GREENE COUNTY PUBLIC SCHOOLS

FY 2025 Budget Planning Update

Greene County Public Schools

School Board Meeting: January 10, 2024

Alignment with Strategic Plan



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- Virginia code mandates that it is the duty of the Superintendent to prepare a budget with an estimate of the amount of money deemed to be needed to support the school division. This is commonly referred to as a “needs -based budget.”
- These numbers reflect preliminary, broad estimates and are to illustrate potential revenue and expenditures only.
- The total of the potential expenditures should not be interpreted as a recommended change to the budget.

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Budget Process Timeline	
January	
1/10/24	School Board Meeting Planning Update
1/24/24	School Board Work Session Review Priorities, Draft Budget Proposal
February	
2/7/24	School Board Meeting Public Hearing on Proposed Budget
2/28/24	School Board Meeting Budget Adoption



FY 2025 Influencing Factors

Enrollment
FY 24 - Current ADM (Fall) 2732 vs 2762 used for budget planning
FY 25 - Using State ADM Projection 2702.1

VRS
First year of new biennium. VRS rate changes from 19.17%. VRS ratified rate is 16.42%. Governor's proposed rate is 17.78%

Effective 7/1/24 there is also a rate separation for the VRS Hybrid Plan. Employers will need to make matching Defined Contribution hybrid plan contributions of 1% - 3.5% dependent on employee elections. This in addition to the new rate listed above.

These rates still need to be ratified by the General Assembly

FY 2025 Influencing Factors

Local Composite Index (LCI)

First year of the new biennium. LCI changes to .3411 from .3505. The Composite Index determines a school division's ability to pay education costs fundamental to the commonwealth's Standards of Quality (SOQ). The Composite Index is calculated using three indicators of a locality's ability to pay:

- True value of real property (weighted 50 percent)
- Adjusted gross income (weighted 40 percent)
- Taxable retail sales (weighted 10 percent)

Each locality's index is adjusted to maintain an overall statewide local share of 45 percent and an overall state share of 55 percent.

FY 2025 Influencing Factors

Operating Expense

Transportation - Fuel rates have decreased from previous year. Currently not on contract pricing. County is working with the provider to try and stabilize rates and establish contract pricing. Vehicle maintenance costs trending relatively flat year over year.

Utilities - Currently being surveyed for potential rate changes. Any fluctuations will be offset within existing budget structure.

Building Insurance - expected to remain flat.

Other Economic Factors

Social security payment increase 1/1/24 = 3.2%. Previous year increase was 8.7%.

Inflation - current rate 3.1%. Rate for July 22 - June 23 = 3%

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Budget Survey

- Survey was released 12/8/23 via social media and PowerSchool. 60 responses received, representing all schools
- 95% of respondents identified as parents/guardians



Respondents were asked:

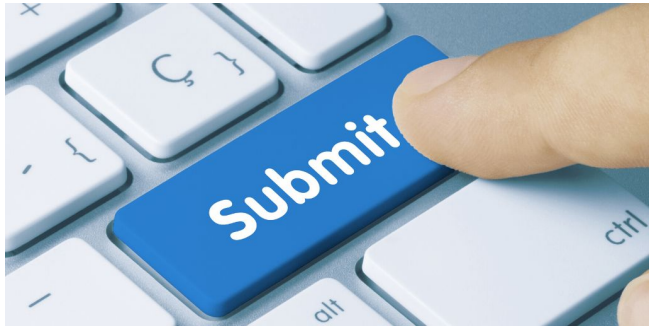
- What should division budget priorities be?
- What programs and activities should be continued?
- What cost savings ideas did they have?
- What spending ideas did they have in each of the strategic plan core value areas?

Budget Survey Responses

Core Value Spending Idea Responses

- Culture of Excellence - 41
- Safe, Supportive and Caring Schools - 45
- Resource Stewardship - 29
- Connections and Partnerships with our Community - 37
- Exceptional Workforce - 40

- Response Data reflects submissions through 1/5/24
- Continuing to solicit feedback through 1/12/24



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Revenue and Benefits

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State

Fiscal Year	State Budget	Budget ADM
2024	$26,470,300	2723.25*
2025	$29,035,641	2702.1◊

* From December Caboose Budget. Includes All in Virginia and compensation supplement funding and state construction carryover funding. GPCS approved FY 24 state funding at $26,718,723 including state construction carryover and supplemental appropriation funding based on 2762 ADM. Final payments will be adjusted based on March ADM, Current Fall ADM 2732

◊ State projection for FY 25 ADM

House and Senate still to present their versions of budget bills - General Assembly convenes 1/10/24

Funding in Governor's FY 25 proposal for a 1% one time bonus for SoQ positions

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State

Category	Amount	Description
State School Construction Grant	$1,716,894	Revenue was transferred to school divisions in FY 23 and any unspent funds can be carried over into FY 24 and FY 25 - Funds will be used for the Tech Center Addition
All in Per Pupil Funds	$1,024,113	Revenue is being transferred to school divisions in FY 24. Unspent funds can be carried over to FY 25 and FY 26. Funding is in support of implementing high-intensity tutoring -70%, expanding and accelerating the Virginia Literacy Act - 20, and addressing the increased rates of chronic absenteeism across Virginia - 10%

Federal

FY 2024 Budget	$3,070,000	Funding covers only program eligible expenses such as Federal Title Programs and School Nutrition
Actual FY 2023	$3,124,867	
Difference	$54,867*	
FY 25 Estimate	$3,070,000	

* Difference is in the Federal School Nutrition funding. Funding is under the Community Eligibility Provision which allows the program to provide meals for free and be reimbursed at a higher rate than normal program rates. Supplemental appropriations were done to accommodate the difference. CEP is in effect for FY 25 as well.

Guidelines for federal revenues

- Specifically mandated by program and cannot be allocated outside of the program for which they are approved.
- Each program specifies how the funding can be used categorically, and in some cases it may exclude specific categories for expenditures.
- Year over year funding may change based on the federal application and can include non-recurring expenses.
- Specifications and mandates fluctuate from year to year affecting available funding and allocations.
- Can be revised by the government during/within the active budget year.

Federal

All COVID Pandemic Related Funding ends effective September 30, 2024

This includes:
American Rescue Plan- ESSER III
ESSER III - Before And After School
ESSER III - Summer School
ESSER III - Unfinished Learning

All expenditures under these funds must be obligated by September 30, 2024 and reimbursements submitted by November 2024.



Local

Fiscal Year	Local Funding County Funds	Local Funding Other Funds
2022	$17,472,521	$494,000
2023	$18,038,266	$494,000
2024	$19,272,767	$494,000

- County funds are the allocated funds from the county's tax based revenue that are allocated to the schools
- Other funds are comprised of funds from sources such as rents, regional programs, retiree insurance payments, insurance settlements, sale of equipment or the miscellaneous revenue. Note FY 23 actual for the category = $197,826

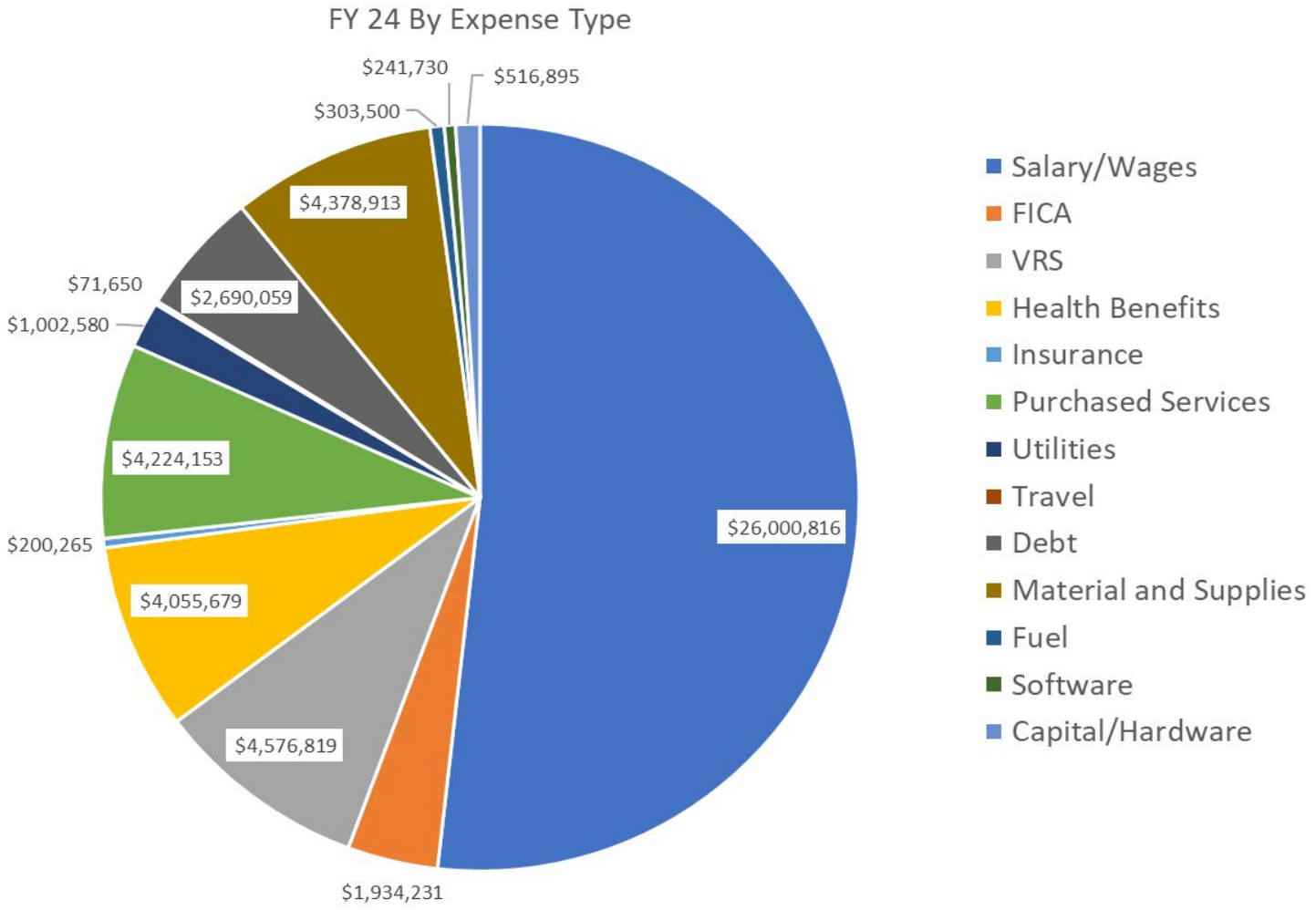


- VRS Rates changing for FY 25-still need to be adopted by General Assembly
- Healthcare renewal projection is 3.5% cost increase - $160,000 Based primarily on increases in fixed and pharmaceutical costs. Current claims experience trending similar to previous year.

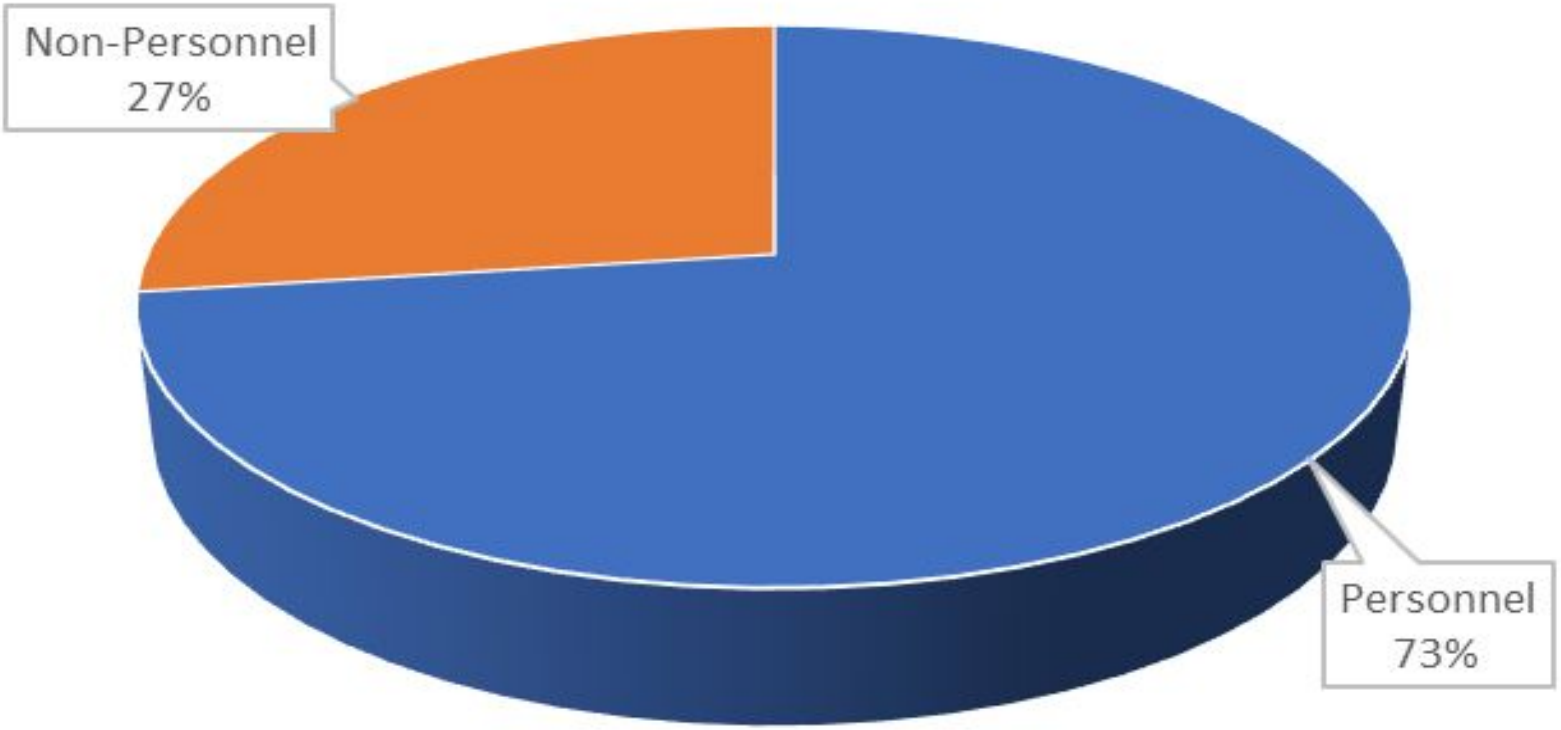
VRS	FY 2025 VRS Board Approved	FY 2025 Governor Proposed	FY 2024
Employee Rate	**0.0500**	**0.0500**	**0.0500**
Employer Rate	**0.1421**	**0.1523**	**0.1662**
Retiree Health Care Credit (RHCC)	**0.0103**	**0.0121**	**0.0121**
Group Life Insurance (GLI)	**0.0118**	**0.0134**	**0.0134**
Total Employer Paid	**0.1642**	**0.1778**	**0.1917**

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Funding Requests & Salary Projections


FY 24 By Expense Type
$241,730
$516,895
$303,500
$4,378,913
$71,650
$2,690,059
$1,002,580
$4,224,153
$200,265
$4,055,679
$4,576,819
$1,934,231
$26,000,816
Salary/Wages
FICA
VRS
Health Benefits
Insurance
Purchased Services
Utilities
Travel
Debt
Material and Supplies
Fuel
Software
Capital/Hardware

FY 24 Expenses



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- Building Administrators and Department Leads work with staff to develop budgets for the upcoming year
- School community input through budget survey and public hearings
- Expenditure requests may be submitted in any category
- Requests are focused on student achievement and supports and need to align with the GCPS strategic plan
- Evaluation includes analysis of existing funding and resources for potential realignment and sustainability of recurring costs. Additionally, staffing, student need and enrollment data are analyzed and compared to requests

FY 25 current requests submitted are approximately $867,000

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Raise Percentage	Value of Increase
1%	$291,367
2%	$582,734
3%	$874,100

Funding required to give 1% bonus to all full time employees is approximately $252,800 (State funding in Governor's proposal is $147,281)

Nationally 37% of public schools are struggling to fill teaching positions and that increases to 45% for support staff - National Center for Education Statistics, October 2023

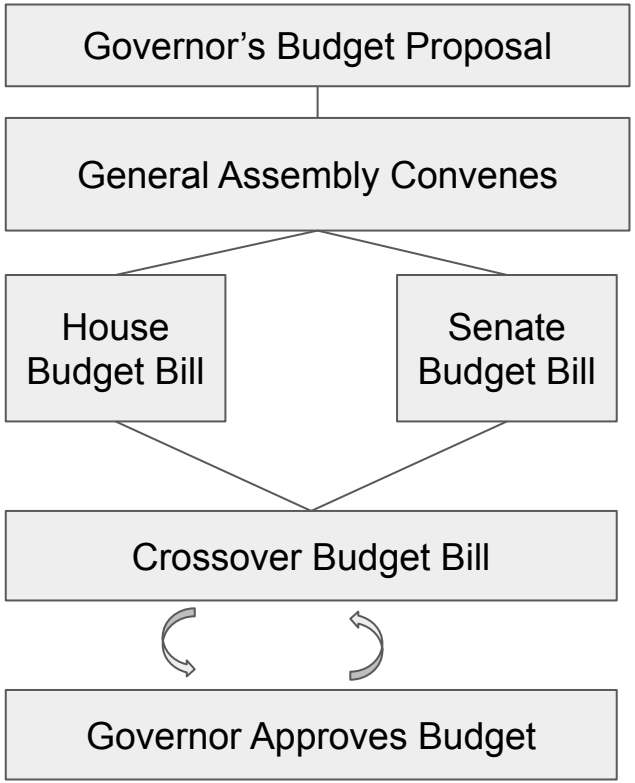


Next Steps and Timelines

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Local Process	
Date	Item
January 24	Work Session, Priorities and Budget Directives
February 7	Proposed Budget, Public Hearing, Final Directives
February 28	Adoption of Budget by School Board
March	Board of Supervisors Budget Process
April/May	Local Funding Finalized
May	Modify and Adopt Revised Budget if needed based available funding

State Process



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Questions and Discussion