

FY 2024 INITIAL BUDGET PRESENTATION

June 15, 2023

Updated Version 4

FY 2024 BUDGET HIGHLIGHTS AT A GLANCE

The Forsyth County School District continues to experience incredible growth over the last several years. To our knowledge, no other District has encountered such a long and steady growth pattern.

By the beginning of FY2024, our student population will be approximately 54,535 students.

To remain or be competitive with surrounding/like/similar counties, the general fund budget will include a step increase. In addition, classified staff will receive a 5% COLA. The teacher pay increase will include the \$2,000 as approved by the Governor and additional local funds to ensure all teachers receive at a minimum \$3,000. The budget includes eighty-five new school based and twelve district level positions for growth.

For FY24 the teacher pays scales ensure that a Forsyth County School teacher, with a bachelor's degree, reaches the \$60,000 salary mark in the eighth year.

State revenue is steady and will increase by the Governors increase in Teacher pay by \$2,000 and no austerity cuts for FY24. The County's tax digest continues to grow by the housing market increase due to inflation and low inventory. For FY2024, the estimated to growth will be 9.71% with a 15.3 millage rate.

The school system will recommend that the millage rate for M&O decrease from 17.3 to 15.3 mill. This 2 mill decrease is in continuation to the 1 mill decrease in the Debt Service millage last fiscal year from 2.418 to 1.418 mills and will result in \$62+ million dollars less in Ad Valorem taxes for Forsyth County property owners. This combined millage rate of 16.718 is the lowest since FY2006.

The proposed budget has a total increase to expenditures of 10.21% for FY24. This increase includes 6.41% in state mandated increase for teacher pay of \$2,000 and health care cost of \$29+ million. The remaining increase of 3.80% is for step and salary increases for employees.

The proposed budget includes reserve amount of \$4.9+ million for future land purchase.

The general fund budget for FY2024 has a projected fund balance of 15.00% of the projected expenditures.

The school system thanks the Governor for increasing state funding for teacher pay, additional funding for counselors and safety, and a fully funded state formula (QBE).

The per pupil cost for FY2022, 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 \$10,132.27 per pupil. That increase between FY22 and FY21 expenditures was also the smallest increase of all twelve largest district in the amount of \$329.22 per FTE.

The school system maintained its five-star financial efficiency rating with the State of Georgia for the Seventh consecutive year. 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 2023-2024

<u>REVENUES</u>	FY 2024 BUDGET	FY 2023 BUDGET	INCREASE (DECREASE)	PERCENTAGE OF TOTAL
LOCAL	341,161,924	318,519,882	22,642,042	52.29%
STATE	311,231,022	274,834,902	36,396,120	47.71%
TOTAL REVENUES	652,392,946	593,354,784	59,038,162	9.95%
<u>EXPENDITURES</u>	FY 2024 BUDGET	FY 2023 BUDGET	INCREASE (DECREASE)	PERCENTAGE OF TOTAL
<u>FUNCTION</u>				
INSTRUCTION	470,869,869	425,092,980	45,776,889	72.96%
PUPIL SERVICES	13,826,156	12,504,586	1,321,570	2.14%
IMPROVEMENT OF INSTRUCTION	14,405,552	12,459,971	1,945,581	2.23%
MEDIA SERVICES	5,115,850	5,206,924	(91,074)	0.79%
GENERAL ADMINISTRATION	1,515,534	1,401,952	113,582	0.23%
SCHOOL ADMINISTRATION	35,590,875	31,990,466	3,600,409	5.52%
BUSINESS SERVICES	3,495,670	3,285,460	210,210	0.54%
MAINTENANCE & OPERATIONS	50,003,528	46,112,790	3,890,738	7.75%
TRANSPORTATION	31,311,255	30,176,761	1,134,494	4.85%
CENTRAL SUPPORT SERVICES	16,510,856	14,648,372	1,862,484	2.56%
OTHER SUPPORT SERVICES	150,208	154,560	(4,352)	0.02%
TRANSFER OUT	170,000	145,562	24,438	0.03%
DEBT SERVICE	2,378,700	2,378,700	0	0.37%
TOTAL EXPENDITURES	645,344,053	585,559,084	59,784,969	10.21%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	7,048,893	7,795,700		

FUND BALANCES FY 2023 AND 2024

BEGINNING FUND BALANCE 7/1/2022	117,662,663
FY 2023 REVENUES OVER (UNDER) EXPENDITURE	10,000,000
ESTIMATED ENDING FUND BALANCE 6/30/2023	127,662,663
FY 2024 REVENUES OVER (UNDER) EXPENDITURE	7,048,893

RESERVE FOR DEBT SERVICE	(33,000,000)	FY23 Budget approved
RESERVE FOR FUTURE LAND PURCHASE	(4,909,947)	FY24 Proposed Reserve
ESTIMATED ENDING FUND BALANCE 6/30/2024	96,801,609	

PERCENTAGE OF FUND BALANCE TO EXPENDITURES **15.00%**

EXPENDITURES BY FUNCTION

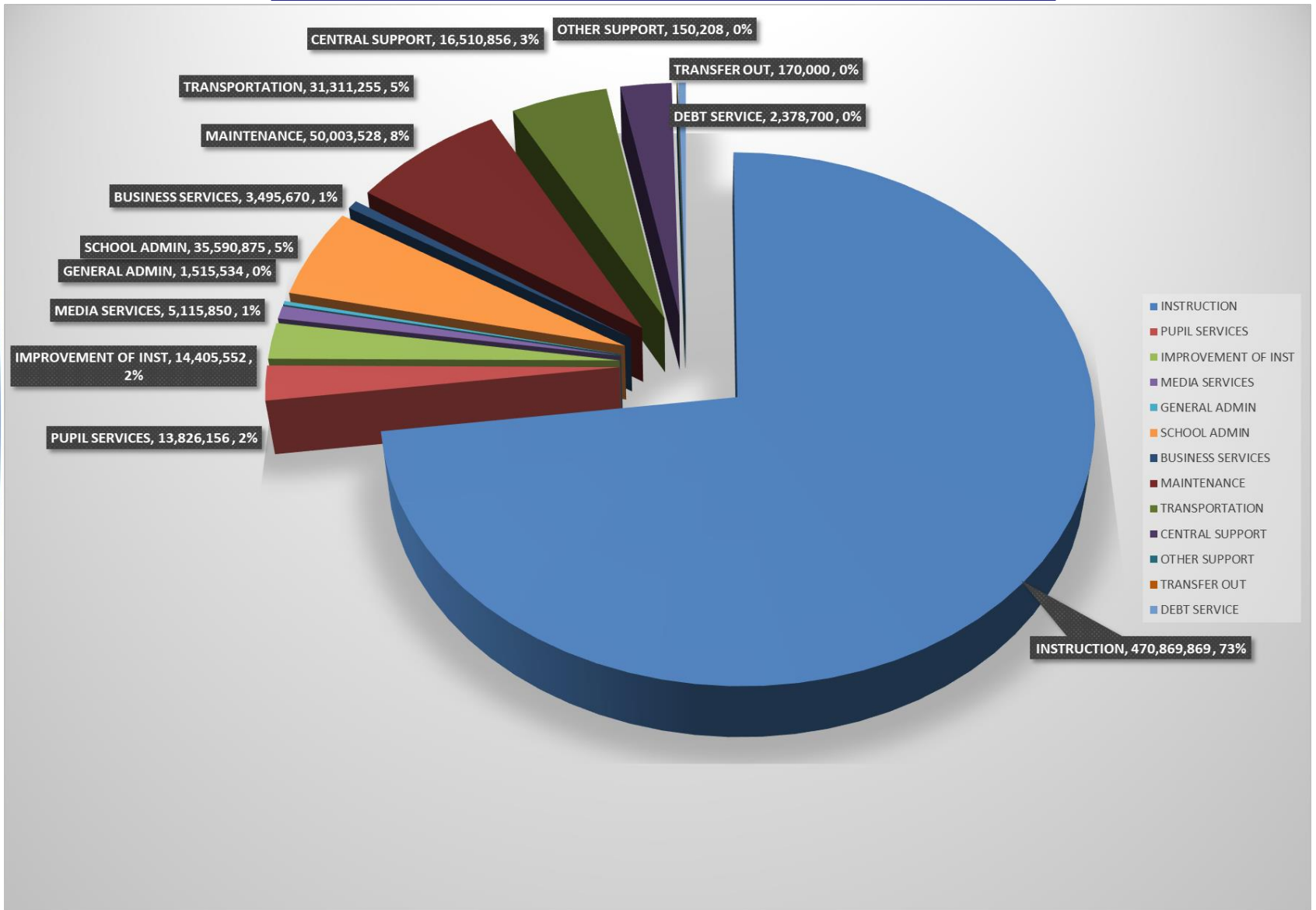
FY 2024 BUDGETED EXPENDITURES

<u>FUNCTION</u>	<u>% OF OPERATING BUDGET</u>	<u>FY 2023 SALARIES & BENEFITS</u>	<u>FY 2024 OPERATING EXPENSES</u>	<u>TOTAL</u>	<u>FY 2023 BUDGET</u>	<u>INCREASE (DECREASE)</u>	<u>PERCENT CHANGE</u>
1000 INSTRUCTION	72.96%	453,433,956	17,435,913	470,869,869	425,092,980	45,776,889	10.77%
2100 PUPIL SERVICES	2.14%	9,854,092	3,972,064	13,826,156	12,504,586	1,321,570	10.57%
2210 IMPROVEMENT OF INST	2.23%	10,562,984	3,842,568	14,405,552	12,459,971	1,945,581	15.61%
2220 MEDIA SERVICES	0.79%	4,588,978	526,873	5,115,850	5,206,925	(91,074)	-1.75%
2300 GENERAL ADMIN	0.23%	1,216,466	299,068	1,515,534	1,401,952	113,582	8.10%
2400 SCHOOL ADMIN	5.52%	35,560,550	30,325	35,590,875	31,990,466	3,600,409	11.25%
2500 BUSINESS SERVICES	0.54%	3,021,585	474,085	3,495,670	3,285,460	210,210	6.40%
2600 MAINT & OPERATION	7.75%	25,155,194	24,848,334	50,003,528	46,112,790	3,890,738	8.44%
2700 TRANSPORTATION	4.85%	23,651,589	7,659,666	31,311,255	30,176,761	1,134,494	3.76%
2800 CENTRAL SUPPORT	2.56%	10,344,394	6,166,462	16,510,856	14,648,372	1,862,484	12.71%
2900 OTHER SUPPORT	0.02%	25,845	124,363	150,208	154,560	(4,352)	-2.82%
5000 TRANSFER OUT	0.03%	0	170,000	170,000	145,562	24,438	0.00%
5100 DEBT SERVICE	0.37%	0	2,378,700	2,378,700	2,378,700	0	0.00%
1.00		577,415,633	67,928,420	645,344,053	585,559,084	59,784,969	10.21%

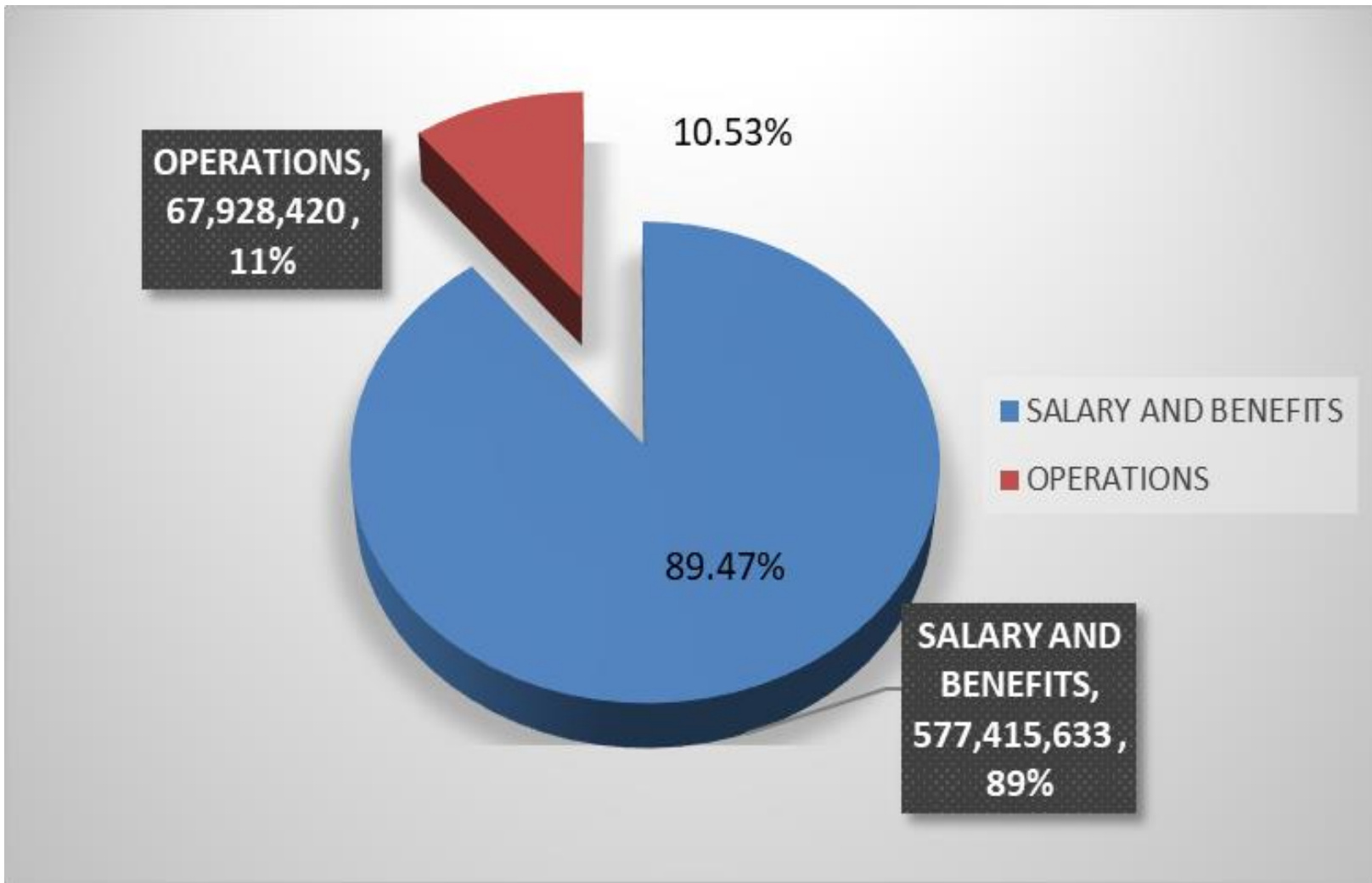
	<u>SALARIES & BENEFITS</u>	<u>OPERATING EXPENSES</u>
FY 2024	89.47%	10.53%
FY 2023	88.53%	11.47%

<u>MANDATED STATE CHANGES</u>	
STATE 2K TEACHER PAY INCREASE	7,838,000
STATE HEALTH CARE INCREASE	29,689,097
	<u>37,527,097</u>
LOCAL BUDGET INCREASE	22,257,872
TOTAL INCREASE	<u>59,784,969</u>
	10.210%

EXPENDITURE COMPARISON



SALARY COMPARED TO OPERATIONS



SALARY AND BENEFIT CHANGES

SALARY AND BENEFIT CHANGES FY 2024

SCHOOL BASED POSITIONS

TEACHER	65.29	102,874	6,716,643
PARAPRO	4.10	54,000	221,400
SCHOOL CLERICAL	6.00	57,714	346,284
CUSTODIAN	2.00	49,650	99,300
NURSES	6.00	79,358	476,148
COUNSELOR	2.00	102,874	205,748
TOTAL SCHOOLS	<u>85.39</u>		<u>8,065,523</u>

NON-SCHOOL BASED

PLUMBER (FACILITIES)	1.00	75,967	75,967
CARPENTER (FACILITIES)	1.00	75,967	75,967
ELECTRICIAN (FACILITIES)	1.00	75,967	75,967
MINDFULNESS (STUDENT SUPPORT)	1.00	107,748	107,748
PSYCHOLOGIST (STUDENT SUPPORT)	1.00	112,348	112,348
SOCIAL WORKER (STUDENT SUPPORT)	1.00	112,348	112,348
MV SUPPORT (STUDENT SUPPORT)	0.50	63,721	63,721
SAS (SCHOOL SAFETY)	1.00	107,349	107,349
ESOL (T&L) (2 POSITIONS FUNDED .25)	0.50	76,608	76,608
FAMILY ENGAGEMENT COORD. (T&L)	0.50	53,874	53,874
CAREER DEV. COORD. (T&L)	1.00	143,428	143,428
LEADERSHIP (EDUCATIONAL LEADERSHIP)	0.50	59,386	59,386
APPLICATION INTEGRATION SPEC. (TECHNOLOGY)	1.00	108,915	108,915
TECHNICAL SUPPORT SPEC. (TECHNOLOGY)	1.00	119,507	119,507
WAREHOUSE (FINANCE)	0.50	73,135	73,135
TOTAL NON SCHOOL	12.50	1,366,268	1,366,268
TOTAL NEW POSITIONS	<u>97.89</u>		<u>9,431,791</u>

OTHER CHANGES

NEW PAY SCALES/COLA 5%			21,687,754
STEP INCREASE			4,796,453
BENEFITS INCREASE			32,136,018
TOTAL OTHER CHANGES			<u>58,620,225</u>

SALARY AND BENEFIT CHANGES

68,052,016



GENERAL FUND REVENUES

BASED ON INITIAL 2024 QBE ALLOTMENT SHEET

<u>LOCAL REVENUES</u>	<u>FY 2024 BUDGET</u>	<u>FY 2023 BUDGET</u>	<u>INCREASE (DECREASE)</u>	
AD VALOREM TAXES @ 15.3 MILLS	304,361,924	278,834,882	25,527,042	
TAVT TAXES	22,000,000	22,000,000	0	
INTANGIBLE TAXES	5,000,000	10,250,000	(5,250,000)	
REAL ESTATE TRANSFER TAXES	2,500,000	3,400,000	(900,000)	
INTEREST INCOME	5,000,000	450,000	4,550,000	
OTHER LOCAL REVENUE	2,200,000	3,500,000	(1,300,000)	
SURPLUS SALES	100,000	85,000	15,000	
	341,161,924	318,519,882	22,642,042	7.11%
<u>STATE AND FEDERAL REVENUES</u>				
NET QBE FORMULA EARNINGS	308,046,022	271,739,902	36,306,120	
OTHER STATE SOURCES	2,795,000	2,740,000	55,000	
FEDERAL INDIRECT COST	55,000	55,000	0	
FEDERAL FLOOD CONTROL FUNDS	335,000	300,000	35,000	
	311,231,022	274,834,902	36,396,120	13.24%
TOTAL REVENUES	652,392,946	593,354,784	59,038,162	9.95%

Tax Revenue Projection 2023 (FY2024)

PROJECTED DIGEST

Projected Gross Digest	25,187,445,313
Exemptions	(4,473,728,132)
Net Digest	20,713,717,181

Millage Rate 15.3

Gross Revenue 316,919,873

Commission 2.5%
7,922,997
308,996,876

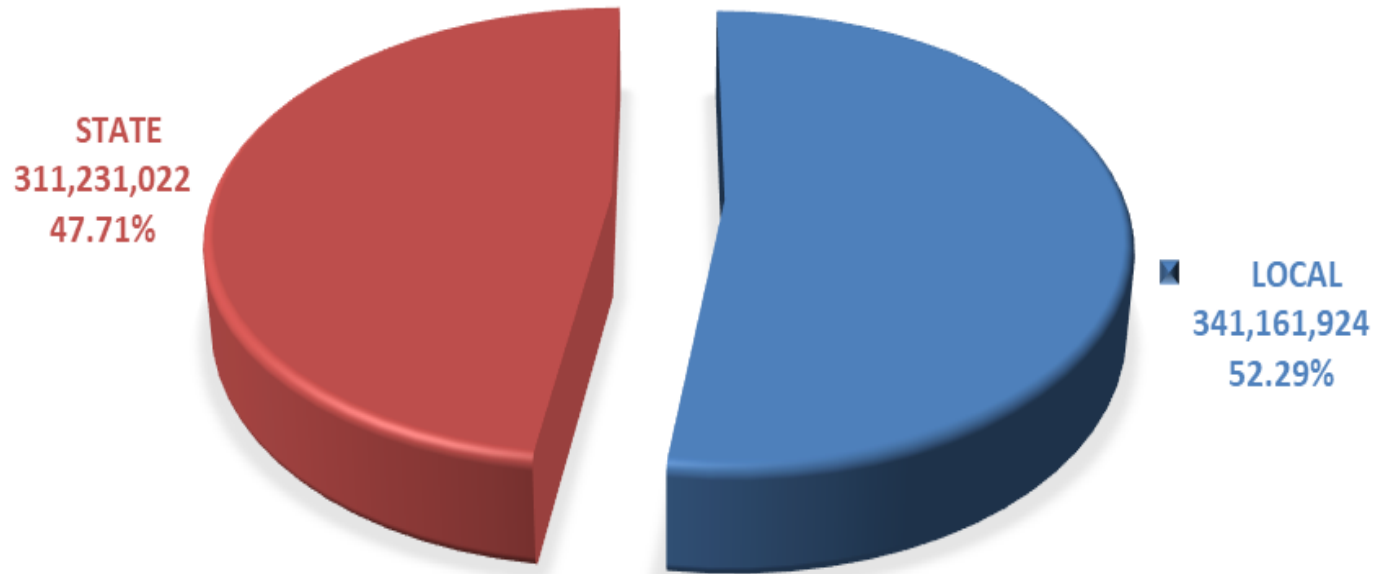
	<u>FY2023</u>	<u>INCREASE</u>	
Net Available Revenue @ 98.5%	304,361,924	278,834,882	25,527,042 9.15%

QBE Formula Earnings

2024 formula earnings	306,046,022
Midterm earnings estimate	2,000,000

	<u>FY2023</u>	<u>INCREASE</u>	
Net QBE	308,046,022	271,739,902	36,306,120 13.36%

REVENUE COMPARISON



MILLAGE RATE HISTORY SINCE 2000

MILLAGE RATE HISTORY SINCE 2000			
Tax Year	M&O Millage	Bond Millage	Total
2000	15.100	1.980	17.080
2001	15.082	1.978	17.060
2002	15.500	1.978	17.478
2003	15.500	1.978	17.478
2004	15.500	1.978	17.478
2005	14.708	1.878	16.586
2006	14.708	1.878	16.586
2007	14.395	1.838	16.233
2008	15.395	1.418	16.813
2009	15.395	1.418	16.813
2010	15.395	1.418	16.813
2011	16.300	2.418	18.718
2012	16.300	2.418	18.718
2013	16.300	2.418	18.718
2014	16.300	2.418	18.718
2015	17.300	2.418	19.718
2016	17.300	2.418	19.718
2017	17.300	2.418	19.718
2018	17.300	2.418	19.718
2019	17.300	2.418	19.718
2020	17.300	2.418	19.718
2021	17.300	2.418	19.718
2022	17.300	1.418	18.718
2023	15.300	1.418	16.718

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 2022 QBE Allotment</u>	<u>2022 Per FTE Total Expenditure</u>	<u>2021 Per FTE Total Expenditure</u>	<u>Increase Per FTE Total Expenditure</u>
1	Forsyth County	53,085	10,132.27	9,803.05	329.22
2	Henry County	42,920	10,803.01	9,891.85	911.16
3	Hall County	28,096	10,945.28	9,997.08	948.20
4	Paulding County	31,247	10,962.48	10,412.46	550.02
5	Cherokee County	42,765	10,973.54	10,567.77	405.77
6	Clayton County	52,946	11,172.96	10,147.88	1,025.08
7	Gwinnett County	187,095	11,488.90	10,227.48	1,261.42
8	Muscogee County	29,390	11,935.07	10,875.50	1,059.57
9	Cobb County	109,277	12,177.79	11,115.02	1,062.77
10	Fulton County	89,634	13,375.04	12,239.77	1,135.27
11	DeKalb County	95,135	14,672.86	12,908.83	1,764.03
12	Atlanta Public Schools	49,386	21,709.56	18,449.52	3,260.04

SCHOOL FOOD SERVICES

SCHOOL FOOD SERVICES BUDGET FY 2024

	FY2024	FY2023	INCREASE (DECREASE)
<u>REVENUES</u>			
LOCAL	13,571,594	13,046,539	525,055
STATE	1,075,151	468,662	606,489
FEDERAL	9,327,796	8,503,412	824,384
TRANSFER IN	0	0	0
TOTAL REVENUES	23,974,541	22,018,613	1,955,928
<u>EXPENDITURES</u>			
SALARIES-CLERICAL	154,096	146,758	7,338
SALARIES-SFS WORKERS	8,976,679	8,671,042	305,637
SALARIES-ADMINISTRATIVE	300,462	278,287	22,175
EMPLOYEE BENEFITS	6,146,368	6,539,254	(392,886)
REPAIRS AND MAINTENANCE	5,000	5,000	0
EMPLOYEE TRAVEL	33,434	29,950	3,484
COMMODITY HAULING	68,150	50,266	17,884
SUPPLIES & MATERIALS	879,338	786,479	92,859
JANITORIAL SUPPLIES	89,179	86,919	2,260
COMPUTER SOFTWARE	50,000	40,000	10,000
EXPENDABLE EQUIPMENT	20,000	20,000	0
FOOD	8,561,112	7,570,888	990,224
FOOD ACQUISITIONS-USDA	1,548,000	1,223,161	324,839
EQUIPMENT	200,000	150,000	50,000
COMPUTER EQUIPMENT	36,000	20,000	16,000
DUES AND FEES	1,000	3,000	(2,000)
TOTAL EXPENSES	27,068,818	25,621,004	1,447,814
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(3,094,277)	(3,602,391)	508,114
BEGINNING FUND BALANCE 7/1/2022	17,309,831		
FY 2023 REVENUES OVER (UNDER) EXPENDITURES	2,228,740	Estimated YTD change.	
ESTIMATED ENDING FUND BALANCE 6/30/2023	19,538,571		
FY 2024 REVENUES OVER (UNDER) EXPENDITURES	(3,094,277)		
ESTIMATED ENDING FUND BALANCE 6/30/2024	16,444,294		

DEBT SERVICE

DEBT SVCS FY 2024

REVENUES

ADVALOREM	27,729,429
INTANGIBLE	624,000
REAL ESTATE XFER TAX	326,000
INTEREST EARNED	600,000
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TOTAL REVENUES	29,279,429

EXPENDITURES

PRINCIPAL (910)	43,810,000
INTEREST (830)	18,391,042
AGENT FEES (810)	9,250
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TOTAL EXPENDITURES	62,210,292

EXCESS REVENUE OVER (UNDER) EXPENSE **(32,930,863)**

OTHER FUNDING SOURCES (USES)

XFER IN FROM SPLOST 5	9,000,000
XFER IN FROM SPLOST 6	11,803,250
TOTAL OTHER SOURCES (USES)	20,803,250

NET CHANGE IN FUND BALANCE **(12,127,613)**

FUND BALANCE 7/1/2023 (EST) 18,329,240

FUND BALANCE 6/30/2024 (EST) 6,201,627

Other Budgets

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL
<u>REVENUES</u>			
LOCAL SOURCES	\$ 13,571,594	\$ 60,000,000	\$ 73,571,594
STATE SOURCES	1,075,151	-	1,075,151
FEDERAL SOURCES	21,358,376	-	21,358,376
TOTAL REVENUES	\$ 36,005,121	\$ 60,000,000	\$ 96,005,121
OTHER SOURCES			
TRANSFER OUT	\$ -	\$ (20,803,250)	\$ (20,803,250)
TRANSFER IN	170,000	-	170,000
TOTAL REVENUES AND OTHER SOURCES	\$ 36,175,121	\$ 39,196,750	\$ 75,371,871
<u>EXPENDITURES</u>			
INSTRUCTION	\$ 4,844,765		\$ 4,844,765
PUPIL SERVICES	4,858,628		4,858,628
IMPROVEMENT OF INSTRUCTIONAL SERVICES	1,422,075		1,422,075
EDUCATIONAL MEDIA SERVICES	-		-
FEDERAL GRANT ADMINISTRATION	160,051		160,051
GENERAL ADMINISTRATION	40,570		40,570
SCHOOL ADMINISTRATION	-		-
BUSINESS SERVICES	-		-
MAINTENANCE AND OPERATION	-		-
STUDENT TRANSPORTATION	203,242		203,242
CENTRAL SUPPORT SERVICES	28,120		28,120
OTHER SUPPORT SERVICES	643,129		643,129
SCHOOL FOOD SERVICES	27,068,819		27,068,819
FACILITIES ACQUISITION AND CONSTRUCTION	-	\$ 54,426,080	54,426,080
DEBT SERVICE	-	-	-
TOTAL EXPENDITURES	\$ 39,269,399	\$ 54,426,080	\$ 93,695,479
EXCESS REVENUE OVER (UNDER) EXPENSE	\$ (3,094,278)	\$ (15,229,330)	\$ (18,323,607)
BEGINNING FUND BALANCE 7/1/2022	\$ 19,538,571	\$ 127,027,019	\$ 146,565,590
RESERVES	\$ -	\$ -	\$ -
ENDING FUND BALANCE 6/30/2023	\$ 16,444,293	\$ 111,797,690	\$ 128,241,983