



Franklin
COUNTY SCHOOLS

Current Expense & Capital Outlay Budget 2023 - 2024



Presentation to Franklin County Board of Education

April 17, 2023



2023 - 2024

SUPPORT FOR OUR SCHOOLS

Total Request

\$28,328,192 **



****All details shared are based on current information made available and is subject to change****



Budget Development Overview

- Meetings with all stakeholders to discuss budget priorities and projected costs.
- Financial Audit Presentation (21-22)

- Current Expense Budget Work Session (February 20) in which (3) funding priorities were identified for the 2023-2024 fiscal/school year. We also must include a request for the funding requirement to transfer revenues directly to Charter Schools (inside and outside of Franklin County) that serve Franklin County residents.
- Capital Outlay Work Session (March 20) in which funding request for recurring and new capital improvement projects was submitted to the BOE based on identified priorities in alignment with the CIP, principal requests, BOE input and auxiliary services identified areas of need.
- Meeting with County Manager and Finance Team to discuss the preliminary budget.

JAN
2023

FEB
2023

MAR
2023

APR
2023

- Capital Outlay Team met to prioritize budget work.
- Local Current Expense budget impacts and projections further reviewed for 2023-24 and presented to the BOE.

- Meeting with County Leadership and FCS Leadership to discuss funding priorities and projected cost.
- Budget Request for Approval by FCS Board of Education (April 17)
- Submission of Board Approved Funding Request to FC Board of Commissioners for Consideration (April 18)



District Priorities 23-24

Academics

Expand early opportunities for our students. Support quality instruction to address learning gaps through professional development, student assessment, data team work at the school and district levels, and effective integration of technology.

Target high school programming opportunities to students to increase graduation rate and preparation for college/career.

Safe Schools

Address short and long term facilities needs. Support efforts to increase safety and security. Address student needs that impact the learning process, including physical and mental health and adverse behaviors.

High Quality Staff

Recruit staff in hard-to-fill areas. Retain staff across all areas of operation.



District Priorities: Presented in February

Budget Impacts (May also include Granted funding also)	District Priorities Are In Alignment With Strategic Plan Goals Within Our BluePrint
State, Federal, ESSER Funds	Goal 1: FCS Students will graduate prepared for college, career and life beyond the classroom
State, Federal, ESSER Funds	Goal 2: FCS students will demonstrate proficiency in core academic areas
State, Federal, ESSER, Capital Outlay Funds	Goal 3: FCS students will be provided with a safe, orderly and caring environment conducive to learning
State, Federal, ESSER Funds	Goal 4: FCS will actively recruit, support and retain high quality professionals
Local Current Expense Funds/Transfer to charter schools	Charter School Impacts and FCS Increased Enrollment Projections (Increase of 985+ students-almost a 10% growth in a two-year period of time)
Local Current Expense Funds and Fund Balance (as needed)	Continue to support the classified salary tables, legislative increase projections and additional employer related benefit costs in the midst of a 9.1% National Consumer Price Index inflation rate increase to do business in today's post pandemic environment.



Capital Outlay Overview: \$3,000,000

Funding request increased at the \$3,000,000 level

Shift of funding from ESSER into Capital Outlay funds

- ▶ HVAC maintenance needs (\$100,000)
 - ▶ Shifts from Local Current Expense to Capital Outlay to cover
 - ▷ \$60,000 Band and Athletics
 - ▷ \$150,000 Technology Devices/Equipment
1. ESSER funding during the onset of the Pandemic allowed us to seek funding approval for eligible projects, but now project approvals are more restrictive and must be in alignment with current “post-pandemic” needs and cannot be identified as “recurring” or “routine”.
 2. All current ESSER funding and subcategories of major funding expire September 2024.
 3. The \$5M 3-year HVAC Project funded by ESSER will be finalized by September 2024.



2023-2024 Capital Outlay Budget

(As Presented & Revised From March 2023)

Recurring Expenses

Recurring	Project	Budget
Lic/Title Fees	ongoing	\$15,000.00
Bus Camera, parking lot lights, fire ext	ongoing	\$50,000.00
2-3-seven passenger vans	ongoing	\$100,000.00
Safety Security/Access	ongoing	\$100,000.00
Safety Security/Cameras	ongoing	\$85,000.00
HVAC Maintenance	ongoing	\$250,000.00
Painting	ongoing	\$50,000.00
Athletics (to Schools)	ongoing	\$30,000.00
Band (to Schools)	ongoing	\$30,000.00
Technology (inventory)	ongoing	\$150,000.00
Capital Improvements to existing sites	ongoing	\$125,000.00
Energy Projects	ongoing	\$240,000.00
		\$1,225,000.00



2023-2024 Capital Outlay Projects

page 1

New Projects		
Facility	Project	Cost Estimate
BES	Add sidewalk behind gym	\$10,000.00
BES	Carpet 4 rooms	\$21,300.00
BHS	Media center roof replacement (tpo)	\$126,450.00
BHS	Repair track	\$68,500.00
BHS	CTE Kitchen upfit	\$40,000.00
BHS	Carpet replacement in room 303	\$4,700.00
BHS	New bleachers for gym.	\$225,000.00
BMS	Bleachers (2- SETS)	\$14,000.00
BMS	Replace Bleachers	\$75,500.00
BMS	Re-roof mobile	\$75,869.00
BMS	Crack seal and repaint parking lot	\$52,000.00
CCMS	Bleachers for spectators, bleachers for home and away teams	\$16,150.00
CCMS	Re-roof mobile	\$75,900.00
EBES	Add Canopy to carpool area	\$28,000.00
FCS	VOIP Phone System	\$260,000.00
FCS	System Wide Bell and Paging System Upgrades	\$135,000.00
FCS	Technology Infrastructure Upgrades (year 1 of 3)	\$100,000.00



2023-2024 Capital Outlay Projects

page 2

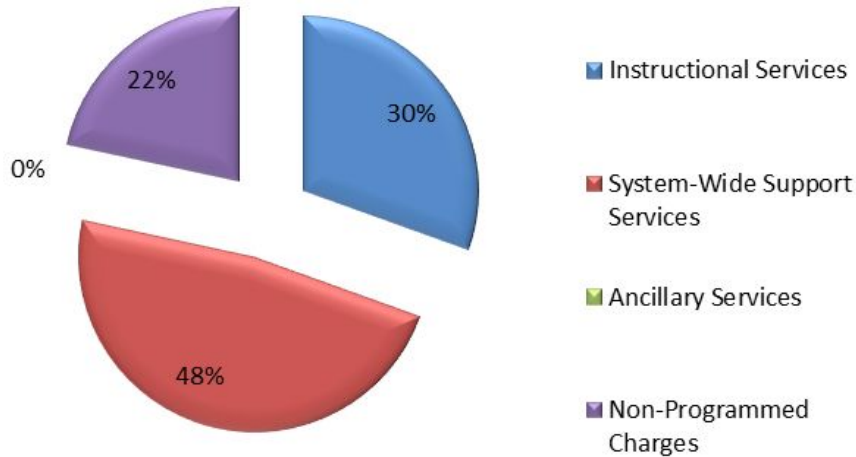
Facility	Project	Cost Estimate
FES	Carpet for 4 rooms	\$21,300.00
FES	Playground equipment replacement	\$71,377.32
FHS	Upgrade bleachers	\$19,000.00
FHS	Upgrade and repair track	\$35,200.00
FHS	Paint Tennis Court	\$29,850.00
FHS	Lights - Poles added to provide lighting for evening practices and band.	\$172,000.00
FMS	Security Lighting for Courtyard	\$4,000.00
LES	Playground equipment repair/replace	\$71,377.32
LHS	Replace floor in weigh room	\$24,910.56
LHS	Repair gym bleachers	\$35,000.00
RES	Repair floor	\$15,530.00
RES	New Carpet-office area	\$59,196.02
RES	Repair floors on yellow hall	\$22,303.98
YES	Repair fencing	\$23,335.80
YES	carpet for 4 rooms	\$21,300.00
		\$1,775,000.00

Capital Outlay Total-\$3,000,000.00

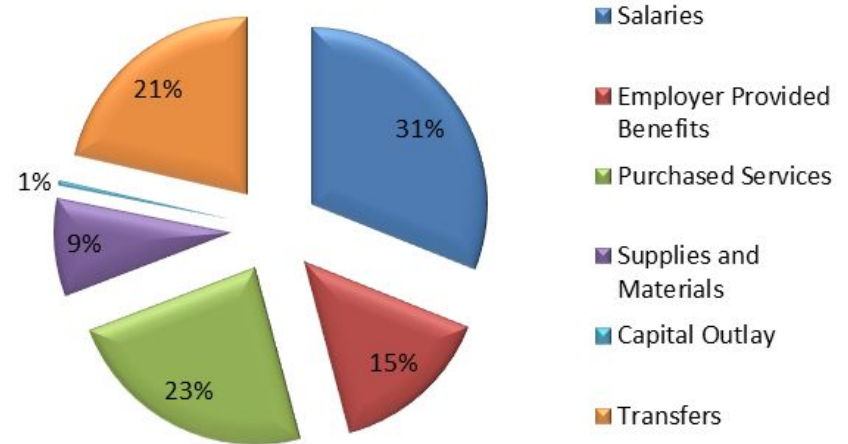


Local Current Expense Budget at a Glance (YTD April 11, 2023)

Budget Allocation by Purpose



Budget Allocation by Object



Local Current Expense Budget at a Glance

(YTD April 11, 2023 or **75%** of the fiscal year)

	Current Budget/Balance	Year-to-Date Exp/Rev	PO's & Encumbrances Outstanding	Remaining Balance	Percent Spent
5XXX Instructional Services	\$7,941,839.19	\$5,196,972.74	\$114,263.72	\$2,630,602.73	66.88%
6XXX System-Wide Support Services	\$12,464,780.02	\$9,455,703.54	\$619,400.23	\$2,389,676.25	80.83%
7XXX Ancillary Services	\$1,000.00	\$284.75	\$0.00	\$715.25	28.48%
8XXX Non-Programmed Charges/Transfers	\$5,625,861.32	\$3,693,085.58	\$1,500	\$1,931,275.74	65.67%
	\$26,033,480.53	\$18,346,046.61	\$735,163.95	\$6,952,269.97	73.29%
4XXX Revenues from Local and Other Sources	(\$26,033,480.53)	<i>Revenues include projected use of assigned Fund Balance, PPA from County's appropriation, projections for Fines/Forfeitures and other Miscellaneous revenue projections.</i>			



Local Current Expense Budget at a Glance

- State, Federal and some granted funds support some salaries, benefits and operational needs, but local funding is required to supplement many of these areas of need.
- Categorical areas of support from local funding include the following and much more:
 - Retention and Signing Bonuses
 - Local Supplements for Teachers and Administrators
 - Central Office Support Staff Salaries & Benefits
 - School Office Support and School Leadership Staff Salaries & Benefits
 - Classroom Instructional Support Staff Salaries & Benefits
 - Worker's Compensation Insurance
 - Employer Provided Benefits (i.e. Dental Insurance, Basic Life Insurance)
 - General Liability Insurance, Vehicle/Fleet Insurance and Property Insurance
 - Instructional Support Programs (AIG, CTE, Pre K, STEM, Robotics, etc.)
 - Technology Support
 - Staff/Professional Development
 - Student Transportation
 - Maintenance of Buildings & Grounds
 - Electricity, Water and Waste Management



Recurring Impacts to Local Current Expense Budget and/or Fund Balance

Salaries:

- ▶ Rising Benefit Costs
 - ▷ 26.11% Retirement
 - ▷ \$7,897 ER Medical
- ▶ Minimum \$15/hr & sustainability of the structure of the Classified Pay Table
- ▶ **4%-6%** rate increase

Final TBD

Inflation:

- ▶ Increased cost for doing business across all areas of operations
- ▶ Increased cost of fuel for student transportation needs

Charter Schools:

- ▶ We are dependent upon accurate projections for enrollment ahead of budget planning cycle
- ▶ Delayed or inaccurate rosters/invoices from the companies that manage the business and finances for charter(s) impact final FYE close-out projections
- ▶ Limited requirements regarding information shared with LEA's (we do not have knowledge of how these funds are utilized once the funds are transferred to the charter school or their 3rd party management)



2023-2024 Charter School Budget Review

YEAR	FCS ADM*	CS ADM*	COMBINED ADM	COUNTY APPROPRIATION	PPA	PAYMENT TO CS
2021-2022	7842	1953	9795	\$21,221,872	\$2,167	\$4,232,151
2022-2023*	7,868 (PMR 3)	2,558 (Current Invoices)	10,426	\$21,910,978	\$2,102	\$5,467,320 Comparing to previous year FYE 2022, currently budgeted \$5.5M which is \$1.4M more than previously transferred in one year resulting in a direct impact to the level of assigned fund balance to balance the 2022-23 budget.
2023-2024*	7,932 <i>Based on January enrollment data; includes Pre-K</i>	2,848 <i>Based on enrollment data from CS's, now 2,898</i>	10,780	\$25,328,192	\$2,350*	\$6,692,800 Final PPA TBD & based upon the county's appropriation for 2023-24

These are “pass through” funds that the district receives and redistributes to charter schools

*ADM details are reflective of data from district PMR1, PMR2, PMR3 details provided which may differ from actual state calculated ADM





Charter School Responses

Franklin County Charter	Franklin County Residents Enrolled 2022-23	*Franklin County Residents Projected Enrollment 2023-24
Crosscreek Charter	319	325 (6+)
Youngsville Academy	358	418 (60+)
Wake Preparatory Academy	669	850 (181+)
Total Internal Charter Enrollment	1,346	1,593 (247+)
External Charters Serving Franklin County Residents	1,212	1,305 (93+)
Total Projected Charter Enrollment of Franklin County Residents		2,898 (340+)

**These numbers are based upon actual PMR 4 data and projections reported from all Charter Schools as of April 11, 2023. This information is subject to change.*



3-Year Funding Comparison

	2021-2022	2022-2023	2023-2024	
Request to County (Local Current Expense Funds)	\$21,221,872	\$21,910,978	\$25,328,192	
Franklin County Schools	\$410,417  <small>Decreased enrollment led to decreased PPA request for FCS</small>	\$16,443,658	\$18,635,392	\$2,191,734 
Transfers to Charters	\$439,353  <small>Increased enrollment led to increased PPA request for charters</small>	\$5,467,320	\$6,692,800	\$1,225,480 
<small>*Subject to change as actual ADM details are available for the 2023-24 school year</small> Appropriation increased by only \$28,936 for 2021-22		*25% of funding to CS Appropriation increased by \$689,106	*26% of funding to CS Appropriation increased by \$3,417,214	



Request to County
(Capital Outlay Funds)

\$1,500,000

\$1,500,000

\$3,000,000

Funding increase of \$1.5M for capital outlay

► Per Pupil Allocation

Current year (2022-23), the PPA **decreased** as a result of inadequate county appropriation during a time of increased student population enrollment. The projection for next year (2023-24) reflects an **increase** for both FCS and charter schools. The increased request will result in an increase in PPA to **\$2,350** per student for fiscal year 2023-24 to meet the needs of the identified goals. This request does account for some inflationary increases, benefits cost increases, and increased fuel costs. We offset those increased costs using fund balance this year, but cannot afford to assign fund balance again for the upcoming 2023-24 school year.



Local Current Expense Fund Balance Status

Franklin County Schools is committed to working with our County Commissioners to identify the appropriateness of funding for all residential students of Franklin County. Currently budgeted expenses exceed revenues by \$4,122,503. The goal during fiscal year end close out remains to be to maximize state allotments and reduce the use of assigned fund balance as projected. An increased funding request of \$3,417,214 will release the district's requirement to assign fund balance again for the 2023-24 fiscal year after 3 consecutive years of inadequate funding to support local current expense funding requirements which includes charter school transfers.

FISCAL PERIOD	BEGINNING Fund Balance	Adjustments Due to Inventory Reserve	NET CHANGE	ENDING Fund Balance	
7/1/21 - 6/30/22	\$6,913,193	\$126,962	-\$371,645	\$6,668,510	2021-22 Budget Resolution approval for use of \$604,200 in December 2021, but only used \$371,645.
7/1/22 - 6/30/23	\$6,668,510	\$0	-\$2,934,814	\$3,733,696	Fund Balance actually utilized for 2022-23 will be determined during FYE close and presented with the Continuation Budget Resolution June 29, 2023. Final audited balances will be presented with the 2022-23 financial audit in January 2024.



Summary of Budget

\$25,328,192 (County Appropriation- Local Current Expense Budget)

\$3,000,000 (County Appropriation- Capital Outlay Budget)

Total Budget Request: **\$28,328,192**

\$18,635,392 (local)

\$3,000,000 (capital)

Franklin County Schools District

\$6,692,800

Projection details from previous slides

Charter Schools
(within and outside of district)

All details shared are based on current information made available and is subject to change



▶ Next Steps:

Submission of budget to County Commissioners for funding review & response.



Preliminary state planning allotment received but will need legislative approvals before this can be finalized. Significant impacts to local will be communicated to the BOE and BOCC if/when needed.



Fiscal Year End Close procedures to see final status for conversation about fund balance and impacts to local current expense funds outside of what has been shared this evening.



Questions?

Request for Approval:

\$28,328,192

(Local Current Expense/Charter Transfers
and Capital Outlay)

Submission to

Franklin County Commissioners

for support

2023-2024 fiscal year



Thank You!



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