



# **Preliminary Information FY15 Operating Budget**

**February 4, 2014  
Joint School Board/  
Board of Supervisors Work Session**

**This information does not constitute the Superintendent or School Board's Proposed Operating Budget. The Superintendent's Proposed Budget will be issued later this month. The School Board is scheduled to approve its budget March 24.**

A whiteboard with a silver frame is centered in the image. The text "Historic Reductions in State Aid" is written on the board in a black, cursive font. Below the board, a tray of colorful markers is visible.

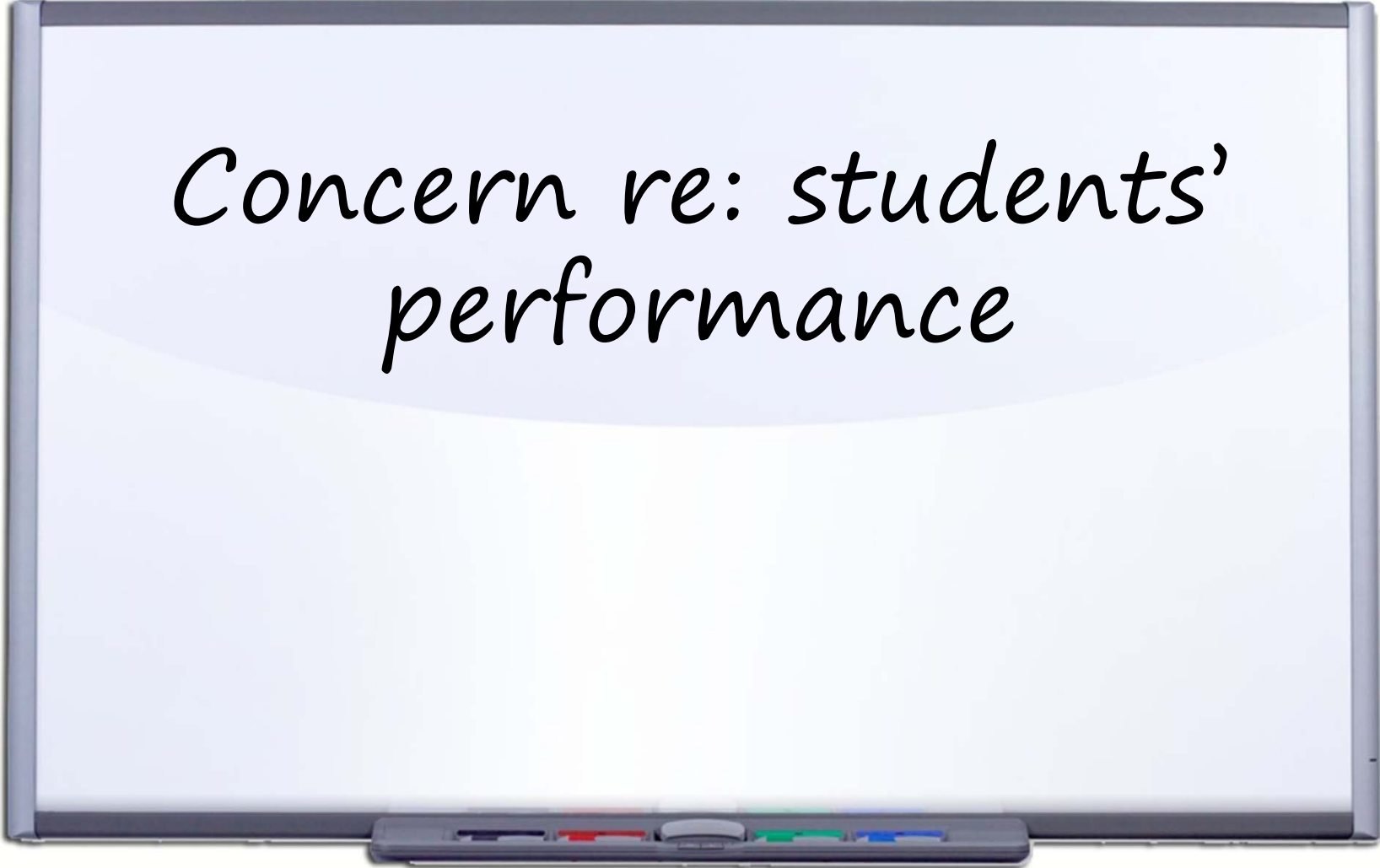
# Historic Reductions in State Aid

## Recap of FY10, 11, 12 and 13 Budgets

- State revenue down \$9.2m (14.2%) or \$11.7m (18%) if including effect of VRS increased costs
- Total operating budget reduced \$4m (3.2%) or \$6.5m (5.2%) if including effect of VRS increased costs
- Cut 124 permanent positions (not temporary positions) by attrition and layoffs
- Provided no raises, no step increases and no position re-grades

## Recap of FY14 Budget

- State revenue increased \$0.3m or 0.6%; Total operating budget increased by \$1.2m or 1%
- Increased co-payments & deductibles for health insurance leading to greater expenses for employees
- Provided 2.0% salary increase in FY14, but no step
- Cut 19 permanent positions, for a total of 143 positions reduced since FY10
- In FY14 County contribution increased 2.4% or \$1,173,493 (\$1,745,500 less than amount requested by School Board)

A whiteboard with a silver frame and a marker tray at the bottom. The text "Concern re: students' performance" is written in a black, cursive font on the white surface. The whiteboard is set against a dark blue background with a faint star pattern.

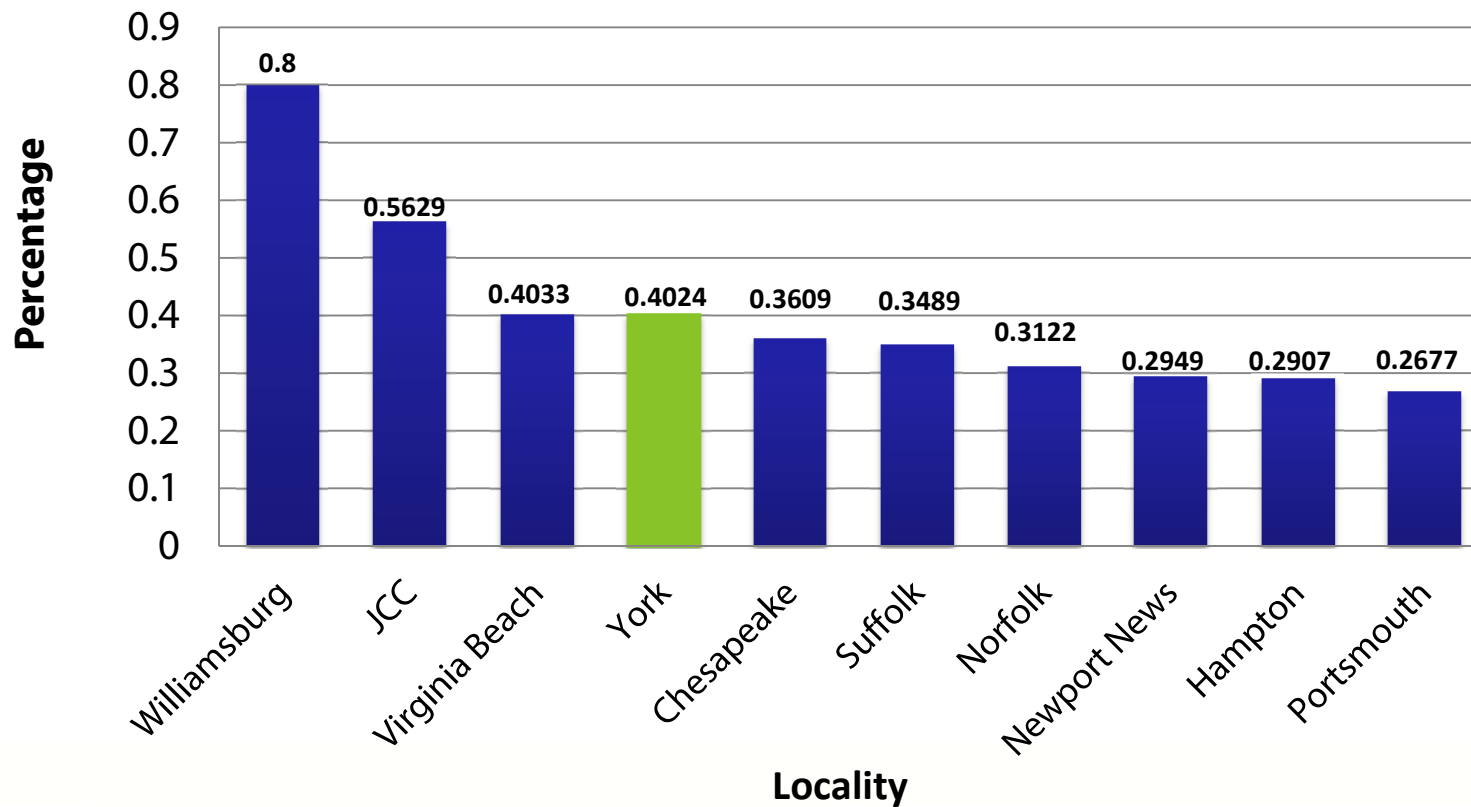
Concern re: students'  
performance

## Unfulfilled Student Achievement Objectives

- YCSD did not meet federal objectives relating to graduation rates for economically disadvantaged students and students with disabilities.
- Ten schools did not meet all federal academic objectives.
- Two schools did not meet all state benchmarks and are Accredited with Warning in Mathematics
- 19% of our 3<sup>rd</sup> grade students did not demonstrate grade level proficiency in reading on the FY13 state exam.
- 45% of our Advanced Studies diploma graduates did not achieve an SAT score high enough to earn the College & Career Ready designation.

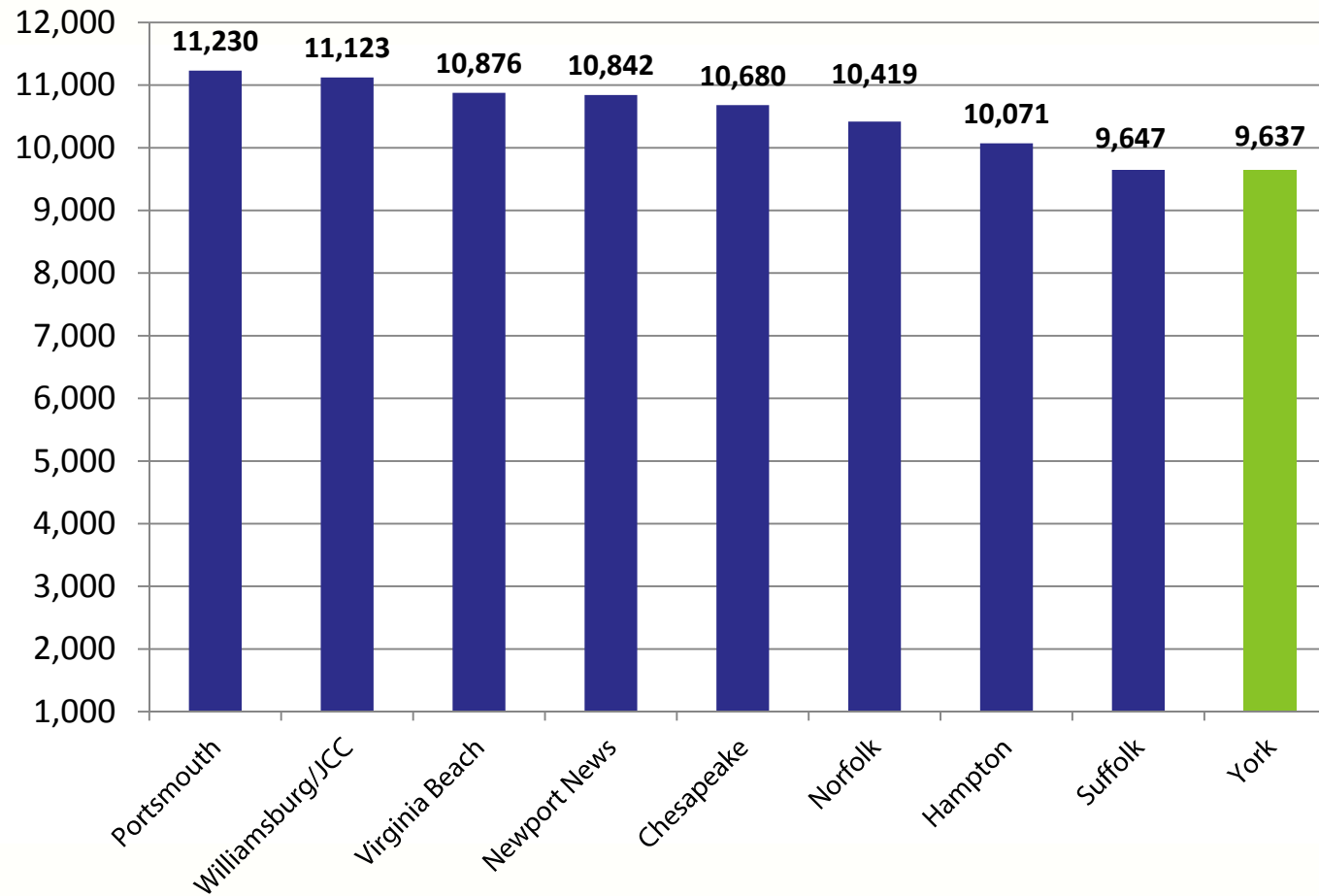
High ability to fund  
K-12 education, but  
spend significantly  
fewer \$

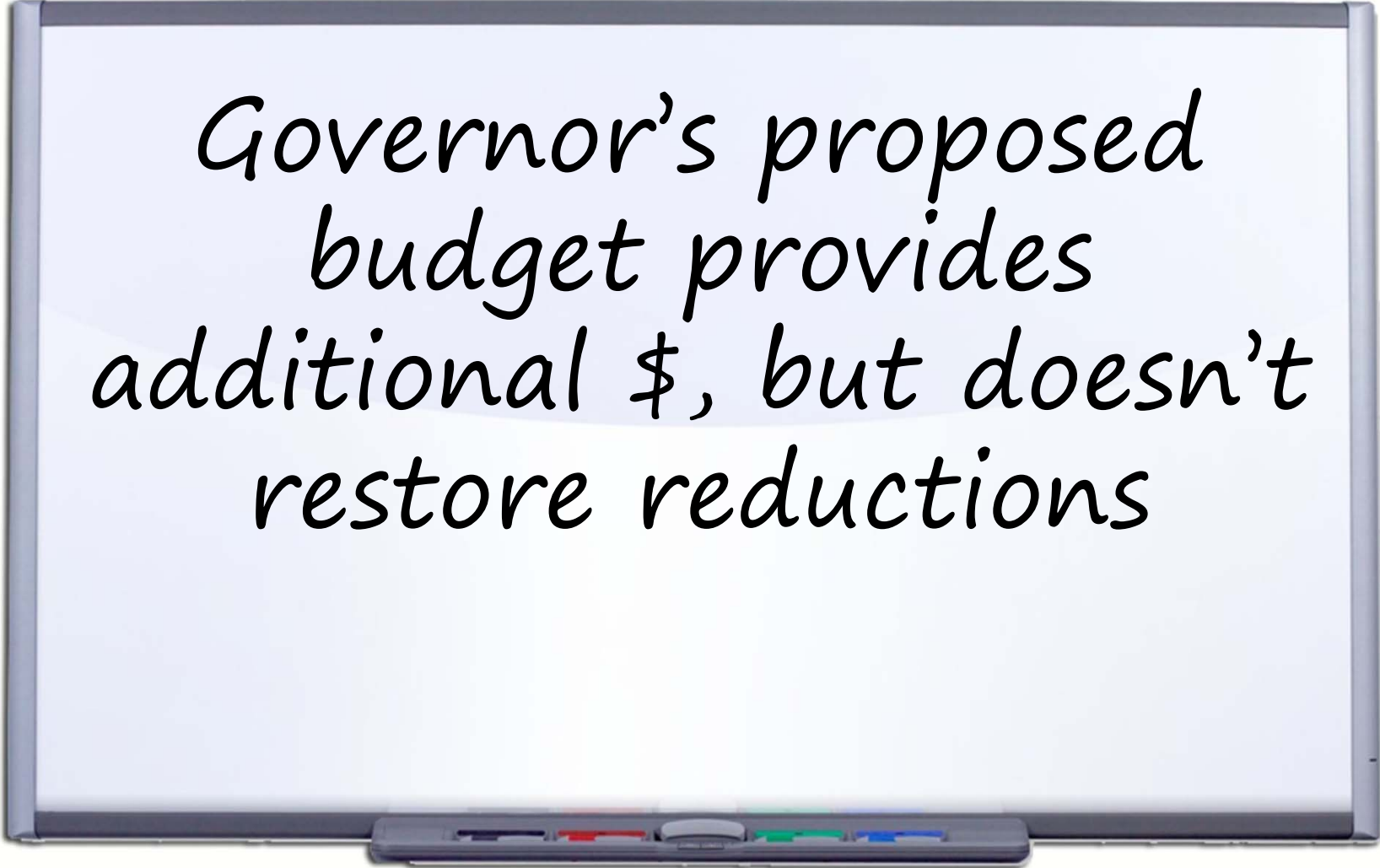
## State's FY15 LCI Calculation Shows York County Has Relatively High Ability to Fund Schools





## Fiscal Year 2012 Per Pupil Expenditure



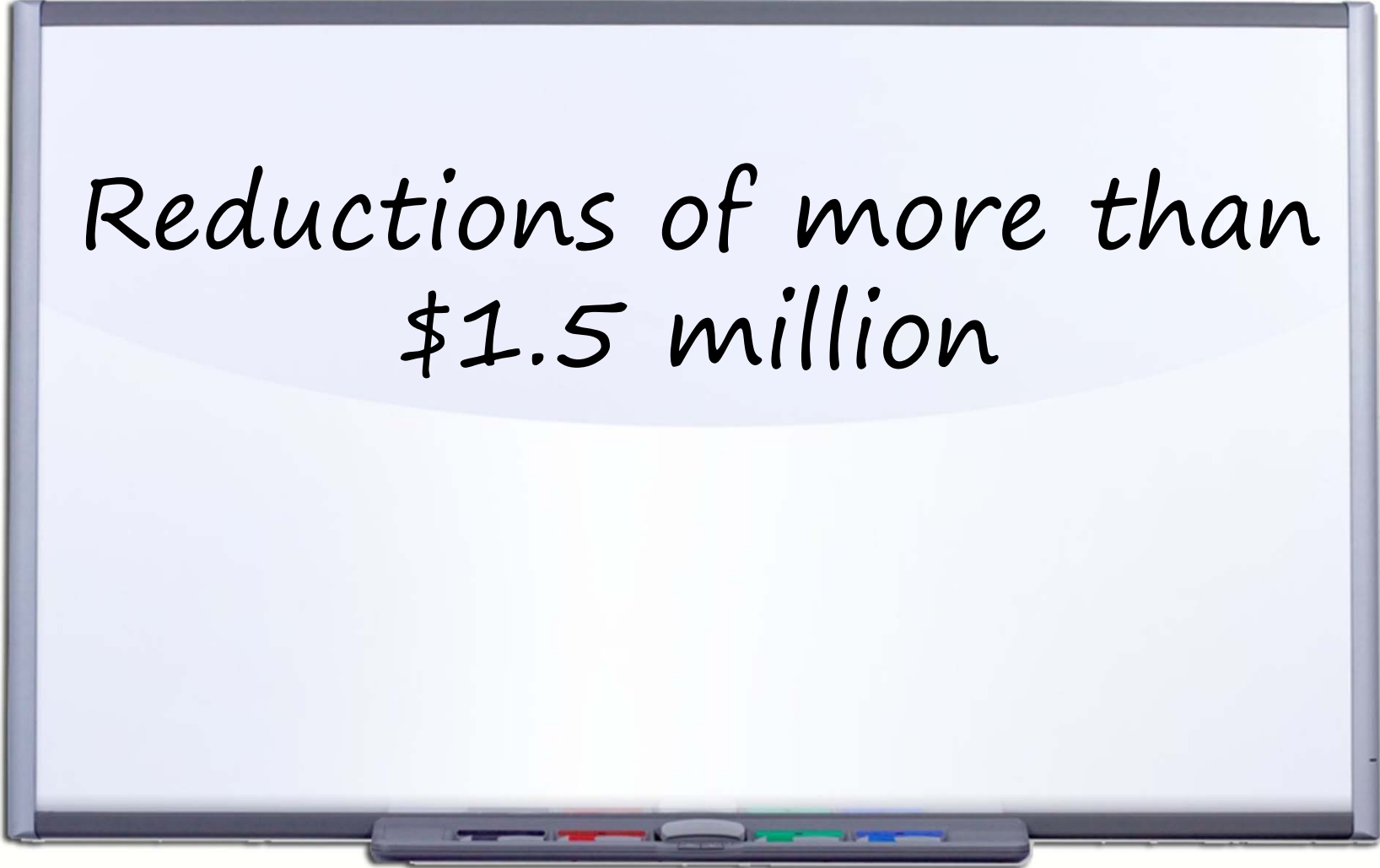
A whiteboard with a silver frame and a marker tray at the bottom. The text is written in a black, casual cursive font. The background of the whiteboard is white, and the entire scene is set against a dark blue background with a faint star pattern.

Governor's proposed  
budget provides  
additional \$, but doesn't  
restore reductions



## FY15 Preliminary Revenue

Governor-Proposed State Aid	\$2,954,243
Federal – Impact Aid, DoD, Medicaid reimbursement	\$39,100
County	unknown
Local Miscellaneous (leases, tuition, etc.)	\$36,156
<b>Total Revenue Change</b>	<b>\$3,029,499</b>

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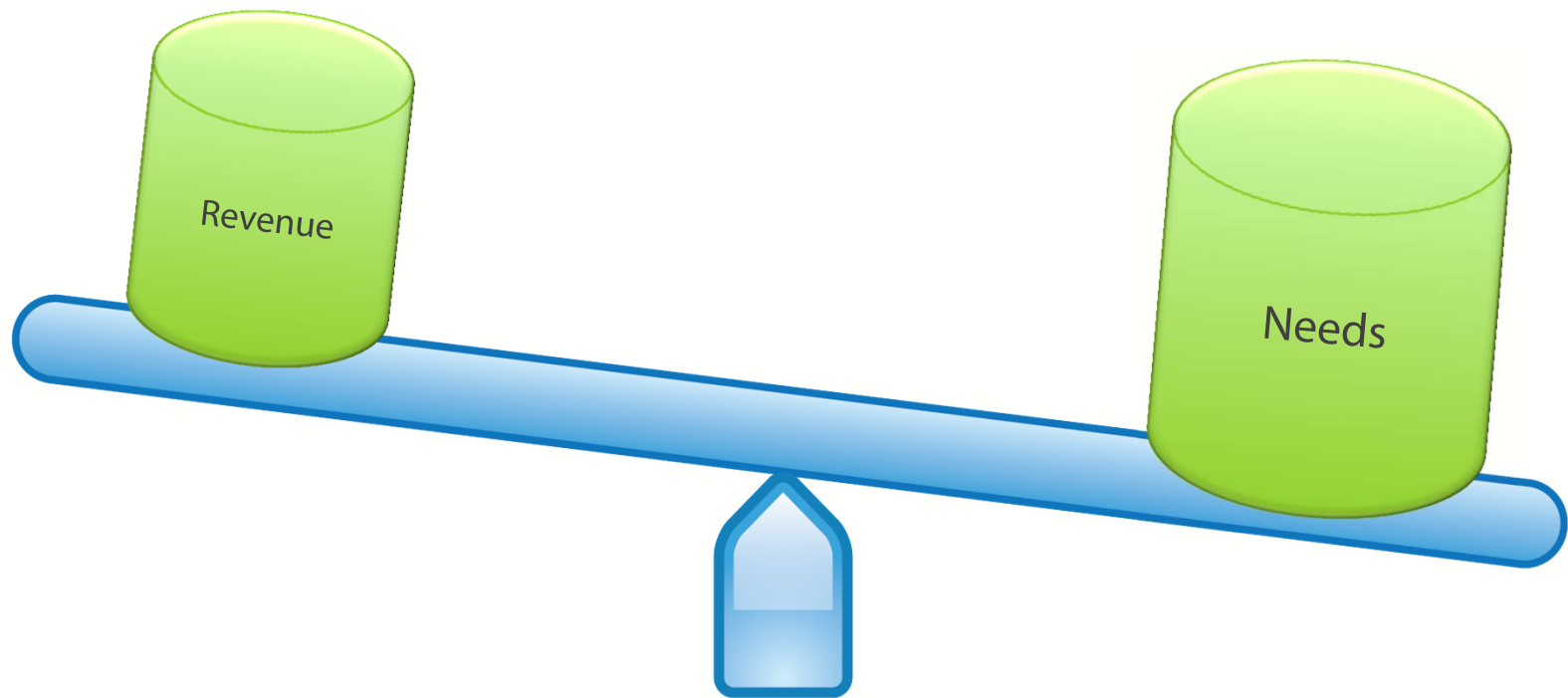
Reductions of more than  
\$1.5 million

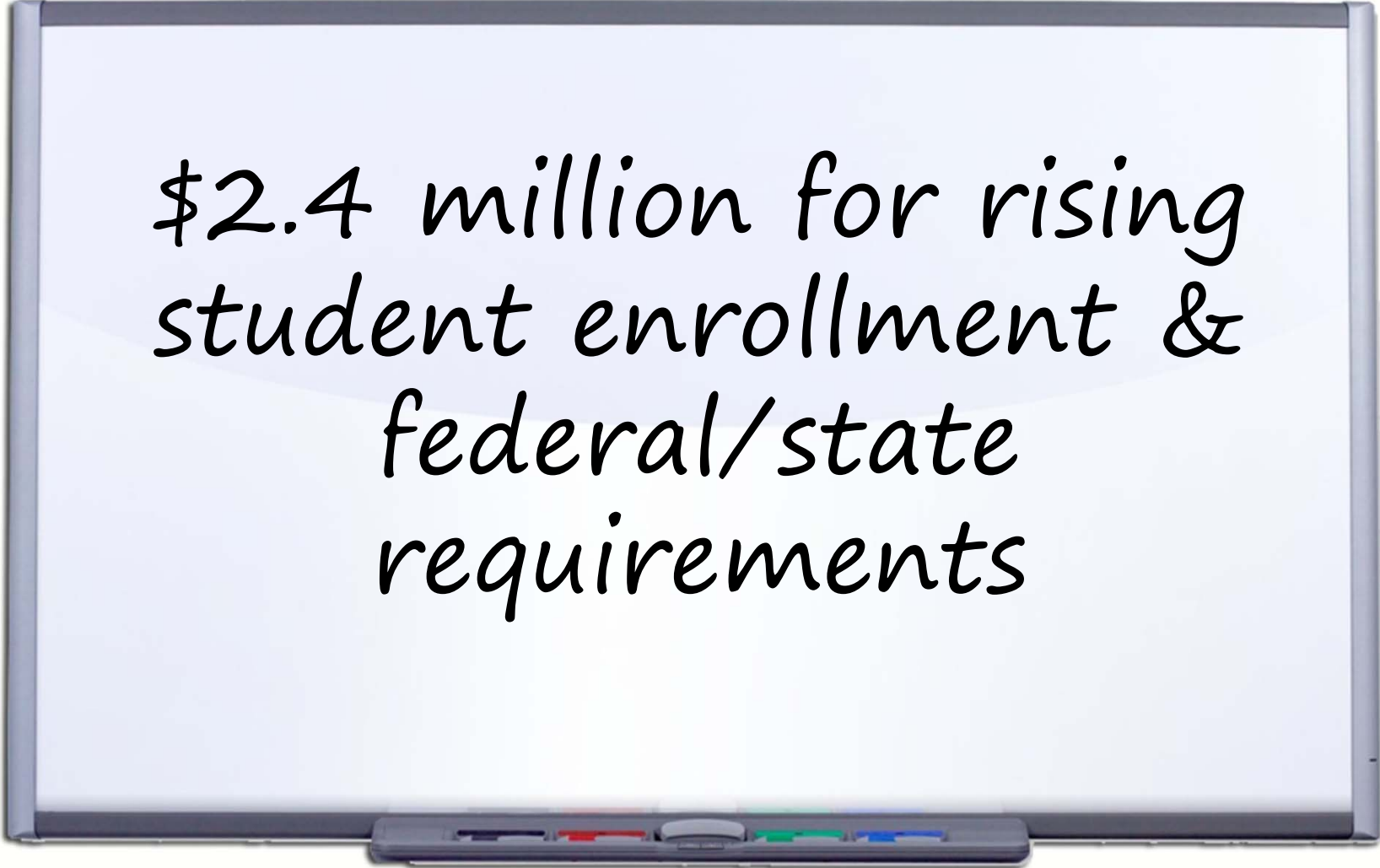
## Reductions

Attrition	(\$700,000)	
Electricity	(\$170,000)	
Sub-Total		(\$870,000)
VRS early retiree debt paid off		(393,524)
Reduce Employer share* of Health Insurance rates by 3%		(\$318,000)
<b>Total Reductions</b>		<b>(\$1,506,000)</b>

- Also reduce employee rates by 3%

## **\$2.9 Million FY15 Budget Gap Based on Preliminary Recommendations**



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\$2.4 million for rising  
student enrollment &  
federal/state  
requirements

## Virginia Retirement System

Mandated Professional group rate increase	\$1,806,000
Non-Professional group rate	(67,546)
Mandated employer cost of shifting another 1% to employees	\$150,000
Cover employee payroll cost of shifting 1% (.1% salary adjustment; one-tenth of a percent)	\$76,000
<b>Total VRS Expenditure Increase</b>	<b>\$1,964,454</b>





## Additional Enrollment (190 Students)

8 Teachers	\$408,000
2 Regular Education Para-Educators	\$34,000
Materials and Supplies (per student allocation)	\$16,000
<b>Total</b>	<b>\$458,000</b>

## Staffing Required to Meet Federal & State Mandates Regarding Serving Students with Special Needs

1.5 Required Special Education Teachers	\$76,500
1.5 Required Special Education Para-Educators	\$25,500
<b>Total</b>	<b>\$102,000</b>

To make compensation more  
competitive, \$2.9 million more  
for salaries

## Compensation

- Our teacher pay plans generally rank in the middle third of comparator market
- Aspects of our teacher pay plans rank in the bottom third of comparator market

- Goal 1 **Growth & Excellence**
- Goal 2 **Engagement & Rigor**
- Goal 3 **Staff**
- Goal 4 **Partnership & Relationships**
- Goal 5 **Efficiency, Service-Oriented, Safe**

## Compensation

Revise compensation to make it more competitive	\$2,923,428*
Reclassification of non-licensed staff (based on periodic review)	\$60,000
<b>Total</b>	<b>\$2,983,428</b>

- The \$2,923,428\* is an estimated amount for licensed and non-licensed compensation.
- This amount could be significantly changed following review and discussion of the recommendations set forth by Evergreen Solutions.
- This amount is a placeholder only: no recommendation regarding compensation expenditures has been made at this time.

A whiteboard with a silver frame and a marker tray at the bottom. The text "Middle School & High School counselors needed" is written in a black, casual script font. The whiteboard is set against a dark blue background with a faint star pattern.

Middle School & High  
School counselors needed

## Middle & High School Counselors

- School Counselors address academic, career, & personal/social needs of students
- Add 2.5 Counselors for a total of 24 Counselors (includes restoration of 1.5 positions)

<b>Staffing Ratios</b>	
Current: Secondary Schools	338:1
Best Practice	250:1
Preliminary Recommendation: Secondary Schools	301:1

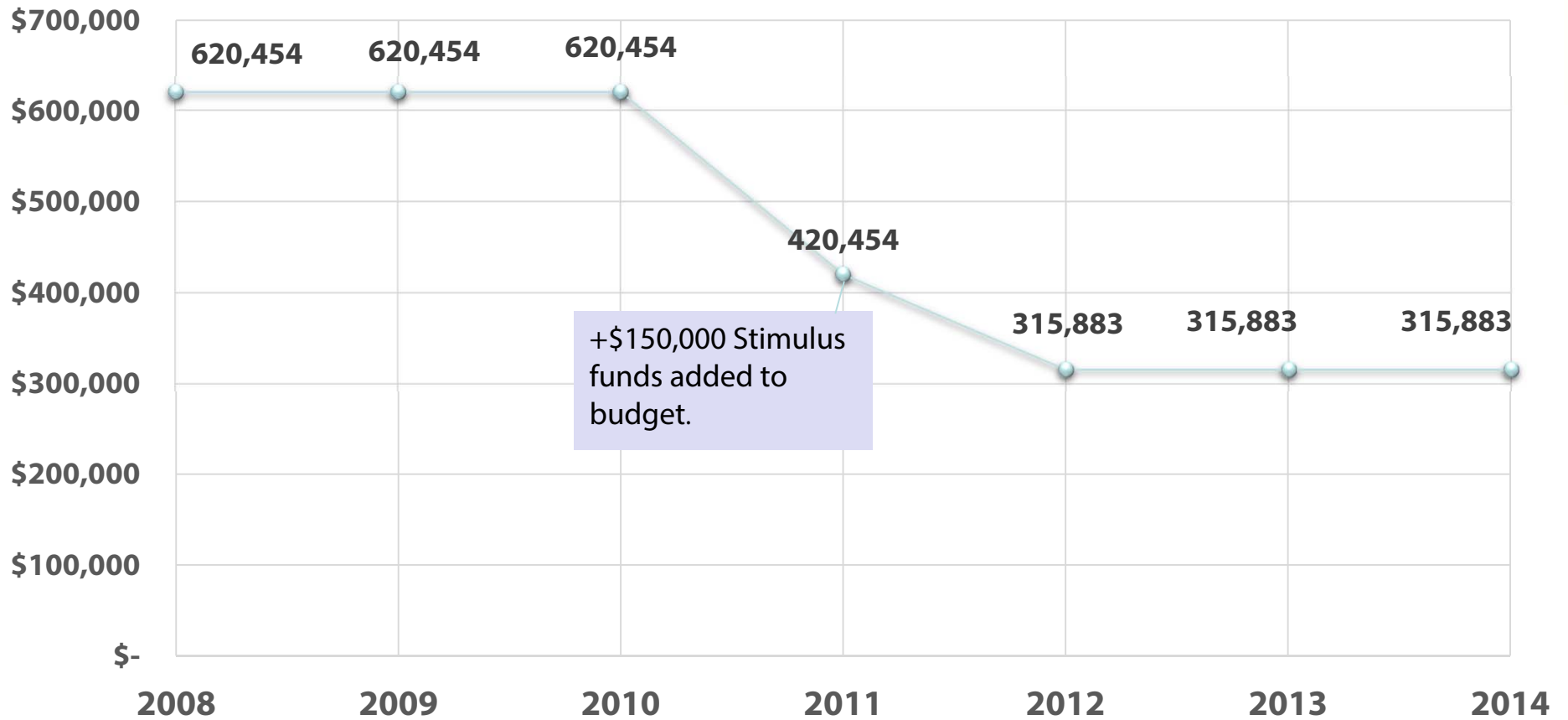


Restore \$300,000 (50%)  
reduction for books

- Next year used mainly for books for K-5 students




# Textbook Budget: Historical Analysis



## Purchase Books for Student Use

- Restore the \$300K (50% reduction) to textbooks & instructional materials
- Next year most of the new funds would be used to purchase books for elementary students
- Still results in outdated materials in poor condition
- Only allows us to maintain a 13-year replacement cycle for textbooks (doesn't keep pace/stay in sync with state's 7-year SOL revision cycle)
- Still lose access to electronic textbooks during cycle
- Still have damaged textbooks unusable due to over-binding
- Still have difficulty locating out-of-print editions

A whiteboard with a silver frame and a tray of markers at the bottom. The text is written in a black, casual script font. The whiteboard is set against a dark background with a faint star pattern.

Restore funds to  
maintain our tech  
infrastructure

## Technology Infrastructure

- Provides \$765,000 to restore some funds to maintain tech infrastructure
- Storage networks & servers for Virtual Desktop Infrastructure
- Funds would not shorten our relatively long replacement cycle
- Funds would not address demand for additional student computers or bandwidth

A whiteboard with a silver frame and a tray of markers at the bottom. The text "Funds wouldn't restore most of cuts" is written in black marker on the white surface.

Funds wouldn't restore  
most of cuts

## Examples of Unrestored Cuts

24.6 Classroom Teachers	(\$1,254,600)
Chief Officers, 4 Associate Directors, 5.3 other SBO positions	(\$830,500)
19 Para-Educators	(\$323,000)
14 Custodians	(\$308,000)
Stop Paying Advanced Placement & PSAT Exam Fees	(\$244,310)
4 Technology Positions	(\$215,000)
Reduce contract length of Para-Educators by 4 days	(\$116,000)
Eliminate COE Student Work Experience Program	(\$81,000)
Eliminate Tuition Reimbursement	(\$80,000)

## School Board Proposed Capital Improvements Program

- Even without Marquis South Pod, 154 housing units in active developments & 771 units in planned developments in Magruder and Yorktown Elementary School zones
- Architectural & Engineering work for new elementary school in FY16
- Construction in FY17; open in August 2018
- 500 student classroom capacity; 700 student core capacity





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