

Board of Education's Adopted Budget FY 2026-2027



750 S. Merritt Mill Rd.
Chapel Hill NC 27516
www.chccs.org

**THINK (AND ACT)
DIFFERENTLY**

Adopted Budget for the Fiscal Year Ending June 30, 2027

Chapel Hill – Carrboro City Schools Board of Education Members and Principal Officials

Riza C. Jenkins, Board Chair

Barbara Fedders, Vice Chair

Meredith H. Ballew

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September 17, 2026





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to:

CHAPEL HILL – CARRBORO CITY SCHOOLS

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2025–2026.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



Ryan S. Stechschulte

Ryan S. Stechschulte
President

James M. Rowan

James M. Rowan, CAE, SFO
CEO/Executive Director

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EXECUTIVE SUMMARY



Chapel Hill – Carrboro City Schools (CHCCS)
750 S Merritt Mill Road, Chapel Hill, NC 27516

Web Site: chccs.org

Prepared by the Business and Financial Services Division
(919) 967-8211



To the staff, students, families, and community of Chapel Hill-Carrboro City Schools,

It is my honor to present the Chapel Hill-Carrboro City Schools Board of Education's Financial Plan for Fiscal Year 2026-27. This plan reflects our shared commitment to excellence, opportunity, and responsible stewardship as we navigate a changing financial landscape for public education.

This year's budget process has taken place amid continued challenges for school districts across North Carolina. Declining enrollment, rising operational costs, and changes in state and local funding require us to think carefully about how we align our resources with the students we serve. Throughout this process, we have remained focused on fiscal responsibility, transparency, and long-term sustainability while protecting the high-quality educational experiences our community expects.

The FY 2026-27 Financial Plan supports the district's ongoing operational needs while strengthening our financial foundation for the future. It accounts for increased personnel and operating costs, aligns staffing and resources with enrollment, and prioritizes rebuilding reserves and maintaining financial stability. These decisions are necessary to ensure that CHCCS remains well positioned to serve our students today while preparing for the opportunities and challenges ahead.

As we strengthen that foundation, we must also look forward. Long-term sustainability creates opportunities to innovate, reinvest strategically, and rethink how we organize and deliver services so that our resources have the greatest possible impact on students and staff.

Our mission remains unwavering: to provide every student with an inspiring, rigorous, and inclusive educational experience that prepares them to thrive in a changing world. I am grateful to our staff, families, students, Board of Education, local government partners, and community for your continued partnership, advocacy, and commitment to our schools.

Together, we will continue moving forward with purpose: protecting what makes CHCCS exceptional, adapting where necessary, and building a school system that is resilient, responsive, and sustainable for the future.

Sincerely,

Dr. Rodney Trice
Superintendent, Chapel Hill – Carrboro City Schools

“The next 25 years must look different than the last 25. Not because we’ve lost our way, but because the world around us is changing, and we owe it to our children to meet that change with courage.”

— Dr. Rodney Trice

Board of Education’s Financial Plan for FY 2026-27

The following narrative outlines the major elements shaping the District’s financial plan for the upcoming fiscal year. It details the continuation needs and expansion items included in the Board’s funding request to Orange County, the level of funding ultimately adopted by the County, and the actions taken by the District to develop a balanced budget. Ultimately, this narrative highlights the District’s multi-year strategic budget vision centered on realignment, reinvestment, and long-term sustainability, and details how the actions taken to reach a balanced budget will continue to return fiscal sustainability to the Local Operating Budget.

At its core, this vision centers on aligning resources with current priorities and enrollment realities, reinvesting in high-impact strategies that directly support student outcomes, and establishing long-term structural sustainability within the Local Operating Budget. Central to this effort is a deliberate, multi-year strategy to rebuild the District’s diminished fund balance, strengthen financial resiliency, and restore appropriate reserve levels to safeguard against future fiscal volatility.

Student Data

The District’s financial planning process begins with a thorough analysis of enrollment projections for the upcoming year, as these projections significantly influence both State and local funding levels. Each fiscal year, Orange County adopts educational funding levels based on the projected student enrollment for both school districts within the county. The allocation our District receives is determined by the proportional split between our projected enrollment and that of Orange County Schools (OCS). State enrollment funding for next year will be based on the current year’s best of 20th or 40th day Average Daily Membership (ADM). For FY 2025-26, the District’s 40th day ADM was 10,773. Out-of-district student enrollment was 260, and charter school enrollment was 228. After accounting for the 260 out-of-district students and adding the 228 charter school students, the net projected budgeted enrollment for FY 2026-27 is 10,741 budgeted students. This represents a decrease of 277 students compared to the FY 2025-26 budgeted enrollment.

2026-27 Enrollment Projections

	CHCCS
40th Day Average Daily Membership	10,773
<i>Less:</i> Out of District Students	(260)
	10,513
<i>Plus:</i> Budgeted Charter Students	228
Total Budgeted Students	10,741

Note: The above table shows the calculation of “Total Budgeted Students” that the County used in determining the student enrollment split for budgeting purposes. Analysis of actual student enrollment trends at CHCCS can be found later in both the Executive Summary and Informational Section of this document.

Enrollment Trends

CHCCS continues to experience a districtwide decline in student enrollment, consistent with regional and statewide demographic shifts, including declining birth rates, reduced in-migration of young families, and

evolving housing patterns within Chapel Hill and Carrboro. For the 2026–27 school year, projected K–12 membership remains below overall district capacity, with the most significant underutilization occurring at the elementary level, where several campuses are operating at less than 70% of capacity. Middle and high schools reflect a more balanced distribution of students. The persistent gap between enrollment and available capacity has direct fiscal implications, increasing per-pupil operating costs and reducing the efficiency of resource allocation. Addressing this trend will require continued analysis and long-term planning to ensure the equitable and sustainable delivery of educational programs across all schools.

Continuation Cost Requirement

The largest foundational piece that the District considers when financially planning for an upcoming fiscal year is in the estimated continuation portion of the Local Operating Budget. This calculation represents the expenses required to be able to continue providing the existing level of services and standards of education in the upcoming fiscal year before any structural or programmatic changes are considered. The following section will detail the major drivers of the continuation cost estimates to include salaries and wages, required matching benefit changes, and inflationary adjustment for non-salary items, and the net effects of the estimated State reductions contained in the budget.

Salaries and Wages

\$2,526,800

On July 7, 2026, Governor Josh Stein signed the FY 2026-27 State Budget into law, providing salary increases for public school employees. The District's continuation budget reflects the local financial impact of implementing these compensation changes, including adjustments to locally funded salary schedules and the District's local salary supplement.

Under the adopted State budget, teachers and instructional support personnel will receive increases to the State Certified Salary Schedule, with most eligible employees also receiving an annual step increase. Combined, the new State salary schedule and annual step increase will provide an average salary increase of approximately 8%, with total increases ranging from approximately 5% to 18%, depending on years of experience. Assistant principals will receive an 8% increase to the District's local assistant principal salary schedule to align with the teacher salary schedule changes. Principals, central office administrators (including leadership, directors/coordinators, supervisors, and finance officers), and classified employees will receive a 3% increase to their respective salary schedules.

The continuation budget also includes adjustments required to comply with Board Policy 6424/7601, Living Wage Policy, which requires the District to maintain the minimum hourly wage established annually by Orange County. For FY 2026-27, Orange County established a living wage of \$20.02 per hour. Accordingly, salary schedules and applicable hourly and daily pay rates have been adjusted, where necessary, to ensure compliance with Board policy.

The total continuation cost for salaries and wages is \$2,526,800 consisting of salary increases and associated increases in the matching local salary supplement.

Benefit Increases

\$1,401,400

Continuation costs also include the District's required employer contributions for payroll taxes, retirement, and health insurance associated with salary increases and changes in State-established benefit rates. These employer costs apply to the local share of certified salaries and all locally funded positions. The Federal Insurance Contributions Act (FICA) employer matching rate remains 7.65%. The increase in salaries and local supplements results in an additional \$190,700 in required FICA contributions. The Teachers' and State Employees' Retirement System (TSERS) employer contribution rate will increase from 24.67% to 26.10%, resulting in an estimated continuation cost of \$903,000. Employer-sponsored health insurance premiums will increase from \$8,500 to \$8,925 per eligible employee, requiring an

additional \$307,700. Collectively, the projected increases for FICA, TSERS, and employer health insurance premiums total \$1,401,400, representing the required employer benefit costs necessary to sustain current staffing levels in FY 2026-27.

Other Non-Salaried Operating Costs \$723,500

To address the rising costs of goods and services necessary for District operations, a 4% inflationary adjustment has been applied to non-salary operating costs. These costs encompass a wide range of expenditures essential to maintaining daily operations, such as utilities, transportation, instructional materials, technology infrastructure, facility maintenance, and contracted services.

One-Time Bonuses \$965,250

The FY 2026-27 State Budget includes one-time bonus payments for eligible public school employees. The State has appropriated funding for bonuses for State-funded employees in accordance with the eligibility criteria established by the North Carolina General Assembly. To maintain equity across the workforce, the District's continuation budget includes funding to provide one-time bonuses at the same State-established levels for eligible locally funded employees.

Eligible teachers and assistant principals will receive a one-time bonus based on years of experience:

- 0-15 years of experience: \$500
- 16 or more years of experience: \$1,000

Eligible principals, central office administrators (including leadership, directors/coordinators, supervisors, and finance officers), and classified employees will receive a one-time bonus based on annual salary:

- Annual salary of \$65,000 or less: \$1,750
- Annual salary greater than \$65,000: \$1,000

The continuation budget includes funding for the locally funded employee bonuses and the associated employer payroll taxes. In accordance with State retirement regulations, one-time bonus payments are not subject to Teachers' and State Employees' Retirement System (TSERS) employer retirement contributions. All eligible bonus payments will be issued no later than October 31, 2026, in accordance with State requirements. These locally funded employee bonuses are estimate to cost approximately \$965,250.

Continuation Costs Summary

Continuation Item	Cost
Salary and Supplement Increases	\$ 2,526,800
Social Security (FICA)	190,700
State Retirement Matching	903,000
Employer Paid Health Insurance Premiums	307,700
One-Time State Mandated Bonuses	965,250
Non-salary Operating Costs	723,500
Total Budgeted Continuation Costs	\$ 5,616,950

Local Operating Fund Revenue Changes for FY 2026-27

	Budgeted FY27	Budgeted FY26	Change
Sales & Use Tax Revenue	\$ 175,000	\$ 150,000	\$ 25,000
County Appropriation	67,560,890	64,752,786	2,808,104
Supplemental Tax-Current	30,149,797	29,557,658	592,139
Fines & Forfeitures	200,000	225,000	(25,000)
STIF Account Interest	10,000	10,000	-
Miscellaneous	25,000	25,000	-
Drivers Education Fee Revenue	-	50,000	(50,000)
Transportation Revenue	-	375,000	(375,000)
	\$ 98,120,687	\$ 95,145,444	\$ 2,975,243

Total Local Operating Budget Reconciliation

Budgetary Consideration	Impact
Total Continuation Costs before Revenue Changes	\$ (5,616,950)
Local Revenue Changes	2,975,243
Total Continuation Need after Local Revenue Changes	\$ (2,641,707)
Net Impact of Central Office Reductions and Reorganization	1,296,000
Change in HS Allotment Formula	1,100,000
Net Remaining Continuation Amount to be Balanced*	\$ (245,707)

* The small net remaining balance from Continuation will be absorbed into the budget via the surplus from the result of operations in FY 2025-26

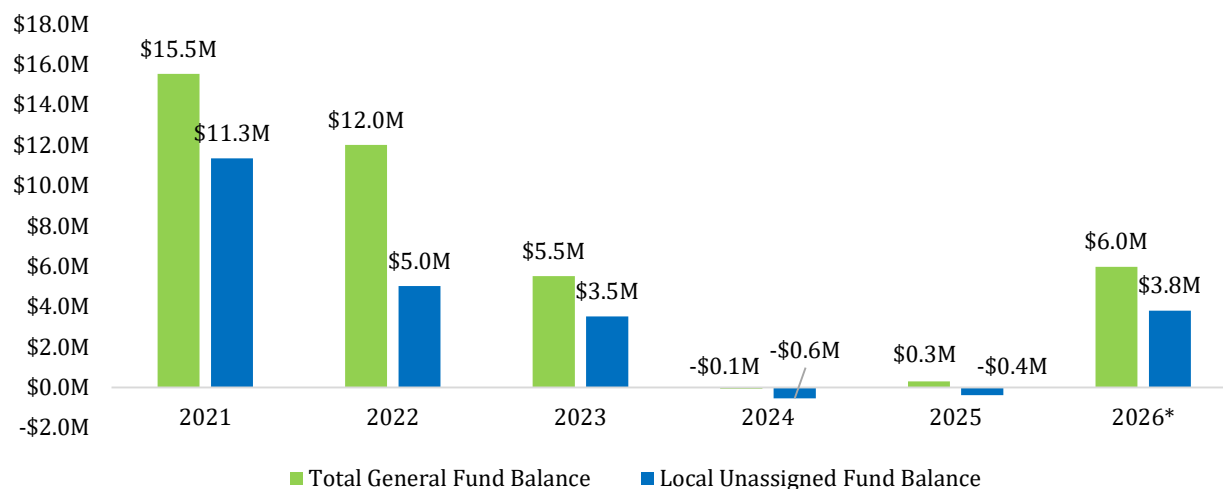
Fund Balance Analysis

The audited local unassigned fund balance for the fiscal year ending June 30, 2023, was \$3.6 million (4.07% of total expenditures), down from \$5.0 million (5.85%) the previous year. This amount was \$1.31 million below the Orange County BOCC's minimum target of 5.5% of local expenditures, or \$4.93 million.

Results of operations in FY 2023–24 further reduced the District's local unassigned fund balance to essentially zero. This critically low reserve level prompted the District Administration and Board of Education to implement a tiered spending reduction plan to restore financial stability, eliminate deficit spending, and rebuild reserves over time. Tiers I and II were enacted as immediate, stop-gap measures to stabilize operations and return the District to a structurally balanced position by FY 2025, while Tier III was designed to restore long-term sustainability and rebuild local fund balance reserves in future fiscal years. As a result of the first two tiers, approximately \$360,425 was restored to fund balance in FY 2025, demonstrating that the corrective measures were successfully implemented and achieved their intended outcome.

During FY 2025–2026, Tier III was specifically designed to rebuild reserves to a more sustainable level. Based on current projections, the District estimates that FY 2026 will conclude with approximately \$3.8 million in unassigned fund balance. This represents meaningful progress toward restoring financial stability and moving closer to the BOCC's minimum target reserve level. As a result of these actions, the District anticipates entering FY 2026-27 with a structurally balanced budget.

Fund Balance Trends FY 2021 - FY 2026



**Based on District estimates that FYE 2026 will add ~\$5.6m to the fund balance as a result of operations. Of that, it is estimated that about \$2.2m would be reserved for various reporting requirements. Actual results will vary once the fiscal year is officially closed and audited.*

Summary FY 2026-27 Adopted Budget

The Chapel Hill-Carrboro City Schools Board of Education's Financial Plan for FY 2026-27 reflects the District's continued commitment to fiscal responsibility, strategic resource alignment, and long-term sustainability. The plan addresses the resources necessary to maintain existing educational services while responding to declining enrollment, increased personnel and operating costs, and changes in State and local funding. Budgeted enrollment for FY 2026-27 is 10,741 students, a decrease of 277 students from the prior year, reinforcing the need to thoughtfully align staffing, facilities, and resources with current enrollment while maintaining equitable access to high-quality educational programs.

The Financial Plan includes approximately \$5.6 million in continuation costs necessary to sustain current operations, including salary and local supplement increases, required employer benefit increases, and inflationary adjustments to non-salary operating expenses. Local operating revenues are budgeted at approximately \$98.1 million, an increase of nearly \$3.0 million from FY 2025-26, driven primarily by increases in the County appropriation and supplemental district tax revenue. Together, these resources allow the District to meet its current obligations while maintaining a structurally balanced operating budget.

The District also continues to make meaningful progress toward restoring its financial position following the significant decline in local fund balance experienced in prior years. Current projections estimate approximately \$3.8 million in unassigned fund balance at the conclusion of FY 2025-26, representing substantial progress toward rebuilding appropriate reserve levels and strengthening financial resiliency. As CHCCS moves beyond short-term stabilization, the District's multi-year strategy will increasingly focus on realignment, strategic reinvestment, and long-term sustainability, creating a stronger financial foundation to support students, staff, and schools for years to come.

FY 2026-2027 Budget Resolution

BE IT RESOLVED by the Board of Education of the Chapel Hill-Carrboro City Schools Administrative Unit:

Fund 1 Expenditures: The following amounts are hereby appropriated for the operation of the school administrative unit in the State Public School Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Instructional Programs:

Total 5100 - Regular Instructional Services	\$ 53,803,476
Total 5200 - Special Population Services	15,189,145
Total 5300 - Alternative Program Services	2,659,622
Total 5400 - School Leadership Services	3,921,318
Total 5800 - School-Based Services	2,908,488
	78,482,049

Support Services:

Total 6100 - Support and Development Services	320,328
Total 6400 - Technology Support Services	128,523
Total 6500 - Operational Support Services	6,461,328
Total 6600 - Financial and Human Resource Services	168,525
Total 6900 - Policy, Leadership, and Public Relations Services	597,816
	7,676,520

Total State Public School Fund Appropriation	\$ 86,158,569
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Fund 1 Revenues: The following revenues are estimated to be available to the State Public School Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Total 3100 - State Public School Fund Revenue	\$ 86,158,569
	86,158,569

Total State Public School Fund Appropriation	\$ 86,158,569
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Fund 2 Expenditures: The following amounts are hereby appropriated for the operation of the school administrative unit in the Local Current Expense Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Instructional Programs:

Total 5100 - Regular Instructional Services	\$ 31,365,249
Total 5200 - Special Population Services	15,999,700
Total 5300 - Alternative Program Services	2,949,996
Total 5400 - School Leadership Services	5,922,753
Total 5500 - Co-Curricular Services	3,512,699
Total 5800 - School-Based Services	10,461,319
	<u>70,211,716</u>

Support Services:

Total 6100 - Support and Development Services	2,164,540
Total 6200 - Special Population Support and Development Services	1,303,447
Total 6300 - Alternative Programs Support and Development Services	43,742
Total 6400 - Technology Support Services	2,135,001
Total 6500 - Operational Support Services	10,787,391
Total 6600 - Financial and Human Resource Services	5,036,824
Total 6700 - Accountability Services	665,825
Total 6800 - System-wide Pupil Support Services	97,606
Total 6900 - Policy, Leadership, and Public Relations Services	4,174,595
	<u>26,408,971</u>

Non-Programmed Charges:

Total 8100 - Payments to Other Governmental Units	1,500,000
	<u>1,500,000</u>

Total Local Current Expense Fund Appropriation

\$ 98,120,687

Fund 2 Revenues: The following revenues are hereby estimated to be available the Local Current Expense Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Total 3200 - State Revenue - Other Funds	\$ 175,000
Total 4100 - Local Sources General	97,710,687
Total 4400 - Local Sources - Unrestricted	235,000
	<u>98,120,687</u>

Total Local Current Expense Fund Appropriation

\$ 98,120,687

Fund 3 Expenditures: The following amounts are hereby appropriated for the operation of the school administrative unit in the Federal Grant Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Instructional Programs:

Total 5100 - Regular Instructional Services	\$ 363,000
Total 5200 - Special Population Services	63,238
Total 5300 - Alternative Program Services	83,893
Total 5800 - School-Based Services	10,000
	<u>520,131</u>

Support Services:

Total 6100 - Support and Development Services	2,500
Total 6200 - Special Population Support and Development Services	25,000
	<u>27,500</u>

Non-Programmed Charges:

Total 8100 - Payments to Other Governments & Transfers	21,583
Total 8200 - Unbudgeted Funds	25,918
	<u>47,501</u>

Total Federal Grants Fund Appropriation	\$ 595,132
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Fund 3 Revenues: The following revenues are estimated to be available to the Federal Grant Fund Revenues for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Total 3600 - Federal Fund Revenue	\$ 595,132
	<u>595,132</u>

Total Federal Grants Fund Appropriation	\$ 595,132
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Fund 4 Expenditures: The following amounts are hereby appropriated for the operation of the school administrative unit in the Capital Outlay Expense Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Instructional Programs:

Total 5100 - Regular Instructional Services	\$ 233,580
	<u>233,580</u>

Support Services:

Total 6400 - Technology Support Services	575,000
	<u>575,000</u>

Ancillary Services:

Total 7200 - Nutrition Services	20,000
	<u>20,000</u>

Capital Outlay:

Total 9000 - Capital Outlay	55,826,491
	<u>55,826,491</u>

Total Capital Outlay Fund Appropriation	<u><u>\$ 56,655,071</u></u>
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Fund 4 Revenues: The following revenues are estimated to be available to the Capital Outlay Expense Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Total 3200 - State Revenue – Other Funds	\$ 175,000
Total 4110 - County Appropriation - Recurring Capital	1,817,006
Total 4400 - Local Sources - Unrestricted	25,000
Total 4810 - County Appropriation - Capital Investment Plan	54,638,065
	<u>56,655,071</u>

Total Capital Outlay Fund Appropriation	<u><u>\$ 56,655,071</u></u>
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Fund 5 Expenditures: The following amounts are hereby appropriated for the operation of the school administrative unit in the Child Nutrition Services Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Ancillary Services:

Total 7200 - Nutrition Services	\$ 4,509,287
	<u>4,509,287</u>

Non-Programmed Charges:

Total 8100 - Payments to Other Governmental Units	40,000
	<u>40,000</u>

Total Child Nutrition Fund Appropriation	\$ 4,549,287
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Fund 5 Revenues: The following revenues are hereby estimated to be available to the Child Nutrition Services Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Total 3800 - Other Restricted Grants	\$ 2,557,369
Total 4300 - Sales Revenues	1,930,918
Total 4400 - Local Sources - Unrestricted	11,000
Total 4800 - Local Sources - Restricted	50,000
	<u>4,549,287</u>

Total Child Nutrition Fund Appropriation	\$ 4,549,287
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Fund 7 Expenditures: The following amounts are hereby appropriated for the operation of the school administrative unit in the Child Care Expense Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Ancillary Services:

Total 7100 – Community Services	\$ 2,220,505
	<u>2,220,505</u>

Non-Programmed Charges:

Total 8100 - Payments to Other Governmental Units	143,500
	<u>143,500</u>

Total Community Schools Fund Appropriation	\$ 2,364,005
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Fund 7 Revenues: The following revenues are estimated to be available to the Child Care Expense Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Total 4200 - Tuition & Fees	\$ 1,959,005
Total 4400 - Local Sources – Unrestricted	405,000
	<u>2,364,005</u>

Total Community Schools Fund Appropriation	\$ 2,364,005
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Fund 8 Expenditures: The following amounts are hereby appropriated for the operation of the school administrative unit in the Fund 8 - Other Local Funds for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Instructional Programs:

Total 5100 - Regular Instructional Services	\$ 231,000
Total 5200 - Special Population Services	1,553,000
Total 5300 - Alternative Program Services	4,247,279
Total 5800 - School-Based Services	2,828,690
	<u>8,859,969</u>

Support Services:

Total 6300 – Alternative Programs and Services Support Services	254,000
Total 6500 - Operational Support Services	375,000
	<u>629,000</u>

Non-Programmed Charges

Total 8100 – Payments to Other Governmental Units	\$30,000
	<u>\$30,000</u>

Total Other Local Revenues Fund Appropriation

\$ 9,518,969

Fund 8 Revenues: The following amounts are hereby appropriated for the operation of the school administrative unit in the Other Local Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Total 3200 - State Revenue – Other Funds	\$ 600,000
Total 3700 - Federal Revenue – Other Funds	3,894,279
Total 4100 - Local Sources - General	2,508,690
Total 4200 - Tuition & Fees	580,000
Total 4400 - Local Sources – Unrestricted	1,361,000
Total 4800 - Local Sources - Restricted	575,000
	<u>9,518,969</u>

Total Other Local Revenues Fund Appropriation

\$ 9,518,969

Section 14 - The Superintendent is hereby authorized to:

Transfer appropriations under the following conditions:

1. Amounts may be transferred between functions of the same purpose of the same fund with a quarterly report of such transfers provided to the Board of Education and entered into the Board's minutes.
2. Amounts may not be transferred between Fund Codes without prior approval of the Board of Education.
3. Amounts may be transferred in state or federal projects upon prior approval of the appropriate funding agency.
4. For the purpose of year-end closeout only, the Board of Education agrees to suspend the restrictions/provisions of this resolution given that a summary of all such transfers must be reported no later than December 31, 2027 and any such transfers resulting from the extraordinary/unusual occurrences/circumstances must be noted and explained.

THINK (AND ACT) DIFFERENTLY

We purposely selected a design for our strategic plan that would clearly outline the work that we have ahead of us. It also makes the work clear to our community. The plan and vision offers our schools in collaboration with our district's Divisions a clear and compelling roadmap to success while helping to meet our collective goals by 2027.



Key Priorities

Creating a Culture of Safety and Wellness



Instructional Excellence: Preparing Students for Life



Empowering, Equipping and Investing in Our People



Equitable and Transparent Fiscal Stewardship and Operations



Strengthening Family and Community Engagement



Creating a Culture of Safety and Wellness

Goal 1: CHCCS will prioritize the social, emotional and physical well-being of every student and staff member to ensure that everyone has the support needed to thrive in our learning communities.

Goal 2: CHCCS will prioritize personalized support for every student with a focus on students' strengths, and their areas of need to ensure that every student successfully realizes the best version of themselves.



Instructional Excellence: Preparing Students for Life

Goal 1: CHCCS students will be provided access to a challenging, diverse and culturally relevant, standards aligned curriculum which is student centered and will propel their educational growth and achievement.

Goal 2: CHCCS will prioritize opportunities designed to elevate student voice and access to meaningful, authentic instruction while empowering students to advocate for their own learning.



Instructional Excellence: Preparing Students for Life (continued)

Goal 3: CHCCS will ensure flexibility in available learning opportunities and that choice programs are accessible for all students.



Empowering, Equipping and Investing in Our People

Goal 1: CHCCS will recruit a diverse workforce representative of our broader community using proven local and national best practices and focus on the retention.

Goal 2: CHCCS will invest in a diverse and highly-qualified workforce to ensure CHCCS is the place where talented professionals choose to work and grow.

Goal 3: Equip a culturally responsive workforce so our people will effectively support students and families. Continue to develop professional learning that develops a culturally responsive mindsets and capabilities with stakeholders so there is an inviting and inclusive environment to support student learning throughout every classroom, school, and central office.

THINK (AND ACT) DIFFERENTLY



Equitable and Transparent Fiscal Stewardship and Operations

Goal 1: Create and maintain safe spaces where instructional excellence can occur.

Goal 2: Provide effective support services for students, staff, and the community through equitable allocation and distribution of resources using a tiered system of support model.

Goal 3: Timely, accurate reporting and transparent communication of Financial Information to the members of our community.



Strengthening Family and Community Engagement

Goal 1: Design effective forms of school-to-home and home-to-school communications about school programs and student progress.

Goal 2: Provide information and ideas to families about how to promote the continuation of learning at home and in the community through learning, service, and enrichment activities.

Goal 3: Elevate diverse parents and caregivers as leaders and representatives, and include them in school and district-based decision-making.

Portrait of a Graduate

Chapel Hill-Carrboro City Schools is committed to providing all of its students with the knowledge, experiences and opportunities necessary for them to develop the competencies required for success in school, the workforce, and in life.



Skilled Communicator

I explore and exchange ideas with others. I grow my understanding by actively listening to, honoring, and building on the voices of others, and I express my own understanding clearly, using a variety of forms depending on the purpose, audience, and setting. I continually look for opportunities to grow in this area.



Effective Collaborator

I form partnerships with others. I work with others to achieve common goals by building relationships, managing team dynamics, making shared decisions, and learning from and contributing to the learning of others.



Critical Thinker

I analyze and synthesize ideas. I make decisions by processing and evaluating information, seeking patterns and connections, constructing meaningful knowledge, and applying knowledge in authentic contexts.



Adaptable Individual

I adjust to challenging conditions with agility and flexibility. I work effectively in a climate of ambiguity and changing priorities.



Ethical and Empathetic Citizen

I demonstrate sensitivity, concern, and respect for the experiences and feelings of others. I act with key moral principles that include honesty, fairness, equity, and dignity.

Board of Education

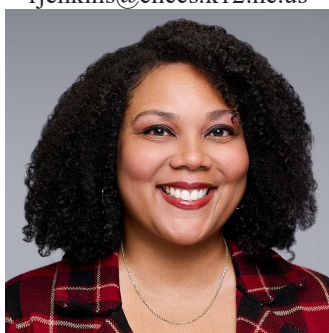
The Board of Education is comprised of seven community members elected to set policy and direction for the local school district. The Chapel Hill-Carrboro City Schools Board of Education includes seven members who serve four-year terms.

CHCCS School Board's Mission Statement:

To facilitate the CHCCS Mission by establishing and maintaining policies that are in the best interests of our students, communicating and engaging with key stakeholders, and hiring and collaborating with the district Superintendent.

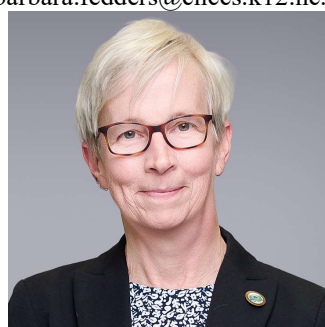
**Riza Jenkins,
Chair**

rjenkins@chccs.k12.nc.us



**Barbara Fedders,
Vice Chair**

barbara.fedders@chccs.k12.nc.us



Meredith H. Ballew
meredith.ballew@chccs.k12.nc.us



Vacant Board Position
board@chccs.k12.nc.us



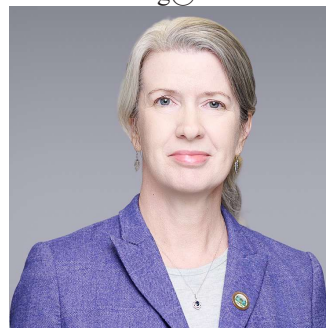
Vickie L. Feaster Fornville
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George W. Griffin
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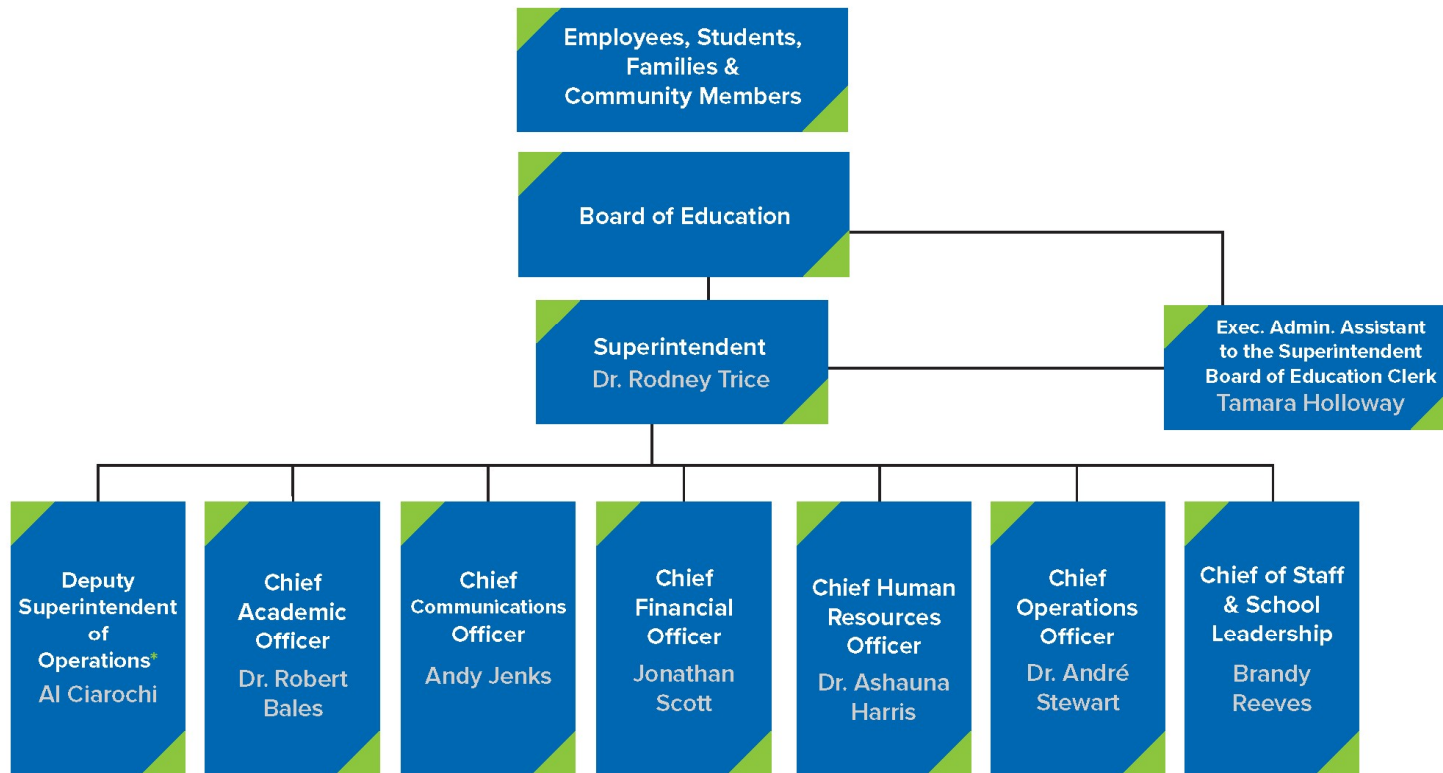


Melinda Manning
melinda.manning@chccs.k12.nc.us





Superintendent's Cabinet & Central Services Division



*Superintendent's designee(s) if/when the Superintendent is out of the office.

Revised September 5, 2025

FY 2026-27 Budget Preparation Timeline

In accordance with North Carolina General Statute (GS 115C – 428), the Superintendent shall prepare a budget for the ensuing year and submit to the local Board of Education no later than May 1. Before submitting the prepared budget, the Board of Education may choose to hold a public hearing at which time any persons who wish to be heard on the budget may appear. North Carolina LEAs are fiscally dependent on the local governing body, which in the District's case is the Orange County Board of County Commissioners. After consideration of the budget and the public hearing, the Board of Education will submit the budget to the Orange County Board of County Commissioners no later than May 15 (GS 115C – 429).

The following is a summary of the budget preparation process timeline for the upcoming year:

November - December

- Finance and Facilities Committee holds preliminary budget discussions
- Cabinet holds Budget Strategy Work Session
- The budget development process for gathering school and department budgets is considered and established

January – February

- Budget Request Worksheets are distributed to schools and departments
- Board of Education holds first budget work session
- Schools present budget requests to Cabinet based on school data, identified needs, schedules, and special circumstances
- Departments submit budget requests to Business and Financial Services Division
- Superintendent presents preliminary budget information to Board of Education

March - April

- Superintendent submits FY2027 Proposed Budget Request to the Board of Education
- Board of Education holds Public Hearing work session
- Board of Education holds budget work session for final consideration and review
- Board of County Commissioners holds budget work session for consideration and review
- Board of Education approves FY2027 Budget Request and submits to the Board of County Commissioners

May – November

- Board of County Commissioners holds Public Hearing on budget
- Board of County Commissioners holds work sessions to review requested budget
- Board of County Commissioners holds final Public Hearing and work session
- Board of County Commissioners adopts FY 2026-27 Local and Capital Fund budget
- Board of Education approves Final Budget Resolution for all Fund Codes

FY 2026-27 Budget Preparation Process

The budget development process remains a critical function as the District seeks to balance financial constraints with the ongoing needs of students and educators. This year's process follows the standard stages: Gather, Evaluate, Prepare, Present, and Adopt. However, given the austere budget environment and the limited likelihood of increased funding, it is more important than ever to thoughtfully assess and advocate for essential resources to support public education.

The first step in this process is gathering information from all budget managers, including School Principals, Division and Department leaders, and the Superintendent. Despite financial limitations, the District is committed to ensuring that school-level voices are heard through this structured budget request process. Each leveled team was tasked with using a team budget request guiding worksheet to facilitate discussions on how to realign existing resources and address essential needs to maximize impact. This process also served as an opportunity to review local salary and non-salary allotment formulas, as well as to highlight capital needs that remain unmet.

Financial Backdrop Considered During Budget Preparation

CHCCS enters FY 2026-27 from a stronger, but still evolving, financial position. The District continues to navigate declining enrollment, rising personnel and operating costs, and changes in State and local funding, while working to restore financial reserves following several years of structural imbalance. The FY 2026-27 budget includes approximately \$5.6 million in continuation costs to maintain existing operations, while local operating revenues are projected to increase by nearly \$3.0 million, primarily through additional County appropriation and supplemental district tax revenue. At the same time, the District's multi-year corrective actions have produced meaningful progress in rebuilding reserves, estimating approximately \$3.8 million in unassigned fund balance projected at the conclusion of FY 2025-26. This improving financial position provides greater stability; however, continued enrollment decline and increasing costs reinforce the need for disciplined resource alignment and careful long-term planning as the District transitions from financial stabilization toward strategic realignment, reinvestment, and long-term sustainability.

Important framing concepts referenced during budget preparation:

- Any idea lifted up must be aligned with the strategic plan ([link](#)) and be directly correlated with a key strategic action item that is in the initial implementation stage or beyond the implementation stage.
- Budget items should also be evaluated through a forward-looking Academic Return on Investment (AROI) framework, ensuring that potential long-term student outcomes and cost savings are factored into decision-making.

Changes in Fiscal Management for FY 2026-27

The District's Business and Financial Services Division has continued to develop a strong professional development plan to invest in and develop a deeper understanding of fiscal operations, internal controls, and statutory laws governing the financial processes of the District. The structure of this plan contains monthly professional development time between the Business and Financial Services Division, department bookkeepers, and school treasurers across the District. It also includes several opportunities for training new principals, veteran principals, and budget managers on financial matters relevant to their work. Outside of the focus on internal development, the Business and Financial Services Division has also committed to building relationships with external sources of professional development such as the North Carolina Association of Business Officials (NCASBO) and the Government Finance Officers Association (GFOA) so that our staff can utilize the extensive professional development opportunities offered by these organizations.

Beyond that, the Business and Financial Services division has continued to develop and implement widespread digitization of high-volume forms. For example, the division has implemented a digital version of travel authorization forms, field trip request forms, and various Human Resources related forms. This benefits the District in aligning with its sustainability goals and provides an easily accessible, permanent document trail should any of this information need review in the future. These procedural changes were set up to ensure compliance and increase efficiency in their various aspects of the fiscal management process for the District.

Looking Forward: Strategic Goals and Actions for FY 2026-27

In the upcoming 2026-27 academic year, our primary strategic actions will consist of:

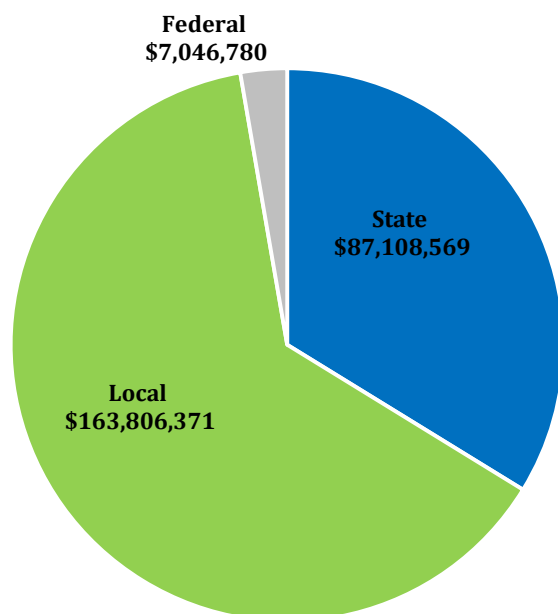
Business and Financial Services Division:

- Continue to build the District's fiscal capacity, aligning budgets with our overarching strategic plans, and ensuring the equitable allocation of resources.
- Continue to lean on the concept of Academic Return on Investment (A-ROI) to develop effective plans when critical decision-making is required and to monitor plans in action effectively in ways that involve all stakeholders.
- Continue to engage our school principals, treasurers, and department bookkeepers in the North Carolina Association of School Business Officials (NCASBO) Principals and Treasurers Academies professional learning offerings.
- Pursuing the full Meritorious Budget Award from ASBO International.
- Continue evaluation and improvement of strategic business systems and processes. The Division maintains a priority of improving its leverage of technology to increase efficiency, accuracy, and transparency.

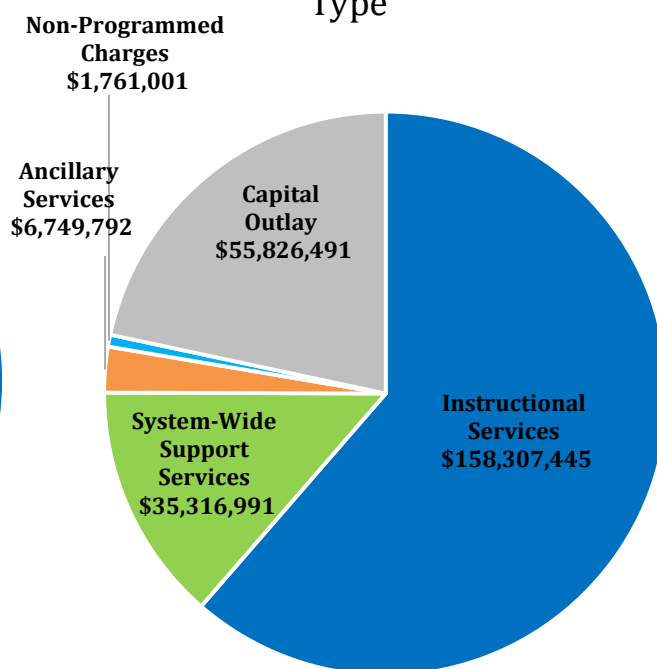
Summary of FY 2026-27 Revenues and Expenditures by Fund

	State Public School Fund	Local Operating Fund	Federal Grants Fund	Capital Outlay Fund	Child Nutrition Fund	Community Schools Fund	Other Local Revenues Fund	Total
Revenues								
State	86,158,569	175,000	-	175,000	-	-	600,000	87,108,569
Local	-	97,945,687	-	56,480,071	1,991,918	-	3,894,279	163,806,371
Federal	-	-	595,132	-	2,557,369	2,364,005	5,024,690	7,046,780
Fund Balance Appropriated	-	-	-	-	-	-	-	-
Total Revenues	86,158,569	98,120,687	595,132	56,655,071	4,549,287	2,364,005	9,518,969	257,961,720
Expenditures								
Instructional Services	78,482,049	70,211,716	520,131	233,580	-	-	8,859,969	158,307,445
System-Wide Support Services	7,676,520	26,408,971	27,500	575,000	-	-	629,000	35,316,991
Ancillary Services	-	-	-	20,000	4,509,287	2,220,505	-	6,749,792
Non-Programmed Charges	-	1,500,000	47,501	-	40,000	143,500	30,000	1,761,001
Capital Outlay	-	-	-	55,826,491	-	-	-	55,826,491
Total Expenditures	86,158,569	98,120,687	595,132	56,655,071	4,549,287	2,364,005	9,518,969	257,961,720

FY 2027 Revenue Snapshot by Source of Funding



FY 2027 Expenditures Snapshot by Type



Budget Comparison for Last 5 Fiscal Years All Funds

	Actual 2022	Actual 2023	Actual 2024	Actual 2025	Actual 2026	Budgeted 2027
State Public School Fund						
Revenue Received	83,298,840	80,068,737	82,945,174	83,322,030	82,622,471	86,158,569
Expenditures Paid	83,298,840	80,068,737	82,945,174	83,322,030	82,622,471	86,158,569
Ending Net Balance	-	-	-	-	-	-
Local Operating Fund						
Revenue Received	82,043,514	82,510,304	89,691,391	93,225,544	95,690,403	98,120,687
Expenditures Paid	85,567,860	88,998,975	95,178,035	92,865,119	90,112,040	98,120,687
Ending Net Balance		(6,488,671)	(5,486,644)	360,425	5,578,363	-
Federal Grants Fund						
Revenue Received	11,517,113	10,588,780	6,449,468	5,233,613	3,899,935	595,132
Expenditures Paid	11,517,113	10,588,780	6,449,468	5,233,613	3,899,935	595,132
Ending Net Balance	-	-	-	-	-	-
Capital Outlay Fund						
Revenue Received	8,053,522	14,734,818	21,360,791	18,797,310	10,591,844	56,655,071
Expenditures Paid	8,271,620	15,541,522	21,311,808	19,577,370	10,209,388	56,655,071
Ending Net Balance	(218,098)	(806,704)	48,983	(780,060)	382,456	-
Child Nutrition Fund						
Revenue Received	6,460,340	4,789,055	4,144,450	4,049,056	3,917,512	4,549,287
Expenditures Paid	4,999,109	4,121,174	4,433,586	4,087,269	4,008,128	4,549,287
Ending Net Balance	1,461,231	667,881	(289,136)	(38,213)	(90,616)	-
Community Schools Fund						
Revenue Received	1,653,061	2,871,206	2,122,004	1,973,351	2,056,611	2,364,005
Expenditures Paid	1,391,178	1,825,543	2,697,723	2,721,017	1,830,322	2,364,005
Ending Net Balance	261,883	1,045,663	(575,719)	(747,666)	226,289	-
Other Grants Fund						
Revenue Received	7,454,363	8,541,184	8,054,872	7,881,565	8,702,887	9,518,969
Expenditures Paid	6,807,532	9,193,767	9,681,149	8,957,865	8,840,232	9,518,969
Ending Net Balance	646,830	(652,583)	(1,626,277)	(1,076,300)	(137,345)	-

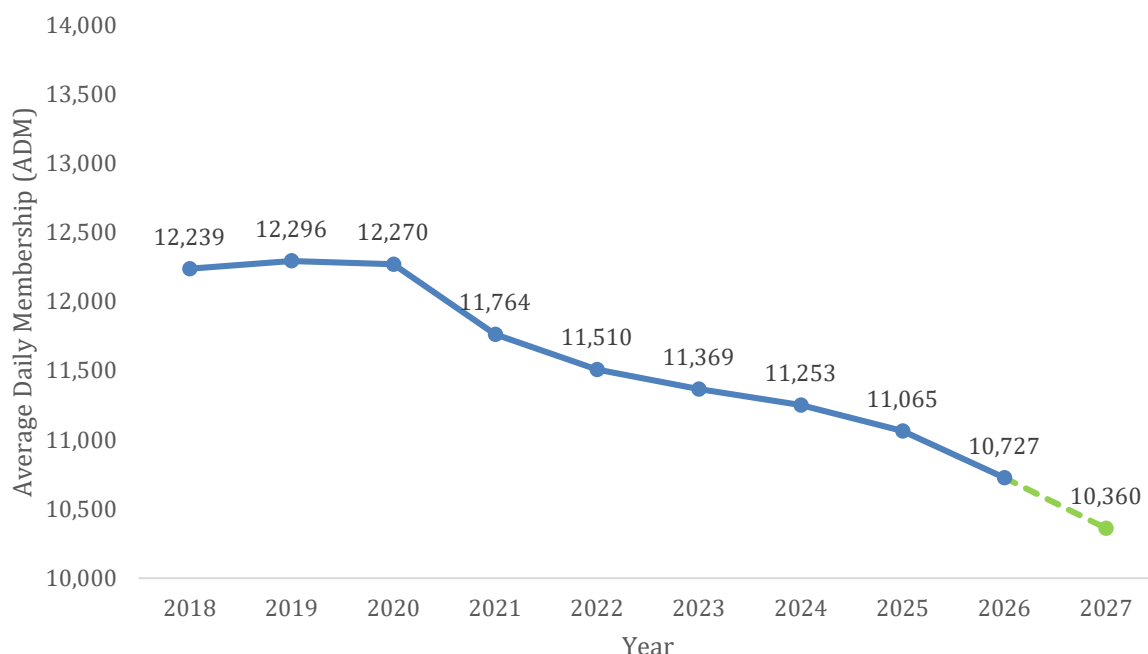
Budget Forecast for Next 3 Fiscal Years All Funds

	Budgeted 2027	Linear Regression Projection 2028	Linear Regression Projection 2029	Linear Regression Projection 2030
State Public School Fund				
Revenue Received	86,158,569	85,302,974	85,941,165	86,579,357
Expenditures Paid	86,158,569	85,302,974	85,941,165	86,579,357
	-	-	-	-
Local Operating Fund				
Revenue Received	98,120,687	102,559,672	106,087,110	109,614,547
Expenditures Paid	98,120,687	98,186,161	100,008,744	101,831,327
Ending Net Balance	-	4,373,511	6,078,366	7,783,220
Federal Grants Fund				
Revenue Received	595,132	(1,208,556)	(3,376,907)	(5,545,259)
Expenditures Paid	595,132	(1,208,556)	(3,376,907)	(5,545,259)
	-	-	-	-
Capital Outlay Fund				
Revenue Received	56,655,071	44,500,427	51,015,151	57,529,875
Expenditures Paid	56,655,071	44,346,438	50,751,764	57,157,090
Ending Net Balance	-	153,989	263,387	372,785
Child Nutrition Fund				
Revenue Received	4,549,287	3,425,088	3,074,651	2,724,214
Expenditures Paid	4,549,287	4,072,969	3,989,124	3,905,280
Ending Net Balance	-	(647,881)	(914,473)	(1,181,065)
Community Schools Fund				
Revenue Received	2,364,005	2,269,601	2,297,095	2,324,589
Expenditures Paid	2,364,005	2,628,475	2,768,525	2,908,576
Ending Net Balance	-	(358,873)	(471,430)	(583,987)
Other Grants Fund				
Revenue Received	9,518,969	9,422,457	9,726,309	10,030,161
Expenditures Paid	9,518,969	10,010,582	10,346,962	10,683,342
Ending Net Balance	-	(588,125)	(620,653)	(653,180)

Note: These projections are calculated strictly based on the statistical forecast method called linear regression forecasting using the previous 5 years of actual revenues and expenditures. It does not account for qualitative information. A critical takeaway from this information is that at current spending levels, the deficit in the local budget shows a declining trend when projected out. This highlights the encouraging signs that the District's reduced spending from the enacted tiered RIF plan discussed earlier in the budget narrative is moving the District towards a more sustainable position.

Enrollment Trends and Forecast

Over the 10 years prior to the COVID-19 pandemic, the District saw steady enrollment growth, with average growth just under 1% each year. Post-COVID trends and recent political action have created uncertainty for families around the District in the decision of where their children will receive their education. The District has experienced a steady decline in enrollment since the onset of the pandemic. The graph below shows the trend of actual student enrollment across the last 10 years and includes the District's current (10th Day) enrollment for FY 2026-27:



**The 10,360 enrollment number is the enrollment recorded on the 10th day of the current school year. State allotments are now based on the prior year's recorded ADM. The District uses a cohort-survival method of projection using the final enrollment count of the previous year in its local allotments. It does not reflect actual students in seats as of writing.*

It is important to note that the District is funded based on the State's projection of enrollment, adjusted for charter school students and out of district students. That adjusted enrollment is the 10,741 ADM number previously discussed in the continuation budget narrative. The breakdown of the FY 2027 10th day enrollment compared to the prior year's actual final enrollment is highlighted in the table below:

	FY 2026 Final Enrollment	FY 2027 10 th Day Enrollment	FY 26 Final to FY 27 10 th Day	
			Change	Percent
Elementary School	4,289	4,054	(235)	-5.5%
Middle School	2,593	2,517	(76)	-2.9%
High School	3,815	3,740	(75)	-2.0%
Other	30	49	19	63.3%
Total	10,727	10,360	(367)	-3.4%

Enrollment Forecast

Grade	FY 2027 Actual 10 th Day Enrollment	FY 2027 Originally Projected*	FY 2028 Projected*	FY 2029 Projected*	FY 2030 Projected*
KIND	576	582	571	559	548
1st	629	655	615	622	610
2nd	670	686	639	666	626
3rd	667	685	691	708	659
4th	781	793	670	687	694
5th	731	763	797	809	683
6th	783	803	735	767	801
7th	868	871	790	811	742
8th	866	878	884	887	805
9th	916	932	930	943	949
10th	994	973	887	902	900
11th	957	903	933	913	832
12th	922	927	931	879	908
Total	10,360	10,451	10,073	10,153	9,757

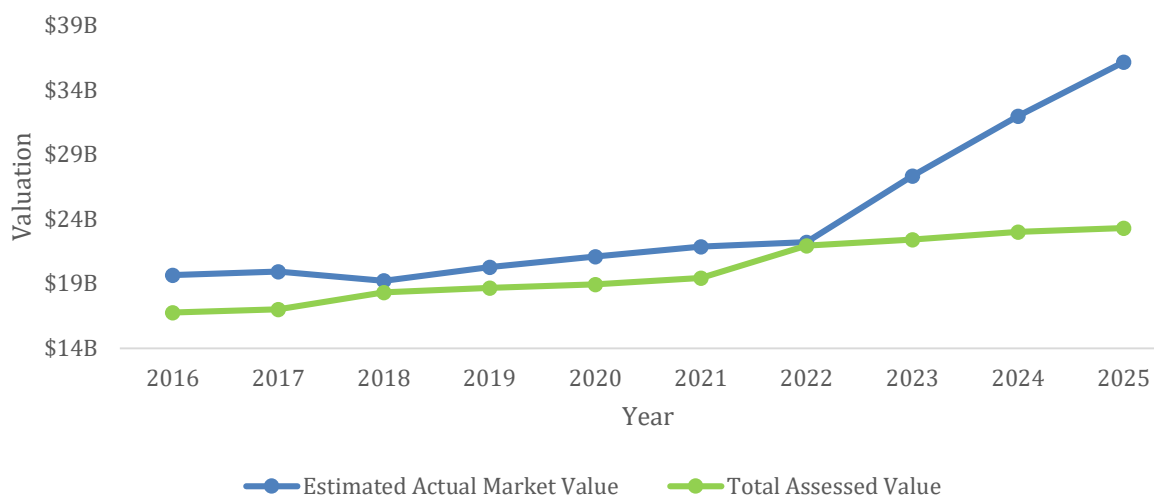
**Projections based on District estimates made using a modified cohort projection method. A more detailed description of this methodology can be found in the Informational Section later in this document.*

Tax Base and Rate Trends

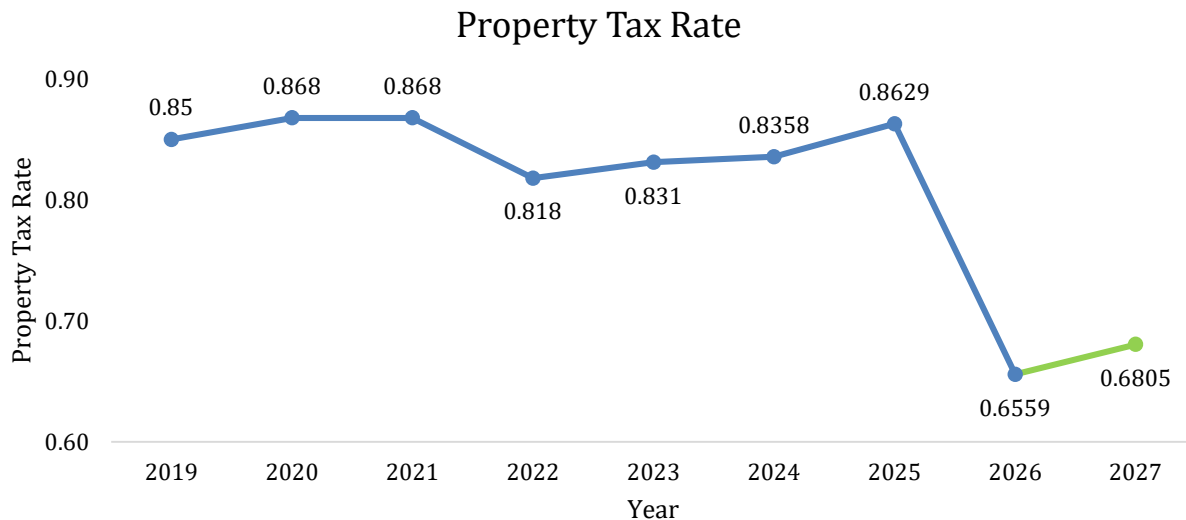
Real property taxes are levied on the assessed value of real estate owned by businesses, individuals, and public service corporations. Personal property taxes are levied on the assessed market value of tangible property such as vehicles, mobile homes, heavy equipment, machinery, and tools. Real property tax assessments are conducted by the County Assessor, while personal property assessments are conducted by the Commissioner of the Revenue. Both real and personal property taxes are levied on 100% of assessed market value. Rates are established per \$100 of assessed value. The total tax base and tax rates for Orange County over the last 10 fiscal years are summarized below:

Fiscal Year	Real Property	Personal Property	Public-Service Companies	Less Tax-Exempt Property	Total Assessed Value	Direct Tax Rate	Estimated Actual Market Value	Assessed Value as % of Actual Value
2025	20,663,526,391	2,224,043,539	428,558,631	86,592,786	23,316,128,561	0.8629	36,177,080,777	64.45%
2024	20,399,712,524	2,208,133,210	411,484,411	84,064,353	23,019,330,145	0.8353	31,984,397,417	69.47%
2023	20,915,506,497	1,504,996,150	386,793,191	81,256,223	22,421,502,597	0.8312	27,353,303,156	81.97%
2022	19,776,883,656	1,884,947,740	364,879,155	82,177,022	21,944,533,529	0.8187	22,233,569,938	98.70%
2021	17,333,962,055	1,769,659,485	346,332,873	77,934,293	19,449,954,413	0.8679	21,885,849,476	88.87%
2020	16,974,899,491	1,726,673,593	337,564,917	82,646,419	18,956,491,582	0.8679	21,116,733,410	89.77%
2019	16,603,198,106	1,821,061,820	337,735,426	80,381,765	18,681,613,587	0.8504	20,299,482,328	92.03%
2018	16,385,248,774	1,711,150,366	315,583,138	81,081,408	18,330,900,870	0.8377	19,247,060,972	95.24%
2017	15,168,750,327	1,620,578,558	306,434,830	71,244,631	17,024,519,084	0.8780	19,932,700,016	85.41%
2016	15,020,157,254	1,442,897,338	382,744,805	67,617,005	16,778,182,392	0.8780	19,676,536,170	85.27%

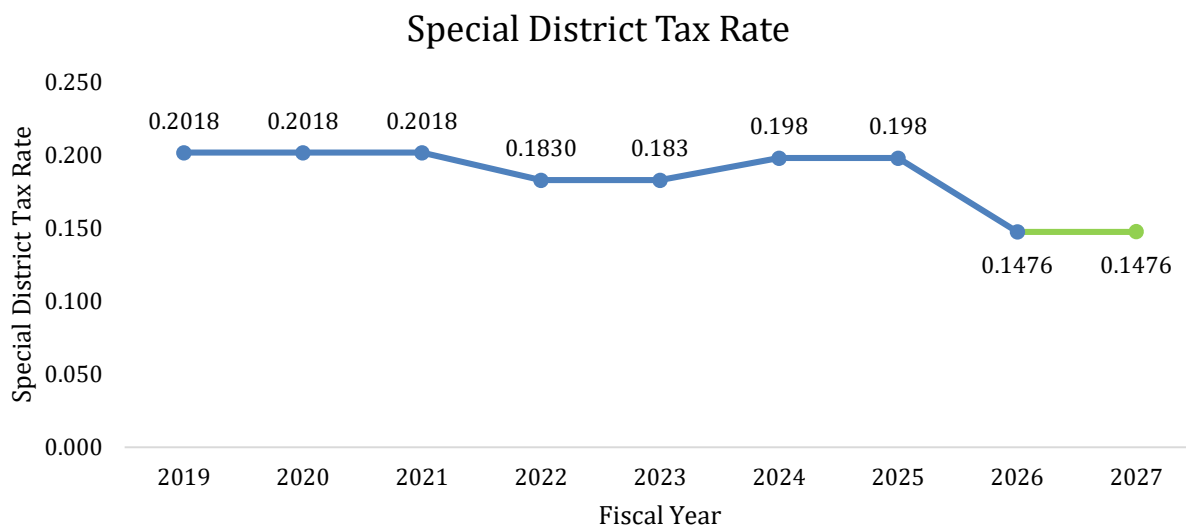
Source: Orange County Comprehensive Annual Report for the Fiscal Year 2024-25



There are two tax rates that are critical to the funding of our school district. These tax rates are managed and set by the Orange County Government during their annual budget adoption. The first rate to consider is the property tax rate (direct tax). The property rate is levied per \$100 of assessed value of the property. It is the primary revenue source for the County comprising of over 70% of revenues in the General Fund. The table below shows the property tax rate trend since 2018:



The second critical funding source for the school district comes in the form of the Special District Tax. This tax is levied per \$100 of assessed property value for tax payers located in the Chapel Hill-Carrboro City Schools District. The table below shows the Special District Tax rate trends since 2018:



Changes in Personnel Resource Allocations

In the FY 2026-27 Adopted Budget, there are several previously enacted personnel changes that impacted the development of this budget's adoption. Faced with a difficult financial position, the District implemented a tiered reduction-in-force (RIF) plan to restructure various aspects and allotments across the District in FY 2024-25. Since then, the District has also experienced, and projects to continue to experience, significantly declining student enrollment. Much of the District's core funding is tied directly to student enrollment on a per pupil basis. As a result, the District has had to continue to adjust its staffing to maintain fiscal health and sustainability in the face of these negative trends. The table below shows historical trends in various employee groups and the projected impact of the declining enrollment on the staffing numbers for FY2027:

Year Ended June 30	Audited 2023	Audited 2024	Audited 2025	Budgeted 2026	Proposed 2027
Officials, Admins, Mgrs	36	42	42	39	37
Principals	20	20	20	20	20
Asst. Principals, Non-Teaching	27	30	30	25	25
Total Administrators	83	92	92	84	82
Elementary Teachers	378	365	356	345	336
Secondary Teachers	178	192	189	171	163
Other Teachers	359	363	370	352	352
Total Teachers	915	920	915	868	851
Guidance	38	40	40	38	38
Psychological	13	3	11	14	13
Librarian, Audiovisual	37	37	36	30	30
Consultant, Supervisor	19	15	15	15	15
Other Professionals	164	169	185	169	160
Total School-Based Support	271	264	287	266	256
Total Professionals	1,269	1,276	1,292	1,218	1,189
Teacher Assistants	324	302	291	277	269
Technicians	18	18	16	14	14
Clerical, Secretarial	97	101	92	87	87
Service Workers	137	102	59	105	105
Skilled Crafts	21	22	22	23	23
Totals	1,866	1,821	1,772	1,724	1,687

Source: FY 2025 CHCCS Comprehensive Annual Financial Report and District Estimates

Debt Obligations and Changes

The District maintains a very healthy financial obligation position by incurring low amounts of debt only when necessary. During FY 2024 the continuation of an installment purchase from Trinity 3 Holdings, LLC to provide each of our secondary students with Chromebooks resulted in the final payment of this obligation. This was a 4-year agreement totaling \$3.44 million. The only remaining debt obligation as of June 30, 2025 was related to a financing contract with the State of North Carolina for the purchase of school buses. As of June 30, 2025, the District's total debt obligation for the buses purchased was \$493,263.

Year Ended June 30	Installment Purchases	Total Debt Obligations	Per Capita
2025	\$ 493,263	\$ 493,263	N/A
2024	134,332	134,332	0.88
2023	885,709	885,709	5.88
2022	1,767,560	1,767,560	11.75
2021	2,621,784	2,621,784	17.61
2020	194,468	194,468	1.30
2019	344,995	344,995	2.32
2018	362,825	362,825	2.48
2017	167,778	167,778	1.16
2016	597,416	597,416	4.21

Source: FY 2024-5 Chapel Hill-Carrboro City Board of Education, North Carolina, Annual Comprehensive Financial Report

Note: This table is a ten-year schedule. However, current year county level annual population estimates are not released by the U.S. Census Bureau until the spring of the following year. Therefore, June 30, 2025 population-based information will be shown above as "N/A", and the information will be reported for the year ended June 30, 2024, if applicable.



ORGANIZATIONAL SECTION



Chapel Hill – Carrboro City Schools
750 S Merritt Mill Road, Chapel Hill, NC 27516
Web Site: chccs.org
Prepared by the Business and Financial Services Division
(919) 967-8211

Roadmap to the Organizational Section

The Organizational Section of this budget document details many important aspects of the District such as its organizational structure, its guiding principles, and more in-depth information about fiscal preparation and management. The section begins by covering the governance structure and the authority it has as a public-school district. After that, the structure of the District and the organization of primary officials around the District is detailed. Finally, it provides an in-depth view of how the budget is prepared, what shapes the budget, and how funds are managed after the budget is adopted. Though this information is all supplementary to the actual budget, it offers great insight into how the District is set up to achieve its stated goals and provide the high-quality education for which it strives. The overarching goal of this section is to provide a better understanding of the organization itself, before diving into the numbers of the Financial Section.

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Governance Structure

The Chapel Hill-Carrboro City Schools Board of Education consists of seven members elected for staggered terms of four years. The Chair and Vice Chair are elected by a majority vote of the Board each year. The Superintendent serves as secretary to the Board. The Board of Education members are listed below:

Riza C. Jenkins, Board Chair

Barbara Fedders, Vice Chair

Meredith H. Ballew

Vickie Feaster Fornville

George W. Griffin

Melinda Manning

Board Member Vacancy

Reporting Entity

The Chapel Hill-Carrboro City Board of Education is a separate governmental entity providing public elementary and secondary education [to include grades Pre-Kindergarten (Pre-K) through 12th Grade] to students of the Chapel Hill and Carrboro Townships in North Carolina. The Board has no tax levying authority or borrowing authority. The County levies taxes but cannot govern the Board's budget allocated for schools. The County levies all taxes and manages all debt related to the school system. The County does not share in any surpluses generated by the District nor is it required to finance any deficits of the school system. Consequently, the Board is not fiscally dependent on the County and is recognized as a primary government entity.

The Board receives State and Federal government funding and must comply with the legal requirements of each funding entity. North Carolina statute 115C-40 empowers the publicly elected Chapel Hill-Carrboro City Board of Education with general control and supervision of all matters pertaining to the schools in the system.

Our Mission

The mission of the Chapel Hill-Carrboro City Schools (CHCCS) is to enable all students to acquire through programs of excellence and fairness, the knowledge, skills and insights necessary to live rewarding, productive lives in an ever-changing society. Policies are the primary means by which the Board expresses its vision for the school district. In formulating specific policies, the Board is guided by its duties to provide students with the opportunity to receive a sound basic education as defined by the NC Supreme Court in *Leandro v. State*. It is further guided by governing principles it considers critical to providing a system of excellent schools where students can succeed. These governing principles are referenced frequently in the Board policies and also are set out below.

Historic and persistent obstacles which perpetuate opportunity and achievement gaps for students exist in CHCCS. With this policy, the district commits to establishing a framework to dismantle these structural and persistent barriers. The goal is to eliminate the racial predictability of achievement and provide educational opportunities that result in equitable outcomes for all.

CHCCS believes that excellence requires a commitment to equity. By addressing practices, policies and institutional barriers, including institutional racism and privilege, the district strives to create a safe and inclusive environment.

CHCCS will proactively acknowledge and intentionally address racial, cultural, religious, ability, gender, and any other biases to build institutional structures and practices that support the learning and achievement of all students.

CHCCS commits to:

1. Preparing all students to succeed in a multicultural, global society by providing equitable opportunities and multiple pathways that will build and honor the strengths of every student and eliminate any and all disparities.

2. Fostering family and community engagement by intentionally creating structures and processes that welcome and engage families and community as essential and active partners in major decisions in the educational process.

3. Improving school climate by leveraging diversity in its myriad forms to create schools where students, families, community members, and employees feel welcomed, valued, safe, supported, and where students and staff can perform to their personal bests without personal compromise.

Recruit and retain teachers, staff and administration who are representative of the student population.

- 4. Providing all students with personalized strategies,** resources, opportunities and a restorative mindset that capitalize on each student's current strengths and enhances their academic, social and emotional growth.
- 5. Enhancing all employees' and Board members'** awareness and capacity around identifying and eradicating all gaps that exist and impede student success with a focus on culturally responsive teaching practices and cultural competencies towards social justice.
- 6. Removing all barriers** that exist within systems, outdated practices, and policies that continue to hinder success for all students by utilizing the Racial Equity Impact Assessment.
- 7. Ensuring every student has equitable access** to rigorous and culturally relevant curriculum, diverse and culturally competent teachers and staff, personalized learning supports, and facilities that are cutting edge and purposefully crafted for student engagement and success.

We further acknowledge and embrace our Non-Discrimination statement including all groups listed within that statement and prohibit discrimination, harassment, or bullying based on protected classifications that include, but are not limited to, the following: race, creed, color, national origin, gender, gender identity, class, socioeconomic status, ethnicity, sexual orientation, cognitive/physical ability, neurodiversity, diverse language fluency, religion, status as an English Language Learner, marital status, pregnancy, parenthood, immigration status, genetic makeup, or any classification or characteristic protected by state or federal law or regulation, or by this policy.

Strategic Plan 2022-2027

Summary of Commitments

THINK (AND ACT) DIFFERENTLY

We purposely selected a design for our strategic plan that would clearly outline the work that we have ahead of us. It also makes the work clear to our community. The plan and vision offers our schools in collaboration with our district's Divisions a clear and compelling roadmap to success while helping to meet our collective goals by 2027.



STRATEGIC PLAN 2022-2027

Key Priorities

Creating a Culture of Safety and Wellness	Instructional Excellence: Preparing Students for Life	Empowering, Equipping and Investing in Our People	Equitable and Transparent Fiscal Stewardship and Operations	Strengthening Family and Community Engagement
				
Creating a Culture of Safety and Wellness Goal 1: CHCCS will prioritize the social, emotional and physical well-being of every student and staff member to ensure that everyone has the support needed to thrive in our learning communities. Goal 2: CHCCS will prioritize personalized support for every student with a focus on students' strengths, and their areas of need to ensure that every student successfully realizes the best version of themselves.	Instructional Excellence: Preparing Students for Life Goal 1: CHCCS students will be provided access to a challenging, diverse and culturally relevant, standards aligned curriculum which is student centered and will propel their educational growth and achievement. Goal 2: CHCCS will prioritize opportunities designed to elevate student voice and access to meaningful, authentic instruction while empowering students to advocate for their own learning.	Empowering, Equipping and Investing in Our People Goal 1: CHCCS will recruit a diverse workforce representative of our broader community using proven local and national best practices and focus on the retention. Goal 2: CHCCS will invest in a diverse and highly-qualified workforce to ensure CHCCS is the place where talented professionals choose to work and grow. Goal 3: Equip a culturally responsive workforce so our people will effectively support students and families. Continue to develop professional learning that develops a culturally responsive mindsets and capabilities with stakeholders so there is an inviting and inclusive environment to support student learning throughout every classroom, school, and central office.	Instructional Excellence: Preparing Students for Life (continued) Goal 3: CHCCS will ensure flexibility in available learning opportunities and that choice programs are accessible for all students.	Strengthening Family and Community Engagement

THINK (AND ACT) DIFFERENTLY



Equitable and Transparent Fiscal Stewardship and Operations

Goal 1: Create and maintain safe spaces where instructional excellence can occur.

Goal 2: Provide effective support services for students, staff, and the community through equitable allocation and distribution of resources using a tiered system of support model.

Goal 3: Timely, accurate reporting and transparent communication of Financial Information to the members of our community.



Strengthening Family and Community Engagement

Goal 1: Design effective forms of school-to-home and home-to-school communications about school programs and student progress.

Goal 2: Provide information and ideas to families about how to promote the continuation of learning at home and in the community through learning, service, and enrichment activities.

Goal 3: Elevate diverse parents and caregivers as leaders and representatives, and include them in school and district-based decision-making.

Portrait of a Graduate

Chapel Hill-Carrboro City Schools is committed to providing all of its students with the knowledge, experiences and opportunities necessary for them to develop the competencies required for success in school, the workforce, and in life.



Skilled Communicator

I explore and exchange ideas with others. I grow my understanding by actively listening to, honoring, and building on the voices of others, and I express my own understanding clearly, using a variety of forms depending on the purpose, audience, and setting. I continually look for opportunities to grow in this area.



Effective Collaborator

I form partnerships with others. I work with others to achieve common goals by building relationships, managing team dynamics, making shared decisions, and learning from and contributing to the learning of others.



Critical Thinker

I analyze and synthesize ideas. I make decisions by processing and evaluating information, seeking patterns and connections, constructing meaningful knowledge, and applying knowledge in authentic contexts.



Adaptable Individual

I adjust to challenging conditions with agility and flexibility. I work effectively in a climate of ambiguity and changing priorities.

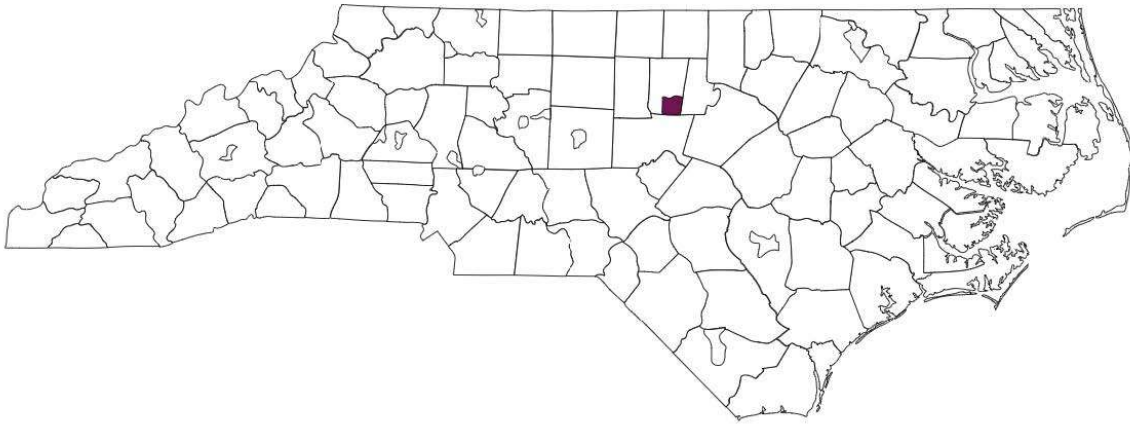


Ethical and Empathetic Citizen

I demonstrate sensitivity, concern, and respect for the experiences and feelings of others. I act with key moral principles that include honesty, fairness, equity, and dignity.

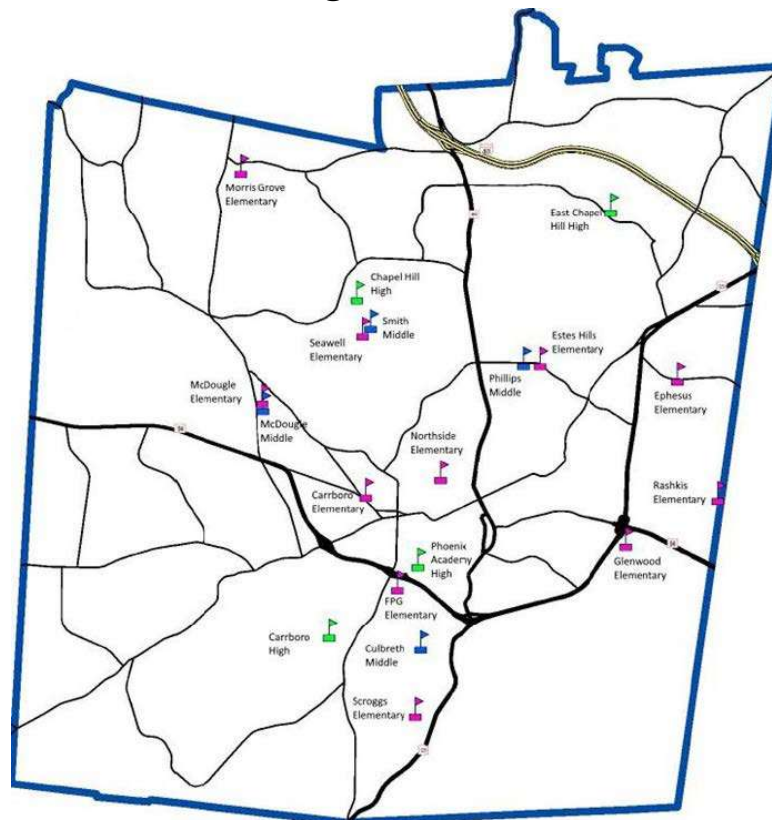
Chapel Hill-Carrboro City School's Location

Chapel Hill-Carrboro City Schools (CHCCS) is one of two public school systems in Orange County, NC. CHCCS is located near the flagship campus of the University of North Carolina (UNC) and the world-renowned Research Triangle Park (RTP). The district operates three high schools, four middle schools, eleven elementary schools, a school for young people being treated at UNC Hospital and an alternative high school. These schools serve more than 10,000 students.



*Picture Source: <https://www.ednc.org/district/chapel-hill-carrboro/>

Chapel Hill-Carrboro City Schools Building Locations



Current Student Enrollment Totals

Student Enrollment is essential to projecting revenues and expenses during the budget development process. Since the budget cycle starts early in the calendar year, the budget is typically adopted using student enrollment projections. Then, once school begins, actual student enrollment counts are taken. The table below summarizes the official student enrollments at our 20 schools on the 10th day of the school year (September 4, 2026):

Schools	KI	1	2	3	4	5	6	7	8	9	10	11	12	Total
Carrboro Elementary	65	61	73	72	81	78								430
Ephesus Elementary	48	60	49	59	63	57								336
Estes Hills Elementary	56	59	45	69	54	52								335
FPG Elementary	83	85	80	86	82	67								483
Glenwood Elementary	67	66	51	56	73	65								378
McDougle Elementary	58	77	83	73	91	92								474
Morris Grove Elementary	38	55	72	48	80	63								356
Northside Elementary	45	48	51	57	57	58								316
Rashkis Elementary	51	43	65	56	58	64								337
Scroggs Elementary	34	36	51	48	74	60								303
Seawell Elementary	31	39	50	43	68	75								306
Culbreth Middle							206	189	183					578
McDougle Middle							201	247	216					664
Phillips Middle							165	207	225					597
Smith Middle							211	225	242					678
Carrboro High										181	202	221	189	793
Chapel Hill High										416	394	394	387	1,591
East Chapel Hill High										310	385	328	333	1,356
Phoenix Academy High										9	13	14	13	49
Total	576	629	670	667	781	731	783	868	866	916	994	957	922	10,360

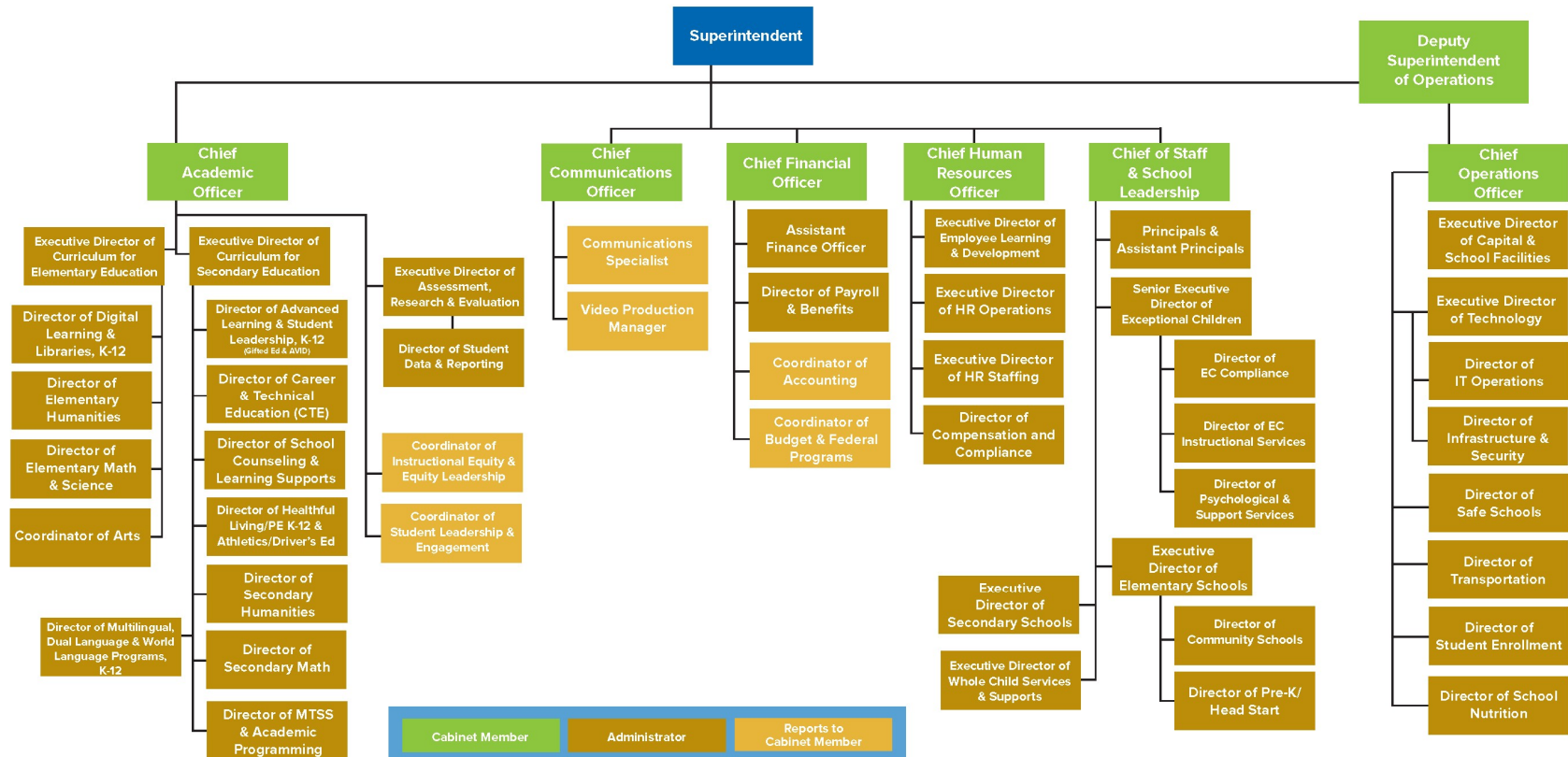
Source: 10th day Enrollment by School Report for FY 2026-27 submitted to the North Carolina Department of Public Instruction (NCDPI)

Note: Pre-K/Head Start not included in any school or enrollment totals.

Organizational Charts

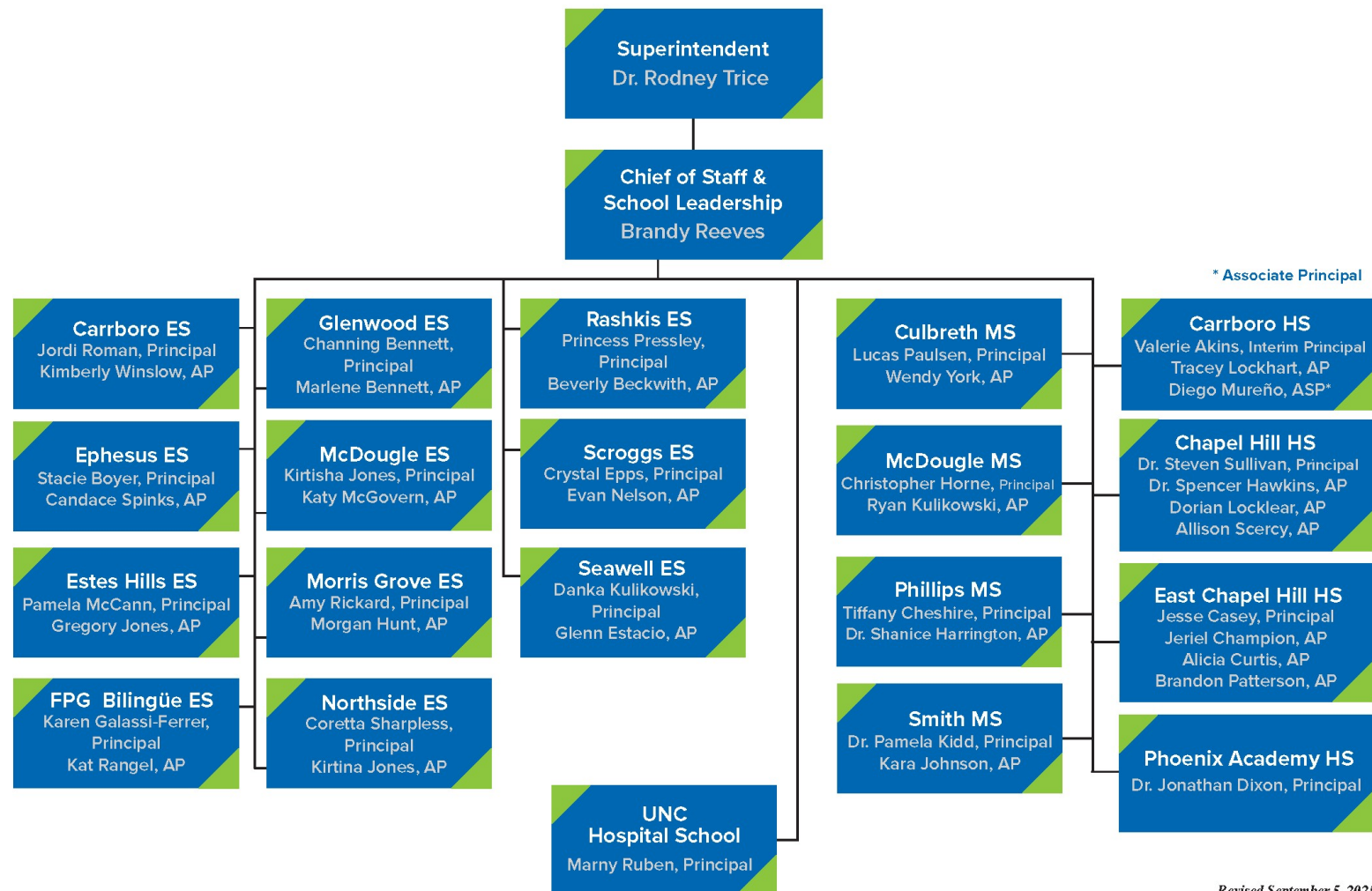


Cabinet & Senior Leadership Team





Principals, Associate Principals & Assistant Principals



Revised September 5, 2025

Basis of Accounting

The Board's funds are divided into governmental, proprietary, and fiduciary types. Each fund is a self-balancing set of accounts that are segregated for the purpose of carrying on specific activities in accordance with the law, good accounting practices, special regulations, or other limitations. Governmental fund types include general, special revenue, and capital projects. The enterprise funds: Child Nutrition and Child Care comprise the proprietary fund types. The agency fund comprises the fiduciary fund. Transactions are recorded following the standard U.S. Generally Accepted Accounting Principles (GAAP). District resources are allocated and accounted for based on the purpose for which they are to be spent. Provided below is a summary of how each account is classified:

Classification of Revenues and Expenditures

District transactions are recorded and classified using the account code structure found in the North Carolina Department of Public Instruction's (NCDPI) Chart of Accounts (COA). The two types of transactions that can occur are revenue (money comes in) and expenditures (money goes out). Every transaction is recorded with an account code to match revenues with expenses so that the District can manage funds as they come in and out of the District. The structure of the account code used in a transaction classifies the revenue or expenditure by the purpose for which it is to be spent. The full account code structure and its meaning is described below:

Account Code Structure

Fund	Purpose	PRC	Object	Location	Use 1	Use 2	Grant Year
X	XXXX	XXX	XXX	XXX	XXX	XX	X

Example: 1.5110.001.121.300.000.00.0

Fund Codes

The Chart of Accounts uses six funds and one self-balancing group of accounts which we believe are appropriate for use by a local school administrative unit; however, other funds may be added as required. The Fund Codes are as follows:

1 – State Public School Fund – Appropriations for the current operating expenses of the public-school system from monies made available to the local school administrative unit by the Department of Public Instruction.

2 – Local Current Expense Fund – Appropriations for the current operating expenses of the local school administrative unit other than appropriations included in the State Public School Fund and the Federal Grant Fund. This shall include, but not be limited to, revenues from fines and forfeitures, county appropriations for current expenses, supplemental taxes levied for current expenses, state allocations.

3 – Federal Grant Fund – Appropriations for the expenditure of federal categorical grants made available through the Department of Public Instruction.

4 – The Capital Outlay Fund – Appropriations for:

- a) The acquisition of real property for school purposes, including but not limited to school sites, playgrounds, athletic fields, administrative headquarters, and garages;
- b) The acquisition, construction, reconstruction, enlargement, renovation, or replacement of buildings and other structures, including but not limited to buildings for classrooms and laboratories, physical and vocational educational purposes, libraries, auditoriums, gymnasiums, administrative offices, storage, and vehicle maintenance;
- c) The acquisition or replacement of furniture and furnishings, instructional apparatus, data processing equipment, business machines, and similar items of furnishings and equipment;
- d) The acquisition of school buses as additions to the fleet;
- e) The acquisition of activity buses and other motor vehicles;
- f) Such other objects of expenditures as may be assigned to the Capital Outlay Fund by the uniform budget format. The cost of acquiring or constructing a new building, or reconstructing, enlarging, or renovating an existing building, shall include the cost of all real property and interests in real property, and all plants, works, appurtenances, structures, facilities, furnishings, machinery, and equipment necessary or useful in connection therewith; financing charges; the cost of plans, specifications, studies, reports, and surveys; legal expenses; and all other costs necessary or incidental to the construction, reconstruction, enlargement, or renovation.

5 – Multiple Enterprise Fund – Revenues and expenditures for multiple enterprise accounts, as needed by the local school administrative units, to include PRC 035, Child Nutrition operations. Other enterprise accounts may optionally be included in Fund 5, such as Before/After School Care, PRC 701. Each enterprise account must have proper accounting structure and process, including all appropriate general ledger accounts as well as cash.

6 – Trust and Agency Funds – Revenues and expenditures for trust and agency funds as needed by the local school administrative unit to account for trust and agency arrangements such as endowments, funds of individuals held by the school finance officer, and special funds of individual schools.

7 – Reserved for LEA or Charter School local use.

8 – Other Specific Revenue Fund – Revenues from reimbursements, including indirect costs, fees for actual costs, tuition, sales tax revenues distributed using the ad valorem method pursuant to G.S. 105-472(b)(2), sales tax refunds, gifts and grants restricted as to use, trust funds, federal grants restricted as to use, federal appropriations made directly to local school administrative units, funds received for prekindergarten programs, and special programs and appropriated fund balances (revenues accruing to a school administrative unit in prior years but not yet expended).

9 – Capital Assets – A self-balancing group of accounts used to provide a record of fixed assets owned by the local school administrative unit except those accounted for in the Child Nutrition Fund.

Purpose Codes

Purpose means the reason for which something exists or is used. Purpose includes the activities or actions that are performed to accomplish the objectives of a local school administrative unit. For budgeting and accounting purposes, expenditures of a local school administrative unit are classified into five purposes as follows:

- 5000** Instructional Services
- 6000** System-Wide Support Services
- 7000** Ancillary Services
- 8000** Non-Programmed Charges
- 9000** Capital Outlay

The “purpose dimension” is broken down into a function level at the second digit and, where appropriate, into a sub-function level at the third digit.

*A detailed list of purpose codes can be found in the Appendix

Program Report Codes (PRC)

A program report code (PRC) designates a plan of activities or funding designed to accomplish a predetermined objective. This dimension of program report codes allows the unit a framework for classifying expenditures by program to determine cost.

- PRC 001 – 299:** NCDPI defined State and Federal Fund codes
- PRC 300 – 399:** Federal Grants and Funding Sources Not Allotted by NCDPI
- PRC 400 – 499:** State Grants and Funding Sources Not Allotted by NCDPI
- PRC 500 – 599:** Local Grants and Donations
- PRC 600 – 699:** Local Special Revenue Sources
- PRC 700 – 799:** Tuition or Fee Funded Programs
- PRC 800 – 999:** Local Cost Centers

Object Codes

Object means the service or commodity obtained as a result of a specific expenditure. Seven major object categories are used in our Chart of Accounts.

- 100** Salaries
- 200** Employer Provided Benefits
- 300** Purchased Services
- 400** Supplies and Materials
- 500** Capital Outlay
- 600** Reserved for Future Use
- 700** Transfers

These broad categories are subdivided to obtain more detailed information about objects of expenditures. Category numbers are not valid account codes, example 100, 200 etc..

Location Codes

Location codes track location specific expenditures:

300 Northside Elementary	309 McDougale Middle
304 Carrboro Elementary	322 Culbreth Middle
310 Seawell Elementary	324 Phillips Middle
311 Ephesus Elementary	336 Smith Middle
312 Estes Hill Elementary	
316 Frank Porter Graham Elementary	305 Carrboro High
320 Glenwood Elementary	308 Chapel Hill High
326 McDougale Elementary	314 East Chapel Hill High
328 UNC Hospital School	338 Phoenix Academy
330 Scroggs Elementary	
334 Rashkis Elementary	810 Central Office
332 Morris Grove Elementary	

Use Codes

Used internally to further distinguish different departments, projects, and specific uses around the District.

Grant Year

The grant year segment is used to align the expenditures to the matching grant year. For example: in the code 3.5110.050.121.000.000.00.4 the “.4” would align the expenditure to grant year 2024.

District Financial Structure

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, reserves, fund balance, revenues, and expenditures. The District, maintains 3 types of funds: Governmental, proprietary, and fiduciary.

The Board reports the following major governmental funds:

General Fund. The General Fund, or Local Current Expense Fund, is the general operating fund of the Board. The General Fund accounts for all financial resources except those that are accounted for in another fund.

State Public School Fund. The State Public School Fund includes appropriations from the Department of Public Instruction for the current operating expenditures of the public-school system.

Federal Grants Fund. The Federal Grants Fund includes appropriations from the U.S. Government for the current operating expenditures of the public-school system.

Other Special Revenue Fund. The Other Special Revenue Fund is used to account for gifts and grants restricted as to use, certain federal and state grants restricted as to use, federal and state appropriations made directly to local school administrative units, funds received for refunds, reimbursements and various special programs.

Capital Outlay Fund. The Capital Outlay Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds and trust funds). It is mandated by State law [G.S.115C-426]. Capital projects are funded by Orange County appropriations, restricted sales tax moneys, proceeds of county debt issued for public school construction, lottery proceeds as well as certain State assistance.

The Board reports the following nonmajor governmental fund:

Individual Schools Fund. The Individual Schools Fund includes revenues and expenditures of the activity funds of the individual schools. The primary revenue sources include funds held on the behalf of various clubs and organizations, receipts from athletic events, and proceeds from various fundraising activities. The primary expenditures are for athletic teams, club programs, activity buses, and instructional needs.

The Board reports the following major enterprise funds:

School Food Service Fund. The School Food Service Fund is used to account for the food service program within the school system.

Child Care Fund. The Child Care Fund is used to account for the afterschool care program within the school system, as well as revenues from the rental of school property.

The Board reports the following fiduciary fund:

Agency Fund. Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the Board holds on behalf of others. The Board maintains one agency fund, the Employee Flexible Spending Account, which accounts for monies voluntarily withheld from employees' wages to pay for child care and medical expenses not covered under the employees' medical insurance.

FY 2026-27 Budget Development Calendar

January 13, 2026	Finance, Facilities, and Operations Committee Meeting
February 5, 2026	Superintendent Presents Preliminary Budget Information to Board of Education
February 10, 2026	Finance, Facilities, and Operations Committee Meeting
March 5, 2026	Superintendent submits FY 2026-2027 Proposed Budget Request to the Board of Education
March 10, 2026	Finance, Facilities, and Operations Committee Meeting
March 19, 2026	Board of Education Budget Public Hearing and Work Session
April 14, 2026	Finance, Facilities, and Operations Committee Meeting
April 9, 2026	Board of Education Budget Work Session
April 16, 2026	Board of Education approves the FY 2026-2027 Budget Request for submission to the Board of Orange County Commissioners
April 23, 2026	Joint Meeting with Board of County Commissioners
May 12, 2026	Finance, Facilities, and Operations Committee Meeting
May 12, 2026	Board of Orange County Commissioners Budget Public Hearing
May 14, 2026	Board of Orange County Commissioners Budget Work Session
May 21, 2026	Board of Orange County Commissioners Budget Work Session
May 26, 2026	Board of Orange County Commissioners Budget Work Session
May 28, 2026	Board of Orange County Commissioners Budget Public Hearing
June 4, 2026	Board of Orange County Commissioners adopt the FY 2026-2027 Local Fund and Capital Fund budgets
June 9, 2026	Finance, Facilities, and Operations Committee Meeting
September 2026	Board of Education approves Budget resolutions for all Fund Codes

Budget Development Policies and Regulations

Budget planning and preparation is critical to the development of a budget likely to further the educational goals of the Board and the State and to provide for the smooth operations of the school district.

Board Policies that Guide Budget Development

Policy 8100: Budget Planning and Adoption:

In recognition of the importance of the budget planning process, the budget planning for the Board and the Administration will include:

- Establishing the priorities of the school district, recognizing that providing students the opportunity to receive a sound basic education and improving student success will always be of paramount concern;
- considering long-range facilities plans, goals and objectives as established by the Board and school district when assessing the needs of the school district;
- integrating budget planning into program planning so that the budget may effectively express and implement all programs and activities of the school district
- seeking opportunities to communicate budget needs with the county commissioners on a regular basis, especially in regard to capital outlay;
- seeking broad participation by administrators, teachers, SGCs and other school district personnel and citizens;
- exploring all practical and legal sources of income;
- continually assessing the needs of the school district and the revenues and expenses; and
- identifying the most cost-effective means of meeting the school districts' needs.

Process

- The superintendent will prepare an annual operating budget and submit it with his or her budget message to the Board no later than the first Board meeting in April.
- On the same day that the operating budget is submitted to the Board, the superintendent will file a copy of it in his or her office, and make it available for public inspection until the budget resolution is adopted.
- The Board will hold at least one public hearing on the proposed operating budget prior to final action.
- The Board will consider the operating budget, make such changes therein as it deems advisable, and submit the entire budget as approved by the Board to the Board of county commissioners no later than May 15, or such later date as may be fixed by the Board of county commissioners.
- The Board of county commissioners must complete its action on the school budget on or before July 1, unless a later date is agreed upon by the Board of education and the Board of county commissioners.
- After the Board of county commissioners has appropriated funds and after the conclusion of any dispute regarding the appropriation, the Board of education will adopt a budget resolution pursuant to policy 8110 (Budget Resolution) and in compliance with legal requirements.

- The Superintendent will prepare an annual Capital Investment Plan (CIP) Budget that reflects the capital priorities for the district and submit it to the Board. The Board will consider the Superintendent's recommended budget, make such changes as it deems advisable, approve the budget request, and submit the CIP budget request to the county manager at a date fixed by the Board of county commissioners.

Fiscal Year

- The fiscal year of this administrative unit begins on July 1 and ends on June 30.

Budgets for Individual Schools

- The principal of each school, in conjunction with the School Improvement Team, will prepare and submit to the superintendent or designee an individual school budget detailing all revenues and expenditures anticipated for the school for each budget year. The budget will include both tax and non-tax revenue. Any school trust fund over \$10,000.00 must have a budget approved by Superintendent or his designee.

Policy 8351: Local Current Expense Fund Balance:

- The District will make a good faith effort to maintain a level of unassigned fund balance that will ensure sufficient funds are available to address its cash flow needs. The targeted level of unassigned fund balance for cash flow purposes will be at a minimum of 5.5 percent of budgeted expenditures.

*All other Board policies relevant to Fiscal Management can be found at: [Series 8000 – Fiscal Management](#)

Regulations that Govern the Budget Process

In accordance with North Carolina General Statute (GS 115C – 428), the Superintendent shall prepare a budget for the ensuing year and submit to the local Board of Education no later than May 1. Before submitting the prepared budget, the Board of Education may choose to hold a public hearing at which time any persons who wish to be heard on the budget may appear. North Carolina LEAs are fiscally dependent on the local governing body, which in the District's case is the Orange County Board of County Commissioners. After consideration of the budget and the public hearing, the Board of Education will submit the budget to the Orange County Board of County Commissioners no later than May 15 (GS 115C – 429).

Budget Development Process

The budget development process remains a critical function as the District seeks to balance financial constraints with the ongoing needs of students and educators. This year's process follows the standard stages: Gather, Evaluate, Prepare, Present, and Adopt. However, given the austere budget environment and the limited likelihood of increased funding, it is more important than ever to thoughtfully assess and advocate for essential resources to support public education.

The first step in this process is gathering information from all budget managers, including School Principals, Division and Department leaders, and the Superintendent. Despite financial limitations, the District is committed to ensuring that school-level voices are heard through this structured budget request process. Each leveled team was tasked with using a team budget request guiding worksheet to facilitate discussions on how to realign existing resources and address essential needs to maximize impact. This process also served as an opportunity to review local salary and non-salary allotment formulas, as well as to highlight capital needs that remain unmet.

Financial Backdrop Considered During Budget Preparation

CHCCS enters FY 2026-27 from a stronger, but still evolving, financial position. The District continues to navigate declining enrollment, rising personnel and operating costs, and changes in State and local funding, while working to restore financial reserves following several years of structural imbalance. The FY 2026-27 budget includes approximately \$5.6 million in continuation costs to maintain existing operations, while local operating revenues are projected to increase by nearly \$3.0 million, primarily through additional County appropriation and supplemental district tax revenue. At the same time, the District's multi-year corrective actions have produced meaningful progress in rebuilding reserves, estimating approximately \$3.8 million in unassigned fund balance projected at the conclusion of FY 2025-26. This improving financial position provides greater stability; however, continued enrollment decline and increasing costs reinforce the need for disciplined resource alignment and careful long-term planning as the District transitions from financial stabilization toward strategic realignment, reinvestment, and long-term sustainability.

Important framing concepts referenced during budget preparation:

- Any idea lifted up must be aligned with the strategic plan ([link](#)) and be directly correlated with a key strategic action item that is in the initial implementation stage or beyond the implementation stage.
- Budget items should also be evaluated through a forward-looking Academic Return on Investment (AROI) framework, ensuring that potential long-term student outcomes and cost savings are factored into decision-making.

FY 2026-27 Capital Fund Budget Development

The Capital Investment Plan (CIP) budget development follows a similar cadence with the budget development of the general fund. January and February consist of data and information gathering efforts to assess the District's capital and facility needs. School principals are given the opportunity to work with their School Improvement Teams (SITs) to create a capital request in conjunction with their general budget request. With the information gathered, the District's Operations team begins to prepare a preliminary CIP budget request. From there, the budget request goes through several iterations of work sessions with the Board of Education, Board of County Commissioners, and county staff. Once the official request is submitted in April, the BOCC conducts their own budget work sessions and public hearings regarding the CIP budget before adopting a final plan in June. The timeline for the FY 2026-27 CIP budget is included below:

January 13, 2026	Finance, Facilities, and Operations Committee Meeting
March 5, 2026	Superintendent submits FY 2026-27 Proposed Budget Request to the Board of Education
April 16, 2026	Board of Education approves the FY 2026-2027 Budget Request for submission to the Board of Orange County Commissioners
April 23, 2026	Board of County Commissioners Budget Work Session - CIP
April 29, 2026	Joint Meeting with Board of County Commissioners
May 12, 2026	Annual Operating Budget and CIP Hearings (1)
May 14, 2026	Budget/CIP Work Sessions (1)
May 21, 2026	Budget/CIP Work Sessions (2)
May 26, 2026	Budget/CIP Work Sessions (3)
May 28, 2026	Annual Operating Budget and CIP Hearings (2)
June 4, 2026	Board of Orange County Commissioners adopt the FY 2026-27 Local Fund and Capital Fund budgets
September, 2026	Board of Education approves Budget resolutions for all Fund Codes

Budget Management and Administration

Chapel Hill-Carrboro City Schools is committed to obtaining, managing and using financial resources to further the goals of supporting a system of free public schools and to further the educational goals of the Board and the State. All decisions regarding the use of financial resources will be consistent with the Board's objective of providing all students with a sound basic education, as required by law.

The Board authorizes the Superintendent to transfer amounts not to exceed \$100,000 from one budget appropriation to another within the same fund. The Superintendent or their designee must present for approval any such transfers at the meeting of the Board in the month following such transfers and such transfers must be entered in the minutes of that meeting. Amendments are required for any revisions that alter total expenditures of any fund or that change appropriations at the purpose level. All amendments must be approved by the Board. During the year, several amendments to the original budget are necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

In recognition of the trust and responsibility placed with the Board to manage financial resources for the local educational program, the Board establishes the following standards:

1. The Board and all employees of the school system will manage and use available funds efficiently and effectively to meet the goals of the local Board and State.
2. Effective accounting, financial reporting, and management control systems will be designed, maintained, and periodically reviewed to (a) enable the Board and school system to have access to accurate, reliable, and relevant data; (b) provide assurance that school system obligations are paid in a timely manner and that accounts are not overspent; (c) provide assurance that funds and records are safeguarded at all times; and (4) permit audits and periodic reports adequate to show that those in charge have handled funds within legal requirements and in accordance with board policy.
3. The superintendent and finance officer shall keep the Board sufficiently informed regarding the budget through periodic financial statements showing the financial condition of the school system, other periodic reports, and any other appropriate means so that the Board can deliberate upon and evaluate the budget.
4. No moneys will be expended, regardless of the source (including moneys derived from federal, state, local, or private sources), except in accordance with the Board's budget resolution or amendments to the budget resolution. The Superintendent is authorized to transfer moneys from one appropriation to another within the same fund, subject to such limitations and procedures as may be prescribed by Board resolution or state or federal law or regulation. Any such transfers must be reported to the Board at its next regular meeting and recorded in the minutes.
5. All receipts and disbursements shall be accounted for according to generally accepted accounting principles for governmental entities.

6. Each employee responsible for handling school system funds or funds of individual schools shall comply with all applicable state and federal laws and regulations, board policies, administrative procedures, and any applicable procedures, requirements, or guidelines established by the finance officer.

7. Principals and school improvement teams must be familiar with state and local board requirements related to managing and using fiscal resources and must comply with these requirements in developing and implementing school improvement plans.

Changes in Fiscal Management and Administration

The District has implemented several general changes relating to fiscal management. The District's Business and Financial Services Division has continued to developed a strong professional development plan to invest in and grow the knowledge base of financial matters throughout the District. The structure of this plan contains monthly professional development time between Business and Financial Services Division, department bookkeepers, and school treasurers across the District. It also includes several opportunities for training new principals, veteran principals, and budget managers on financial matters relevant to their work. Outside of the focus on internal development, the Business and Financial Services Division has also committed to building relationships with external sources of professional development such as the North Carolina Association of Business Officials (NCASBO) and the Government Finance Officers Association (GFOA) so that our staff can utilize the extensive professional development opportunities offered by these organizations.

Beyond that, the Business and Financial Services Division has developed and implemented more widespread digitization of high-volume forms. For example, the Division has implemented a digital extra duty contract, utilized a digital employment contract for all summer school employees, and utilized a digital form to track position updates. This benefits the District in aligning with its sustainability goals and provides an easily accessible, permanent document trail should any of this information need review in the future. These procedural changes were set up to ensure compliance and increase efficiency in their various aspects of the fiscal management process for the District.

Definitions of Sustaining Revenue Sources

The various sources of revenue that the District receives each year to sustain operations is included in the table below:

Significant Sources of Revenue

Bond and Note Proceeds	Include revenues received from Orange County out of the proceeds of bonds and notes sold for school purposes. Includes revenues from proceeds of School Literary Fund Notes. This revenue is actually the county appropriation from one or more bond funds, certificates of participation (COPS), and revenues received from the proceeds of installment purchases entered into by the county to acquire assets for the unit under the authority of G. S. 153A-158.1.
County Appropriation	Include revenues provided to the local school administrative unit by Orange County for general purposes pursuant to G.S. 115C-429 and G.S. 115C-437.
Federal Funds Revenue	Include revenues received through the Department of Public Instruction by way of deposits to the state level Unit Disbursing Account at the State Treasurer.
Fines and Forfeitures	Local Fund revenue received from Orange County. The sources of the revenue are the fines and forfeitures assessed by the Orange County Courts.
Fund Balance Appropriated	This code is used for budgetary purposes only. It records the amount of unexpended revenue from prior fiscal years which is being carried forward to balance the budget in the budget year pursuant to G.S. 115C-425.
Sales and Use Tax	Include revenues received from local government non-restricted sales tax sources.
State Public School Fund Revenue	Include revenues allocated via the allotment process (and appearing on the allotment report) by the Department of Public Instruction from which expenditures for current operations are made by writing a warrant on the State Treasurer.
Supplemental Tax - Current Year	Include revenues received from taxes levied on behalf of the local school administrative unit pursuant to G.S. 115C-511 for the current year.

Other Minor Miscellaneous Sources of Revenue

ABC Commission Revenues	Include revenues received by the local school administrative unit from ABC Commission profits because of specific legal requirements applying to local ABC Commission boards.
Other Restricted Local Sources	Include revenues received from local sources for restricted purposes, which are not elsewhere classified.
Cellphone Tower Lease Revenue	The District maintains several minor lease agreements for cellphone towers on school property
Contributions and Donations	Include gifts, contributions, and donations received from private, nongovernmental sources.
Disposition of School Fixed Assets	Include revenues received from the sale or other disposition of school fixed assets. Includes the proceeds of the sale of school fixed assets, and revenues from the sale of scrap or salvage from school fixed assets.
Federal Revenue-Other Funds	Include revenues received directly from the federal government, or from other sources which are federally funded. These are funds which are not part of the allocation process from DPI, nor reflected on the DPI allotment form.
Indirect Cost Allocated	Include in the Local Current Expense Fund the amounts received from indirect cost allocations. Include in the Child Nutrition Fund the amount of indirect cost charged to a federal grant, but not reimbursed to Local Current Expense Fund.
Insurance Settle School Property	Include monies received in settlement of insurance claims, which arise out of the loss or destruction of school property that, under current law, would be purchased from the Capital Outlay Fund.
Miscellaneous Local Operating Revenues	Local Fund revenues that are small and miscellaneous in nature.
Paid Student Meal Supplement	Include revenues received from full pay supplements.
Reduced Student Meal Supplement	Include revenues received from reduced supplements.
Rental of School Property	Include revenues received for the use of school property by anyone other than the local school administrative unit. This includes fees received for use of school buildings for elections or other civic

	and public meetings as well as for rents received on longer-term leases of school real property.
Sales - Breakfast - Adults	Include revenues received from adult breakfasts.
Sales - Breakfast - Full Pay	Include revenues received from full pay breakfasts.
Sales - Lunch - Adults	Include revenues received from adult lunches.
Sales - Lunch - Full Pay	Include revenues received from full pay lunches.
Sales - Lunch - Reduced	Include revenues received from reduced lunches.
Sales - Other	Include other revenues received from sales not elsewhere classified
Sales - Supplemental Sales	Include revenues received from supplemental sales
State Allocated Restricted to Capital Outlay	Includes all revenues received from the Department of Public Instruction, and other state agencies for capital outlay. The specific program or area in which this revenue is being used must be indicated by PRC in order to designate the distinction of funding sources.
State Reimbursement for Breakfast	Include revenues received from state funds for reduced price breakfasts
Supplemental Tax - Prior Years	Include revenues received from taxes levied on behalf of the local school administrative unit pursuant to G.S. 115C-511 for prior fiscal years subject to the provisions of G.S. 159-27.
Textbooks	Include revenues received from the Department of Public Instruction for the purchase of textbooks.
Tuition & Fees - Regular	Local Fund revenue received from parents of students who attend CHCCS but live outside the District. The tuition is set each year to match the county and district tax revenues.
USDA Grant Summer Feeding Programs	Include revenues received from the Department of Public Instruction from the United States Department of Agriculture Grants - Summer Feeding Program for school food service.
USDA Grants - Commodities Used	This revenue represents the value of commodity foods used.
USDA Grants - Regular	Include revenues received from the Department of Public Instruction from the United States Department of Agriculture Grants - Regular for school food services.



FINANCIAL SECTION



Chapel Hill – Carrboro City Schools
750 S Merritt Mill Road, Chapel Hill, NC 27516
Web Site: chccs.org
Prepared by the Business and Financial Services Division
(919) 967-8211

Roadmap to the Financial Section

The financial section of this budget document was developed using a structure as laid forth by the Association of School Business Officials (ASBO). ASBO details the use of a pyramid approach in communicating the District's financials. This approach begins at a broad level and proceeds to drill down to provide further details as each level of the pyramid is addressed. The levels are designed as follows:

Level One	Summary of Total Budget Total Revenues by Source Total Expenditures by Object
Level Two	Summary of Data for all Operating Funds Revenues by Source Expenditures by Object Expenditures by Purpose
Level Three	Summary Data for Individual Funds Revenues by Source Expenditures by Object Expenditures by Purpose

As you will see, the Level One Data will provide a snapshot of the budget at the Fund level to provide an understanding of how each fund is a building block for the overall budget. The Level Two Data will break down the Operating Funds to the purpose and object level to provide an understanding of how the Operating Funds work together to further the education services provided by the District. The Level Three Data presents each individual (or “enterprise”) fund and breaks down their data all the way to the purpose code. This provides an understanding of how each fund is used individually.

The use of this structure and level of detail serves to provide all users of the District's financial information with a better understanding of how the District uses the funds it receives to achieve the District's goals. It also serves to address the needs highlighted by the Board of Education's External Review to adopt a budget with enough detail to properly pre-audit all expenditures initiated by the District. Transparency, understandability, and the ability to be held accountable for financial decisions are essential to building trust between the District and the public.

Summary Data for Total Budget

Actual FY 2023 – Projected FY 2030

Revenues by Source and Expenditures by Object (Level One Data)

Total Budget (All Funds)

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues					
Revenues from State Sources	\$ 83,192,927	\$ 84,088,657	\$ 84,417,431	84,311,438	87,108,569
Revenues from Federal Sources	20,354,315	15,219,166	12,076,445	11,537,699	7,046,780
Revenues from Local Sources	119,233,165	124,902,216	125,488,078	136,188,719	163,806,371
Transfers in/Fund Balance Appropriated	7,814,966	6,400,630	642,515	86,046	-
Total Revenues	\$ 230,595,373	\$ 230,610,669	\$ 222,624,469	232,123,902	257,961,720
Expenditures					
(100) Salaries	\$ 124,058,669	\$ 122,412,303	\$ 119,232,460	117,791,043	119,157,098
(200) Employer Provided Benefits	44,838,282	50,919,399	49,898,563	50,769,239	51,288,623
(300) Purchased Services	23,629,065	24,825,444	25,144,246	29,451,664	25,195,041
(400) Supplies and Materials	13,755,386	12,157,252	10,350,276	18,627,405	7,929,885
(500) Capital Outlay	23,275,442	19,027,439	16,630,891	13,965,553	52,891,073
(700) Transfers out	1,038,529	1,268,831	1,368,034	1,519,000	1,500,000
Total Expenditures	\$ 230,595,373	\$ 230,610,669	\$ 222,624,469	232,123,904	257,961,720

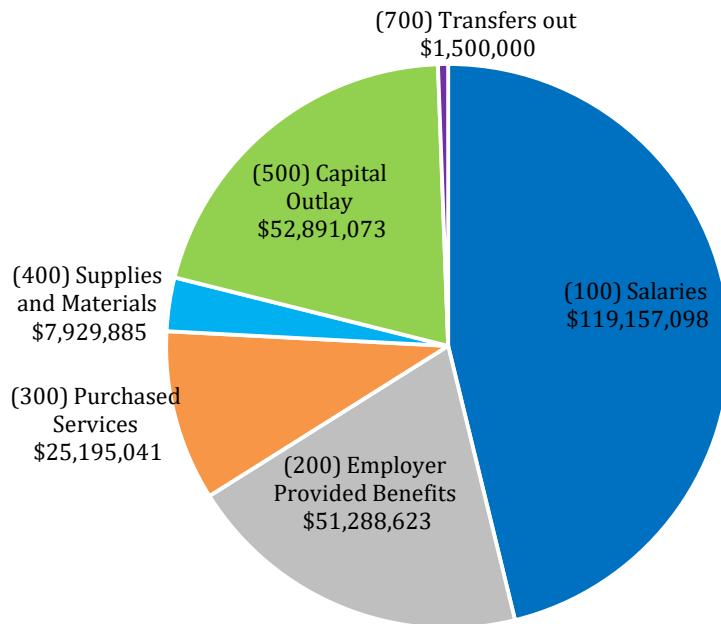
FY 2027-FY 2030 Total Budget Forecast (Trend Analysis)

	Budgeted FY 2027	Linear Regression Projection FY 2028	Linear Regression Projection 2029	Linear Regression Projection FY 2030
Revenues (by Source)				
Revenues from State Sources	87,108,569	\$ 87,040,024	\$ 87,845,430	\$ 88,650,837
Revenues from Federal Sources	7,046,780	4,157,920	1,128,266	(1,901,388)
Revenues from Local Sources	163,806,371	164,053,584	174,096,876	184,140,167
Transfers in/Fund Balance Appropriated	-	-	-	-
Total Revenues	257,961,720	\$ 255,251,528	\$ 263,070,572	\$ 270,889,617
Expenditures (by Object)				
(100) Salaries	119,157,098	\$ 116,202,994	\$ 114,760,554	\$ 113,318,114
(200) Employer Provided Benefits	51,288,623	53,367,978	54,643,030	55,918,082
(300) Purchased Services	25,195,041	27,976,544	28,752,361	29,528,178
(400) Supplies and Materials	7,929,885	11,009,786	10,491,701	9,973,616
(500) Capital Outlay	52,891,073	41,408,892	46,825,830	52,242,768
(700) Transfers out	1,500,000	1,690,812	1,808,123	1,925,434
Total Expenditures	257,961,720	\$ 251,657,006	\$ 257,281,599	\$ 262,906,192

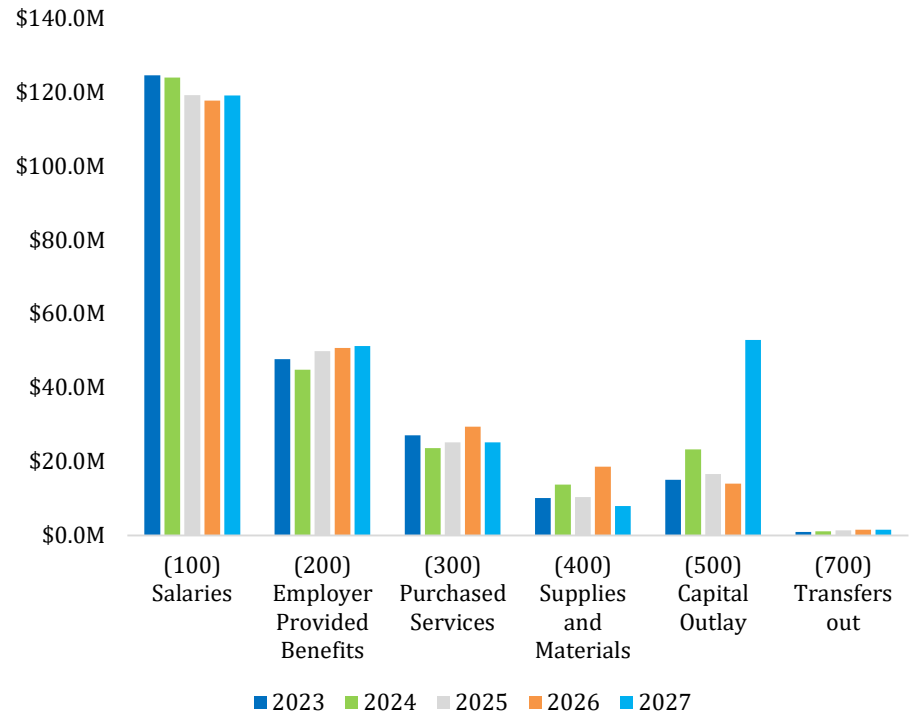
Note: These forecasts are strictly based on the statistical forecasting method of linear regression forecasting. This method does not account for external forces or qualitative data that may impact future funding levels. Therefore, these forecasts are not a prediction of the future but rather a deeper analysis of current funding and spending trends. For example, revenues with a linear forecast growing faster than the expenditures linear forecast would indicate sustainable spending trends. The opposite may indicate current spending trends are unsustainable. Both instances require more information and deeper analysis to be used in decision making processes.

FY 2023-FY 2027 Total Budgeted Expenditure Analysis

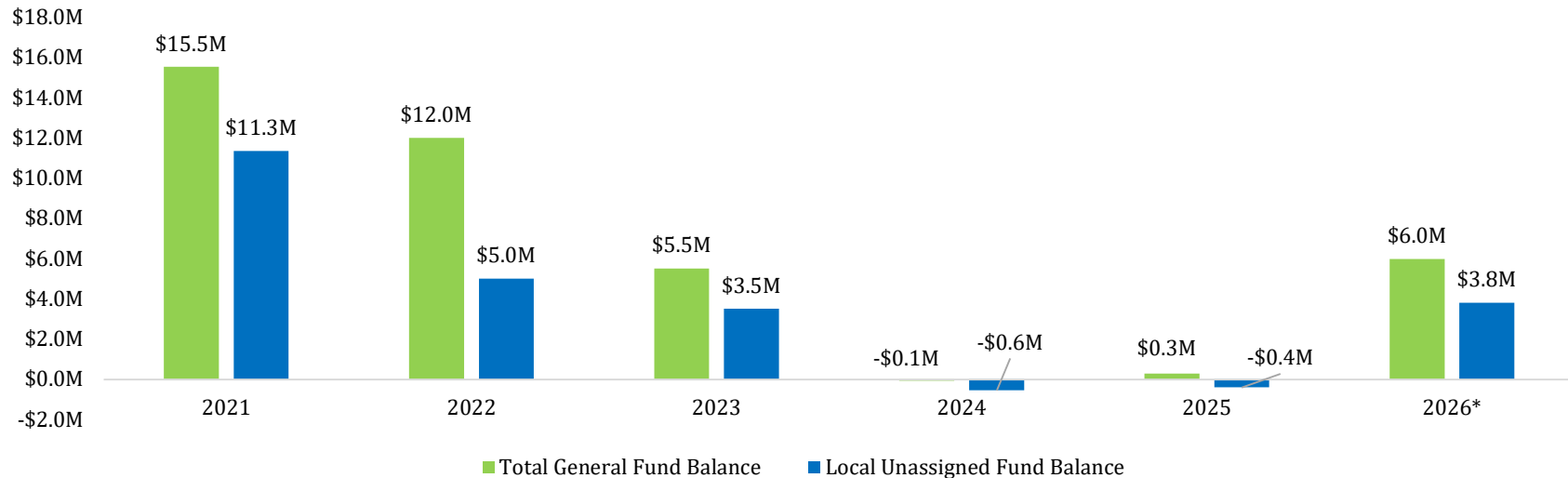
FY2027 Total Budgeted Expenditures by Object



5 Year Expenditure Trends by Object



Fund Balance Trends FY 2021 - FY 2026



*Based on District estimates that FYE 2026 will add ~\$5.6m to the fund balance as a result of operations. Of that, it is estimated that about \$2.2m would be reserved for various reporting requirements. Actual results will vary once the fiscal year is officially closed and audited.

Budget Commentary:

The district's budget data above shows several notable trends across the several fiscal years presented. On the revenue side, total revenues maintain a relatively stable growth on the surface but a closer analysis shows a shift in composition. Looking at current trends, State and Federal revenues have continued to gradually decline, while local revenues have steadily increased. This highlights a noteworthy concern that Local revenues continue to bear an increasing burden to deliver the same services. On the expenditure side, salaries and benefits continue to make up the majority of spending, though salaries now show a downward trend while benefits trend slightly upward. This reflects the District's move to reduce spending (with most of the impact shown in salaries) while the matching employer benefit rates continue to increase year over year. Forecasts through FY 2030 suggest that expenditures grow more slowly than revenues, indicating improving sustainability if trends hold. The Fund Balance Trend visual shows the District was able to add funds back into its fund balance in FY 2025 and FY 2026. This indicates that at current spending levels, the structural deficit present in the last several fiscal years has been eliminated. Overall, the District appears to be transitioning toward heavier reliance on local funding while maintaining relatively stable expenditure patterns dominated by personnel costs.

Summary Data for Operating Funds

Actual FY 2023 – Projected FY 2030

Revenues by Source and Expenditures by Object and Purpose (Level Two Data)

State Public School Fund

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ 80,068,737	\$ 82,945,174	\$ 83,322,030	\$ 82,622,471	\$ 86,158,569
Revenues from Federal Sources	-	-	-	-	-
Revenues from Local Sources	-	-	-	-	-
Transfers in/Fund Balance Appropriated	-	-	-	-	-
Total Revenues	\$ 80,068,737	\$ 82,945,174	\$ 83,322,030	\$ 82,622,471	\$ 86,158,569
Expenditures (by Object)					
(100) Salaries	\$ 54,067,450	\$ 55,340,861	\$ 56,155,704	\$ 56,055,647	\$ 57,991,844
(200) Employer Provided Benefits	21,641,405	23,117,687	23,377,400	23,688,038	25,174,585
(300) Purchased Services	1,792,372	1,770,683	1,948,159	1,635,285	1,555,440
(400) Supplies and Materials	2,043,389	2,249,494	1,701,527	1,162,754	1,436,700
(500) Capital Outlay	524,121	466,449	139,240	80,747	-
(700) Transfers out	-	-	-	-	-
Total Expenditures	\$ 80,068,737	\$ 82,945,174	\$ 83,322,030	\$ 82,622,471	\$ 86,158,569

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$80,068,767	\$82,945,174	\$83,322,030	\$82,622,471	\$86,158,569
Revenues from Federal Sources	-	-	-	-	-
Revenues from Local Sources	-	-	-	-	-
Transfers in/Fund Balance Appropriated	-	-	-	-	-
Total Revenues	\$80,068,767	\$82,945,174	\$83,322,030	\$82,622,471	\$86,158,569
Expenditures (by Purpose)					
5110-Regular Curricular Services	\$36,135,825	\$36,229,930	\$36,690,395	\$35,859,406	\$36,668,954
5116-Homebound/Hospitalized Curricular Services	711,472	684,379	680,373	756,927	56,114
5120-CTE Curricular Services	4,390,645	4,781,137	4,724,212	4,669,062	5,191,032
5132-Cultural Arts Curricular Services	3,720,684	3,614,243	4,052,604	4,221,535	4,585,413
5133-Physical Education Curricular Services	2,687,080	2,782,008	2,701,678	2,651,359	3,112,923
5134-Foreign Language Curricular Services	3,280,209	3,883,519	3,620,368	3,903,370	4,189,042
Total 5100 - Regular Instructional Services	50,925,914	51,975,216	52,469,630	52,061,658	53,803,477
5210-Children with Disabilities Curricular Services	7,829,025	8,388,095	9,682,559	10,096,254	10,331,954
5220-CTE Children with Disabilities Curricular Services	230,268	199,446	212,511	145,309	152,828
5240-Speech & Language Pathological Services	684,764	712,782	742,403	829,991	954,222
5260-Academically/Intellectually Gifted Curricular Services	1,178,727	1,255,591	1,221,002	1,229,283	1,092,136
5270-LEP Services	2,429,738	2,301,818	2,252,747	2,361,852	2,658,005
Total 5200 - Special Population Services	12,352,521	12,857,732	14,111,222	14,662,689	15,189,145
5310-Alternative Instructional Services K-12	948,602	1,015,446	1,014,334	879,259	701,473
5320-Attendance & Social Work Services	1,352,020	1,377,820	1,181,193	1,163,901	1,492,850
5330-Remedial & Suppl K-12 Services	602,957	574,040	274,635	254,012	104,975
5353-Summer School Instruction	369,818	119,626	17,120	80,053	-
5360-Extended Learning (SELREP)	365,083	390,362	412,495	265,309	360,324
Total 5300 - Alternative Program Services	3,638,479	3,477,294	2,899,777	2,642,534	2,659,622
5404-School Building Support Staff	-	-	79	104	-
5410-School Principal	1,934,684	2,507,958	2,625,109	2,401,825	2,656,272
5420-School Assistant Principal	1,473,087	980,802	1,066,874	1,283,546	1,265,046
Total 5400 - School Leadership Services	3,407,771	3,488,760	3,692,062	3,685,475	3,921,318

5810-Educational Media Services	360,278	208,541	186,103	279,212	218,215
5820-Attendance - Social Work Services	214,349	237,171	251,081	279,905	284,149
5830-Guidance Services	1,269,142	1,824,509	1,653,022	1,492,641	2,178,189
5840-Health Services	929,869	808,917	111,103	36,918	42,245
5850-Safety and Security Support Services	539,036	525,549	153,589	-	-
5860-Instructional Tech Services	149,443	419,204	294,499	79,936	185,690
5870-Staff Development	-	-	-	56,573	-
Total 5800 - School-Based Services	3,462,118	4,023,891	2,649,397	2,225,185	2,908,488
6110-Regular Curricular Support	20,532	-	222,185	241,518	320,328
6120-CTE Curricular Support and Development Services	209,198	182,972	237,588	253,000	-
Total 6100 - Support and Development Services	229,731	182,972	459,773	494,518	320,328
6300-Alternative Programs and Services Support Services	-	-	-	16,018	-
Total 6300 - Alternative Programs Support and Development Services	-	-	-	16,018	-
6400-Technology Support Services	213,928	422,002	172,722	170,200	128,523
Total 6400 - Technology Support Services	213,928	422,002	172,722	170,200	128,523
6540-Custodial/Housekeeping Serv	2,796,513	2,926,805	3,033,177	2,792,341	3,157,760
6550-Transportation of Pupils	2,311,658	2,805,167	3,047,942	3,078,060	3,303,568
Total 6500 - Operational Support Services	5,108,171	5,731,972	6,081,119	5,870,401	6,461,328
6611-Financial Office	150,614	157,610	160,975	161,773	168,525
Total 6600 - Financial and Human Resource Services	150,614	157,610	160,975	161,773	168,525
6941-Office of The Superintendent	117,992	200,379	219,136	212,223	221,815
6942-Asst. Supt. For Instruction	258,040	224,352	240,950	151,065	201,014
6943-Asst. Supt. For Support Services	152,074	160,073	163,918	228,310	174,987
Total 6900 -Policy, Leadership, and Public Relations Services	528,106	584,804	624,004	591,598	597,816

7200-Nutrition Services	51,383	42,921	1,349	45,159	-
Total 7200 - Nutrition Services	51,383	42,921	1,349	45,159	-
Total Expenditures	\$80,068,767	\$82,945,174	\$83,322,030	\$82,627,209	\$86,158,569

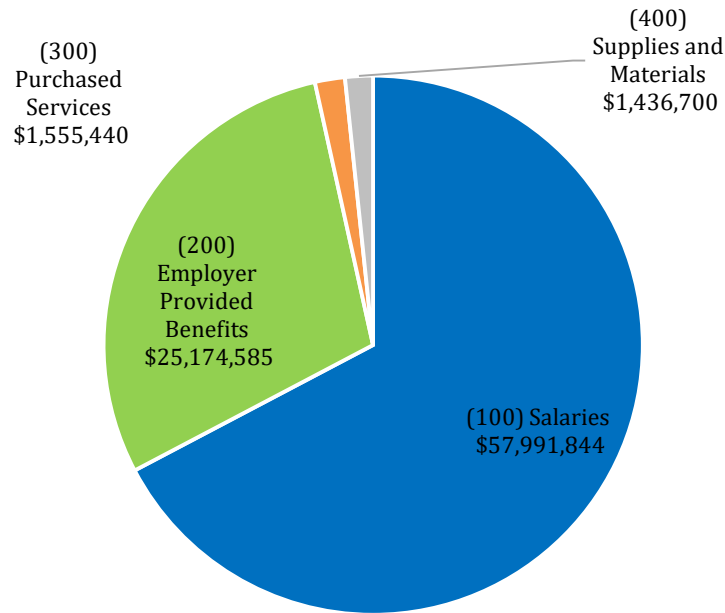
FY 2027-FY 2030 State Public School Fund Forecast (Trend Analysis)

	Budgeted FY 2027	Linear Regression Projection FY 2028	Linear Regression Projection 2029	Linear Regression Projection FY 2030
Revenues (by Source)				
Revenues from State Sources	\$ 86,158,569	\$ 80,209,636	\$ 79,703,090	\$ 79,196,543
Revenues from Federal Sources	-	-	-	-
Revenues from Local Sources	-	-	-	-
Transfers in/Fund Balance Appropriated	-	-	-	-
Total Revenues	\$ 86,158,569	\$ 80,209,636	\$ 79,703,090	\$ 79,196,543
Expenditures (by Object)				
(100) Salaries	\$ 57,991,844	\$ 54,485,742	\$ 54,141,813	\$ 53,797,884
(200) Employer Provided Benefits	25,174,585	22,956,785	22,986,283	23,015,782
(300) Purchased Services	1,555,440	1,611,701	1,614,967	1,618,232
(400) Supplies and Materials	1,436,700	1,155,408	960,027	764,645
(500) Capital Outlay	-	-	-	-
(700) Transfers out	-	-	-	-
Total Expenditures	\$ 86,158,569	\$ 80,209,636	\$ 79,703,090	\$ 79,196,543

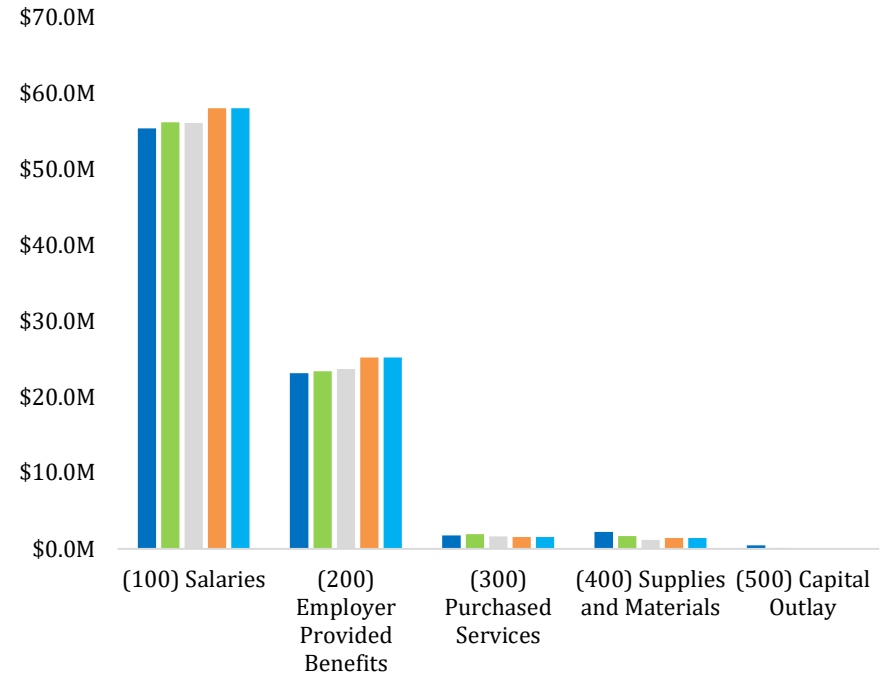
Note: These forecasts are strictly based on the statistical forecasting method of linear regression forecasting. This method does not account for external forces or qualitative data that may impact future funding levels. Therefore, these forecasts are not a prediction of the future but rather a deeper analysis of current funding and spending trends. For example, revenues with a linear forecast growing faster than the expenditures linear forecast would indicate sustainable spending trends. The opposite may indicate current spending trends are unsustainable. Both instances require more information and deeper analysis to be used in decision making processes.

FY 2023-FY 2027 State Public School Fund Budgeted Expenditure Analysis

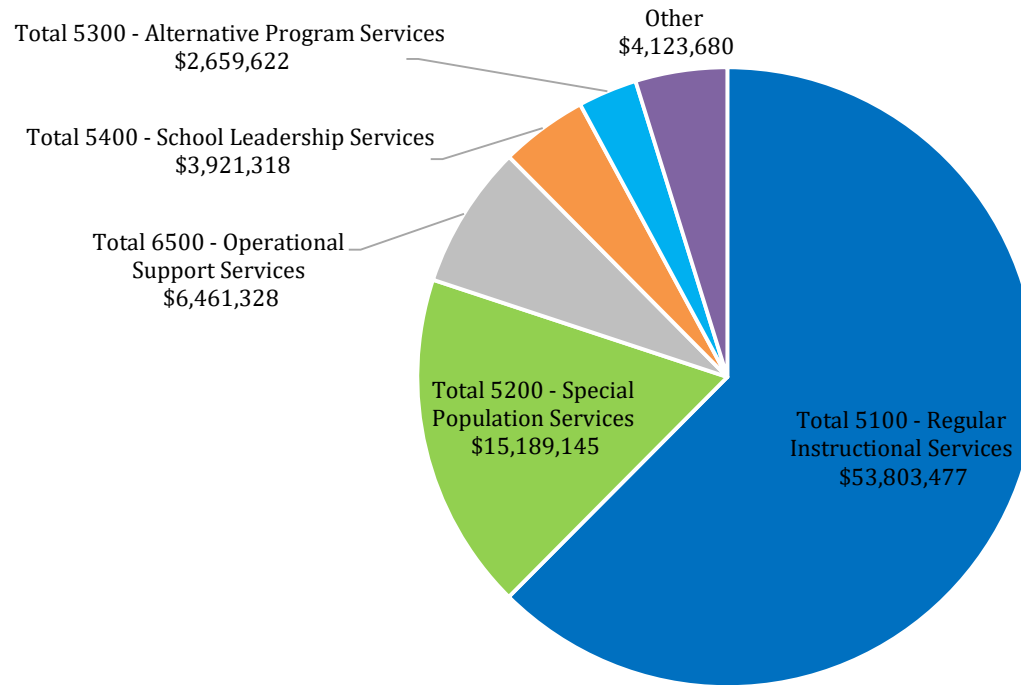
FY2027 Budgeted Expenditures by Object



Five Year Trends by Object



FY2027 Budget Expenditures by Purpose

**Budget Commentary:**

The State Public School Fund is a critical part of the District's total operation. It is composed almost entirely of salaries and benefits, which frees up local funding. The object code trends show a slight increase in salaries and the other areas. This is a direct result of the State mandate salary and matching benefit increases enacted by the General Assembly. This is a critical area of funding for the District to monitor because of the backdrop of decreasing student enrollment numbers. As enrollment declines, the local fund will have to absorb the additional costs as State revenues decrease, if all services are to remain at current levels. Analysis of the purpose code allocations show over 75% of the State budget focused on regular instruction and special populations.

Local Operating Fund

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -	\$ 175,000
Revenues from Federal Sources	-	-	-	-	-
Revenues from Local Sources	82,813,207	89,942,123	93,234,124	95,145,444	97,945,687
Transfers in/Fund Balance Appropriated	6,186,176	5,447,224	43,635	-	-
Total Revenues	\$ 88,999,383	\$ 95,389,347	\$ 93,277,759	\$ 95,145,444	\$ 98,120,687
Expenditures (by Object)					
(100) Salaries	\$ 51,705,580	\$ 56,065,820	\$ 53,771,130	\$ 52,094,857	\$ 53,878,378
(200) Employer Provided Benefits	22,253,010	23,895,198	23,322,845	24,897,043	25,095,277
(300) Purchased Services	10,799,797	11,201,833	11,060,111	12,447,136	13,308,058
(400) Supplies and Materials	3,202,433	2,924,779	3,726,237	4,128,378	4,306,424
(500) Capital Outlay	32	32,886	29,402	59,030	32,550
(700) Transfers out	1,038,529	1,268,831	1,368,034	1,519,000	1,500,000
Total Expenditures	\$ 88,999,383	\$ 95,389,347	\$ 93,277,759	\$ 95,145,444	\$ 98,120,687

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -	\$ 175,000
Revenues from Federal Sources	-	-	-	-	-
Revenues from Local Sources	82,813,207	89,942,123	93,234,124	95,145,444	97,945,687
Transfers in/Fund Balance Appropriated	6,186,176	5,447,224	43,635	-	-
Total Revenues	\$ 88,999,383	\$ 95,389,347	\$ 93,277,759	\$ 95,145,444	\$ 98,120,687
Expenditures (by Purpose)					
5110-Regular Curricular Services	\$ 26,567,666	\$ 26,606,706	\$ 26,449,960	\$ 24,810,655	\$ 26,430,641
5114-Foreign Language Curricular	12,902	5,509	-	-	-
5116-Homebound/Hospitalized Curricular Services	358,155	325,240	494,414	354,147	368,124
5117-High School Academies	11,145	13,103	22,203	28,086	20,064
5118-Department Chairs	50,198	74,638	66,344	50,766	48,150
5120-CTE Curricular Services	994,420	941,211	918,858	930,216	929,801
5132-Cultural Arts Curricular Services	1,531,611	1,751,007	1,472,635	1,527,248	1,337,687
5133-Physical Education Curricular Services	971,677	1,235,143	1,174,035	1,010,403	1,017,095
5134-Foreign Language Curricular Services	1,941,229	1,923,434	2,004,705	1,238,615	1,213,687
Total 5100 - Regular Instructional Services	32,439,003	32,875,990	32,603,154	29,950,135	31,365,249
5210-Children W/Disabilities Curricular Services	5,287,093	7,123,223	8,010,352	9,097,414	9,636,338
5220-CTE Children W/Disabilities Curricular	55,669	65,988	68,686	71,400	71,400
5230-Pre-K Children W/Disabilities Curricular	370,495	472,747	569,057	706,503	749,973
5240-Speech & Language Pathology Services	298,646	1,507,814	1,562,279	1,738,748	1,770,408
5260-AIG Curricular Services	1,569,336	1,499,925	1,245,358	1,327,042	1,429,787
5270-LEP Services	1,718,226	2,108,243	2,255,282	2,127,564	2,341,794
Total 5200 - Special Population Services	9,299,465	12,777,941	13,711,014	15,068,671	15,999,700

5310-Alternative Instructional Services K-12	311,956	342,757	189,902	255,203	234,351
5320-Attendance & Social Work Services	963,087	934,235	1,092,338	1,114,955	1,214,852
5330-Remedial & Supplemental K-12 Services	686,606	877,181	425,255	675,346	716,356
5340-Pre-K Readiness/Remedial & Supplemental	558,068	820,649	740,368	657,969	747,549
5350-Extended Day/Year Instructional Services	223,659	123,445	37,518	27,911	36,888
5351-Before/After School Instruction	5,596	26,702	8,431	-	-
5353-Summer School Instruction	124,037	99,502	3,967	-	-
Total 5300 - Alternative Program Services	2,873,009	3,224,471	2,497,779	2,731,384	2,949,996
5400-School Leadership Services	37,538	98,878	42,678	80,998	71,114
5403-School Treasurer	67,295	70,940	72,870	75,781	76,748
5404-School Building Support Staff	2,475,584	2,666,274	2,476,929	2,209,231	2,262,841
5410-School Principal	1,941,460	1,511,736	1,472,704	1,433,035	1,463,203
5420-School Assistant Principal	1,915,058	2,532,160	2,497,696	2,035,553	2,048,847
Total 5400 - School Leadership Services	6,436,936	6,879,987	6,562,877	5,834,597	5,922,753
5501-Athletics	2,407,002	2,453,697	2,514,926	2,566,008	2,872,854
5502-Cultural Arts	245,883	231,932	250,164	259,091	272,886
5503-School Clubs & Student Organizations	347,531	302,742	259,462	344,727	366,959
Total 5500 - Co-Curricular Services	3,000,417	2,988,370	3,024,552	3,169,827	3,512,699
5810-Educational Media Services	1,833,477	2,024,559	2,068,169	2,105,328	2,219,856
5820-Attendance - Social Work Services	987,429	1,034,752	1,076,240	1,134,730	1,142,480
5830-Guidance Services	3,215,511	2,939,180	2,871,672	3,156,416	3,382,779
5840-Health Services	366,239	1,302,817	881,127	414,309	445,114
5841-ABC/Student Health Services	885	145.33	-	-	-
5850-Safety and Security Support	1,038,387	1,102,031	1,155,133	1,252,962	1,340,733

5860-Instructional Tech Services	1,610,455	1,528,921	1,506,082	1,269,770	1,400,579
5870-Staff Development	568,724	490,651	246,258	376,886	396,794
5880-Parent Involvement Services	48,091	49,145	23,218	22,504	22,124
5890-Volunteer Services	224,224	181,337	140,867	143,222	110,860
Total 5800 - School-Based Services	9,893,423	10,653,539	9,968,766	9,876,127	10,461,319
6110-Regular Curricular Support	1,908,777	2,225,984	1,900,703	1,886,682	1,653,708
6112-Cultural Arts Curricular Support and Development Services	73	1,145	-	-	-
6113-Physical Education Curricular Support and Development Services	1,586	1,592	1,581	1,588	1,606
6115-Technology Curricular Support	208,103	309,995	317,700	323,379	328,810
6120-Voc Curricular Support & Development Services	170,996	173,079	187,070	197,874	180,416
Total 6100 - Support and Development Services	2,289,536	2,711,795	2,407,054	2,409,523	2,164,540
6200-Spec Pop Support/Development Services	19,700	33,719	13,782	264,818	280,087
6201-Children W/Disabilities Support	364,355	533,569	681,286	749,628	745,505
6206-Aig Support and Development Services	4,606	-	1,458	1,650	1,650
6207-Lep Support and Development	213,327	229,327	282,743	281,349	276,205
Total 6200 - Special Population Support and Development Services	601,987	796,615	979,269	1,297,445	1,303,447
6300-Alternative Programs Support and Development Services	-	85,199	-	200	200
6303-Remedial and Supplemental Services K-12 Support Services	83	1,948	25	18,450	18,450
6304-Prek Readiness/Remedial Supp	25,395	19,580	24,468	23,333	24,292
6305-Extended Day/Year Instructional Support Services	468	1,067	5,901	4,463	800
Total 6300 - Alternative Programs Support and Development	25,947	107,795	30,394	46,446	43,742
6400-Technology Support Services	1,703,767	1,815,291	1,851,086	2,169,432	1,947,565
6401-Technology Services	173,635	181,773	186,293	229,426	187,436
Total 6400 - Technology Support Services	1,877,402	1,997,063	2,037,379	2,398,858	2,135,001

6510-Direction of Business Support	125,057	173,327	115,127	82,980	81,280
6530-Public Utilities & Energy	4,316,184	3,724,994	3,982,900	4,023,228	4,458,500
6540-Custodial/Housekeeping Services	1,598,865	2,238,843	1,951,173	2,536,825	2,804,958
6550-Transportation of Pupils	1,600,896	1,500,966	1,001,488	1,115,555	469,809
6580-Maintenance Services	2,927,785	2,320,084	2,185,626	2,543,203	2,607,844
6581-Glass Maintenance	21,814	1,139	323	12,653	22,000
6582-Grounds Maintenance	186,440	282	(1,534)	50,755	63,000
6583-Electrical Maintenance	-	841	-	15,630	15,000
6584-Vehicle Maintenance	89,545	60,122	92,186	137,302	130,000
6585-Hvac Maintenance	-	440	5,624	94,284	57,000
6586-Plumbing Maintenance	-	1,896	-	63,186	55,000
6588-Locksmith	855	-	3,111	20,939	23,000
Total 6500 - Operational Support Services	10,867,441	10,022,934	9,336,023	10,696,540	10,787,391
6611-Financial Office	1,126,569	1,309,647	1,294,650	1,437,508	1,481,711
6612-Purchasing Services	-	74,997	76,796	91,927	92,875
6613-Risk Management Services	898,961	1,056,893	1,448,571	1,604,099	1,705,152
6620-Human Resources	48,480	11,617	10,682	-	-
6621-Human Resources	1,368,442	1,758,003	1,289,617	1,452,777	1,448,324
6622-Recruitment Services	10,236	51,752	3,235	32,210	32,210
6623-Staff Development Services	414,622	203,834	329,573	324,956	210,304
6624-Salary and Benefits Services	145,521	60,976	63,695	66,249	66,249
Total 6600 - Financial and Human Resource Services	4,012,831	4,527,721	4,516,818	5,009,725	5,036,824
6710-Student Testing Services	78,148	66,737	99,440	85,274	85,970
6720-Planning, Research Dev & Program	500,735	540,978	560,501	577,152	579,855
Total 6700 - Accountability Services	578,883	607,715	659,941	662,426	665,825

6820-Student Accounting Support Services	62,557	61,145	3,500	15,960	15,960
6830-Guidance Support Services	12,042	-	26,036	12,008	8,308
6840-Health Support Services	446	155	155	3,741	3,555
6850-Safety & Security Support Services	84,516	93,953	80,837	138,886	68,558
6860-Instructional Tech Support Services	449	643	4,500	1,225	1,225
Total 6800 - System-wide Pupil Support Services	160,010	155,896	115,028	171,820	97,606
6910-Other Support Services - Employee Benefits	251,193	260,379	113,268	172,172	146,920
6920-Other Support Services - Additional Pay	244,838	206,166	202,372	245,826	230,000
6930-Workshop	60,823	-	-	-	-
6932-External Audit	-	57,085	65,437	68,375	70,000
6941-Office of The Superintendent	517,845	490,487	478,270	561,010	689,373
6942-Office of Asst. Supt. For Instruction	1,041,474	1,174,280	1,097,374	1,355,120	1,278,437
6943-Office of Asst. Supt. For Support Services	951,815	1,055,208	1,064,976	1,272,318	1,296,986
6944-Office of School Support and Wellness	15,084	10,085	1,000	-	-
6945-Office of Strategic Planning	49,481	47,077	13,713	118,750	-
6950-Public Relations & Marketing Services	467,753	488,080	421,454	507,538	462,879
Total 6900 -Policy, Leadership, and Public Relations Services	3,600,306	3,788,848	3,457,865	4,301,108	4,174,595
7200-Nutrition Services	4,258	3,838	1,813	1,813	-
Total 7200 - Nutrition Services	4,258	3,838	1,813	1,813	-
8100-Pay to Other Governments & Transfers of Funds	1,038,529	1,268,831	1,368,034	1,519,000	1,500,000
Total 8100 - Payments to Other Governmental Units	1,038,529	1,268,831	1,368,034	1,519,000	1,500,000
Total Expenditures	\$ 88,999,383	\$ 95,389,347	\$ 93,277,759	\$ 95,145,444	\$ 98,120,687

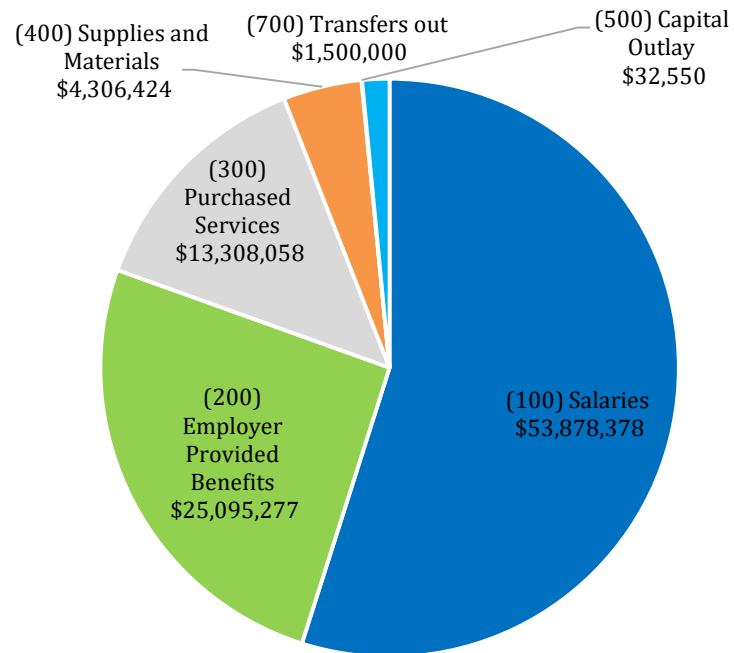
FY 2027-FY 2030 Local Operating Fund Forecast (Trend Analysis)

	Budgeted FY 2027	Linear Regression Projection FY 2028	Linear Regression Projection 2029	Linear Regression Projection FY 2030
Revenues (by Source)				
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -
Revenues from Federal Sources	-	-	-	-
Revenues from Local Sources	98,120,687	102,596,601	106,178,429	109,760,258
Transfers in/Fund Balance Appropriated	-	-	-	-
Total Revenues	\$ 98,120,687	\$ 102,596,601	\$ 106,178,429	\$ 109,760,258
Expenditures (by Object)				
(100) Salaries	\$ 53,878,378	\$ 53,615,543	\$ 53,653,006	\$ 53,690,470
(200) Employer Provided Benefits	25,095,277	25,898,588	26,567,226	27,235,864
(300) Purchased Services	13,308,058	13,641,935	14,268,117	14,894,300
(400) Supplies and Materials	4,306,424	4,681,125	5,022,283	5,363,441
(500) Capital Outlay	32,550	-	-	-
(700) Transfers out	1,500,000	1,690,812	1,808,123	1,925,434
Total Expenditures	\$ 98,120,687	\$ 99,528,002	\$ 101,318,755	\$ 103,109,508

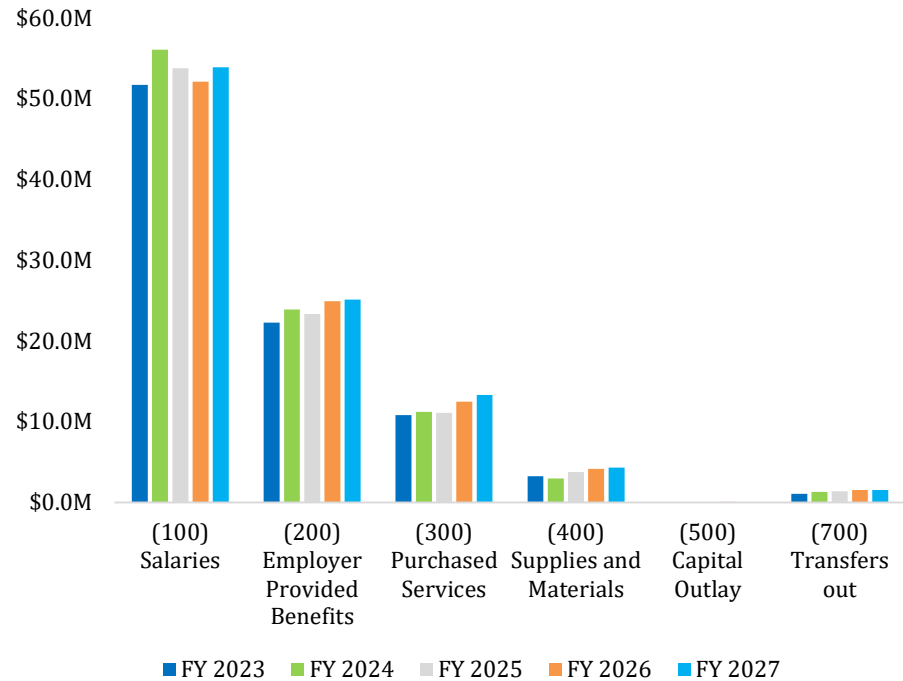
Note: These forecasts are strictly based on the statistical forecasting method of linear regression forecasting. This method does not account for external forces or qualitative data that may impact future funding levels. Therefore, these forecasts are not a prediction of the future but rather a deeper analysis of current funding and spending trends. For example, revenues with a linear forecast growing faster than the expenditures linear forecast would indicate sustainable spending trends. The opposite may indicate current spending trends are unsustainable. Both instances require more information and deeper analysis to be used in decision making processes.

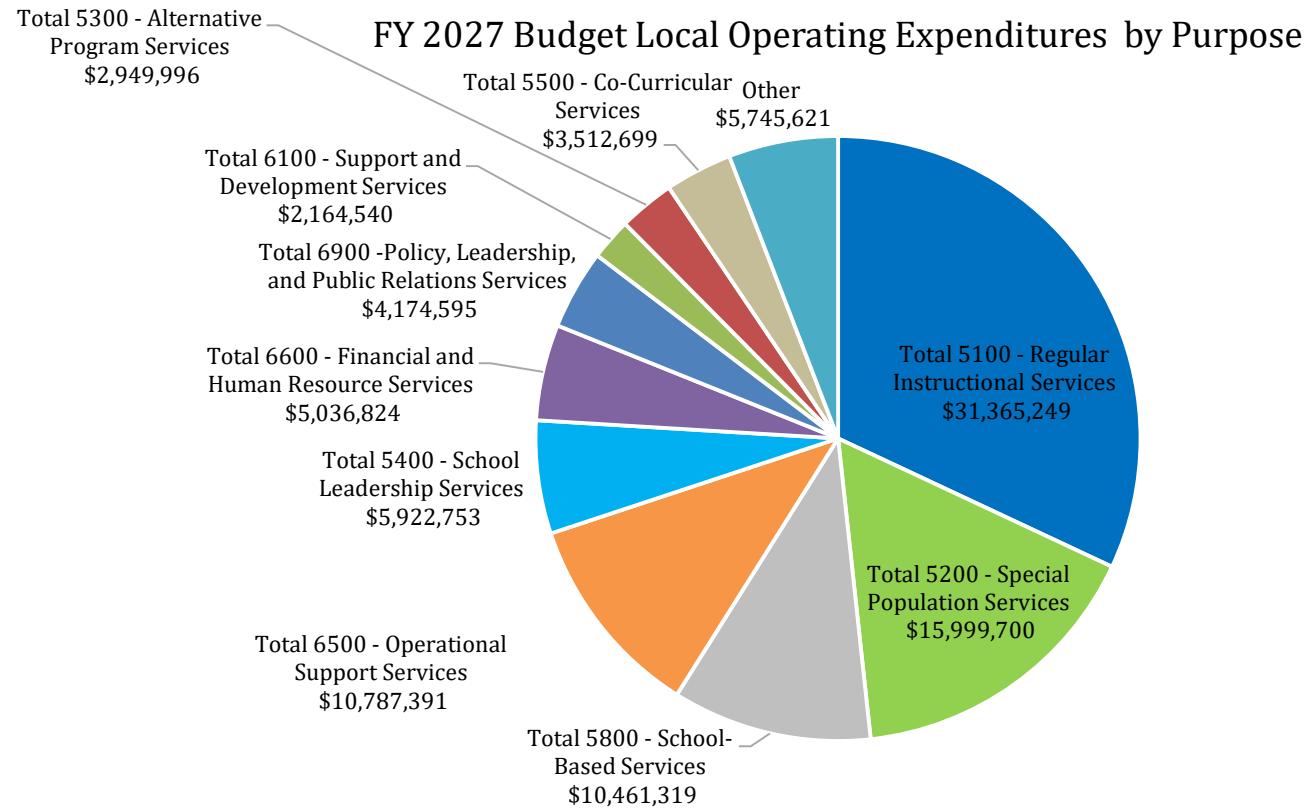
FY 2023-FY 2027 Local Operating Budgeted Expenditure Analysis

FY 2027 Local Operating Budgeted Expenditures by Object



Five Year Trends by Object





Budget Commentary:

The Local Operating Budget is another critical funding source for the District's operations. The object code trends show the reductions made by the District over the last few fiscal years along with a slight increase in salaries for FY 2027. The FY 2027 is another impact of the State mandated raises passed by the General Assembly. The five year trend still indicates that the District's spending reduction efforts have placed it in a far more sustainable position in terms of salary spending levels. Knowing the trends previously discussed, falling enrollment and decreasing State and Federal revenues, it is vital that the District continues to ensure its spending position remains healthy and sustainable. In a time of extreme uncertainty, the ability to adapt only exists if the district remains fiscally stable.

Federal Grants Fund

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues from Federal Sources	14,036,208	7,877,972	5,595,764	5,034,211	595,132
Revenues from Local Sources	-	-	-	-	-
Transfers in/Fund Balance Appropriated	-	-	-	-	-
Total Revenues	\$ 14,036,208	\$ 7,877,972	\$ 5,595,764	\$ 5,034,211	\$ 595,132
Expenditures (by Object)					
(100) Salaries	\$ 7,062,544	\$ 3,630,053	\$ 3,188,860	\$ 2,491,874	\$ 83,000
(200) Employer Provided Benefits	1,858,563	1,361,521	1,022,761	1,057,766	6,350
(300) Purchased Services	3,739,584	1,678,710	848,734	1,065,782	303,105
(400) Supplies and Materials	1,375,517	1,170,792	509,864	418,789	202,677
(500) Capital Outlay	-	36,895	25,545	-	-
(700) Transfers out	-	-	-	-	-
Total Expenditures	\$ 14,036,208	\$ 7,877,972	\$ 5,595,764	\$ 5,034,211	\$ 595,132

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues from Federal Sources	14,036,208	7,877,972	5,595,764	5,034,211	595,132
Revenues from Local Sources	-	-	-	-	-
Transfers in/Fund Balance Appropriated	-	-	-	-	-
Total Revenues	\$ 14,036,208	\$ 7,877,972	\$ 5,595,764	\$ 5,034,211	\$ 595,132
Expenditures (by Purpose)					
5110-Regular Curricular Services	\$ 1,606,681	\$ 1,256,414	\$ 454,482	\$ 557,025	\$ 260,424
5116-Homebound/Hospitalized Curricular Services	3,768	-	-	-	-
5120-CTE Curricular Services	158,670	125,395	137,334	115,544	102,576
5130-Program Enhancement	449,391	-	-	-	-
5132-Cultural Arts Curricular Services	23,145	-	-	-	-
5133-Physical Education Curricular Services	15,071	-	-	-	-
5134-Foreign Language Curricular Services	23,683	-	-	-	-
Total 5100 - Regular Instructional Services	2,280,407	1,381,809	591,816	672,569	363,000
5210-Children with Disabilities Curricular Services	2,876,792	1,570,533	1,399,439	1,265,836	63,065
5230-Pre-K Children with Disabilities Curricular Services	69,563	-	295,840	53,162	172
5240-Speech & Language Pathological Services	1,212,112	-	-	50,000	-
5260-Academically/Intellectually Gifted Curricular Services	10,765	-	-	-	-
5270-LEP Services	92,298	143,762	97,290	141,241	-
Total 5200 - Special Population Services	4,261,529	1,714,295	1,792,569	1,510,239	63,237
5310-Alternative Instructional Services K-12	83,738	84,560	608	-	-
5320-Attendance & Social Work Services	60,000	-	-	23,024	-
5330-Remedial & Supplemental K-12 Services	2,389,509	1,950,228	1,310,340	1,333,348	83,893
5340-Pre-K Readiness/Remedial & Supplemental	14,242	-	-	-	-

5350-Extended Day/Year Instructional Services	1,081,927	720,497	31,356	1,000	-
5360-School Extension Learning Recovery and Enrichment Program Instructional Services	-	-	-	-	-
Total 5300 - Alternative Program Services	3,629,416	2,755,285	1,342,304	1,357,372	83,893
5404-School Building Support Staff	538	-	-	-	-
Total 5400 - School Leadership Services	538	-	-	-	-
5810-Educational Media Services	12,315	-	-	-	-
5830-Guidance Services	138,000	-	-	-	-
5840-Health Services	449,767	106,503	144,209	-	-
5860-Instructional Tech Services	140,753	145,270	-	-	-
5870-Staff Development	15,000	-	3,653	-	10,000
5880-Parent Involvement Services	59,527	25,365	16,312	48,010	-
Total 5800 - School-Based Services	815,362	277,138	164,174	48,010	10,000
6120-Voc Curricular Support & Development Services	5,000	2,000	2,126	2,738	2,500
Total 6100 - Support and Development Services	5,000	2,000	2,126	2,738	2,500
6200-Spec Pop Support/Development Services	517,529	685,119	770,026	895,868	25,000
6201-Children W/Disabilities Support	59,881	294,047	378,686	-	-
Total 6200 - Special Population Support and Development Services	577,411	979,166	1,148,712	895,868	25,000
6300-Alternative Programs Support and Development Services	253,150	80,332	177,611	134,687	-
Total 6300 - Alternative Programs Support and Development Services	253,150	80,332	177,611	134,687	-

6540-Custodial/Housekeeping Serv	350,000	-	-	-	-
6550-Transportation of Pupils	455,954	149,356	25,000	10,000	-
Total 6500 - Operational Support Services	805,954	149,356	25,000	10,000	-
6620-Human Resource Services	102,253	-	206	-	-
Total 6600 - Financial and Human Resource Services	102,253	-	206	-	-
6940-Leadership Services	5,000	5,000	450	-	-
6950-Public Relations and Marketing Services	-	-	-	-	-
Total 6900 - Policy, Leadership, and Public Relations Services	5,000	5,000	450	-	-
7200-Nutrition Services	5,383	5,383	-	-	-
Total 7200 - Nutrition Services	5,383	5,383	-	-	-
8100-Pay to Other Governments & Transfers of Funds	469,555	243,812	166,980	202,206	21,583
Total 8100 - Payments to Other Governmental Units	469,555	243,812	166,980	202,206	21,583
8200-Unbudgeted Federal Grant Funds	825,250	284,396	183,816	200,523	25,918
Total 8200 - Unbudgeted Funds	825,250	284,396	183,816	200,523	25,918
Total Expenditures	\$ 14,036,208	\$ 7,877,972	\$ 5,595,764	\$ 5,034,211	\$ 595,132

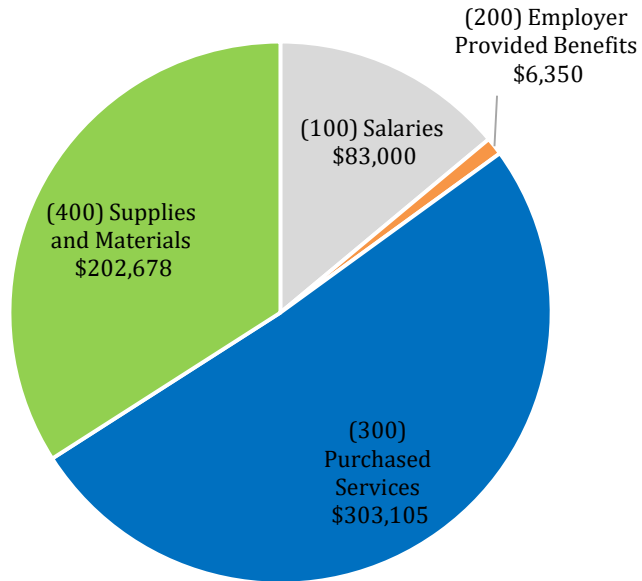
FY 2027-FY 2030 Federal Grants Fund Forecast (Trend Analysis)

	Budgeted FY 2027	Linear Regression Projection FY 2028	Linear Regression Projection 2029	Linear Regression Projection FY 2030
Revenues (by Source)				
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -
Revenues from Federal Sources	595,132	(2,289,917)	(4,238,290)	(7,158,291)
Revenues from Local Sources	-	-	-	-
Transfers in/Fund Balance Appropriated	-	-	-	-
Total Revenues	\$ 595,132	\$ (2,289,917)	\$ (4,238,290)	\$ (7,158,291)
Expenditures (by Object)				
(100) Salaries	\$ 83,000	\$ 78,850	\$ 74,908	\$ 71,162
(200) Employer Provided Benefits	6,350	6,033	5,731	5,444
(300) Purchased Services	303,105	287,950	273,552	259,875
(400) Supplies and Materials	202,677	192,543	182,916	173,770
(500) Capital Outlay	-	-	-	-
(700) Transfers out	-	-	-	-
Total Expenditures	\$ 595,132	\$ 565,375	\$ 537,107	\$ 510,251

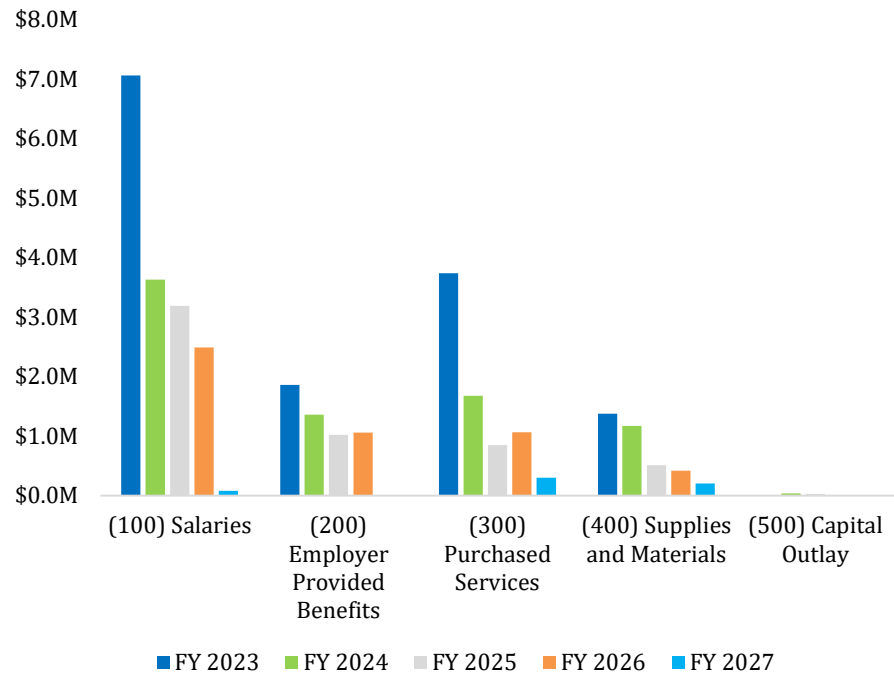
Note: These forecasts are strictly based on the statistical forecasting method of linear regression forecasting. This method does not account for external forces or qualitative data that may impact future funding levels. Therefore, these forecasts are not a prediction of the future but rather a deeper analysis of current funding and spending trends. For example, revenues with a linear forecast growing faster than the expenditures linear forecast would indicate sustainable spending trends. The opposite may indicate current spending trends are unsustainable. Both instances require more information and deeper analysis to be used in decision making processes.

FY 2023-FY 2027 Federal Grants Fund Budgeted Expenditure Analysis

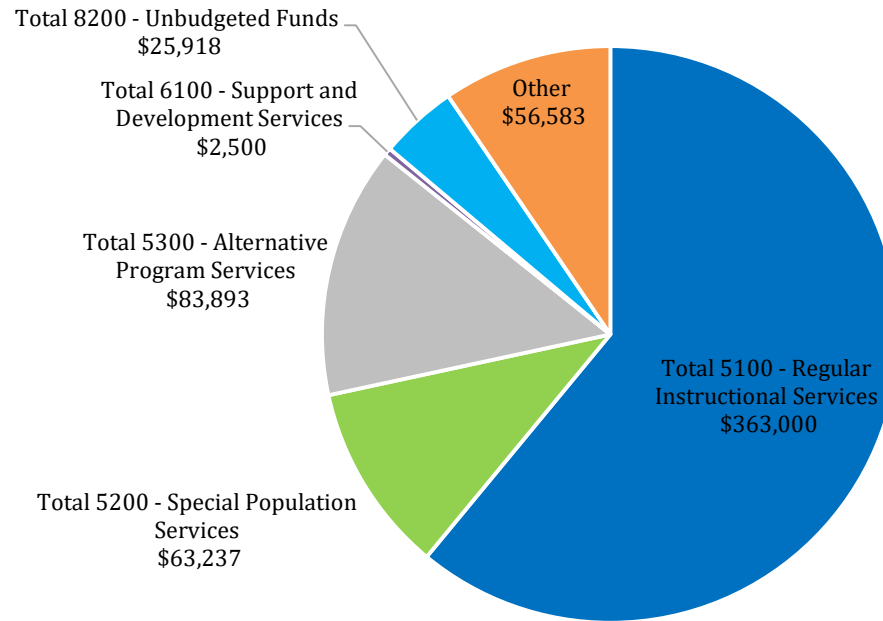
FY 2027 Federal Grants Fund Budgeted Expenditures by Object



Five Year Trends by Object



FY 2027 Federal Grants Fund Budgeted Expenditures by Purpose



Budget Commentary:

The Federal Grants Fund represents a majority of the revenues received by the District in the form of grants from the Federal Government. It is important to note with this fund that the revenues received are often on temporary timelines with an eventual expiration date. Therefore, it is difficult to compare historical data and use historical data as a guide for future years. Additionally, the Federal Grants received by the District are on different fiscal year timelines than the July – June timeline of the District. This creates a difficulty in adopting an accurate budget for this fund. The numbers used reflect the planning allotments provided by NCDPI as of the time of writing. It is likely that additional grants will be allotted throughout the year and the Federal Grants budget will be amended at a later date.

Capital Outlay Fund

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ 151,637	\$ 89,836	\$ 493,261	\$ 1,046,146	\$ 175,000
Revenues from Federal Sources	797,387	1,065,868	-	-	-
Revenues from Local Sources	27,192,043	25,332,190	23,128,485	31,798,421	56,480,071
Transfers in/Fund Balance Appropriated	1,409,732	654,874	302,099	7,029	-
Total Revenues	\$ 29,550,798	\$ 27,142,768	\$ 23,923,845	\$ 32,851,596	\$ 56,655,071
Expenditures (by Object)					
(100) Salaries	\$ 91,776	\$ 198,997	\$ 200,321	\$ 293,815	\$ -
(200) Employer Provided Benefits	36,639	78,850	79,192	121,167	-
(300) Purchased Services	982,369	3,429,229	3,416,892	6,341,172	2,413,426
(400) Supplies and Materials	5,800,308	5,176,199	3,974,753	12,445,729	1,528,122
(500) Capital Outlay	22,639,707	18,259,493	16,252,687	13,649,714	52,713,523
(700) Transfers out	-	-	-	-	-
Total Expenditures	\$ 29,550,798	\$ 27,142,768	\$ 23,923,845	\$ 32,851,596	\$ 56,655,071

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ 151,637	\$ 89,836	\$ 493,261	\$ 1,046,146	\$ 175,000
Revenues from Federal Sources	797,387	1,065,868	-	-	-
Revenues from Local Sources	27,192,043	25,332,190	23,128,485	31,798,421	56,480,071
Transfers in/Fund Balance Appropriated	1,409,732	654,874	302,099	7,029	-
Total Revenues	\$ 29,550,798	\$ 27,142,768	\$ 23,923,845	\$ 32,851,596	\$ 56,655,071
Expenditures (by Purpose)					
5110-Regular Curricular Services	\$ 1,137,886	\$ 1,328,718	\$ 429,039	\$ 172,172	\$ 213,580
5132-Cultural Arts Curricular Services	10,000	10,000	20,000	20,000	20,000
Total 5100 - Regular Instructional Services	1,147,886	1,338,718	449,039	192,172	233,580
5840-Health Services	74,883	-	-	-	-
Total 5800 - School-Based Services	74,883	-	-	-	-
6400-Technology Support Services	927,872	2,035,249	1,939,869	808,353	575,000
Total 6400 - Technology Support Services	927,872	2,035,249	1,939,869	808,353	575,000
6540-Custodial/Housekeeping Services	469,789	13,822	9,000	-	-
6550-Transportation of Pupils	5,000	5,000	1,373,642	871,146	-
6580-Maintenance Services	1,007,238	2,618,897	2,357,295	3,274,953	-
Total 6500 - Operational Support Services	1,482,027	2,637,718	3,739,937	4,146,099	-
6941-Office of The Superintendent	-	-	8,408	-	-
6943-Asst. Supt. For Support Services	159,147	-	-	-	-
Total 6900 -Policy, Leadership, and Public Relations Services	159,147	-	8,408	-	-
7200-Nutrition Services	159,148	45,000	45,000	19,170	20,000
Total 7200 - Nutrition Services	159,148	45,000	45,000	19,170	20,000

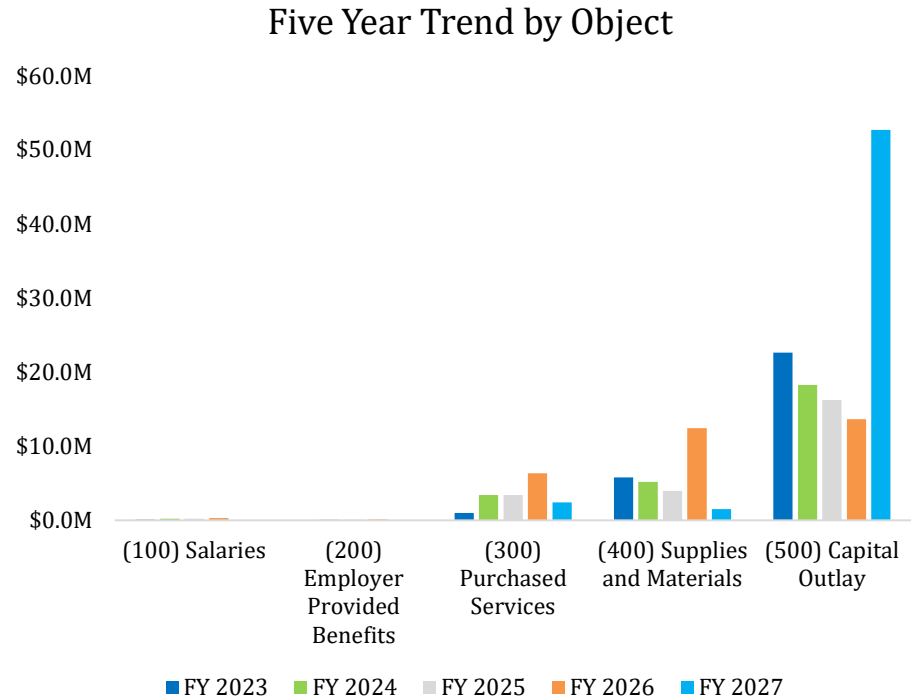
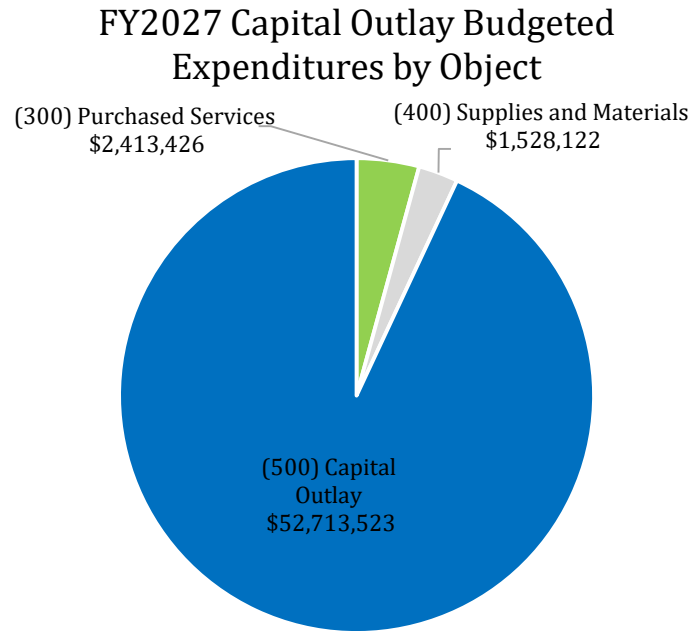
8300-Debt Service	23,856	56,836	-	-	-
Total 8300 - Debt Services	23,856	56,836	-	-	-
9000-Capital Outlay	25,689,350	21,029,247	17,741,592	27,685,802	55,826,491
Total 9000 - Capital Outlay	25,689,350	21,029,247	17,741,592	27,685,802	55,826,491
Total Expenditures	\$ 29,550,798	\$ 27,142,768	\$ 23,923,845	\$ 32,851,596	\$ 56,655,071

FY 2027-FY 2030 Capital Outlay Fund Forecast (Trend Analysis)

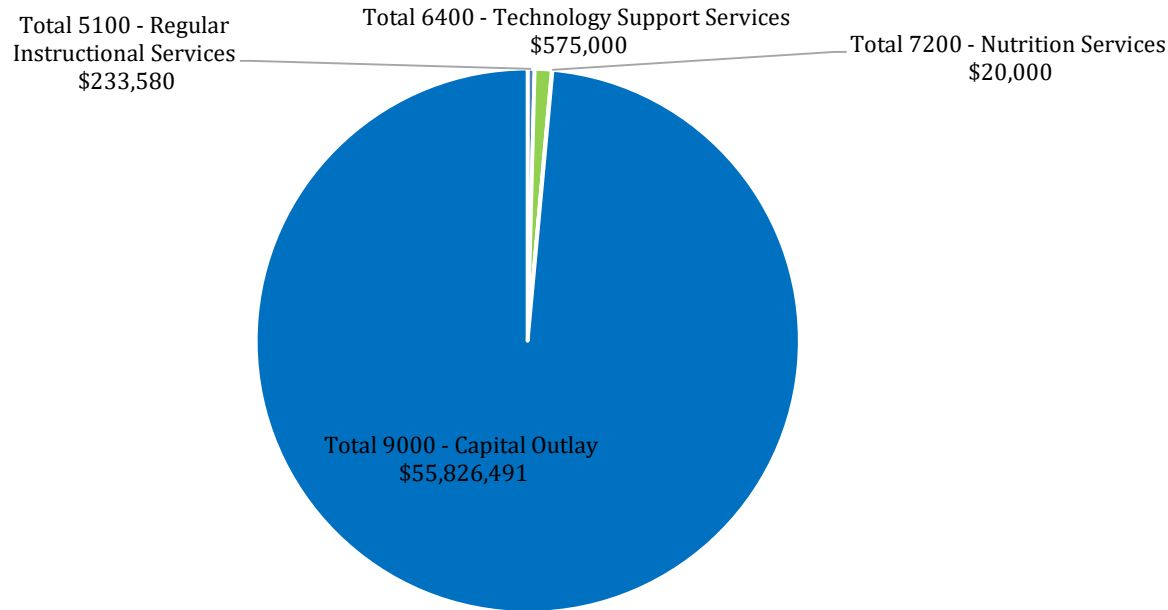
	Budgeted FY 2027	Linear Regression Projection FY 2028	Linear Regression Projection 2029	Linear Regression Projection FY 2030
Revenues (by Source)				
Revenues from State Sources	\$ 175,000	\$ -	\$ -	\$ -
Revenues from Federal Sources	-	2,139,792	2,408,273	-
Revenues from Local Sources	56,480,071	52,298,928	58,803,157	65,307,386
Transfers in/Fund Balance Appropriated	-	-	-	-
Total Revenues	\$56,655,071	\$ 54,438,720	\$ 61,211,430	\$ 65,307,386
Expenditures (by Object)				
(100) Salaries	\$ -	\$ 302,629	\$ 311,708	\$ 321,060
(200) Employer Provided Benefits	-	124,802	128,546	132,402
(300) Purchased Services	2,413,426	5,048,835	5,626,240	6,203,646
(400) Supplies and Materials	1,528,122	5,402,570	5,275,085	5,147,601
(500) Capital Outlay	52,713,523	41,364,381	46,918,166	52,471,951
(700) Transfers out	-	-	-	-
Total Expenditures	\$ 56,655,071	\$ 52,243,216	\$ 58,259,746	\$ 64,276,661

Note: These forecasts are strictly based on the statistical forecasting method of linear regression forecasting. This method does not account for external forces or qualitative data that may impact future funding levels. Therefore, these forecasts are not a prediction of the future but rather a deeper analysis of current funding and spending trends. For example, revenues with a linear forecast growing faster than the expenditures linear forecast would indicate sustainable spending trends. The opposite may indicate current spending trends are unsustainable. Both instances require more information and deeper analysis to be used in decision making processes.

FY 2023-FY 2027 Capital Outlay Budgeted Expenditure Analysis



FY 2027 Budgeted Capital Outlay Expenditures by Purpose



Budget Commentary:

The Capital Outlay Fund is funding that primarily comes from Orange County to improve and maintain the buildings around the District. The object code trends above show the introduction of the Carrboro Elementary School replacement project. A portion of the Capital Outlay Fund is allocated to identified projects and improvement in the Capital Investment Plan (CIP) each year. Major projects included in the approved CIP budget for the District is included below along with the funding sources to match the projects. Further information about completed, ongoing, and upcoming capital improvement projects can be found in the updates provided during the Finance and Facilities Committee meetings as well as in various Board of Education update items.

FY 2027-36 Major Projects in the Capital Investment Plan (CIP)

Major Projects

At the June 4th, 2024 Board meeting, the Board adopted the framework for new capital spending and asked that both districts submit bond plans based on their approved funding levels. These plans are to be based on the framework of the Woolpert Optimization Plan. This framework prioritizes replacing old facilities with new facilities and improving the educational adequacy of school buildings. The Bond and Supplemental Pay-Go funds would be used to fund these major projects. County Staff will work with both Districts to optimize the timeline of major projects. Any leftover funds from the the major projects can be reallocated to High Priority Needs.

Funding Source	Current Year FY25-26	Year 1 FY26-27	Year 2 FY27-28	Year 3 FY28-29	Year 4 FY29-30	Year 5 FY30-31	Year 6 FY31-32	Year 7 FY32-33	Year 8 FY33-34	Year 9 FY34-35	Year 10 FY35-36
Bond Funds	\$5,300,000	\$51,483,000	\$51,547,000	\$0	\$0	\$774,130	\$65,595,870	\$0	\$0	\$0	\$0
Pay-Go Funds	\$0	\$3,046,000	\$8,983,000	\$1,112,648	\$6,540,000	\$6,780,000	\$5,360,000	\$8,205,600	\$3,971,214	\$9,101,537	\$6,660,000
Totals	\$5,300,000	\$54,529,000	\$60,530,000	\$1,112,648	\$6,540,000	\$7,554,130	\$70,955,870	\$8,205,600	\$3,971,214	\$9,101,537	\$6,660,000
Total Cumulative Available Funding (All 10 Years)		\$229,159,999	\$174,630,999	\$114,100,999	\$112,988,351	\$106,448,351	\$98,894,221	\$27,938,351	\$19,732,751	\$15,761,537	\$6,660,000
Total Programmed Activities (Spend- Down)		\$54,529,000	\$60,530,000	\$1,112,648	\$6,540,000	\$7,554,130	\$70,955,870	\$8,205,600	\$3,971,214	\$9,101,537	\$6,660,000
Remaining Balance At Year End		\$174,630,999	\$114,100,999	\$112,988,351	\$106,448,351	\$98,894,221	\$27,938,351	\$19,732,751	\$15,761,537	\$6,660,000	\$0

School	Activity	Current Year FY25-26	Year 1 FY26-27	Year 2 FY27-28	Year 3 FY28-29	Year 4 FY29-30	Year 5 FY30-31	Year 6 FY31-32	Year 7 FY32-33	Year 8 FY33-34	Year 9 FY34-35
Carrboro Elementary	Replacement School	\$5,300,000	\$47,700,000								
Estes Hills Elementary	Replacement School				\$6,283,000	\$56,547,000					
Frank Porter Graham Bilingüe School	Replacement School							\$7,014,130	\$63,127,170		
McDougle Elementary	Low Slope Roof Replacement (Main Building) (W 2)										
McDougle Middle School	Metal Roof Repair/Replacement (Main/Gym) (W 3)								\$4,461,594		
Chapel Hill High School	Modified Bitumen Roof Replacement (D) (W 2)					\$6,000,000					
Morris Grove Elementary	Fire Suppression Replacement (W 1)							\$4,052,648			
Rashkis Elementary	Fire Suppression Replacement (W 1)									\$3,431,214	
Mary Scroggs Elementary School	Fire Suppression Replacement (W 1)								\$3,204,006		
Mary Scroggs Elementary School	Metal Roof Repair (W 3)				\$572,648						
Ephesus Elementary	Roof Replacement (Main Building) (W 2)										
District Wide	Bond Contingency							\$2,468,700			
Phillips Middle School	Ductwork Replacement (Main/Auditorium) (W 3)										\$2,746,208

Phillips Middle School	HVAC WSHP/Pump Replacement (Main) (W 4 to 2)										\$1,445,845
District Wide	Pay-Go Contingency			\$3,443,000				\$767,352			\$4,369,484
Seawell Elementary	Sidewalks/Concrete Replacement (Campus) (W 4)										
Phillips Middle School	Roof Exhaust Replacement (Main) (W 4)										
Smith Middle School	Roof Exhaust Replacement (Main) (W 4)										
East Chapel Hill High School	Science Fume Hood Replacement (W 4)										
East Chapel Hill High School	Make-up air Replacement (Main Building) (W 4)										
Grey Culbreth Middle School	Sink/Toilets/Shower Replacement (Main) (W 4)										
Grey Culbreth Middle School	Install ADA Compliant Curb Ramp (W 4)										
District Wide	Project Management	\$278,400	\$546,000	\$540,000	\$540,000	\$540,000	\$540,000	\$540,000	\$540,000	\$540,000	\$540,000

Other Local Revenues Fund

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ 700,000	\$ 1,053,647	\$ 602,140	\$ 642,821	\$ 600,000
Revenues from Federal Sources	2,968,421	3,383,026	3,554,012	3,658,819	3,894,279
Revenues from Local Sources	5,578,578	5,468,005	4,583,950	4,703,335	5,024,690
Transfers in/Fund Balance Appropriated	93,817	-	217,764	-	-
Total Revenues	\$ 9,340,816	\$ 9,904,678	\$ 8,957,866	\$ 9,004,975	\$ 9,518,969
Expenditures (by Object)					
(100) Salaries	\$ 4,589,067	\$ 4,803,751	\$ 3,896,019	\$ 4,834,425	\$ 5,559,061
(200) Employer Provided Benefits	1,348,891	1,744,546	1,374,792	283,652	357,829
(300) Purchased Services	2,904,288	3,066,766	3,611,150	3,667,464	3,502,579
(400) Supplies and Materials	498,570	289,615	75,905	195,015	99,500
(500) Capital Outlay	-	-	-	24,420	-
(700) Transfers out	-	-	-	-	-
Total Expenditures	\$ 9,340,816	\$ 9,904,678	\$ 8,957,866	\$ 9,004,975	\$ 9,518,969

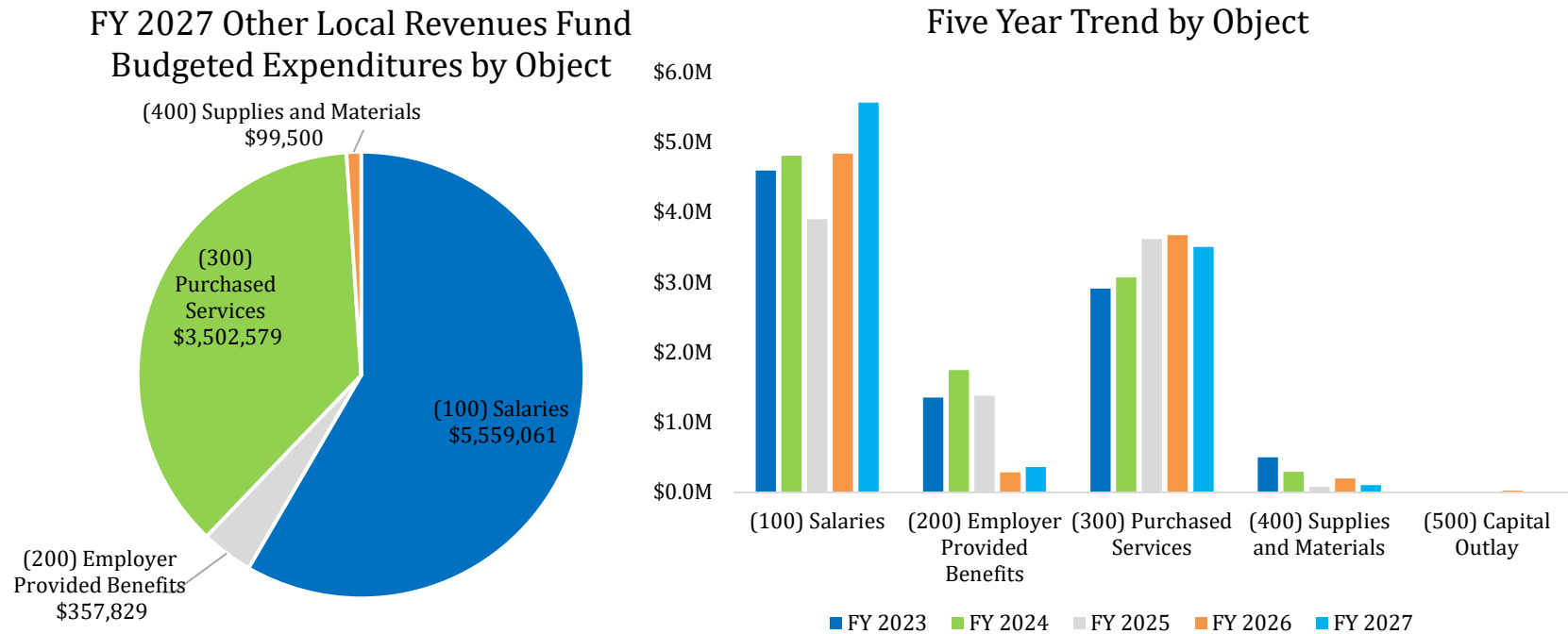
	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ 700,000	\$ 1,053,647	\$ 602,140	\$ 642,821	\$ 600,000
Revenues from Federal Sources	2,968,421	3,383,026	3,554,012	3,658,819	3,894,279
Revenues from Local Sources	5,578,578	5,468,005	4,583,950	4,703,335	5,024,690
Transfers in/Fund Balance Appropriated	93,817	-	217,764	-	-
Total Revenues	\$ 9,340,816	\$ 9,904,678	\$ 8,957,866	\$ 9,004,975	\$ 9,518,969
Expenditures (by Purpose)					
5110-Regular Curricular Services	\$ 283,598	\$ 416,854	\$ 885,748	\$ 380,818	\$ 231,000
Total 5100 - Regular Instructional Services	283,598	416,854	885,748	380,818	231,000
5210-Children with Disabilities Curricular Services	1,035,226	1,755,926	1,156,702	1,266,446	1,278,000
5230-Pre-K Children with Disabilities Curricular Services	415,618	346,567	320,046	286,100	275,000
5240-Speech & Language Pathological Services	76,543	-	-	-	-
5270-LEP Services	-	2,687	-	-	-
Total 5200 - Special Population Services	1,527,387	2,105,180	1,476,748	1,552,546	1,553,000
5320-Attendance & Social Work Services	524,093	882,846	1,030,660	890,577	1,125,000
5330-Remedial & Suppl K-12 Services	138,367	212,988	268,830	195,340	207,000
5340-Pre-K Readiness/Remedial & Supplemental	2,413,686	2,557,009	2,393,652	2,783,783	2,915,279
5353-Summer School Instruction	232,726	303,508	-	-	-
Total 5300 - Alternative Program Services	3,308,872	3,956,351	3,693,142	3,869,700	4,247,279
5503-School Clubs and Other Student Organizations	-	300	-	-	-
Total 5500 - Co-curricular Services	-	300	-	-	-
5830-Guidance Services	160,000	195,625	208,830	-	-
5840-Health Services	1,278,000	2,539,614	1,711,405	1,926,779	1,908,690
5841-Abc/Stud Health Services	37,000	40,000	40,000	25,000	20,000
5850-Safety and Security Support	570,000	656,331	814,081	960,681	900,000
5870-Staff Development	3,030,975	146,544	29,300	1,335	-
Total 5800 - School-Based Services	5,075,975	3,578,113	2,803,616	2,913,795	2,828,690

6110-Regular Curricular Support and Development Services	105,365	141,662	-	-	-
Total 6100 - Support and Development Services	105,365	141,662	-	-	-
6207-LEP Support and Development Services	126,179	135,000	-	-	-
Total 6200 - Special Population Support and Development Services	126,179	135,000	-	-	-
6304-Pre-K Readiness/Remedial and Supplemental Support Services	102,509	105,235	129,878	258,822	254,000
Total 6300 - Alternative Programs and Services Support and Development Services	102,509	105,235	129,878	258,822	254,000
6520-Printing and Copying Services	-	-	-	-	-
6550-Transportation of Pupils	-	-	-	-	375,000
Total 6500 - Operational Support Services	-	-	-	-	375,000
6610-Financial Services	-	100	-	-	-
Total 6600 - Financial and Human Resource Services	-	100	-	-	-
6840-Health Support Services	-	-	3,000	-	-
Total 6800 - System-wide Pupil Support Services	-	-	3,000	-	-
6940-Leadership Services	170,106	86,028	-	-	-
6942-Office of Asst. Supt. For Instruction	89,500	-	-	-	-
6945-Office of Strategic Planning	-	10,000	-	-	-
Total 6900 - Policy, Leadership, and Public Relations Services	259,606	96,028	-	-	-
8100-Payments to Other Governments & Transfers of Funds	49,187	72,000	44,399	29,294	30,000
Total 8100 - Payments to Other Governmental Units	49,187	72,000	44,399	29,294	30,000
Total Expenditures	\$ 9,340,816	\$ 9,904,678	\$ 8,957,866	\$ 9,004,975	\$ 9,518,969

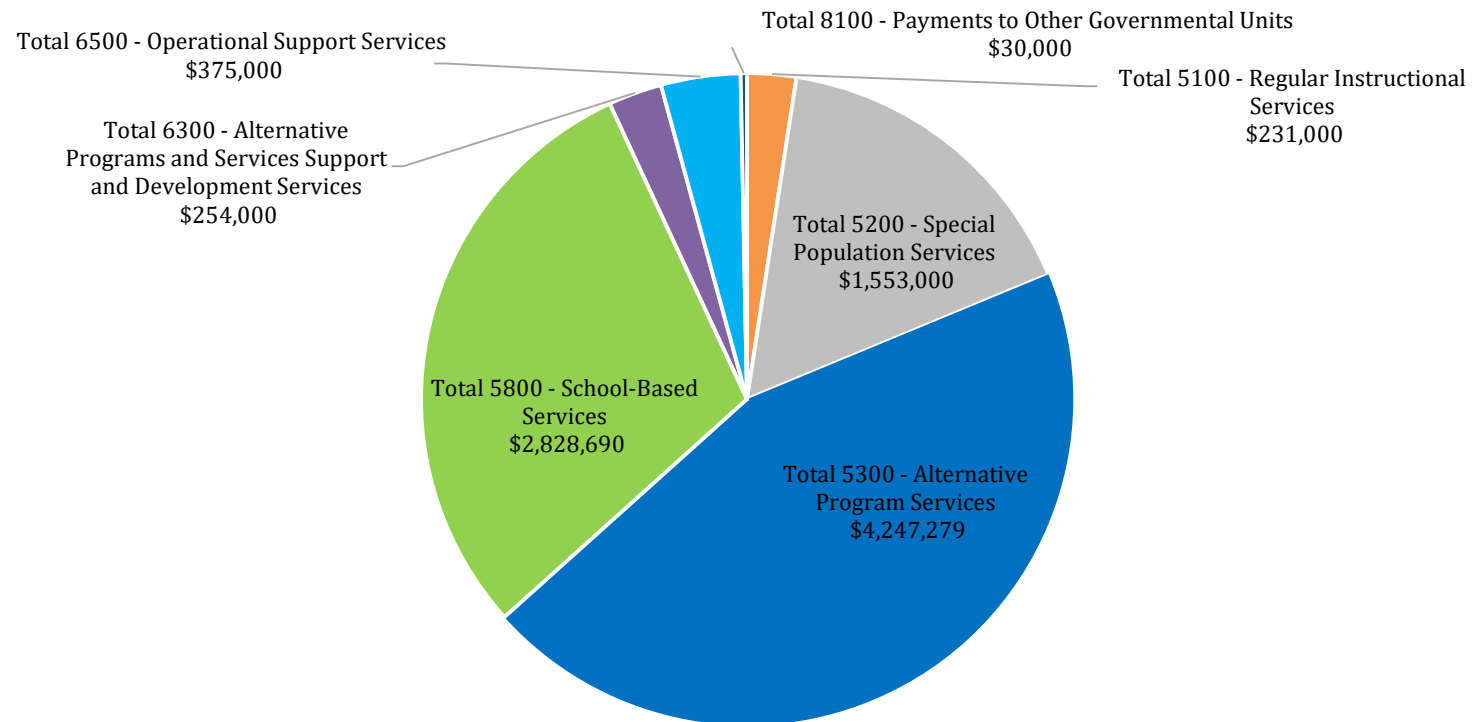
FY 2027-FY 2030 Other Local Revenues Fund Forecast (Trend Analysis)

	Budgeted FY 2027	Linear Regression Projection FY 2028	Linear Regression Projection 2029	Linear Regression Projection FY 2030
Revenues (by Source)				
Revenues from State Sources	\$ 600,000	\$ 536,474	\$ 475,391	\$ 414,309
Revenues from Federal Sources	3,894,279	4,129,964	4,342,715	4,555,466
Revenues from Local Sources	5,024,690	4,509,978	4,322,733	4,135,489
Transfers in/Fund Balance Appropriated	-	-	-	-
Total Revenues	\$ 9,518,969	\$ 9,176,416	\$ 9,140,839	\$ 9,105,263
Expenditures (by Object)				
(100) Salaries	\$ 5,559,061	\$ 4,979,458	\$ 5,128,841	\$ 5,282,707
(200) Employer Provided Benefits	357,829	292,162	300,926	309,954
(300) Purchased Services	3,502,579	3,889,633	4,069,361	4,249,089
(400) Supplies and Materials	99,500	(36,101)	(125,375)	(214,649)
(500) Capital Outlay	-	-	-	-
(700) Transfers out	-	-	-	-
Total Expenditures	\$ 9,518,969	\$ 9,125,152	\$ 9,373,754	\$ 9,627,101

Note: These forecasts are strictly based on the statistical forecasting method of linear regression forecasting. This method does not account for external forces or qualitative data that may impact future funding levels. Therefore, these forecasts are not a prediction of the future but rather a deeper analysis of current funding and spending trends. For example, revenues with a linear forecast growing faster than the expenditures linear forecast would indicate sustainable spending trends. The opposite may indicate current spending trends are unsustainable. Both instances require more information and deeper analysis to be used in decision making processes.

FY 2023-FY 2027 Other Local Revenues Fund Budgeted Expenditure Analysis

FY 2027 Other Local Revenues Fund Budgeted Expenditures by Purpose



Summary Data for Individual Funds

Actual FY 2023 – Projected FY 2030

Revenues by Source and Expenditures by Object and Purpose (Level Three Data)

Child Nutrition Fund

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues from Federal Sources	2,552,300	2,892,300	2,844,669	2,844,669	2,557,369
Revenues from Local Sources	1,967,000	1,967,000	2,028,570	2,028,570	1,991,918
Transfers in/Fund Balance Appropriated	73,633	73,633	79,017	79,017	-
Total Revenues	\$ 4,592,933	\$ 4,932,933	\$ 4,952,256	\$ 4,952,256	\$ 4,549,287
Expenditures (by Object)					
(100) Salaries	\$ 731,500	\$ 731,500	\$ 525,640	\$ 525,640	\$ 202,841
(200) Employer Provided Benefits	288,000	288,000	230,166	230,166	99,541
(300) Purchased Services	3,159,034	3,481,034	3,796,133	3,913,758	3,891,133
(400) Supplies and Materials	152,683	200,683	216,300	131,050	210,772
(500) Capital Outlay	261,716	231,716	184,017	151,642	145,000
(700) Transfers out	-	-	-	-	-
Total Expenditures	\$ 4,592,933	\$ 4,932,933	\$ 4,952,256	\$ 4,952,256	\$ 4,549,287

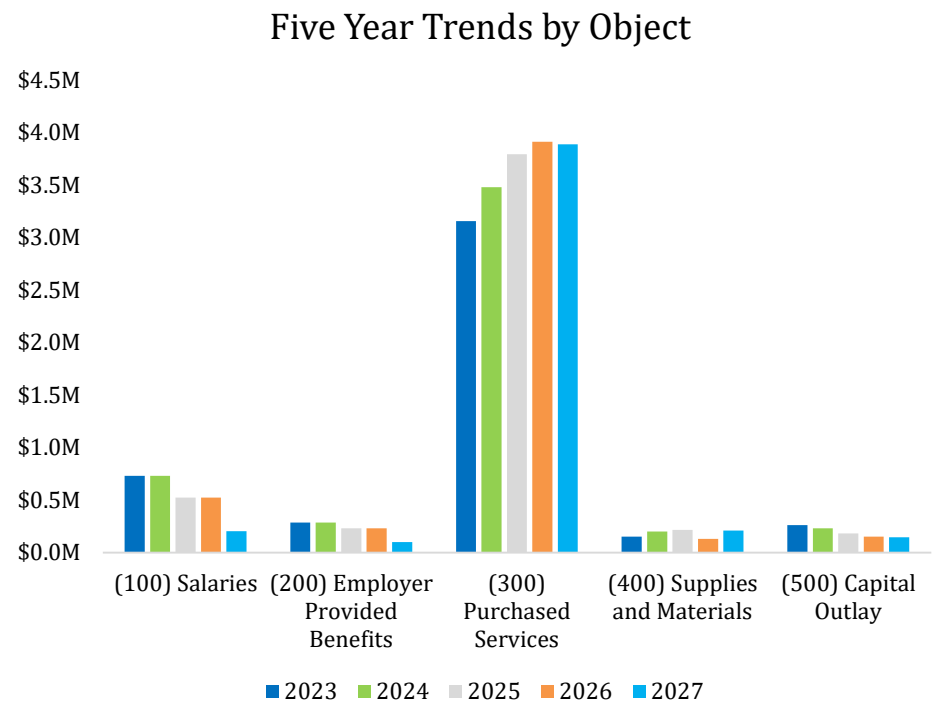
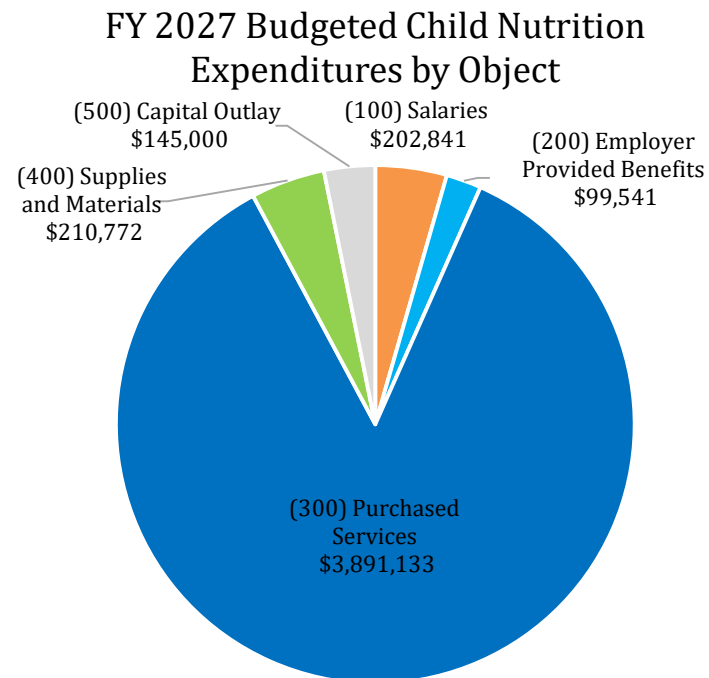
	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues from Federal Sources	2,552,300	2,892,300	2,844,669	2,844,669	2,557,369
Revenues from Local Sources	1,967,000	1,967,000	2,028,570	2,028,570	1,991,918
Transfers in/Fund Balance Appropriated	73,633	73,633	79,017	79,017	-
Total Revenues	\$ 4,592,933	\$ 4,932,933	\$ 4,952,256	\$ 4,952,256	\$ 4,549,287
Expenditures (by Purpose)					
7200-Nutrition Services	\$ 4,389,633	\$ 4,887,776	\$ 4,897,256	\$ 4,897,256	\$ 4,509,287
Total 7200 - Nutrition Services	4,389,633	4,887,776	4,897,256	4,897,256	4,509,287
8100-Payments to Other Governments & Transfers of Funds	203,300	45,157	55,000	55,000	40,000
Total 8100 - Payments to Other Governmental Units	203,300	45,157	55,000	55,000	40,000
Total Expenditures	\$ 4,592,933	\$ 4,932,933	\$ 4,952,256	\$ 4,952,256	\$ 4,549,287

FY 2027-FY 2030 Child Nutrition Fund Forecast (Trend Analysis)

	Budgeted FY 2027	Linear Regression Projection FY 2028	Linear Regression Projection 2029	Linear Regression Projection FY 2030
Revenues (by Source)				
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -
Revenues from Federal Sources	2,557,369	2,727,014	2,723,264	2,719,515
Revenues from Local Sources	1,991,918	2,030,033	2,041,174	2,052,315
Transfers in/Fund Balance Appropriated	-	-	-	-
Total Revenues	\$ 4,549,287	\$ 4,757,047	\$ 4,764,438	\$ 4,771,830
Expenditures (by Object)				
(100) Salaries	\$ 202,841	\$ 541,409	\$ 557,651	\$ 574,381
(200) Employer Provided Benefits	99,541	237,071	244,183	251,509
(300) Purchased Services	3,891,133	4,217,295	4,406,987	4,596,679
(400) Supplies and Materials	210,772	196,261	200,916	205,570
(500) Capital Outlay	145,000	-	-	-
(700) Transfers out	-	-	-	-
Total Expenditures	\$ 4,549,287	\$ 5,192,036	\$ 5,409,737	\$ 5,628,139

Note: These forecasts are strictly based on the statistical forecasting method of linear regression forecasting. This method does not account for external forces or qualitative data that may impact future funding levels. Therefore, these forecasts are not a prediction of the future but rather a deeper analysis of current funding and spending trends. For example, revenues with a linear forecast growing faster than the expenditures linear forecast would indicate sustainable spending trends. The opposite may indicate current spending trends are unsustainable. Both instances require more information and deeper analysis to be used in decision making processes.

FY 2023-FY 2027 Child Nutrition Budgeted Expenditure Analysis



Community Schools Fund

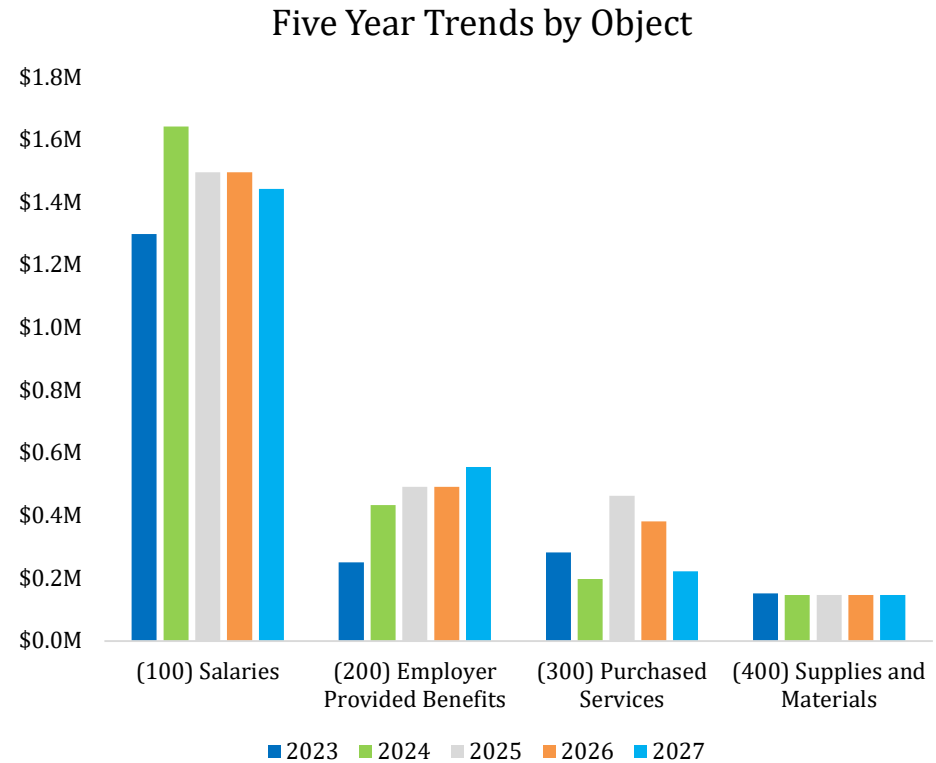
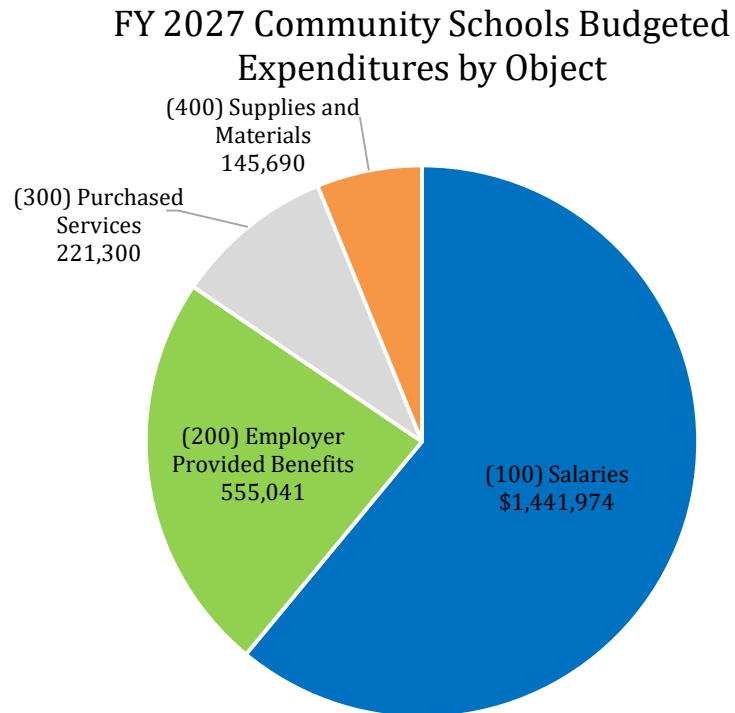
	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues from Federal Sources	-	-	82,000	-	-
Revenues from Local Sources	1,931,189	2,192,898	2,512,949	2,512,949	2,364,005
Transfers in/Fund Balance Appropriated	51,608	224,899	-	-	-
Total Revenues	\$ 1,982,797	\$ 2,417,797	\$ 2,594,949	\$ 2,512,949	\$ 2,364,005
Expenditures (by Object)					
(100) Salaries	\$ 1,298,633	\$ 1,641,321	\$ 1,494,785	\$ 1,494,785	\$ 1,441,974
(200) Employer Provided Benefits	250,605	433,597	491,407	491,407	555,041
(300) Purchased Services	281,979	197,189	463,067	381,067	221,300
(400) Supplies and Materials	151,580	145,690	145,690	145,690	145,690
(500) Capital Outlay	-	-	-	-	-
(700) Transfers out	-	-	-	-	-
Total Expenditures	\$ 1,982,797	\$ 2,417,797	\$ 2,594,949	\$ 2,512,949	\$ 2,364,005

	Final FY 2023	Final FY 2024	Final FY 2025	Final FY 2026	Budgeted FY 2027
Revenues (by Source)					
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues from Federal Sources	-	-	82,000	-	-
Revenues from Local Sources	1,931,189	2,192,898	2,512,949	2,512,949	2,364,005
Transfers in/Fund Balance Appropriated	51,608	224,899	-	-	-
Total Revenues	\$ 1,982,797	\$ 2,417,797	\$ 2,594,949	\$ 2,512,949	\$ 2,364,005
Expenditures (by Purpose)					
7100-Community Services	\$ 1,779,049	\$ 2,417,797	\$ 2,594,949	\$ 2,369,812	\$ 2,220,505
Total 7100 - Community Services	1,779,049	2,417,797	2,594,949	2,369,812	2,220,505
8100-Payments to Other Governments & Transfers of Funds	203,748	-	-	143,137	143,500
Total 8100 - Payments to Other Governmental Units	203,748	-	-	143,137	143,500
Total Expenditures	\$ 1,982,797	\$ 2,417,797	\$ 2,594,949	\$ 2,512,949	\$ 2,364,005

FY 2027-FY 2030 Community Schools Fund Forecast (Trend Analysis)

	Budgeted FY 2027	Linear Regression Projection FY 2028	Linear Regression Projection 2029	Linear Regression Projection FY 2030
Revenues (by Source)				
Revenues from State Sources	\$ -	\$ -	\$ -	\$ -
Revenues from Federal Sources	-	-	-	-
Revenues from Local Sources	2,364,005	2,658,503	2,777,071	2,895,640
Transfers in/Fund Balance Appropriated	-	-	-	-
Total Revenues	\$ 2,364,005	\$ 2,658,503	\$ 2,777,071	\$ 2,895,640
Expenditures (by Object)				
(100) Salaries	\$ 1,441,974	\$ 1,539,629	\$ 1,585,817	\$ 1,633,392
(200) Employer Provided Benefits	555,041	506,149	521,334	536,974
(300) Purchased Services	221,300	327,676	333,928	340,180
(400) Supplies and Materials	145,690	143,334	142,156	140,978
(500) Capital Outlay	-	-	-	-
(700) Transfers out	-	-	-	-
Total Expenditures	\$ 2,364,005	\$ 2,516,788	\$ 2,583,235	\$ 2,651,524

Note: These forecasts are strictly based on the statistical forecasting method of linear regression forecasting. This method does not account for external forces or qualitative data that may impact future funding levels. Therefore, these forecasts are not a prediction of the future but rather a deeper analysis of current funding and spending trends. For example, revenues with a linear forecast growing faster than the expenditures linear forecast would indicate sustainable spending trends. The opposite may indicate current spending trends are unsustainable. Both instances require more information and deeper analysis to be used in decision making processes.

FY2023-2027 Community Schools Budgeted Expenditure Analysis



INFORMATIONAL SECTION



Chapel Hill – Carrboro City Schools
750 S Merritt Mill Road, Chapel Hill, NC 27516
Web Site: chccs.org
Prepared by the Business and Financial Services Division
(919) 967-8211

Roadmap to the Informational Section

The Informational Section of this budget document provides even deeper statistical information that supplements and indirectly shapes the overall budget for the district. First is an analysis of the tax base, rates, and effects on the average tax payer in Orange County. The taxes collected by Orange County are the base of the funding in the District's Local Operating Budget. Next is an analysis of the District's student enrollments. These trends shape many aspects of the budget that are allocated per pupil and based on the enrollment levels. Following that are several tables outlining personnel, relevant bond information, and District performance measures. These are all important supplemental pieces of information about how the District operates efficiently and the student outcomes that are produced. The final parts of the section are a glossary of acronyms and a glossary of various terms that were used throughout the document.

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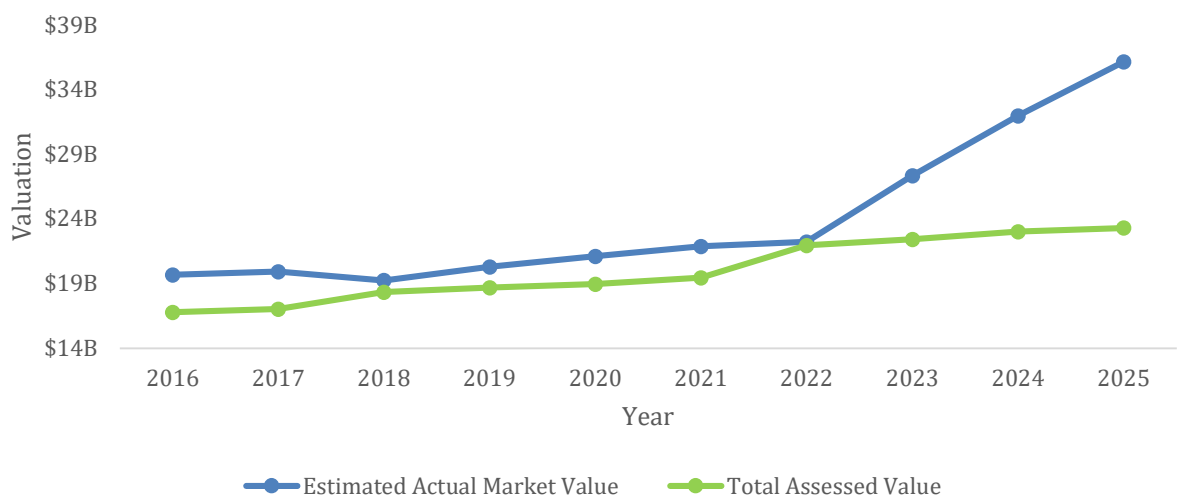
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Assessed Value of Taxable Property (Historical)

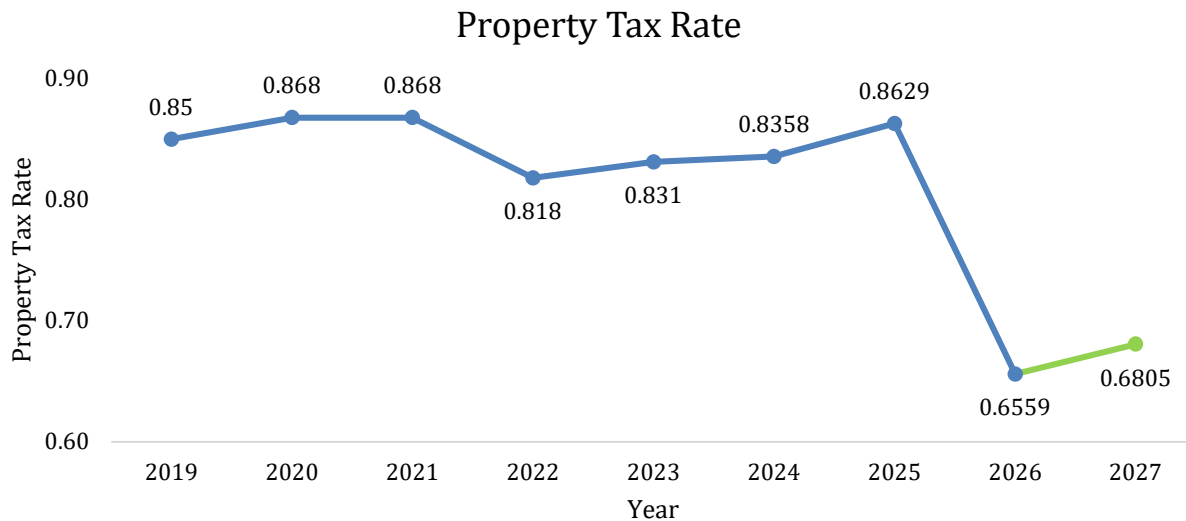
Real property taxes are levied on the assessed value of real estate owned by businesses, individuals, and public service corporations. Personal property taxes are levied on the assessed market value of tangible property such as vehicles, mobile homes, heavy equipment, machinery, and tools. Real property tax assessments are conducted by the County Assessor, while personal property assessments are conducted by the Commissioner of the Revenue. Both real and personal property taxes are levied on 100% of assessed market value. Rates are established per \$100 of assessed value. The total tax base and tax rates for Orange County over the last 10 fiscal years are summarized below:

Fiscal Year	Real Property	Personal Property	Public-Service Companies	Less Tax-Exempt Property	Total Assessed Value	Direct Tax Rate	Estimated Actual Market Value	Assessed Value as % of Actual Value
2025	20,663,526,391	2,224,043,539	428,558,631	86,592,786	23,316,128,561	0.8629	36,177,080,777	64.45%
2024	20,399,712,524	2,208,133,210	411,484,411	84,064,353	23,019,330,145	0.8353	31,984,397,417	69.47%
2023	20,915,506,497	1,504,996,150	386,793,191	81,256,223	22,421,502,597	0.8312	27,353,303,156	81.97%
2022	19,776,883,656	1,884,947,740	364,879,155	82,177,022	21,944,533,529	0.8187	22,233,569,938	98.70%
2021	17,333,962,055	1,769,659,485	346,332,873	77,934,293	19,449,954,413	0.8679	21,885,849,476	88.87%
2020	16,974,899,491	1,726,673,593	337,564,917	82,646,419	18,956,491,582	0.8679	21,116,733,410	89.77%
2019	16,603,198,106	1,821,061,820	337,735,426	80,381,765	18,681,613,587	0.8504	20,299,482,328	92.03%
2018	16,385,248,774	1,711,150,366	315,583,138	81,081,408	18,330,900,870	0.8377	19,247,060,972	95.24%
2017	15,168,750,327	1,620,578,558	306,434,830	71,244,631	17,024,519,084	0.8780	19,932,700,016	85.41%
2016	15,020,157,254	1,442,897,338	382,744,805	67,617,005	16,778,182,392	0.8780	19,676,536,170	85.27%

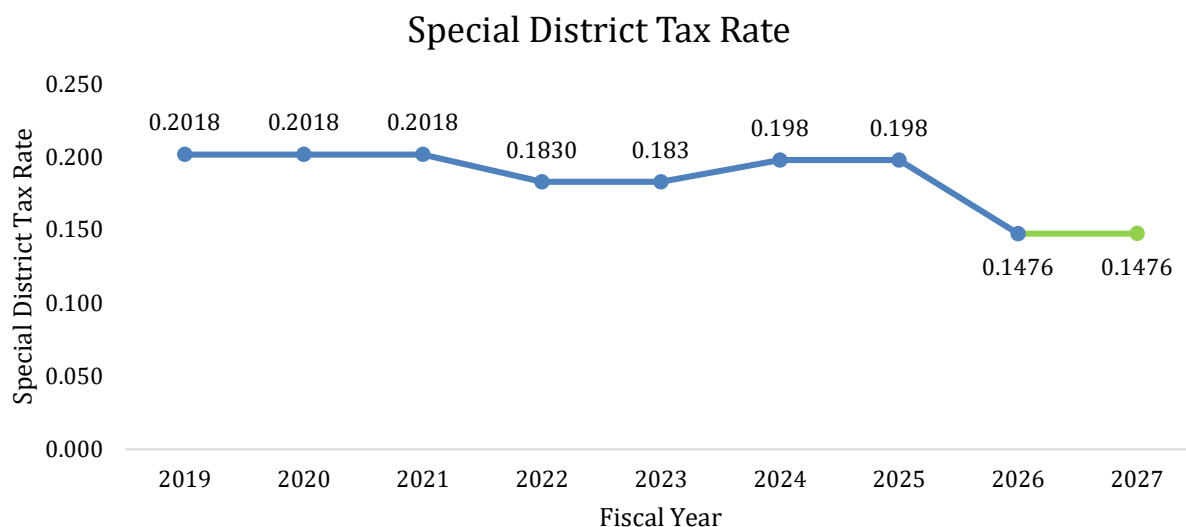
Source: Orange County Comprehensive Annual Report for the Fiscal Year 2024-25



There are two tax rates that are critical to the funding of our school district. These tax rates are managed and set by the Orange County Government during their annual budget adoption. The first rate to consider is the property tax rate (direct tax). The property rate is levied per \$100 of assessed value of the property. It is the primary revenue source for the County comprising of over 70% of revenues in the General Fund. The table below shows the property tax rate trend since 2019:



The second critical funding source for the school district comes in the form of the Special District Tax. This tax is levied per \$100 of assessed property value for tax payers located in the Chapel Hill-Carrboro City Schools District. The table below shows the Special District Tax rate trends since 2019:



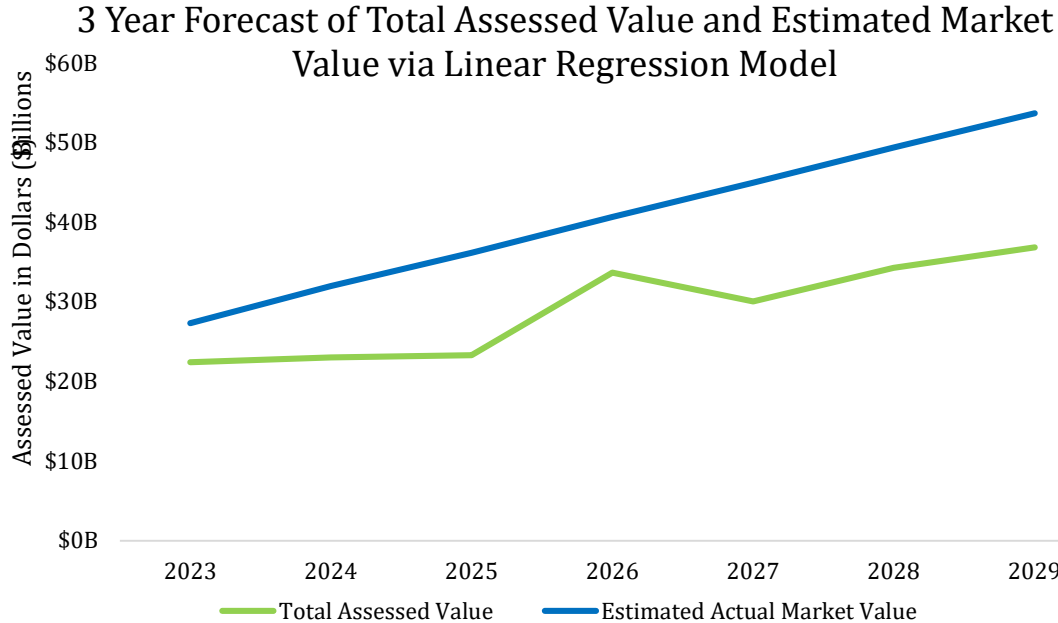
3 Year Projection of the Assessed Value of Taxable Property

The FY 2026-27 Orange County Commissioner Approved Annual Operating Budget states, “Taxes in this category reflect all taxable property valued as of January 2026. Revenues generated by current taxes are based on a tax rate of 68.05 cents per \$100 assessed valuation. This represents an approved tax rate increase of 4.22 over fiscal year 2025-26's rate. The County's budgeted real property tax base, personal and public utility tax base is projected to be \$32.1 billion for the 2026-27 fiscal year. The other component of the County's tax base is Motor Vehicles which is budgeted at \$1.9 billion in valuation.”

Type	Fiscal Year	Total Assessed Value	Estimated Actual Market Value
Actual	2023	22,421,502,597	27,353,303,156
Actual	2024	23,019,330,145	31,984,397,417
Actual	2025	23,316,128,561	36,177,080,777
County Estimate*	2026	33,656,658,801	40,662,038,071
Projection	2027	30,069,911,705	44,952,146,076
Projection	2028	34,276,950,424	49,372,153,607
Projection	2029	36,870,365,111	53,705,561,453

*Source: Orange County FY 2026-27 Commissioner Approved Annual Operating Budget

Note: The projections are made based on historical data and estimates in the FY 2026-27 Orange County Commissioner's Approved Budget



*District Projections made based on historical data and estimates in the FY 2026-27 Orange County Commissioner's Approved Budget

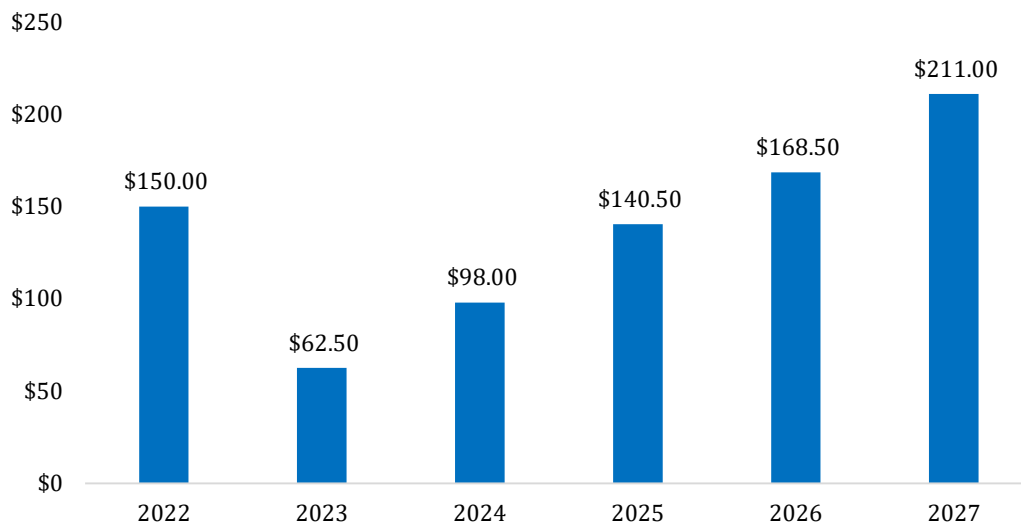
Tax Rate's Effect on the Average Taxpayer

Provided below is the historical and projected impact of the total direct tax rate levied by Orange County each fiscal year on a home in the Chapel Hill – Carrboro City Schools district valued at \$500,000. According to the North Carolina Department of Revenue (NCDOR), to properly calculate the tax bill on a property, “Multiply the applicable county and municipal/district combined tax rate to the county tax appraisal of the property.” Assuming the average county tax appraisal remained at \$500,000 each year the effects of the historical and projected tax rates on the average taxpayer are as follows:

					Current Year
	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Home Value at \$500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Chapel Hill - Carrboro City Schools Special District Tax Increase above the Revenue Neutral Rate (cents)	-	1.50¢	-	0.42¢	-
Total Direct Tax Rate (per \$100) Increase Above the Revenue Neutral Rate (cents)	1.25¢	0.46¢	2.81¢	2.95¢	4.22¢
Increase in Real Estate Taxes Applicable to Orange County	\$ 62.50	\$ 98.00	\$ 140.50	\$ 168.50	\$ 211.00

**Source: Orange County FY 2023-27 Commissioner Approved Annual Operating Budgets*

Increase in Real Estate Taxes Applicable to Orange County



Property Tax Rates and Collections in Orange County

Current Taxes – These taxes are the major revenue source in the General Fund comprising about 70% percent of the total General Fund revenue. Taxes in this category reflect all taxable property valued as of January 2026. Revenues generated by current taxes are based on a tax rate of 68.05 cents per \$100 assessed valuation. This represents an approved tax rate increase of 4.22 over fiscal year 2025-26's rate. The County's budgeted real property tax base, personal and public utility tax base is projected to be \$32.1 billion for the 2026-27 fiscal year. The other component of the County's tax base is Motor Vehicles which is budgeted at \$1.9 billion in valuation.

Delinquent Taxes – Taxes in this category include amounts of unpaid collectible property taxes from prior years. The estimate is based on the outstanding levy for prior year taxes at a collection rate consistent with past performance.

Interest on Delinquent Taxes – These revenues are related to the interest charges established by State Statutes on unpaid property taxes. Interest begins on taxes due as of January 6 at an interest rate of two percent for the first month and for each month that taxes are due, but not paid, the interest rate equals three-fourths of one percent each month.

Beer & Wine – These revenues are related to the annual taxes North Carolina local governments levy on beer and wine sales.

Tax rate trends were presented with the assessed value of taxable property analysis. The proposed revenue estimates are based on the District's projections of the total direct tax rate. Below is a table of Orange County Revenues from FY 2023 through FY 2027:

	FY 2023	FY 2024	FY 2025	FY 2026 County Original Budget	FY 2027 Commissioner Approved
Property Taxes	\$187,553,595	\$193,132,592	\$201,969,345	\$212,852,374	\$231,885,287
Sales Tax	43,396,780	42,643,725	44,139,012	44,145,403	45,346,787
Licenses and Permits	247,428	226,528	274,200	242,000	212,000
Intergovernmental	15,270,785	20,542,869	22,017,818	22,313,927	23,145,082
Charges for Services	14,248,687	13,912,281	15,103,690	16,005,107	15,971,934
Investment Earnings	1,809,873	2,362,680	1,800,000	1,800,000	1,800,000
Miscellaneous	5,136,799	3,734,876	1,000,011	956,775	1,393,160
Transfers from Other Funds	77,255	1,507,732	1,006,039	665,729	242,941
Appropriated Fund Balance	-	-	7,100,000	7,056,130	7,068,892
Total Revenue	\$267,741,202	\$278,063,284	\$294,410,115	\$306,037,445	\$327,066,083

Source: Orange County FY 2026-27 Commissioner Approved Annual Operating Budget

Alternative Tax Collections in Orange County

Article 39 One Cent - This is the original 1 percent local option sales tax levied by the County and is collected and distributed by the State based on local retail sales.

Article 40 Half-Cent (1st Half Cent) - Enacted by the County in late 1984, the State collects this revenue and returns it to local governments on a per capita basis. This revenue source is earmarked for both County and School capital projects and debt service.

Article 42 Half-Cent (Additional Half Cent) - The tax in this category is similar to the first half cent tax. The General Assembly authorized it in 1986. As with the Article 40 Sales tax, this tax is used to finance school and County capital projects, including debt service payment. There was a change in calculating Article 42 proceeds from a per capita to a point of sale formula during FY 2010-11.

Article 44 Half Cent (Third Half Cent) – Authorized by the General Assembly effective December 1, 2002, this tax replaced the reimbursements the State withheld from counties and cities, beginning in FY 2001-02. In FY 2007-08, the General Assembly enacted the Medicaid Relief/Sales Tax Swap (House Bill 1473), which phased out the County's share of Medicaid expenditures over a three-year period, from FY 2007-08 through FY 2009-10. In exchange, the County ceded Article 44 sales tax to the State beginning October 1, 2009. A small remainder of funds were provided back to the county each year through Article 44 section 524, which allocates a set percentage of sales tax revenue restricted to economic development, public education and community colleges.

Article 44 Hold Harmless — The North Carolina Department of Revenue reimburses the County with a hold harmless payment of the difference if expected Article 44 Sales Tax receipts do not replace State reimbursements to local entities that were repealed.

The table below shows historical values, the current year adopted values, and the proposed year values:

	FY 2023	FY 2024	FY 2025	FY 2026 Original Adopted	FY 2027 Commissioner Approved
Article 39 One Cent	\$ 16,430,626	\$ 17,030,801	\$ 17,856,804	\$ 17,718,846	\$ 18,339,006
Article 40 Half Cent	11,785,331	11,946,792	12,503,058	12,429,442	12,988,767
Article 42 Half Cent	8,240,839	8,532,318	8,956,144	8,877,023	9,187,719
Article 44 Half Cent	284,938	307,662	323,006	320,092	331,295
Hold Harmless Article 44	6,655,046	4,826,152	4,500,000	4,800,000	4,500,000
Sales Tax Total	\$ 43,396,780	\$ 42,643,725	\$ 44,139,012	\$ 44,145,403	\$ 45,346,787

Source: Orange County FY 2026-27 Commissioner Approved Annual Operating Budget

Student Enrollment Analysis

In the District, the budget process begins with an analysis of the upcoming student enrollment because of the many effects it has on funding and allotments. Many funding sources are allotted based on a per pupil count for the district, therefore a significant change in the student population can have a significant change on the budget available in a given year. Projecting beyond just the upcoming year allows the District to be forward-thinking in its preparation and mitigates some of the possibility of surprise changes in funding.

The methodology is important to consider because projections will always be subject to error and cannot account for unexpected or “black-swan” events, such as a global pandemic. However, utilizing the right methods can reveal important trends and provide rough estimates with an acceptable margin of error. The District has utilized a modified cohort survival method based on the previous five years of actual enrollments.

Cohort Survival Methodology

The cohort survival technique is a statistical forecasting method that uses historical data to compute a survival rate for selected cohorts and applies them to project progression into higher cohorts as time progresses. The District applied this using each grade level as a separate cohort.

A ratio is computed for each grade by dividing the enrollment in that grade by the previous grade from the previous school year. A projection for the following school year of a particular grade is computed by multiplying the enrollment in the previous grade by the ratio of this school year’s current enrollment at said grade and the previous school year’s enrollment in the previous grade. For example, to project a second-grade enrollment of year 1 (next school year), the second-grade enrollment of year 0 (current school year) would be divided by the first-grade enrollment for year -1 (prior school year). The subsequent ratio is then multiplied by the current first grade enrollment to obtain a projection for the upcoming year’s second grade enrollment.

The District has modified this technique slightly by calculating the ratios as an average of five years of data. Instead of calculating just one year to find the survival rate of a cohort, five years of ratios for each grade level are calculated and then the average ratio is applied to future years to get a projection. Using more historical data protects the model from an odd year skewing the data and provides a higher probability that the projected ratio is closer to the actual survival rate in future years.

Kindergarten rates are more difficult to project because there is no cohort below it to calculate a survival rate. The District analyzes the trends in resident birth data for Orange County 4-5 years prior to help project Kindergarten enrollment in a given year. There are many other demographic and economic factors that can affect Kindergarten enrollment in a given year, however it is difficult to monitor all of these. Birth data has proven to be an effective tool in forecasting Kindergarten enrollments so that is the District’s most efficient way to forecast this data.

The methodology begins with gathering the historical data. Several years of enrollment actuals are provided in the table below:

Historical Enrollment Counts

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
KIND	703	682	693	615	654	613
1st	806	758	708	758	664	675
2nd	794	812	761	717	786	664
3rd	785	823	834	789	754	790
4th	911	799	838	837	802	748
5th	927	908	823	867	862	799
6th	923	916	911	840	862	863
7th	990	925	939	928	847	862
8th	999	981	944	952	944	868
9th	1,035	1,066	1047	1,030	1,014	1,005
10th	982	1,005	1009	1,028	1,002	962
11th	966	922	965	948	952	953
12th	943	913	897	944	922	921
Total	11,764	11,510	11,369	11,253	11,065	10,727

Source: NCDPI's Statistical Profile

This historical data is used to calculate several years of cohort survival ratios. Historical resident birth rates show trends used to project Kindergarten enrollments. These data points are provided in the tables below:

Cohort Survival Ratios

Grade	FY 2024	FY 2025	FY 2026	Average
1st	1.09	1.08	1.03	1.07
2nd	1.01	1.04	1.00	1.02
3rd	1.04	1.05	1.01	1.03
4th	1.00	1.02	0.99	1.00
5th	1.03	1.03	1.00	1.02
6th	1.02	0.99	1.00	1.01
7th	1.02	1.01	1.00	1.01
8th	1.01	1.02	1.02	1.02
9th	1.09	1.07	1.06	1.07
10th	0.98	0.97	0.95	0.97
11th	0.94	0.93	0.95	0.94
12th	0.98	0.97	0.97	0.97

Historical Resident Birth Rates and Counts in Orange County

	2017	2018	2019	2020	2021	2022
Resident Birth Rate	8.1	7.8	7.8	7.4	8.0	7.8
Resident Births	1179	1134	1164	1105	1193	1,181

Source: North Carolina Vital Statistics, Volume 1 – 2017-2022

The projections produced by each of these calculations are provided in the table below:

Projected Enrollment Counts

Grade	FY 2027 Actual 10 th Day Enrollment	FY 2027 Originally Projected*	FY 2028 Projected*	FY 2029 Projected*	FY 2030 Projected*
KIND	576	582	571	559	548
1st	629	655	615	622	610
2nd	670	686	639	666	626
3rd	667	685	691	708	659
4th	781	793	670	687	694
5th	731	763	797	809	683
6th	783	803	735	767	801
7th	868	871	790	811	742
8th	866	878	884	887	805
9th	916	932	930	943	949
10th	994	973	887	902	900
11th	957	903	933	913	832
12th	922	927	931	879	908
Total	10,360	10,451	10,073	10,153	9,757

*Projections based on a modified cohort survival method

Personnel Resource Allocations

In the FY 2026-27 Adopted Budget, there are several previously enacted personnel changes that impacted the development of this budget's adoption. Faced with a difficult financial position, the District implemented a tiered reduction-in-force (RIF) plan to restructure various aspects and allotments across the District in FY 2024-25. Since then, the District has also experienced, and projects to continue to experience, significantly declining student enrollment. Much of the District's core funding is tied directly to student enrollment on a per pupil basis. As a result, the District has had to continue to adjust its staffing to maintain fiscal health and sustainability in the face of these negative trends. The table below shows historical trends in various employee groups and the projected impact of the declining enrollment on the staffing numbers for FY2027:

Year Ended June 30	Audited 2023	Audited 2024	Audited 2025	Budgeted 2026	Proposed 2027
Officials, Admins, Mgrs	36	42	42	39	37
Principals	20	20	20	20	20
Asst. Principals, Non-Teaching	27	30	30	25	25
Total Administrators	83	92	92	84	82
Elementary Teachers	378	365	356	345	336
Secondary Teachers	178	192	189	171	163
Other Teachers	359	363	370	352	352
Total Teachers	915	920	915	868	851
Guidance	38	40	40	38	38
Psychological	13	3	11	14	13
Librarian, Audiovisual	37	37	36	30	30
Consultant, Supervisor	19	15	15	15	15
Other Professionals	164	169	185	169	160
Total School-Based Support	271	264	287	266	256
Total Professionals	1,269	1,276	1,292	1,218	1,189
Teacher Assistants	324	302	291	277	269
Technicians	18	18	16	14	14
Clerical, Secretarial	97	101	92	87	87
Service Workers	137	102	59	105	105
Skilled Crafts	21	22	22	23	23
Totals	1,866	1,821	1,772	1,724	1,687

Source: FY 2025 CHCCS Comprehensive Annual Financial Report and District Estimates

Outstanding Bond Issues for Orange County

Series	Authorization Date	Original Authorization	Outstanding Amount	Purpose
GENERAL OBLIGATION (GO)				
2017A	11/14/2017	\$5,900,000	\$1,880,000	Schools, County
2017B	11/15/2017	21,000,000	17,230,000	Schools, County
2018	7/12/2018	64,400,000	50,080,000	Schools
2020	6/3/2020	20,060,000	16,040,000	Schools
2021	7/8/2021	2,500,000	2,125,000	County
2022	6/2/2022	14,540,000	13,080,000	Schools
Total GO Bonds		\$128,400,000	\$100,435,000	
INSTALLMENT NOTES PAYABLE				
Various Certificates of Participation		\$7,252,255	\$659,296	County, Vehicle, Sportsplex Supported, Solid Waste Supported
2015 - NM	6/25/2015	12,920,000	5,880,000	County, Vehicle, Sportsplex Supported, Solid Waste Supported, Water and Sewer
2017	11/16/2017	24,657,570	14,848,635	County, Schools, Sportsplex Supported, Solid Waste Supported
2017	11/16/2017	10,110,000	4,876,000	
2018	6/28/2018	7,175,000	3,015,000	County, Schools, Vehicle, Solid Waste
2019A	5/30/2019	12,760,000	8,280,000	Solid Waste Supported, Water and Sewer, Vehicle, Schools, County
2019 B	11/5/2019	28,893,970	15,509,453	County, Schools, Vehicle, Sportsplex Supported, Solid Waste Supported, Water
2020	5/8/2020	39,663,000	30,273,000	County, Schools, Sportsplex Supported, Solid Waste Supported
2021A	6/24/2021	18,490,000	13,300,000	County, Schools, Vehicle, Sportsplex Supported, Solid Waste Supported, Water
2022A	5/11/2022	6,885,000	5,224,000	County, Schools, Vehicle, Solid Waste
2022B	5/11/2022	32,483,000	29,229,000	County, Schools, Solid Waste Supported, Sportsplex Supported
2023A	5/16/2023	5,080,000	4,393,000	County, Schools
2023B	5/16/2023	9,218,000	8,714,000	County, Schools
2024A		9,250,000	9,250,000	County, Schools
2024B		2,080,000	2,080,000	County, Schools
2025		64,535,000	64,535,000	County, Schools
Total Installment Notes		\$291,452,795	220,066,384	
Total Long-Term Debt		\$419,852,795	\$320,501,384	

Source: Orange County FY 2024-25 Orange County Annual Comprehensive Financial Report

Performance Measures

Student Statistics

Year Ended June 30	Teaching Staff	Average Daily Membership	Pupil/Teacher Ratio	Student Attendance Percentage	Students Receiving Free/Reduced Lunch Percentage
2025	915	11,065	1:12	N/A	30.81%
2024	920	11,266	1:12	92.60%	28.59%
2023	915	11,371	1:12	92.94%	30.27%
2022	934	11,425	1:12	93.36%	22.49%
2021	937	11,645	1:13	97.72%	23.41%
2020	927	12,270	1:13	96.75%	23.83%
2019	925	12,296	1:13	95.40%	25.60%
2018	911	12,239	1:13	95.69%	27.45%

Source: FY 2025 CHCCS Annual Comprehensive Financial Report (ACFR)

Graduation Rates

Student Groups	State of North Carolina Cohort Graduation Rates 2025-2026	Chapel Hill-Carrboro Schools Cohort Graduation Rates 2025-2026
All Students	88.8	93.8
Male	86.8	92.9
Female	91.0	94.7
American Indian	85.7	*
Asian	>95	94.5
Black	87.2	88.6
Hispanic	83.9	88.2
Two or More Races	87.1	91.2
White	92.0	>95
Economically Disadvantaged	84.3	87.1
English Learner	76.8	84.7
Students with Disabilities	75.1	85.2
Academically Gifted	>95	>95

Source: NCDPI 2025-2026 Cohort Graduation Rate Reports

High School Dropout Counts and Rates, 2020-2021 through 2024-2025

LEA	LEA or Charter School	2020-21*		2021-22		2022-23		2023-2024		2024-2025	
		#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
000	North Carolina	9,147	1.94	7,194	1.53	9,147	1.94	9,365	1.88	8,017	1.62
681	Chapel Hill-Carrboro	12	0	18	0.46	25	0.62	27	0.67	48	1.20

Source: 2024-25 NCDPI Discipline, ALP, and Dropout Annual Reports

*In response to the COVID-19 pandemic, starting in March of the 2019-2020 school year and continuing through the 2020-2021 school year, public school units across the state employed unprecedented methods to ensure continued student learning by utilizing various modes of instruction and student outreach. As such, caution should be taken when comparing data reported for the 2019-2020 and 2020-2021 school years to data reported for prior and subsequent years.

District SAT Student Performance

2023					
School System & School	%		Total	ERW	Math
	# Tested	Tested			
United States (Public School Students)	1,608,613	NA	1003	510	493
North Carolina (Public School Students)	22,607	23.8	1122	567	556
Chapel Hill - Carrboro City Schools	452	50.6	1303	651	652
Carrboro High	80	47.3	1259	635	624
Chapel Hill High	155	43.1	1300	650	649
East Chapel Hill High	216	61.5	1325	659	665
Phoenix Academy High	<10	*	*	*	*
2024					
School System & School	%		Total	ERW	Math
	# Tested	Tested			
United States (Public School Students)	1,655,324	NA	995	507	488
North Carolina (Public School Students)	18,269	18.1	1166	591	576
Chapel Hill - Carrboro City Schools	408	43.2	1295	654	641
Carrboro High	69	36.3	1224	628	596
Chapel Hill High	168	42	1319	665	654
East Chapel Hill High	171	49.9	1300	653	647
Phoenix Academy High	<10	*	*	*	*
2025					
School System & School	%		Total	ERW	Math
	# Tested	Tested			
United States (Public School Students)	1,646,544	NA	996	508	488
North Carolina (Public School Students)	20,974	18%	1,170	590	580
Chapel Hill - Carrboro City Schools	456	49.5	1,294	654	640
Carrboro High	69	35.4	1266	649	617
Chapel Hill High	195	50.3	1287	652	636
East Chapel Hill High	191	57.5	1312	658	654
Phoenix Academy High	<10	*	*	*	*

Glossary of Acronyms

ABC – Alcoholic Beverage Control
AD – Athletic Director
ADA – Americans with Disabilities Act
ADM - Average Daily Membership
AIG – Academically/Intellectually Gifted
ALP – Alternative Learning Program
AP – Assistant Principal
A-ROI – Academic Return on Investment
ASBO – Association of School Business Officials
AT – Athletic Trainer
AVID – Advancement Via Individual Determination
BOE – Board of Education
BOCC – Orange County Board of County Commissioners
CAP – Corrective Action Plan
CBT – Cognitive Behavior Therapy
CDC – Centers for Disease Control
CHCCS – Chapel Hill – Carrboro City Schools
CIP – Capital Investment Plan
CN – Child Nutrition
COA – Chart of Accounts
COPS – Certificate of Participation
CTE – Career Technical Education
DBT – Dialectical Behavior Therapy
DL – Dual Language
DPI – Department of Public Instruction
EL – English Learners
ELA – English Language Arts
ERP – Enterprise Resource Planning
ERW – Evidence-Based Reading and Writing
ESSER – Elementary and Secondary School Emergency Relief Fund
FICA – Federal Insurance Contributions Act
FTE – Full Time Equivalent
FY – Fiscal Year
FYE – Fiscal Year Ended
GAAP – Generally Accepted Accounting Principles
GFOA – Government Finance Officers Association
GPS – Global Positioning System
GS – General Statute
HR – Human Resources
HS – High School
ISEED – Instructional Services, Equity & Engagement Division
ITF – Instructional Tech Facilitator
LEA – Local Education Agency
LEP – Limited English Proficiency

MBA – Meritorious Budget Award
MOE – Months of Employment
MTSS – Multi-tiered Systems of Support
NCASBO – North Carolina Association of School Business Officials
NCDHHS – North Carolina Department of Health and Human Services
NCDOR – North Carolina Department of Revenue
NCDPI – North Carolina Department of Public Instruction
NCVPS – North Carolina Virtual Public School
PBIS – Positive Behavioral Interventions and Supports
PE – Physical Education
PRC – Program Report Code
Pre-K – Pre-Kindergarten
PSAT – Preliminary SAT
REDP – Racial Equity Decision Protocol
RIF – Reduction in Force
RTP – Research Triangle Park
SAC – Staffing Allocation Committee
SAT – Scholastic Aptitude Test
SEL – Social and Emotional Learning
SGC – School Governance Council
SIT – School Improvement Team
SPSF – State Public School Fund
TA – Teacher Assistant
TBD – To Be Determined
TSERS – Teachers and State Employees Retirement System
UNC – University of North Carolina
USDA – United States Department of Agriculture
ZHVI – Zillow Home Value Index

Glossary of Terms

Accounts Payable - A short-term liability account reflecting amounts owed to private persons or organizations for goods or services received by a government.

Accounts Receivable - An asset account reflecting amounts due from private persons or organizations for goods or services furnished by a government (but not including amounts due from other funds or other governments).

Accrual Basis - The recording of the financial effects on a government of transactions, events, and circumstances that have cash consequences for the government in the periods in which those transactions, events, and circumstances occur; rather than only in the periods in which cash is received or paid by the government.

Allocation - The amount of funding appropriated to a school. Types of allocations include the per pupil allocation for instructional supplies, postage, library books, staff development, computer supplies, etc.

American with Disabilities Act (ADA) - Prohibits discrimination against individuals with disabilities and requires employers to provide reasonable accommodations to help those with disabilities in performing their jobs. An individual with a disability is defined by the ADA as a person with a serious physical or mental impairment that substantially limits a major life activity.

Amortization - (1) The portion of the cost of a limited-life or intangible asset charged as an expense during a particular period. (2) The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.

Appropriation - An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amounts and as to the time when it may be expended.

Average Daily Membership (ADM) - The aggregate membership of a school division divided by the number of days school is in session. ADM is a factor in the state funding formula.

Balance Sheet - A summarized statement, as of a given date, of the financial position of an entity by fund type presenting assets, liabilities, reserves, and fund balance.

Balanced Budget - A balanced budget is when there is neither a budget deficit nor a budget surplus. Total revenues equal total expenditures.

Basis of Accounting - A term used to refer to when revenues, expenditures, expenses, and transfers—and the related assets and liabilities—are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method.

Bond - A written promise to pay a specific amount of money (face value) and interest over a specific period of time.

Budget - A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed financing sources.

Budgetary Control - The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Capital Budget - A plan of proposed capital outlays and the means of financing them for the current fiscal period.

Capital Outlay and Capital Acquisition - All expenditures for equipment, equity leases, purchases of land which result in acquisition of, or additions to, fixed assets, except outlays for Capital Construction. Capital Outlay includes the purchase of assets, both replacement and/or additions that cost more than \$5,000, with a useful life of at least one year.

Capital Improvement Plan - The ten-year plan for school construction projects.

Capital Projects Funds - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Contracted Services - All expenditures for services acquired or purchased from sources outside the school system (i.e., private vendors, public authorities or other governmental entities). Purchase of the service must be on a fee basis or fixed time contract basis. Payments for leases and rentals, utilities, communications, and insurance are not included.

Debt Service (Lease Purchase) - All expenditures related to the repayment of debt, for example, vehicles purchased through lease agreements.

Every Student Succeeds Act (ESSA) - Federal legislation passed in December 2015 that replaced the No Child Left Behind Act (NCLB) and governs the United States K-12 public education policy.

Expenditures - Total charges incurred, whether paid or unpaid, for current costs.

Family Medical Leave Act (FMLA) - The FMLA of 1993 provides up to 12 weeks of unpaid leave to an employee who has worked for at least 1,250 hours and 12 months at a location where there are at least 50 employees employed by the employer within 75 miles. These 12 weeks of leave are provided for certain medical reasons such as pregnancy and birth of a child, caring for an immediate family member with a serious health condition or for an employee who has a serious health condition. Certain type of notice may need to be given to the employer for requesting such leave.

Fiscal Year - A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. CHCCS' fiscal year begins on July 1st and ends on June 30th.

Fixed Assets - Long-lived tangible assets obtained or controlled as a result of past transactions, events, or circumstances. Fixed assets include buildings, equipment, or improvements other than buildings and land. In the private sector, these assets are referred to most often as property, plant, and equipment.

Fringe Costs - All expenditures for job-related costs provided to employees as part of their total compensation. Fringe costs include the employer's portion of FICA, retirement, group insurance (health, dental, and life), unemployment, workers' compensation, and direct educational assistance.

Full-Time Equivalent (FTE) - Method of calculating hourly or part-time employees on a full-time position basis.

Fund - A fiscal and accounting entity with a self-balancing set of accounts recording assets and liabilities for specific activities of the school system.

Fund Balance - The excess of assets of a fund over its liabilities and reserves. Governmental Accounting Standards Board Statement No. 54 established five components: non-spendable, restricted, committed, assigned, and unassigned.

General Ledger - A record containing the accounts needed to reflect the financial position and the results of operations of a government. In double-entry bookkeeping, the debits and credits in the general ledger are equal (i.e., the debit balances equal the credit balances.)

Governmental Accounting Standards Board (GASB) – The independent private-sector organization that establishes accounting and financial reporting standards for U.S. state and local governments that follow Generally Accepted Accounting Principles (GAAP).

General Accepted Accounting Principles (GAAP) - Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the GASB.

Grants - Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity or facility.

Insurance - All expenditures for insurance except those which are related to personal services and which are reflected under Fringe Costs (i.e., group health, group life, unemployment compensation, worker's compensation, etc.).

Leases and Rentals - All expenditures for payments of non-equity leases and rentals. Includes leases, which are capitalized and rental of land, structures, and equipment. Payments made under equity type lease/purchase agreements are not included here, but under Capital Leases.

Liabilities - Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services by other entities in the future as a result of past transactions or events.

Modified Accrual Basis - The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments (e.g. bond issue proceeds) are recognized when they become susceptible to accrual; that is when they become both “measurable” and “available to finance expenditures of the current period.”

“Available” means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the fund liability is incurred except for (1) inventories of materials and supplies that may be considered expenditures either when purchased or when used, and (2) prepaid insurance and similar items that may be considered expenditures either when paid for or when consumed. All government funds, expendable trust funds, and agency funds are accounted for using the modified accrual basis of accounting.

Object Code - Line item that denotes purpose of expenditures.

Operating Budget - Plans of current expenditures and the proposed means of financing them. The annual operating budget (or, in the case of some state governments, the biennial operating budget) is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even when not required by law, annual operating budgets are essential to sound financial management and should be adopted by every government.

Per Pupil Allocation - An allocation to a school based on the type and number of students enrolled.

Personnel - All expenditures to compensate persons in the employment for direct labor including full-time and part-time employees.

Property Tax - An ad valorem tax that an owner is required to pay on the value of the property being taxed. The property tax rate is often given as a percentage. It may also be expressed as a per \$100 of taxable amount.

Revenue - The income of a government agency from taxation and other sources.

Risk Management - All the ways and means used to avoid accidental loss or to reduce its consequences if it does occur.

Taxes - Compulsory charges levied by a government to finance services performed for the common benefit. This term does not include specific charges made against particular persons or

property for current or permanent benefits, such as special assessments. Neither does the term include charges for services rendered only to those paying such charges (e.g., sewer service charges.)

Utilities - All expenditures for electrical, heating, water, and sewage services provided to school system owned and operated buildings, and facilities, regardless of whether the service is provided by a private enterprise, authority, or an enterprise fund operated by the school system.

Additional Information: FY 2026-27 Local Personnel Allotment Formulas

Elementary School Formulas

Position	FTE	Formula
Base School Allotments		
Administration (PRC 005)		
Principal	1	per school (12 months)
Assistant Principal	1	per school (12 months)
Classroom Teachers (PRC 001)		
Classroom teachers K	1	per 18 in ADM or DL 1 per 24 ADM
Classroom teachers 1	1	per 16 in ADM or DL 1 per 24 ADM
Classroom teachers 2	1	per 17 in ADM or DL 1 per 24 ADM
Classroom teachers 3	1	per 17 in ADM or DL 1 per 24 ADM
Classroom teachers 4	1	per 24 in ADM (all)
Classroom teachers 5	1	per 24 in ADM (all)
Teacher Assistants (PRC 027)		
Teacher Assistants K	1	per Homeroom
Teacher Assistants 1	1	per Homeroom
Teacher Assistants 2	1	per Homeroom
Teacher Assistants 3	1	per Homeroom
Teacher Assistants 4 & 5	1	per school
Dual Language TA (if DL school)	0.25	additional per 4th & 5th grade Homeroom (if DL school is >500 ADM)
Program Enhancement (PRC 004)		
Music	1	per school
Physical Education	1	per school if <500 ADM (1.5 if >500 ADM)
Art	1	per school
Elementary Foreign Language (Grades 1-5)	1	if ADM < 500
	1.5	if ADM > 500
Instructional Support		
Instructional Coaches	1	per school
Interventionist	1	per school
Dual Language Interventionist	1	per Dual Language School

Gifted Specialist	1	per school
Media Specialist	1	per school
School Counselors	1	per school
School Health Personnel		
Nurses	1	per school
Social Worker	1	per school
Office Support		
Bookkeeper	1	per school (12 months)
Data Manager	1	per school (12 months)
Custodial Staff		
Lead Custodian	1	per school
Additional Program Allotments (<i>all non-tradeable</i>)		
Exceptional Children (PRC 032)		
EC Teacher (General)		Formula Based on Ratio and Service Delivery
EC Teacher- Behavior (BEST)		Formula Based on Ratio and Service Delivery
EC Teacher- OCS		Formula Based on Ratio and Service Delivery
EC Teacher (Adapted)		Formula Based on Ratio and Service Delivery
General Classroom Teacher Assistants		Formula Based on Ratio and Service Delivery
Adapted Classroom Teacher Assistants		Formula Based on Ratio and Service Delivery
Multi Language Learning (PRC 054)		
MLL Teacher	1	per 40-45 MLL ADM from need-based weighted formula
Title I Program (PRC 050)		
Title I Teacher		Formula based on Title I Grant Preparation
Title I Interventionist		Formula based on Title I Grant Preparation
PreK Program (PRC 055)		
PreK Teacher		Formula Based on HeadStart, NC PreK, and Tuition based Blended Enrollment
PreK Teacher Assistant		Formula Based on HeadStart, NC PreK, and Tuition based Blended Enrollment

Athletics/Extra Curriculars		
Activity Units (\$400 each)		10 units
Co-curricular Assignments		N/A

Middle School Formulas

Position	FTE	Formula
Base School Allotments		
Administration (PRC 005)		
Principal	1	per school (12 months)
Assistant Principal	1	per school (12 months)
Classroom Teachers (PRC 001)		
Core Subjects and Electives 6	1	1 per 20 ADM
Core Subjects and Electives 7	1	1 per 20 ADM
Core Subjects and Electives 8	1	1 per 20 ADM
Math Teacher (additional)	1	per school
Dual Language Program		
Middle School Dual Language (if DL school)	2	per school if ADM < 725
	3	per school if ADM >725
Instructional Support		
Instructional Coach	1	per school
Reading Interventionist	1	per school
Math Interventionist	1	per school
AVID	1	per school
Gifted Specialist	1	per school
Media Specialist	1	per school
Media Assistant	1	per school
School Counselors	1	per grade (2 @ 10.5 months, 1 @ 11 months)

School Health Personnel		
Nurses	1	per school
Social Worker	1	per school
Mental Health Specialist	0.5	per school
Restorative Practice Coach	1	per school (Certified)
Office Staff		
Bookkeeper	1	per school (12 months)
Data Manager	1	per school (12 months)
Receptionist	1	per school (11 months)
Guidance Secretary	1	per school (11 months)
Custodial Staff		
Lead Custodian	1	per school
Custodian	1	per school
Additional Program Allotments (all non-tradable)		
CTE Teachers (PRC 013)		
Vocational/CTE	3	per school
Multi Language Learning (PRC 054)		
MLL Teacher	1	per 40-45 MLL ADM from need-based weighted formula
Exceptional Children (PRC 032)		
EC Teacher (General)		Formula Based on Ratio and Service Delivery
EC Teacher- Behavior (BEST)		Formula Based on Ratio and Service Delivery
EC Teacher- OCS		Formula Based on Ratio and Service Delivery
EC Teacher (Adapted)		Formula Based on Ratio and Service Delivery
General Classroom Teacher Assistants		Formula Based on Ratio and Service Delivery
Adapted Classroom Teacher Assistants		Formula Based on Ratio and Service Delivery
Athletics/Extra Curriculars		
Athletic Coaches	25	per school
Athletic Director	0.5	per school
Activity Units (\$400 each)		20 units
Co-curricular Assignments		12 assignments

High School Formulas

Position	FTE	Formula
Base School Allotments		
Administration (PRC 005)		
Principal	1	per school (12 months)
Assistant Principal	1	if <600 ADM
	2	if 601 - 1,250 ADM
	3	if 1,251 - 1,750 ADM
	4	if 1,751 - 2,250 ADM
Classroom Teachers (PRC 001)		
Core and Electives 9	1	per 24 ADM
Core and Electives 10	1	per 24 ADM
Core and Electives 11	1	per 24 ADM
Core and Electives 12	1	per 24 ADM
Additional Teachers		
AVID	1	per school
Reading Teacher	1	per school
Small High School	2	per school if <1,000 ADM
Instructional Support		
Instructional Coaches	1	per school
Math Coach	1	per school
Instructional Tech Facilitator	1	per school (12 months)
Testing Coordinator	1	per school (Certified)
Theater Tech	1	per school (12 months)
Online Learning Assistant (NCVPS)	1	per school
Study Hall	1	per school
Media Specialist	1	per school
Media Assistant	1	per school
Guidance		Based on ADM:
		CHS - 3 FTE
		CHHS - 5 FTE
		ECHHS - 5 FTE
		(1 per school is 12 m, remaining are 11 m)
504 Coordinator	1	per school

School Health Personnel		
Nurses	1	per school
Mental Health Specialist	1	per school
Social Worker	1	if <1,000 ADM
	1.5	if 1,001 - 1,500 ADM
	2	if 1,501 ADM+
Restorative Practice Coach	1	per school (Certified)
Office Staff		
Bookkeeper	1	per school (12 months)
Data Manager	1	per school (12 months)
Guidance Secretary	1	per school (12 months)
Principal Secretary	1	per school (12 months)
Clerical Assistant/Receptionist	1	per school (12 months)
Security Guard	3	per school (1 @ 6 hrs. daily after-hours)
Custodial Staff		
Lead Custodian	1	per school
Custodian	2	per school
Additional Program Allotments (all-nontradable)		
Multi Language Learning (PRC 054)		
MLL Teacher	1	per 40-45 MLL ADM from need-based weighted formula
CTE Program		
Vocational/CTE		Formula based on CTE funding
Career Development Coordinator (CTE)	1	per school
Special Populations Coordinator (CTE)	1	per school
Exceptional Children (PRC 032)		
EC Teacher (General)		Formula Based on Ratio and Service Delivery
EC Teacher- Behavior (BEST)		Formula Based on Ratio and Service Delivery
EC Teacher- OCS		Formula Based on Ratio and Service Delivery
EC Teacher (Adapted)		Formula Based on Ratio and Service Delivery
General Classroom Teacher Assistants		Formula Based on Ratio and Service Delivery
Adapted Classroom Teacher Assistants		Formula Based on Ratio and Service Delivery

Athletics/Extra Curriculars		
Athletic Coaches	49	per school
Athletic Director	1	per school (11 months)
Athletic Trainer	1	per school
Activity Units (\$400 each)		40 units
Co-curricular Assignments		24 assignments

Chapel Hill - Carrboro City Schools
Base Non-Salary Allotment Formulas
Budget Year 2027

Description	Budget Code	Allocation Type	Elementary	Middle	High	Other
Instructional Supplies - STATE	1.5110.061.411	per ADM	\$ 30	\$ 30	\$ 30	\$ 50
At-Risk Students	2.5330.069.143	per ADM	\$ 13	\$ 13	\$ 13	\$ 20
Field Trips	2.5110.061.333	per ADM	\$ 3	\$ 3	\$ 3	\$
Staff Development	2.5870.028.312	per FTE Factor	\$ 90	\$ 90	\$ 90	fixed
Safe Schools/Violence Prevention	2.5850.069.411	per School	\$ 2,000	\$ 12,000	\$ 16,500	\$ 2,000
Event Security	2.5850.069.311	per ADM	\$ 5	\$ 10	\$ 15	\$ -
Instructional Supplies	2.5110.061.411	per ADM	\$ 21	\$ 21	\$ 21	\$ 21
Cultural Arts	2.5132.061.411	per School	\$ 900	\$ 5,400	\$ 7,100	\$ 400
Literacy Materials	2.5330.061.411	per ADM	\$ 3	\$ 3	\$ 3	fixed
Media Center Supplies	2.5810.061.411	per ADM	\$ 12	\$ 12	\$ 12	fixed
ITF Media PD	2.5810.028.312	per School	\$ 1,000	\$ 1,000	\$ 1,000	fixed
Athletics	2.5501.061.411	per School	\$ -	\$ 20,000	\$ 75,000	\$ -
Athletic Travel	2.5501.003.331	per School	\$ -	\$ 10,000	\$ 50,000	\$ -
Co-Curricular	2.5503.061.411	per ADM	\$ 2	\$ 5	\$ 18	fixed
Travel- School Admin Office	2.5400.003.332	per School	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,200
Administrative Supplies	2.5400.061.411	per ADM	\$ 3	\$ 3	\$ 5	fixed
Custodial Supplies Pre 1990	2.6540.003.411	per Sq. Ft	\$ 0.035	\$ 0.035	\$ 0.035	fixed
SIT Funds	2.5880.061.411	per School	\$ 1,030	\$ 1,030	\$ 1,030	\$ 500
Commencement	2.5830.061.411	per Sec School	\$ -	\$ 500	\$ 2,700	\$ -
Local Extra-Duty School Discretionary	2.5400.061.411	Activity Units	10	20	40	-
FICA for Extra-Duty	2.5400.061.411	Percentage	7.65%	7.65%	7.65%	7.65%
Retirement for Extra-Duty	2.5400.061.411	Percentage	26.10%	26.10%	26.10%	26.10%
CAPITAL Classroom Furniture/Equip	4.5110.001.461	per ADM	\$ 20	\$ 20	\$ 20	\$ fixed

Additional Information: FY 2026-27 State Planning Allotment Formulas

Planning Allotment - Base PRCs		
Category	Basis of Allotment (Funding Factors are rounded.)	
Classroom Teachers (PRC 0001) <i>Grades Kindergarten</i> <i>Grade 1</i> <i>Grades 2 - 3</i> <i>Grades 4 - 6</i> <i>Grades 7 - 8</i> <i>Grade 9</i> <i>Grades 10 - 12</i> <i>Math/Science/Computer</i> <i>Teachers</i> <i>International Faculty</i>	The average Teacher salary increase is n/a at Planning. 1 per 18 in ADM. 1 per 16 in ADM. 1 per 17 in ADM. 1 per 24 in ADM. 1 per 23 in ADM. 1 per 26.5 in ADM. 1 per 29 in ADM. 1 per county or based on sub agreements. IFE Conversions are calculated at the Teacher statewide average salary including benefits (\$79,325).	
Central Office Administration (PRC 0002)	Increase by LEA from 2025-26 Initial Allotments is 0.11% before the allotment proration of 90.84%.	
Noninstructional Support Personnel (PRC 0003)	\$337.11 per ADM. \$6,000 per Textbook Commission members for Clerical Assistants.	
Program Enhancement (PRC 0004)	1 per 1:191 in K-5 ADM.	
School Building Administration (PRC005) Principals Assistant Principals	Schools opening prior to 7/1/2011 are eligible for 1 per school with at least 100 ADM or at least 7 state paid teachers or instructional support personnel. Schools opening after 7/1/2011 are eligible for 1 per school with at least 100 ADM. 1 month per 98.53 ADM (rounded to nearest whole month).	
School Health Personnel (PRC 0006)	1 position per LEA; additional positions per 440.48 ADM rounded to the nearest whole position.	
Instructional Support (PRC 0007)	1 per 429.08 ADM rounded to the nearest whole position.	
Career Technical Ed. - MOE (PRC 0013)	Base of 50 Months of Employment per LEA with remainder distributed based on ADM in grades 8-12. (LIMITED FLEXIBILITY- Salary Increase). Planning was prorated at 97.90% per funds available.	
Career Technical Ed. - Program Support (PRC 0014)	\$10,000 per LEA with remainder distributed based on ADM in grades 8-12 (\$37.98 per ADM).	
Small County Supplemental Funding (PRC 019)	ADM <	Allotment
	1,300	1,820,000
	1,700	1,774,700
	2,000	1,729,400
	2,300	1,684,100
	2,600	1,638,800
	2,800	1,593,500
	3,300	1,548,200
Please see the allotment policy Manual for Special Provisions.		
Disadvantaged Student Supplemental Funding (PRC 0024)	See the Allotment Policy Manual for formula for allocating supplemental funding to address the capacity needs of LEAs in meeting the needs of disadvantaged students. Planning was prorated at 99.98% per funds available.	
Teacher Assistants (PRC 0027)	The number of classes is determined by a ratio of 1:21. The Funding Factor of \$47,681 K - 2 TAs per every 3 classes; Grades 1-2 - 1 TA for every 2 classes; and Grade 3 - 1 TA for every 3 classes.	
Low Wealth Supplemental Funding (PRC 0031)	See the Allotment Policy Manual for formula allocating supplemental funds to eligible LEAs that are located in counties that do not have the ability to generate revenue to support public schools at the state average level. Planning was prorated at 94.20% per funds available.	
Academically or Intellectually Gifted Students (PRC 0034)	\$1,503.43 per child for 4% of ADM.	
Transportation (PRC 0056)	Planning Allotments are provided by Office of Transportation/Operations. At least 95% of the budget will be released at the time of Initial Allotments (per Transportation formula). Any reserved funds must be distributed after April 1 of that fiscal year and be allocated to all school units based on efficiency.	
Classroom Materials/Instructional Supplies/Equipment (PRC 0061)	\$31.11 per ADM plus \$2.69 per ADM in grades 8 and 9 for PSAT Testing	
At-Risk Student Services (PRC 0069)	Each LEA receives the dollar equivalent of one resource officer (\$91,310) per high school. Of the remaining funds, 50% is distributed based on ADM (\$103.00 per ADM) and 50% is distributed based on number of poverty children, per the federal Title 1 Low Income poverty data (\$511.35 per child in poverty). Each LEA receives a minimum of the dollar equivalent of two teachers and two instructional support personnel (\$332,440). Planning was prorated at 99.87% per funds available.	

Supplemental Funds for Teacher Compensation (PRC 0071)	See the Allotment Policy Manual for formula for allocating supplemental funding to eligible LEAs.
Textbooks (PRC 0131)	\$37.15 per ADM in grades K-12.

Initial Allotment per HB125 - Non-Base PRCs	
Category	Basis of Allotment (Funding Factors are rounded.)
Driver Training (PRC 0012)	\$223.98 per public, charter, private and federal 9th Grade ADM.
School Technology (PRC 0015)	\$11.93 per ADM in grades K-12 including ready to open independent public schools.
Children with Disabilities (Exceptional Children) (PRC 0032)	
<i>School-Aged</i>	\$5,601.11 per funded child count. Child count is comprised of the lesser of the December 1 handicapped child count or a 13% cap of the allotted ADM. Planning was prorated at 98.95% per funds available.
<i>Preschool</i>	Base of \$79,325 per LEA; remainder distributed based on December 1 est. child count of ages 3, 4, and PreK- 5, (\$5,528.06) per child.
<i>Developmental Day Care (3-21) (PRC 063), Community Residential Centers (PRC 089 effective FY24-25), Group Homes (PRC 089 effective FY24-25)</i>	Approved applications, revisions, and grants.
Limited English Proficiency (PRC 0054)	Base of a teacher asst. (\$47,681); remainder based 50% on number of funded LEP students (\$580.32) and 50% on an LEA's concentration of LEP students (\$3,046.52). Planning was prorated at 99.74% per funds available.

Employee Benefits	
Category	Basis of Allotment
Hospitalization	\$8,925 per position per year.
Retirement	26.10% of total salaries.
Social Security	7.65% of total salaries.

Statewide Average Salaries		
Category	Base	Base + Benefits
Classroom Teachers	\$53,525	\$79,325
Program Enhancement Teachers	\$53,475	\$79,258
Principals	\$7,601	\$10,766
Assistant Principals (MOE)	\$6,499	\$9,450
School Health Personnel	\$60,329	\$88,327
Instructional Support	\$59,247	\$86,895
Career Technical Ed. (MOE)	\$5,352	\$7,931
School Resource Officer	\$62,583	\$91,310
Note: Dollars for 2026-27 position/month allotments are based on LEA's average salary including benefits, rather than the statewide average salary. They are still position/month allotments, and you must stay within the positions/months allotted. This calculation is necessary to determine your LEA's allotment per ADM for charter and lab schools.		

Additional Information: Description and Explanation of Line Items

Purpose Codes

Purpose means the reason for which something exists or is used. Purpose includes the activities or actions that are performed to accomplish the objectives of a local school administrative unit. For budgeting and accounting purposes, expenditures of a local school administrative unit are classified into five purposes as follows:

- 5000 Instructional Services**
- 6000 System-Wide Support Services**
- 7000 Ancillary Services**
- 8000 Non-Programmed Charges**
- 9000 Capital Outlay**

The “purpose dimension” is broken down into a function level at the second digit and, where appropriate, into a sub-function level at the third digit. The fourth digit of this dimension is not currently required by NCDPI, but is highly recommended for your use to further break down the purpose of the expenditure. NCDPI, however, will replace the last digit of the purpose code with a zero (0) for NCDPI reporting purposes.

Instructional Services (5000)

Instructional services include the costs of activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities. It may also be provided through some other approved medium. Included here are the costs of salaries and benefits for teachers, instructional assistants, instructional leadership and support staff, as well as contracted instructional services, instructional supplies, materials, and equipment, professional development, and any other cost related to direct instruction of students. Costs of activities involved in evaluating, selecting, and implementing textbooks and other instructional tools and strategies, curriculum development, demonstration teaching, and delivering staff development are also included here. Any site-based instructional supervisor or coordinator coded to this function should spend at least 75% of his/her time on these duties.

5100 Regular Instructional Services

Cost of activities that provide students in grades K-12 with learning experiences to prepare them for activities as workers, citizens, and family members. They include costs of those individuals responsible for providing school curriculum development and coordination as well as lead teachers for regular instructional services. (Not included are those programs designed to improve or overcome physical, mental, social and/or emotional impediments to learning.)

5200 Special Populations Services

Costs of activities for identifying and serving students (in accordance with state and federal regulations) having special physical, emotional, or mental impediments to

learning. Also included are those students identified as needing specialized services such as limited English proficiency and gifted education. They include costs of those individuals responsible for providing school curriculum development and coordination as well as lead teachers for special populations' services. (Certain categories of funds require that expenditures coded here must be in addition to regular allotments such as classroom teachers, textbooks, etc.) These programs include pre-kindergarten, elementary, and secondary services for the following groups of students.

5300 Alternative Programs and Services

Costs of activities designed to identify students likely to be unsuccessful in traditional classrooms and/or to drop out and to provide special alternative and/or additional learning opportunities for these at-risk students. They include costs of those individuals responsible for providing school curriculum development and coordination as well as lead teachers for alternative programs and services. Programs include summer school instruction, remediation, alcohol and drug prevention, extended day, services to help keep students in school, as well as alternative educational settings, instructional delivery models, and supporting services for identified students.

5400 School Leadership Services

Costs of activities concerned with directing and managing the learning opportunities for students within a particular school. These activities also include the work of clerical staff, in support of the teaching and leadership functions.

5500 Co-Curricular Services

Costs of school-sponsored activities, under the guidance and supervision of LEA staff, designed to motivate students, provide enjoyable experiences, and assist in skill development. Co-curricular activities normally supplement the regular instructional program and include such activities as band, chorus, choir, speech and debate. Also included are student-financed and managed activities such as clubs and proms.

5600 Reserved for Future Use

5700 Reserved for Future Use

5800 School-Based Support Services

Costs of school-based student and teacher support activities to facilitate and enhance learning opportunities for students. These include the areas of educational media services, student accounting, guidance services, health, safety and security support services, instructional technology services, and unallocated staff development.

5900 Reserved for future use

System-Wide Support Services (6000)

System-wide support services include the costs of activities providing systemwide support for school-based programs, regardless of where these supporting services are based or housed. These

services provide administrative, technical, personal, and logistical support to facilitate, sustain, and enhance instruction. Included here are the costs of salaries and benefits for program leadership, support and development and associated support staff, contracted support services, supplies, materials and equipment, professional development, and any other cost related to the system-wide support for the school-based programs of the school system. Costs of activities involved in developing/administering budgets, authorizing expenditures of funds, evaluating the performance of subordinates, developing policies and/or regulations for the District are included here.

6100 Support and Development Services

Cost of activities that provide program leadership, support, and development services for programs providing students in grades K-12 with learning experiences to prepare them for activities as workers, citizens, and family members (Not included are program leadership, support and development services for programs designed to improve or overcome physical, mental, social and/or emotional impediments to learning.)

6200 Special Population Support and Development Services

Costs of activities to provide program leadership, support, and development services primarily for identifying and serving students (in accordance with state and federal regulations) having special physical, emotional, or mental impediments to learning. Also included are support and development services for those students needing specialized services such as limited English proficiency and gifted education. These programs include pre-kindergarten, elementary, and secondary services for the special populations.

6300 Alternative Programs and Services Support and Development Services

Costs of activities to provide program leadership, support, and development services for programs designed to identify students likely to be unsuccessful in traditional classrooms and/or to drop out and to provide special alternative and/or additional learning opportunities for these at-risk students. Costs related to state Assistance Teams are also included here. Programs include summer school instruction, remediation, alcohol and drug prevention, extended day, services to help keep students in school, as well as alternative educational settings, instructional delivery models, and supporting services for identified students.

6400 Technology Support Services

Costs of central based activities associated with implementing, supporting and maintaining the computer hardware, software, peripherals, technical infrastructure which provide technology system services to the LEA. Also included is the development and implementation of technological systems; and technology user support services for the LEA.

6500 Operational Support Services

Costs of activities for the operational support of the school system such as printing and copying services, communication services, utility services, transportation of students, facilities, planning and construction, custodial and housekeeping services, maintenance

services, and warehouse and delivery services. (Do not include any costs which may be coded to one or more specific purpose functions.)

6600 Financial and Human Resource Services

Costs of activities concerned with acquisition, management, reporting and protection of financial resources; and with recruitment, retention, placement, and development of human resources for the LEA.

6700 Accountability Services

Cost of activities concerned with the development, administration, reporting and analysis of student progress. This area includes the testing and reporting for student accountability, such as end of grade and end of course testing, disaggregation, analysis, and reporting of school and student performance. This area also includes the planning, research development and program evaluation costs of the school system.

6800 System-wide Pupil Support Services

Costs of activities that provide program leadership, support, and development services for system-wide pupil support activities for students in grades K-12. These areas include educational media support, student accounting support, guidance support, health support, safety and security support, and instructional technology support system-wide services.

6900 Policy, Leadership and Public Relations Services

Costs of activities concerned with the overall general administration of and executive responsibility for the entire LEA.

Ancillary Services (7000)

Activities that are not directly related to the provision of education for pupils in a local school administrative unit. These include community services, nutrition services and adult services provided by the school system.

7100 Community Services

Costs of activities which are not directly related to the provision of educational services in an LEA. These include services such as community recreation activities, civic activities, and community welfare activities provided by the LEA

7110 Child Care Services

Costs of activities which are not directly related to the provision of educational services in an LEA. These include services such as activities of custody and care of children provided by the LEA. Before and After School Care would also be included here.

7200 Nutrition Services

Costs of activities concerned with providing food service to students and staff in a school or LEA including the preparation and serving of regular and incidental meals, or snacks in connection with school activities.

7300 Adult Services

Costs of activities that develop knowledge and skills to meet immediate and long-range educational objectives of adults who, having completed or interrupted formal schooling, have accepted adult roles and responsibilities. Programs include activities to foster the development of fundamental tools of learning, prepare adults for a postsecondary career; prepare adults for postsecondary education programs; upgrade occupational competence; prepare adults for a new or different career; develop skills and appreciation for special interests; or to enrich the aesthetic qualities of life. In addition, parent involvement services in the schools, as well as volunteer activities by adults in the schools. Adult basic education programs are included in this category.

Non-Programmed Charges (8000)

Non-Programmed charges are conduit-type (outgoing transfers) payments to other LEAs or other administrative units in the state or in another state, transfers from one fund to another fund in the LEA, appropriated but unbudgeted funds, debt service payments, scholarship payments, payments on behalf of educational foundations, contingency funds, and other payments that are not attributable to a program.

8100 Payments to Other Governmental Units

Include payments to other LEAs or governmental units, which are generally for tuition and transportation for services rendered to pupils residing in the paying LEA. It is also used for indirect cost when used in conjunction with object code 392.

8200 Unbudgeted Funds

Include unbudgeted federal grant funds administered by the State Board of Education that are being set aside by the LEA and are not a part of the LEA's budgeted funds. These funds are not available for use in the current fiscal for expenditures unless the LEA first transfers an amount from this account to their budgeted line item(s) by means of an approved budget amendment. This code may also be used to identify appropriated but unbudgeted funds in any fund source by the LEA.

8300 Debt Services

Include debt service payments for lease purchases or installment contracts.

8400 Interfund Transfers

Include transfers of funds from one fund to another fund in an LEA.

8500 Contingency

Include appropriations for use in circumstances not completely foreseen. As monies are required from this item, budget amendments should be made to transfer monies to the appropriate operating function.

8600 Educational Foundations

Include payments made by the school system on behalf of an education foundation for which the school system has fiscal responsibility

8700 Scholarships

Include payments made for the awarding of scholarships by the school system for students and LEA personnel.

Capital Outlay (9000)

Expenditures for acquiring fixed assets, including land or existing buildings, improvements of grounds, initial equipment, additional equipment, and replacement of equipment. Do not include any costs which may be coded to one or more specific purpose functions. (i.e., purchase of transportation equipment would be coded to 6550, maintenance equipment would be coded to 6580, regular instructional equipment purchases would be coded to 5110, etc.). The remaining three digits may be used for local use purposes.