

FY 24 Budget Work Session #1



We Will Know Every Student

February 16, 2023

FY 24 Budget Work Sessions

Work Session #1 Today	Work Session #2 Feb 23	Work Session #3 Mar 2 Public Hearing
Budget Overview Revenues and Expenditures	Enrollment & Demographics Regular Growth Differentiated Restructure ESOL Growth Special Education	Health & Safety Proposals Filter Replacement Mental Health Services Security Assistants & SRO
Technical and Non-Discretionary Changes	Organizational Development Compensation Health Care Substitute Program Improvements	Other Proposals Requests for Information Adult Education

Strategic Plan: Learning for All

VISION

Our learners are engaged in authentic, challenging, and relevant learning experiences, becoming lifelong contributors and leaders in our dynamic and diverse society.

MISSION

Working together as a team, we will end the predictive value of race, class, gender, and special capacities for our children's success through high-quality teaching and learning for all. We seek to build relationships with families and communities to ensure that every student succeeds.

We will know every student.

VALUES

Equity | Excellence | Family and Community | Wellness

GOALS



Thriving Students



Affirming and Empowering Communities



Equitable, Transformative Resources

Balanced Funding Request of \$257.3 Million

ANTICIPATED REVENUES

Local	\$185,036,687	71.9%
State	\$71,692,155	27.9%
Federal	\$618,000	0.2%
\$257,346,842		

PROPOSED EXPENDITURES

Instruction	\$184,160,819	71.6%
Admin/Attend & Health	\$14,848,983	5.8%
Technology	\$8,112,238	3.2%
Building Services	\$22,551,347	8.8%
Facilities	\$2,251,471	0.9%
Transportation	\$16,805,304	6.5%
Transfers	\$8,616,680	3.3%
\$257,346,842		

Budget Book Overview

Budget Document Sections

Section A: Overview

Message from the Superintendent
General School Division Information
Budget Introduction, Goals, Guidelines, and Policies
Budget Development Process
School Fund Budget Summary
School Fund Revenue and Expenditure Changes

Section B: School Fund Revenues

School Fund Revenue Overview
Revenue Analysis
Combined Revenue Detail

Section C: Expenditure Overview

Budget Code Structure
Expenditure Summaries
Compensation Assumptions

Section D: School Expenditures

School Fund Expenditures by Schools

Section E: Department Expenditures

School Fund Expenditures by Departments

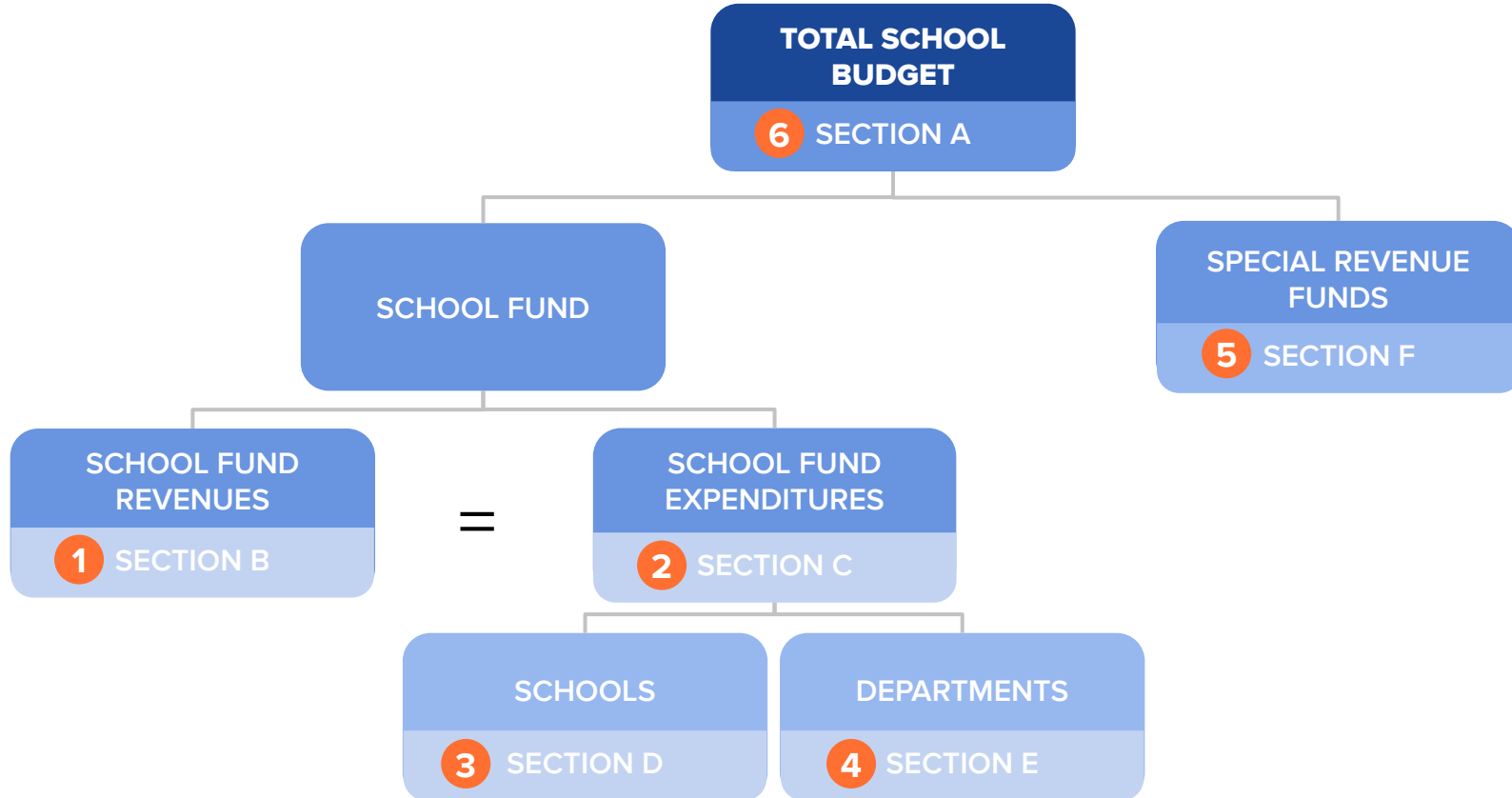
Section F: Special Revenue Funds

Other Funds not part of the School Fund

Section G: Supplemental Materials

Enrollment Projections and Average Daily Membership
Staffing Standards and Allocations
School-Based Budget Allocations
LCI Calculation
Acronyms/Glossary

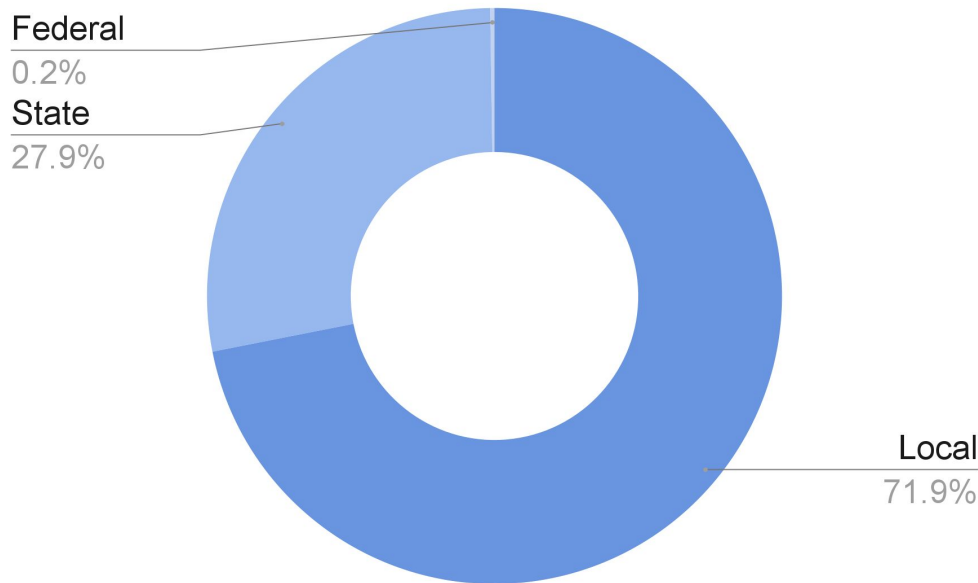
Agenda & Budget Book Overview



School Fund Revenues

Section B

School Fund Revenues: \$257.3M



\$185.0M LOCAL

\$15.0M Increase (8.8%)

\$71.7M STATE

\$4.6M Increase (6.9%)

\$0.6M FEDERAL

(no change)

\$0M ONE-TIME

(\$8.7M) Decrease (-100.0%)

\$10.9M

Budget-to-Budget Increase (4.4%)

School Fund Revenue Change

	FY 2022/23 Adopted	FY 2023/24 Draft	\$ Change	% Change
Local	\$170,033,718	\$185,036,687	\$15,002,969	8.8%
State	\$67,085,366	\$71,692,155	\$4,606,789	6.9%
Federal	\$618,000	\$618,000	\$0	0.0%
Total Recurring	\$237,737,084	\$257,346,842	\$19,609,758	8.2%
One-Time	\$8,720,950	\$0	(\$8,720,950)	-100.0%
Total Revenues	\$246,458,034	\$257,346,842	\$10,888,808	4.4%

One Time Revenue

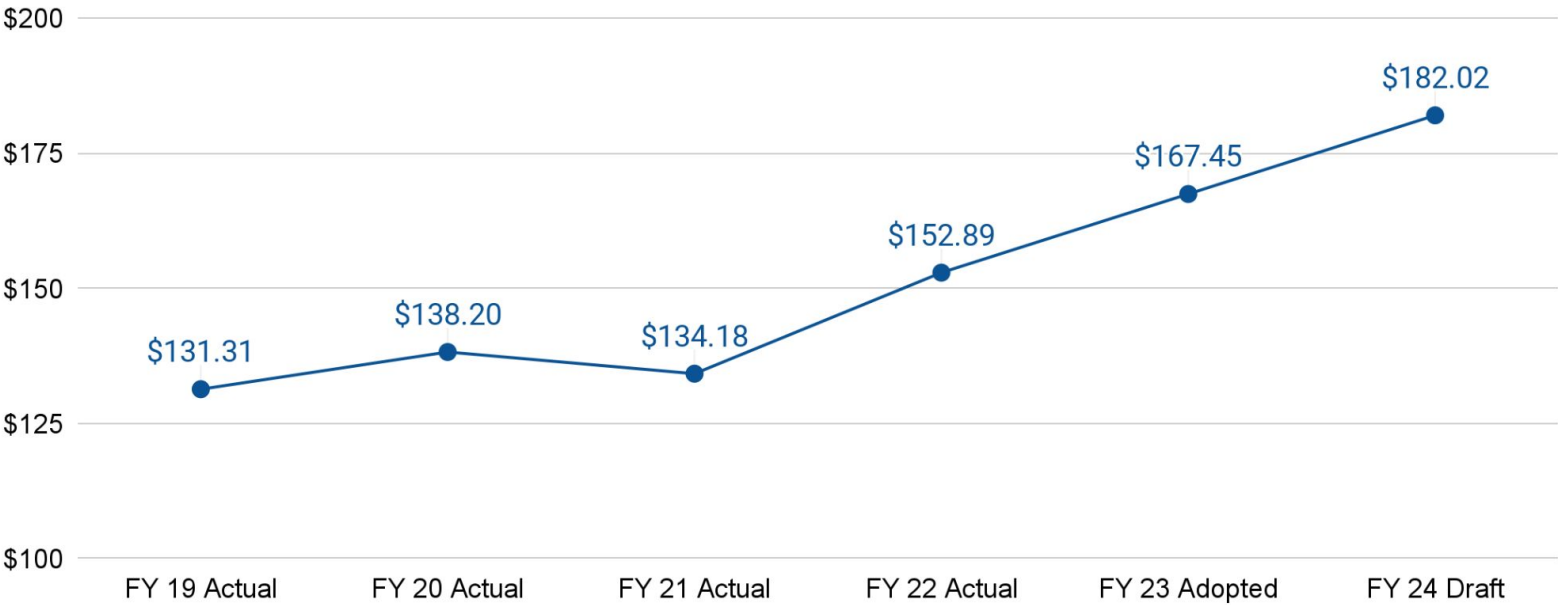
- ❖ During FY 20 and FY 21, we realized significant savings due to pandemic related revenue swings and operational shifts.
- ❖ During FY 22, local revenues notably exceeded budgeted amounts and the local transfer was adjusted mid-year which was atypical. Some of this money was expended in FY 22, but the adjustment also contributed to fund balance.
- ❖ The FY 22 and FY 23 adopted budgets include one-time uses of the fund balance that was built up since FY 20.
- ❖ Currently there is not budgeted one-time monies FY 24, but this may change before adoption depending on the how FY 23 performs.

Increase in Local Shared Revenues

After **adjustments** are made from local shared revenues, the remainder of the increase is split between **ACPS (60%)** and **Albemarle County (40%)**.



Local Government Transfer (in millions)



Annual Increase	5.5%	5.2%	-2.9%	13.9%	9.5%	8.7%
-----------------	------	------	-------	-------	------	------

Primary Revenue Drivers (State)

**March 31 Average Daily
Membership (ADM)** *page G-3*

▲ Increased projected enrollment

Per Pupil Amounts (PPA)

▲ Increased Per Pupil Amounts

Sales Tax Projections

▲ Increased Projections for Sales Tax Revenues

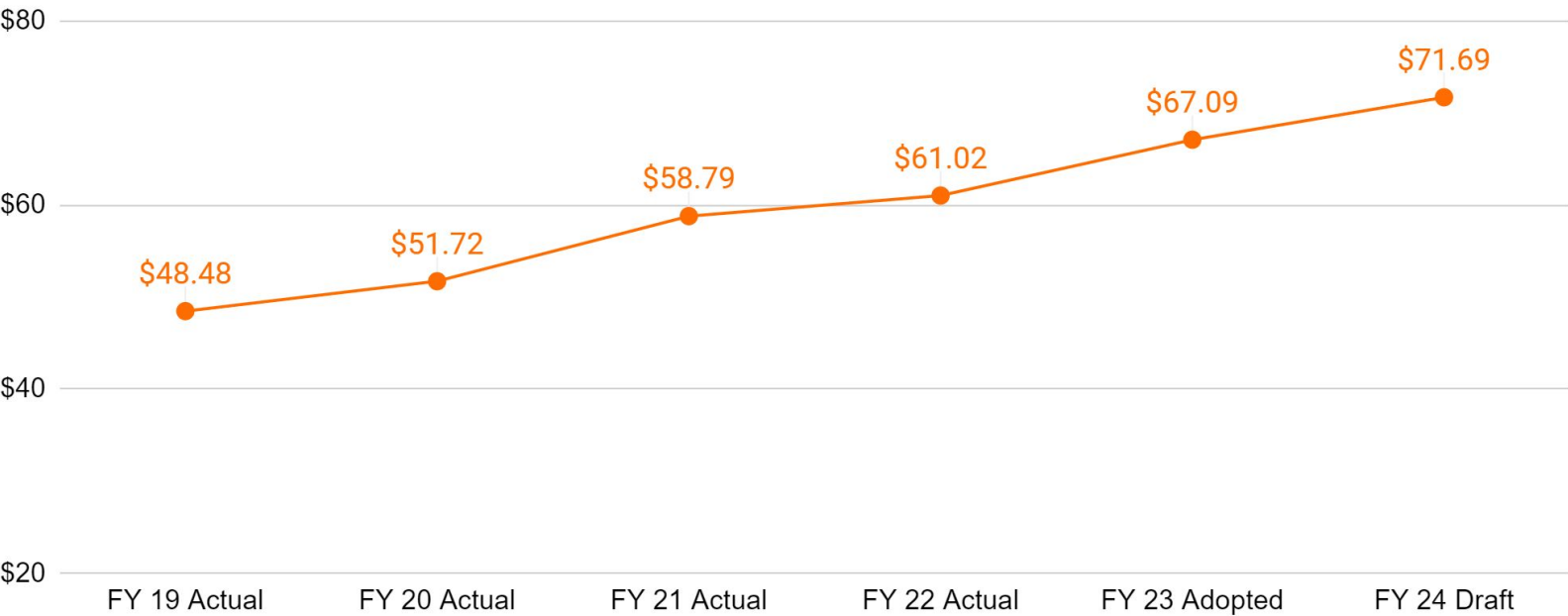
Grocery Tax Hold Harmless

▲ Hold Harmless measures

Compensation Supplement

▲ 5% salary increase for SOQ positions

State Revenues (in millions)



Annual Increase	-1.8%	6.7%	13.7%	3.8%	9.9%	6.9%
-----------------	-------	------	-------	------	------	------

FY 24 State Budget Update

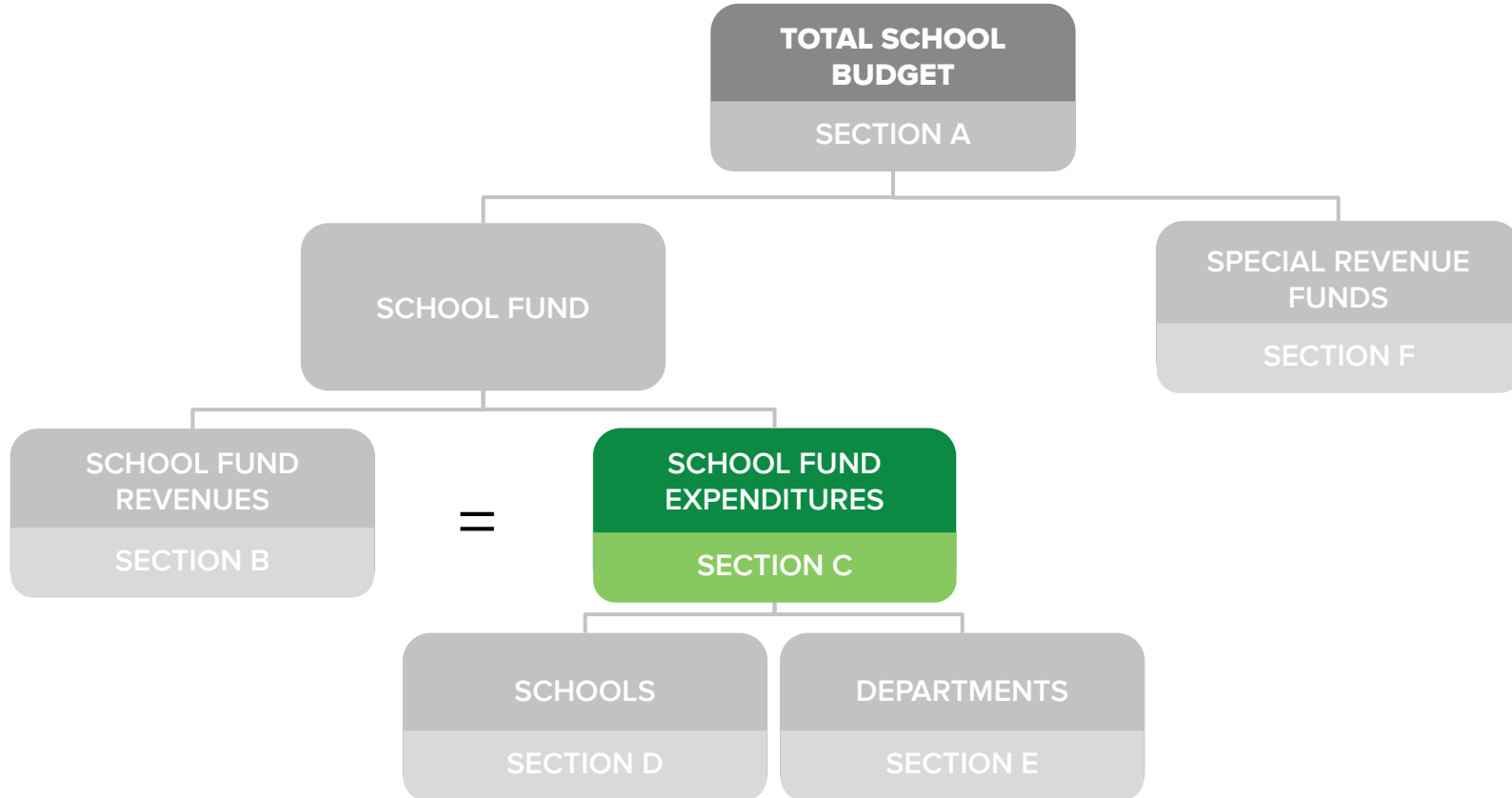
	Governor's Introduced ¹	House	Senate
PreK-12 Direct Aid (FY 23 & FY 24)	\$321.1M	\$382.8M	\$1.02B
Compensation Supplement	5% salary inc.	7% salary increase	7% salary increase
Instructional Assistants	-	\$3.0M	\$38.6M
Reading Specialists	K-5 \$16.9M	K-8 \$30.8M	K-8 \$51.1M
Support Cap	-	-	+\$271M
Safety & Secur. Grants	-	\$13.5M	\$50M

Source: Commonwealth Institute <https://thecommonwealthinstitute.org/wp-content/uploads/2023/02/Key-Budget-Policy-Choices-2023-committees.pdf>

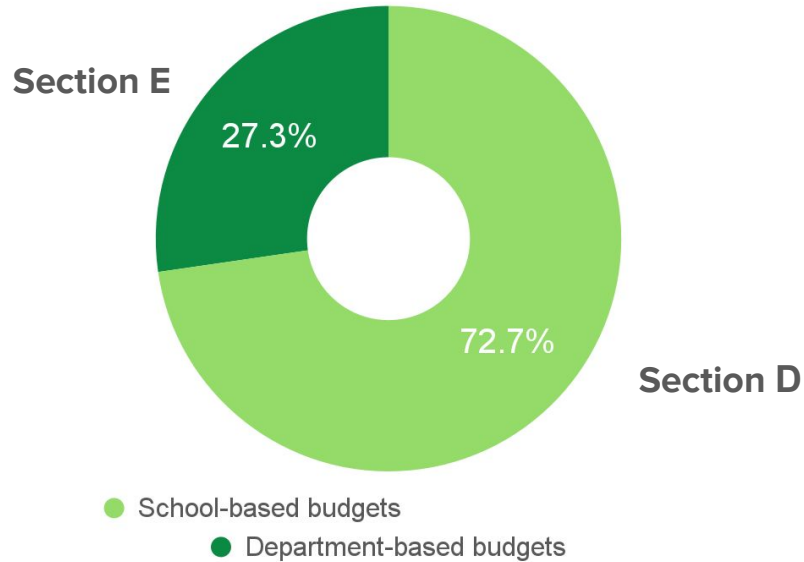
¹ The Governor's Introduced Budget is used for the purposes of the Draft Funding Request. The sales tax hold harmless calculation error has been accounted for in the FY 24 revenue projections.

Expenditures

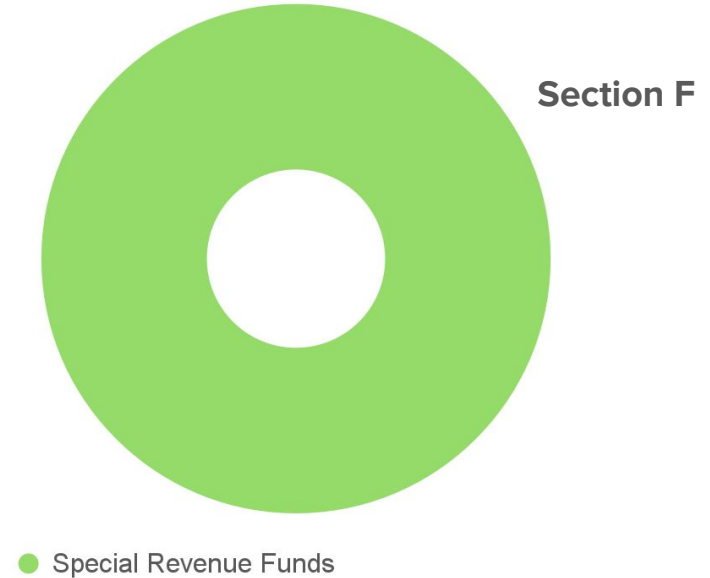
School Fund Expenditures: Section C



School Fund: \$257.3M

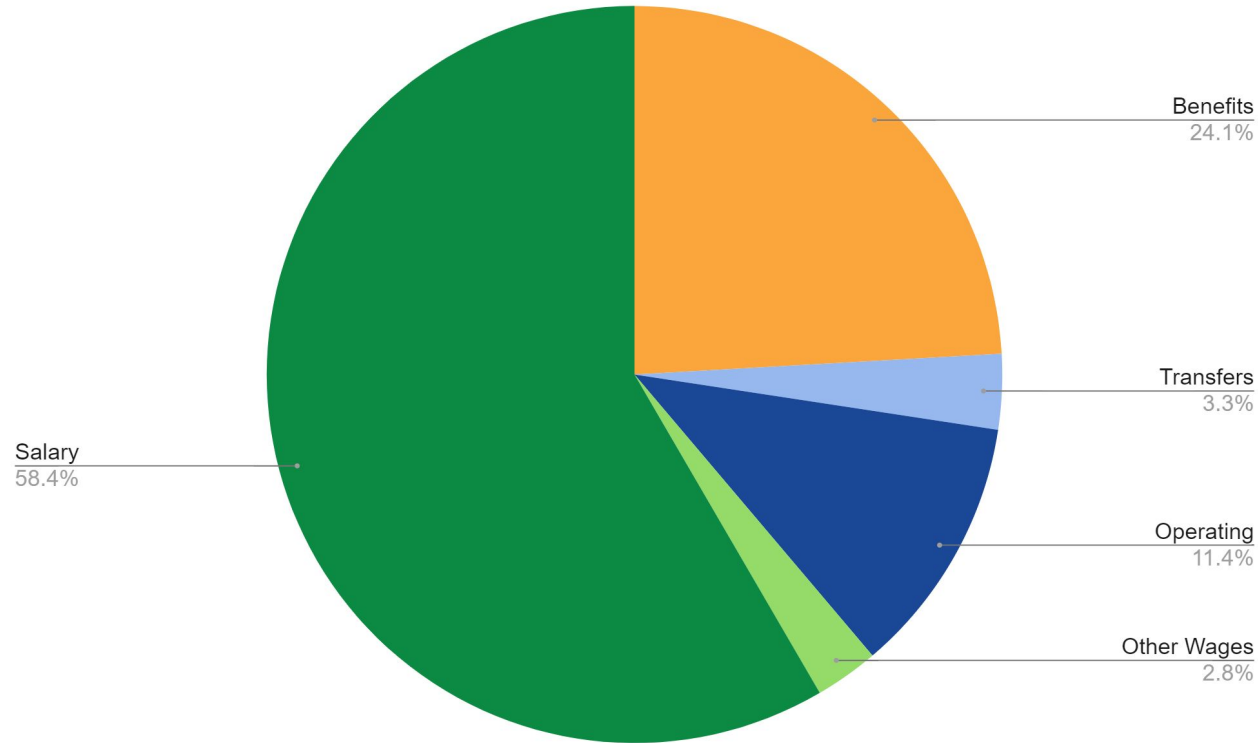


Special Revenues Funds: \$29.1M



School Fund Expenditures: \$257.3M

Expense Types

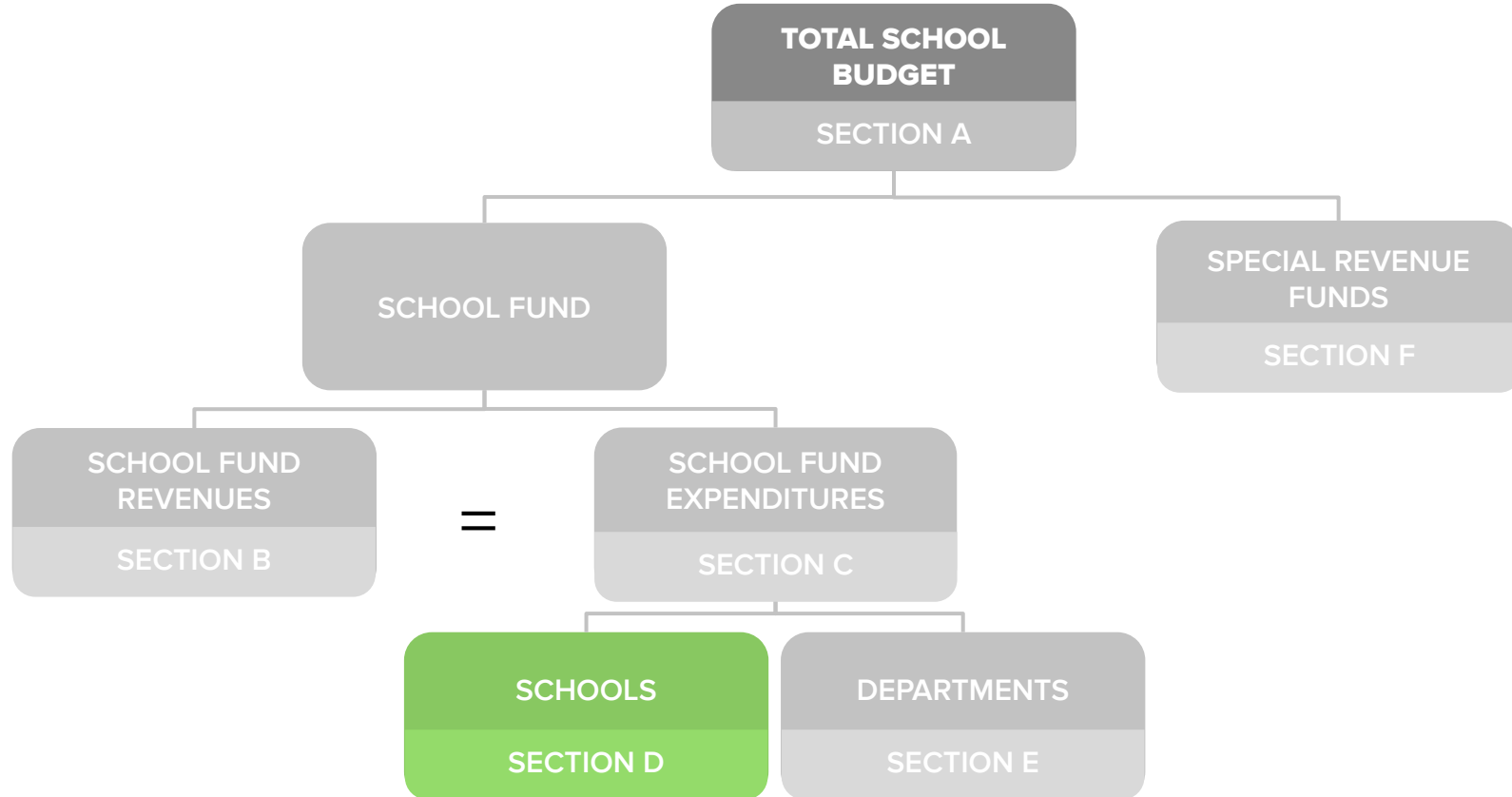


School Fund Transfers

(amounts are rounded)

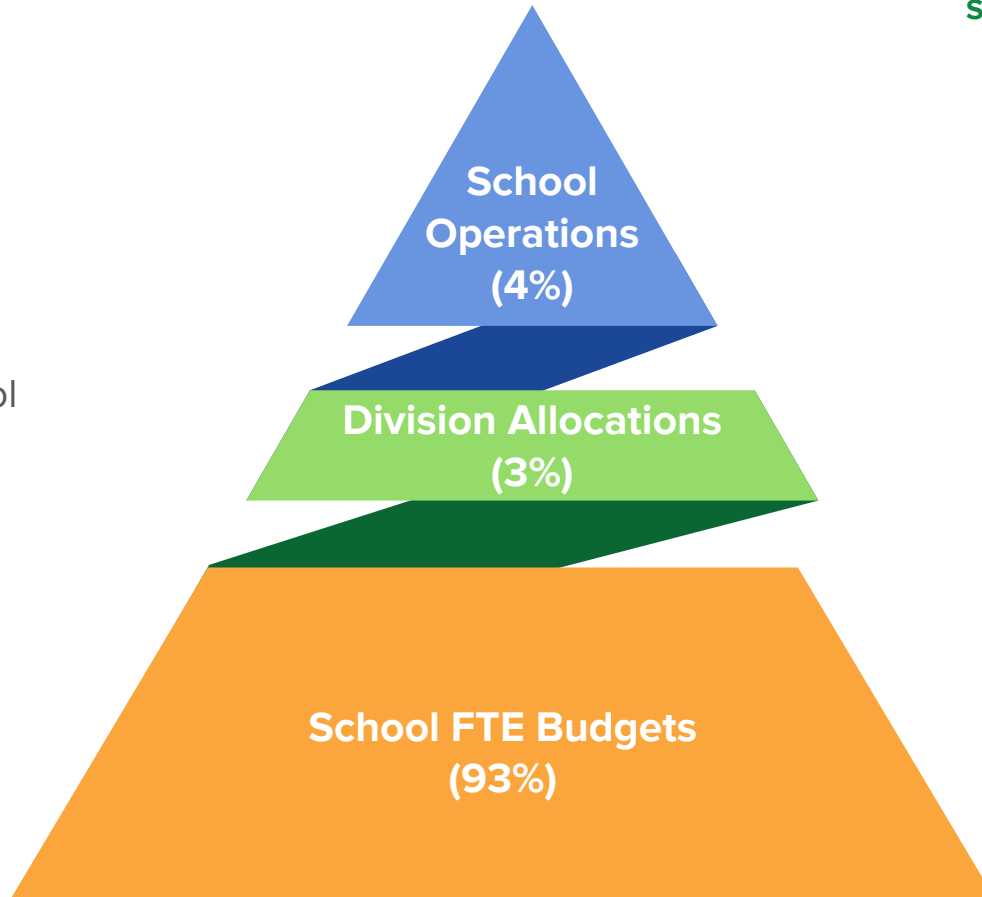
	FY 23 Adopted	FY 24 Draft	Change
Technology Replacement (Special Revenue Fund)	\$4.3M	\$3.3M	(\$1.0M)
Bright Stars (SRF)	\$750,000	\$750,000	\$0
Learning Resources Replacement (SRF)	\$600,000	\$600,000	\$0
Special Education IDEA (SRF)	\$0	\$330,000	\$330,000
Vehicle Replacement (SRF)	\$200,000	\$200,000	\$0
Children's Services Act (Albemarle County)	\$2.4M	\$2.9M	\$0.5M
Capital Improvement Program (Albemarle County)	\$5.0M	\$0.0M	(\$5.0M)
Licensing Costs (Albemarle County)	\$125,000	\$340,000	\$215,000
Other	\$225,000	\$180,000	(\$45,000)
Total	\$13.6M	\$8.6M	(\$5.0M)

School - Based Expenditures: Section D

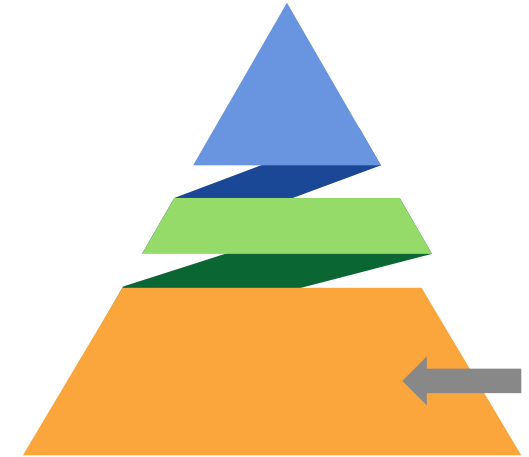
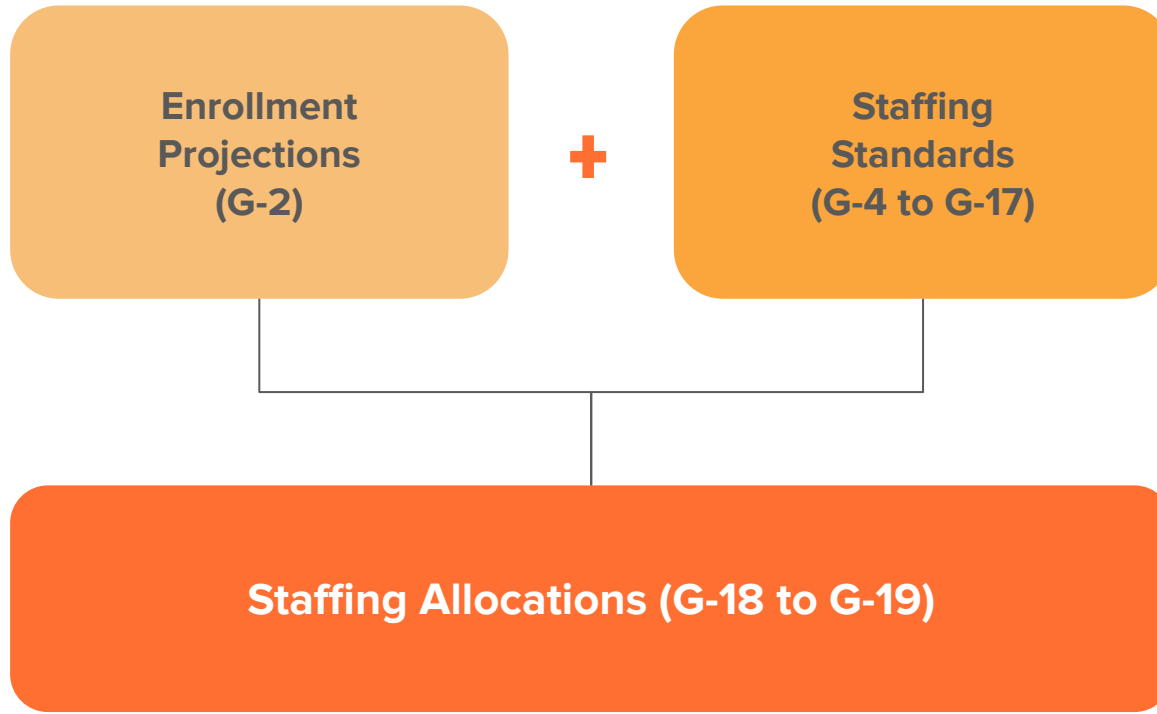


School Budgets

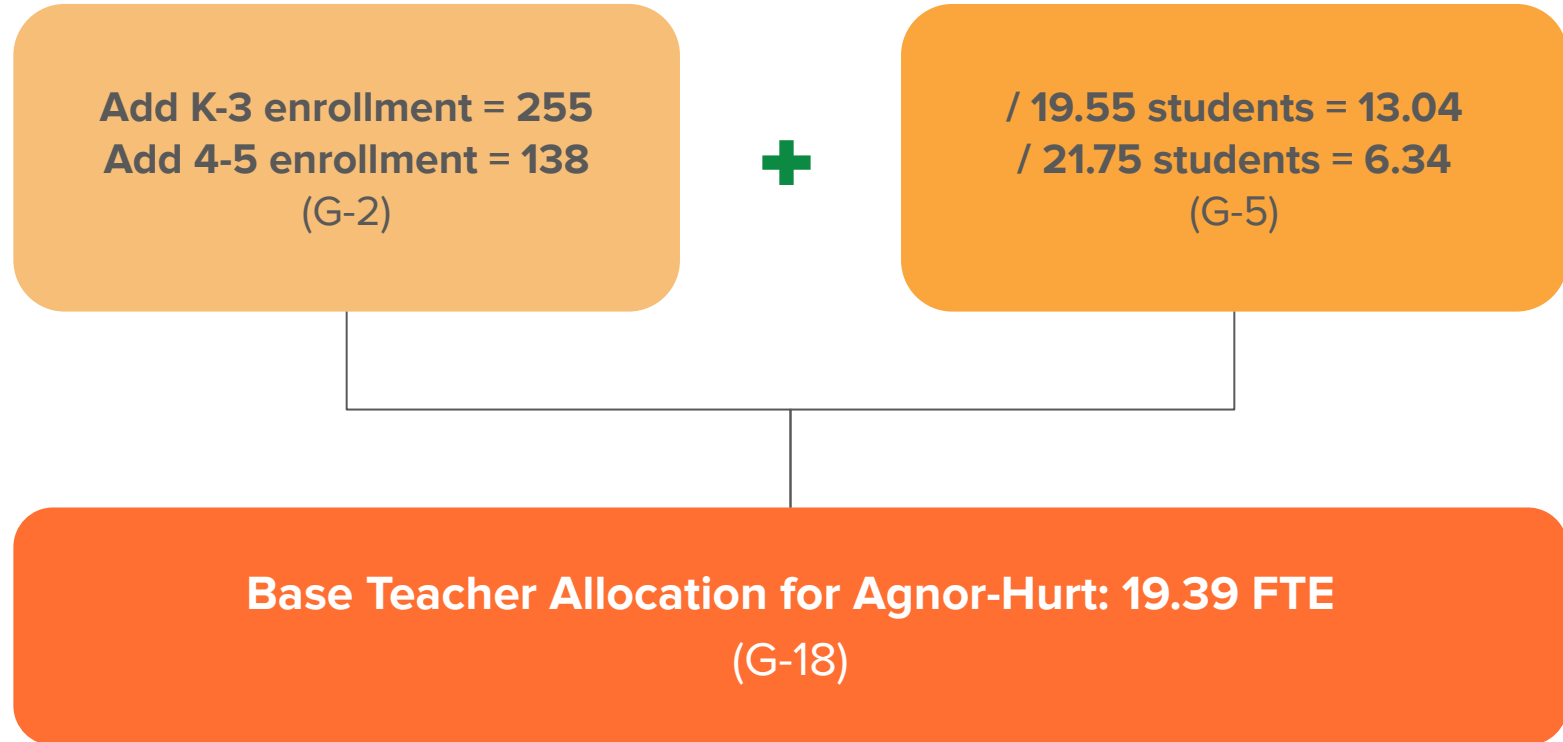
- Elementary schools
- Middle schools
- High schools
- Center I
- Community Lab School
- CATEC
- Post High
- Center for Learning & Growth
- Multi-School Services



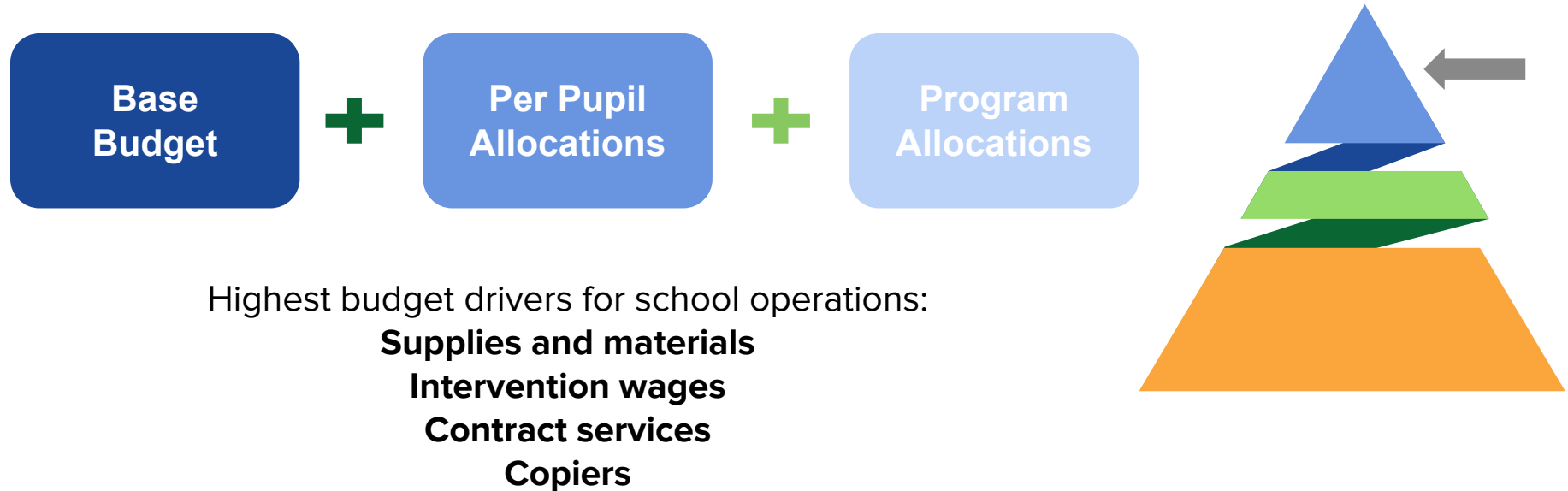
School FTE Budgets: \$173.9M



Example: K-5 Base Teachers at Agnor-Hurt



School Operations: \$7.4M

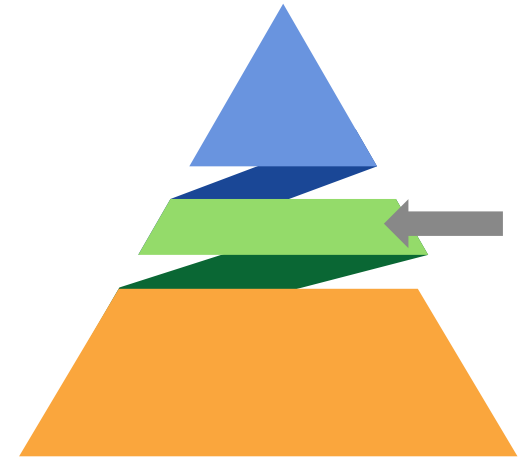


Division Allocations: \$5.8M

School-Based Supplemental Pay Allocations:
Centrally managed funds

FY 24 Change: Substitute Program
Improvements (Phase II)

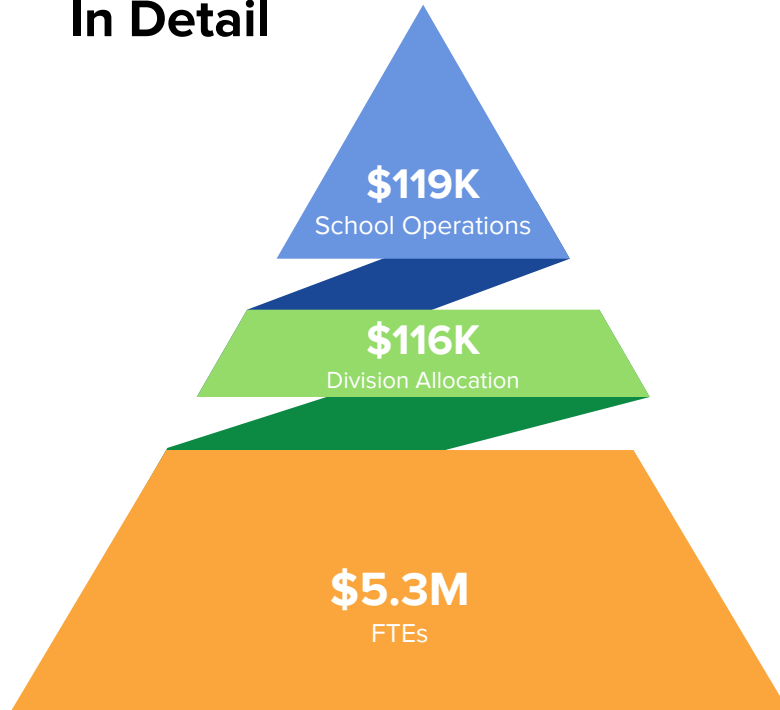
Highest budget drivers for division allocation:
Substitute budgets, ALCP stipends, VERIP



School Budgets Reported 3 Ways

Example Budget: Agnor-Hurt, \$5.6M

In Detail

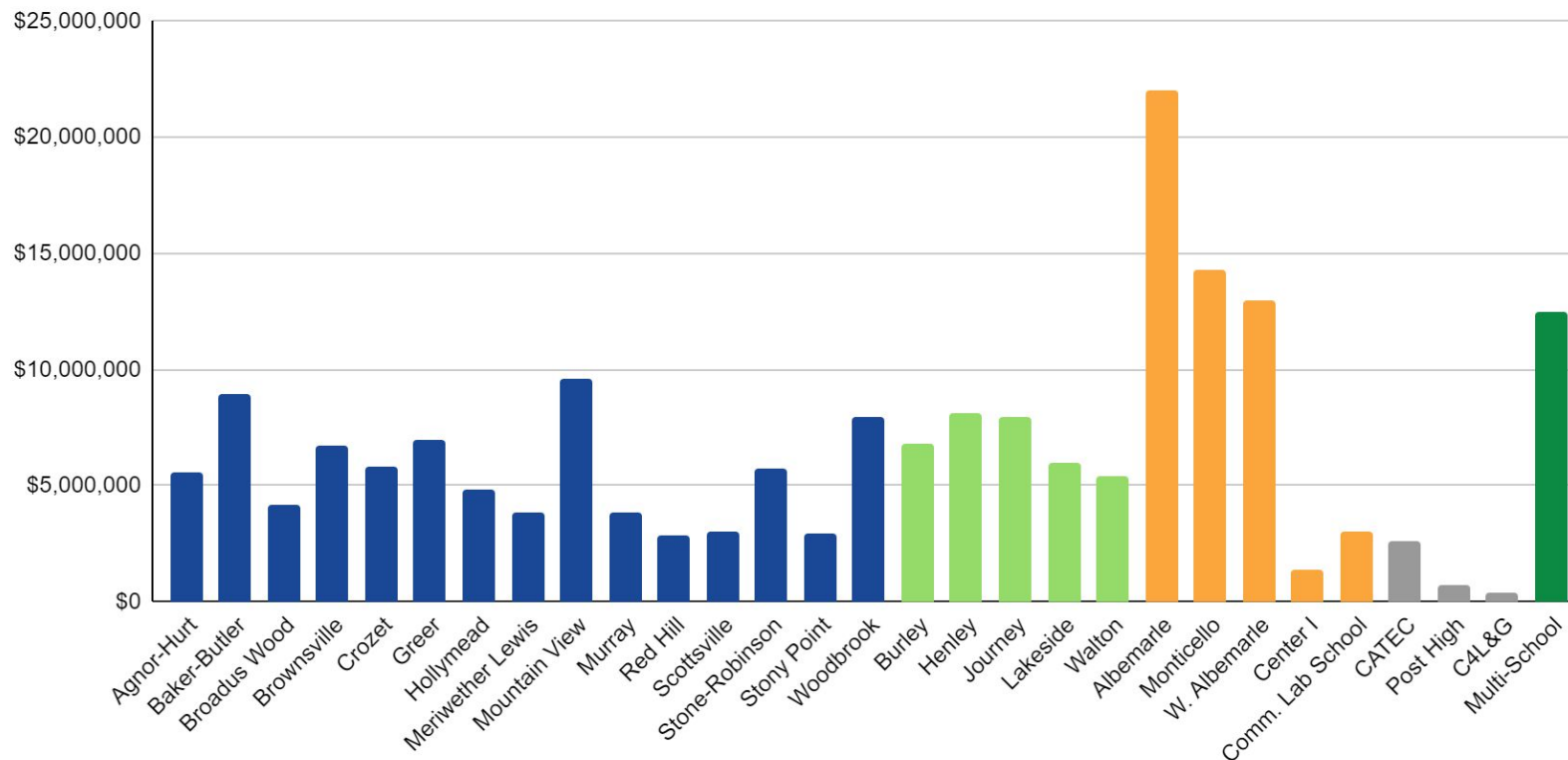


Summarized by Expense Type or State Category

Expense	21-22 Actuals	22-23 Adopted	23-24 Request
Salary	\$3,451,451	\$3,590,164	\$3,834,910
Other Wages	\$201,070	\$74,122	\$101,101
Benefits	\$1,300,673	\$1,356,642	\$1,552,039
Operations	\$105,418	\$76,401	\$81,721
Total	\$5,058,613	\$5,097,329	\$5,569,771

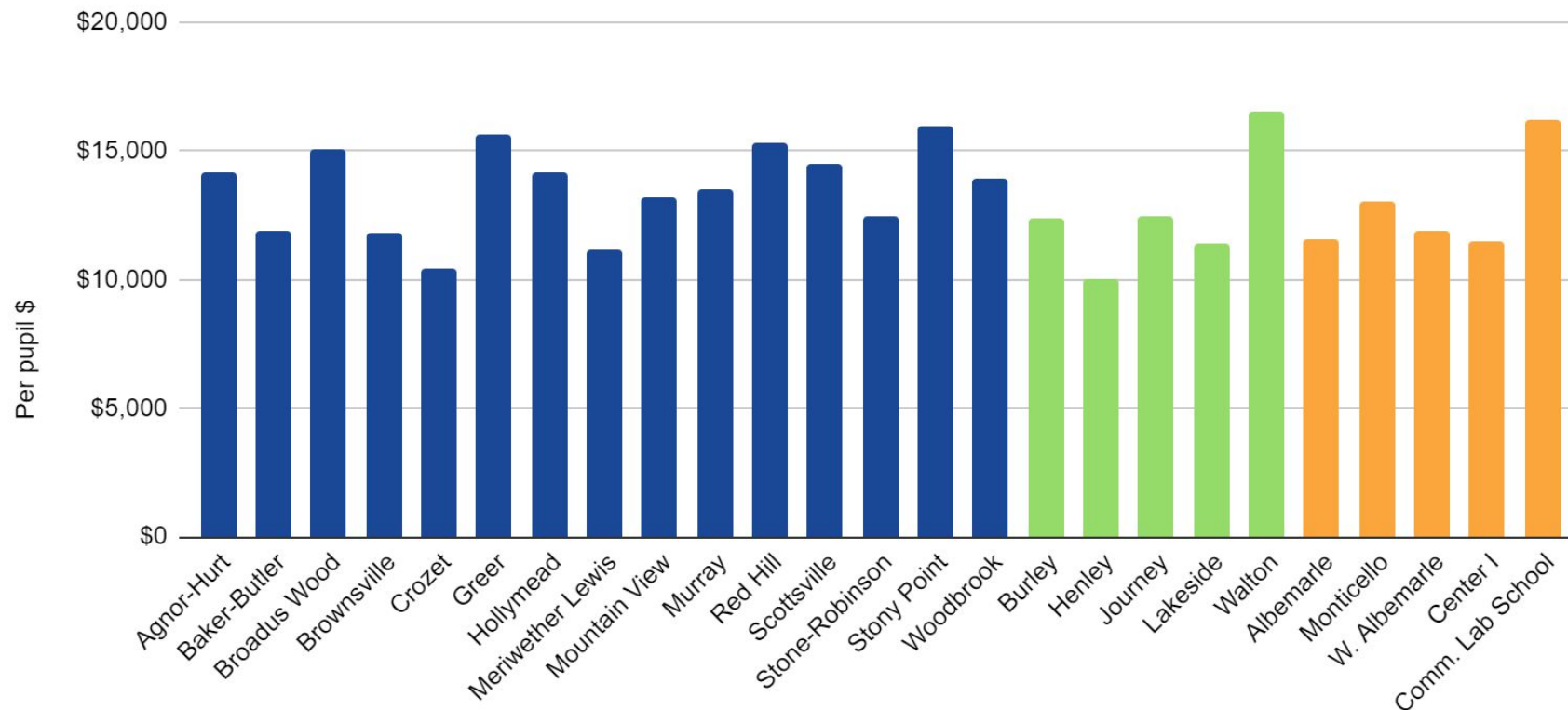
State Category Report	21-22 Actuals	22-23 Adopted	23-24 Request
Instruction	\$4,712,547	\$4,687,063	\$5,151,939
Admin/Attend & Health	\$78,032	\$70,552	\$82,376
Technology	\$78,277	\$82,025	\$99,252
Building Services	\$189,758	\$257,689	\$236,204
Total	\$5,058,613	\$5,097,329	\$5,569,771

School-Based Budgets: \$187.1M

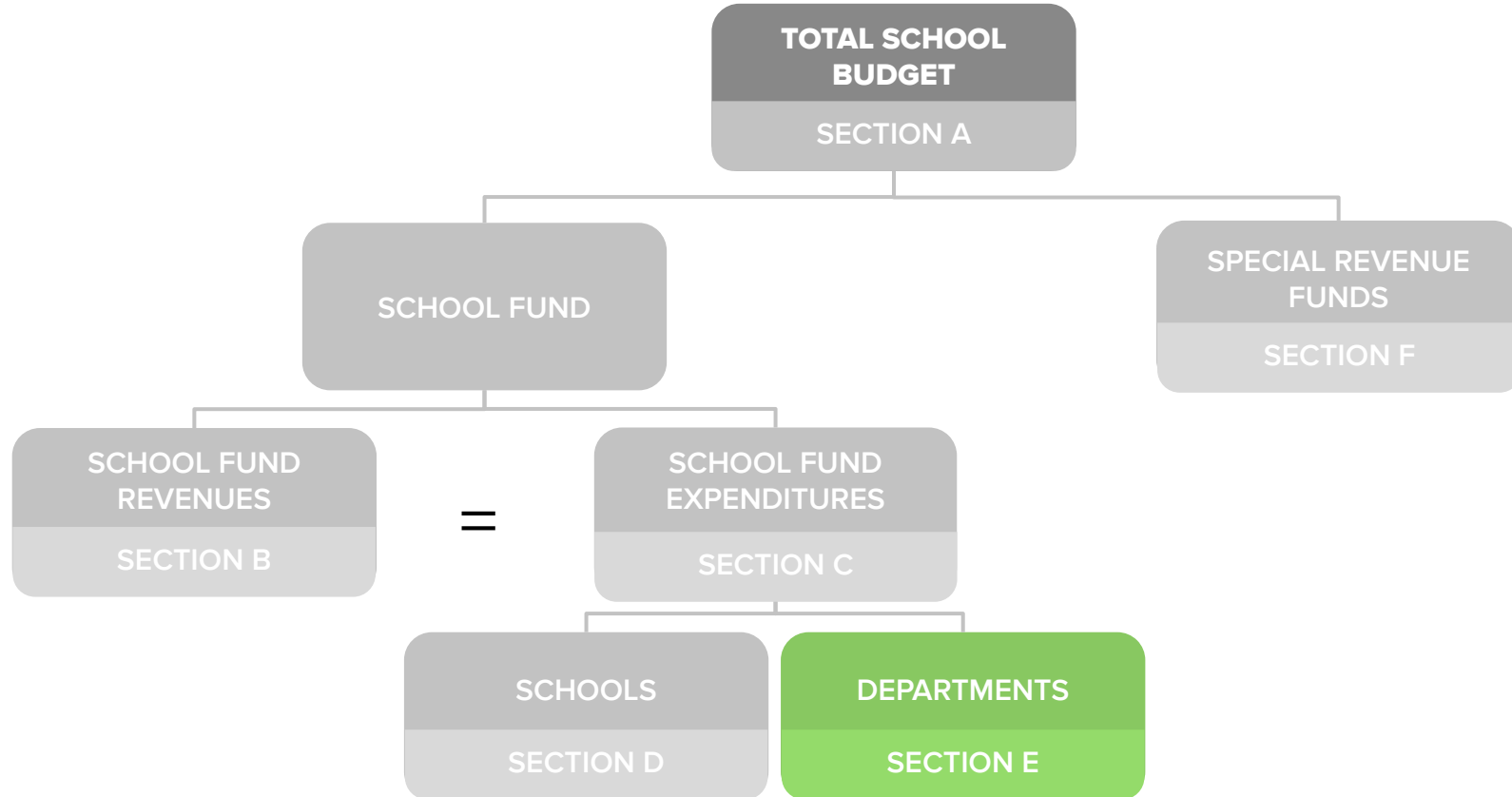


School-Based Budgets

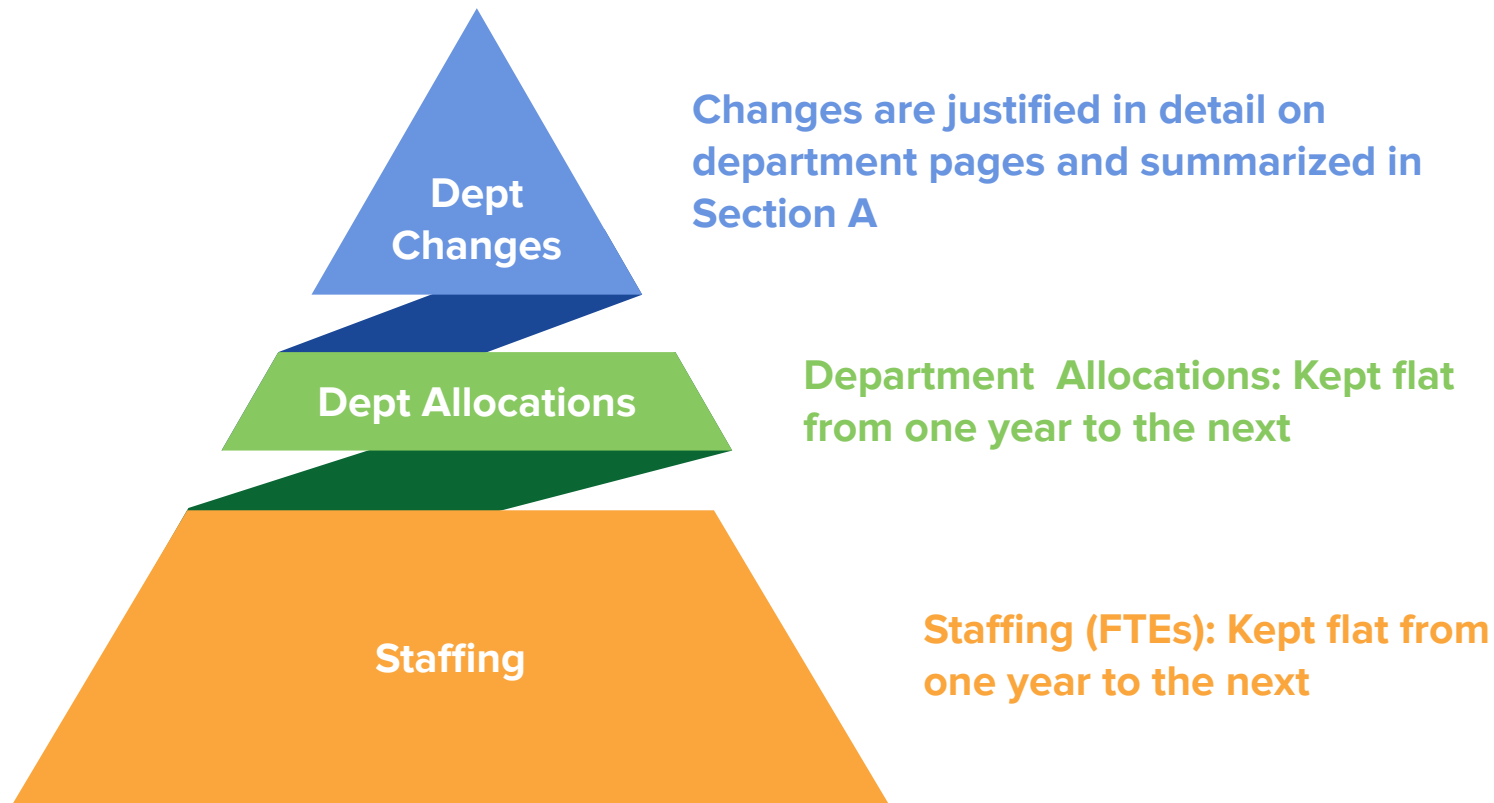
Per Pupil Expenditures



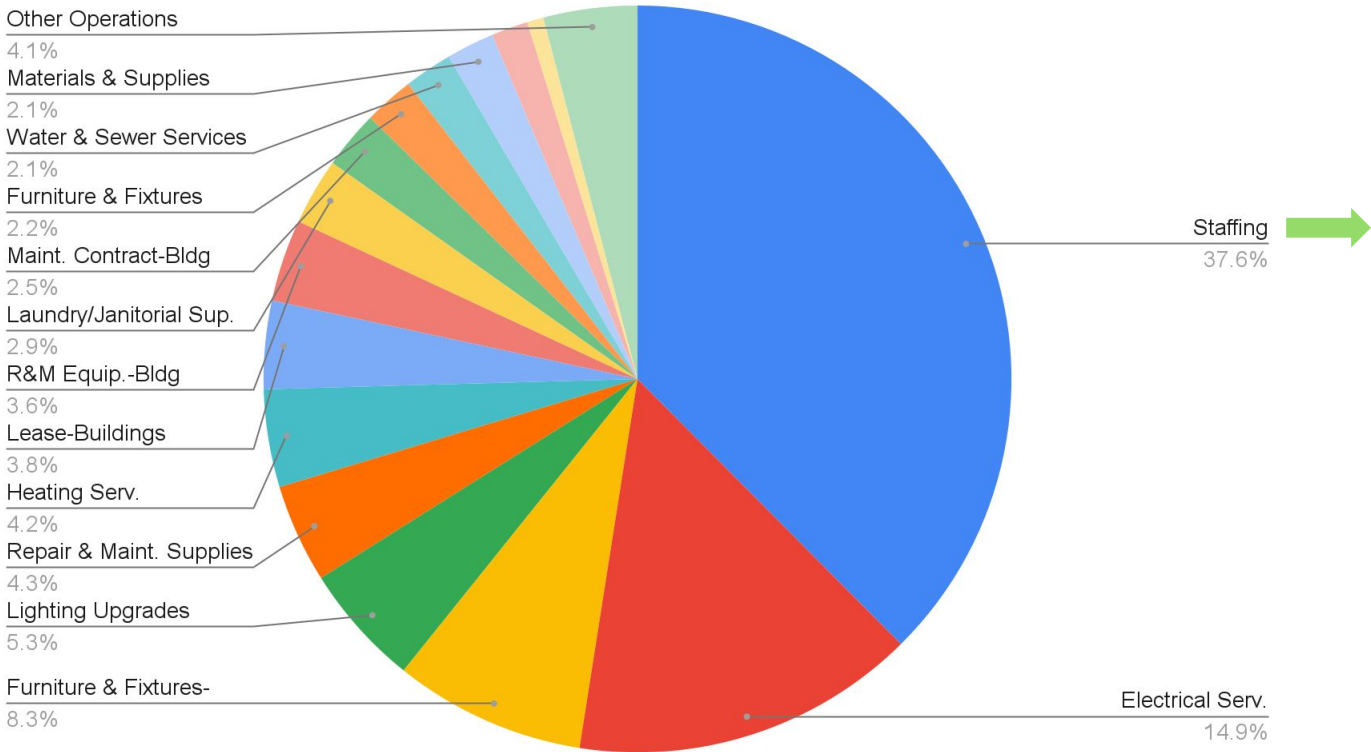
Department - Based Expenditures: Section E



Department Budgets



Example: Building Services \$16.0M



FTE Examples
Maintenance
Mechanic
HVAC Mechanic
Maintenance
Worker
Electrician
Carpenter
Office Associate

Department-Based Budgets: \$70.2M

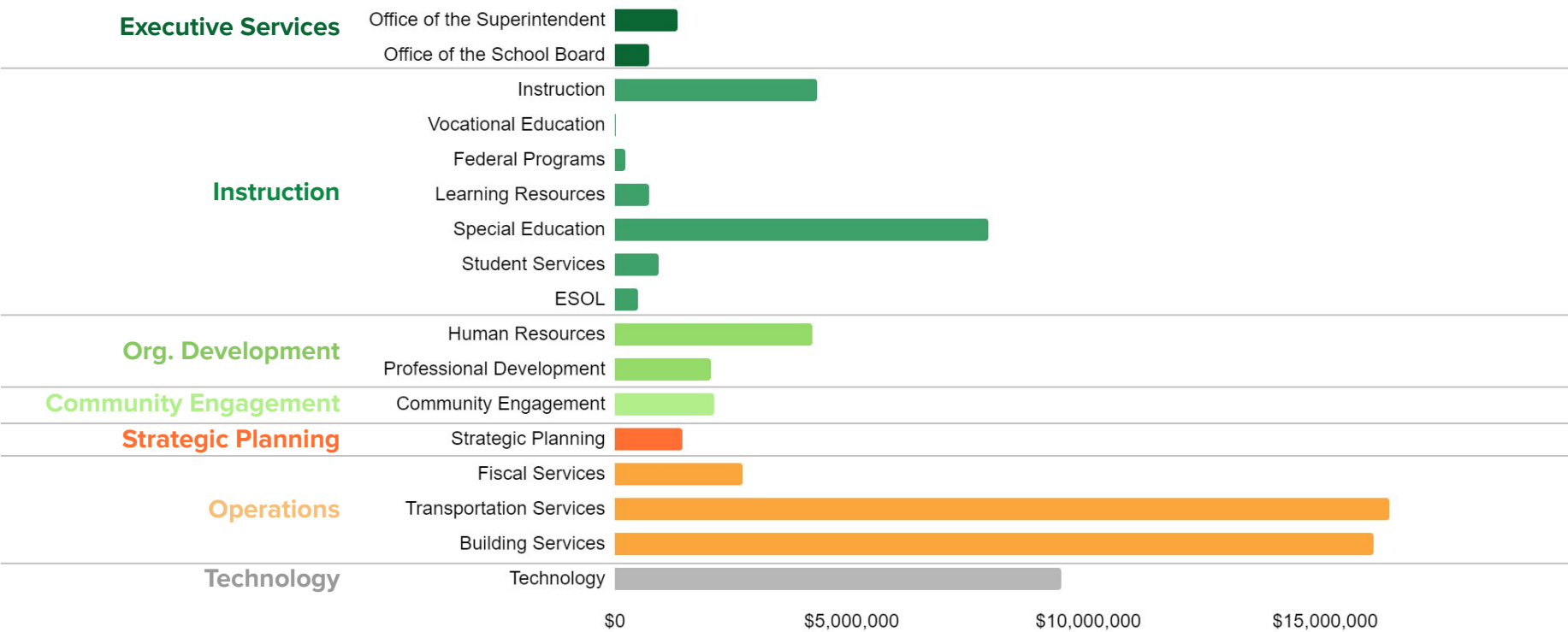
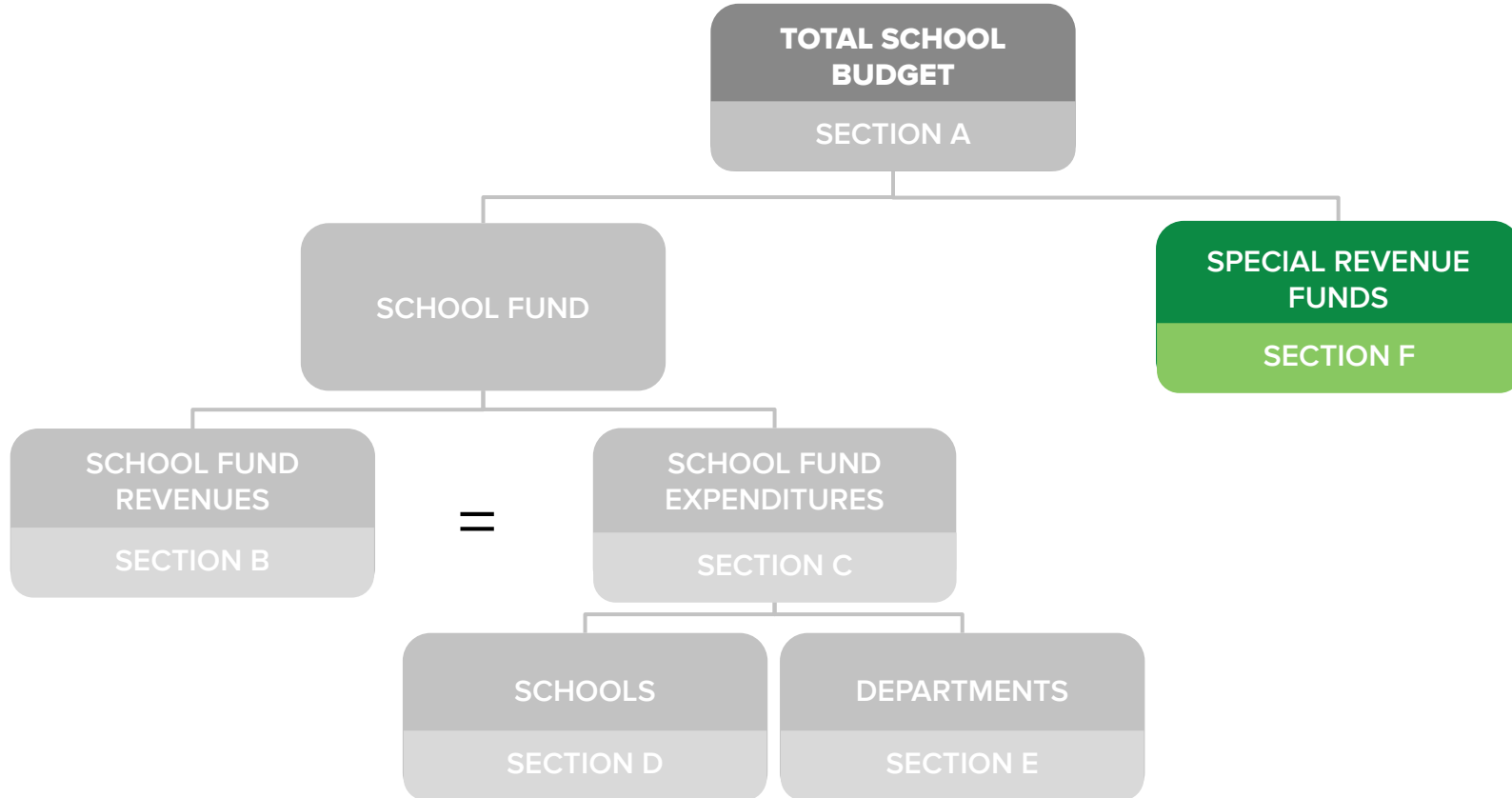


Chart does not include Lapse Factor and Non-Departmental

Special Revenue Funds: Section F



Special Revenue Funds

FEE-BASED SERVICES

- Child Nutrition
- Extended Day Enrichment Programs
- Community Education
- Drivers Safety
- Vehicle Maintenance

GRANT PROGRAMS

- Federal Programs
- State Programs
- Local and Other Programs
- One-Time Federal Pandemic Relief Programs

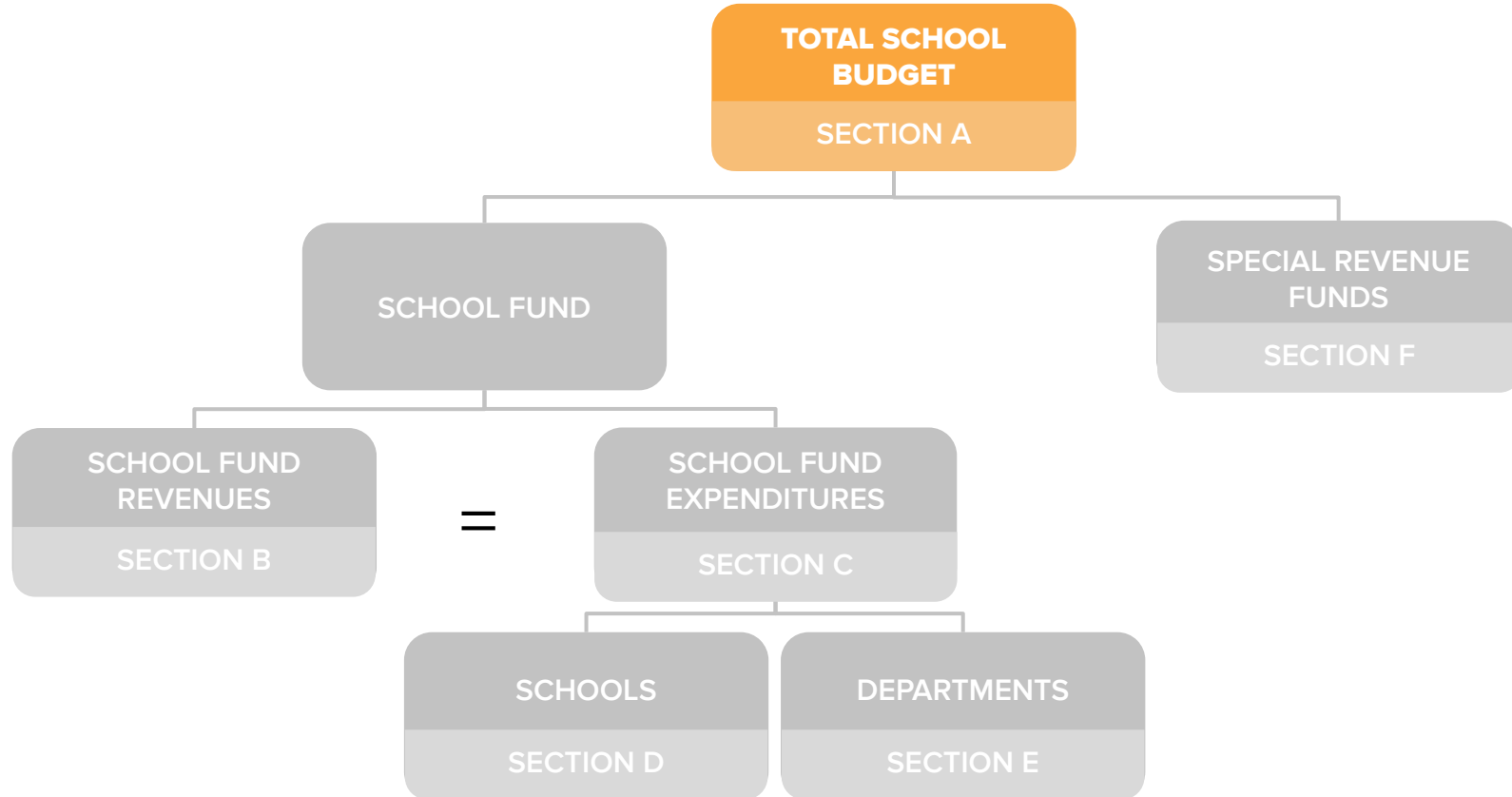
CAPITAL REPLACEMENT FUNDS

- Learning Resources
- Computer Equipment
- Vehicle Replacement

Federal Pandemic Relief Funds / Learning Recovery

Fund	Revenue Source	Estimated Balance	Planned Uses	Spending Timeline
ARP (3166)	<i>Federal</i>	\$2.0M	SEL Coaches	Sep 2024
ARP Set Aside Unfinished Learning (3169)	<i>Federal</i>	\$600,000	Instructional Materials	Sep 2024
ARP - Homeless (3168)	<i>Federal</i>	\$200,000	Services for homeless students	Sep 2024
Learning Recovery (3310)	<i>Local</i>	\$1.9M	Schools Intervention Instructional Audit Summer School	N/A

Section A: Overview (Expenditure Changes)



Total Expenditure Changes by Category

Baseline Adjustment	\$(10,021,814)
Technical and Non-Discretionary	\$4,040,746
Compensation	\$9,454,592
Enrollment and Demographics	\$4,277,633
Transitioning from One-Time Funding	\$683,779
New Proposals	\$2,453,872

\$10,888,808

FY 24 Baseline Adjustment

Baseline Adjustment

\$(10,021,814)

Position changes, employee turnover and benefit plan changes

\$(2,157,199)

One-time costs budgeted in the previous budget

\$(10,803,375)

Increase in projected vacancy savings (Lapse factor)

\$(372,025)

Addition of approved mid-year changes (Compensation study)

\$3,069,764

Other mid-year changes, restoration, and technical corrections

\$241,021

Inflation: \$1,872,275

Technology	\$490,500
Electrical	\$400,000
Materials & Supplies	\$295,775
Heating	\$230,000
Vehicle Repair & Maintenance	\$173,500
Furniture & Fixtures	\$92,000
Refuse	\$75,000
Tire contract	\$73,000
Building Maintenance	\$42,500

\$1,872,275

FY 24 Non-Discretionary Changes

Other Technical and Non-Discretionary Changes	
Health Care	\$1,378,980
Transfer to CSA	\$500,000
CATEC	\$133,833
Building Services Operating Impacts	(\$57,649)
Licensing Costs	\$213,257

Next Steps

TONIGHT

Special Budget Work Session #1

*Budget book overview
Revenues, Expenditures*

FEB. 23

School Board Work Session: Budget Work Session #2

*Enrollment & Demographics,
Organizational Development*

MARCH 2

Public Hearing & Special Budget Work Session #3

*Other Proposals,
Requests for Information*

MARCH 9

School Board Meeting: Approve Funding

MARCH 14

Board of Sup. Work Session: SB's Funding Request

APRIL 13

Budget Updates

APRIL 27

School Board Meeting: Adopt FY 24 Budget

Questions and Requests for Information

budget@k12albemarle.org
[**k12albemarle.org/budget-23-24**](https://k12albemarle.org/budget-23-24)

FY 24 Budget Work Session #1



We Will Know Every Student

February 16, 2023