

2025

FISCAL YEAR

Board Budget Workshop

MARCH 11, 2024



FY25 Budget Workshop Agenda

Current Year Performance

Revenue Projections Update

Overview of Budget Philosophy

FY 2025 Funding Considerations

Next Steps to Balance the Budget

Current Year Performance

Source	FY 2024 Budget	FY 2024 Projected	Variance	% Variance
Local	\$435,064,064	\$460,900,271	\$25,836,207	5.94%
Intergovernmental	305,198	305,198	-	0.00%
State	245,898,172	245,900,209	2,037	0.00%
Federal	95,536	180,187	84,651	88.61%
Transfers	21,018,704	21,168,704	150,000	0.71%
Sale of Fixed Assets	-	10,180	10,180	-
Total	\$702,381,674	\$728,464,749	\$26,083,075	3.71%

*As of January 31, 2024 Financial Report

Revenue Projections Update

Source	FY 2024 Projected	FY 2025 Estimate	Variance	% Variance
Local	\$460,900,271	\$483,834,005	\$22,933,734	4.98%
Intergovernmental	305,198	325,000	19,802	6.49%
State	245,900,209	255,241,181	9,340,972	3.80%
Federal	180,187	12,000	(168,187)	-93.34%
Transfers	21,168,704	16,372,002	(4,796,702)	-22.66%
Sale of Fixed Assets	10,180	-	(10,180)	-100.00%
Total	\$728,464,749	\$755,784,188	\$27,319,439	3.75%

*Estimates as of March 10, 2024

Comparison to FY 2024

Source	FY 2024 Budget	FY 2025 Estimate	Variance	% Variance
Local	\$435,064,064	\$483,834,005	\$48,769,941	11.21%
Intergovernmental	305,198	325,000	19,802	6.49%
State	245,898,172	255,241,181	9,343,009	3.80%
Federal	95,536	12,000	(83,536)	-87.44%
Transfers	21,018,704	16,372,002	(4,646,702)	-22.11%
Sale of Fixed Assets	-	-	-	0.00%
Total	\$702,381,674	\$755,784,188	\$53,402,514	7.60%

*Estimates as of March 10, 2024

Summary

- Projected **\$53.4 Million** in revenue growth over the FY 2024 base budget
- Revenue analysis ongoing with refined local figures later in March
- State revenues subject to adjustment in budget process based on outcomes at that level

Budget Philosophy

- First, let **GROWTH** pay for growth using the current millage levy
- Then, consider the ability to **REALLOCATE** amongst levies based on debt schedules
- If sustainably focused and policy-driven, weigh the option to appropriate **FUND BALANCE** for certain expenditures
- Only when the above are exhausted, calculate the necessary additional **MILLAGE**

FY 2025 Funding Considerations

- On the following slides, staff has detailed various scenarios to better understand the priorities of the Board
- Cost for high-end of all scenarios
- Tactics to balance the budget will be considered at the end of the presentation

FY25 Budget Expenditures in Support of Board Goals and Guardrails



Pillar I: RIGOROUS GRADE-LEVEL INSTRUCTION



Pillar II: HIGH QUALITY TEACHERS/LEADERS



Pillar III: WRAP-AROUND SERVICES

Goal 1: Literacy



CD/Early Learning/CERDEP 4K
Expansions, Certified Head Start Teachers



Exceptional Children and Multilingual Learner
Supports

Leading Educators

(professional development and curriculum/instructional support)

Teacher and Support Staff Retention

(increased pay, employee early childhood daycare)

Goal 2: Algebra Readiness



OGAP Training



Chronic Absenteeism & Truancy

Leadership Pipeline and UVA-PLE

(Building Capacity and School Transformation Efforts)

10 Day and Mid-Year Adjustments for Enrollment

Essential Operational Costs and State Mandates
Weighted Student-Based Funding
ESSER Impact Sustainability

Goal 3: College/Career Readiness



AVID Expansion
CTE Student Summer Interns



5 Strategic Budget Actions

1. Sustain Academic Gains

- a. Weighted Student-based Funding Model (with transparency)
- b. Teacher Pay Increase
- c. Non-Teacher Pay Increase (COLA/step)
- d. School-based Non-Teacher Position Upgrade Review
 - Classified Positions: Including but not limited to Bookkeepers, Secretaries, Receptionists, General Clerks, Media Clerks, TAs, Student Concern Specialists

In Service of ALL Students

5 Strategic Budget Actions

2. Increase Support for All Students

- a. Weighted Student-based Funding Model (with transparency)
- b. AVID Expansion
- c. Child Development/Early Learning/CERDEP 4K Expansions and Certified Teachers in Head Start
- d. Chronic Absenteeism and Truancy
- e. CTE Summer Interns
- f. Mid-year adjustments for enrollment

In Service of ALL Students

5 Strategic Budget Actions

3. Maintain Effective ESSER Programs

- a. Weighted Student-based Funding Model (with transparency)
- b. Expand childcare for employees
- c. Leadership Pipeline

4. Increase School Autonomy

- d. Weighted Student-based Funding Model (with transparency)

5. Develop a 3-Year Financial Plan Aligned with Board Goals

In Service of ALL Students

Required Increases

Teacher Step increases up to 40 years with benefits	\$	5,190,449
Health and Dental Increase - All Staff	\$	2,267,416
Charter Schools and Meeting Street Academy	\$	6,960,472
Operations - Contractual Obligations and Other “Must Dos”	\$	6,355,350
Risk Management increase for insurance premiums	\$	1,930,454
Total Required Increases	\$	22,704,140

Teacher Salary Increase Considerations

Teacher \$5,000 teacher salary increase and benefits \$ 24,109,886

Teacher \$4,500 teacher salary increase and benefits \$ 21,698,897

Teacher \$2,500 teacher salary Increase with benefits \$ 12,054,943

Non-Teacher Salary Increase Considerations

Non-Teacher 97% Market (3% COLA*) and benefits	\$	6,283,025
Non-Teacher 98% Market (4% COLA*) and benefits	\$	8,338,285
Non-Teacher 99% Market (5% COLA*) and benefits	\$	10,453,022
Non-Teacher Step and benefits	\$	2,663,914
Non-Teacher Step Increase to Step 32 (using 97% Market) and benefits	\$	727,402
Non-Teacher Step Increase to Step 33 (using 98% Market) and benefits	\$	1,479,887
School Based, Non-Teacher Classified Position Upgrades and benefits	\$	4,980,245

**Cost of Living Adjustments - proposed would add a % to each cell in the salary schedule.*

ESSER Sustainability/Weighted Student Funding Considerations

ESSER Program Impact Reports	\$	5,088,334
Montessori 3:1	\$	828,278
Elementary 3:1	\$	15,949,848
Middle 4:1	\$	3,761,994
High 6:1	\$	4,604,050
Total ESSER Sustainability/Weighted Student Funding Considerations	\$	30,214,990

WHY?

Weighted Student-Based Funding Model

In short, by transitioning to a weighted student-based funding model, CCSD can ...

- Sustain Academic Gains
- Increase Support for All Students
- Maintain Effective ESSER Programs
- Increase School Autonomy

*WSF is a **best practice** allocation model used by school districts across the country to better **support all students**.*

Number of Pupils in Poverty (PIP) across Schools

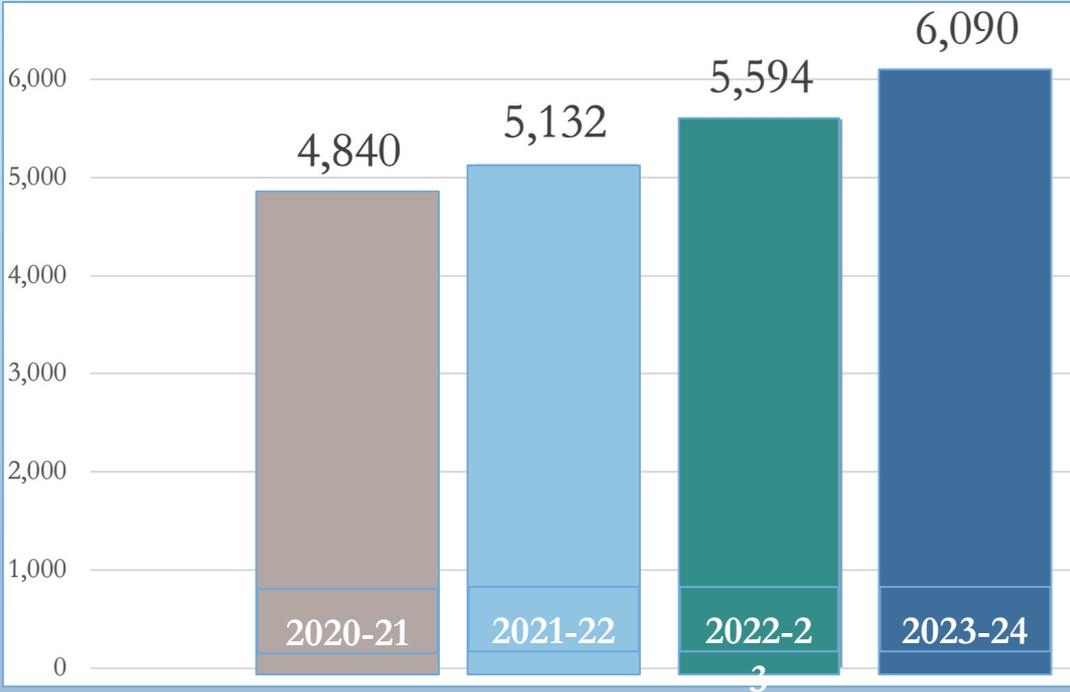
With high numbers of PIP attending non-Title I schools, current funding model cannot address all needs.

WSF increases support for ALL students.



Increasing Multilingual Learner Population

As multilingual learner population reaches all-time high, a growing need for additional learner and family support exists in our schools.



Note. Day 135 data used for 2020-21, 2021-22, and 2022-23. Day 45 data used for 2023-24.

WSF/ESSER Sustainability

12% of Total ESSER Funds Received

*approximately \$30 million

1. If we believe getting all students to **read on grade level by 5th** is key to ensuring all students are **Algebra 1 ready by middle school** and **college and career ready by high school**, a **scaffolded approach of WSF ratios** for elementary, middle and high schools **is needed**.
2. If we believe responsible resource allocation means **first fortifying schools**, **WSF ratios** that **allow decreases** in school support **are not acceptable**.
3. If we believe **mitigating the impact of the ESSER cliff** is essential for sustaining academic gains, WSF ratios that provide schools with the **means for sustainability is non-negotiable**.

How do school allocations change with weighted student-based funding (WSF) model?

Learning Community	PIP	MLL	SWD	WSF Ratio	WSF Allocations
High	50.0	17.0	12.0	6:1	79.0
Middle	40.0	14.0	11.0	4:1	65.0
Elementary	143.0	42.0	32.0	3:1	217.0
Montessori	8.0	0.0	2.0	3:1	10.0
TOTAL	241.0	73.0	57.0	TOTAL	371.0

How does the weighted student-based funding model account for **GOF overlays and ESSER program impact requests**?

Current Allocation Model + ESSER Impact Requests				Weighted Student-Based		
Learning Community	Current GOF Overlays (FTE)	ESSER Impact Requests (FTE)	Total GOF Overlays + ESSER Impact Requests	Model	Total Additional Allocations	Net Change
High	23.56	12.00	35.56	6:1	79.0	43.44
Middle	18.70	14.50	33.20	4:1	65.0	31.8
Elementary	33.05	65.90	98.95	3:1	217.0	118.05
Montessori	0.40	4.85	5.25	3:1	10.0	4.75
TOTAL	75.71	97.25	172.96	TOTAL	371.0	198.04

ESSER Program Impact Reports

School and District Requests to Sustain Academic Gains

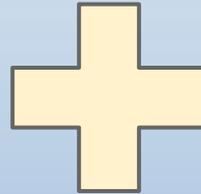
Cut Score	School Program Requests	District Program Requests	Total - District & School Program Requests
70	\$732,019	\$1,668,315	\$2,400,334
65	\$732,019	\$4,356,315	\$5,088,334
60	\$911,893	\$5,972,884	\$6,884,777

Programs within the approved range include such items as family coach coordinators, Leading Educators, UVA-PLE transformation school effort, acceleration school support and school programs not covered by additional WSF allocations.

WSF Allocations



\$25,144,170



Program Impact
Reports

ESSER

\$5,088,334

= Sustained Academic Gains

\$30,232,504

School Support Considerations

10 Day and Mid-Year Adjustments for Enrollment	\$	1,500,000
Expanding the AVID Program	\$	1,105,783
CTE 2024 Summer Internship - additional 40 summer interns	\$	61,040
School Support for Chronic Absenteeism	\$	334,206
Employee Early Childhood Daycare	\$	466,000
Total School Support Considerations	\$	3,467,029

Other Considerations

Operations - Critical Needs	\$	2,605,302
Constituent Board Pay Increase	\$	215,235
Leadership Pipeline	\$	800,599

CERDEP/CD/Head Start Considerations

Expanded Learning Head Start-Early Head Start Programs	\$ 746,779
CERDEP Funds	\$ 1,100,000
CERDEP - 14 Teacher Assistants and 1 Project Specialist	\$ 912,106
CD Expansion - 13 Teachers, 13 Teacher Assistants and Secretary	\$ 1,547,953
Head Start - 23 K3 Cert Teachers & Teacher Assistants, Principal on Assignment (GOF 50%)	\$ 1,904,753
Total CERDEP/CD/Head Start Considerations	\$ 6,211,590

Board Engagement: Priorities

Next Steps to Balance the Budget

- With respect to expenditure planning, staff is reviewing ways to trim \$8,000,000 across all categories in the General Operating Fund in order to ensure the budget is lean and efficient
 - This will be detailed in April with specifics
- Current assumptions present an opportunity to reallocate millage from the Debt levy to the Operating levy

Next Steps to Balance the Budget

- A 3 mill reallocation from Debt to Operating would yield an additional \$10,000,000 in local revenue in the GOF without a tax increase.
 - Would represent a tax decrease for owner-occupied properties
 - Some debt refinancing could be considered to create interest savings and smoothing of annual payments

Next Steps to Balance the Budget

- A combination of local and state revenue increases not yet considered may bridge any funding gaps in the proposed budget, depending on priorities and guidance from the Board.
- FY 2026 is Countywide reassessment. Staff will provide examples in the upcoming workshop with possible reassessment scenarios to ensure long-term forecasts are realistic.
 - Revised 3-year plan will be provided

Next Steps in Budget Process

- 3/13: Audit & Finance Committee
- 4/9: Audit & Finance Committee
- 4/15: Budget Workshop (3 of 4)
- 5/7: Audit & Finance Committee
 - » First Reading
- 5/13: Budget Workshop (4 of 4)
- 5/20: Board Meeting
 - » First Reading