



DATE: April 4, 2024

TO: Guilford County Commissioners

FROM: Dr. Anthony Clarke, President, Guilford Technical Community College

SUBJECT: Fiscal Year 2024/25 GTCC County Operating Budget Request

The FY2024/25 GTCC County Operating Budget request is provided below. GTCC currently employs 125 county-funded employees which include thirty vacancies.

Our current total budget is:

Budget	Amount	Percent	Number of Full-time Positions
State	\$79,783,620	53.3%	581
County:			
Utilities/Rent/Insurance/Legal	\$4,307,641		0
Building Maintenance	\$4,010,246		29
Custodial Services	\$3,943,017		53
Campus Police	\$2,898,524		30
Institutional Support	\$2,691,190		6
Grounds Maintenance	<u>\$ 756,882</u>		<u>7</u>
Total County Operating	\$18,607,500	12.4%	125
Federal Grants / Loans	\$39,002,696	26.1%	0
Institutional / Other	<u>\$12,337,065</u>	8.2%	<u>17</u>
TOTAL	\$149,730,881	100%	723

Our operating budget request totals \$19,520,000, an increase of \$912,500 or 4.9% and includes the following:

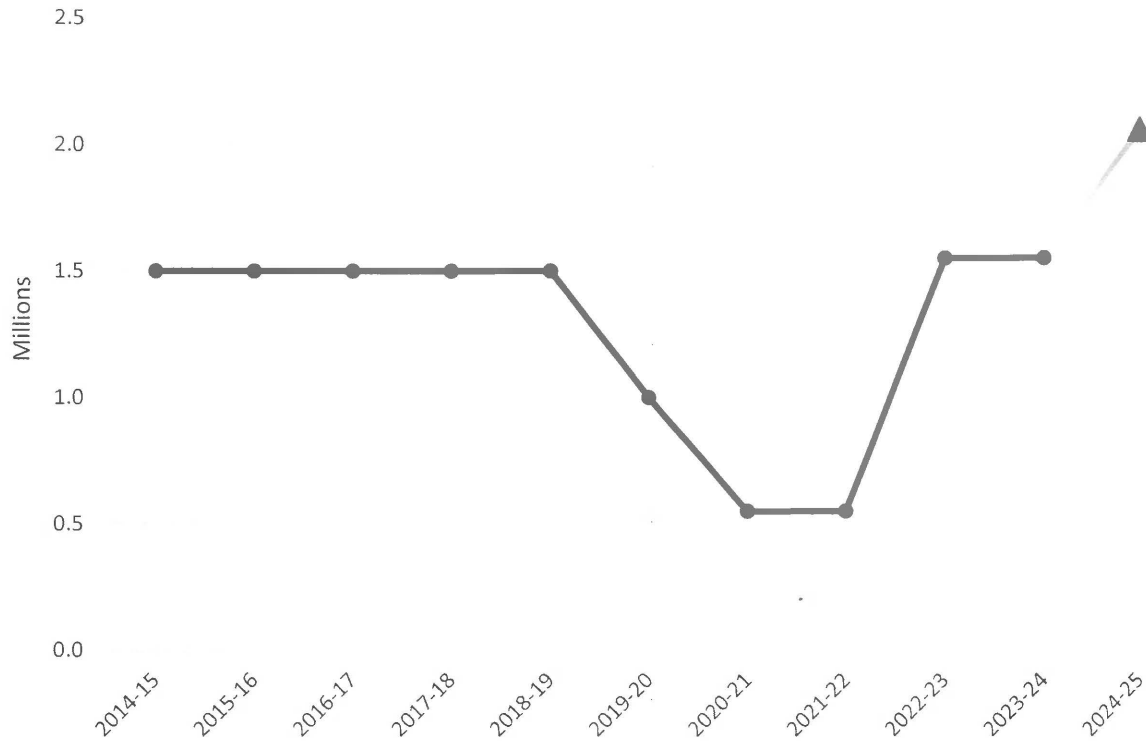
Description	Projected Item Cost	Projected Total Costs	Comments
3% salary increase for FY2024/25	\$209,847		The 3% pay increase is equal to the College's state-funded employees for FY2024/25. Community college employees do not receive a cost-of-living increase.
FY2024/25 medical insurance rate increase of 4.2%	\$25,002		Same increases as state-funded employees.
President's maximum incentive-pay increase (including benefits)	\$1,817		
Total FY2024/25 salary/benefits change		\$236,666	
Supplemental retirement fund match increase of 1%		\$275,000	Currently funding a 2% match for employee contributions to the College's voluntary supplemental retirement plans – NC 401k, NC457, and 403b.
Increase in utility rates		\$201,230	7.1% increase in water/electric rates with offset in gas rates.
Insurance & bonding premium increases		\$190,407	24.8% increase in insurance rate because of various liability increases and projected rate increases.
Rent increase		\$9,197	1.3% increase in rental rates.

On October 3, 2023, the NC General Assembly approved their 2023-2025 biennium budget. This budget included a 3% pay increase for FY2024/2025. Our request is that our county-funded employees receive the same pay increase as our state-funded employees.

We have also included a \$275,000 request for an additional 1% match (totaling up to a 3% match) for employees contributing to one of our voluntary supplemental retirement plans – NC401k, NC457, and/or 403b. Currently 392 employees participate in a supplemental retirement plan. 320 are state-funded employees, 59 are county-funded employees, and 13 are institutional-funded employees. We estimate that a 3% match will equate to 1.1% of total payroll costs.

A history of our capital outlay from the County is below. We have maintained our fifty-three buildings across five campuses with a \$1.5 million capital outlay for five of the last ten years and \$1.55 million for the last two years. This year, we are asking for \$2.055 million to maintain our campuses. As previously discussed, in addition to our routine request, we are asking for the \$11.1 million to move forward with the construction phase of the Aviation Training Center.

County Capital Allocation
FY2014/15 to FY2024/25



A list of proposed FY2024/25 annual local capital outlay projects are numbered in priority order below.

Priority	Project	Projected Cost	Comments
1	Add Chiller capacity to Jamestown Central Energy Plant (CEP)	\$495,000	Presently the CEP only has enough capacity to operate the college during high heat days if 100% of the chillers are operating. We need to have an additional chiller to have redundancy for unscheduled maintenance or failure.
2	Replace existing roofs at end of life on Learning Resource Center (LRC) – Jamestown Campus and Continuing Education Center (CEC) – Greensboro Campus	\$475,000	GTCC is on schedule to replace all existing roofs that are 20 years old and showing signs of failure. We are making continuous improvements that will dramatically reduce damage to interiors and equipment due to failed roofs.

3	Replace/upgrade floor finishes across all campuses	\$635,000	Recent surveys of the floor finishes across the college show a large number of classrooms and labs with worn out, uncleanable, or failed floor finishes. This includes carpet, VCT, and tile.
4	Phase I - Underground infrastructure replacement	\$450,000	GTCC Jamestown campus was built over a 65-year period and much of the early water distribution pipes and valves are beyond end of life. During the Medlin renovation, we had to replace approximately one hundred feet of supply pipe due to its conflict with sidewalk structure. We also discovered that the pipe interior was heavily calcified and corroded to the point of near failure. We do not know how much of our existing water supply infrastructure is more than 40 years old and in similar condition. This phase one work is to hire engineers to study the problem, perform tests to quantify the issues so that we can start to address the problem and address the highest priority pipes.
A	Aviation Training Center – Phase I	\$11,100,000	Based on the County’s intention to commit to funding the project, the State Construction Office (SCO) approved to move forward with the design phase. To begin the construction phase in FY2024/25, the SCO will require GTCC to show the county funds are available.

Please let me know if we can provide any additional information.

cc: Michael Halford, Guilford County
Toy Beeninga, Guilford County
Angela Carter, GTCC
Mitchell Johnson, GTCC