

# **EDENTON-CHOWAN SCHOOLS**

## **2014-2015 LOCAL CURRENT EXPENSE BUDGET REQUEST**

**APRIL 7, 2014**

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## **2014-2015 CURRENT EXPENSE BUDGET REQUEST**

The loss of revenue from state, federal, and local sources since the 2008-2009 school year continues to place a strain on services for students and the general operations of the school system. 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. While some of the lost positions were absorbed through resignations and retirements, many employees were notified their positions were no longer available. As a result the ratio of instructional staff to students has been reduced, important programs have been eliminated, and availability of instructional resources has been significantly diminished.

The Board of Education has made a number of difficult decisions in order to continue to provide quality educational services for our students and to maintain fiscal integrity. Despite the loss of staff and services the school system has continued to look forward and has been aggressive in securing additional resources wherever possible. It has also been necessary to allocate dollars from the fiscal reserve to balance the current expense budget. During the 2012-2013 year the reserve was reduced by approximately \$375,000. It is estimated it will be further reduced by as much as \$450,000 in recurring expenses in 2013-2014. Since 2006 the undesignated fund balance has been reduced from just under 10% of the total budget to approximately 3.5% as of June 30, 2013 and could be as low as 2% by the beginning of the 2014-2015 school year.

While fiscal reserves have been and will continue to be managed in a sensible manner, the dependency on the reserves for recurring costs must be reduced and ultimately eliminated if the school system is to remain fiscally solvent. Therefore, further reductions in instructional staff will have to be made for the 2014-2015 school year. The Board of Education has attempted to keep class sizes within the limits established by the State of North Carolina even after those class size limits were lifted a couple of years ago. This was particularly important considering the loss of teacher assistants over this same period of time. Unfortunately five to six vacant teaching positions may go unfilled, resulting in larger class sizes at all grade levels and reducing the number of course sections at the high school thereby increasing the probability of scheduling conflicts for students. Even with these reductions there will still be a need for a sizable contribution from reserves to balance the current expense budget for 2014-2015.

The planning allotment for state and federal funds, generally available in late February, has been delayed and will not be distributed until mid April. There are no indications that reductions from last year will be restored and projected salary increases will have an impact on the local budget. School systems have been advised to plan for a salary increase of 3% as well as increases in the employer's contribution for retirement and health insurance benefits.

**2014-2015 LOCAL CURRENT EXPENSE BUDGET REQUEST:** The local current expense appropriation has remained constant since 2011-2012 without adjustments for rising costs. The Board of Education is requesting an increase of \$188,838 (5.5%) to: (1) meet mandated increases in personnel costs, (2) support for new teachers, and (3) restore at least a portion of the local supplement. The vast majority of the mandated salary increases will be borne by state and federal budgets but the cost to the local current expense budget is calculated to be \$107,055. Second, recruiting and retaining highly qualified teachers is critical. Essential to this effort is the provision of professional support for new teachers. The state eliminated funding for mentors during the first three years of employment for beginning teachers. The school system recognizes the value of high quality support in the development and retention of new teachers. By reducing mentoring from three to two years, needed services can still be provided at a lower cost of approximately \$15,000. Finally, prior to 2009 the local supplement was 3% compared to the state average of 5%. The supplement was reduced to 1% and later increased to 2%. The full restoration of the local supplement is a primary goal of the Board. The cost to raise the supplement back to the 2009 level would be \$133,566. While this is the ultimate goal, the Board understands the existing fiscal restraints and is requesting this be accomplished in incremental steps by increasing the supplement to 2.5% in 2014-2015 at a cost of \$66,783.

The schools submitted many additional current expense requests as listed on page 3. Most of the requests are to restore reductions made in previous years.

**2014-2015 CAPITAL OUTLAY BUDGET REPORT:** When the County Manager and Superintendent of Schools met in preparation for budget discussions the specific amount of funds available for capital outlay projects were not apparent. It was agreed projects of approximately \$200,000 would be submitted with additional projects in excess of that amount provided in priority order to be implemented when additional lottery funds become available. 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 5. It is also requested a joint meeting of the two Board (or committees thereof) meet in the immediate future to discuss the long-term capital outlay needs of the school system.

Thank you for your consideration of this year's current expense request. Every attempt has been made to minimize the amount of the request. 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.

## 2014-2015 CURRENT EXPENSE REQUEST

### PRIORITY ONE (Request for Funding)

ITEM	BUDGET REQUEST
Projected 3% State Mandated Salary Increase	\$ 107,055
Restore Local Supplement to 3% (Supplement is currently 2%, to restore to 3% is \$133,566 - Requesting to 2.50% for 2014-2015)	\$ 66,783
Mentor Support	\$ 15,000
<b>TOTAL PRIORITY ONE</b>	<b>\$ 188,838</b>

### PRIORITY TWO

SCHOOL	ITEM	EST. COST
WOS	Part-Time Tutors: (due to prior reductions of teacher assistants)	\$24,060
WOS	Two Part-Time Reading Assistants	\$16,200
DFW	Tutors (due to prior reductions of teacher assistants)	\$30,000
CMS	Restore Media Assistant (prior reduction)	\$35,000
CMS	Restore Math Academy Teacher (prior reduction)	\$45,000
CMS	Restore Career Development Coordinator (prior reduction)	\$55,000
JAH	Social Studies Teacher	\$45,000
JAH	iLit (Secondary Reading Intervention Program) (\$7,200 recurring costs)	\$48,760
JAH	ACT Prep	\$15,800
System	Employer Sponsored Employee Assistance Program	\$8,601

### PRIORITY THREE

SCHOOL	ITEM	EST. COST
WOS	Teacher Assistant for Restoration Center	\$30,000
DFW	Professional Development	\$20,000
DFW	Audio Visual Materials and Computer Software	\$25,000
CMS	Extended Employment (1.5 months)	\$9,340
JAH	Secretary	\$30,000
JAH	Reading Specialist	\$45,000

# Technology Budget 2014-2015

<b>PRODUCT</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>	<b>EXPLANATION</b>
Networking	Yearly Support	\$1,500.00	Network engineering time
Trend Software	Yearly Support	\$4,905.95	Antivirus
School Fusion	Web page subscription	\$3,269.00	
Gaggle.net	Student email	\$1,375.00	
Barracuda Achiever	Email Archiver	\$4,500.00	
Networking Fees	Renewal 3350@2.00 each	\$6,700.00	Active directory
MS Office	Yearly fee	\$12,000.00	
Smartnet	Core Switches/Fiber	\$10,000.00	Required upgrades as number of devices increase
SurveyMonkey	Yearly Renewal	\$350.00	Survey software
Genitech/Omnicast	Warranty on the Security cameras	\$9,850.00	Update of security cameras and warranty of Omnicast
Network Cameras	Security cameras	\$10,000.00	
Server Warranties	Various servers	\$5,000.00	
Track it	Renewal	\$587.50	Work order software
AS400	Maintenance Contract	\$12,000.00	Replacement or State AS400
Movie Licensing		\$1,440.00	
Cisco	Upgrade of wireless routers	\$20,000.00	Wireless upgrade for D. F. Walker
Computer replacements	Replacement computers	\$65,000.00	
1:1 Learning Initiative	Sustainability Fund	\$100,000.00	
Back up Solution	File Storage	\$20,000.00	Barracuda upgrade from current system
Apex	Renewal of subscription	\$11,000.00	Student learning software
PowerSchool	Mandated subscription by DPI	\$9,200.00	Per pupil cost for service
<b>TOTAL</b>		<b>\$308,677</b>	

## 2014-2015 CAPITAL OUTLAY BUDGET

SCHOOL	ITEM	Est.	Budget
<b>TIER ONE</b>			
D. F. Walker	Furniture replacement	\$10,000	\$10,000
John A. Holmes	Furniture replacement	\$10,000	\$10,000
Transportation	Activity Bus	\$95,000	\$95,000
Elem. Schools	Replace carpet/tile (12 classrooms - reduce to 6 classrooms)	\$27,390	\$13,695
D. F. Walker	Replace lighting under walkway between D. F. Walker and White Oak	\$20,000	\$20,000
John A. Holmes	New lighting at English building courtyard		
John A. Holmes	Replace lighting under walkway between main and English building		
John A. Holmes	Replace windows and doors in cafeteria	\$54,481	\$54,481
<b>TIER TWO (Ranked)</b>			
Elem. Schools	Replace carpet/tile (6 classrooms)	\$13,695	
John A. Holmes	Renovate bathrooms in commons and English building	\$30,000	
Transportation	Replace lighting in bus garage	\$3,500	
John A. Holmes	Replace flooring in voc. ag. classroom and EC suite	\$5,500	
Transportation	Replace pressure washer	\$5,500	
John A. Holmes	Replace science wing doors	\$3,000	
John A. Holmes	Renovation of gym to include installation of A/C (\$85,000) ; replace/repair bleachers (\$75,000); and renovation of locker rooms (quote for locker room renovations will be obtained when the project becomes a possibility, cost figure is an estimate only - \$125,000)	\$285,000	
John A. Holmes	New storage building for shop class	\$3,000	
John A. Holmes	Repaint white trim on front of main building	\$5,000	
Transportation	Repaint floor/epoxy	\$2,000	
White Oak	Enclose patio at end of B-wing (next to HWY 32)		
Chowan Middle	Convert old tennis/basketball courts into parking lot		
John A. Holmes	Renovate courtyard		
<b>PROJECTS ACHIEVED BY ALTERNATE MEANS</b>			
Chowan Middle	Deadbolts for classroom doors (Install thumb turns on inside of door as a maintenance project at WOS, DFW, & CMS - \$6,500)		
John A. Holmes	Pave angular parking (Install crush & run as maintenance project - \$1,400)		
Chowan Middle	Speaker system for outside breezeway (Technology project - \$2,000)		
<b>TOTAL TIER ONE COSTS</b>		<b>\$203,176</b>	

# EDENTON-CHOWAN SCHOOLS

## 2014-2015 LOCAL BUDGET

### CURRENT EXPENSE REQUEST

CURRENT EXPENSE REQUEST	2013-2014 BUDGET	2014-2015 REQUEST	DIFFERENCE
County Appropriations-Current Expense	\$3,421,929	\$3,610,767	\$188,838
<b>SUBTOTAL</b>	<b>\$3,421,929</b>	<b>\$3,610,767</b>	<b>\$188,838</b>
<b>PROJECTED OTHER LOCAL REVENUE</b>	<b>2013-2014 BUDGET</b>	<b>2014-2015 REQUEST</b>	<b>DIFFERENCE</b>
Fines and Forfeitures	\$90,000	\$90,000	\$0
Interest Earned	\$5,000	\$0	-\$5,000
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>\$180,000</b>	<b>-\$5,000</b>
<b>FUND BALANCE APPROPRIATION</b>	<b>2013-2014 BUDGET</b>	<b>2014-2015 REQUEST</b>	<b>DIFFERENCE</b>
Contingency	\$50,000	\$50,000	\$0
To Balance the Budget	\$800,000	\$400,000	-\$400,000
<b>SUBTOTAL</b>	<b>\$850,000</b>	<b>\$450,000</b>	<b>-\$400,000</b>
<b>TOTAL LOCAL CURRENT EXPENSE BUDGET</b>	<b>\$4,456,929</b>	<b>\$4,240,767</b>	<b>-\$216,162</b>

### CAPITAL OUTLAY BUDGET

	2013-2014 BUDGET	2014-2015 REQUEST	DIFFERENCE
County Appropriations - Capital Outlay	\$218,980	\$203,176	-\$15,804
<b>TOTAL CAPITAL OUTLAY BUDGET</b>	<b>\$218,980</b>	<b>\$203,176</b>	<b>-\$15,804</b>