

HOUSE AND SENATE FY12 PROPOSED BUDGETS

FY12 estimates are based an enrollment projection of 12,410 as compared to 12,600 for FY11

Composite index for FY12 is .3727

State Funding Source	School Operating Budget for FY11	General Assembly Approved in 2010 for FY12	Governor Proposed for FY12	House Proposed	Senate Proposed
Sales Tax	11,363,928	11,742,093	12,243,505	12,243,505	12,243,505
Basic Aid (Note 1)	32,575,685	33,255,235	33,018,547	32,131,081	32,979,623
Composite Index Hold Harmless (Note 2)	635,502	314,220	0	0	0
Special Education - SOQ	3,129,976	3,082,778	3,082,778	3,082,778	3,082,778
Voc Ed - SOQ	442,623	435,948	435,948	435,948	435,948
Textbooks	415,276	376,628	376,628	182,553	588,141
Employer Shared Benefits (Note 3)	3,066,744	3,331,892	3,814,549	3,292,967	3,612,144
Technology Initiative	544,000	544,000	544,000	544,000	544,000
Support for Personnel and Op Costs (Note 1)	0	0	0	704,477	0
Support for Construction and Op Costs (Note 4)	0	0	0	0	1,004,925
Other State Funds	<u>2,348,618</u>	<u>2,358,399</u>	<u>2,276,418</u>	<u>2,269,897</u>	<u>2,275,613</u>
Total State Revenue (Note 5)	54,522,352	55,441,193	55,792,373	54,887,206	56,766,677
Change in State revenue as compared to FY11		918,841	1,270,021		
Change in State revenue as compared to FY12 Governor Proposed				(905,167)	974,304
VRS retirement expenditure increase or (decrease)		844,282	2,217,098	(1,372,816)	(569,718)
NET ADDITION OR (REDUCTION) TO AVAILABLE RESOURCES		74,559	(947,077)	467,649	1,544,022

Notes:

1. The House proposal for Basic Aid eliminates funding for school bus replacement and lottery funding for textbooks. The funds that are freed up with those reductions are included in a new line item called Support for Personnel and Operating Costs to fund at the discretion of the School Board a 2% one-time, non-recurring bonus. The state funding for the 2% bonus only covers the state share of SOQ funded positions. Additionally, the School Division would be required to provide the funds to extend the 2% bonus to non-SOQ funded positions.

In effect, if the school division provides the 2% bonus, funding for other programs and services will have to be cut since there is no new state funding supporting that initiative.

If the School Division does not provide a 2% one-time, non-recurring bonus payment the Personnel and Operating Costs funding may be used to purchase buses, textbooks, or other one-time educational related items.

The House proposal also eliminates funding for resource teachers for grades 6 and 7.

2. The Governor's Proposed and the House FY12 budgets eliminate the hold harmless provision. The Senate proposal restores the hold harmless by way of an increase in per pupil funding of \$129.81 (see note 4) and an additional \$16.6 million that "makes whole" all school divisions affected by the hold harmless payment.
3. Employer Shared Benefits reflect the VRS rates (not including the employee share):

	Retirement and RHCC	Group life insurance
Rates in FY11	9.53	0.28
GA approved in 2010 for FY12	10.76	0.28
Governor Proposed for FY12	12.76	0.28
House Proposed for FY12	10.76	0.28
Senate Proposed for FY12	11.93	0.28

The adjustments in these rates also impact the expenditure side of the budget

4. The Senate included funding for an account titled "Support for Construction and Operating Costs". For the York County School Division the amount included in the account is \$1,004,925 and the funds may be used for any educational purpose
5. Not included in the revenue projections above for FY12 is \$1,265,438 in one-time federal Jobs Funds that has not been allocated.