



**FY16 Operating Budget  
Preliminary Information**  
January 12, 2015

# Important Note

The Superintendent's Proposed Operating Budget will be issued in February.

This presentation only represents preliminary information that will be used to guide development of the Superintendent's Proposed Budget.

# 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
- Provided no raises, no step increases and no position re-grades

# Recap of FY14 Budget

- State revenue increased \$300,000 or 0.6%
- County operating contribution increased \$1.2m or 2.4%
- Total operating budget increased by \$1.2m or 1%
- Health insurance rates increased 17.2% or \$1.9m
- Provided 2.0% or \$1.9m in raises (total 4.2% if VRS shift to employees is included) and no step increases

# Recap of FY15 Budget

- State revenue increased \$2.9m or 5.2%
- State mandated VRS rate increase \$1.8m
- County operating contribution increased \$880,000 or 1.76%
- Total operating budget increased by \$4.0m or 3.2%

# Recap of FY15 Budget

- Health insurance rates decreased 3% (saved \$318,000)
- Provided 3.1% or \$2.5m in raises (total 4.1% if VRS shift to employees is included). Includes 1 step for all eligible, scale adjustment, and new pay plan for teachers

# Recap of Staff Reductions

- **FY10-13** - Cut 124 permanent positions (not temporary positions) by attrition and layoffs
- **FY14** - Cut 19 permanent positions (not temporary positions) by attrition and other reductions
- **FY15** - Cut 16 permanent positions (not temporary positions) by attrition and other reductions
- Total Permanent Positions Cut – 159

# FY16 Budget Priorities

Staff Compensation

Transportation

Technology



# FY16 Preliminary Budget Information

Reductions	
Health Insurance 3.6% reduction in rates	\$(381,600)
Gov. proposed VRS rate reduction savings	\$(222,860)
Attrition	\$(1,200,000)
<b>TOTAL REDUCTIONS</b>	<b>\$(1,804,460)</b>

# FY16 Preliminary Budget Information

## **PRIORITY 1: Compensation**

### Licensed Staff

Step	Avg. 1.4%	\$725,000
Scale Adjustment	.6%	\$291,000

### Non-licensed Staff

Step	Avg. 2%	\$525,000
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## **PRIORITY 1: Compensation**

Restore 1 step for all eligible staff members who are eligible to have 5 steps restored.

Licensed Staff	Avg. 1.04%	\$506,000
Non-licensed Staff	Avg. 1.46%	\$402,000

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## PRIORITY 2: Transportation

Vehicle Parts & Supplies \$100,000

Bus Replacement (6) \$600,000

(Goal: 14 years and/or 200,00 miles)

Buses	14 years	200,000 miles	14 years & 200,000 miles	Total
General Education	8	3	5	16
Special Education	1	2	4	7
Total	9	5	9	23

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## **PRIORITY 3: Technology**

### Refurbishment

IT – Replace storage networks (partial)*	\$350,000
IT – Replace servers (partial)*	\$350,000
IT – Replace Netscaler equipment	\$100,000

Partially funds maintenance and replacement of infrastructure to remain on target for life expectancy

# FY16 Preliminary Budget Information

Expenditures	
1% VRS shift to employees mandate	\$150,000
VRS “hold harmless” – 0.1%	\$76,000
Dental Insurance	TBD

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Expenditures (Additional Enrollment)	
Regular Ed. Teachers (4 FY15 + 4 FY16)	\$408,000
Special Ed. Teachers (4 FY15 + 2 FY16)	\$306,000
Regular Ed. Para Educators (2 FTE)	\$34,000
Materials & Supplies	\$20,000

# FY16 Preliminary Budget Information

Expenditures (other)	
VHS – teacher stipend/course development	\$12,000
Textbooks – 13 year adoption cycle	\$50,000
NHREC (estimate)	\$53,000
Student testing materials	\$5,550





*York County*  
SCHOOL DIVISION

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