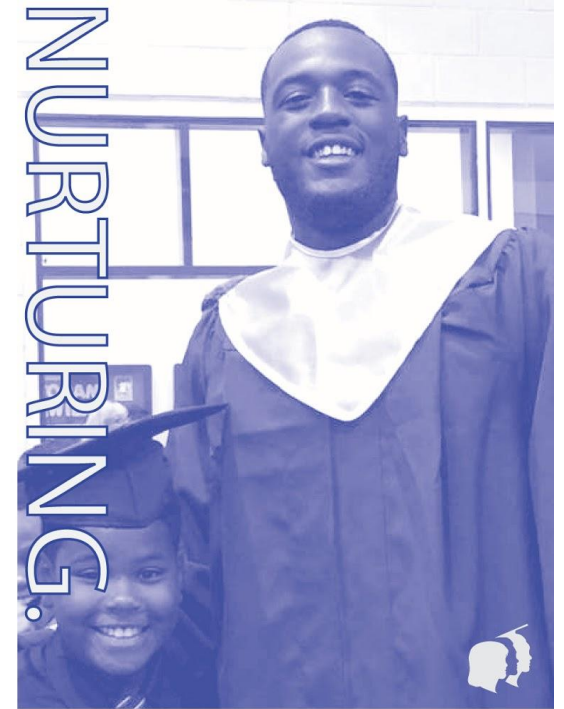




SAFE.



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## Citizens' Budget Advisory Committee

Chris Sorensen, Assistant Superintendent

March 21, 2017 \* Presented to the Citizen's Budget  
Advisory Committee



Chesterfield County Public Schools



# Agenda

- Process Update
- Amendments to Proposed Budget
- Budget Comparison
- SRP Update





# Process Update

- Superintendent presented proposed budget on January 24
  - Balanced for all five years
  - CBAC presented budget report on February 14
  - Work sessions throughout February
    - Public hearing February 14
  - School Board approved budget February 28
  - Presented to Board of Supervisors March 15
    - Continued to March 29





# Process Update

- Public Hearing on County Administrator's Proposed Budget March 29
- County budget adoption April 26
- School Board budget approval May 9





# Amendments to the Proposed Budget

- Several amendments for the School Board's approved budget
  - Early College Academy (costs reduced)
  - FTEs for student wellness integrators (2 - FY18, 3 - FY19)
  - School based discretionary funding
  - Costs moved to CEIS set-aside:
    - Remedial study skills at Falling Creek Middle
    - Social emotional learning skills materials





# Amendments to the Proposed Budget

- Several amendments for the School Board's approved budget
  - Interpreter services for Adult Education (FY18)
  - Coordinator for SOL/WISE, PSAT, SAT/AP Academy (FY19)
  - Future Needs (several outyears)



# Comparison - CBAC Recommendations to School Board's Approved Budget

<b>CBAC Recommendations</b>	<b>School Board's Approved Budget</b>
Reduce pupil-teacher ratio by .25	Reduce pupil-teacher ratio by .25
1% salary increase	2% salary increase
Adjustments for Principals and APs - \$960K	Adjustments for Principals and APs - \$960K
Additional funding for the SRP - \$3.1M	Additional funding for the SRP - \$3.1M



# Comparison - CBAC Recommendations to School Board's Approved Budget

<b>CBAC Recommendations</b>	<b>School Board's Approved Budget</b>
Complete roll-out of the school nurse program by FY2019	Three year roll-out of the school nurse program completed in FY2020
School Start Times - \$500,000	School Start Times - \$500,000
Early College Academy - \$0	Early College Academy - 4 year plan at a significantly reduced cost from proposed





# Comparison - CBAC Recommendations to School Board's Approved Budget

<b>CBAC Recommendations</b>	<b>School Board's Approved Budget</b>
Targeted funding for school needs (\$1M):	School Board provided \$356K for additional discretionary funding for schools
Full-time substitutes	Not funded
Reading specialists - elementary, middle, and high	School Board funded a program for remedial study skills at up to four schools
Increased special education resources	School Board funded Special Education Coordinators and an art and music program for special education students
More school psychologists	Not funded
More Communities in Schools type programs	Not funded



# SRP Update

- Actuary's presentation to the School Board on February 23 had the following objectives:
  - Benefit payment projections under alternative plan design
  - Contribution requirements under alternative plan design
  - Review of impact of alternative funding methodology





# Plan Design

	<b>Current Design</b>	<b>Proposed Design</b>
Percent Payout	175%	175%
Payout Length	5 years minimum	7 years minimum
# annual participants	n/a	175
Salary Cap	n/a	\$135,000
Qualifying Experience	10 CCPS years: 20 VRS years and/or related experience and eligible for VRS retirement	15 CCPS years and 20 VRS years and eligible for VRS retirement



# Plan Assumption Changes

	<b>Current (7/1/2016 Valuation)</b>	<b>Cost Projections (Experience Study)</b>
Discount Rate	7.5%	7.0%
Salary Scale	3.0%	4.5%-3% (based on increasing years of experience)
Retirement Rates	1% (ages 50-54) 5% (ages 55-64)	2% (ages 50-54) 10% (ages 55-64)
Salary Cap	n/a	\$135,000



# Plan Assumption Changes

	<b>Current (7/1/2016 Valuation)</b>	<b>Cost Projections (Experience Study)</b>
Election Period	6 years	5 years (7 years for plan design projections)
Amortization Period	12 years	12 years



# Observations

- Benefit payments reduced in the short term by extending minimum payment period to 7 years
- Benefit payments exceed ADC for next 4-5 years
  - If anticipated benefit payments are used as a minimum contribution requirement, choice of amortization period not significant until later years
  - If contribute only ADC, funded ratio improves less rapidly
- Large influx of new payments to start 8/1/17 (approx. \$3.9M)





# Agenda

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