# WORK SESSIONS OVERVIEW

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GOALS

► Budget will support the mission of establishing a community of learners and learning, through relationships, relevance and rigor, one student at a time.

► Plan, prepare, and implement a fiscally responsible budget that provides the resources necessary for creating equitable educational opportunities for all students.

► Engage stakeholders, including parents, teachers, staff, business leaders, volunteers, civic organizations and the community, in the development of budget priorities.

► Provide a salary and benefit plan that supports Albemarle’s competitive position and reflects market adjustments where necessary.

► Develop and maintain a responsive and systematic approach to operational services that reflects industry best practices and ensures long-range financial stability.

► New budget proposals will align with the Strategic Plan and School Board Priorities.

► Schools, departments, and strategic proposals will incorporate the use of logic models and/or performance measures.
The division’s general operating budget amounts will remain the same from year to year. Any increases or decreases are required to be justified in detail.

1.5% of salaries will be budgeted as a Lapse Factor to account for financial savings from vacancies.

Investments in new proposals will comprise no more than 2% of the overall budget.

Up to 10% of unspent funds within school operational budgets may be carried over into the following year’s school operational budget.

Annual revenues will be estimated by an objective analytical process. Revenue will not be included in the budget that cannot be verified with documentation as to its source and amount.

Fee-based programs in the Special Revenue Funds will set fees and user charges to ensure their funds are self-sufficient.

The division will budget expenditures in its Special Revenue Funds not to exceed projected revenues within grant funds.
## EXPENDITURE CHANGES

**Page A-26 Summary, Page A-29 Descriptions**

<table>
<thead>
<tr>
<th>Total Revenue Increase</th>
<th>$13.6 million</th>
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<tr>
<td><strong>Non-Discretionary/Directed</strong></td>
<td><strong>$0.8 million</strong></td>
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<td>Compensation (Work Session #1)</td>
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<td>$4.8 million</td>
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<td>$0.4 million</td>
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<tr>
<td><strong>Total Expenditure Increase</strong></td>
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</table>
• Baseline Savings
• Special Education Restructure & Current Year Growth
• VRS Rate Changes
• Voluntary Early Retirement Incentive Program (VERIP) Decrease
• Health Insurance Reallocation
• Other Benefit Changes
• Workers Compensation Increase
• Schools and Department Overtime Increase

• Security Cost Increase
• Building Services Operations
• Visitor Management System
• Transportation Operations
• School Safety & Attendance Liaison
• CATEC Transfer Increase
• Lapse Factor Incremental Savings

Page A-26 Summary, Page A-29 Descriptions
## OVERVIEW OF REVENUES

<table>
<thead>
<tr>
<th></th>
<th>2019-20 Adopted</th>
<th>2020-21 Projected</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Local</strong></td>
<td>$141,950,502</td>
<td>$147,712,961</td>
<td>$5,762,459</td>
<td>4.1%</td>
</tr>
<tr>
<td><strong>State</strong></td>
<td>$50,528,580</td>
<td>$57,777,769</td>
<td>$7,249,189</td>
<td>14.3%</td>
</tr>
<tr>
<td><strong>Federal</strong></td>
<td>$2,999,523</td>
<td>$3,582,761</td>
<td>$583,238</td>
<td>19.4%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$195,478,605</td>
<td>$209,073,491</td>
<td>$13,594,886</td>
<td>7.0%</td>
</tr>
</tbody>
</table>
EXPENDITURES INTRO

TOTAL SCHOOL BUDGET

Section C: Expenditures

School Fund

Section D

Schools

Departments

Section E

Special Revenue Funds

Section F
SCHOOL FUND EXPENDITURES

Section C: Expenditures

- Compensation & Benefits: 86.7%
- Operating: 9.8%
- Transfers: 2.0%
- Capital: 1.4%
SCHOOL BUDGETS

**Budgets**

- Elementary Schools
- Middle Schools
- High schools
- Center I
- CATEC
- Multi-school

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**School Operations**

**Division Allocations**
(substitute pay, stipends)

**FTEs**
(principals, teachers, nurses, custodians, technology support, bookkeepers)
DEPARTMENTS & SPECIAL REVENUE FUNDS

Section E: Departments

FTEs
(bus drivers, maintenance workers, directors, superintendent, management analysts)

Department Operations
(supplies, software contracts, contracted services, equipment)

School Expenses
(building leases, utilities, bus maintenance)

External Payments
(Ivy Creek tuition, transfer to CSA, transfer to PREP)

Section F: Special Revenue Funds

Grant Programs

Fee-Based Programs

Internal Service Funds
<table>
<thead>
<tr>
<th>Page</th>
<th>Key Information</th>
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<tbody>
<tr>
<td>G-2 to G-3</td>
<td>Enrollment Projections</td>
</tr>
<tr>
<td>G-5 to G-19</td>
<td>Staffing Standards</td>
</tr>
<tr>
<td>G-20 to G-22</td>
<td>Staffing Allocations</td>
</tr>
<tr>
<td>G-24</td>
<td>Schools Operating Budget Allocations</td>
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# PROPOSALS FUNDED IN FY 20

## ENGAGE EVERY STUDENT

**Contemporary High School Programming:**
- High School Centers Expansion
- JROTC/NDCC Program

**CRT Professional Development:**
- Equity Specialist Expansion (Proposed for Expansion in FY 21)

**Elementary World Language Program:**
- FLES Staffing (Proposed for Expansion in FY 21)

## IMPLEMENT BALANCED ASSESSMENTS

**Strategic Decision-Making:**
- Data and Reporting Specialist and System

## IMPROVE OPPORTUNITY & ACHIEVEMENT

**Safety and Well-Being:**
- Anonymous Reporting App
- Elementary School Counselors Part-Time to Full-Time (Proposed for Expansion in FY 21)
- Middle School Student Support Counselor (Proposed for Expansion in FY 21)
- School Safety Coordinator
- First School Pilot Program
- Gifted Education Program Redesign
- STEP Program Expansion (Proposed for Expansion in FY 21)

## CREATE & EXPAND PARTNERSHIPS

**Community Engagement:**
- Website Management and Communication System Upgrade

## OPTIMIZE RESOURCES

**Student Well-Being and Success:**
- Work-Based Learning Management Tool

**Employee Well-Being and Job Satisfaction:**
- Reduced Tuition for Children of Employees

**Research-Based Best Practices:**
- Education Advisory Board (EAB) Membership

**Substitute Program:**
- Program Improvements

**Support Services:**
- Financial Analyst
- Human Resources Specialist II

**Transportation Services:**
- Bus Driver Compensation

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Section H: FY 20 Proposals
EXPENDITURE CHANGES

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COMPENSATION

Teacher Salary Increase (2.5%)  $2,218,266
Classified Salary Increase (1.5%)  $720,631
Minimum Pay Rate Increase ($13.50)  $2,100,000
Additional Compensation Increase  $2,543,560
Total  $7,582,457
Joint Board Adopted Process

**July**
Survey our Adopted Market

**August-September**
Analyze data - do we lead, lag or meet market targets?
- Classified Staff - Median of market
- Teachers - 75th percentile

**August-September**
Get WorldatWork projection

**October/November**
Project next year’s market movement
COMPENSATION

Teachers
- Includes all license staff
- Step Scale
- ACPS currently employs 1,372 teachers

Classified
- Includes custodians, bus drivers, clerical staff, administration, etc.
- Pay grades/bands
- ACPS currently employs 1,331 classified staff
TEACHER PAY COMPARED TO ADOPTED MARKET
Adjusted Teacher scale by 3%

FY 2019/20

FY 2020/21

Propose increase of 2.5% - 3%
Increase of 2.3% plus pay for performance

Propose increase of no less than 1.5% and fund moving to minimum pay rate
**HISTORICAL INCREASES**

<table>
<thead>
<tr>
<th>Year</th>
<th>Classified Employees</th>
<th>Teachers</th>
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<tr>
<td>2015-16</td>
<td>• 2.3% market increase + merit (half year)</td>
<td>• Average increase of 2.0% (half year)</td>
</tr>
<tr>
<td>2016-17</td>
<td>• 2.0% market increase</td>
<td>• Average increase of 2.0%</td>
</tr>
<tr>
<td></td>
<td>• Address compression</td>
<td></td>
</tr>
<tr>
<td>2017-18</td>
<td>• 2.0% market increase</td>
<td>• Average increase of 2.0%</td>
</tr>
<tr>
<td>2018-19</td>
<td>• 2.0% market increase + merit</td>
<td>• Average increase of 2.0%</td>
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<td></td>
<td>• 1.0% pay scale adjustment*</td>
<td>• Teacher pay scale methodology change</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Total average increase is 4.0%</td>
</tr>
<tr>
<td>2019-20</td>
<td>• 2.3% market increase + merit</td>
<td>• 3.0% increase**</td>
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<tr>
<td></td>
<td>• Increased compensation for bus drivers</td>
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<td></td>
<td>• 1.0% pay scale adjustment*</td>
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</tr>
<tr>
<td>2020-21</td>
<td>• No less than 1.50% average increase</td>
<td>• 2.5% to 3.0% increase**</td>
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<td></td>
<td>• Minimum pay rate of $13.50 - $15.00/hour and compression adjustments through Pay</td>
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<td>Grade 12</td>
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* Pay scale adjustments affect new hires and current employees at either the bottom or top of the scale

** After the teacher pay scale was straightened, all teachers now receive the same increase with the exception of those who are at the top of the scale.
➢ Major employers in the local area are now paying a minimum hourly rate of $15/hr.

➢ This impacts our ability to recruit and retain high-quality staff, particularly in areas where we have a difficult time keeping positions filled.
➢ ACPS currently has ~500 employees who make less than $15/hr

➢ These positions have the greatest number of employees:
  • Teaching Assistants
  • Food Service Associates
  • Custodians
  • Transportation (Bus Drivers, Van Drivers, and Assistants)
MINIMUM PAY RATE INCREASE

COSTS

- Raising minimum pay rate to $13.50/hr: $2.1M
- Additional cost to raise it to $15.00/hr: $1.65M

CONSIDERATIONS

- Compression strategies to maintain integrity of pay scale
- Commonality with local government
- Impact on self-sustaining programs
# Work Sessions Overview

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For quick answers on format, where to find content, etc., or for more in-depth questions that will result in a formal written response and sharing with School Board members, please contact:

budget@k12albemarle.org