



# Fiscal Year 2019 Budget Outlook

December 4, 2017

# Recap of FY09 – FY14

- State revenue down \$9.5m
- Cut 143 permanent positions through attrition and layoffs

# Recap of FY15 – FY18

- State revenue increased \$8.9m. Additional funds were used to cover state mandated costs for VRS, special education and English Learners (EL), and compensation adjustments in FY16 and FY18.
- 10 FTE added for state and federal mandates

# Compensation Adjustments FY10 – FY18

**FY10 – FY13** No raises, steps or position regrades

**FY14** 2% adjustment for all eligible employees

**FY15** Step + scale adjustment (new teacher pay plan)

**FY16** Step + restored step for all eligible employees

**FY17** Step for all eligible employees

**FY18** Step for all eligible employees

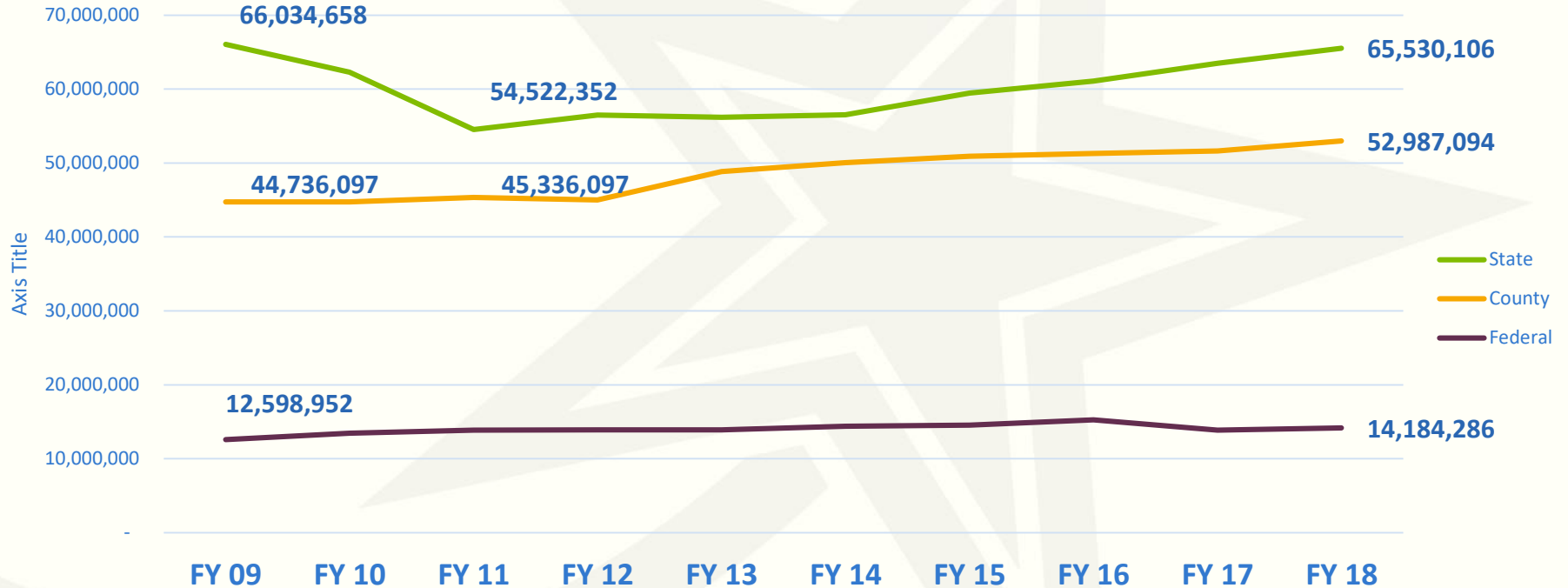
# FY17 End of Year

- Operating fund balance \$682,603
  - Technology
  - Textbooks
  - Buses
  - Capital projects
- Revenue Stabilization Fund \$985,000

# YCSD Fiscal Challenges

- Lack of state funding and increasing pressure on local government
- Competitive salaries and benefits for staff
- New Horizons Regional Education Center

# 10 Year Revenue Trend



# FY19 Budget

- Governor releases budget December 18<sup>th</sup>
- Rebenchmarking process
- Local Composite Index (LCI) update
- VRS rates update
- Economy



# LCI for Hampton Roads Comparator Divisions

	<u>2017-18</u>	<u>2019-20</u>	<u>Delta</u>
Williamsburg	0.7744	0.7703	(0.0041)
James City County	0.5638	0.5657	0.0019
Virginia Beach	0.3924	0.4046	0.0122
<b>York</b>	<b>0.3905</b>	<b>0.3822</b>	<b>(0.0083)</b>
Chesapeake	0.3437	0.3476	0.0039
Suffolk	0.3407	0.3420	0.0013
Norfolk	0.2986	0.2958	(0.0028)
Newport News	0.2819	0.2781	(0.0038)
Hampton	0.2772	0.2741	(0.0031)
Portsmouth	0.2505	0.2462	(0.0043)

# Governor's News Release

**For Immediate Release:** November 14, 2017

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**October 2017 General Fund Revenue Collections Up 7.7% From The  
Previous Year And Fiscal-Year-To-Date Collections Up 4.9%**

**~Payroll Withholding and Sales taxes accounted for much of the gain~**

**RICHMOND-** Governor McAuliffe announced today that October general fund revenues rose 7.7 percent in October, driven mainly by payroll withholding, sales, and corporate income taxes. On a fiscal year-to-date basis, total revenue collections rose **4.9 percent**, ahead of the annual forecast of a **2.7 percent increase**.

# Federal Funds

- No significant changes expected for FY19
- Impact of sequestration is unknown
- FY19 Impact Aid estimate is not available at this time

# Budget Calendar

- Dec 18<sup>th</sup> Governor's budget released
- Jan 8<sup>th</sup> School Board Work Session
- Jan 22<sup>nd</sup> Public forum on budget
- Feb 12<sup>th</sup> Present FY19 Budget
- Feb 26<sup>th</sup> Public hearing
- Mar 26<sup>th</sup> School approves FY19 Budget



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