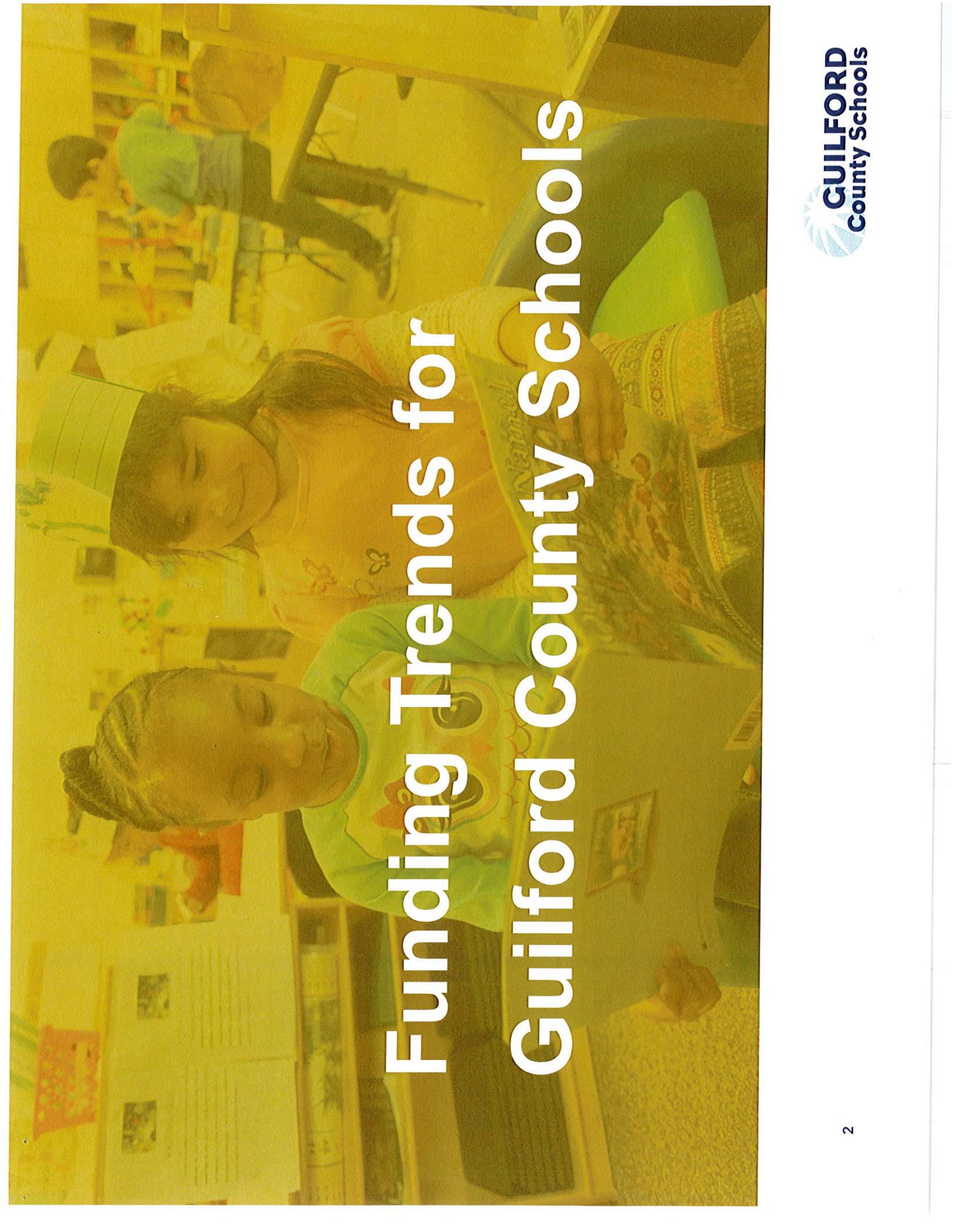


GUILFORD COUNTY BOARD OF EDUCATION'S 2019-20 BUDGET REQUEST

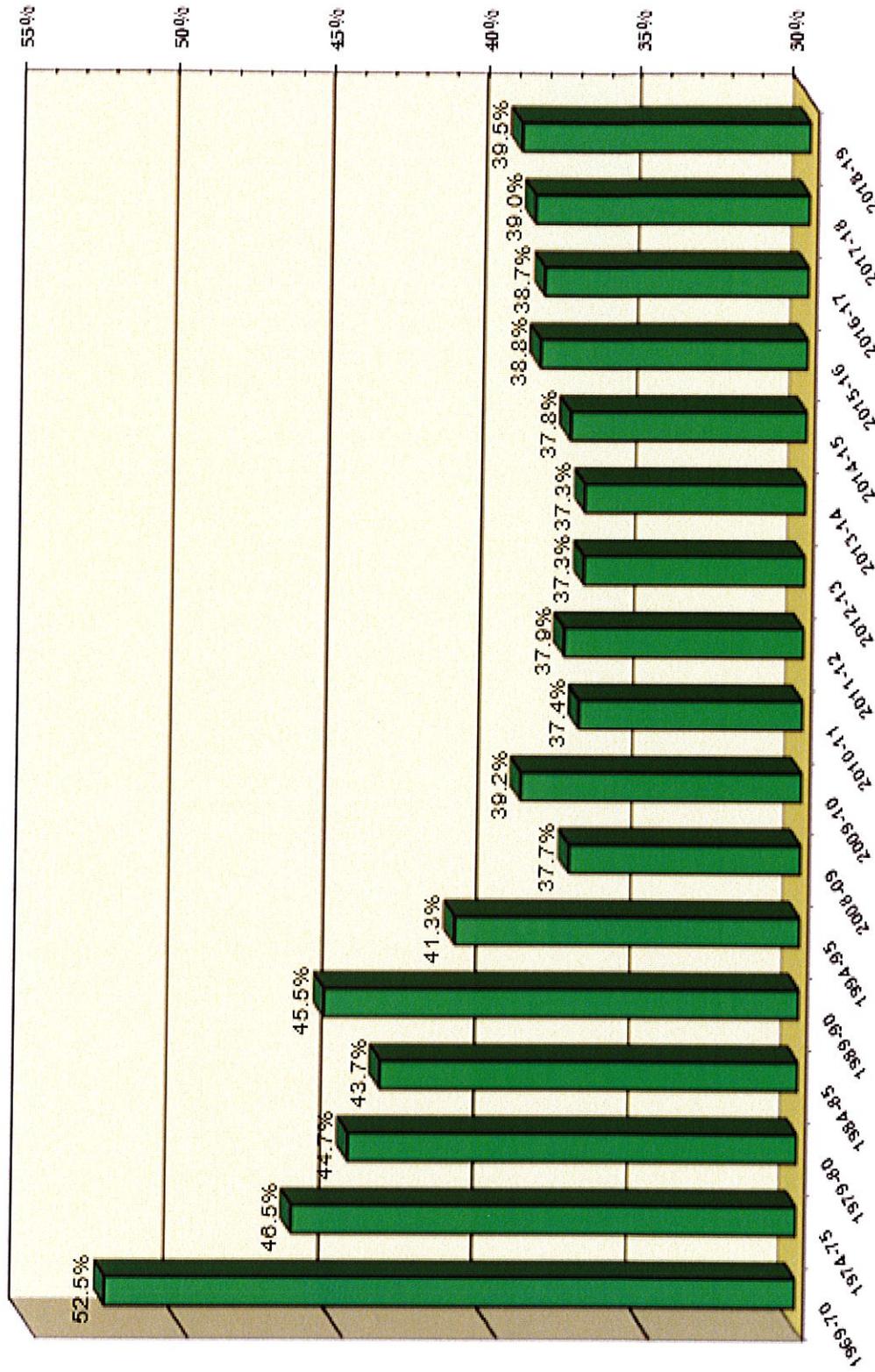
GUILFORD COUNTY BOARD OF COMMISSIONERS
JUNE 10, 2019

SHARON L. CONTRERAS, PH.D. | SUPERINTENDENT



Funding Trends for Guilford County Schools

K-12 Education Funding in North Carolina



Since 1970, the Public School's share of the General Fund has decreased by 13.0 percentage points. If our Public Schools were still funded at the same percentage as in FY 1969-70, we would have an additional \$3.1 billion for our students.

Source: NCDPI Highlights of the North Carolina Public School Budget, February 2019



K-12 Education Funding in North Carolina

Total State Public School General Fund Appropriations

2003-04 to 2018-19 (in Billions)



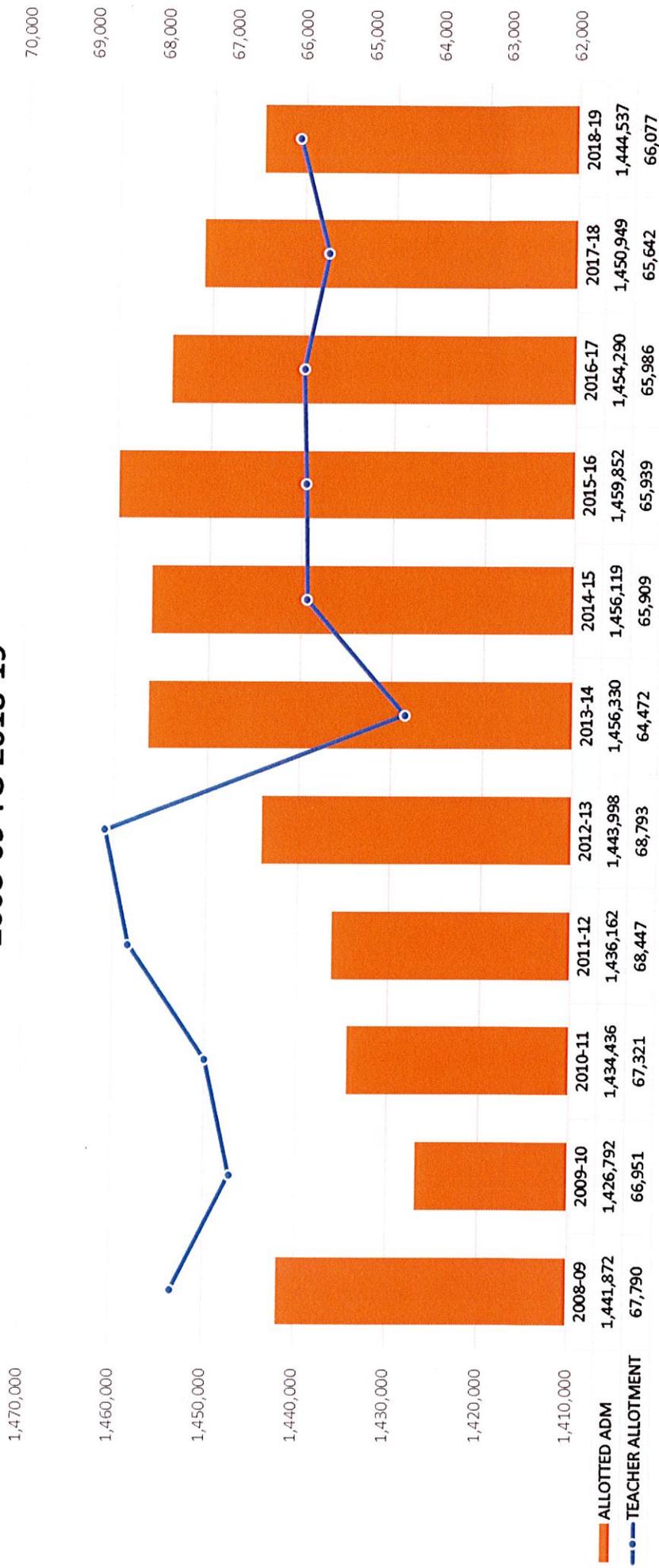
Funding increased from \$6.13 billion in 2003-04 to \$9.44 billion in 2018-19.

Source: NCDPI Highlights of the North Carolina Public School Budget, February 2019



Resources provided by state funding have not been restored to pre-recession levels.

**STATEWIDE AVERAGE DAILY MEMBERSHIP* VS. CLASSROOM TEACHER ALLOTMENT
2008-09 TO 2018-19**



*Excludes students enrolled in charter schools

STATEWIDE CHARTER SCHOOL MEMBERSHIP											
Year	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
34,694	38,122	41,232	44,829	48,795	53,655	64,186	77,791	89,228	101,689	111,604	

Resources provided by state funding have not been restored to pre-recession levels.

If Guilford County Schools received state funding based on allotment formulas that were in place in FY 2008-09, an additional \$17.5 million per year would be available for our students.

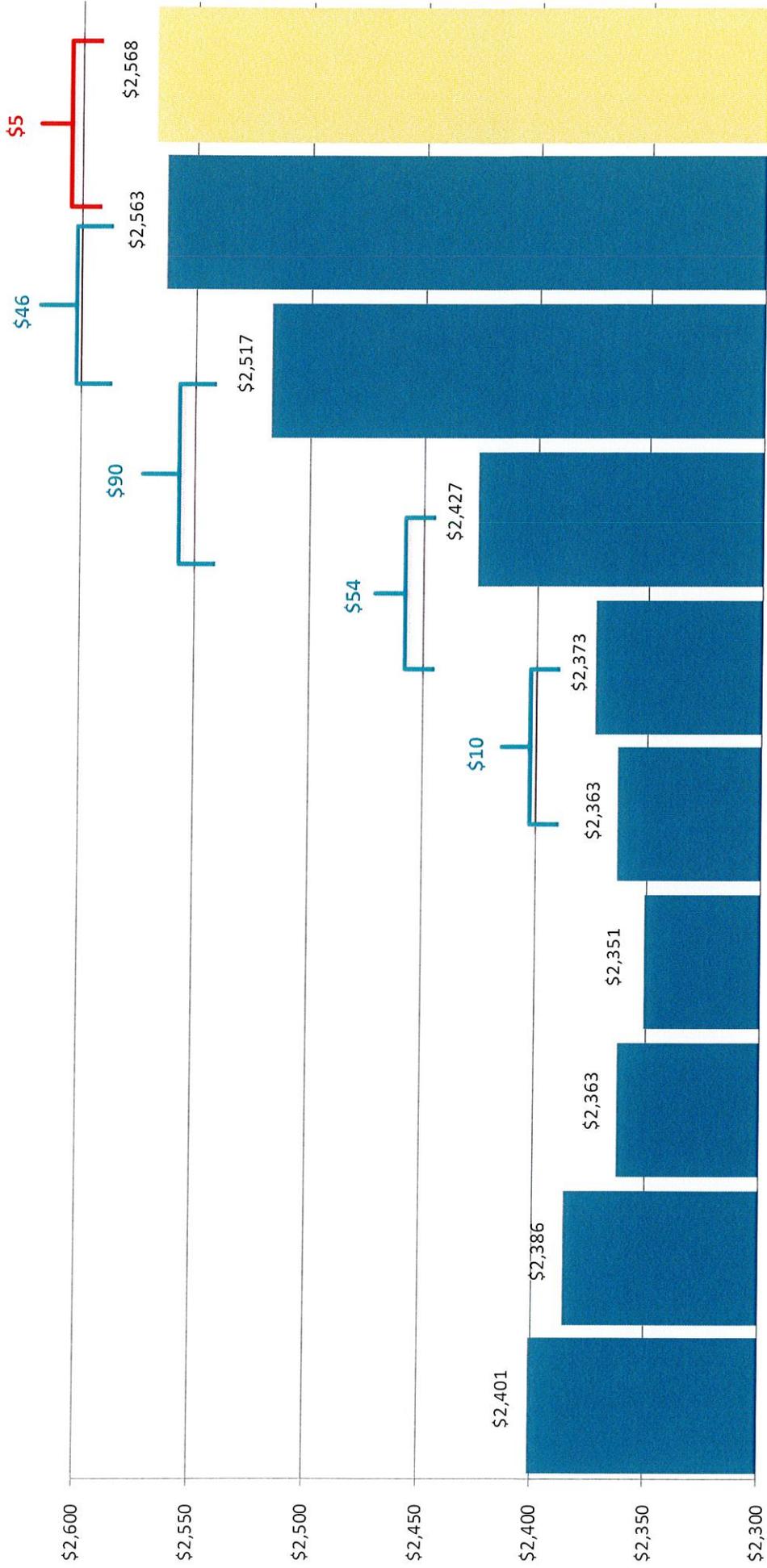
2008-09 vs. 2018-19

INSTRUCTIONAL PERSONNEL AND SUPPORT SERVICES	Positions	Amount	Change
CLASSROOM TEACHERS	65.56	\$4,412,083	1.95%
INSTRUCTIONAL SUPPORT	30.49	\$2,231,615	8.44%
PRINCIPALS	1.00	\$102,982	0.80%
ASSISTANT PRINCIPALS	16.91	\$1,450,865	18.72%
TEACHER ASSISTANTS		\$4,495,089	19.56%
EXCEPTIONAL CHILDREN CAP INCREASE		(\$742,311)	
CLASSROOM MATERIALS/INSTRUCTIONAL SUPPLIES/EQUIPMENT		\$2,070,220	48.40%
TEXTBOOKS		\$2,057,936	42.41%
SUPPORT			
NONINSTRUCTIONAL SUPPORT PERSONNEL		\$350,456	1.77%
CATEGORICAL PROGRAMS			
MENTOR PAY (DOLLAR ALLOTMENT)		\$605,670	100.00%
STAFF DEVELOPMENT		\$424,215	100.00%
STATEWIDE AVERAGE SALARIES (BENEFITS ARE NOT INCLUDED)	2008-09	2018-19	Change
TEACHERS	\$43,257	\$48,373	11.8%
PRINCIPALS (MONTHLY)	\$5,916	\$6,282	6.2%
ASSISTANT PRINCIPALS (MONTHLY)	\$5,159	\$6,085	17.9%
CAREER TECHNICAL ED (MONTHLY)	\$4,558	\$5,010	9.9%
INSTRUCTIONAL SUPPORT	\$49,131	\$54,957	11.9%
BENEFIT COSTS	2008-09	2018-19	Change
HOSPITALIZATION (PER FTE)	\$4,157	\$6,104	46.8%
RETIREMENT	8.14%	18.86%	131.7%
SOCIAL SECURITY & MEDICARE	7.65%	7.65%	0.0%

Guilford County Schools

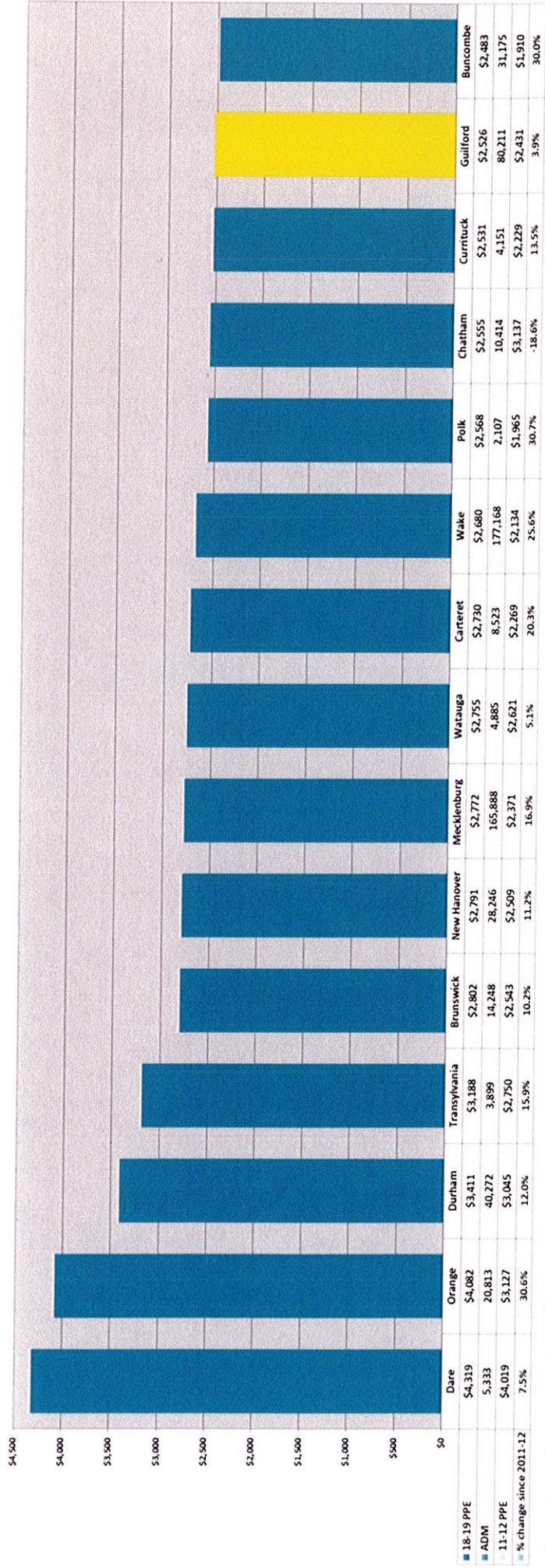
Per Pupil County Appropriation for Local Current Expense Fund

Fiscal Years 2010-11 thru 2019-20



2018-19 Per Pupil Expenditure and Average Daily Membership Data

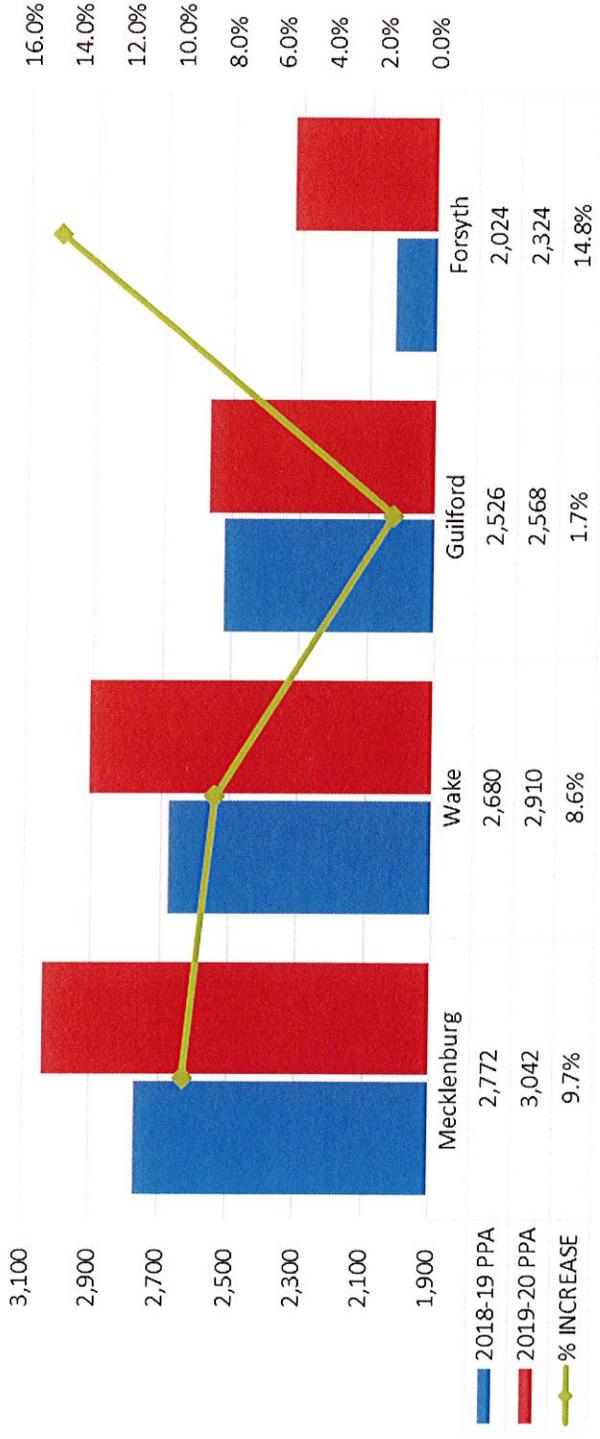
Top 15 Per Pupil Expenditure Counties in NC



Source: North Carolina Association of County Commissioners : 2018-19 Budget & Tax Survey: Current Expense / (ADM + Charter)



North Carolina 4 Largest School Districts



Wake County investment in Wake County Public School System’s operating fund increased \$45 million for a total of \$515.9 million in FY20.

Wake County’s budget includes 6.63-cent property tax increase to bring property tax rate to 72.07 cents per \$100 of property value.

Mecklenburg County investment in Charlotte-Mecklenburg Schools’ operating fund increased \$49.6 million for a total of \$509.5 million in FY20.

Mecklenburg County tax rate is 1.99 cents above revenue neutral rate.

Forsyth County investment in Winston-Salem/Forsyth County Schools’ operating fund increased \$8 million.

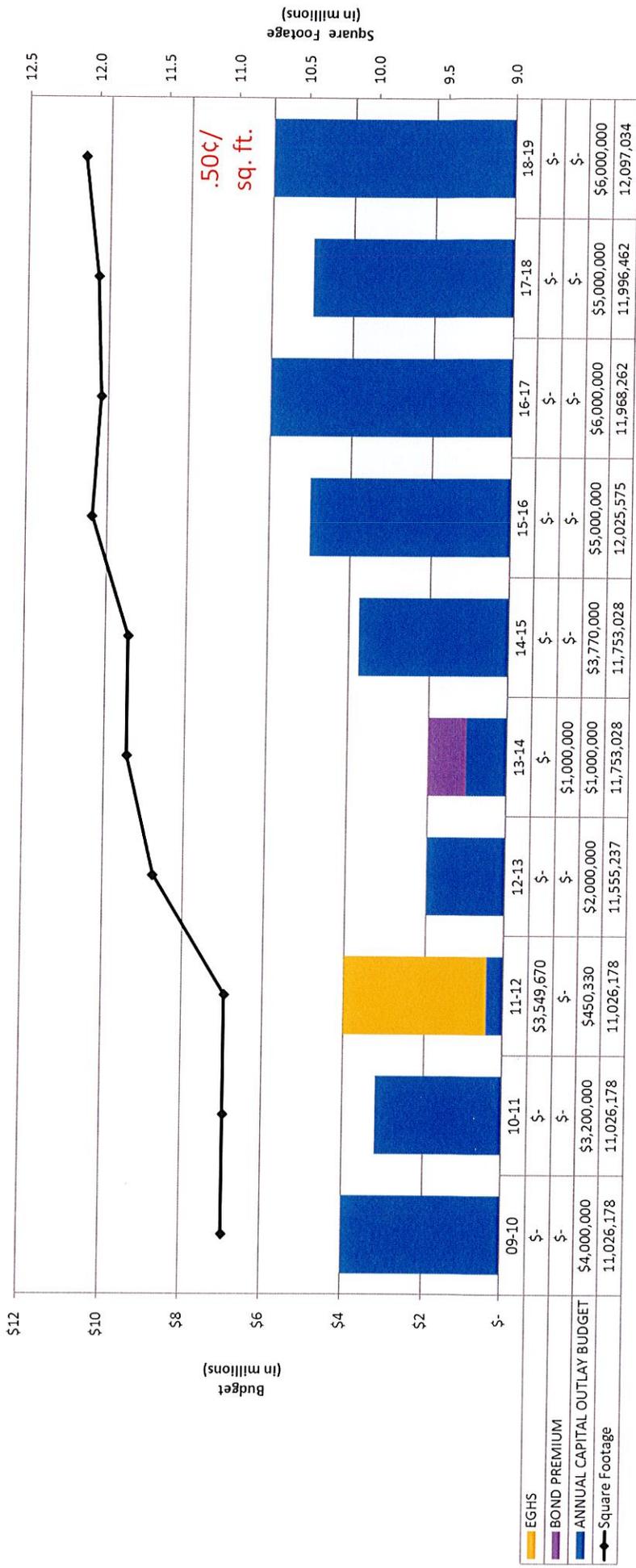
Forsyth County’s property tax rate increased 3 cents to bring the property tax rate to 75.35 cents per \$100 of property value.

258 GCS teachers live in Forsyth County

Guilford County Schools

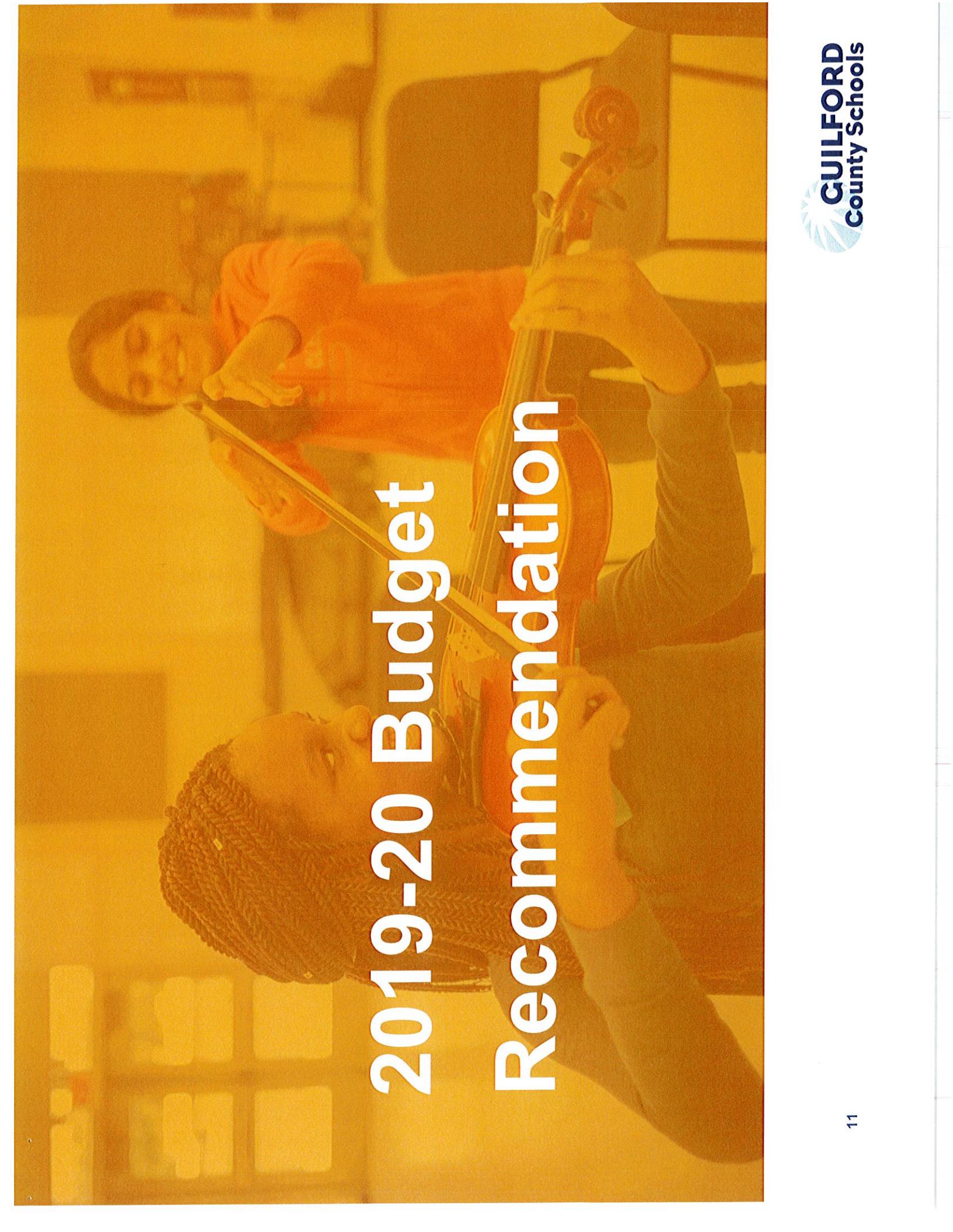
Capital Outlay Budget for Annual Maintenance

Fiscal Years 2008-09 thru 2018-19



2011-12 = \$450,330 in general fund dollars + \$3,549,670 from the Eastern Guilford HS Replacement project;
 2013-14 = \$1,000,000 in general fund dollars + \$1,000,000 in bond premium dollars



A photograph of two young students playing violins in a music classroom. The student on the left is a Black male with short hair, wearing a grey long-sleeved shirt. The student on the right is a white female with long brown hair, wearing an orange long-sleeved shirt. They are both smiling and looking towards the camera. The background shows a music room with a piano and a window with blinds. The entire image has a warm, golden-yellow overlay.

2019-20 Budget Recommendation

Strategic Plan Goals

Goal I: By 2022, the percentage of students who will read proficiently by the end of third grade will increase to 63 percent (currently 53.4 percent).

Goal II: 75 percent of incoming sixth grade students will pass NC Math I (Algebra I) with a C or better by the end of their ninth grade year in 2022 (currently 69.8 percent).

Goal III: By 2022, the percentage of graduating seniors who complete a rigorous career pathway will increase to 35 percent (currently 28.6 percent).

Goal IV: By 2022, increase by 50 percent the number of schools that exceed growth (currently 32.5%).

Goal V: By 2022, decrease the achievement gap between black and Latino students and their white peers by 7 percentage points (currently gap ranges from 25-37 percent in reading and math).

Goal VI: By 2022, increase organizational efficiency and effectiveness to better support student learning.

2019-20 Local Current Expense Fund

Budget Priorities

State mandated salary increases	\$2.2 million
State mandated benefits increases	\$2.6 million
Local teacher supplement	\$2.0 million
Bus driver pay increase	\$1.0 million
Hourly paid staff pay increase	\$2.0 million
Improving Chronically Low Performing Schools	\$1.0 million
Sustaining Operations	\$3.1 million
Less: identified savings	-\$3.9 million
Request additional funding from Guilford County Board of Commissioners	\$10.0 million

Pay increase for school nutrition staff will be funded from the school nutrition fund = \$1 M

Local teacher supplement 2009 vs 2018

Rank		LEA	Teacher Average Supplement	
<u>2009</u>	<u>2018</u>		<u>2009</u>	<u>2018</u>
2	1	Wake County Schools	\$6,049	\$8,649
1	2	Chapel-Hill/Carrboro City Schools	\$6,650	\$7,904
3	3	Charlotte-Mecklenburg County Schools	\$5,827	\$7,159
5	4	Durham County Schools	\$5,294	\$6,931
4	5	Orange County Schools	\$5,630	\$6,274
14	6	Buncombe County Schools	\$3,898	\$5,276
12	7	Chatham County Schools	\$3,979	\$5,057
19	8	Johnston County Schools	\$3,527	\$4,993
6	9	Guilford County Schools	\$4,994	\$4,764*

*Does not include supplement increase included in BOE approved 2018-19 budget.

Local teacher supplement

Charlotte Mecklenburg Schools – increased funding for local teacher supplement by \$8 million. This increase will make CMS teachers the highest paid district in the state by one percentage point. The estimated average increase is \$700 per teacher.

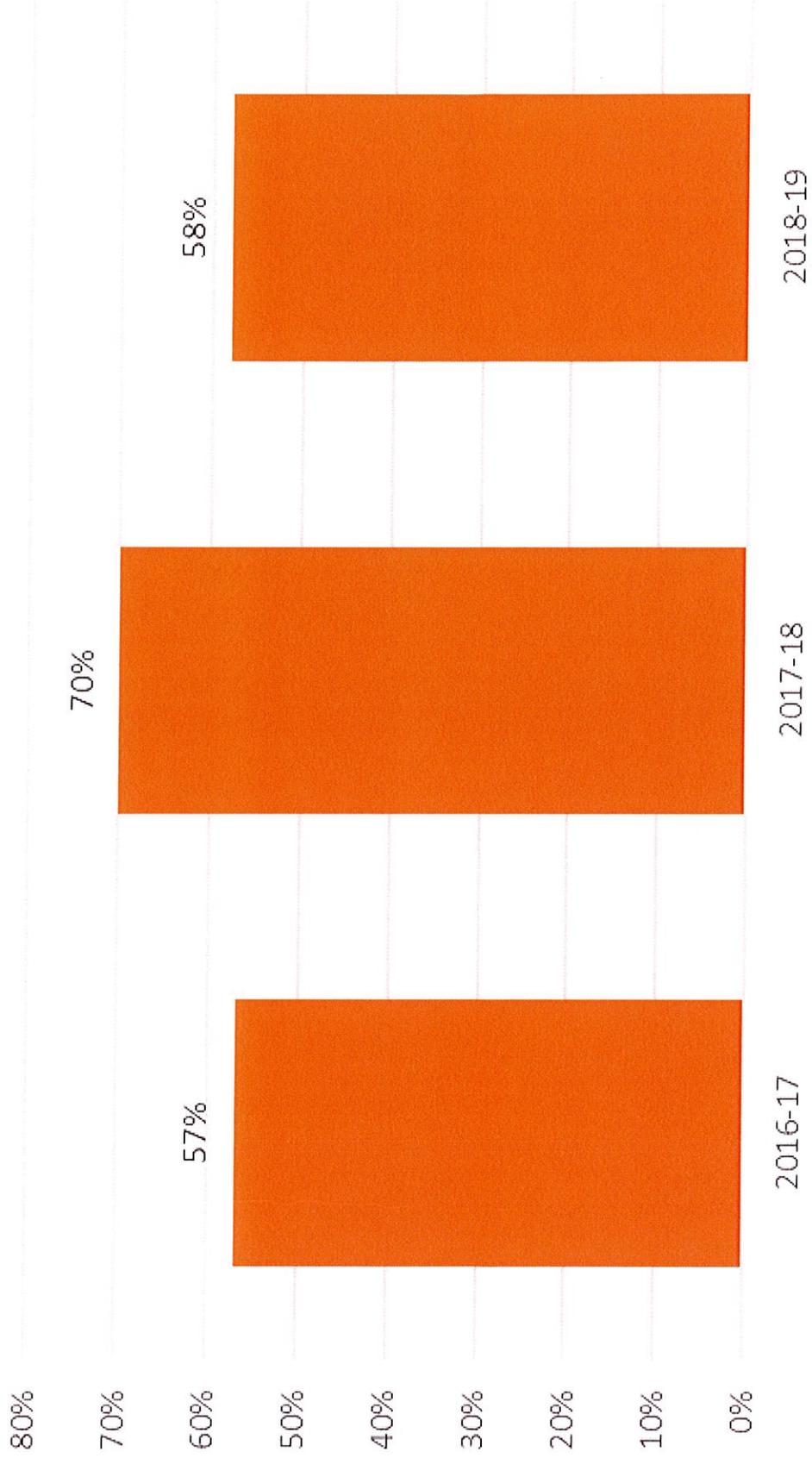
Winston-Salem/Forsyth County Schools – increased funding for local teacher supplement by \$3.4 million. The estimated average increase is \$750 per teacher. Funding is a bridge until a ¼ cent sales tax referendum to fund local teacher supplement is passed.

“The quality of an education system cannot exceed the quality of its teachers.”

[*How the world's best performing education systems come out on top.*](#)
(McKinsey Report, 2007)

GUILDORD COUNTY SCHOOLS

% of 1st Year Lateral Entry Teachers

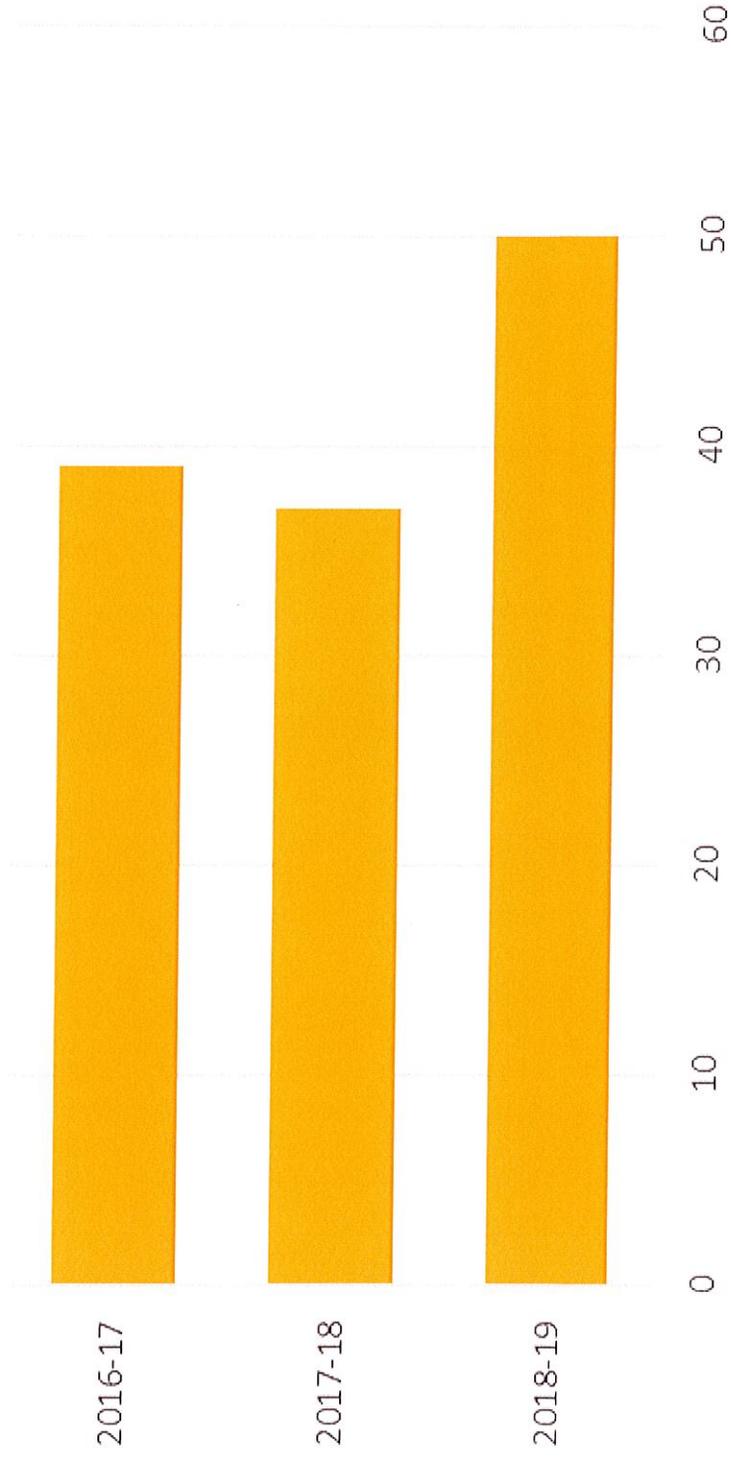


UNDERSTANDING A TEACHER'S LONG-TERM IMPACT

- Teachers have the greatest impact on student achievement.
- A well-trained teacher is likely to send more students to college and can boost a class's lifetime income by \$250,000.
- Teachers play an important role in the overall well-being of students promoting students' social and emotional well-being resulted in significant long-term economic gain a return of \$11 for every \$1 invested --largely from better outcomes in students' long-term health, education and employment, and a decreased likelihood of juvenile and adult crime.

(George Lucas Educational Foundation, Youki Terada, 2019)

Bus Driver Vacancies in Guilford County Schools



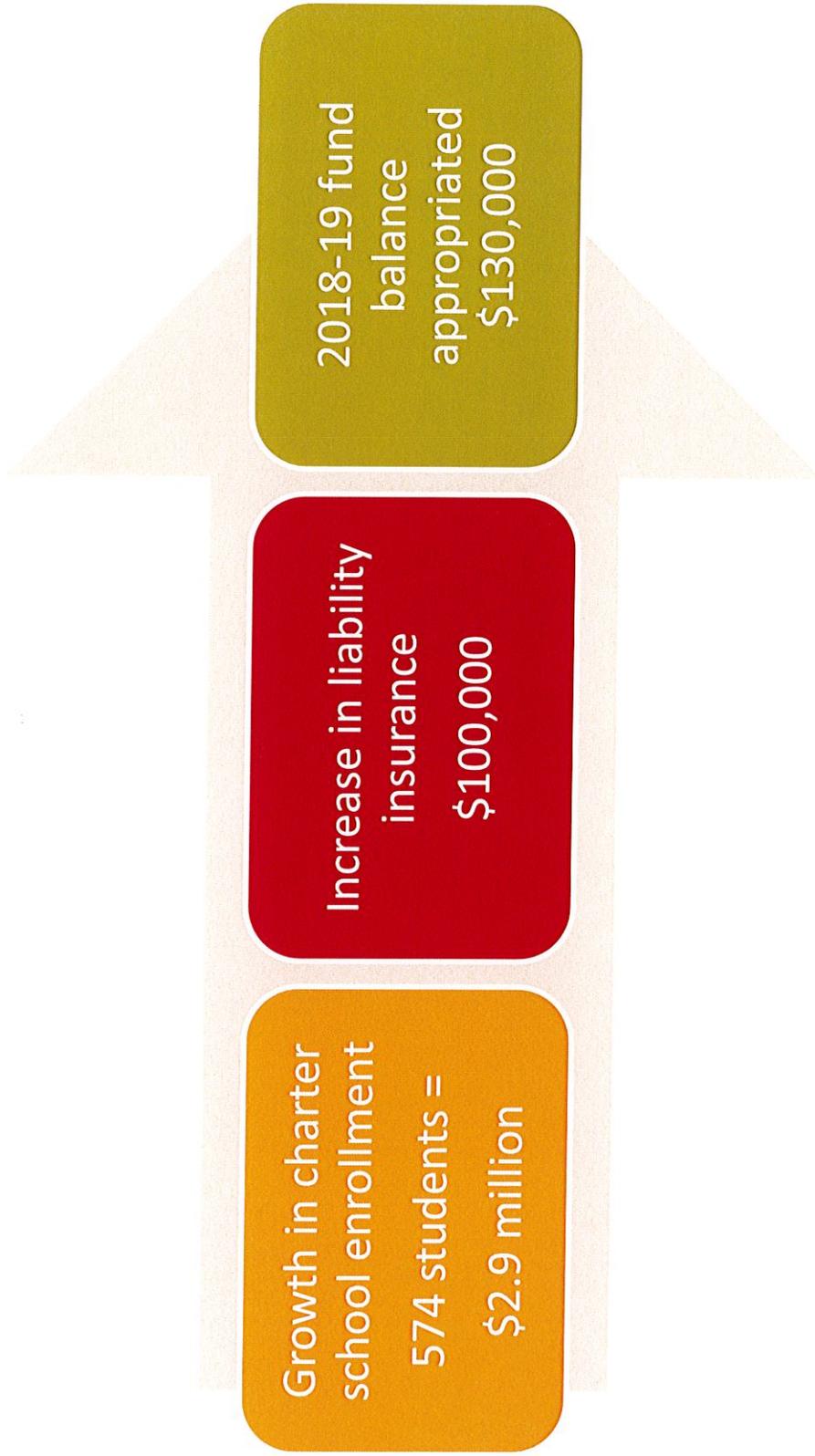
Improving Chronically Low Performing Schools

\$1.0 million

Continue elimination of
combination classes in lowest
performing schools with least
experienced teachers

Teacher recruitment/retention
incentive

SUSTAINING OPERATIONS



\$3.1 million

Consolidate Schools

Hampton Elementary

- F-2 tornado severely damaged building in the evening of April 15, 2018;
- Within a week, students and staff relocated to Reedy Fork ES, where space was available, for the remainder of the 2017-18 school year;
- Proceeds from insurance will be used for the design costs for building a new Hampton-Peeler school.

SCALE Greensboro

- Relocate to McIver site

Twilight

- Relocating to three campuses
- Expanded to include more students

22

Total savings = \$2.7 million

	Board of Education FY2020 Budget Request	Guilford County Manager FY2020 Recommendation
County appropriation for GCS FY2020	\$10,000,000	\$4,000,000
Less: statutorily required payments to charter schools	\$2,881,358	\$2,245,501
APPROPRIATION AVAILABLE TO GCS	\$7,118,642	\$1,754,499

	State Senate Budget
State mandated salary increase	\$2,161,027
State mandated benefits increase	\$2,598,069
TOTAL	-\$3,004,597
Teacher supplement increase	\$2,000,000
Teacher retention incentive	\$1,037,362
Bus driver pay increase	\$1,000,000
Hourly paid salary increase	\$2,000,000
Other sustaining operations	\$230,702
TOTAL	-\$3,908,518

Capital Outlay Fund 2019-20

Deferred Maintenance

HVAC Project(s) = \$3,000,000

Roofing Project(s) = \$3,560,000

System-wide Site = \$615,000

System-wide Roofing = \$1,224,000

System-wide Mechanical, Electrical &

Plumbing = \$2,336,000

System-wide Finishes = \$615,000

\$12,000,000

Furniture/Equipment/Vehicles

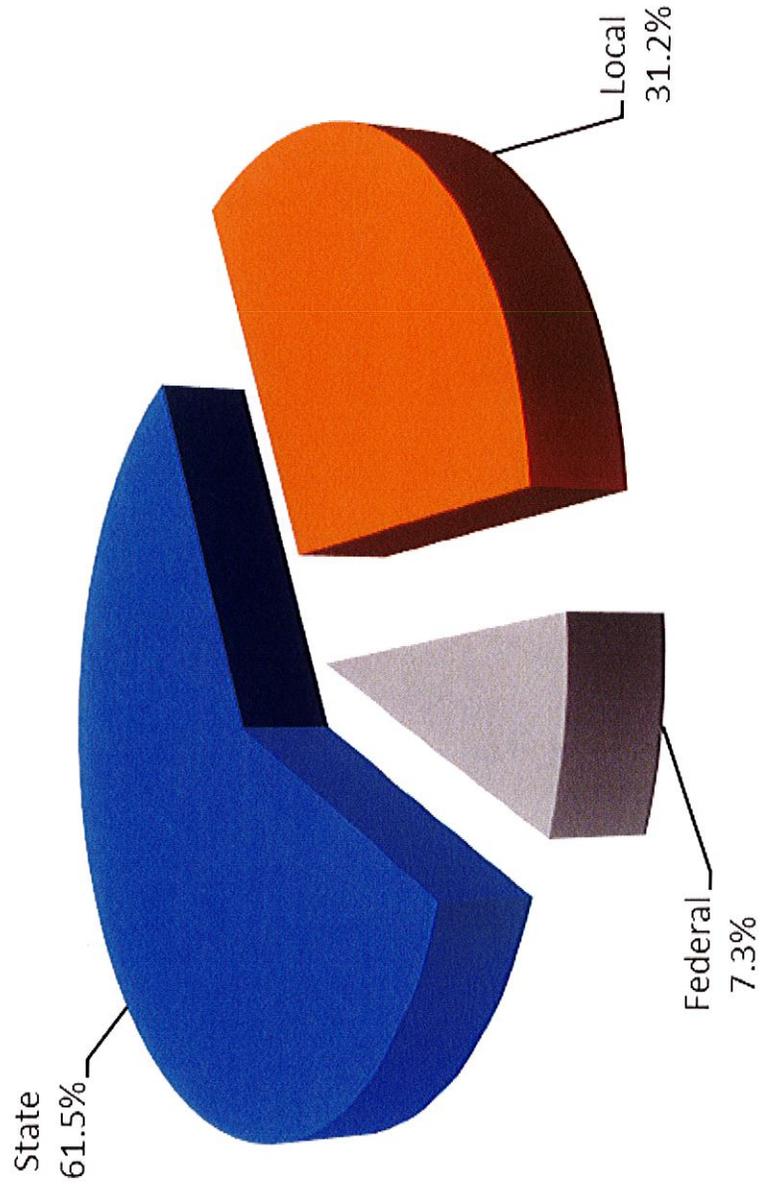
Equipment & Vehicles = \$550,000

Band uniforms/Furniture=\$100,000

SUMMARY

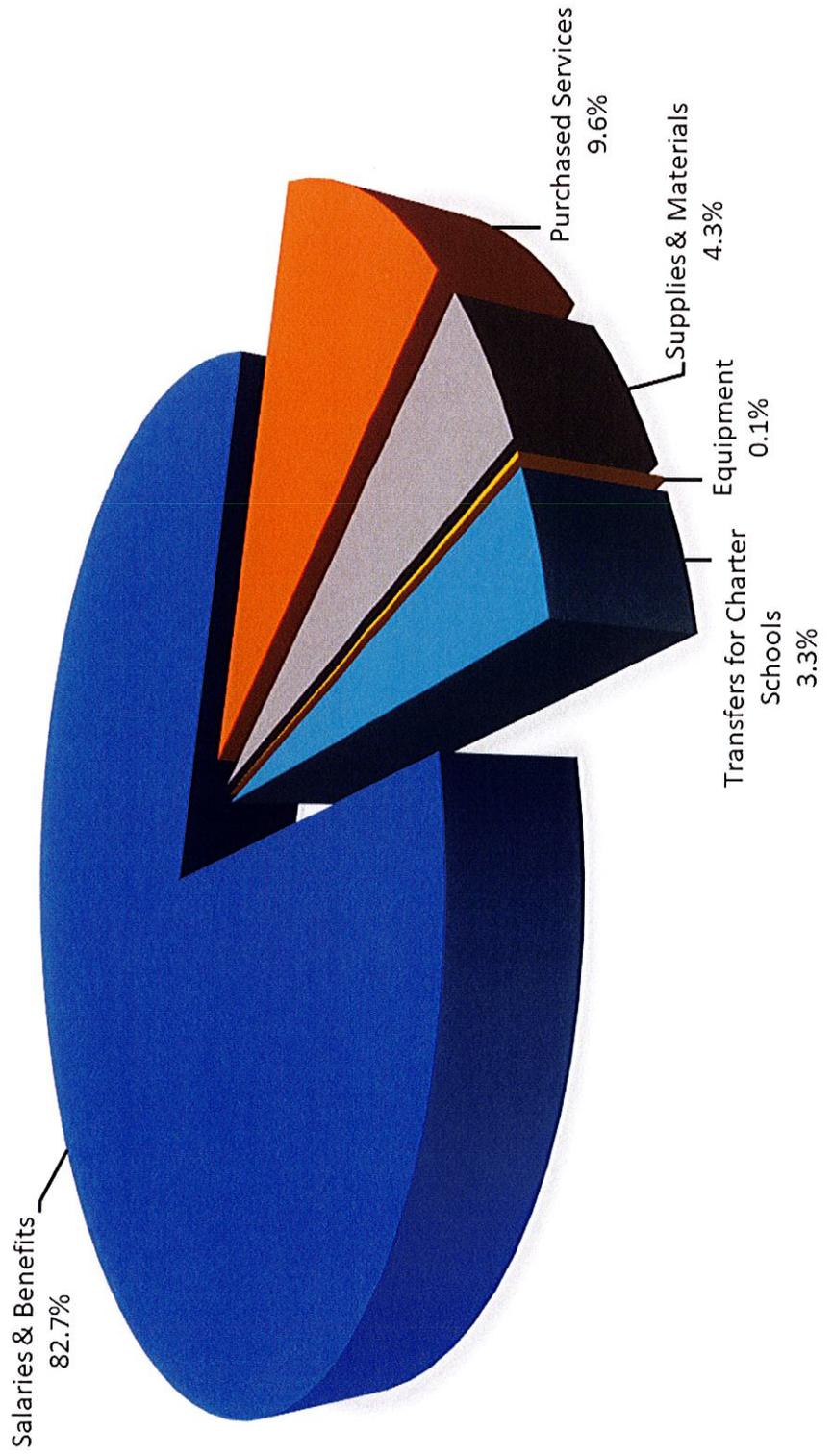
2019-20 Operating Budget

Revenues/Sources	
Where The Money Comes From	
State	\$424,975,342
Local (County)	215,913,822
Federal	50,318,002
Total	\$691,207,166



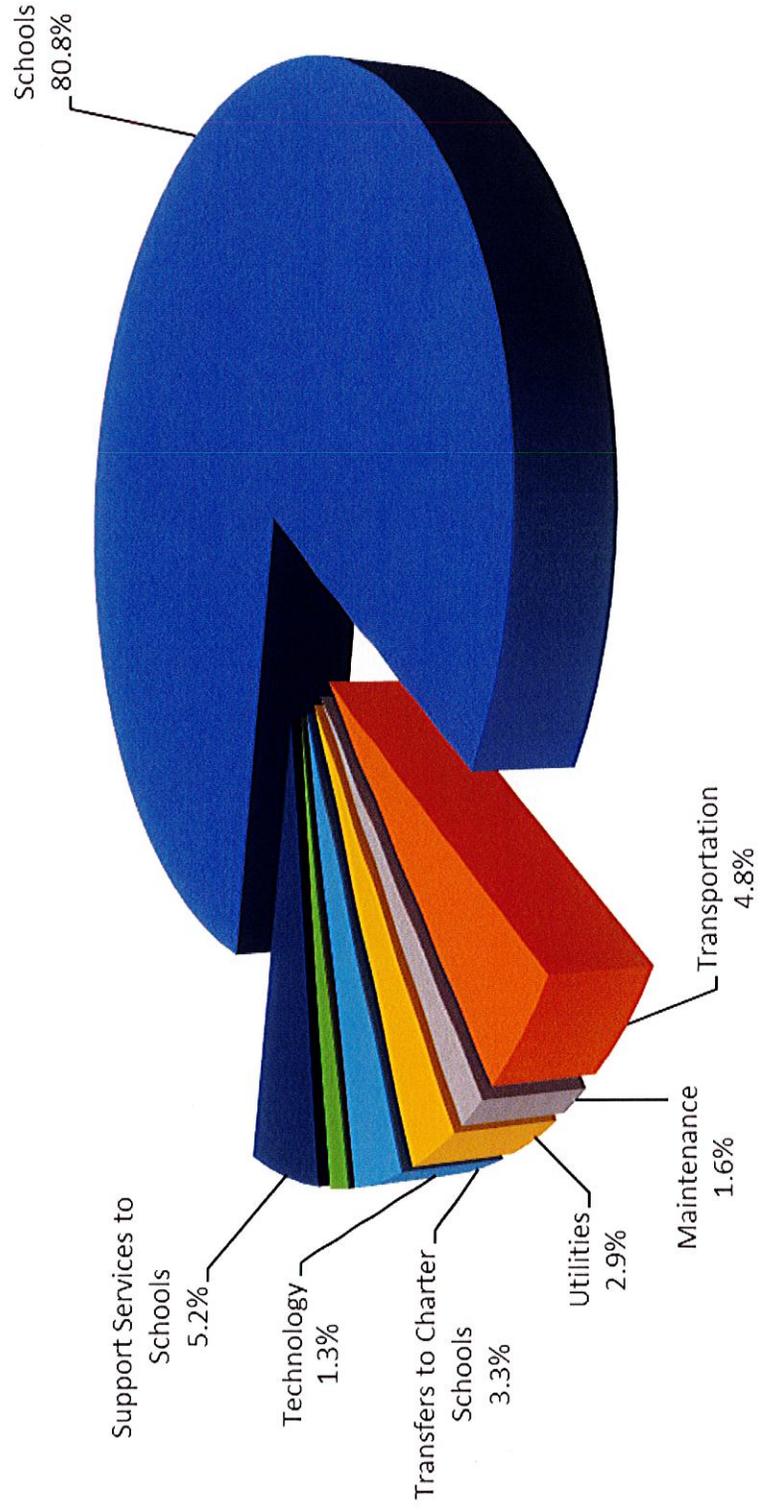
2019-20 Operating Budget

Expenditures/Uses Where the Money Goes	
Salaries & Benefits	\$571,853,165
Purchased Services	65,943,538
Supplies & Materials	29,910,292
Equipment	843,522
Transfers for Charter Schools	22,656,649
Total	\$691,207,166



2019-20 Operating Budget

Summary by Purpose/Function	
Schools	\$558,685,906
Transportation	33,339,135
Maintenance	10,868,451
Utilities	20,350,863
Transfers to Charter Schools	22,531,649
Technology	9,273,840
Support Services to Schools	36,157,322
Total	\$691,207,166



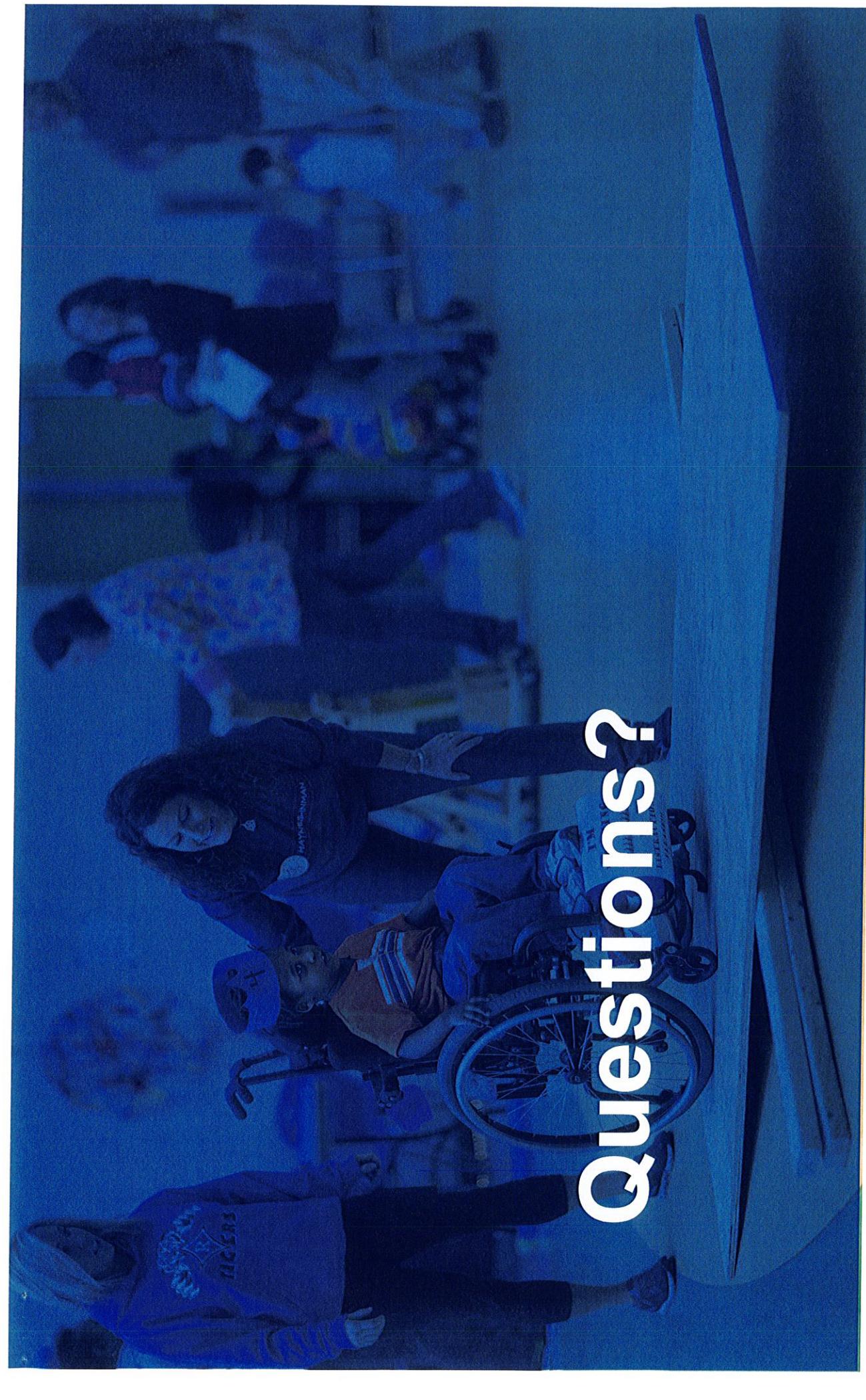
2019-20 Budget Request

Funding Sources	2018-19 Budget	2019-20 Proposed Budget
State Fund	\$428,062,993	\$424,975,342
Local Fund (County)	\$206,043,822	\$215,913,822
Federal Fund	\$66,337,079	\$50,318,002
Capital Outlay Fund	\$6,000,000	\$12,000,000
Child Nutrition	\$42,789,450	\$46,001,480
ACES Fund	\$7,898,855	\$7,540,205
Special Revenue Fund	\$9,976,219	\$10,600,954
Total	\$767,108,418	\$767,349,805



NEXT STEPS:

- BOCC adopts 2019-20 Budget Ordinance (*scheduled for June 20, 2019*)
- BOE approves 2019-20 Interim Budget Resolution if the state has not adopted a final budget for 2019-20 (*June 27, 2019 BOE meeting*)
- BOE approves final 2019-20 budget and 2019-20 Budget Resolution



Questions?