Board of Education Meeting



Superintendent's Budget Request
FY 2024-2025
March 18, 2024

Superintendent's Budget Request

1. Budget Calendar
2. Budget Overview
3. Local Operating Request
4. Capital Outlay
5. Discussion



Budget Calendar

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Budget Calendar

- January 26 – Board of Education (BOE) Retreat
- January and February – Gather information from Directors and Department Supervisors
- March 18 – Present Superintendent's Budget Request to BOE
- April 15 – Discuss and adopt GCS Budget Request
- April – Joint Budget Meeting with County Commissioners



Budget Calendar

- April – Deliver GCS Budget Request to County
- April/May – County approves local budget
- June 17 – BOE approves balanced interim budget
- June to September – BOE approves final budget resolution after State Budget is approved



Budget Overview

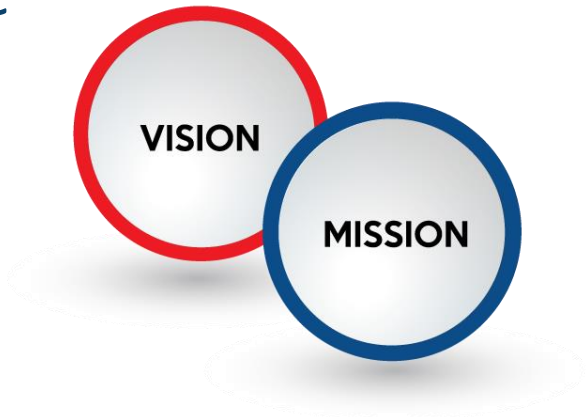
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Budget Attributes

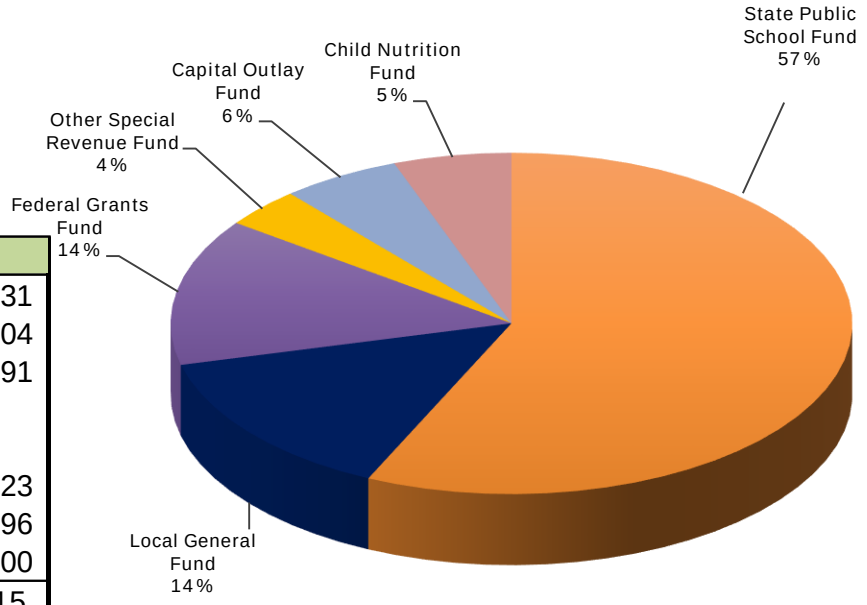
Our budget should support the vision, mission and priorities and goals of Gaston County Schools

- College and Career Ready
- Healthy, Safe and Responsible Schools
- Innovation
- Qualified Workforce



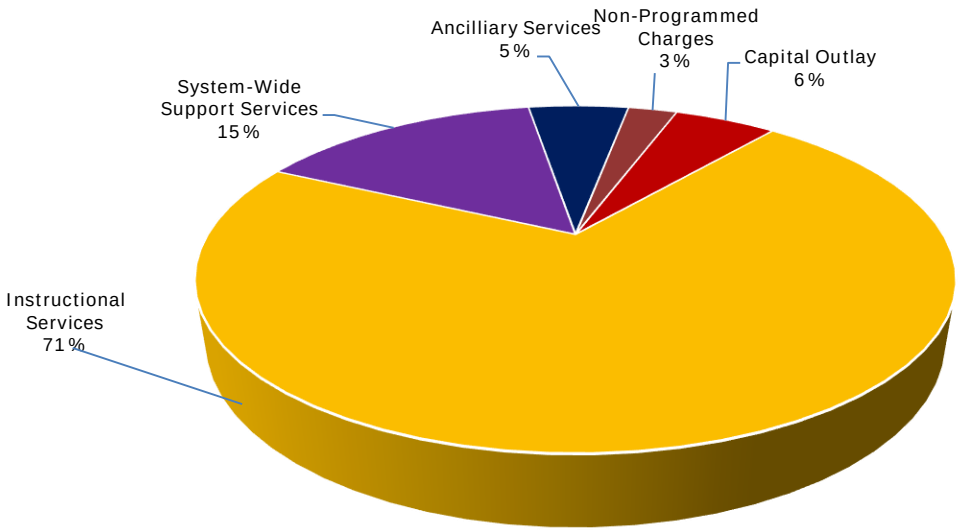
Operating Budget - Revenues

Revenue by Source		
State Public School Fund		$ 215,620,031
Local General Fund		53,751,704
Federal Grants Fund		52,839,591
Regular Grants	$25,719,376	
COVID-19 Funds	$27,120,215	
Other Special Revenue Fund		14,136,623
Capital Outlay Fund		21,433,596
Child Nutrition Fund		21,224,700
TOTAL		$379,006,245



Represents the FY 2023-24 beginning operating budget as of July 1, 2023

Operating Budget - Expenses



Expenditure by Purpose		
Instructional Services	$	269,003,524
System-Wide Support Service		58,151,011
Ancilliary Services		20,731,865
Non-Programmed Charges		10,097,046
Capital Outlay		21,022,799
TOTAL		$379,006,245

Represents the FY 2023-24 beginning operating budget as of July 1, 2023

State Allotments

Methods for Distributing State Allotments

- Dollars
- Months of Employment
- Positions

North Carolina Department of PUBLIC INSTRUCTION

State Allotments

Dollars

- Teacher Assistants
- Clerical and Custodial personnel
- Transportation services
- Central office administration
- Special programs – AIG, CTE, ML, EC, etc.
- School safety – School Resource Officers
- At-risk and disadvantaged students
- Classroom supplies, textbooks and technology

State Allotments

Months of Employment

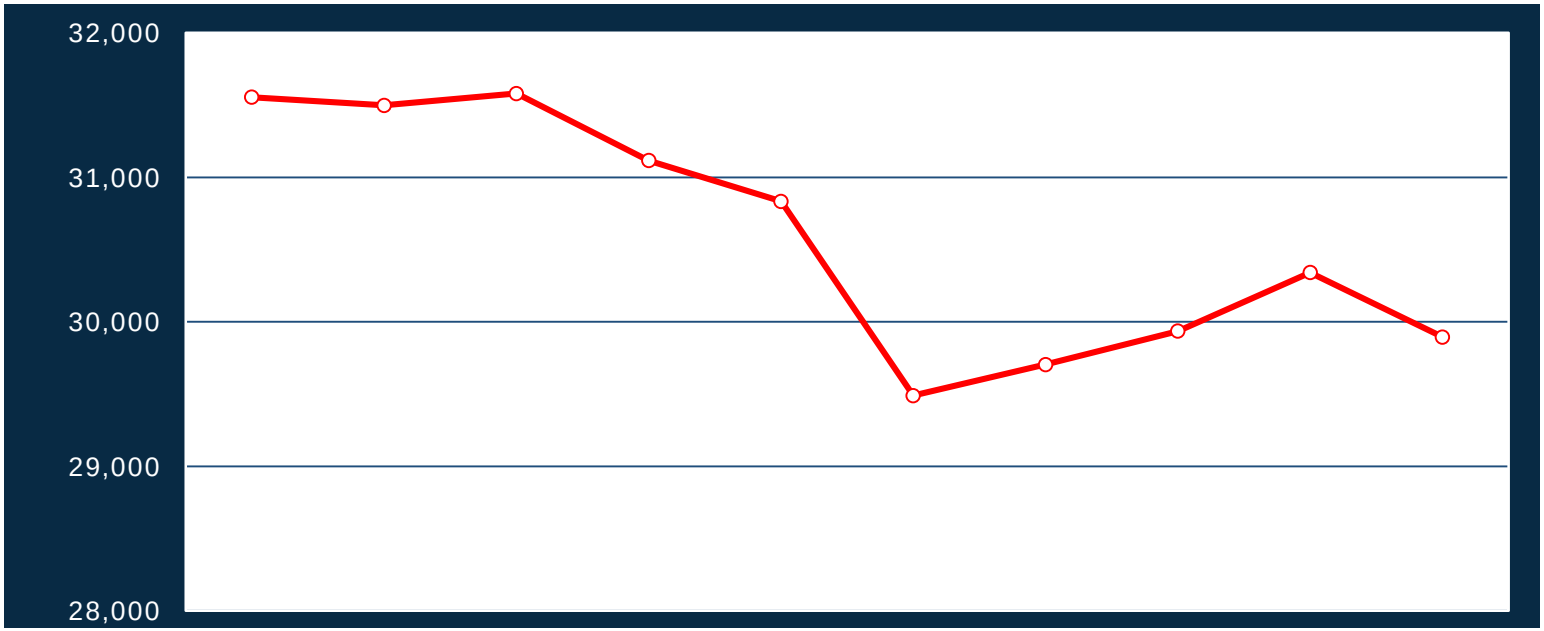
- Principals
- Assistant Principals
- CTE Teachers

Positions

- Classroom Teachers
- K-5 Program Enhancement Teachers
- School Psychologists
- Instructional Support (Counselors, Social Workers)

State Allotments

Funding Impacted by Student Enrollment



ADM	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	31,555	31,499	31,581	31,116	30,834	29,489	29,704	29,936	30,341	29,895

(Projected)

Federal Funding

Primary Federal Funding Sources:

- Title I (27 Schools)
- Title II, III and IV
- Individuals with Disabilities Act (IDEA)
- Career and Technical Education (CTE)
- Child Nutrition

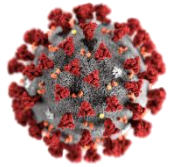
No Remaining COVID-19 Funding



Federal Funding

COVID-19 funds have been used for:

- COVID retention bonuses
- Chromebooks and Wi-Fi access devices for students
- Books, supplies and online learning materials
- Summer learning program and after school tutors
- School nutrition financial support
- EC student support, health support personnel, etc.
- Additional teaching allotments
- Dedicated substitute teachers
- Air purifiers for all classrooms



Local Operating Request

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Use of County Funds

- Salary supplements - Teachers, Principals and Assistant Principals
- Instructional supplies
- Maintenance and custodial supplies
- Technology
- Utilities and insurance
- School Resource Officers
- Athletics and arts programs
- Charter school allotments

Local Operating Request

FY 2020-21 Actual		**$49,811,704**
Teacher supplements	$500,000	
Employer paid benefits	$528,000	
Inflation	$212,000	
Classified compensation increase	$261,000	
Certified employee increase	$189,000	
Total Change in Funding		$1,690,000
FY 2021-22 Actual		**$51,501,704**
Teacher supplements	$500,000	
Employer paid benefits	$500,000	
Total Change in Funding		$1,000,000
FY 2022-23 Actual		**$52,501,704**
Teacher supplements	$500,000	
Total Change in Funding		$500,000
FY 2023-24 Actual		**$53,001,704**

Survey Stakeholders

- District Leadership
- School Administrators
- Teachers
- Parents
- Public



Budget Survey Options

Please check the box next to the initiatives listed below that you believe best supports the educational goals of the District. Please only select your top five choices (all are important):

- ☐ Increase Teacher Supplement
- ☐ Incr. Principal/AP Supplement
- ☐ Increase Classified Salaries
- ☐ Expand CTE Program Offerings
- ☐ Offer More Instructional Programs
- ☐ Expand AIG Program
- ☐ Increase the Number of AP Classes
- ☐ Offer More ESL Classes
- ☐ Increase Funding for the Arts
- ☐ Provide More Choice Options
- ☐ Increase Funding for EC Students
- ☐ More Teacher Assistants
- ☐ Increase Student Support
- ☐ Increase Instructional Support
- ☐ More School Office Support Staff
- ☐ Provide More Technology
- ☐ Increase Number of Library Books
- ☐ Expand Classroom Libraries
- ☐ Upgrade School Safety Systems
- ☐ Increase Training for Teachers
- ☐ Improve Exterior Appearance
- ☐ Upgrade Interior of Schools

Budget Survey

Funding Priorities	% in Top Five Priorities					Change
	2020	2021	2022	2023	2024	2020-24
Increase Teacher Supplement	67%	75%	79%	78%	85%	18%
Increase Classified Salaries	47%	51%	65%	67%	60%	13%
More Teacher Assistants	34%	25%	41%	34%	40%	6%
Increase Student Support	51%	51%	40%	43%	33%	-18%
Upgrade School Safety Systems	26%	24%	26%	33%	28%	2%
Respondents	197	179	268	178	281	84

Budget Survey Results

Top Funding Priorities	2024-25	Funding Source
Increase Teacher Supplement	85%	County Expansion Request
Increase Classified Salaries	60%	County Expansion Request
More Teacher Assistants	40%	State Funded
Increase Student Support	33%	State Funded
Upgrade School Safety Systems	28%	School Bond Funds

Local Operating Request

Ongoing Expenditures

Expenses related to the ongoing operations that are impacted by changes in the law, inflation, end of life for technology, state mandated salary and benefit increases, etc.

New Expenditures

Expenses related to new programs, projects, initiatives, additional salary/supplement increases, etc. that are supportive of the GCS mission and vision or are required by law.

Local Operating Request

Recommendation Item	Expenditures		
	Ongoing	New	Total
Ongoing Expenditures			
Replace End-of-Life Student Mobile Devices	$ 2,125,000	$ -	$ 2,125,000
Inflation - Operating Expenses and Utilities	785,000	-	785,000
State Increase in Employee Compensation	668,000	-	668,000
State Increase in Employer Paid Benefits	606,000	-	606,000
New Expenditures			
Teacher Salary Supplement Increase	-	3,000,000	3,000,000
Total	$ 4,184,000	$3,000,000	$ 7,184,000

Ongoing Expenditures

Replace End-of-Life Student Chromebooks

- New Chromebooks will be issued to all 7,200 incoming 2nd, 6th and 9th grade students next year
- The projected cost to replace these devices amounts to $2,125,000 next year
- This cost was covered by COVID-related funding for the past several years

Ongoing Expenditures

Expected Inflationary Impact

- Inflation is budgeted to be 2.4% next year for purchases of goods and services
- The estimated impact on our $14.5 million of purchases of goods and services is $350,000



Operating Expenditures

Expected Inflationary Impact

- Inflation is budgeted to be 8.3% next year for projected utility expenses
- The estimated impact on our $5.3 million in utility expenses is $435,000

Total inflationary costs are budgeted to be $785,000 next year



New Initiatives

State Increase in Employee Compensation

- Last year, the State biennial budget included an increase of 4.0% for all State paid employees.
- A similar 4.0% increase for our locally paid employees would cost about $668,000. This includes both classified employees and certified employees.

Ongoing Expenditures

State Increase in Employer Paid Benefits

- Next year employer provided employee benefits are projected to increase by $606,000 as follows:
  - Health insurance premium is projected to increase by 7.1% from $7,557 to $8,095
  - Retirement contribution is budgeted to increase by 5.0% from 25.0% to 26.3%

New Expenditures

Teacher Salary Supplements

- Over the past nine years, the County has increased teacher supplements by $4.68 million
- This year the State paid an annual salary supplement of $1,001 per teacher, net of $486 in employer matching retirement costs

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- We are requesting a $3.0 million increase in local teacher supplements for next year

Local Teacher Supplements

Similar Size Districts (ADM)	Average Supplement
New Hanover County (25,082)	$ 9,015
Durham County (31,124)	8,414
Buncombe County (22,041)	8,292
Johnston County (36,838)	6,653
Cabarrus County (34,674)	6,039
State Average	5,984
Onslow County (27,768)	5,581
Union County (41,196)	5,286
Gaston County (29,936)	3,860

Source: DPI FY 2022-2023 Table 20 for Average Supplement and DPI FY 2022-2023 Table 10 for ADM

Local Teacher Supplements

Neighboring Districts (ADM)	Average Supplement
Charlotte-Mecklenburg (141,217)	$ 9,545
Cabarrus County (34,674)	6,039
State Average	5,984
Union County (41,196)	5,286
Lincoln County (11,406)	5,050
Catawba County (15,448)	4,372
Iredell-Statesville (20,516)	3,871
Gaston County (29,936)	3,860
Cleveland County (14,011)	3,591
Rowan-Salisbury (18,000)	3,012

Source: DPI FY 2022-2023 Table 20 for Average Supplement and DPI FY 2022-2023 Table 10 for ADM

Local Teacher Supplements

Neighboring Districts (ADM)	Average Supplement		
	2022-23	2013-14	Change
Charlotte-Mecklenburg (141,217)	$ 9,545	$ 6,083	$ 3,462
Cabarrus County (34,674)	6,039	2,509	3,530
State Average	5,984	3,553	2,431
Union County (41,196)	5,286	3,065	2,221
Lincoln County (11,406)	5,050	2,928	2,122
Catawba County (15,448)	4,372	2,913	1,459
Iredell-Statesville (20,516)	3,871	2,477	1,394
Gaston County (29,936)	3,860	2,177	1,683
Cleveland County (14,011)	3,591	1,635	1,956
Rowan-Salisbury (18,000)	3,012	2,297	715

Source: DPI FY 2022-2023 and FY 2013-2014 Table 20 for Average Supplement and DPI FY 2022-2023 Table 10 for ADM

Operating Request Summary

	Amount	
County Request	**2023-24**	**2024-25**
Prior Year County Appropriation	**$52,501,704**	**$53,001,704**
Ongoing Expenditures	**$1,585,000**	**$4,184,000**
New Initiatives	**$1,300,000**	**$3,000,000**
Total County Request	**$55,386,704**	**$60,185,704**

The County request for 2024-25 is $4.8 million more than last year's request

Capital Outlay

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Capital Outlay

School Bonds

- New construction
- Classroom additions
- Capital replacements



Capital Outlay

- Preventative maintenance
- Minor repairs
- Contracted facility services

Capital Outlay

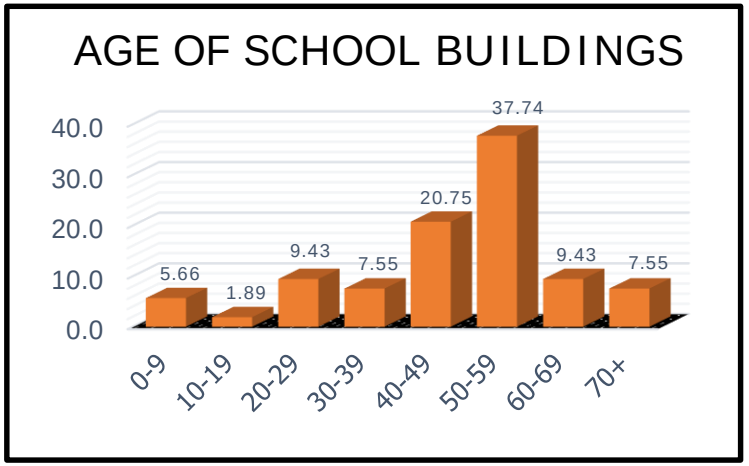
Capital outlay is money used to maintain, upgrade or repair capital assets such as the following:

- Roofing
- HVAC
- Vehicles
- Plumbing
- Site improvements
- Electrical systems
- Technology
- Furniture
- Life safety equipment
- Other capital assets

Capital Outlay

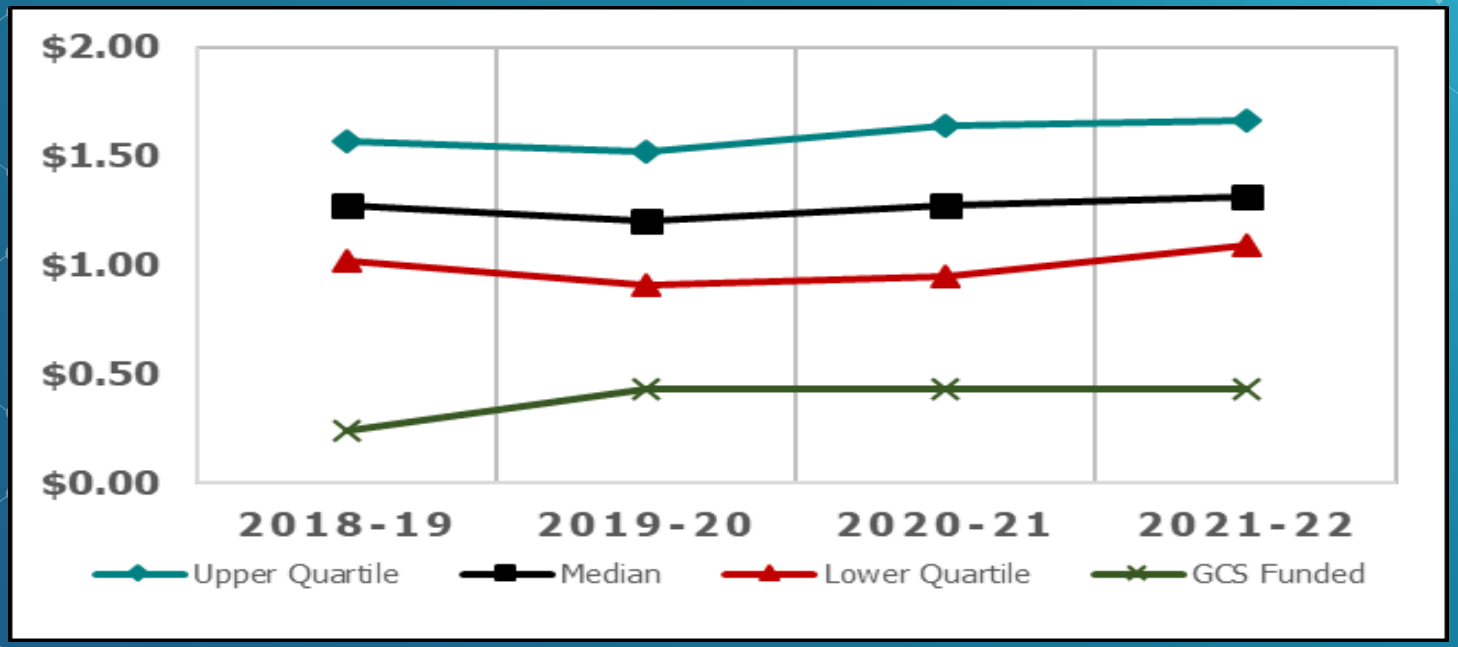
Maintenance Costs Are Affected By:

- Age of the Buildings
- Quality and Experience of Custodial Staff
- Training of Custodial Staff
- Deferred Maintenance Backlog



75% of our school buildings have a weighted average age of 40 years or older

Maintenance Cost per Square Foot



	2018-19	2019-20	2020-21	2021-22
Upper Quartile	$ 1.57	$ 1.52	$ 1.64	$ 1.66
Median	1.27	1.20	1.27	1.31
Lower Quartile	1.02	0.91	0.95	1.09
GCS Funded	0.24	0.43	0.43	0.43

Source: Managing for Results in America's Great City Schools – 2023 (results from fiscal year 2021-2022)

Capital Outlay

- All schools and administrative buildings total about 5.1 million square feet
- This year we received $2.2 million in capital outlay, or about $0.43 per square foot
- We are requesting $6.7 million in capital outlay for 2024-25. This request amounts to $1.31 per square foot

Capital Request

Expenditures	Adopted Budget					Proposed
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Technology	$ 100,000	$ 50,000	$ 50,000	$ -	$ -	$ 100,000
Vehicles	150,000	100,000	100,000	225,000	-	150,000
General Renovations	1,882,000	1,027,000	1,027,000	2,002,000	2,219,000	6,300,000
Furniture, Fixtures and Equipment	95,000	50,000	50,000	-	8,000	150,000
TOTAL COUNTY CAPITAL	$ 2,227,000	$ 1,227,000	$ 1,227,000	$ 2,227,000	$ 2,227,000	$ 6,700,000

Conclusion

This Budget Request supports the Gaston County Schools' Vision to **"inspire success and a lifetime of learning"** for all of our students.



Discussion

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