



Work Session #2, FY 22

Stronger Than Before

February 25, 2021



Budget
Process:
Work
Sessions

February 18
Special Budget
Work Session #1

- *Revenues*
- *General Enrollment*
- *SPED Enrollment*
- *ESOL Enrollment*

Tonight
Special Budget
Work Session #2

- *Expenditure Changes*
- *Compensation*
- *Expenditure Analysis*

March 4
Special Budget
Work Session #3

- *School Safety Specialist Proposal*
- *Equity Expansion Proposal*
- *One-Time Expenditures*

Work Session #2: Expenditures

I. FY 22 Expenditure Changes

- Non-Discretionary Expenditures & Restoration
- Compensation Recommendations

II. Budget Book Expenditure Overview & School Budget Analysis

FY 22 Expenditure Changes

Primary Drivers of Our Increase

Feb 18	Today			Mar 4
Instructional Restoration	Non-Discretionary	Operational Restoration	Compensation	Proposals
\$1.5M	\$1.0M	\$1.1M	\$7.7M	\$0.6M
<ul style="list-style-type: none"> ● Class size ratio restoration ● Contingency ● SPED ● ESOL 	<ul style="list-style-type: none"> ● Baseline Adjustment ● Health Care Rate Increase ● Contractual Obligations 	<ul style="list-style-type: none"> ● Learning Resources Fund ● Department FTEs 	<ul style="list-style-type: none"> ● Minimum Pay Rate ● Teacher and Classified Salary Increase 	<ul style="list-style-type: none"> ● School Safety Specialists ● Equity Expansion

Non-Discretionary

FY 22 Non-Discretionary Changes

Non-Discretionary Changes*	
Baseline Adjustment	\$(1.5M)
Health Care Rate Increase	\$1.6M
Voluntary Early Retirement Incentive Program (VERIP)	\$295,000
Energy Performance Contract & Utility Costs	\$250,000
Building Leases	\$(19,000)
Software Costs	\$40,000
Fuel Increase	\$130,000
School Licensing Costs Transfer	\$128,000
Other Transfers	\$52,000

*Amounts are rounded

FY 22 Baseline Adjustment

FY 21 Adopted Budget	FY 22 Base Budget	Baseline Adjustment
\$193.7M	\$192.3M	(\$1.5M)
2,336 FTEs*	2,336 FTEs*	No change

**Due to conversion methodologies used in calculating FTEs and other technical adjustments, the number of FTEs may appear different from year to year.*

FY 22 Health Care Contribution Recommendations

	Original Funding Request	Revised Strategy
Employer Premiums	PY 2021: 6.5% increase (not budgeted in FY 21) + PY 2022: 6.0% increase	PY 2021: 6.5% increase (not budgeted in FY 21) + PY 2022: 6.0% increase + One-month holiday during PY 2021
FY 22 Change	Equivalent to 10% increase	Equivalent to 1% increase
FY 22 Budget	\$1.6M	\$0.2M

No increase or change to employee premiums

Restoration Expenditures

FY 22 Operational Restoration

- 6.5 of 15.0 Reduced FTEs
- 1.0 School Bookkeeper Restoration
- Recurring Transfer to Learning Resources Fund \$500,000

Review of FY 21 Reductions

Transfer to Learning Resources Fund (\$0.5M) - **Restore \$0.5M**

Department Position Reductions (-15.00 FTEs) (\$1.2M) - **Restore \$0.6M**

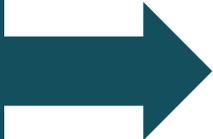
Department Operational Reductions (\$0.5M)

School Operational Reductions (\$0.2M)

Operational Reductions Total (\$2.4M) - **Restore \$1.1M in FY 22**

Learning Resources Fund

- Formerly Textbook Replacement Fund
- Provides instructional staff with necessary and contemporary learning resources that support implementation of curriculum framework, planning, instruction and assessment systems
- The recurring transfer to the Fund was eliminated in FY 2020/21 and is proposed to be restored to original recurring levels FY 2021/22



Board Priority: Identify and remove practices that perpetuate the achievement gap.

FTE Restoration

Department of Human Resources



Department of Community Engagement

Department of Technology



Building Services Department

Department of Instruction & ESOL



Fiscal Services Department

Review of FY 21 Unfunded Growth

Classroom Teachers (15.30 FTEs) - **Restoration discussed in WS#1**

Special Education Teachers (7.66 FTEs) - **Restoration discussed in WS#1**

ESOL Teachers (4.00 FTEs) - **Restoration discussed in WS#1**

Bus Drivers (10.53 FTEs) - **Restoration discussed in WS#1**

Custodians (1.25 FTEs)

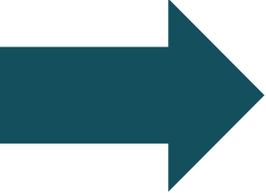
Assistant Principals (2.00 FTEs)

School Bookkeeper & Reclassification (1.00 FTE) - Restore \$251,000

Central Office Administration (1.50 FTEs)

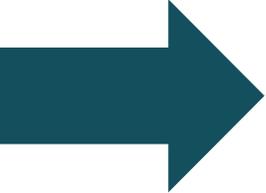
Bookkeeper Proposal Restoration

To address the increasing workload as a result of student growth, a shift in OA staffing standards is proposed. Certain elementary school OAs would be reclassified to meet this need.



COST: \$191,000

In addition, this budget includes the addition of one division-wide OA who will serve as an itinerant bookkeeper.



COST: \$60,000

Change from Draft Funding Request:

Technical Adjustments +\$68,000. (Total Proposal cost is \$251,000)

Bookkeeper Reclassification

CURRENT elementary school bookkeeper staffing

Clerical (12 mo OA IV/Bookkeeper)
1.00 FTE

PLUS

Clerical (10 mo OA III)
0.50 FTE per school to 199 students
1.00 FTE per school >200 students
1.50 FTE per school >500 students
2.00 FTE per school >600 students

PROPOSED elementary school bookkeeper staffing

Clerical (12 mo OA IV/Bookkeeper)
2.00 FTE

PLUS

Clerical (10 mo OA III)
0.50 FTE per school >500 students
1.00 FTE per school >600 students

Questions on Operational Restoration?

- 6.5 of 15.0 Reduced FTEs
- 1.0 School Bookkeeper Restoration
- Recurring Transfer to Learning Resources Fund \$500,000

Compensation

FY 22 Compensation Changes - Draft

PT Health Care Banding	\$88K
Minimum Pay Rate Increase (Phase 1)	\$3.9M
Teacher Salary Increase (3%)	\$2.8M
Classified Salary Increase (2%)	\$0.9M
Total	\$7.7M

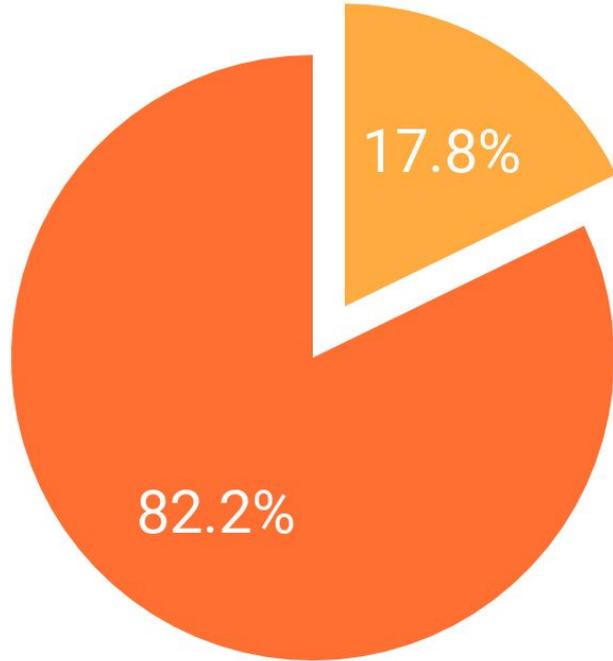
PT Health Insurance Banding FY 22 Recommendations

	<0.5 FTE	0.5 to 0.69 FTE	0.7 to 1.0 FTE
Current	No benefit	Pro-rated 50% to 69% benefit at consolidated rate	100% benefit at tiered rate
Proposed	No benefit	70% benefit at consolidated rate	100% benefit at tiered rate

Change from Draft Funding Request:

Include dental insurance in this strategy +\$2,000, Change in health care contribution assumptions -\$7,000.
Total Proposal Cost: \$83,000

Increasing Our Minimum Wage to \$15/Hour



● Less than \$15/hour ● \$15/hour or more

448 of our 2,514 employees make less than \$15/hour:

\$14–14.99/hour: 167

\$13–13.99/hour: 135

\$12–12.99/hour: 73

\$11–11.99/hour: 47

< \$11/hour: 26

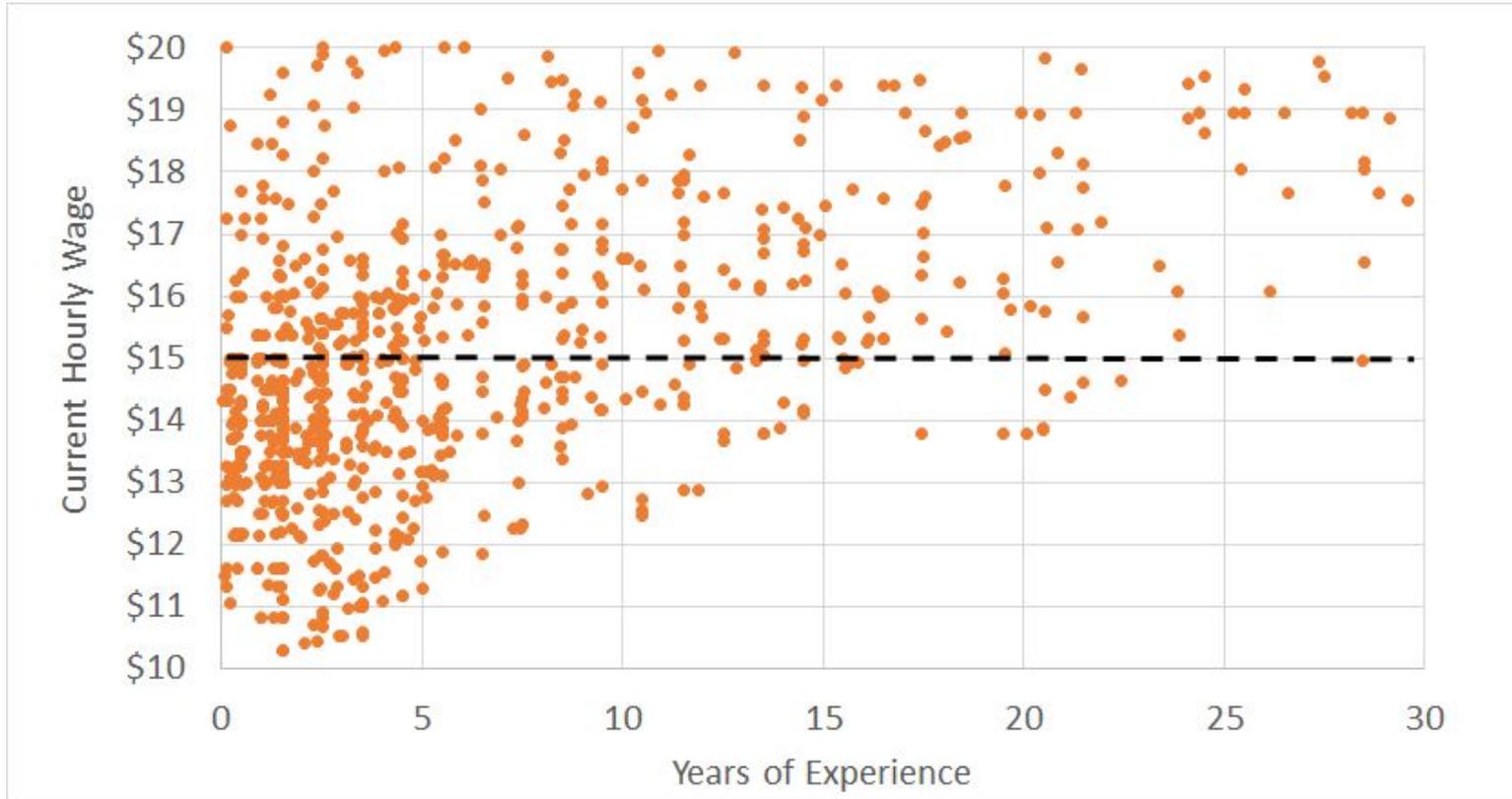
Minimum Pay Rate Strategy FY 22 Recommendations

- 1 Raise both VRS and Non-VRS scale
- 2 Bring the VRS scale to a \$15 minimum hourly pay rate
- 3 Increase all employees to a \$15 minimum hourly pay rate in future phase
- 4 Fund de-compression using a banding strategy to avoid “leap-frogging” and to improve communication

Estimated Cost: \$2.8M* (\$1.1M savings from Draft Funding Request)

**Additional modeling of compression strategies is still underway. Number is subject to change prior to final adoption of budget.*

Complexity of Compression



Compression Strategy

Tiers of current pay rates are banded together and moved to a new target pay rate.

EXAMPLE*

*For illustrative purposes only, exact strategy TBD and bands will include a smaller range.



PROS

- Avoids “leap-frogging”
- Understandable for employees
- Targets the right group of employees
- Flexible structure/approach for improvement

CONS

- Erodes some equity relationships between employees
 - Both experience and performance
- Creates possible hiring challenges

Example
Employees
Affected by
Decompression

- Teaching Assistants
- Office Associates
- Building Services Employees
- Child Nutrition Employees
- EDEP Employees
- Transportation Employees

Classified Employee Payscale

	VRS Payscale	Non-VRS Payscale
Employees	Full time, VRS	Part-Time, Non-VRS
# of employees	812	285
Employee Contribution to VRS	Mandatory 5%	n/a
Current Minimum Pay Rate	\$10.20	\$9.72
Proposed Minimum Pay Rate	\$15.00	\$14.29
Proposed Minimum Pay Rate + 2% increase	\$15.30	\$14.57

Questions on the Minimum Pay Rate Strategy?

- Raise both VRS and Non-VRS scale
- Bring the VRS scale to a \$15 minimum hourly pay rate
- Increase all employees to a \$15 minimum hourly pay rate in future phase
- Fund de-compression using a banding strategy to avoid “leap-frogging” and to improve communication

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Salary Increase Considerations

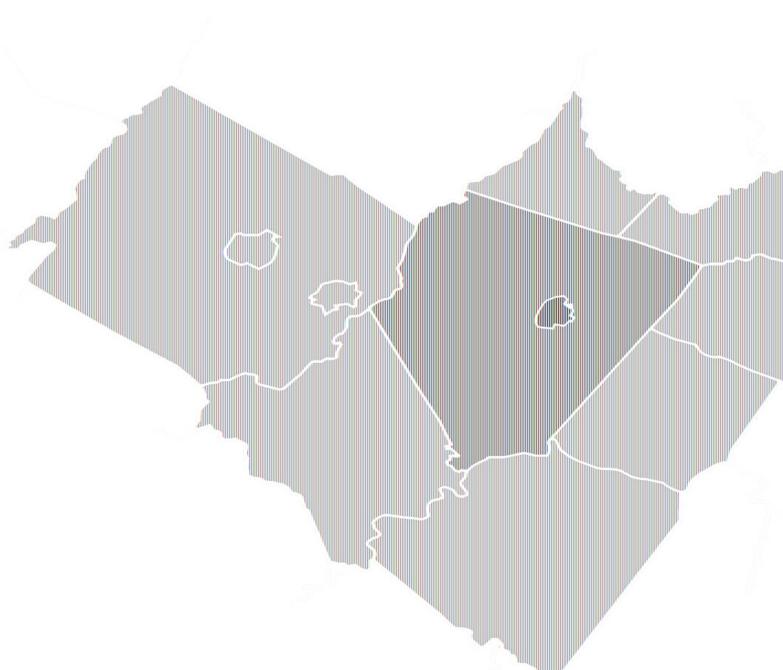
DRAFT

Draft Funding Request includes a 3% raise for teachers and a 2% raise for classified employees

REVISED

Increase raise for teachers to 5% to remain competitive in attracting and retaining high-quality teachers

Teacher Market Data



School Division	0 years	15 years	30 years
Augusta County Schools	\$41,416	\$48,081	\$55,819
Buckingham County Schools	\$44,103	\$46,020	\$61,450
Charlottesville City Schools	\$48,143	\$59,548	\$73,774
Fluvanna County Schools	\$46,000	\$51,080	\$65,030
Green County Schools	\$45,204	\$51,213	\$59,456
Louisa County Schools	\$46,354	\$55,169	\$70,206
Nelson County Schools	\$48,411	\$50,663	\$57,418
Orange County Schools	\$43,518	\$49,815	\$60,795
Rockingham County Schools	\$44,000	\$48,853	\$57,520

Top 25th Percentile Salary of Adjacent Localities Subset	\$46,354	\$51,213	\$65,030
Albemarle County Schools	\$46,503	\$56,373	\$68,338
% Charlottesville is above us	3.5%	5.6%	8.0%

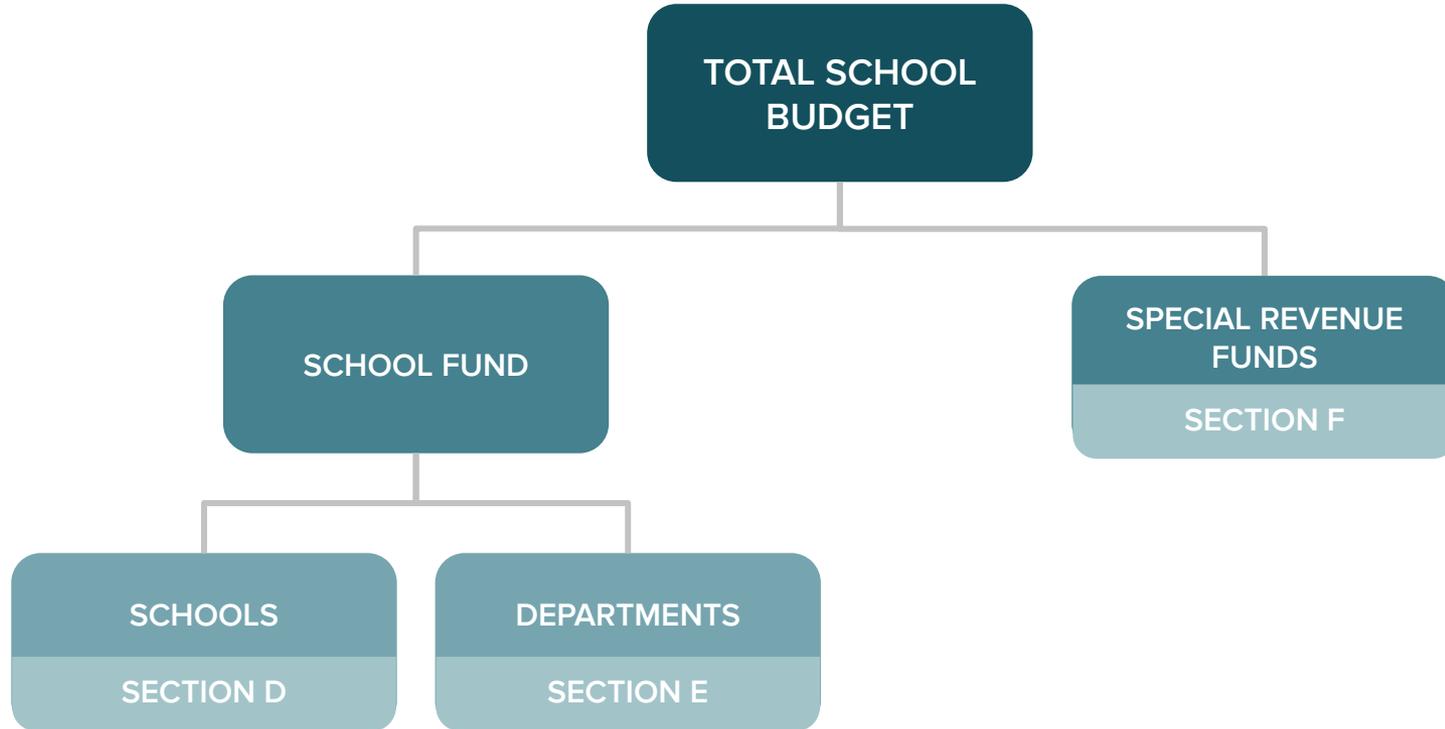
FY 22 Summary of Changes from the Draft Funding Request*

Bookkeeper Reclassification	+\$68,000 Cost
Health Care Contribution	- \$1.4M Savings
Minimum Pay Rate Strategy	- \$1.1M Savings
Teacher Salary Increase +2% (Total 5%)	+ \$1.9M Cost

*Estimates only. Minor and technical changes are not included in this summary.

Expenditure Overview

Expenditure Overview



Special Revenue Funds

FEE-BASED SERVICES

- Child Nutrition
- EDEP
- Community Education
- Drivers Safety
- Vehicle Maintenance

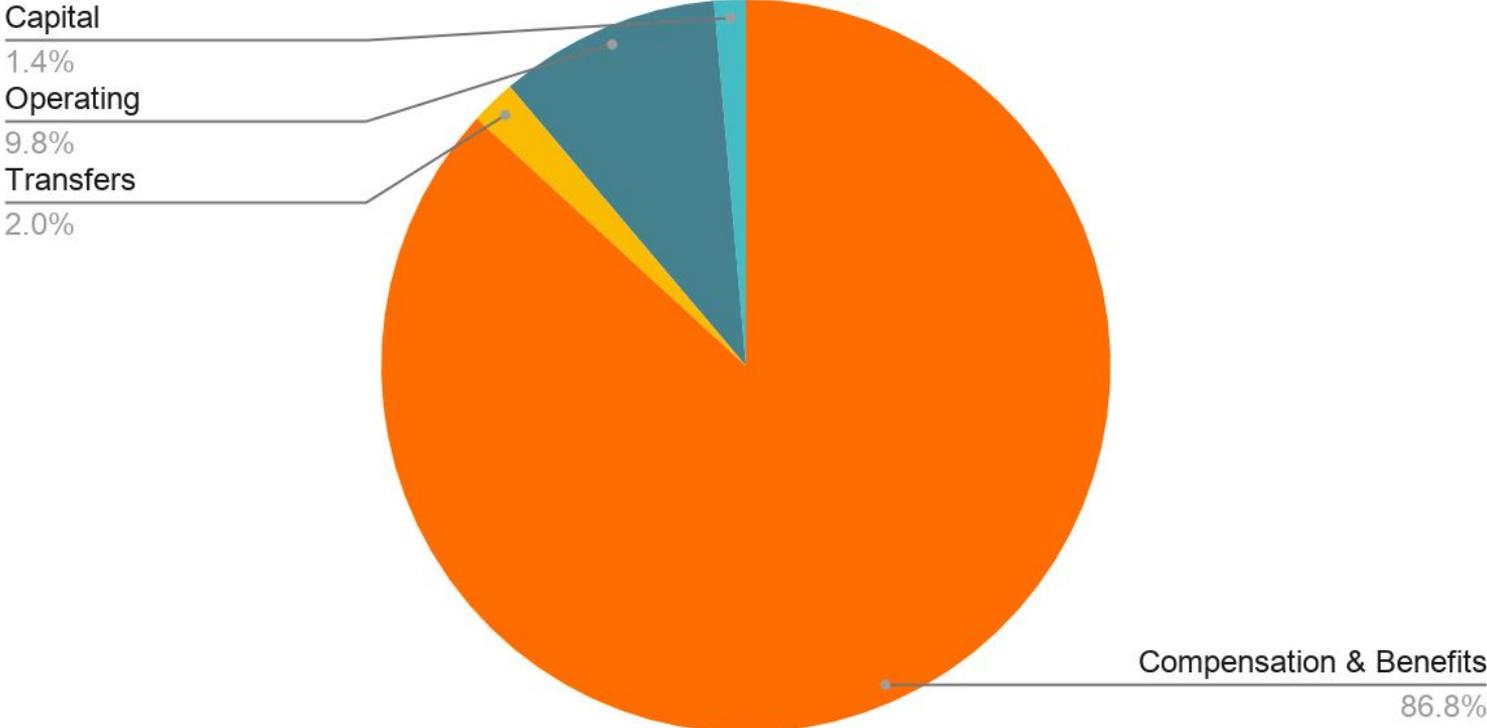
GRANT PROGRAMS

- Federal Programs (e.g., Title I)
- State Programs (e.g., Summer School, BRJDC)
- Local and Other Programs (e.g., McIntire Trust)

INTERNAL SERVICE FUNDS

- Learning Resources
- Computer Equipment
- Vehicle Replacement

School Fund Expenditures



Department Budgets

DEPARTMENT OF
EXECUTIVE SERVICES

DEPARTMENT OF
STUDENT LEARNING

SPECIAL EDUCATION
& STUDENT SERVICES

ENGLISH FOR
SPEAKERS OF OTHER
LANGUAGES

ORGANIZATIONAL
DEVELOPMENT & HR
LEADERSHIP

DEPARTMENT OF
COMMUNITY
ENGAGEMENT

DEPARTMENT OF
STRATEGIC
PLANNING

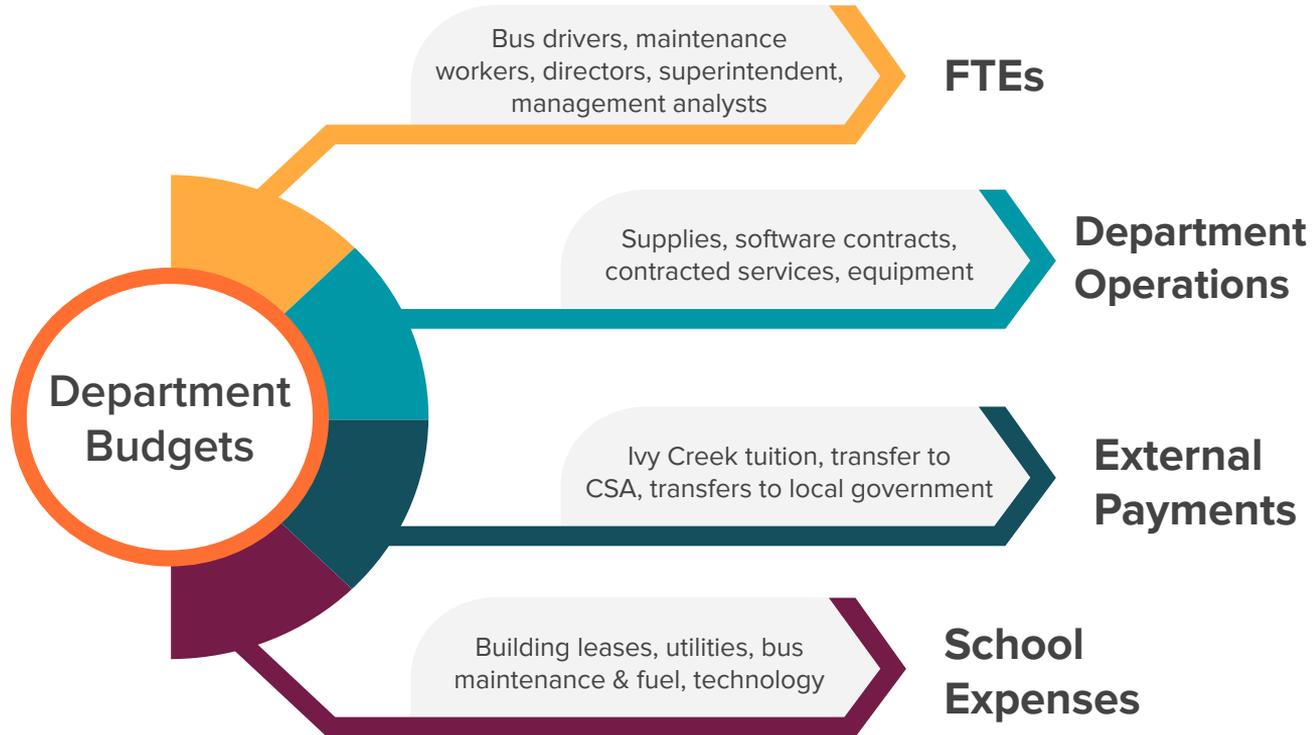
FISCAL SERVICES
DEPARTMENT

TRANSPORTATION
SERVICES
DEPARTMENT

BUILDING SERVICES
DEPARTMENT

DEPARTMENT OF
TECHNOLOGY

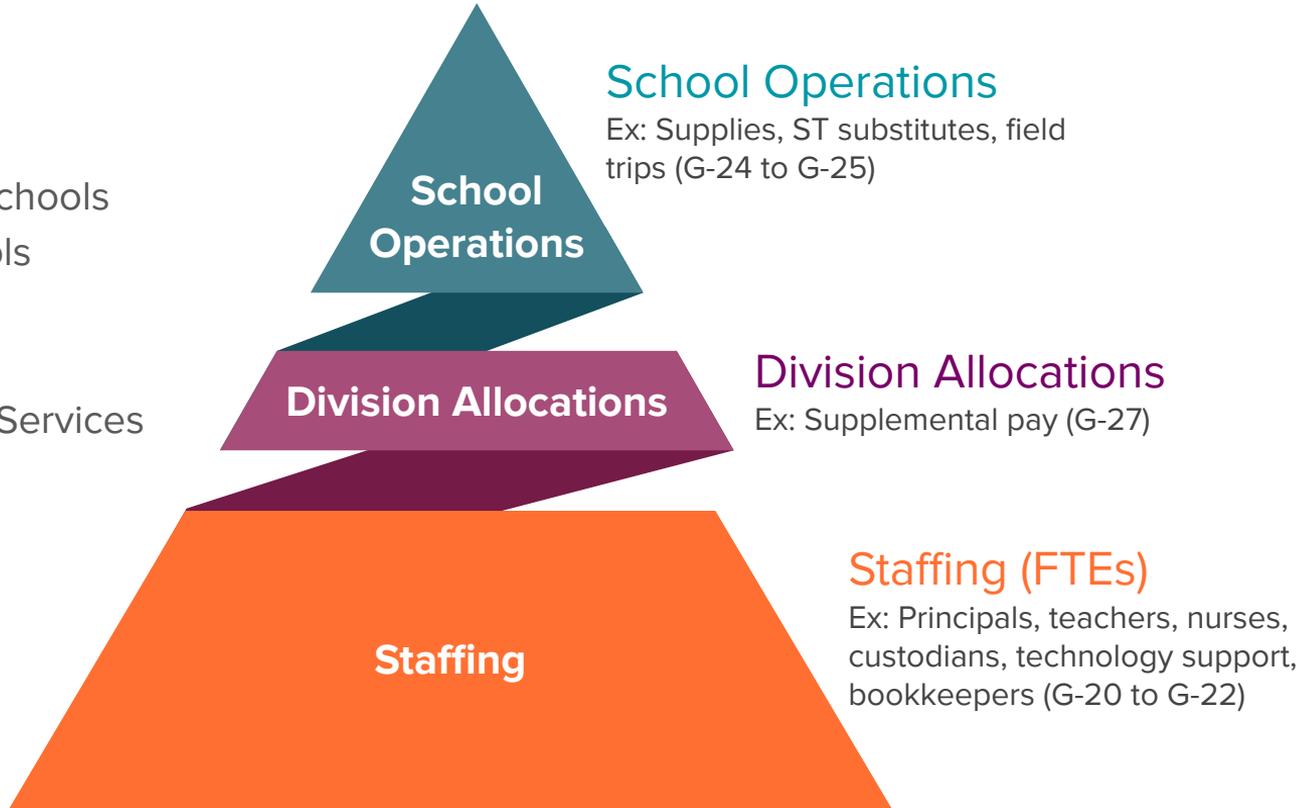
Department Budgets



School Budgets

Budgets:

- Elementary schools
- Middle schools
- High schools
- Center I
- Multi-School Services

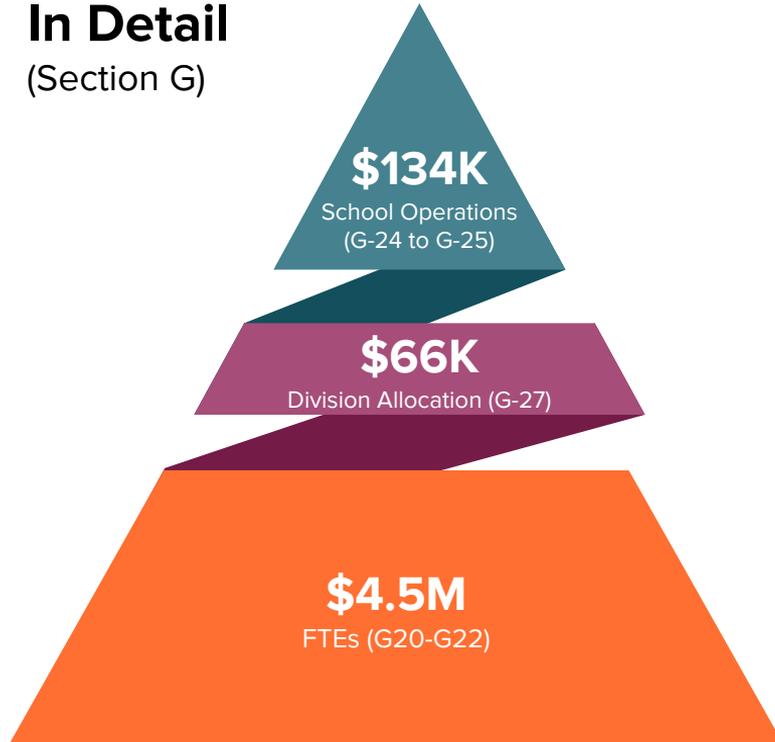


School Budgets Reported 3 Ways

Example Budget: Agnor-Hurt, ~\$4.7M

In Detail

(Section G)



Summarized by Budget Code or State Category

(Page D-11)

Agnor-Hurt Elementary School	Actual 19-20	Adopted 20-21	20-21 FTE	Draft 21-22
Expenditure Summary by Expense				
Salary	\$3,274,675	\$3,422,630	67.45	\$3,256,637
Other Wages	\$107,368	\$73,925	0.00	\$73,591
Benefits	\$1,290,047	\$1,409,453	0.00	\$1,352,862
Operations	\$81,421	\$66,662	0.00	\$66,662
Total	\$4,753,511	\$4,972,670	67.45	\$4,749,752

Expenditure Summary by State Categorical Summary				
Instruction	\$4,445,589	\$4,633,057	60.95	\$4,400,220
Admin, Attend & Health	\$59,292	\$59,729	1.00	\$61,692
Technology	\$77,337	\$78,509	1.00	\$80,772
Building Services	\$171,292	\$201,375	4.50	\$207,068
Transportation	\$0	\$0	0.00	\$0
Total	\$4,753,511	\$4,972,670	67.45	\$4,749,752

School Staffing Allocations

$$\text{Enrollment Projections (G-2)} + \text{Staffing Standards (G-5 to G-19)} = \text{Staffing Allocations (G-20 to G-22)}$$

- Differentiated Staffing (DS) for ACPS is a strategic staffing formula that is used to provide different levels of instructional support for schools.
 - This formula is based on an enrollment projection and the percentage of students who qualify for Free/Reduced Lunch (F/R%).
- Principals are allocated FTEs in categories (Regular, SPED, ESOL, Title I) to develop staffing plans, which must be approved centrally.

School Operations

General Allocation +	Program Allocation +	Projections
Base + Per Pupil Amount + Economically Disadv. PPA	Intervention/Prevention + PALS + Special Education	Donations + Building Rental Fees + Carryover
Principal’s Discretion to spend on supplies, field trips, copiers, etc.	Limited to spending on these programs	Estimates only, distribution based on actual revenues during the year, Principal’s discretion

Key Changes in the Last 5 Years
<p>FY 21 Reduced by 5% due to budget limitations.</p>
<p>FY 20 Revised calculations to improve transparency.</p>
<p>FY 19 Increased to restore to pre-recession levels. Restored on differentiated basis.</p>
<p>FY 19 Increased allocations to offset elimination of class fees.</p>

FY 22 Per Pupil Comparison

Elementary Schools	Draft 21-22¹	Adj. Proj. Enroll.²	Adj. 21-22 FTE³	% Econ Disadv.⁴	Differentiated FTE⁵	Per Pupil Expenditure⁶
Agnor-Hurt	\$4,749,752	430	55.1	52.00%	6.4	\$11,046
Baker-Butler	\$6,559,777	686	80.8	25.50%	5.2	\$9,562
Broadus Wood	\$3,011,892	265	36	15.70%	1.2	\$11,366
Brownsville	\$7,285,969	870	85.4	10.70%	2.9	\$8,375
Crozet	\$3,411,296	342	41	25.50%	2.7	\$9,975
Greer	\$5,486,815	476	65.9	71.50%	8.8	\$11,527
Hollymead	\$4,173,196	400	48.9	12.00%	1.4	\$10,433
Meriwether Lewis	\$3,538,223	372	41.2	9.80%	1	\$9,511
Mountain View	\$7,380,474	704	87.5	42.60%	8.1	\$10,484
Murray	\$3,026,847	257	34.9	7.00%	0.5	\$11,778
Red Hill	\$2,195,311	178	26.8	53.80%	3	\$12,333
Scottsville	\$2,381,883	221	29.9	46.00%	3.1	\$10,778
Stone-Robinson	\$5,098,997	470	60.2	27.40%	3.9	\$10,849
Stony Point	\$2,398,142	215	28.6	31.50%	2.1	\$11,154
Woodbrook	\$5,764,469	541	70.5	58.90%	8.4	\$10,655

FY 22 Per Pupil Comparison (continued)

Middle Schools	Draft 21-22 ¹	Adj. Proj. Enroll. ²	Adj. 21-22 FTE ³	% Econ Disadv. ⁴	Differentiated FTE ⁵	Per Pupil Expenditure ⁶
Burley	\$6,334,497	615	74.9	40.10%	7	\$10,300
Henley	\$7,441,016	906	88.9	12.80%	3.6	\$8,213
Jouett	\$6,763,096	709	83.8	53.30%	9.4	\$9,539
Sutherland	\$5,321,634	587	62.3	18.40%	3.3	\$9,066
Walton	\$4,659,560	334	55	38.60%	4.9	\$13,951
High Schools						
Albemarle	\$17,257,111	1,796	196.6	27.90%	10.9	\$9,609
Monticello	\$12,206,309	1,135	138.4	30.10%	8.9	\$10,754
Western Albemarle	\$10,927,526	1,130	122.3	10.50%	3.6	\$9,670
Center I	\$785,161	100	9.6		0.7	\$7,852
Murray High/CPCS	\$2,439,513	191	28.5	22.50%		\$12,772
CATEC	\$1,787,629	90				
Post High	\$445,664	26	5			
Center for Learning & Growth	\$387,137		4.3			
Other Multi-School Services	\$11,568,747		79.8			
Total	\$154,787,643	14,046	1,742.20		111.1	\$11,020

FY 22 Per Pupil Comparison (continued)

Draft
21-22¹

Adj. Proj.
Enroll.²

Adj. 21-22
FTE³

% Econ
Disadv.⁴

Differentiated
FTE⁵

Per Pupil
Expenditure⁶

1 School-based budgets only. Amounts do not include department-based costs such as transportation, building services, technology, etc.

2 High school enrollment adjusted for students attending CATEC and Center 1.

3 Teaching Assistants (TAs) are allocated at a 3 TA to 1 Teacher ratio. This adjusted number is the FTE allocation to the school.

4 3-year historical weighted average (FY 18, FY 19, FY 20).

5 Differentiated FTEs are a subgroup within 21-22 Adjusted FTEs (Column 2). The allocation is based on the the % of Econ. Disadv. (Column 4).

Budget
Process:
Next
Steps

Tonight	Special Budget Work Session #2
March 4	Public Hearing on School Budget and Special Budget Work Session #3
March 11	School Board Meeting: Approve Funding Request
March 15	Present Funding Request to BOS
April	Learning Recovery Work Session
May 13	Budget Adoption

Questions or concerns?

Email budget@k12albemarle.org at any time.