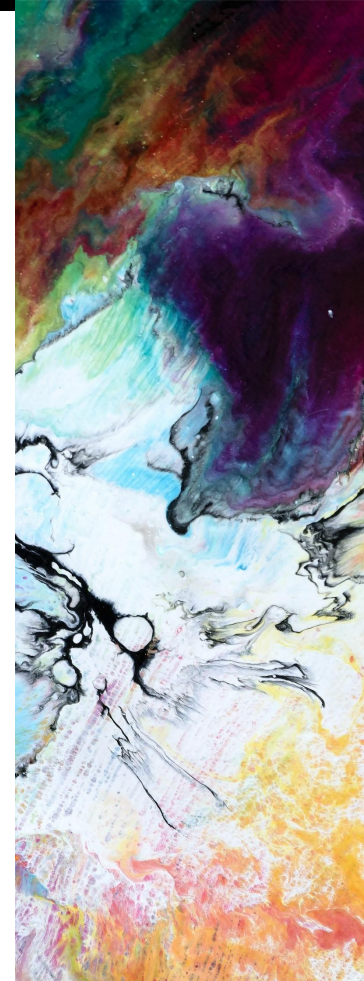


ACS BUDGET REVIEW



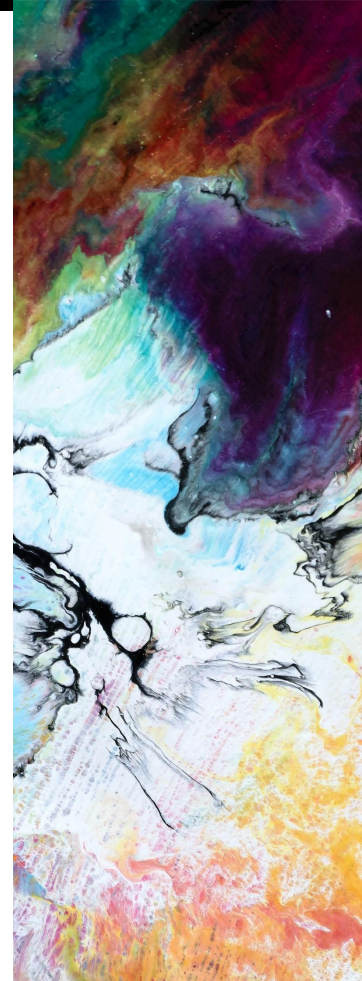
BOE BUDGET REVIEW

- Local Budget Calendar
 - Budget Review – Fall and Spring
 - Superintendent Submits Budget to School Board by May 1
 - Board Submits Budget to Buncombe County on or before May 15
 - Final Action by County by July 1
- State Budget and Federal Allotments ??
- Budget allocations by fund & purpose



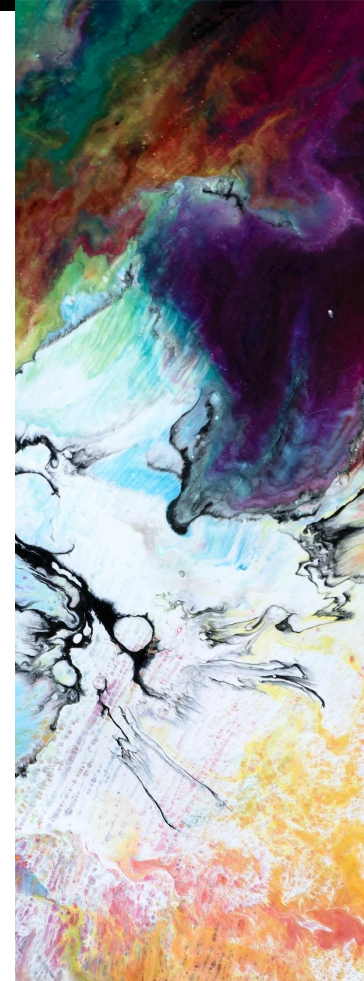
BOE BUDGET REVIEW

- Sources of ACS Funding
 - State per pupil
 - State pass-through of federal revenues & Federal direct funding
 - ACS School Tax (can be for local current expense or capital)
 - Per Capita additional tax allotment
 - Article 39 Sales Tax (capital fund commission)
 - Article 40/42 Sales Tax (capital funding only)
 - Lottery Proceeds (capital funding only)



BOE BUDGET REVIEW

- NC Chart of Accounts Funds
 - **Fund 1 – State Public School Fund**
 - **Fund 2 – Local Current Expense Fund**
 - **Fund 3 – Federal Grant Fund**
 - **Fund 4 – Capital Outlay Fund**
 - Fund 5 – Multiple Enterprise Fund (School Nutrition)
 - Fund 6 – Trust and Agency Funds
 - **Fund 8 – Other Specific Revenue Fund** (State/Federal/Grant restricted funds)

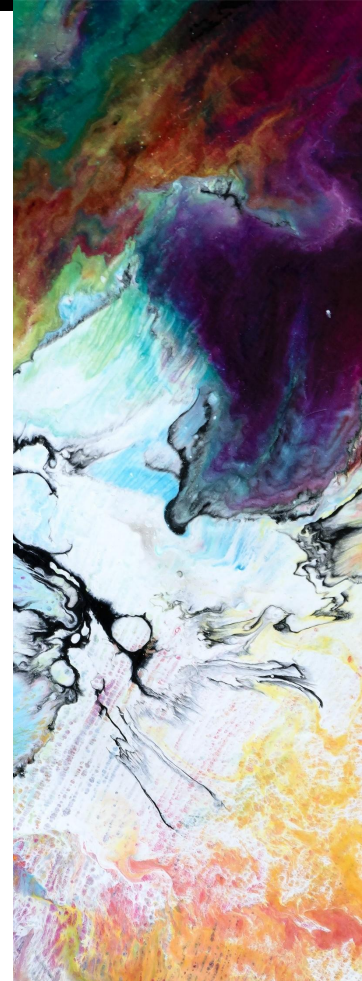


BOE BUDGET REVIEW

- **NC Chart of Accounts Purpose Codes**

- **Purpose** means the reason for which something is used. Includes the activities or actions that are performed to accomplish the objectives of the local school administrative unit.
- For budgeting and accounting purposes, **expenditures** are classified into 5 purpose codes:
 - **5000 - Instructional Services**
 - **6000 - System-wide Support Services**
 - **7000 - Ancillary Services** (school nutrition)
 - **8000 - Non-Programmed Charges** (indirect costs; charter schools)
 - **9000 - Capital Outlay**

Fund-Purpose-PRC- Object-Location-Other

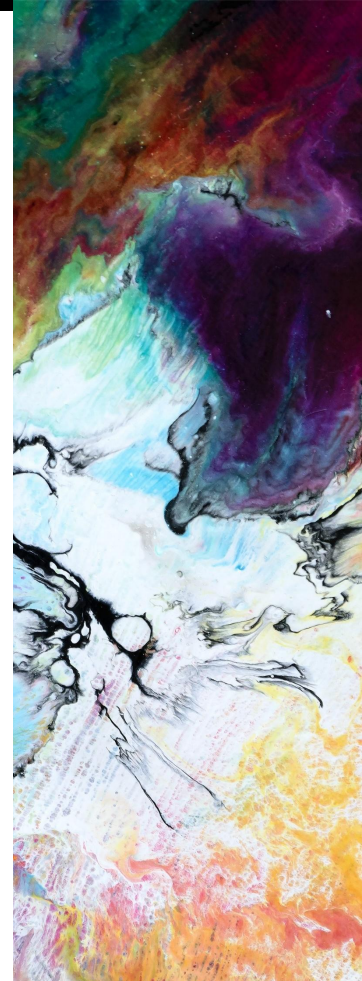


BOE BUDGET REVIEW

➤ FUND 1 STATE Revenues

- Allocations by PRC or Program Report Codes
- State allotments are by Position, Dollar, and Categorical
 - Example: **013 CTE** months of employment
FY22 013 = 255 MOEs = 25 CTE staff (ACS = 25 CTE)
 - Example: **004 K-5 Program Enhancement Teachers**
FY22 004 = 10.5 teachers (ACS = 21 K-5 ET)
 - Example: **005 School Bldg Admin**
FY22 005 = 154 MOEs = 13 School Admin (ACS = 22 School Admin)

	ACS Year end Final ADM	Best 1 of 2 ADM - ACS
2020-2021	4121	4217
2019-2020	4297	4321
2018-2019	4281	4328
2017-2018	4346	
2016-2017	4421	
2015-2016	4396	
2014-2015	4295	
2013-2014	4217	



BOE BUDGET REVIEW

Allocations by Buncombe County

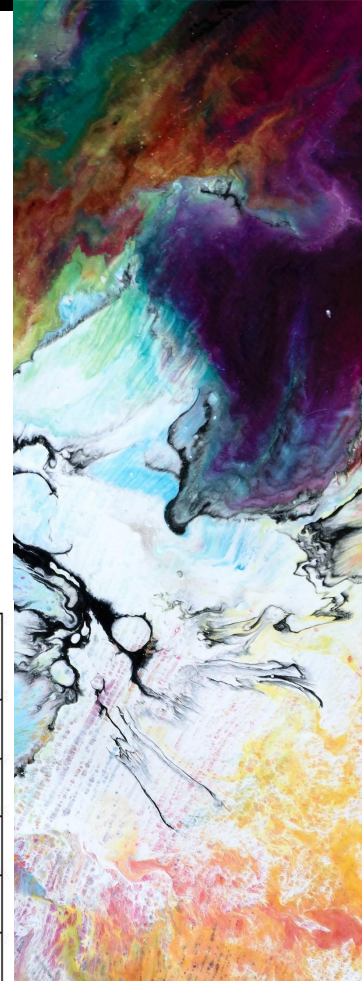
➤ FUND 2 LOCAL Revenues

- General County Appropriation \$ 13,127,687
- Fines/Forfeitures \$ 150,000
- Asheville City Supplemental Tax \$ 11,109,987

	ACS PPE STATE	ACS PPE Local	ACS Local Rank	ACS PPE Federal	ACS Total PPE	ACS Total Rank
2020-2021						
2019-2020	6651.43	5825.37	2	578.36	13,055.16	8
2018-2019	6558.25	5777.97	2	612.83	12949.05	10
2017-2018	6187.51	5524.78	2	632.25	12344.54	8
2016-2017	5852.03	4742.39	2	585.93	11180.35	14
2015-2016	5614.09	4428.84	2	699.38	10742.31	15

71% of all local funds are spent on salaries - approximately \$19 million

Local funds spend on Pre K program exceed \$1.2 million

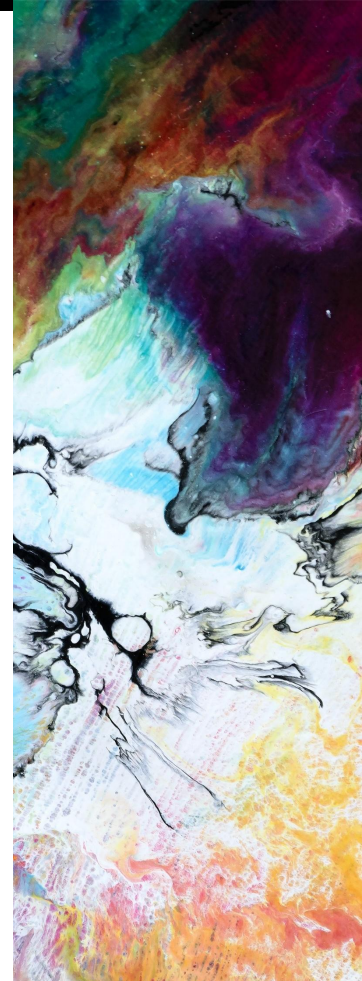


BOE BUDGET REVIEW

➤ FUND 3

FEDERAL Revenues

- Allocations by PRC or Program Report Codes
 - Example: **050 Title 1 - Basic Programs**
FY22 050 initial allotment = \$ 310,532 of approx \$1,085,198
1 Teacher; 6.5 Instructional Facilitators; 1.1 Administrators
Staff = \$665,668
 - Example: **060 IDEA VI-B**
FY22 060 initial allotment = \$0 of approx \$1,017,000
6.5 Teachers; 4 IAs; 1 Support
Staff = \$671,587

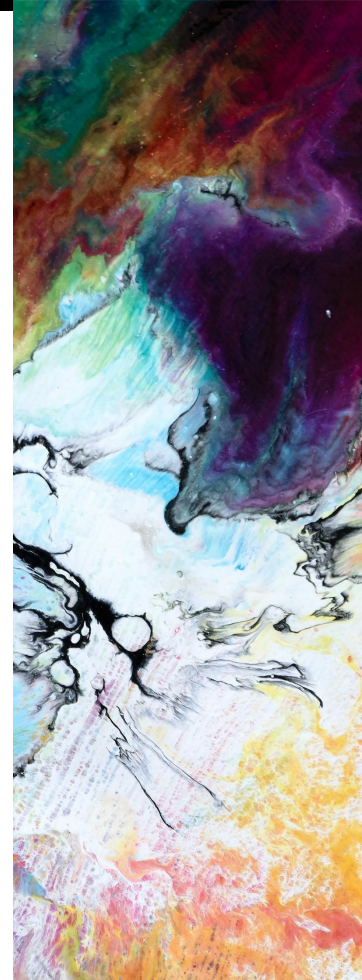


BOE BUDGET REVIEW

Allocation by Buncombe County

➤ **FUND 4 Capital Outlay Revenues**

- Article 40/42 \$ 2,743,554



BOE BUDGET REVIEW

Current Expense Expenditures % by Fund Source

	% State funds	% Federal Funds	% Local Funds	% for Salaries		% State funds	% Federal Funds	% Local Funds	% for Salaries
	Asheville City Schools					Buncombe County Schools			
2020-2021	53%	4%	43%		71%	3%	26%		
# FT Staff	377	26	306	709	2063	73	745	2881	
2019-2020	50%	6%	44%	62%	61%	11%	28%	64.5%	
# FT Staff	366	16	336	718	2109	112	683	2904	
2018-2019	49%	7%	44%	62.1%	60%	10%	30%	54.6%	
# FT Staff	382	30	310	722	2207	113	591	2911	

State	Local	Federal
61%	35%	4%
389	222	23

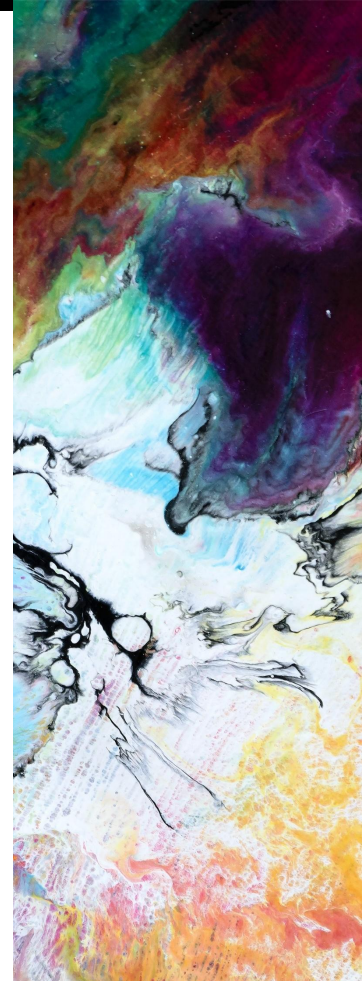
**Percent of Full Time staff of
FY22 Salaries as of 10/18/2021**



BOE BUDGET REVIEW

- Fund Balance
 - Retained Earnings
 - Provides funds for Emergencies, Cash Flow stability, etc
 - *Not for Recurring Expenditures*
 - General use of Fund Balance---
 - One-time expenditures
 - Pending/potential litigation
 - Balance current year budget (emergency)

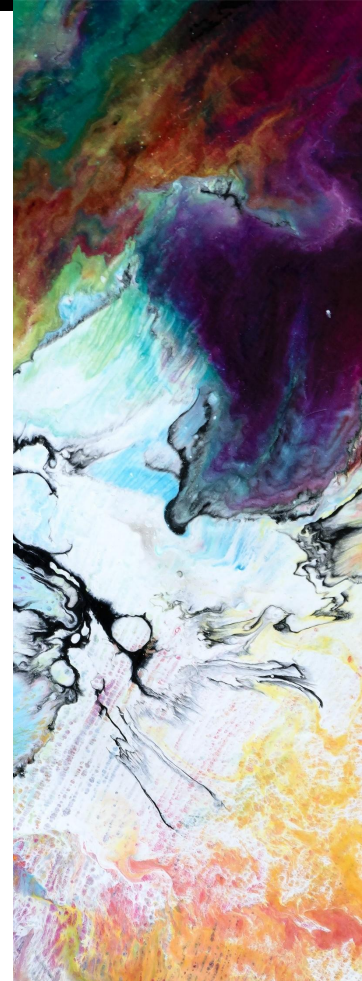
<i>Fund 2</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
Beginning Fund Balance	7,020,892	7,913,760	7,623,185	6,152,954	5,095,786	5,664,366
Ending Fund Balance	7,913,760	7,623,185	6,152,954	5,095,786	5,664,366	
Appropriated FY22						3,500,000
Fund Balance Used +/- EOY	892,868	-290,575	-1,470,231	-1,057,168	571,580 Est	2,164,366



BOE BUDGET REVIEW

Savings savings since Spring 2021

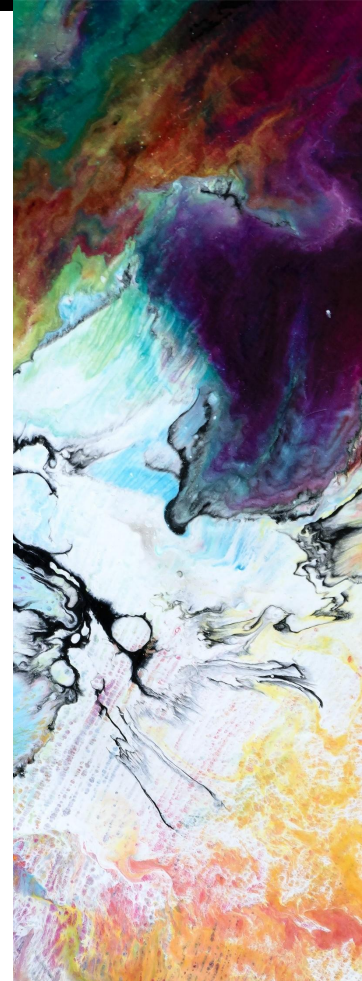
- Central Office Administration savings over \$500,000
Staff positions not replaced
- Review and update of operational service contracts an approximate savings over \$200,000 to date
- Department review of budgets resulting in approximate savings of \$250,000 to date



BOE BUDGET REVIEW

Expected increase in budgeted expenditures FY22:

- all ACS schools return to learn with all students in buildings result in cost increase for utilities, supplies & materials
- NC required increases in health and retirement costs
- NC planned increases in salaries and bonus pay
- All pay increases have direct effect on local supplement increases
- Increases of Maintenance lease and storage



BOE BUDGET REVIEW

- Typical Board Review of Budget Reductions in Priority Order
 - Establish district priorities
 - Recommendations:
 - Baseline budgeting from prior year actual expenditures
 - Identify non-essential programs / services that can be eliminated or reduced without reducing staff
 - Hiring “freeze” (defined as a process to review all new positions and vacancies and only backfill necessary positions)
 - Segregate recurring expenses from one-time or temporary funded positions by source (e.g. - local v. federal funding sources)
 - Analyze facilities and capacity (possible consolidation of facilities)

