

**Wake County Public School System  
Superintendent's Proposed Budget 2023-24  
Board of Education Q&A  
April 25, 2023**

- 1. While we cannot know what the state legislature will do with their budget, we have seen a House budget proposal calling for a 10 percent teacher pay increase, and a governor's budget calling for an 18 percent teacher pay increase. The House budget also calls for raises for other state employees, but I do not know if this will include non-certified school staff? Our budget proposal projects a 3 percent teacher pay increase. I believe that the increase will be higher, even a modest increase to 6 percent would impact our Board Budget Proposal.**

**Can you project what a 6 percent raise in the state budget would mean for our costs, and any recommended amendments necessary to cover these increased costs? We may consider a change to the budget if, before our vote, it appears a larger pay increase is likely.**

The Governor's proposed budget sets minimum starting teacher salaries at \$46,000 with a minimum 10% raise in the first year of the biennium and a minimum 6% raise the second year. The proposed budget restores Master's Pay for classroom teachers whose advanced degrees are in the subjects they teach. It provides funds for an across-the-board salary increase of 6.5% in FY 2023-24 and an additional 3% across-the-board salary increase in FY 2024-25 for central office and noncertified employees.

The House budget proposal provides funding for an across-the-board salary increase of 4.25% in FY 2023-24, and an additional across-the-board salary increase of 3.25% in FY 2024-25. It provides funding to restore advanced degree salary supplements for public school personnel. It provides additional funding for bus driver salary increases on top of the across-the-board raises. These funds will increase salaries on average by an additional 2% in FY 2023-24.

A 6 percent state legislated increase for all employees would cost us more locally. However, it is also a benefit as it provides us more state dollars to get us closer to the minimum \$17 per hour rate. The projected increase to the Superintendent's Proposed Budget would be \$5 million.

- 2. How does \$17/hour compare to what the county is paying their staff? How does it compare to the local private industry such as retailers, Go Triangle, etc.?**

Wake County Government commits to pay at least a living wage for all full-time employees. That wage for the current fiscal year is \$18.20 per hour. The Universal Living Wage Formula Calculation used by Wake County is based on a four-year average housing cost of a one bedroom according to Housing and Urban Development's (HUD) Fair Market Rents in the Raleigh MSA, less \$1.50 an hour credit for health insurance.

A few other comparisons of minimum hourly rates include:

- Target: \$15
- Amazon: \$17
- Walmart: \$17.50
- Capital Area Transit: 17.56
- Go Triangle: \$19

3. The House budget included an unexpected restriction on class sized for grades four and five. Based on our experience with the K-3 class size limits, we know this will result in having to hire new teachers for grades four and five in every one of our elementary schools. Conservatively, I would predict at least two new teachers per grade per elementary school. The latest version of the House budget puts off implementation for these changes for one year so we would not have to make these hires before the coming school year, but if it changes back while in the Senate, could we get a projection of what these additional personnel costs might mean for the district? Because of the uncertainty about the changes, I am not recommending a change to the budget right now but would like to know the impact in case the changes do go into effect for next year.

(I know that there will be additional costs due to secondary impacts, such as more schools needing to be capped to comply with class size limits and the resulting transportation costs associated with more distant school assignments, but I believe it would be unlikely that we could project these before our vote. I also know that there will be impacts on our capital budget as school capacity will be decreased at all elementary schools under this legislative plan, and it will increase our need for new elementary school capacity, but I understand that this is outside of our budget proposal and do not need any information about this at this time.)

There is a provision in the House budget that would provide class sizes for grades four and five.

SECTION 7.21.(d) G.S. 115C-301 reads as rewritten:  
"§ 115C-301. Allocation of teachers; class size.

...  
(c) Maximum Class Size for Kindergarten Through ~~Third-Fifth~~ Grade. – The average class size for kindergarten through ~~third-fifth~~ grade in a local school administrative unit shall at no time exceed the funded allotment ratio of teachers to students in kindergarten through ~~third-fifth~~ grade. At the end of the second school month and for the remainder of the school year, the size of an individual class in kindergarten through ~~third-fifth~~ grade shall not exceed the allotment ratio by more than three students. The funded class size allotment ratio for kindergarten through ~~third-fifth~~ grade shall be as follows:

- (1) For kindergarten, one teacher per 18 students.
- (2) For first grade, one teacher per 16 students.
- (3) For second grade, one teacher per 17 students.
- (4) For third grade, one teacher per 17 students.
- (5) For fourth grade, one teacher per 24 students.
- (6) For fifth grade, one teacher per 24 students.

In grades ~~four-six~~ through 12, local school administrative units shall have the maximum flexibility to use allotted teacher positions to maximize student achievement.

The average class size for fourth and fifth grade under this legislation shall not exceed 24 students. WCPSS currently allots classroom teachers to elementary schools based on the state allotment formula provided in the legislation. Principals use the total calculation of months of employment for teacher positions across grades K-5.

Our spring 2023 data shows that Wake County Public School System currently has an average class size of 22.9 students in fourth grade and 24.63 students in fifth grade. There are currently 214 classrooms in fourth grade and 243 classrooms in fifth grade with class sizes greater than 24. It is allowable for individual classes to be above 24 as long as the average for the district is within 24.

However, no classes in grades four or five should have class sizes larger than 27 under the new legislation. WCPSS currently has 53 classes in fourth grade and 69 classes in fifth grade with class sizes greater than 27. We would need to provide targeted months of employment to some schools to meet the requirements of the new legislation.

WCPSS would also need to address space to house additional classes.

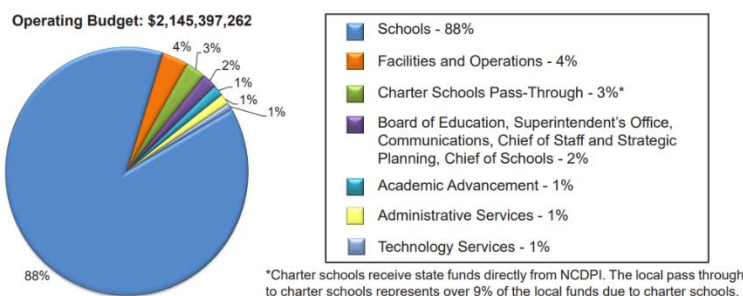
**4. At a high level, can you please explain the 82 percent investment in people referenced on page 3 and the 88 percent to schools referenced on page 2?**

The difference in these two items is one describes the budget by how it is spent. The other describes the budget by where it is spent.

Page 3 of the Superintendent’s Proposed Budget indicates 82 percent of the overall operating budget is invested in people. Eighty-two percent of the budget is for payments to staff for salary and matching benefits. See pages 56 – 61 of the Superintendent’s Proposed Budget. The budget by object codes tells what the budget is spent on by category (salaries, benefits, purchased services, and supplies).

|  | Operating Budget        |             |
|--|-------------------------|-------------|
| Salaries                                       | \$ 1,222,422,550        | 57%         |
| Employer Matching Benefits                     | \$ 540,380,494          | 25%         |
| <b>Salaries and Employer Matching Benefits</b> | <b>\$ 1,762,803,044</b> | <b>82%</b>  |
| Purchased Services                             | \$ 214,219,792          | 10%         |
| Supplies and Materials                         | \$ 105,986,817          | 5%          |
| Capital Outlay                                 | \$ 1,192,725            | 0%          |
| Transfers to Charter Schools                   | \$ 61,194,884           | 3%          |
| <b>Operating Budget</b>                        | <b>\$ 2,145,397,262</b> | <b>100%</b> |

Page 2 of the Superintendent’s Proposed budget indicates 88 percent of the budget is at the school level. The pie chart on page 2 shows where the budget is by cost center or location (schools vs. central services departments).



**5. Why no behavioral supports for high schools? Page 10**

All K-12 schools have counselors, social workers, and nurses to support behavioral health, but K-5 and high needs middle schools were prioritized based on their current ratios. Although high schools could benefit from more staffing, they already have greater staffing levels compared to other schools, and this was taken into consideration during the prioritization process.

**6. Confirming: The magnet grant covers the four schools at \$.7M? What is the local ask, if any? Page 14**

The MSAP grant covers **five** schools (Wendell ES and Wendell MS, Zebulon ES and Zebulon MS, and East Wake HS), and if awarded, would be federally funded. Notification on whether the award is granted has always been after the start of the school year, but typically no later than September 30<sup>th</sup>. There are two new magnet schools included in the grant, so the local funding request if MSAP funds are awarded will be for 3.5 locally funded positions (**or \$229,182**) at Wendell MS and East Wake HS for the 2023-24 school year. These funds are to cover the cost of the initial implementation of these magnet programs, which include personnel and dollars to be used as start-up funds prior to the application and funding notification.

**7. This may need to be reviewed in work session: Can you please review/explain pages 18-19, “changes by category”?**

The Operating Budget Changes by Category on pages 18-19 provides a total of funding requests in each category. It shows a higher-level summary of the funding requests on pages 20-26. The chart describes each category for funding requests. The chart shows changes by funding source and in total. It shows where the largest increases occur. Employee compensation and legislative impact are the primary reasons additional funds are needed for 2023-24.

**8. Please provide a list of 5-6 (or more) comparable sized NC counties’ tax rates for comparison to Wake’s.**

North Carolina Department of Revenue [Property Tax Rates by County 2022-23](#)

The chart shows the current property tax rates for each county in NC. The counties highlighted in green are the next largest districts in terms of student membership compared to Wake. The counties highlighted in blue share a common border with Wake County.

| 2022-2023  |          |             |             |
|--|----------|-------------|-------------|
| PROPERTY TAX RATES AND REVALUATION SCHEDULES FOR NORTH CAROLINA COUNTIES |          |             |             |
| (All rates per \$100 valuation*)   |          |             |             |
|  |          | Year        | Next        |
|  | Tax      | of latest   | scheduled   |
| Counties   | Rate     | revaluation | revaluation |
| HARNETT  | \$ .5910 | 2022        | 2026        |
| CHATHAM  | .6650    | 2021        | 2025        |
| DURHAM   | .7222    | 2019        | 2025        |
| JOHNSTON   | .7300    | 2019        | 2025        |
| FRANKLIN   | .7850    | 2018        | 2024        |
| GRANVILLE  | .8400    | 2018        | 2024        |
| MECKLENBURG  | \$ .6169 | 2019        | 2023        |
| WAKE   | .6195    | 2020        | 2024        |
| FORSYTH  | .6778    | 2021        | 2025        |
| GUILFORD   | .7305    | 2022        | 2027        |
| CUMBERLAND   | .7990    | 2017        | 2025        |

**9. Please reprint here/ provide again, the chart showing recent (last five years) county appropriations by percentage. This was presented in an earlier Budget Committee Meeting or work session.**

The superintendent recommends the Wake County Board of Education request an increase of \$55,841,797, or 9 percent, for 2023-24 for a total county appropriation of \$650,094,842. The following chart shows the last five years of county appropriations.

|         | County        |                 | Percent  |
|---------|---------------|-----------------|----------|
|         | Appropriation | Dollar Increase | Increase |
| 2022-23 | \$594,253,045 | \$50,047,944    | 9%       |
| 2021-22 | \$544,205,101 | \$16,301,000    | 3%       |
| 2020-21 | \$527,904,101 | \$11,949,000    | 2%       |
| 2019-20 | \$515,955,101 | \$40,035,857    | 8%       |
| 2018-19 | \$475,919,244 | \$45,008,244    | 10%      |

**10. The focus on increased compensation is critical to recruiting and retaining staff. Was available data, such as exit survey responses, also evaluated to identify and address other factors that have led to a high number of resignations? If so, how did it impact the budget process? If not, what opportunities are there to consider this information at this stage of the budget process?**

Existing exit survey data did not factor into decisions staff made during the budget process. Upon recent review of exit survey data, we determined revisions to survey questions were needed to provide more helpful and accurate information regarding reasons why employees leave WCPSS. We have a team working on this now and hope to launch a revised survey at the start of the next school year.

We do consistently review other categories of data, specifically vacancy totals and rates overall and by critical position areas, as we make other types of decisions about spending. For example, we rely on this data to help us make adjustments to our recruitment marketing plans and advertising investments.

**11. How will this budget consider and support all stages of the hiring process with the increased volume of applicants so that hiring is done efficiently thereby decreasing the amount of time that educators are fulfilling multiple roles when a suitable candidate is available?**

While the budget may not explicitly include consideration of supporting hiring efficiency at all stages of the hiring process, we expect some changes and additional resources within the past year will help efficiency at multiple phases of the hiring process. These include:

- The 2022-23 budget included a partial position to add to the one staff member who facilitates orientation for the district.
- HR is in the process of implementing a new Applicant Tracking System to replace our current system with a target implementation of fall 2023.
- Strategic partnership with marketing experts aimed at increasing the number of qualified candidates in targeted, hard-to-fill areas.
- Increased use of social media sourcing methods and professional job boards to attract high-quality candidates throughout the country.
- Departments like Transportation and Special Education Services have identified personnel to work with HR to pursue leads and support more efficient hiring practices.
- HR is also exploring the feasibility of additional recruiters during the busy hiring season to help source leads.

- 12. According to an Office for Civil Rights report, “Emerging evidence shows that the pandemic has negatively affected academic growth, widening pre-existing disparities. In core subjects like math and reading...,” How does the budget address the academic concerns for communities most in need of support for academic recovery based on language from Policy 1150 that states the district will “provide students with equitable access to effective teachers and principals, and sufficient support services, even when this means differentiating resource allocation.” As an example, would another executive leadership coach at the elementary level or a similar position afford more support to schools with the greatest need?**

The budget addresses the widening disparities in academic growth caused by the pandemic, particularly in core subjects like math and reading. To tackle this issue, the budget prioritizes the recruitment and retention of high-quality teachers and support staff in schools with the most intensive needs. While an additional executive leadership coach or similar position could provide more support to schools with the greatest need, the budget significantly focuses recovery efforts on schools with the greatest need through classroom supports and student well-being.

The budget also allocates increased funding for school counselors, social workers, and ESL teachers, while also restructuring ESSER III funding to focus on schools with the most pressing needs.

- 13. How much state and federal dollars do the OEA (Office of Equity Affairs) to support the work of students and teachers? Out of those dollars how much is allocated for Title Six and Nine?**

Most of the funds supporting OEA do not come from state or federal sources. Rather, the majority of funding is from local sources. There are very specific guidelines and limited dollars given to OEA from the state, and those funds are directly associated with employment. The funding provided for this office is local dollars. The work for which the Office of Equity Affairs engages in with teachers, families, leaders, and communities are in service to students, through local funding. \$227,316 of the OEA funding supports student-based initiatives through contracted services, workshop expenses, field trips, postage, supplies and materials, food purchases, and staff development costs. \$324,140 of the OEA funding supports teachers and leaders (principals, central services, etc.) through staff development, workshop expenses, and contract services.

There is not a specific allotment for Title IX and VI. The Title IX coordinator position and compliance specialist are new positions that were funded for the first time this year. The operating budget for OEA has been used to support staff training, postage, supplies and materials.

- 14. If the NCGA covers advance pay again, could the district reallocate funds to increase the salary of our non-certified staff to compete with other agencies?**

If the NCGA covers relevant master's and advanced pay for employees who completed those degrees but did not meet the state's cutoff date, we could reallocate those funds toward salaries or other funding needs.

- 15. If we do not receive the total amount from the proposed budget, which items/ programs would face cuts?**

The superintendent and chiefs will review the impact of both state and county budget decisions on the WCPSS Proposed Budget. They will bring forward recommendations for the board to consider for reconciliation.