2025-2026 Recommend Budget

Board Agenda Review
March 25, 2025

Revenue Reductions Impacting FY 2026 Budget

Reduction in State Funding

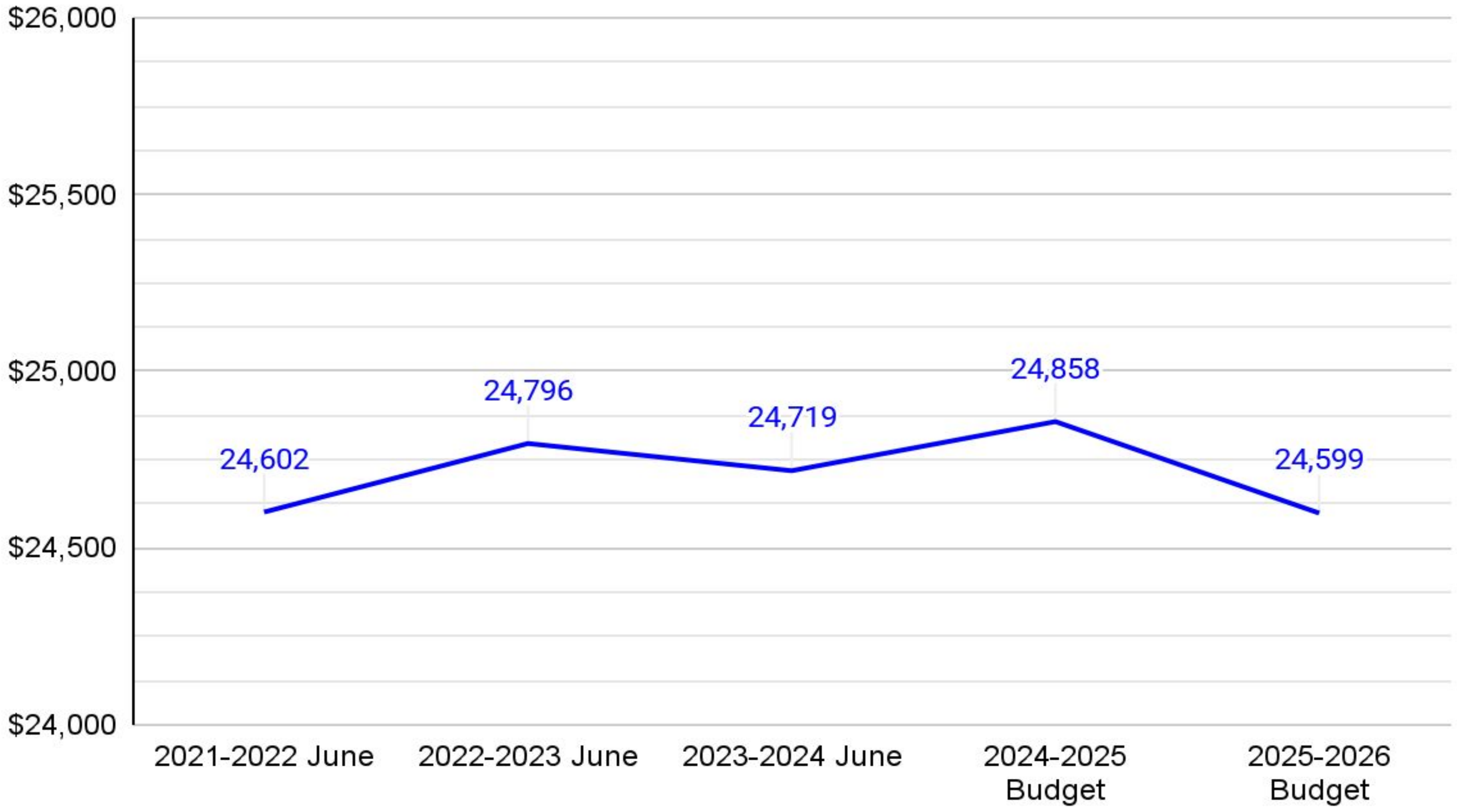
- State Funded ADM Current Year (FY 2024-2025): 24,858

- State Funding Student ADM for (FY 2025-2026): 24,599

- Decrease in Student ADM: -259

- Estimated Funding Reduction: $1.8M

NHCS K12 Enrollment



Revenue Increase FY 2026 Budget

County Operating Revenue Increase Request $8M

Local and Prek Appropriation

- People Investment $2.2M
- Inflation $8K
- Budget Priorities $5M

Revenue Increase FY 2026 Budget

Other Revenue Increases $3.4M

FEMA Reimbursement $467K

NCDOT Easement Payment $1.7M

Medicaid Reimbursement $500K

Indirect Cost Reimb $484K

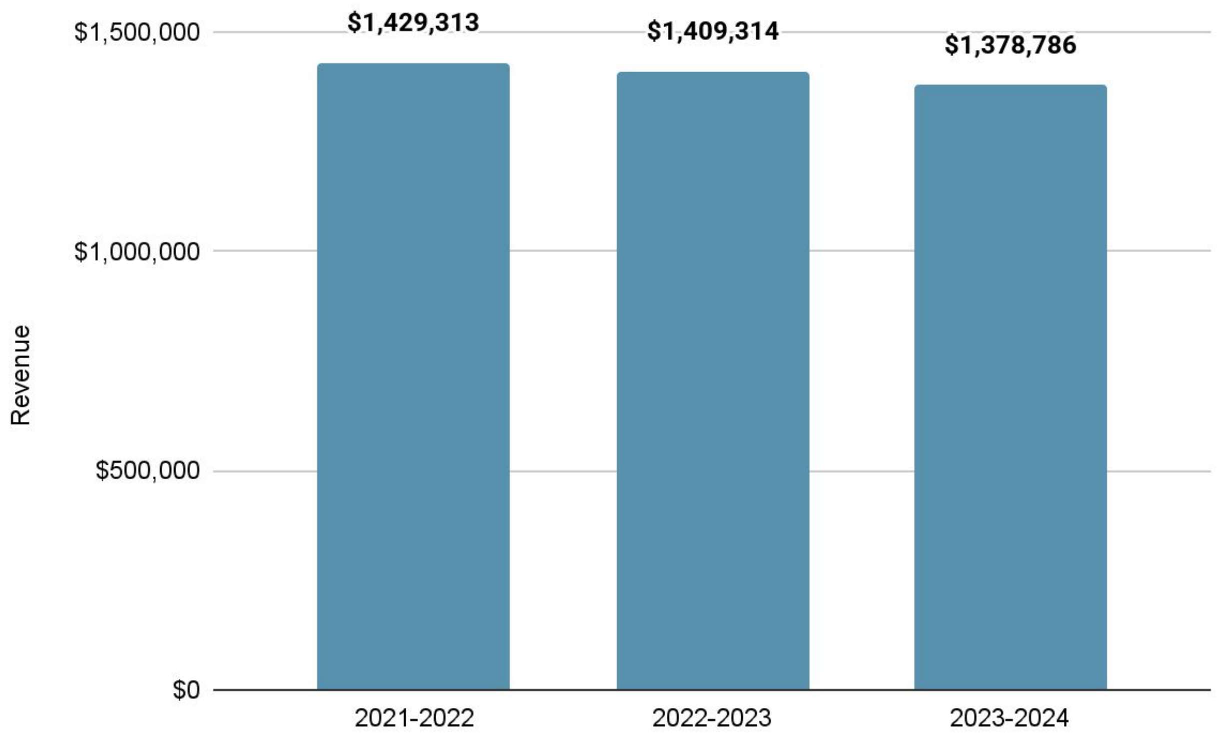
Interest $212K

Revenue Reductions Impacting FY 2026 Budget

Reduction in Fines and Forfeitures

City of Wilmington Ending the Red-Light Camera Program

- Estimated Funding Reduction: $1.4M



FY 2026 Allotment Formula Change

School Instructional Supply Allocation:
Reduce from $65 per ADM to $61 per ADM

PreK Instructional Supplies Allocation:
Reduce from $130 per ADM to $120 per ADM

Impact: This adjustment will generate approximately $130K to support athletic equipment requests, specifically addressing safety concerns.

People Investment Increases for FY 2026

Average Employee Raise:
🧑‍💼 3% increase

Employer Retirement Rate:
🔒 Increase from 24.04% to 25.04%

Employer Health Insurance Rate:
🏥 5% increase

Inflation Increases for FY 2026 $250K

General Liability Increase:
💼20% increase or $230K

Auto Liability Increase:
🚗9% increase or $13K

Property Insurance Increase:
🏠16% increase or $107K

Inflation Increases for FY 2026 $520K

Utilities - Water Increase:
💧10% increase or $93K

Utilities - Electric Increase:
⚡6% increase or $333K

Utilities - Natural Gas Increase:
🔥14% increase or $98K

Children with Disabilities Services

FY 2026 $1.8M

Replacing Current Year Medicaid One-Time Funding

Services Supported:

- Visually Impaired Services
- Private Duty Nursing 1:1
- CNA Services
- Speech Language Services
- American Sign Language (ASL)
- Interpreter Services
- Vocational Rehabilitation Services
- Preschool EC transportation Services

Preschool Services

FY 2026 $712K

Replacing Current Year Title I One-Time Funding

Staffing:

- 3 Teacher Positions
- 3 Teacher Assistant Positions
- 1 Pre-K Parent Liaison
- 50% of (1) Preschool Director
- 50% of (1) Behavior Specialist
- 1.5 Preschool Office Support Positions

NC PreK Grant does not 100% fund program

2025-2026 Superintendent Budget Priorities

Budget Increases for FY 2026 $5M

Safe and Civil Schools Program $380K

- Safe and Civil Schools Facilitator (1 FTE)
- Professional Development

Safety Positions (4 FTE) $275K

Weapon Detection Equipment $243K

- Equipment
- Site Training

School Specialist Positions (42 FTE) $4M

2025-2026 Superintendent Budget Priorities

Family Support Services Pilot (3 yrs)

Staff strongly support funding for the three-year Family Support Services pilot program proposed by County staff. This initiative will enhance our efforts to communicate the importance of school attendance to families, ultimately reducing absenteeism. A reduction in absences will lead to measurable improvements in academic achievement, graduation rates, and workforce development.

2025-2026 Board of Education Compensation

Board of Education Pay Increase including Social Security

- Chairperson: $4,306
- Member Increase (per member): $4,306
- Total Increase (7 Board Members): $30,142

Budget Reductions Identified within Board’s Budget Program $22,200

Remaining Balance Request from County Commissioners: $7,942

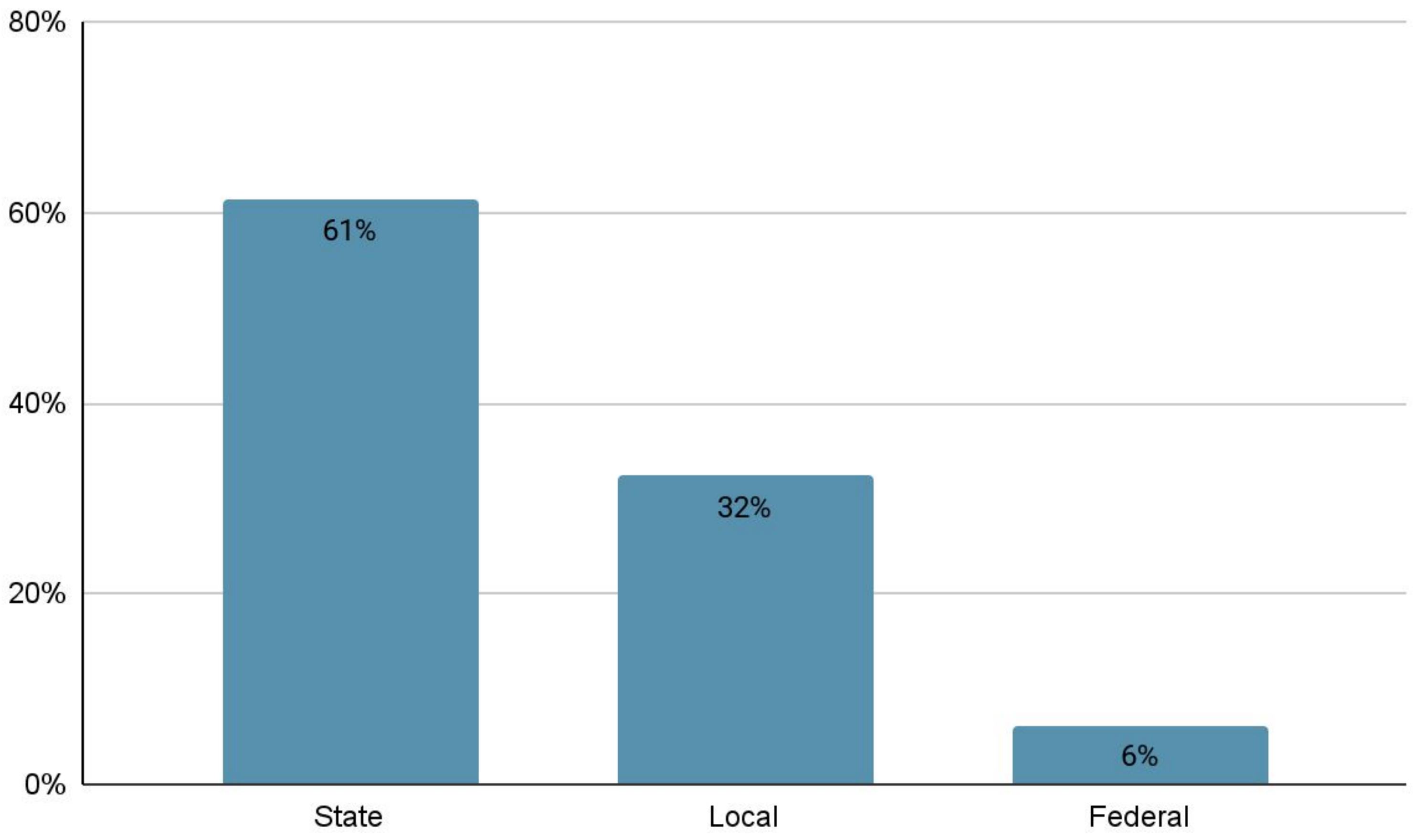
Request Disaster Event MOU Amendment

The Board requests that the County Commissioners revise the current Disaster Events MOU to include both emergency and disaster events. The proposed revision would ensure that if cumulative damage or unexpected repair costs exceed $500,000 within a fiscal year, the County will provide additional funding, up to a maximum of $10 million.

Questions & Discussion

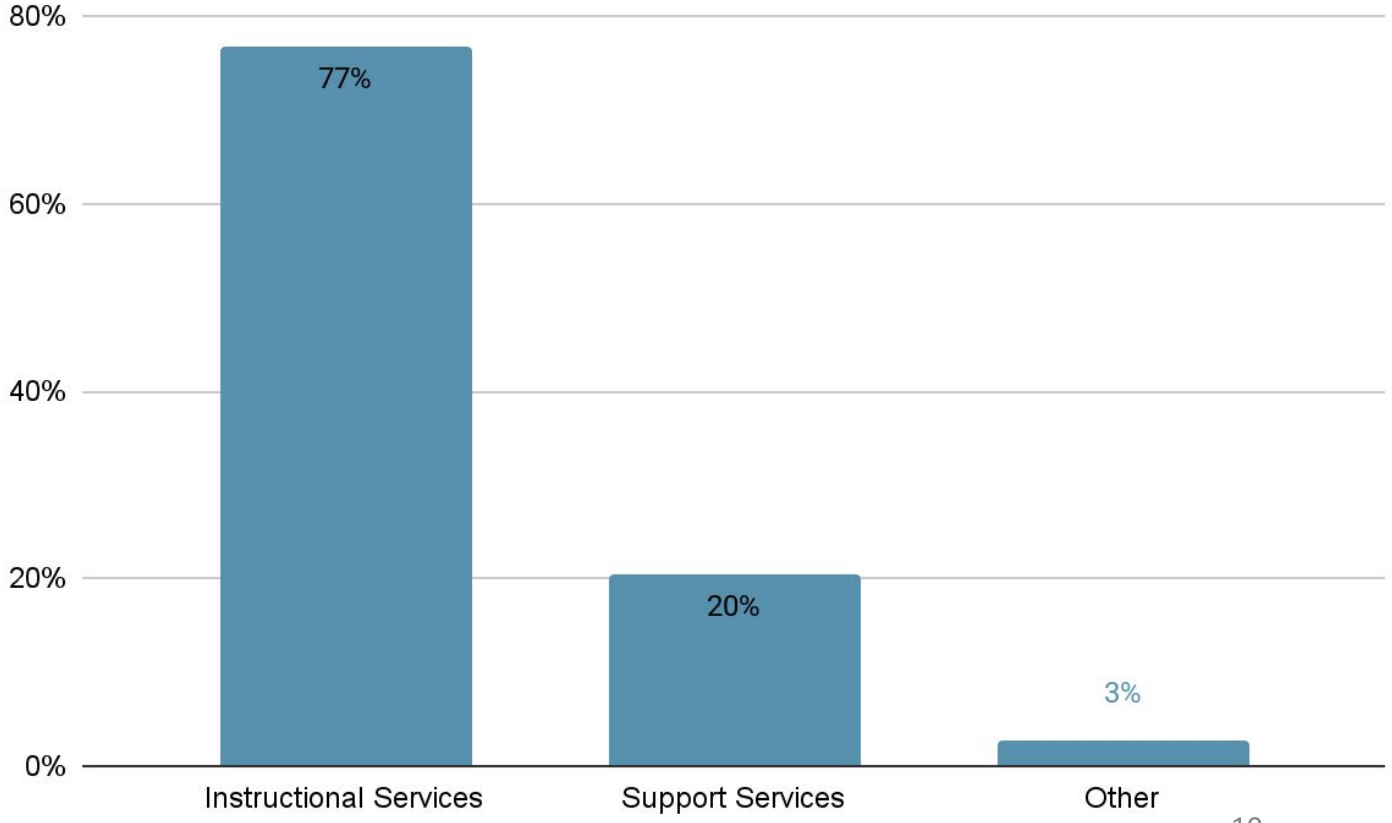
Operating Budget Revenue by Fund

Revenue Source	%	2024-2025 Budget
State	61%	$194,578,942
Local	32%	$102,620,090
Federal	6%	$19,610,815
Grand Total		**$316,809,847**



Expense by Purpose

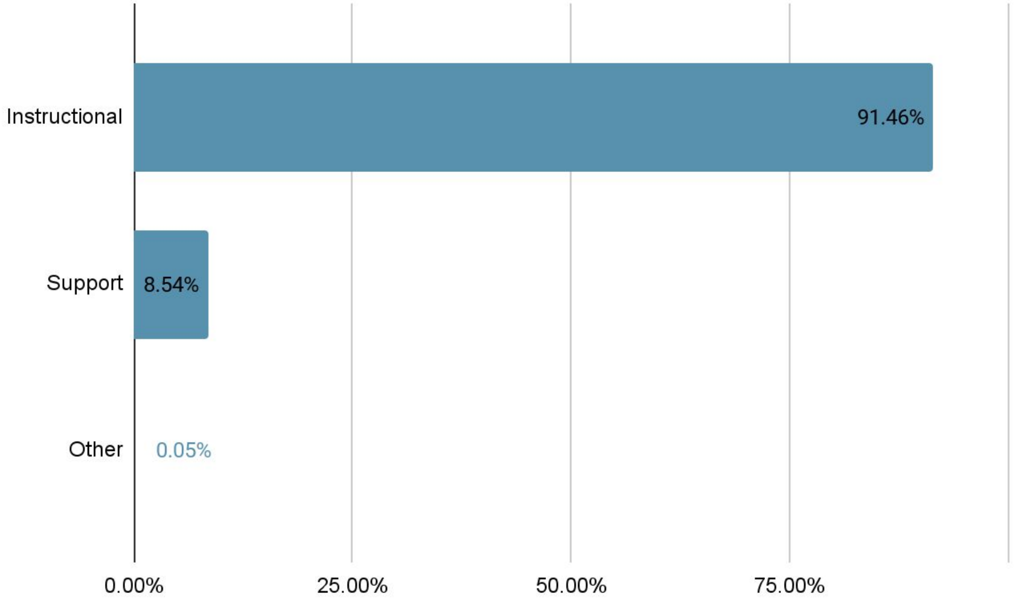
Expense by Purpose	%	2024-2025
Instructional Services	77%	$243,197,415
Support Services	20%	$64,713,347
Other	3%	$8,899,084
Grand Total		**$316,809,847**

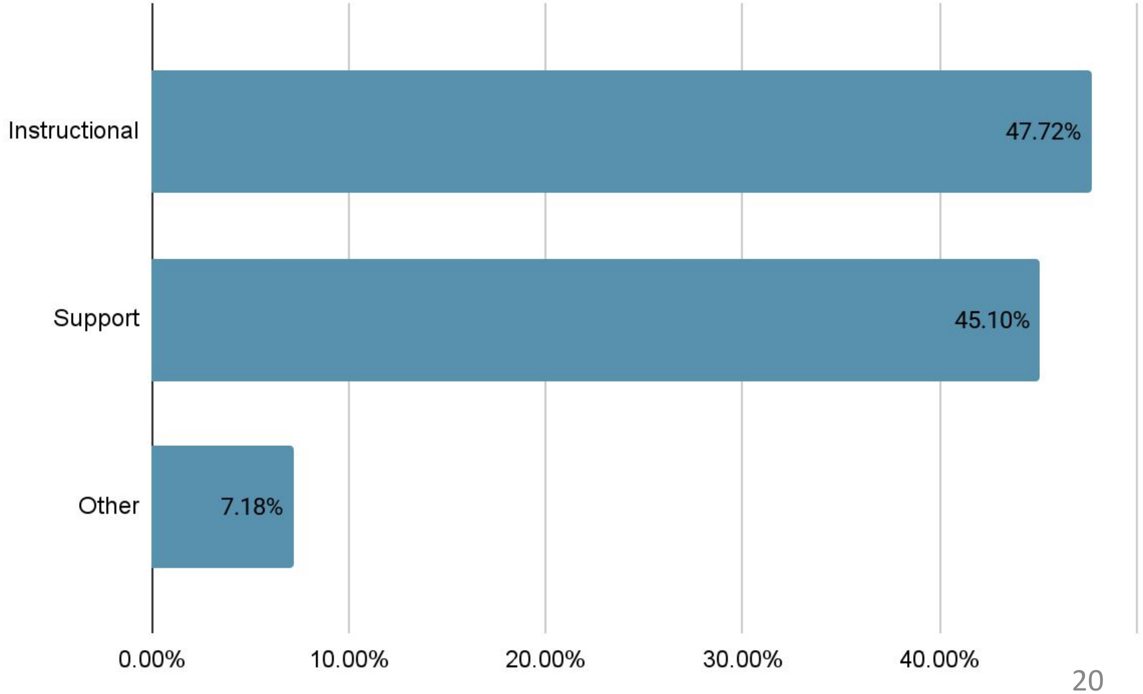


Expense by Purpose State Compared to Local

State by Purpose	%	Budget
Instructional	91.46%	$177,879,556
Support	8.54%	$16,605,098
Other	0.05%	$94,288
Grand Total		**$194,484,654**

Local by Purpose	%	Budget
Instructional	47.72%	$48,966,179
Support	45.10%	$46,284,678
Other	7.18%	$7,369,233
Grand Total		**$102,620,090**

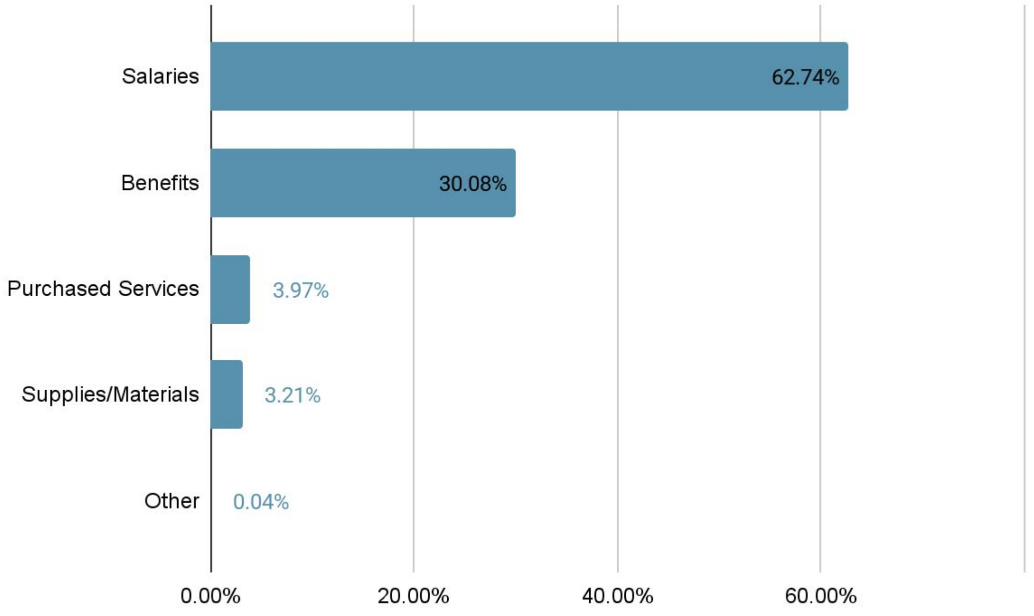


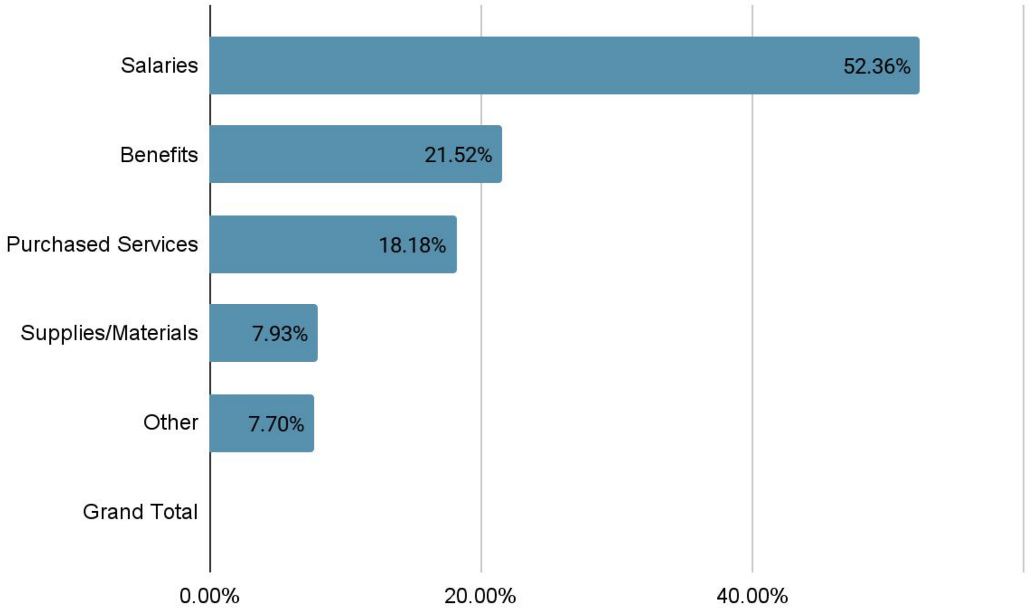


Expense by Object State Compared to Local

State by Object	%	Budget
Salaries	62.74%	$122,029,380
Benefits	30.08%	$58,498,196
Purchased Services	3.97%	$7,729,752
Supplies/Materials	3.21%	$6,235,688
Other	0.04%	$85,926
Grand Total		**$194,493,016**

Local by Object	%	Budget
Salaries	52.36%	$49,892,720
Benefits	21.52%	$20,509,002
Purchased Services	18.18%	$17,324,757
Supplies/Materials	7.93%	$7,555,161
Other	7.70%	$7,338,449
Grand Total		**$95,281,641**



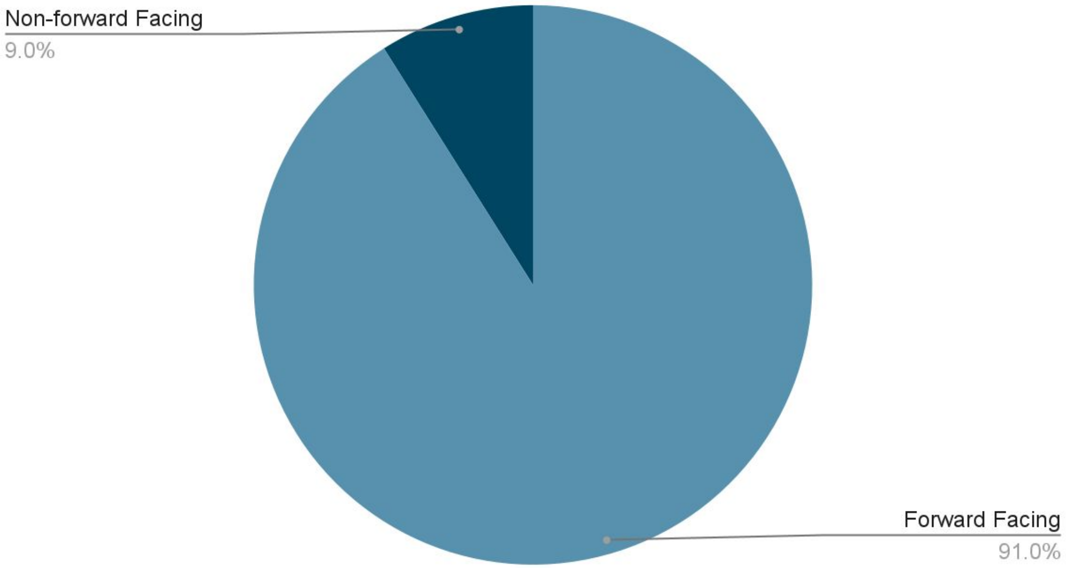


Fiscal Year 2024-2025 NHCS Positions

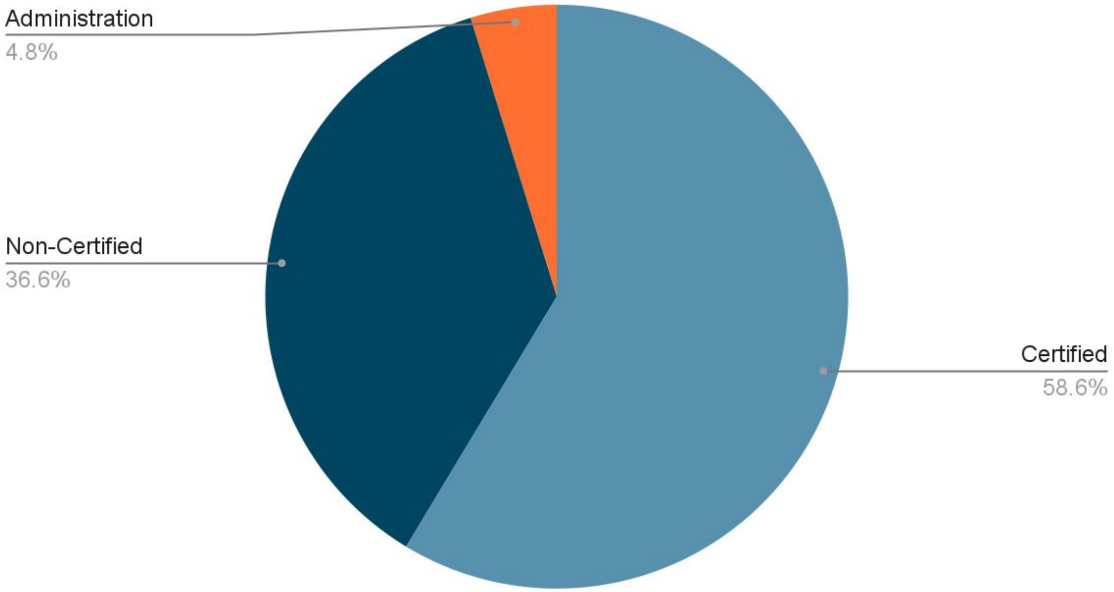
Description	2024-2025	%
Forward Facing	3,066	91.0%
Non-forward Facing	302	9.0%
Total	**3,368**	**100.0%**

Description	2024-2025	%
Certified	1,975	58.6%
Non-Certified	1,232	36.6%
Administration	161	4.8%
Total	**3,368**	**100.0%**

Forward Facing vs Non-forward Facing



Positions by Category



Fiscal Year 2024-2025 Forward Facing Positions

Description	2024-2025	%
Forward Facing	3,066	91.0%
Non-Forward Facing	302	9.0%
Total	**3,368**	

Description	2024-2025	%
Teacher	1,671	54.5%
Teacher Assistant	371	12.1%
Other	1,024	33.4%
Total	**3,066**