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DAVIE COUNTY

# 2013-14
# Local Budget Presentation
# May 13, 2013

# Success in 2012-13

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- Worked with stakeholders to develop a five year strategic plan

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2013-2017 Strategic Plan

Davie County Schools will be the national model in creating educational excellence through innovative and personalized experiences.

- Successful first year of the DCHS STEM Center
- Developed new website and communications tools
- Developed partnership with CERTL and Wake Forest School of Medicine to start a STEM middle school pipeline.
- Highest Graduation Rate since being recorded
- DCHS and DCECHS two of 73 high schools in NC recognized by Newsweek in their 2013 list of America's Best High Schools

Newsweek

- Ranked in the top of the state academically.

# A Review of 2013-14 Budget Trends

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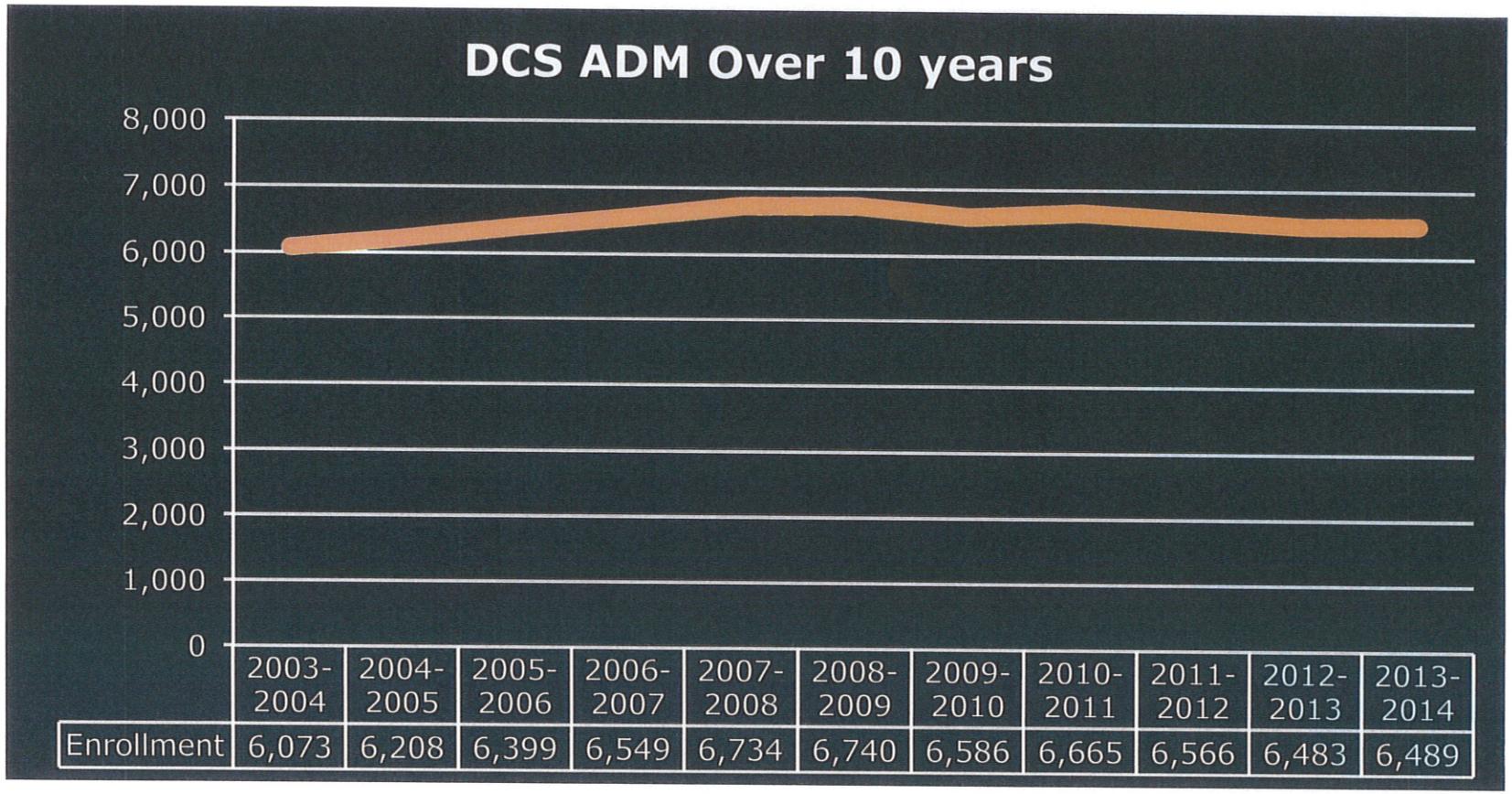
# Enrollment Trend




| | 2003-2004 | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Enrollment | 6,073 | 6,208 | 6,399 | 6,549 | 6,734 | 6,740 | 6,586 | 6,665 | 6,566 | 6,483 | 6,489 |

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# State Budget

* With enrollment increasing by 6 students, state funding is expected to be fairly flat for 2013-14, but benefit increases continue. In 2013-14, we will spend $2 million more on employee benefits than in 2008-09.

* We expect the NC Senate to introduce their budget later this week. The House will then introduce a budget, and we may not know the final state budget until late in the summer.

* Hospitalization contribution projected to increase by $156 per employee in 2013-14 ($1,191 more per employee than in 2008-09)

* Retirement contribution rate projected increase from 14.23% to 15% in 2013-14. (contribution rate was 7.83% in 2008-09)

* The state economy continues to recover at a rate of 3%-5% annually and is expected to continue to recover over the next few years.

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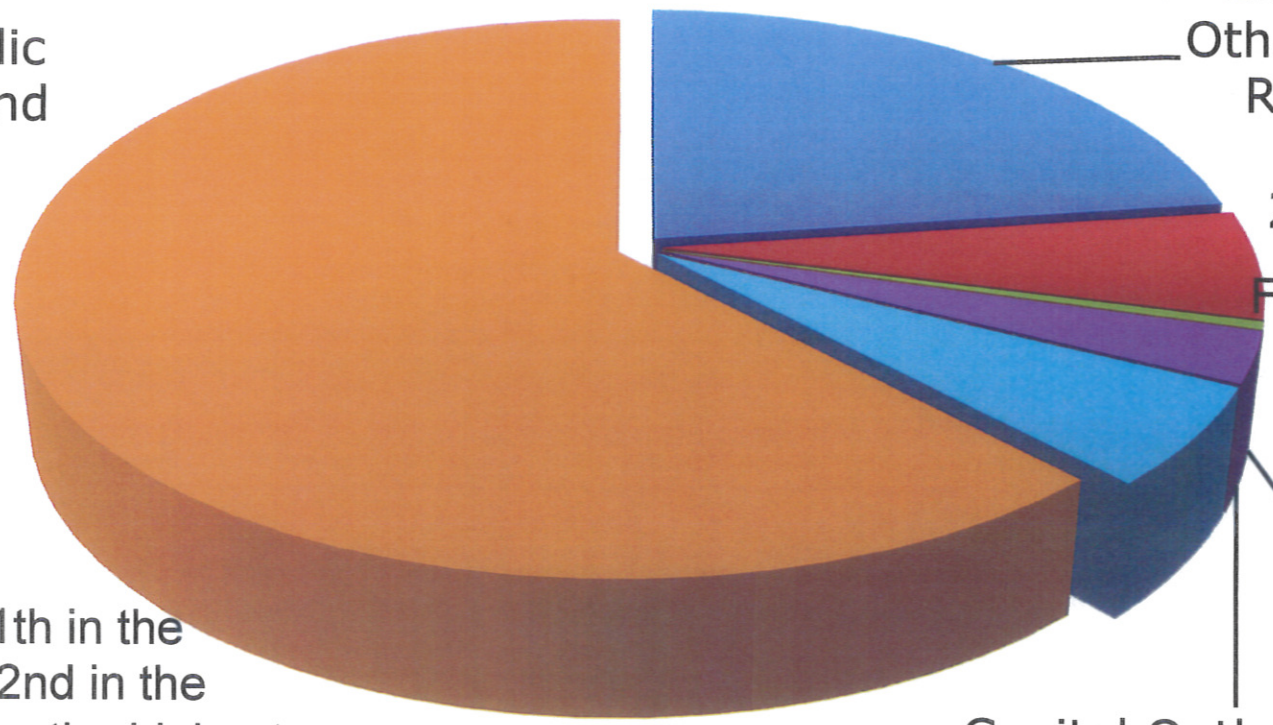
# Davie County Schools
# Revenue Sources 2012-13




NC ranks 11th in the Nation and 2nd in the Southeast for the highest percentage of funds from State revenue. The national average is 45.5%.

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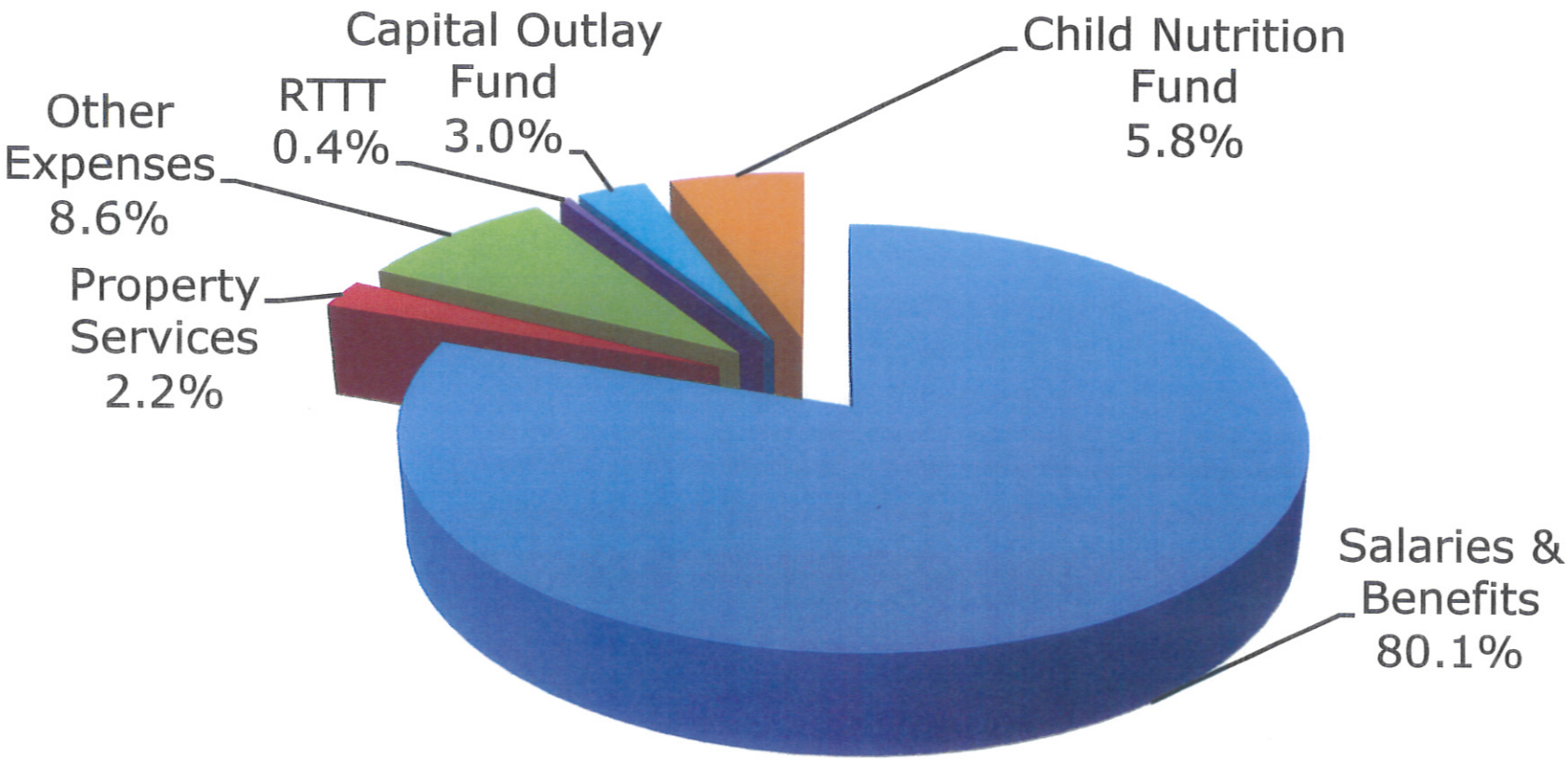
# Davie County Schools
# Budget Breakdown 2012-13

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# In 2012 Davie County Schools Ranked 12th lowest in Percentage of Students Living in Poverty

**Public Schools of North Carolina**
**North Carolina Department of Public Instruction**

**2010 Census Poverty, Population Age 5-17, Percent Used for FY12-13 Allotment**

| LEA# | LEA Name | 2010 Census Poverty | 5 - 17 Population | % Poverty / Population |
|---|---|---|---|---|
| 150 | CAMDEN COUNTY SCHOOLS | 226 | 1,969 | 11.48% |
| 900 | UNION COUNTY PUBLIC SCHOOLS | 5,347 | 46,324 | 11.54% |
| 681 | CHAPEL HILL-CARRBORO SCHOOLS | 1,532 | 12,447 | 12.31% |
| 130 | CABARRUS COUNTY SCHOOLS | 4,122 | 31,802 | 12.96% |
| 920 | WAKE COUNTY SCHOOLS | 23,245 | 169,961 | 13.68% |
| 491 | MOORESVILLE CITY SCHOOLS | 823 | 5,521 | 14.91% |
| 270 | CURRITUCK COUNTY SCHOOLS | 687 | 4,272 | 16.08% |
| 490 | IREDELL-STATESVILLE SCHOOLS | 4,146 | 25,072 | 16.54% |
| 390 | GRANVILLE COUNTY SCHOOLS | 1,686 | 9,941 | 16.96% |
| 290 | DAVIDSON COUNTY SCHOOLS | 3,958 | 22,861 | 17.31% |
| 680 | ORANGE COUNTY SCHOOLS | 1,570 | 8,644 | 18.16% |
| 300 | DAVIE COUNTY SCHOOLS | 1,395 | 7,395 | 18.86% |

*Source: NCDPI, March 2012*

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# In 2013 Davie County Schools Ranked 9th lowest in Percentage of Students Living in Poverty

**Public Schools of North Carolina**
**North Carolina Department of Public Instruction**

**2011 Census Poverty, Population Age 5-17, Percent Used for FY13-14 Planning Allotment**

| LEA# | LEA Name | 2011 Census Poverty | 5 - 17 Population | % Poverty / Population |
|---|---|---|---|---|
| 900 | UNION COUNTY PUBLIC SCHOOLS | 5,838 | 47,172 | 12.38% |
| 681 | CHAPEL HILL-CARRBORO SCHOOLS | 1,552 | 12,447 | 12.47% |
| 150 | CAMDEN COUNTY SCHOOLS | 245 | 1,958 | 12.51% |
| 290 | DAVIDSON COUNTY SCHOOLS | 3,270 | 22,707 | 14.40% |
| 130 | CABARRUS COUNTY SCHOOLS | 4,714 | 32,282 | 14.60% |
| 270 | CURRITUCK COUNTY SCHOOLS | 654 | 4,252 | 15.38% |
| 920 | WAKE COUNTY SCHOOLS | 26,778 | 173,789 | 15.41% |
| 491 | MOORESVILLE CITY SCHOOLS | 851 | 5,515 | 15.43% |
| 300 | DAVIE COUNTY SCHOOLS | 1,169 | 7,309 | 15.99% |

*Source: NCDPI, March 2013*

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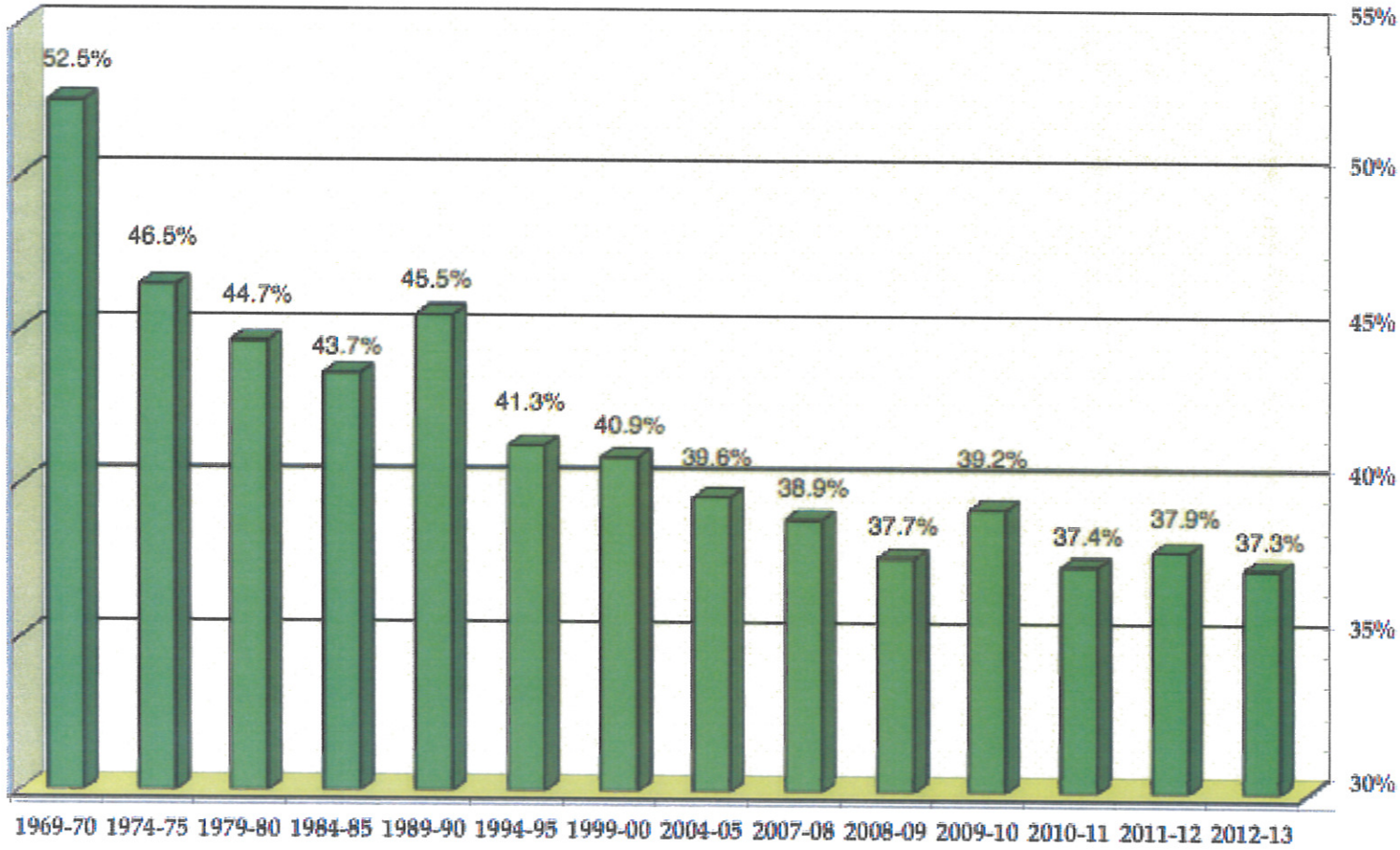
## Percent of the General Fund
## Public Schools Appropriations

Since 1970, the Public School's share of the General Fund has decreased by 15.2%. If our Public Schools were still funded at the same percentage as in FY 1969-70, we would have an additional $3.02 billion for our students.




*Source: Highlights of the NC Public School Budget*
*February 2013*

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## Chart 1: North Carolina's Current Standing in Per Pupil Expenditures

| Ranking | State | Per Pupil Exp |
|---|---|---|
| 1 | District of Columbia | $17,638 |
| 2 | Rhode Island | $17,289 |
| 3 | New Jersey | $16,253 |
| 4 | New York | $15,997 |
| 5 | Wyoming | $14,732 |
| 6 | Vermont | $14,679 |
| 7 | Massachusetts | $13,901 |
| 8 | Connecticut | $13,864 |
| 9 | Maine | $13,309 |
| 10 | Delaware | $13,039 |
| 11 | Hawaii | $12,520 |
| 12 | New Hampshire | $12,344 |
| 13 | Pennsylvania | $12,032 |
| 14 | Maryland | $11,743 |
| 15 | Michigan | $11,197 |
| 16 | Virginia | $11,114 |
| 17 | Wisconsin | $11,021 |
| 18 | Minnesota | $10,996 |
| 19 | Alaska | $10,904 |
| 20 | West Virginia | $10,747 |
| 21 | Illinois | $10,714 |
| 22 | Arkansas | $10,345 |
| 23 | Louisiana | $10,160 |
| 24 | Oregon | $10,129 |
| 25 | New Mexico | $10,099 |
| | **UNITED STATES** | **$10,190** |

| Ranking | State | Per Pupil Exp |
|---|---|---|
| 26 | Kansas | $9,979 |
| 27 | Georgia | $9,952 |
| 28 | Indiana | $9,780 |
| 29 | Washington | $9,633 |
| 30 | Colorado | $9,574 |
| 31 | South Dakota | $9,466 |
| 32 | Ohio | $9,358 |
| 33 | Montana | $9,339 |
| 34 | South Carolina | $9,286 |
| 35 | Kentucky | $9,259 |
| 36 | Nebraska | $9,250 |
| 37 | Iowa | $9,203 |
| 38 | Texas | $9,036 |
| 39 | Alabama | $8,911 |
| 40 | Missouri | $8,862 |
| 41 | Florida | $8,761 |
| **42** | **North Carolina** | **$8,743** |
| 43 | California | $8,322 |
| 44 | Tennessee | $8,261 |
| 45 | North Dakota | $8,222 |
| 46 | Oklahoma | $8,066 |
| 47 | Idaho | $7,730 |
| 48 | Nevada | $7,615 |
| 49 | Mississippi | $7,484 |
| 50 | Arizona | $5,932 |
| 51 | Utah | $5,912 |

*Source: NC Public School Forum, 2011*

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# Estimated Expenditures, 2012-13

| Rank | State/Jurisdiction | Total Expenditures (in thousands) | Per Student Expenditures (in enrollment) |
|---|---|---|---|
| 1 | Vermont | $1,626,531 | $19,752 |
| 2 | New York | $50,557,879 | $19,523 |
| 3 | New Jersey | $26,191,279 | $19,291 |
| 4 | Alaska | $2,327,366 | $18,192 |
| 5 | Rhode Island | $2,371,526 | $17,666 |
| 6 | Wyoming | $1,500,494 | $16,577 |
| 7 | Connecticut | $9,028,768 | $16,272 |
| 8 | New Hampshire | $2,906,389 | $15,394 |
| 9 | Maryland | $13,091,838 | $15,287 |
| 10 | Massachusetts | $14,510,878 | $15,211 |
| 11 | Delaware | $1,951,607 | $14,890 |
| 12 | Pennsylvania | $25,154,459 | $14,467 |
| 13 | District Of Columbia | $1,095,081 | $14,406 |
| 14 | Michigan | $21,125,306 | $13,686 |
| 15 | Arkansas | $6,247,276 | $13,215 |
| 16 | Illinois | $26,939,240 | $12,927 |
| 17 | Wisconsin | $10,926,614 | $12,555 |
| 18 | West Virginia | $3,419,263 | $12,116 |
| 19 | Minnesota | $9,809,355 | $11,632 |
| 20 | Hawaii | $2,052,903 | $11,569 |
| 21 | Virginia | $14,522,578 | $11,457 |
| 22 | Oregon | $6,290,253 | $11,254 |
| 23 | Indiana | $11,596,959 | $11,129 |
| 24 | Montana | $1,477,848 | $10,645 |
| 25 | Maine | $1,909,049 | $10,414 |
| 26 | New Mexico | $3,499,613 | $10,397 |
| 27 | Washington | $10,819,774 | $10,313 |
| 28 | Louisiana | $7,302,349 | $10,310 |
| 29 | Colorado | $8,858,907 | $10,199 |
| 30 | Missouri | $9,152,005 | $10,093 |
| 31 | Ohio | $18,565,446 | $9,941 |
| 32 | Kentucky | $6,551,319 | $9,891 |
| 33 | Kansas | $4,711,613 | $9,689 |
| 34 | Georgia | $16,439,002 | $9,654 |
| 35 | Nebraska | $2,917,392 | $9,621 |
| 36 | Mississippi | $4,612,173 | $9,427 |
| 37 | Iowa | $4,705,660 | $9,411 |
| 38 | South Dakota | $1,185,183 | $9,347 |
| 39 | California | $56,915,201 | $9,202 |
| 40 | South Carolina | $6,441,807 | $8,898 |
| 41 | North Dakota | $847,971 | $8,849 |
| 42 | Alabama | $6,458,200 | $8,779 |
| 43 | Tennessee | $8,519,030 | $8,695 |
| 44 | Florida | $22,894,208 | $8,637 |
| 45 | Idaho | $2,507,772 | $8,528 |
| 46 | Nevada | $4,062,646 | $8,501 |
| 47 | Oklahoma | $5,689,583 | $8,481 |
| 48 | North Carolina | $12,105,598 | $8,433 |
| 49 | Texas | $39,781,058 | $7,686 |
| 50 | Utah | $4,338,085 | $7,129 |
| 51 | Arizona | $7,433,868 | $6,949 |

*Source: NEA,* Rankings of the States 2012 and Estimates of School Statistics 2013

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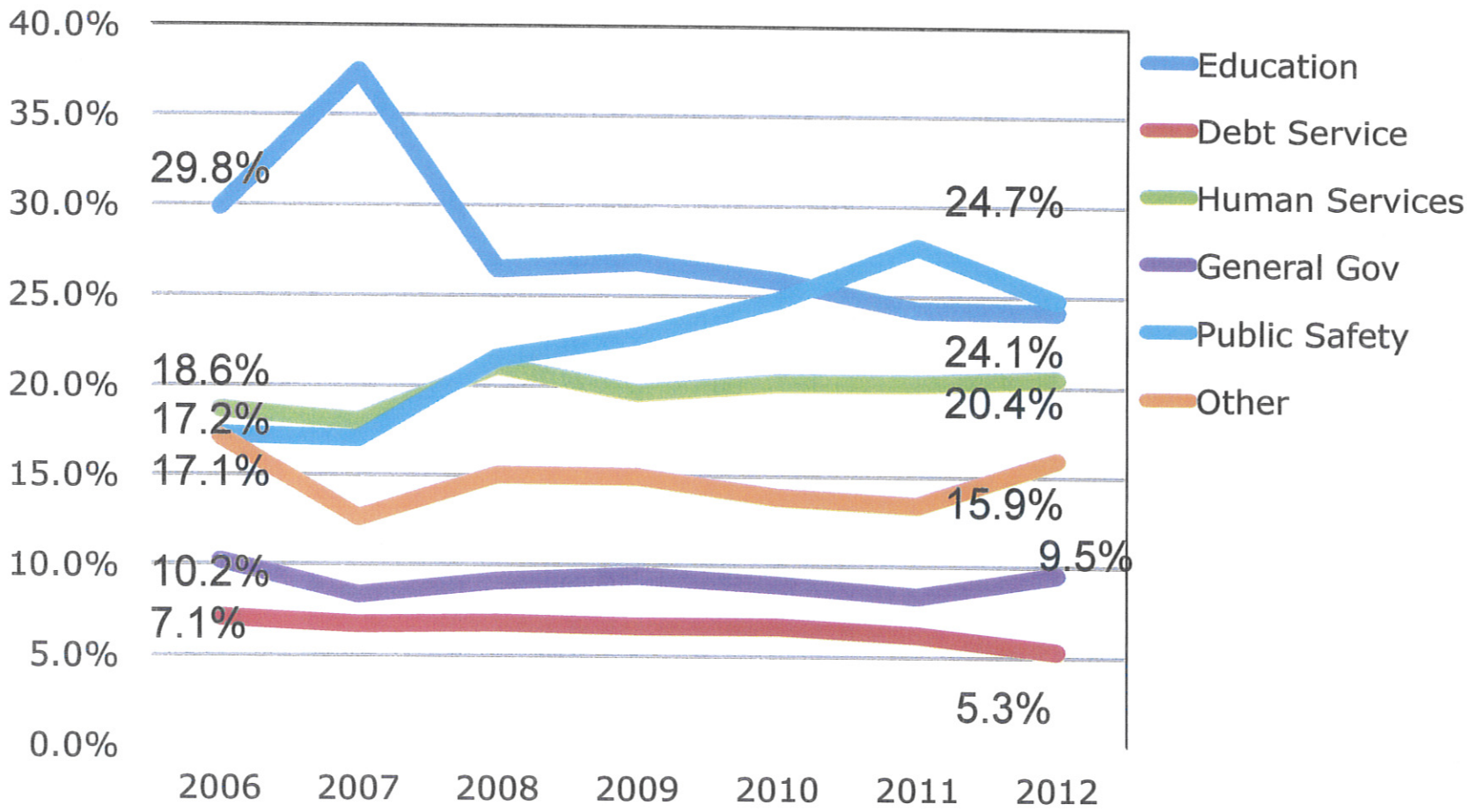
# Davie County, NC
## Percentage of Expenditures By Function 2006-2012




*Source: North Carolina Department of State Treasurer, 2013*

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# A Closer Look

* Lower poverty rate= fewer federal funds for education in Davie County

* Higher spending does not produce better quality education

* Education is budgeted differently, and cost of living varies across the nation

* While ranked in the bottom in spending, our students rank near the top in performance in North Carolina

* Bottom line, the citizens of Davie County are receiving an incredible return on investment for education expenditures

* Public Education is an investment in our future. It all comes down to the priorities of budget writers who determine how important investing in public education is to the future of our economy, our county, our state, our nation.

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# Best Case Scenario

* Teachers salaries restored on the state salary schedule and state employees are provided cost of living increase

* Funding for textbooks or digital resources, staff development, and technology is restored, and all discretionary reductions are eliminated

$1.6m

* Current state economy will prohibit this scenario

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# Possible Scenario

* Budget being built based on 1% salary increase
* No additional state budget cuts, but discretionary reduction increases from $1,562,296 to $1,616,354
* No additional local budget cuts, request the same allotment of local funds as the past 4 years
* No Federal Stimulus or Stabilization funding, decrease in federal allotment due to sequestration is possible
* With $800,000 appropriation of fund balance, not filling some vacancies created through retirements and resignations, and other incremental cuts, we will address the required reductions without layoffs or reduction in force

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# Worst Case Scenario

* Senate and House approve budgets cutting the teacher assistant allotment in half, as proposed by Governor McCrory.
* Local budget cuts are adopted on top of cuts at the state level, and loss of funding at the federal level.
* It will then become necessary to further reduce the employment of staff.

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# Local Budget Request Comparison

| County | Percent Increase in Request from 2012-13 to 2013-14 |
|---|---|
| Davidson | +3% |
| Davie | 0% |
| Forsyth | +1% |
| Iredell | +19% |
| Rowan | +15% |
| Yadkin | +10% |

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# Next Steps

* The Board of Education approved a draft budget resolution
* We are presenting a draft budget to the Board of Commissioners on May 13
* Waiting for our Federal Planning Allotment, Local Allotment, and Adjusted State Allotment due to possible changes by the General Assembly
* We are requesting the same local allotment of $9,540,445 as we have been allocated the past four years.

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