

Board of Commissioners and Board of Education Special Meeting



Gaston County Schools Budget Request
April 24, 2024

Presentation Overview

1. Collaborative Successes
2. Operating Request
3. Capital Outlay
4. Discussion



Collaborative Successes



New Construction

Pleasant Ridge Elementary School



Stanley Middle School



Belmont Middle School



New Grier Middle



New Grier Middle

- Will support up to **1,000 students** and can expand to 1,200 students
- 43 Core Classrooms and 10 CTE/Arts classrooms
- Approximately **165,000 square feet**
- **Two phase project** - Building phase 1 and athletic fields phase 2
- Grand Opening – **2025-26 School Year**



Capital Projects

Paving

- South Point High
- North Gaston High
- W.B. Beam Intermediate
- Kiser Elementary
- Southwest Middle
- Cramerton Middle



Capital Projects

Roofing

- Holbrook Middle
- Cramerton Middle
- Bessemer City Middle
- Springfield Elementary
- Cherryville High
- Page Elementary



Capital Projects

Other Projects

- Site Improvements
- Lighting Replacement
- HVAC/Boiler/Chiller
- Flooring
- Media Centers
- Life Safety



Collaborative Successes

- Safe and Secure Schools
- Career and Technical Education
- Technology Resources for Students
- Commissioners' School of Excellence
- Magnet Schools and Academy Options



Operating Request



Historical County Funding

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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Teacher supplements	\$500,000	
Total Change in Funding		\$500,000

FY 2023-24 Actual	\$53,001,704
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Use of County Funds



- Salary supplements - Teachers, Principals and Assistant Principals
- Maintenance and custodial personnel
- Supplies and materials
- Student technology
- Utilities and insurance
- School Resource Officers
- Athletics and arts programs
- Charter school allotments

Stakeholders Survey

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



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

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 Gaston County Schools mission and vision or are required by law.

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	502,000	-	502,000
State Increase in Employer Paid Benefits	550,000	-	550,000
New Expenditures			
Teacher Salary Supplement Increase	-	3,000,000	3,000,000
Total	\$ 3,962,000	\$3,000,000	\$ 6,962,000

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 three 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**
- 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

Ongoing Expenditures



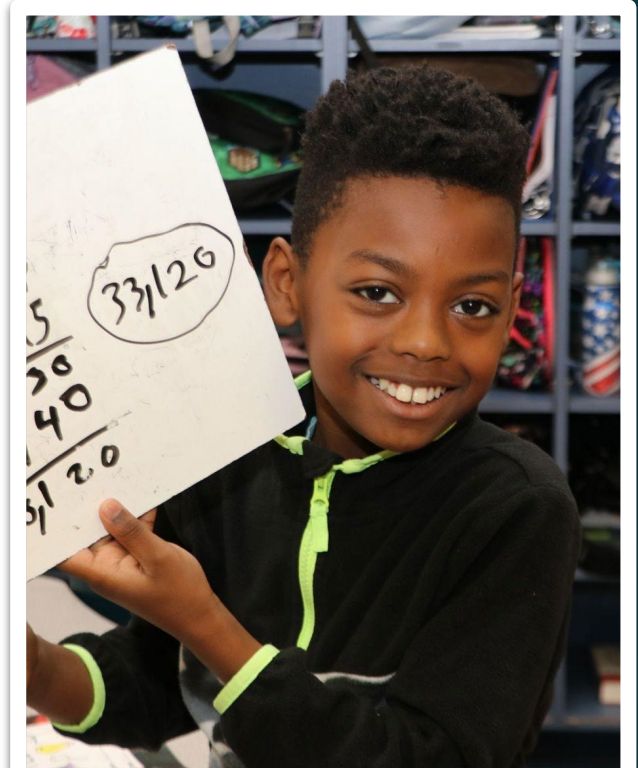
State Increase in Employee Compensation

- The State biennial budget includes an increase of **3.0%** for all State paid employees for 2024-2025.
- A similar **3.0%** increase for our locally paid employees would cost about **\$502,000**. 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 **\$550,000** as follows:
 - o Health insurance premium is projected to increase by **7.1%** from \$7,557 to \$8,095
 - o 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	\$3,962,000
New Initiatives	\$1,300,000	\$3,000,000
Total County Request	\$55,386,704	\$59,963,704

Capital Outlay



Capital Outlay

School Bonds

- New construction
- Classroom additions
- Capital replacements

Capital Outlay

- Preventative maintenance
- Minor repairs
- Contracted facility services



Capital Outlay

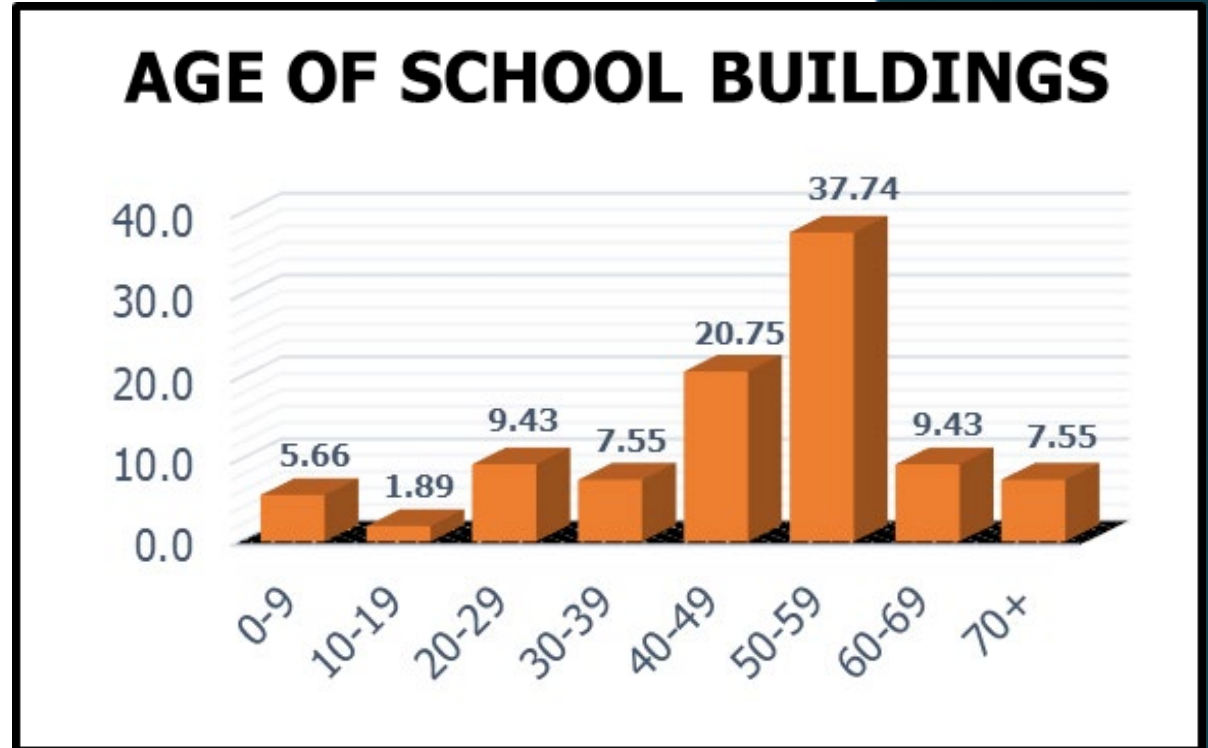
Capital outlay is money used to maintain, upgrade or repair capital assets such as the following:

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

Capital Outlay

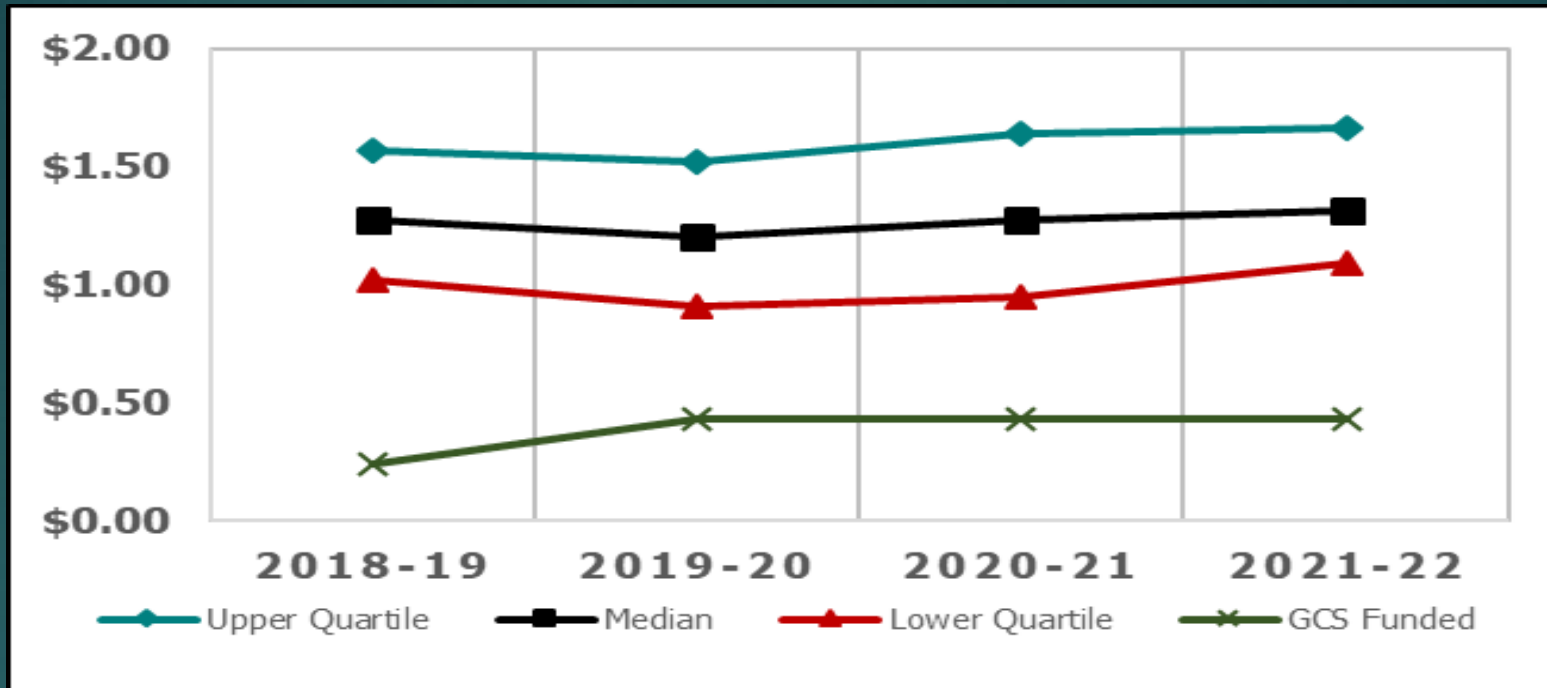
Maintenance Costs Are Affected By:

- 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 Outlay

Expenditures	Adopted Budget					Proposed 2024-25
	2019-20	2020-21	2021-22	2022-23	2023-24	
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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