

FY27 Budget Presentation



**Understanding What We're Losing —
and What We're Requesting**

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Academic Excellence 2024-2025 School Year



1 of 115
89.29%

CTE Credential Rate

#1 in WNC

ACT Performance
Brevard High School

#1 in WNC

Academic Growth
Rosman Middle School

#2 of 115

NC Districts
Best Teachers (Niche 2026)

TCS ranks among the top-performing districts in North Carolina. Niche ranked us #2 out of 115 NC school districts for having the best teachers, and #8 statewide as one of the best places to teach. For a small mountain district, that recognition doesn't just happen — it comes from years of work by dedicated educators and from a community that has chosen to invest in its schools.

These results are a direct reflection of the investments you have supported.

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What's Working Across Our Schools



These gains happened across the district — from kindergarten classrooms to career programs.

Brevard High School

#1 in Western NC for ACT performance. 93.5% graduation rate. 71.9% college-ready. 74.6% earning career certifications.

TC Henderson Elementary

26.3-point reading gain from 3rd to 4th grade. First graders grew 17% in foundational literacy year over year.

Pisgah Forest Elementary

Earned a 13.6-point proficiency gain in reading from 4th to 5th grade.

Davidson River School

4-year cohort graduation rate reached 57% — a notable increase from prior years.

Rosman Middle School

Tied for #1 in Western NC on the state academic growth index with a +3.19 growth score.

Brevard Elementary School

K–3 literacy proficiency climbed from 64% to 71%. 4th grade reading cohort grew by 10%.

Rosman Elementary School

Finished in the top 25% statewide in overall proficiency and EOG math scores.

CTE Program — District-Wide

89.29% credential attainment rate — recognized as the highest in North Carolina at the NC CTE Director's Conference.

Districtwide: 56% of schools met or exceeded academic growth. 78% earned an overall school grade of C or better.

A Sincere Thank You - FY26 Investments That Made A Difference



Your decisions last year went far beyond a line item on a spreadsheet. Each one addressed something real.

Salary Supplement Match

Matching Henderson County's supplement — a first in over a decade — sent a powerful message that this community values the people who show up for its kids every day.

Centegix CrisisAlert Safety System

All employees will have wearable badges that can summon help in seconds. Our visitor management system will add accountability at every front entrance — critical in a year when we conducted 14 threat assessments districtwide.

Handicap Accessible Activity Buses

Students with mobility needs can now participate in field trips and extracurriculars alongside their peers. The first bus logged over 1,000 miles since November. The second bus should be here later this month.

Walk-In Freezers

New freezers at Rosman Elementary and TC Henderson.

Bus Cameras, Radios & Snow Plows

New cameras and radios keep students and drivers safer on the road. Snow plows let our team handle winter weather in-house, keeping hourly staff employed.

How North Carolina State Funding Works



NC funds school districts — not individual schools — based on Average Daily Membership (ADM).

01

Enrollment Drives Funding

The state uses ADM — Average Daily Membership — to calculate how many teaching positions and dollars each district receives. When enrollment drops, so does funding. The ADM is based on the prior year's enrollment.

02

District-Wide, Not School-by-School

The state funds the district as a whole. If 4 schools each have 10 first graders (40 total), the state funds 2.5 teachers based on the 1:18 ratio — but we must staff 4 classrooms, 1 classroom at each of the 4 schools. Local dollars fill the gap.

03

Attrition Is Our Strategy

When a state-funded position is lost due to enrollment decline, TCS manages this through attrition — not refilling vacancies when staff retire or resign — avoiding layoffs while staying fiscally responsible.

2-Year State Funding Loss: \$1,368,000 minimum | 10 positions lost | 8 classroom teachers, 1 central office administrator, 1 instructional support staff

Departments That Receive Insufficient State Funding



These are not discretionary programs — they are obligations.

Exceptional Children

- State funds EC at \$5,593.34/student — only up to a 13% cap (set in 1993)
- TCS serves 19% of students through EC — nearly 6.5 points above the cap
- Every student above the cap is served entirely on local dollars
- Costs include: adaptive equipment, AAC devices, 1:1 paraprofessionals, SELF program therapist
- Federal IDEA promised 40% funding — today covers only 13%
- FY25 local subsidy: \$568,299

Child Nutrition

- Operates as an enterprise fund — designed to be self-sustaining, but hasn't been
- Rising food costs, labor costs, and stagnant federal reimbursement rates create a persistent gap
- For many TCS families, school meals are not a convenience — they are a necessity
- FY24 local subsidy: \$442,631
- FY5 local subsidy: \$350,882
- FY26 estimated minimum: \$350,000

Charter School Payments: An Obligation We Can't Avoid



North Carolina law requires school districts to pay a per-pupil share of local funding to charter schools serving students who reside in our county. This is not discretionary.

How the Payment Works

For every Transylvania County student enrolled in a charter school, our district is required to send that school a per-pupil share of the local funding we receive from the county. The more students who attend charter schools, the higher our payment obligation.

Why This Affects the Budget Request

Charter school enrollment figures and the resulting per-pupil payment amounts are being finalized by our finance office. What is clear is that this obligation grows as charter school enrollment grows — and it draws directly from the local funding base the county provides.

State Funding Is Declining — Two Years in a Row



Enrollment in Transylvania County Schools has been declining. Every student we lose reduces what the state sends us.

-59 Students

FY2025–26 Enrollment Loss

-102 Students

FY2026–27 Projected Loss

-161 Students

Combined Two-Year Decline

-\$484,000

State Dollars Lost — FY26

-\$884,000

State Dollars Lost — FY27

\$1,368,000

Approx. Minimum Cumulative Loss

Where have our students gone:



Total Withdrawals as of April 10, 2026: 208

Reason For Leaving	BES	BHS	BMS	DRS	PFES	RES	RHS	RMS	TCHES	DPI	Total Withdrawn
Moved to a different county or state	15	16	6	5	10	2	1	1	0	3	59
Moved to another school within our district	3	14	3	5	8	4	1	3	0	0	41
Moved to homeschool/virtual school	6	13	5	5	5	3	3	6	0	0	46
Moved to Charter/Private	2	3	2	0	4	0	0	0	0	0	11
Mid-Year Graduate		13		7			1				21
Dropped Out		2		2							4
BRCC Adult High School (not GED)		1		1							2
No information provided		3	1	4	1		15				24
Total withdrawn by school	26	65	17	29	28	9	21	10	0	3	208

Fewer Dollars Means Fewer State-Funded Positions



Dollar losses translate directly into staffing. Over the two-year period, TCS is projected to lose a minimum of 10 state-allotted positions.

2026-2027 State Allotment

 **8 Classroom Teachers**

Each position = 10 months of state employment funding

 **1 Central Office Administrator**

Administrative capacity reduced at the district level

 **1 Instructional Support Staff**

Direct student support capacity reduced

 **9 CTE Months of Employment**

Career & Technical Education absorbs losses — fewer courses available

How do we manage these losses? Through attrition — when staff retire, leave, or are promoted to school administration we evaluate whether those positions can be refilled given our current state allocation.

Managing Attrition Strategically

Every vacancy is an opportunity to redirect resources toward students.

1 Review the Position

When someone retires or resigns, we assess how many students that role directly serves before making any decision about backfilling.

2 Find the Best Fit

We look across the district for an employee who can absorb the duties — or redirect a staff member currently serving fewer students into the higher-impact role.

3 Leave One Seat Vacant

Rather than hiring two, we leave the lower-impact position unfilled. We've applied this at central office and will carry the same approach into our schools.

Example: Central Office — Federal Programs Director and office staff positions were absorbed internally, not backfilled.

Option A: Responsible Minimum - Aligned with County Fiscal Guidance



Operating Cost	FY27 Amount	
FY26 Local Appropriation (Current Year Base)		\$14,567,871
Responsible Minimum - aligned with county fiscal guidance	\$291,357	
Total estimated FY27 local budget request		\$291,357
TOTAL FY27 LOCAL OPERATING BUDGET REQUEST		\$14,859,228

**This requested amount does not include a possible raise from the legislature. If the legislature does implement a raise for our teachers, we will need to go to the County Commissioners for funding for the local paid positions.*

OPTION B WITH NO SALARY INCREASE, ONLY PROJECTED INCREASE IN BENEFIT COSTS:



Operating Cost	FY27 Amount	
FY26 Local Appropriation (Current Year Base)		\$14,567,871*
Estimated minimum decrease in state funding per TCS Planning Allotments Projected by NCDPI	\$883,591	
Estimated projected increase in benefit costs (WITH NO SALARY INCREASE)	\$122,909	
Estimated minimum increase in funding for EC	\$85,000	
Estimated minimum increase in funding to Charter Schools	<u>\$125,000</u>	
Total estimated FY27 local additional minimum local funding needed		<u>\$1,216,500*</u>
Total estimated FY27 local budget request		\$15,784,371
TOTAL FY27 ESTIMATED LOCAL BUDGET SHORTFALL		\$1,216,500

**This appropriation includes the following additional financial support required for the following for 24/25: Child Nutrition \$350,882, Exceptional Children \$568,299, Charter School Payments \$1,313,583 and Athletic Program Costs of \$89,400, which total \$2,322,164. This requested amount does not include a possible raise from the legislature. If the legislature does implement a raise for our teachers, we will need to go to the County Commissioners for funding for the local paid positions.*

OPTION C WITH 5.8% AVERAGE SALARY INCREASE:



Operating Cost	FY27 Amount	
FY26 Local Appropriation (Current Year Base)		\$14,567,871*
Estimated minimum decrease in state funding per TCS Planning Allotments Projected by NCDPI	\$883,591	
To maintain current local salaries with an average projected increase of 5.8%, including benefits	\$475,000	
Estimated minimum increase in funding for EC	\$85,000	
Estimated minimum increase in funding to Charter Schools	\$125,000	
Total estimated FY27 local additional minimum local funding needed		<u>\$1,568,591</u>
Total estimated FY27 local budget request		\$16,136,462
TOTAL FY27 ESTIMATED LOCAL BUDGET SHORTFALL		\$1,568,591

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FF&E REQUEST



County Schools

FF&E — Schools

\$167,650

General school equipment and furnishings

Classroom Desk Rotation

\$183,408

All schools; adjustable-height desks, teacher stations

Technology (System-Wide)

\$775,463

650 Chromebooks, 150 teacher laptops, Google & Microsoft licensing, ESSER replacement cycle

Turf Replacement Savings

\$100,000

Annual set-aside for future turf replacement

Cafeteria Table Rotation

\$10,000

Ongoing replacement cycle

Operational Maintenance

\$220,000

System-wide daily maintenance supplies

TOTAL FF&E REQUEST: \$1,456,521

Capital Outlay Request



Transportation Truck

\$49,687.10

Aging truck, driven daily with over 200,000+ miles

Plant Ops Truck

\$49,687.10

Aging Fleet

BHS Dish Machine

\$28,216.14

30-year-old units; parts no longer available — replacement is necessary

RHS Dish Machine

\$43,080.52

30-year-old units; parts no longer available — replacement is necessary

TCHES Dish Machine

\$21,665.34

30-year-old units; parts no longer available — replacement is necessary

Child Nutrition Maintenance

\$60,000.00

Annual outsourced equipment maintenance

Generator for Child Nutrition, Transportation, and Plant Ops

\$125,817.28

30+ year-old units

Generator for MEC

\$43,469.13

MEC generator failure affects entire district connectivity

BHS Baseball Field Light Switch

\$8,143.03

Installation of on/off switch

Detection Head Replacement at BHS

\$33,812.00

Replaces worn-out fire alarm sensors

TOTAL CAPITAL OUTLAY REQUEST: \$463,577

Full FY27 Budget Request Summary



Operational	Option A	Option B	Option C
FY26 Local Appropriation (Current Year Base)	\$14,567,871	\$14,567,871	\$14,567,871
To Maintain Current Local Salaries with an increase to benefits		\$122,909	
To Maintain Current Local Salaries with a 5% Increase, Including Benefits			\$475,000
Responsible Minimum — Aligned with County Fiscal Guidance	\$291,357		
Minimum Amount of Decrease in State Funding		\$883,591	\$883,591
Minimum Increase in EC Funding		\$85,000	\$85,000
Minimum Expected Increase in Charter School Funding		\$125,000	\$125,000
Subtotal	\$291,357	\$1,216,500	\$1,568,591
Total Operational Requested	\$14,859,228	\$15,784,371	\$16,136,462
FF&E (Furniture, Fixtures, and Equipment) - schools	\$1,456,521	\$1,456,521	\$1,456,521
Capital Outlay Request	\$463,577	\$463,577	\$463,577
Total FF&E and Capital Outlay Requested	\$1,920,098	\$1,920,098	\$1,920,098
Full Requested Funding, Operational & Capital	\$16,779,326	\$17,704,469	\$18,056,560

Thank You

Transylvania County Schools is not a district that takes what it has been given for granted. Every investment this board has made - in our people, our buildings, our technology, and our safety - has been put to work.

At the end of the day, every line in this budget connects back to a person — a teacher who chose to stay, a student who got what they needed, a parent who felt their child was safe.

We are asking you to make that choice again, and we will continue to make sure it counts.



**We welcome
your questions.**