



# SUPERINTENDENT'S FUNDING REQUEST, FY 21

## WORK SESSION #1

January 23, 2020

# WORK SESSIONS OVERVIEW

<b>WORK SESSION #1</b>	<b>WORK SESSION #2</b>	<b>WORK SESSION #3</b>	<b>WORK SESSION #4</b>
<b>Thurs, 1/23</b>	<b>Tues, 1/28</b>	<b>Thurs, 1/30</b>	<b>Tues, 2/4</b>
<ul style="list-style-type: none"><li>▶ Budget Overview</li><li>▶ Revenue Changes</li><li>▶ Expenditure Changes</li><li>▶ Compensation Overview</li><li>▶ Salary Increase</li><li>▶ Minimum Wage</li></ul>	<ul style="list-style-type: none"><li>▶ Enrollment Projections</li><li>▶ General Growth</li><li>▶ Special Education Growth</li></ul>	<ul style="list-style-type: none"><li>▶ Strategic Proposals</li></ul>	<ul style="list-style-type: none"><li>▶ Wrap-up</li><li>▶ Funding Request Adoption</li></ul>

# BUDGET INTRODUCTION

## GOALS

- ▶ Budget will support the mission of establishing a community of learners and learning, through relationships, relevance and rigor, one student at a time.
- ▶ Plan, prepare, and implement a fiscally responsible budget that provides the resources necessary for creating equitable educational opportunities for all students.
- ▶ Engage stakeholders, including parents, teachers, staff, business leaders, volunteers, civic organizations and the community, in the development of budget priorities.
- ▶ Provide a salary and benefit plan that supports Albemarle's competitive position and reflects market adjustments where necessary.
- ▶ Develop and maintain a responsive and systematic approach to operational services that reflects industry best practices and ensures long-range financial stability.
- ▶ New budget proposals will align with the Strategic Plan and School Board Priorities.
- ▶ Schools, departments, and strategic proposals will incorporate the use of logic models and/or performance measures

# BUDGET INTRODUCTION

## GUIDELINES

- ▶ The division's general operating budget amounts will remain the same from year to year. Any increases or decreases are required to be justified in detail.
- ▶ 1.5% of salaries will be budgeted as a Lapse Factor to account for financial savings from vacancies.
- ▶ Investments in new proposals will comprise no more than 2% of the overall budget.
- ▶ Up to 10% of unspent funds within school operational budgets may be carried over into the following year's school operational budget.
- ▶ Annual revenues will be estimated by an objective analytical process. Revenue will not be included in the budget that cannot be verified with documentation as to its source and amount.
- ▶ Fee-based programs in the Special Revenue Funds will set fees and user charges to ensure their funds are self-sufficient.
- ▶ The division will budget expenditures in its Special Revenue Funds not to exceed projected revenues within grant funds.

# EXPENDITURE CHANGES

Page A-26 Summary, Page A-29 Descriptions

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**Total Revenue Increase** **\$13.6 million**

<b><i>Non-Discretionary/Directed</i></b>	<b><i>\$0.8 million</i></b>
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Compensation (Work Session #1)	\$7.6 million
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Growth & Demographics (Work Session #2)	\$4.8 million
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Proposals (Work Session #3)	\$0.4 million
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**Total Expenditure Increase** **\$13.6 million**

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# NON-DISCRETIONARY/DIRECTED EXPENDITURES

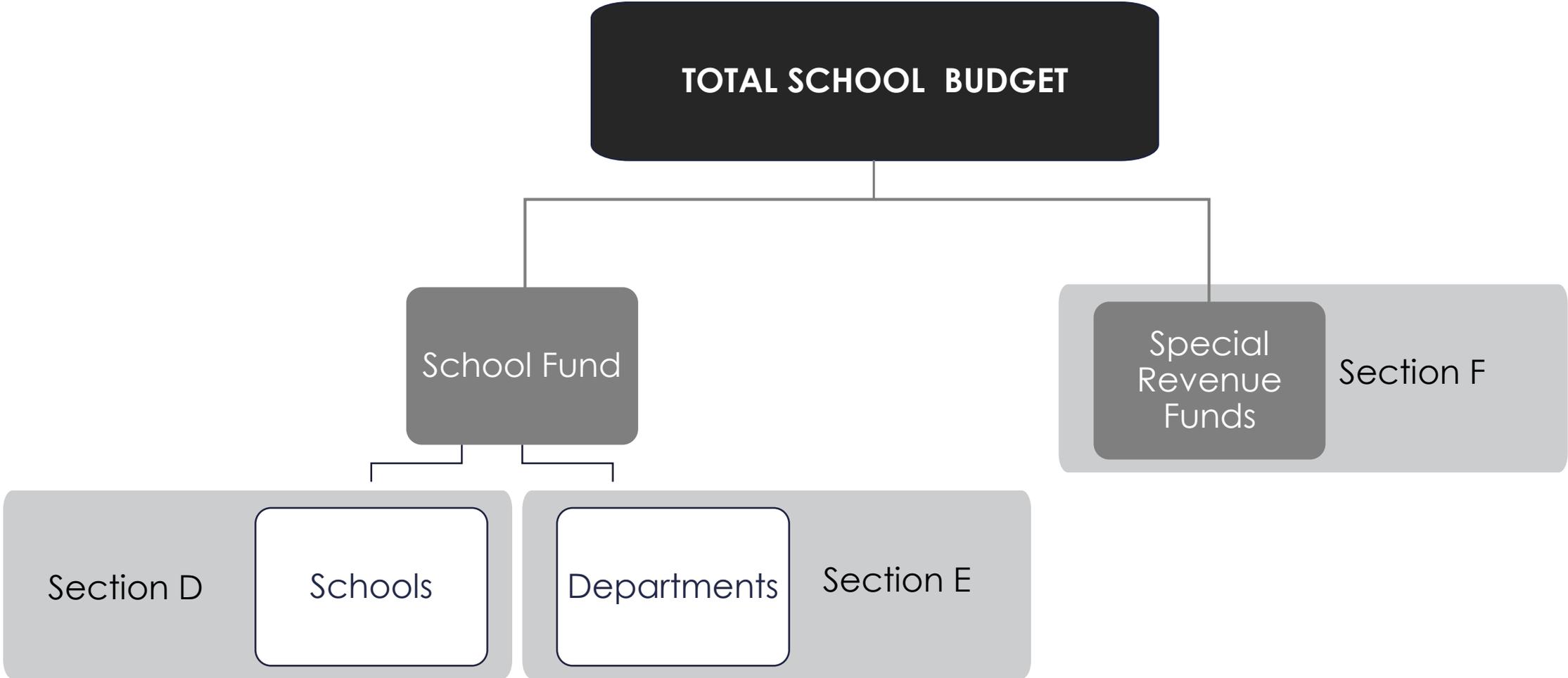
*Page A-26 Summary, Page A-29 Descriptions*

- Baseline Savings
- Special Education Restructure & Current Year Growth
- VRS Rate Changes
- Voluntary Early Retirement Incentive Program (VERIP) Decrease
- Health Insurance Reallocation
- Other Benefit Changes
- Workers Compensation Increase
- Schools and Department Overtime Increase
- Security Cost Increase
- Building Services Operations
- Visitor Management System
- Transportation Operations
- School Safety & Attendance Liaison
- CATEC Transfer Increase
- Lapse Factor Incremental Savings

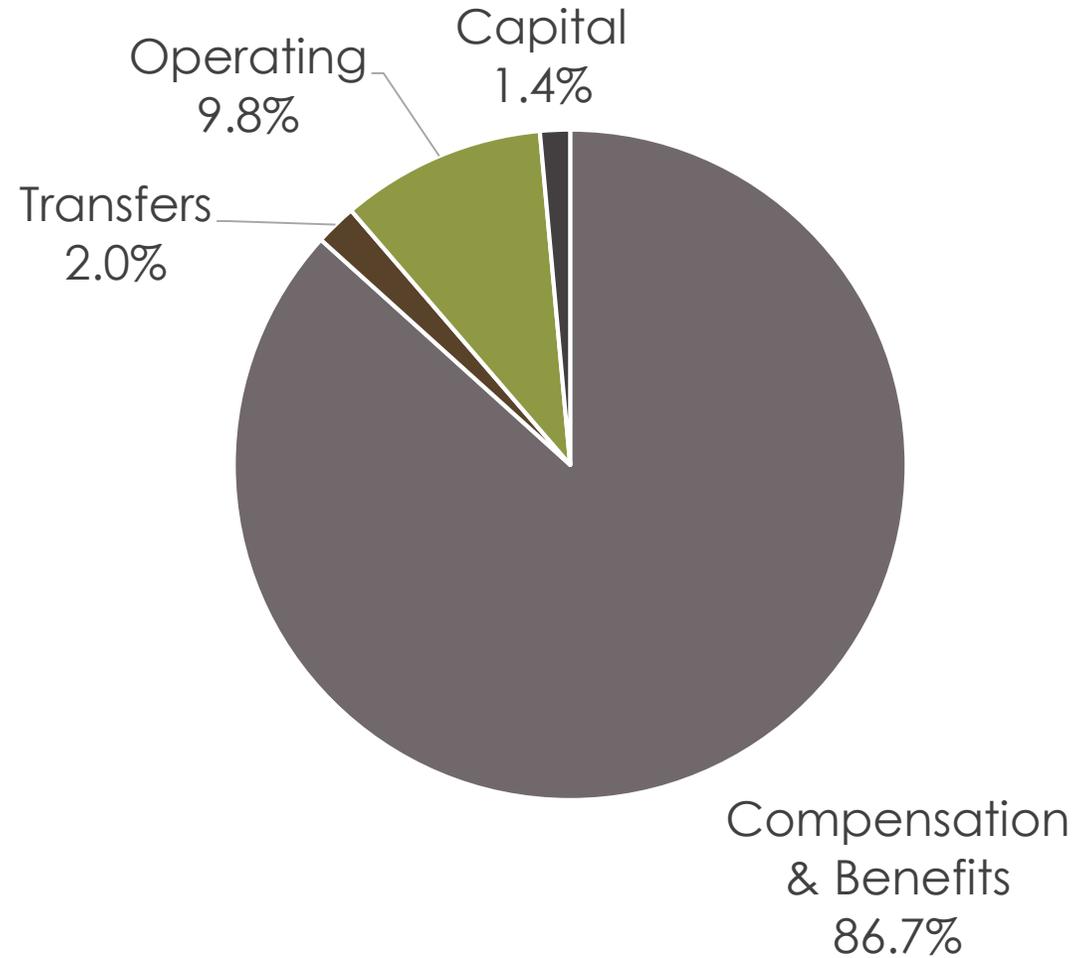
# OVERVIEW OF REVENUES

	<b>2019-20 Adopted</b>	<b>2020-21 Projected</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Local</b>	\$141,950,502	\$147,712,961	\$5,762,459	4.1%
<b>State</b>	\$50,528,580	\$57,777,769	\$7,249,189	14.3%
<b>Federal</b>	\$2,999,523	\$3,582,761	\$583,238	19.4%
<b>TOTAL</b>	<b>\$195,478,605</b>	<b>\$209,073,491</b>	<b>\$13,594,886</b>	<b>7.0%</b>

# EXPENDITURES INTRO



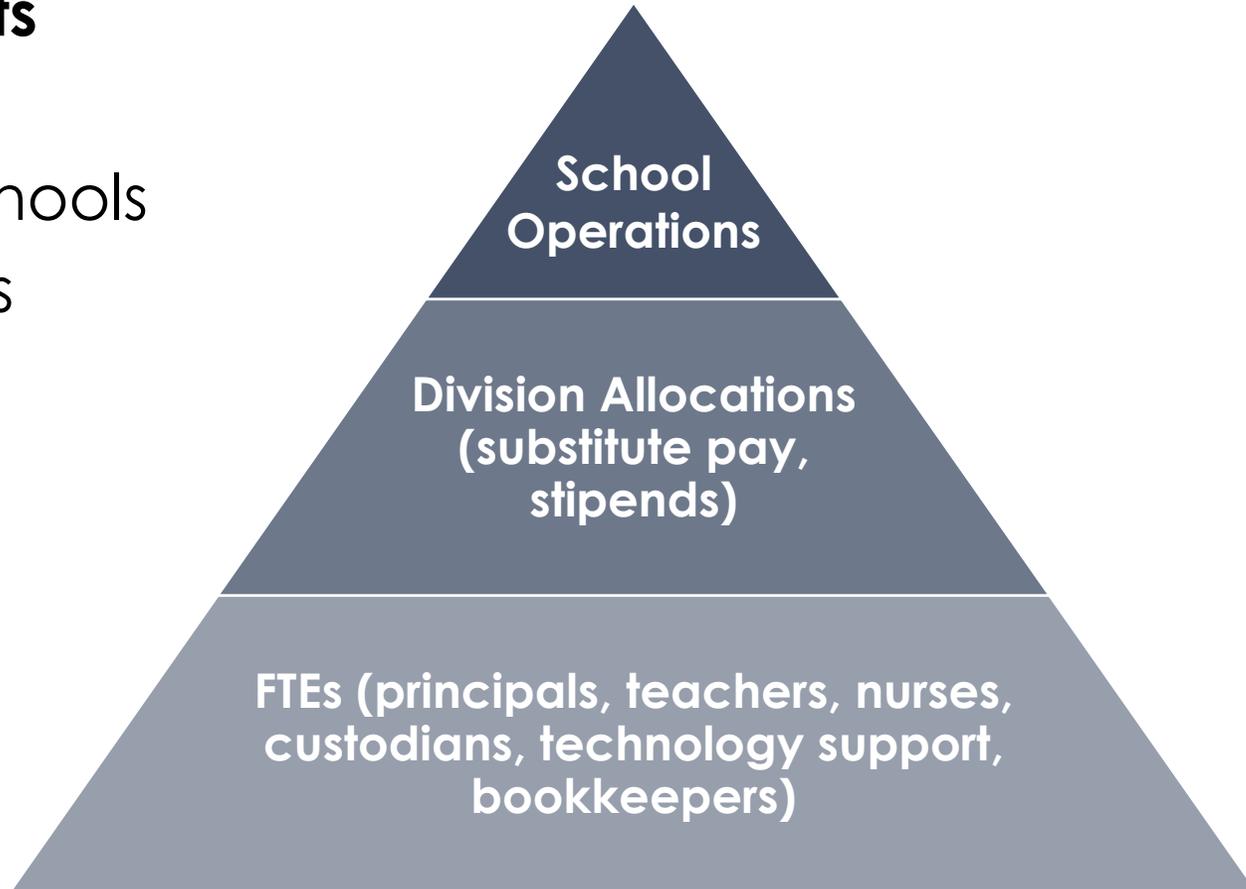
# SCHOOL FUND EXPENDITURES



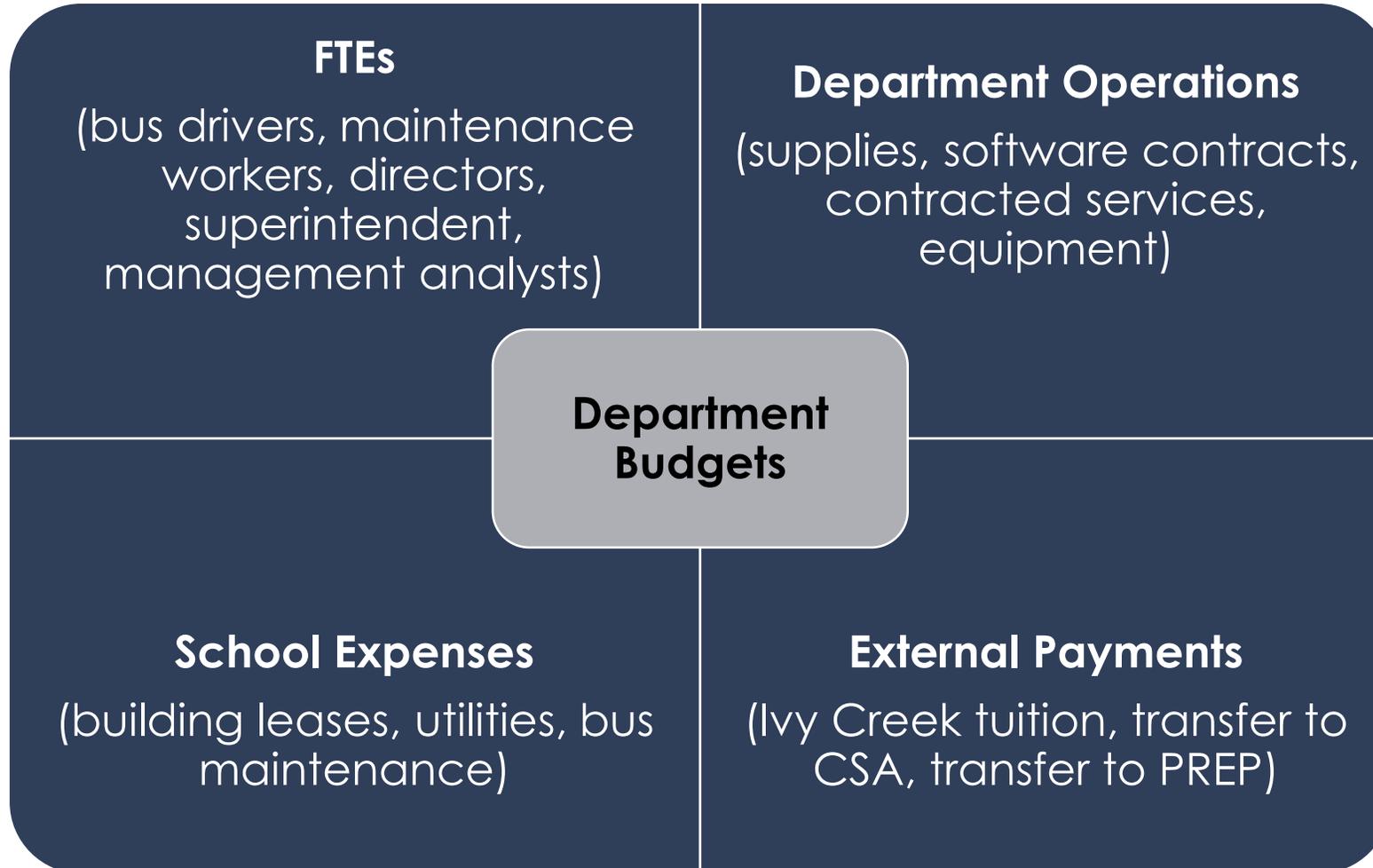
# SCHOOL BUDGETS

## Budgets

- ▶ Elementary Schools
- ▶ Middle Schools
- ▶ High schools
- ▶ Center I
- ▶ CATEC
- ▶ Multi-school



# DEPARTMENTS & SPECIAL REVENUE FUNDS



**Grant Programs**

**Fee-Based Programs**

**Internal Service Funds**

Section F: Special Revenue Funds

Section E: Departments

# SUPPLEMENTAL MATERIALS

<b>Page</b>	<b>Key Information</b>
G-2 to G-3	Enrollment Projections
G-5 to G-19	Staffing Standards
G-20 to G-22	Staffing Allocations
G-24	Schools Operating Budget Allocations

# PROPOSALS FUNDED IN FY 20

## ENGAGE EVERY STUDENT

### Contemporary High School Programming:

- ▶ High School Centers Expansion
- ▶ JROTC/NDCC Program

### CRT Professional Development:

- ▶ Equity Specialist Expansion (Proposed for Expansion in FY 21)

### Elementary World Language Program:

- ▶ FLES Staffing (Proposed for Expansion in FY 21)

## IMPLEMENT BALANCED ASSESSMENTS

### Strategic Decision-Making:

- ▶ Data and Reporting Specialist and System

## IMPROVE OPPORTUNITY & ACHIEVEMENT

### Safety and Well-Being:

- ▶ Anonymous Reporting App
- ▶ Elementary School Counselors Part-Time to Full-Time (Proposed for Expansion in FY 21)
- ▶ Middle School Student Support Counselor (Proposed for Expansion in FY 21)
- ▶ School Safety Coordinator
- ▶ First School Pilot Program
- ▶ Gifted Education Program Redesign
- ▶ STEP Program Expansion (Proposed for Expansion in FY 21)

## CREATE & EXPAND PARTNERSHIPS

### Community Engagement:

- ▶ Website Management and Communication System Upgrade

### Student Well-Being and Success:

- ▶ Work-Based Learning Management Tool

## OPTIMIZE RESOURCES

### Employee Well-Being and Job Satisfaction:

- ▶ Reduced Tuition for Children of Employees

### Research-Based Best Practices:

- ▶ Education Advisory Board (EAB) Membership

### Substitute Program:

- ▶ Program Improvements

### Support Services:

- ▶ Financial Analyst
- ▶ Human Resources Specialist II

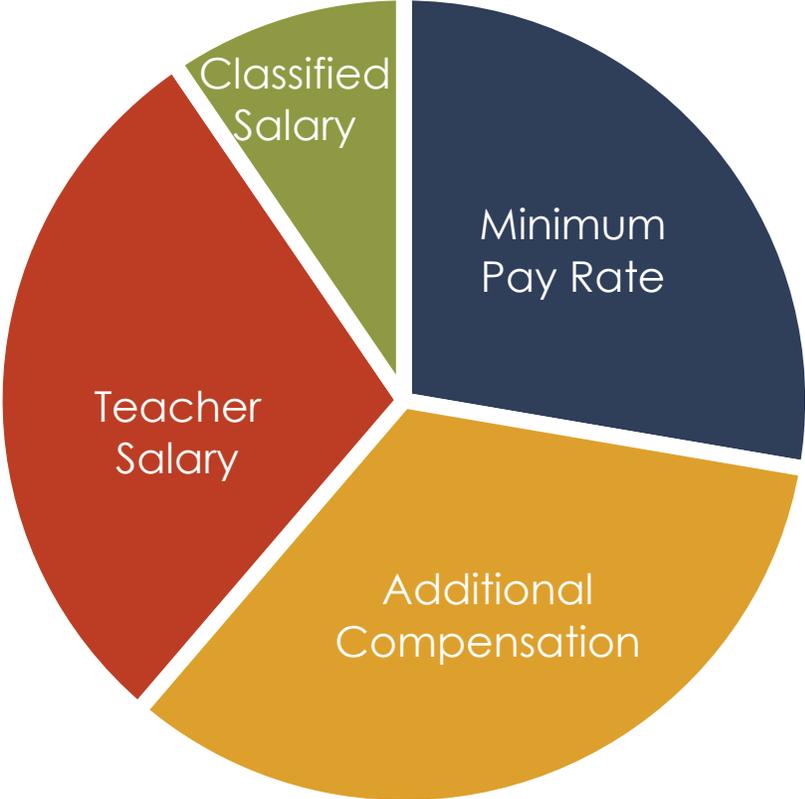
### Transportation Services:

- ▶ Bus Driver Compensation

# EXPENDITURE CHANGES

<b>Total Revenue Increase</b>	<b>\$13.6 million</b>
Non-Discretionary/Directed	\$0.8 million
<b><i>Compensation (Work Session #1)</i></b>	<b><i>\$7.6 million</i></b>
Growth & Demographics (Work Session #2)	\$4.8 million
Proposals (Work Session #3)	\$0.4 million
<b>Total Expenditure Increase</b>	<b>\$13.6 million</b>

# COMPENSATION



Teacher Salary Increase (2.5%)	\$2,218,266
Classified Salary Increase (1.5%)	\$720,631
Minimum Pay Rate Increase (\$13.50)	\$2,100,000
Additional Compensation Increase	\$2,543,560
<b>Total</b>	<b>\$7,582,457</b>

# COMPENSATION

## Joint Board Adopted Process



Survey our  
Adopted  
Market

July



Analyze data - do  
we lead, lag or  
meet market  
targets?

August-September

**Classified Staff -  
Median of market**  
**Teachers - 75<sup>th</sup>  
percentile**



Get WorldatWork  
projection

August-September



Project next year's  
market movement

October/November

# COMPENSATION

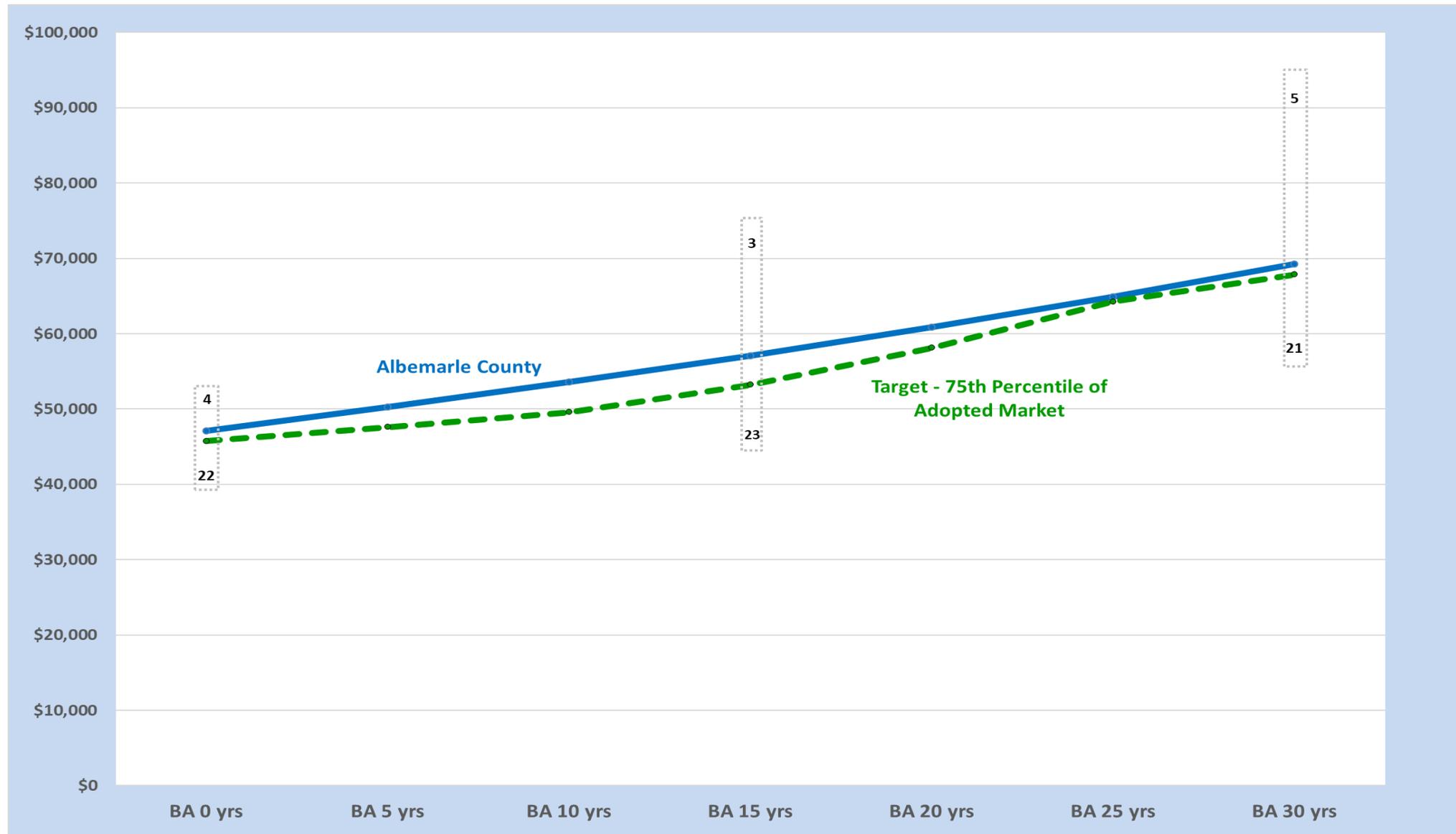
## Teachers

- Includes all license staff
- Step Scale
- ACPS currently employs 1,372 teachers

## Classified

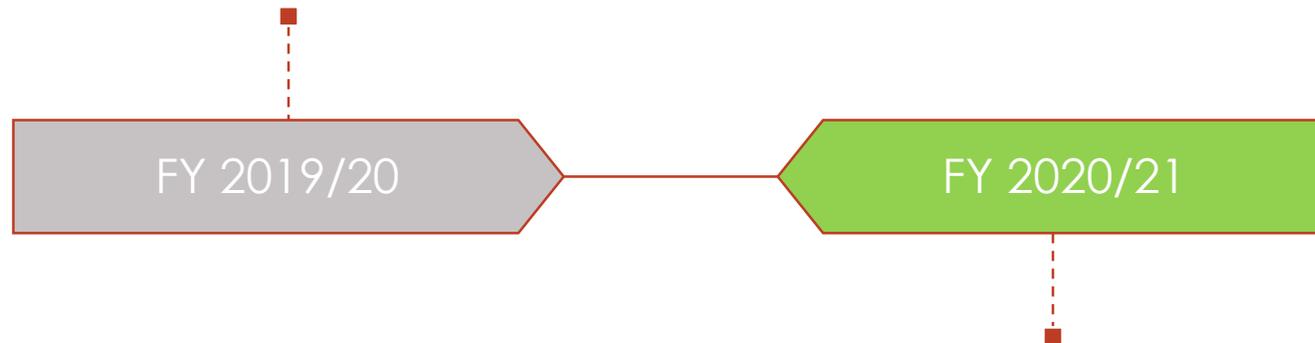
- Includes custodians, bus drivers, clerical staff, administration, etc.
- Pay grades/bands
- ACPS currently employs 1,331 classified staff

# TEACHER PAY COMPARED TO ADOPTED MARKET



# TEACHER SCALE

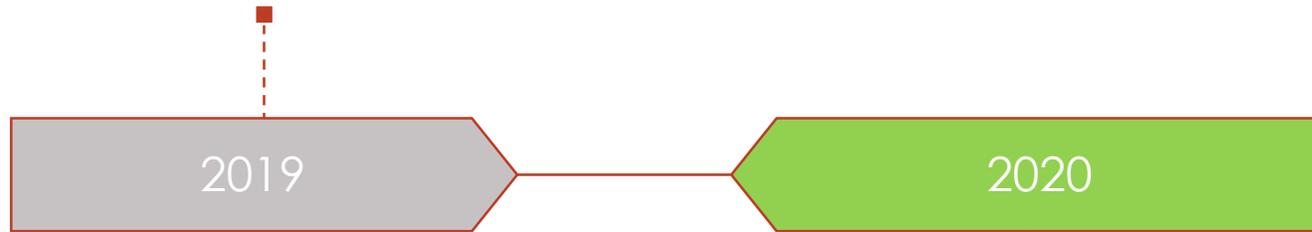
Adjusted Teacher scale by 3%



Propose increase of 2.5% - 3%

# CLASSIFIED STAFF

Increase of 2.3% plus pay for performance



Propose increase of no less than 1.5%  
and  
fund moving to minimum pay rate

# HISTORICAL INCREASES

	Classified Employees	Teachers
<b>2015-16</b>	<ul style="list-style-type: none"> <li>2.3% market increase + merit (half year)</li> </ul>	<ul style="list-style-type: none"> <li>Average increase of 2.0% (half year)</li> </ul>
<b>2016-17</b>	<ul style="list-style-type: none"> <li>2.0% market increase</li> <li>Address compression</li> </ul>	<ul style="list-style-type: none"> <li>Average increase of 2.0%</li> </ul>
<b>2017-18</b>	<ul style="list-style-type: none"> <li>2.0% market increase</li> </ul>	<ul style="list-style-type: none"> <li>Average increase of 2.0%</li> </ul>
<b>2018-19</b>	<ul style="list-style-type: none"> <li>2.0% market increase + merit</li> <li>1.0% pay scale adjustment*</li> </ul>	<ul style="list-style-type: none"> <li>Average increase of 2.0%</li> <li>Teacher pay scale methodology change</li> <li>Total average increase is 4.0%</li> </ul>
<b>2019-20</b>	<ul style="list-style-type: none"> <li>2.3% market increase + merit</li> <li>Increased compensation for bus drivers</li> <li>1.0% pay scale adjustment*</li> </ul>	<ul style="list-style-type: none"> <li>3.0% increase**</li> </ul>
<b>2020-21</b>	<ul style="list-style-type: none"> <li>No less than 1.50% average increase</li> <li>Minimum pay rate of \$13.50 - \$15.00/hour and compression adjustments through Pay Grade 12</li> </ul>	<ul style="list-style-type: none"> <li>2.5% to 3.0% increase**</li> </ul>

\* Pay scale adjustments affect new hires and current employees at either the bottom or top of the scale

\*\* After the teacher pay scale was straightened, all teachers now receive the same increase with the exception of those who are at the top of the scale.

# MINIMUM PAY RATE INCREASE

- Major employers in the local area are now paying a minimum hourly rate of \$15/hr.
- This impacts our ability to recruit and retain high-quality staff, particularly in areas where we have a difficult time keeping positions filled.

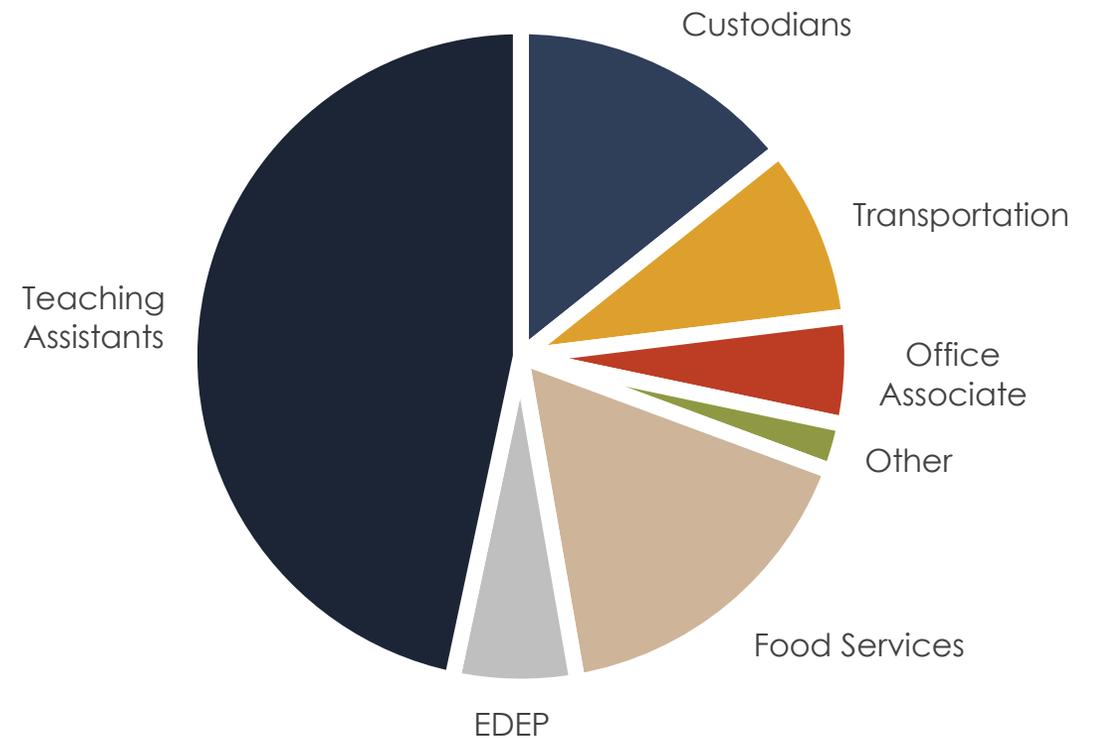


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# MINIMUM PAY RATE INCREASE

- ACPS currently has ~500 employees who make less than \$15/hr
- These positions have the greatest number of employees:
  - Teaching Assistants
  - Food Service Associates
  - Custodians
  - Transportation (Bus Drivers, Van Drivers, and Assistants)



# MINIMUM PAY RATE INCREASE

## COSTS

- ▶ Raising minimum pay rate to \$13.50/hr: \$2.1M
- ▶ Additional cost to raise it to \$15.00/hr: \$1.65M

## CONSIDERATIONS

- ▶ Compression strategies to maintain integrity of pay scale
- ▶ Commonality with local government
- ▶ Impact on self-sustaining programs

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# QUESTIONS

For quick answers on format, where to find content, etc., or for more in-depth questions that will result in a formal written response and sharing with School Board members, please contact:

[budget@k12albemarle.org](mailto:budget@k12albemarle.org)