



Preliminary Recommendations Superintendent's Proposed FY12 Operating Budget

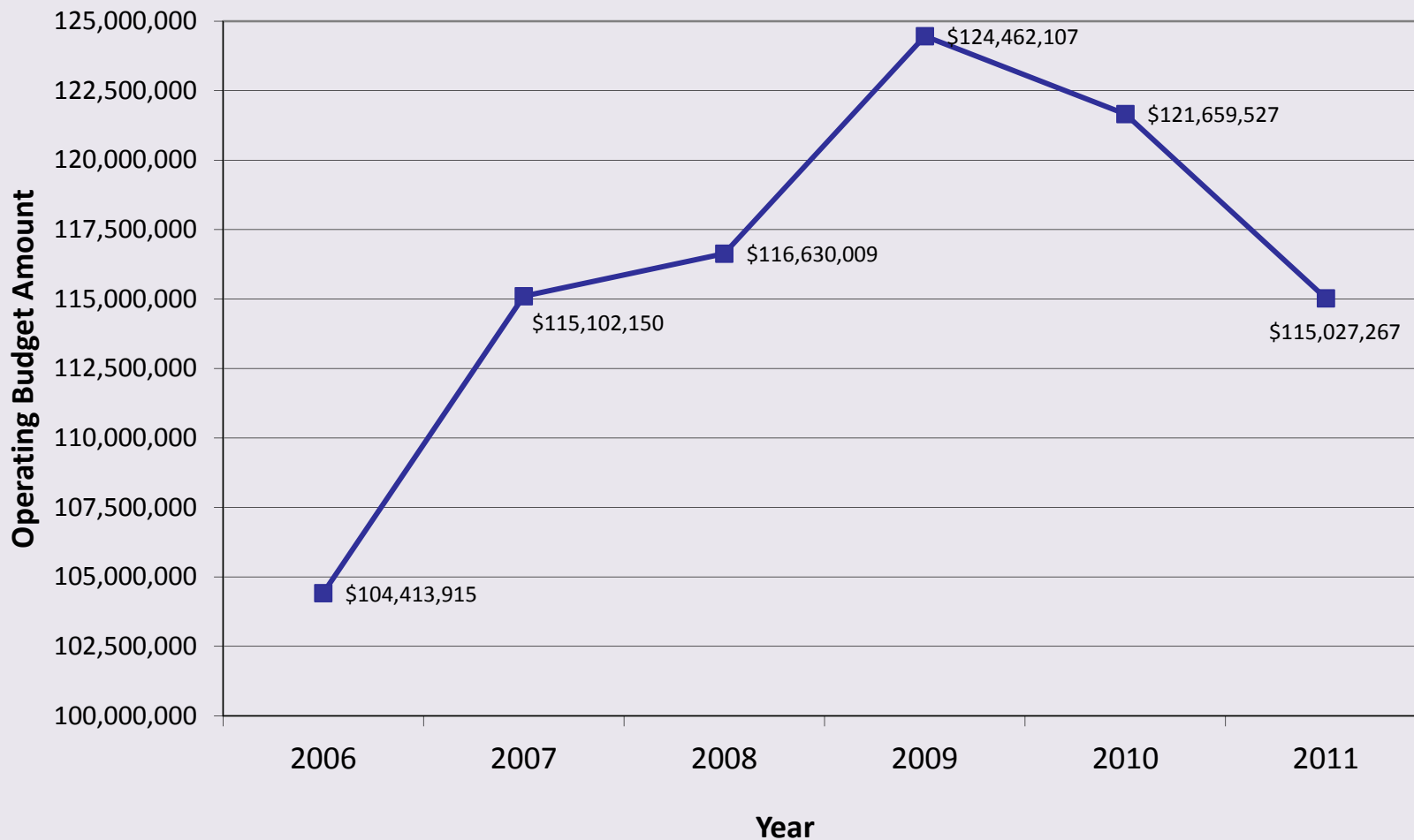
**February 1, 2011
Joint Work Session
School Board – Board of Supervisors**

Recap of FY10 and FY11 Budgets

- State revenue down \$11.5M (17.4%)
- Total Operating Budget reduced \$9.4M (7.5%)
- Cut 47 positions by attrition
 - 29 SBO and operations, 10 teachers, 8 para-educators
- Provided no raises, no step increases and no position re-grades

Operating Budget Comparisons

(Does Not Include Federal Stimulus Allocations and Not Adjusted for Inflation)



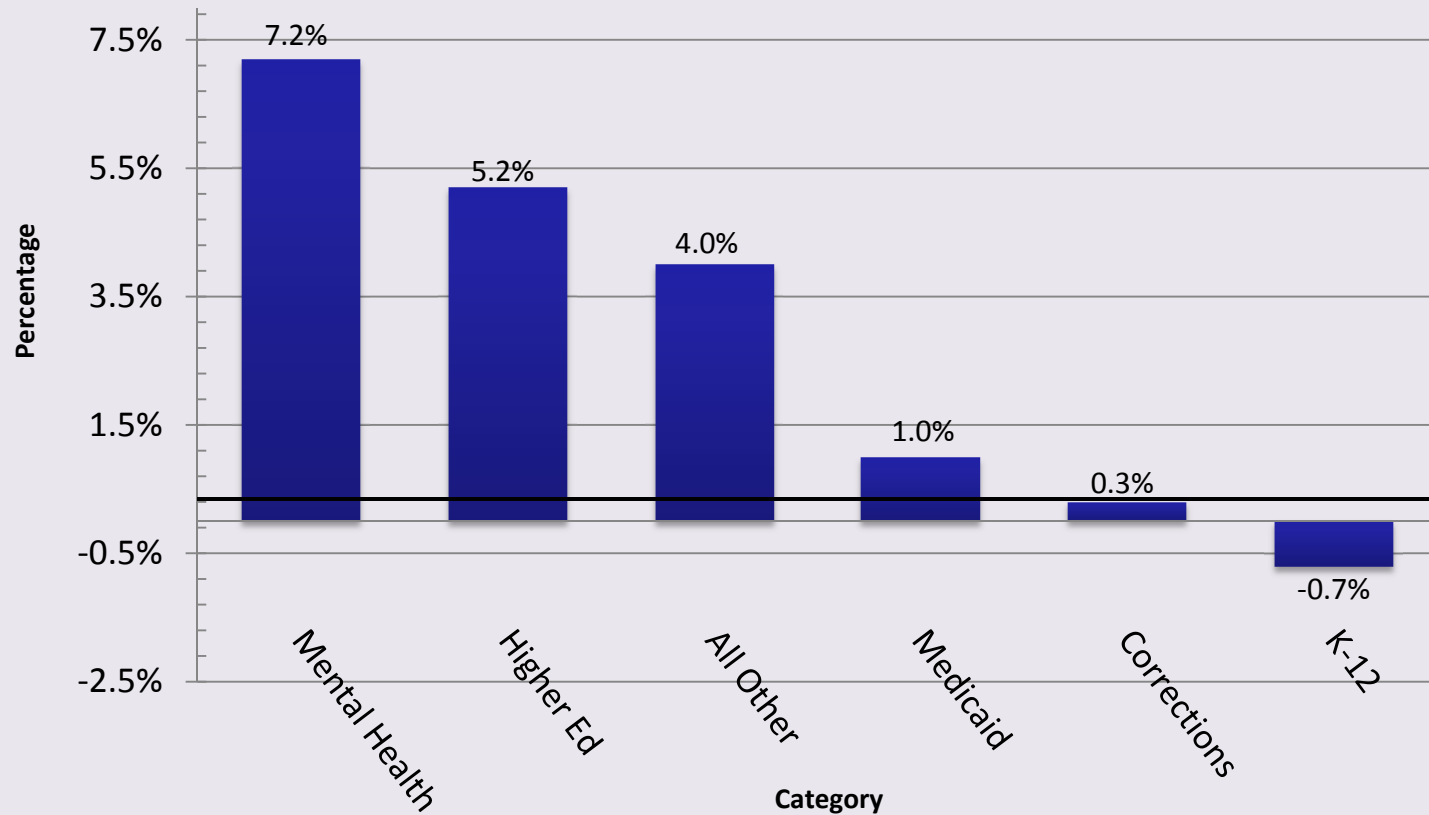
Governor's Proposed Budget

FY12 State Aid	\$1,270,021
FY12 Required Contribution to VRS	(\$2,217,098)
Net Effect	(\$974,077)

- Last year the local composite index (the state's measure of the local ability to pay) increased from .3632 to .3727
- The change in this index reduces state funding by \$630,000 in FY12
- The Governor proposed eliminating the 50% hold harmless provision, which would have limited reductions to \$315,000 in FY12

Changes in Proposed State Budget by Category

Net general fund spending changes in budget drivers range from 7.2 percent to -0.7 percent in FY12...



FY12 Preliminary Revenue

Revenue	
Governor-Proposed State Aid*	\$1,270,021
Federal – DoD, Impact Aid, other	\$59,788
Local Miscellaneous (leases, tuition, etc.)	\$65,981
Pre-school tuition increase (\$150/semester to \$650)	\$11,100
County	level-funding proposed
Total Revenue Increase*	\$1,406,890

*This does not account for the Governor's proposal to require YCSD to increase its VRS contribution by \$2.2 million.

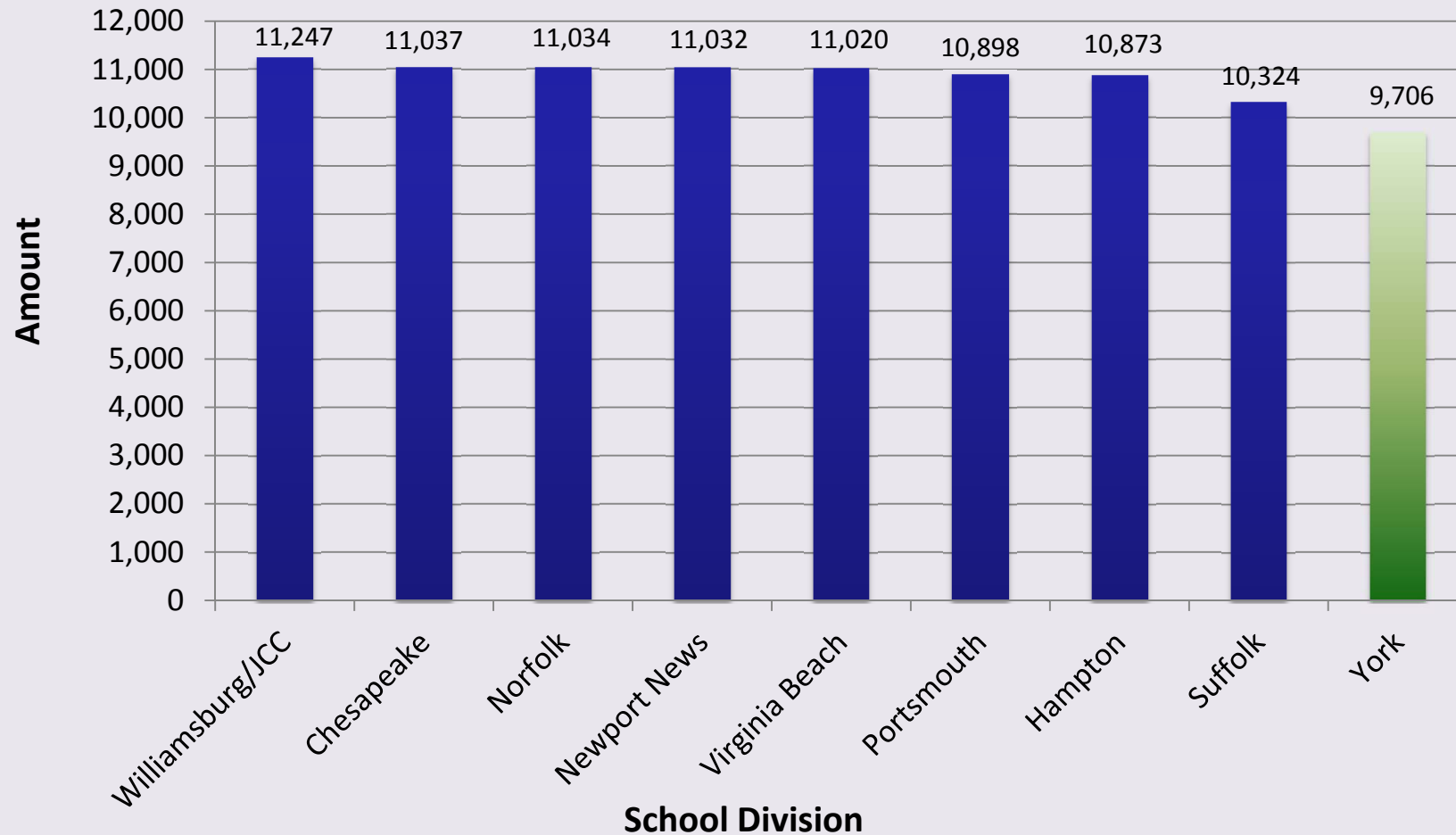
Net Change in Budget

Gov. proposed VRS retirement rate increase	\$2,217,098
Mandated additional Special Education teachers – 6 FTEs	\$300,000
Total Mandated New Expenditures	\$2,517,098
Total Costs to Maintain Current Level of IT Services	\$272,074
Total Expenditure Reductions	(\$1,382,282)
Net Change in Budget	\$1,406,890

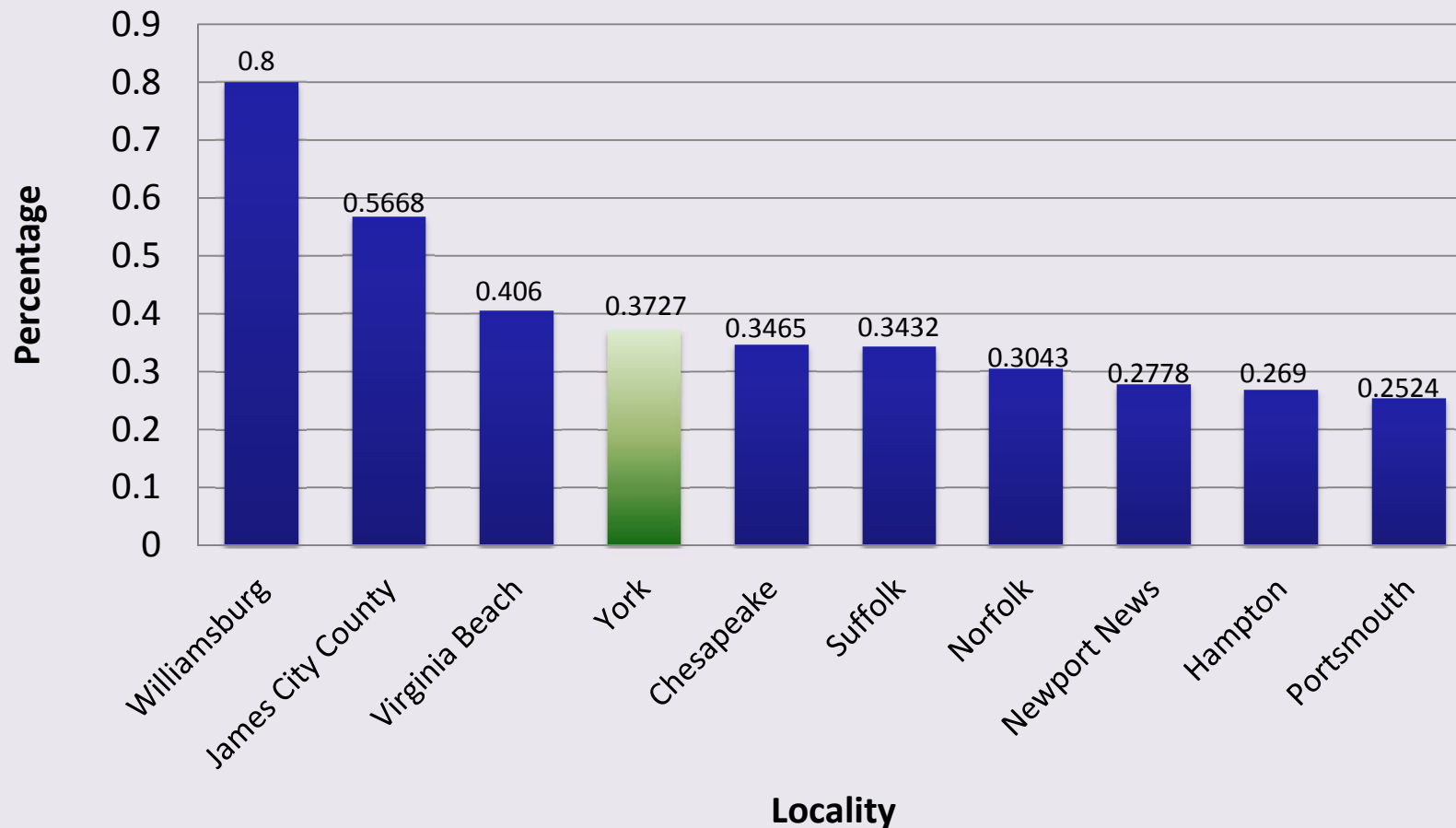
Efficient, Effective Operations

- Top 3 in state for high student achievement/low cost per student
- Standard and Poors also documented high achievement/lower than average costs
- Consistently earn financial/budget awards
- International leader in energy conservation (more than \$2 million saved since 2004)

Fiscal Year 2009 Per Pupil Expenditure



FY11-FY12 Composite Index of Local Ability-to-Pay



Staff Reductions of \$661,000

Teacher FTEs	9
Para-educators	3
Magnet School Teacher FTE	1
Coordinator of Assessment, Compliance, & Intervention (Teacher FTE)	1
Warehouse Manager	1
Total Reductions	15

Cumulative Staff Reductions	FY10	FY11	FY12	FY10-12
SBO & Operations	15	14	1	30
Teachers	0	10	5	15
Para-educators	8	0	3	11
Total	23	24	9	56

Examples of Reductions

- Staff Reductions (661K)
- Textbooks (110K)
- Bus Fuel (98K)
- School bus replacement (85K)
- Materials & supplies (30K)
- Reduce Contract Lengths (26K)
- Professional Development (19K)
- Travel (14K)

Staff Compensation

- Provides no step increases (\$1,225,000) for the third consecutive year
- Provides no position re-grades for the third consecutive year
- Provides no cost of living increase for the third consecutive year

Implications

- Reductions will affect teaching and learning
- With rising NCLB expectations and decreasing resources, schools are at risk of not making “Adequate Yearly Progress” (AYP)
- Will work to protect excellence in teaching and learning

Strategic Plan Goal 1

York County students will consistently demonstrate ***excellence*** in the skills and knowledge needed for citizenship and productive participation in the global community.

Timeline

- Release of Superintendent's Proposed Operating Budget: Mid-February
- Public Hearing: Feb. 28, 7 p.m., York Hall
- Approval of School Board Proposed Budget: March 21
- Board of Supervisors' consideration of School Board request for funds



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