

# Board of Education Meeting



## Superintendent's Budget Request

March 21, 2022

# Budget Overview

- Budget Update
- Operating Request
- Capital Request
- Discussion



# Budget Calendar

- January 21 – Board Retreat
- February and March – Directors and Department Supervisors Prepare Their Budget Request
- **March 21** – Present Superintendent's Budget Request to BOE



# Budget Calendar

- **April 11** – Adoption of GCS Budget Request
- **May** – Deliver GCS Budget Request to County
- **May** – County approves local budget
- **June** – BOE approves balanced interim budget
- **June or July** – BOE approves final budget resolution

# Operating Request



# Local Funding

<b>FY 2018-19 Actual</b>		<b>\$48,351,704</b>	
Teacher supplements	\$500,000		
Choice programs	\$850,000		
Technology	\$610,000		
Total Change in Funding			\$1,960,000
<b>FY 2019-20 Actual</b>		<b>\$50,311,704</b>	
Operating budget cut	(\$500,000)		
Total Change in Funding			(\$500,000)
<b>FY 2020-21 Actual</b>		<b>\$49,811,704</b>	
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
<b>FY 2021-22 Actual</b>		<b>\$51,501,704</b>	

# Local Funding

**FY 2021-22 Local Allotment - \$51,501,704**

- Teachers and Support Staff
- School Administrators
- School Magnet and Choice Programs
- School Maintenance
- School Safety and Security
- Instructional Supplies and Equipment
- Utilities and Insurance

# 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, etc. that are supportive of the GCS mission and vision or are required by law.



# Budget Survey Results

Top Funding Priorities	<u>% in Top Five Priorities</u>					Change
	2018	2019	2020	2021	2022	2018-22
Increase Teacher Supplement	67%	63%	67%	75%	79%	12%
Increase Classified Salaries	34%	36%	47%	51%	65%	31%
More Teacher Assistants	33%	35%	34%	25%	41%	8%
Increase Student Support	21%	49%	51%	51%	40%	19%
Improve School Interior	NA	NA	19%	21%	26%	7%
Upgrade School Safety Systems	33%	41%	26%	24%	26%	-7%
<i>Respondents</i>	251	258	197	179	268	17

# Budget Survey Results

Top Funding Priorities	2022-23	Funding Source
Increase Teacher Supplement	79%	County Expansion Request
Increase Classified Salaries	65%	County Expansion Request
More Teacher Assistants	41%	State Funded
Increase Student Support	40%	COVID Funds
Improve School Interior	26%	School Bond Funds / Capital Outlay
Upgrade School Safety Systems	26%	School Bond Funds / Capital Outlay

# Expansion Request

Ongoing Expenditures - \$1,023,000

<b>Ongoing Expenditures</b>	
State Mandated Increase in Employer Paid Benefits	\$ 445,000
Replace End-of-Life Mobile Devices	COVID Funds
Inflation - Operating Expenses	578,000
<b>Total</b>	<b>\$ 1,023,000</b>

# Ongoing Expenditures

## State Mandated Increase in Employer Benefits:

- Next year employer provided benefits is projected to increase by **\$445,000** as follows:
  - Health insurance is projected to increase by **5.4%** from \$7,019 to \$7,397;
  - Employer retirement contribution is projected to increase by **5.7%** from 22.89% to 24.19%.

# Ongoing Expenditures

## Replace End-of-Life Student Chromebooks:

- New Chromebooks will be issued to all **6,800** 2<sup>nd</sup>, 6<sup>th</sup> and 9<sup>th</sup> grade students each year.
- Students will keep these same devices each year.
- Cost to replace these 6,800 devices amounts to about **\$2.0 million** per year.
- This cost will be **covered by COVID** funds for the next two years.

# Ongoing Expenditures

## Expected Inflationary Impact

- Inflation is expected to be **2.3%** next year for purchases of goods and services
- The estimated impact on our \$14.9 million of purchases of goods and services is **\$212,000**



# Ongoing Expenditures

## Expected Inflationary Impact

- Inflation is expected to be **4.7%** next year for utility costs
- The estimated impact on our \$5.0 million in utility expenses is **\$235,000**
- **Total inflationary costs are expected to be \$578,000 next year**



# Expansion Request

## New Initiatives - \$1,672,000

<b>New Initiatives</b>	
Certified Employee Salary Supplement Adjustment	500,000
Employee Compensation Adjustment - Classified	215,000
Employee Compensation Adjustment - Certified	116,000
Student Support Personnel Increase	COVID Funds
Custodial Allotment Increase	COVID Funds
Teacher Leadership	335,000
Student Record Retention Program	168,000
Additional Month of Employment - School Counselors	228,000
Additional Month of Employment - Athletic Directors	110,000
<b>Total</b>	<b>\$1,672,000</b>



# New Initiatives

## Teacher Salary Supplements

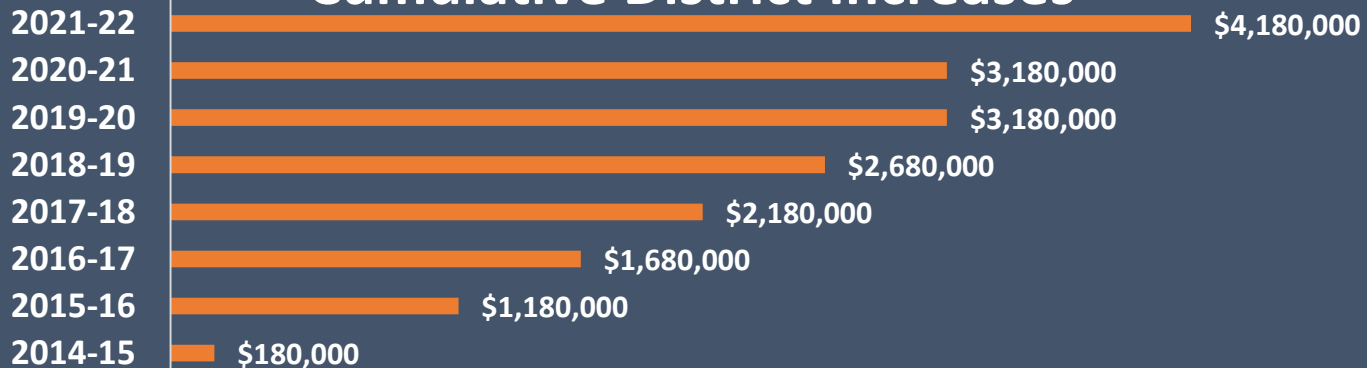
- Over the past eight years, the County has increased teacher supplements by **\$4.18 million**
- The State approved an additional salary supplement of **\$435 per teacher**, net of \$193 in retirement costs, for FY 2021-22
- We are requesting a **\$500,000** increase in local teacher supplements for next year

# Teacher Supplements

## District Increases



## Cumulative District Increases

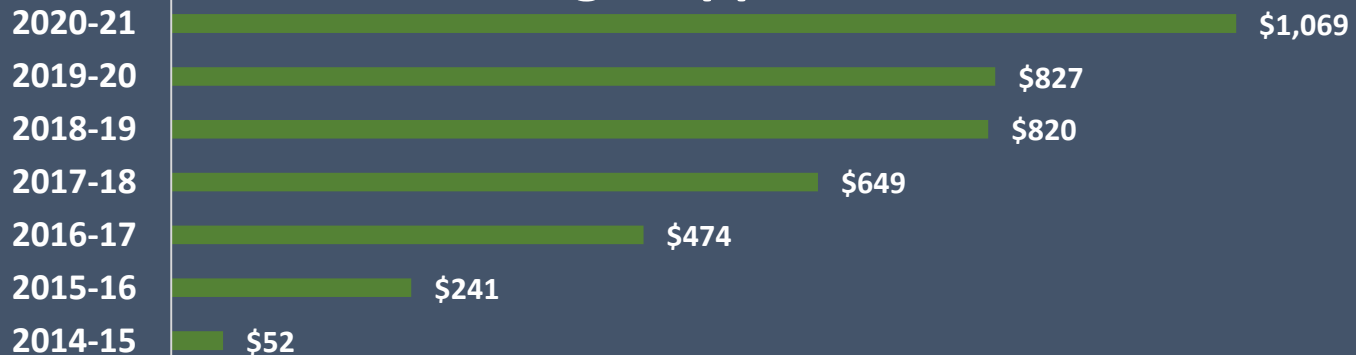


# Teacher Supplements

## Average Teacher Supplement



## Cumulative Avg. Supplement Increase



# Teacher Supplements

<b>Neighboring Districts (ADM)</b>	<b>Average Supplement</b>
Charlotte-Mecklenburg (136,041)	\$ 8,818
State Average	4,942
Union (38,799)	4,459
Lincoln (10,936)	4,258
Cabarrus (33,464)	4,240
Catawba (15,280)	3,728
<b>Gaston (30,645)</b>	<b>3,246</b>
Iredell-Statesville (20,163)	3,055
Rowan-Salisbury (17,950)	3,007
Cleveland (13,905)	2,116

Source: DPI FY 2020-2021 Table 20 for average supplement

DPI FY 2021-2022 Table 10 for ADM

# New Initiatives

## Classified Employee Compensation:

- Classified employees include custodians, bus drivers, administrative support, teacher assistants, etc.
- The State budget provides an increase of the greater of **2.5%** or **\$15.00** per hour. The impact on our locally paid non-certified employees would be about **\$215,000**

# New Initiatives

## Certified Employee Compensation:

- Our certified employees include teachers, guidance counselors, media specialist, etc.
- The State budget provides for an average compensation increase of **2.5%** for certified employees. The impact on locally paid certified employees would be about **\$116,000**

# New Initiatives

## Additional Nursing Positions in Schools:

- Add **30 nursing positions** so Gaston County Schools would have one nurse for each of our 55 schools. This would provide immediate and acute medical care to students on all campuses
- The projected cost would be **\$1.9 million** which would be **covered using COVID funds** for two years

# New Initiatives

## Custodial Allotment Increase:

- Added ten school custodial FTEs to reduce the average area cleaned per custodian
- Added four district custodians to provide support to schools when absences and vacancies occur
- The projected cost would be about **\$600,000** which would be **covered using COVID funds** for two years



# New Initiatives

## Teacher Leadership:

- Developing a program to encourage teacher assistants to transition to licensed teachers
- Our goal is to identify **40** candidates for this program
- Tuition and other costs totaling **\$335,000** per year would be paid by GCS
- Candidates would teach at GCS for **four years**

# New Initiatives

## Student Record Retention:

- We have over 1,800 boxes of inactive student records
- Paper records take a significant amount of space to store and are not easily available whereas scanned records are easily assessable and will meet all record retention requirements
- It will cost about **\$168,000** per year for three years to scan these records

# New Initiatives

## Additional Employment – HS School Counselors

- GCS School Counselors currently work 10 months
- We are proposing to increase their work schedule to 11 months per year
- They can use this additional time to work on student schedules, transcript review, etc.
- This additional month of employment is expected to cost **\$228,000**

# New Initiatives

## Additional Employment – MS/HS Athletic Directors

- MS Athletic Directors (ADs) currently work 10 months and HS ADs currently work 11 months
- We are proposing to increase their work schedule to 11 months and 12 months, respectively
- They can use this additional time to work on fields, athletic schedules, hiring coaches, etc.
- This is expected to cost **\$110,000**

# Operating Request Summary

County Request	Amount	
	2021-22	2022-23
Prior Year County Appropriation	\$49,811,704	\$51,501,704
Ongoing Expenditures	\$740,000	\$1,023,000
New Initiatives	\$950,000	\$1,672,000
<b>Total County Request</b>	<b>\$51,501,704</b>	<b>\$54,196,704</b>

The County request for 2022-23 is \$2.7 million more than last year's request

# Capital Outlay



# Capital Request

## 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:

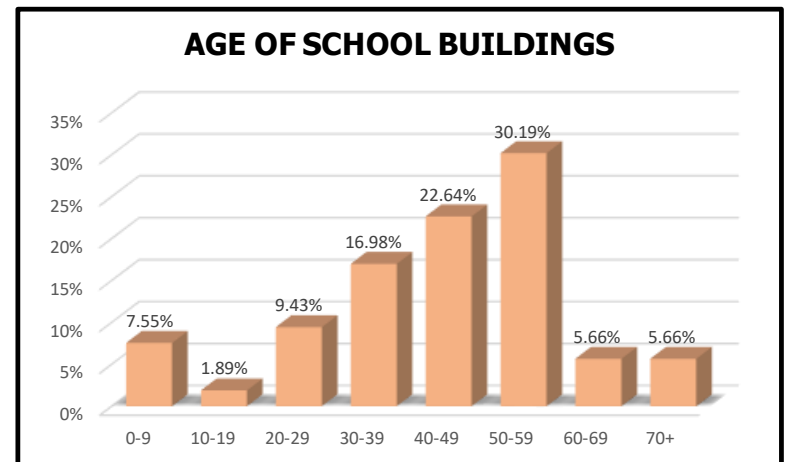
- Roofing
- HVAC
- Vehicles
- Plumbing
- Site Improvements
- Electrical
- Technology
- Furniture
- Life Safety
- Other Maintenance



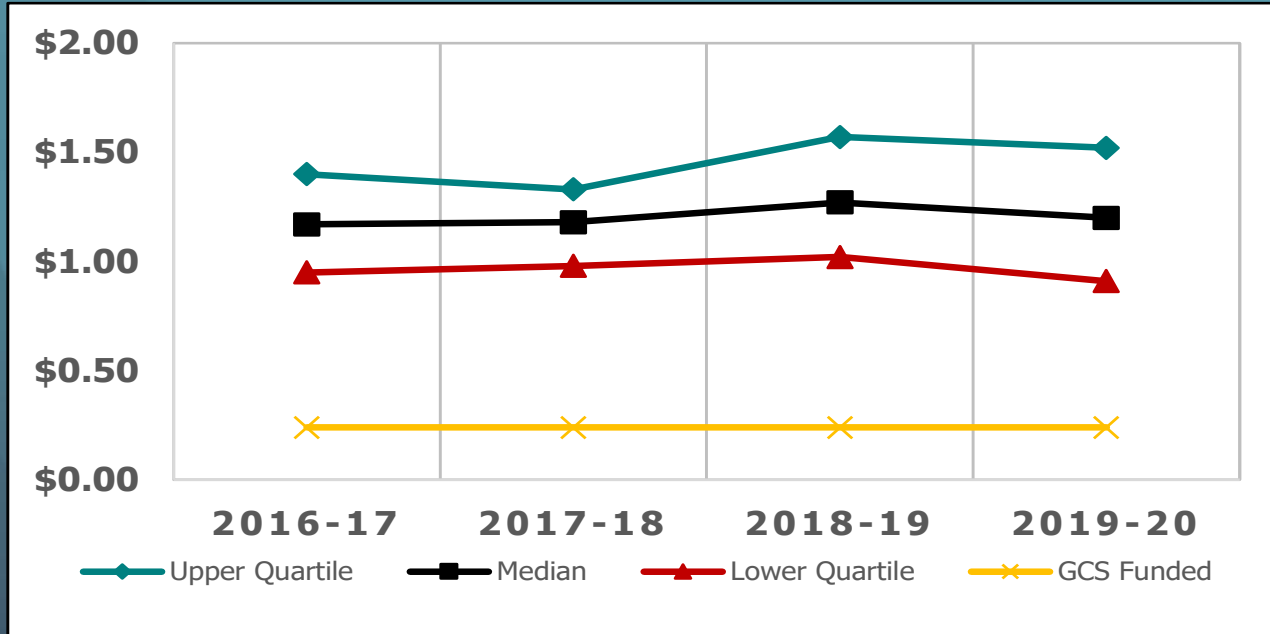
# Capital Outlay

## 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



	2016-17	2017-18	2018-19	2019-20
<b>Upper Quartile</b>	\$ 1.40	\$ 1.33	\$ 1.57	\$ 1.52
<b>Median</b>	1.17	1.18	1.27	1.20
<b>Lower Quartile</b>	0.95	0.98	1.02	0.91
<b>GCS Funded</b>	0.24	0.24	0.24	0.24

Source: Managing for Results in America's Great City Schools – 2021 (results from fiscal year 2019-2020)

# Capital Request

- We have 60 school and administrative buildings measuring about **5.2 million square feet**
- This year we received \$1.2 million in capital outlay, or about \$0.24 per square foot
- **We are requesting \$6.3 million** in capital outlay for 2021-22. This request amounted to \$1.20 per square foot which is the **median** maintenance cost per square foot.

# Capital Request

Expenditures							Proposed
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Technology	\$ 100,000	\$ 100,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 100,000
	Vehicles	150,000	150,000	150,000	100,000	100,000	150,000
	General Renovations	882,000	882,000	1,882,000	1,027,000	1,027,000	5,900,000
	Furniture	95,000	95,000	95,000	50,000	50,000	150,000
TOTAL	<b>COUNTY CAPITAL</b>	<b>\$ 1,227,000</b>	<b>\$ 1,227,000</b>	<b>\$ 2,227,000</b>	<b>\$ 1,227,000</b>	<b>\$ 1,227,000</b>	<b>\$ 6,300,000</b>
	<b>STATE FUNDS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>GRAND TOTAL</b>	<b>\$ 1,227,000</b>	<b>\$ 1,227,000</b>	<b>\$ 2,227,000</b>	<b>\$ 1,227,000</b>	<b>\$ 1,227,000</b>	<b>\$ 6,300,000</b>

# Conclusion

The Superintendent's Budget Request supports the Gaston County Schools' Vision to **“inspire success and a lifetime of learning”** for all of our students.



# Discussion

