



MOORE COUNTY SCHOOLS
CENTRAL ADMINISTRATIVE OFFICES
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**MEETING DATE: May 4, 2015 – School Board Work Session; and
 May 11, 2015 – School Board Regular Business Meeting**

WORK SESSION – PENDING ACTION AND DISCUSSION
BOARD MEETING – BOARD ACTION OR CONSENT

AGENDA ITEM TITLE	Amended 2014-15 Budget Resolution
STAFF CONTACT(S)	Michael C. Griffin, Chief Officer for Budget and Finance

EXECUTIVE SUMMARY

We are presenting our Amended Budget Resolution for Fiscal Year 2014-15. Totals by Fund, as well as net increase/decrease since last resolution, are as follows:

State Public School Fund = \$68,444,526 = (decrease of \$45,574):

- \$19,691 additional Transportation funding for stop-arm cameras and engine repair funds;
- (\$44,928) net decrease in teacher and other support funding related primarily to confirmation of NC Virtual Public School enrollment (Local districts are charged for the cost of NCVPS, paying thru a reduction to our classroom teacher allotment. Total cost for MCS for 2014/15 = approximately \$520,000, which is the equivalent of 10 teachers. The bulk of this reduction is done in August/September.);
- (\$20,337) decrease in Development Day funding, reflecting a reduction in the number of identified students by 2 (approximately \$10,000 per student).
- Shift of approximately \$295,000 from Instructional Services to Support Services; this is a shift to reflect actual costs in PRC 003 = Non-instructional Support, which includes both school-based personnel and central support personnel. This shift is consistent with our plans to maximize State revenues and shift any potential budget savings to our Local Fund.

Local Current Fund = \$28,616,000 = no changes, except:

- Shift of \$32,000 from Instructional Services to Support Services, reflecting actual costs of non-contributory employee benefits (PRC 009 = annual leave payout, longevity, etc.). The Local Fund budget for these costs is \$180,000; we adjust the budget during the year to reflect actual costs.
- Our current budget includes \$760,000 in flow-thru funding for Charter Schools; the Charters we fund (primarily STARS and Academy of Moore) have both increased Moore County student enrollment by approximately 20%. (120 students have transferred from MCS to charters over the past 3 years.) This increase will require a future amendment to our Local Current Fund, as we are required by law to provide charter schools a per pupil share of County Commissioner current expense funding and Clerk of Court fines and forfeitures. This increase will require an adjustment of approximately \$120,000, and will be submitted to the Board at a later date.

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Federal Program Fund = \$10,576,505 = increase of \$2,220 (minimal increases in Title and EC funding).

Local Capital Fund = \$1,342,115 = increase of \$140,115 to reflect State funding for lease payments on school bus replacements.

School Nutrition Fund = \$5,422,000 = no change.

Local Operations Fund = \$1,875,000 = increase of \$83,000:

- \$10,000 in NC Pre-K funding, designated for professional development;
- \$70,000 increase to reflect actual DODEA grant funding for Digital Learning project at Sandhills Farmlife Elementary (these funds are part of a 3-year grant, and any unused portion will carry forward to next school year);
- \$3,000 in other estimated revenues.

Digital Learning Fund (maintained by the County) = \$770,059 budget, and \$388,699 spent to date (lease payment #2 on last year's Chromebooks, plus costs for Chromebook pilot projects, Google licenses and protective bags) leaving a balance of \$381,360. This balance will be used to cover lease payment #1 on this year's Chromebooks. Any remaining funds will carry forward to 2015/16. (We will have carry over, based on shifting of costs to a Federal Technology Grant; strategic allocation of resources = use local funds last, as we have the ability to carry those funds to future years.)

ESTIMATED COST (if applicable)	Total Amended Budget = \$116,276,146; = increase of \$179,761
POLICY OR STATUTORY REFERENCE (if applicable)	Board Policy 1010; 2000 – School Board Authority and Duties; Fiscal Management
STRATEGIC PLAN REFERENCE (if applicable)	All Pathways drive and impact the Budget
SUPERINTENDENT'S RECOMMENDATION (if applicable)	PLACE ITEM ON AGENDA FOR NEXT BOARD MEETING, AND APPROVE AS PRESENTED

Document(s) related to the Board's discussion of the Amended Budget Resolution follow(s).

- Amended Budget Resolution

MOORE COUNTY BOARD OF EDUCATION BUDGET RESOLUTION FOR 2014 - 2015 FISCAL YEAR

BE IT RESOLVED by the Board of Education of the Moore County School Administrative Unit;

Section 1 The following revenues are estimated to be available to the respective fund. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the respective fund for the fiscal year so stated.

State Public School Fund – Fund 1

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
State Revenues	68,196,978	68,404,973	68,490,100	68,444,526	
<u>Expenditures</u>					
Instructional Svces	60,019,703	60,174,880	60,097,402	59,736,913	
Support Services	8,177,275	8,230,093	8,392,698	8,707,613	

Local Current Fund – Fund 2

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
<u>Revenues</u>					
County Funding	24,555,140	24,555,140	24,555,140	24,555,140	
Charter Schools	760,000	760,000	760,000	760,000	
Fines/Forfeitures					
Interest	<u>500,860</u>	<u>500,860</u>	<u>500,860</u>	<u>500,860</u>	
Total	25,816,000	25,816,000	25,816,000	25,816,000	
<u>Expenditures</u>					
Instructional Svces	16,121,000	16,115,000	16,077,000	16,045,000	
Support Services	11,735,000	11,741,000	11,779,000	11,811,000	
Charter Schools	760,000	760,000	760,000	760,000	
Fund Balance					
Appropriated	2,800,000	2,800,000	2,800,000	2,800,000	

Per N.C. General Statute 115C-426(c), the appropriation or use of fund balance shall not be construed as a local current expense appropriation.

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Federal Program Fund – Fund 3

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
Federal Revenues	6,320,526	9,995,434	10,574,285	10,576,505	
<u>Expenditures</u>					
Instructional Svces	5,554,704	7,821,976	8,606,819	8,822,764	
Support Services	10,207	382,376	396,782	407,535	
Non-program Costs	755,615	1,791,082	1,570,684	1,346,206	

Local Capital Fund – Fund 4

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
Capital Outlay	1,202,000	1,202,000	1,202,000	1,342,115	

School Nutrition Fund – Fund 5

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
School Nutrition	5,422,000	5,422,000	5,422,000	5,422,000	

Local Operations Fund – Fund 8

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
<u>Revenues</u>					
Grants/Fees	1,681,000	1,792,000	1,792,000	1,875,000	
<u>Expenditures</u>					
Instructional Svces	1,421,000	1,519,000	1,479,000	1,556,000	
Support Services	260,000	273,000	313,000	319,000	

Section 2 The Sandhills Regional Education Consortium (SREC) will be accounted for as an agency fund – Fund 6, in the accounting records of the Moore County Board of Education.

Section 3 Revenues of \$750,000 are budgeted for the Child Care Fund – Fund 7, to cover expenses for school-day and after-school daycare programs at respective schools. Any net revenues will be earned and held by the individual schools.

Section 4 Revenues and expenditures for public school construction/projects through the School Special Revenue fund, including State Facility Funds, State Lottery Funds and Local School Bond Funds, will be accounted for in the accounting records of the County of Moore. In addition, the County maintains a Digital Learning Fund on behalf of Moore County Schools; the budget for this fund is \$770,059 for this fiscal year (including \$170,059 in carryover funding).

Section 5 Any additional fund balance in excess of the designated appropriation in the Local Current Fund, Local Capital Fund and Local Operations Fund will become contingency funds, once the Annual Financial (Audit) Report has been presented to the Board of Education.

Section 6 The Superintendent and Budget Director are hereby authorized to transfer appropriations within a purpose code within a fund as contained herein under the following conditions:

- a. They may transfer amounts within a purpose code within a fund with proper justification.
- b. They may not transfer amounts from contingency without Board of Education approval.
- c. They may not transfer any amounts between Local Current appropriation and Local Capital appropriation without the approval of the Board of Education and the County Commissioners.

Section 7 Copies of the Budget Resolution shall be furnished to the Superintendent, Budget Director and Finance Officer for direction in carrying out their duties.

Approval of budget resolution

Approved by the Moore County Board of Education on May 11, 2015

Chairman

Superintendent

Signed copy distributed to Finance Office

Moore County Schools

2014-15

Amended Budget Resolution

May 2015



State Fund

- Original budget of \$68.2 million
- November budget of \$68.4 million
- February budget of \$68.5 million
- May budget of \$68.4 million

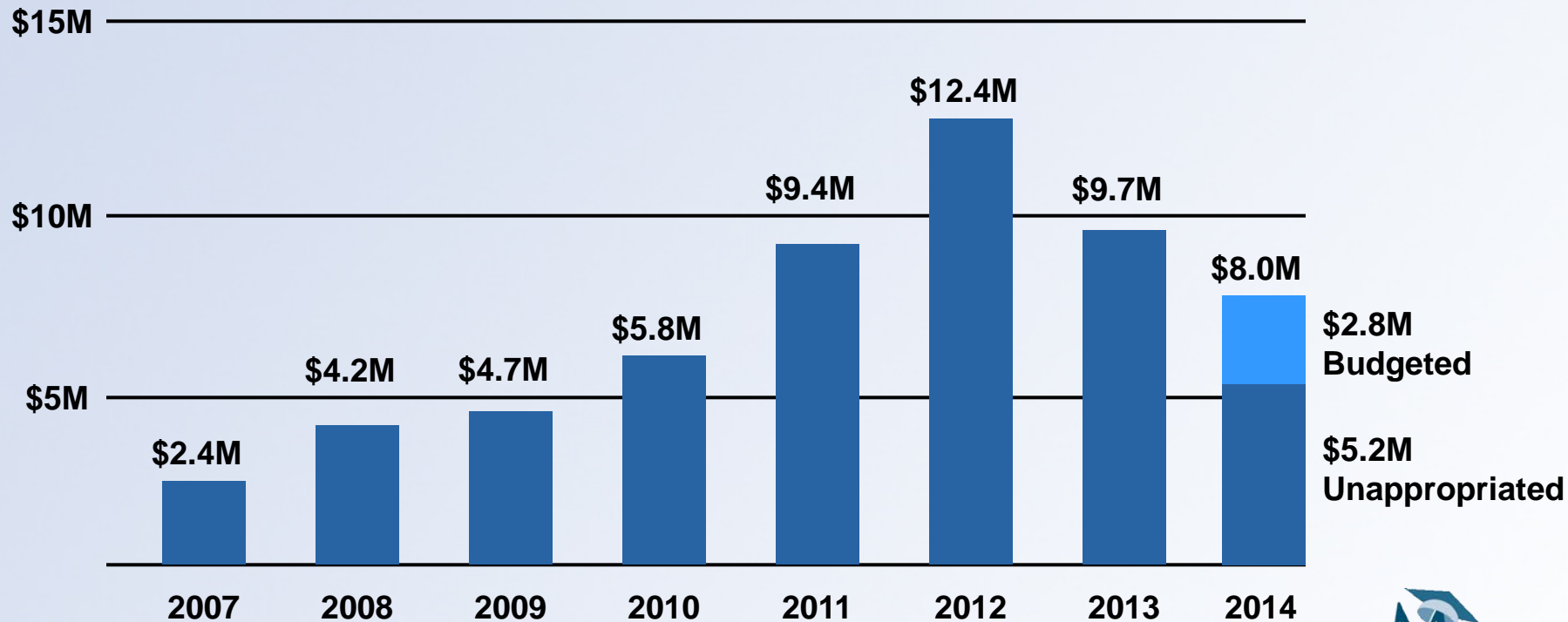


Local Current Fund

- Original budget of \$28.6 million
- November budget – no change
- February budget – no change
- May budget – no change
- Fund balance appropriated = \$2.8 million



Challenges



**Pressure on Stabilization Fund:
Less \$2.2 Million = \$3 Million in 2015**



Federal Fund

- Original budget of \$6.3 million
- November budget of \$10.0 million
- February budget of \$10.6 million
- May budget of \$10.6 million



Capital and Nutrition Funds

- Capital – Original budget of \$1.2 million
 - No changes thru March
- April/May budget of \$1.34 million
 - Debt service on bus replacement - \$140k
- School Nutrition - \$5.4 million
 - No changes thru April/May



Local Operations Fund

- Original budget of \$1.7 million
- November budget of \$1.8 million
- February budget of \$1.8 million
- May budget of \$1.9 million
- Pre-K; ROTC/AYPYN/DODEA/Impact aid
- Medicaid fees/Medicaid outreach
- Mebane Foundation – STEM grant



Digital Learning Fund

- Total budget of \$770,059
- Moore County manages fund on our behalf
- Phase III devices – pilots
- Phase III devices – 3,400 Chromebooks
- Costs to date = \$389K
 - Pending lease pymt #1 on Phase III lease
 - Unspent funds carry over to 2015/16



Financial Report

- State fund = 90%
- Local current fund = 70%
- Federal fund = 60%
- Local capital fund = 75%
- School nutrition fund (March) = 70%
- Local operations fund = 64%
- Digital learning fund = 51%



2014-15 Budget Resolution

- State fund = \$68,444,526
- Local current fund = \$28,616,000
- Federal fund = \$10,576,505
- Local capital fund = \$ 1,342,115
- School nutrition fund = \$ 5,422,000
- Local operations fund = \$ 1,875,000
- Digital learning fund = \$ 770,059





MOORE COUNTY SCHOOLS

Growing to Greatness

