

# EDENTON-CHOWAN SCHOOLS

## 2013-2014 LOCAL CURRENT EXPENSE BUDGET REQUEST

APRIL 8, 2012

# **EDENTON-CHOWAN SCHOOLS**

## **2013-2014 CURRENT EXPENSE BUDGET REQUEST**

2013-2014 will be another difficult fiscal year for the school system. It seems clear there will be further reductions in state and federal appropriations. This will be in addition to the approximately \$2 million loss in state, federal, and local dollars since 2007-2008. The magnitude of the budget reductions are illustrated within the chart, "Major Revenue Sources by Year," located on page 3 of this document. Since 2008-2009 significant cuts have been enforced including the reductions of salaries/teaching supplements and the implementation of the school system's reduction in force policy. Employees' compensation remains 1% below the 2009 level. Since 2008, forty-eight positions (20 licensed and 28 classified) have been eliminated. While some of the positions were absorbed through resignations and retirements, many employees were notified their positions were no longer available. The result has been larger class sizes, elimination of important programs, and limited flexibility in meeting even small fluctuations in student enrollment.

The planning allotment for state funds provided by the NC Department of Public Instruction (see page 4) reflects a reduction of nearly \$300,000 in state funds. This reduction in revenue is expected to worsen based on the Governor's budget recommendations. Anticipated increases in textbook and classroom materials are not included in the Governor's budget which will result in an increased reduction of available funds. Of greatest impact will be the reduction in funding for teacher assistants. The Governor's budget proposal bases funding for teacher assistants on ADM only at the kindergarten and first grade levels and eliminates funding for second and third grades. If approved, this will result in the reduction of nearly half of the \$810,140 currently appropriated for teacher assistants.

Compounding the serious impact of state revenue reductions is the additional loss of federal funds. While federal planning allotments have not yet been disseminated, school systems have been instructed to plan for a 9% to 10% reduction. The net loss of 48 positions since 2008 has placed the school system at a point of "critical mass" in our ability to provide quality instructional programs for our students. The continued erosion of funding is placing the school system in serious jeopardy of meeting minimum education requirements. Fiscal reserves have been and must continue to be managed in a sensible manner. The 2012-2013 local current expense budget included a sizable contribution from reserves to balance the current year's budget. Through the prudent utilization of available resources, the amount from the fund balance has been reduced. However, it is estimated that \$300,000 of the fund balance will be required to balance the budget through the current fiscal year.

The Board of Education has committed to appropriate additional dollars from the reserve to meet the anticipated reductions in state and federal allocations for the 2013-2014 school year, eroding fiscal reserves. While using the fund balance during this time has been necessary and appropriate, the continued expenditure of dollars exceeding revenue will result in dire consequences. This is particularly true since a significant portion of the fund balance will be used for recurring personnel costs to maintain basic levels of instructional programming.

**2013-2014 LOCAL CURRENT EXPENSE BUDGET REQUEST:** The Board of Education is requesting a modest increase to meet the most critical needs. Paramount is maintaining core classroom sizes within acceptable levels and restoring the loss in the local teacher supplement. School system employees have endured a 2% salary reduction since the reduction was implemented in 2009. A couple of years ago 1% was restored. This year's budget request includes funds to fully reinstate the local supplement and bring it back to the 2008-2009 level. Based on current and projected enrollments, an additional classroom teacher will be required at the elementary level. The Board of Education is requesting the local current expense appropriation be increased by \$195,000 to \$3,616,929 to meet these identified needs. Many more personnel and instructional needs exist but have not been included in the 2013-2014 request in an effort to keep the request within a feasible amount. It should be noted local county appropriations have been flat over the past three years and remains nearly 16% below the 2008-2009 allocation level.

**2013-2014 CAPITAL OUTLAY BUDGET REPORT:** The County Manager and Superintendent of Schools met and estimated a projection of \$218,980 in lottery and Land Transfer Taxes revenues for 2013-2014. While there are many more needs than available resources, the Board of Education has prioritized the projects based on the projected revenues. A listing of the capital outlay priorities may be found on page 9.

Thank you for your consideration of this year's current expense request. Every attempt has been made to minimize the amount of the request in light of continued difficult economic times. Your continued support of the Board's efforts to serve the youth of Chowan County is greatly appreciated. If you have any questions do not hesitate to contact Dr. Smith.

# EDENTON-CHOWAN SCHOOLS

## MAJOR REVENUE SOURCES by YEARS

	STATE REVENUE	LOCAL CURRENT EXPENSE APPROPRIATION	OTHER LOCAL REVENUE	FEDERAL	TOTAL
2013-2014	?	?	\$185,000	?	?
2012-2013 (as of 3/1/2013)	\$14,911,363	\$3,421,929	\$185,000	\$2,630,241	\$21,148,533
2011-2012 (Final)	\$14,816,081	\$3,421,929	\$195,000	\$3,123,087	\$21,556,097
2010-2011 (Final)	\$14,684,452	\$3,335,660	\$245,000	\$3,726,171	\$21,991,283
2009-2010 (Final)	\$14,813,646	\$3,115,660	\$195,000	\$3,553,009	\$21,677,315
2008-2009 (Final)	\$16,642,838	\$3,552,660	\$235,000	\$2,008,139	\$22,438,637
2008-2009 (Original)	\$16,642,838	\$4,065,660	\$235,000	\$2,008,139	\$22,951,637
2007-2008 (Final)	\$17,291,021	\$3,953,068	\$235,000	\$1,655,026	\$23,134,115

**2013-2014 NOTE:** The total projected loss of \$901,817 represents the combined reductions of state, other local revenue, and federal funds.

**2011-2012 NOTE:** Local Current Expense Appropriation of record was \$3,147,765. The difference of \$274,164 was replaced with funds provided by the County Commission in 2010-2011 to meet non-supplanting requirements of state funds.

**2008-2009 NOTE:** Original Local Current Expense Appropriation was \$4,065,660 but was reduced by \$513,000 in March of 2009 by the County Commission due to insufficient County funds.

**FEDERAL STIMULUS FUNDS:**

2011-2012 Budgeted Federal ARRA Funds:           \$550,249  
 2010-2011 Budgeted Federal ARRA Funds:       \$1,359,424  
 2009-2010 Budgeted Federal ARRA Funds:       \$1,463,703

## 2013-2014 STATE AND FEDERAL TENTATIVE SUMMARY

Budget figures are based on the initial allotments and may be revised throughout the year.

PRC	STATE PRC NAME	2012-2013	2013-2014 Planning	Difference
000	Textbooks	\$35,547	\$ 146,589.00	\$111,042
001	Classroom Teachers	110.0	107	-\$167,916
002	Central Office	\$629,769	\$ 631,583	\$1,814
003	Non-Instructional Support	\$533,617	\$ 523,099	-\$10,518
005	School Building Admin. (MOE)	71.0	71	-\$6,977
007	Instructional Support	11.0	11	\$0
012	Driver Training	\$45,590	\$ 36,735	-\$8,855
013	Voc Ed (MOE)	148.0	145	-\$29,175
014	Voc Ed Program Support	\$39,900	\$ 39,092	-\$808
015	School Technology*	\$32,708		-\$32,708
019	Small County Supplemental	\$1,474,391	\$ 1,530,958	\$56,567
022	Mentor Pay			
024	DSSF	\$139,274	\$ 134,844	-\$4,430
027	Teacher Assistants	\$814,871	\$ 810,140	-\$4,731
028	Staff Development			
031	Low Wealth Supplemental	\$324,802	\$ 192,088	-\$132,714
032	Children With Disabilities	\$1,173,694	\$ 1,136,207	-\$37,487
034	Academically Gifted	\$112,198	\$ 110,961	-\$1,237
054	Limited English	\$50,547	\$ 53,544	\$2,997
056	Transportation*	\$717,885	\$ 739,859	\$21,974
061	Classroom Materials	\$109,045	\$ 132,631	\$23,586
069	At Risk Student Services*	\$581,149	\$ 510,016	-\$71,133
072	Improving Student Accountability			
	DESCRETIONARY REDUCTION	\$ (550,165)	\$ (557,467)	-\$7,302
	VIRTUAL PUBLIC SCHOOL REDUC.	\$ (78,802)	\$ (78,802)	\$0
<b>TOTAL STATE</b>				<b>-\$298,011</b>
PRC	FEDERAL PRC NAME	2012-2013	2013-2014 Planning	Difference
049	IDEA VI-B, Preschool	\$23,674		
050	Title I	\$715,617		
060	IDEA VI-B Handicapped	\$464,962		
082	IDEA VI-B State Improvement	\$14,869		
103	Improving Teacher Quality	\$131,555		
109	Rural & Low Income Schools	\$108,800		
<b>TOTAL FEDERAL</b>				

\*Additional allocations are often provided after the Initial Allocation

# 2013-2014 TECHNOLOGY BUDGET

PRODUCT	DESCRIPTION	AMOUNT	NOTES
Networking	Yearly Support	\$1,500.00	Network Engineering time
Trend Software	Yearly Support	\$4,905.95	Antivirus software
School Fusion	Web page subscription	\$3,269.00	\$7,000 before erate was applied
Gaggle.net	Student email	\$1,375.00	\$4,860 before erate was applied
Barracuda Achiever	Email Archiver	\$4,500.00	
Novell	Renewal 3,350@\$2.00 each	\$6,700.00	
MS Office	yearly fee	\$12,000.00	
Smartnet	Core Switches/Fiber	\$10,000.00	Firewall, switches, wireless controllers
Survey monkey	Yearly Renewal	\$350.00	Survey instrument
Omnicast	Warranty on the Security cameras	\$9,850.00	Security camera software
Omnicast	Security cameras	\$12,000.00	Cost for additional cameras
Server Warranties	Various servers	\$5,000.00	
Track it	Renewal	\$587.50	Maintenance work order system
Networking	Backup Exec. Support	\$588.80	
8e6	Required filtering system	\$15,000.00	
AS400 (bookkeeping hardware)	Maintenance Contract for AS400	\$7,705.00	Hope to convert to the state in future
Movie Licensing	Renewal	\$1,440.00	Copyright costs
Cisco	Upgrade of wireless routers	\$20,000.00	Additional needed upgrades as number of devices increase
I-Safe	K-12 Internet safety curriculum	\$2,000.00	Required (as of July 1, 2012)
Mobile computing or desktops	Replacement of hardware and peripherals	\$170,000.00	WOS/DFW \$90,000; CMS \$45,000; School Offices \$20,000; Central Services \$15,000
Extended employment	Media/technology 10 month staff	\$20,000.00	Four times 2 months each to process large number of computers from 1:1 project
<b>TOTAL COST</b>		<b>\$308,771</b>	

**NOTE:** Non-shaded items required to maintain IT system.

## 2013-2014 CURRENT EXPENSE REQUEST

### PERSONNEL

SCHOOL/ PRIORITY	ITEM	EST. COST
WOS 1	3 teachers to reduce class size	\$180,000
WOS 2	5 teacher assistants	\$175,000
WOS 3	Part-time teachers and/or teacher assistants to assist with 2nd grade guided reading block (total of 9 @ 2hrs per day)	\$64,800
DFW	NONE	
CMS 1	Media assistant	\$35,000
CMS 2	Career development coordinator	\$60,000
CMS-Other	Technology Facilitator (as required by Golden LEAF grant)	\$60,000
JAH 1	Social Studies Teacher	\$60,000
JAH 2	Health/PE teacher	\$60,000
JAH 3	Half-time social studies teacher	\$30,000
JAH 4	Half-time health/PE teacher	\$30,000
JAH 5	Administrative assistant	\$35,000
JAH 6	Half-time administrative assistance	\$17,500
JAH-Other	Additional 2 months extended employment for media coordinator and technology facilitator to prepare for 1:1	\$11,000
CO 1	Restore salary reductions of 1% due to budget cuts	\$135,000
CO 2	401K employer contribution (\$25 per employee, per month)	\$105,000
CO 3	Employer sponsored Employee Assistance Program (mental health, legal, financial, ID theft recovery consultant services) @ \$1.87 per employee	\$8,600

### INSTRUCTION

SCHOOL/ PRIORITY	ITEM	EST. COST
WOS	NONE	
DFW 1	Literacy resource room	\$12,000
DFW 2	Audio visual material, supplies and computer software	\$20,000
DFW 3	Substitutes for 3 days for @ teacher to develop literacy & differentiation units of study	\$10,000
CMS 1	Stipends for Common Core assessment development	\$9,500
CMS 2	Technology Equipment (17 data projectors:\$410.97; 5 document cameras: \$437.89; 10 speaker sets: \$10.95 class set of iPod Touches w/chargers & cart; \$6,000 and Class set of mini iPads w/chargers & cart: \$7,330	\$17,295
CMS 3	Replace part of loss athletic funding (reduced from \$3,000 to \$6,000)	\$1,500
JAH 1	High school reading program	Not available

# EDENTON-CHOWAN SCHOOLS

## LOCAL CURRENT EXPENSE COST ITEMS

2012-2013 FUND BALANCE APPROPRIATION	
Estimated Contribution to Balance 2012-2013 Budget	\$ 300,000
TOTAL APPROPRIATION	\$ 300,000

REDUCTIONS	
3 State Teacher Units	\$ 180,000
1.5 Teachers from Low Wealth	\$ 90,000
Instructional Materials from Low Wealth Funds	\$ 50,000
1 Teacher from Federal Teacher Quality Fund	\$ 60,000
TOTAL REDUCTIONS	\$ 380,000

CRITICAL EXPANSION NEEDS	
Elementary Teacher	\$ 60,000
Chowan Middle Instructional Technologist (as per GLF)	\$ 60,000
Restoration of Teacher Supplement	\$ 135,000
TOTAL EXPANSION	\$ 255,000

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MEETING REDUCTIONS AND CRITIAL NEEDS	
LOCAL EXPANSION REQUEST (elem. teacher & supplement)	\$ 195,000
ESTIMATED CONTRIBUTION FROM RESERVE TO BALANCE 2013-2014 LOCAL BUDGET	\$ 740,000
TOTAL	\$ 935,000



# EDENTON-CHOWAN SCHOOLS SCHOOL CAPITAL RESERVE FUND

**2013-2014**

REVENUE SOURCES	REVENUE		EXPENDITURES				BALANCE
	2013-2014 BUDGET (Estimate)	FUND BALANCE (Carryover)	D. F. WALKER (Prin. & Interest)	QZAB DEBT	CAPITAL PROJECTS	TOTAL	
			\$ 715,150.00	\$ 103,573.00	\$ 218,980.00	\$ 1,037,703.00	
ARTICLE 40	\$213,200		\$213,200			\$213,200	\$0
ARTICLE 42	\$426,400		\$426,400			\$426,400	\$0
ADM FUNDS	\$0	\$1,315				\$0	\$1,315
LOTTERY	\$158,103			\$103,573	\$54,530	\$158,103	\$0
LAND TRANSFER	\$200,000	\$40,000	\$75,550		\$164,450	\$240,000	\$0
INTEREST	\$400					\$0	\$400
<b>TOTAL</b>	<b>\$998,103</b>	<b>\$41,315</b>	<b>\$715,150</b>	<b>\$103,573</b>	<b>\$218,980</b>	<b>\$1,037,703</b>	<b>\$1,715</b>
<b>BALANCE</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,715</b>

# EDENTON-CHOWAN SCHOOLS 2013-2014 CAPITAL OUTLAY BUDGET

## PRIORITY PROJECTS

LOCATION	ITEM	Budget
White Oak/D.F. Walker/Chowan	Carpet replacement for 12 classrooms at elementary schools and band room at Chowan Middle School	\$31,345
White Oak	Recarpet multipurpose room	\$8,300
White Oak	Furniture replacement	\$10,000
Chowan	Renovate student restrooms in 6th grade building and install water saving devices in all restrooms	\$28,500
Chowan	Replace cafeteria tables with attached seats	\$19,695
Chowan	Furniture replacement	\$10,000
Chowan	Renovate vocational/technology classroom	\$15,000
J. A. Holmes	Handicapped access to band room	\$10,000
J. A. Holmes	Refinish gym floor	\$12,500
J. A. Holmes	Rework track	\$3,000
J. A. Holmes	Z-turn mower	\$9,200
J. A. Holmes	Tile outside entrances	\$25,000
J. A. Holmes	Carpet Information Highway Room, Band Room, and Guidance	\$11,000
J. A. Holmes	Renovate automotive room (Estimated cost = \$50,000 to be paid from GLF grant, if approved)	N/A
J. A. Holmes	Football field improvements (replace sprinkler heads, top dress field, drainage, replace press box siding)	\$7,440
Maintenance	Van	\$18,000
<b>TOTAL</b>		<b>\$218,980</b>

## SECONDARY PRIORITY PROJECTS

LOCATION	ITEM	Budget
Chowan	Handicapped access and cover to academy building	\$16,000
J. A. Holmes	Repave drive around school (from bus loading zone to entrance at Woodard St.)	Contingent on paving of Woodard Street
J. A. Holmes	Install angle parking on Woodard Street	
J. A. Holmes	Handicapped entrance to front of main building (curb and building access)	
Transportation	Activity bus (priority for 2014-2015)	\$95,000

# EDENTON-CHOWAN SCHOOLS

## 2013-2014 LOCAL BUDGET

### CURRENT EXPENSE REQUEST

CURRENT EXPENSE REQUEST	2012-2013 BUDGET	2013-2014 REQUEST	DIFFERENCE
County Appropriations-Current Expense	\$3,421,929	\$3,616,929	\$195,000
<b>SUBTOTAL</b>	<b>\$3,421,929</b>	<b>\$3,616,929</b>	<b>\$195,000</b>
<b>PROJECTED OTHER LOCAL REVENUE</b>	<b>2012-2013 BUDGET</b>	<b>2013-2014 BUDGET</b>	<b>DIFFERENCE</b>
Fines and Forfeitures	\$90,000	\$90,000	\$0
Interest Earned	\$5,000	\$5,000	\$0
Indirect Cost Payments (Federal Programs & Food Service)	\$60,000	\$60,000	\$0
Sales Tax Refund	\$30,000	\$30,000	\$0
<b>SUBTOTAL</b>	<b>\$185,000</b>	<b>\$185,000</b>	<b>\$0</b>
<b>FUND BALANCE APPROPRIATION</b>	<b>2012-2013 BUDGET</b>	<b>2013-2014 BUDGET</b>	<b>DIFFERENCE</b>
Contingency	\$100,000	\$100,000	\$0
To Balance the Budget	\$690,142	\$740,000	\$49,858
<b>SUBTOTAL</b>	<b>\$790,142</b>	<b>\$840,000</b>	<b>\$49,858</b>
<b>TOTAL LOCAL CURRENT EXPENSE BUDGET</b>	<b>\$4,397,071</b>	<b>\$4,641,929</b>	<b>\$244,858</b>

### CAPITAL OUTLAY BUDGET

	2011-2012 BUDGET	2012-2013 BUDGET	DIFFERENCE
Land Transfer Tax Revenue	\$324,970	\$218,980	-\$105,990
<b>TOTAL CAPITAL OUTLAY BUDGET</b>	<b>\$324,970</b>	<b>\$218,980</b>	<b>-\$105,990</b>