Preliminary Analysis:
Impact of Proposed County Budget on Moore County Schools
FY 2020-2021 Budget

Presented by
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to the Moore County Board of Education
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Total Proposed FY 2020-21 County Allotment Includes All Fund Types

Budget Year	County Funding	Annual Increase in Funding
2015/16	$27,765,140	
2016/17	$28,529,515	$764,375
2017/18	$31,841,352	$3,311,837
2018/19	$31,000,000	-$841,352
2019/20	$32,589,133	$1,589,133
2020/21 *	~~**$36,049,133**~~ **$31,850,000**	~~**$3,460,000**~~ **-$739,133**

- ~~County funding includes $34,549,133 for current expense; $750,000 for digital learning fund; $750,000 for capital outlay.~~
- **County funding includes $30,350,000 for current expense; $750,000 for digital learning fund; $750,000 for capital outlay.**

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Revised Fixed Costs for FY 2020-2021

Fixed Cost Items	**Cost**
Add ~~6~~ 4 teachers for K-3 CSR mandate (~~6~~ 4 teachers @ $70,000)	~~$420,000~~ $280,000
Charter school increase (PPE ~~$2,480~~ $2,178)	~~$550,000~~ $275,000
State salary increase for locally paid employees (~~estimate of 6% certified , 2% classified for FY 20/21~~ retirement (21.44%) and hospitalization ($6.647 increase ONLY)	~~$660,000~~ $200,000
Local supplement increases for certified staff	~~$300,000~~ $0
Add 1 teacher for Orchestra – North Moore	$70,000
School Business System Modernization Mandate	~~$50,000~~ $40,000
Fixed Costs	**~~$2,050,000~~ $865,000**

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Revised Needs for FY 2020-2021

Fixed Cost Items	Cost
Add up to 4 teachers for K-3 CSR mandate (4 teachers @ $70,000)	$280,000
Charter school increase (PPE $2,178)	$275,000
State salary increase for locally paid employees (only includes benefit rate increases – 21.44% retirement/$6,647 hospitalization)	$200,000
Local supplement increases for certified staff	$0
Add 1 teacher for Orchestra – North Moore	$70,000
School Business System Modernization Mandate	$40,000
Fixed Costs	**$865,000**

Highest Priority Needs	Cost
Implement Classified Salary Scale	$850,000
Restore Teachers targeted for grades 4-5 CSR impact (8 teachers)	$560,000
Highest Priority Costs	**$1,410,000**

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AES/SPES Consolidation Cost Savings FY 2020-21

Description	Cost
One-time McDeeds Creek Funding	$739,133
Cost savings from Consolidation anticipated	-$419,000
Deficit	**$320,000**

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Updated Bottomline

Description	Cost
Fixed Cost Increases	$865,000
Remaining Consolidation Costs	$320,000
Budget Shortfall to Maintain Current Level of Services	**$1,185,000**

Revised Projected 2020-21 County Allotment by Fund Type

Fund Type	Proposed Level
Local Expense/MCS	~~$31,749,133~~ $27,825,000
Local Expense/Charter Schools	~~$2,800,000~~ $2,525,000
Capital Expense	$750,000
Digital Learning	$750,000
Total	**~~$36,049,133~~ $30,830,000**

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Revised Projected 2020-21 Moore County Schools Budget

Fund Type	Proposed Level
State – Fund 1	$81,500,000
Local Expense – Fund 2	~~$35,029,133~~ $30,830,000
Federal – Fund 3	$7,200,000
Capital Expense – Fund 4	$750,000
School Nutrition – Fund 5	$5,485,000
Local Operations – Fund 8	$3,000,000
Proposed 2020/21 Budget	**~~$132,964,133~~ $128,765,000**

- ~~Local Expense – Fund 2 $35,029,133 includes $480,000 in fines and forfeitures and does not include $750,000 for digital learning fund~~
- Local Expense – Fund 2 $30,830,133 includes $480,000 in fines and forfeitures and does not include $750,000 for digital learning fund

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Potential Alternative One-Time Revenue Sources

Description	Cost
Elementary and Secondary School (K-12) Emergency Relief Fund (CARES) – PRC 163 (Net After Private School Share)	$1,800,000
State COVID-19 (HB1043) – Multiple State PRCs	
School Nutrition – Not to replace lost revenue – expires 6/30/20	$515,035
Summer Learning – expires 12/31/20	?
Contract Mental Health – expires 12/31/20	?
Non-digital Remote Instructional Resources – expires 12/31/20	?
Digital Devices for Students – expires 12/31/20	?
Digital Devices for Staff – expires 12/31/20	?
WiFi on Buses – Devices Only – expires 12/31/20	?
Access Points – Devices Only – expires 12/31/20	?
Learning Management Platform – expires 12/31/20	?
Extended School Year/EC – expires 12/31/20	?
Extended Learning and Integrated Student Support Grants – expires 12/31/20	?
Total Supplemental Revenue	**$2,315,035**

What We Know and What We Do Not Know?

- **Elementary and Secondary School (K-12) Emergency Relief Fund –**
  - We will receive $1.8M after sharing with private schools
  - Application to receive money was due today, submitted last week
  - Anticipate receiving money prior to June 30
  - Unrestricted for the most part
  - Guidance continues to come out
  - Expires 9/30/21
  - Will there be any subsequent reductions to federal funds?

What We Know and What We Do Not Know?

- State COVID-19 Money (CARES Act – FY20 HB1043)
  - Allotment Policy for School Nutrition Funding approved 5/21 by State Board of Education
    - Cannot replace lost revenues
    - Questions around how it truly can be spent
    - Many districts anticipate reverting a large portion
  - Very Specific Pots
    - Limited to no Guidance on Use of Funds
    - No Allotment Policy
    - No Allotment Amounts
    - State Board of Education scheduled to hear/take action 6/4
- Will there be subsequent state and/or federal reductions?

Where Do We Go From Here?

Fixed Cost Items	Cost
Add up to 4 teachers for K-3 CSR mandate (4 teachers @ $70,000)	$280,000
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Fixed Costs	**$865,000**

Remaining Consolidation Costs	Cost
Remaining Consolidation Costs	**$320,000**

Highest Priority Needs	Cost
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Highest Priority Costs	**$1,410,000**

Discussion/Questions