



Tony Baldwin, Ed.D., Superintendent

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May 8, 2013

Dr. Wanda Greene, County Manager  
County of Buncombe  
200 College Street, Suite 300  
Asheville, NC. 28801

Dear Dr. Greene,

Please know that the Board of Education and I continue to appreciate the excellent working relationship -- and value the good will -- that exists between the County of Buncombe Commissioners and staff and the Buncombe County Board of Education and employees.

It is reassuring, especially in our current challenging economic environment, to know that the County of Buncombe recognizes educational funding as a priority and respects the return on investment that Buncombe County Schools provides to our community.

In evaluating our request for 2013-14, please remember that in the current 2012-13 fiscal year, Buncombe County Schools absorbed a State-mandated 1% across-the-board salary increase as well as State-mandated increases in both employer-paid health insurance premiums and the employer contribution to the Teachers and State Employees' Retirement System using the same total County appropriation to Buncombe County Schools and Asheville City School as in 2011-12.

For the upcoming 2013-14 fiscal year, we are asking for a \$1,741,249 total increase above the 2011-12 and 2012-13 level of County's current expense appropriation of \$56,125,793 to make a new total to be shared between both districts (and those charter school students residing within our respective boundaries) of \$57,867,042.

Because we do not yet have information on the number of charter school students, we cannot calculate the distribution with Asheville City Schools precisely, but we anticipate that approximately \$1,489,464 of the increase in the joint appropriation would be coming to Buncombe County Schools.

That increase in funding is being requested to cover the following items.

- \$514,714 -- Seven School Resource Officers (6 elementary school districts and Community High)
- \$360,000 -- Six technology support staff (3 technology facilitators and 3 technicians)
- \$314,927 -- To cover a one percent (1%) pay increase on the Local Current Expense Fund
- \$160,000 -- To purchase the "Home Base" student/teacher/parent communication and instructional product and support
- \$ 87,691 -- To fund an increased retirement contribution rate in the Local Current Expense Fund
- \$ 52,132 -- To fund an increased health insurance premium in the Local Current Expense Fund

The total of these items is \$1,489,464.

In addition, we are requesting a continuation of the special appropriation to Buncombe County Schools of \$276,116 for the Community High School that serves both districts, as well as of a capital outlay appropriation based upon the current estimate of dedicated sales tax receipts and prorated between Buncombe County Schools and Asheville City Schools according to ADM.

State Statutes require that school districts submit a request for the county appropriation each year no later than May 15<sup>th</sup>. The statute also mentions that an estimate of the entire budget for the school district should accompany the request for funding from the County Commissioners. This requirement has always been problematical inasmuch as insufficient information exists at this time of year to produce a detailed budget for the ensuing fiscal year. Among the items of crucial information that are not yet available are the General Assembly's action on salary and/or benefit increases, actual federal grant awards and carry-over, and final funding formulas for State funds.

At this time, the only information that we have is contained in the Governor's budget. That document contains a 1% across-the-board pay increase for all employees as well as proposed increases in the employer's retirement contribution and the employer-paid health insurance rates. A 1% across-the-board increase would cost the Local Current Expense Fund \$314,927. The proposed increase in the employer's retirement contribution from the current 14.23% to 14.59% would increase on the Local Current Expense Fund's costs by approximately \$87,691. The proposed increase in the employer-paid health insurance from the current \$5,192 annual premium to \$5,312 would increase the Local Current Expense Fund's cost by approximately \$52,132.

There has been speculation that the final budget may increase pay for teachers beyond a 1% across-the-board adjustment and that the employer-paid health insurance premium may have to be even higher to keep the State Health Plan solvent. If either of these events transpires, our plan is to absorb this cost by appropriating additional fund balance to balance the 2013-14 budget.

We also plan to absorb the decreased funding available from the federal government, both due to the expiration of the EduJobs funding on September 30, 2012, and the imposition of the sequester.

What we are asking the Commissioners to fund in addition to the mandated salary and benefit increases are improvements in school safety, classroom technology support, and parent/student/teacher communications. We are requesting funding for an additional seven (7) School Resource Officers (SRO's) to allow one SRO to be stationed in each of our six attendance areas to serve elementary schools and one SRO for the Community High School. We are also requesting funding for six (6) additional technology support positions – three to work in the schools to facilitate inclusion of technology in classroom instruction and three to perform technical services in the district headquarters to assure that both individual workstations and overall network communications are functioning properly. Finally, we are also requesting \$160,000 to allow for the annual licensing on the "Home Base" product and minimal school-level personnel to handle the increased capabilities of parent-teacher-student communication available in that product.

My staff and I would be happy to provide any additional information that you would find helpful in evaluating this request.

The draft budget also maintains the local supplement schedule shown below:

Licensed Staff				<u>Non-licensed staff</u>
0 - 4 years	6.3%	20-24 years	10.6%	10.77%
5 - 9 years	6.4%	25-29 years	10.9%	
10 -14 years	8.2%	30 or more	11.7%	
15-19 years	8.4%			

Respectfully Submitted,



Tony Baldwin, Superintendent

cc: Members of the Buncombe County Board of Education

**BUDGET RESOLUTION FOR FISCAL YEAR 2013-14  
BUNCOMBE COUNTY BOARD OF EDUCATION**

**SECTION 1** - The following amounts are estimated to be available to support operation of the school administrative unit in the **State Public School Fund** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Purpose	Description	Preliminary Budget
5000	Instructional Services	\$120,691,539
6000	System-wide Support Services	\$17,097,483
7000	Ancillary Services	\$103,533
8000	Non-Programmed Charges	\$0
<b>TOTAL</b>		<b>\$137,892,555</b>

**SECTION 2** - The following revenues estimated to be available for the **State Public School Fund** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Funding Source	Description	Preliminary Budget
3100	State Public School Fund Revenue	\$137,892,555
<b>TOTAL</b>		<b>\$137,892,555</b>

**SECTION 3** - The following amounts are estimated to be available to support operation of the school administrative unit in the **Local Current Expense** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Purpose	Description	Preliminary Budget
5000	Instructional Services	\$32,330,344
6000	System-wide Support Services	\$23,375,941
7000	Ancillary Services	\$6,902
8000	Non-Programmed Charges	\$1,949,471
<b>TOTAL</b>		<b>\$57,662,657</b>

**SECTION 4** - The following revenues are estimated to be available to the **Local Current Expense** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Funding Source	Description	Preliminary Budget
3200	State Revenue	\$23,000
	Local other than County	
4120-4800	Appropriation	\$895,000
4110	County Appropriation	\$49,499,467
<b>TOTAL OPERATING REVENUE</b>		<b>\$50,417,467</b>
4900	Other Financing Sources	\$7,245,190
<b>TOTAL</b>		<b>\$57,662,657</b>

**SECTION 5** - The following amounts are estimated to be available to support operation of the school administrative unit in the **Federal Grants Fund** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Purpose	Description	Preliminary Budget
5000	Instructional Services	\$13,233,037
6000	System-wide Support Services	\$559,895
8000	Non-Programmed Charges	\$4,445,144
<b>TOTAL</b>		<b>\$18,238,076</b>

**SECTION 6** - The following revenues are estimated to be available to the **Federal Grants Fund** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Funding Source	Description	Preliminary Budget
3600	Federal Grants Allotted through NCDPI	\$18,238,076
<b>TOTAL</b>		<b>\$18,238,076</b>

**SECTION 7** - The following amounts are estimated to be available to support operation of the school administrative unit in the **Capital Outlay Fund** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Purpose	Description	Preliminary Budget
5000	Instructional Services	\$2,667,500
6000	System-wide Support Services	\$675,000
7000	Ancillary Services	\$0
8000	Non-Programmed Charges	\$249,957
9000	General Capital Projects	\$5,632,600
<b>TOTAL</b>		<b>\$9,225,057</b>

**SECTION 8** - The following revenues are estimated to be available to the **Capital Outlay Fund** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Funding Source	Description	Preliminary Budget
3200	State - Not Allotted through NCDPI	\$150,000
	Federal - Not Allotted through NCDPI	
3700	NCDPI	\$0
4100-4800	Local Revenue	\$7,904,807
<b>TOTAL OPERATING REVENUE</b>		<b>\$8,054,807</b>
4900	Other Financing Sources	\$1,170,250
<b>TOTAL</b>		<b>\$9,225,057</b>

**SECTION 9** - In addition, authorization is hereby granted to continue both regular and building program projects uncompleted at June 30, 2013 per prior budget authorization.

**SECTION 10** - - The following amounts are estimated to be available to support operation of the school administrative unit in the **Child Nutrition Fund** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Purpose	Description	Preliminary Budget
7000	Ancillary Services	\$14,081,928
8000	Non-Programmed Charges	\$700,018
<b>TOTAL</b>		<b>\$14,781,946</b>

**SECTION 11** - The following revenues are estimated to be available to the **Child Nutrition Fund** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Funding Source	Description	Preliminary Budget
3200	State Revenue	\$0
3800	Federal Revenue	\$8,843,510
4100-4800	Local Revenue	\$5,122,530
<b>TOTAL OPERATING REVENUE</b>		<b>\$13,966,040</b>
4900	Other Financing Sources	\$815,906
<b>TOTAL</b>		<b>\$14,781,946</b>

**SECTION 12** - - The following amounts are estimated to be available to support operation of the school administrative unit in the **Other Specific Revenue Fund** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Purpose	Description	Preliminary Budget
5000	Instructional Services	\$2,912,648
6000	System-wide Support Services	\$530,877
7000	Ancillary Services	\$34,086
8000	Non-Programmed Charges	\$117,886
<b>TOTAL</b>		<b>\$3,595,497</b>

**SECTION 13** - The following revenues are estimated to be available to the **Other Specific Revenue Fund** for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Funding Source	Description	Preliminary Budget
3200	State - Not Allotted through NCDPI	\$0
	Federal - Not Allotted through	
3800	NCDPI	\$0
4100-4800	Local Revenue	\$2,575,874
<b>TOTAL OPERATING REVENUE</b>		<b>\$2,575,874</b>
4900	Other Financing Sources	\$1,019,623
<b>TOTAL</b>		<b>\$3,595,497</b>

**SECTION 14** - Within the overall budget, all appropriations shall firstly be paid from revenues restricted as to use and secondly from general unrestricted revenues.

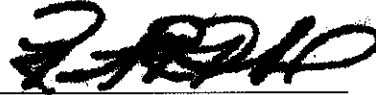
**SECTION 15** - The Chief Financial Officer is hereby directed to record all restricted revenue that was not expended for its intended purpose as either deferred revenue, restricted fund balance, committed fund balance or assigned fund balance (as appropriate) within the Financial Statements. The restricted revenue sources include, but are not limited to, Medicaid reimbursements, reimbursements for services rendered to exceptional children, grant advances, Enka Consolidated Special Tax District unexpended proceeds, and Pisgah Forest reserve payments.

**SECTION 16** - The Chief Financial Officer is hereby directed to record all cash being invested for the individual schools as restricted cash upon the body of the Financial Statements so that the Board of Education's intent to keep these sums separate and apart can be clearly demonstrated. This action will also demonstrate the Board's intent that the Buncombe County Schools not draw upon these moneys to satisfy its overall cash flow needs.

**SECTION 17** - The Superintendent is authorized to administer the budget as outlined in Section 501 of the adopted Buncombe County Public Schools Policy Manual.

**SECTION 18** - Copies of the Budget Resolution shall be immediately furnished to the Superintendent and the Chief Financial Officer for direction in carrying out their duties.

**READ AND APPROVED THIS SECOND DAY OF MAY 2013 FOR THE PURPOSE OF SUBMITTING AN ESTIMATE OF THE ENTIRE BUDGET TO THE COUNTY COMMISSIONERS IN SUPPORT OF OUR REQUESTS FOR BOTH A CURRENT EXPENSE AND A CAPITAL OUTLAY APPROPRIATION.**



Chairman, Board of Education



Secretary, Board of Education