

EDUCATION FUND



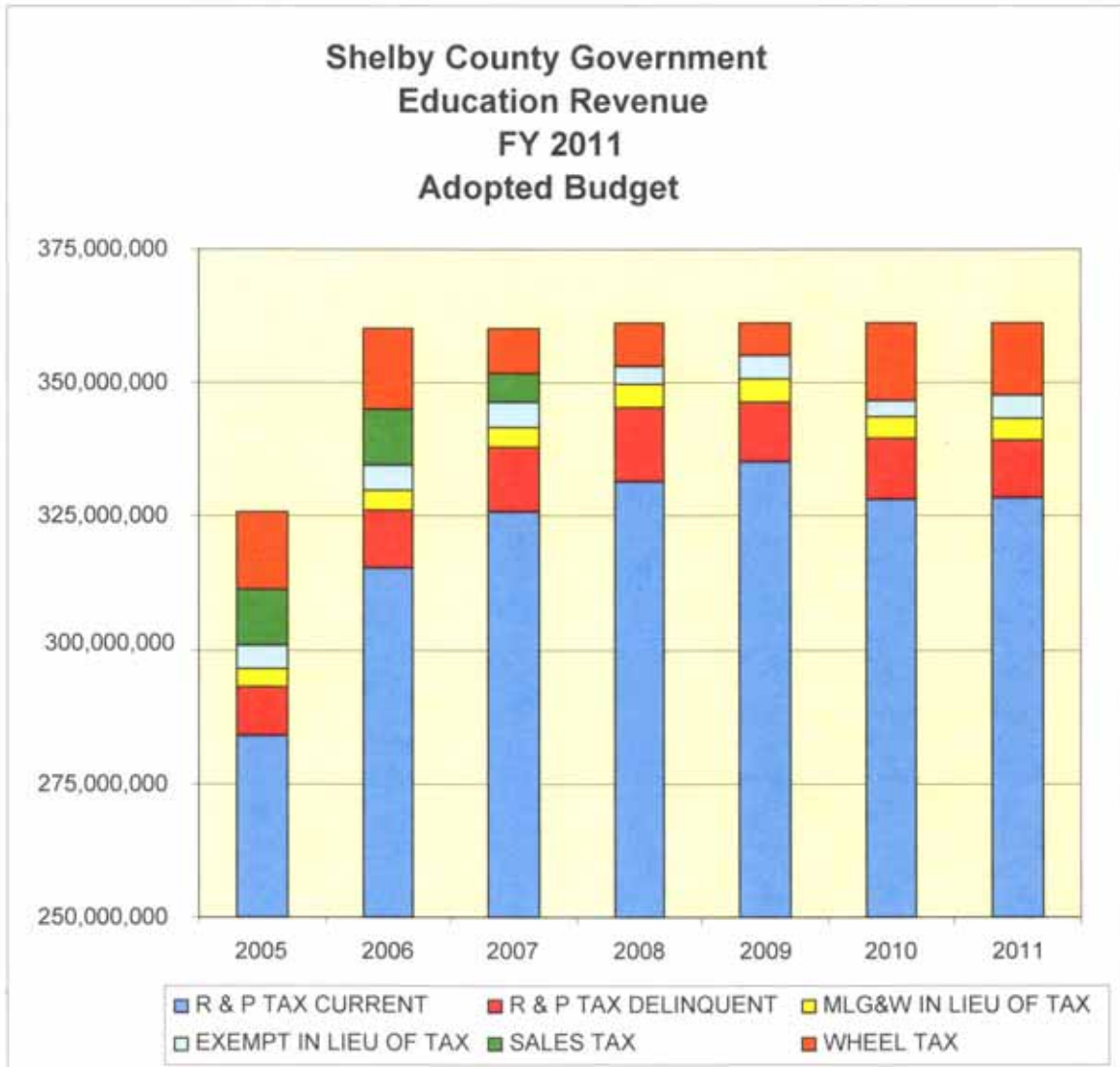
FY11 ADOPTED BUDGET

EDUCATION FUND

Overview

The Education Fund accounts for tax collections allocated for school operations. Taxes are collected and allocated to the Shelby County Board of Education (component unit) and the Board of Education of the Memphis City Schools based on average daily attendance (ADA). The FY09 ADA rate was 69.22% Memphis City Schools and 30.78% Shelby County Schools. The projected FY2011 ADA rate is 68.67% MCS and 31.33% SCS. The County reports the Education Fund as a major fund.

Education is clearly the number one priority for the County and its most significant expenditure challenge. Including debt service for the schools, Education receives 59% of all property taxes and is 39% of total countywide expenditures. In addition to property taxes, up to 50% of the wheel tax is given to the schools for their operating costs and the remainder is for schools debt service. The County is required to provide funding to schools at least equal to the amount provided in the prior year.



The County established a Needs Assessment Committee to address the financial burden of the current capital funding mechanism for the public schools, including both Memphis City Schools and Shelby County Schools. The Committee will: 1) Develop uniform standards and cost for school construction; 2) Annually assess capital needs of each school system and create a comprehensive plan for capital projects and funding; and 3) Review, as necessary, capital requests of both schools systems that fall outside of the comprehensive plan and make recommendations to the County Commission regarding those requests.

Part of equitable growth includes guiding the construction of new schools to achieve maximum performance and fiscal advantage out of each school. Involved in the development of new schools is the fiscal impact model update. The model measures the impact of each new development on a community to determine facts like how many school age children will live there and how many roads and parks are necessary.

The two school systems receive the following revenue from Shelby County:

- Current Property Tax
- Delinquent Property Tax
- MLG & W In Lieu of Property Tax
- Wheel Tax

Of the total amount budgeted for Education by Shelby County - \$361,288,000, about 31% is allocated to the County Schools and 69% to the Memphis City Schools. Projected student enrollment for calendar year 2009 is 56,905 County Schools and 124,691 Memphis City Schools.

Average Daily Attendance Ratios

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>City Schools</u>	<u>County Schools</u>	<u>Total</u>
2010	2009	68.67%	31.33%	100.00%
2009	2008	69.22%	30.78%	100.00%
2008	2007	69.57%	30.43%	100.00%
2007	2006	70.82%	29.18%	100.00%
2006	2005	71.51%	28.49%	100.00%
2005	2004	72.10%	27.90%	100.00%
2004	2003	70.69%	29.31%	100.00%
2003	2002	71.35%	28.65%	100.00%
2002	2001	71.94%	28.06%	100.00%
2001	2000	71.82%	28.18%	100.00%
2000	1999	72.14%	27.86%	100.00%
1999	1998	69.04%	30.96%	100.00%
1998	1997	69.40%	30.60%	100.00%
1997	1996	69.70%	30.30%	100.00%
1996	1995	70.20%	29.80%	100.00%
1995	1994	70.80%	29.20%	100.00%
1994	1993	71.50%	28.50%	100.00%
1993	1992	71.80%	28.20%	100.00%
1992	1991	72.30%	27.70%	100.00%

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Division Totals by Fund Type

Education

FUND NAME	FY11 REVENUE	FY11 EXPENDITURES	FY11 TRANSFERS	NET OPERATIONS	% of Total
GENERAL FUND	-	-	-	-	0.0%
SPECIAL REVENUE FUNDS:					
061 - County Schools	(111,386,000)	111,386,000	-	-	30.8%
062 - City Schools	(249,902,000)	249,902,000	-	-	69.2%
TOTAL SPECIAL REVENUE	(361,288,000)	361,288,000	-	-	100.0%
TOTAL DIVISION - ALL FUNDS	(361,288,000)	361,288,000	-	-	100.0%

FY11 Expenditures by Fund



**Prime Accounts
9101 Education**

All Funds

Acct	Description	FY07 Actual	FY08 Actual	FY09 Actual	FY10 Amended	FY11 Adopted
40 -	Property Taxes	(337,881,921)	(345,468,916)	(346,480,263)	(339,590,000)	(339,381,000)
41 -	Other Local Taxes	(16,897,898)	(15,819,083)	(14,807,737)	(21,698,000)	(21,907,000)
43 -	Intergovernmental Revenues-State of T	(5,239,785)	0	0	0	0
	Revenue	(360,019,604)	(361,287,999)	(361,288,000)	(361,288,000)	(361,288,000)
89 -	Affiliated Organizations	360,019,604	361,288,000	361,288,000	361,288,000	361,288,000
	Affiliated Organizations	360,019,604	361,288,000	361,288,000	361,288,000	361,288,000
	Expenditures	360,019,604	361,288,000	361,288,000	361,288,000	361,288,000
	Education Total	0	1	0	0	0

**Prime Accounts
Education**

061 - County Schools

Acct	Description	FY07 Actual	FY08 Actual	FY09 Actual	FY10 Amended	FY11 Adopted
40 -	Property Taxes	(98,595,205)	(104,884,109)	(106,810,871)	(103,337,000)	(104,632,000)
41 -	Other Local Taxes	(4,929,546)	(4,810,334)	(4,557,654)	(6,603,000)	(6,754,000)
43 -	Intergovernmental Revenues-State of T	(1,528,969)	0	0	0	0
	Revenue	(105,053,720)	(109,694,443)	(111,168,526)	(109,940,000)	(111,386,000)
89 -	Affiliated Organizations	105,053,720	109,694,444	111,168,525	109,940,000	111,386,000
	Affiliated Organizations	105,053,720	109,694,444	111,168,525	109,940,000	111,386,000
	Expenditures	105,053,720	109,694,444	111,168,525	109,940,000	111,386,000
	Education Total	0	1	0	0	0

**Prime Accounts
Education**

062 - City Schools

Acct	Description	FY07 Actual	FY08 Actual	FY09 Actual	FY10 Amended	FY11 Adopted
40 -	Property Taxes	(239,286,716)	(240,584,807)	(239,869,392)	(236,253,000)	(234,749,000)
41 -	Other Local Taxes	(11,968,352)	(11,008,749)	(10,250,083)	(15,095,000)	(15,153,000)
43 -	Intergovernmental Revenues-State of T	(3,710,816)	0	0	0	0
	Revenue	(254,965,884)	(251,593,556)	(250,119,474)	(251,348,000)	(249,902,000)
89 -	Affiliated Organizations	254,965,884	251,593,556	250,119,474	251,348,000	249,902,000
	Affiliated Organizations	254,965,884	251,593,556	250,119,474	251,348,000	249,902,000
	Expenditures	254,965,884	251,593,556	250,119,474	251,348,000	249,902,000
	Education Total	0	0	0	0	0