To:	School Board Members
From:	Staff
Date:	March 4, 2025
Subject:	Responses #1 to FY 2025/26 Draft Funding Request Questions

Albemarle County Public Schools

The following questions were asked by School Board members during the FY 26 Budget Development Work Sessions. Staff have provided responses in this memo and will follow up on any outstanding questions with a later memo or during an upcoming meeting.

1. **How much did we contribute to the health care reserve last year in one-time funds? What is the projected level (% and $) of the health care fund at the end of PY25 based on the infusion?**

   The total one-time transfer in June 2024 for the Health Fund was $3,734,744. The ACPS share was $2,589,864, based on 69% of members at that point in time.

   The one-time start-up costs for the Clinic were $1,700,000. The ACPS share was $1,178,867, based on the same percentage breakdown. The nature of this transfer is different than the prior because it's about improving benefits and the rate of increase in costs vs. the former, which was intending to help stabilize the fund.

   In the most recent projection model, we forecast a PY 25 year-end fund balance of $8.1M or 12%. We will continue to regularly monitor these projections, as these costs are more volatile than other expenses.

2. **What is the current School Fund balance?**

   School Fund balances are reported as part of the School Board Quarterly Reports. The most recent quarterly report is 2Q FY 25, and can be found here: https://esblogin.k12albemarle.org/attachments/483490f8-d6ee-465d-affc-e60a43893495.pdf

FY 2024/25 Projection

Estimated Available Fund Balance (June 30, 2024)	$3,446,466
Budgeted Use of Fund Balance	($2,135,000)
Estimated Available Fund Balance (July 1, 2025)	$1,311,466

3. **Can you provide information on how we share revenues with Albemarle County Local Government?**

The County shares the increase or decrease in available shared revenues among the County Government and Public Schools operating, debt service, and capital budgets.

- *When developing the budget, the County calculates the increase or decrease in General Fund local tax and State non-categorical aid revenues.*
- *This amount is adjusted for changes in expenses that reduce available shared revenue: City of Charlottesville revenue sharing, Tax Relief programs, Economic Development Authority tax-related performance agreements, and the designated transfer to the Water Resources Fund.*
- *The remaining amount is allocated 54% to the Public Schools operating budget, 36% to the County Government operating budget, and 10% for the joint County Government and Public Schools debt service and capital budgets.*

From the [Albemarle County FY 26 Recommended Budget](), page 232:

FY 26 RECOMMENDED BUDGET — **COUNTY OF ALBEMARLE, VIRGINIA**

	Share	FY 25 Adopted	FY 26 Recommended	$ Change	% Change
Shared Revenue					
General Property Taxes		288,057,950	323,769,578	35,711,628	12.4%
Other Local Taxes		81,000,685	84,511,718	3,511,033	4.3%
Non-Categorical State Aid		19,015,390	19,045,514	30,124	0.2%
		388,074,025	**427,326,810**	**39,252,785**	**10.1%**
Less Committed Expenditures					
Revenue Sharing		17,760,728	20,175,533	2,414,805	13.6%
Tax Relief		2,112,600	2,344,986	232,386	11.0%
EDA Performance Agreements (Tax-related)		310,000	276,663	(33,337)	-10.8%
Transfer to Water Resources Fund		2,022,963	2,168,606	145,643	7.2%
NEW Transfer to Affordable Housing Fund (0.4 cents)		-	1,239,203	1,239,203	
		22,206,291	**26,204,992**	**3,998,701**	**18.0%**
Net Revenue		**365,867,734**	**401,121,818**	**35,254,084**	**9.6%**
NEW Recommended Dedicated Revenue					
3.2 Cents Dedicated to Public Safety		-	9,913,628	9,913,628	
0.4 Cents Dedicated to Public Schools		-	1,239,203	1,239,203	
Net Revenue for Split less Dedications		**365,867,734**	**389,968,987**	**24,101,253**	**6.6%**
Share of Net Revenue for Split less Dedications	**Share**				
Capital/Debt	10%	40,930,847	43,340,973	2,410,125	5.9%
Public Schools	54%	195,048,815	208,063,491	13,014,677	6.7%
County Government	36%	129,888,072	138,564,523	8,676,451	6.7%
		365,867,734	**389,968,987**	**24,101,253**	**6.6%**
Recommended Transfers with Dedicated Revenue					
Capital/Debt		40,930,847	43,340,973	2,410,125	5.9%
Public Schools		195,048,815	209,302,695	14,253,880	7.3%
County Government		129,888,072	148,478,151	18,590,079	14.3%
		365,867,734	**401,121,818**	**35,254,084**	**9.6%**

Note: Shared Revenue amounts are available in the General Fund Revenue chapter of this document. Committed Expenditures amounts are available in the Non-Departmental chapter of this document.

4. Please provide per-pupil costs of new proposals.

Proposal	Students Served	# of Students Served	Incremental Cost	Per Pupil
Bellwether Implementation	K-12 students	13,773	$500,000	$36
Scholars Studios Sustainability	Scholars Students (8-11 grade)	601	$406,240	$676
Intensive Support Center	ISC Autism, ISC ED, Post High Students	68	$648,954	$9,543
School Resource Officers	MOHS, WAHS students	2,394	$252,402	$105
FLES	Four K-5 schools	1,464	$528,710	$361

Proposal	Students Served	# of Students Served	Total Proposed Cost of Center	Per Pupil
Intensive Support Center	ISC Autism, ISC ED, Post High Students	68	$3,292,395	$48,418