



# FY 2023 Budget State Revenue Update

JANUARY 6, 2022

# Governor's Proposed Budget – Overview

- Recomputed Composite Indices for the 2022-2024 biennium;
- Updated Sales Tax and Lottery revenue estimates;
- Revisions to the employer rates for fringe benefit contributions paid to the Virginia Retirement System;
- State share for a 5.0 percent Compensation Supplement effective on July 1, 2022, and another 5.0 percent Compensation Supplement effective on July 1, 2023;
- Providing additional state funding for early childhood development in fiscal year 2023 and fiscal year 2024;
- Providing additional hold harmless state funding in fiscal year 2023 and fiscal year 2024 related to pandemic-impacted data used in the biennial re-benchmarking process;
- Providing additional state funding to expand the Early Reading Initiative to fourth and fifth grades in fiscal year 2023 and fiscal year 2024;
- Providing additional state funding to support students that are educationally at-risk in fiscal year 2023 and fiscal year 2024;
- Providing additional state funding to support English Language Learners in fiscal year 2023 and fiscal year 2024, and;
- Providing state funding for school construction grants in fiscal year 2023.



# School Construction Grant Program

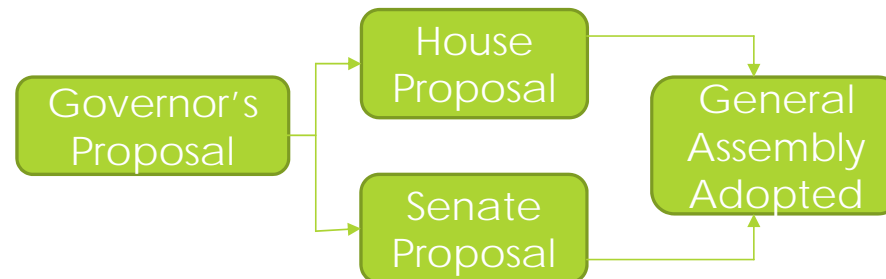
School Construction Grants Program – provides \$500M GF in FY23 only for grants for non-recurring construction, renovation, technology, and debt service costs. Minimum \$1M allocation per division, with the remainder distributed on Weighted ADM (ADM adjusted for the LCI). Actual March 31, 2022 (from FY 2022) is the enrollment metric used. No local match required. Has carryover provision of unspent funds to FY24 and FY25.

*\$1,652,910 For CCS FY 2023 (per calc tool)  
This funding would be appropriated in the special/designated revenues budget  
(not the general operating fund budget)*



# Summary

Based on the Governor's Budget Proposal – Estimate \$1.7 Million Additional State Revenue for Operations



Next the General Assembly gets its turn to consider and make amendments to the budget. In-coming Governor Glenn Youngkin will also have an opportunity to propose amendments after he is sworn into office in mid-January. Links to follow the State budget process:

[VirginiaGeneralAssembly.gov](http://VirginiaGeneralAssembly.gov)

Next School Board Budget Work Session – Saturday, January 15<sup>th</sup> (8:30 AM, CHS Media Center)