

ORANGE COUNTY  
BOARD OF EDUCATION

AGENDA ITEM ABSTRACT

Meeting Date: June 19, 2014

AGENDA ITEM No. 14-06-(2)-08

ACTION ITEM: (Y/N) Y

SUBJECT: Interim Appropriation Budget Approval 2014-2015

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ATTACHMENTS: None.

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**PURPOSE:** To allow the Board of Education to adopt an interim budget to cover the period of time from the end of the 2013-2014 fiscal year (July 1, 2013 – June 30, 2014) until the adoption of a budget resolution for the 2014-2015 fiscal year (July 1, 2014 – June 30, 2015).

**BACKGROUND:** The statute N.C.G.S. 115C-434 states "In case the adoption of the budget resolution is delayed until after July 1, the board of education shall make interim appropriations for the purpose of paying salaries and the usual ordinary expenses of the local school administrative unit for the interval between the beginning of the fiscal year and the adoption of the budget resolution. Interim appropriations so made and expended shall be charged to the proper appropriations in the budget resolution."

The Board of County Commissioners adopted their 2014-2015 budget on June 17, 2014. At the time of abstract preparation, the budget was not yet approved. The County Manager's Recommended budget included an increase of \$95 in the per pupil appropriation to schools. This additional \$95 per pupil amount, if adopted, would be \$3,364 for a total appropriation of \$26,451,132. This represents an increase of \$1,390,978 over the FY 2013-14 annual county appropriation.

As of publication, we understand the Board of County Commissioners has taken significant action and has approved a Resolution of Intent to adopt a budget providing the schools with a \$302 per pupil increase. This would increase the per pupil amount from \$3,269 to \$3,571. The county appropriation would increase from \$25,060,154 to \$28,078,773 for an increase of \$3,018,619. The county budget was slated for approval at a meeting on Tuesday, June 17, 2014

The state of North Carolina has not yet adopted a final budget. At the time of abstract preparation, no other information was available.

**FINANCIAL IMPACT:** The approval of the interim budget will be necessary to provide for the regular operational expenditures until allocations from the state of North Carolina are received.

	Annual Projected Budget	1 <sup>st</sup> Quarter Projected Budget
State	\$ 42,185,146	\$ 10,546,287
Local	\$ 25,824,154	\$ 6,456,039
Federal	\$ 3,479,486	\$ 869,872
	<u>\$ 71,488,786</u>	<u>\$ 17,872,198</u>

**RECOMMENDATION:** The Superintendent recommends the Board of Education adopt the 2014-2015 interim budget at the 2013-2014 amended budget level less fund balance appropriations.