

Education

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:

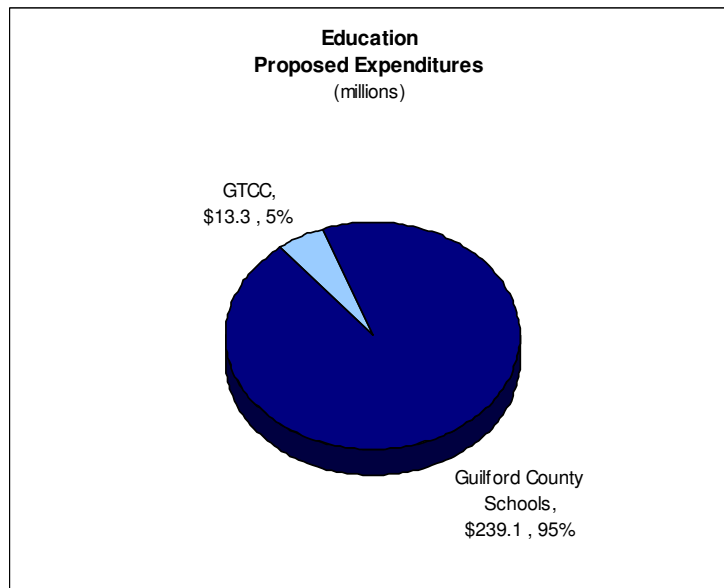
- Guilford County Schools
- Guilford Technical College
- Other capital expenditures
- Debt Service (school facilities)

Expenditures

The FY 2009-10 Adopted Budget includes \$252,361,641 for Education. Education, including school bond debt for the Guilford County Schools, is Guilford County's largest expenditure, accounting for 44% of total General Fund expenditures.

The FY 2010 proposed budget is 3.4% higher than the current year's budget. All of this increase is related to an additional \$11.8 million in debt service expenditures for voter-approved bonds for school facilities. The proposed budget recommends no increase in operating funding for both the Guilford County Schools (GCS) and Guilford Technical Community College (GTCC).

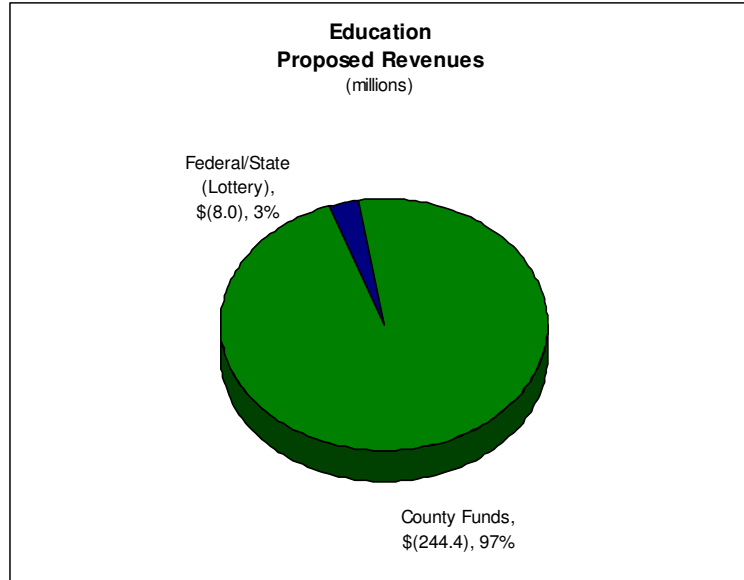
Part of the increase in debt service is offset by a \$3.5 million reduction in capital funds allocated to GCS and GTCC. GTCC's allocation is held at its historical appropriation level of \$1.5 million (last year's budget of \$2.0 million included one-time funds of \$500,000 for infrastructure needs at the new northwest campus). As a result of an increase in bonds issued for GCS facility construction, a lower level of capital funds is proposed.



Revenues

The majority of funding for Education expenditures comes from general County revenues.

The County also appropriates funds from lottery sales for capital and debt needs. In February, the Governor diverted approximately \$4 million of lottery funds earmarked for Guilford County to help address budget deficit issues at the state level. The FY2010 proposed budget assumes the County will receive \$8 million in lottery funds next year, representing the expected amount generated by lottery sales for the year.



	FY 2008 Actual	FY 2009 Adopted	FY 2009 Amended	FY 2010 Proposed	Change vs. Adopted \$	%
Department						
Guilford County Schools						
Operating	\$165,165,521	\$175,165,521	\$175,165,521	\$175,165,521	\$0	0.0%
Capital Outlay*	\$7,000,000	\$7,000,000	\$7,000,000	\$4,000,000	(\$3,000,000)	-42.9%
Debt Service*	\$38,392,580	\$48,107,660	\$48,107,660	\$59,943,430	\$11,835,770	24.6%
	\$210,558,101	\$230,273,181	\$230,273,181	\$239,108,951	\$8,835,770	3.8%
Guilford Technical Community College						
Operating	\$10,791,328	\$11,752,690	\$11,752,690	\$11,752,690	\$0	0.0%
Capital Outlay*	\$1,500,000	\$2,000,000	\$2,000,000	\$1,500,000	(\$500,000)	-25.0%
Debt Service						
	\$12,291,328	\$13,752,690	\$13,752,690	\$13,252,690	(\$500,000)	-3.6%
Total	\$222,849,429	\$244,025,871	\$244,025,871	\$252,361,641	\$8,335,770	3.4%
Revenues						
Federal & State (Lottery Funds)	(\$6,000,000)	(\$12,500,000)	(\$12,500,000)	(\$8,000,000)	\$4,500,000	-36.0%
County Funds	(\$216,849,429)	(\$231,525,871)	(\$231,525,871)	(\$244,361,641)	(\$12,835,770)	5.5%
Total	(\$222,849,429)	(\$244,025,871)	(\$244,025,871)	(\$252,361,641)	(\$8,335,770)	3.4%

* Represents adopted amounts

** See discussion above regarding the state's diversion of lottery funds.