

JOINT MEETING OF THE BOARD OF COMMISSIONERS AND BOARD OF EDUCATION



LEGISLATIVE UPDATES AND POTENTIAL IMPACTS

- HB 13 (Changes to class size allotment requirements)
- HB 436 (Impact Fees restriction/loss)
- Potential elimination of funding for driver's education
- Teacher (and administrator) shortage
- Employee compensation (proposed changes to teacher and administrator pay schedules; salary study; percentage supplement; tradesmen/classified schedules)



FUNDING STRATEGIES IN LIGHT OF HB 13

With the passage of House Bill 13, we anticipate needing approximately 30 more teachers in K-3 in 2018-2019 when the more significant changes are scheduled to be implemented. If our enrollment continues to grow, that number will increase. To that end, the Board and I have worked together to identify the following four initial funding responses (in no particular order) to be used either individually or together to respond to the impending changes:

1. use a small portion of the district's fund balance (Note: The specific amount would be determined based on other budgetary variables and recommendations from the North Carolina Local Government Commission. This option could not be used in subsequent years.);
2. redirect \$485,000 from the 2017-2018 local expansion request **(Note: This option is contingent upon approval of the total amount requested and does not include the use of the funding needed to increase the employee supplement next year.);**
3. request additional funding from County Commissioners; and/or
4. increase class-size maximums by two in grades 4-12.

