

**Item Title:** Amendments to the Wake County Public School System Appropriation

**Specific Action Requested:**

**That the Board of Commissioners amends the FY 2020 General Fund Budget Ordinance to reflect realignment of WCPSS's allocation by purpose and function based on the Board of Education's revised budget.**

**Item Summary:**

**Purpose:** The Board of Commissioners must approve all changes to the adopted budget.

**Background:** The County's FY 2020 adopted General Fund budget ordinance appropriated funding to WCPSS by purpose and function, per NC General Statutes (NCGS) 115C-426 and 115C-429(b). Per NCGS 115C-433 and Section 4(B) of the adopted budget ordinance, when increases or decreases to WCPSS's budget for county appropriations allocated by purpose and function exceed 15%, those changes are required to be reported to the Board of Commissioners. This action aligns the FY 2020 budget ordinance with the WCPSS adopted FY 2020 budget.

**Board Goal:** This item supports routine county operations.

**Fiscal Impact:** There is no fiscal impact related to these previously appropriated funds. The Board of Commissioners annually updates its budget ordinance to match the WCPSS adopted budget.

**Additional Information:**

At the time the County's FY 2020 budget was adopted in June 2019, the State had not yet adopted its budget and its impact to the WCPSS budget was unknown. WCPSS provided an estimate of the adopted County appropriation of \$515,955,101 by purpose and function for inclusion in the County's budget ordinance. WCPSS adopted its revised budget on February 18, 2020.

This item amends the County's ordinance to align with the Final WCPSS 2019-2020 Budget Resolution. A summary of the realignments by purpose and function code is provided below:

| PURPOSE/FUNCTION   | FY2020<br>Adopted<br>Budget | FY2020<br>Amended<br>Allocation | Increase/<br>(Decrease) | % Change     |
|--|-----------------------------|---------------------------------|-------------------------|--------------|
| <b>Instructional Services</b>                                      |                             |                                 |                         |              |
| Regular Instructional Services                                     | 166,441,585                 | 169,123,804                     | 2,682,219               | 2%           |
| Special Populations Services                                       | 41,166,589                  | 42,093,903                      | 927,314                 | 2%           |
| Alternative Programs and Services                                  | 16,471,354                  | 18,434,072                      | 1,962,718               | 12%          |
| School Leadership Services   | 17,104,403                  | 17,035,646                      | (68,757)                | 0%           |
| Co-Curricular Services   | 19,809,317                  | 20,766,886                      | 957,569                 | 5%           |
| School-Based Support Services                                      | 36,598,861                  | 33,801,753                      | (2,797,108)             | -8%          |
| <b>Subtotal, Instructional Services</b>                            | <b>297,592,109</b>          | <b>301,256,064</b>              | <b>3,663,955</b>        | <b>1.2%</b>  |
| <b>System-wide Support Services</b>                                |                             |                                 |                         |              |
| Support and Developmental Services                                 | 6,395,686                   | 5,976,786                       | (418,900)               | -6.5%        |
| Special Populations Support and Development Services               | 5,443,756                   | 5,454,694                       | 10,938                  | 0.2%         |
| Alternative Programs and Services Support and Development Services | 2,246,051                   | 2,197,368                       | (48,683)                | -2.2%        |
| Technology Support Services  | 16,511,403                  | 16,486,379                      | (25,024)                | -0.2%        |
| Operational Support Services (WCPSS Fund 02)                       | 111,148,071                 | 110,259,168                     | (888,903)               | -0.8%        |
| Operational Support Services (WCPSS Fund 04)                       | 61,961                      | 1,931,961                       | 1,870,000               | 3018.0%      |
| Operational Support Services (WCPSS Fund 08)                       | 919,604                     | 919,604                         | 0                       | 0.0%         |
| Financial and Human Resource Services                              | 14,529,361                  | 15,352,596                      | 823,235                 | 5.7%         |
| Accountability Services  | 2,161,797                   | 2,042,691                       | (119,106)               | -5.5%        |
| System-wide Pupil Support Services                                 | 4,314,992                   | 4,708,407                       | 393,415                 | 9.1%         |
| Policy, Leadership, and Public Relations Services                  | 10,136,501                  | 9,213,635                       | (922,866)               | -9.1%        |
| <b>Subtotal, System-wide Support Services</b>                      | <b>173,869,183</b>          | <b>174,543,289</b>              | <b>674,106</b>          | <b>0.4%</b>  |
| <b>Non-Programmed Charges</b>                                      |                             |                                 |                         |              |
| Payments to Other Governmental Units                               | 44,493,809                  | 40,155,748                      | (4,338,061)             | -9.7%        |
| <b>Subtotal, Non-Programmed Charges</b>                            | <b>44,493,809</b>           | <b>40,155,748</b>               | <b>(4,338,061)</b>      | <b>-9.7%</b> |
| <b>TOTAL WAKE COUNTY PUBLIC SCHOOLS EXPENDITURES</b>               | <b>\$515,955,101</b>        | <b>\$515,955,101</b>            | <b>\$0</b>              | <b>0.0%</b>  |

## Explanation of Significant Amendments

Budget adjustments were made to align staff between state and local funds based on experience levels and vacancies. Certified personnel supplementary pay was increased based on step increases. Funding was moved to provide salary increases to staff in Instructional Services and System-wide Support Services.

Adjustments to Operational Support services include \$1.9 million for vehicle replacements and activity bus purchases. Salaries for transportation safety assistants added with the FY 2020 budget were moved to Special Education IDEA Title VI-B grant funding.

## Charter School Payments

Based on current year charter student enrollment, the WCPSS reduced the budget for charter payments by \$4.3 million to account for lower than anticipated charter enrollment. This reduction went towards the reallocation within the WCPSS operating budget to account for higher WCPSS enrollment than anticipated. The overall actual enrollment between WCPSS and charter enrollment was 315 students less than estimated.

|          | 2019-20<br>Estimated<br>Enrollment | 2019-20<br>Actual<br>Enrollment | Over/(Under)<br>Estimated<br>Enrollment |
|----------|------------------------------------|---------------------------------|---|
| WCPSS    | 161,030                            | 161,907                         | 877                                     |
| Charters | 15,276                             | 14,084                          | (1,192)                                 |
| Total    | 176,306                            | 175,991                         | (315)                                   |

**Attachments:**

1. WCPSS Summary of Changes to Purpose and Function Allocations
2. WCPSS Adopted 2019-20 Budget Resolution