

# Joint BOC/BOE Special Meeting May 22, 2018



Gaston County Schools' Budget Request  
FY 2018-19

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**GASTON COUNTY SCHOOLS**

# **2018-19 BUDGET REQUEST**



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# Budget Overview

- Operating Request
- Capital Request
- Conclusion



# Operating Request

## Ongoing Expenditures

Expenses related to the ongoing operations that will change due to 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 required by law.

# Current Funding

School Resource Officer (SRO) funding  
for all high schools



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# Current Funding

School Resource Officer (SRO) funding  
for all high schools

Gaston County Schools **continues** to be  
ranked as one of the safest large school  
districts in North Carolina!

**2017**

**2015**

**2016**

**2014**

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# Current Funding

**Local Allotment - \$47,751,704**

- Teachers and Support Staff
- Classroom Technology
- School Administrators
- Pleasant Ridge Gifted and Talented Academy
- School Maintenance
- School Safety and Security
- Utilities and Insurance

# Current Funding

## Recent Accomplishments:

- Over \$45 million in scholarships in 2017
- 2017 National Blue Ribbon School
- Graduation Rate Above State Average
- Morehead-Cain Scholarship Winner
- International Science and Engineering Fair Participants
- Milken Educator Award Winner
- NEA Foundation National Award for Teaching Excellence



# Expansion Request

## Ongoing Expenditures - \$1,248,500

	Ongoing Expenditures	
1	State Mandated Increase in Employer Paid Benefits	\$ 263,000
2	Replacing End-of-Life Mobile Devices	517,500
3	Charter School Student Enrollment Increase	160,000
4	Replace ERate Reimbursement Reduction for Cellular Service	173,000
5	Replace ERate Reimbursement Reduction for Phone Service	135,000

# Ongoing Expenditures

## State Mandated Increase in Employer Benefits:

Next year employer provided benefits will increase as follows:

- Health insurance will increase by 4% from \$5,869 to \$6,104 - **\$46,000**.
- Retirement contribution will increase by 8% from 17.13% to 18.44% - **\$217,000**.

# Ongoing Expenditures

## Replacing End-of-Life Mobile Devices:

- We estimate about 1/3 of the 10,350 devices placed in service in FY 2014-15 will fail next year.
- The cost of replacement is about \$150 per device, or **\$517,500** for 3,450 devices.



# Ongoing Expenditures

## Charter School Student Enrollment:

- GCS remits a portion of local funds received to charter schools based on enrollment.
- Based on historical trends, we anticipate a 6% increase in charter school enrollment.
- An increase of 100 students would result in a **\$160,000** reduction in local funds to GCS.

# Ongoing Expenditures

## Replace ERate Reimbursement:

- ERate reimbursement, which has been used to support high-speed broadband, has been phased out over the past five years.
- This funding amounted to **\$308,000** and is needed to continue to maintain the technology necessary for digital learning.

# Expansion Request

## New Initiatives - \$3,006,000

	New Initiatives	
1	Enhanced School Security	\$ 576,000
2	Certified Employee Salary Supplement Adjustment	500,000
3	Employee Compensation Adjustment	850,000
4	Expand School Choice Options	100,000
5	Replace End-of-Life Central Office IT Infrastructure	270,000
6	1:1 Student to Mobile Device Ratio	710,000



# New Initiatives

## Enhanced School Security:

- Provide 16 additional officers to ensure that all schools have a full-time SRO.
- Based on the 180 day school year, we would need **\$576,000** to pay for these positions.



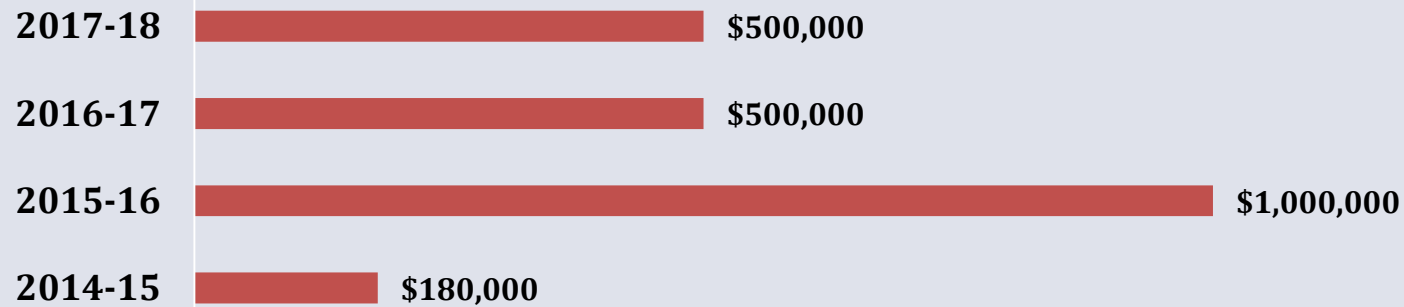
# New Initiatives

## Teacher Salary Supplement:

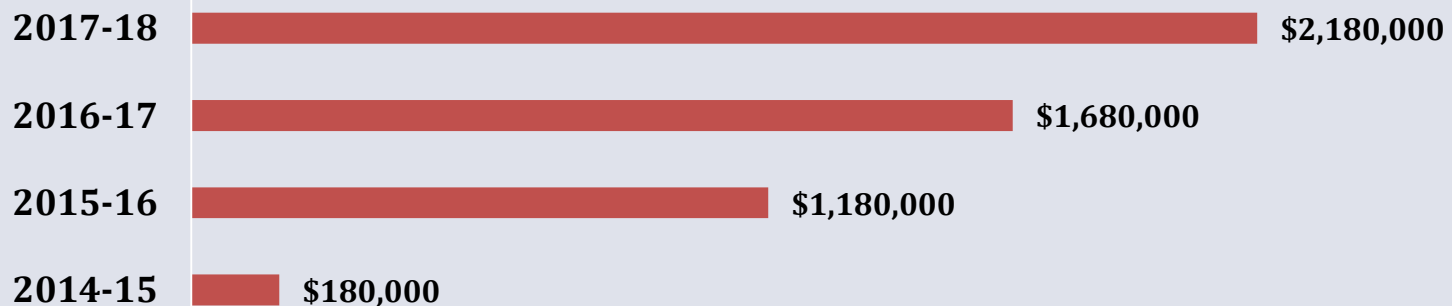
- The average GCS teacher salary supplement still falls below the State average and our peer group.
- The County has agreed to a series of **\$500,000** increases in the salary supplement to get our teacher supplements more in line with our peer group.

# Teacher Supplements

## District Increases



## Cumulative District Increases

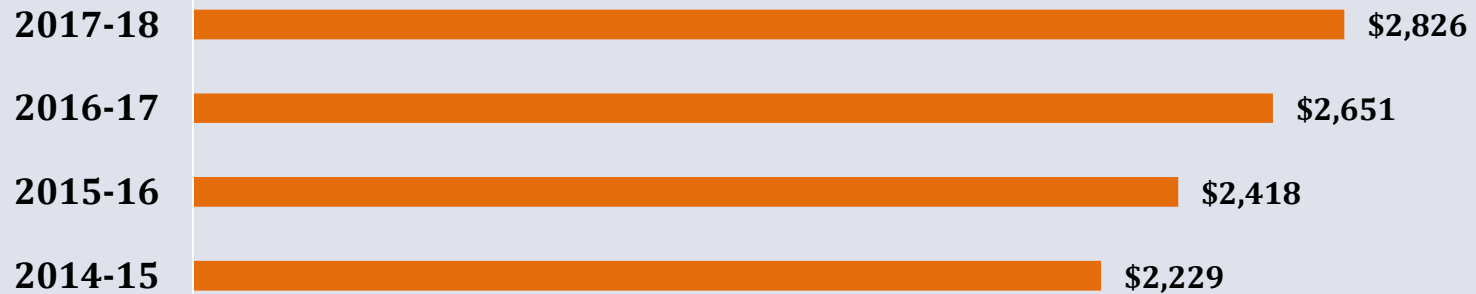


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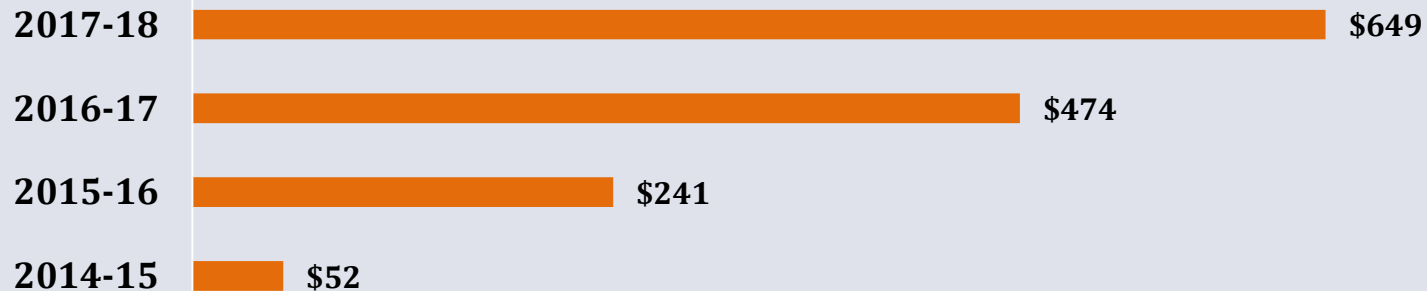


# Teacher Supplements

## Average Teacher Supplement



## Cumulative Avg. Supplement Increase



# Teacher Supplements

LEA - Neighboring (ADM)	Average Supplement
Charlotte-Mecklenburg (147,359)	\$ 7,159
Union (41,308)	4,524
State Average	4,337
Catawba (16,181)	3,755
Cabarrus (32,476)	3,140
Lincoln (11,318)	2,894
Iredell-Statesville (20,436)	2,853
Gaston (31,580)	2,826
Cleveland (14,581)	1,884

Source: DPI FY 2017-2018 Table 20 for average supplement  
DPI FY 2017-2018 Table 10 for ADM

# New Initiatives

## Employee Compensation Adjustment:

- Salary increases for our non-certified employees have lagged the increases of other government employees.
- Our **\$850,000** request provides for a 3% compensation increase for non-certified employees and market-based adjustments to coaching supplements.



# New Initiatives

## Expand School Choice Options:

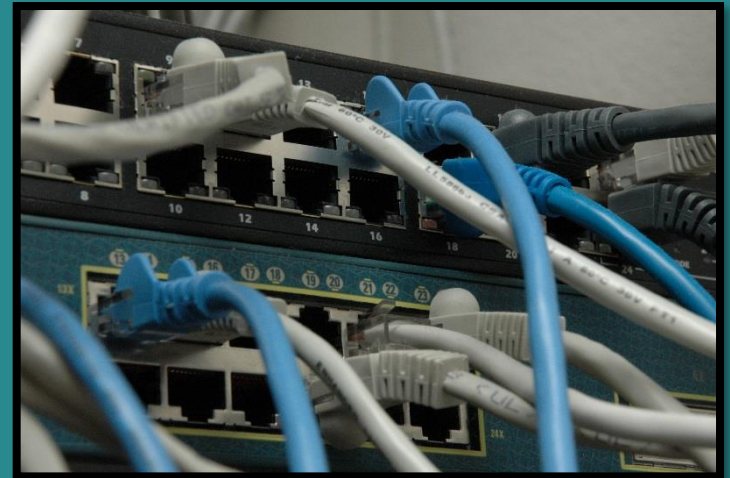
- Next year we plan to open a STEAM academy at the new Stanley Middle School at a projected cost of **\$100,000**.
- This will be our first middle school choice program.



# New Initiatives

## Replace Central Office IT Infrastructure

- The switches and access points in our Central Offices are end-of-life
- We are requesting **\$270,000** to update all Central Office locations with new switches, access points and cabling.



# New Initiatives

## 1:1 Student to Mobile Device Ratio:

- We need an additional 2,935 devices to achieve a 1:1 student to device ratio.
- It would cost **\$710,000** to purchase the additional devices, carts and software.



# State Mandated Changes

## K-3 Class Size Reductions:

- Will be phased-in over four years.
- No K-3 class size changes for next year.
- Will require a one student reduction in K-3 class sizes for the next two years which would require seven additional teachers and two additional mobile classrooms.

# Expansion Request

## State Mandated Changes - \$0

	State-Mandated Changes	
1	K-3 Class Size Reductions	\$ -

### K-3 Class Size Reductions:

Expenditure	FY 2018-19 Request	FY 2019-20 Planning	FY 2020-21 Planning	Total Cost Three Years
Salaries and Benefits	\$ -	\$ 406,000	\$ 406,000	812,000
Materials and Supplies	-	4,200	4,200	8,400
Contracted Services	-	20,000	20,000	40,000
Other Operating Expenses	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 430,200</b>	<b>\$ 430,200</b>	<b>\$ 860,400</b>

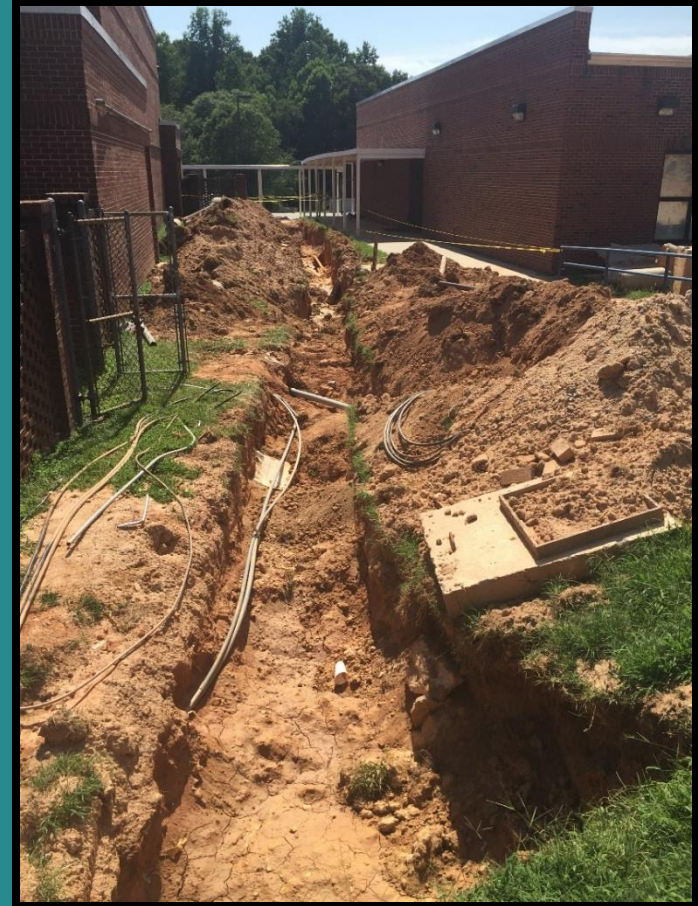
# Operating Request Summary

County Request	Amount	
	2017-18	2018-19
Prior Year County Appropriation	\$45,351,704	\$47,751,704
Ongoing Expenditures	\$471,000	\$1,248,500
New Initiatives	\$4,010,200	\$3,006,000
<b>Total County Request</b>	<b>\$49,832,904</b>	<b>\$52,006,204</b>



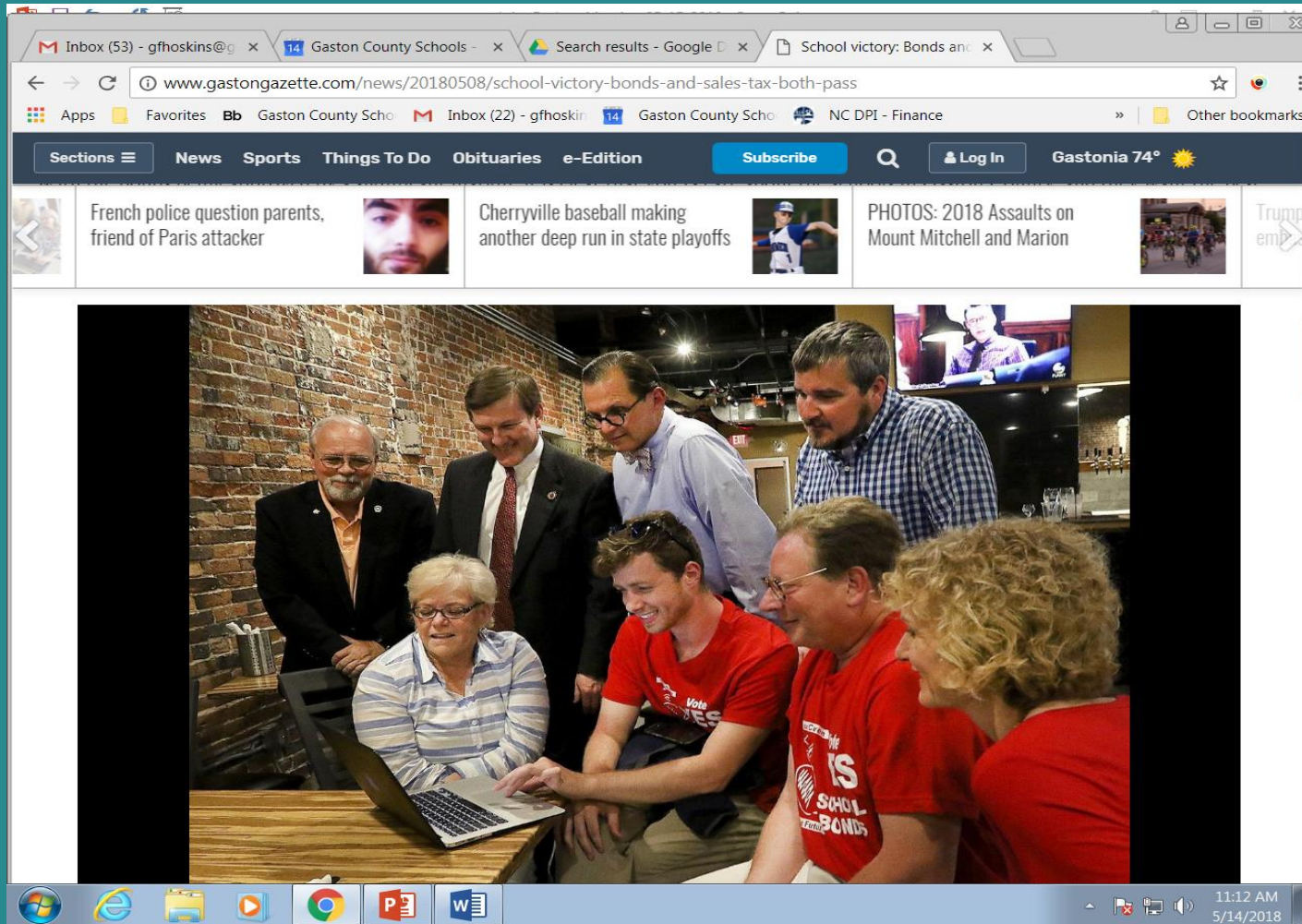
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# Capital Request

School victory: bonds and sales tax both pass:



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# Capital Request

## School bonds:

- New construction
- Classroom additions
- Capital replacements

## Capital Outlay:

- Preventative maintenance
- Minor repairs
- Contracted facility services

# Capital Request

Capital Outlay is used for the following purposes:

- Roofing
- HVAC
- Vehicles
- Plumbing
- Electrical
- Technology
- Furniture
- Life Safety Devices
- Other Building Costs



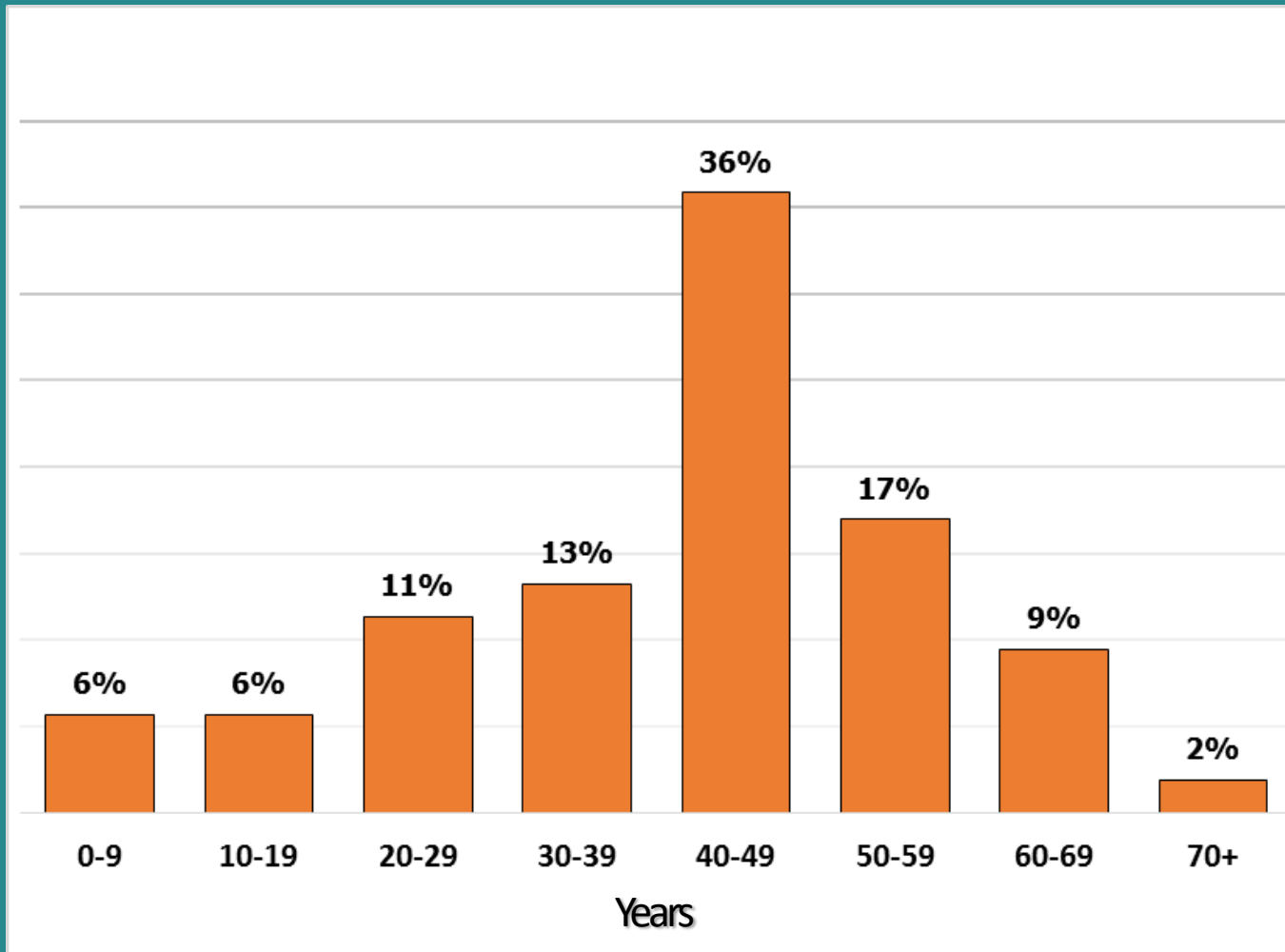


# Capital Request

Routine Maintenance costs are affected by:

- Age of the buildings
- Quality and experience of custodial staff
- Training of custodial staff
- Deferred maintenance backlog

# Average Age of Schools



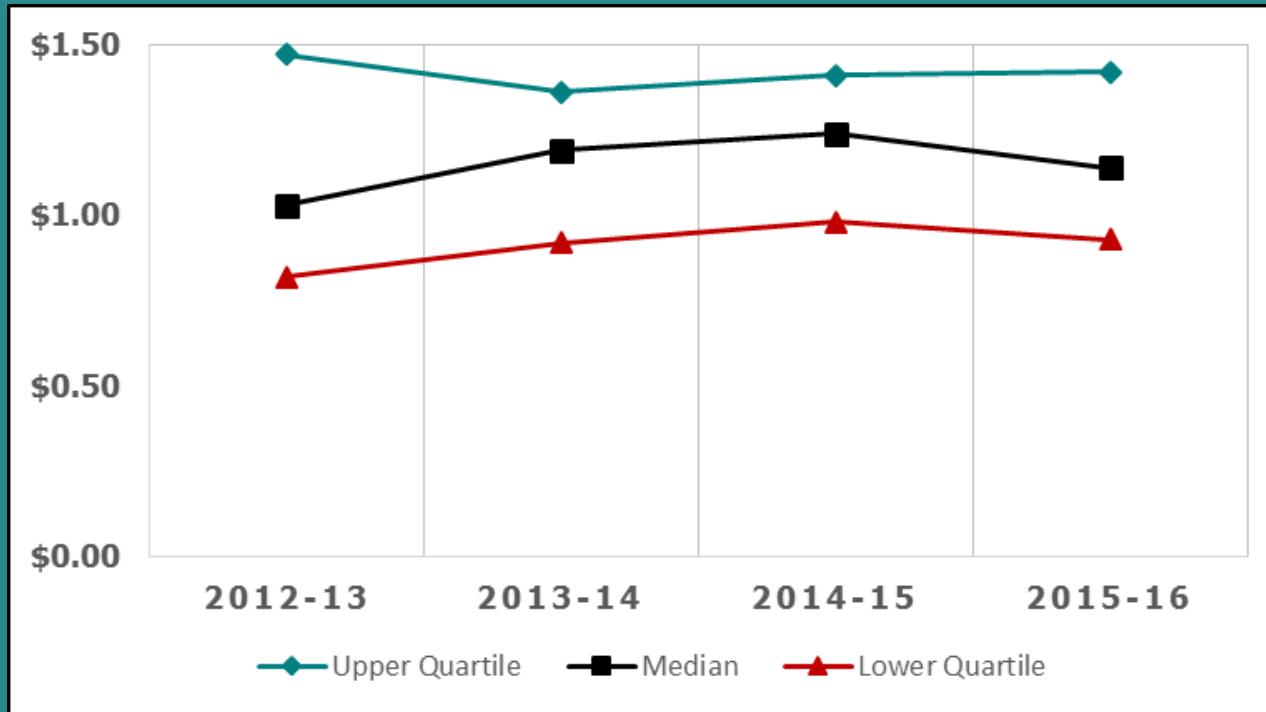
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# Capital Request

- According to the 2017 publication *Managing for Results in America's Great City Schools* from the Council of the Great City Schools – routine maintenance costs per square foot for 2015-16 ranged from:
  - \$1.42 for the upper quartile
  - \$1.14 for the median
  - \$0.93 for the lower quartile

# Capital Request



	2012-13	2013-14	2014-15	2015-16
Upper Quartile	\$ 1.47	\$ 1.36	\$ 1.41	\$ 1.42
Median	1.03	1.19	1.24	1.14
Lower Quartile	0.82	0.92	0.98	0.93



# Capital Request

- GCS schools and central office buildings amount to approximately 5.2 million square feet.
- We are requesting **\$5.9 million** in capital outlay for FY 2018-19. This request equates to about \$1.14 per square foot.



# Budget Overview

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# Conclusion

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



# Thank You



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