



Citizens Budget Advisory Committee

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November 2, 2016 CBAC Meeting



Chesterfield County Public Schools



Citizens Budget Advisory Committee Meeting

November 2, 2016

Agenda

- October 18 Followup
 - Website
- Update on budget items
 - Supplemental retirement plan (SRP)
 - School start times
- Early College Academy
- Components of the Base Budget
- Future Potential Topics
- Committee Recommendation Schedule



Citizens Budget Advisory Committee Meeting November 2, 2016

[Website](#)

FY 2018 Documents

[FY2018 Budget Calendar](#)

[Citizen's Budget
Advisory
Committee](#)

[Superintendent's
Budget Advisory
Committee](#)

[Proposed
Documents](#)

[Approved
Documents](#)

[Adopted
Documents](#)

Citizen's Budget Advisory Committee Documents

[10-4-2016 meeting materials](#)

[10-18-2016 meeting materials](#)

[11-2-2016 meeting](#)

[12-6-2016 meeting](#)

[12-13-2016 meeting](#)

[1-10-2017 meeting](#)

[Final Report – FY2018 Budget](#)

[3-21-2017 meeting](#)

[4-25-2017 meeting](#)

[5-10-2017 meeting](#)

[6-20-2017 meeting](#)



Supplemental Retirement Plan Update

Informational Update

Pertinent information

- Followup to September 30th School Board presentation
 - Receipt of actuarial report
- Additional analysis is required to determine financial impact of the actuarial report
 - No FY 2017 impact
- Request for Proposal issued October 7, 2016 for detailed experience study



Supplemental Retirement Plan Update

Actuarial Report

- Two key financial issues to address
 - FY 2017 Recommended Contribution - \$12.2 million
 - Significant change of paying annual benefits instead of annual required contributions calculation
 - Due to increased annual payments and status of fund balance
 - Impact to FY 2018 and beyond - no FY 2017 impact
 - Salary savings and budgeted funds are sufficient



Supplemental Retirement Plan Update

Actuarial Report

- Two key financial issues to address (continued)
 - Unfunded Actuarial Accrued Liability
 - July 2014 - \$58.7 million
 - July 2016 - \$83.3 million
 - Funded liability of approximately 19%





Supplemental Retirement Plan Update

Next Steps

- Form committee to review potential changes to the program
- Continue to research any potential legal implications of program change
- Responses to experience study RFP due October 24, 2016
- Final experience study report due November 30, 2016
- Report back to Board on the results of the report



Supplemental Retirement Plan Update

Next Steps (continued)

- Significant funding impact in FY 2018 can be anticipated
 - Estimated payment will not be known until experience report is complete
 - Based on scenarios discussed to date, annual payments could be in the range of \$16.5 million, potentially higher as we continue to challenge the actuary's assumptions



School Start Times

- Plan to address as a FY 2018 budget issue
 - Current implementation date is 2018-19 school year; FY 2019
 - Identifying funding sources in FY 2018 potentially provides
 - Flexibility
 - Smoother transition
 - One time funds for capital costs
- Continuing to meet with community for input
- Re-evaluating options to maximize instructional benefit with total program cost



School Start Times

- Changing bus driver contracts to attract additional drivers
 - Receive benefits on first day of employment
- Studying financial impact of expanding 8:00 - 4:00 target school times
- Based on current discussions less than 100 additional buses and drivers may be necessary
- Outstanding Issues
 - Hiring additional drivers
 - Delivery of buses



Early College Academy (ECA)

- Awareness of ECAs
- Projected Associated Costs



FY2018 Budget Process

Starting Point for Base Budget

FY2017 Adopted Budget Components

- Semi-fixed
- Contracts and Other Service Agreements
- Five-year Plan Commitments
- School Budgets
- Instructional Programs
- Support Services
- Instructional Administration
- Central Administration



Future Potential Topics

- Salaries - principals and assistant/associate principals
- School nurses
- Incentives for Ettrick Elementary and Falling Creek Middle
- Incentives for Title I and high poverty schools
- Other staffing initiatives



Schedule of Committee Recommendations

- Committee discussion of next steps
 - Any additional topics
 - Milestones for report issuance