



Greene County  
Public Schools

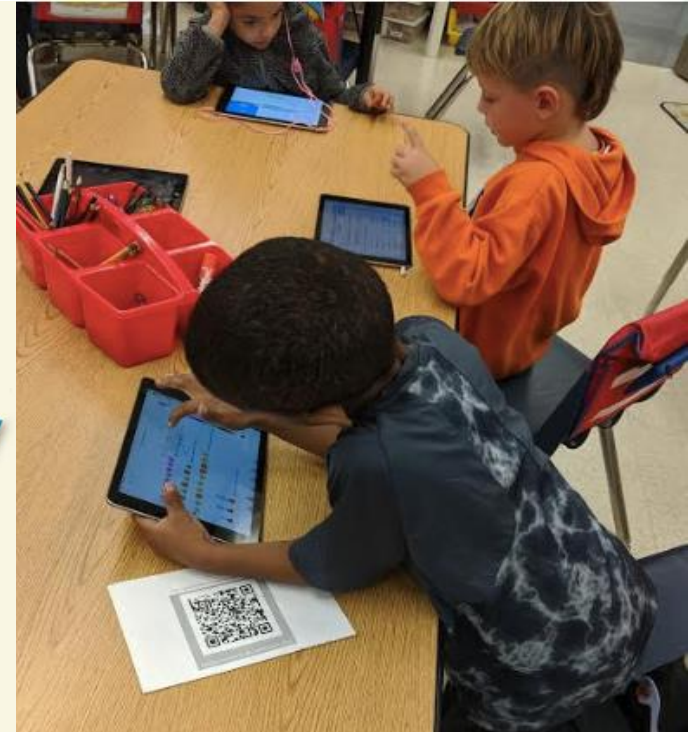
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Every Child · Every Chance · Every Day

# Budget Update

## January 8, 2020

# VISION



Empowering our community's children for life-long success.

# MISSION



Innovate

Engage



Succeed

Engage all students through learning that is innovative, personalized, and relevant.

# Greene County School Board Priorities 2019–2020

- Support the implementation of Innovate 2021 including our core values of innovation and academic excellence; providing a safe and supportive learning environment; efficient utilization of resources; and collaboration and communication with all stakeholders.
- Provide competitive compensation and benefits for all staff.
- Focus on the support, recruitment, and retention of the most highly qualified educators, leaders, and support staff.

# Budget Process



## January

1/8	School Board Meeting <ul style="list-style-type: none"><li>• Discuss needs</li><li>• Identify priorities to move forward</li></ul>
1/22	School Board Budget Work Session <ul style="list-style-type: none"><li>• Draft budget proposal</li></ul>
1/28	School Board/Board of Supervisors Workshop

## February

2/12	School Board Meeting <ul style="list-style-type: none"><li>• Public hearing on budget proposal</li></ul>
2/26	School Board Budget Adoption

# Preface

- Virginia code mandates that it is the duty of the Superintendent to prepare a budget with an estimate of the amount of money deemed to be needed to support the school division. This is commonly referred to as a “needs –based budget.”
- These numbers reflect preliminary, broad estimates and are to illustrate potential revenue and expenditures only.
- The total of the potential expenditures should not be interpreted as a recommended change to the budget.



# FY 2021 Influencing Factors

## Enrollment

- FY 20 – 2920\* vs 2911 used for Budget Planning
  - FY 21 – Projecting 2922
- \*Based on current enrollment less regional program students

## VRS

- Contribution rates increasing from 18.19% to 19.17%
- 1<sup>st</sup> year of new biennium – still have to be ratified
- 5.39% increase over previous biennium

## Local Composite Index (LCI)

- 1<sup>st</sup> year of new biennium 2020–2022
- Increasing from .3321 to .3446
- 3.76% increase

## Operating Expense

- Fuel rates and vehicle maintenance costs are expected to be flat. Utilities are being surveyed for rate changes. Any fluctuations will be offset within existing budget structure. Building Insurance valuations are being assessed in January – expect some increases with renovations/additions.

# Revenues – State

Fiscal Year	State Budget	Budget ADM
FY 2020	\$ 19,966,829	2911.85 *
FY 2021	\$ 20,612,938	2922 ◇

- \* From Governor's Budget Proposal of 12/19/19. GCPS approved FY 20 State budget funding was \$20,029,248 based on 2911 ADM in December 2018
- ◇ State ADM projection was 2912.5. GCPS projection includes revised count based on changes to regional special education program.

## Considerations

- House and Senate still to present their versions of budget bills
- Categorical increases tied to specific mandates and decrease divisional flexibility
  - Mandates on Staffing – School Counselors, English Language Learners
  - Preschool and Early Childhood Education
  - Meals Expansion
  - At Risk
  - Changes to Regional Special Education Program
- LCI impacts state revenue – increased LCI equals a decrease in the state share of the funding equation
- No funding in FY 21 for Compensation Supplement. Funding in FY 22 and only for SOQ positions



# Revenues – Federal

Federal Budget		
FY 2020 Federal Revenue Budget	\$1,942,924	
Actual FY19 Fed Revenue Received	\$2,199,947	
Difference	(\$257,023)	FY 21 estimate \$2,000,000

Estimating small increase based on assumption of slight enrollment increase. Federal funds cover only program eligible expenses such as Federal Title Programs and School Nutrition.

## Considerations

- All Federal revenues are specifically mandated by program and cannot be allocated outside of the program for which they are approved.
- Each program specifies how the funding can be used categorically, and in some cases it may exclude specific categories for expenditures.
- Year over year funding may change based on the federal application and can include non-recurring expenses.
- Program specifications and mandates fluctuate from year to year affecting available funding and allocations.
- Funding can be revised by the government during/within the active budget year.

# Revenues – Local

Fiscal Year	Local Funding County Funds	Local Funding Other Funds
2018-2019	\$17,491,209	\$1,198,000
2019-2020	\$17,465,112	\$1,198,000

- **County funds** are the allocated funds from the county's tax based revenue that are allocated to the schools
- **Other funds** are comprised of funds from sources such as rents, regional programs, retiree insurance payments, insurance settlements, sale of equipment or the miscellaneous revenue. Note FY 19 actual for the category = \$884,000

## Considerations

- State's change of the regional special education program will eliminate program reimbursement funds in the other local funds category
- LCI increase shifts more of the state funding equation to the locality



## VRS Rates - Increasing

	FY 2019	FY 2020
Employee Rate	0.0500	0.0500
Employer Rate	0.1568	0.1662
Retiree Health Care Credit (RHCC)	0.0120	0.0121
Group Life Insurance (GLI)	0.0131	0.0134
Total Employer Paid	0.1819	0.1917



**Impact:** \$205,000 estimated impact if salaries remained flat.  
Impact included in total increase calculations

## Health Insurance

Increase Estimated at 8-10%	\$280,000-350,000
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**Impact:** Claims experience has increases as well as increase in prescription drug/ pharmaceutical costs.

# Expenditure Requests and Evaluation

- Over a \$1,000,000 in requests were submitted for consideration by schools and departments
- Requests are outside and separate from existing mandates that are required.
- Cover a broad spectrum of areas including personnel, learning supports, software and materials
- Evaluated based on serving the growing diversity of student needs, alignment with strategic plan and efficient allocation and utilization of resources



# Salary Projections

Percentage	Increase
2% Increase	\$527,275
3% Increase	\$790,910
4% Increase	\$1,054,550

- Includes FICA and VRS
- Teacher Retention and Hiring are key focus areas
- Must stay competitive within region as teacher shortages are continuing to grow and teacher program enrollment is declining
- Evaluating compensation and incentives in all critical shortage areas





# Greene County Public Schools

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**“We must meet our students exactly where they are with exactly the brains they have right now. We must use all the tools we have available to us and not expect them to fit into a mold or all behave exactly the same.”**

**Dr. Gene R Carter  
ASCD CEO & Executive Director**