



Preliminary Recommendations Superintendent's Proposed FY13 Operating Budget

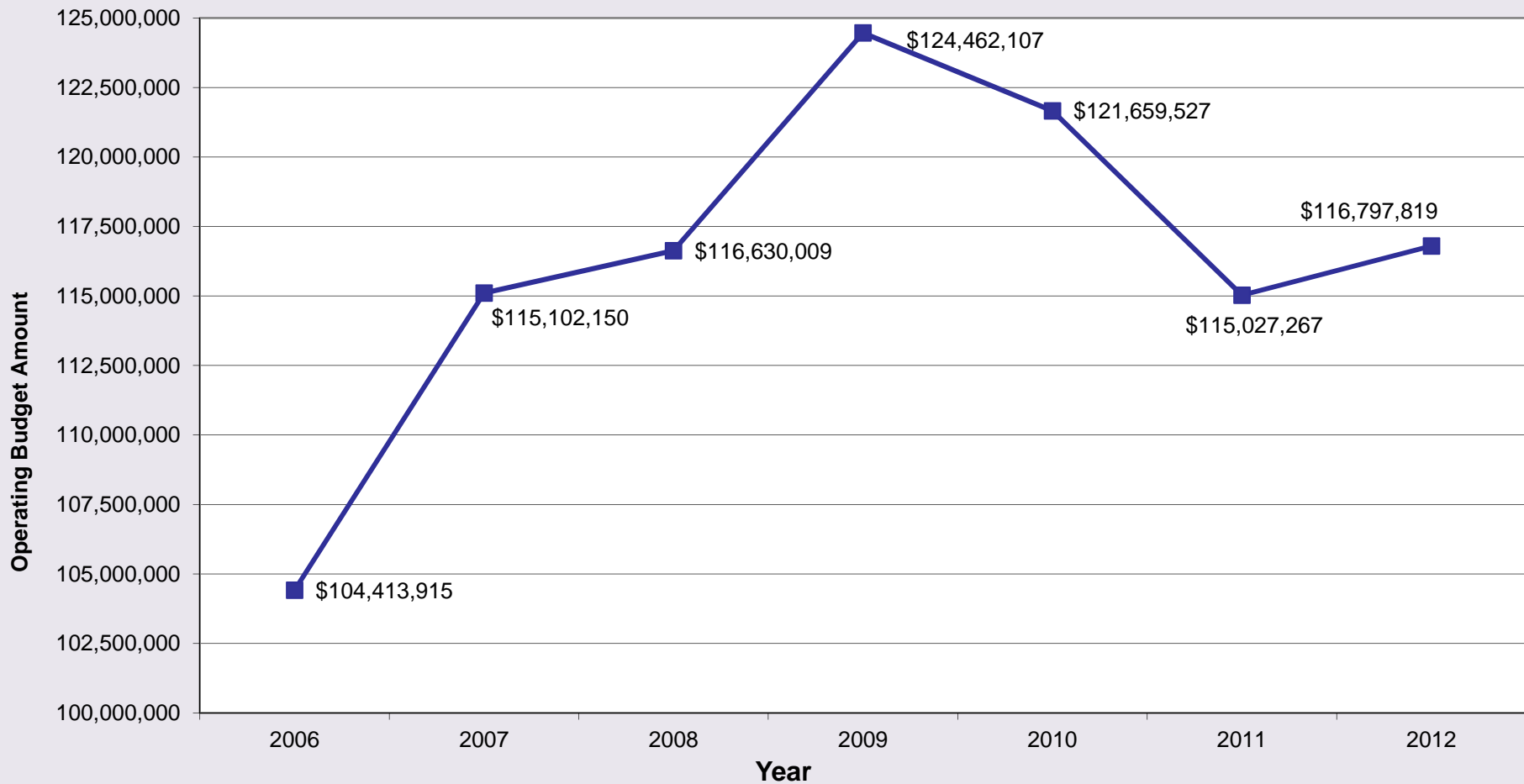
January 9, 2012

Recap of FY10, FY11, FY12 Budgets

- State revenue down \$12.6M (20%)
- Total Operating Budget reduced \$7.7M (6.2%)
- Cut 62 permanent (not temporary) positions by attrition
 - 30 SBO & Operations, 21 teachers, 11 para-educators
- Provided no raises, no step increases and no position re-grades

Operating Budget Comparisons

(Does Not Include Federal Stimulus Allocations)



Student Achievement

- In 2009, YCSD met 29 of 29 AYP benchmarks; in 2010 and 2011 YCSD met only 25 of the 29 required benchmarks
- 15 of 19 schools met NCLB AYP requirements in 2009. In 2010 & 2011, 13 schools met the requirements
- The number of schools earning state recognition through the Virginia Index of Performance Award program decreased from 12 in 2010 to 8 in 2012
- From 2008 to 2010, SAT Total Mean scores for Black students demonstrated a steady rise from 1381 to 1413. In 2011, these scores dipped from 1413 to 1362
- From 2007 to 2009, SAT Total Mean scores for White students also rose from 1587 to 1609. In 2010, the Total Mean started to decline slightly from 1609 to 1608, and then suffered an additional drop from 1608 to 1590 in 2011
- As benchmarks increase and resources decline, we are experiencing challenges in the following SOL areas/subgroups: School Level - Middle School Math; Division Level - Reading for LEP, Economically Disadvantaged and Students with Disabilities; and Math for Students with Disabilities

Decline in FY13 Preliminary Revenue

Revenue	
Governor-Proposed State Aid	(\$1,091,652)
Federal – DoD, Impact Aid, other	\$29,000
County	unknown
Local Miscellaneous (leases, tuition, etc.)	?
Total Revenue Decrease	(\$1,062,652)

New Expenditures

Gov. proposed VRS retirement rate mandated increase	\$4,503,927
20% increase in Health Insurance rates along w/ benefit changes	\$2,124,500
Step for all eligible staff (offset by allocating \$722K from one-time payment for a net cost of step of \$503K)	\$1,225,000
Other (vehicle fuel, IT maintenance contracts)	\$133,280
Total New Expenditures	\$7,986,707

\$9 Million Budget Gap

Net Impact	
Total Revenue Decrease	(\$1,062,652)
Total New Expenditures	(\$7,986,707)
Total Budget Gap	(\$9,049,359)

K-12 Education Declining as State Budget Priority

- State budget continues to grow
- K-12 education no longer constitutes 33% of state General Fund expenditures
- None of last year's surplus allocated to K-12 education
- Should K-12 education be a priority in the state budget?

State Action

Governor-Proposed State Aid	(\$1,091,652)
Gov. proposed VRS retirement rate mandated increase	(\$4,503,927)
Net Effect	(\$5,594,579)

Many people move to York County because of the schools.

Strategic Plan Goal 1

York County students will consistently demonstrate
excellence . . .

Do we want excellent schools that attract people to
York County?

Virginia Says York County's Ability to Contribute to Schools Increased

- Composite Index is the state's measure of localities' relative ability to contribute to schools
- For every dollar spent to meet SOQ requirements, Virginia now expects York County to contribute 40 cents (up from 37 cents)
- The change in the composite index will cost YCSD more than \$2.2 million in FY13

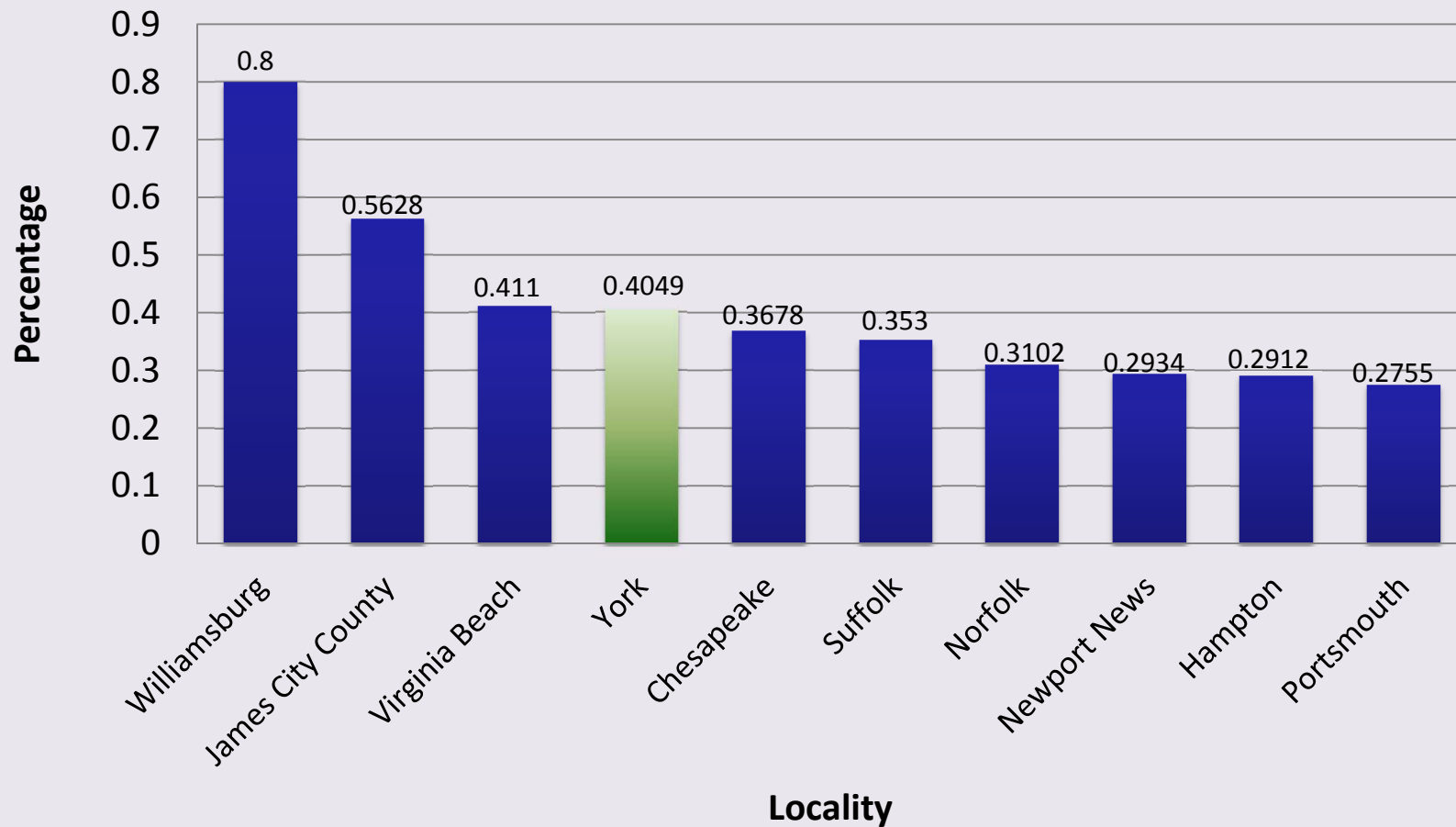
Composite Index Trend Analysis

Per Capita % Change

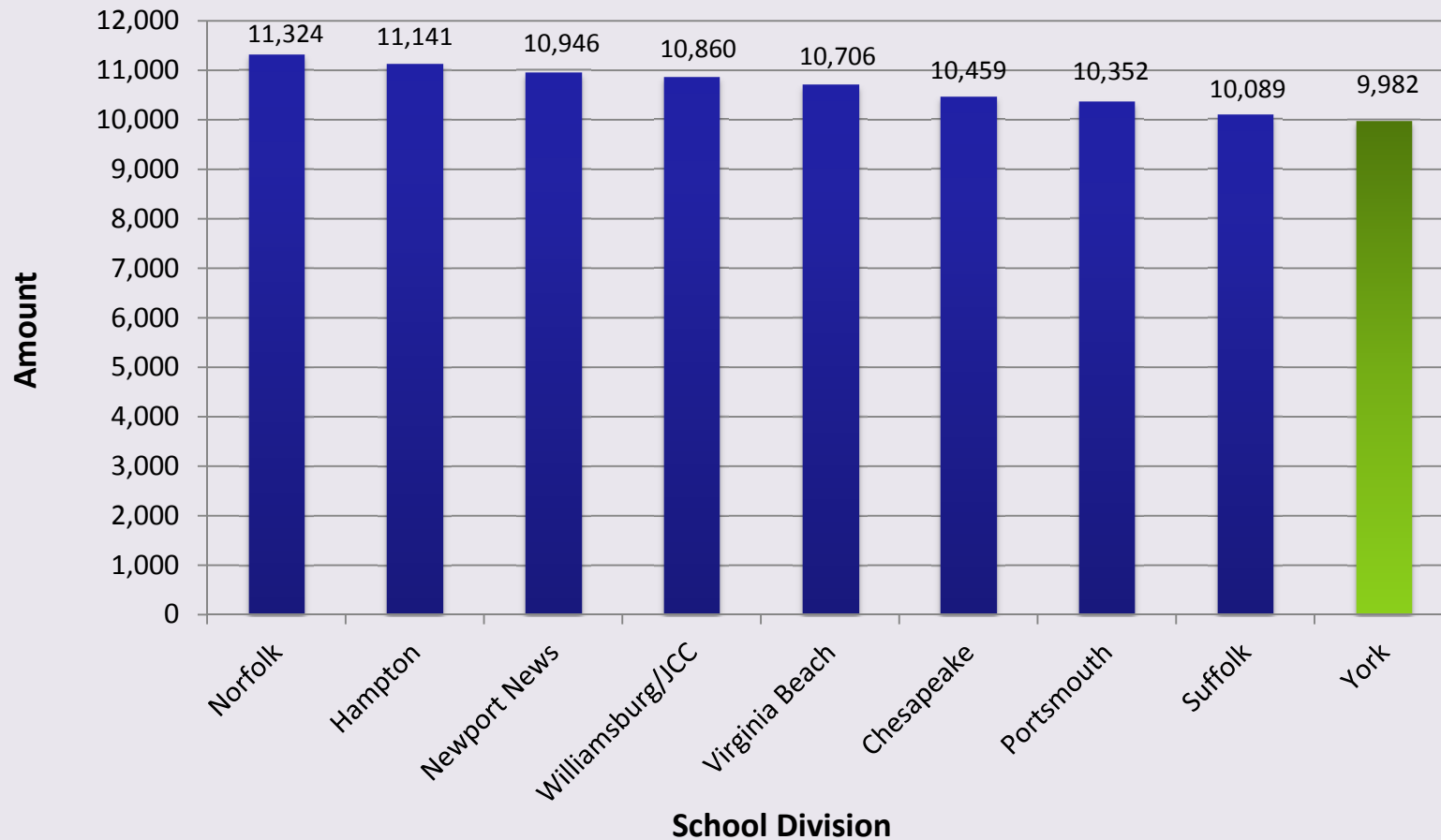
	York	State Avg.
True Value of Property (50%)	(1.43%)	(8.81%)
Adjusted Gross Income (40%)	(3.44%)	(8.86%)
Taxable Retail Sales (10%)	2.17%	(9.02%)

Changes in this data (part of the CI calculation) illustrate how York County's ability to pay, per the composite index, increased relative to other localities in the state, on average.

New Composite Index of Local Ability-to-Pay



Fiscal Year 2010 Per Pupil Expenditure



State Funding, Local Funding, & Mandates

	State Funding	State/Federal Mandates*	County Contribution to Operating Budget
FY10-FY12	(\$12.6m)		\$266K
FY13	(\$1.1m)	(\$4.5m)	?
Total	(\$18.2m)		\$266K

*including VRS payments

Closing the Budget Gap

Budget Reductions & Increases to Local Revenue within School Budget	(\$4,502,680)
Possible Recommended Increase in County Contribution	(\$4,546,679)
Total Cuts/Resources Needed	(\$9,049,359)

Reduction of Teachers & Para-educators

9.4 Jobs Fund Teachers	0
29 Classroom Teachers	(\$1,440,000)
5.5 Other Positions on Teacher Contracts (2 Reading Specialists, 2 ACIs, 1 ETF, .5 Guidance)	(\$285,900)
Total of 44 Teaching Positions Cut	(\$1,725,900)
1 Jobs Fund Para-educator	0
12 elementary regular ed Para-educators	(\$204,000)
Total of 13 elementary regular ed Para-educators	(\$204,000)

Other Instructional

Cut school supply allocations (\$5 per pupil + enrollment reduction)	(\$69,825)
Eliminate division-funded regular field trips	(\$51,000)
Miscellaneous compensation (NBCT stipends, CFMA stipends, extra days already reduced, critical area supplements phasing out)	(\$56,300)
Eliminate payment for PSAT testing (10 th graders)	(\$16,000)
Reduce staff development allocation to schools by 20%	(\$14,000)
Cut funding/staff support for Zweibrucken student exchange	(\$3,000)
Total	(\$210,125)

Operations, Maintenance, Clerical & SBO Reductions

Custodians – 9 FTEs	(\$198,000)
Reduce school bus replacement & eliminate passenger vehicle replacement	(\$118,400)
Eliminate COE placements within division	(\$81,000)
Reduce 1 Human Resources technical staff position	(\$47,000)
LLLC .7 trainer position	(\$31,500)
Adjust bus driver schedules (already occurred)	(\$30,000)
Reduce 1.5 clerical positions (.5 at CES, GBES, BMES)	(\$30,000)
Coordinator, Adult Education (.5 FTE)	(\$28,000)
Eliminate employee assistance program (EAP)	(\$20,000)
Reduce costs for employee recognition & CFMA banquets	(\$14,700)
Reduce SBO supplies	(\$5,000)
Sub-total	\$603,600

Reductions

44 Teachers	(\$1,725,900)
13 Para-Educators	(\$204,000)
Other Instructional/School-Based Reductions	(\$210,125)
Operations, Maintenance, Clerical & SBO Reductions	(\$603,600)
Technology Hardware	(\$387,080)
Salary Savings from Turnover That Already Occurred	(\$500,000)
Savings from One-time Payment to Staff	(\$721,575)
Total Reductions	(\$4,352,280)

Athletic User Fee (one fee per season)

Middle School Fee \$50	\$24,400
High School Fee \$60	\$126,000
Total Athletic User Fee Revenue	\$150,400

Athletic Expenses (ADs, coaching stipends, trainers, equipment)

Middle School	\$164,634
High School	\$869,481
Total Athletic Expenses	\$1,034,115

Expenses do not include transportation.

Gate Receipts: Middle School: \$26,464; High School: \$252,424

Expenditures do not include booster club efforts.

Closing the Budget Gap

Total Reductions	\$4,352,280
Athletic Fee Revenue	\$150,400
Possible Recommended Increase in County Contribution	\$4,563,479
Total Budget Gap	(\$9,059,469)

Cumulative Staff Reductions	FY10	FY11	FY12	FY13	FY10-13
SBO & Operations	15	14	1	12.7	42.7
Teachers	0	10	11	34.5	55.5
Para-educators	8	0	3	12	23
Total	23	24	15	59.2	121.2

Many positions could be reduced through attrition & retirements, but it is unlikely we could avoid layoffs entirely.

If the Board of Supervisors doesn't contribute \$4.5 million more, where would we cut?

- 84% of the operating budget funds salaries & benefits
- Might cut approximately 65+ additional positions
- Large impact on class sizes
- Dozens of layoffs could occur
- What programs and services would be cut?

School Board Proposed Budget Timeline

- Work Sessions: January 23, January 31, February 13
- Public Forum on FY13 YCSD Operating Budget during School Board meeting, January 23, 7 p.m., York Hall Board Room
- Joint Work Session with Board of Supervisors, February 7, 6 p.m., York Hall East Room
- Community Budget Presentation in each high school attendance zone
- Release of Superintendent's Proposed Operating Budget: Mid-February
- School Board, Public Hearing, February 27, 7 p.m., York Hall
- Approval of School Board Proposed Budget, March 26
- School Board Approval of Revisions to Budget based on county contribution to schools, after April 3

General Assembly/Board of Supervisors Timeline

- General Assembly convenes January 11
- Board of Supervisors, Public Forum FY13 Budget, January 17, 7 p.m., York Hall
- Crossover in General Assembly, early February
- County Administrator's FY13 Budget proposal presentation, February 21, 6:00 p.m., York Hall
- Board of Supervisors, Public Hearing, FY13 Proposed Budget & Tax Rates, March 22, 7 p.m., York Hall Board Room
- Board of Supervisors, Adoption of FY13 Budget & Tax Rates, April 3, 6 p.m., York Hall Board Room



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