

IN SERVICE	60,000	60,000	-
PURCHASED SERV. SPEECH	28,000	35,000	7,000
PURCHASED SERV. SP. ED.	32,000	38,000	6,000
CONTRACTED SERV	437,000	430,000	(7,000)
REGIONAL PROG. ALT EDUC	17,000	20,000	3,000
PURCHASED SERV ADV PLAC	10,000	10,000	-
GOVERNOR'S SCHOOL	8,000	13,500	5,500
SUPPLIES	60,000	90,000	30,000
TEXTBOOK	80,693	40,000	(40,693)

Savings of \$40,693.00 – By not updating textbooks this year

TRAVEL	5,300	2,500	(2,800)
TESTING	15,000	25,000	10,000
CAPITAL OUTLAY	3,000	3,000	-
PERKINS FUNDS	16,000	18,000	2,000
TITLE I CONTRACTED SERV		10,000	10,000
TITLE I SUPPLIES		55,000	55,000
21ST CENTURY		25,000	25,000
SAFETY EQUIP.(FOOTBALL)	2,000	2,000	-
STUDENT LIABILITY	1,800	2,500	700
COACHES CLINICS	2,500		(2,500)
MEMBERSHIP DUES	2,500	2,500	-
GRANTS	322,628	168,300	(154,328)

(See Comment for Page 6 - Below)

TECHNOLOGY	155,000	155,000	-
TOTAL	5,465,973	5,307,300	(158,673)
			-2.90%

(See Bottom Line Total - Below)

Page 9 – On the attached School Board FY 2009/2010 Budget

DEBT SERVICE – Savings of 100% (\$92,134) – This is the mortgage for the High School that is now paid off. It is a reduction in expenditures in this budget

- The Town appropriated money and it is transferred into the School account

Mr. Ridgely stated that it is a savings for the Town, not the School

Page 8 - On the attached School Board FY 2009/2010 Budget

TRANSPORTATION

VEHICLE GASOLINE – Anticipated Savings of \$30,000

- The fuel was estimated at \$5.00 a gallon in the current budget – (over estimated)
- The school buys the gasoline from the Town @ \$1.51 a gallon for Diesel
Estimated number of gallons used per month is 1,350

MAINTENANCE

ELECTRIC – Estimated Savings of \$20,000.00 based on more efficient equipment

Page 6 - On the attached School Board FY 2009/2010 Budget

GRANTS - \$154,328.00

- There will not be a grant – delete this amount on the budget
- Grants will show in the revenues at \$168,300.00 that the School received

BOTTOM LINE TOTAL – Negative \$158,673.00

This includes the Grant figure of \$158,673.00 that is shown on the Revenue side

Page 1 (Front page) - On the attached School Board FY 2009/2010 Budget

OTHER FUNDS - \$154,000.00 includes

- **Refund/Rebates**
- **Project Hope**
- **Shadows** – Savings of \$90,000 – Shadow teachers will not needed this year
- **Proj. Grad**
- **Tuition**
- **E-Rate**
- **Medicaid** – Decrease of \$30,000
 - . School needs to file for the money that is due them
 - . Schools receives a list of students qualifying for Medicaid
 - . Grant money filed for and received, will show in the Revenue and Expenditures Report

Ms. King – In regard to money that is given in advance to the School system with anticipation of the money coming back, how much money have you received that was given out in earlier allocations that we advanced to you?

Mr. Looney replied approximately \$178,000.00, which is about the amount that we were not reimbursed for in FY 2007/2008.

Mr. Rummage asked if the School Board could provide a list of monies that have been appropriated this year that you have matched, or have received matching funds for, and those that you have not. I would like to identify the funds that we have advanced to you in the current budget, and money that you should have applied for with the State indicating if you did or did not receive.

Mr. Ridgely stated that we have not received anything back that we have advanced the School.

Mr. Looney stated it goes into the Town's Bank account.

Ms. Grant replied yes, when the money is received, as long as it is earmarked from the "Department of Education" it is posted in the current accounting system based on the revenue report that I am given. I have no way of knowing if that money is current money, prior year money, or funds of a grant.

Mr. Ridgely asked, what account is the money is deposited into?

Ms. Grant replied to Fund 205, which is the "School Fund" at Union Bank and Trust.

Mr. Ridgely stated the money goes back into the School account not the Town account.

Ms. Worrell stated the concept is that it is taken from the School account even though the Town is advancing it.

TITLE I – PART A - on the attached School Board FY 2009/2010 Budget

Ms. King stated the letter from Ms. Worrell dated April 30, 2009, does state how much money they have received from grants:

- Title I – A – Improving basic program reimbursement of \$87,875.00 for June, July and August, 2008

Mayor Rummage stated that we certainly did not intend to prohibit the staff from working on these numbers before, during, or after this meeting. I would recommend from this day forward, the two staffs get together and try to establish some procedures from the questions today. I once felt that the Bright System would have helped correct that.

SCHOOL OPERATING FUNDING - on the attached School Board FY 2009/2010 Budget (Last Page)

Mr. Looney stated the School lists all of the revenue that is received. We know exactly how much we are going to get except for the local level. We have to make up the difference between that and the expenditures, through the local level funding.

The Town Levy, \$901,332.00, is based on the School's perceived needs.

Ms. Worrell stated when the School Board finds out what local funds they will be receiving, they will have to rework their budget and manage it. We would not be doing our job for the school system and the students if we did not request what we felt they will need. We are firm on all of the numbers of received funds. The only number that can vary is the "local level" number.

PIE CHART - On the attached School Board FY 2009/2010 Budget

The corrected figures on the Pie Chart on the last page are:

State Funds	\$3,434,042.00
Town Levy	\$ 941,378.00

The last three numbers; #5, #6, and #7, making up the County Levy, Town Levy and the Local Sales Tax. All of which makes up the Local Levy of \$21,955,000.

Mr. Looney stated we figured out what it is going to take to maintain the same level of service in the coming year that we maintained last year.

Page 4 - On the attached School Board FY 2009/2010 Budget

Grants – Decrease of \$154,328.00

Mr. Kennedy asked if there are any grants that we are not pursuing? What is the reason why this figure has dropped so much?

Ms. Worrell replied we have lost three to five year grants. This year is the last year for one of these grants. This is shown in the recap section, on page 3 which is grants.

School Enrollment

School enrollment is 572. Mr. Ridgely stated that he saw 584, why do we use the 572 number?

Ms. Worrell replied that is the State Department's number. The Average Daily Membership (ADM) this year is 576. The enrollment is not the number they look at, they take the enrollment between September and March 31st and average it out.

Mr. Coombes asked, what are your real savings in operations? Does this budget reflect any layoffs, furloughs or hiring freezes?

Mr. Looney replied the first thing we want to do is to save jobs. We have not figured in any job losses in the FY 2009/2010. We plan to hire teachers with less experience to replace teachers with more experience. That would mean lower salaries. There will be no salary increases.

Mr. Ridgely stated we are doing more with less. We have a budget deficiency in the Town right now. We have cut crew sizes, cut services, asking personnel to do more with less, and combining job duties to name a few.

Ms. Worrell stated we have eliminated the school nurse and one teacher.

Mr. Coombes questioned:

1. There are no salary increases except for the 1% which is a supplement
2. \$257,000 stimulus money, where is that being applied
Ms. Worrell replied to be used to maintain teachers and offset the loss of State funding
3. Mr. Trivett has asked for four things amounting to over \$100,000
I see no written justification for any of these

Mr. Trivett replied if we don't get the level of funding that was received last year, we will have to look at:

1. Losing employees
2. Step increases
3. Insurance increases
4. Larger classes – approximately 54 students to a grade; 2 teachers per grade
5. Additional person for the Bright System - \$57,500.00
6. Financial secretary's position was not filled this year

Page 2 - on the attached School Board FY 2009/2010 Budget

Title I School Improvement

Mr. Ridgely stated to Ms. Worrell, you mentioned the School improvement money, where is it in the budget?

Ms. Worrell replied part of the money is showing in the budget and part of it is not. When this budget was done, we thought we were going to get Part A funds of \$100,000.00, and we were told that we would probably get Part G funds again of \$104,000.00. We did not put the additional funds in the budget until we get the paper work from the State telling us that we are getting it.

Mr. Ridgely asked, if there were any re-appropriations so that we know that the money has been received?

Ms. Worrell replied yes, by a budget amendment

Mayor Rummage stated that has been the question all along. There hasn't been any follow through, any evidence or written indication that there has been a request made, and whether or not the request has been granted.

Mr. Luttrell – Initially it was indicated that we will get \$268,000.00 in Title I money. We would get another \$124,721.00 in Special Education, there is no flexibility in these 2 areas.

Migrant Funds – Decrease of \$10,000 – We do not have any migrants this year

Mr. Ridgely - The number of students with tuition has changed. Why does the dollar amount stay the same?

Ms. Worrell replied we now have 120 tuition students. We receive; \$1,000.00 – 1 student; \$1,000.00 – 2 students, and \$2,500 – more than 2 students in a family.

Mr. Ridgely stated I have five pages of questions that I would like to have answered. I would like permission to follow up on this and I will share the answers with Town Council.

Mayor Rummage asked the School Board the proposed date that the full stimulus appropriation will be received and can you come up with an amended proposed budget with everything in it that you can reasonably expect. We have \$500,000.00 that is not showing.

Mr. Looney stated when last year's budget was presented, it included a revenue stream. Following Council's tradition, we tried to make sure that we did not put in the revenue stream monies that we didn't have assurance of coming in.

Mr. Ridgely – We are asking you to identify potential monies that may be coming in.

Mayor Rummage – You know that you are going to get a stimulus fund amount. You have reflected \$257,000. You have also indicated that you are expecting \$268,000 in Title I plus Special Ed \$124,000. Are there any other stimulus monies? The State Board of Education is the one that allocates it, aren't they the ones who would come up with the formula and notify you that you will receive the following? Between now and the next meeting, I would expect that your staff people and our staff people work on this report.

Mr. Looney stated if Council members would do like Mr. Ridgely is doing and submit questions to us that would be a big help. We would know in advance what kind of things Council is interested in.

Mr. Ridgely – The Regional Program gets about \$325,000 a year and that is for how many students?

Ms. Congdon replied nine. (\$36,000.00 per student)

Mr. Ridgely – How many children do we have with special needs in Town?

Mr. Luttrell replied there are 70 to 80 children in this program. Special Ed funding is received from State and some from the Federal Government. Transportation is the greatest expense

Mr. Ridgely – We will communicate back and forth in writing so we will have a record and understand it.

Mayor Rummage – Rather than seven people shooting questions, it would be much better to have it organized so we can give it to our Town Manager to forward to the School.

Discussion on additional budget meeting dates took place at this time.

The decision was to have a Council/School Board Budget Work Session on Tuesday, May 26, 2009. Mayor Rummage asked the School Board if they would be able to have more of the data that we have been discussing available.

The School Board proposed budget would show projected revenue versus committed revenue.

Mr. Ridgely – **Ms. Worrell’s letter to Mayor Rummage**
Title I, Part A – Improving Basic Programs in School Improvement.

This has been approved and the same amount of money is coming.

Mayor Rummage stated between tonight and tomorrow maybe we can get all of our questions answered.

Mr. Ridgely stated in the past, we have advanced money for projects and we did not get it back. It would appear that Ms. Grant, not knowing what is coming in rather than just money, if we advanced a \$20,000.00 project and the money comes in and goes to the proper accounts to the school, that \$20,000.00 should be directed back to the Town. On several of these projects that has happened. Ms. Grant has stated that it comes into the main checking account but it is posted to Fund #205 back to the school.

MOTION TO ADJOURN:

There was a motion by Ms. Payne to adjourn the Budget Work Session at 7:18 p.m. May 18, 2009, seconded by Mr. Coombes.

Mayor Rummage – There being no further discussion the Town Council/School Board Budget Work Session is adjourned. There were no objections.

Approved By:

Mayor Frederick C. Rummage