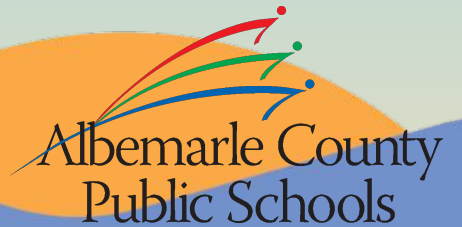


Budget Updates, FY 25



Sustaining Focus on Continuous Improvement

March 28, 2024

School Board's Funding Request: \$13.3M Gap

PROPOSED EXPENDITURES

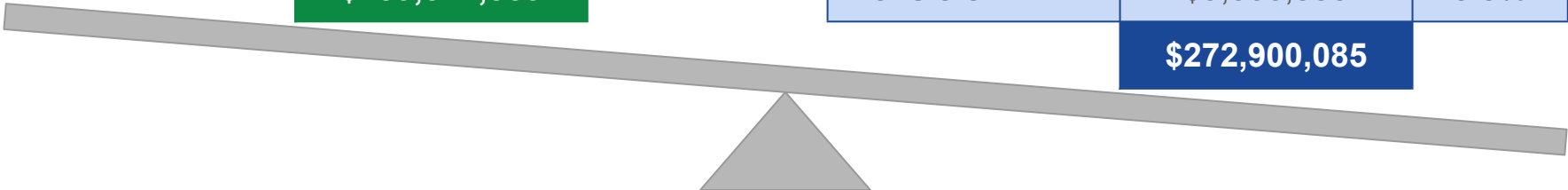
Instruction	\$193,546,507	70.9%
Admin/Attend & Health	\$17,163,290	6.3%
Technology	\$8,949,935	3.3%
Building Services	\$24,107,332	8.8%
Facilities	\$2,314,947	0.8%
Transportation	\$17,811,538	6.5%
Transfers	\$9,006,536	3.3%

ANTICIPATED REVENUES

Local	\$195,387,845	71.9%
State	\$63,569,018	27.9%
Federal	\$618,000	0.2%

\$259,574,863

\$272,900,085



Addressing Our Funding Gap: Some Possibilities

PLAN FOR HIGHER REVENUES

We **anticipate** that state revenues will improve, and we may apply one-time revenues.

TECHNICAL UPDATES

Incorporate new requirements of state budget, update costs, and include other technical changes.

MAKE REDUCTIONS

We are exploring alternatives for budget reductions.

If reductions are needed to balance the budget, we will make those decisions in **April**.*

**The budget we adopt in April is a plan; it is not set in stone. As we acquire new information or in response to needs, we can make changes throughout the year as part of managing our budget.*

Addressing Our Funding Gap: Some Possibilities

PLAN FOR HIGHER REVENUES +\$9.7M

- General Assembly Budget adds about **+\$4.8M** in State Revenues
- Board of Supervisors Proposed Budget adds about **+\$2.9M** in Local Transfer
- Recommend one-time Transfer from Special Revenue Fund Contingency **+\$1.0M**
- Recommend additional Use of Fund Balance **+\$1.0M** for one-time Reserve

Addressing Our Funding Gap: Some Possibilities

TECHNICAL CHANGES & UPDATES TO EXPENDITURES +\$0.1M

Reserve: Plan an Expenditure Contingency from Potential Fund Balance	+\$1,000,000
2023-24 Redistricting Study: Update staffing allocations and budget	-\$200,000
Staffing Standards: Update Art to 0.5 FTE minimum, Music to 0.5 FTE minimum	+\$30,000
Compensation Proposal: Include Academic Leadership Compensation Program Increase	+\$300,000
Social Emotional Supports Proposal: Update Cost	-\$100,000
PREP: Reduce Budgeted Payment for Piedmont Regional Education Program	-\$500,000
Technology Replacement: Update for new vendor costs and technical changes	-\$400,000

Addressing Our Funding Gap: Some Possibilities

TECHNICAL CHANGES & UPDATES TO EXPENDITURES (-\$0.3)

State Budget Changes:

Update English Learner Staffing Standards	+\$360,000
Reduce Transfer to VPI Bright Stars	-\$400,000
Reduce Group Life Insurance Rate	-\$250,000

**Planned
Approach to
Closing the
Funding Gap:
EXPENDITURES**

STRATEGIES

1. Plan operating budget (non-personnel) reductions first.

2. Analyze historical spending and adjust for underspent areas.

3. Review organizational structures and programs for effectiveness, efficiency and streamlining.

4. Reduce number of budgeted positions.

5. Prioritize proposals for funding, keeping in mind that they may need to be modified.

Addressing Our Funding Gap: Some Possibilities

MAKE REDUCTIONS -\$1.9M

(1) Defer Replacement Cycles

- Defer replacement of K-2 iPads (\$700,000)
- Defer transfer to Vehicle Replacement Fund (\$200,000)

(2) Pause Hiring of Vacant Positions

- Central Office / Department Based Positions (\$500,000)
- Reduce vacant Foreign Language in Elementary Schools positions (\$250,000)
- Eliminate Assistant Principal Intern Program (\$200,000)

Addressing Our Funding Gap: Some Possibilities

MAKE REDUCTIONS -\$1.6M

(3) Increase student to teacher budgeted ratios by 0.5 for School-Based Positions (-16.3 FTE)

- By formula, proposed student to teacher ratios: One FTE per [20.05] K-3, [22.25] 4-5, [23.5] 6-12
- Class size reduction ratios will remain: One FTE per [70] Free & Reduced Lunch
- Projected average class sizes for 2024-25 (based on above factors):

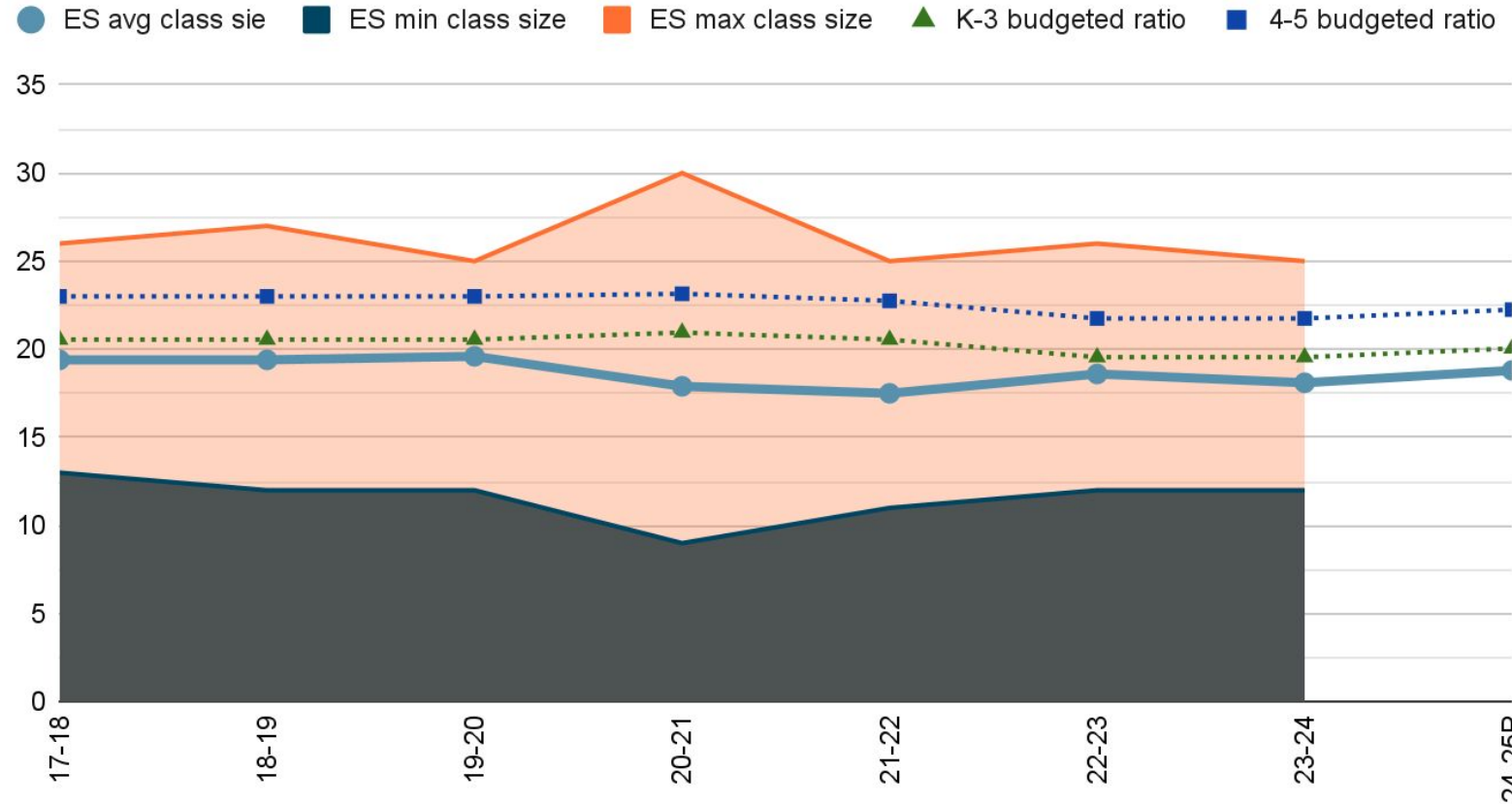
18.8 Elementary Schools

20.8 Middle Schools

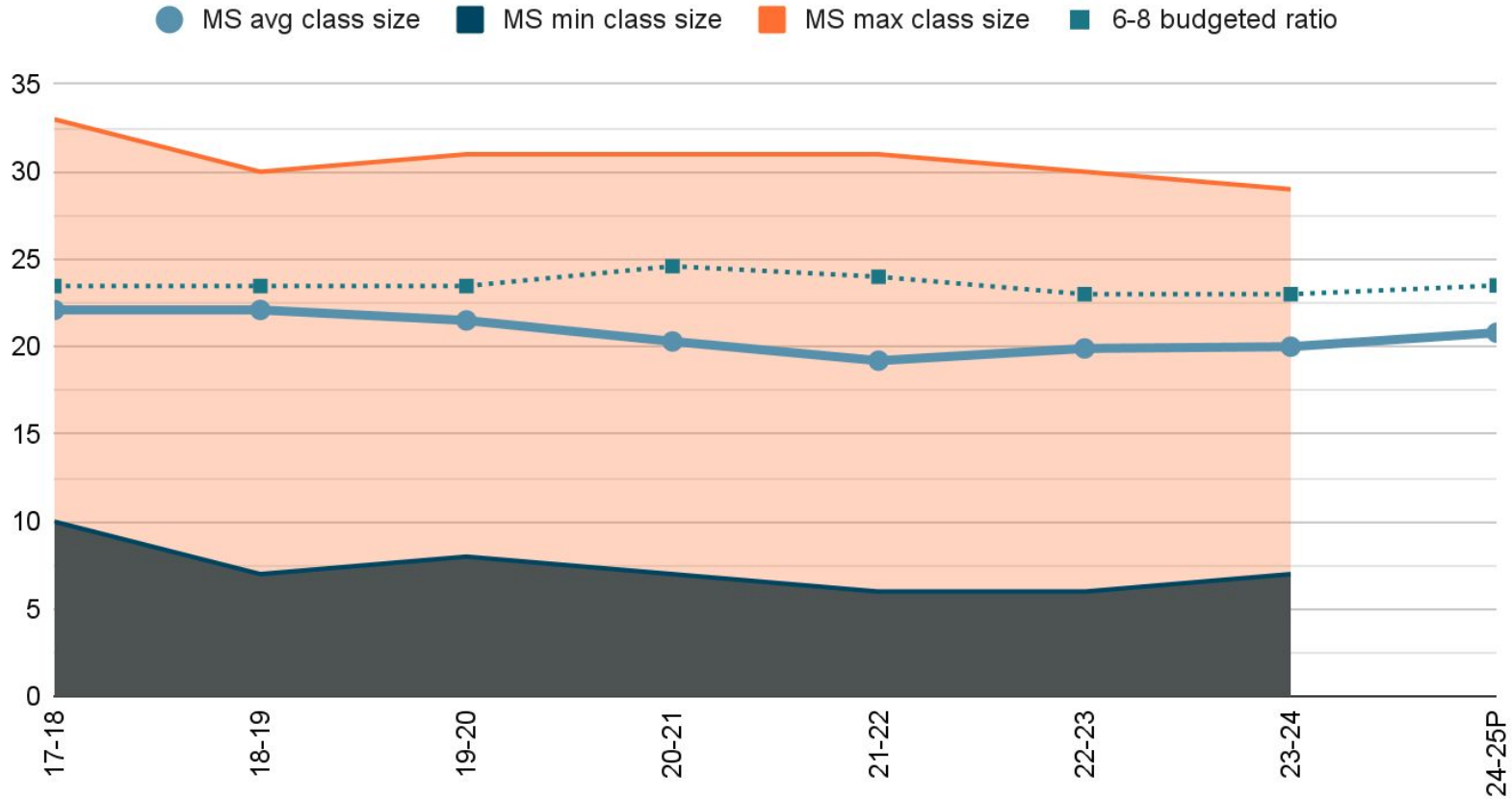
21.9 High Schools

- Planning for reductions are ongoing and various applications for the reductions will be considered

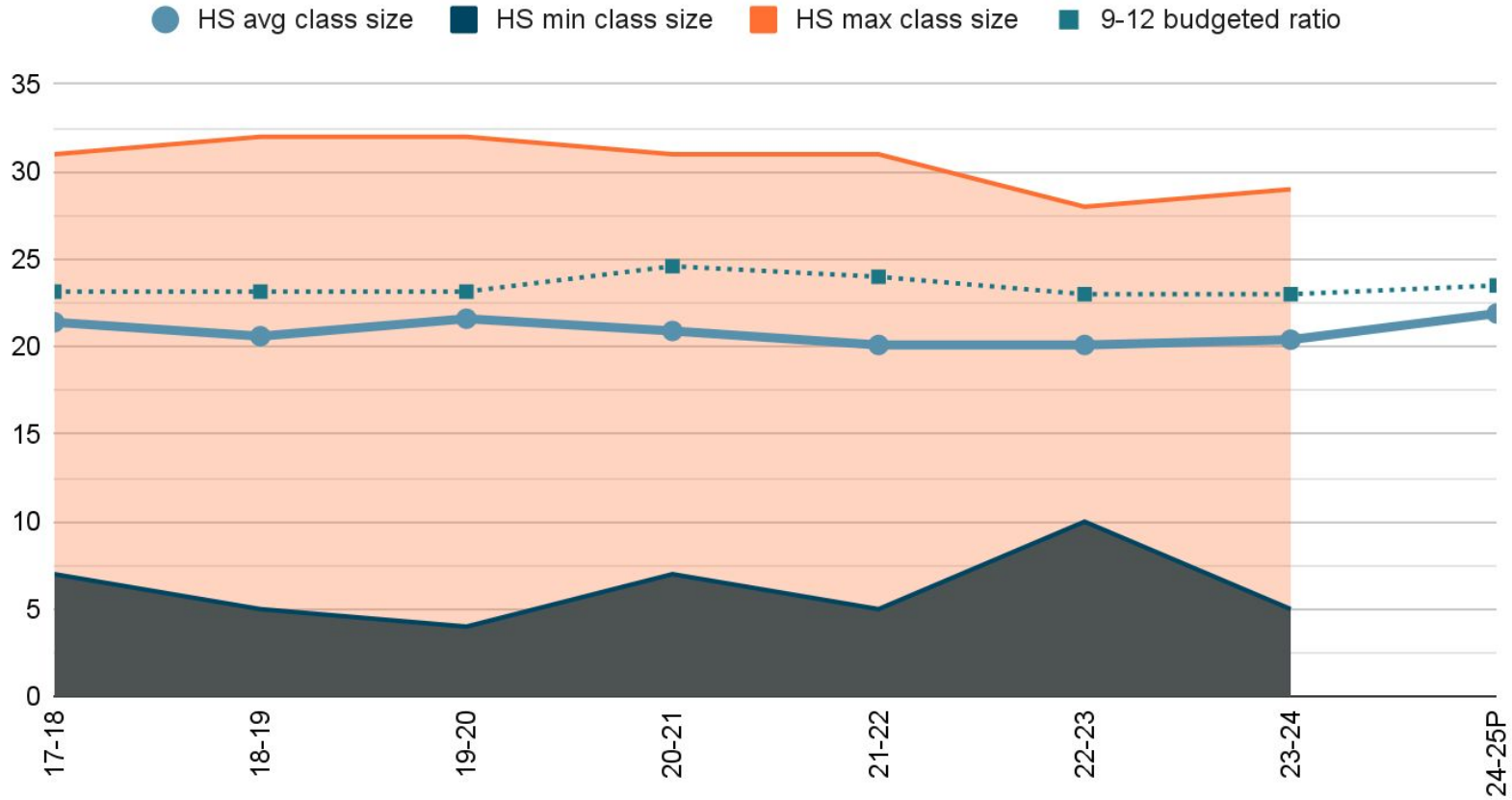
Elementary Class Size and Budgeted Ratios



Middle Class Size and Budgeted Ratios



High Class Size and Budgeted Ratios



Addressing Our Funding Gap: Summary Proposal

PLAN FOR HIGHER REVENUES

Update local, state, and one-time revenues.

~\$9.7M Revenue Increase

TECHNICAL UPDATES

Update costs, and include other technical changes.

~\$0.2M Expenditure Decrease

MAKE REDUCTIONS

Defer replacement cycles, pause hiring, and increase budgeted student to teacher ratios

~\$3.4M Expenditure Decrease

Total ~\$13.3M Change to Close Funding Gap

All dollar amounts are preliminary estimates and shown for illustrative purposes.

Discussion

1. What clarifying questions do you have?
2. What other information would you like?
3. Is there anything you would like to see differently on April 11?

Next Steps

APRIL 11 Approve balancing scenario

APRIL 25 Adopt Budget

MAY 1 Board of Supervisors sets tax rates, adopts and appropriates budget

JULY 1 Fiscal Year 2024/25 begins

As needed Amend budget and appropriation

STAY UP TO DATE:

k12albemarle.org/budget

CONTACT US:

budget@k12albemarle.org