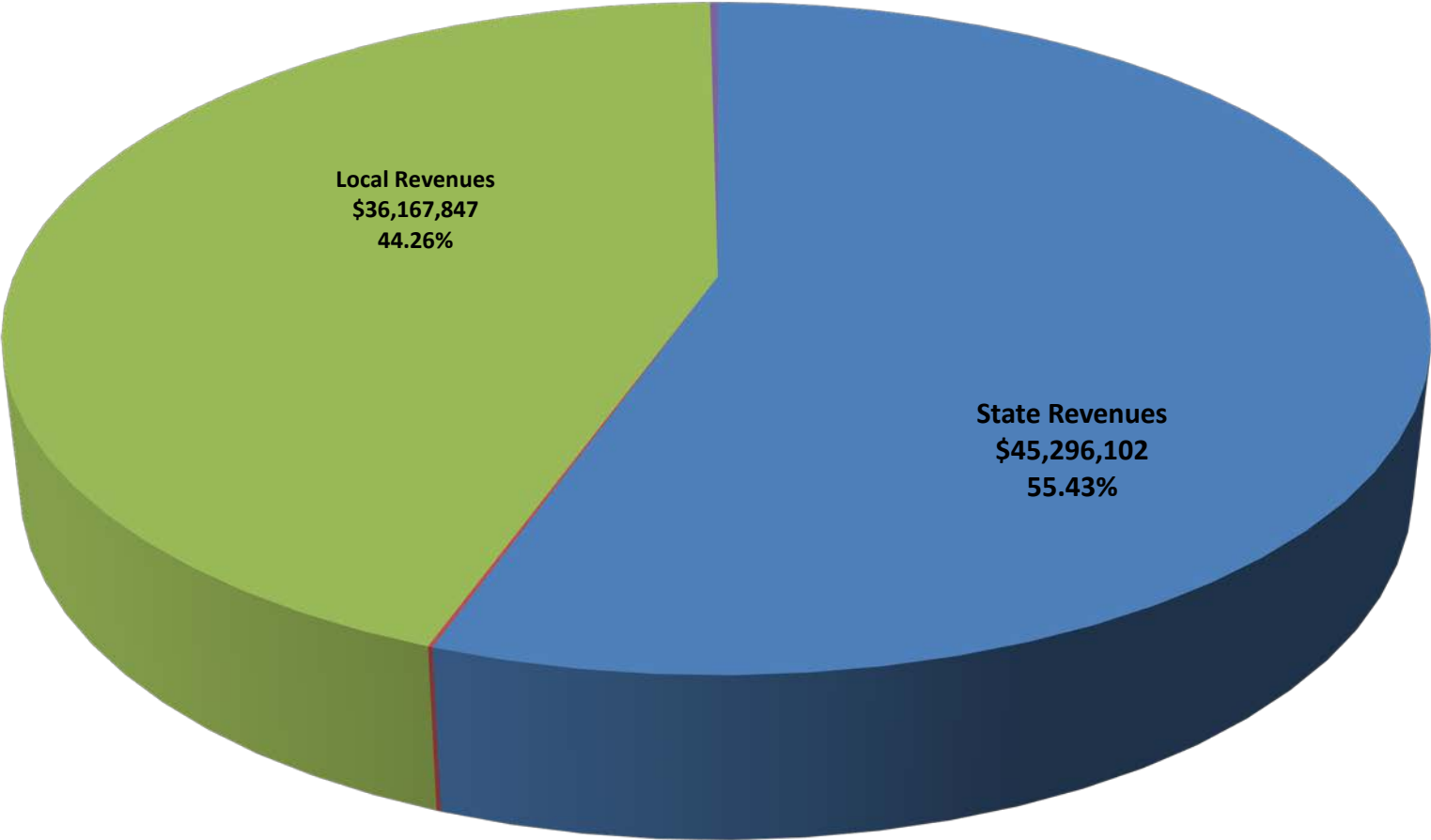
General Fund

- ▶ Primary operating fund
- ▶ Accounts for all state and local revenues, except for those required to be recorded in a different fund
- ▶ Projected ending fund balance – \$16,318,463
 - 2.39 month reserve or 19.94% of budgeted FY 19 expenditures
 - 1.00 month reserve – required by ALSDE
 - 2.00 month reserve – ACS board target

General Fund

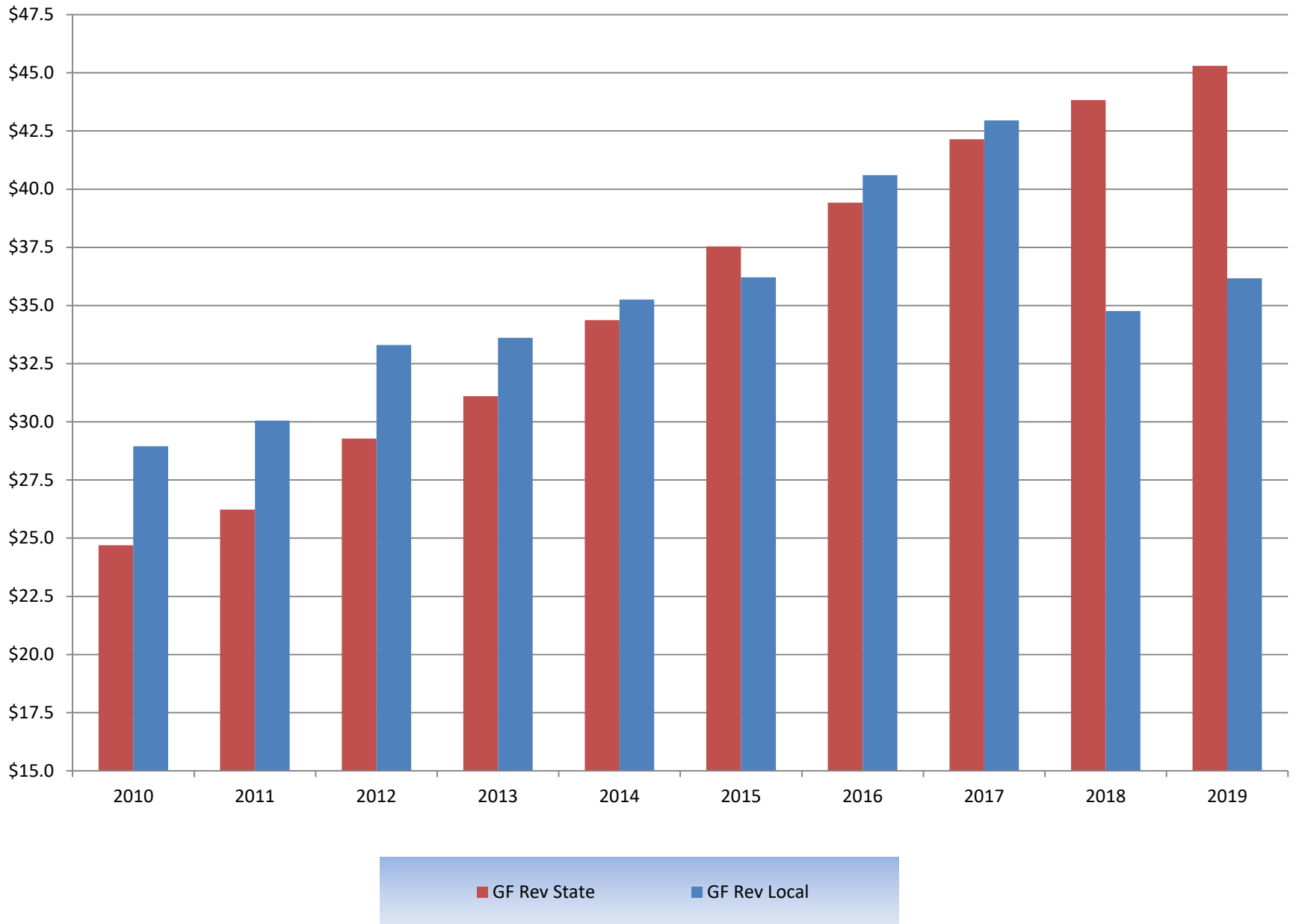
- ▶ Total Revenues & OFS – \$82,253,700
 - \$2.98 million increase, or 3.76%
 - State Revenues – \$1.46 million increase, or 3.34%
 - Local Revenues – \$1.41 million increase, or 4.05%

General Fund Revenues \$81.71 million



■ GF Rev State ■ GF Rev Fed ■ GF Rev Local ■ GF Rev Other

General Fund State & Local Revenues



General Fund State Revenues

- ▶ Majority derived from the State Education Trust Fund – Foundation Program
- ▶ Foundation Program Allocation based on ADM from prior scholastic year – 8,570.60
 - 1st 20 days of school after Labor Day
 - Earned 6.45 additional Foundation Units
- ▶ Foundation Program Growth Component
 - Current Unit Allocation

Foundation Program – Local Match Requirements

- ▶ 10 mill equivalency match
 - \$9,054,320 (\$450,990 increase)
 - Based on 3 mill District Tax
- ▶ Capital Purchase match
 - \$781,936 (\$36,158 increase)
 - Offset by principal & interest payments on bonds

Foundation Program – CNP Transfer

- ▶ Transfer costs of all CNP fringe benefits
- ▶ Transfer costs of all state mandated salary increases since 1994

FY 2019	\$ 1,188,008
FY 2018	<u>1,067,482</u>
Increase	\$ 120,526

State Allocations

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Change</u>
Foundation Program	40,875,725	39,189,850	1,685,875
School Nurse Program	330,245	320,426	9,819
Technology Coordinator	55,939	42,711	13,228
Transportation			
Operations Allocation	3,275,579	2,969,116	306,463
Fleet Renewal	568,720	488,455	80,265
Capital Purchase	1,976,969	1,912,441	64,528
At-Risk	129,431	131,955	(2,524)
Career Tech O and M	44,206	36,775	7,431
Total	47,256,814	45,091,729	2,165,085

Foundation Program by School

School	Salaries	Benefits	OCE	CIS	Total
AEEC	1,977,278	792,724	700,228	75,303	3,545,533
AHS	5,628,467	2,267,599	2,012,910	243,598	10,152,574
AJHS	3,962,953	1,585,227	1,397,046	170,849	7,116,075
CWES	2,020,893	811,215	717,460	77,237	3,626,805
PES	1,686,384	658,837	566,501	67,999	2,979,721
DRES	1,515,346	619,470	557,885	60,281	2,752,982
ESS	1,899,670	767,978	684,074	85,307	3,437,029
DMS	1,840,687	729,839	637,404	81,946	3,289,876
OES	1,660,510	658,760	575,656	69,028	2,963,954
WMRES	1,453,326	572,141	495,958	60,489	2,581,914
RES	1,557,507	632,042	574,759	61,179	2,825,487
YES	1,146,305	448,918	395,618	49,827	2,040,668
CES	1,450,119	580,048	492,905	55,463	2,578,535
Career Tech	26,315	7,834	4,487	256	38,892
Total	27,825,760	11,132,632	9,812,891	1,158,762	49,930,045

Local Revenue Projections

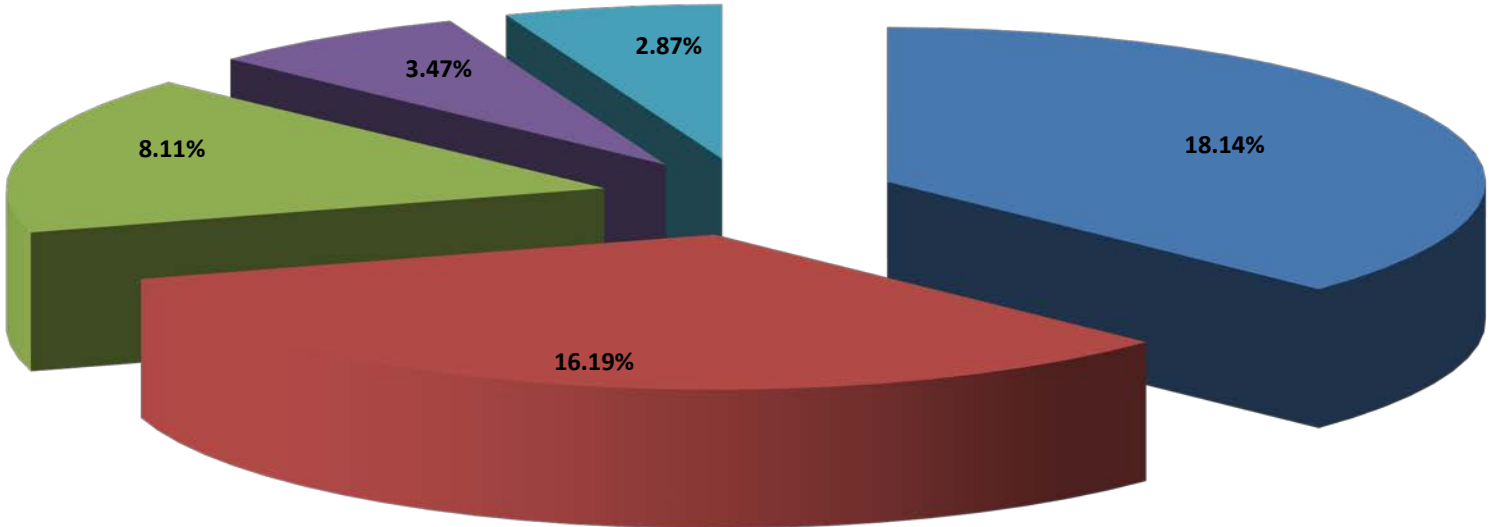
- ▶ Conservative estimates
- ▶ Based on:
 - Trends in prior years
 - Knowledge of economic factors
 - Assessed valuation of property
 - Sales trends
 - City of Auburn Appropriation

Local Revenues

Revenue Description	Audited 2017	Projected 2018	Projected 2019	% Change
16 Mill Special School Tax	11,869,692	14,605,199	15,305,505	4.79%
City of Auburn Appropriation	16,655,443	16,722,217	17,150,744	2.56%
One Cent County Sales Tax - Based on ADI	7,297,703	7,516,634	7,666,967	2.00%
County Wide 5 Mill - Based on ADM	3,039,187	3,213,542	3,277,813	2.00%
District 3 Mill Ad Valorem Tax	2,455,759	2,664,195	2,717,479	2.00%
County Wide Beverage Tax	583,677	574,533	574,533	0.00%
Co. Wide 5 Mill Motor Veh - Based on ADM	357,248	391,623	391,623	0.00%
Other Local Revenues	305,919	240,100	240,100	0.00%
District 3 Mill Motor Vehicle Ad Valorem Tax	260,535	251,376	251,376	0.00%
Interest Income	69,407	140,000	240,000	71.43%
Business Privilege Tax	41,331	40,000	40,000	0.00%
District Manufacturing Home Fee	8,864	9,000	9,000	0.00%
Helping School Tags (F.A.C.E.S.)	7,058	8,000	8,000	0.00%
TOTAL LOCAL REVENUE	42,951,824	46,376,419	47,873,140	3.23%

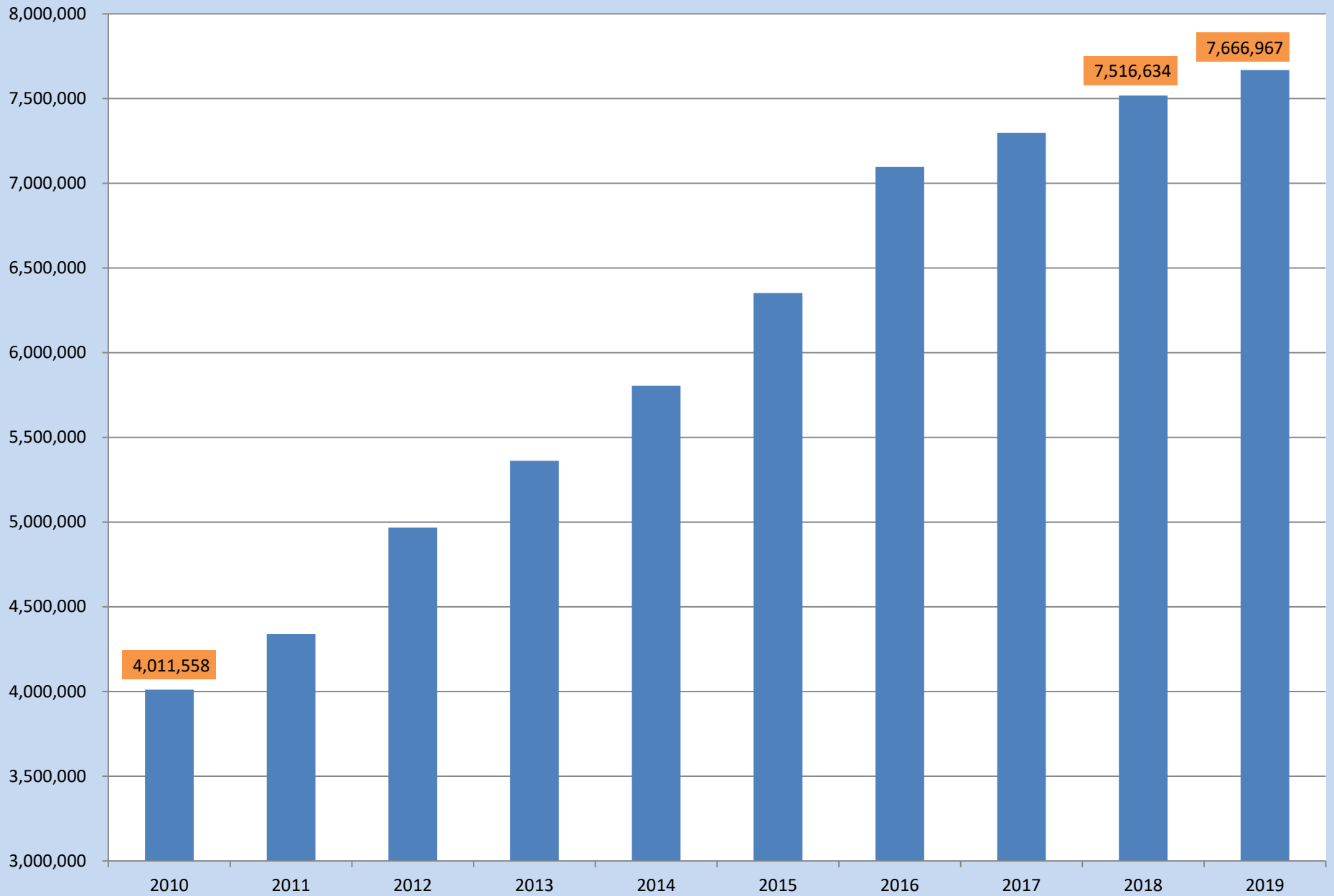
** 16 Mill Special School Tax budgeted revenue represents revenue used for debt service and operations, not actual collections.

Top 5 Local Revenues % of Total GF & DSF Rev

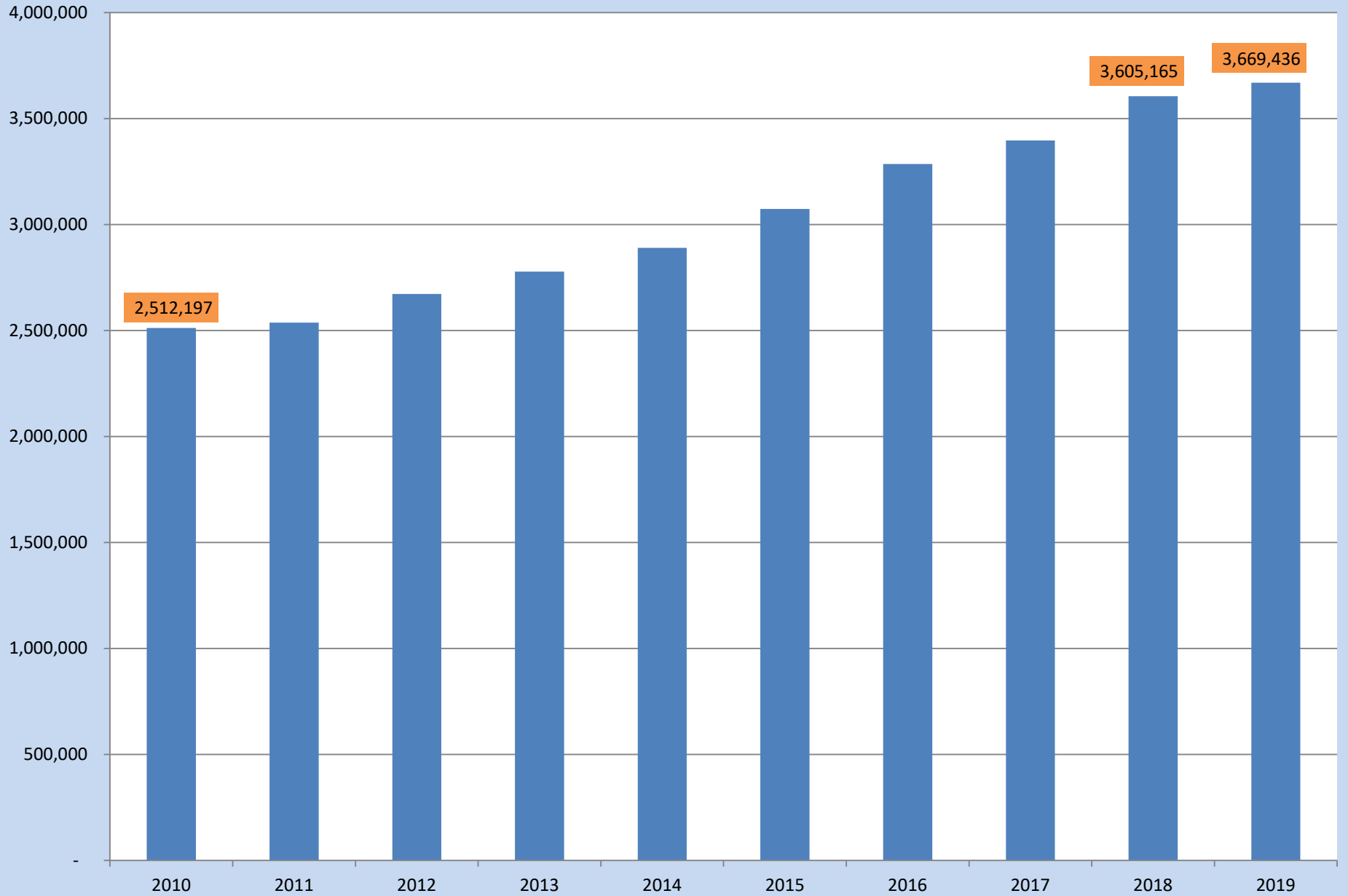


- City of Auburn Appropriation
- 16 Mill Special School Tax
- One Cent County Sales Tax - Based on ADM
- County Wide 5 Mill - Based on ADM
- District 3 Mill Ad Valorem Tax

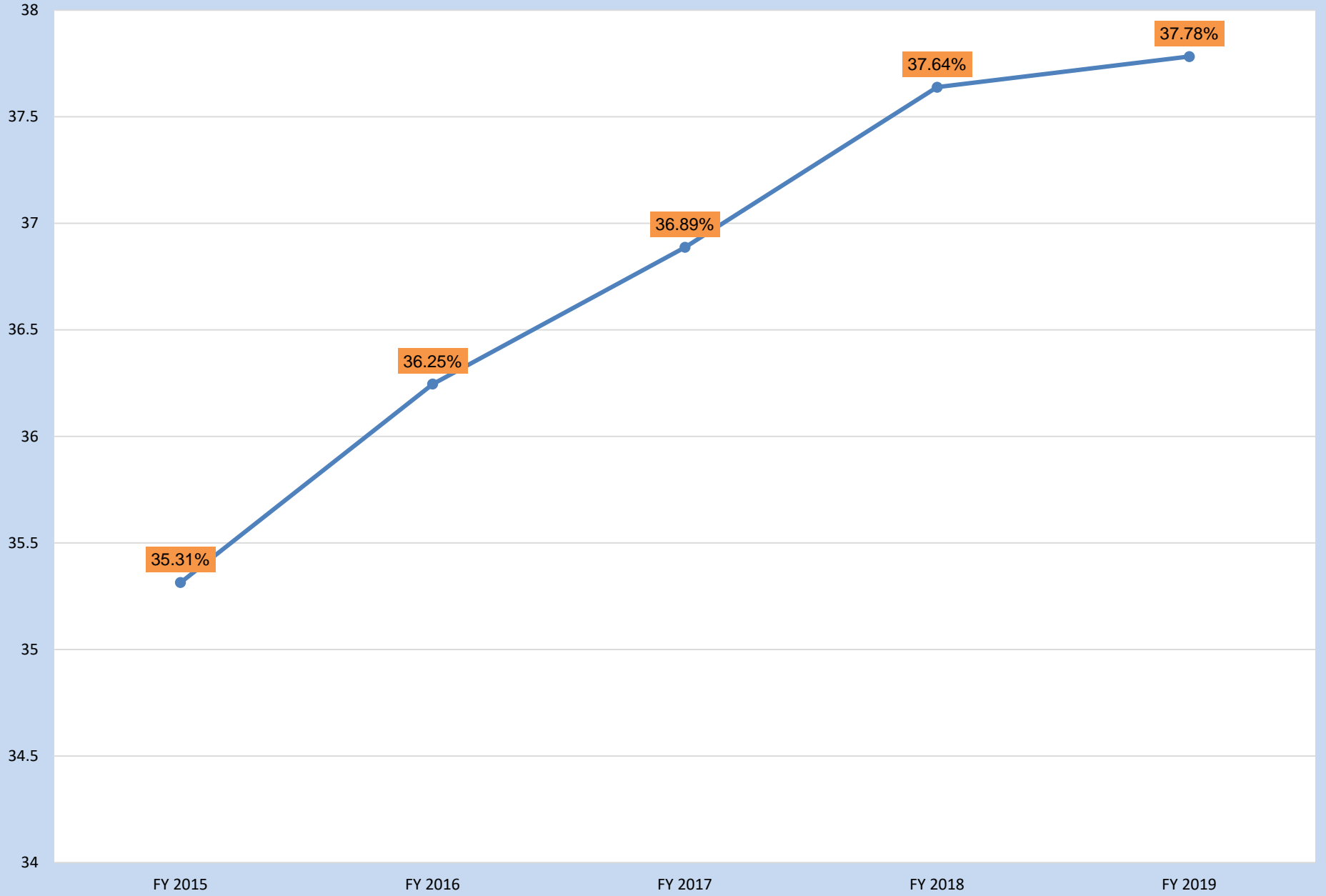
One Cent County Sales Tax



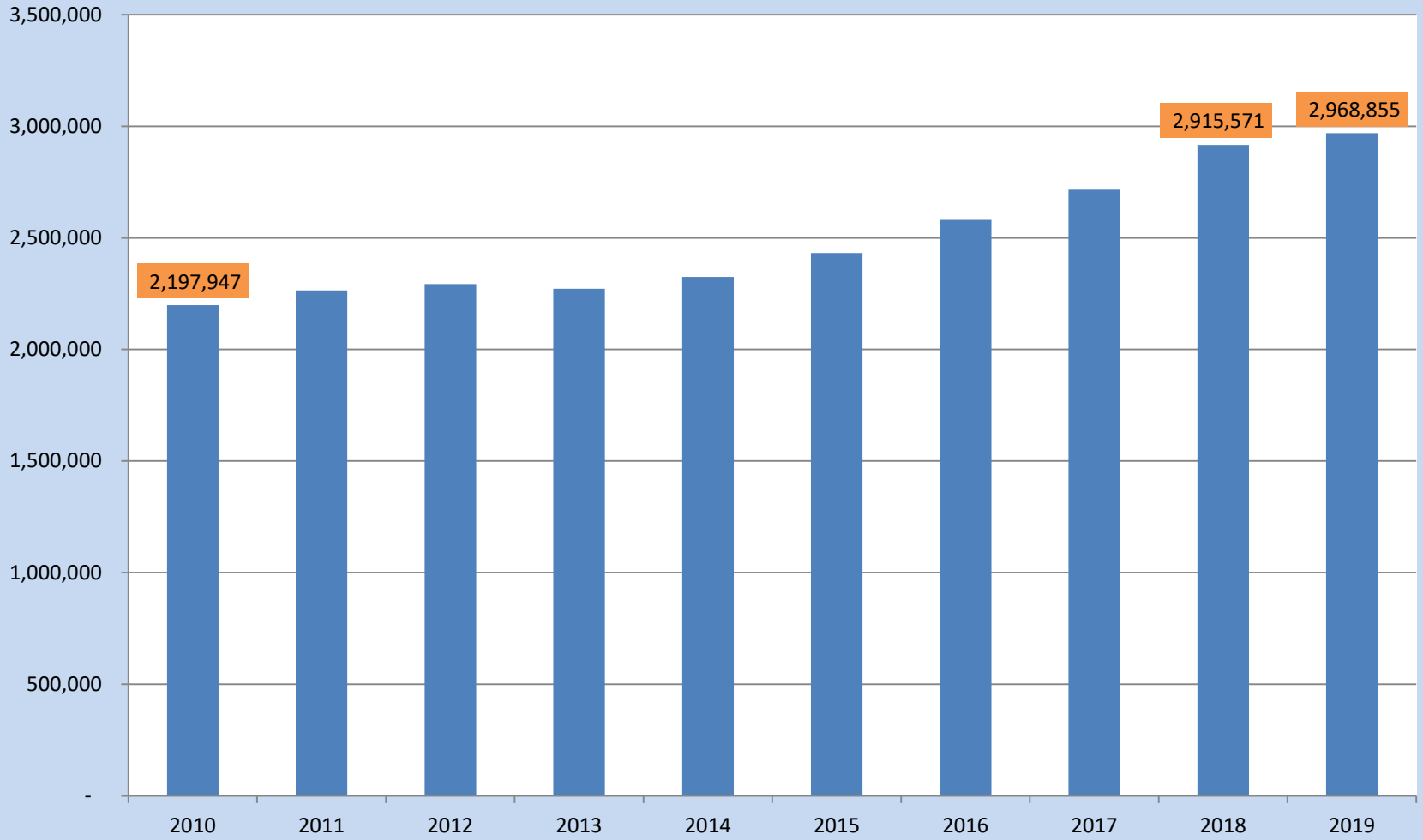
County Wide 5 Mill



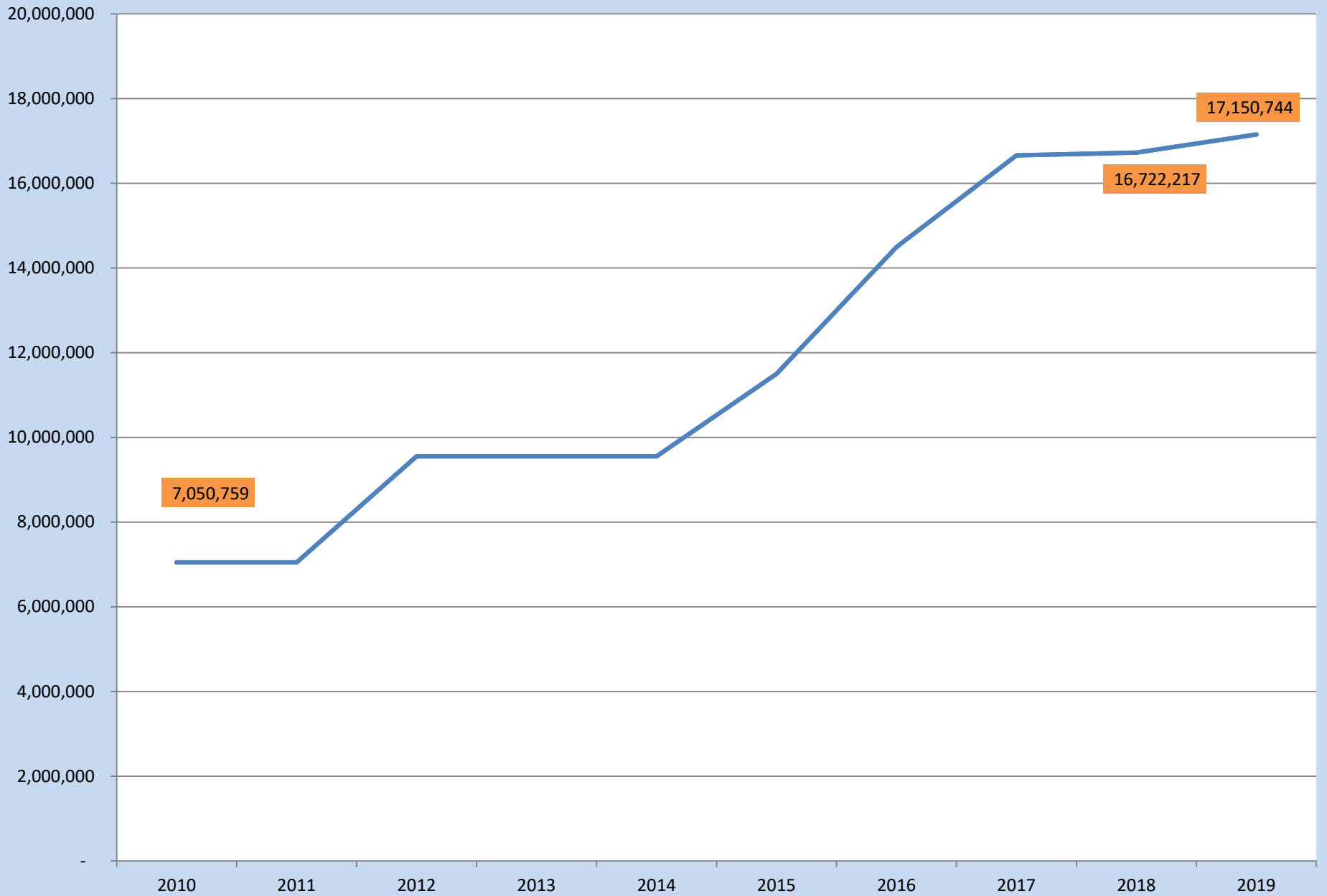
Percentage Share of County-Wide Taxes



District 3 Mill



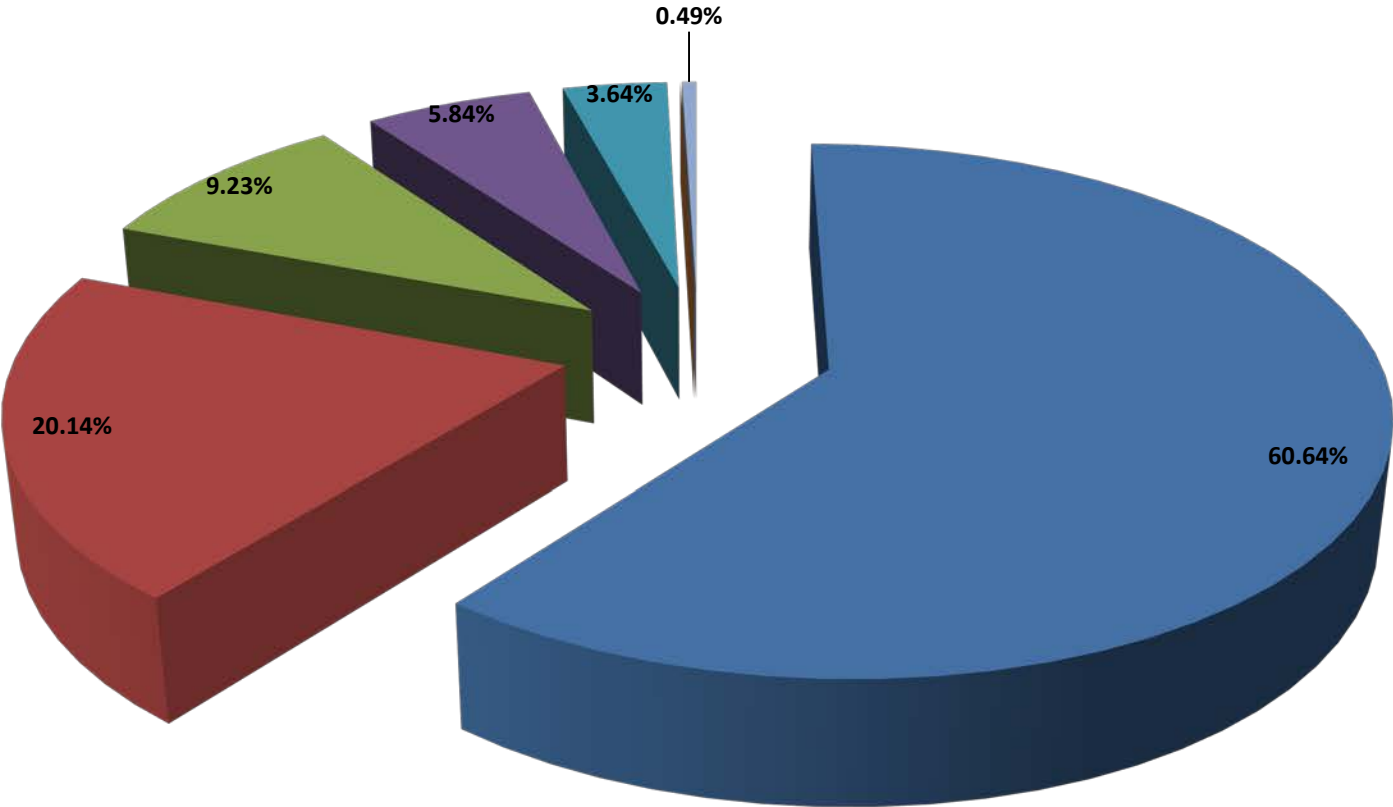
City Appropriation



GF Expenditures

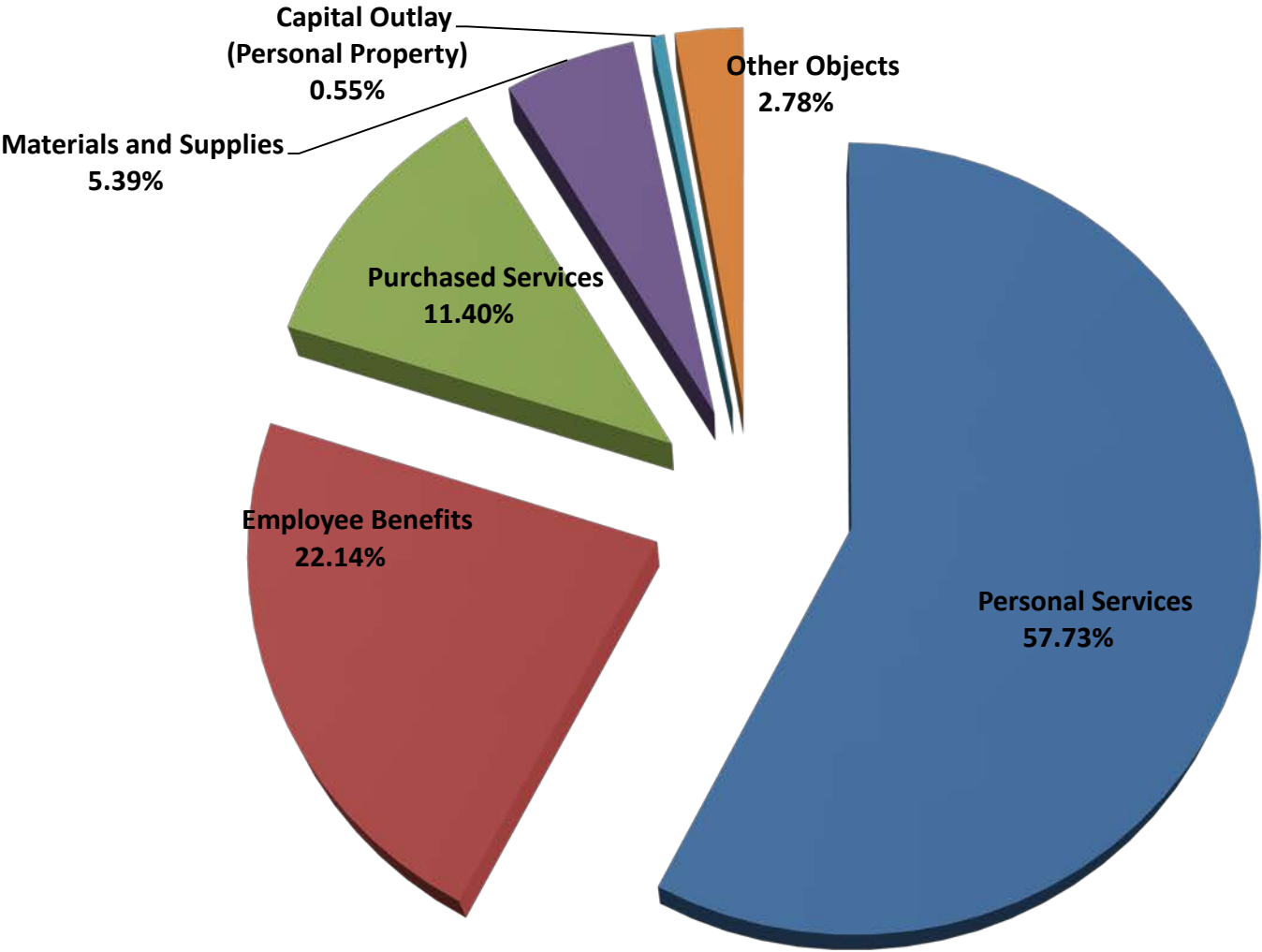
- ▶ **Total Expenditure and OFU – \$81,841,417**
 - \$3.42 million increase, or 4.37%
 - \$4.42M increase in salary & benefits expense
 - Personnel additions for enrollment growth
 - Salary schedule step increases
 - 2.5% state mandated raise
 - Increase to required retirement match percentage
 - Other Increases
 - State increases in CIS Funding
 - Operating costs for additional school
 - Minor departmental changes
 - ACS will transfer \$593,000 to Debt Service Fund for payment of student iPad lease

GF Expenditures \$79.83 million

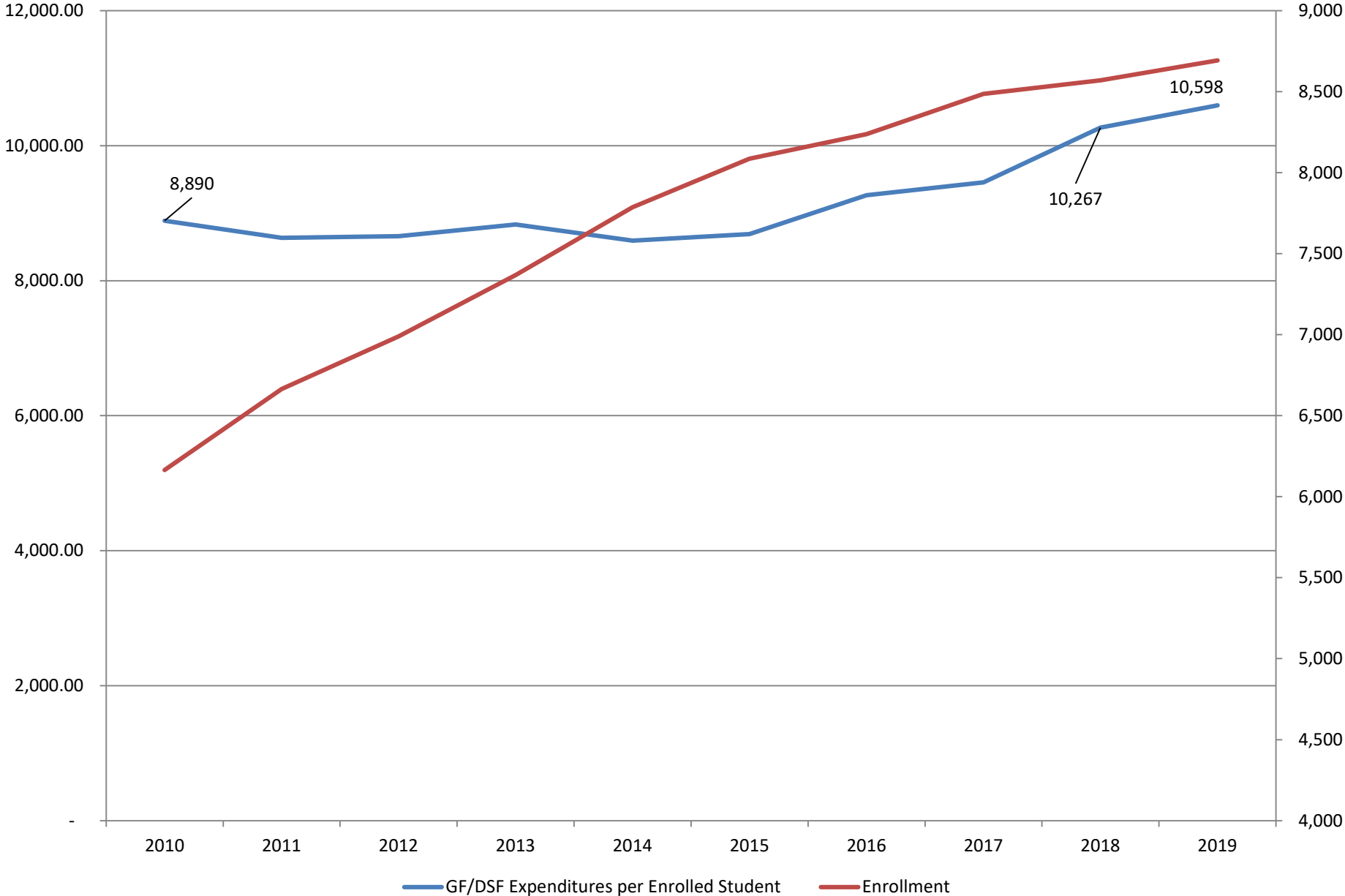


- Instructional
- Instructional Support
- Operation and Maintenance
- Auxiliary Services
- General Administration
- Debt Service
- Other Expenditures

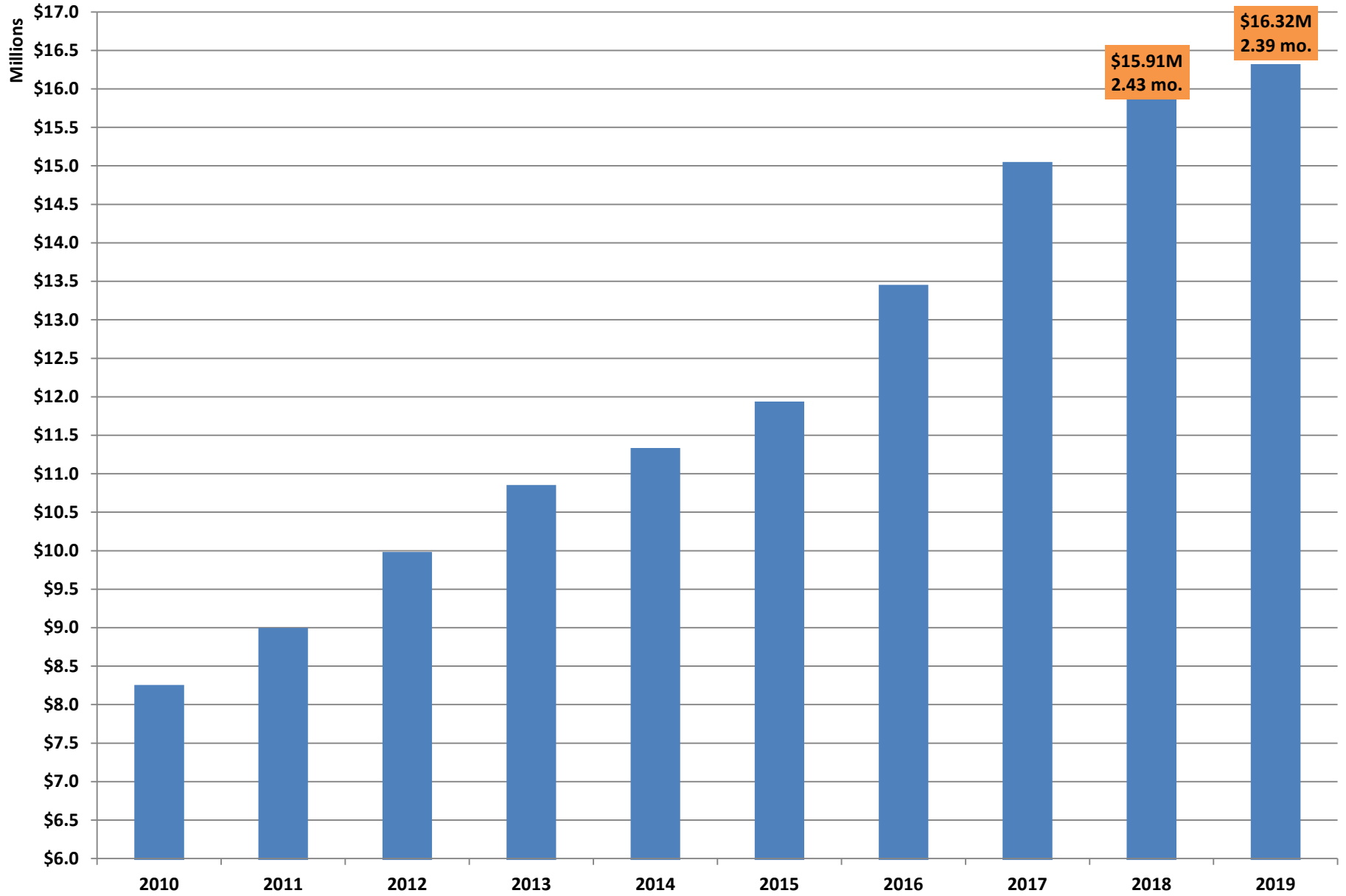
GENERAL FUND EXPEDITURES BY TYPE



GF/DS Expenditures/Pupil v. Enrollment



GENERAL FUND FUND BALANCE



Special Revenue Fund

- ▶ Federal revenues
- ▶ Public local school funding
- ▶ After School Program
- ▶ Child Nutrition Program

Federal Constraints:

- ▶ Expenditures must be for supplemental programs
- ▶ Funds must be expended for specific priorities
- ▶ Funds are annual in nature

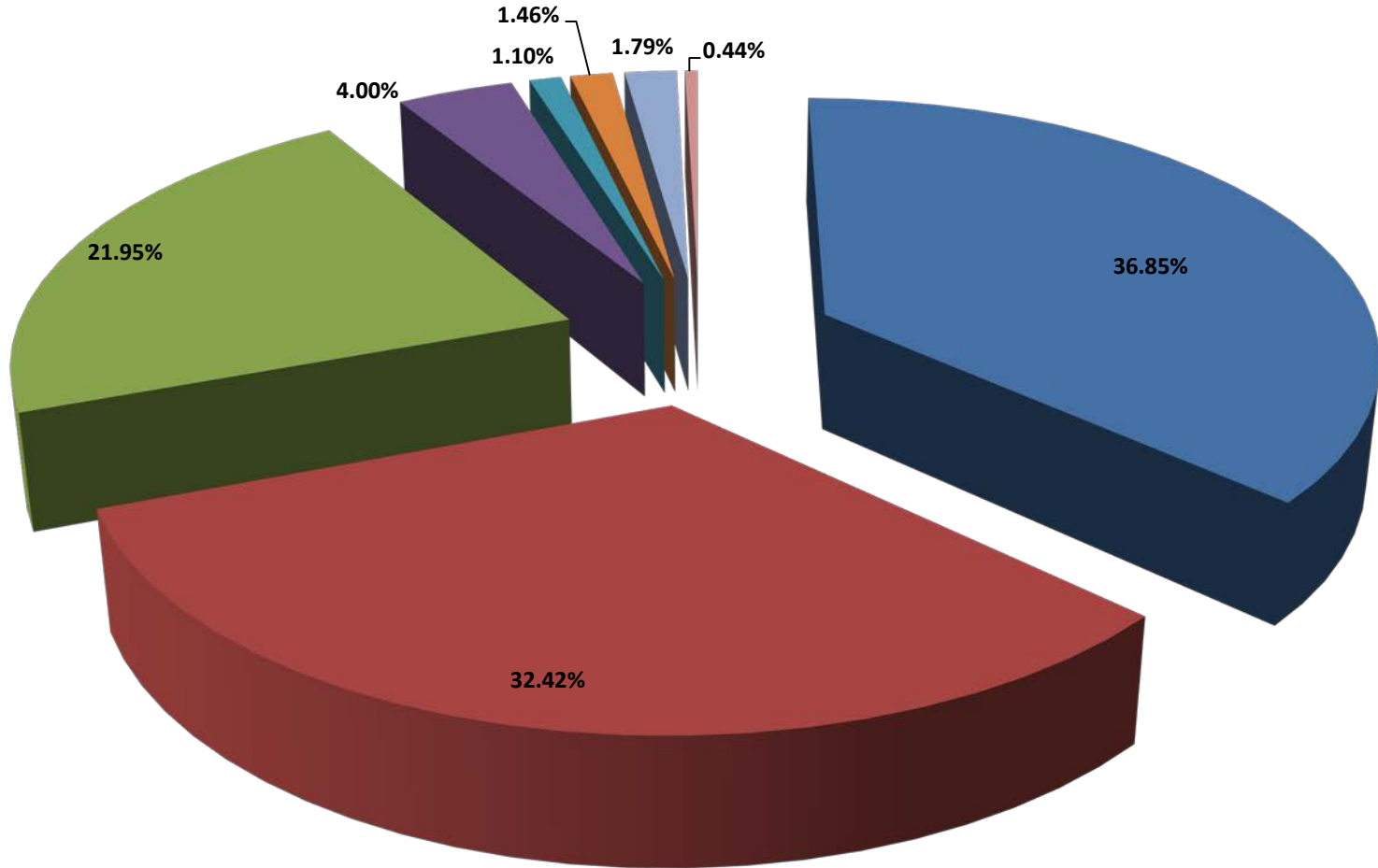
SRF – Revenues & Expenditures

- ▶ Total Revenue & OFS – \$11.67 million
 - 3.1% increase
- ▶ Total Expenditures and OFU – \$10.93 million
 - 3.0% decrease
- ▶ Projected Ending fund balance 09/30/19 – \$6,532,807

Special Revenue Fund – Federal Revenue

IDEA Funding	1,569,802
ESSA (NCLB Funding)	1,380,656
CNP USDA	1,784,600
Vocational Education	86,490
Medicaid	<u>21,230</u>
Total Federal Revenue	<u>\$4,842,778</u>

SRF Federal Revenue



- USDA Food Nutrition
- Title I, Part A
- Title III, English Language Acquisition
- Vocational Basic Grant
- IDEA, Part B
- Title II, Part A - Teacher/Principal Training
- Title IV, Student Support and Academic Achievement
- Dental Clinic Medicaid

Debt Service Highlights

- ▶ The City of Auburn issues all debt instruments and appropriates funds to the School District
 - Payments made from 16 mill special school taxes and City Appropriation (5 Mill Property Tax Fund) are included in Debt Service Fund on FS
- ▶ Capital lease for student iPads included in the Debt Service Fund
 - Payments made from transfer from General Fund
- ▶ FY 2019 principal and interest payments – \$11,525,692
 - Increase of \$4,650
- ▶ Outstanding principal as of 09/30/19:
 - Debt: \$151,079,312
 - Capital Lease: \$587,971

Capital Projects Fund

- ▶ State PSF Allocation – \$1,976,969 (increase of \$64,528)
- ▶ ACS 2028 Master Plan
 - Adopted in May 2018
- ▶ Phase I
 - Cary Woods Elementary – Construct new classroom and administration building
 - Drake Middle School – Construct new classroom building and cafeteria
 - New Elementary – Construct pair elementary school for Yarbrough
 - New High School – Construct second high school
 - Auburn Junior High – Construct new classroom building
 - East Samford School – Construct new gymnasium and cafeteria support space
- ▶ Unreserved Fund Balance 09/30/19 – \$6,248,861

Capital Projects Plan

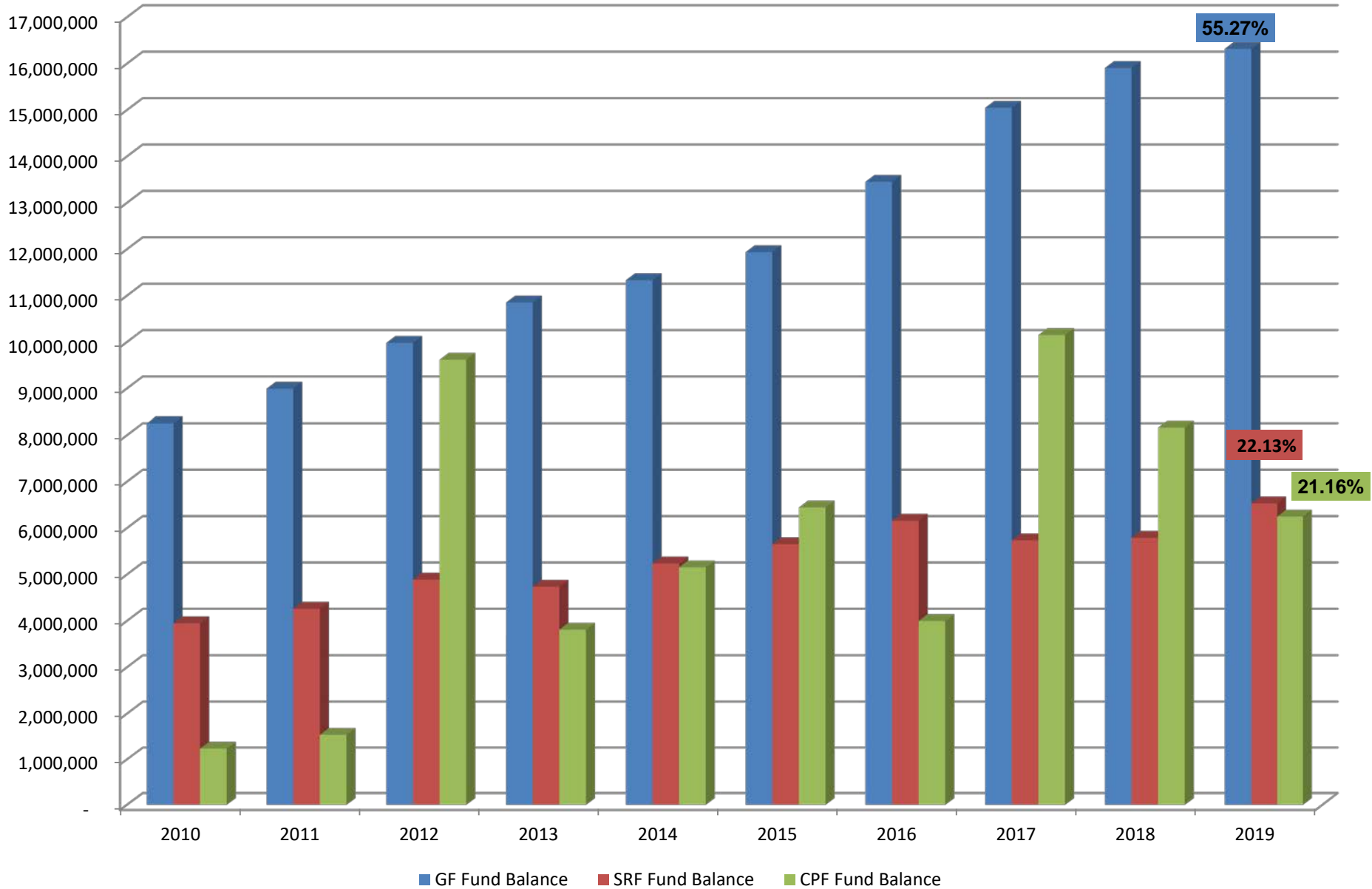
- ▶ 5-year Capital Improvement plan updated and submitted to the State annually
- ▶ Projects placed in priority order based on:
 - Safety
 - Facility needs
 - Student needs
 - Educational needs

Location	Project Description	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Fund Source
CWES	Cary Woods Elementary School	10,255,700	7,944,300							Local Borrowing
DMS	Drake Middle School	6,365,000	8,550,000	4,085,000						Local Borrowing
YES 2	New Elementary School		977,000	10,365,970	8,197,030					Local Borrowing
ESS	East Samford Gym Replacement	158,400	2,546,400	2,095,200						Local Borrowing
AHS 2	New High School #2		1,309,000	7,798,000	29,729,000	21,231,000	9,933,000			Local Borrowing
AJHS	New Addition and Demolition						356,400	5,729,400	4,714,200	Local Borrowing
DRES	Reroof Building B,C,D,E	350,000								PSF
AEEC	Roof Drainage System	50,000								PSF
AJHS	Roof Mainenance Pods	150,000								PSF
AHS	Tennis Pavilion/Softball,Baseball/Outdoor Storage	850,000								PSF
ACS	Reseal/Restripe Various Parking Lots	200,000								PSF
ACS	Technology Equipment	250,000								PSF
ACS	Classroom FF& E Upgrades	100,000								PSF
ACS	Various Interior/Exterior Painting	350,000								PSF
ACS	Site Improvements	750,000								Local Fund 14
ACS	Life Cycle Renewal Cost	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	PSF
TRANS	Transportation Building Expansion		750,000							PSF
CO	Develop Specifictions for New CO		500,000							PSF
PICK	Master Plan Concept A				564,996					PSF
RES	Master Plan Concept A				534,035					PSF
OES	Master Plan Concept B					3,920,000				Unknown
YES	Master Plan Concept B					3,270,000				Unknown
AEEC	Master Plan Concept B						4,550,000			Unknown
District-wide Totals		\$ 20,329,100	\$ 21,326,700	\$ 24,344,170	\$ 37,926,030	\$ 21,231,000	\$ 10,289,400	\$ 5,729,400	\$ 4,714,200	

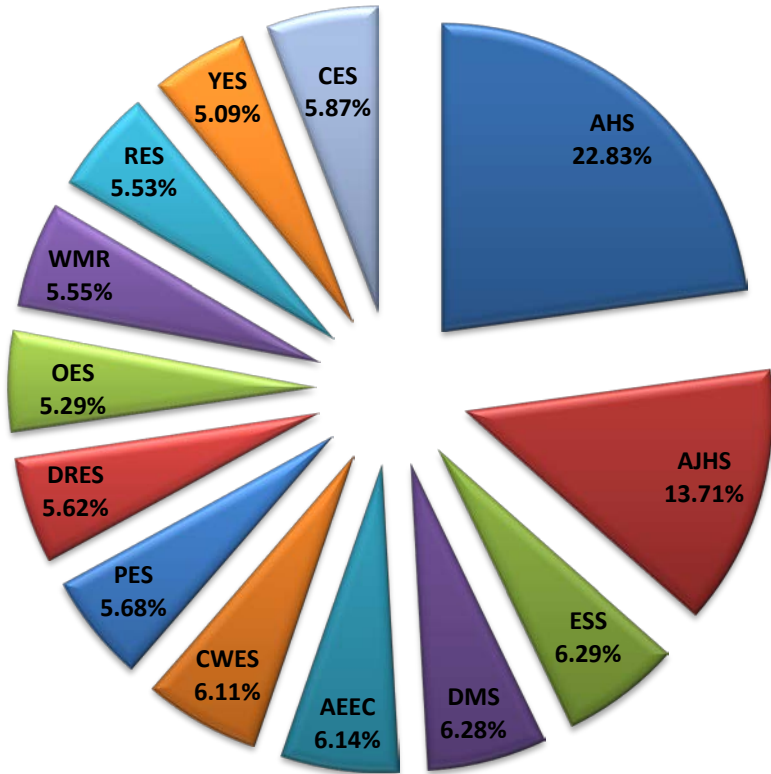
Combined Budget

<i>Beginning Fund Balance</i>	<u>30,239,017</u>
Total Revenue	106,688,940
Other Fund Sources	<u>2,551,021</u>
Total Revenue and OFS	<u>109,239,961</u>
Total Expenditures	107,738,646
Other Fund Uses	<u>2,213,530</u>
Total Expenditures and OFU	<u>109,952,176</u>
<i>Ending Fund Balance</i>	<u>29,526,802</u>

Fund Balance



Total Expenditures by School (excl. capital outlay)



	Total Expenditures	Enrollment
AHS	\$ 16,230,936	1873
AJHS	\$ 9,748,346	1353
ESS	\$ 4,471,927	659
DMS	\$ 4,466,722	672
AEEC	\$ 4,364,385	512
CWES	\$ 4,346,455	479
PES	\$ 4,036,473	475
DRES	\$ 3,991,835	417
OES	\$ 3,757,927	462
WMR	\$ 3,941,804	451
RES	\$ 3,931,499	463
YES	\$ 3,620,050	449
CES	\$ 4,175,869	489

Summary

- ▶ School Board continues to make prudent financial decisions supporting programs critical to the success of our teachers, staff and students
- ▶ Excellent job managing personnel, while maintaining adequate pupil teacher ratios
- ▶ Monitor the State ETF and be prepared for the potential outcomes

Response to Proposed Annual Budget

- ▶ Form available
- ▶ Submit to Office of the Superintendent
- ▶ Provide your name, address and phone number
- ▶ Please sign the form