

Durham Public Schools Board of Education
Board Chair Statement
February 2, 2024



DURHAM
PUBLIC SCHOOLS

Thank you for being here today
and for your interest in our Durham Public Schools.

Many of our valued employees have been through stressful, challenging times of late. The students and families we serve, over the past few weeks, have been through uncertain, stressful times. This has been hard on all of them, on everyone who works at Durham Public Schools and on our entire Durham community.

We have more information as we consider our options and how we will move forward.

Our decision must meet the tests of affordability and equity.

Here are some of the important details we now have that will inform the decision we'll make today:

- The consultant's salary schedules for classified employees, if applied for a full year counting all years of experience would cost approximately \$20 million. On an annual basis that is \$9 million more each than was funded in the District's 2023-24 budget.
- As you know, the board approved our classified employees keeping the pay they received from July through January. That was the fair and right thing to do, we firmly believe.
- To pay for those unbudgeted raises, we allocated more than \$4.5 million from the school district's fund balance.
- The fund balance is our safety net. The minimum recommended fund balance is \$12.7 million, one month's estimated operating expenses.
- We now have a projected fund balance of about \$6.4 million.

So, we know that continuing to pay the rates that were paid to our classified employees from July through January is unaffordable.

We also now know that many of the raises are very large. Here are a few examples of what happened when applying the consultant's salary schedules as was originally done:

- More than 500 employees were placed on new salaries more than 25% above the last school year's.
- More than 25 employees received salary increases of 40% or more over the prior year.
- One class of employees received raises varying from 13% to 57%.
- Another class of employees received raises of about 29%.

For the sake of context, the state of North Carolina's recent budgets provided raises of 4% this year and 3% next year for the school system's classified employees.

And in too many cases, the wide discrepancies between the raises given to one employee and another in the consultant's salary schedule, as originally applied, requires more study.

Let me emphasize: We are **not** saying our employees are not worth it. You all are the heartbeat of our work. We know our schools can't function without you.

Any option we consider today must continue to provide raises for our classified staff.

We **are** saying, absolutely, that we cannot choose an option that is unsustainable and that would deplete all the school system's funds.

The Board asked the administration to bring back options for how to provide our classified staff with pay increases over the amounts paid in 2022-23 that are fair and within the school system's current financial resources.

That's what we will be discussing today.