

# EDUCATION

Operational funding for public schools is the responsibility of the State, while funding for school construction, equipment, and debt are County responsibilities. Historically, State funding has not been sufficient to meet all needs so counties provide current expense funding to schools as well. Catawba County’s current expense funding assists the County’s three public school systems with operating needs, including both instructional programs and support services. The School Budget and Fiscal Control Act requires the County to fund each school system the same amount per pupil based on average daily membership figures certified by the State and based on the highest attendance figures of the first two out of three months of the school year. North Carolina General Statutes allow the Board of Commissioners to allocate current expense funding in a variety of ways. Catawba County has always provided a lump sum amount per pupil and left the decision how to spend with the school boards.

Like public schools, the State is responsible for funding community college operations, while counties are responsible for maintenance, capital, and general facility operations.

## Budget Highlights

### CURRENT EXPENSE

Organization: 710050

	2015/16 Actual	2016/17 Current	2017/18 Requested	2017/18 Adopted	Percent Change
<b>Revenues</b>					
1st 1/2% Sales Tax	\$4,461,781	\$4,147,206	\$4,548,329	\$4,548,329	9.7%
1st 1/2% Sales Tax - Food	588,629	584,610	\$599,861	599,861	2.6%
1/4 Cent Sales Tax	451,427	377,244	\$416,309	416,309	10.4%
Fines & Forfeitures	484,237	600,500	\$581,350	597,325	-0.5%
General Fund	34,737,435	35,903,144	37,684,721	37,853,692	5.4%
<b>Total</b>	<b>\$40,723,509</b>	<b>\$41,612,704</b>	<b>\$43,830,570</b>	<b>\$44,015,516</b>	<b>5.8%</b>
<b>Expenses</b>					
<b>Catawba County</b>					
County Funding	\$24,914,400	\$25,590,180	\$26,419,643	\$26,415,615	3.2%
Fines & Forfeitures	331,883	415,425	\$415,425	416,125	0.2%
<b>Subtotal</b>	<b>\$25,246,283</b>	<b>\$26,005,605</b>	<b>\$26,835,068</b>	<b>\$26,831,740</b>	<b>3.2%</b>
<b>Hickory City</b>					
County Funding	\$6,642,357	\$6,603,520	\$6,524,980	\$6,724,119	1.8%
Fines & Forfeitures	88,519	107,200	105,925	105,925	-1.2%
<b>Subtotal</b>	<b>\$6,730,876</b>	<b>\$6,710,720</b>	<b>\$6,630,905</b>	<b>\$6,830,044</b>	<b>1.8%</b>
<b>Newton-Conover</b>					
County Funding	\$4,778,226	\$4,797,100	\$4,679,094	\$4,778,457	-0.4%
Fines & Forfeitures	63,836	77,875	60,000	75,275	-3.3%
<b>Subtotal</b>	<b>\$4,842,062</b>	<b>\$4,874,975</b>	<b>\$4,739,094</b>	<b>\$4,853,732</b>	<b>-0.4%</b>
<b>Catawba Valley Community College</b>					
County Funding	\$3,904,289	\$4,021,404	\$4,253,910	\$4,200,000	4.4%
K-64 Funding	\$0	\$0	\$1,371,593	\$1,300,000	0%
<b>Grand Total</b>	<b>\$40,723,509</b>	<b>\$40,851,797</b>	<b>\$43,830,570</b>	<b>\$44,015,516</b>	<b>7.7%</b>

## Pupil Allocation 2017/18

	Catawba	Hickory	Newton-Conover	Total
<b>Per Pupil</b>				
Average Daily Membership (ADM)	16,645	4,237	3,011	23,893
ADM Change from Fiscal Year 2016/17	28	(51)	(104)	(127)
Per Pupil Funding Increase	\$47	\$47	\$47	\$47
<b>Funding Change</b>	<b>825,435</b>	<b>120,599</b>	<b>(18,643)</b>	<b>\$927,391</b>
<i>% Change</i>	3.2%	1.8%	-0.4%	2.5%
2017/18 County Base	\$1,411	\$1,411	\$1,411	\$1,411
2% Teacher Supplement	50	50	50	50
Technology	70	70	70	70
Available for Joint School Programs	56	56	56	56
<b>County Per Pupil Total</b>	<b>1,587</b>	<b>1,587</b>	<b>1,587</b>	<b>1,587</b>
Fines & Forfeitures	25	25	25	25
School Fund Balance	7	7	7	7
<b>Total Per Pupil</b>	<b>\$1,619</b>	<b>\$1,619</b>	<b>\$1,619</b>	<b>\$1,619</b>
<b>Total</b>				
2017/18 County Base	\$23,486,095	\$5,978,407	\$4,248,521	\$33,713,023
2% Teacher Supplement	832,250	211,850	150,550	1,194,650
Technology	1,165,150	296,590	210,770	1,672,510
Available for Joint School Programs	932,120	237,272	168,616	1,338,008
<b>County Total</b>	<b>26,415,615</b>	<b>6,724,119</b>	<b>4,778,457</b>	<b>37,918,191</b>
Fines & Forfeitures	416,125	105,925	75,275	597,325
School Fund Balance	116,515	29,659	21,077	167,251
<i>Total</i>	<i>\$26,948,255</i>	<i>\$6,859,703</i>	<i>\$4,874,809</i>	<i>\$38,682,767</i>

The budget includes increased current expense funding for public schools and CVCC of \$1,105,987. A 3 percent or \$47 per pupil increase is included for public schools in current expense funding resulting in a total increase of \$927,391 or 2.5 percent due to continued student loss. The table at the top of the page shows the impact for each school system. Barring any major changes in funding for public schools by other counties, the increased funding is expected to improve the County's ranking from 19<sup>th</sup> to 18<sup>th</sup> in total current expense funding and 56<sup>th</sup> to 52<sup>nd</sup> in per pupil funding.

Each school system uses local current expense dollars differently but this increase will help the systems at least in part manage a statutory maximum class size restriction for grades K-3. Previously the systems were able to use flexibility in State funding allotments to pay for teachers in art, music, and physical education. Now these funds will be required to fund additional classroom teachers to meet the mandate, adding pressure to local current expense needs to help cover art, music, and physical education. Originally this restriction was scheduled to take place in the coming school year, but recently passed House Bill 13 extended the deadline to August 2018 to give schools an additional year to plan for class size reductions and hire new teachers.

A \$178,596 or 4.4 percent increase is included for CVCC primarily driven by increased operating costs for the Workforce Solutions Center scheduled to open in the Spring of 2018.

The budget also includes \$1.3M for the K-64 Initiative funded by a two-year diversion of future debt service dollars freed by the timing of debt issuance for school construction projects compared to the original cash flow.