

Superintendent's Proposed FY15-16 Budget





*School Board
Working Session
February 12, 2015*



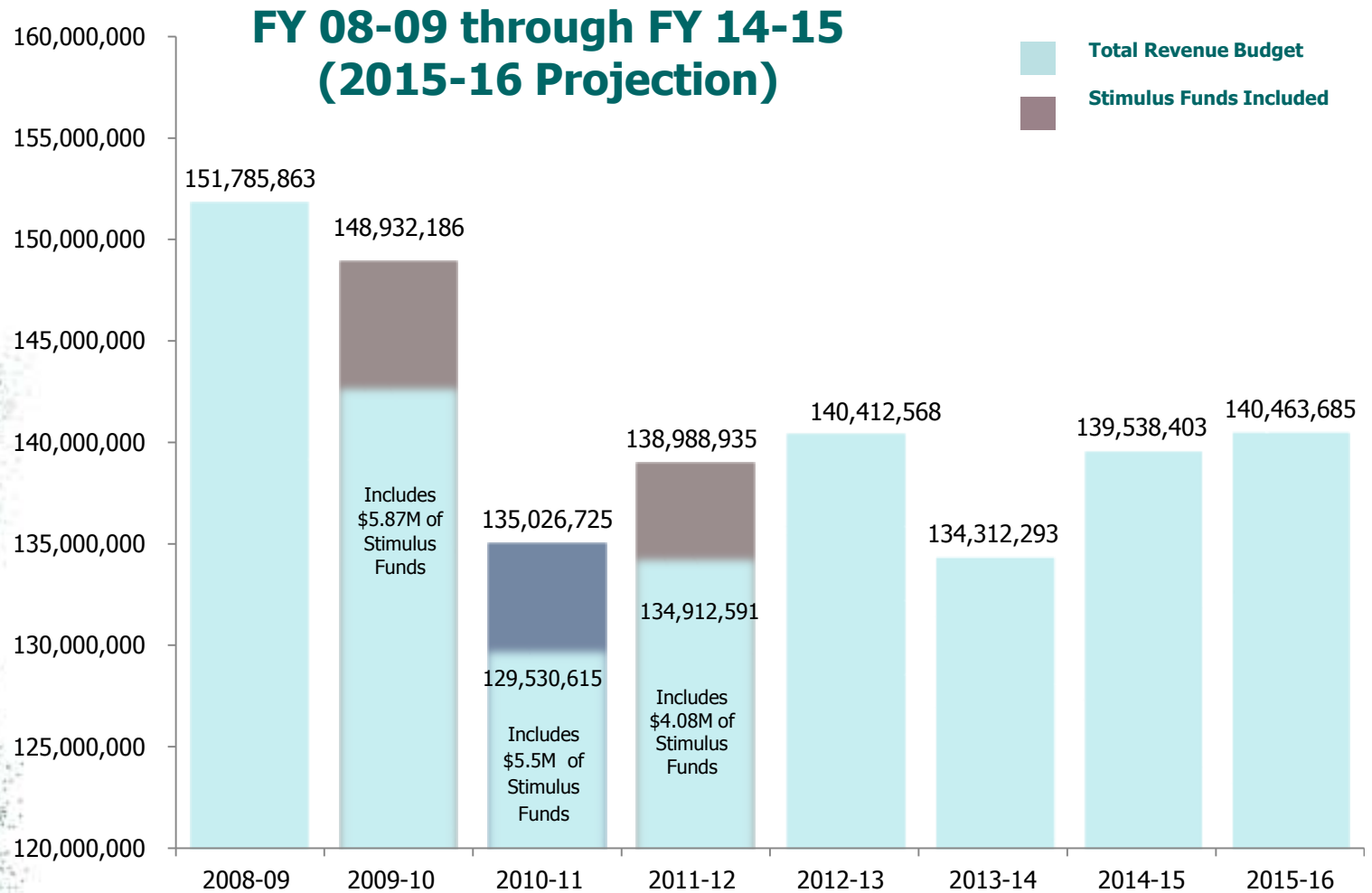
Budget Process – Key Dates

- ☑ November – Departments submit their budget requests
- ☑ December – The Governor’s budget is released
- ☑ January – School Board/Administration Reviews of preliminary Revenue and Expense figures; General Assembly session starts
- ▶ **February – Administration/School Board decide on budget priorities**
 - **February 12, 2015: Superintendent’s Proposed Budget Highlights**
 - **February 23, 2015: Joint Meeting with City Council concerning budget**
 - **February 26, 2015: Public Hearing on Superintendent’s Proposed Budget**
- ☐ *March 26th - School Board adopts Budget and forwards to City*
- ☐ *April/May - City Council holds budget deliberations, public hearings, and approves City’s Budget (May 13th)*
- ☐ *May 21, 2015 - The School Board adopts the 2015-16 Budget.*

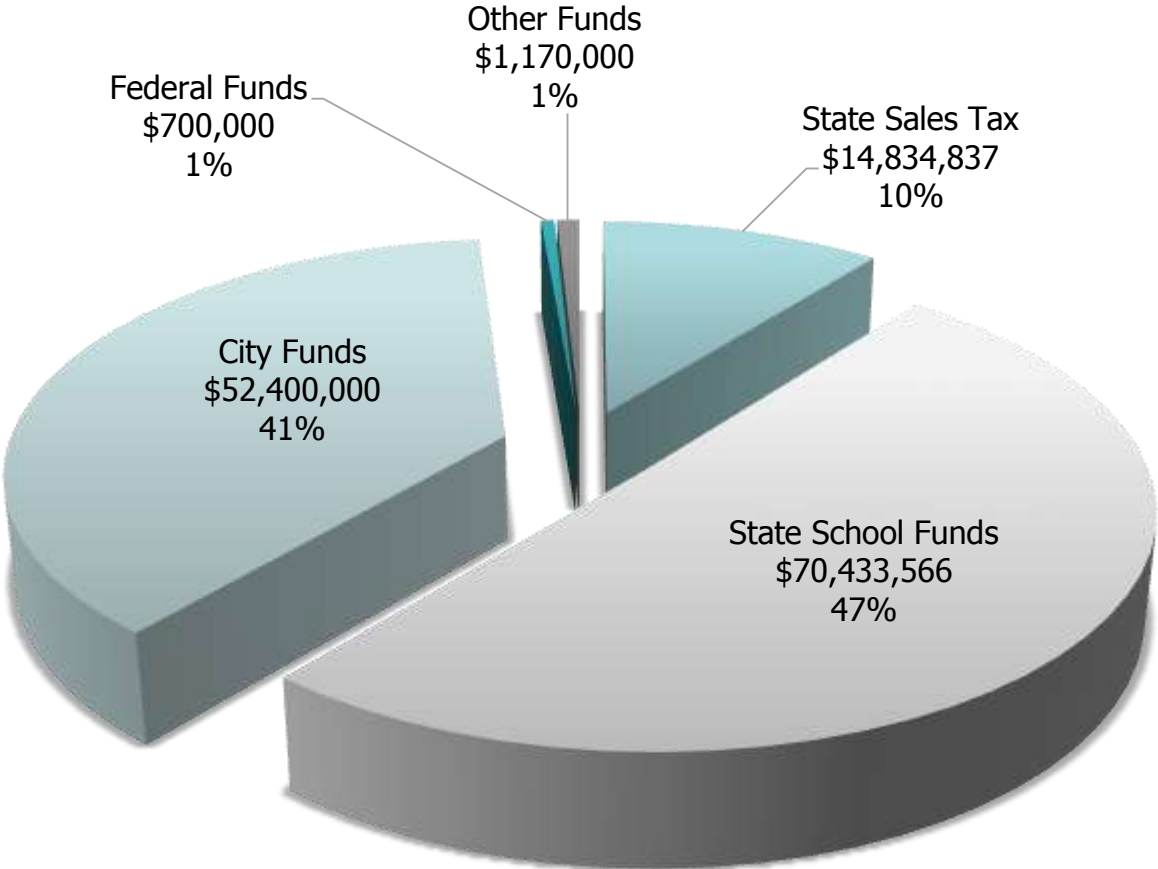
Revenue and Expense Picture

- State Revenue ??? 1.5% teachers?
- City Revenue ???
- VRS Expense 
- Health Expense 
- Payroll Expense 
- Facilities/Tech Expense 

Budgeted Revenue Trend



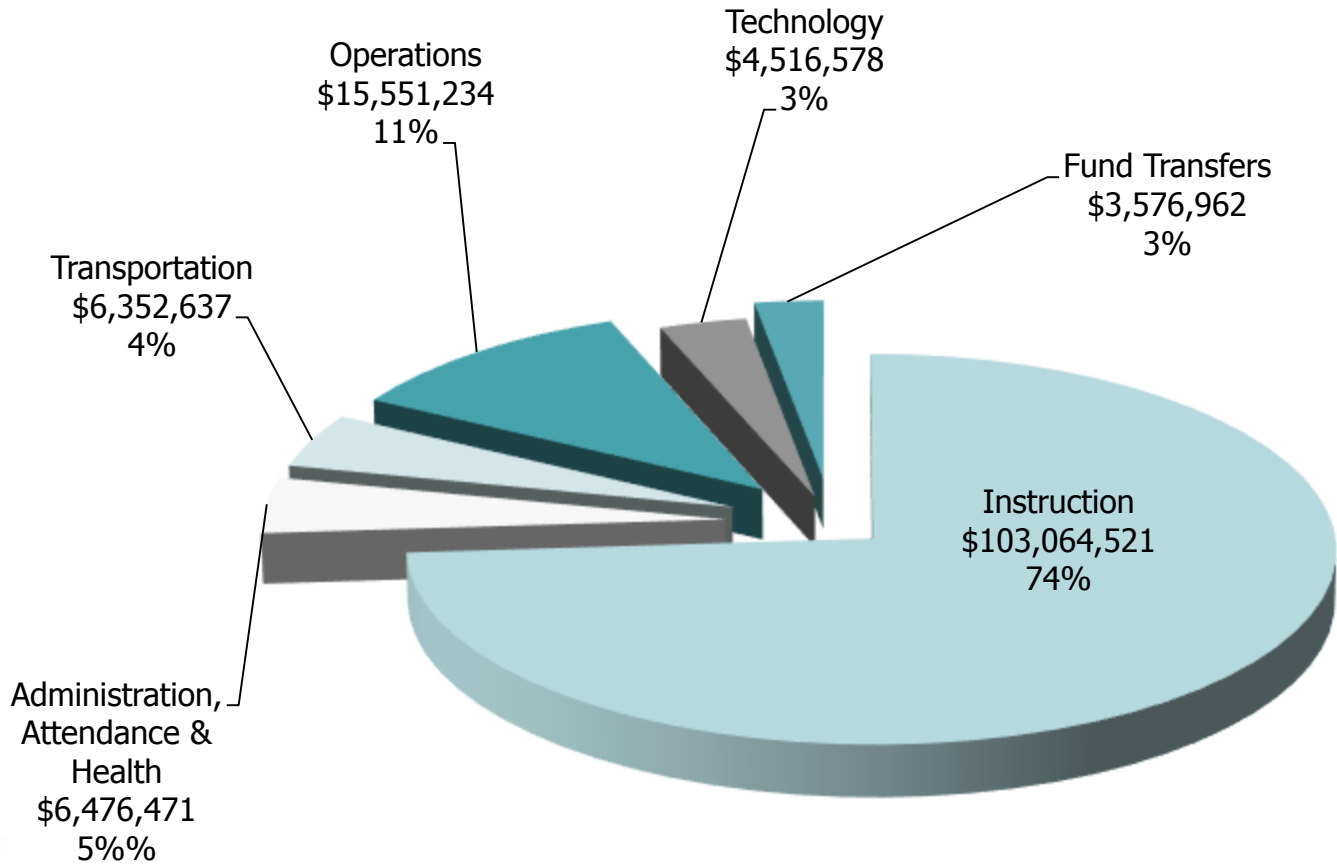
General Fund Revenue 2014-15



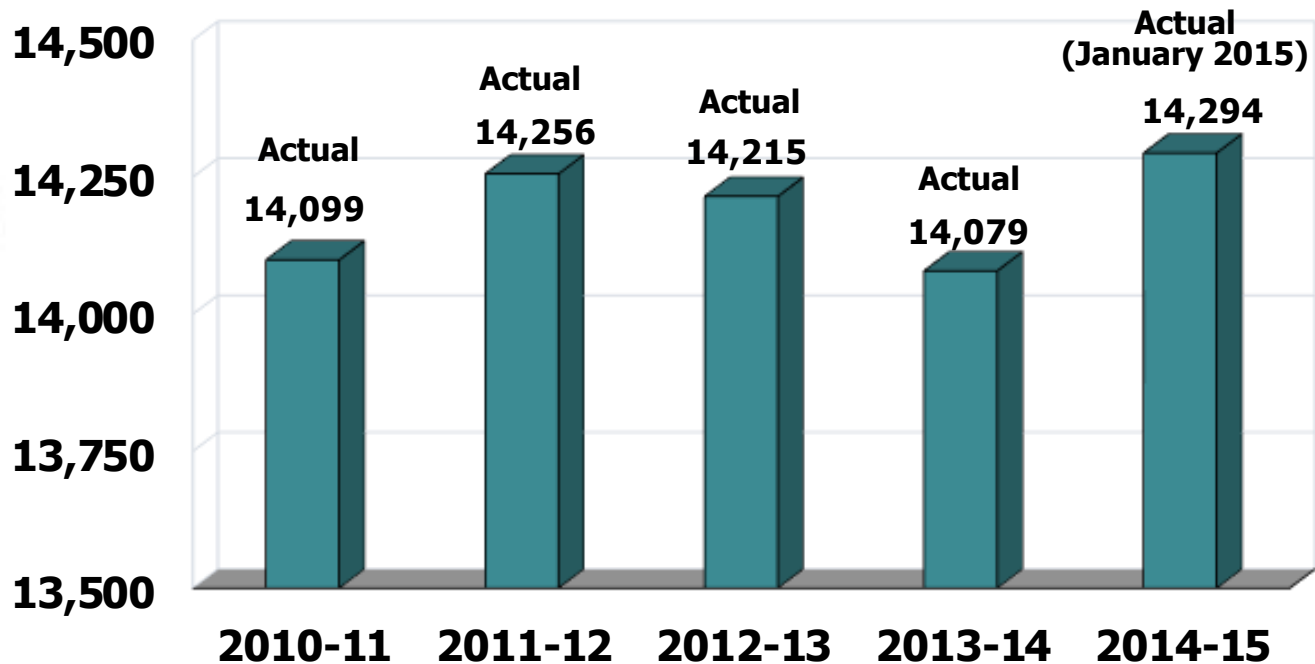
SUMMARY OF ESTIMATED STATE/CITY REVENUE FY2015-16

<i>DESCRIPTION</i>	<i>FY 2014-15 ORIG</i>	<i>FY 2014-15 GOVERNOR'S UPDATE</i>	<i>FY 2015-16 GOVERNOR'S PROPOSED</i>	<i>CHANGE(\$) FY14-15 ORIG vs FY15-16 GOV</i>	<i>Change(%)</i>
STANDARDS OF QUALITY (SOQ)	\$ 75,900,977	\$ 75,956,130	\$ 76,521,987	\$ 621,010	0.82%
INCENTIVE & CATEGORICAL	\$ 1,229,875	\$ 1,327,815	\$ 1,350,489	\$ 120,614	9.08%
LOTTERY FUNDED PROGRAMS	\$ 13,162,865	\$ 13,557,667	\$ 13,396,414	\$ 233,549	1.72%
TOTAL-STATE REVENUE	\$ 90,293,717	\$ 90,841,612	\$ 91,268,890	\$ 975,173	1.07%
ADM	14,041.40	14,174.60	14,210.85		
State Rev/ADM	6,430.54	6,408.76	6,422.48		
CITY REVENUE	52,400,000		???????????????		
City Rev/ADM	3,731.82				
*State Revenues include ALL line items on VDOE template					

General Fund Expenditures 2014-15



Average Daily Membership 5-Year Comparison



Fiscal Years 2011-2014 from Spring Financial Verification (March 31 ADM)

BUDGET HIGHLIGHTS

Must-Fund Increases Include:

(Total \$2,592,108)

- *Health Insurance (7%) - \$612,108*
- *Health Insurance for PT EE - \$80,000*
- *FY15 mid-year 2% employee raise carried forward – 1,900,000*

BUDGET HIGHLIGHTS

Reductions: (Estimated Total = \$1,348,000)

- *DAC Facility Closing: \$98,000*
(+ cost avoidance of HVAC replacement for \$468,000)
- *Print Shop Closing: \$250,000*
- *15% across the board cut to discretionary non-payroll \$: \$1,000,000*

BUDGET HIGHLIGHTS

Quality Improvement Recommendations:

(Total: \$10,464,546)

Built into Proposed Budget:

- ***Step Increase - \$ 3,002,816***
- ***1.5% COLA increase - \$1,678,500***

Not built into Proposed Budget: (\$5,783,230)

- ***26 Additional Instructional Assistants/Reading Specialists - \$1,327,662***
- ***Holiday Pay for 10-mo., non-exempt employees (Winter Break 2 weeks) - \$ 575,340***
- ***27 Additional Teachers and 8 additional Ops/Finance Support Staff - \$1,859,166***

BUDGET HIGHLIGHTS

Quality Improvement Recommendations (cont.):

- *Academic Program Improvements – e.g., Dual Enrollment, Saturday Tutoring - \$385,000*
- *Instructional Technology Software - \$250,000*
- *Increase in Substitute Pay to regional average - \$70,763*
- *Restore prior year cuts in Academic Professional Development - \$80,000*
- *District wide Athletic Director and Athletic Trainers - \$108,509*
- *Extra Pay for Extra Bus Runs - \$68,000*
- *Increase to Bus Driver/Monitor standard workweek - \$600,000*

BUDGET HIGHLIGHTS

Quality Improvement Recommendations (cont.):

- *Additional SECEP TRAEP slots for General Ed - \$53,790*
- *PIO Position - \$100,000*
- *Increase to Athletic and Band Allocations - \$90,000*
- *Saturday Tutorial Program – \$135,000*
- *Grants Writer Position - \$80,000*

GENERAL FUND REVENUE OVERVIEW

Revenue Categories	2013-14 Budget	2014-15 Budget	2015-16 Proposed
State School Funds	\$69,865,727	\$70,433,566	\$70,871,404
State Sales Tax	14,821,566	14,834,837	14,823,139
City Funds	47,300,000	52,400,000	52,400,000
Federal Funds	700,000	700,000	700,000
Other Funds	1,625,000	1,170,000	1,669,142
Total Revenue	<u>\$134,312,293</u>	<u>\$139,538,403</u>	<u>\$140,463,685</u>

GENERAL FUND EXPENDITURES OVERVIEW

Categories	2013-14 Budget	2014-15 Budget	2015-16 Proposed
Instruction	\$95,675,205	\$103,064,521	\$104,732,333
Administration/ Attendance/Health	6,502,400	6,476,471	5,655,376
Pupil Transportation	6,502,400	6,352,637	8,463,650
Operations and Maintenance	16,628,023	15,551,234	12,724,598
Technology	5,201,920	4,516,578	6,987,248
Facilities	278,217	-	-
Fund Transfers	3,524,128	3,576,962	2,497,632
Total Expenditures	<u>\$134,312,293</u>	<u>\$139,538,403</u>	<u>\$141,060,837</u>

SUPERINTENDENT'S PROPOSED BUDGET ALL FUNDS

Expenditures	2013-14 Budget	2014-15 Budget	2015-16 Proposed
General Fund	\$134,312,293	\$139,538,403	\$141,060,687
Reprographics Fund	981,511	755,866	-
Cafeteria Fund	8,220,504	8,477,000	8,426,500
School Grants Fund	17,146,860	16,629,307	17,418,954
Risk Management & Insurance Fund	955,702	955,702	955,702
Textbook Fund	1,278,948	1,347,080	1,363,880
Grand Total of Expenditures	<u><u>\$162,895,818</u></u>	<u><u>\$167,703,358</u></u>	<u><u>\$169,225,723</u></u>



CAPITAL PROJECTS 2015-2020



FISCAL YEAR	NUMBER OF CIP PROJECTS REQUESTED	VALUE OF CIP PROJECTS REQUESTED		NUMBER OF CIP PROJECTS APPROVED / FUNDED	VALUE OF CIP PROJECTS APPROVED / FUNDED
		<i>Year 1</i>	<i>5 Years</i>		<i>Year 1</i>
2014-15	18	\$9,881,552	\$31,683,227	7	\$1,700,000
2015-16	43	\$14,343,553	\$52,690,777	???	???

Competing Virginia Budget Proposals

Key proposed amendments to Chapter 3, the 2014-2016 budget

	Governor	Senate Finance	House Appropriations
Education			
Per Pupil K-12 Spending in FY2016	\$5,028	\$5,067	\$5,064
One-Time VRS Deposit for Teacher Retirement	\$150m	\$187.2m	\$190m
Virginia Preschool Initiative (VPI)	Allows unused VPI slots to be used by school divisions that have a waiting list	Requires unused balances to be used for one-time pre-k start-up or expansion grants	Eliminates funding for last year's hold harmless provision for some school divisions and uses lower enrollment numbers to cut \$6.4m from VPI. Also limits eligibility only to children who are eligible for free lunch
School Construction	Includes \$50m in funding for school construction loans and \$25m to subsidize interest rates for school divisions	Includes \$50m in funding for school construction loans and \$25m to subsidize interest rates for school divisions	Includes only \$50m in funding for school construction loans. The \$25m used for the interest rate subsidy grants is instead used to offset other state funds used for teacher retirement
"Breakfast After the Bell"	Includes \$537,000 for a new school breakfast program designed to encourage all school divisions to serve breakfast after the start of the school day	Targets this new program at only elementary schools where free/ reduced lunch eligibility exceeds 45%. Funding levels are the same as the governor's proposal	Combines governor's program and regular school breakfast program. School divisions can pilot new breakfast serving models or claim additional reimbursement for their existing school breakfast programs. Funding levels are the same as the governor's proposal
Compensation			
Pay Raises	\$1.6m to increase the salaries of entry-level deputy sheriffs	\$158m for pay raises, including: 3% for state employees 3% for state-supported local employees 2% for faculty (distribution determined by colleges) 1.5% for teachers \$5.8m for compression for state police 2% base adjustment for high-turnover occupations	\$142m for pay raises, including: 1.5% for state employees plus a compression adjustment 2% for state-supported local employees 2% for faculty (distribution determined by colleges) 1.5% for teachers 1.5% for state police plus \$4m for overtime \$8.5m targeted to public safety personnel
Extra VRS Deposit for State Employees' Retirement			\$42m towards funding VRS at recommended rates



Pay Increases and/or Bonuses

Pay Date	Amount	Employees Included
10/15/2001 Retention Bonus	\$600	All active employees in VRS covered positions who were employed as of June 30, 2001 and returned to work and continued to be covered by VRS on September 30, 2001
3/31/2002 2% Pay Increase on Base Pay, Eff Retro to July 1, 2001		All active employees as of March 15, 2002
9/25/2009 Step Increase Pay Day Eff 9/6/2009		All employees with Grade / Step, EXCEPT ROTC Instructors and School Board Members
12/17/2010 Bonus Pay Day	\$500 FT \$250 PT	Employees employed as of Sept 7, 2010 and still employed as of Nov 4, 2010. Part-time employees included Food Services w/ position, PT Print Shop, PT Stem teachers, PT Nurses, PT Teachers and Guidance Counselors, also Crossing Guards. No coaches, COE, Subs or Tutors. Cost to District \$1,160,736
6/1/2012 Bonus	\$650 FT \$325 PT	Employees employed as of Sept 6, 2011 and still employed as of May 24, 2012. Part-time employees included Food Services w/ position, PT Print Shop, PT Stem teachers, PT Nurses, PT Teachers and Guidance Counselors, also Crossing Guards. No coaches, COE, Subs or Tutors. Cost to District \$1,430,238
7/1/2012 8% Increase on Base Pay		To all employees with Grade and Step. For 5% VRS cost and 3% COLA. ROTC Instructors received a one time 5% increase to cover their VRS cost.
4/19/2013 Bonus Pay Day	\$225	To 10 month hourly employees that would normally experience reduced pay because of spring break. (Bus Drivers, Bus Monitors, Instructional Assistants, 10 mo Clerks, 10 mo ISS, Interpreters, Security Guards, Crossing Guards, Food Services and 10 mo Home School Liasions) No coaches, COE, Subs or Tutors. Cost to District \$137,334
7/1/2013 2% Increase on Base Pay		All employees with Grade / Step, EXCEPT ROTC Instructors and School Board Members
1/9/2015 2% Increase on Base Pay Pay Day Eff 11/23/14		All employees with Grade / Step, EXCEPT ROTC Instructors and School Board Members

EDUCATION								
	To-Date	FY 2016	FY 2017	FY 2018	FY2019	FY2020	Total 5 Year	CIP Total
Project Title								
Wilson High PA	\$ 50,000	\$ 150,000					\$ 150,000	\$ 200,000
Churchland High PA	\$ 150,000						\$ -	\$ 150,000
Westhaven Elementary Roof	\$ 60,000	\$ 929,132					\$ 929,132	\$ 989,132
Wilson High School Roof	\$ 110,000		\$ 1,030,000	\$ 1,500,000			\$ 2,530,000	\$ 2,640,000
Churchland High HVAC	\$ 185,200	\$ 5,000,000	\$ 4,000,000	\$ 1,500,000	\$ 1,500,000		\$ 12,000,000	\$ 12,185,200
School Bus Replacement	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000		\$ 4,000,000	\$ 6,000,000
Wilson High Fire Alarm	\$ 144,800						\$ -	\$ 144,800
Lakeview-Elect. Reheat for 10 RTUs		\$ 129,950					\$ 129,950	\$ 129,950
Upgrades Honeywell controls from R2 to AX		\$ 245,000					\$ 245,000	\$ 245,000
Brighton Roof Renovation		\$ 973,000					\$ 973,000	\$ 973,000
Waters Middle Gym Bleachers		\$ 75,000					\$ 75,000	\$ 75,000
Churchland Middle Bleachers			\$ 75,000				\$ 75,000	\$ 75,000
Olive Branch PreK Roof		\$ 763,000					\$ 763,000	\$ 763,000
Olive Branch PreK (21 Carrier Classroom RTUs)		\$ 225,000					\$ 225,000	\$ 225,000
James Hurst (Replace Pneumatic Dual Duct VAVs/Damaged Ductwork)			\$ 162,250				\$ 162,250	\$ 162,250
Churchland Middle (Replace Pneumatic Dual Duct VAVs)			\$ 445,000				\$ 445,000	\$ 445,000
Hodges Manor RTU Replacement			\$ 285,866				\$ 285,866	\$ 285,866
Mount Hermon (Replace Classroom RTUs)			\$ 250,000				\$ 250,000	\$ 250,000
Mount Hermon Roof			\$ 863,673				\$ 863,673	\$ 863,673
DAC (Replace Nesbit Units) *		\$ 468,000					\$ 468,000	\$ 468,000
Clarke (Replace RTUs)		\$ 700,175					\$ 700,175	\$ 700,175
Clarke (Replace Gas Piping on Roof)				\$ 165,600			\$ 165,600	\$ 165,600
Clarke (Additional Thermostat-Controlled Zone Dampers)					\$ 209,000		\$ 209,000	\$ 209,000
Churchland Acad Ceramic Tiles Installation			\$ 120,000				\$ 120,000	\$ 120,000
Churchland High Gym Locker Replacement			\$ 80,000				\$ 80,000	\$ 80,000
Norcom High Gym Locker Replacement			\$ 80,000				\$ 80,000	\$ 80,000
White Vehicle Fleet Replacement		\$ 75,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 315,000	\$ 315,000
School Parking Lot Pavings			\$ 500,000				\$ 500,000	\$ 500,000
Mount Hermon Ceiling Replacement				\$ 380,000			\$ 380,000	\$ 380,000
Emily Spong Ceiling Replacement				\$ 330,000			\$ 330,000	\$ 330,000
Mount Hermon Bus Loop Replacement			\$ 125,000				\$ 125,000	\$ 125,000
Churchland Acad Bus Loop Replacement			\$ 100,000				\$ 100,000	\$ 100,000
Wilson High Gym Lockers			\$ 80,000				\$ 80,000	\$ 80,000
Clarke (Install School Bus Parking Lot)					\$ 2,600,000		\$ 2,600,000	\$ 2,600,000
Lakeview Gym			\$ 500,000	\$ 3,000,000			\$ 3,500,000	\$ 3,500,000
Churchland High Stage, Sound, Lighting			\$ 25,000	\$ 315,420			\$ 340,420	\$ 340,420
Wilson High Stage, Sound, Lighting			\$ 20,000	\$ 225,000			\$ 245,000	\$ 245,000
Football Stadium Field Houses/Storage for 3 HSs				\$ 1,800,000			\$ 1,800,000	\$ 1,800,000
Artificial Turf HS Football Fields					\$ 2,400,000		\$ 2,400,000	\$ 2,400,000

