

FY 2023 INITIAL BUDGET PRESENTATION

May 10, 2022

FY 2023 BUDGET HIGHLIGHTS AT A GLANCE

The Forsyth County School District has experienced incredible growth over the last two decades. To our knowledge, no other District has encountered such a long and steady growth pattern.

By the beginning of FY2023, our student population will be approximately 54,061 students.

In order to remain or be competitive with surrounding/like/similar counties, the general fund budget will include, at a minimum, a \$15 per hour for all hourly employees in addition to a step increase and 1% COLA for FY2023. The projected increase in expenditures to the budget are for growth positions at the school level.

Local revenue has increased based on the inflation influence on sales. State revenue is steady and will be impacted by the Governors increase in Teacher pay by \$2,000 and no austerity cuts for FY23. The County's tax digest continues to grow and has been influenced by the housing market increase due to inflation and low inventory. For FY2023, it is estimated to grow by 20.32%.

For the eighth consecutive year, the operating millage rate is projected to remain at 17.3 mill. The school system will recommend that the millage rate for Debt Service be lowered from 2.418 to 1.418.

The general fund budget for FY2023 has a projected fund balance of 14.99% of the projected expenditures.

The per pupil cost for FY2021, which is the latest data available from the Georgia Department of Education, shows that Forsyth County Schools has the lowest per pupil cost of the twelve largest districts at \$9,803.05 per pupil.

Also, the system maintained its five-star financial efficiency rating with the State of Georgia for Six consecutive years. Due to the pandemic the state has not issued a financial efficiency rating for the last two years, but based on cost per FTE and testing scores, Forsyth County School District would have maintained that five-star rating. The only system in Georgia to accomplish this achievement.

GENERAL FUND OVERVIEW

FORSYTH COUNTY BOARD OF EDUCATION GENERAL FUND BUDGETED REVENUES AND EXPENDITURES FISCAL YEAR 2022-2023

| <u>REVENUES</u> | FY 2023 BUDGET | FY 2022 BUDGET | INCREASE (DECREASE) | PERCENTAGE OF TOTAL |
|-----------------------|--------------------|--------------------|------------------------|------------------------|
| LOCAL | 316,757,993 | 264,964,717 | 51,793,276 | 53.71% |
| STATE | 273,028,633 | 243,847,332 | 29,181,301 | 46.29% |
| TOTAL REVENUES | 589,786,626 | 508,812,049 | 80,974,577 | 15.91% |

| <u>EXPENDITURES</u> | FY 2023 BUDGET | FY 2022 BUDGET | INCREASE (DECREASE) | PERCENTAGE OF TOTAL |
|---|--------------------|---------------------|------------------------|------------------------|
| <u>FUNCTION</u> | | | | |
| INSTRUCTION | 418,700,801 | 376,796,293 | 41,904,508 | 72.32% |
| PUPIL SERVICES | 12,432,484 | 11,804,143 | 628,342 | 2.15% |
| IMPROVEMENT OF INSTRUCTION | 12,410,674 | 11,789,313 | 621,361 | 2.14% |
| MEDIA SERVICES | 5,160,246 | 4,486,068 | 674,178 | 0.89% |
| GENERAL ADMINISTRATION | 1,401,952 | 1,146,158 | 255,794 | 0.24% |
| SCHOOL ADMINISTRATION | 31,988,738 | 29,858,041 | 2,130,697 | 5.52% |
| BUSINESS SERVICES | 3,285,460 | 3,038,212 | 247,248 | 0.57% |
| MAINTENANCE & OPERATIONS | 46,112,790 | 41,708,887 | 4,403,903 | 7.96% |
| TRANSPORTATION | 30,176,761 | 25,271,582 | 4,905,179 | 5.21% |
| CENTRAL SUPPORT SERVICES | 14,644,915 | 13,874,822 | 770,093 | 2.53% |
| OTHER SUPPORT SERVICES | 154,560 | 102,053 | 52,507 | 0.03% |
| TRANSFER OUT | 145,562 | 244,100 | (98,538) | 0.03% |
| DEBT SERVICE | 2,378,700 | 1,000 | 2,377,700 | 0.41% |
| TOTAL EXPENDITURES | 578,993,643 | 520,120,671 | 58,872,972 | 11.32% |
| EXCESS REVENUE OVER (UNDER) EXPENDITURES | 10,792,983 | (11,308,622) | | |

FUND BALANCES FY 2022 AND 2023

| | |
|--|--------------------|
| BEGINNING FUND BALANCE 7/1/2021 | 99,818,299 |
| FY 2022 REVENUES OVER (UNDER) EXPENDITURE: | 22,166,861 |
| ESTIMATED ENDING FUND BALANCE 6/30/2022 | 121,985,160 |
| FY 2023 REVENUES OVER (UNDER) EXPENDITURE: | 10,792,983 |
| RESERVE FOR DEBT SERVICE | (33,000,000) |
| RESERVE FOR FUTURE SUPPLEMENT | (12,950,000) |
| ESTIMATED ENDING FUND BALANCE 6/30/2023 | 86,828,143 |
| PERCENTAGE OF FUND BALANCE TO EXPENDITURES | 15.00% |

EXPENDITURES BY FUNCTION

FY 2023 BUDGETED EXPENDITURES

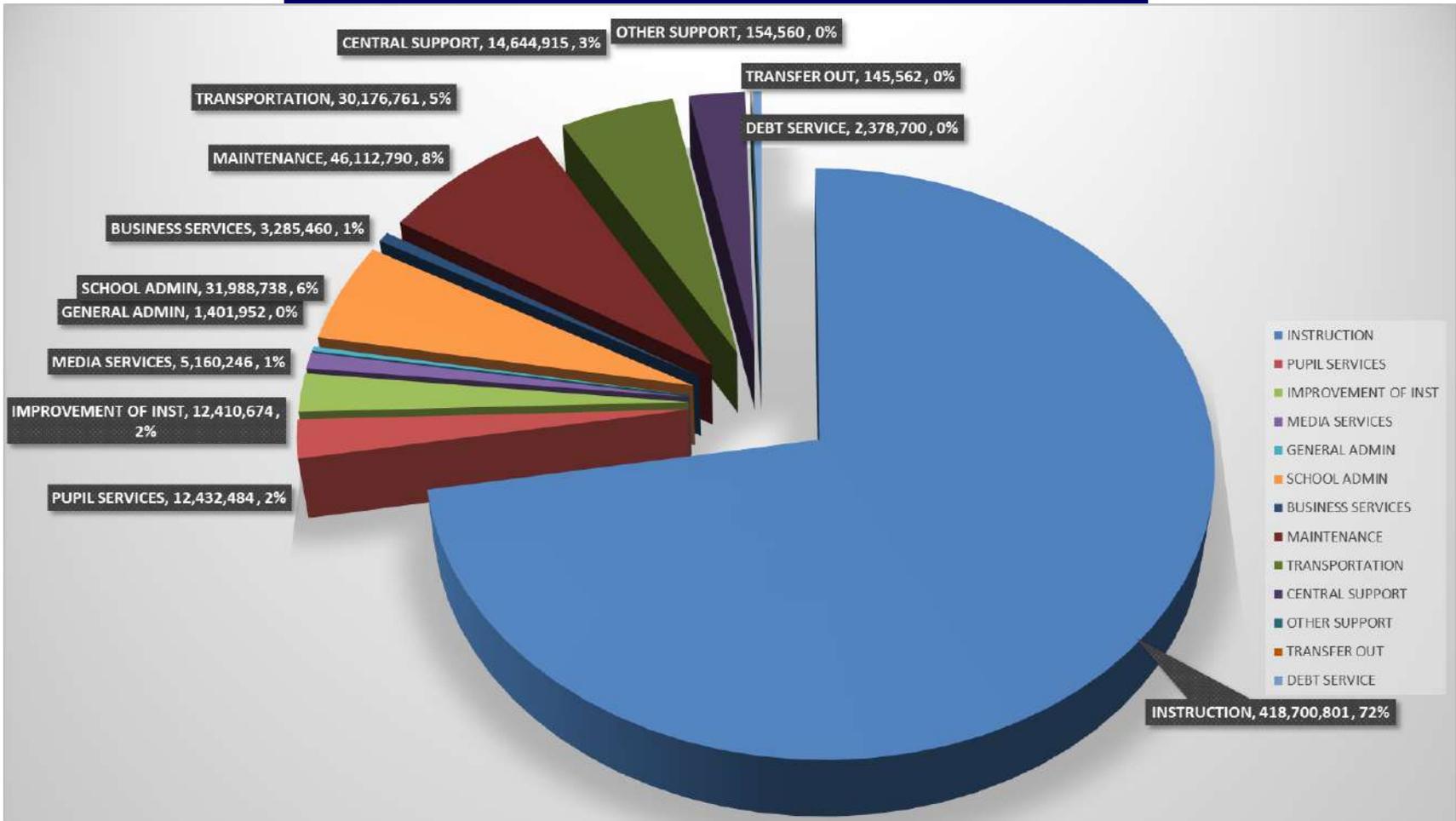
| | <u>FUNCTION</u> | <u>% OF OPERATING BUDGET</u> | <u>FY 2023 SALARIES & BENEFITS</u> | <u>FY 2023 OPERATING EXPENSES</u> | <u>TOTAL</u> | <u>FY 2022 BUDGET</u> | <u>INCREASE (DECREASE)</u> | <u>PERCENT CHANGE</u> |
|------|---------------------|------------------------------|--|-----------------------------------|--------------|-----------------------|----------------------------|-----------------------|
| 1000 | INSTRUCTION | 72.32% | 399,309,127 | 19,391,674 | 418,700,801 | 376,796,293 | 41,904,508 | 11.12% |
| 2100 | PUPIL SERVICES | 2.15% | 8,764,946 | 3,667,538 | 12,432,484 | 11,804,143 | 628,342 | 5.32% |
| 2210 | IMPROVEMENT OF INST | 2.14% | 9,028,120 | 3,382,554 | 12,410,674 | 11,789,313 | 621,361 | 5.27% |
| 2220 | MEDIA SERVICES | 0.89% | 4,670,237 | 490,009 | 5,160,246 | 4,486,068 | 674,178 | 15.03% |
| 2300 | GENERAL ADMIN | 0.24% | 1,107,858 | 294,094 | 1,401,952 | 1,146,158 | 255,794 | 22.32% |
| 2400 | SCHOOL ADMIN | 5.52% | 31,958,413 | 30,325 | 31,988,738 | 29,858,041 | 2,130,697 | 7.14% |
| 2500 | BUSINESS SERVICES | 0.57% | 2,692,112 | 593,348 | 3,285,460 | 3,038,212 | 247,248 | 8.14% |
| 2600 | MAINT & OPERATION | 7.96% | 22,646,019 | 23,466,771 | 46,112,790 | 41,708,887 | 4,403,903 | 10.56% |
| 2700 | TRANSPORTATION | 5.21% | 23,104,751 | 7,072,010 | 30,176,761 | 25,271,582 | 4,905,179 | 19.41% |
| 2800 | CENTRAL SUPPORT | 2.53% | 8,471,193 | 6,173,722 | 14,644,915 | 13,874,822 | 770,093 | 5.55% |
| 2900 | OTHER SUPPORT | 0.03% | 77,021 | 77,539 | 154,560 | 102,053 | 52,507 | 51.45% |
| 5000 | TRANSFER OUT | 0.03% | 0 | 145,562 | 145,562 | 244,100 | (98,538) | 0.00% |
| 5100 | DEBT SERVICE | 0.41% | 0 | 2,378,700 | 2,378,700 | 1,000 | 2,377,700 | 237770.00% |
| | | 1.00 | 511,829,797 | 67,163,845 | 578,993,642 | 520,120,671 | 58,872,971 | 11.32% |

SALARIES & BENEFITS OPERATING EXPENSES

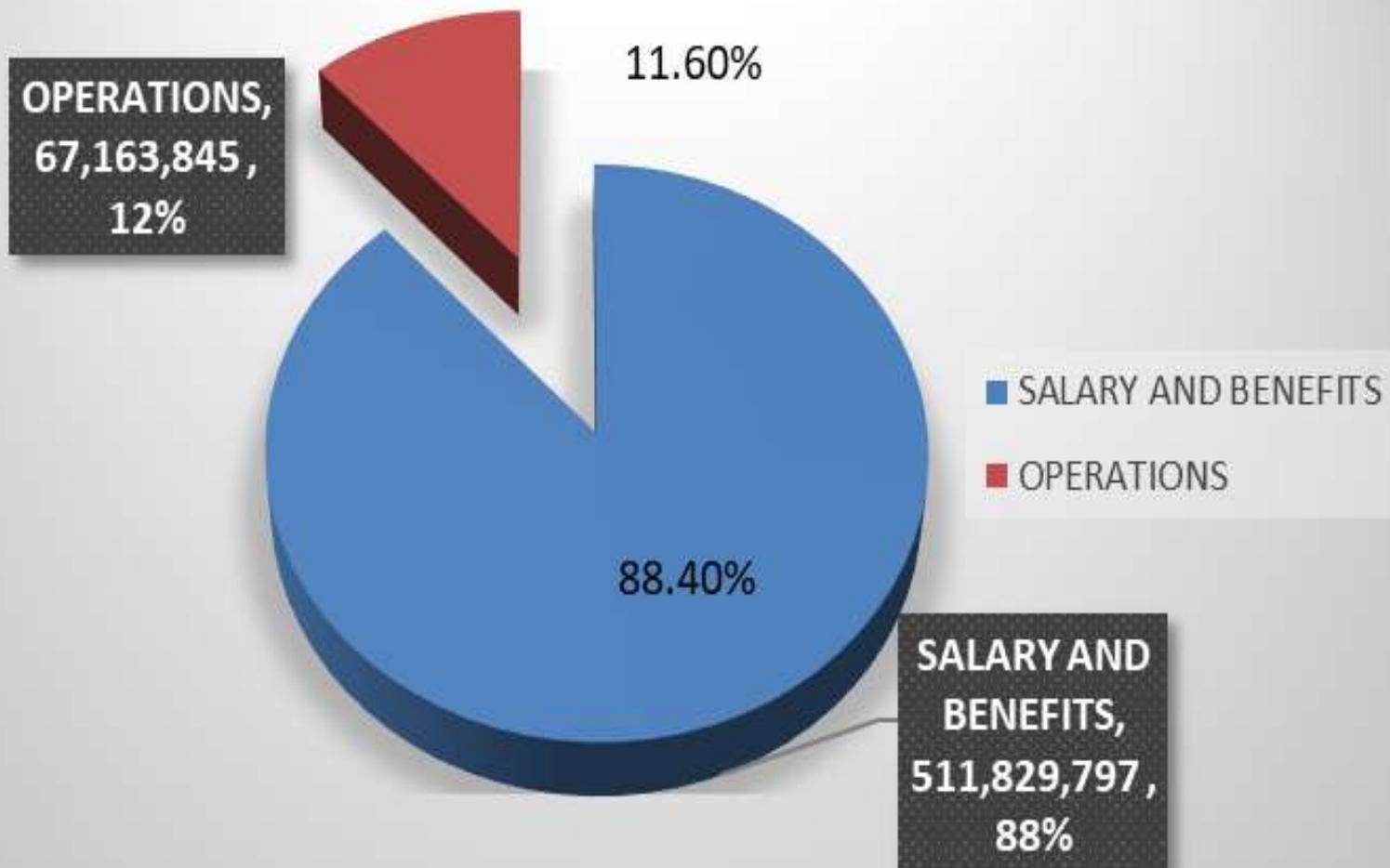
| | | |
|---------|--------|--------|
| FY 2023 | 88.40% | 11.60% |
| FY 2022 | 88.53% | 11.47% |



EXPENDITURE COMPARISON



SALARY COMPARED TO OPERATIONS



SALARY AND BENEFIT CHANGES

SALARY AND BENEFIT CHANGES FY 2023

SCHOOL BASED POSITIONS

| | | | | |
|---------------------------------------|-------|---------------|--|-------------------|
| TEACHER | 81.00 | 95,933 | | 7,770,573 |
| TEACHER - SPECIAL EDUCATION | 31.41 | 95,933 | | 3,013,256 |
| TEACHER - EIP | 15.50 | 95,933 | | 1,486,962 |
| TEACHER - ESOL | 14.50 | 95,933 | | 1,391,029 |
| PARAPRO | 25.35 | 50,301 | | 1,275,130 |
| PARAPRO - SPECIAL EDUCATION | 36.00 | 50,301 | | 1,810,836 |
| INSTRUCTIONAL COACH | 23.00 | 95,933 | | 2,206,459 |
| ATHLETIC DIRECTOR | 7.00 | 95,933 | | 671,531 |
| SPEECH LANG. PATH. | 9.69 | 69,075 | | 669,337 |
| SCHOOL CLERICAL | 6.00 | 63,418 | | 380,508 |
| CUSTODIAN | 5.00 | 59,746 | | 298,730 |
| NURSES | 1.00 | 82,709 | | 82,709 |
| ASSISTANT PRINCIPAL- NHES(2)/LAKESIDE | 3.00 | 134,690 | | 404,070 |
| MEDIA SPECIALIST | 1.00 | 96,394 | | 96,394 |
| ADMIN. SUPPORT | 3.49 | 60,958 | | 212,743 |
| COUNSELOR | 4.00 | 95,933 | | 383,732 |
| INST. TECH. SPEC. | 1.00 | 95,933 | | 95,933 |
| SUPPORT CLERICAL | 4.00 | 64,319 | | 257,276 |
| TOTAL SCHOOLS | | <u>271.94</u> | | <u>22,507,207</u> |

NON-SCHOOL BASED

| | | SALARY | BENEFITS | |
|--|-------|---------------|----------|-------------------|
| COMMUNICATION SPECIALIST (COMM. & COMM. ENGAGE.) | 1.00 | 77,004 | 33,609 | 110,613 |
| SEC/BOOKKEEPER (FOCAL) | 1.00 | 54,471 | 27,043 | 81,514 |
| INTERNAL AUDITOR (FINANCE) | 1.00 | 88,551 | 36,850 | 125,401 |
| MUNIS SPECIALIST (FINANCE) | 1.00 | 88,551 | 36,850 | 125,401 |
| QUAL/CERT SPECIALIST (HR) | 1.00 | 81,798 | 34,956 | 116,754 |
| IT SUPPORT SPECIALIST (IT) | 1.00 | 66,509 | 30,664 | 97,173 |
| WAREHOUSE DATA CLERK (FACILITIES) | 1.00 | 47,290 | 25,359 | 72,649 |
| CTAE COORDINATOR (T&L) | 1.00 | 77,004 | 33,609 | 110,613 |
| ADMIN. SUPPORT FOR ASSIST. SUPER. (SPED) | 1.00 | 54,471 | 27,043 | 81,514 |
| RELATED SERVICES COORDINATOR (SPED) | 1.00 | 67,476 | 30,734 | 98,210 |
| STUDENT SUPPORT FACILITATOR (STUDENT SUPPORT) | 0.50 | 34,655 | 17,444 | 52,099 |
| LEADER COACH (DEPUTY SUPER) | 0.49 | 58,397 | 4,469 | 62,866 |
| TRANSPORTATION FIELD COORD. (TRANSP.) | 1.00 | 61,563 | 29,366 | 90,929 |
| TOTAL NON SCHOOL | 11.99 | 857,739 | 367,996 | 1,225,735 |
| TOTAL NEW POSITIONS | | <u>283.93</u> | | <u>23,732,942</u> |

OTHER CHANGES

| | | | | |
|-----------------------------------|--|--|--|--------------------------|
| NEW PAY SCALES/COLA 1% | | | | 15,307,768 |
| STEP INCREASE | | | | 5,102,578 |
| BENEFITS INCREASE | | | | 6,027,711 |
| TOTAL OTHER CHANGES | | | | <u>26,438,057</u> |
| SALARY AND BENEFIT CHANGES | | | | <u>50,170,999</u> |

GENERAL FUND REVENUES

BASED ON INITIAL 2023 QBE ALLOTMENT SHEET

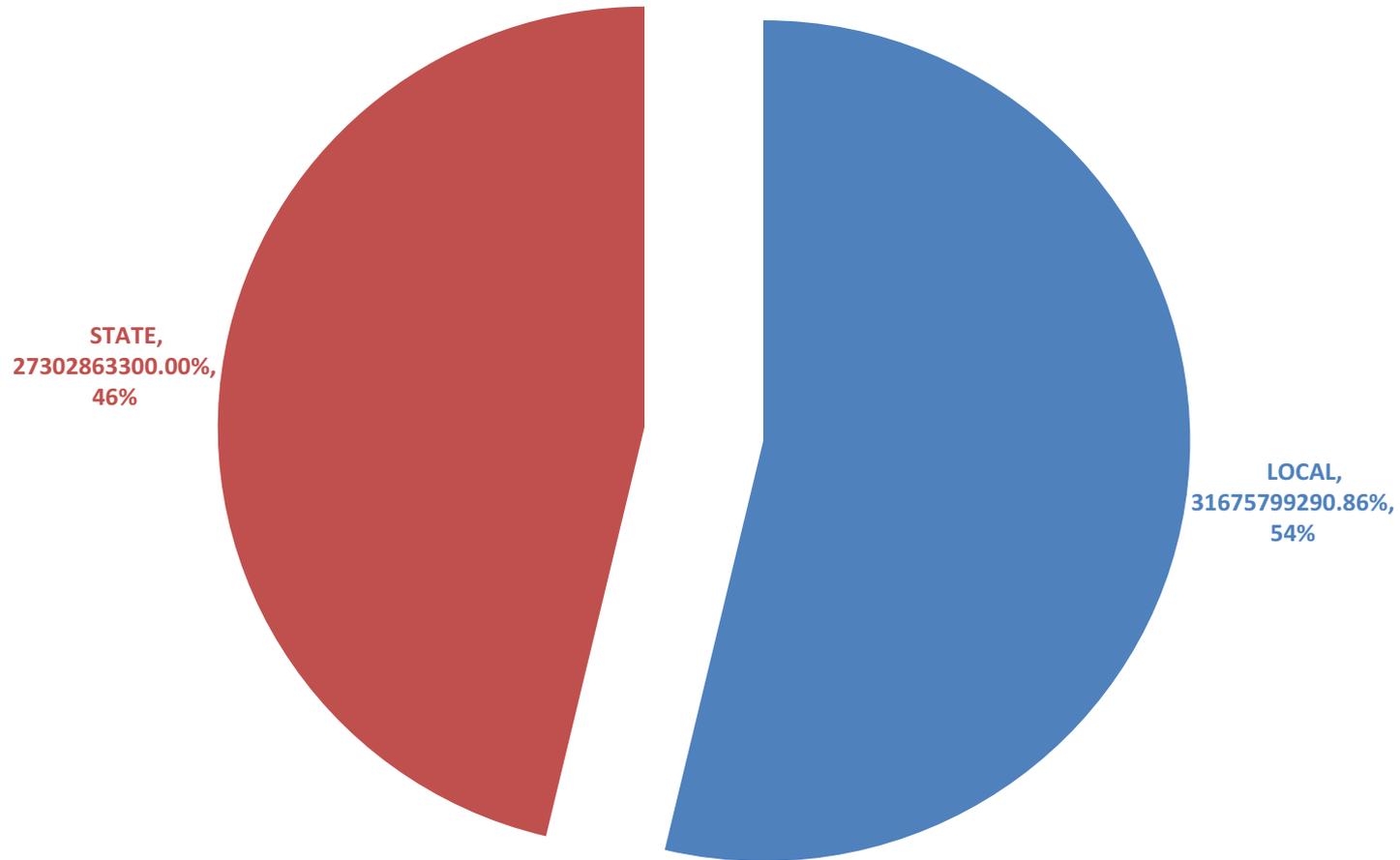
| <u>LOCAL REVENUES</u> | <u>FY 2023 BUDGET</u> | <u>FY 2022 BUDGET</u> | <u>INCREASE (DECREASE)</u> | |
|--|---------------------------|---------------------------|--------------------------------|---------------|
| AD VALOREM TAXES @ 17.3 MILLS | 276,522,993 | 228,654,717 | 47,868,276 | |
| TAVT TAXES | 22,000,000 | 17,500,000 | 4,500,000 | |
| INTANGIBLE TAXES | 10,750,000 | 13,000,000 | (2,250,000) | |
| REAL ESTATE TRANSFER TAXES | 3,800,000 | 2,450,000 | 1,350,000 | |
| INTEREST INCOME | 100,000 | 55,000 | 45,000 | |
| PRIVATE CONTRIBUTIONS | 0 | 0 | 0 | |
| OTHER LOCAL REVENUE | 3,500,000 | 3,255,000 | 245,000 | |
| SURPLUS SALES | 85,000 | 50,000 | 35,000 | |
| | <u>316,757,993</u> | <u>264,964,717</u> | <u>51,793,276</u> | 19.55% |
| <u>STATE AND FEDERAL REVENUES</u> | | | | |
| NET QBE FORMULA EARNINGS | 269,933,633 | 241,297,332 | 28,636,301 | |
| OTHER STATE SOURCES | 2,740,000 | 2,195,000 | 545,000 | |
| FEDERAL INDIRECT COST | 55,000 | 55,000 | 0 | |
| FEDERAL FLOOD CONTROL FUNDS | 300,000 | 300,000 | 0 | |
| | <u>273,028,633</u> | <u>243,847,332</u> | <u>29,181,301</u> | 11.97% |
| TOTAL REVENUES | <u>589,786,626</u> | <u>508,812,049</u> | <u>80,974,577</u> | 15.91% |

Tax Revenue Projection 2022 (FY2023)

PROJECTED DIGEST

| | | | | |
|------------------------------------|-----------------------|------------------------------|-------------------------------|--------|
| Projected Gross Digest | 20,042,311,838 | | | |
| Exemptions | (3,482,883,740) | | | |
| Net Digest | <u>16,559,428,098</u> | | | |
| Millage Rate | 17.3 | | | |
| Gross Revenue | 286,478,106 | | | |
| Commission 2.5% | <u>7,161,953</u> | | | |
| | 279,316,153 | | | |
| Net Available Revenue @ 99.0% | <u>276,522,993</u> | <u>FY2021</u> 228,654,717 | <u>INCREASE</u> 47,868,276 | 20.93% |
| <u>QBE Formula Earnings</u> | | | | |
| 2023 formula earnings | 263,933,633 | | | |
| Midterm earnings estimate | <u>6,000,000</u> | | | |
| Net QBE | <u>269,933,633</u> | <u>FY2021</u> 241,297,332 | <u>INCREASE</u> 28,636,301 | 11.87% |

REVENUE COMPARISON



MILLAGE RATE HISTORY SINCE 2000

| MILLAGE RATE HISTORY SINCE 2000 | | |
|--|----------------------------|-------------------------|
| Tax Year | M&O Millage | Bond Millage |
| 2000 | 15.100 | 1.980 |
| 2001 | 15.082 | 1.978 |
| 2002 | 15.500 | 1.978 |
| 2003 | 15.500 | 1.978 |
| 2004 | 15.500 | 1.978 |
| 2005 | 14.708 | 1.878 |
| 2006 | 14.708 | 1.878 |
| 2007 | 14.395 | 1.838 |
| 2008 | 15.395 | 1.418 |
| 2009 | 15.395 | 1.418 |
| 2010 | 15.395 | 1.418 |
| 2011 | 16.300 | 2.418 |
| 2012 | 16.300 | 2.418 |
| 2013 | 16.300 | 2.418 |
| 2014 | 16.300 | 2.418 |
| 2015 | 17.300 | 2.418 |
| 2016 | 17.300 | 2.418 |
| 2017 | 17.300 | 2.418 |
| 2018 | 17.300 | 2.418 |
| 2019 | 17.300 | 2.418 |
| 2020 | 17.300 | 2.418 |
| 2021 | 17.300 | 2.418 |
| 2022 | 17.300 | 1.418 |

COSTS PER FTE

| <u>TWELVE LARGEST SCHOOL SYSTEMS RANKED BY COST PER FTE</u> | | | |
|---|-------------------------|---|---------------------------------------|
| <u>Rank</u> | <u>System Name</u> | <u>FTE Reported on 2021 QBE Allotment</u> | <u>2021 Per FTE Total Expenditure</u> |
| 1 | Forsyth County | 51,436 | 9,803.05 |
| 2 | Henry County | 42,449 | 9,891.85 |
| 3 | Clayton County | 52,988 | 10,147.88 |
| 4 | Gwinnett County | 184,189 | 10,227.48 |
| 5 | Paulding County | 30,017 | 10,412.46 |
| 6 | Cherokee County | 42,022 | 10,567.77 |
| 7 | Muscogee County | 30,153 | 10,875.50 |
| 8 | Cobb County | 109,780 | 11,115.02 |
| 9 | Fulton County | 88,805 | 12,239.77 |
| 10 | Savannah-Chatham County | 35,180 | 12,763.23 |
| 11 | DeKalb County | 94,869 | 12,908.83 |
| 12 | Atlanta Public Schools | 49,757 | 18,449.52 |

SCHOOL FOOD SERVICES

SCHOOL FOOD SERVICES BUDGET FY 2023

| | <u>FY2023</u> | <u>FY2022</u> | <u>INCREASE (DECREASE)</u> |
|--|---------------------------|--------------------------|--------------------------------|
| <u>REVENUES</u> | | | |
| LOCAL | 13,046,539 | 11,655,971 | 1,390,568 |
| STATE | 468,662 | 410,670 | 57,992 |
| FEDERAL | 8,503,412 | 7,787,017 | 716,395 |
| TRANSFER IN | 0 | 0 | 0 |
| TOTAL REVENUES | <u>22,018,613</u> | <u>19,853,658</u> | <u>2,164,955</u> |
| <u>EXPENDITURES</u> | | | |
| SALARIES-CLERICAL | 146,758 | 101,034 | 45,724 |
| SALARIES-SFS WORKERS | 8,671,042 | 6,178,823 | 2,492,219 |
| SALARIES-ADMINISTRATIVE | 278,287 | 190,000 | 88,287 |
| EMPLOYEE BENEFITS | 6,539,254 | 4,644,723 | 1,894,531 |
| REPAIRS AND MAINTENANCE | 5,000 | 5,000 | 0 |
| EMPLOYEE TRAVEL | 29,950 | 26,725 | 3,225 |
| COMMODITY HAULING | 50,266 | 46,604 | 3,662 |
| SUPPLIES & MATERIALS | 786,479 | 686,918 | 99,561 |
| JANITORIAL SUPPLIES | 86,919 | 54,480 | 32,439 |
| COMPUTER SOFTWARE | 40,000 | 40,000 | 0 |
| EXPENDABLE EQUIPMENT | 20,000 | 20,000 | 0 |
| FOOD | 7,570,888 | 6,133,990 | 1,436,898 |
| FOOD ACQUISITIONS-USDA | 1,223,161 | 1,418,295 | (195,134) |
| EQUIPMENT | 150,000 | 105,000 | 45,000 |
| COMPUTER EQUIPMENT | 20,000 | 22,205 | (2,205) |
| DUES AND FEES | 3,000 | 3,000 | 0 |
| TOTAL EXPENSES | <u>25,621,004</u> | <u>19,676,797</u> | <u>5,944,207</u> |
| EXCESS REVENUES OVER (UNDER) EXPENDITURES | <u>(3,602,391)</u> | <u>176,861</u> | <u>(3,779,252)</u> |
| BEGINNING FUND BALANCE 7/1/2021 | 4,035,747 | | |
| FY 2022 REVENUES OVER (UNDER) EXPENDITURES | <u>11,795,069</u> | Estimated YTD change. | |
| ESTIMATED ENDING FUND BALANCE 6/30/2022 | <u>15,830,816</u> | | |
| FY 2023 REVENUES OVER (UNDER) EXPENDITURES | <u>(3,602,391)</u> | | |
| ESTIMATED ENDING FUND BALANCE 6/30/2023 | <u>12,228,425</u> | | |

DEBT SERVICE

DEBT SVCS FY 2023

REVENUES

| | |
|----------------------|------------|
| ADVALOREM | 22,658,450 |
| INTANGIBLE | 1,500,000 |
| REAL ESTATE XFER TAX | 490,000 |

| | |
|----------------|------------|
| TOTAL REVENUES | 24,648,450 |
|----------------|------------|

EXPENDITURES

| | |
|------------------|------------|
| PRINCIPAL (910) | 42,285,000 |
| INTEREST (830) | 20,394,536 |
| AGENT FEES (810) | 4,000 |

| | |
|--------------------|------------|
| TOTAL EXPENDITURES | 62,683,536 |
|--------------------|------------|

| | |
|-------------------------------------|--------------|
| EXCESS REVENUE OVER (UNDER) EXPENSE | (38,035,086) |
|-------------------------------------|--------------|

OTHER FUNDING SOURCES (USES)

| | |
|----------------------------|-----------|
| XFER IN FROM SPLOST 5 | 3,113,884 |
| TOTAL OTHER SOURCES (USES) | 3,113,884 |

| | |
|----------------------------|--------------|
| NET CHANGE IN FUND BALANCE | (34,921,201) |
|----------------------------|--------------|

| | |
|-----------------------------|------------|
| FUND BALANCE 7/1/2022 (EST) | 51,509,510 |
|-----------------------------|------------|

| | |
|------------------------------|------------|
| FUND BALANCE 6/30/2023 (EST) | 16,588,308 |
|------------------------------|------------|

Other Budgets

| | SPECIAL REVENUE FUNDS | CAPITAL PROJECTS FUNDS | TOTAL |
|---|-----------------------------|------------------------------|-----------------|
| <u>REVENUES</u> | | | |
| LOCAL SOURCES | \$ 13,046,539 | \$ 54,006,000 | \$ 67,052,539 |
| STATE SOURCES | 468,662 | 8,626,025 | 9,094,687 |
| FEDERAL SOURCES | 18,572,384 | - | 18,572,384 |
| TOTAL REVENUES | \$ 32,087,585 | \$ 62,632,025 | \$ 94,719,610 |
| OTHER SOURCES | | | |
| TRANSFER OUT | \$ - | \$ (3,013,884) | \$ (3,013,884) |
| TRANSFER IN | 145,562 | - | 145,562 |
| TOTAL REVENUES AND OTHER SOURCES | \$ 32,233,147 | \$ 59,618,141 | \$ 91,851,288 |
| <u>EXPENDITURES</u> | | | |
| INSTRUCTION | \$ 4,326,786 | | \$ 4,326,786 |
| PUPIL SERVICES | 3,969,179 | | 3,969,179 |
| IMPROVEMENT OF INSTRUCTIONAL SERVICES | 1,037,725 | | 1,037,725 |
| EDUCATIONAL MEDIA SERVICES | - | | - |
| FEDERAL GRANT ADMINISTRATION | 166,259 | | 166,259 |
| GENERAL ADMINISTRATION | 47,598 | | 47,598 |
| SCHOOL ADMINISTRATION | - | | - |
| BUSINESS SERVICES | - | | - |
| MAINTENANCE AND OPERATION | - | | - |
| STUDENT TRANSPORTATION | 121,411 | | 121,411 |
| CENTRAL SUPPORT SERVICES | 101,228 | | 101,228 |
| OTHER SUPPORT SERVICES | 444,349 | | 444,349 |
| SCHOOL FOOD SERVICES | 25,621,004 | | 25,621,004 |
| FACILITIES ACQUISITION AND CONSTRUCTION | - | \$ 80,022,620 | 80,022,620 |
| DEBT SERVICE | - | - | - |
| TOTAL EXPENDITURES | \$ 35,835,538 | \$ 80,022,620 | \$ 115,858,158 |
| EXCESS REVENUE OVER (UNDER) EXPENSE | \$ (3,602,391) | \$ (20,404,479) | \$ (24,006,870) |
| BEGINNING FUND BALANCE 7/1/2022 | \$ 15,830,816 | \$ 113,880,563 | \$ 129,711,379 |
| RESERVES | \$ - | \$ - | \$ - |
| ENDING FUND BALANCE 6/30/2023 | \$ 12,228,425 | \$ 93,476,084 | \$ 105,704,509 |