

# FY 2021 – 2022 Budget Development

Saturday, January 16, 2021



# Agenda

- Overview Information
- Enrollment
- Revenues
- Budget Changes & Requests
- Summary & Next Steps

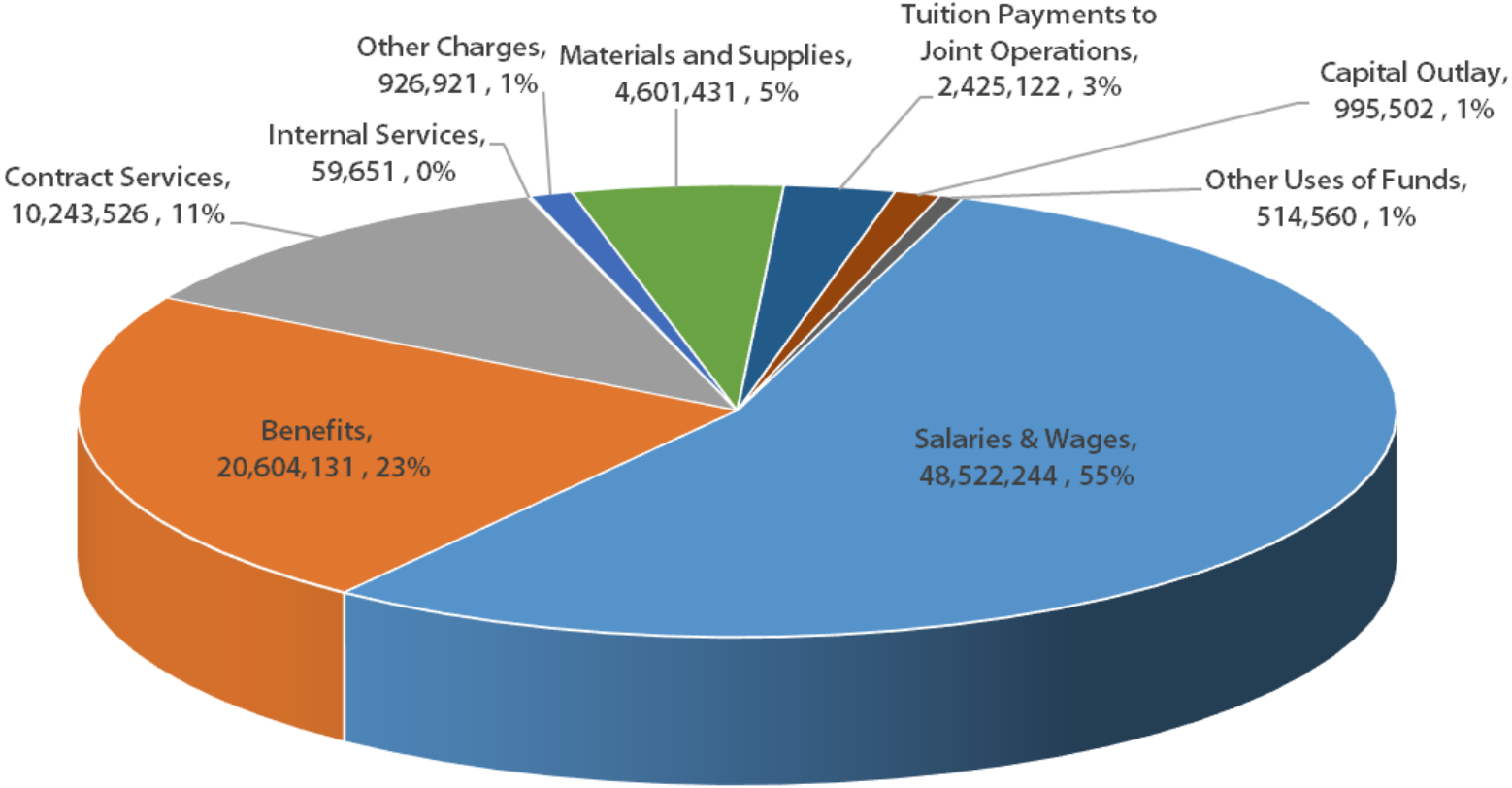


# Overview Information



# Expenses by Category

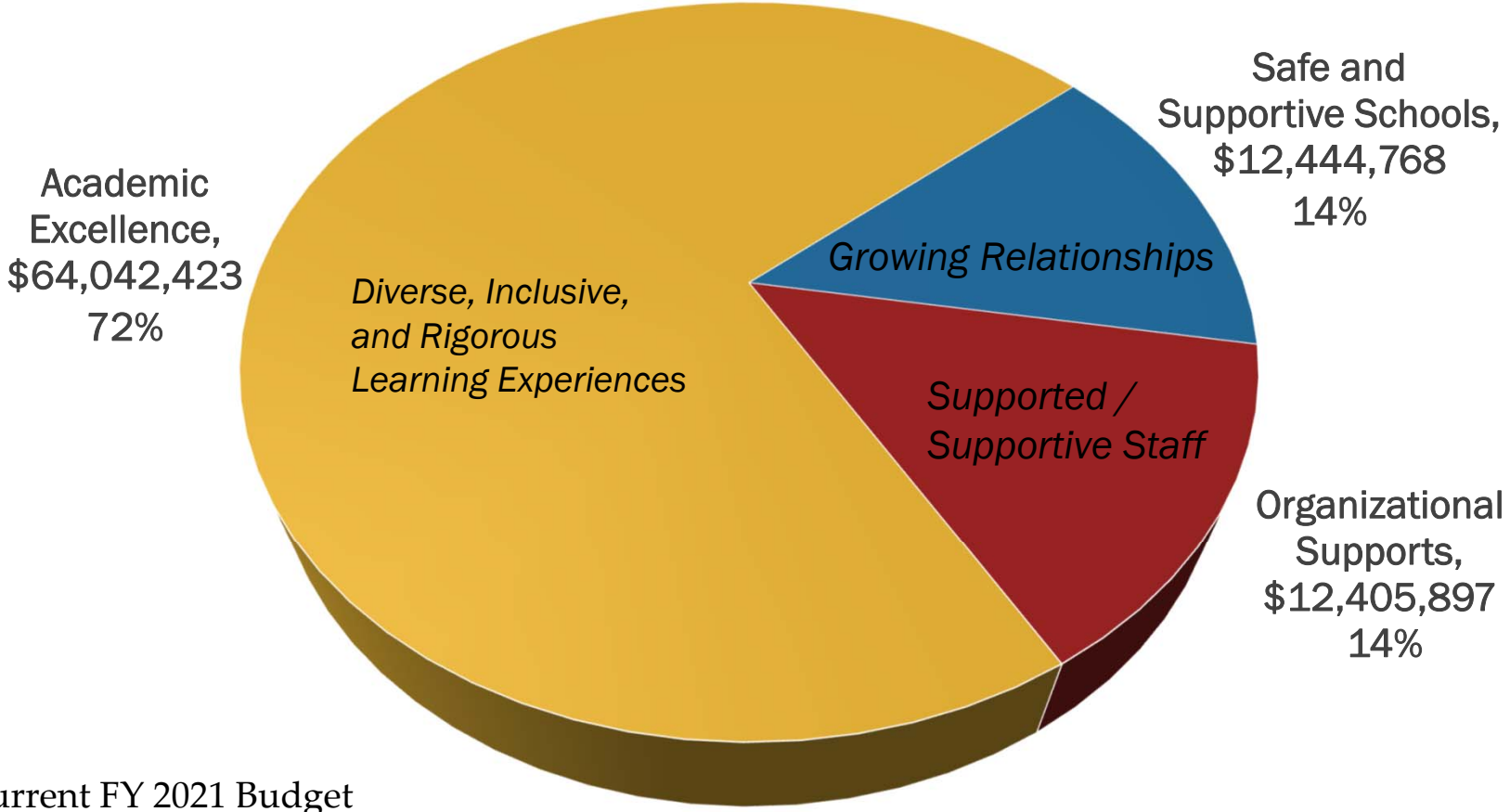
FY 2022  
Budget



Current FY 2021 Budget

# Current Budget Alignment to Equity & The Strategic Plan

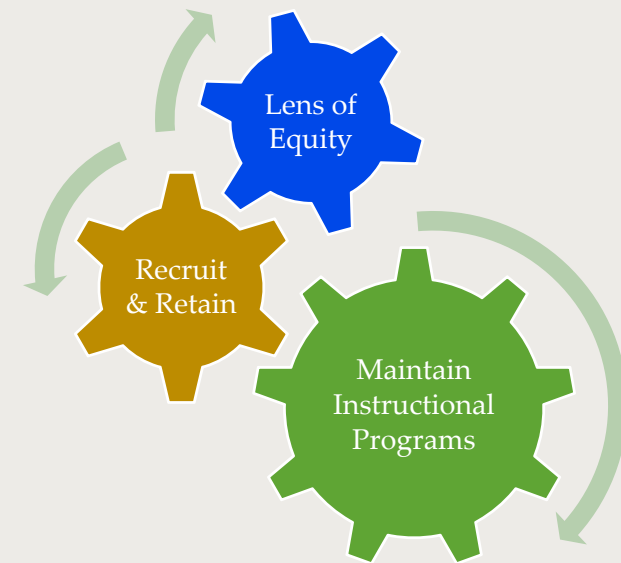
FY 2022  
Budget



Current FY 2021 Budget

# Priorities for FY22 Budget Development

- Recruit and retain highly qualified teachers and staff
- Maintain the continuity of high quality instructional programs
- Apply a lens of equity in all funding considerations to provide educational opportunities for all students

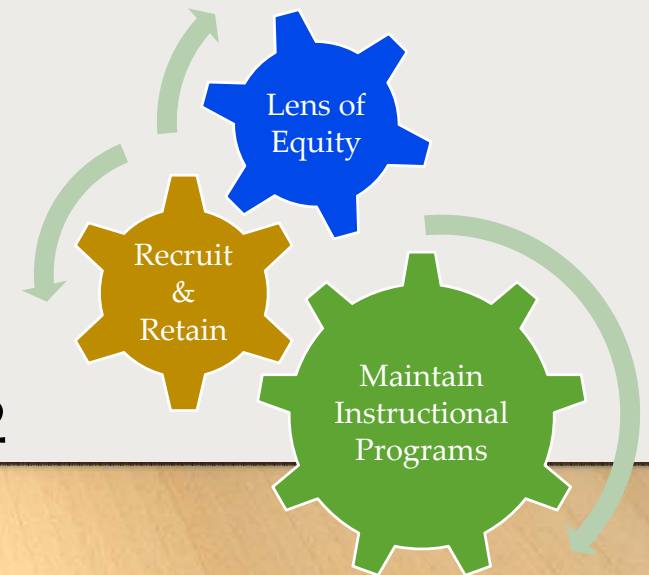


# Key Budget Factors

## Revenue – LCI

2020-2022 COMPOSITE INDEX OF LOCAL ABILITY-TO-PAY								
2017 is the base year of Indicators of Ability-to-Pay in the table below.								
Div. Num.	Division	TRUE VALUE OF PROPERTY INDICATOR	ADJUSTED GROSS INCOME (Including Nonresident AGI) INDICATOR	ADJUSTED GROSS INCOME (Excluding Nonresident AGI*) INDICATOR	TAXABLE RETAIL SALES INDICATOR	MARCH 31, 2018 ADM INDICATOR	TOTAL POPULATION INDICATOR	Final 2020-2022 Composite Index
104	CHARLOTTESVILLE	\$7,637,638,792	\$1,423,575,334	\$1,378,955,317	\$971,359,090	4,190	49,132	.6886

## Expenditures –



No Changes in these Key Factors for FY 2022

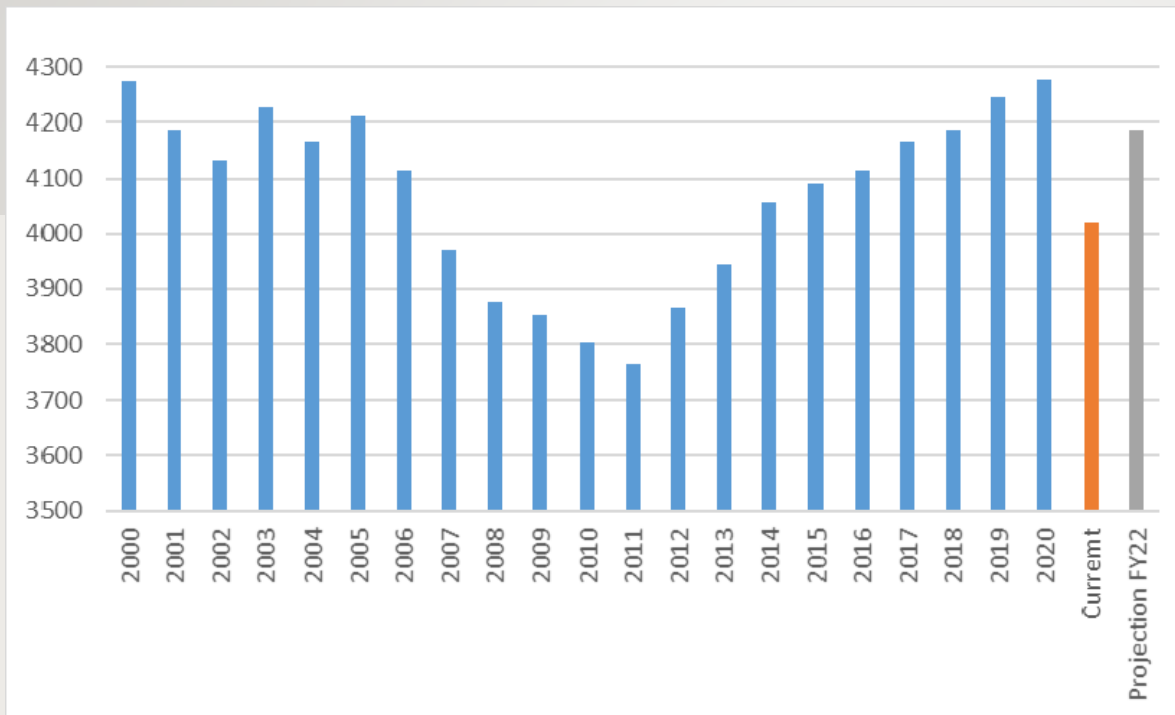


# Enrollment Outlook





# Overall Enrollment Outlook



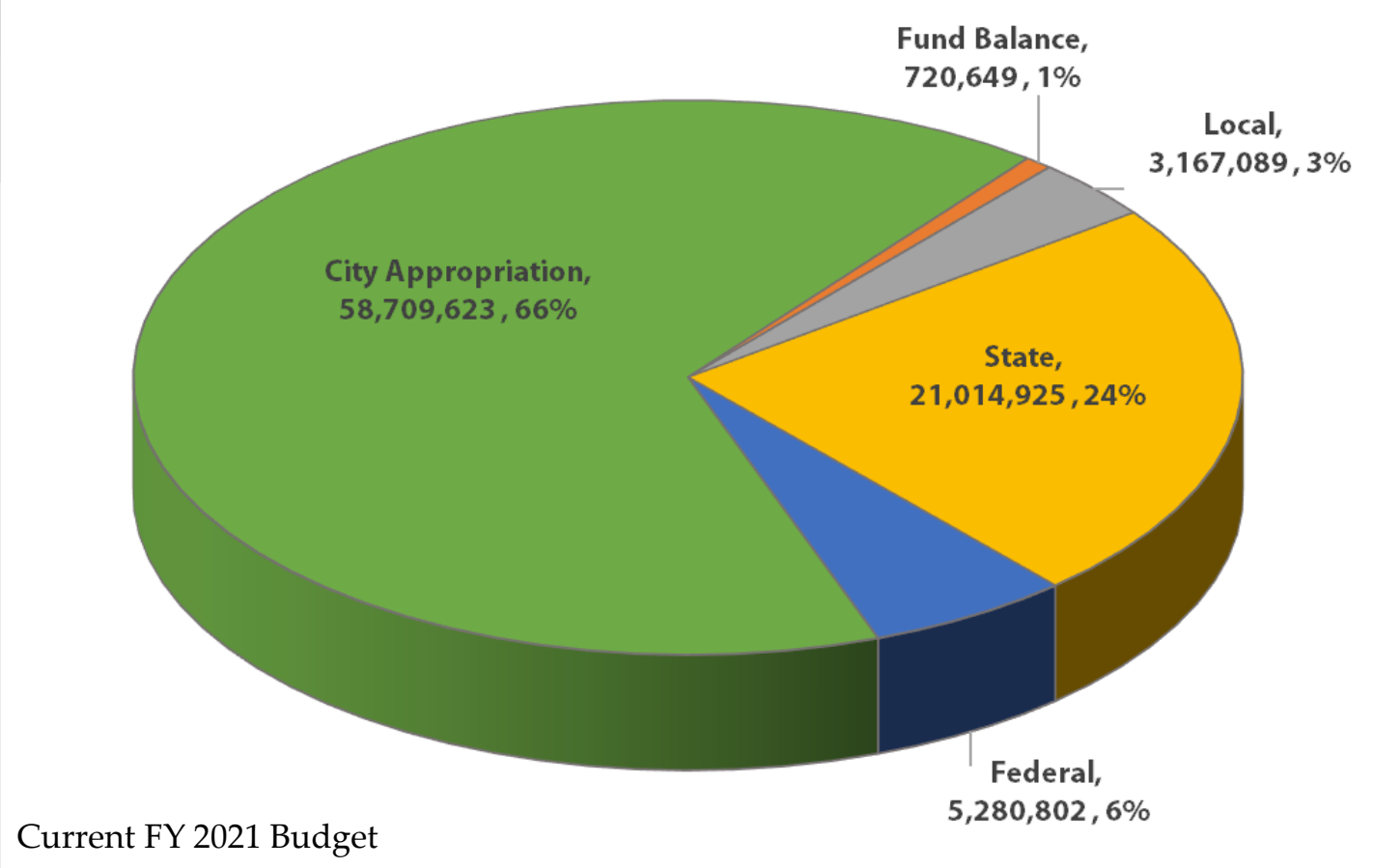
- Current Fall Enrollment Down 258 Students from End of Last School Year
- Recommend Using State Enrollment Projection for FY 2022 Budget (Average Daily Membership)
  - Approximately Equal to FY 2018 End of Year Enrollment
  - Estimates Increase of ~168 Students Over Current (~65% Recovery)

# Revenue Outlook



# Revenue by Funding Sources

FY 2022  
Budget



# State Revenue

## Highlight's from the Governor's Proposed Budget

- 2 percent Bonus for SOQ – funded instructional and support personnel effective 7/1/2021
- “No Loss” Funding in ADM for FY 2021 and 2022

**Estimate \$32,781 Increase in State Revenue for FY 2022**



# Cities Revenue Slow to Recover from the Last Recession

Revenue Growth Comparison (\$ Mil.)						
<u>Fiscal Year</u>	<u>State GF</u>	<u>% Growth</u>	<u>County Local Revenue</u>	<u>% Growth</u>	<u>Cities Local Revenue</u>	<u>% Growth</u>
2009	\$14,315.1		\$11,269.9		\$5,541.6	
2010	\$14,219.5	-0.7%	\$10,962.5	-2.7%	\$5,377.8	-3.0%
2011	<b>\$15,040.2</b>	5.8%	\$11,152.6	1.7%	\$5,393.9	0.3%
2012	\$15,846.7	5.4%	<b>\$11,450.7</b>	2.7%	\$5,497.0	1.9%
2013	\$16,684.6	5.3%	\$11,846.8	3.5%	<b>\$5,601.9</b>	1.9%
2014	\$16,411.4	-1.6%	\$12,255.5	3.4%	\$5,781.4	3.2%
2015	\$17,735.6	8.1%	\$12,815.1	4.6%	\$5,956.6	3.0%
2016	\$18,040.1	1.7%	\$13,273.6	3.6%	\$6,163.8	3.5%
2017	\$18,695.1	3.6%	\$13,959.8	5.2%	\$6,373.1	3.4%
2018	\$19,880.8	6.3%	\$14,452.6	3.5%	\$6,638.7	4.2%
2019	\$21,307.5	7.2%	\$15,266.7	5.6%	\$6,877.8	3.6%
2020	\$21,737.8	2.0%	N/A	N/A	N/A	N/A

# City Revenue

FY 2022  
Budget

The City is experiencing revenue shortfalls and uncertainty.  
Any increase in property tax revenues is expected to be off-set by losses in meals & lodging taxes.

## Recommendation:

*Leverage CARES funding*

*to maintain valued programs & address pressing student needs  
in a way that also allows time for the City to recover & stabilize revenues*



# Federal Revenue

<b><u>CARES funds received August 2020</u></b>	<b>1,187,466.32</b>
FY 2021 Uses:	
Family Engagement & Student Support Mentoring	(25,000.00)
Transportation	(120,000.00)
Supplies	(200,000.00)
<b>Total for Carry-Forward to FY 2022</b>	<b>842,466.32</b>
<b><u>CARES II funds</u></b>	<b>4,481,992.77</b>
<b>Net CARES I &amp; II Funding</b>	<b>5,324,459.09</b>



# Budget Changes & Requests





# Priorities for FY22 Budget Development

- Recruit and retain highly qualified teachers and staff
- Maintain the continuity of high quality instructional programs
- Apply a lens of equity in all funding considerations to provide educational opportunities for all students



# FY 2020-2021 Budget

FY 2022  
Budget

**CHARLOTTESVILLE CITY SCHOOLS**

About CCS | Our Schools | Programs | **Departments** | School Board | Policy Manual | Employment

**Leadership**

**CCS Achievements**

- Annual Highlights
- Superintendent Message
- What's Happening in Charlottesville Schools

**Facts, Data, Basics**

- Fast Facts
- Assessment Data
- Budget**
- Calendar
- Equity
- Safety

## Budget

### Budget and Finance Department Overview

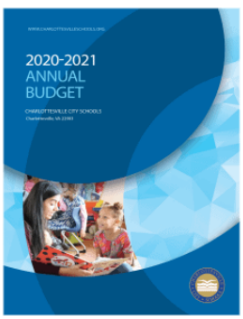
The Budget and Finance Department serves the school division by maintaining efficient, easy to use processes that allow staff, students, parents, and decision makers to obtain the information they need.

### Budget Resources

- FY21-22 Budget Development Presentation for PTO Meetings
- FY21-22 Budget Work Session, School Board, December 16, 2020
- FY21-22 Budget Development Process (Presentation for School Board, December 3, 2020)
- FY21-22 Budget Development Calendar

**+ Previous Years**

- Previous Years
- FY20-21 Budget**
- FY19-20 Budget
- FY18-19 Budget
- FY17-18 Budget
- FY16-17 Budget
- FY15-16 Budget



# Changes for FY 2022 from FY 2021 Budget

FY 2022  
Budget

Strategic Plan	SALARY ACTIONS	AMOUNT
OS7	Teachers one step plus .75% - average increase 2%	760,507
OS7	Support Staff one step plus 1% - average increase 2%	128,416
OS7	Administrative Staff one step plus .75% - average increase 2%	218,158
AE-3, OS-7	Nurse Pay Scale: Alignment with Regional Market	177,537
OS-7, SS-5,6	Head Custodian Pay Scale: Adjustment	49,963
	<i>Total Salary Actions</i>	1,334,581
NON-DISCRETIONARY CONTRACTS		
	Insurance: General Liability/Property	10,000
	Insurance: Workers Compensation	10,000
	City Contract: Pupil Transportation	140,265
	<i>Total Non-Discretionary</i>	160,265

# Changes for FY 2022 from FY 2021 Budget

SCHOOL-BASED PROGRAM SUPPORTS & IMPROVEMENTS			
AE-1, AE-3, SS-4	Internet Access for Students: Remote Learning	91,200	
AE-1, AE-3, SS-4	Zoom: Remote Learning Instruction Tool	25,000	
AE-1, AE-3, SS-4	Remind: Communication Tool Platform	13,772	
AE-1, AE-3, OS-10	Newsela: Literacy Content Platform Grades 7-12	17,900	
AE-3, OS-9, SS-4,5,6	Social Workers: PreK- 4 & LMA	542,399	6.5
AE-3, OS7	Instructional Assistants: 2nd Grade	234,528	6.0
AE-3, OS 7, 8, SS-4	Assistant Principal: CHS	106,663	1.0
AE-1, AE-3, OS-7	Reading Specialist: Greenbrier	83,446	1.0
AE-3, SS-4	Teacher: STAR(Structured Teaching Autism Resource) Buford & Walker	166,892	2.0
AE-2, AE-3	Math Specialist: CHS	83,446	1.0
AE-1, AE-3	Teacher: Fine Arts Buford	83,446	1.0
AE-1, AE-3, OS-7	Teacher: Virginia State University Students Training to be Teachers and Reaching Success CHS	35,889	0.5
AE-3, OS-7, 8, SS-4	Literacy Specialist: LMA	35,889	0.5
AE-3, OS 7,8, SS-4	Lead Teacher Stipend: Grade Levels K- 6	57,000	38.0
AE-3, OS 7,8, SS-4	Lead Teacher Stipends: PreK	9,000	6.0
AE-3, OS 7,8, SS-4	Lead Teacher Stipends: ESL	7,500	5.0
AE-3, OS 7,8, SS-4	Lead Teacher Stipends: Special Education	10,500	7.0
AE-3, OS-7, 8	Math Specialist: Additional 10 Contract Days	31,000	7.0
AE-1, AE-3	Content Squads: Stipend	56,000	40.0
AE-3, OS7	Substitute: Teacher Honorarium	25,000	
AE-1, AE-3, SS-4	Books: K-12 Bookrooms	60,000	
AE-1, AE-3	Materials & Supplies: K-12 Science	6,000	
AE-1, AE-3, SS-4	Musical Instruments: Maintenance & Repair	20,000	
SS-5, 6	Athletic Trainer Services: Contract Increase	12,105	
<i>Total School-Based Program Supports &amp; Improvements</i>		1,814,575	

# Changes for FY 2022 from FY 2021 Budget

FY 2022  
Budget

		<b>SCHOOL OPERATIONS</b>		
		COVID Mitigation: Supplies	100,000	
		<i>Total School Operations</i>	100,000	
		<b>REDUCTIONS</b>		
		FTE Reductions Based on Enrollment: Professional Staff	(333,785)	(4.0)
		FTE Reductions Based on Enrollment: Support Staff	(39,089)	(1.0)
		<i>Total Reductions</i>	(372,874)	
		<b>GENERAL FUND TOTAL NET EXPENSES</b>	3,036,547	
		<b>REVENUES</b>		
		State	32,781	
		CARES I & II	3,003,766	
		<b>City (Estimated Request)</b>	<b>(0)</b>	
		<b>GENERAL FUND TOTAL NET REVENUES</b>	3,036,547	

# Federal Revenue

FY 2022  
Budget

<b>Net CARES I &amp; II Funding</b>	<b>5,324,459.09</b>
FY 2021-2022 Proposed Uses:	
General Fund	(2,903,766.00)
COVID Supplies	(100,000.00)
<b>Total for Carry-Forward to FY 2023</b>	<b>2,320,693.09</b>



# Summary & Next Steps



## Charlottesville City Blue Ribbon Commission on Sustainable Schools Funding

It is difficult to estimate the size of the year-to-year funding gap going forward but it appears to be somewhere between \$2-4 million a year. The size of the gap will depend on how the city economy fares, how property assessments change, what happens to school costs and whether the state and federal governments step forward to re-assume a greater share of school costs. There will be inflation and other factors that will continue to drive school costs higher in the coming years even if no new major programs or facilities are added.

Reference:

[City of Charlottesville – Report of The Blue Ribbon Commission on Sustainable School Funding](#)

January 22, 2014

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# City Support for Schools

City additional appropriation for Schools from FY 2015 to FY 2020 ranged between \$1.5 to \$3.8 million (average annual increase \$2.3 million)

City funding is the foundation & key for CCS programming & services.

COVID-19 has had significant and far reaching impacts on CCS Students emotionally, academically and economically. Staff have been working harder than ever to address student needs in the midst of ever changing challenges.

**CAUTION:** The proposed budget leverages one-time/non-recurring CARES funds to address the most pressing needs and allows time for City revenues to cover. It will be essential for the City to start providing additional allocations starting in FY 2023 to off-set these proposed uses of CARES funds or future cuts to services will be required.

Any additional appropriation from the City for FY 2022 would start the process of reducing dependency on one-time (non-recurring) funds.



# Upcoming School Board Budget Dates

- January 28<sup>th</sup> Joint School Board & City Council Budget Work Session
- February 4<sup>th</sup> Superintendent's Proposed Budget & Public Hearing
- February 9<sup>th</sup> Budget Work Session
- February 18<sup>th</sup> School Board Approval of Proposed Budget
- March 1<sup>st</sup> School Present Budget to City Council





# Appendix

# Elementary Class Sizes

Burnley-Moran Elementary						Max 24
Max 24	K	1	2	3	4	Total/Avg.
Projected Membership	63	60	53	69	64	309
50%+ SPED	0	1	2	0	1	4
Projected Regular Membership	63	59	51	69	63	305
Projected Teachers	3	3	3	4	3	16
Projected IA's	3	3	1			7
Budgeted Class Size	21	20	17	17	21	19.18
11/24/20 Enrollment	48	44	70	65	60	287
50%+ SPED	1	2	0	1	0	4
Regular Membership	47	42	70	64	60	283
General Fund Teachers (excl. SEAL)	3	3	4	4	3	17
Title II-A Teachers						
Total Current Teachers	3	3	4	4	3	17
Total Curent IA's	3	3	1			7
Actual Average Class Size	16	14	18	16	20	16.63

Greenbrier Elementary						Max 24
Max 24	K	1	2	3	4	Total
Projected Membership	60	61	70	62	67	320
50%+ SPED	0	0	0	1	1	2
Projected Regular Membership	60	61	70	61	66	318
Projected Teachers	3	3	4	3	3	16
Projected IA's	3	3	1	2	2	11
Budgeted Class Size	20	20	18	20	22	20.03
11/24/20 Enrollment	48	62	59	62	59	290
50%+ SPED	0	0	1	1	1	3
Regular Membership	48	62	58	61	58	287
General Fund Teachers (excl. SEAL)	3	4	4	3	3	17
Title II-A Teachers						
Total Current Teachers	3	4	4	3	3	17
Total Curent IA's	3	4	1	2	2	12
Actual Average Class Size	16	16	15	20	19	17.13

Clark Elementary						Max 19
Max 19	K	1	2	3	4	Total
Projected Membership	58	48	55	44	47	252
50%+ SPED	0	1	0	0	2	3
Projected Regular Membership	58	47	55	44	45	249
Projected Teachers	4	3	3	3	3	16
Projected IA's	4	3.5	1.5	0.5	0.5	10
Budgeted Class Size	15	16	18	15	15	15.63
11/24/20 Enrollment	44	54	42	45	50	235
50%+ SPED	1	0	0	2	0	3
Regular Membership	43	54	42	43	50	232
General Fund Teachers (excl. SEAL)	3	4	3	3	3	16
Title II-A Teachers						
Total Current Teachers	3	4	3	3	3	16
Total Curent IA's	3	4.5	1.5	0.5	0.5	10
Actual Average Class Size	14	14	14	14	17	14.57

Jackson-Via Elementary						Max 21
Max 21	K	1	2	3	4	Total
Projected Membership	59	64	52	63	51	289
50%+ SPED	1	5	4	4	3	17
Projected Regular Membership	58	59	48	59	48	272
Projected Teachers	3	3	3	3	3	15
Projected IA's	3	3	2			8
Budgeted Class Size	19	20	16	20	16	18.13
11/24/20 Enrollment	60	49	62	49	60	280
50%+ SPED	5	4	4	3	2	18
Regular Membership	55	45	58	46	58	262
General Fund Teachers (excl. SEAL)	3	3	3	3	3	15
Title II-A Teachers						
Total Current Teachers	3	3	3	3	3	15
Total Curent IA's	3	3	2			8
Actual Average Class Size	18	15	19	15	19	17.47

# Elementary Class Sizes (continued)

Johnson Elementary						Max 22
Max 22	K	1	2	3	4	Total
Projected Membership	59	59	58	55	59	290
50%+ SPED	1	0	0	0	0	1
Projected Regular Membership	58	59	58	55	59	289
Projected Teachers	3	3	3	3	3	15
Projected IA's	3	4	2			9
Budgeted Class Size	19	20	19	18	20	19.27
<b>11/24/20 Enrollment</b>	50	52	55	56	58	271
50%+ SPED	0	0	0	0	0	-
Regular Membership	50	52	55	56	58	271
General Fund Teachers (excl. SEAL)	3	3	4	3	3	16
Title II-A Teachers						-
Total Current Teachers	3	3	4	3	3	16
Total Curent IA's	3	3	1			7
Actual Average Class Size	17	17	14	19	19	17.15

Venable Elementary						Max 24
Max 24	K	1	2	3	4	Total
Projected Membership	64	62	52	55	62	295
50%+ SPED	2					2
Projected Regular Membership	62	62	52	55	62	293
Projected Teachers	3	3	3	3	3	15
Projected IA's	3	3	1			7
Budgeted Class Size	21	21	17	18	21	19.67
<b>11/24/20 Enrollment</b>	50	43	51	61	42	247
50%+ SPED	1	0	0	0	0	1
Regular Membership	49	43	51	61	42	246
General Fund Teachers (excl. SEAL)	3	3	3	4	3	16
Title II-A Teachers						
Total Current Teachers	3	3	3	4	3	16
Total Curent IA's	3	3	1			7
Actual Average Class Size	16	14	17	15	14	15.38

Teacher Summary K-4		K	1	2	3	4	Total
Projected		19	18	19	19	18	93
Current		18	20	21	20	18	97
IA Summary K-4		K	1	2	3	4	Total
Projected		19	19.5	8.5	2.5	2.5	52
Current		18	20.5	7.5	2.5	2.5	51

# 5<sup>th</sup> – 12<sup>th</sup> Enrollment Outlook

		Fall 2020 Actual	21-22 Projection	Change
Walker	4th	329		
	5th	323	309	(14)
	6th	288	322	34
		611	631	20
Buford	7th	324	286	(38)
	8th	256	324	68
		580	610	30
CHS	9th	311	327	16
	10th	310	306	(4)
	11th	259	281	22
	12th	225	277	52
		1,105	1191	86

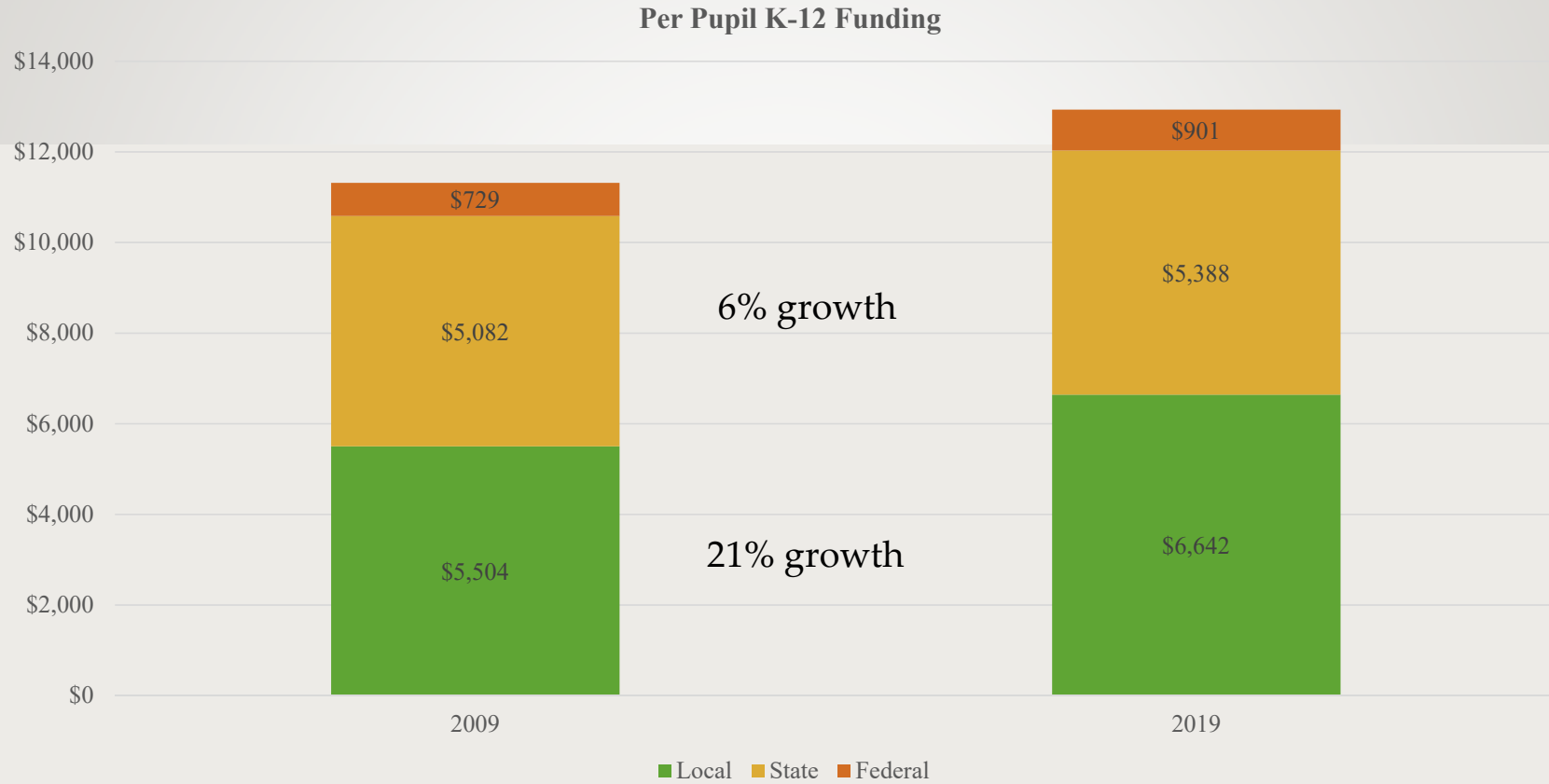
No staff reductions recommended



# Current Budget & Key Metrics

	ACTUAL	ACTUAL	ACTUAL	BUDGET
Total Budget - All Funds	2017-18	2018-19	2019-20	2020-21
City	51,330,604	53,998,202	57,834,624	58,709,623
Local/Other	3,457,707	2,906,221	2,568,162	3,887,738
State	20,821,352	19,473,908	20,220,610	21,014,925
Federal	4,915,579	4,974,385	4,546,005	5,280,802
<b>TOTAL</b>	<b>80,525,242</b>	<b>81,352,716</b>	<b>85,169,401</b>	<b>88,893,088</b>
City % change over prior year	4.05%	5.20%	7.10%	1.51%
State % change over prior year	5.27%	-6.47%	3.83%	3.93%
Federal % change over prior year	-3.93%	1.20%	-8.61%	16.16%
Total % change over prior year	3.71%	1.03%	4.69%	4.37%
Average % change in CPI per DOL	2.40%	1.80%		
City + Local % of budget	68.04%	69.95%	70.92%	70.42%
State % of budget	25.86%	23.94%	23.74%	23.64%
Federal % of budget	6.10%	6.11%	5.34%	5.94%
Enrollment	4,527	4,559	4,542	4,259
Local Composite Index	0.6590	0.6772	0.6772	0.6886
Per Pupil Spending**	17,079	17,532		

# Local K-12 Operations Funding Grew Much Faster Than State Operations Funding from FY 2009-19



Source: DOE Superintendents Annual Reports

[http://www.doe.virginia.gov/statistics\\_reports/supts\\_annual\\_report/index.shtml](http://www.doe.virginia.gov/statistics_reports/supts_annual_report/index.shtml)

James J. Regimbal, Jr., Fiscal Analytics LTD, presentation on 1/11/2021 to VASS/VASBO Winter Conference



# State Revenue: FY18 to FY21

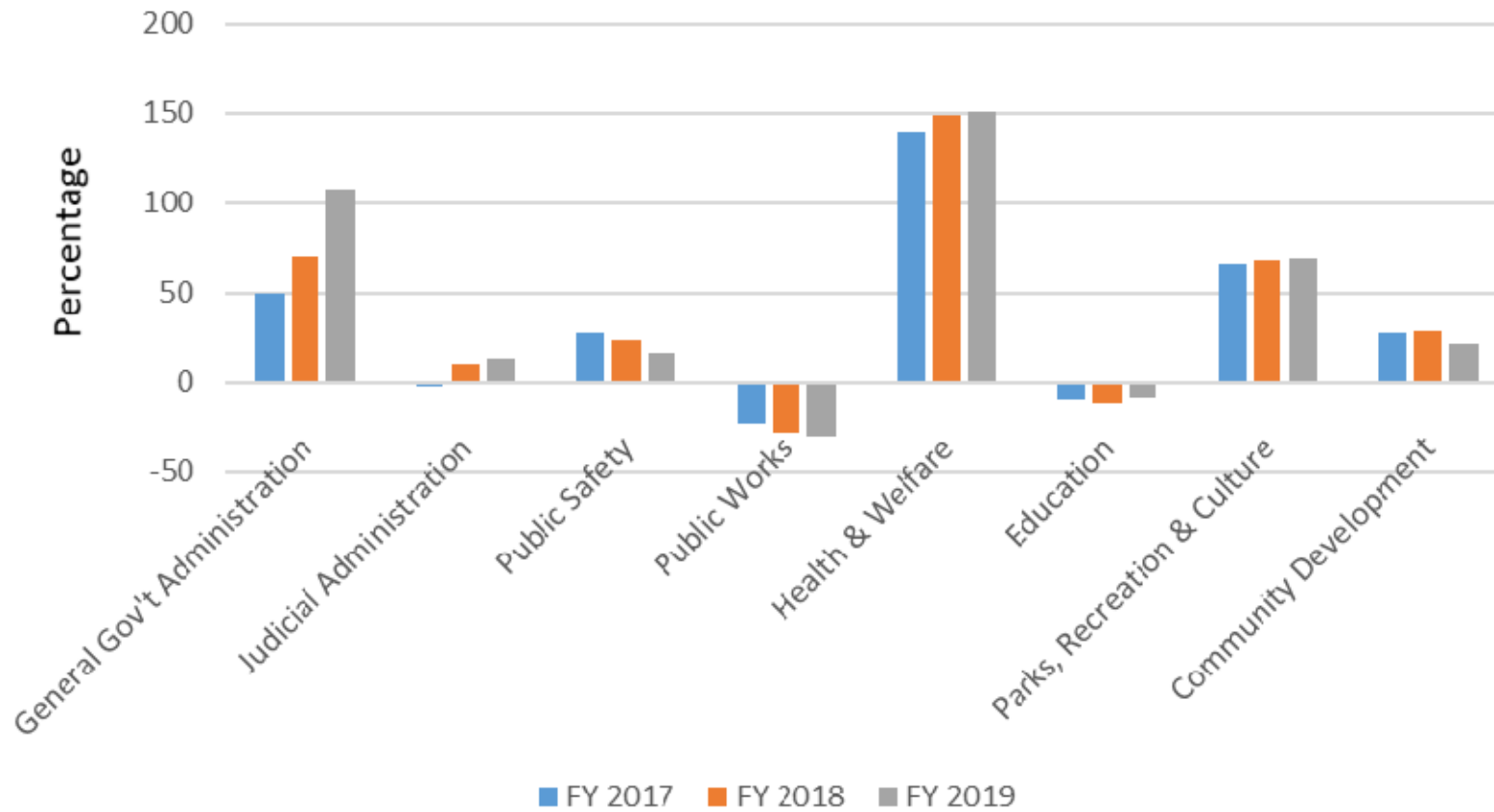
	State Funding	Change
FY18	20,821,352	
FY19	19,473,908	(1,347,444)
FY20	20,220,610	746,702
FY21 Budget	21,014,925	794,315
		<b>193,573</b>

Net Increase in State Funding FY18 to FY21

Significant State Revenue Drivers:  
Enrollment (ADM) & Local Composite Index of Ability to Pay (LCI)



## Charlottesville % of Average Per Capita Expenditures for VA Cities



Source: Auditor of Public Accounts, Local Government – Comparative Reports, 2019 Comparative Report of Local Government

# 2% Raise for Teachers & Staff

- Keeps with budget priority – Recruit and retain highly qualified teachers and staff
- Follows the Governor’s Proposed Budget – 2% bonus for SOQ instructional and support staff
- Shortage of Qualified Teachers – The Pandemic crisis has magnified the teacher shortage issue both in terms of the number of staff and the need to provide greater flexibility in terms of what teachers can and cannot teach.
  - Virginia’s National income ranking of 12th (JLARC). Virginia’s Average Teacher Salary of \$55,212 is ranked 32nd in the Nation; if moved to a National ranking of 12th, average salary would be \$66,552 (NEA).



## State-Funding for Teacher Salary Increases Lags Inflation (2% Salary Increases in FY 21 and FY 22 Unallotted)

<b>Fiscal Year</b>	<b>State-Funded Salary % Increase</b>	<b>State Salary Increase Compound Growth</b>	<b>Compound CPI Growth</b>
2009	0.0%	0.0%	1.4%
2010	2.0%	2.0%	2.4%
2011	0.0%	2.0%	4.5%
2012	0.0%	2.0%	7.5%
2013	0.0%	2.0%	9.3%
2014	2.0%	4.0%	11.1%
2015	0.0%	4.0%	11.8%
2016	1.5%	5.6%	12.6%
2017	0.0%	5.6%	14.8%
2018	2.0%	7.7%	17.3%
2019	0.0%	7.7%	19.8%
2020	5.0%	13.1%	22.4%
2021	0.0%	13.1%	24.6%
2022	0.0%	13.1%	27.3%

# Virginia Instructional Pay Increases Have Slowed Considerably Since 2009

Average Salary - All Instructional Positions \*

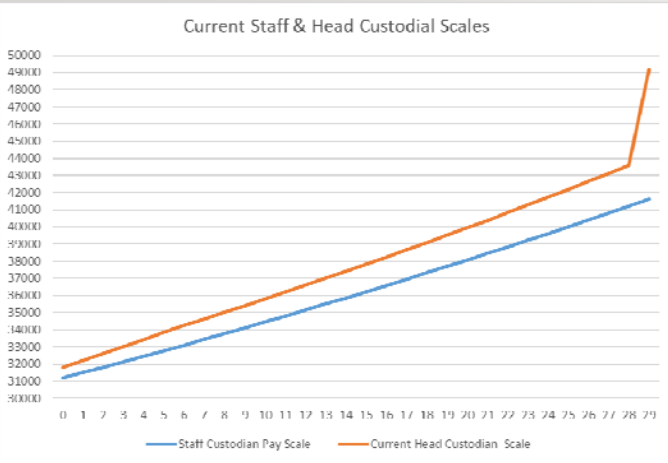


Source: Superintendent's Annual Report.

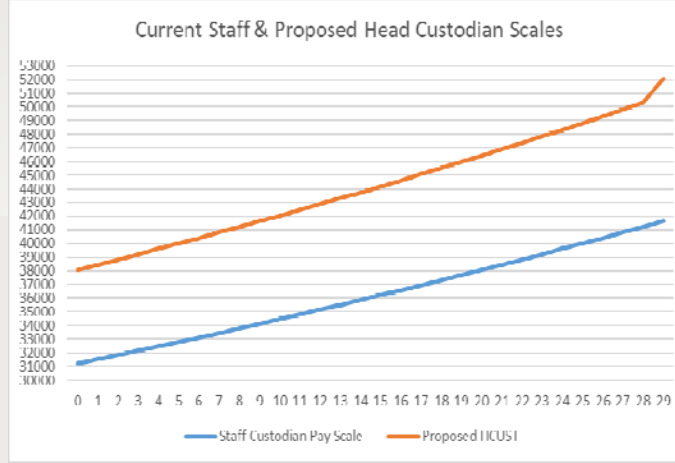
\*All instructional positions include classroom teachers, guidance counselors, librarians, principals, and assistant principals.

James J. Regimbal, Jr., Fiscal Analytics LTD, presentation on 1/11/2021 to VASS/VASBO Winter Conference

# Head Custodian Pay Scale

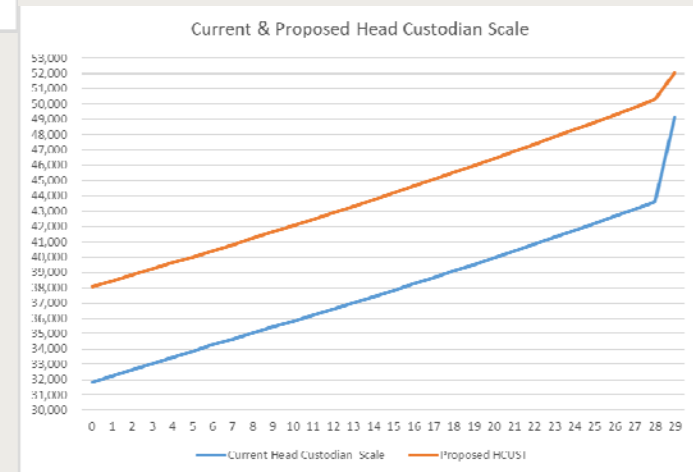


Current differential between regular & head custodian is \$608 at step 0 and only increases to \$2,378 at step 28, then jumps up to a differential of \$7,519 only at step 29.



Proposal more appropriately recognizes the additional Head Custodian responsibilities regardless of step

All head custodians benefit from this proposal. Average increase for current head custodians on their currently occupied steps is \$5,054.



**Cost for Proposed Scale Adjustments \$49,963**