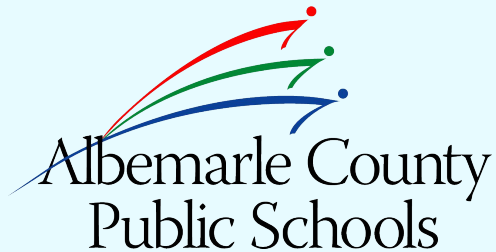


# FY 24 Operating Budget Update

November 9, 2023



# Agenda

1

## Health Care Update

Claudine Cloutier

2

## Pay Increase Update

Brodie Downs

3

## State Revenue Update & Appropriation

Maya Kumazawa



# Strategic Plan: Learning for All

## VISION

Our learners are engaged in authentic, challenging, and relevant learning experiences, becoming lifelong contributors and leaders in our dynamic and diverse society.

## MISSION

Working together as a team, we will end the predictive value of race, class, gender, and special capacities for our children's success through high-quality teaching and learning for all. We seek to build relationships with families and communities to ensure that every student succeeds.

**We will know every student.**

## VALUES

Equity  
Excellence  
Family and Community  
Wellness

## GOALS



Thriving Students



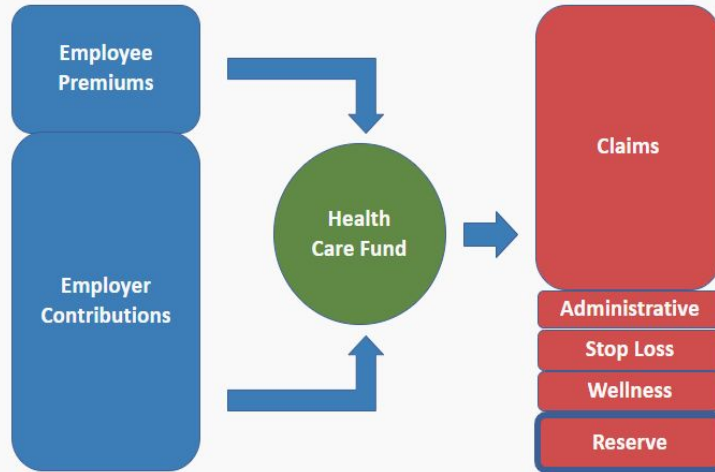
Affirming and Empowering Communities



Equitable, Transformative Resources

# Health Insurance Overview

## Self-Funded Health Plans



PY 2023 ER share 72-96% of premium

### Cost drivers for premium increases:

- Claims exceeding projections
- High cost claimants (\$275k +)
- Stop Loss renewal 26% increase

# Plan Year 2024 Employer Annual Health Care Rates

<i>Example Plans</i>	Actual Plan Year 23 Rates <i>(January - December 2023)</i>	Budget Plan Year 24 Rates <i>(January - December 2024)</i>	Actual Plan Year 24 Rates <i>(January - December 2024)</i>	Actual PY 23 to PY 24 Rate Change
<b>Select</b>				
FT Employee Only	\$6,396	\$6,844	\$7,151	+\$755
FT Employee & Family	\$18,672	\$19,979	\$20,819	+\$2,147
<b>Choice</b>				
FT Employee Only	\$5,760 + \$1,104 HSA	\$6,163 + \$1,104 HSA	\$6,428 + \$1,272 HSA	+\$668 (+\$168 HSA)
FT Employee & Family	\$15,996 + \$1,104 HSA	\$17,116 + \$1,104 HSA	\$17,850 + \$2,232 HSA	+\$1,854 (+\$1,128 HSA)

**FY 24 Budget Impact: ~\$650,000 Increase in Expenditures**

# Plan Year 2024 Employee Annual Premiums

<i>Example Plans</i>	Plan Year 23 Actual <i>(January - December 2023)</i>	Plan Year 24 Actual <i>(January - December 2024)</i>	PY 23 to PY 24 Actual Change
<b>Select</b>			
FT Employee Only	\$1,104	\$1,219	+\$115
FT Employee & Family	\$4,152	\$4,638	+\$486
<b>Choice</b>			
FT Employee Only	\$240	\$268	+\$28
FT Employee & Family	\$2,256	\$2,516	+\$260



OPEN ENROLLMENT (Nov 1 -15, 2023)



# Mid-year Pay Increase Proposal

- FY 24 State Budget includes the state share of cost (including fringe benefits) an additional 2.0 percent salary increase for funded SOQ instructional and support positions, effective January 1, 2024
- Recommendation is to provide a mid-year pay increase for all ACPS regular staff of 2.0%
- Staff will monitor the increase in expenditures and if necessary recommend an appropriation from fund balance
  - Additional costs will be built in to the baseline FY 25 budget

**FY 24 Budget Impact: \$1.8M - \$2.0M Increase in Expenditures**





# Compensation Next Steps

- **December** - Presentation of adopted market and compensation projections for FY 25 budget development
- **February** - Draft Funding Request to include updated FY 24 compensation assumptions
- **March** - Budget Work Session on Compensation and Health Care

# State Budget Update

	FY 24 Adopted	Change	FY 24 Revised
<b>School Fund State Revenues</b>	<b>\$71.6M</b>	<b>+\$0.4M</b>	<b>\$72.0M</b>
Compensation Supplement	5% salary increase \$3.7M	+2% salary increase +\$472K	7% salary increase \$4.1M
Support Cap (Basic Aid)	334 Support Positions \$24.9M	+42 Support Positions +\$0.9M	376 Support Positions \$25.8M
Enrollment	13,591 ADM	-262 ADM -\$1.0M	13,329 ADM
ALL In Per Pupil Funding (one-time)	-	\$2.4M	\$2.4M

**FY 24 Budget Impact: \$412,042 Increase in Revenues**

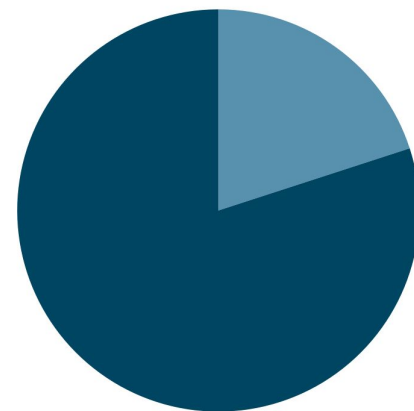
*ALL In Per Pupil Revenues will be discussed and appropriated at a later date.*

# State Compensation Supplement Overview

	FY 24 Standards of Quality (SOQ)	ACPS <sup>1</sup>	% State Funded
Instructional Positions	1,045 Funded Positions	1,398 Teachers, Principals, Assist./Assoc. Principals	75%
Support Positions	376 Funded Positions	1,251 Other Administrators, Classified Staff	30%
Teacher Salary <i>Example Only</i>	\$53,996 Elementary Teacher Prevailing Salary	\$67,686 Average Teacher Salary	80%
School-based Clerical Salary <i>Example Only</i>	\$32,538 Prevailing Salary	\$45,108 Average School Office Associate Salary	72%
Local Composite Index (LCI)	0.3973 Average School Divisions	0.6387	36%

## Compensation Supplement Cost Share

- State funding
- ACPS funding



<sup>1</sup> Sources: 2022-23 Human Resources Annual Report number of Positions, Fall 2023 Salaries



# Appropriation Language for additional State Revenues

I request the Board of Supervisors appropriate the state revenue funding as presented and amend the appropriations ordinance accordingly.

# Questions/Discussion

