

Board of Education Meeting



Superintendent's Budget Request

March 20, 2023



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 27 – Board of Education (BOE) Retreat
- January and February – Gather information from Directors and Department Supervisors
- **March 20** – Present Superintendent's Budget Request to BOE
- **March 28** – Joint Budget Meeting with County Commissioners
- **April 17** – Discuss and adopt GCS Budget Request



Budget Calendar

- **April** – Deliver GCS Budget Request to County
- **April/May** – County approves local budget
- **June 19** – 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

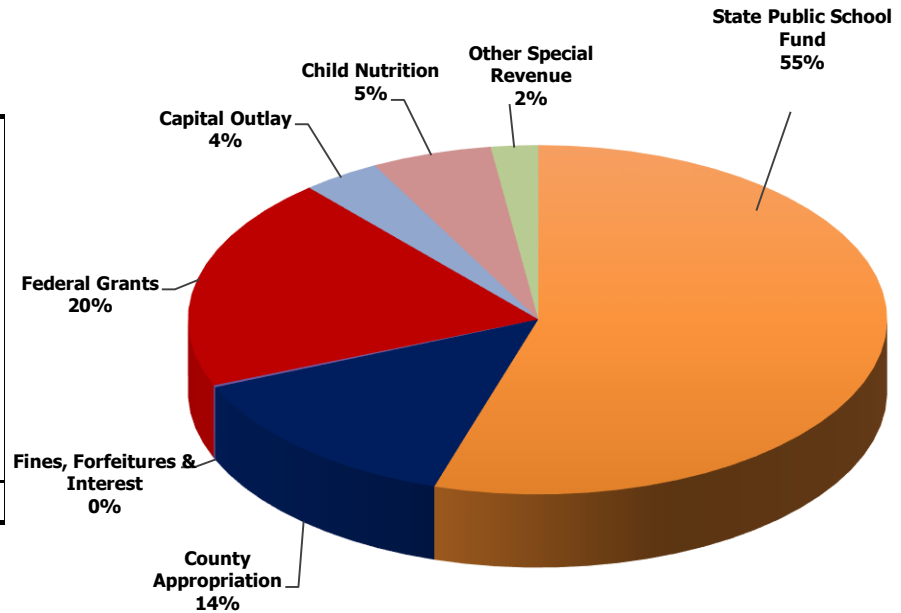
- College and Career Ready
- Healthy, Safe and Responsible Schools
- Innovation
- Qualified Workforce



Operating Budget - Revenues

SOURCES OF REVENUE

State Public School Fund	\$	207,728,799
County Appropriation		52,501,704
Fines, Forfeitures & Interest		750,000
Federal Grants		75,081,040
Regular Grants	\$	2,201,784
COVID Funds	\$	72,879,256
Capital Outlay		13,739,098
Child Nutrition		21,090,500
Other Special Revenue		8,259,577
TOTAL		\$ 379,150,718



Represents the FY 2022-23 beginning operating budget as of July 1, 2022

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

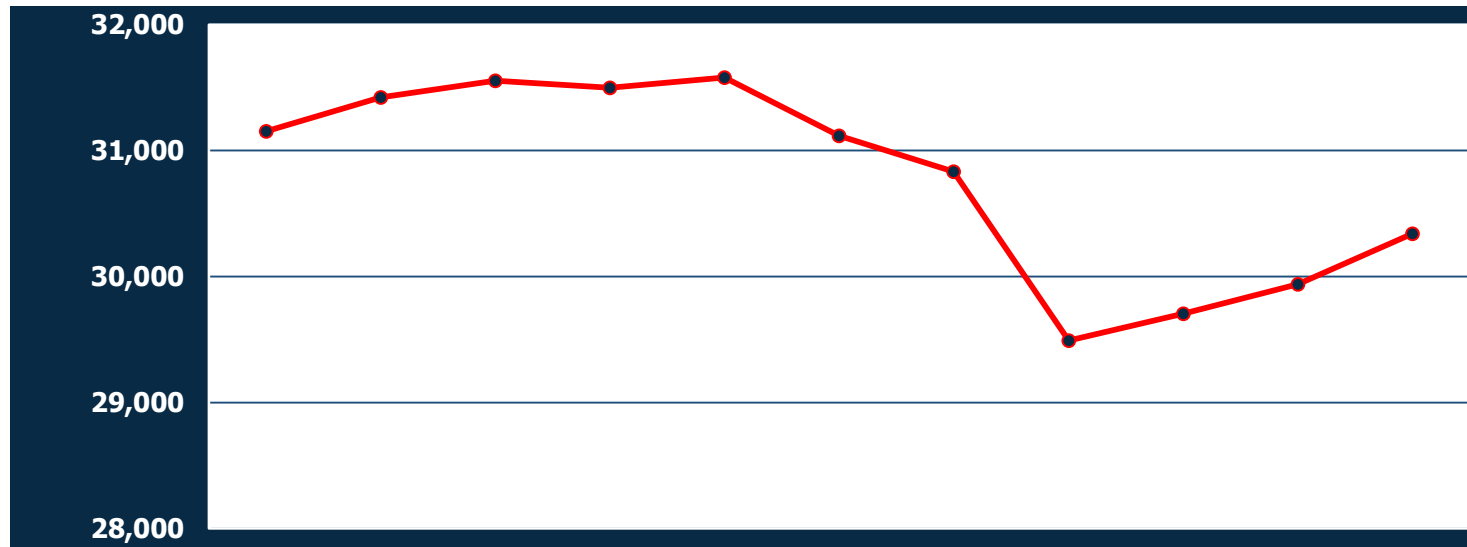
- Principals
- Assistant Principals
- CTE Teachers

Positions

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

State Allotments

Funding Impacted by Student Enrollment

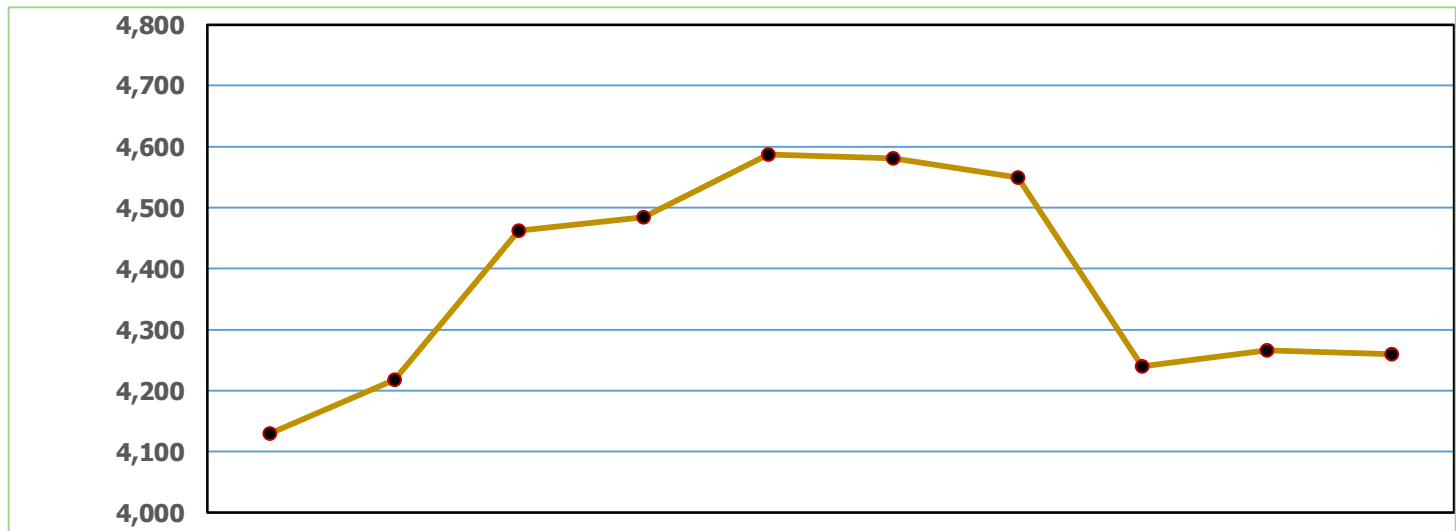


2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
31,152	31,421	31,555	31,499	31,581	31,116	30,834	29,489	29,704	29,936	30,341

(Projected)

State Allotments

Funding Also Impacted by EC Student Enrollment



2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
4,130	4,218	4,462	4,484	4,587	4,581	4,549	4,240	4,266	4,260

Federal Funding

Primary Federal Funding Sources:

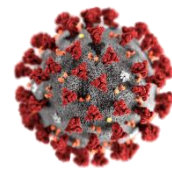
- Title 1 (30 Schools)
- Individuals with Disabilities Act (IDEA)
- Career and Technical Education (CTE)
- Remaining COVID-19 Funding:
 - ESSER II (\$1.4M)
 - ESSER III (\$46.9M)
 - ARP (2.8M)
 - CRRSA (\$337,000)



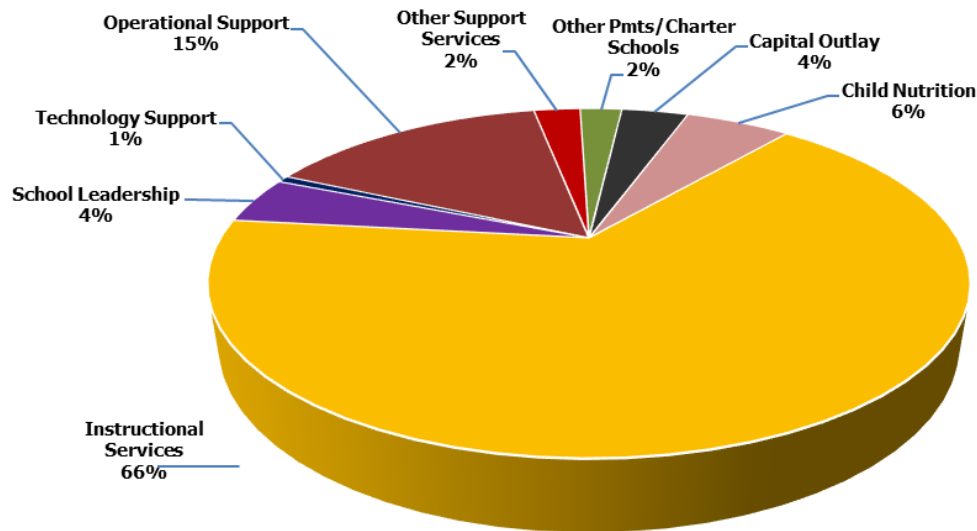
Federal Funding

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



Operating Budget - Expenses



BUDGETED EXPENDITURES

Instructional Services	\$	248,940,643
School Leadership		16,769,065
Technology Support		2,420,037
Operational Support		57,474,310
Other Support Services		9,595,080
Other Pmts/Charter Schools		8,648,159
Capital Outlay		13,739,098
Child Nutrition		21,564,326
TOTAL		\$379,150,718

Represents the FY 2022-23 beginning operating budget as of July 1, 2022

Use of State/Federal Funds

Rigorous Curriculum	Responsive Instruction	Balanced Assessment	Learner Centered Environment
<ul style="list-style-type: none"> • Purchased Math I resources for middle and high schools • EC itinerant teachers to serve as case managers • Provided transportation for 31 internships for CTE students 	<ul style="list-style-type: none"> • Instructional coaching training for facilitators • Summer camps served 3,500 students • 98% of teachers have completed Phase I of LETRS training • Decodable books for all K-3 students • Interventionists to provide intensive supports 	<ul style="list-style-type: none"> • EOG prep camp • Expanded proficiency scales to support standards for all subgroups 	<ul style="list-style-type: none"> • Wrap around services provided • Expanded Reach Teachers to ensure access to highly quality instruction • One nurse per school • TA to Teacher (14 in the classroom; 53 attending school) • Superintendent's Leadership Academy (14)

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

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Local Operating Request

FY 2019-20 Actual	\$50,311,704
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Operating budget cut	<u>(\$500,000)</u>	
Total Change in Funding		(\$500,000)

FY 2020-21 Actual	\$49,811,704
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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
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Teacher supplements	\$500,000	
Employer paid benefits	\$500,000	
Total Change in Funding		\$1,000,000

FY 2022-23 Actual	\$52,501,704
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Survey Stakeholders

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



Budget Survey

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):

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

Budget Survey

Top Funding Priorities	<u>% in Top Five Priorities</u>					Change
	2019	2020	2021	2022	2023	2019-23
Increase Teacher Supplement	63%	67%	75%	79%	78%	15%
Increase Classified Salaries	36%	47%	51%	65%	67%	31%
Increase Student Support	49%	51%	51%	40%	43%	-6%
More Teacher Assistants	35%	34%	25%	41%	34%	-1%
Upgrade School Safety Systems	41%	26%	24%	26%	33%	-8%
Respondents	258	197	179	268	178	-80

Budget Survey

Top Funding Priorities	2023-24	Funding Source
Increase Teacher Supplement	78%	County Expansion Request
Increase Classified Salaries	67%	County Expansion Request
Increase Student Support	43%	COVID Funds
More Teacher Assistants	34%	State Funds
Upgrade School Safety Systems	33%	School Bond Funds / Capital Outlay

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, etc.

New Initiatives

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

Expansion Request

Ongoing Expenditures - \$1,585,000

Ongoing Expenditures	
State Mandated Increase in Employer Paid Benefits	\$ 620,000
Replace End-of-Life Mobile Devices	COVID Funds
Inflation - Operating Expenses and Utilities	965,000
Total	\$ 1,585,000

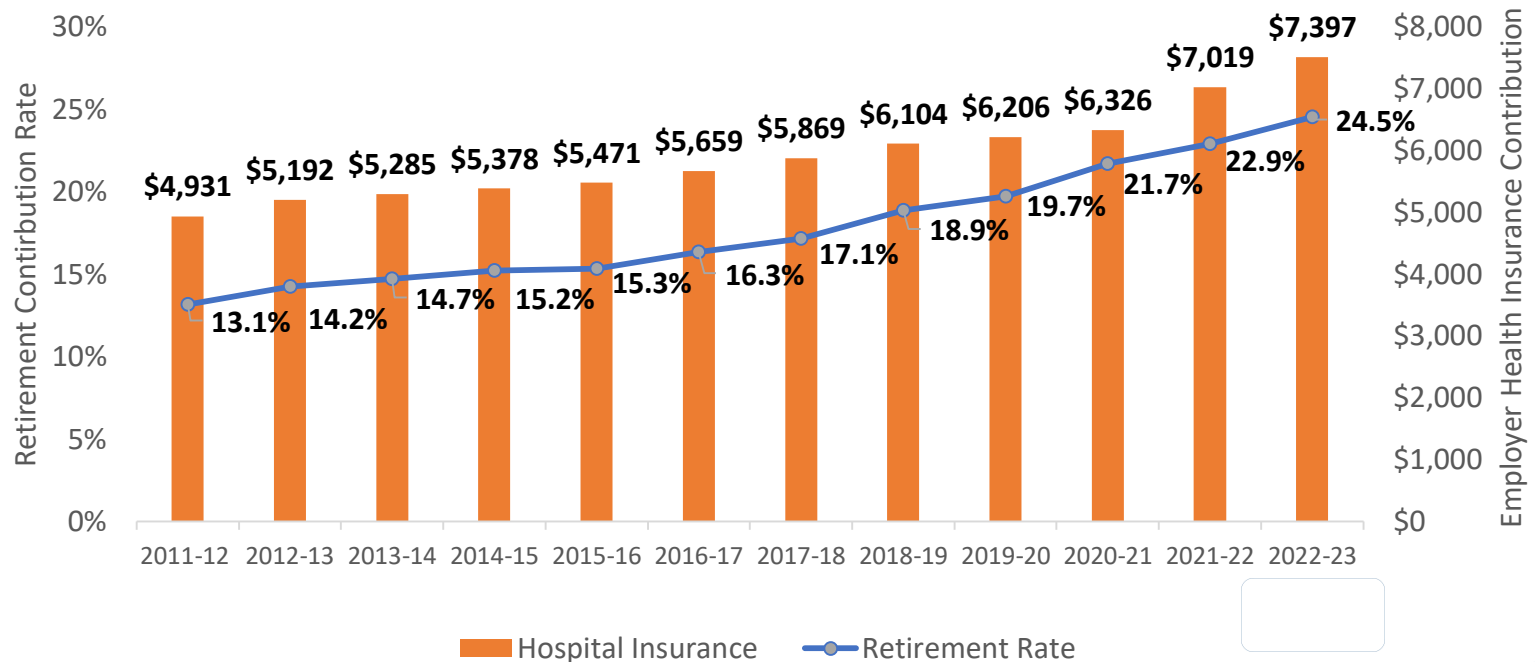
Ongoing Expenditures

State Increase in Employer Paid Benefits

- Next year employer provided employee benefits is projected to increase by **\$620,000** as follows:
 - Health insurance premium is projected to increase by **5.0%** from \$7,397 to \$7,767
 - Retirement contribution is projected to increase by **7.0%** from 24.50% to 26.22%

Ongoing Expenditures

Trends in State Health Insurance Costs and Retirement Contribution Rates



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 **\$2.1 million** next year
- This cost will be **covered by COVID-related** funding next year

Ongoing Expenditures

Expected Inflationary Impact

- Inflation is budgeted to be **4.1%** next year for purchases of goods and services
- The estimated impact on our \$16.0 million of purchases of goods and services is **\$655,000**



Operating Expenditures

Expected Inflationary Impact

- Inflation is budgeted to be **6.2%** next year for requested utility rate expenses
- The estimated impact on our \$5.0 million in utility expenses is **\$310,000**

Total inflationary costs are budgeted to be **\$965,000** next year



Expansion Request

New Initiatives - \$1,300,000

New Initiatives	
Certified Employee Salary Supplement Adjustment	500,000
Employee Compensation Adjustment - Classified	335,000
Employee Compensation Adjustment - Certified	180,000
Student Support Personnel Increase	COVID Funds
Custodial Allotment Increase	COVID Funds
School Grounds Maintenance	COVID Funds
Elementary School Playground Replacements	285,000
Total	\$1,300,000

New Initiatives

Teacher Salary Supplements

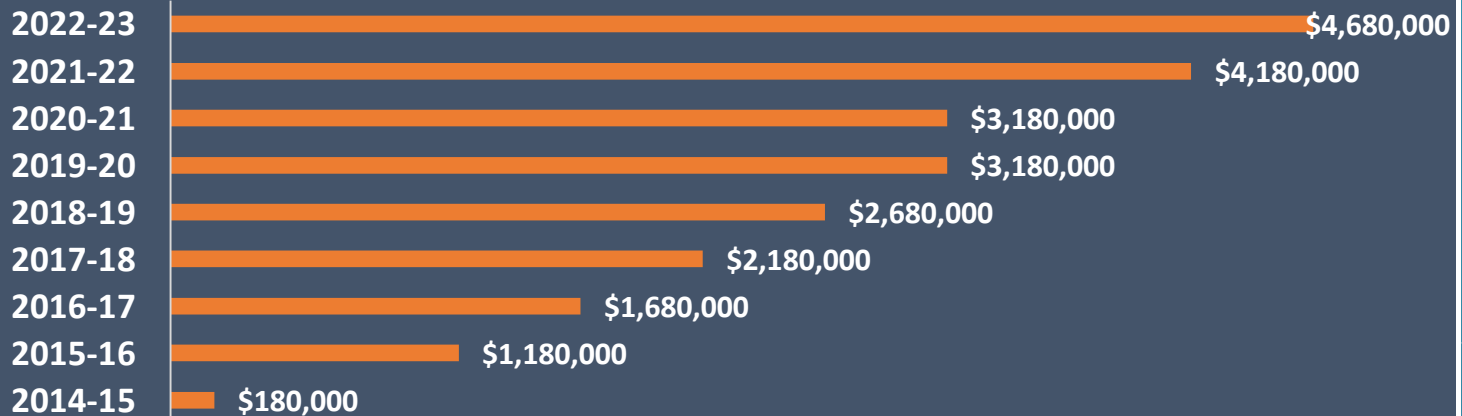
- Over the past nine years, the County has increased teacher supplements by **\$4.68 million**
 - We are requesting a **\$500,000** increase in local teacher supplements for next year
-
- This year the **State paid** a one-time annual salary supplement of \$843 per teacher, net of \$400 in employer matching retirement costs

Local Teacher Supplements

District Increases



Cumulative District Increases



Local Teacher Supplements

Neighboring Districts (ADM)	Average Supplement
Charlotte-Mecklenburg (141,217)	\$ 9,545
Cabarrus County (34,674)	6,039
State Avg. Local Teacher Supplement	5,984
Union County (41,196)	5,286
Lincoln County (11,406)	5,050
Iredell-Statesville Schools (20,516)	3,871
Gaston County (29,936)	3,860
Catawba County (15,448)	3,788
Cleveland County (14,011)	3,591
Rowan-Salisbury County (18,000)	3,012

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

New Initiatives

Classified Employee Compensation

- Classified employees include custodians, bus drivers, administrative support, teacher assistants, central office staff, etc.
- Last year the State budget included an increase of the greater of 4.0% or \$15.00 per hour. A similar 4.0% increase for our locally paid classified employees would cost about \$335,000

New Initiatives

Certified Employee Compensation

- Our certified employees include teachers, guidance counselors, media specialist, etc.
- Last year the State budget provided a 4.0% average compensation increase for certified employees. A similar 4.0% increase for our locally paid certified employees would cost about \$180,000

New Initiatives

Nursing Positions in Schools

- Previously we added **30 nursing positions** so we would have one nurse for each of our 55 schools. This ensures immediate medical care to students on all campuses
- The budgeted cost of **\$2.8 million** will be covered **using COVID-related funding** next year

New Initiatives

Custodial Allotment Increase

- We added **fourteen (14) custodial positions** to reduce the average area cleaned per custodian in each school and to provide support to schools when custodial absences and vacancies occur
- The budgeted cost of **\$618,000** will be covered **using COVID-related funding** next year

New Initiatives

School Grounds Maintenance

- Prior to 2020, GCS used custodians to perform lawn maintenance, resulting in less time cleaning the buildings
- Since 2020, GCS has hired **lawn care professionals** to maintain our school grounds
- The projected cost of **\$1.8 million** will be covered next year as a result of **COVID-related funding**

New Initiatives

School Playground Equipment Replacements

- We have identified **eight elementary school playgrounds** that are old and need to be replaced
- We propose that five playgrounds be replaced next year at a projected cost of **\$285,000**
- The remaining three playgrounds will be replaced the following year at a projected cost of \$200,000

Operating Request Summary

County Request	2022-23	2023-24
Prior Year County Appropriation	\$51,501,704	\$52,501,704
Ongoing Expenditures	\$1,023,000	\$1,585,000
New Initiatives	\$1,672,000	\$1,300,000
Total County Request	\$54,196,704	\$55,386,704

The County request for 2023-24 is \$1.2 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

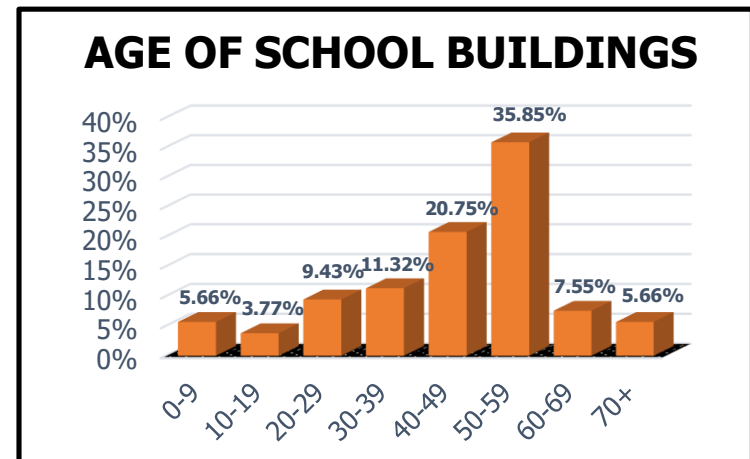
Capital Outlay is used for the following purposes:

- Roofing Repairs
- HVAC
- Vehicles
- Plumbing
- Site Improvements
- Electrical
- Technology
- Furniture
- Life Safety
- Other Maintenance

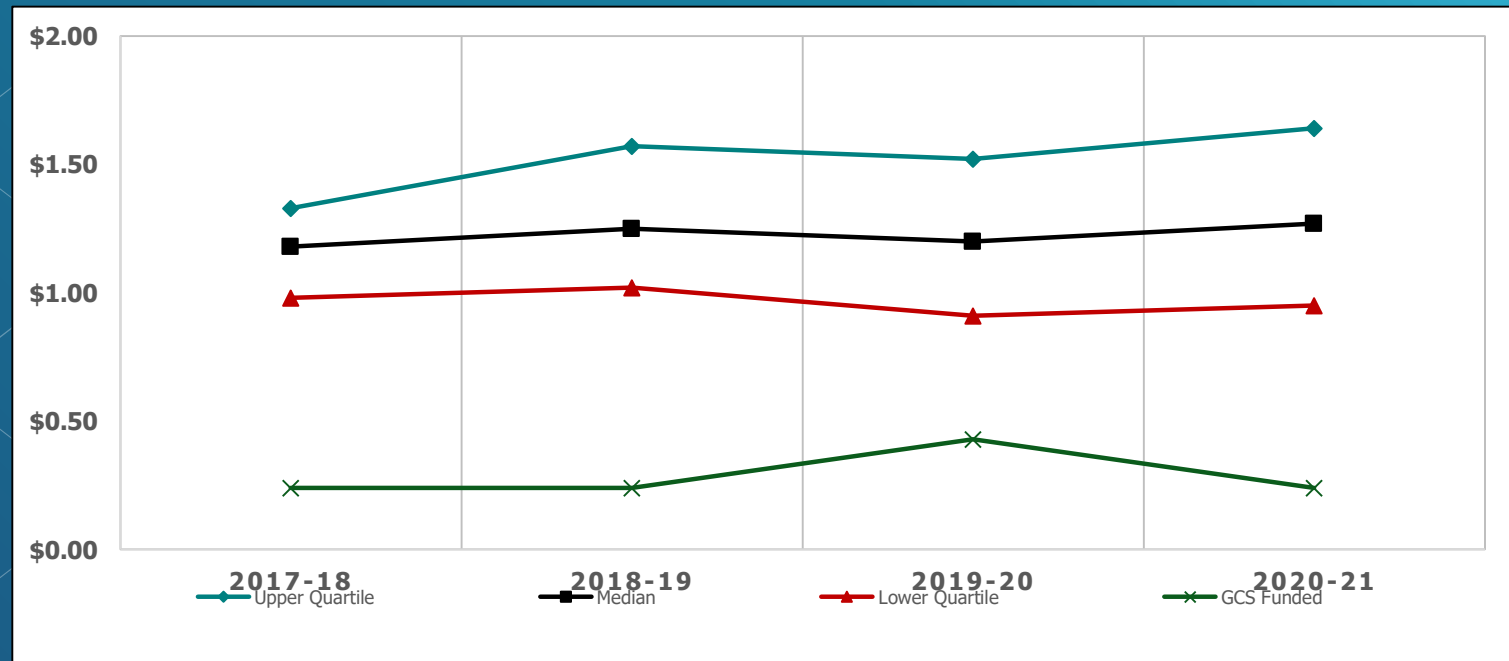
Capital Outlay

Maintenance Costs Are Affected By:

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



Maintenance Cost per Square Foot



	2017-18	2018-19	2019-20	2020-21
Upper Quartile	\$ 1.33	\$ 1.57	\$ 1.52	\$ 1.64
Median	1.18	1.25	1.20	1.27
Lower Quartile	0.98	1.02	0.91	0.95
GCS Funded	0.24	0.24	0.43	0.24

Source: Managing for Results in America's Great City Schools – 2022 (results from fiscal year 2020-2021)

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 **\$0.44 per square foot**
- We are requesting **\$6.5 million** in capital outlay for 2023-24. This request amounts to **\$1.27 per square foot**

Capital Request

Expenditures						Proposed
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Technology	\$ 100,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ -	\$ 100,000
Vehicles	150,000	150,000	100,000	100,000	225,000	100,000
General Renovations	882,000	1,882,000	1,027,000	1,027,000	2,002,000	6,150,000
Furniture	95,000	95,000	50,000	50,000	-	150,000
TOTAL COUNTY CAPITAL	\$ 1,227,000	\$ 2,227,000	\$ 1,227,000	\$ 1,227,000	\$ 2,227,000	\$ 6,500,000

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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State Allotments

% of Free/Reduced Meals at GCS

