



Waynesboro
PUBLIC SCHOOLS
Budget Presentation
Fiscal Year 2020

School Board Meeting

February 12, 2019

BUDGET PRIORITIES

- **Teacher Compensation**
 - Retain Outstanding Teachers
 - Recruit Outstanding Teachers
- **Career and Technical Education**
 - Virginia Board of Education “Profile of a Graduate” Requirements for Graduation
 - Waynesboro City Workforce Development and Community Growth
- **Support for All Students with Emphasis on At-Risk Students**
 - Virginia Legislative Requirements for Increased Guidance and Mental Health Services
 - Virginia Board of Education Requirements for Increased Support for At-Risk Students
 - Diverse Student Population with Varied Needs

Student Demographics

- Current Student Enrollment
 - 3040 Students
 - K-12 - 2888 Counted in Average Daily Membership (ADM) by State
 - PreK - 4 Year Olds - 120 At-Risk Students (State Funds Reduced)
 - PreK - 3 Year Olds - 32 Special Needs Students
- Racial and Ethnic Groups
 - White – 54.6%
 - Black – 16.5%
 - Hispanic – 16.0%
 - Two or More Races – 11.6%
 - Other – 1.3%

Student Demographics

- Economically Disadvantaged
 - 66.1 % - Identified by Participation in Free/Reduced Lunch Program
- Student with Disabilities
 - 368 - Individualized Education Plans
 - 216 - Section 504 Plans
- English Language Learners
 - 218 Students
 - 11 Languages Spoken
- Homeless Students
 - 44 Currently
 - 89 Last School Year

Projected Revenue Budget

| 2019-20 Projected Revenue Budget | | | | | |
|----------------------------------|-------------------|-------------------|----------------|--------------|---------------|
| February 12, 2019 | | | | | |
| | 2018-2019 | 2019-2020 | | | |
| | Adopted | Proposed | Increase / | % | Total |
| | Budget | Budget | (Decrease) | Change | % |
| REVENUES | | | | | |
| State Funds - Based on ADM 2,920 | 18,739,131 | 19,271,048 | 531,917 | 2.84% | 50.87% |
| Federal Funds | 2,474,545 | 2,526,730 | 52,185 | 2.11% | 6.67% |
| Other Funds | 831,208 | 1,023,522 | 192,314 | 23.14% | 2.70% |
| Local City Appropriation | <u>14,933,608</u> | <u>15,061,575</u> | <u>127,967</u> | <u>0.86%</u> | <u>39.76%</u> |
| Total Operating Budget Revenues | 36,978,492 | 37,882,875 | 904,383 | 2.45% | 100.00% |

Revenues Designated for Expenditures

| | |
|--|------------|
| Compensation Supplement (Supports Salary Increase) | \$ 552,017 |
|--|------------|

Revenue of \$552,017 requires Expenditure of \$634,880

| | |
|--------------|------------|
| E-Rate Grant | \$ 200,000 |
|--------------|------------|

Revenue of \$200,000 requires Expenditure of \$250,000

| | |
|------------------|-----------|
| School Nutrition | \$ 50,979 |
|------------------|-----------|

Revenue of \$50,979 requires Expenditure of \$50,979

| | |
|-------------------------|-----------|
| All Federal Grant Funds | \$ 52,185 |
|-------------------------|-----------|

Revenue of \$52,185 requires Expenditure of \$52,185

| | |
|---------------------------------|-------------------|
| Total Designated Revenue | \$ 855,181 |
|---------------------------------|-------------------|

Increased Revenues that require Matching Expenditures of \$935,859

Proposed Expenditure Budget

| 2019-20 Proposed Budget | | | | | |
|-------------------------------------|------------------|------------------|----------------|--------------|---------------|
| February 12, 2019 | | | | | |
| | 2018-2019 | 2019-2020 | | | |
| | Adopted | Proposed | Increase / | % | Total |
| | Budget | Budget | (Decrease) | Change | % |
| EXPENDITURES | | | | | |
| Salaries | 21,139,435 | 21,990,710 | 851,275 | 4.03% | 56.16% |
| Benefits | 8,650,026 | 9,310,044 | 660,018 | 7.63% | 23.78% |
| Non-Salary | <u>7,189,031</u> | <u>7,853,047</u> | <u>664,016</u> | <u>9.24%</u> | <u>20.06%</u> |
| | - | - | - | - | - |
| Total Operating Budget Expenditures | 36,978,492 | 39,153,801 | 2,175,309 | 5.88% | 100.00% |

Non- Salary Expenditures

- School Division Has Little or No Control of Costs
 - Utilities – Electricity, Gas, Water and Sewage, Stormwater
 - Communication – Broadband, Telephone, Postage
 - Insurance – Property & Casualty, Workers Comp
 - Leases and Rentals – Copiers, Maintenance Equipment
 - Vehicle Fuel – Buses, Vans, Cars
 - Operational Materials and Supplies – Custodial, Maintenance, Transportation
 - Purchased Services – Maintenance, Transportation, Inspections, Student Services
 - Textbooks – State Funds Require Match of Local Funds
 - Regional Programs – Governor School, Valley Tech, Special Ed, Alternative Ed
- School Division Has Some Control of Costs
 - Instructional Materials
 - Technology

Non-Salary Operating Expenditures FY20

- Increase of \$664,016
 - Increased participation and costs for all regional programs
 - Salary Increases by School Divisions serving as Fiscal Agents
 - Valley Career and Technical Center - \$142,065 (Increased enrollment)
- Technology hardware and infrastructure
 - Purchases through the E-rate grant - \$253,165
- Non-Salary Expenditures have increased by 2.8% (\$154,959) since FY11
 - Average Annual Rate of Inflation is Approximately 2%
 - Regional Programs have increased 9.9% due primarily to salary increases given by the localities that serve as the fiscal agents for the regional programs
 - No new buses have been purchased from operating budget (\$100,000 each)
- Basically Operating on Fiscal Year 2011 Budget for Operations

Benefit Costs FY20

- Benefit costs increase \$626,262
 - Health Insurance increase - \$424,698
 - Premium rate increase of 15%
 - Increased participation of employees
 - Costs related to Salary Increase (FICA, VRS) - \$201,564
- Benefit costs include FICA, VRS, and Health Insurance
 - School division has no control of these costs
- Benefit costs increased 25.8% (\$1,771,664) from FY14 to FY19

Personnel Salaries Last Five Years

| School Division | FY14 | FY15 | FY16 | FY17 | FY18 | FY19 | TOTAL |
|--|------|---------|---------|---------|---------|---------|------------------|
| Augusta County | 4.0% | 3.4% | 1.5% | 3.0% | 2.00% | 3.00% | 16.90% |
| Staunton City | 3.0% | 3.0% | 3.0% | 3.0% | 3.00% | 3.00% | 18.00% |
| Waynesboro City | 3.0% | 0.0% | 1.5% | 2.2% | 1.00% | 2.00% | 9.70% |
| | | | | | | | |
| ADDITIONAL COST IF WAYNESBORO HAD GIVEN A 3% ANNUAL RAISE | | | | | | | |
| Waynesboro City | 0.0% | 3.0% | 1.5% | 0.8% | 2.00% | 1.00% | 8.30% |
| Salaries | 0 | 590,727 | 301,233 | 168,984 | 434,683 | 223,935 | 1,719,562 |
| Benefits | 0 | 158,551 | 80,851 | 45,355 | 116,669 | 60,104 | 461,530 |
| Total | 0 | 749,278 | 382,084 | 214,339 | 551,352 | 284,039 | 2,181,092 |

Salaries FY20

- Salaries increase \$783,929
 - Includes a 3% raise for employees
 - A 3% raise for FY20 added to the 2% raise in FY19 meets the proposed state raise of 5% for the biennium
 - 5% raise for the biennium entitles Waynesboro City Schools to receive the Compensation Supplement funds in the amount of \$552,017
 - Salaries Increased due to Staffing a Vacant Position for which Services were being procured through Purchased Services (Non-Salary) Resulting in an Overall Cost Savings
 - Positions Added to Meet Special Needs of Students
 - Two Special Education Instructional Assistants
 - Two Van Drivers for Special Transportation Needs
 - Increased Substitute Costs
 - Vacant Teaching Positions Not Staffed Require Substitutes

Proposed Budget FY20

| 2019-20 Proposed Expenditure Budget | | | | | |
|-------------------------------------|-------------------|-------------------|----------------|--------------|---------------|
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| Federal Funds | 2,474,545 | 2,526,730 | 52,185 | 2.11% | 6.67% |
| Other Funds | 831,208 | 1,023,522 | 192,314 | 23.14% | 2.70% |
| Local City Appropriation | <u>14,933,608</u> | <u>15,061,575</u> | <u>127,967</u> | <u>0.86%</u> | <u>39.76%</u> |
| Total Operating Budget Revenues | 36,978,492 | 37,882,875 | 904,383 | 2.45% | 100.00% |
| EXPENDITURES | | | | | |
| Salaries | 21,139,435 | 21,923,364 | 783,929 | 3.71% | 56.14% |
| Benefits | 8,650,026 | 9,276,288 | 626,262 | 7.24% | 23.75% |
| Non-Salary | <u>7,189,031</u> | <u>7,853,047</u> | <u>664,016</u> | <u>9.24%</u> | <u>20.11%</u> |
| Total Operating Budget Expenditures | 36,978,492 | 39,052,699 | 2,074,207 | 5.61% | 100.00% |
| Grand Total Revenues | 36,978,492 | 37,882,875 | 904,383 | 2.45% | |
| Grand Total Expenditures | 36,978,492 | 39,052,699 | 2,074,207 | 5.61% | |
| Over/Under Budget | 0 | (1,169,824) | | | |

Budget Reductions

Non-Salary

Cannot Operate Effectively at FY19 Levels

- Eliminate E-Rate Grant
 - Reduces Expenditures \$250,000
 - Reduces Revenues \$200,000
- Eliminate New Enrollments at VCTC
 - Reduces Expenditures \$142,065
- Reduce Instructional Materials More Than Current Reduction
 - Reduced by \$32,894 in Current Budget
- Possible Reductions in Costs Not Controlled by School Division
 - \$271,951 in Cuts Needed from Non-Salary Costs to Operate at FY19 Level

Budget Reductions

Benefits

Cannot Operate at FY 19 Expenditure Level

- Health Insurance Increases are Beyond Our Control
 - No Reduction
- Benefits Associated with Salary Increase
 - Salary-Associated Benefits Reduced \$201,564

Budget Reductions

Personnel

Operate at FY19 Level

- No Raise
 - Reduces Expenditures \$634,880
 - Reduces Revenues \$557,664
- Reduction In Force (RIF)
 - New Special Education Positions required by Federal Law
 - Reduction In Force Necessary to Reduce Remaining Expenditures \$216,395

Budget Situation

IF Personnel Costs Remain the Same as in FY19,
IF Non-Salary Costs Can be Reduced to FY19 Levels,
IF Benefits Increase Only for Health Insurance,
Expenditures Exceed Revenue by \$322,332.

-\$322,332

