

# FY 2021 – 2022 Budget Work Session

Wednesday, December 16, 2020



# Agenda

- Closeout FY 2020
- Demographics & Enrollment
- State Outlook
- What we know at this point



# Look at FY 2020 Closeout

Description	Amount
Beginning 7/1/2019 fund balance	\$ <u>720,650</u>
Revenues	72,690,299
Expenditures	<u>72,639,185</u>
Revenues over (under) expenditures	51,114
Ending 6/30/2020 fund balance	\$ <u><u>771,764</u></u>

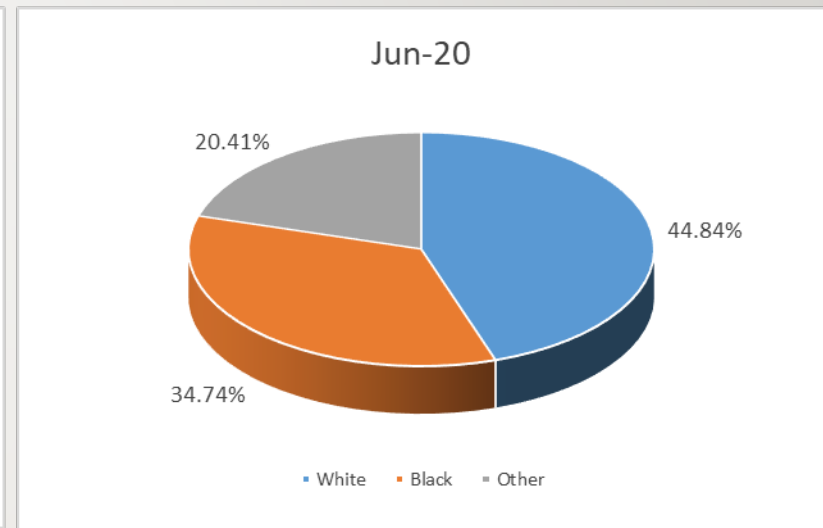
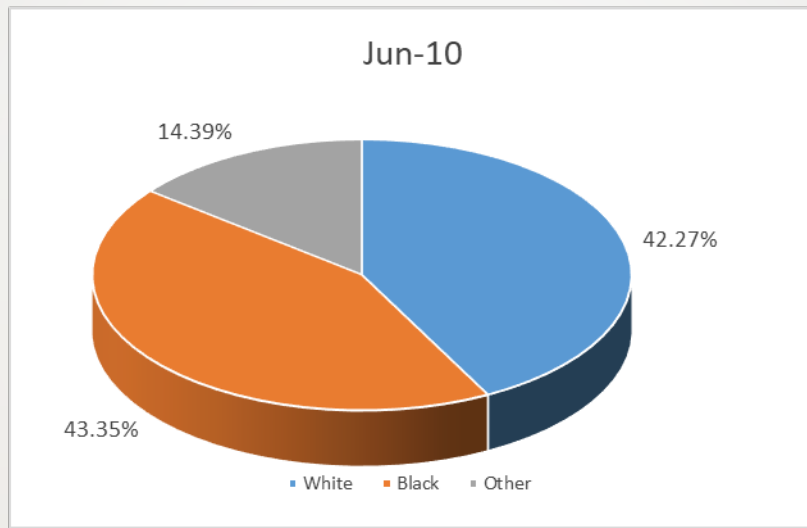
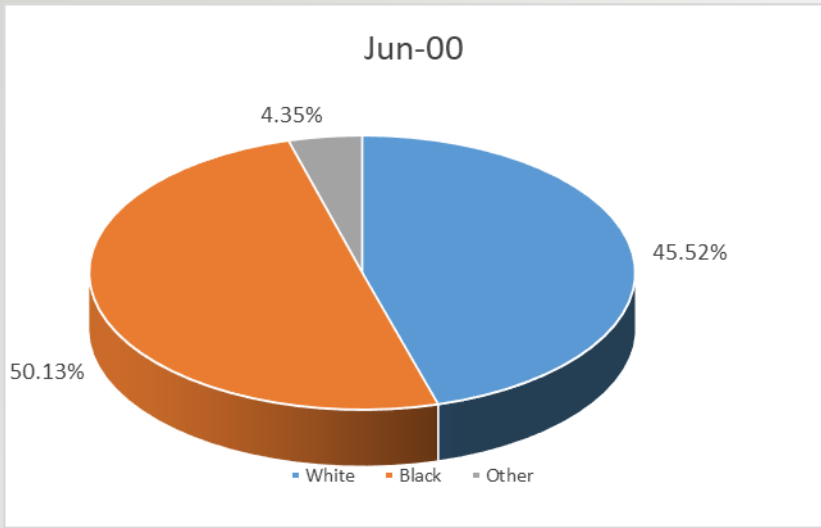


# Priorities for Budget Development

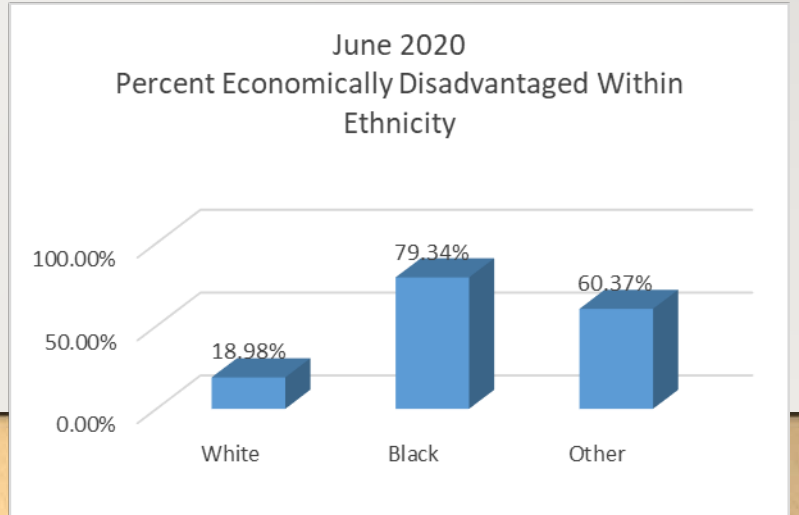
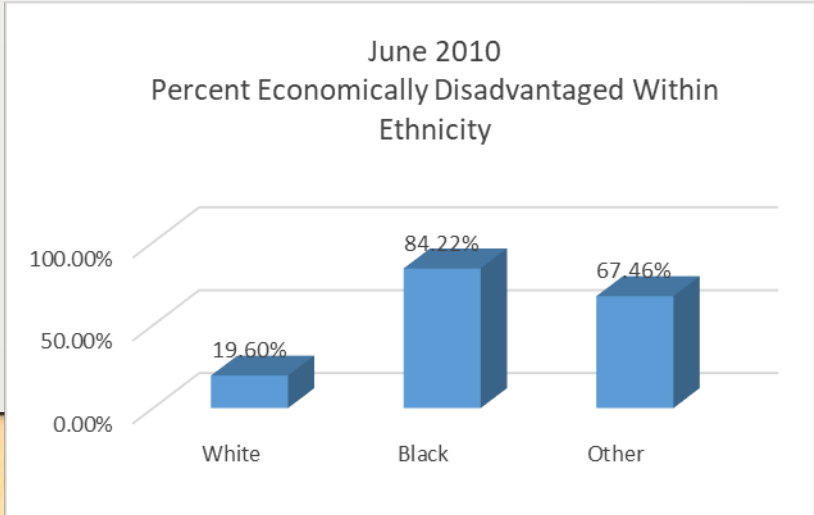
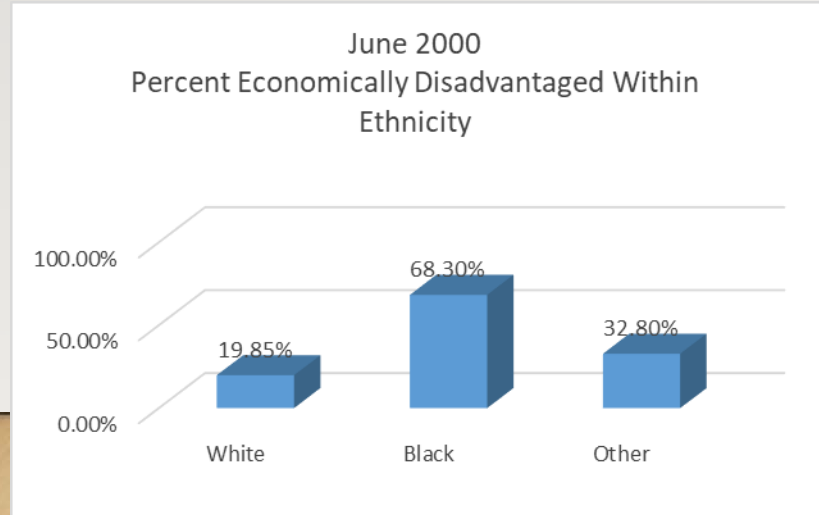
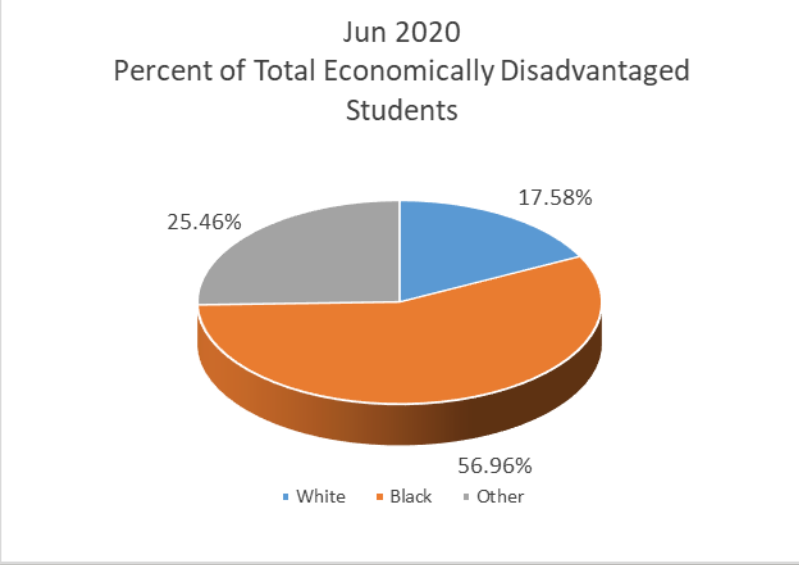
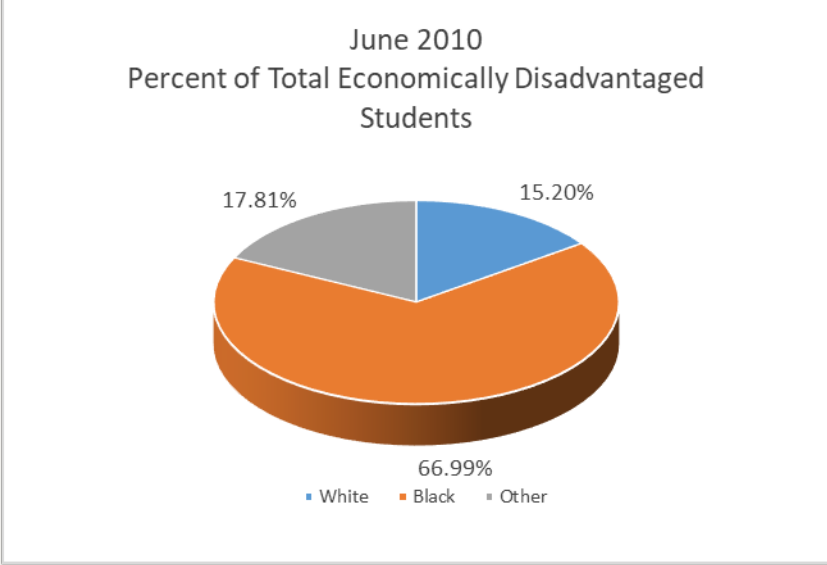
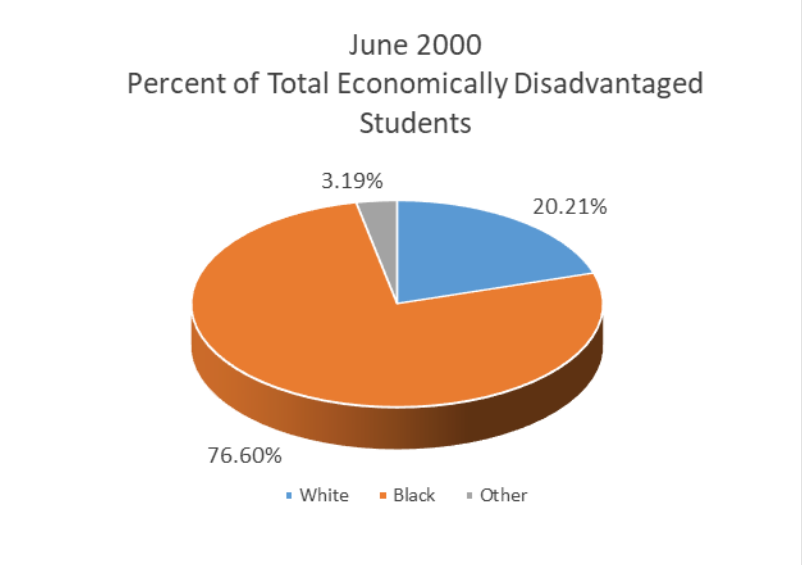
- Recruit and retain highly qualified teachers and staff
- Maintain the continuity of high quality instructional programs
- Apply a lens of equity in all funding considerations to provide educational opportunities for all students



# Diversity

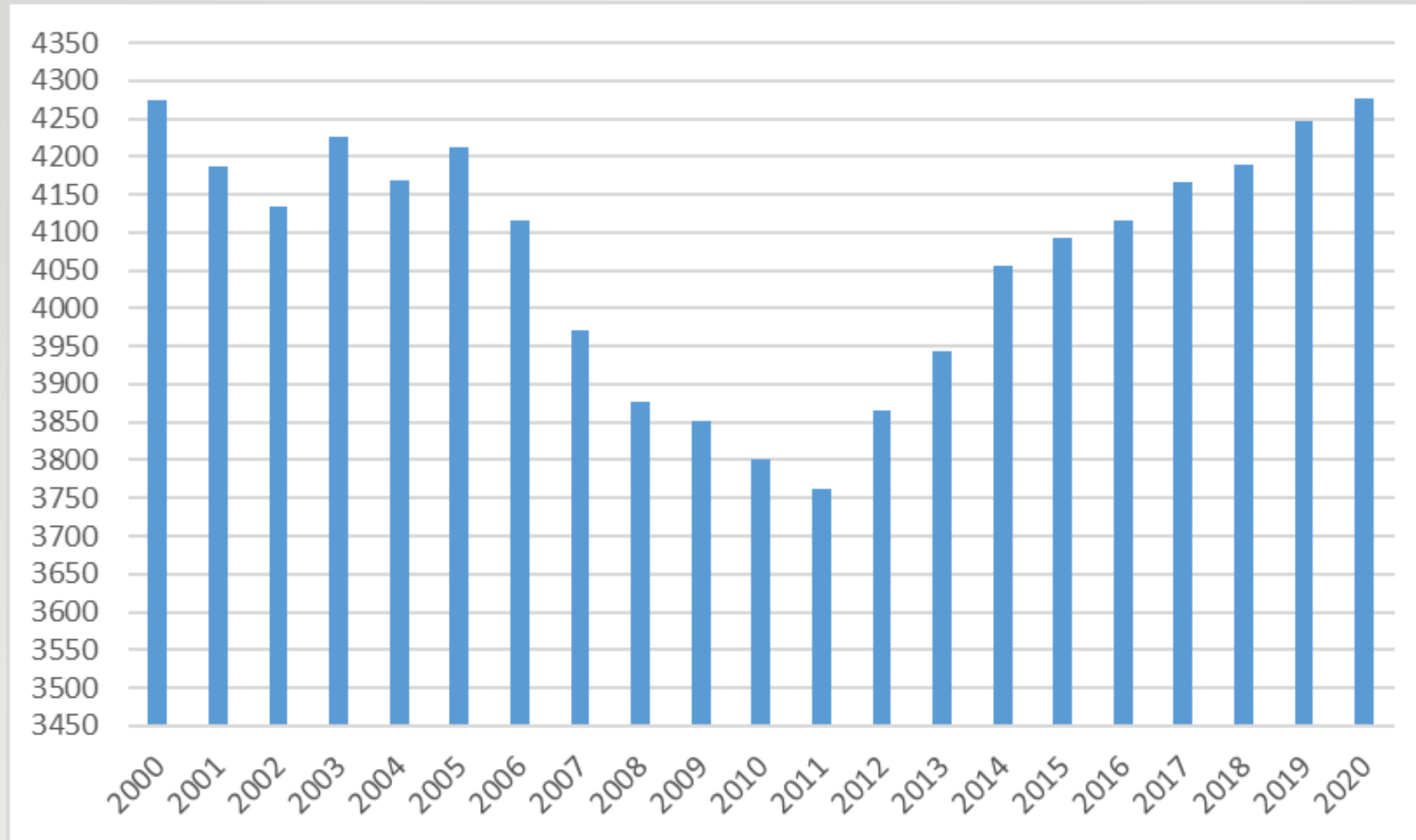


# Economically Disadvantaged

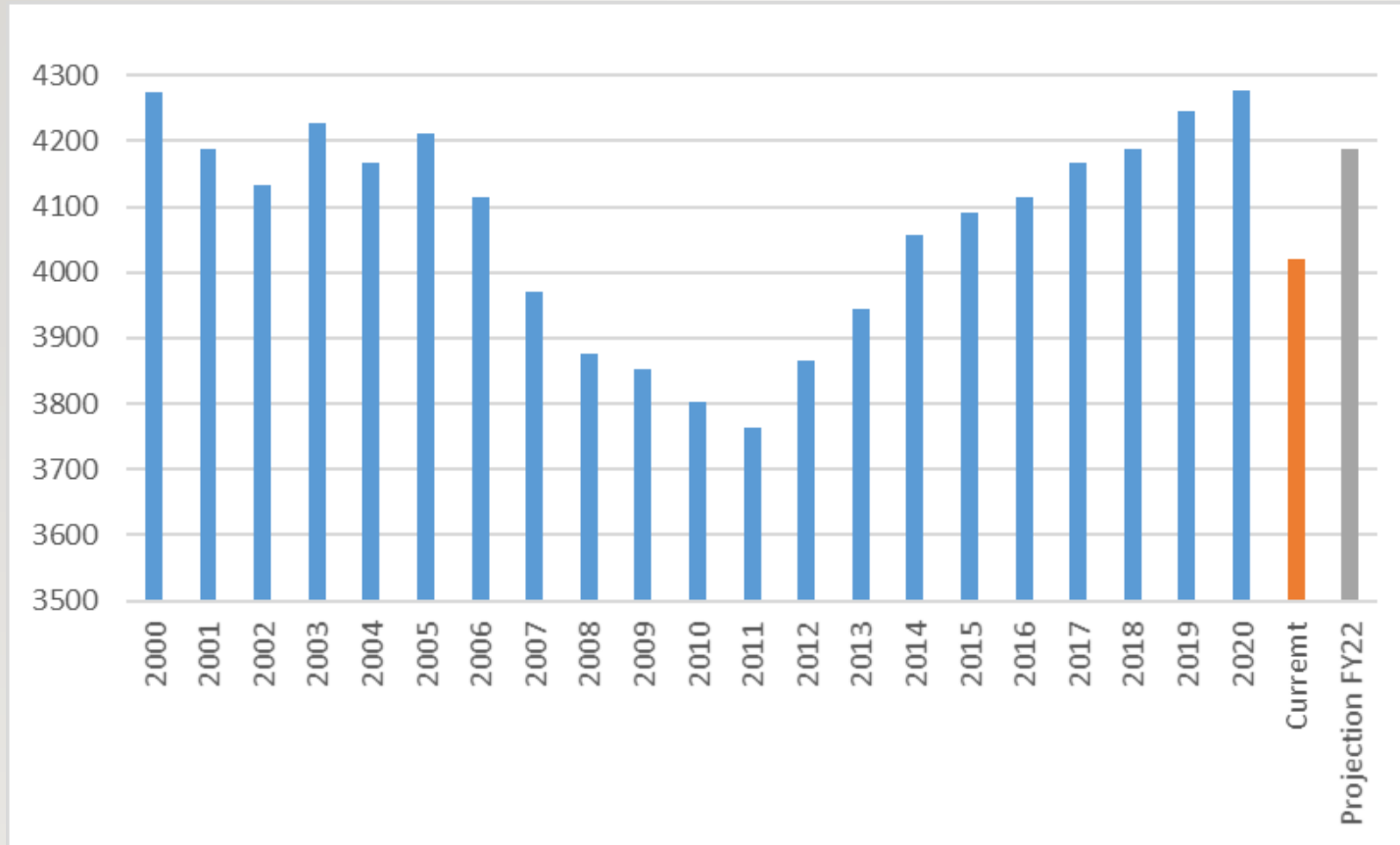


# FY 2000 - 2020 End of Year Enrollment

FY 2022  
Budget



# 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)





# Enrollment – Financial Impact

- Enrollment impacts expenditures and State revenues.
- If a low enrollment projection is used, state revenue projections would be reduced.
- To manage enrollment uncertainty, the FY 22 budget will maintain current State funding levels, instead of adjusting State revenue projections based on decreased enrollment at this time.



# State Revenue Outlook

- Total revenue collections in FY21 have increased by 6.7 percent through October. This is substantially higher than the forecast predicting a 1.8 percent decline.
- Boost in revenue collections is coming from several sources, including sales taxes, corporate income taxes and recordation taxes.



## 2021 General Assembly Spending Challenges

- Spending challenges include K-12, higher Ed, public safety, and public health.
- Large policy decision will be the conformity of federal tax law changes embedded in the CARES Act.
- If the state fully conforms with the federal tax law, the impact could exceed biennial revenue.



# Key Budget Factors

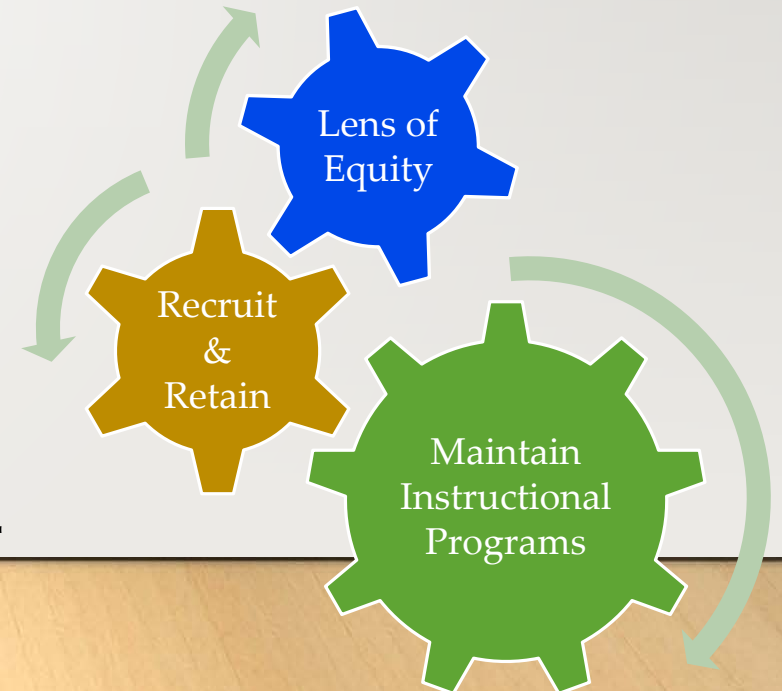
## Revenue –

**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	<u>Final 2020-2022 Composite Index</u>
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



# Key School Board Budget Dates

- January 7<sup>th</sup> Regular Meeting Budget Update
- January 16<sup>th</sup> Saturday Budget Work Session
- January 28<sup>th</sup> Joint School Board Budget Work Session with City Council
- February 4<sup>th</sup> Superintendent's Proposed Budget & Public Hearing
- February 18<sup>th</sup> School Board Approval of Proposed Budget





# Appendix

# Summary of Total 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%
<b>Total % change over prior year</b>	<b>3.71%</b>	<b>1.03%</b>	<b>4.69%</b>	<b>4.37%</b>
<b>Average % change in CPI per DOL</b>	<b>2.40%</b>	<b>1.80%</b>		
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		



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

