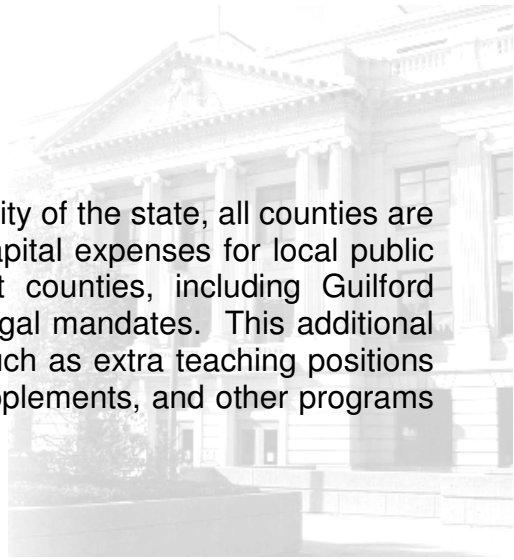


Education



Summary

Although public education is primarily a responsibility of the state, all counties are required to fund a portion of the operating and capital expenses for local public school and community college systems. Most counties, including Guilford County, provide funding above and beyond the legal mandates. This additional funding is used to pay for local enhancements, such as extra teaching positions to reduce class sizes, teacher and staff salary supplements, and other programs and services in response to unique local needs.

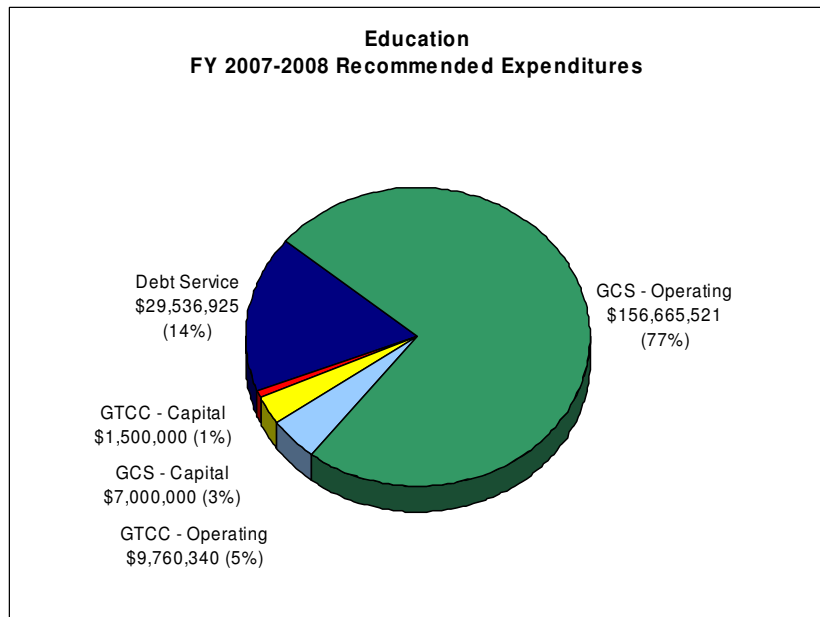
Education expenditures support:

- Guilford County Schools
- Guilford Technical Community College
- Other capital expenditures
- Debt Service for school and college facility construction

Expenditures

Guilford County will spend \$225,549,429 for Education expenditures in the 2007-2008 fiscal year, an increase of 10.3%, or \$21,086,643, over last year's adopted budget. Education is Guilford County's largest expenditure, accounting for 40% of total expenditures.

An increase of \$11 million in operating funds is included for the Guilford County Schools. The County's appropriation will provide funding for increased student enrollment, the County's share of state salary increases, facility maintenance, and escalating utilities and fuel cost. The Board has continued to fund the schools at significant levels over the past several years.



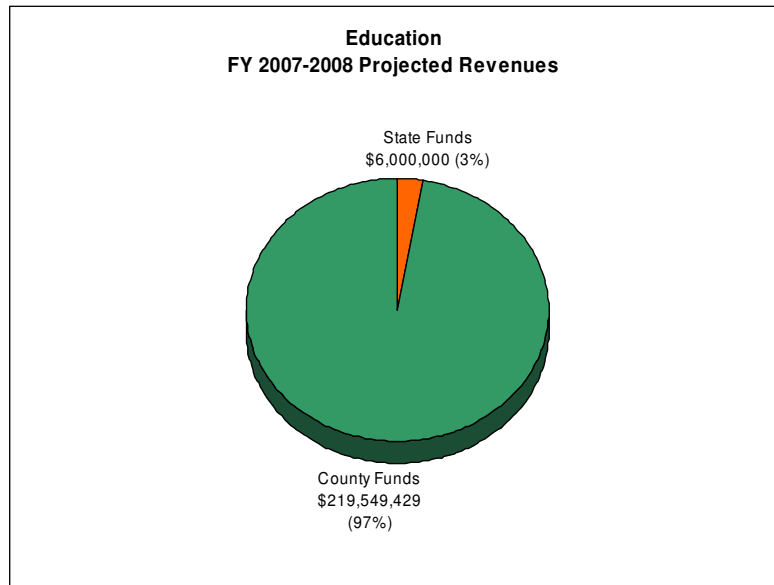
In addition, the allocation to Guilford Technical Community College (GTCC) is approximately \$1,230,988 higher than the previous year and represents a 12.6% increase. The additional County funding for GTCC is a direct reflection of GTCC's response to meet the training needs of Guilford County's growing aviation and transportation industries as well as the continued growth that the College is experiencing. The recommended funding anticipates operating costs

to support an additional 165,000 square feet of instructional facilities on 33 acres of land funded from 2004 bond funds. The operating costs account for nearly 60% of GTCC's budget increase.

Debt service expenditures for voter-approved school construction bonds will increase by over \$8.8 million in FY 2007-2008. The County will spend a total of \$38.3 million next year for all debt related to school facility construction and renovation.

Revenues

The majority of funding for Education expenditures comes from general County revenues. The county is recommending that \$ 6 million of state lottery proceeds be used to offset debt service for the school system.



	FY 05-06 Expenditures	FY 06-07 Adopted Budget	FY 07-08 Recommended	Change from Adopted	
				\$	%
Departments					
GCS - Operating*	\$ 141,665,521	\$ 156,665,521	\$ 167,665,521	\$ 11,000,000	7.0%
GTCC - Operating**	\$ 9,031,400	\$ 9,760,340	\$ 10,991,328	\$ 1,230,988	12.6%
GCS - Capital***	\$ 10,000,000	\$ 7,000,000	\$ 7,000,000	\$ -	0.0%
GTCC - Capital***	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ -	0.0%
School Debt Service***	\$ 26,001,158	\$ 29,536,925	\$ 38,392,580	\$ 8,855,655	30.0%
Total	\$ 188,198,079	\$ 204,462,786	\$ 225,549,429	\$ 21,086,643	10.3%

* GCS = Guilford County Schools

** GTCC = Guilford Technical Community College

*** Represents adopted budget

Revenues

State Funds			\$ 6,000,000	\$ 6,000,000	
County Funds	\$ 188,198,079	\$ 204,462,786	\$ 219,549,429	\$ 15,086,643	7.4%
Total	\$ 188,198,079	\$ 204,462,786	\$ 225,549,429	\$ 21,086,643	10.3%