FOR IMMEDIATE RELEASE:

Superintendent Presents Proposed FY20 Budget

Loudoun County Public Schools (LCPS) Superintendent Dr. Eric Williams presented his Proposed Fiscal Year 2020 Operating Budget to the School Board on Tuesday, January 8th, during the regularly scheduled School Board meeting at the LCPS Administrative Offices in Ashburn.

The superintendent-proposed budget represents an increase of $94.6 million (7.9 percent) from the current budget. The proposed Operating Budget is $1.284.4 billion. The current budget is $1.189.8 billion. No gap exists between the County transfer recommended by the superintendent and the County transfer (based on the equalized tax rate) reflected in the fiscal guidance provided by the Board of Supervisors to the county administrator.

The proposed budget reflects the priorities of the LCPS Vision 20/20 strategic plan. It would provide support for personalized, project based learning of math, science, Social Studies, English Language Arts, computer science and other disciplines. It would maintain class sizes in the face of rising enrollment, continue 100% FDK, support the recruitment and retention of excellent teachers through increased teacher compensation, and improve security measures. The proposed budget would fund improved teaching and learning for ALL students, including gifted learners, students with special needs, English learners, and students eligible for free or reduced-price meals.

The Superintendent outlined several factors driving the proposed budget:

**Enrollment Growth**
Next school year, LCPS anticipates serving approximately 83,762 students in 94 schools. This reflects projected enrollment growth of 1.5 percent or 1,277 students when comparing actual FY19 enrollment with projected FY20 enrollment. Expenditures in the proposed budget related to rising enrollment are based on an increase of 0.8 percent or 657 students when comparing the budgeted FY19 enrollment with the FY20 projected enrollment. The projected rate of enrollment growth for English learner (7.9 percent) and special education (1.6 percent) students is higher than the overall enrollment growth rate.

Budget increases relating to enrollment growth and the opening of Waxpool Elementary School and Independence High School total $17.8 million. LCPS needs these funds to maintain current class sizes and services for students while opening the new schools to accommodate rising enrollment.

**Compensation**
The proposed budget includes a net increase of $45.9 million related to salaries and benefits with an emphasis on improving salaries for teachers. The Teachers' Salary Scale would be revised to provide teachers greater compensation earlier in their careers, while also improving the consistency of step increases. The average adjustment made to a step on the bachelor teacher salary scale would be 6.9 percent or $4,445.

LCPS teachers on the master's salary lane earn $182,000 less than their Fairfax counterparts over the course of a 30-year career. Williams noted that this statistic illustrates the challenge of ongoing efforts to improve teacher compensation. The gap in career earnings fell from $317,000 in FY17 to $164,000 last year only to rise in the current year despite the multi-year effort to improve teacher salaries.
Funding for compensation includes the following components:

- $41.6 million to increase the competitiveness of the teacher salary schedule;
- $17.6 million to provide salary step increases that average 2.2 percent;
- $6.1 million in compensation adjustments for classified, administrative, and auxiliary positions relating to external competitiveness and internal equity; and
- $4.2 million for a 1.5 percent, market-based, across-the-board increase for full-time employees other than teachers.

In terms of benefits, the proposed budget includes a decrease of $14.9 million relating to level health insurance premiums and two health premium holidays in 2020.

Enhancements, Restorations, and Reallocations

Expenditures relating to enhancements include the following primary components:

- $10.4 million to fund enhancements in staffing standards based on enrollment and the number of schools. For example, this involves 27.5 school counselors related to proposed, new state requirements, 14.5 additional Academies of Loudoun teachers related to growing enrollment, and 7 safety and security specialists;
- $4.3 million to create 50 other new positions (four tenths of one percent of current FTE) to provide enhanced services. For example, this includes 5 gifted education teachers to support the transition to a school-based model for gifted education, 7 math facilitators to improve math instruction, and 18 additional custodians;
- $3.1 million for Operating and Maintenance expenditures primarily relating to textbooks and digital resources, increased bandwidth, and High School English Language Arts classroom libraries.

The FY20 budget restores $1.6 million for classroom computers that was cut from the FY19 budget.

As part of LCPS’ strategic approach to developing the budget proposal, staff again considered whether any current funds could be reallocated to provide greater benefits for students. Under the proposed budget, funds are reallocated for a cost avoidance of $1.7 million.

Staffing

The proposed operating budget funds 11,722.4 employees. This reflects an increase of 315.9 employees, a 2.8 percent increase.

Cost Per Pupil

If fully funded, the proposed operating budget would result in an average cost per pupil of $15,266. (It is currently $14,253). Adjusted for inflation, the FY20 cost per pupil would be approximately one percent ($111) lower than the 2008-2009 school year. In comparison with neighboring school divisions, LCPS would remain near the bottom in per-pupil expenditures for FY20.

Revenue

Based on the Governor’s Introduced Budget, the proposed operating budget assumes an increase in state revenue of $21.8 million, which relates primarily to increased state funding for teacher compensation and rising enrollment.

The proposed budget reflects a recommended increase in the County transfer to the schools of $76.3 million, an increase of 9.6 percent.
No gap exists between the County transfer recommended by the superintendent and the County transfer (based on the equalized tax rate) reflected in the fiscal guidance provided by the Board of Supervisors to the county administrator.

Dates for budget work sessions and hearings are as follows:

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<th>Date</th>
<th>Time</th>
<th>Meeting &amp; Topic</th>
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<tr>
<td>Tuesday, January 15</td>
<td>6:30 p.m.</td>
<td>School Board Work Session regarding staffing standards, salary/health care, and Instruction</td>
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<td>Tuesday, January 22</td>
<td>4:00 p.m.</td>
<td>School Board Work Session regarding Pupil Services and Support Services</td>
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<td>Thursday, January 24</td>
<td>6:30 p.m.</td>
<td>School Board Public Hearing and Work Session regarding Digital Innovation, Human Resources &amp; Talent Development</td>
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<td>Thursday, January 31</td>
<td>6:30 p.m.</td>
<td>School Board Work Session regarding Central Office, Other Funds, Business &amp; Financial Services</td>
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<td>Tuesday, February 5</td>
<td>6:30 p.m.</td>
<td>School Board Work Session and Adoption of Budget</td>
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<td>Monday, February 11</td>
<td>6:00 p.m.</td>
<td>School Board and Board of Supervisors Joint Work Session and Presentation of FY20 Proposed Operating Budget at LCPS Administrative Offices</td>
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<td>Wednesday, February 13</td>
<td>5:00 p.m.</td>
<td>County Administrator Presents Recommended Budget</td>
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<td>Wednesday, February 27</td>
<td>3:00 p.m. &amp; 6:00 p.m.</td>
<td>Board of Supervisors Public Hearing at Loudoun County Government Center</td>
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<td>Saturday, March 2</td>
<td>9:00 a.m.</td>
<td>Board of Supervisors Public Hearing at LCPS Administrative Offices</td>
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<tr>
<td>Tuesday, April 2</td>
<td>5:00 p.m.</td>
<td>Board of Supervisors approves FY20 Budget, including LCPS appropriation</td>
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