FY 24 Budget Work Session #2

We Will Know Every Student

February 23, 2023

Albemarle County Public Schools

Budget Timeline

FEB. 16	Special Budget Work Session #1
TODAY	School Board Work Session: Budget Work Session #2
MARCH 2	Public Hearing on School Budget & Special Budget Work Session #3
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Strategic Plan: Learning for All

GOAL 3

Equitable, Transformative Resources

OBJECTIVE 1

ACPS will attract, develop, and retain the highest quality staff.

STRATEGY 1

ACPS will implement a total compensation structure that makes us highly competitive compared to other employers.

OBJECTIVE 3

ACPS will provide resources in an equitable manner that transforms learning experiences and opportunities for all students.

Work Session #2 Agenda

1 Part I : Organizational Development

- Compensation Increase - Brodie Downs
- Health Insurance - Claudine Cloutier

2 Part II : New Proposals

- Substitute Program Improvements (Phase II) - Dan Redding

Part I: Organizational Development

Compensation Increase

Reference Pages
A-32 to 33, C-13

This proposal request is for a 5% salary increase for all employees effective July 1, 2023. Additional adjustments are based on the recommendations from the compensation study, which includes the first phase of an adjustment between steps on the teacher scale.

FY 24 Budget
+$9,454,592

Strategic Plan Alignment	
Thriving Students	✔
Affirming and Empowering Communities	✔
Equitable, Transformative Resources	✔

Investment in Our Workforce, 2022-23

July 2022

Compensation Increase

6% pay increase for all employees

(This follows a 4% pay increase for all regular employees in March 2022.)

Dec. 2022

One-Time Bonus

$1,000 bonus for all regular employees who work 0.7 – 1.0 FTE

$750 bonus for all regular employees who work < 0.7 FTE

Dec. 2022

Phase 1 Study Recommendations

Increase pay for bus drivers, RNs, positions identified as hard-to-fill, and all positions ≥ 10% below market midpoint

Conduct reclassification review of various positions

April 2023

Phase 2 Study Recommendations

Increase pay for all positions identified as 4-10% below market midpoint

Make adjustments to positions that warrant reclassification

Compensation Increase

Reference Pages
A-32 to 33, C-13

Recommended 5% Increase for Staff and Teachers

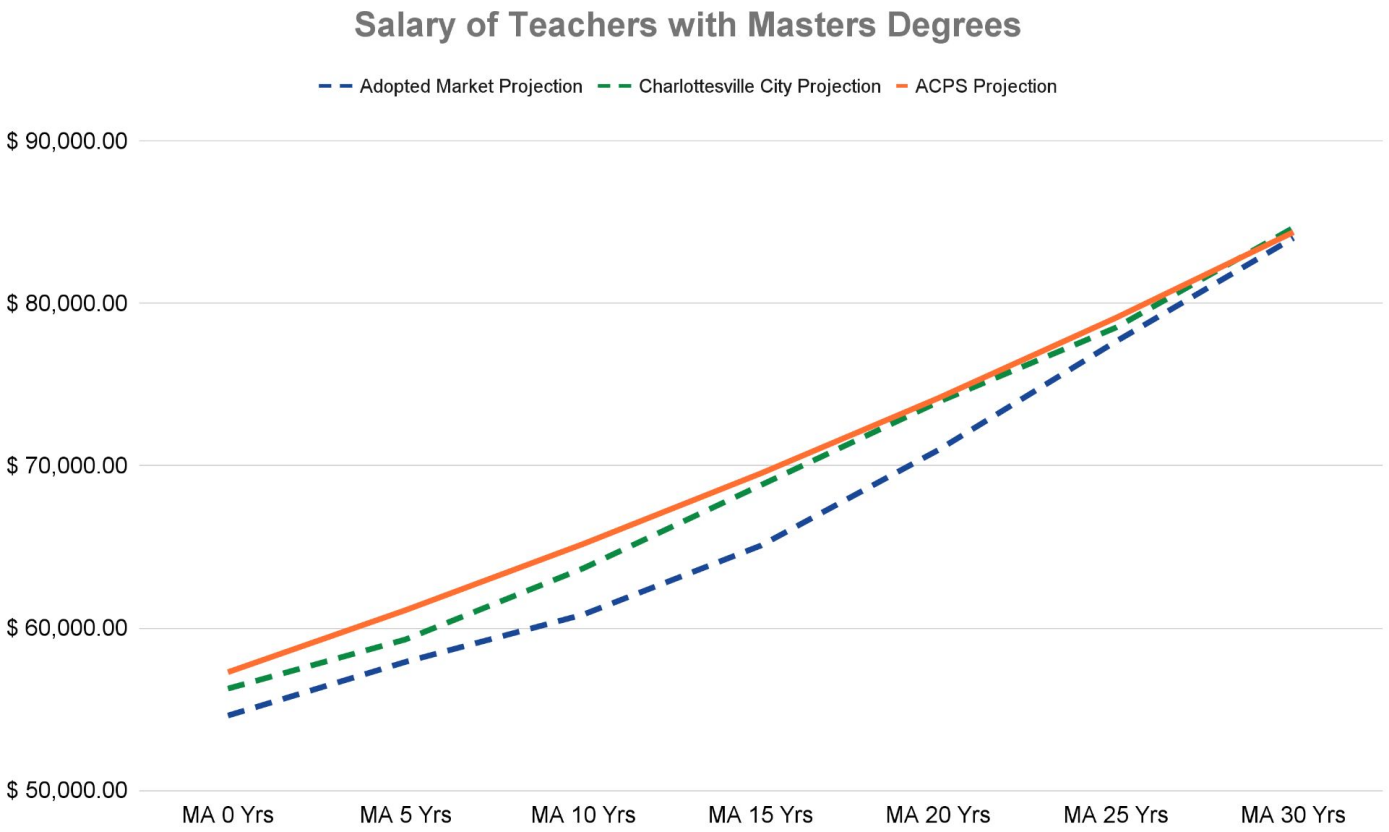
- Employment Cost Index (ECI) recommends a 4.5% increase for public sector school employees
- VA Governor's Budget funds a 5% increase (ACPS matches for non-SOQ position)
- Minimum increase to sufficiently maintain ACPS' competitive position amongst the adopted market

Recommended Increase for Teacher Step Differentiation

- Differentiation increases from 1.2%/step to 1.3%/step
- Brings ACPS closer to alignment with Comparative Market
- Makes ACPS more competitive at the top of the teacher salary scale

Compensation Increase

Reference Pages
A-32 to 33, C-13



7% Salary Increase Scenario

(amounts are rounded and approximate)

	5% Salary Increase	7% Salary Increase[2]	Additional funds needed
State compensation supplement[1]	$3.7M	$4.4M - $4.7M	
Salary increase cost[3]	$8.6M	$12.1M	
Net ACPS cost	**$4.9M**	**$7.4M - $7.7M**	**$2.5M - $2.8M**

1 The state compensation supplement provided in FY 24 includes the cost of two years of salary increases (5% in FY 23 and the proposed increase in FY 24).
2 The House of Delegates budget and the Senate budget provide different amounts for the 7% salary increase due to differing assumptions used in their calculations.
3 Excludes cost of teacher scale adjustment

Continuing Our Investment in 2023-24

5% Pay Increase for All Employees

Teacher Step Scale Adjustments

Employer Rate Increase for Insurance Premiums

Health Insurance

Reference Pages
A-29, C-15

This proposal funds the FY 24 costs of health insurance using the current 2023 plan year rates and increases 2024 plan year rates by 7%.

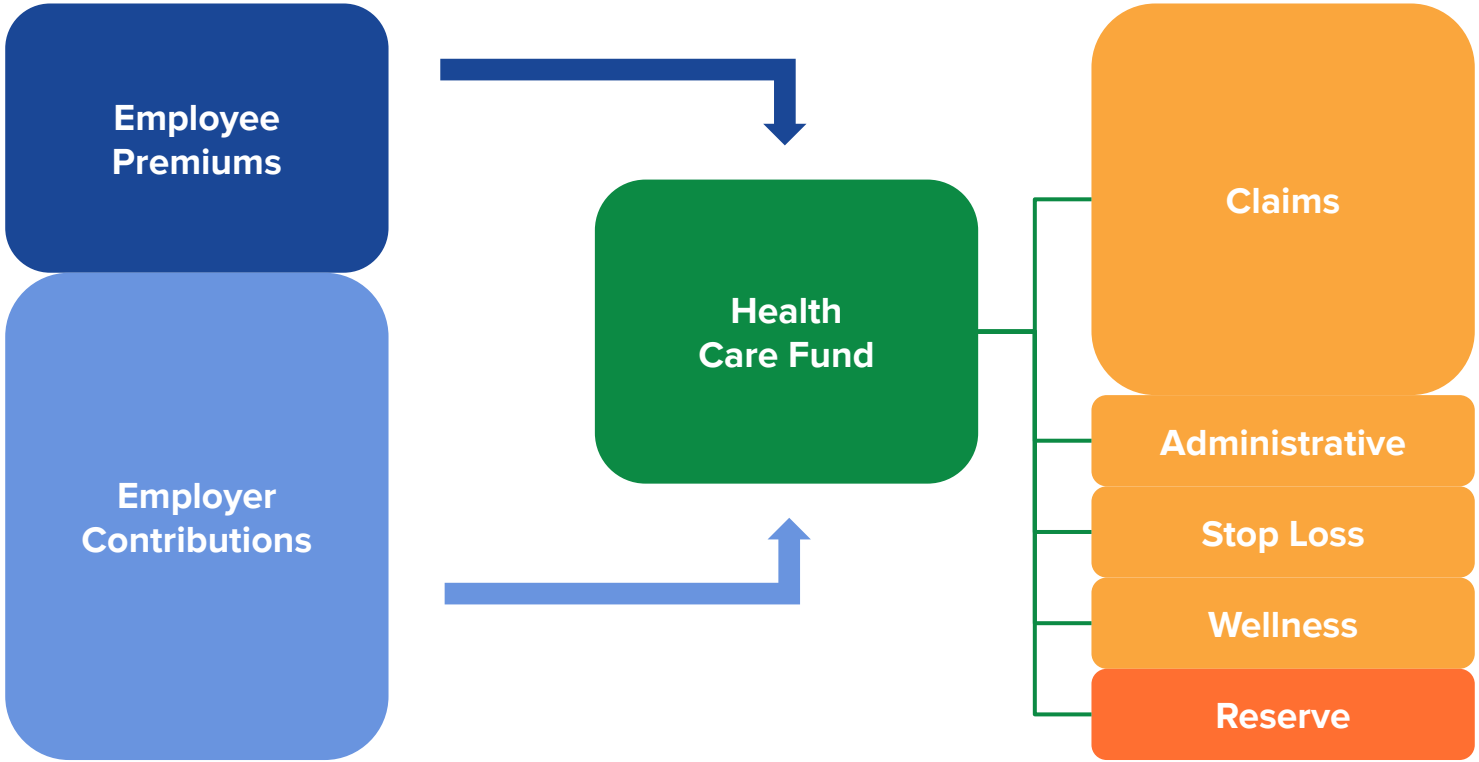
FY 24 Budget
+$1,378,980

Strategic Plan Alignment	
Thriving Students	✔
Affirming and Empowering Communities	✔
Equitable, Transformative Resources	✔

Health Fund Overview

Self-Funded Plan Structure

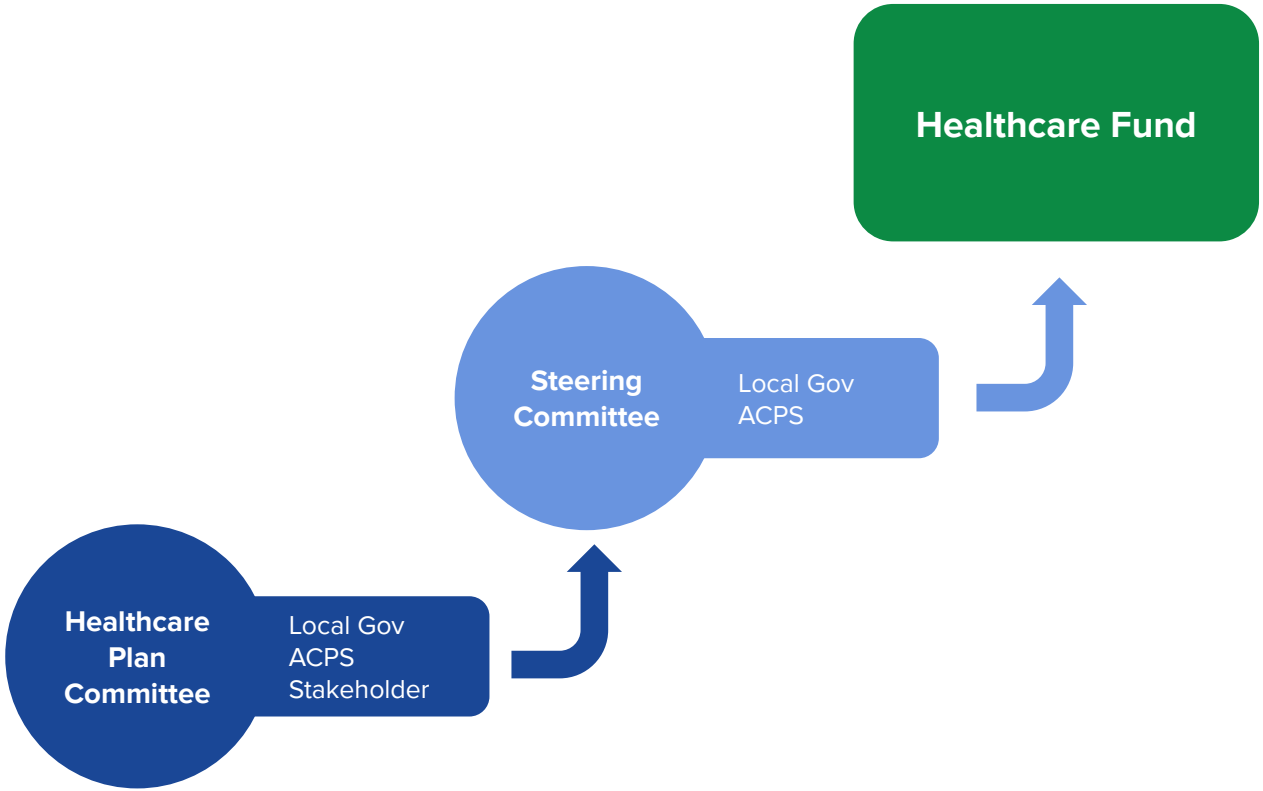
Reference Pages
A-29, C-15



Health Fund Overview

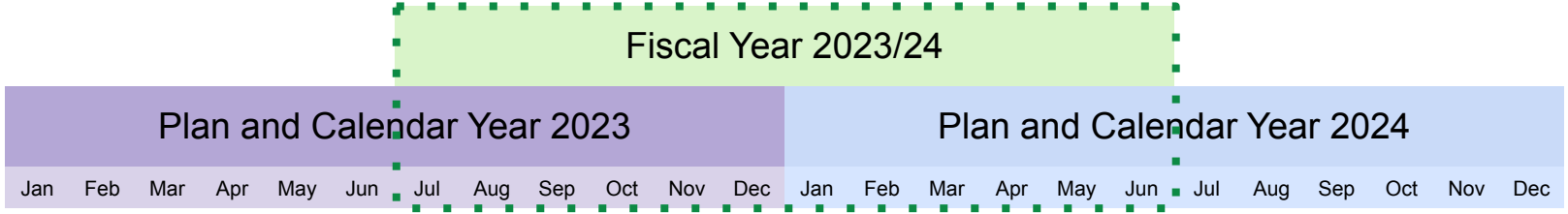
Healthcare Fund Benefits Decision Process

Reference Pages
A-29, C-15



Health Insurance

Reference Pages
A-29, C-15



+$1,378,980 Budget Increase includes:

- School Board (Employer) contributions at current plan year 2023 rates
- School Board (Employer) contributions at projected plan Year 2024 rates
- Current Positions

Total Budget (including baseline adjustment and new positions):

	FY22/23 Adopted	*FY23/24 Proposed*	*Increase*
Health Insurance	$18,905,846	$21,296,200	$2,390,354

Potential Contribution Increase - Impact (Jan. 2024)

	Impact per pay period Employer	**Impact per period** Employee
Employee Only	$11 - $19	$1 - $6
Employee + spouse	$24 - $37	$4 - $12
Employee + child	$16 - $27	$1 - $8
Employee + children	$20 - $30	$4 - $10
Family	$34 - $54	$5 - $17

Note: Potential scenario shown for budget purposes only.

Part II: Proposals

Overview of New Proposals

Reference Pages
A-31 to 57

2/23/23 *Work Session #2*	*3/2/23* *Work Session #3*	
Organizational Development	**Enrollment and Demographics**	**Safety and Security**
Substitute Program Improvements (Phase II)	Regular Growth	Filter Replacement
	Special Education	Mental Health Services
	ESOL Growth	School Resource Officer & Security Assistants
	Differentiated Restructure	Title IX Coordinator

Substitute Program Improvements (Phase II)

Reference Pages
A-54 to 55, G-18, G-25

This proposal requests an increase in operational funding as a result of the higher rate paid for daily substitute teachers as well as the higher usage of substitute budgets. It also requests 10 school-based substitutes to be assigned to schools with an average substitute fill rate below 40% during the 2022-23 school year.

FY 24 Budget
+$1,406,007

Positions: 10 (5.0 FTE)

Operating Budget
$997,916

Strategic Plan Alignment	
Thriving Students	✔
Affirming and Empowering Communities	✔
Equitable, Transformative Resources	✔

Recap of Phase I

Reference Pages
A-54 to 55, G-18, G-25

Substitute Teacher Program Improvements	
School-Based Substitute Teachers	✔
Substitute Teacher Coordinator	✔
Increased Daily Substitute Pay Rate	✔
Teacher/T.A. Substitute Incentive Pay	✔

Substitute Program Improvements

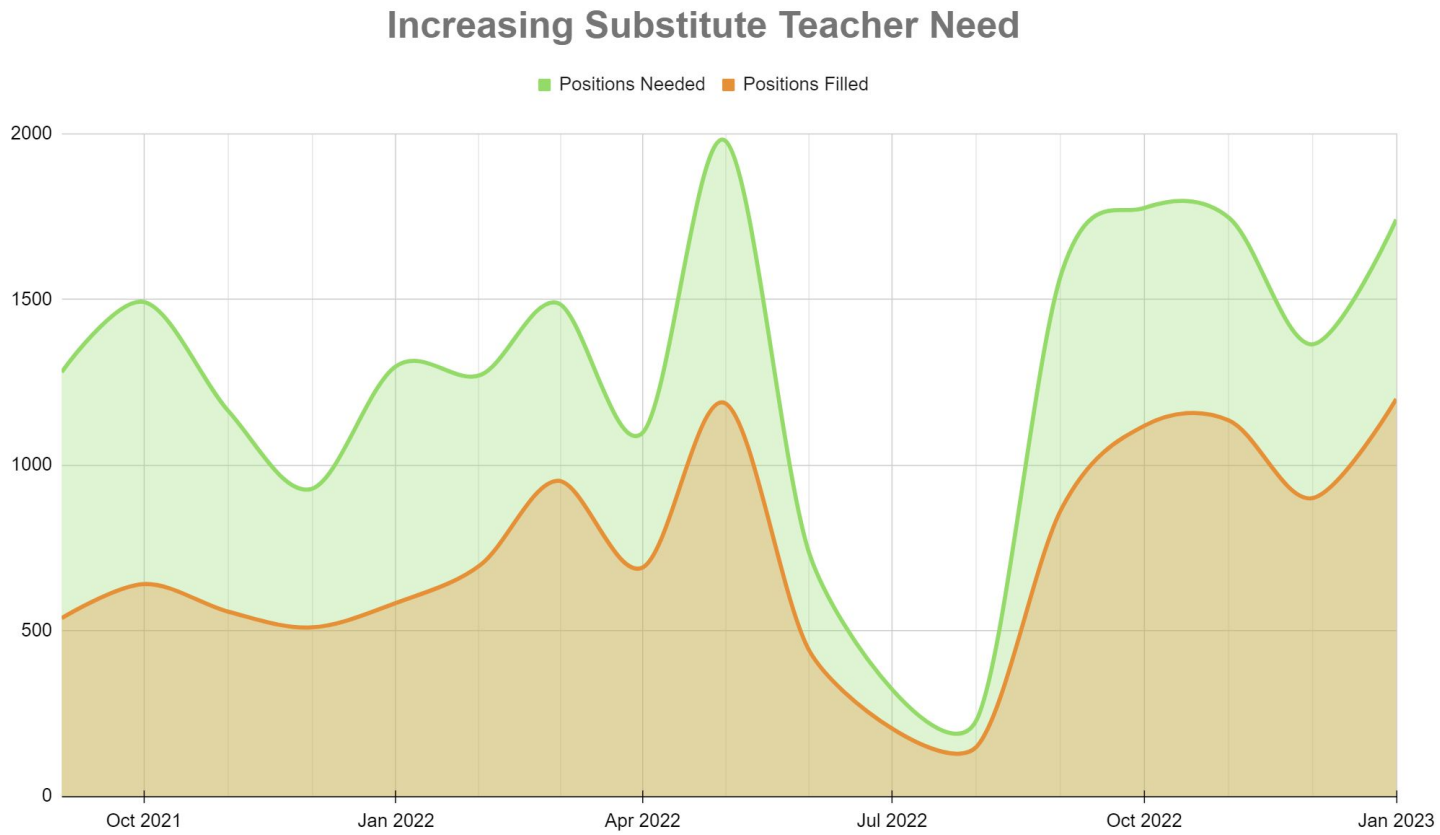
Reference Pages
A-54 to 55, G-18, G-25

Increased Daily Substitute Fill Rates

Month	Fill Rate		Month	Fill Rate
September 2021	42%		May 2022	60%
October	43%		June	60%
November	48%		August	65%
December	55%		September	55%
January 2022	45%		October	63%
February	55%		November	65%
March	64%		December	66%
April	63%		January 2023	69%

Substitute Program Improvements

Reference Pages
A-54 to 55, G-18, G-25



Substitute Program Improvements

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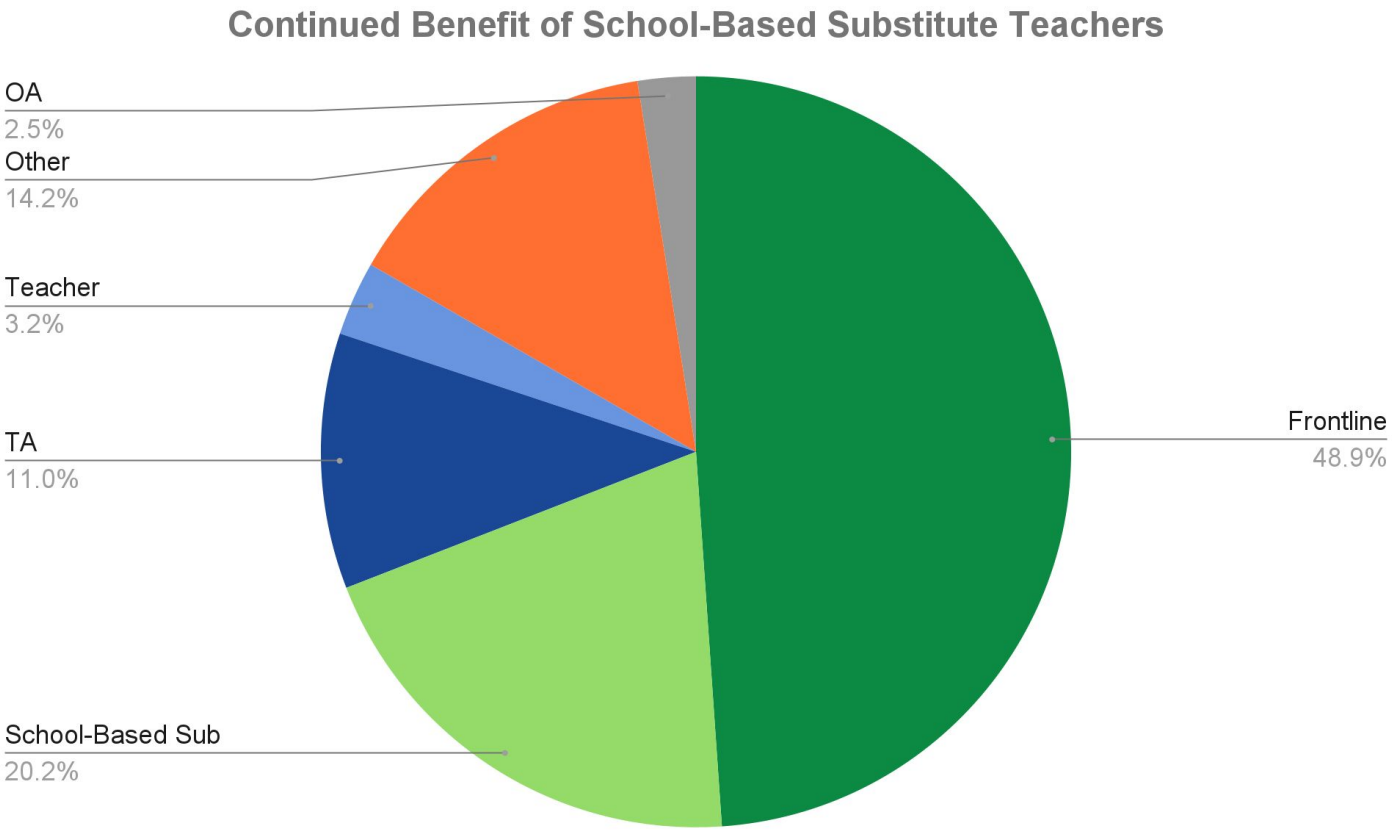

Substitute Program Improvements

Reference Pages
A-54 to 55, G-18, G-25

Phase I (FY 23) Successes

- Higher daily rate of pay
  - Increased fill rates
- Substitute pool has grown
  - 209 to 314
- 46 School-based Substitutes
  - Unanticipated vacancies
- 1 Central Substitute coordinator
  - Support all sub's

Phase II (FY 24) Proposed Improvements

- 10 additional School-Based substitute teachers
  - Schools w/ low fill rates
- Increase substitute budgets
  - higher daily rate
  - increased usage
- Substitute incentive
  - 35, 70 & 140 days
- Referral bonus

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Questions or concerns?

Email budget@k12albemarle.org at any time.

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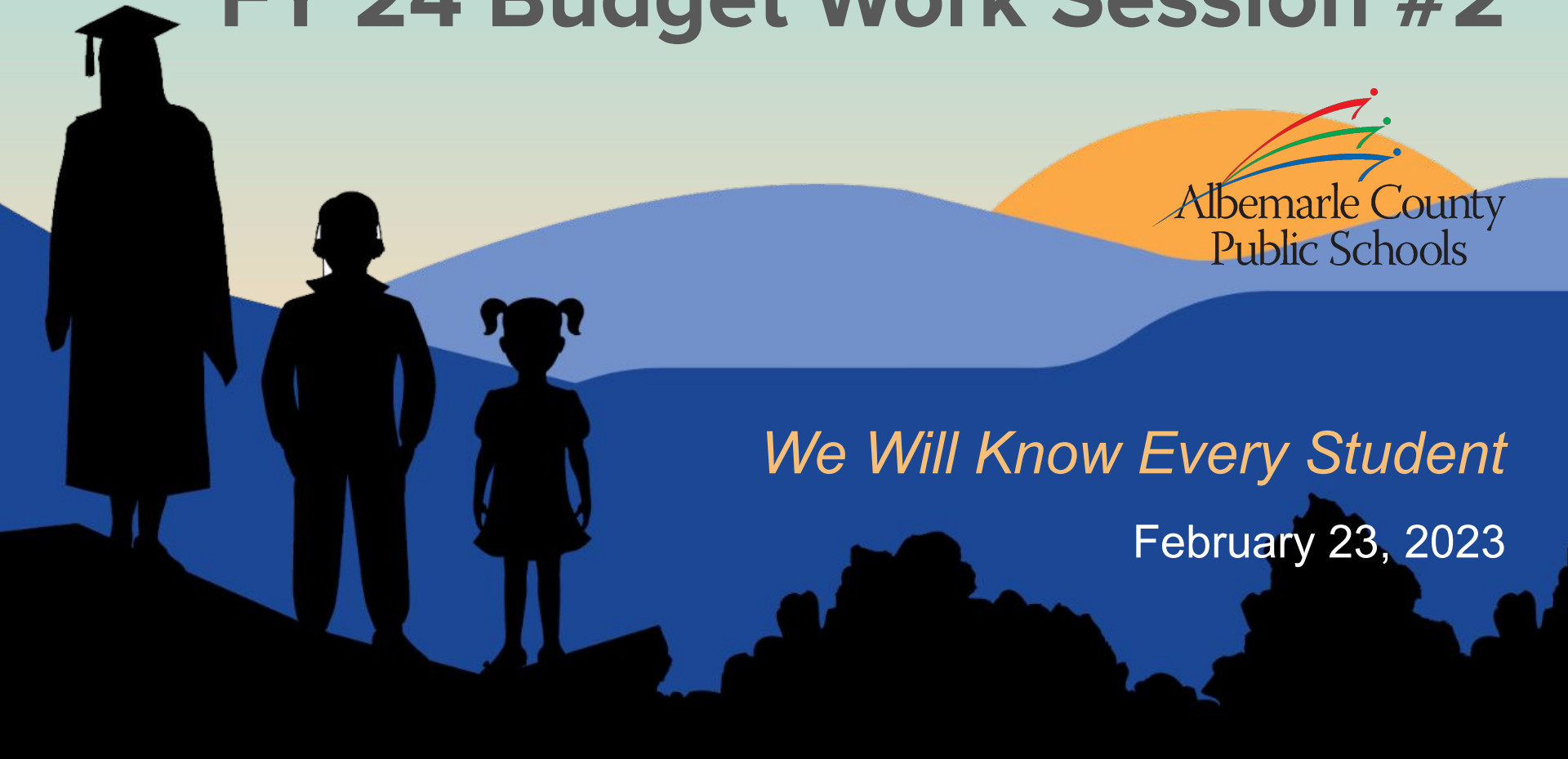

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