



## Vision

We will build the foundation for all children to be their best, achieve their dreams, and make the world a better place.

**TO:** CSD BOARD OF EDUCATION

**FROM:** DR. MAGGIE FEHRMAN, SUPERINTENDENT, AND LONITA BROOME, CHIEF FINANCIAL OFFICER

**DATE:** APRIL 18, 2023

**RE:** FY 2024 BUDGET RECOMMENDATION

The FY 2024 Budget development process began in November 2022 when the Board set priorities for this budget. In January 2023, the Budget Primer was presented to the Board and included a detailed review of historical budgets. Once the initial State budget numbers were shared, CSD used these projections to develop an initial budget for the Board review in March. As the initial budget was drafted, it became clear that the major changes at the state level would have a significant impact on the CSD FY 24 budget. Additionally, all ESSER funds will expire by September 2023. Budget items previously funded by ESSER need to be absorbed into the FY 24 Budget or eliminated.

### *Major FY 24 State Budget Changes Impacting CSD FY 24 Budget*

1. \$2,000 adjustment to teacher salary schedules
2. \$7,620 annual increase per certified employee for state health care benefits
3. \$1,500 six-month increase per non-certified employee for state health care benefits

The district collected budget requests from principals and division leaders to determine if any additional budget enhancements would be necessary to continue providing exceptional educational services for our students. Requests were reviewed to determine which requests were necessary to maintain and enhance the learning environment for students. Priority was given to budget requests that most directly impacted students.

### **Anticipated Revenue for FY 24**

#### **1. State QBE Funds \$37,506,463**

While we anticipate a decrease in student enrollment by approximately 276 students, the State QBE formula is still holding systems harmless and is funding our formula at 5,560 students, which resulted in an increase in state funding and contributed to the approximately \$1 Million above our initial anticipated projection.

#### **2. Local Taxes \$54,147,711**

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Board Member

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We anticipate that our local tax digest will grow close to 7%, and this will generate an additional approximately \$4 Million dollars in revenue to our local tax base.

3. **Other Local Taxes are approximately \$3,498,422**

Revenue in this line come from tuition, surplus sales, alcohol taxes, and vehicle registration

4. **State Other Categorical grants approximately \$300,000**

**Anticipated Expenditures Increases for FY 24 \$6,253,001**

- \$2,000 State increase to the teacher salary schedule, \$2,000 increase to all district salary scales, step increase for eligible employees.
- Increase cost to employee health care
- Tentatively Approved Budget Enhancements\*
  1. Decatur High School (\$465,170)
    - a. IB Budget - \$75,000
    - b. AP Budget - \$12,000
    - c. Para to support online campus - \$58,000
    - d. 3 classroom teachers - \$320,062
  2. Beacon Hill Middle School (\$222,510)
    - a. English Language Arts Instructional Coach - \$115,823
    - b. Gifted Specialist - \$106,678
  3. DHS Career Academy (\$122,940)
    - a. CTAE Teacher - \$116,678
    - b. Upgrade Work Based Learning Position - \$11,262
  4. Teaching and Learning (\$530,823)
    - a. Curriculum Materials - \$200,000
    - b. Wilson Reading Materials and Training - \$125,000
    - c. MTSS Reorg - \$75,000
    - d. Elementary Math Coach - \$115,823
    - e. Stipend for Culturally Responsive Education Specialist - \$15,000
  5. State and Federal Programs (\$223,374)
    - a. ESOL Teacher - \$106,687 (Earned based on enrollment)
    - b. Occupational Therapist - \$106,678 (Earned based on enrollment)
    - c. ESOL Budget - \$10,000
  6. Equity and Student Supports (\$295,880)
    - a. Director of Restorative Practices and Student Behavior - \$149,194
    - b. School Psychologist Intern Stipend - \$20,000
    - c. Social Worker - \$106,687
    - d. Supervisor Stipend - \$20,000
  7. Nursing and Safety (\$270,844)
    - a. Floating LPN - \$63,844
    - b. Contracted Security Officers - \$207,000
  8. Transportation (\$45,000)

- a. Maintenance and Repair - \$45,000
- 9. Communications (\$15,000)
  - a. Audit - \$15,000
- 10. Human Resources (\$279,815)
  - a. Recruiting and Onboarding - \$25,000
  - b. ½ Admin Assistant - \$34,595
  - c. Increase Substitute Daily Rate - \$199,820
  - d. Activity Stipends - \$20,400
- 11. Fiance (\$34,595)
  - a. ½ Admin Assistant - \$34,595
- 12. Maintenance (\$138,310)
  - a. Increased Energy Costs - \$43,310
  - b. Storm Water Fee - \$95,000
- 13. Athletics (\$265,494)
  - a. Rental Fees - \$10,000
  - b. Transportation - \$118,000
  - c. Coaching Stipends - \$137,494
- 14. Decatur Virtual Academy (\$114,600)
  - a. Increased Course Offerings - \$114,600
- 15. Information Services (\$6,764)
  - a. Upgrade Position - \$6,764

\*All tentatively approved requests, with the exception of positions earned based on enrollment, can be viewed by clicking on this link ([Tentatively Approved Budget Requests](#))

### **Fundbalance Use**

The proposed budget will require a use of \$1,945,530.6 to balance the budget. The use of these funds from reserves places the beginning fund balance at 7.65%. The CSD Board Policy states that the fund balance must be between 5%-15%, and the recommended budget keeps the fund balance within that threshold.

### **Local Tax Millage Rate**

The FY 24 Budget was built using a tentative millage rate of 21.00.

**City Schools of Decatur**  
**Fiscal Year 2024 Tentative Budget**  
**General Fund**

MAJOR REVENUE SOURCES	FY2024 Budget
Taxes	\$ 54,147,711
Other Local	3,498,422
QBE	37,506,463
State	300,000
From Fund Balance	1,945,531
<b>Total Revenue</b>	<b>\$ 97,398,127</b>

MAJOR EXPENDITURE CATEGORIES

Instruction	\$ 59,501,507
Pupil Services	6,758,938
Improvement of Instructional Services	3,914,677
Instructional Staff Training	42,339
Educational Media Services	1,454,692
General Administration	1,505,402
School Administration	8,219,594
Support Services - Business	1,281,944
Maintenance and Operation of Plant Services	7,920,771
Student Transportation Service	2,145,396
Support Services - Central	2,824,784
Other Support Services	114,161
School Nutrition Program	860,234
Transfers to Other Funds	579,889
Debt Service	273,800
<b>Total Expenditures</b>	<b>\$ 97,398,127</b>

Beginning Fund Balance	9,401,291
Designate Funds from Fund Balance	(1,945,531)
Projected Ending Fund Balance	7,455,760
Millage	21.00
Fund Balance % of Expenditures	7.65%

**City Schools of Decatur**  
**Tentative Fiscal Year 2024 Budget**  
**July 1, 2023 through June 30, 2024**

	<u>General Fund</u>	<u>Special Funds</u>	<u>Nutrition Fund</u>	<u>Capital Funds</u>
<b>ESTIMATED REVENUES</b>				
Local Taxes	\$ 54,147,711			\$ 8,000,000
Local Other	3,498,422		\$ 1,651,078	
State General	37,506,463			
State Other	300,000	\$ 890,000	98,060	
Federal		1,537,337	1,264,260	
Transfers from Other Funds		279,681	300,208	
General Fund Balance Obligated	\$ 1,945,531			
Capital Fund Balance Restricted				632,500
<b>Total Revenues</b>	<b>\$ 97,398,127</b>	<b>\$ 2,707,018</b>	<b>\$ 3,313,606</b>	<b>\$ 8,632,500</b>
<b>ESTIMATED EXPENDITURES</b>				
Instruction	\$ 59,501,507	\$ 2,372,889		\$ 1,037,500
Pupil Services	6,758,938	162,762		
Improvement of Instructional Services	3,914,677	8,933		
Instructional Staff Training	42,339	101,131		
Educational Media Services	1,454,692			
Federal Grant Administration		60,303		
General Administration	1,505,402			
School Administration	8,219,594			735,000
Support Services - Business	1,281,944			
Maintenance and Operation of Plant Services	7,920,771			4,080,000
Student Transportation Service	2,145,396	1,000		380,000
Support Services - Central	2,824,784			700,000
Other Support Services	114,161			
School Nutrition Program	860,234		\$ 3,313,606	
Community Services Operations				
Facilities Acquisition and Construction Services				1,500,000
Transfers to Other Funds	579,889			
Debt Service	273,800			200,000
<b>Total Expenditures</b>	<b>\$ 97,398,127</b>	<b>\$ 2,707,018</b>	<b>\$ 3,313,606</b>	<b>\$ 8,632,500</b>