



FY 2023 Budget Planning Update

Greene County Public Schools

School Board Meeting: January 12, 2022

Greene County School Board Priorities

- 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.



January

1/12/22	School Board Meeting Planning Update
1/26/22	School Board Work Session Review Priorities, Draft Budget Proposal

February

2/9/22	School Board Meeting Public Hearing on Proposed Budget
2/23/22	School Board Meeting Budget Adoption





- 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 2023 Influencing Factors

Enrollment

FY 22 - Current ADM 2814 vs 2875 used for budget planning

FY 23 - 2820

VRS

First year of new biennium. VRS is proposing a rate reduction (19.17% to 17.16%). Governor's budget recommending holding at current levels and not reducing.

Local Composite Index (LCI)

First year of new biennium. Increasing from .3446 to .3505 (increase of 1.7%) The Composite Index determines a school division's ability to pay education costs fundamental to the commonwealth's Standards of Quality (SOQ).



FY 2023 Influencing Factors

Operating Expense

Fuel rates are at contracted rates and remain stable. We are seeing parts for vehicle maintenance increasing in costs. Utilities are being surveyed for rate changes. Any fluctuations will be offset within existing budget structure. Building Insurance expected to remain flat.

Ongoing effect of Pandemic continue to contribute costs addressing learning loss and student supports.

Other Economic Factors

Social security payment increase 1/1/22 = 5.9%. Largest increase in 40 years. Last closest was in 2008 at 5.8%



Revenue



State

House and Senate still to present their versions of budget bills - General Assembly convenes 1/12/22
New Governor may have changes that have not yet been announced

Funding in FY 23 and FY 24 for a 5% compensation increase for SOQ positions. May change in House and Senate versions. Must be given by 7/1/2022 and 7/1/2023 respectively.

Fiscal Year	State Budget	Budget ADM
2022	\$20,939,829	2804.55*
2023	\$24,995,396	2820◇

* - From Governor's 12/16/21 Caboose budget proposal. GPCS approved FY 22 state funding at \$20,956,459 based on 2875 ADM in December 2020

◇-State ADM projection is 2786.20. GCPS projection based on current enrollment



Federal

FY 2022 Budget	\$2,080,000	
Actual FY 2021	\$2,739,730	
Difference	\$ 659,730	Majority attributed to change in School Nutrition Funding Model
FY 23 Estimate	\$2,080,000	

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

- 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.



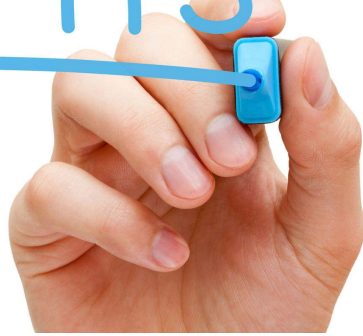
Local

Fiscal Year	Local Funding County Funds	Local Funding Other Funds
2021	\$17,465,112	\$494,000
2022	\$17,472,521	\$494,000

- 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 21 actual for the category = \$243,479



BENEFITS



- Current Governor's proposal is recommending maintaining and not lowering VRS Rates
- Healthcare trends project 8.5%-9.5% cost increases - \$320,000-\$360,000. Based primarily on rising pharmaceutical costs. Current claims experience factor is positive and not anticipating this to cause additional increases in premiums.

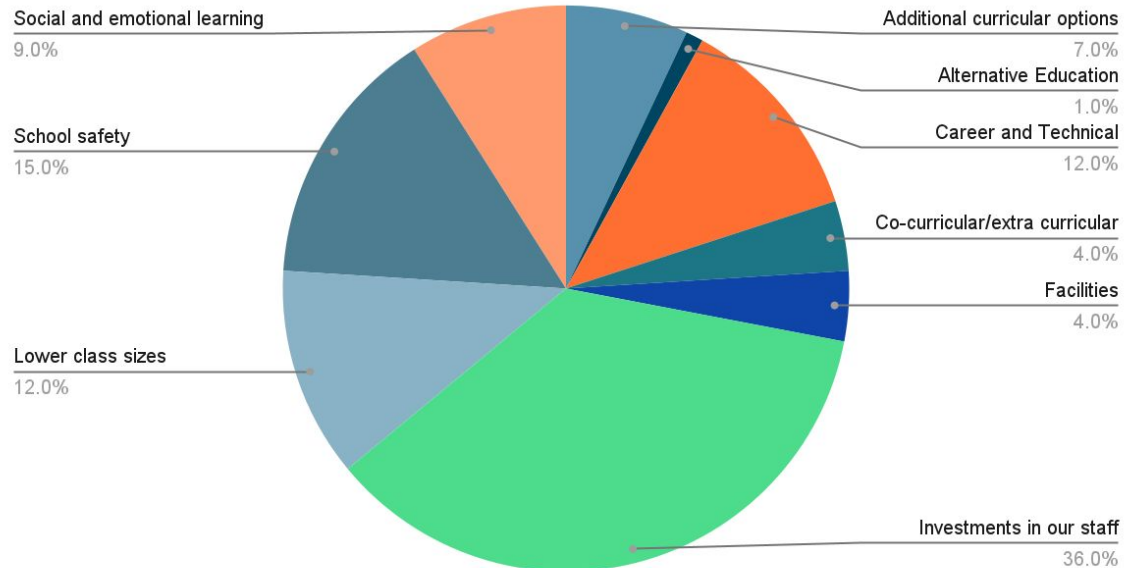
VRS	FY 2022	VRS Proposed FY 2023
Employee Rate	0.0500	0.0500
Employer Rate	0.1662	0.1476
Retiree Health Care Credit (RHCC)	0.0121	0.0121
Group Life Insurance (GLI)	0.0134	0.0119
Total Employer Paid	0.1917	0.1716



Budget Survey Results

- Survey sent out in early December
- 217 Responses
 - 214 Parents
 - 81 with students in multiple school locations
 - 32 were also staff members
 - 3 Staff that were not parents

In the following areas of potential spending, please select the choice that best reflects, in your opinion, how important that area is for our schools and community





Budget Survey Comments

- “A wide selection of curricular options is very important, but to make that happen, teachers and staff need to be the highest priority. I feel like the County has done a great job on facilities and working with the community college.”
- “Staff pay being competitive; mental health awareness and support for students AND staff.”
- “Prep for adult life. Internships or shadow days.”
- “Smaller classes or more help in each class. Lower teacher/student ratio so students feel more supported”
- “Academics, extra curricular opportunities and school safety are key issues as well. In this era of Covid though I think the social and emotional wellness of our kids is the top priority.”
- “Hard to pick one, but social/emotional learning and supports can also indirectly impact school safety. Investment in staff would be high on list as well in terms of promoting quality education through retaining competence.”



- Over a \$1,100,000 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, curriculum expansion, software and materials. Student supports are a priority.





Requests ≠ Additional Funding or Resources

All requests are evaluated based on serving the growing diversity of student needs, alignment with strategic plan and efficient allocation and utilization of resources



Can existing resources be redeployed?

Is funding available in other areas that can support the request?

Can the need be met in different ways?

Can it be sustained long range?

Is it redundant to anything currently in place?



Salary Projections

- Workforce retention and recruitment remain a top priority.
- Instructional talent pipeline continues to wane. Virtual job fairs were not successful and current planned in-person fairs are showing minimal participation.
- “Great Resignation” culture provides for more job opportunities in the non-educational, school environments challenging the already diminishing candidate pool.

Percentage	Value of Increase
3%	\$ 799,031
4%	\$ 1,065,375
5%	\$ 1,331,718





Questions and Discussion