



Preliminary Information Superintendent's Proposed FY14 Operating Budget

January 7, 2013

Recap of FY10, 11, 12 and 13 Budgets

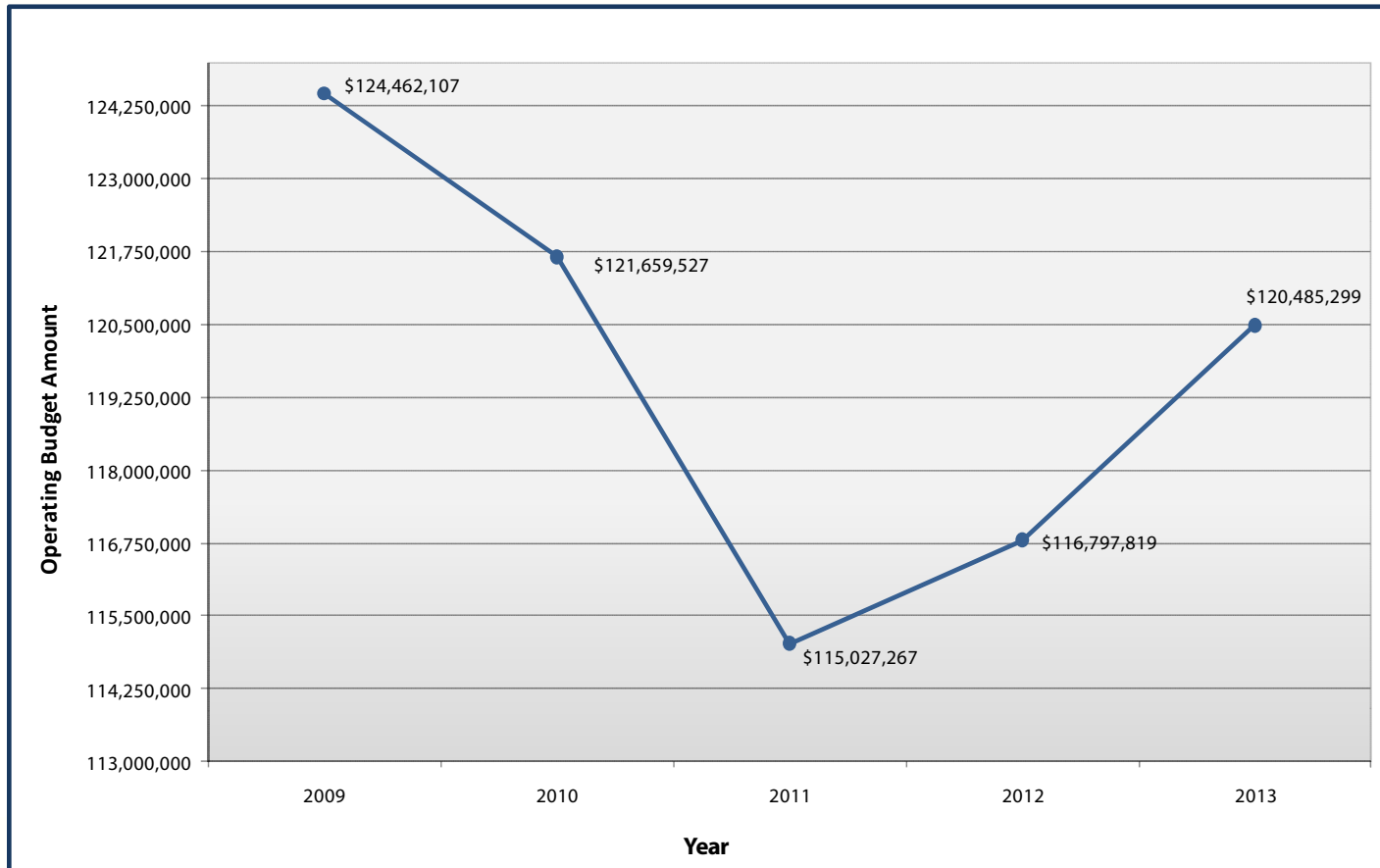
- State revenue down \$9.2m (14%) or \$11.7m (18%) including effect of increased VRS costs
- Total Operating Budget reduced \$4m (3.2%) or \$6.5m(5.2%) including effect of increased VRS costs
- Cut 124 permanent (not temporary) positions
- Provided no raises, no step increases and no position re-grades

K-12 Education Declining as State Budget Priority

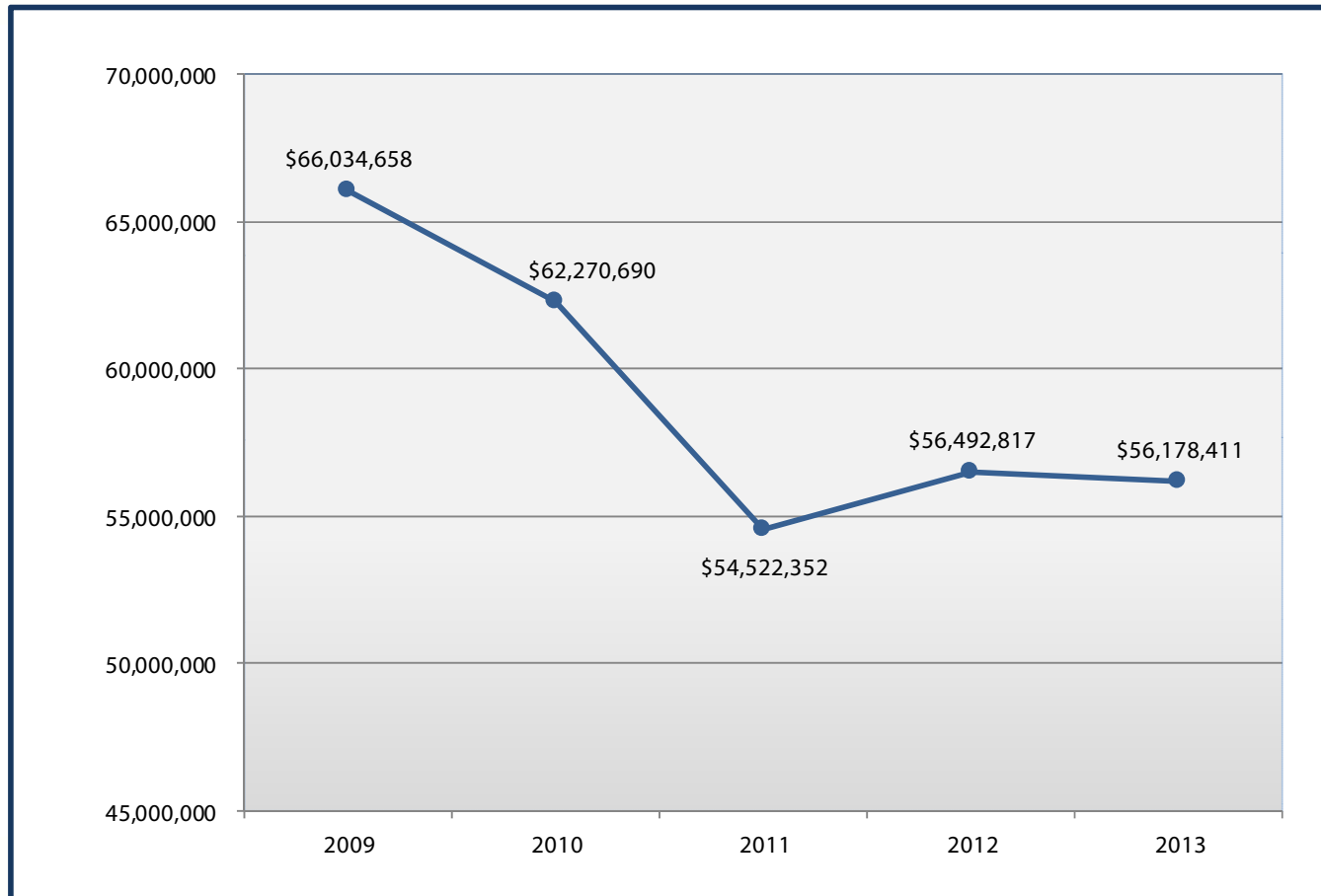
- State budget continues to grow
- K-12 education now constitutes 30%, not 33%, of state General Fund expenditures
- Should K-12 education be a priority in the state budget?

Operating Budget Comparisons

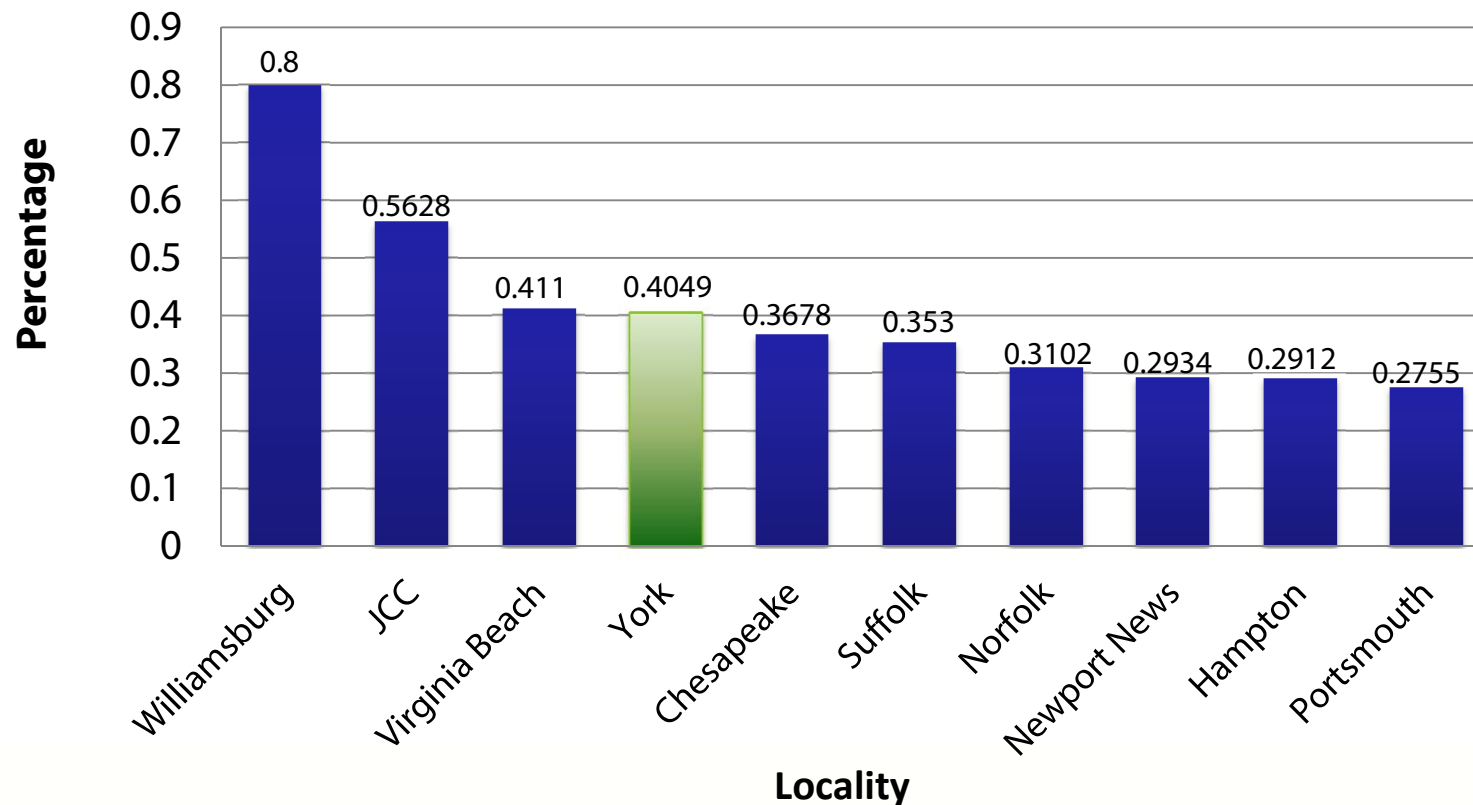
(Does Not Include Federal Stimulus Allocations)



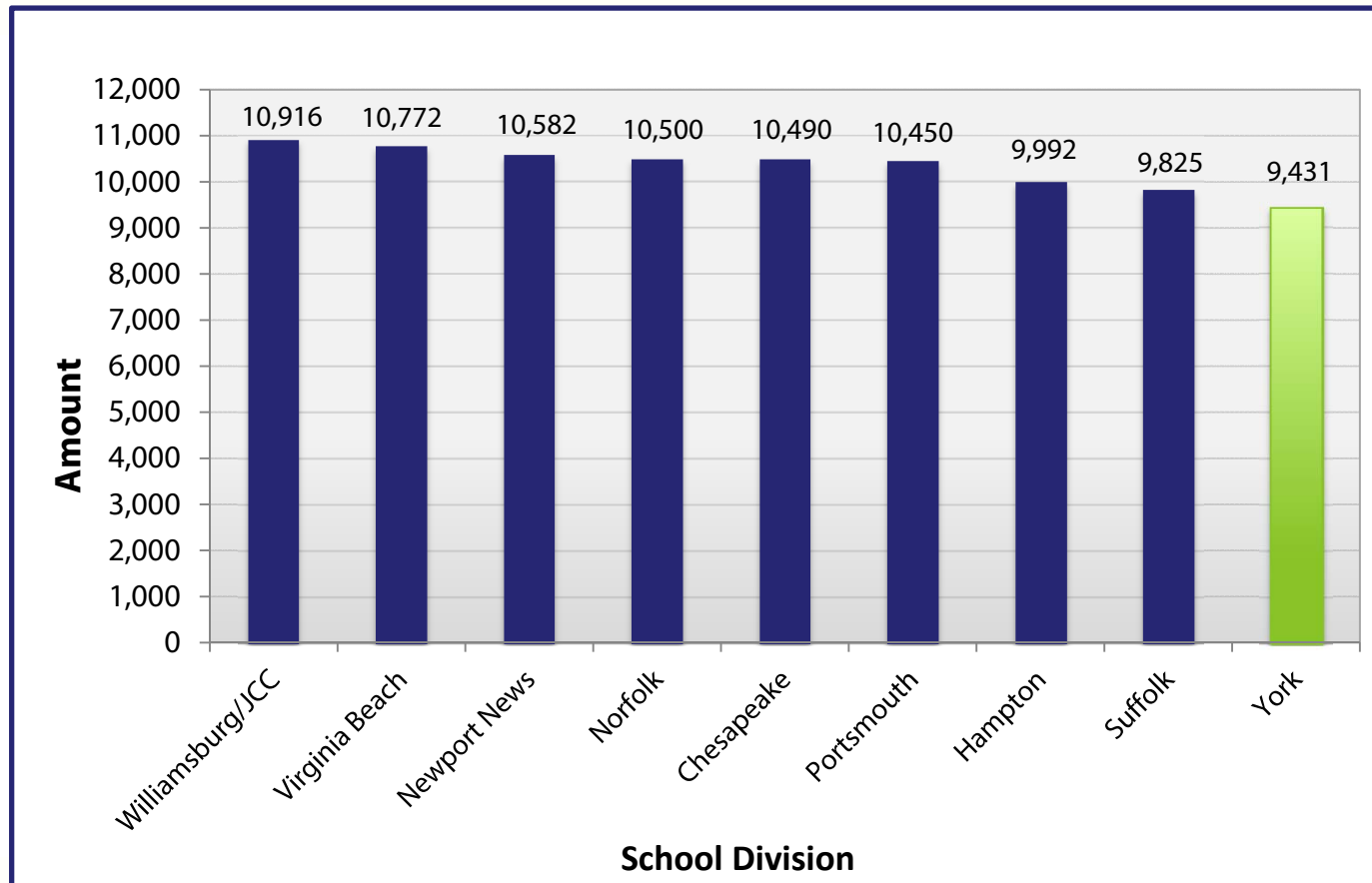
YCSD State Operating Fund Revenue



State's LCI Calculation Shows York County Has Relatively High Ability to Fund Schools



Fiscal Year 2011 Per Pupil Expenditure





**Many people move to York County because
of the schools.**

Strategic Plan Goal 1

York County students will consistently demonstrate
growth and excellence . . .

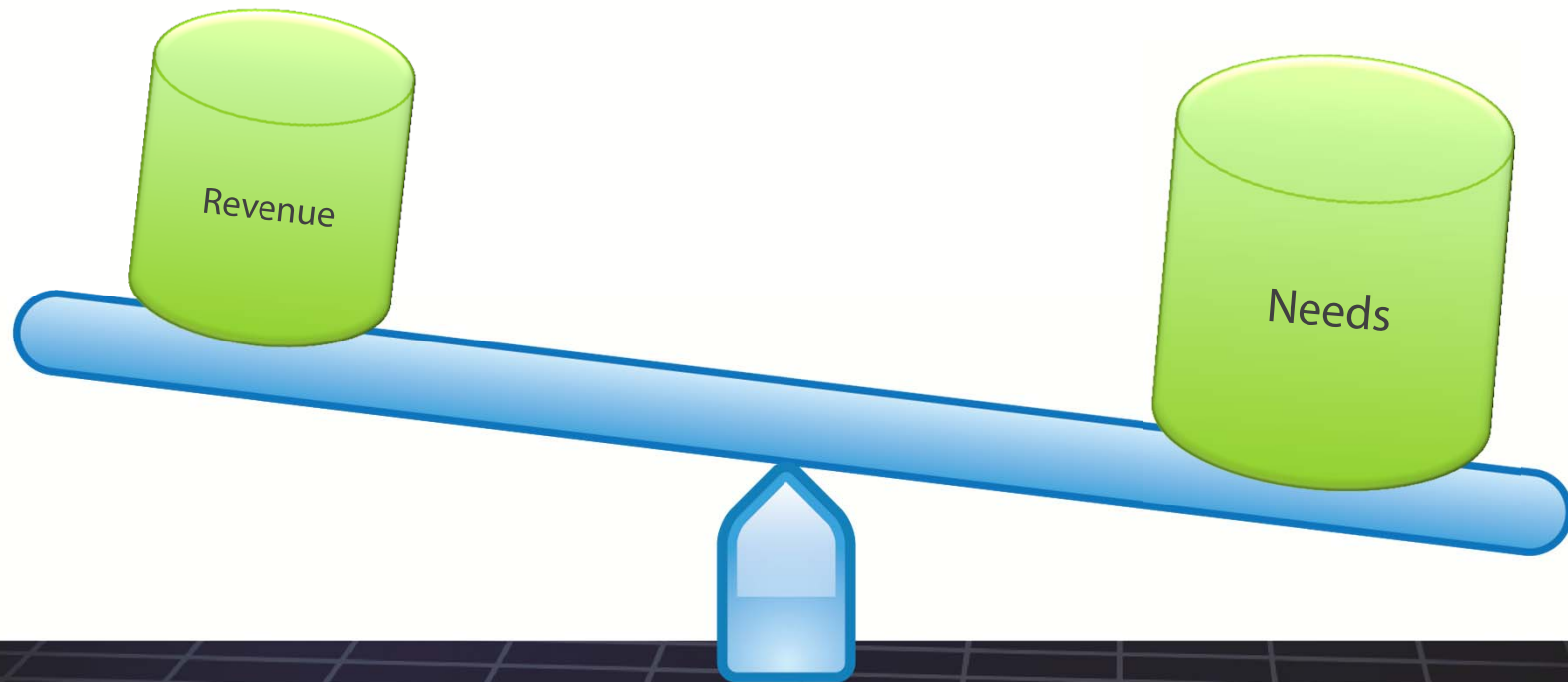
Do we want excellent schools that attract people to
York County?

Unfulfilled Student Achievement Objectives

- Significant decline in passing rate on recently-revised state Mathematics exams
- Declines predicted statewide on revised English and Science exams
- Prior to changes last summer to targeted pass rates, the division and six schools missed meeting all NCLB benchmarks (Adequate Yearly Progress) in FY11 and FY12
- No significant increase in the number of students scoring in the top quartile on the SAT
- No elimination of SAT achievement gaps
- Insufficient progress in On-Time graduation rate of federally-identified subgroups

FY14 Budget Gap

- \$2.9 million gap, even with more cuts of over one half million





FY14 Preliminary Revenue

Revenue	
Governor-Proposed State Aid*	\$217,500
Federal – DoD, Medicaid reimbursement, other	(\$15,500)
County	unknown
Local Miscellaneous (leases, tuition, etc.)	\$45,835
Total Revenue Change	\$247,835

*This includes approximately \$565,000 to support 2% market adjustment. Governor-proposed state aid would be reduced by \$565,000 without this compensation supplement.

Significant Savings

Savings from one-time reversion to county in FY13	\$712,460
Compensation savings due to attrition	\$1,200,000
Total Expenditure Decrease	\$1,912,460



New Health Insurance Costs

\$2,580,000

Other New Expenditures

2 Special Education Positions	\$100,000
NHREC (to be revised)	\$100,000
Janitorial Supplies	\$50,000
Integrated Preschool Outreach Program (IPOP)	\$20,000
Spec Ed Transition Program Transportation	\$17,000
HVAC Materials and Supplies	\$14,625
Property & Liability Insurance	\$13,500
Medicaid Billing Service	\$4,150
Zweibrucken Student Exchange Program	\$3,000
Total Other New Expenditures	\$322,275

Virginia Retirement System

Shift Another 4% of Retirement Plan Contribution to Employees

Employer Cost	\$600,000
Cost of Adjusting Salaries 4% to Hold Employees Harmless	\$608,000
Total Cost	\$1,208,000

- Meets state requirement in 2nd of 5 years
- Already implemented by County and many other School Divisions
- Helps attract new employees to fill vacancies from normal retirements & transfers
- Increases retirement benefits of employees

State-supported 2% Market Adjustment

Licensed Staff	\$970,000
Non-licensed Staff	\$550,000
Total Cost	\$1,520,000

- Supported with \$565K compensation supplement from the State
- Provides less than \$781 (\$15 a week pre-tax) for a first year teacher
- First increase in five years
- Cost is a placeholder in the budget; could focus on awarding one or more steps

Reductions

12 positions [5 teachers (enrollment loss), 3 custodians, 1 SBO clerical, 1 warehouse position, 2 para-educators (enrollment loss)]	(\$452,950)
Miscellaneous, not at school level (contractual services, printing, equipment, supplies, Defined Benefit Plan)	(\$92,610)
School-level materials and supplies (enrollment loss)	(\$15,000)
National Board Certified Teachers (grandfathered savings- no changes to current practice)	(\$9,500)
Total Reductions	\$570,060



School Board Proposed Budget Timeline

- Work Sessions: January 28, February 11, March 11
- Public Forum on FY14 YCSD Operating Budget during School Board meeting, January 28, 7 p.m., York Hall Board Room
- Joint Work Session with Board of Supervisors, February ?, 6 p.m., York Hall East Room
- Release of Superintendent's Proposed Operating Budget: Mid-February
- School Board, Public Hearing, February 25, 7 p.m., York Hall
- Approval of School Board Proposed Budget, March 25



General Assembly/Board of Supervisors Timeline

- General Assembly convenes January 9
- Board of Supervisors, Public Forum FY14 Budget, January 15, 7 p.m., York Hall
- General Assembly Money Committees report budgets, February 3
- General Assembly adjournment scheduled, February 23
- County Administrator's FY14 Budget proposal presentation, March 5 (tentative)
- Board of Supervisors, Public Hearing, FY14 Proposed Budget & Tax Rates, April 25
- Board of Supervisors, Adoption of FY14 Budget & Tax Rates, May 7, 6 p.m., York Hall Board Room

Considerations

- How should we close the budget gap?
- Should we consider additional compensation?
- Should we reconsider teacher & para-educator cuts (through attrition) that were on the table last year? (still expect to meet division class size targets)
- Should we consider other health insurance options?



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