



**Agenda**  
**Durham Public Schools Board of Education**  
**Public Hearing**  
**April 6, 2023**  
**5:00 pm**  
**Fuller Administration Building**  
**511 Cleveland Street, Durham, NC**

- 1. Call to Order**
- 2. Agenda Review and Approval**
- 3. Public Comment**
- 4. 2023-24 Fiscal Year Proposed Budget Review and Discussion**
- 5. Adjournment**

*Mission Statement*

*In collaboration with our community and parents, the mission of Durham Public Schools is to provide all students with an outstanding education that motivates them to reach their full potential and enables them to discover their interest and talents, pursue their goals and dreams, and succeed in college, in the workforce and as engaged citizens.*

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# Budget Hearing on Proposed Budget for Fiscal Year 2023-24

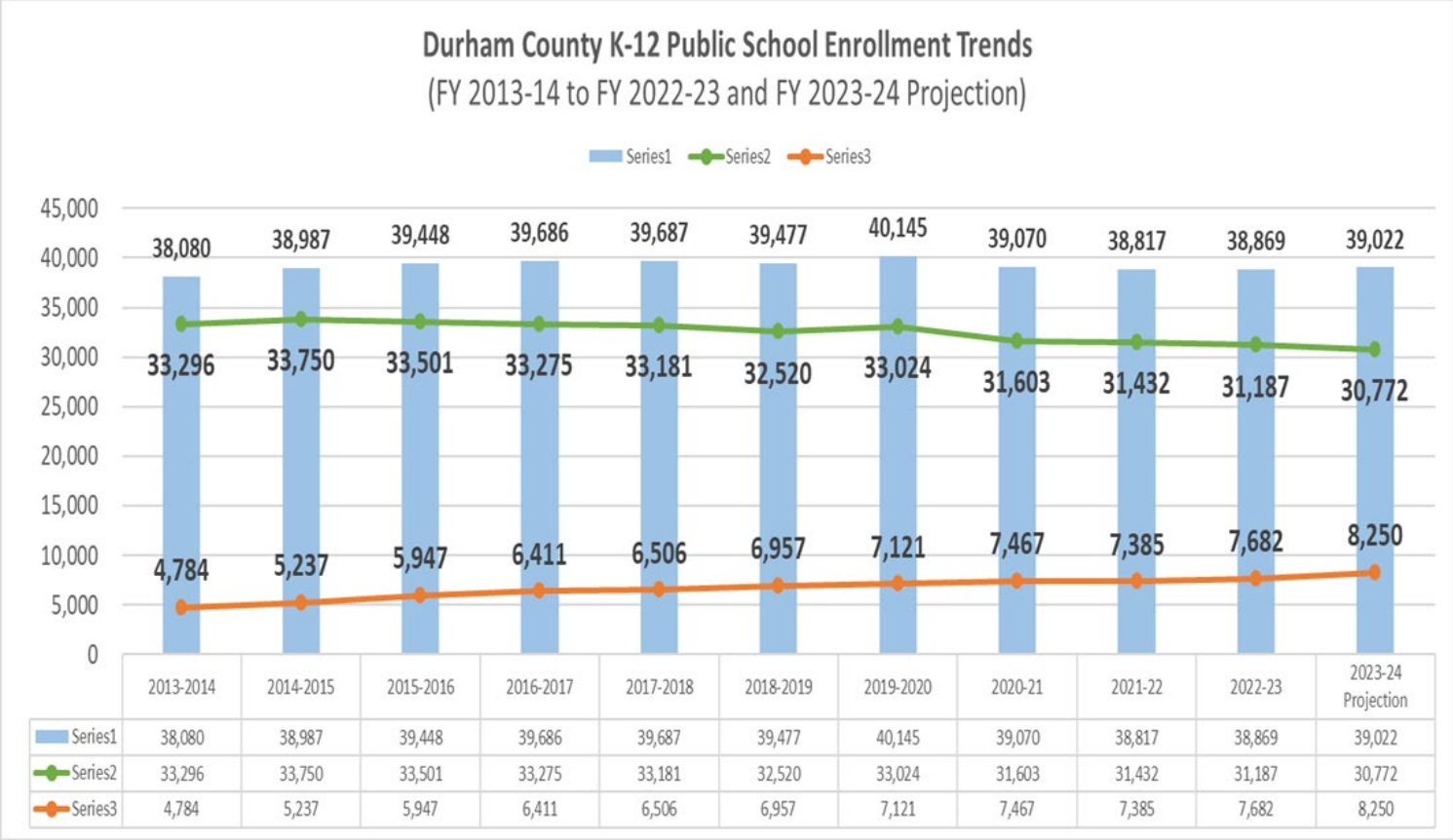
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**DURHAM**  
PUBLIC SCHOOLS

April 6, 2023

# Enrollment Trends and Projections



- In the aggregate, current enrollment in North Carolina traditional school districts remains approximately four percent below 2019-20 (pre-Covid) levels.
- DPS enrollment is projected to remain approximately 5 percent below 2019-20 levels in FY 2023-24.
- Enrollment projections are tempered by the lack of anticipated rebound in 2020-21.
- The state hold-harmless provision for enrollment was eliminated in 2022-23.

# Enrollment Projections & Budget Impact

- DPS will have some local savings from school allotment adjustments based on the enrollment projections but will also lose significant state funding.
- Local funds will need to **support certain positions and fixed costs** at each school that **do not decrease unless enrollment hits certain thresholds**.
- Additionally, DPS must also use local funds to absorb significant adverse impact from recent legislative changes, including:
  - **HB-90 class size requirements:** DPS must add additional teachers (without additional state funds) if Kindergarten, 1<sup>st</sup>, or 2<sup>nd</sup>/3<sup>rd</sup> grade class sizes exceed 21, 19, or 20 students.
  - An **annual reduction of approximately \$860K in state at-risk funds** due to a decline in overall Durham County poverty levels despite no significant decline in poverty levels among DPS families.
- For these reasons, the DPS local budget request does not include a reduction in local funding based on the short-term, pandemic-induced enrollment decline that is likely to continue in 2023-24.



# Budget Request Highlights

- The largest line item is a **\$4.1 M request to fund the classified salary study to bring DPS classified staff closer to market rate in the Durham area, and hopefully reduce the loss of good personnel and reduce workloads of those continuing to work at DPS.**
- The local budget also includes:
  - Required funding to cover an anticipated **4.25% salary increase for certified and 4% for classified employees** and rapidly **escalating retirement and health insurance cost increases.**
- Emergency Federal COVID-19 funds will continue to support **summer learning, some instructional support personnel, building improvements, other COVID-19 mitigation efforts, digital learning, school supports, and a \$1,500 staff retention bonus in September of 2023.**
- **This is the last year of COVID-19 funding and all funds expire on September 30, 2024, with liquidation of encumbrances by January of 2025.**
- **Most positions in established by ESSER funding will not continue in 2023-24 school year. They were time limited and not able to be funded moving forward.**



# FY 2023-24 Local Funding Request

## Local Budget Requirements for DPS and Charter Schools - FY 2023-24

	Line Item Description	Cost
<b>DPS Anticipated State Salary/Benefit Increases</b>	Certified Salary Increase (4.25% estimate for FY 2023-24)	\$1,570,398
	Classified Salary Increase (4.% estimate for FY 2023-24)	\$1,525,530
	Retirement (24.50% to 25.75%)	\$740,549
	Health Insurance (\$7,697 to \$8,350)	\$1,072,125
	<b>Subtotal</b>	<b>\$4,908,602</b>
<b>Classified Salary Study Increase</b>	Additional funding needed to implement the proposed salary study	\$4,091,398
	<b>Subtotal</b>	<b>\$4,091,398</b>
<b>Total Modified DPS Annual Operating Requirements</b>		<b>\$9,000,000</b>
<b>Charter School Requirements</b>	Additional charter funds associated with requested DPS operating budget increase (based on 20% of total Durham County K-12 enrollment)	\$1,800,000
	<b>Charter School New Money Requirements</b>	<b>\$1,800,000</b>
<b>Grand Total</b>		<b>\$10,800,000</b>



# FY 2023-24 Local Funding Request

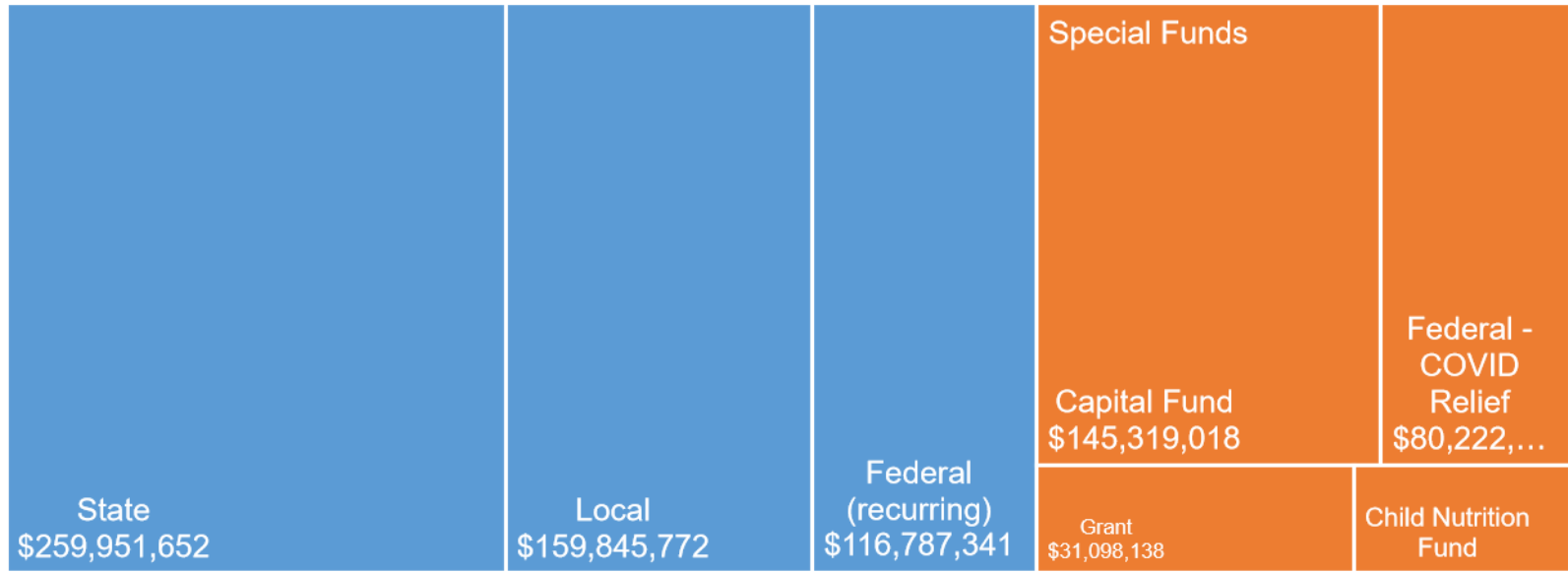


Summary of Requested Durham County Appropriations				
Appropriation Type	Description	FY 2022-23 Approved	FY 2023-24 DPS Proposed Budget	DPS Proposed Increase
Operating Funds	DPS Operations	\$137,272,073	\$146,272,073	\$9,000,000
	Charter Schools	\$33,371,414	\$35,171,414	\$1,800,000
	<b>Total: DPS &amp; Charters</b>	<b>\$170,643,487</b>	<b>\$181,443,487</b>	<b>\$10,800,000</b>
Pre-K Grant Funds	The Whitted School	\$1,500,000	\$1,500,000	\$0
	District-Wide Pre-K Programs	\$508,140	\$508,140	\$0
	<b>Total Pre-K Grant Funds</b>	<b>\$2,008,140</b>	<b>\$2,008,140</b>	<b>\$0</b>
Capital Funds	Building Improvements	\$6,000,000	\$6,000,000	\$0
<b>Total</b>		<b>\$178,651,627</b>	<b>\$189,451,627</b>	<b>\$10,800,000</b>

# Budget Summary by Fund Source

## FY 2023-24 Superintendent's Proposed Budget- Revenues by Fund Source

■ General Funds ■ Special Funds

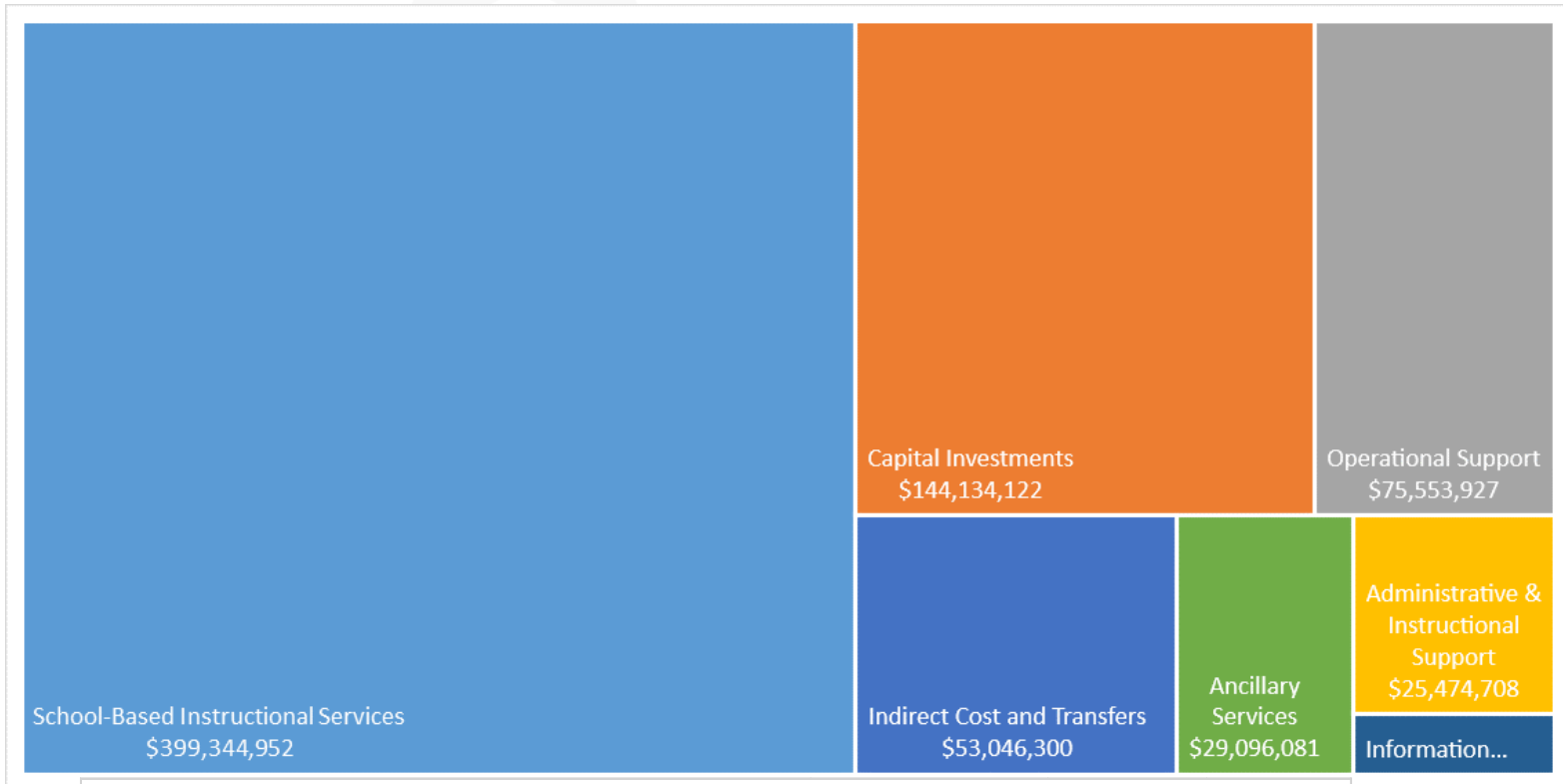


Revenues				
Fund Source	Revenue	Per Pupil	% of Total	Positions
State	\$259,951,652	\$8,287.42	35.4%	3,108
Local	\$159,845,772	\$5,095.99	21.8%	1,221
Federal (recurring)	\$36,565,189	\$1,165.72	5.0%	356
Federal - COVID Relief	\$80,222,152	\$2,557.53	10.9%	0
Capital Fund	\$145,319,018	\$4,632.86	19.8%	0
Child Nutrition	\$21,298,047	\$679.00	2.9%	222
Other Special Revenue Fund	\$31,098,138	\$991.43	4.2%	124
<b>Total</b>	<b>\$734,299,968</b>	<b>\$23,409.95</b>	<b>100.0%</b>	<b>5,030</b>

\*Excludes \$35.1M in local revenues passed through to charter schools serving an estimated 8,250 Durham students in FY 2023-24.



# Budget Summary by Purpose

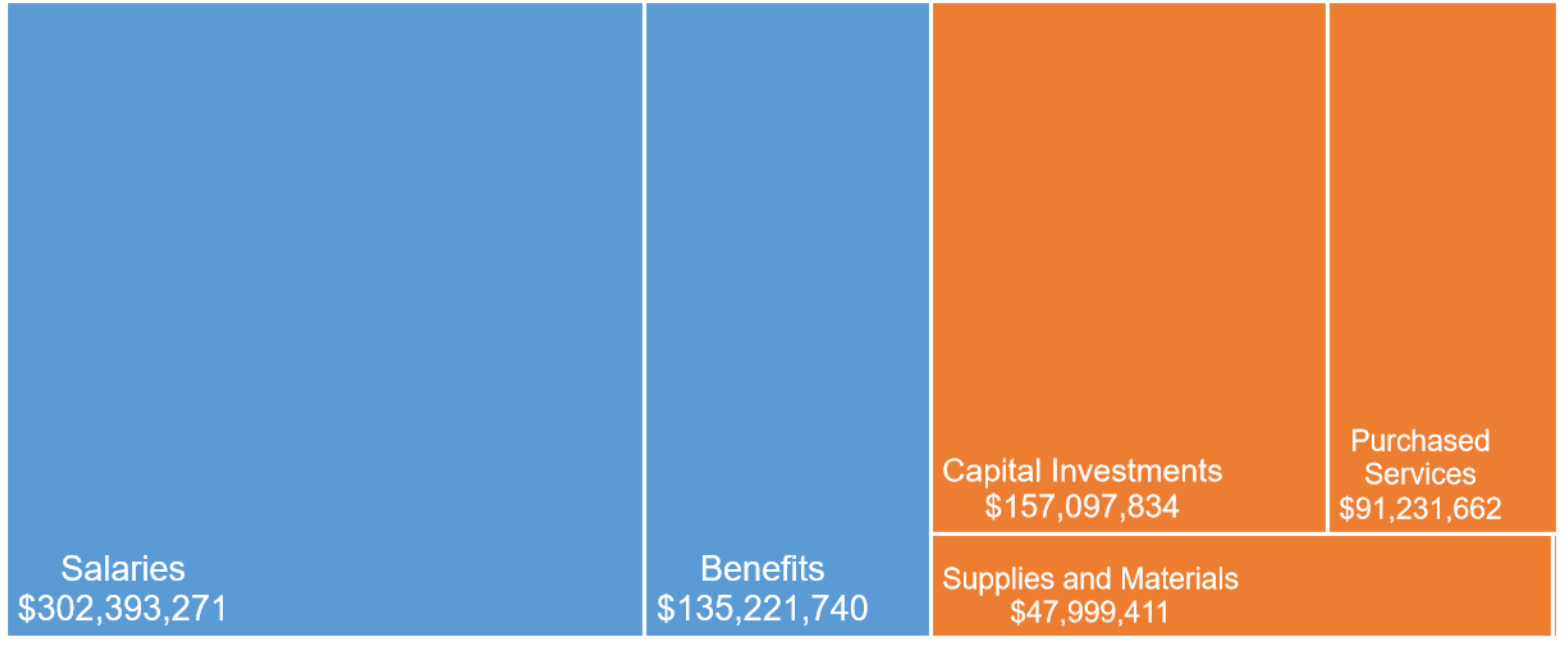


Total Budget			
Purpose	Current Budget	% of Total	Positions
School-Based Instructional Services	\$399,344,952	54.4%	3,861
Capital Investments	\$144,134,122	19.6%	0
Operational Support	\$75,553,927	10.3%	663
Administrative & Instructional Support	\$25,474,708	3.5%	157
Ancillary Services	\$29,096,081	4.0%	311
Information Technology	\$7,649,879	1.0%	39
Indirect Cost and Transfers	\$53,046,300	7.2%	0
<b>Total*</b>	<b>\$734,299,968</b>	<b>100.0%</b>	<b>5,030</b>

\*Excludes \$35.1M in local revenues passed through to charter schools serving an estimated 8,250 Durham students in FY 2023-24.

# Budget Summary by Object

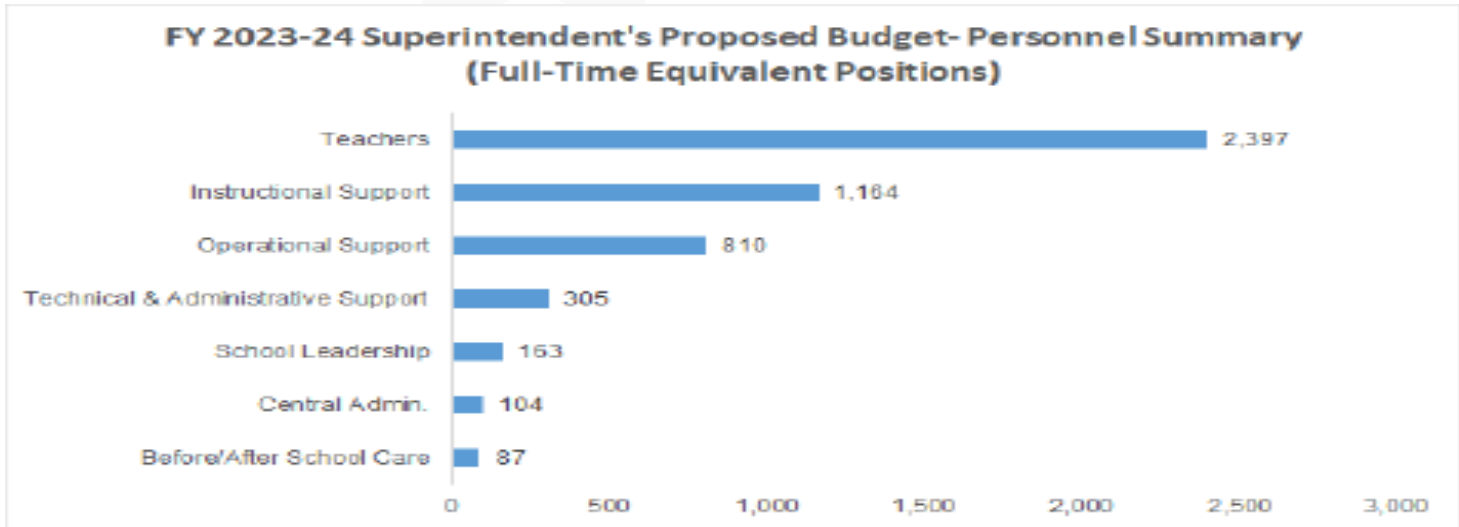
■ Personnel ■ Non-Personnel



Category	Budget	% of Total	% of Non-Capital Budget
Salaries	\$302,393,271	41.2%	52.4%
Benefits	\$135,221,740	18.4%	23.4%
Purchased Services	\$91,231,662	12.4%	15.8%
Supplies and Materials	\$47,999,411	6.5%	8.3%
Capital Investments	\$157,097,834	21.4%	
Transfers	\$356,050	0.0%	0.1%
<b>Total</b>	<b>\$734,299,968</b>	<b>100.0%</b>	<b>100.0%</b>

\*Excludes \$35.1M in local revenues passed through to charter schools serving an estimated 8,250 Durham students in FY 2023-24.

# DPS Personnel Summary



**Durham Public Schools is the third largest employer in the county with 5,030 full-time equivalent employees**

**Teachers – 2,397 (47.7% of all DPS employees)** - Includes regular classroom instruction, art/music/PE, career and technical education, and specialized instruction for students with disabilities, English language learners, and academically gifted students.

**Instructional Support Personnel – 1,164 (23.1% of all DPS employees)** - Includes teacher assistants, math and literacy coaches, instructional facilitators, librarians, guidance counselors, social workers, nurses, psychologists, school-based specialists, speech pathologists, physical and occupational therapists, psychologists, audiologists, bus monitors, interpreters, translators, and teacher mentors.

**Operational Support Personnel – 810 (16.1% of all DPS employees)** - Includes bus drivers, custodians, cafeteria workers, and skilled trades.

**Technical & Administrative Support Personnel – 305 (6.1% of all DPS employees)** - Primarily school-based administrative support staff including treasurers, data managers, IT technicians, and secretaries, along with centralized administrative staff in finance, human resources, operations, and academic support services.

**School Leadership – 163 (3.2% of all DPS employees)** - Includes principals, assistant principals, and assistant principal interns.

**Centralized Administrators – 104 (2.1% of all DPS employees)** - Includes senior DPS leadership and other centralized directors, supervisors, and administrative specialists across academic, administrative, and operational support services.

**Before & After School Care Program – 87 (1.7% of all DPS employees)** - includes group leaders, site managers, and administrative support

# Budget Calendar

## March:

- Present Superintendent's Proposed Budget at BOE work session or regular meeting..
- Provide FY 2023-24 school planning allotments to principals.

## April:

- Public hearing on the FY 2023-24 Superintendent's Proposed Budget.
- BOE adopts the FY 2023-24 Superintendent's Proposed Budget with revisions if necessary.
- Allotment meetings with school principals.

## May/June:

- Durham County Manager's Proposed Budget Presentation: May 8<sup>th</sup>
- Durham County Budget Work Sessions: May 16<sup>th</sup> – June 7<sup>th</sup>
- Durham County Budget Public Hearing: May 22<sup>rd</sup>
- Durham County Budget Adoption: June 12<sup>th</sup>.
- Interim Budget Resolution presented to Board of Education for FY 2023-24.



# Discussion & Questions

