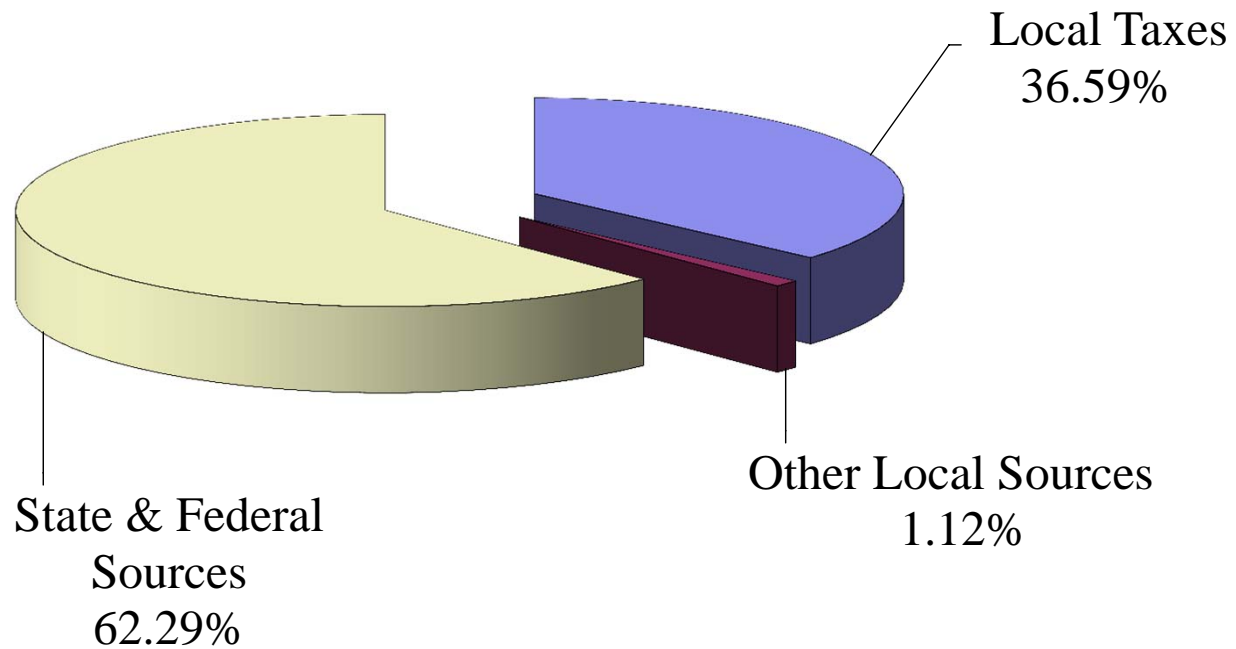


January 29, 2011

Board of Education Retreat

Budget Basics

FY11 SOURCES OF REVENUE GENERAL FUND



Operating Budget

- General Funds
 - QBE Funding
 - Local Taxes
- Restricted Funds
 - Title I, Special Education, State Grants, Other Federal grants

State QBE Funding

- Controlled by formula
- Systems “earn” revenue based on student enrollment
- Minimum funding of positions
 - Local supplement
 - Additional positions funded locally
- Subject to Legislative Reductions

Local Property Tax Funding

- Property Taxes are levied on all real and personal property.
- Based on values as of January 1 each year, taxes are levied using a “millage rate” which taxes citizens based on \$1 per \$1,000 of assessed property value.
- CCPS levies a tax of 20 mil

Millage Rate Assessment

ITEM	Current M & O Millage
House assessed at fair Market Value	\$ 150,000
40% Assessment Rate	x 40%
Assessed Value for Tax Purposes	\$ 60,000
Homestead Exemption	- 10,000
Tax Base for Property Tax	\$ 50,000
Millage Rate	20 Mills
M & O School Tax	\$ 1,000



TAX COMMISSIONER'S UPDATE

Budget Factors

- Student Enrollment Projections
 - October (Prior Year) student counts
 - Historical enrollment trends
 - Projections
 - Birth rates census/demographic data
 - Cohort data
 - County real estate development data

Budget Factors

- Personnel Allotments created by student enrollment projections
- Department budget requests
 - Past year data
- Local Revenue Assumptions-forecasts from the Tax Commission
 - Tax digest growth /collection rate
 - Interest rates levels

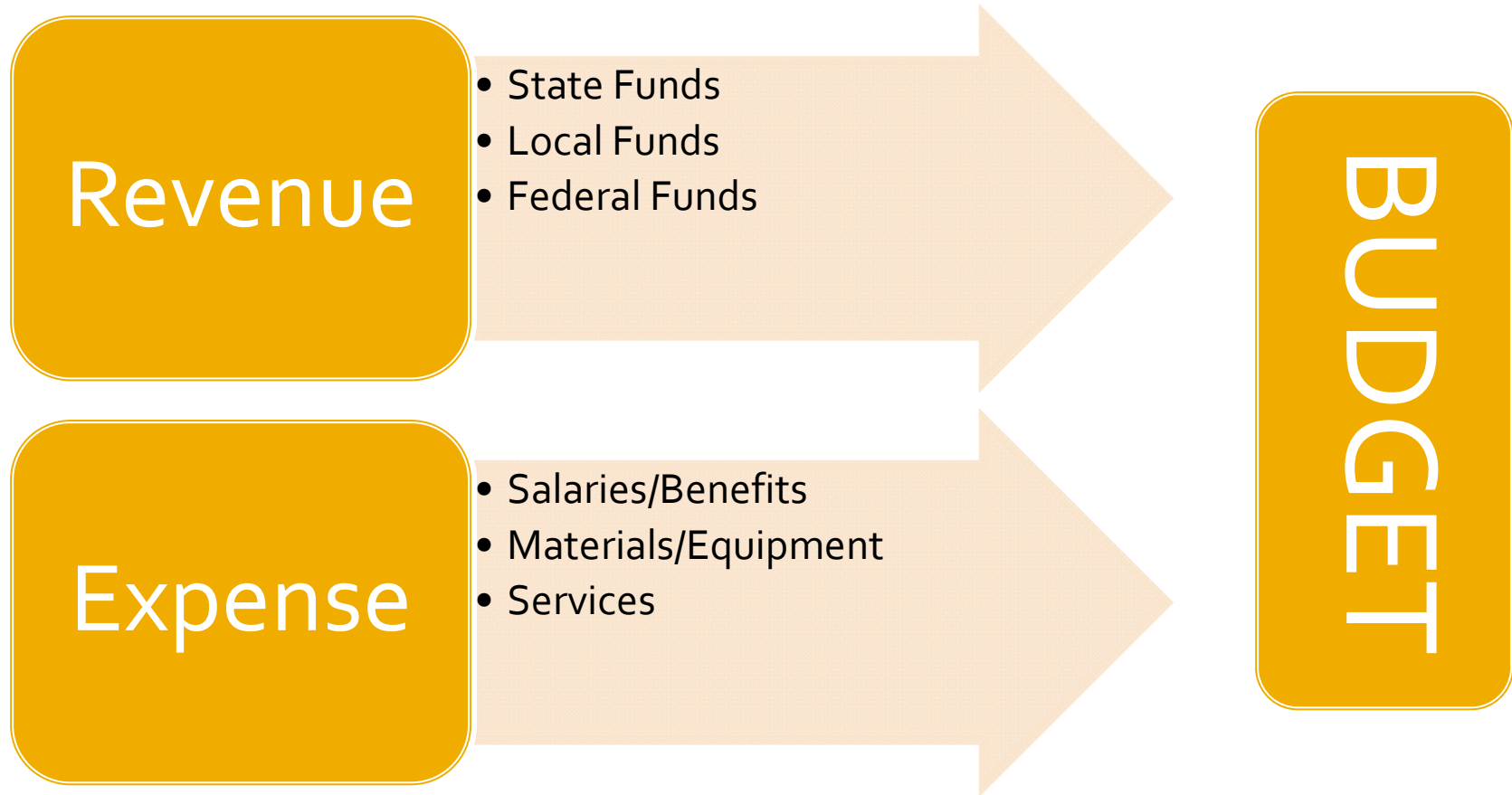
Budget Factors

- Mid Year Adjustment -February 2011
 - Austerity reductions
- Budget Committees Input January-April
- Monitor Legislative Process
 - Program Additions/Reductions

Other Considerations

- Changes in law/waivers
- Board Policy
- Strategic Plan Objectives
- Needs Identified by Student Data
- Grant Flexibility

Budget Components



Definitions of Some Common Terms

Ending Fund Balance- Amount that is left in the account as of June 30.

Deficit- Expense *is greater* than revenue.

Balanced Budget- Expense *is equal* to revenue.

Shortfall- Expected revenue does not materialize.

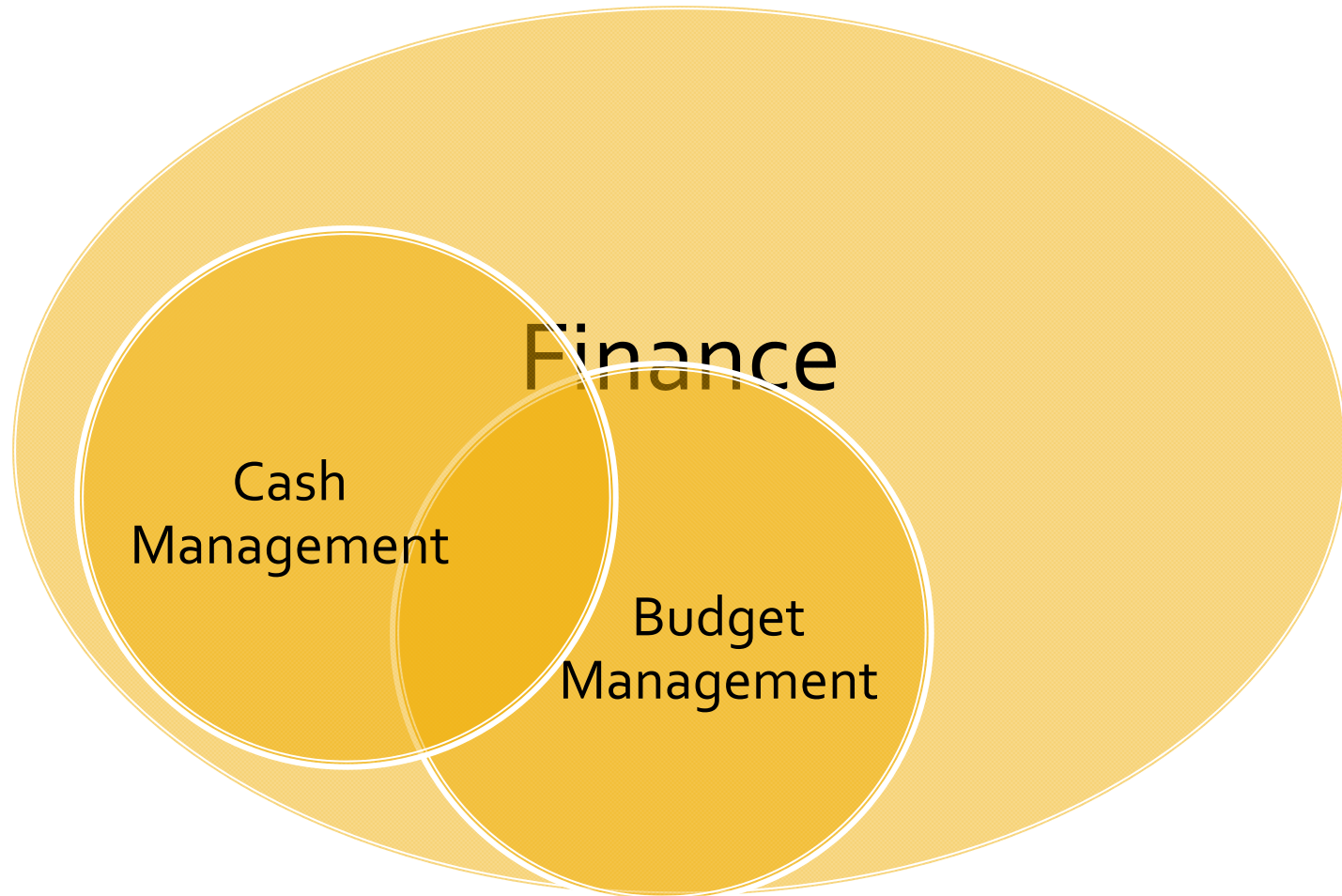
Carryover- Funds that are designated for a specific purpose that remain designated into the next year.

Debt- A loan that is paid over time. Long-term.

Tax Anticipation Note (TAN)- Short term loan paid by the system to meet cash flow needs.

We Finally Have A Budget...

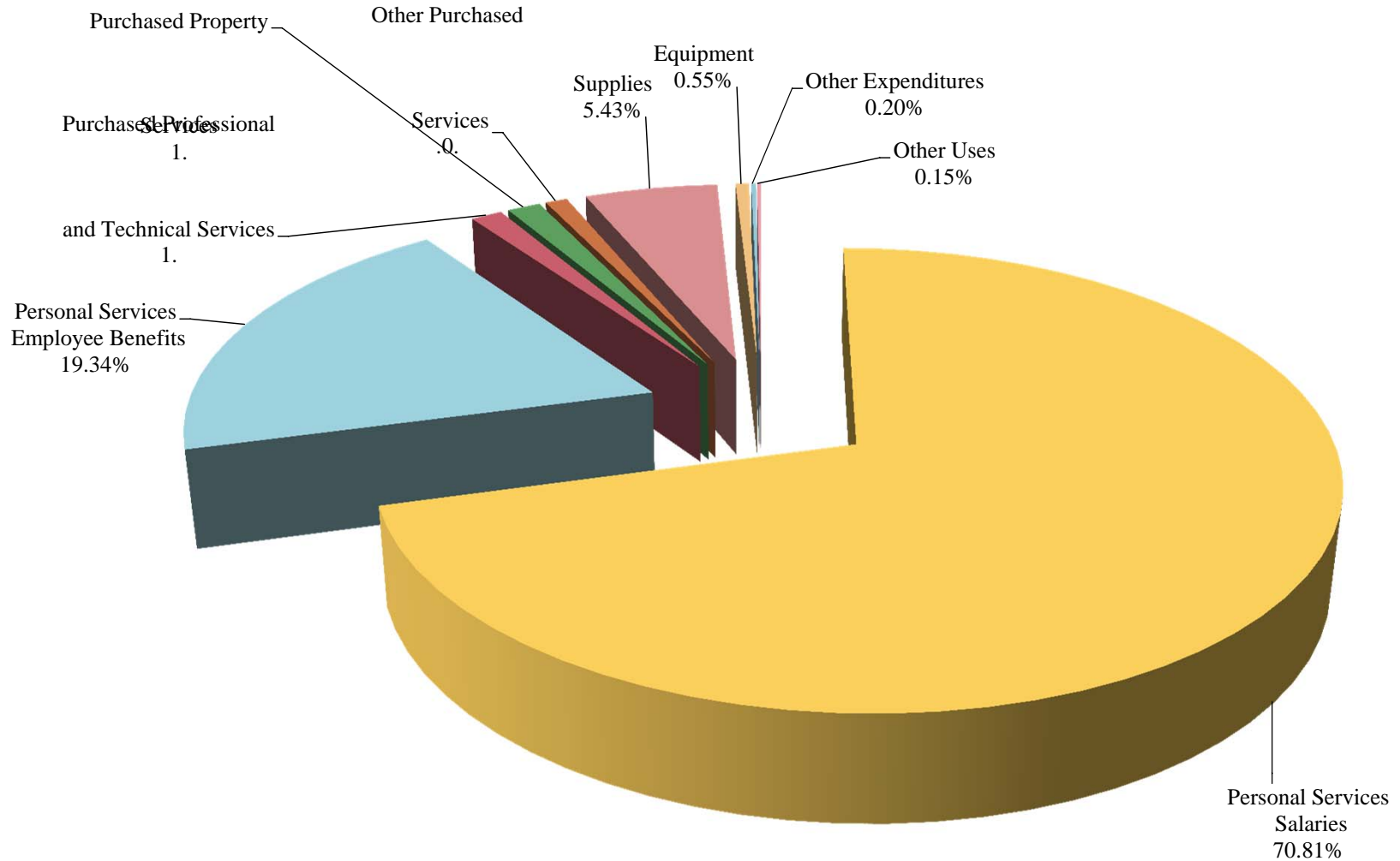
Now What?



Budget vs. Cash On Hand

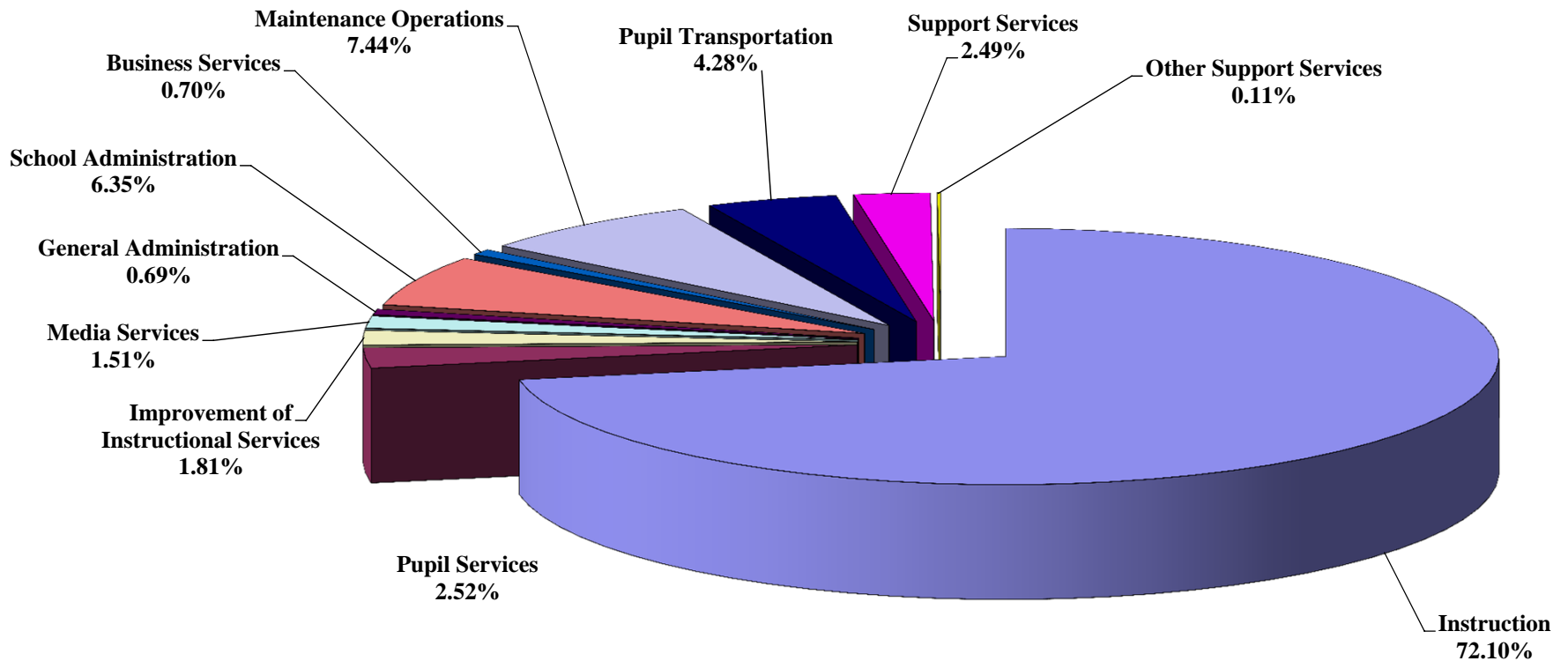
- Budget is a working plan of what will happen during the year
- Monthly Financial Statements are a snapshot of what has already occurred.
- Example

How is the Money Spent?



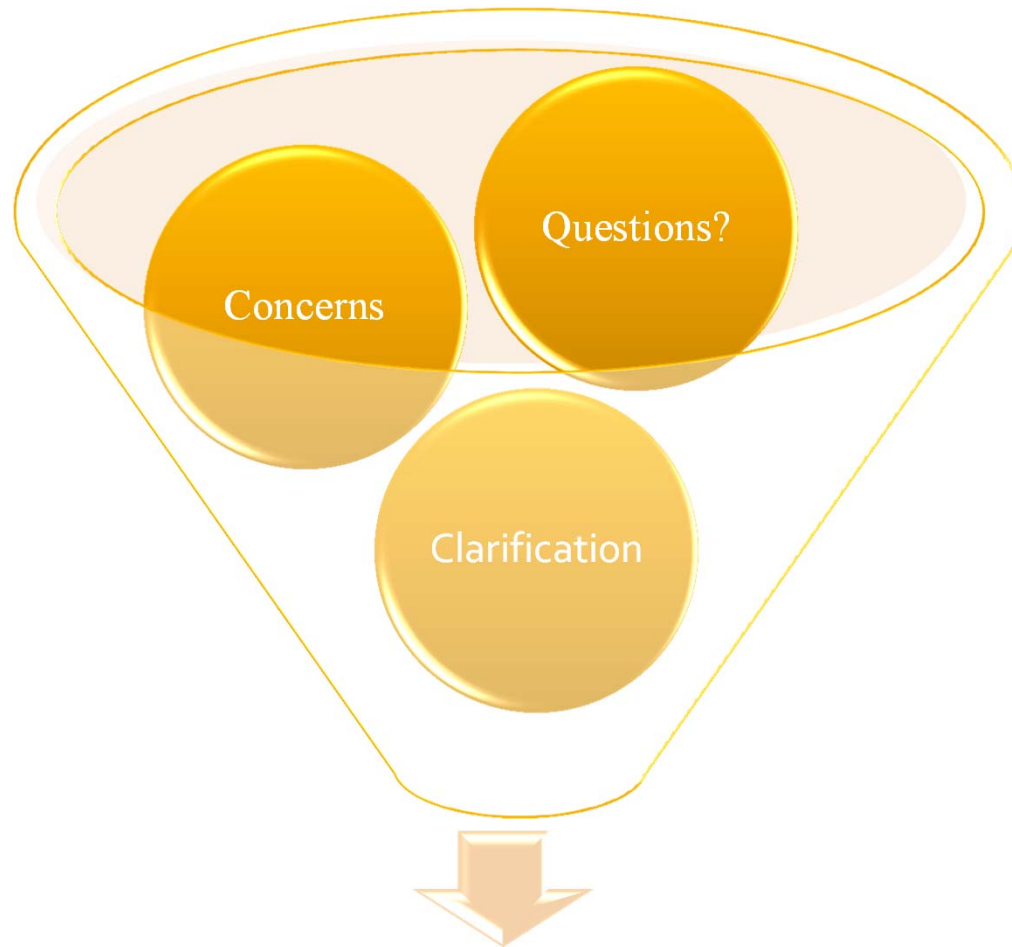
FY2011 EXPENDITURES BY OBJECT GENERAL FUND

On what is the Money Spent?



FY11 EXPENDITURES BY FUNCTION GENERAL FUND

Questions?



DISCUSSION