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Education



Budget and Finance Workshop March 21, 2019



Agenda

- Budget Basics

- Budget Resolution
- TCS Funding Sources
- Budget Codes

- TCS Funding Data

- Charter Schools Funding

- 2019-2020 Budget Outlook

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The Debit-Credit Theory



Statutory Law on Budgeting

NC General Statute 115C-425 states:

§ 115C-425. Annual balanced budget resolution.

- (a) Each local school administrative unit shall operate under an annual balanced budget resolution adopted and administered in accordance with this Article. A budget resolution is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget year. The budget resolution shall cover one fiscal year.*
- (b) It is the intent of this Article that all moneys received and expended by a local school administrative unit should be included in the school budget resolution. Therefore, notwithstanding any other provisions of law, after July 1, 1976, no local school administrative unit may expend any moneys, regardless of their source (including moneys derived from federal, State, or private sources), except in accordance with a budget resolution adopted pursuant to this Article.*
- (c) Subsection (b) of this section does not apply to funds of individual schools, as defined in G.S. 115C-448. (1975, c. 437, s. 1; 1981, c. 423, s. 1; 1993, c. 179, s. 1.)*



Statutory Law on Budgeting

NC G.S. 115C-425 requires that all funds have a balanced budget which means all budgeted revenues must equal budgeted expenditures.

Budgeted revenues include all revenue sources anticipated plus any appropriated fund balance.

Examples of budgeted revenues:

- State Allocations
- Federal Grants
- Local & Capital County Appropriations
- Local Fines & Forfeitures

Fund balance should be used for emergencies or one-time projects not to sustain ongoing operations.



Other Statutes covering Budgets

Statutes 115C-426 through 115C-434 also provide more guidance on how LEAs budget funds. Some of the those include the following:

115C-426 (a),(b) explains the use of the Uniform Budget Format

115C-426.2 encourages the LEA and County Commissions to have annual joint meetings on budget matters

115C-427 through 429 discuss how the budget is the Superintendent's budget, possible public hearings, and certain dates for approvals

115C-430 explains funding equality for counties that have multiple LEAs

115C-432 discusses the budget resolution

115C-434 explains the interim budget resolution needed at July 1



The Budget Process

The budget process can be overwhelming for a new finance officer and should start with the understanding of some basic items including:

- Comply with state law
- Develop a financial plan how the LEA will operate
- Analyze data and create understandable presentations for entities that provide funding
- Create a document that can be shared with general public
- Provide an assurance to stakeholders for financial accountability and responsibility

The intended goal of the budget process is to help produce the outcomes desired by your LEA's goals and strategies.



The Budget Process

Budget preparation has become a year-round process. There are certain dates and time periods crucial to producing a budget that includes:

- Budget planning for next fiscal year (December – March)
- State Allotments information from NCDPI (February – March)
- Budget submission by the Superintendent to the Board (by May 1)
- Budget submission to the County Commissioners (by May 15)
- Budgets for Federal grants in BAAS (May – June)
- Budget or interim spending resolution (by July 1)
- State Budget passed by General Assembly (June - ?)
- Federal grants budget year (begins October 1st)



Budget Development

LEAs rely on federal, state, and local governments to provide funding for education.

The NC State Constitution in Article IX, Section 2 states:

Sec. 2. Uniform system of schools.

(1) General and uniform system: term. The General Assembly shall provide by taxation and otherwise for a general and uniform system of free public schools, which shall be maintained at least nine months in every year, and wherein equal opportunities shall be provided for all students.

(2) Local responsibility. The General Assembly may assign to units of local government such responsibility for the financial support of the free public schools as it may deem appropriate. The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program.

The intent is to provide a “basic, sound public education” for all children. This definition has and is still argued in the State courts today.



State Funding

NC creates state budgets on a biennial basis (every two years) in odd-numbered years. This time frame is commonly referred to as the “Long Session”. Long Sessions usually begin in January.

The legislature does return in even-numbered years to make adjustments to the ratified budget and it is referred to as the “Short Session”. Short Sessions usually begin May.

The Governor always presents a non-binding budget to the General Assembly and rarely has any bearing on the final budget.

The Governor does retain veto power if not satisfied with the General Assembly’s budget.

The Senate and House prepare their own versions of the budget but take turns on who presents first.



State Funding

Once a state budget is ratified, then NCDPI generally has ten days to issue initial allotments and formulas to LEAs.

State allotments can be either position or dollar allotments and each have a set of guidelines for what can be funded out of them.

Position allotments can be in actual positions or months of employment and have only payroll-related expenditures. For example PRC 001 allows a certain number of certified teachers based on legislative class size ratios while PRC 013 allows a certain number of months of employment which based off a base number of months (50) and Average Daily Membership (ADM) in grades 8-12.

Dollar allotments are used as the remainder of school funding and can include both payroll and non-payroll expenditures.



State Funding

The General Assembly does allow some flexibility in transferring funds between certain allotments but is very restrictive on others.

Any transfer between allotment categories must meet the transfer policy guidelines and submitted to NCDPI on an ABC Transfer Form.

The Transfer Policy and ABC Transfers are viewed and completed online through the NCDPI School Allotment System.

LEAs are required to post a breakdown of the previous year's state expenditures, budget code descriptions, and transfers on their websites by October 15th of each year.

THOMASVILLE CITY SCHOOLS
 STATE BUDGET SUMMARY COMPARISON
 PLANNING BUDGET ALLOTMENTS S
 2018-2019

REPORT DATE: 4/9/2018

Program Report Code (PRC)	Allotments 2018-2019	Allotments 2017-2018	Difference
Position & Months of Employment Allotments			
001 Classroom Teachers	108.00	109.00	(1.00)
005 School Building Administration (MOE)	71.00	72.00	(1.00)
007 Instructional Support	10.00	11.00	(1.00)
013 CTE - Months of Employment	142.00	144.00	(2.00)
Dollar Allotments			
002 Central Office Administration	\$ 407,062	\$ 424,908	\$ (17,846)
003 Non-Instructional Support	591,709	600,988	(9,279)
012 Driver Education	37,377	38,232	1,145
014 CTE - Program Support	37,771	38,273	(502)
015 School Technology Fund	-	-	-
016 Summer Reading Camps	-	-	-
024 Disadvantage Students Suppl Funding	634,500	634,500	-
025 Indian Gaming	-	-	-
027 Teacher Assistants	597,907	650,660	(52,753)
029 Behavioral Support (Willie M.)	-	-	-
031 Low Wealth Suppl Funding	478,153	469,835	8,318
032 Exceptional Children	1,262,348	1,285,599	(23,251)
034 Academically & Intellectually Gifted	121,650	122,257	(607)
054 Limited English (LEP)	295,317	295,317	-
056 Transportation	174,050	174,050	-
061 Instructional Supplies	70,004	71,118	(1,112)
063 Special Program Funds-EC	-	-	-
069 At-Risk Services / Alternative Ed	560,723	560,723	-
073 School Connectivity	-	-	-
130 Textbooks	97,361	98,901	(1,540)
Totals:	\$ 5,365,932	\$ 5,463,359	\$ (97,427)

NOTES:

Projected ADM for 2018-2019	2,293
2017-2018 ADM	2,329
Difference in ADM	<u><u>(36)</u></u>

Carryover amounts for PRCs 015, 016, 025, & 069 are not included.
 Charter school reductions are not included

DISADVANTAGED STUDENTS SUPPLEMENTAL FUNDING

PROGRAM REPORT CODE: 024
UNIFORM CHART OF ACCOUNTS CODE: XXXX-024-XXX
STATUTORY REFERENCE: SL 2015-241, Section 8.5

TYPE: Dollars
TERM: July 1 through June 30

PURPOSE: To address the capacity needs of local school administrative units to meet the needs of disadvantaged students.

ELIGIBILITY: All LEAs are eligible for funding that have an approved plan.

FORMULAS:

Distribute resources based on a prescribed delivery option reduction of class size.

Step 1: Use the average statewide (K-12) teacher-to-student classroom teacher allotment for the **Fundable Disadvantaged Population** which is 1:21.

Step 2: The targeted allotment ratios for the **Fundable Disadvantaged Population** are:

- If low wealth % (per low wealth supplemental funding formula) is > 90%, one teacher per 19.9 students
- If low wealth % is > = 80% but < = 90%, one teacher per 19.4 students.
- If low wealth % is < 80%, one teacher per 19.1 students.
- If an LEA received DSSF funds in FY 2005-06, one teacher per 16 students. These 16 LEAs will not receive less funding than they received in FY 2006-07.

Step 3: Convert the teaching positions to dollars by using the state average teacher salary (including benefits).

SPECIAL PROVISIONS:

1. Funds received for Disadvantaged Student Supplemental funding shall be used, consistent with the policies and procedures adopted by the State Board of Education only to:
 - a. Provide instructional positions or instructional support positions and/or professional development;
 - b. Provide intensive in-school and/or after school remediation;
 - c. Purchase diagnostic software and progress-monitoring tools; and
 - d. Provide funds for teacher bonuses and supplements. The State Board of Education has established that a maximum of 35% of the funds may be used for this purpose.
2. Non-supplant Requirement:
A local education agency receiving funds shall use the funds to supplement, not supplant, local current expense funds. The State Board of Education shall not allocate funds under this section to a county found to have used these funds to supplant local, per-student current

expense funds. The SBE shall make a finding that a county has used these funds to supplant local current expense funds in the prior year, or the year for which the most recent data are available, if:

- a. The current expense appropriation per student of the county for the current year is less than ninety-five percent (95%) of the average of the local current expense appropriations per student for the three prior fiscal years; and
 - b. The county cannot show: (i) that it has remedied the deficiency in funding or (ii) that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.
3. Pooling of Additional State Funding:
LEAs receiving funding should use, at a minimum, increases in their categorical allotments (such as low wealth supplemental funding, small county supplemental funding, at-risk, and improving student accountability funding) to pool resources to supplement the Disadvantaged Student Supplemental Funding to address teacher retention and student performance improvements.
4. If a local school administrative unit's wealth increases to a level that adversely affects the unit's DSSF allotment ratio, the DSSF allotment for that unit shall be maintained at the prior year level for one additional fiscal year. (HB 200, Section 7.8(c))
5. Funds can be transferred without restrictions by submitting an ABC Transfer Form in the Allotment System.



Local Funding

Understand the local political relationships.

- Commissioner/Council Member → Board member
- County/City Manager → Superintendent
- County/City Finance Officer → LEA Finance Officer

Counties/Cities are typically the next largest funding source of schools which are governed by County Commissioners (City Councils).



Local Funding

Counties/Cities appropriate funds annually (and hopefully by July 1) for Local Current Expense and Capital Outlay.

Local and Capital funds are intended to supplement State funding per the NC State Constitution.

County Commissioners have statutory authority to ask for any financial information from the LEA but may only approve a budget at the purpose/function and/or project levels.

Some LEAs have specific funding agreements with their counties and others base their requests on a year-to-year basis.



Local Funding

As mentioned before, the LEAs budget must be submitted to the county commissioners by May 15th of each year.

Some key things to remember when preparing the LEA request:

- County commissioners are largely concerned about the property tax rate
- NC G.S. 115C-431 offers procedures of how to resolve budgetary disputes
- Be transparent, honest, and focused
- Prioritize needs
- Think substance over presentation
- Remind county commissioners on the restrictions of state and federal funding



Federal Funding

The federal government typically provides the least amount of funding for schools.

Federal funds have grant applications associated with the money in order to be funded each year.

The Federal fiscal year runs from October 1 – September 30

Most grant applications and budgets have to be submitted by June 30th

Federal grants cannot be used to supplant state and local funds



Federal Funding

Federal grants tend to be the most restrictive of all funding as they have limitations on the following areas:

- Carryovers - some have no carryover provisions and some have carryover provisions of up to 27 months
- Administrative cost limitations – items such as support expenditures and indirect costs
- Waivers required – Title I requires a waiver if anticipated carryover is greater than 15%

The Every Student Succeeds Act (ESSA) requires LEAs to report expenditures down the site level.

The Biggest Misconception About Our Funds



There is no limitless supply of money.
We have no other sources of funds.
By law we cannot tax or borrow.

What is a Budget Code???

A series of numbers that identifies the funding source, the school responsible for spending the funds, the plan or purpose of the funds and the specifics of the expenditure.



Budget Codes

Budget Code Structure

X.XXXX.XXX.XXX.XXX.XXX.XX

1.5110.061.411.316.000.00

Fund - Identifies the source of the funding

Purpose Code – Describes the reason or purpose

Program Report Code (PRC) – Identifies the program

Object Code – Describes the specifics of the expenditure

Location – Identifies the school number

Local Use #1 – Available for identifying special items

Local Use #2 – Available for identifying special items



Budget Codes: Funds

Fund 1 - State Funds

Fund 2 - Local Funds

Fund 3 - Federal Funds

Fund 4 - Capital Funds

Fund 5 - Child Nutrition

Funds 7/8 - Internal Service Fund



Budget Codes: Purpose Codes

5000's: Instructional Services

Include the costs of activities dealing directly with the interaction between teachers and students. The following costs are paid from this section:

Salaries, benefits, and supplements for teachers, teacher assistants, social workers, school leadership, substitutes, and other school support staff.

Contracted instructional services

Instructional supplies, materials, and equipment

Professional development

Athletics, Band, & Chorus

Any other cost related to the direct instruction of students.

6000's: System-wide Support Services

Include the costs of activities providing system-wide support for school-based programs. These services provide administrative, technical, personal, and logistical support to facilitate, sustain, and enhance instruction. The following costs are paid from this section:

Salaries and benefits for school system leadership, such as the School Board, Superintendent, and other central office support.

Maintenance of school buildings including salaries and benefits of custodians and maintenance personnel, utilities, waste management, and repairs.

Transportation of students

Student Testing and Accountability

Legal and audit services

Technology Support

Finance and Human Resource Services

Insurance



Budget Codes: Purpose Codes

7000's: Ancillary Services

Include activities that are not directly related to the provision of education for pupils in a local school administrative unit. The following costs are paid from this section:

Child Nutrition

Before and After School Care

8000's: Non-Programmed Charges

Include conduit-type (outgoing transfers) payments to other LEAs or other administrative units in the state or in another state, transfers from one fund to another fund in the LEA, appropriated but unbudgeted funds, debt service payments, scholarship payments, payments on behalf of educational foundations, contingency funds, and other payments that are not attributable to a program. The following costs are paid from this section:

Charter School payments

Indirect Costs from Federal programs

Carryover funds for Federal programs

9000's: Capital Outlay

Accounts include expenditures for acquiring fixed assets, including land or existing buildings, improvements of grounds, initial equipment, additional equipment, and replacement of equipment.



Budget Codes: Program Report Codes (PRCs)

001 - Classroom Teachers

003 - Non-Instructional Support

024 - DSSF

027 - Teacher Assistants

031 - Low Wealth Funding

032 - Exceptional Children (EC)

035 - Child Nutrition

050 - Title I

056 - Transportation

061 - School Supplies & Materials

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LEA# 292 Thomasville City
 400 Turner St
 Thomasville, NC 27360

NCDPI State and Federal Allotments are by PRCs

STATE PUBLIC SCHOOL FUND

Fiscal Year	LEA	PRC	PRC Description	Grant Year	Current Allotment Revision #037			Total Revised Allotment		
					Position	Month	Amount	Position	Month	Y-T-D Allotment
2018-19	292	001	CLASSROOM TEACHERS		0	0	0	108.26	0	7,049,868.00
2018-19	292	002	CENTRAL OFFICE ADMINISTRATION		0	0	0	0	0	419,877.00
2018-19	292	003	NON-INSTRUCTIONAL SUPPORT		0	0	0	0	0	610,670.00
2018-19	292	005	SCHOOL BUILDING ADMINISTRATION		0	0	0	0	72	601,960.00
2018-19	292	007	INSTRUCTIONAL SUPPORT		0	0	0	10.92	0	763,942.00
2018-19	292	013	CAREER AND TECHNICAL EDU-MONTHS		0	0	0	0	140.95	927,292.00
2018-19	292	014	CAREER AND TECHNICAL EDU-		0	0	0	0	0	37,680.00
2018-19	292	016	SUMMER READING CAMPS		0	0	0	0	0	60,263.80
2018-19	292	024	DISADVANTAGED STUDENTS		0	0	0	0	0	629,796.00
2018-19	292	027	TEACHER ASSISTANTS		0	0	0	0	0	636,434.00
2018-19	292	029	BEHAVIORAL SUPPORT (WILLIE M.)		0	0	0	0	0	122,788.00
2018-19	292	031	LOW WEALTH SUPPLEMENTAL FUNDING		0	0	0	0	0	476,485.00
2018-19	292	032	CHILDREN WITH SPECIAL NEEDS		0	0	0	0	0	1,379,860.00
2018-19	292	034	ACADEMICALLY & INTELLECTUALLY		0	0	0	0	0	127,454.00
2018-19	292	039	SCHOOL RESOURCE OFFICERS		0	0	0	0	0	33,333.00
2018-19	292	046	Test Result Bonus - 3rd Grade Reading		0	0	6,000.00	0	0	10,956.00
2018-19	292	048	Test Result Bonus - (AP/B, CTE, PRINCIPAL		0	0	0	0	0	45,563.99
2018-19	292	054	LIMITED ENGLISH (LEP)		0	0	0	0	0	301,086.00
2018-19	292	056	TRANSPORTATION		0	0	0	0	0	184,251.00
2018-19	292	061	CLASSROOM MATERIAL INSTR		0	0	0	0	0	69,490.00
2018-19	292	069	AT-RISK STUDENT SER/ALTERNATIVE		0	0	0	0	0	665,470.00
2018-19	292	073	SCHOOL CONNECTIVITY		0	0	0	0	0	13,319.00
Subtotal					0	0	6,000.00	119.18	212.95	15,165,788.79

FEDERAL PROGRAMS

Fiscal Year	LEA	PRC	PRC Description	Grant Year	Current Allotment Revision #037			Total Revised Allotment		
					Position	Month	Amount	Position	Month	Y-T-D Allotment
2018-19	292	017	CAREER AND TECHNICAL EDU-	2018	0	0	0	0	0	931
2018-19	292	017	CAREER AND TECHNICAL EDU-	2019	0	0	0	0	0	52,883.00
2018-19	292	026	HOMELESS GRANT	2019	0	0	0	0	0	15,000.00
2018-19	292	049	IDEA PRESCHOOL	2019	0	0	0	0	0	32,278.00
2018-19	292	050	IDEA TITLE 1-BASIC PROGRAMS	2018	0	0	0	0	0	41
2018-19	292	050	IDEA TITLE 1-BASIC PROGRAMS	2019	0	0	0	0	0	1,358,651.00
2018-19	292	060	IDEA VI-B HANDICAPPED	2018	0	0	0	0	0	9,073.00
2018-19	292	060	IDEA VI-B HANDICAPPED	2019	0	0	0	0	0	546,444.00
2018-19	292	082	IDEA-VI-B STATE IMPROVEMENT	2019	0	0	0	0	0	10,000.00
2018-19	292	103	SUPPORTIVE EFFECTIVE INSTRUCTION	2018	0	0	0	0	0	793
2018-19	292	103	SUPPORTIVE EFFECTIVE INSTRUCTION	2019	0	0	0	0	0	110,490.00
2018-19	292	104	LANGUAGE ACQUISITION STATE GRANT	2019	0	0	0	0	0	36,882.00
2018-19	292	108	Student Support & Academic Enrichment Grant	2019	0	0	0	0	0	97,237.00
2018-19	292	110	21ST CENTURY COMMUNITY LEARNING	2017	0	0	0	0	0	,999.75
2018-19	292	111	LANGUAGE ACQUISITION-SIGNIFICANT	2019	0	0	0	0	0	1,700.00
2018-19	292	112	MATH & SCIENCE PARTNERSHIP	2016	0	0	0	0	0	-2.7
2018-19	292	118	IDEA VI-B-SPECIAL NEEDS TARGETED	2018	0	0	0	0	0	2,500.00
2018-19	292	118	IDEA VI-B-SPECIAL NEEDS TARGETED	2019	0	0	0	0	0	4,500.00
2018-19	292	119	IDEA TARGETED ASSISTANCE FOR	2019	0	0	0	0	0	2,000.00
Subtotal					0	0	0	0	0	2,280,400.51

OTHER PROGRAMS

Fiscal Year	LEA	PRC	PRC Description	Grant Year	Current Allotment Revision #037			Total Revised Allotment		
					Position	Month	Amount	Position	Month	Y-T-D Allotment
2018-19	292	012	DRIVER TRAINING		0	0	0	0	0	38,350.00
2018-19	292	015	SCHOOL TECHNOLOGY FUND		0	0	294	0	0	68,557.00
2018-19	292	130	TEXTBOOKS		0	0	0	0	0	88,003.00
Subtotal					0	0	294	0	0	194,910.00
Grand total					0	0	6,294.00	119.18	212.95	17,641,099.30

Revision Year	Rev#	PRC	PRC Description	Revision Note
2019	037	015	SCHOOL TECHNOLOGY FUND	Interest October thru December 2018
2019	037	056	TRANSPORTATION	Stop Arm Camera System Allot Reimbursement #1



Budget Codes: Object Codes

100 - Salaries

121-Teachers, 142-TAs, 162-Substitutes

200 - Employer Provided Benefits

211-Social Security, 221-Retirement

300 - Purchased Services

311-Contracted Services, 312-Workshops,

326-Contracted Repairs, 332-Travel, 342-Postage

400 - Supplies & Materials

411-Supplies, 418-Software, 459-Food/Snacks,

461-Non Cap Equip, 462-Non Cap Computer Equip

500 - Capital Projects/Capitalized Equipment

541-Equipment, 542-Computer Equipment

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Sometimes the budget process can cause this.....



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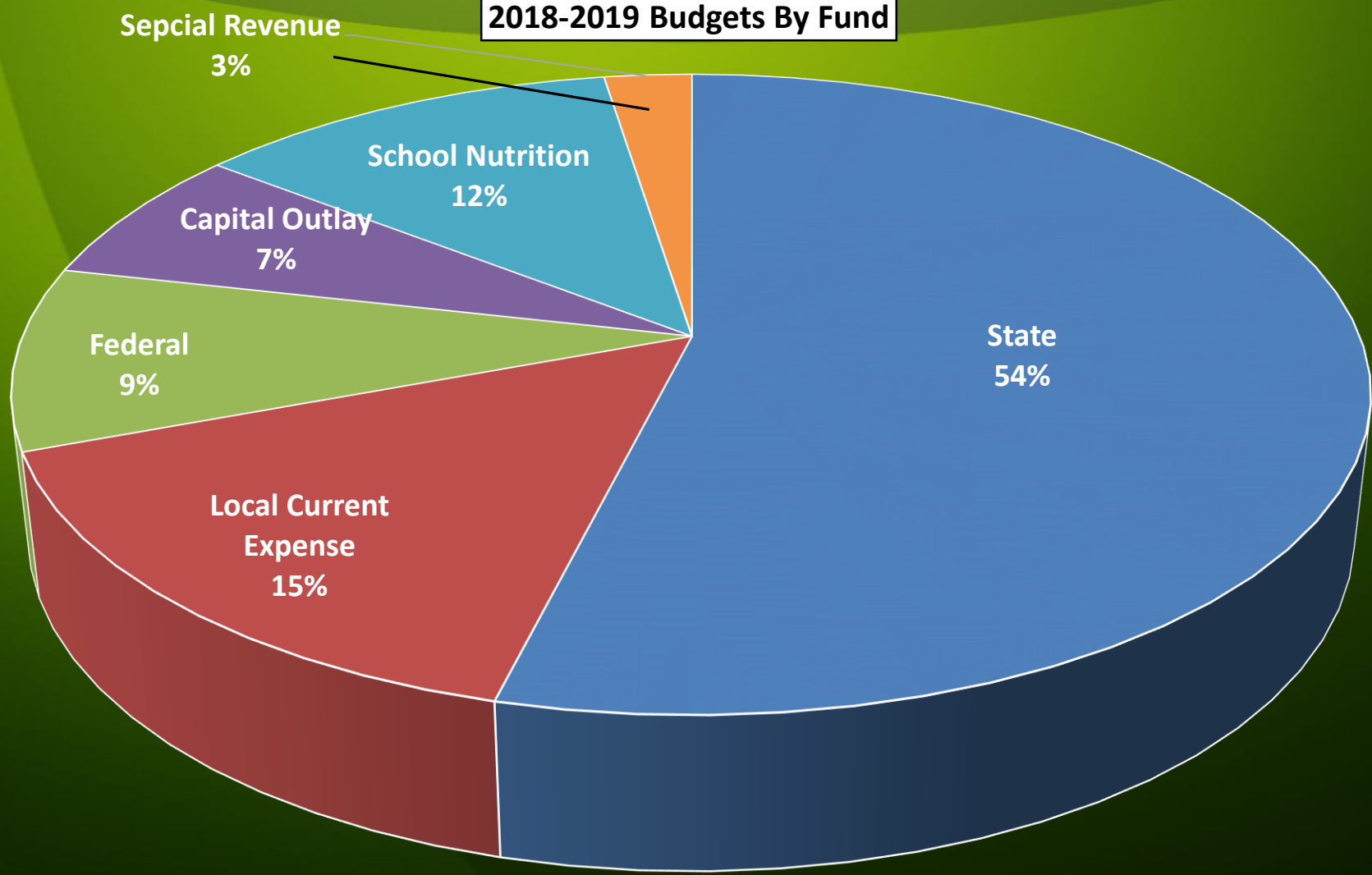


Questions?

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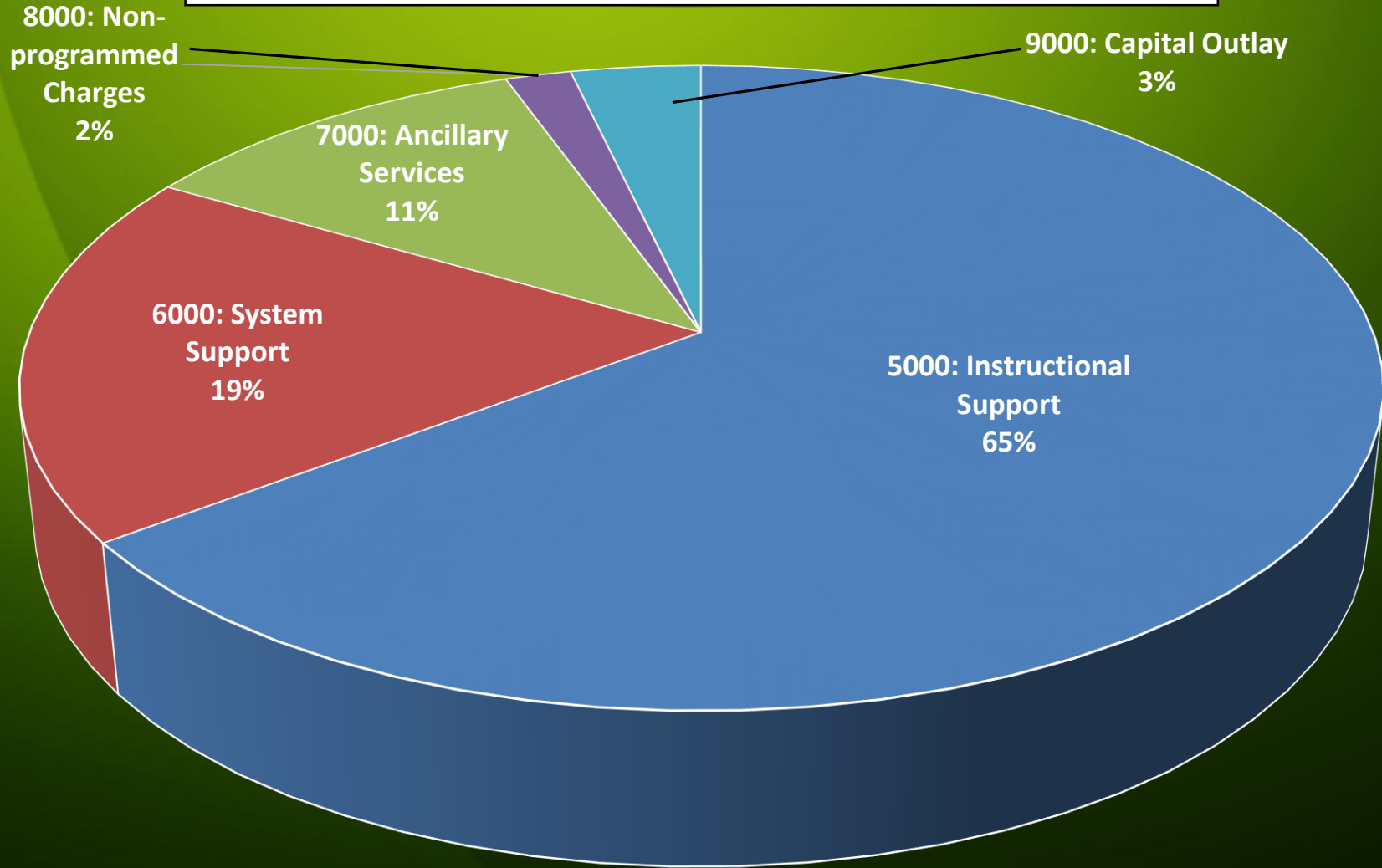


2018-2019 Budgets By Fund





2018-2019 State, Local, Federal, and Capital Expenditures By Purpose





Charter Schools

Key statutory references for charter school funding:

115C-452 – defines fines and forfeitures and that it is apportioned based on ADM (which is why charters share this revenue and should be recorded in Fund 2)

115C-426 – defines the uniform budget format and what is and is not permitted to be classified in Fund 8 (not shared by charters)

115C-218.105 – defines charter school funding, section (c) states “The per pupil share of the local current expense fund (Fund 2) shall be transferred to the charter school within 30 days of the receipt of monies...”



Charter Schools

Continued

Section (d) includes the 30 day time period requirement (again) AND includes reporting requirements:

- (1) The total amount of monies the local administrative unit has in each of the funds listed in GS 115C-426(c).
- (2) The student membership numbers used to calculate the per pupil share of the local current expense fund.
- (3) How the per pupil share of the local current expense fund was calculated.
- (4) Any additional records requested by a charter school from the local administrative until in order for the charter school to audit and verify the calculation and transfer of the per pupil share of the local current expense fund.

Charter Schools

Thomasville City Schools
Charter School Allotments 2018-2019

	CE Appropriation	Fines & Forfeitures
Current Expense Appropriation	\$ 2,787,376	
Estimated Fines & Forfeitures		\$ 60,000
Total Current Expense	\$ 2,787,376	\$ 60,000
Thomasville City Schools	2,293	2,293
Charter Schools (Estimates)	55	55
Total Estimated Students	2,348	2,348
Annual PPE	\$ 1,187.13	\$ 25.55
	\$1,212.68	
Monthly PPE (9 Months: Sept-May)	\$ 131.90	\$ 2.84
	\$134.74	

Months of Payment	9	9	9	9	9	9	9	9	9	
PO#										
Charter School	Cornerstone	Triad M & S	Phoenix	College Prep	Forsyth Academy	Davidson Academy	NC Leadership Academy	Virtual Charters \$790/student		Totals
Estimates 2018-2019	5	2	6	34	2	6	2	6	5	68
Monthly billing actuals										
1	2	6	6	34	0	6	2	10	10	76
2	2	6	6	42		8	2	10	10	86
3	2	5	6	40		8	2	10	10	83
4	2	3	6	39		9	2	10	10	81
5	2	3	4	41			2	10		62
6				41						41
7										0
8										0
9										0
10										0
Estimates Due for year	\$ 6,063.40	\$ 2,425.36	\$ 7,276.08	\$ 41,231.12	\$ 2,425.36	\$ 7,276.08	\$ 2,425.36	\$ 4,740.00	\$ 3,950.00	\$ 77,812.76
FMR 1 vs Estimates	-3	4	0	0	-2	0	0	4	5	8

Notes:

Estimates by County: Guilford 49
 Virtual 11
 Davidson 6
 Forsyth 2

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Questions



2019-2020 Budget Outlook

Funding Concerns:

- Stagnant and/or cuts in local funding
- Fund balance depletion
- Decreasing Average Daily Membership (ADM)
- Alignment to Dr. Gentry's Strategic Plan
- Recruiting and Retaining qualified staff

2019-2020 Budget Outlook

Local Current Expense County Funding 2012-2013 to 2018-2019

	2012-13	2013-14	2014-15	2015-16	2016-2017	2017-2018	2018-2019*
County Allocation	2,608,253	2,693,910	2,618,910	2,745,860	2,808,325	2,801,325	2,787,371
Previous Year's Allocation	2,545,920	2,608,253	2,693,910	2,618,910	2,745,860	2,808,325	2,801,325
Net County Increase/Decrease	62,333	85,657	(75,000)	126,950	62,465	(7,000)	(13,954)

Local Current Expense City Funding 2012-2013 to 2018-2019

	2012-13	2013-14	2014-15	2015-16	2016-2017	2017-2018	2018-2019*
City Revenue	\$ 1,332,376	\$ 1,345,681	\$ 1,378,144	\$ 1,389,493	\$ 1,394,730	\$ 1,452,259	\$ 1,583,902
Previous Year's Allocation	\$ 1,339,490	\$ 1,332,376	\$ 1,345,681	\$ 1,378,144	\$ 1,389,493	\$ 1,394,730	\$ 1,452,259
Net County Increase/Decrease	\$ (7,114)	\$ 13,305	\$ 32,463	\$ 11,349	\$ 5,237	\$ 57,529	\$ 131,643

* - Amounts budgeted for 2018-2019

Fund Balance Goals		
Local Current Expense	6 months of operating expenditures	\$2,490,000
Capital Outlay (Cat. II & III)	6 months of operating expenditures	\$252,000

2019-2020 Budget Outlook

ADM Funding with Charter School #'s Included

Information		FY 2019 Adopted			FY 2020 Proposed			Operating		Capital	
Agency	ADM FY 2019-20 Projection	Operating	Type II & III Capital	Per Pupil	Operating	Type II & III Capital	Per Pupil	% Change	\$ Change	% Change	\$ Change
DCS	19,317	\$ 23,275,032	\$ 1,296,083	\$ 1,215.60	\$ 23,377,994	\$ 1,310,503	\$ 1,210.23	0.4%	\$ 102,962	1.1%	\$ 14,421
Lexington City	3,231	\$ 3,761,065	\$ 259,065	\$ 1,215.60	\$ 3,910,246	\$ 261,947	\$ 1,210.23	4.0%	\$ 149,181	1.1%	\$ 2,882
Thomasville City	2,369	\$ 2,787,360	\$ 339,360	\$ 1,215.60	\$ 2,867,038	\$ 343,136	\$ 1,210.23	2.9%	\$ 79,678	1.1%	\$ 3,776
DCCC	-	\$ 3,306,639	\$ 406,000	\$ -	\$ 3,360,526	\$ 406,000	\$ -	1.6%	\$ 53,887	0.0%	\$ -
Total	24,917	\$ 33,130,096	\$ 2,300,508	\$ 1,215.60	\$ 33,515,804	\$ 2,321,586	\$ 1,210.23	1.2%	\$ 385,708	0.9%	\$ 21,079
Total Funding Increase (Three School Districts)		\$ 350,720									
Cumulative Per Pupil Funding % Increase		-0.44%									

The City Council has discussed about removing the \$.02 additional tax they provided to us this year.

A funding increase of \$.02 to the current tax rate is being requested to help fund the following:

- **\$250 increase in the local teacher supplement to retain quality teachers**
- **Funding assistance in startup of the district STEM project**
- **Increases in salaries and benefits for locally-paid employees based on State increases. See below the required employer matching benefit increases since 2008-2009.**

Year	Retirement	Health Ins
2008-2009	8.14%	\$4,157
2009-2010	8.75%	\$4,527
2010-2011	10.51%	\$4,929
2011-2012	13.12%	\$4,931
2012-2013	14.23%	\$5,192
2013-2014	14.69%	\$5,285
2014-2015	15.21%	\$5,378
2015-2016	15.32%	\$5,471
2016-2017	16.59%	\$5,659
2017-2018	17.13%	\$5,869
2018-2019	18.44%	\$6,104
% Increase since 2008-2009	126.54%	46.84%

- **Increase in athletic and extra-curricular coaching supplements**

A permanent increase to the school district tax rate has not occurred since 1998.



Allotted ADM History Lookup

LEA Name **Thomasville City**
LEA Number **292** Enter LEA No.

Year	Allotted ADM	% Change
2007-08	2,817	-1.78%
2008-09	2,813	-0.15%
2009-10	2,558	-2.10%
2010-11	2,472	-3.38%
2011-12	2,448	-0.97%
2012-13	2,449	0.04%
2013-14	2,472	0.94%
2014-15	2,348	-5.02%
2015-16	2,404	2.39%
2016-17	2,396	-0.37%
2017-18	2,329	-2.78%
2018-19	2,293	-1.55%
2019-20	2,284	-0.39%

Notes:

1. Use LEA as the LEA Number to see ADM for all LEAs.
2. Use Charter as the LEA Number to see ADM for All Charters.
3. Use Total as the LEA Number to see ADM for LEAs and Charters.
4. Allotted ADM changed from Best 3 of 4 to Best 1 of 2.

Matching Retirement and Health Insurance changes since 2008-2009

Year	Retirement	Health Ins
2008-2009	8.14%	\$4,157
2009-2010	8.75%	\$4,527
2010-2011	10.51%	\$4,929
2011-2012	13.12%	\$4,931
2012-2013	14.23%	\$5,192
2013-2014	14.69%	\$5,285
2014-2015	15.21%	\$5,378
2015-2016	15.32%	\$5,471
2016-2017	16.59%	\$5,659
2017-2018	17.13%	\$5,869
2018-2019	18.86%	\$6,104
2019-2020*	19.57%	\$6,350
% Increase since 2008-2009	140.42%	52.75%

* Estimated based on information from NCDPI

These changes are updated each year by the General Assembly.
Late passage of State budgets it produces a rippling effect on staff paid with Local funds.



2019-2020 Budget Outlook

Thomasville City Schools must make cuts in several areas in order to adjust to our current enrollment, increasing fixed costs, class-size mandates in K-3, and re-building our fund balance.

Senior Staff has begun the process of examining many different options and discussions will be held with the Board during the budgeting process.

EDUCATION



"I'M HOME EARLY. DUE TO BUDGET CUTS, THE SCHOOL DISTRICT IS LAYING OFF STUDENTS."

EDUCATION



Questions



We are in this together!!!

“The Lone Nut
and
The First Follower”

EDUCATION

How Senior Staff feels somedays.....

**I SOMEHOW SURVIVED ANOTHER
DAY...AND I'LL HAVE TO DO IT
ALL OVER AGAIN TOMORROW**



EDUCATION



THE
END