

Question: Why has Carroll County Public Schools needed to make budget cuts over the last 4 years?

Answer: Non-restricted revenues (i.e. non-grant revenues) remain essentially the same in fiscal year 2013 as they were in fiscal year 2009.¹ During that same time period, expenses continued to increase. Costs can increase due to general inflation or inflation in specific markets, such as fuel and health insurance. We also have one additional school to operate in fiscal year 2013 that was not open in fiscal year 2009. Some of the areas that have increased in cost include:

Item	FY 2009	FY 2013	Increase
Fixed costs ²	\$ 52.3 m	\$ 62.7 m	\$ 10.4 m
Negotiated agreements for salary increments ³	-	\$ 4.9 m	\$ 4.9 m
Annual costs of operations for Manchester Valley High School ⁴	\$ 0.3 m	\$ 2.9 m	\$ 2.6 m
Bus contractor costs ⁵	\$ 17.5 m	\$ 18.6 m	\$ 1.1 m
Utilities ⁶	\$ 9.1 m	\$ 9.4 m	\$ 0.3 m

Notes:

1. For fiscal year 2013, revenues to offset teacher pension costs (\$4 m) and the one-time use of fund balance for transfer to the Capital Improvement Program budget (\$3 m) are not included.
2. Fixed costs include all costs associated with employee benefits such as board contributions for social security, employee medical, life, and disability insurances. Also included are costs associated with general liability insurances.
3. The negotiated agreements for fiscal year 2013 are the only salary improvements provided in this time period.
4. Manchester Valley High School opened to students in fiscal year 2010. The fiscal year 2009 budget included funding for pre-opening staffing.
5. Bus contractor costs include allowances based on market prices for fuel, maintenance, vehicle depreciation, and wages for drivers and assistants. The savings tied to the impact of changes in school bell schedules and bus routing efficiencies (\$1.2 m) are not included in the fiscal year 2013 costs.
6. Utilities include electricity, natural gas, heating oil, and water and sewer.