

State of Our Schools

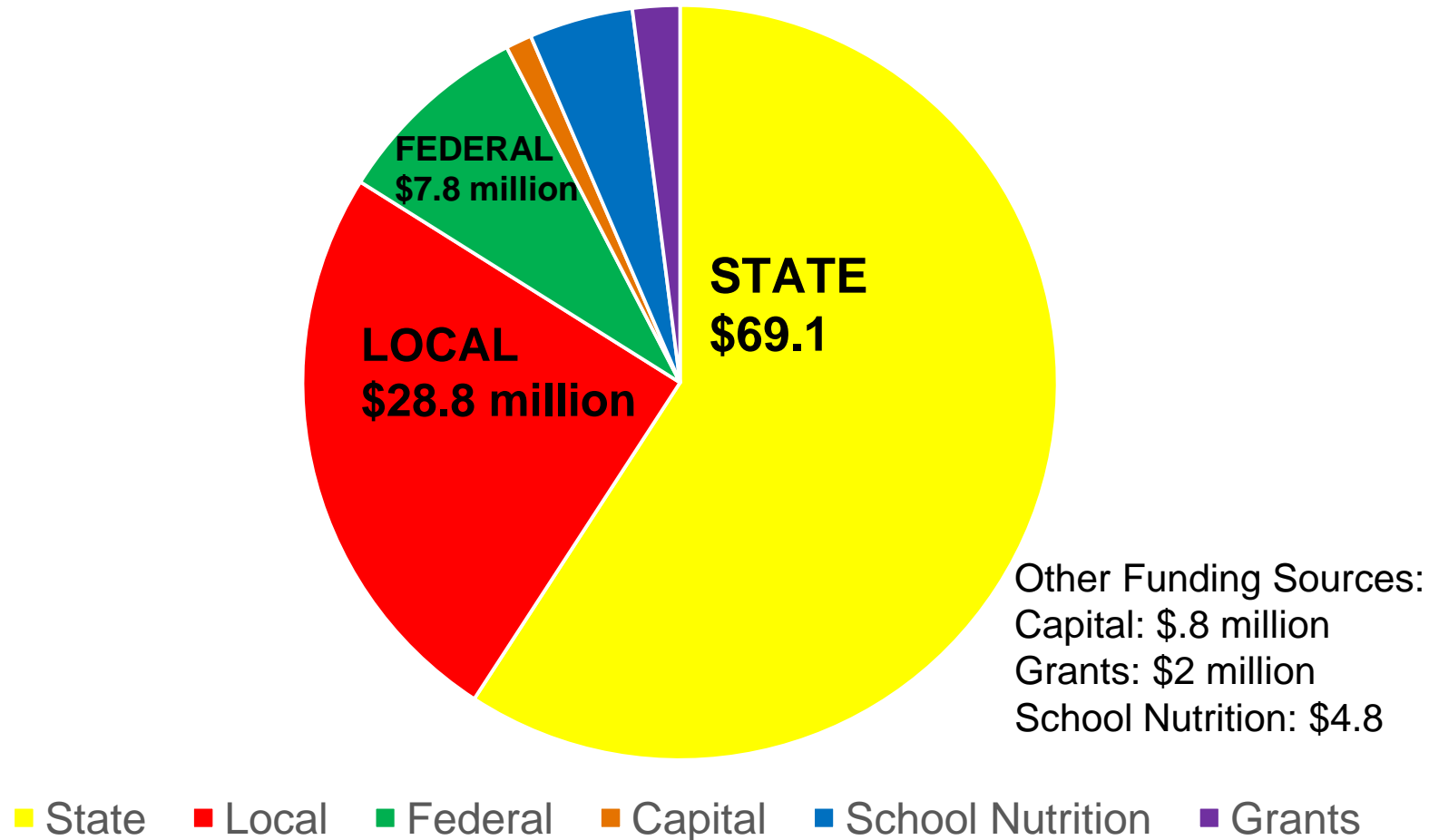


Moore County Schools Funding Facts and Operational Consequences

Parents for Moore

How Moore County Schools are Funded

2015-16 Actual Expenses: \$113.6 million



Numbers are rounded off and may not match total. For exact numbers, contact Budget and Finance.

MCS Local Revenues 2015 - 2016

Local Revenues: \$26,792,076

Local Expenses: - \$28,814,896*

Difference: - \$ 2,022,820

*Local expenses are higher primarily because changes to state funding come in *after* local budgets are approved.

The \$2 million difference means we must draw from our local fund balance (savings) to maintain teachers and programs.

School Fund Balance Basics

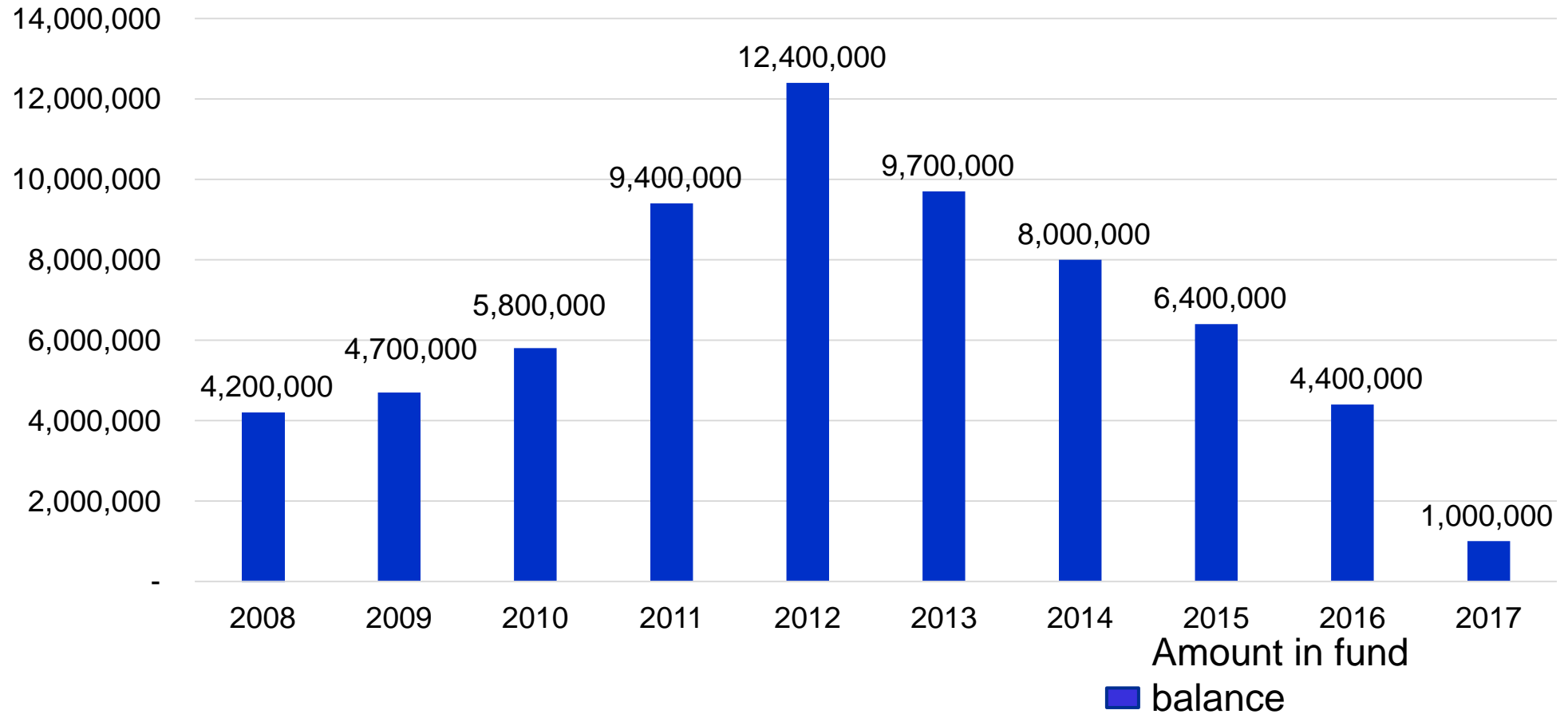
■ What is it?

- A fund balance acts as “hedge” against uncertainty of state funding, unexpected expenses, and emergencies.
- Needed because state budget cycle is usually complete after MCS budget is done and school year is beginning.

■ How much should we have?

- Fiscal responsibility suggests a fund balance of between \$4 to \$5 million is appropriate for MCS.

History of MCS Fund Balance



Where has MCS' Fund Balance Gone?

- Emergency one-time allocations (drivers ed, TAs)
- Operating costs, such as fluctuating fuel costs
- Increased Charter School allocations
- Teacher pay increases and benefits

And – biggest use:

- Changes in state teacher allotments – since 2009 positions **once funded by state dollars now shifted to local dollars.**

State Cuts to Classroom Teacher Allotments

– By Total Positions

- MCS Students

- 2009 = 12,190
 - 2016 = 12,849

↑ 659 students

- State Funded Classroom Teachers

- 2009 = 580
 - 2016 = 572

↓ 8 teachers

- Locally Funded Classroom Teachers

- 2009 = 51
 - 2016 = 105

↑ 54 teachers

State Cuts to Classroom Teacher Allotments

– By Grade Size

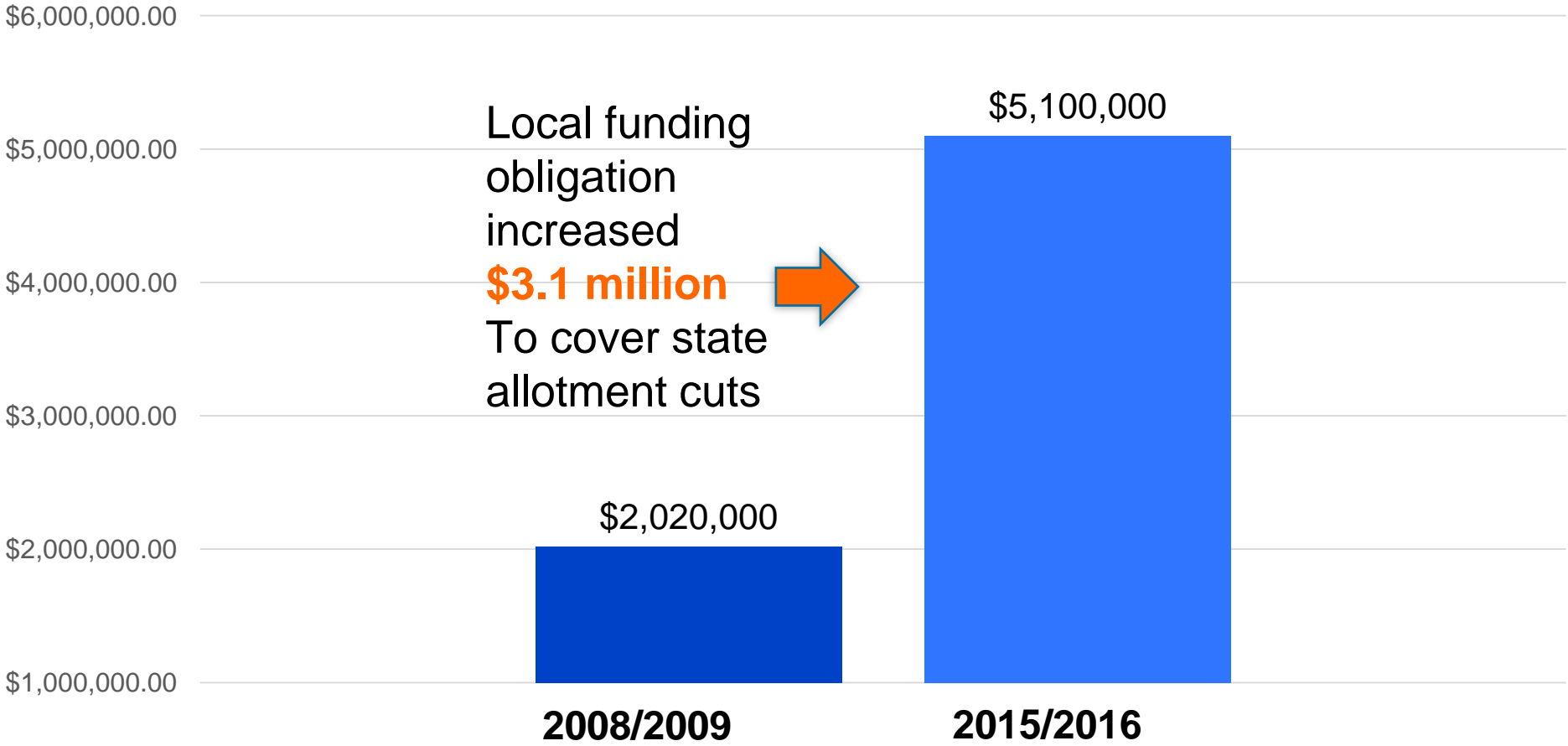
- Decreased Class Size in Early Grades (K-3)
 - Kindergarten = No change
 - Grade 1 = -2
 - Grades 2-3 = -1
- Increased Class Size in Grades 4-12
 - Grades 4-9 = +2
 - Grades 10-12 = +2.36
- Estimated Net Loss of 36 positions from these allotment changes (approx: \$1.7 million reduction in state funding)

State Cuts to Classroom Teacher Allotments

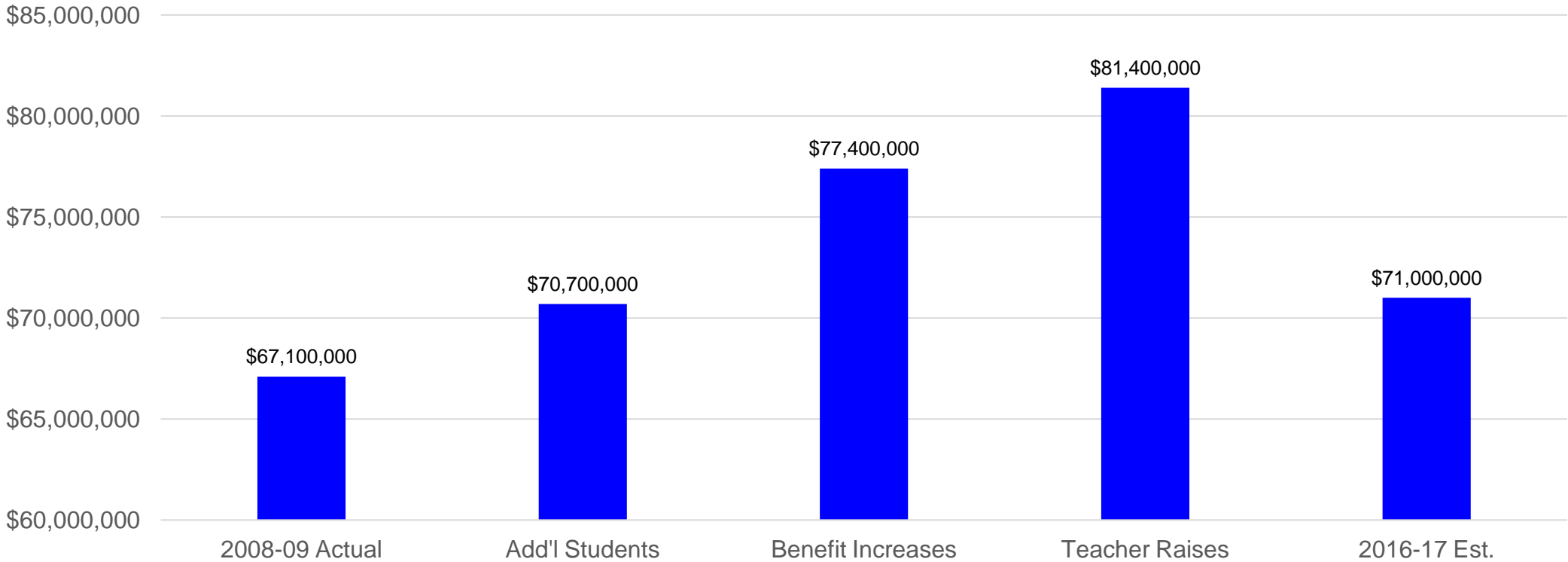
- Other Cuts

- Loss of local flexibility with “Average Teacher Salary Savings”
 - Estimated 20 to 28 positions annually (approx: \$1.4M)
- Cost shift to NC Virtual Public Schools
 - Estimated 8 to 12 teachers annually
 - MCS reduced 12 high school teaching positions

State Cuts to Classroom Teacher Allotments - Impact on Fund Balance



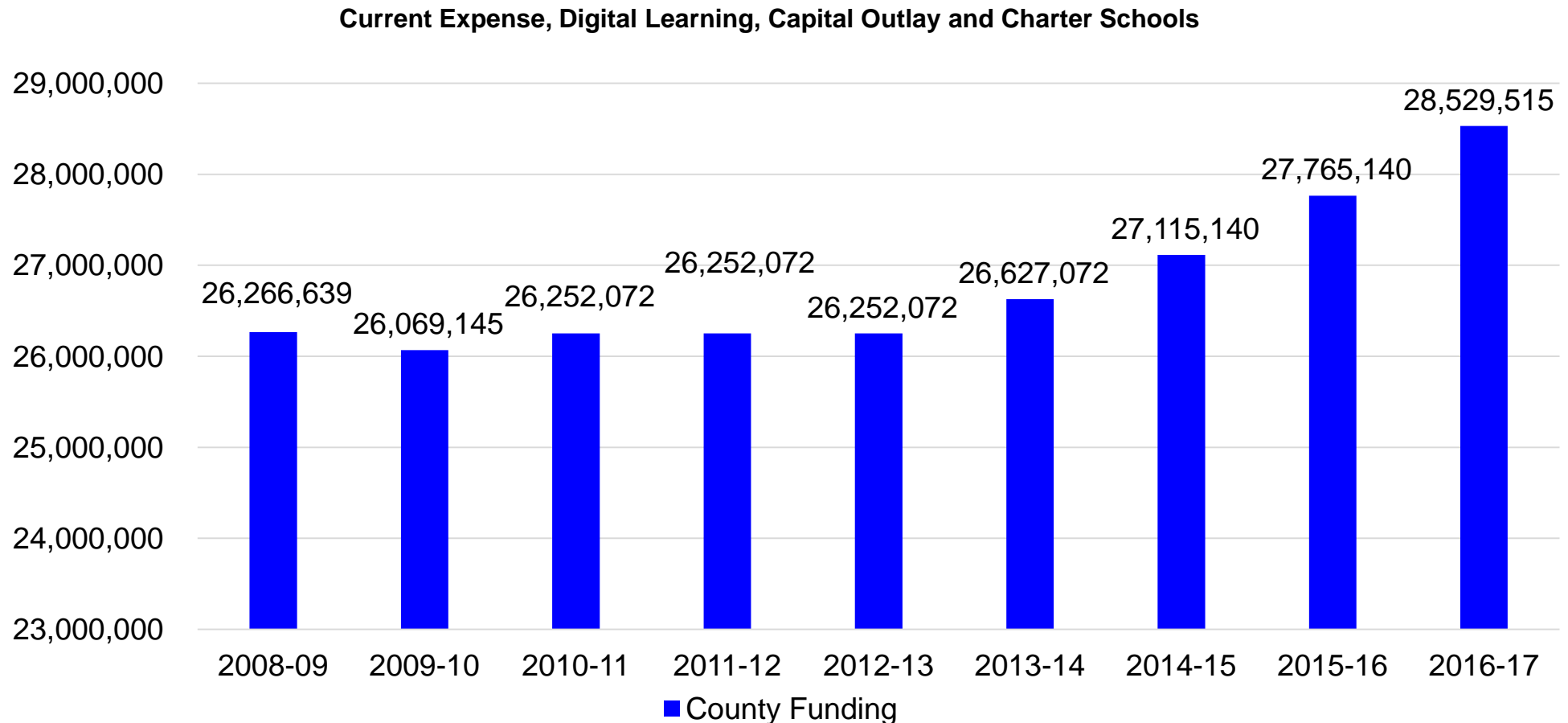
What *Should* State Funding Look Like Now if We Account for Major Changes Since 2008/09?



Steps to Diminish Reliance on Fund Balance

- MCS “absorbed” increased **salary, benefits, and teacher allotment changes** by using fund balance to **keep teachers in classrooms**
- MCS has been preparing for eventual loss of fund balance by:
 - Maximizing operational efficiency (e.g., school bus routes)
 - Eliminating dual track calendar, closing aging facilities (Academy Heights)
 - Reducing central office positions (Assistant Superintendents, staff, instructional coaches, administrative)
 - Cutting Teaching Assistant positions and non-instruction staff (e.g., custodians)
 - Streamlining teacher support programs (e.g., reading)
 - Enacting other cuts by state (e.g., teaching supplies, textbooks, teacher training)

Local Funding has Increased – But has Not Kept Pace with State Cuts



And...New State Mandate on K-3 Class Sizes

- Required changes to K-3 Class Ratios in 2017-2018
 - 2016-2017: Max average in K-3 = 1:21; Individual class max up to 1:24
 - 2017-2018: Max average is K = 1:18; 1 = 1:16; 2-3 = 1:17; Individual class size max is K = 1:21; 1=1:19; 2-3 = 1:20
 - No new funding for reduced class size
- Creates pressure on teachers and facilities
 - Teachers: **36 more teachers** needed = **\$2.1M** in total new costs (AND/OR reduction of positions elsewhere; increase class sizes in grades 4-12)
 - Facilities: **36 classroom spaces** needed = **\$800K** minimum in total costs (Short term: reassign 16 art/music/maker space classrooms AND and up to 20 modular units)

How to Remedy a Shortfall Caused by Fund Balance Loss and State Mandates?

- **Increase revenue** by **\$6.4 million** (\$3.5M fund balance loss + \$2.9M class size ratio)
 - From state – longer, slower and uncertain
 - From county – shorter term to help fill gaps

Or

- **Initiate cuts** totaling **\$6.4 million** in the 2017/2018 year – primarily from personnel and other related costs

Possible Consequences

- If funding not identified by Spring 2017, here are a few examples of what could be coming in the 2017-2018 school year
 - Cuts to teaching positions
 - Cuts to school support positions
 - Increases in class sizes in grades 4-12
 - Reduction of extracurricular activities (sports, clubs, arts)
 - Reduction of operational funds (eg., fuel, school levels supplies, facilities maintenance)
 - Cuts to technology and technology supports

Impact of Investment in MCS: What makes MCS worth fighting for?

- MCS graduation rate is **highest in our region** and **exceeds state**
- MCS End of Grade Test **ranking is 21st** (of 115) in the state
- MCS End of Class test scores is 34th (of 115) are the **highest in our region, exceeds state**
- 83% of MCS students enrolled in classes designed for post-graduate goals (versus 78% for state)
- 74% of MCS students enroll in Institutions of Higher Education (versus 67% for region)

Why is Fully Funding MCS Important to YOU?

- ✓ Motivated, empowered, professional teachers
- ✓ Successful students and graduates
- ✓ Highly trained local workforce

Which brings...

- ✓ Desirable business relocations
- ✓ Economic strength, job growth, strong property values

Making...

- ✓ Moore County a vibrant, healthy and growing community

What can YOU do?

- ✓ Learn about state and local funding process, attend (or watch online) Board of Education and County Commissioner Meetings; educate others
- ✓ Invite Parents for Moore, Board Members, etc to speak to your groups and spread the word
- ✓ Contact State Representatives Jamie Boles and Allen McNeill and State Senator Jerry Tillman to express **specific concerns** and demand legislative corrections at the State level (see sample letter on ParentsForMoore.org)
- ✓ Sign the “#FundOurPublicSchools” petition on Change.org
- ✓ Invite elected officials to spend a day at your school; add your own ideas!!
- ✓ Urge newly seated and returning County Commissioners to increase funding stream to MCS operating budget to mitigate the impending 2017-18 budget shortfall and prevent cuts to teachers, curriculum, specials, sports and staff

Questions & Answers



Stay connected by:

Facebook - <https://www.facebook.com/parentsformoore/>

Website – <https://ParentsForMoore.org>

E-mail - ParentsForMoorePublicEducation@gmail.com

MCS Board of Education Agendas and Videos: <http://www.ncmcs.org/BoESchedule>