

Superintendent's Proposed 2019-2020 Budget

Presented by
Dr. Robert P. Grimesey, Jr., Superintendent and
Mr. Mike Bundy, Executive Officer for Budget and Finance
to the Moore County Board of Education
March 4, 2019

Vision

*Moore County Schools
will ensure that educational experiences
inspire students to reach their full potential
and lead productive lives in an ever-changing world.*

Mission

Moore County Schools creates a supportive, engaging, and safe learning environment that builds knowledge, skills, and abilities needed for future success.

Core Beliefs

We believe successful schools are essential for thriving communities, and that

- every student can learn and succeed, regardless of socio-economic status, race, and ethnicity;*
- all staff are empowered to meet the diverse learning needs for our students;*
- resources are provided so students and staff of all backgrounds and abilities can be successful;*
- students should come to school and feel safe, secure, and cared for;*
- we are a partnership with students, parents, and community; and*
- we are accountable for the education of our students.*

Domain 1: Academic Achievement

Budget Items	2019/20	2020/21	2021/22	2022/23	2023/24
Add 2 teachers for K-3 CSR compliance	\$130,000	0	0	0	0
Restore 13 teachers for grades 4-12 CSR impact	\$845,000	0	0	0	0
Increase Academically Intellectually Gifted by 1 FTE per year for 3 years	\$65,000	\$65,000	\$65,000	0	0
Restore Digital Instructional Facilitator	\$65,000	0	0	0	0
Increase IT Technician to support operational demand	\$60,000	0	0	0	0
Increase annual allotment for digital plan by \$150,000 per year to a max of \$1.2 million	\$150,000	\$150,000	\$150,000	0	0
Increase Digital Instructional Facilitators by 2 FTE's starting in FY 20/21	0	\$65,000	\$65,000	0	0
Increase IT Technician support by 1 FTE per year for 3 years	\$60,000	\$60,000	\$60,000	0	0
Increase IT Media /Tech Asst. by 1 FTE per year for 4 years	\$35,000	\$35,000	\$35,000	\$35,000	0
Maintain school receptionist allocation formula	\$15,000	0	0	0	0
Establish/Sustain annual support for STEM learning	0	\$20,950	\$20,950	0	0
5 Domain 1 Total	\$1,425,000	\$395,950	\$395,950	\$35,000	0

Domain 2 : Student Safety, Health, and Welfare

Budget Items	2019/20	2020/21	2021/22	2022/23	2023/24
Achieve/ Sustain State Standard of 1 Nurse/750 students (need 3 FTE's to meet standard starting in FY 21/22)	0	0	\$67,000	\$67,000	\$67,000
Reduce Fund 8 bridge funding by 2.5 nurses and 1 counselor for FY 19/20; and 2.5 nurses and 1 psychologist in FY 20/21	\$237,500	\$237,500	0	0	0
Add Social Worker (need 21 to meet standard, add one per year)	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
Add Psychologist (need 7 to meet standard, add one per year)	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
Add Counselor (need 13 to meet standard, add one per year)	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Add School Resource Officer (2 FTE's in FY 19/20 and 1 FTE in FY 20/21 to cover each HS/MS)	\$120,000	\$60,000	0	0	0
6 Domain 2 Total	\$562,500	\$502,500	\$272,000	\$272,000	\$272,000

Domain 3: Employee Culture and Capacity

Budget Items	2019/20	2020/21	2021/22	2022/23	2023/24
State salary increase (estimate of 3% certified, 1% classified for FY 19/20)	\$415,000	0	0	0	0
Classified salary study proposal & step increase	\$850,000	\$160,000	\$160,000	\$160,000	\$160,000
Salary step increase for certified staff	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000
Shift Assistant Principals from 11 month to 12 months	0	\$70,000	\$70,000	\$70,000	0
Add Director for Human Resources	\$100,000	0	0	0	0
Stipends for beginning teacher mentor program	0	\$115,000	0	0	
Shift data managers from 11 months to 12 months	0	\$40,000	\$40,000	0	0
Supplements for extra-curricular/extra duty	0	\$50,000	0	0	
Domain 3 Total	\$1,635,000	\$705,000	\$540,000	\$500,000	\$430,000

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Domain 4: Parent and Community Engagement

Budget Items	2019/20	2020/21	2021/22	2022/23	2023/24
Digital Information Specialist	\$80,000	0	0	0	0
Stipends for school-based webmasters	\$30,000	0	0	0	0
Domain 4 Total	\$110,000	0	0	0	0

Domain 5: Organizational Capacity and Efficiency

Budget Items	2019/20	2020/21	2021/22	2022/23	2023/24
Charter school (estimated increase of 75 students)	\$249,600	\$175,000	\$175,000	\$175,000	\$175,000
Restore funding to maintenance operations	\$156,000	0	0	0	0
Equipment/vehicle replacement cycle	\$70,000	0	0	0	
Domain 5 Total	\$475,600	\$175,000	\$175,000	\$175,000	\$175,000

Total Annual & Cumulative Costs

Budget Items	2019/20	2020/21	2021/22	2022/23	2023/24
Domain 1: Academic Achievement	\$1,425,000	\$395,950	\$395,950	\$35,000	0
Domain 2 : Students Safety, Health and Welfare	\$562,500	\$502,500	\$272,000	\$272,000	\$272,000
Domain 3: Employee Culture and Capacity	\$1,635,000	\$705,000	\$540,000	\$500,000	\$430,000
Domain 4: Parent and Community Engagement	\$110,000	0	0	0	0
Domain 5: Organizational Capacity and Efficiency	\$475,600	\$175,000	\$175,000	\$175,000	\$175,000
Domains 1-5 Annual Total	* \$4,208,100	\$1,778,450	\$1,382,950	\$982,000	\$877,000
Percentage Increase	* 14.26%	5.28%	3.90%	2.66%	2.32%
Cumulative Total	\$4,208,100	\$5,986,550	\$7,369,500	\$8,351,500	\$9,228,500

* - Percentage increase is on a base of \$ 29,500,000.

Estimated State Salary and Benefits

Budget Items	1% increase	2% increase	3% increase	4% increase	5% increase
Certified Staff	\$151,634	\$170,069	\$276,878	\$339,503	\$402,103
Classified Staff	\$102,965	\$166,560	0	0	0
Total	\$254,599	\$366,629	\$276,878	\$339,503	\$402,103

In FY 2019-20, we are using an estimate of 3% for certified staff and 1% for classified staff. This is a total estimate of \$379,843 plus an additional cost of \$35,000 for 15 locally paid teachers rounded to \$415,000.

Fixed Cost Items for FY 2019-2020

Fixed Cost Items	Cost	Running Total
Add 2 teachers for K-3 CSR compliance (2 teachers @ \$65,000)	\$130,000	\$130,000
Charter school increase for an estimated 75 students	\$249,600	\$379,600
State salary increase (estimate of 3% certified , 1% classified for FY 19/20)	\$415,000	\$794,600
Salary Step Increases for certified staff	\$270,000	\$1,064,600
Transfer personnel from bridge funding to local funds	\$237,500	\$1,302,100
Maintain school receptionist allocation	\$15,000	\$1,317,100
Restore funding to maintain operations	\$156,000	\$1,473,100
Fixed Cost	\$1,473,100	\$1,473,100

Other Identified Needs FY 2019-2020

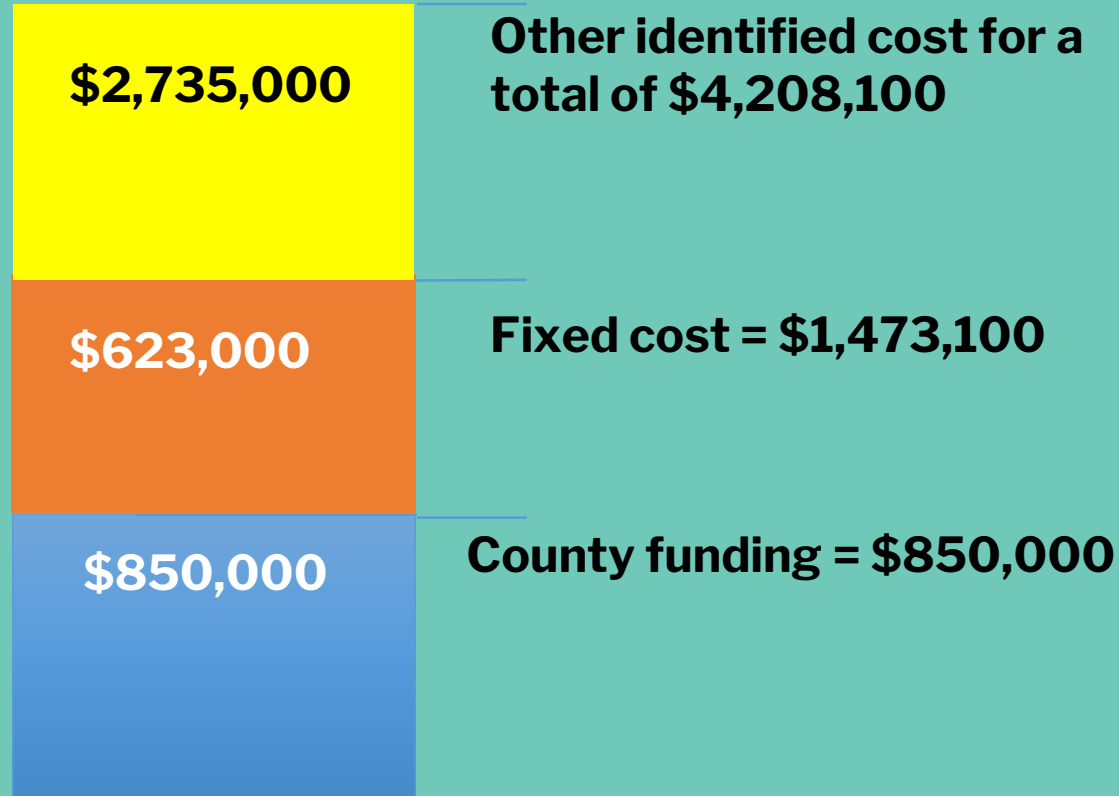
Other Identified Needs	Cost	Running Total
Implement Classified Salary proposal	\$850,000	\$850,000
Restore Teachers for grades 4-12 CSR impact (13 teachers @ \$65,000)	\$845,000	\$1,695,000
Add Director for Human Resources	\$100,000	\$1,795,000
Restore Digital Information Specialist	\$80,000	\$1,875,000
Add stipends for school-based digital information management	\$30,000	\$1,905,000
Increase IT Technician to support operational demand	\$60,000	\$1,965,000
Restore DIF FTE reduction in 2018	\$65,000	\$2,030,000
Add Social Worker by 1 FTE	\$70,000	\$2,100,000
Sub-Total	\$2,100,000	\$2,100,000

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Other Identified Needs FY 2019-2020

Other Identified Needs - continued	Cost	Running Total
Sub-Total	\$2,100,000	\$2,100,000
Increase annual allotment for digital plan by 150,000 to a max of \$1.2 million in three years	\$150,000	\$2,250,000
Increase IT Technicians support by 1 FTE	\$ 60,000	\$2,310,000
Increase IT Media/Tech Asst. support by 1 FTE	\$ 35,000	\$2,345,000
Add Resource Officers by 2 FTE's	\$120,000	\$2,465,000
Increase AIG staffing by 1 FTE	\$ 65,000	\$2,530,000
Add Psychologist by 1 FTE	\$ 70,000	\$2,600,000
Add Counselor by 1 FTE	\$ 65,000	\$2,665,000
Equipment/vehicle life cycle plan for maintenance	\$ 70,000	\$2,735,000
Other Identified Needs Total	\$2,735,000	\$2,735,000

Detailed Analysis of Identified Cost



Factors Influencing Identified Cost:

1. County Manager's preliminary forecast of funding provides an increase of \$850,000 for current expense.
2. This funding does not cover the identified fixed cost of \$1,473,100 and has a shortage of \$623,000. There is no available funding for other identified cost of \$2,735,000.

Framework of Needs

Maintain current operations for next year	Cost	Running Total
Add 2 teachers for K-3 CSR compliance (2 teachers @ \$65,000)	\$130,000	\$130,000
Charter school increase for an estimated 75 students	\$249,600	\$379,600
State salary increase (estimate of 3% certified , 1% classified for FY 19/20)	\$415,000	\$794,600
Maintain school receptionist allocation	\$15,000	\$809,600
Total	\$809,600	\$809,600

Maintain current operations beyond next year	Cost	Running Total
Salary Step Increases for certified staff	\$270,000	\$270,000
Implement classified salary proposal	\$850,000	\$1,120,000
Transfer personnel from bridge funding to local funds	\$237,500	\$1,357,500
Total	\$1,357,500	\$1,357,500

Framework of Needs

Restore past cuts	Cost	Running Total
Restore Teachers for grades 4-12 CSR impact (13 teachers @ \$65,000)	\$845,000	\$845,000
Restore DIF FTE reduction in 2018	\$65,000	\$910,000
Restore funding to maintain operations	\$156,000	\$1,066,000
Total	\$1,066,000	\$1,066,000

Value added investments	Cost	Running Total
Restore Digital Information Specialist	\$80,000	\$80,000
Add stipends for school-based digital information management	\$30,000	\$110,000
Total	\$110,000	\$110,000

Framework of Needs

Expand to meet deferred needs	Cost	Running Total
Add Director for Human Resources	\$100,000	\$100,000
Increase IT Technician to support operational demand	\$60,000	\$160,000
Add Social Worker by 1 FTE	\$70,000	\$230,000
Increase annual allotment for digital plan by 150,000 to a max of \$1.2 million in three years	\$150,000	\$380,000
Increase IT Technicians support by 1 FTE	\$ 60,000	\$440,000
Increase IT Media/Tech Asst. support by 1 FTE	\$ 35,000	\$475,000
Add Resource Officers by 2 FTE's	\$120,000	\$595,000
Increase AIG staffing by 1 FTE	\$ 65,000	\$660,000
Add Psychologist by 1 FTE	\$ 70,000	\$730,000
Add Counselor by 1 FTE	\$ 65,000	\$795,000
Equipment/vehicle life cycle plan for maintenance	\$ 70,000	\$865,000
Total	\$865,000	\$865,000

Summary of Needs

Description - Summary	Cost	Running Total
Maintain current operations for next year	\$809,600	\$809,600
Maintain current operations beyond next year	\$1,357,500	\$2,167,100
Restore past cuts	\$1,066,000	\$3,233,100
Value added investments	\$110,000	\$3,343,100
Expand to meet deferred needs	\$865,000	\$4,208,100
Total	\$4,208,100	\$4,208,100

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Summary of Reoccurring Costs for FY 2019-2020

Description	Cost
Total of fixed cost items	\$1,473,100
Total of other identified needs	\$2,735,000
Total	\$4,208,100
Preliminary County Funding for current expense	\$850,000
Additional funding to cover fixed cost	\$623,100
Additional funding to cover identified needs	\$2,735,000
Total	\$4,208,100

Summary of One-Time Costs FY 2019-2020

Description	Cost	Running Total
Start-up cost associated with staffing for Aberdeen and Southern Pines	\$234,100	\$234,100
Technology life cycle infrastructure	\$750,000	\$984,100
Projected operational cost of new McDeeds Creek ES (County funding of \$739,133 rounded to \$740,000)	\$740,000	\$1,724,100
Capital Improvements to support maintenance and repairs (annual request)	\$1,900,000	\$3,624,100
Total	\$3,624,100	\$3,624,100

Total Proposed FY 2019-20 County Allotment Includes All Fund Types

Budget Year	County Funding	Annual Increase in Funding	% Change
2014/15	\$27,115,140		
2015/16	\$27,765,140	\$650,000	2.39
2016/17	\$28,529,515	\$764,375	2.75
2017/18	\$31,841,352	\$3,311,837	11.61
2018/19	\$31,000,000	-\$841,352	-2.64
2019/20 *	\$35,208,100	\$4,208,100	13.57

* County funding includes \$29,500,000 for current expense; \$900,000 for digital learning fund; \$750,000 for Capital outlay; and \$4,058,100 increase for a total of \$35,208,100.

Proposed 2019-20 County Allotment by Fund Type

Fund Type	Proposed Level
Local Expense	\$32,298,100
Charter Schools	\$1,260,000
Capital Expense	\$750,000
Digital Learning	\$900,000
Total	\$35,208,100

Proposed 2019-20 Local Expense Fund

Revenue Type	Proposed Level
County Appropriation	\$32,298,100
Charter Schools	\$1,260,000
Fines/ Forfeitures	\$450,000
Interest	\$30,000
Total	\$34,038,100

Proposed 2019-20 Moore County Schools Budget

Fund Type	Proposed Level
State – Fund 1	\$75,500,000
Local Expense – Fund 2 (\$32,778,100 Fund 2 + \$1,260,000 New Charter Fund)	\$34,038,100
Federal – Fund 3	\$7,400,000
Capital Expense – Fund 4	\$750,000
School Nutrition – Fund 5	\$5,485,000
Local Operations – Fund 8	\$2,115,000
Proposed 2019/20 Budget	\$125,288,100

Proposed 2019-20 County Allotment by Fund Type

Fund Type	Original Request	One-Time Funding	Supplemental Requests	Total
Local Expense	\$32,298,100	\$740,000	0	\$33,038,100
Charter Schools	\$1,260,000	0	0	\$1,260,000
Capital Expense	\$750,000	\$984,100	\$1,900,000	\$3,634,100
Digital Learning	\$900,000	0	0	\$900,000
Total	\$35,208,100	\$1,724,100	\$1,900,000	\$38,832,200

One-time funding includes projected operating cost for McDeeds Creek ES of \$739,133 rounded to \$740,000; start-up cost for Aberdeen and Southern Pines of \$234,100; and technology life cycle infrastructure of \$750,000.

Current Budget Framework

- Moody's increased Moore County's bond rating from Aa1 to Aa2 for general obligation bonds and Aa2 to Aa3 for limited obligation bonds. Approaching total of \$50 million in general capital fund balances.
- Moore County is reassessing property value and considering increase in tax rates. Will not do so again for at least five years.
- Moore County voters approved quarter-cent sales tax increase, which increased revenue \$2.5 to \$3.1 million per year.
- Moore County approved a \$1.2 million increase in local expense to support a much-deserved shift of non-school employees to a salary scale for this current year. The projected cost for the first step increase in the coming FY 2019-20 will be \$337,000 for a total increase of \$1.537 million over the two-year period.
- Moore County budget policy caps annual local revenue increase to schools at 40% of the total county revenue increase. Based on the cap, the County Manager's forecasted increase will be \$850,000.

Budget Process: Next Steps

- March 11 – MCS Public Hearing and Board Discussion
- April 1 – MCS Board Discussion
- April 8 – MCS Board Action
- May 7 – MCS Presentation to County Board of Commissioners
- June 4 – County Manager recommended budget presentation to County Board of Commissioners
- June 18 – County Public hearing and County Board of Commissioners Action

Budget Committee Members

- Ms. Helena Wallin-Miller, Chairman, Moore County Schools Board of Education;
- Ms. Libby Carter, Vice-Chairman, Moore County Schools Board of Education;
- Mr. Thomas Boals, Vice President, First Bank;
- Mr. Bruce Rosenberger, Director of Administrative Services, Town of Southern Pines;
- Dr. Robert Grimesey, Superintendent;
- Mr. Tim Locklair, Chief Officer for Academics and Student Support Services;
- Dr. Anita Alpenfels, Executive Officer for Human Resources; and
- Mr. Michael Bundy, Executive Officer for Budget & Finance



Past Budget Failures

- Failed to improve retention/recruitment of high quality teachers, support staff and leadership.
- Failed to accelerate our teachers' access to “base digital content.”
- Failed to expand 1:1 student-to-laptop ratio into grades 3-5.
- Failed to establish plan to address technology infrastructure obsolescence.
- Failed to reduce student-nurse ratio toward state-recommended 750:1, from current 900:1.
- Failed to expand support for student mental health needs.
- Failed to expand all assistant principal and data manager services to 12 months.
- Failed to create a separate and independent charter school fund.

Proposed Budget Accomplishments

- Reduces reliance on non-recurring revenues (subject to NC General Assembly's final state budget resolution.)
- Provides funding to maintain current operations and services.
- Restores past cuts from teachers and maintenance.
- Provides funding to improve retention and recruitment of support services, technology services, and student services.
- Provides one-time funding for operational needs.

Discussion/Questions