

# Revised FY 2020/21 Budget Recommendation

ACPS School Board  
May 7, 2020



# Budget Calendar

<i>April 16</i>	<i>School Board Meeting Budget Update</i>
<i>April 17 - May 6</i>	<i>Budget Survey on Priorities</i>
<i>April 22</i>	<i>State Budget Adoption by General Assembly</i>
<i>April 23</i>	<i>School Board Work Session Budget Strategies</i>
<b>May 7</b>	Revised Budget Recommendation for School Board Public Hearing
<b>May 14</b>	Budget Adoption
<b>June 3</b>	BOS Appropriation Budget Amendments (if necessary)

# FY 21 Budget Development Priorities

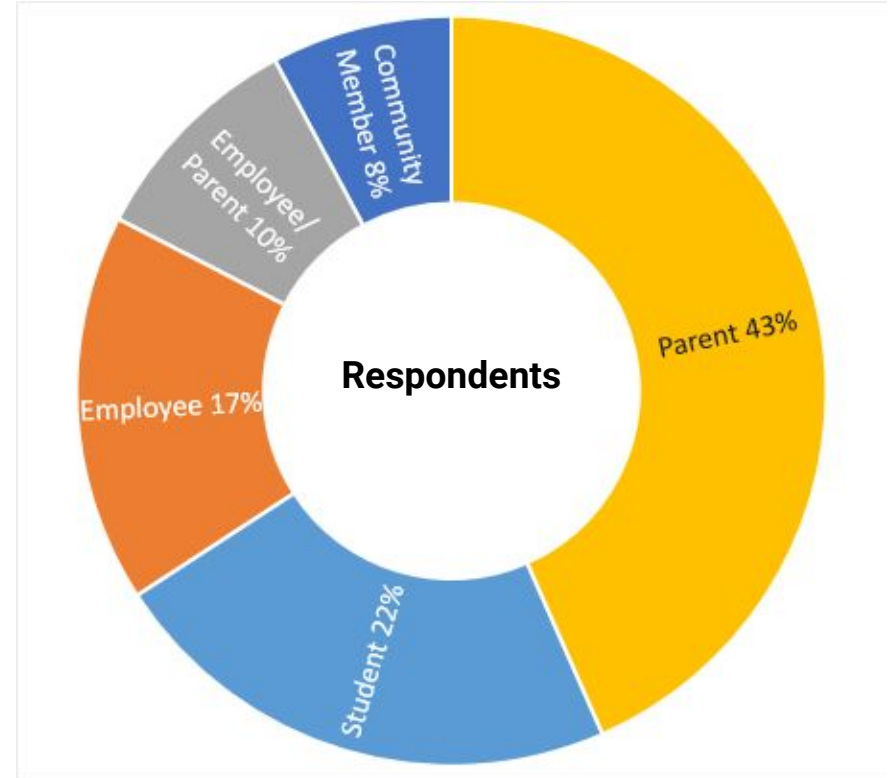
**As staff develops recommendations to balance the FY21 budget, the following items will be prioritized:**

<b>Student Learning</b>	The budget will support the mission of ACPS in establishing a community of learners and learning, through relationships, relevance and rigor, one student at a time.
<b>Equity</b>	The budget will provide the resources necessary for creating equitable opportunities for all students.
<b>Current Employees</b>	Best efforts will be made to keep current regular employees, instructional and support staff, employed.
<b>Contingency</b>	Knowing revenues will remain uncertain, the budget will include contingencies and flexibilities to respond to any changes that may occur once the fiscal year has begun.
<b>Stakeholder Engagement</b>	The decision-making process will be transparent and well-communicated to staff, students, families, and community. Feedback from stakeholders will be solicited and valued.

# Final Community Survey Results

Out of 4,207 responses the following supported or strongly supported the priorities as follows:

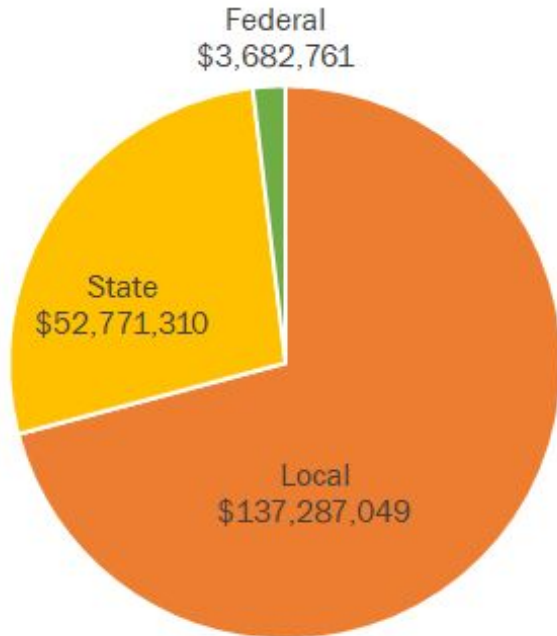
<b>Student Learning</b>	<b>96%</b>
<b>Current Employees</b>	<b>90%</b>
<b>Equity</b>	<b>86%</b>
<b>Stakeholder Engagement</b>	<b>80%</b>
<b>Contingency</b>	<b>75%</b>



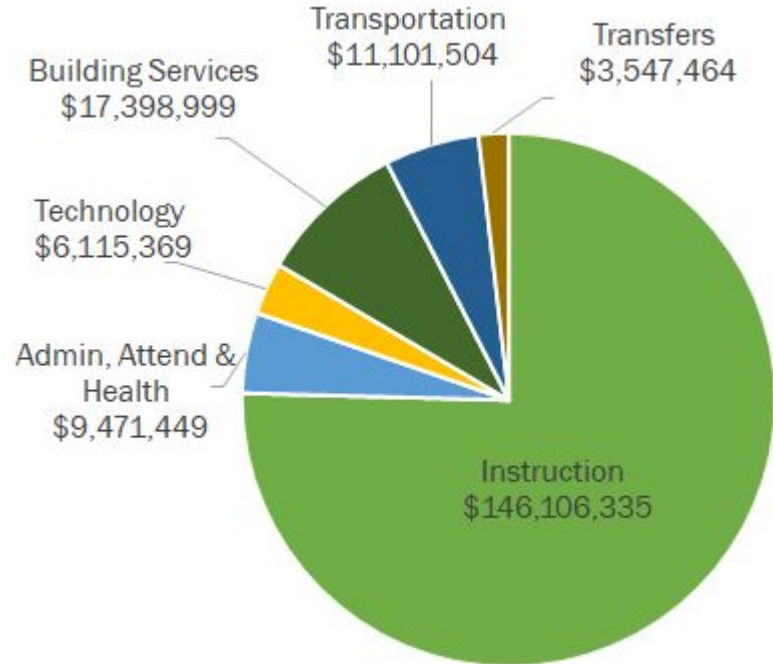
# FY 21 Recommended Budget

\$193,741,120

## School Fund Revenues:



## School Fund Expenditures:



# FY 21 Recommended Revenues

	2019-20 Adopted	2020-21 Projected	\$ Change	% Change
Local	\$141,950,502	\$137,287,049	\$(4,663,453)	(3.3%)
State	\$50,528,580	\$52,771,310	\$2,242,730	4.4%
Federal	\$2,999,523	\$3,682,761	\$683,238	22.8%
<b>TOTAL</b>	<b>\$195,478,605</b>	<b>\$193,741,120</b>	<b>\$(1,737,485)</b>	<b>(0.9%)</b>

# Local Revenue Detail

Local Government General Fund Transfer	(\$4,016,434)
CFA Institute - Summer Rental	(\$200,000)
Transfers from Special Revenue Funds	(\$305,000)
Use of Fund Balance	(\$125,033)
<u>Other Local Revenues</u>	<u>(\$16,986)</u>
<b>Local Revenue Changes Total</b>	<b>\$(4,663,453)</b>

# State Revenue Detail

Standards of Quality (SOQ) Accounts	\$9,601,249
Sales Tax	(\$5,392,461)
Infrastructure & Operations Per Pupil Fund (Lottery)	(\$736,041)
Special Education Regional Tuition	(\$359,402)
Compensation Supplement	(\$1,243,855)
<u>Other State Revenues</u>	<u>\$373,240</u>
<b>State Revenue Changes Total</b>	<b>\$2,242,730</b>

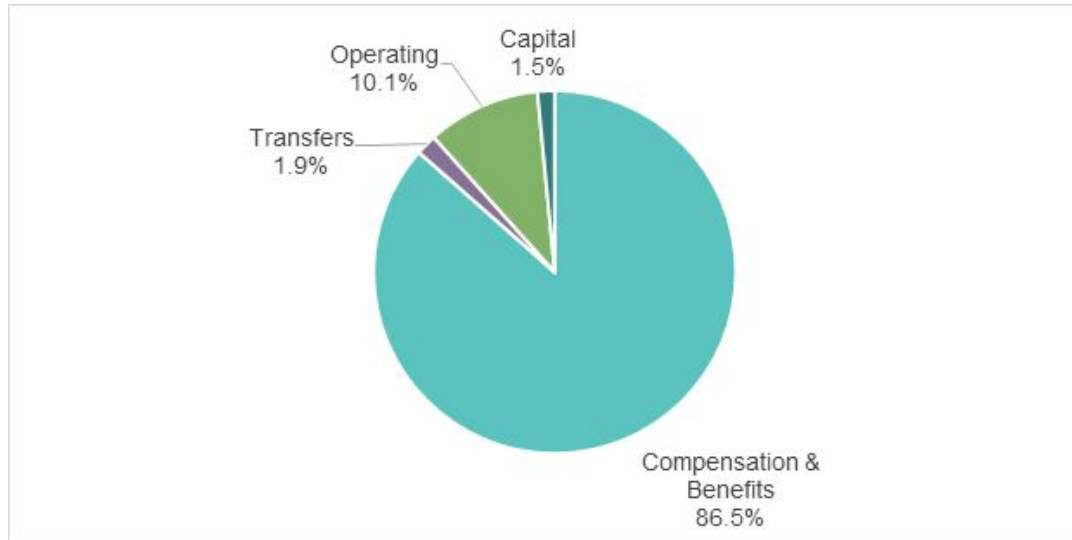


# Federal Revenue Detail

Medicaid Reimbursement	\$600,000
<u>Special Education Flow-Through</u>	<u>\$83,238</u>
<b>Federal Revenue Changes Total</b>	<b>\$683,238</b>

# FY 21 Recommended Expenditures

	2019-20 Adopted	2020-21 Recommended	\$ Change	% Change
<b>TOTAL</b>	<b>\$195,478,608</b>	<b>\$193,741,120</b>	<b>(\$1,737,485)</b>	<b>(0.9%)</b>



# FY21 Recommended Changes from FY 20 Adopted Budget

	<u>Non-Discr./ Technical</u>	<u>Operational Reductions</u>	<u>Growth &amp; Demographics</u>	<u>Total</u>
<b>Expenditure Changes</b>	<b>\$(976,454)</b>	<b>\$(2,439,209)</b>	\$1,678,178	<b>(\$1,737,485)</b>

# Non-Discretionary / Technical Expenditure Changes

Baseline Adjustment	\$(2,549,441)
SPED Restructure	\$1,063,994
VRS Rate Increase	\$635,652
GLI & FICA	\$36,157
Health Insurance Reallocation	\$(136,802)
Health Insurance Rate	\$(660,568)
VERIP	\$(195,436)
Worker's Compensation Increase	\$35,000

# Non-Discretionary / Technical Expenditure Changes (continued)

Security Cost Increase	\$30,000
Building Services Operational Increase	\$152,000
Transportation: Operations and Fuel	\$ 62,279
Visitor Management System	\$33,000
School Resource Officers Transfer increase	\$24,227
Contingency Reserve (Non-Departmental)	\$281,074
Lapse Factor & Reclassification	<u>\$212,410</u>
<b>TOTAL</b>	<b>\$(976,454)</b>

# Operational Reduction Expenditure Changes

Transfer to Learning Resources Fund	\$(500,000)
Department FTE Reductions (15 FTEs)	\$(1,239,782)
Department Operational Budget Reductions	\$(526,798)
School Operational Budget Reductions	<u>\$(172,629)</u>
<b>TOTAL</b>	<b>\$(2,439,209)</b>

# Growth & Demographics Expenditure Changes

Classroom Teachers (15.0 FTEs)	\$1,082,090
Special Education Teachers (5.0 FTEs)	\$422,829
Bus Drivers (5.5 FTEs)	\$113,259
Baker-Butler Mobile Unit	<u>\$60,000</u>
<b>TOTAL</b>	<b>\$1,678,178</b>

# Growth & Demographics (Unfunded)

<i>Classroom Teachers</i>	<i>(15.3 FTEs)</i>
<i>Special Education Teachers</i>	<i>(7.66 FTEs)</i>
<i>ESOL Teachers</i>	<i>(4.00 FTEs)</i>
<i>Bus Drivers</i>	<i>(10.5 FTEs)</i>
<i>Custodians</i>	<i>(1.25 FTEs)</i>
<i>Assistant Principals</i>	<i>(2.00 FTEs)</i>
<i>School Bookkeeper &amp; Reclassification</i>	<i>(1.00 FTEs)</i>
<i>Central Office Administration</i>	<i>(1.50 FTEs)</i>



# FY21 Summary of Recommended Changes

Revenue Changes	Local Revenues	State Revenues	Federal Revenues	Total
	<b>\$(4,663,453)</b>	\$2,242,730	\$683,238	<b>(\$1,737,485)</b>

Expenditure Changes	Non-Discr./ Technical	Operational Reductions	Growth & Demographics	Total
	<b>\$(1,012,924)</b>	<b>\$(2,405,745)</b>	\$1,681,184	<b>(\$1,737,485)</b>

# Contingencies

Knowing revenues will remain uncertain, the budget will include contingencies and flexibilities to respond to any changes that may occur once the fiscal year has begun.

## Revenues

- Sales tax forecasts
- Lottery proceeds forecasts
- Transfers from Special Revenue Funds

## Expenditures

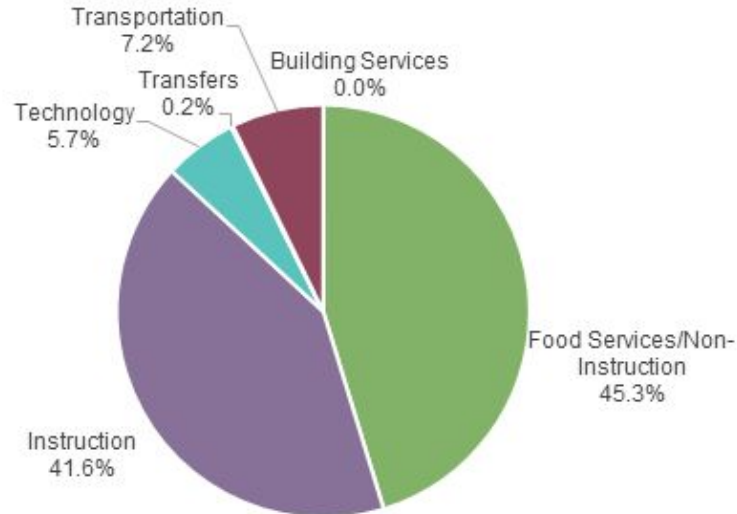
- Contingency Reserve
- Management Holdbacks

## Reserves

- Revenue Reserve Fund Balance
- School Fund Balance

# Special Revenue Funds: Expenditure Summary

	2019-20 Adopted	2020-21 Recommended	\$ Change	% Change
<b>TOTAL</b>	<b>\$20,377,935</b>	<b>\$17,460,067</b>	<b>(\$2,917,868)</b>	<b>-14.3%</b>



# Special Revenue Funds: Notable Changes

Revised Compensation Assumptions	<ul style="list-style-type: none"><li>• Salary Increase Suspension</li><li>• Health Care Rate Decrease</li><li>• Minimum Pay Rate Suspension</li></ul>
CARES Act Special Revenue Fund (New)	<ul style="list-style-type: none"><li>• Use for one-time recovery efforts</li></ul>
CFA Summer Rental (Eliminated)	<ul style="list-style-type: none"><li>• No revenue to the School Fund</li></ul>
Suspended Revenue Transfers	<ul style="list-style-type: none"><li>• Learning Resources Fund</li><li>• EDEP Accessibility Proposal</li></ul>
Suspended Expenditure Transfers	<ul style="list-style-type: none"><li>• Child Nutrition</li><li>• EDEP</li><li>• Vehicle Maintenance</li></ul>

# Questions & Discussion

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