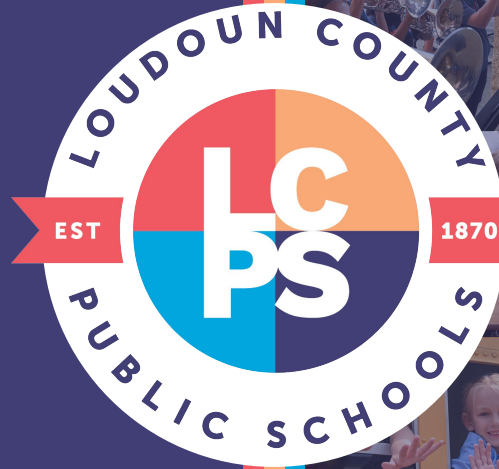


FY25 School Board Adopted Budget

Joint Board of Supervisors
and School Board Meeting
February 22, 2024

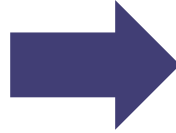


Budget Development



VIRGINIA CODE

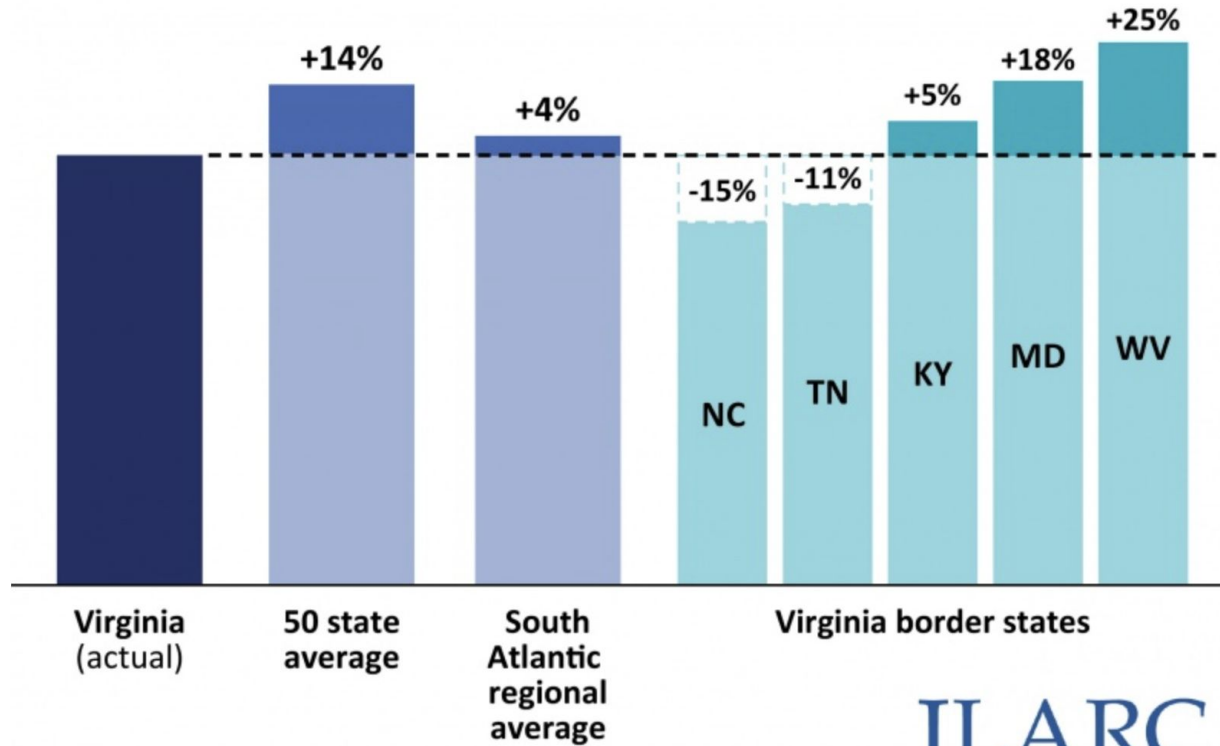
§22.1-92. Estimate of moneys needed for public schools – It shall be the duty of each division superintendent to prepare with the approval of the school board, and submit to the governing body or bodies appropriating funds for the school division, by the date specified in §15.2-2503 [on or before the first day of April of each year], the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division. The estimate shall set up the amount of money deemed to be needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.



- ✓ **Budget analysis based on historical trends, pricing, and needs**
- ✓ **Budget requests received and reviewed**
- ✓ **Stakeholder priorities incorporated**
- ✓ **Balances LCPS needs with projected funding and County budget guidance**



Virginia school divisions receive less funding than national and regional averages (FY20)

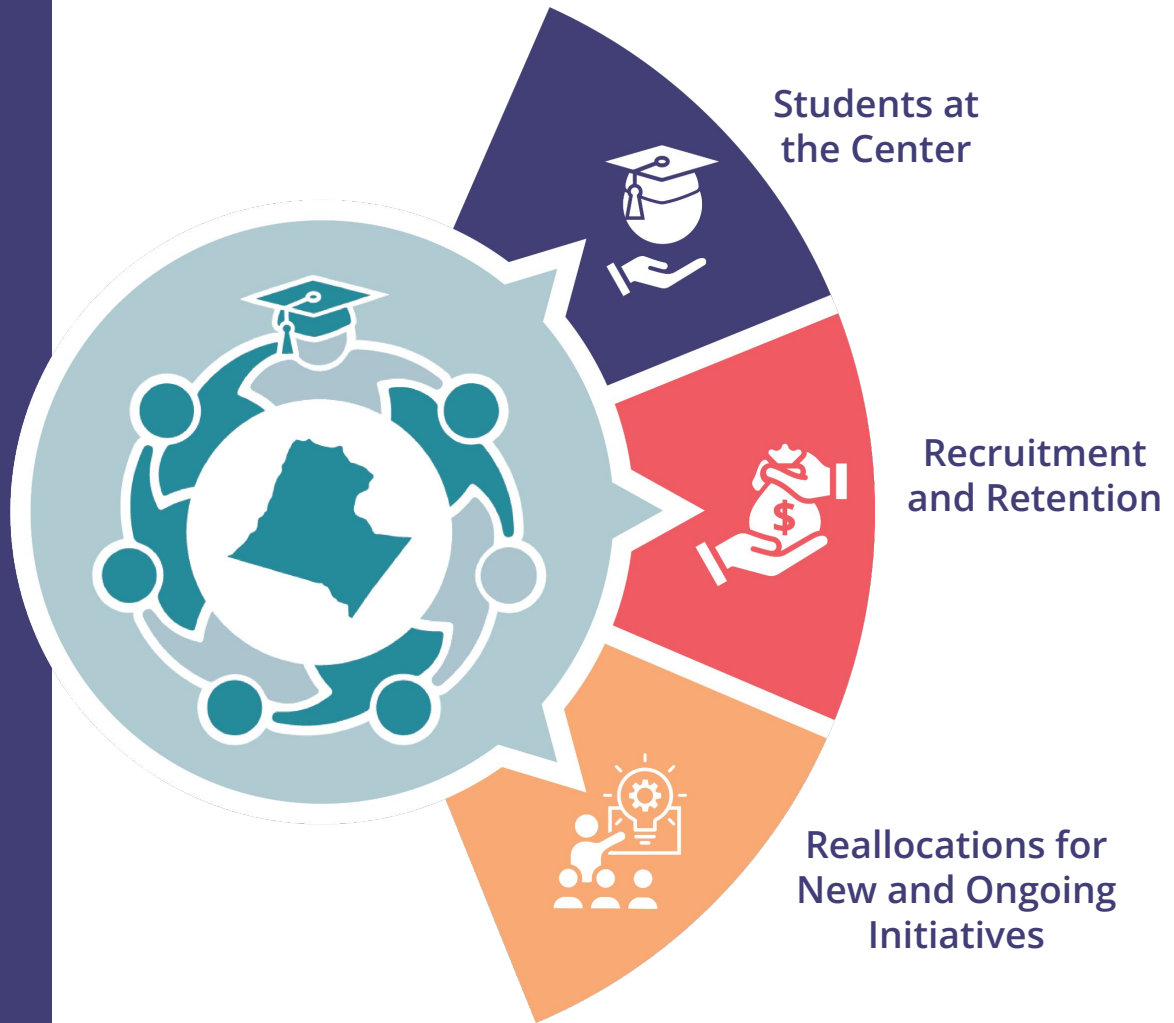


SOURCE: JLARC analysis of NCES data, adjusted for cost of labor.

JLARC
JOINT LEGISLATIVE AUDIT
AND REVIEW COMMISSION



FY25 Budget Priorities Support OneLCPS



FY25 School Board Adopted Budget

School Operating Fund

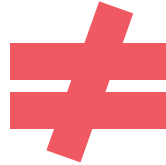


	FY24 Adopted	FY25 SEON	Change
REVENUES			
State	\$486,378,901	\$511,811,614	\$25,432,713
Federal	2,962,436	2,962,436	-
Fees/Charges	10,876,466	10,876,466	-
County Transfer	1,156,127,376	1,287,127,376	131,000,000
Carryover	12,000,000	12,000,000	-
TOTAL REVENUES	\$1,668,345,179	\$1,824,777,892	\$156,432,713
EXPENDITURES			
Personnel	\$1,495,288,701	\$1,642,233,536	\$146,944,835
Operating	171,600,394	170,332,377	(1,268,017)
Capital Outlay	1,456,084	12,211,979	10,755,895
TOTAL EXPENDITURES	\$1,668,345,179	\$1,824,777,892	\$156,432,713
FTEs	12,756.00	13,053.13	297.13

Why you can't tie enrollment growth directly to budget growth.

ENROLLMENT

- FY25 flat enrollment projection when compared to FY24 budgeted enrollment

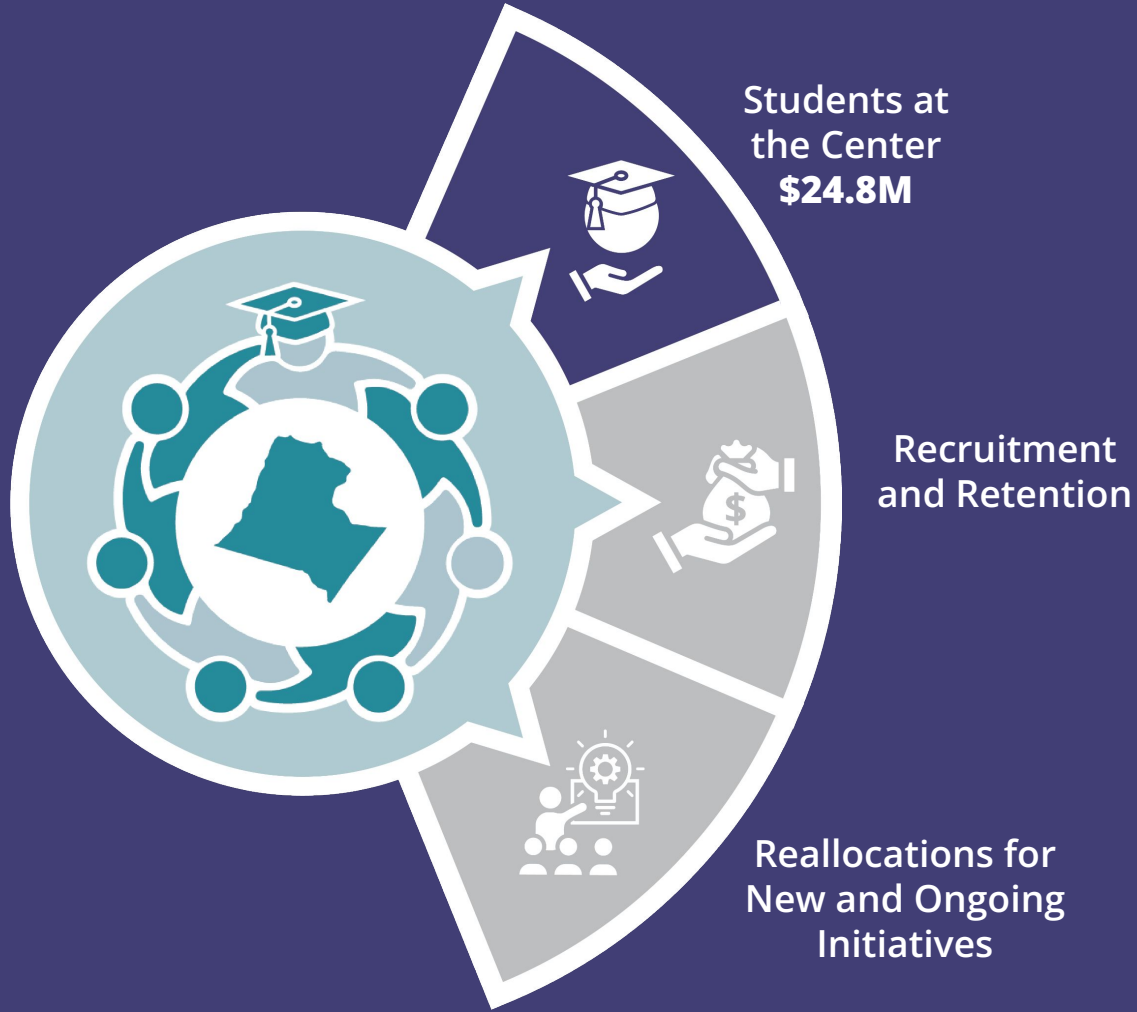


BUDGET (a few examples)

- Annual step increases - \$25.7M
- Health Premium Increase - \$7.9M
- Open 2 New Schools - \$7.5M
- Ongoing Initiatives - \$9.7M
- Resources to support changes in EL/SPED/Economically Disadvantaged Students - \$11.0M



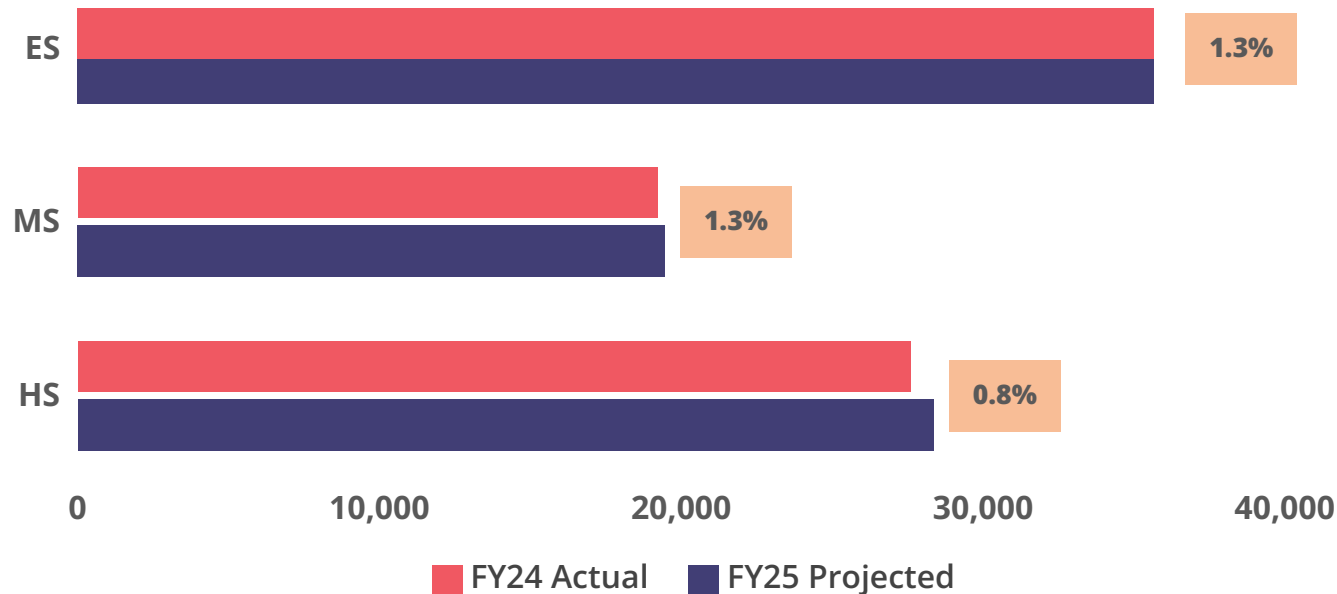




Projected Enrollment Changes for FY25

FY24 Actual to FY25 Projected

1.1% growth
projected
from this
year's actual
student count



2 New Schools Opening Fall 2024



Henrietta Lacks ES



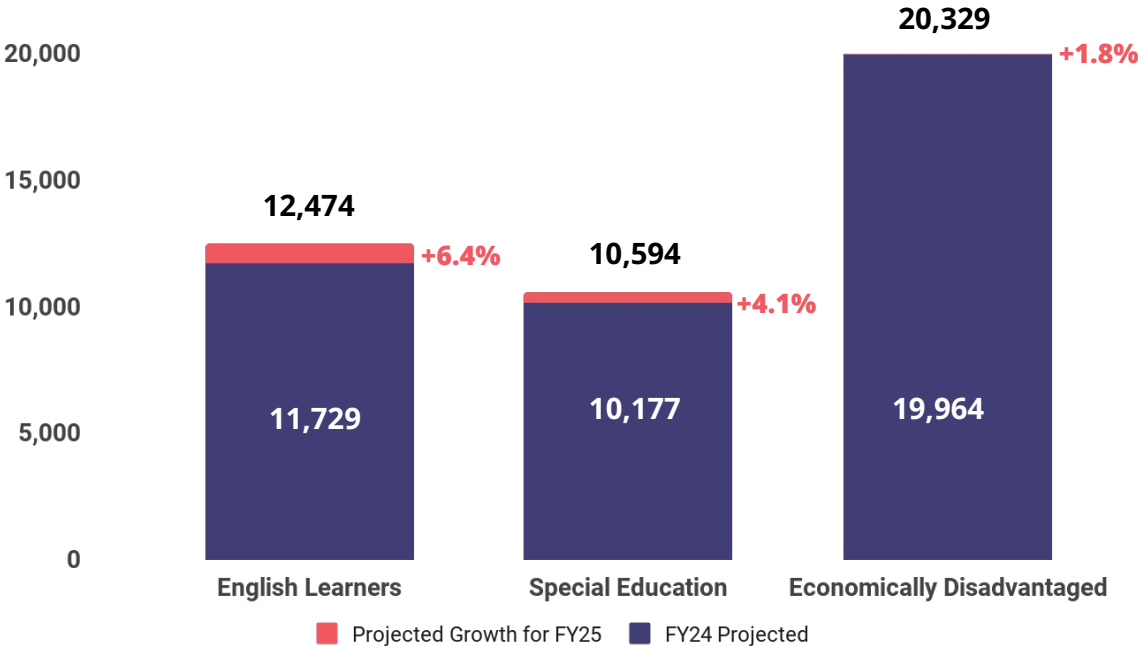
Watson Mountain MS

\$7.9M **Net increase of 60 FTE** for Teachers, Custodians, etc to open 2 new schools and realign students



Our student body continues to change.

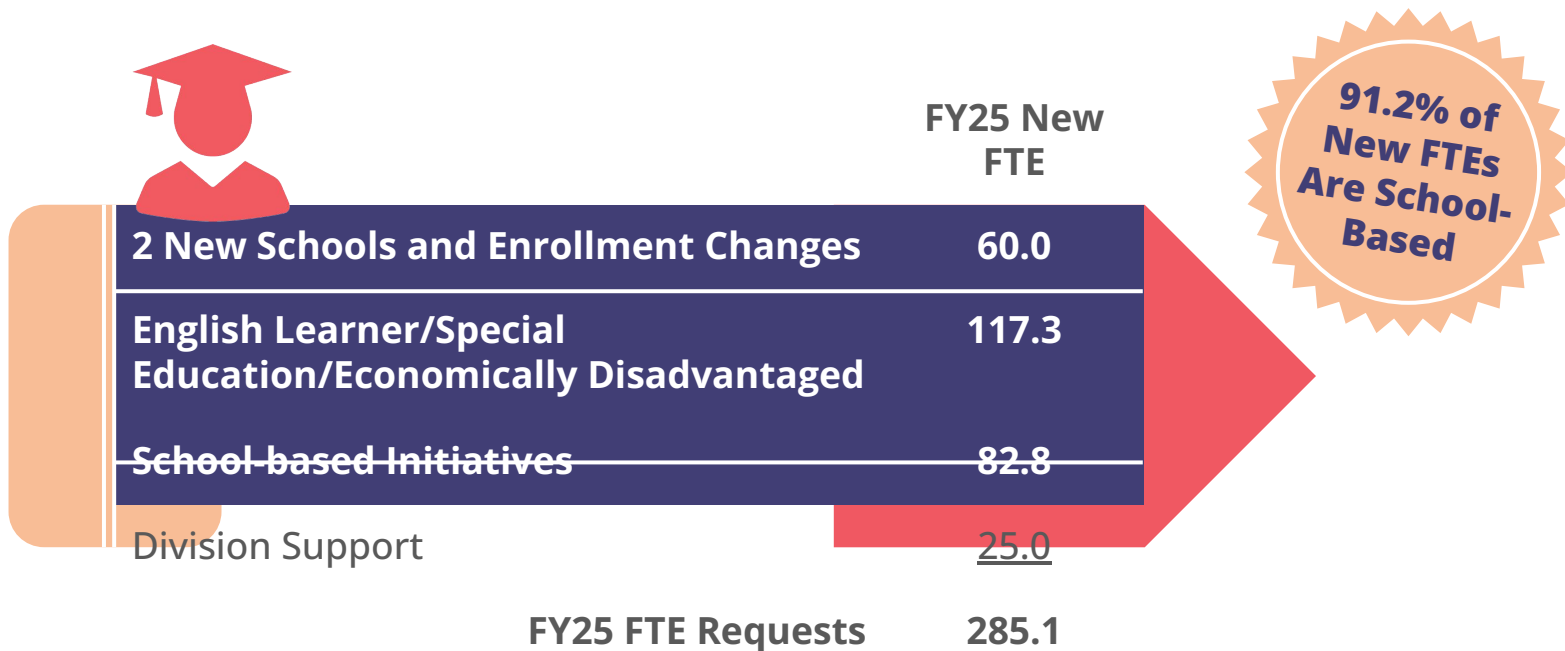
FY24 Budget to FY25 Projected



Cost	FTE	Focus
\$2.6M	23.0	English Learners
\$6.7M	80.3	Special Education
\$1.8M	14.0	Economically Disadvantaged



Staffing continues to be focused on students



FY24 FTE Distribution

Source: FY24 WABE Guide

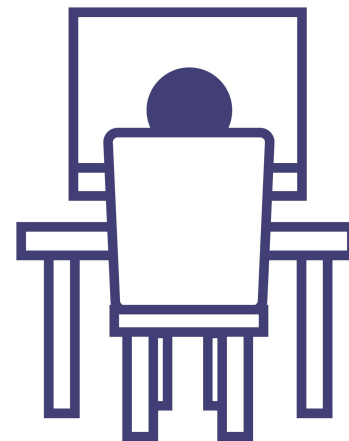
District	Non-School Based FTE	School Based FTE
Fairfax	7.6%	92.4%
Loudoun	8.3%	91.7%
Arlington	9.2%	90.8%
Prince William	9.7%	90.3%
Alexandria	10.7%	89.3%

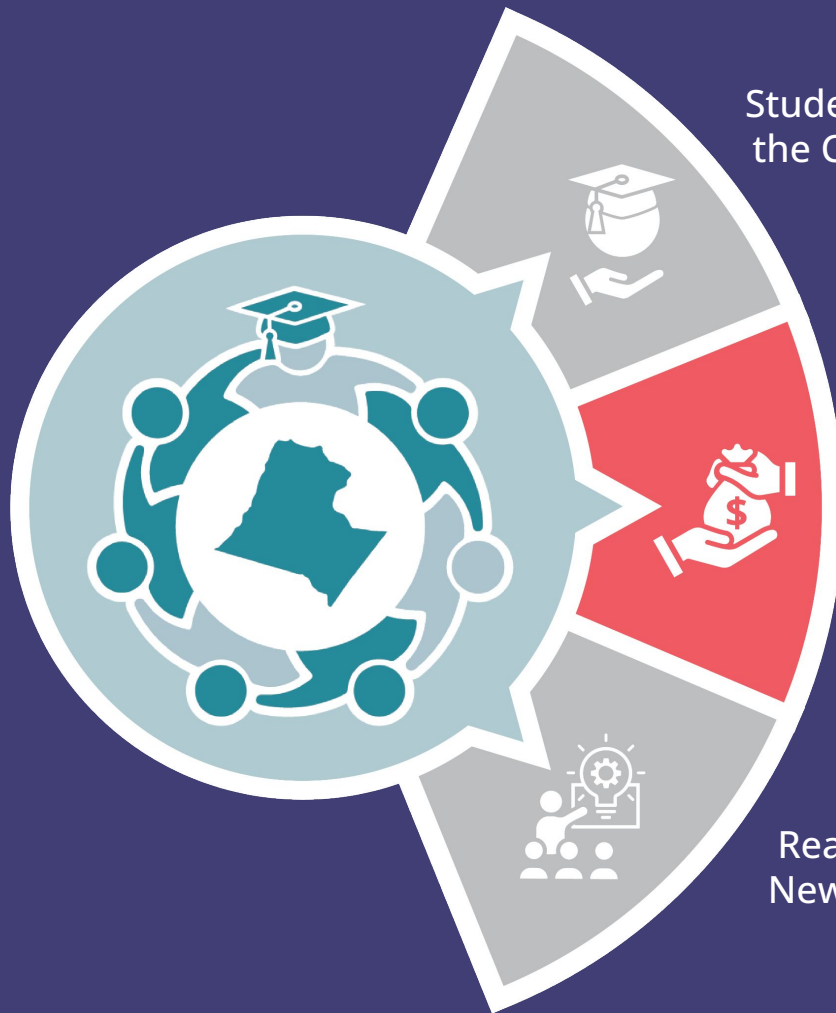
FY25 LCPS



92.1%
School-Based
Employees

7.9%
Non-School
Based Employees





Students at
the Center

Recruitment
and Retention
\$118.2M

Reallocations for
New and Ongoing
Initiatives

**76% of
Budget
Increase**



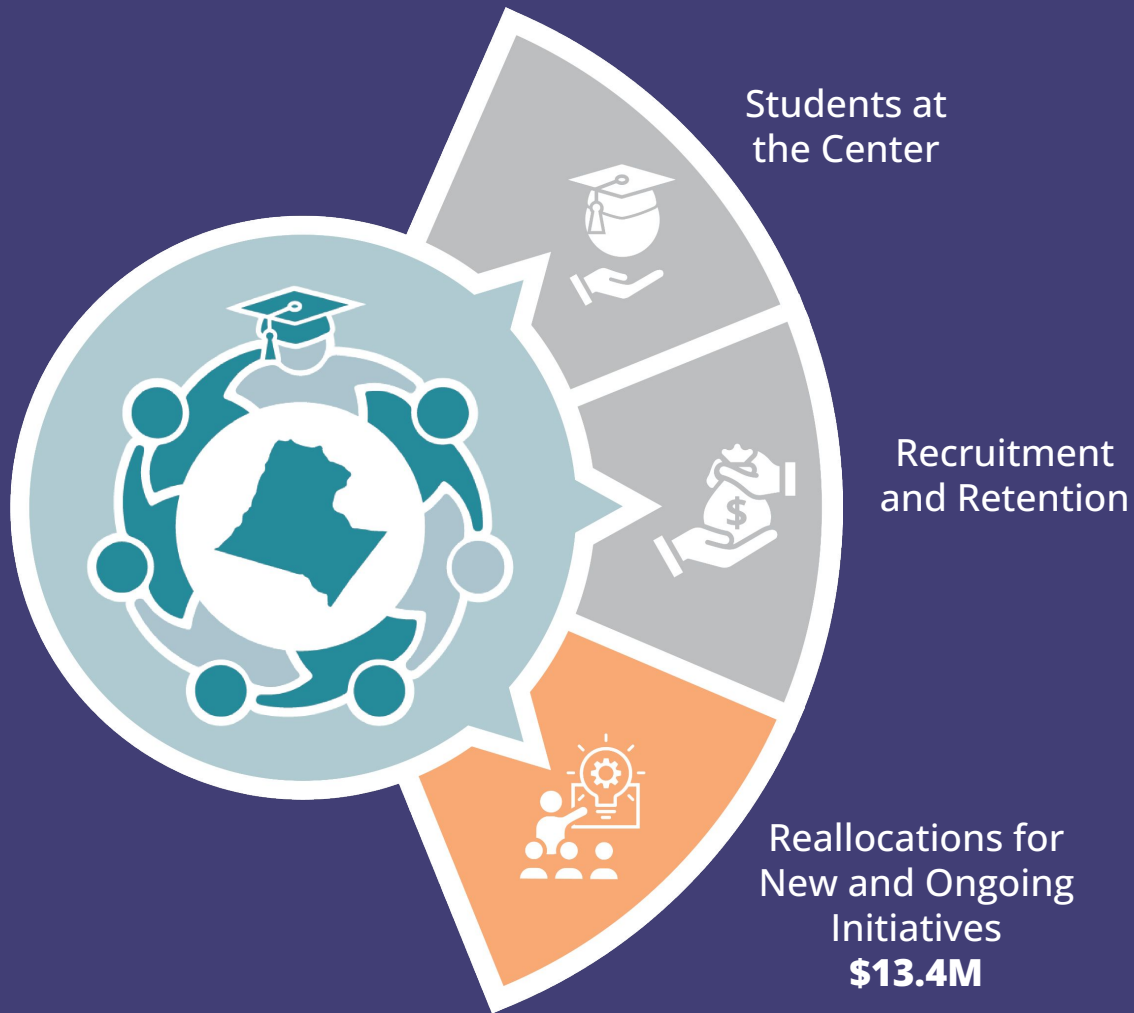
90% of School Operating Fund is Personnel Costs



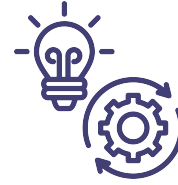
Staff Compensation and Benefits

- ▶ Step increases for eligible employees averaging 2.5%
- ▶ One-time 1% top of scale payments to eligible employees
- ▶ 4.0% COLA for Salary Scales B and C (Universal and Auxiliary) and Strategic Scale Adjustment for Scale A (Teacher)
- ▶ One-time 1% Bonus Payment to full-time eligible employees (Governor Proposed Budget)
- ▶ Ongoing classification cyclical review
- ▶ 8% Health Premium Increase





Ongoing Initiatives



**Next phase of
Dual Language
expansion**



**Middle school
sports expansion
to all middle
schools**

H-MSCI

**The launch of the
Health and
Medical Sciences
Academy**



**Competitive
Substitute
Teacher Rates**



New Initiatives Highlights

- ◆ Alternative School
- ◆ Full-day STEP program
- ◆ Technology security and management resources
- ◆ Flexible staffing support for schools
- ◆ Recruitment signing bonus
- ◆ Extra-curricular allotment to offset student charges/fees at the school-level







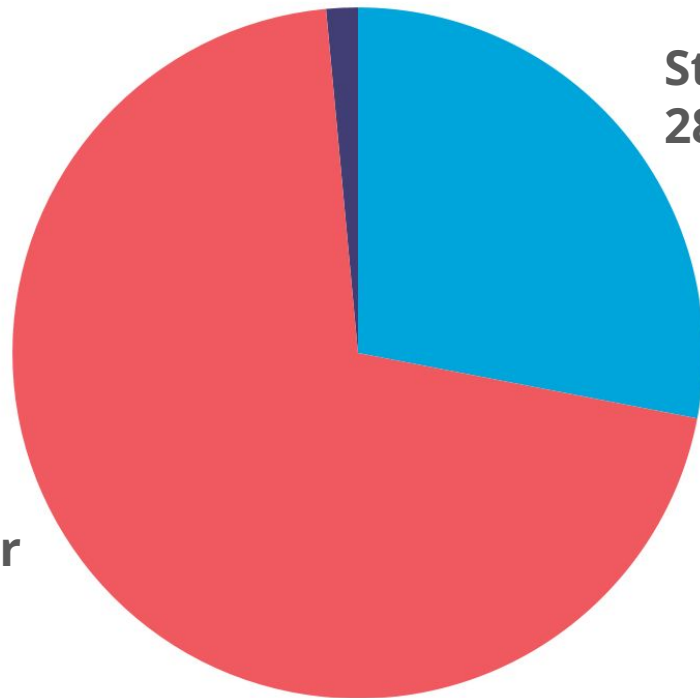
Funding Sources



**County
Transfer
70.5%**

**Federal, Budget
Transfer, Other
1.4%**

**State
28.1%**





Where does LCPS funding come from?



\$--

Net change in **federal, budget carryover, and other revenue streams**

\$25.4M

Net change in **State funding** from rebenchmarking the cost of Basic Aid, one-time 1% bonuses, fully funding the staffing requirements of the Literacy Act, updating sales tax projections, and elimination of grocery sales tax hold-harmless payments

\$131.0M

County transfer funding request



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County transfer funding request

State Funding

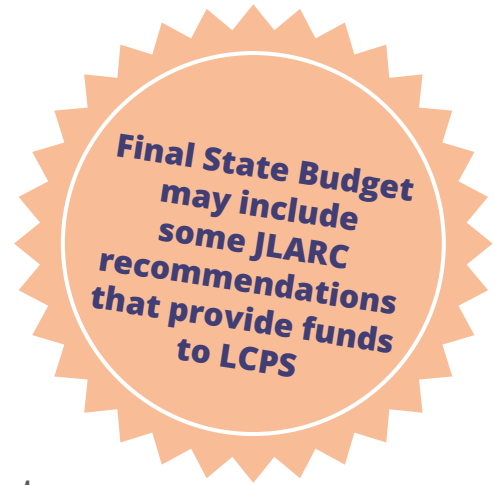
Governor's Proposed Budget



- Rebenchmarking Basic Aid funding for schools
- Funding for one-time 1% bonus
- Fully funding staffing requirements for Literacy Act



- Update sales tax projections
- Eliminate grocery sales tax hold-harmless payments



State Budget Update

Both Committees proposed budget amendments that provide additional funding to LCPS with no additional mandated expenses

House Amendments

\$10.5m

3 $\frac{3}{8}$ % Compensation
EL Support
At-Risk changes (loss)

Senate Amendments

\$33.7m

3 % Compensation Supplement
EL Support
Support Cap removal
Grocery Tax hold harmless
Removal of Governor Proposed 1% Bonus
Other Initiatives



Loudoun County Recovery High School

- House and Senate have budget amendments for the State to open a Recovery High School in Loudoun County
- Short term or long term voluntary programming for high school students with substance use and/or co-occurring disorders who are in active recovery
 - Individual & group counseling
 - Parent support component
 - Random urinalysis
 - Transition support
 - Community partnership



State Budget Timeline



December

January

February

March

April

May

STATE

**Governor releases
proposed state
budget 12/20**

**General Assembly convenes 2nd
Wed of Jan (even years 60 days;
odd years 30/45 days)**

**GA sends budget bill
to Governor for
signature**

**Governor signs budget or
vetos; if veto return for
veto session**





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Net change in **State funding** from benchmarking the cost of Basic Aid, one-time 1% bonuses, fully funding the staffing requirements of the Literacy Act, updating sales tax projections, and elimination of grocery sales tax hold-harmless payments

\$131.0M

County transfer funding request

County Funding Guidance Scenarios

County Recommendation

\$0.875 Real Property Rate
Current Rate

\$4.15/\$4.10

Personal Property Rate

60% to LCPS
40% to County

\$121.0M to LCPS

Funding Gap
(\$10.0)M

County Option 1

\$0.83 Real Property Rate
Equalized Rate

\$4.15/\$4.10

Personal Property Rate

60% to LCPS
40% to County

\$98.0M to LCPS

Funding Gap
(\$33.0)M



Finite Resources Delay Other Priorities to Future Years

A few examples:

- Next phase of IB Expansion slated for FY25
- Various positions throughout the organization (i.e. MS Student Support Advisors, Athletic Trainers, additional Welcome Center support, etc)
- Additional funding to support recruitment and retention initiatives (i.e. signing bonus, tuition reimbursement, etc)



Cost per Pupil

FY24 Cost per Pupil

Source: FY24 WABE Guide

Arlington	\$24,612
Alexandria	\$20,511
Loudoun	\$19,905
Fairfax	\$19,795
Prince William	\$16,390



FY25

\$21,793



Recap and Next Steps



Key Takeaways



\$156.4M or 9.4% FY25
Budget Increase

\$131.0M or 11.3% County
Transfer Request Increase

State Budget not Final



What the budget supports...



LCPS Capital Projects Spotlight

Projects:

- ❖ Dominion HS Weight Room Addition, Press Boxes, and Tennis Court Lighting
- ❖ Heritage HS Weight Room Addition, Press Boxes, and Tennis Court Lighting
- ❖ Potomac Falls HS Press Boxes and Tennis Court Lighting

All Site Permits have been approved.

Building Permits are in process.

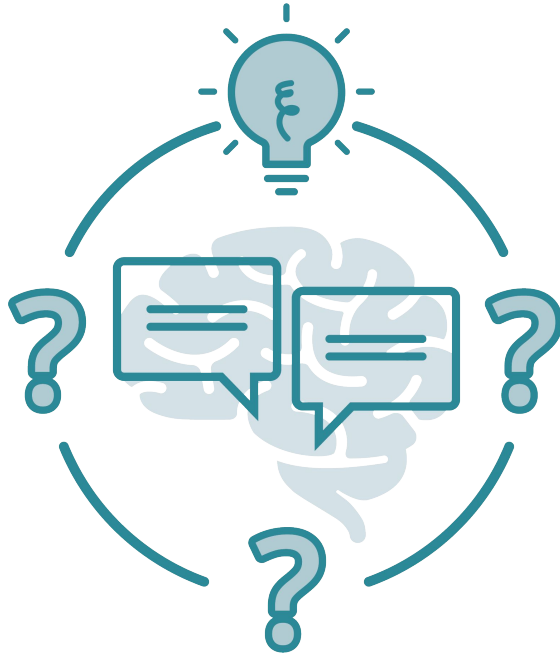
All projects bids have been received.

Contract awards are planned for March 2024.

All projects are scheduled to be complete by the end of this calendar year.



Budget Q&A Process



- Email questions to **Megan Bourke, Office Director Loudoun County** who will then coordinate with LCPS.



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