

FY24 School Board Adopted Budget Executive Summary



Loudoun County Public Schools 21000 Education Court Ashburn, VA 20148
E-mail: schools@lcps.org Web Site: www.lcps.org
Prepared by Budget and Financial Analytics Division
(571) 252-1250



This page intentionally left blank



LOUDOUN COUNTY PUBLIC SCHOOLS

21000 Education Court
Ashburn, VA 20148

Dear Loudoun County Board of Supervisors,

Loudoun County Public Schools (LCPS) is proud to deliver the Fiscal Year 2024 School Board Adopted Budget for the 2023-2024 school year. This budget of \$2,189,933,514 includes a \$107,182,856 (6.9%) increase in the Operating Fund; a \$36,689,377 (42.9%) increase to the Capital Improvement Projects (CIP) fund; a \$15,311,700 (54.9%) to the Capital Asset Preservation Program (CAPP); a \$25,911,831 (-45.9%) decrease to the Grant Fund; a \$5,848,054(12.8%) increase to the School Nutrition Fund; and a \$26,755,248 (11.2%) increase to the Self Insurance funds.

Each increase in the Operating Fund is tied directly to ONE LCPS | 2027 Strategic Plan for Excellence. There are significant investments in each of the four goals with an emphasis on the continuation of innovative programs; new supports for students; and compensation for our exemplary staff. Notable highlights include:

Goal 1 – Empowered Students

- Year 2 rollout of International Baccalaureate and Elementary Dual Language Immersion programs
- Enhancements to support students with the greatest needs, such as English Language learners, elementary school counselors, and differentiated FTEs at Community Eligibility Provision schools
- New programs such as Student Support Advisors; an elementary math intervention pilot; a middle school intermural sports pilot program; additional supports for McKinney Vento; and elementary gifted resource teachers
- Elimination of the Athletic Fee

Goal 2 – Exemplary Staff

- Minimum 5% pay increase for all eligible full-time employees
- Increased personal leave and sick leave for 10-month and 11-month employees
- One-time recruitment and retention bonuses

Goal 3 – Enriched Division

- Positions to support priority programs such as transportation routing, eRecycling, environmental health and safety, Douglass visitor center, and School Board support
- Replacement and recapitalization of stock furniture
- Inflationary impact to support the division

Goal 4 – Engaged community

- Continuation and expansion of a district-wide constituent management system
- Additional interpreter and translation services
- Establishment of a comprehensive violence prevention program through an expanded partnership with LAWS

EXECUTIVE SUMMARY

Empowered Students			Exemplary Staff		
<i>Prepare students to be knowledgeable critical thinkers, communicators, collaborators, creators, and contributors.</i>			<i>Cultivate high-performing teams of professionals committed to realizing our mission and goals.</i>		
Department	FTE	Amount	Department	FTE	Amount
Business and Financial Services	0.0	\$0	Business and Financial Services	0.0	\$0
Human Resources & Talent Dev.	0.0	\$0	Human Resources & Talent Dev.	1.0	\$271,378
Charter Schools	0.0	\$167,636	Charter Schools	0.0	\$246,577
Digital Innovation	0.0	(\$1,426,675)	Digital Innovation	0.0	\$19,942
Instruction	81.7	\$12,022,943	Instruction	0.0	(\$2,393,941)
Non-Departmental	0.0	\$830,000	Non-Departmental	0.0	\$73,319,990
Student Services	53.4	\$5,255,817	Student Services	0.0	(\$286,453)
Superintendent	0.0	\$0	Superintendent	0.0	\$158,145
Support Services	13.0	\$1,260,850	Support Services	0.0	\$1,791,098
School Board	0.0	\$0	School Board	0.0	\$32,598
TOTAL	148.1	\$18,110,571	TOTAL	1.0	\$73,159,334

Enriched Division			Engaged Community		
<i>Maintain an inclusive, safe, caring, and rigorous learning environment as the foundation for student growth.</i>			<i>Enhance educational excellence through building meaningful relationships with families and the community.</i>		
Department	FTE	Amount	Department	FTE	Amount
Business and Financial Services	0.0	\$36,090	Business and Financial Services	0.0	\$55,192
Human Resources & Talent Dev.	0.0	\$63,900	Human Resources & Talent Dev.	0.0	\$0
Charter Schools	0.0	\$24,949	Charter Schools	0.0	\$0
Digital Innovation	3.0	\$1,782,500	Digital Innovation	0.0	\$0
Instruction	0.0	\$221,171	Instruction	0.0	\$0
Non-Departmental	0.0	\$801,593	Non-Departmental	0.0	\$0
Student Services	0.0	\$86,536	Student Services	0.0	\$141,301
Superintendent	1.0	\$86,716	Superintendent	0.0	\$196,000
Support Services	3.0	\$11,822,627	Support Services	0.0	\$0
School Board	9.0	\$594,375	School Board	0.0	\$0
TOTAL	16.0	\$15,520,457	TOTAL	0.0	\$392,493

EXECUTIVE SUMMARY

The FY24 Adopted Budget also considers the economic and fiscal uncertainty in the year ahead. Within the Operating Fund, LCPS is requesting an increase of \$73.8 million (6.9%) in new local tax funding, one of the smallest county transfer requests in years. Additional sources of new revenue include an increase of \$38.0 million (8.2%) from state funding as proposed in the Governor’s amendments to the biennial budget and a net reduction of \$5.1 million in federal and other revenue streams as COVID funding phases out.

Further uncertainty exists as the State’s budget was not finalized at the time of the School Board’s adoption of this FY24 Budget. The School Board recognizes that pending state budget amendments and bills, both known and unknown at the time of adoption, could provide additional funding with or without expenditure requirements. The School Board requests that the Board of Supervisors fully fund the FY24 Adopted Budget as presented and commit to both appropriating any additional funding the state may allocate as well as providing additional local tax funding for subsequent state expenditure requirements not included in the adopted budget presented herein.

A summary of all budget funds is provided below:

	FY23 Adopted Budget		FY23 Revised	FY24 Adopted Budget		FY24 to FY23 Adopted Diff
	Budget	FTE	FTE	Budget	FTE	
Operating Fund	1,561,049,152	12,555.1	12,561.2	1,668,232,008	12,726.3	6.9%
Grant Fund	56,415,746	249.2	251.6	30,503,915	211.9	-45.9%
School Nutrition Fund	45,815,771	433.0	434.0	51,663,825	437.0	12.8%
Lease Purchase Fund	10,002,000	-	-	10,002,000	-	0.0%
Self Insurance Fund	237,837,353	8.0	8.0	264,592,601	8.0	11.2%
Capital Improvement Projects Fund	85,490,000	20.0	20.0	122,179,377	20.0	42.9%
Capital Asset Preservation Program Fund	27,904,300	-	-	43,216,000	-	54.9%
	2,024,514,323	13,265.3	13,274.8	2,190,389,727	13,403.2	

The increase to the School Nutrition Fund includes investments in middle school cafeteria renovations and small school kitchen and servery renovations. The increase in the Self Insurance funds reflects increases in the rising cost of employee and retiree healthcare. The increase in the CIP fund includes development of HS-14 in Dulles North, replacement of Park View High School, and renovations for Banneker and Waterford Elementary Schools. Finally, the increase in the CAPP fund is driven by maintenance and replacement of HVAC systems, roofing, and structure repair and windows.

Working together as One LCPS, we place students at the center of our work, helping every student pursue and reach their full potential and empowering them to make meaningful contributions to the world. Fully funding the FY24 School Board Adopted Budget provides the resources for the upcoming year and lays the foundation for future excellence. Thank you for your consideration.

School Board



Ian Serotkin
Chair
Blue Ridge District



Harris Mahedavi
Vice Chair
Ashburn District



Atoosa Reaser
Algonkian District



Denise Corbo
At-Large Member



Tiffany Polifko
Broad Run District



John Beatty
Catoclin District



Jeff Morse
Dulles District



Erika Ogedegbe
Leesburg District



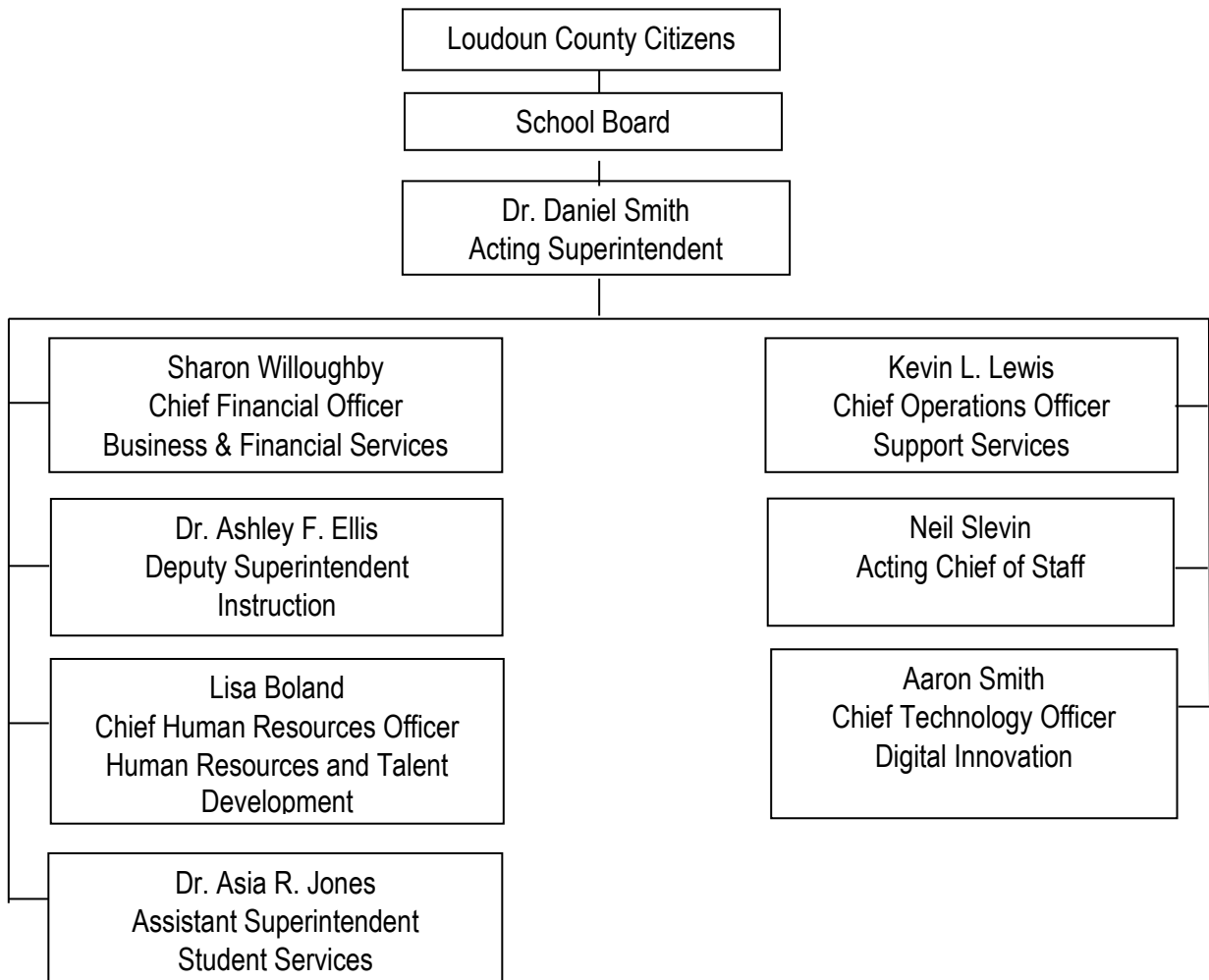
Brenda Sheridan
Sterling District

**Loudoun County Public Schools
Organization**

Loudoun County Public Schools (LCPS) is organized to focus on empowering all 83,061 students to make meaningful contributions to the world, while managing 98 schools and nine educational support buildings. It is a rapidly growing, dynamic, well-managed and efficient organization.

Nine elected School Board members govern LCPS. The members are elected to four-year terms. One member represents each of the County’s eight magisterial districts and there is one at-large member. The School Board is charged by Virginia law and the regulations of the Virginia Board of Education to establish policies, guidelines, and rules that will ensure the proper administration of the County’s school programs.

The Superintendent works closely with seven members of Cabinet to oversee the day-to-day operations of the schools and support services.



Loudoun County Public School Budget Awards



This Meritorious Budget Award is presented to

LOUDOUN COUNTY PUBLIC SCHOOLS

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2022–2023.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, appearing to read 'Will Sutter', written over a thin horizontal line.

William A. Sutter
President

A handwritten signature in black ink, appearing to read 'David J. Lewis', written over a thin horizontal line.

David J. Lewis
Executive Director

The Association of School Business Officials International Meritorious Budget Award program is designed to enable school business administration to achieve excellence in budget presentation. LCPS received the above award for the FY23 budget. LCPS has received the Meritorious Budget Award for excellence in the preparation and issuance of its budget for twenty-three consecutive years.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished Budget
Presentation Award*

PRESENTED TO

**Loudoun County Public Schools
Virginia**

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morill

Executive Director

The Government Finance Officers Association established the Distinguished Budget Presentation Awards Program (Budget Awards Program) in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal. LCPS had received this

EXECUTIVE SUMMARY

award for eighteen years. During the 2018 Budget process the award qualifications for this specific award no longer pertained to school districts. For the 2021 Budget process schools were able to qualify for this award again.

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Loudoun County Public Schools, Virginia, for its FY23 Annual Budget. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

The strategic framework displayed below is set forth in School Board Policy 1020.

LCPS Strategic Plan 2022 – 2027 | At A Glance



Our Vision: Every student will reach their full potential and achieve their dreams.

Our Mission: Empowering all students to make meaningful contributions to the world.

Strategic Goals



Students will be at the center of our work – valuing all students’ hopes and dreams and preparing them to make meaningful contributions to the world.

GOAL 1: Prepare students to be knowledgeable critical thinkers, communicators, collaborators, creators, and contributors.



LCPS teachers, administrators, and staff are the most important factor in helping our students after their parents; seeing that staff are esteemed, exemplary, supported, and accountable is vital to student success.

GOAL 2: Cultivate high-performing teams of professionals committed to realizing our mission and goals.



LCPS must be aligned around our core educational mission for students and strengthen trust, listen humbly, value differences, and remain steadfast in ensuring every student is prepared to make meaningful contributions to the world.

GOAL 3: Maintain an inclusive, safe, caring, and rigorous learning environment as the foundation for student growth.



Parents, families, and our community must be a support, guide, ally, and partner; there is no one more deeply invested in the success of students than their families.

GOAL 4: Enhance educational excellence through building meaningful relationships with families and the community.

Core Values



HOLISTIC SUPPORT

Every student should have the support to feel safe, happy, and cared for in school.

RIGOROUS TEACHING AND LEARNING

All students should be challenged to reach their full potential in the classroom as part of a system that aspires to become the best performing district in the nation.



EQUITY AND OPPORTUNITY

All students and staff should have access to resources, programs, and support that enable a successful future.

INDIVIDUALIZED SUCCESS

All unique strengths, skills, and passions should be celebrated, encouraging diverse pathways that support readiness after graduation.



TRUST THROUGH LISTENING

All students, staff, and community members should have regular opportunities to be heard in two-way conversations across the division.

CONTINUOUS IMPROVEMENT

A culture of continuous improvement should drive the fulfillment of our mission.



Overview and LCPS Accomplishments

ACADEMIC ACHIEVEMENT

Loudoun County Public Schools (LCPS) fulfills its mission of “Empowering all students to make meaningful contributions to the world” through deeper learning experiences, demonstrating instructional leadership across the Commonwealth and nation as a member of the Virginia is for Learners Network 4.0 and by being recognized by the Virginia Department of Education as a School Division of Innovation.

2022 SAT scores for Loudoun County Public Schools (LCPS) remained well above state and national averages. The average overall score for LCPS students was 1178. The LCPS total average exceeded the state average by 54 points and the global average by 128 points. A total of 54 students were named National Merit Scholarship Semifinalists.

Loudoun County Public Schools had a 97.2% on-time graduation rate in 2022.

LCPS received its 11th ENERGY STAR Partner of the Year - Sustained Excellence Award from the federal Environmental Protection Agency (EPA). ENERGY STAR is the national, official symbol of energy efficiency in America. The attainment of the ENERGY STAR awards is the result of work by the LCPS Department of Support Services and its Energy Education Program. LCPS has achieved \$100 million in energy savings since 1993.

Growth and Opportunity in Virginia (GO Virginia) awarded a \$2.4 million grant to the Loudoun Education Foundation (LEF) for the creation of the Virginia K-12 Computer Science Pipeline program in LCPS and Chesapeake Public Schools (CPS). LEF also won a \$400,000 grant from Jack Kent Cooke Foundation to launch the BEAM Summer Math Discovery Program, which equips middle school students from marginalized communities to take and excel in rigorous coursework.

LCPS is the only school division in the Commonwealth to have all its eligible middle schools receive the Schools to Watch designation from the National Forum to Accelerate Middle School Reform.

LCPS was named a 2022 Best-in-State Employer by Forbes magazine.

For 15 consecutive years, LCPS has been named among the Best Communities for Music Education by the National Association of Music Merchants (NAMM) Foundation, one of only 19 Virginia school divisions to receive this honor in 2022.

COMMUNITY INVOLVEMENT

LCPS continues to be an integral part of the Loudoun community. Parents, school-business partners and other volunteers support schools and other families by mentoring, tutoring, helping with special projects, fundraising and reading. LCPS Business Partnerships Network currently includes 500+ organizations from the public and private sectors.

When not being used for instructional purposes, LCPS facilities are made available for the community’s use. This includes youth development activities, government organizations, advisory groups, non-commercial community organizations such as non-profits and religious entities, adult education classes, and civic organizations.

The Class of 2022

Graduates earned
\$78.4 million in
scholarships

97.2% graduated
on time

89.3% of graduates will
attend a two- or four-year
college.

78.4% of graduates (as
compared to 52.9% for the
state) achieved the rigorous
standards for an Advanced
Studies Diploma

54 students were
named National Merit
Semifinalists

FY24 Budget Preparation Process

The Code of Virginia requires that the Division Superintendent submits to the governing body, with the approval of the School Board, an estimate of the funds needed during the next fiscal year for support of the public schools. In Virginia, School Divisions are fiscally dependent on the local governing body which for Loudoun is the County Board of Supervisors.

The following calendar of events more fully explains the activities that contributed to the budget development and approval process this year:

May – June

- LCPS staff request funding for programs, maintaining facilities and major building improvements.

August – September

- Preliminary budget forecast prepared and presented to the School Board.
- Budget instructions are distributed by the Budget and Financial Analytics Division to the Departments and Divisions to provide guidance for the development of future year budget requests.
- Preliminary staffing standard reviews are held with departments.
- Host budget exercises to solicit input for FY24 initiatives and priorities.

October – December

- Revised revenue update provided to the School Board.
- Budget requests are received by the Budget Division for review and analysis.
- The staffing as of September 30 is analyzed and current year costs for salaries and benefits are used for estimating the future year compensation costs. Salary and benefits represent approximately 90% of the operating budget.
- Staffing standard meetings with departments to finalize staffing for the upcoming year.
- Estimated federal, state and local revenue is developed.
- The Superintendent meets with department and division budget holders to review and modify budget requests.
- The results of these meetings are analyzed and compiled by the Budget and Financial Analytics Division and a draft budget document is prepared for review by the Superintendent and Cabinet.
- Based on the Superintendent and Cabinet review, the Budget and Financial Analytics Division prepares the proposed budget, which is the Superintendent's Estimate of Needs to the School Board, for the future budget year.
- Conduct two budget work sessions with the School Board to identify priorities and receive early budget guidance.

January

- The Superintendent presents the recommended budgets to the School Board at a public meeting.
- The School Board holds numerous work sessions to review the Estimate of Needs budget.
- A public hearing is held to receive citizens' input.

FY24 Budget Preparation Process (cont.)

February – April

- The School Board deliberates, modifies or approves the Superintendent's recommended budgets by majority vote and adopts its budget.
- The Budget and Financial Analytics Division makes the School Board's revisions to the recommended budget and prepares a School Board's adopted budget.
- The School Board's adopted budget is forwarded to the county staff for inclusion in the County Administrator's advertised fiscal plan.
- The School Board presents its adopted budget to the County Board of Supervisors.
- The County Board of Supervisors reviews the School Board adopted budget as a part of the County Budget review, holds a public hearing to receive citizens' input, sets the tax rate, and appropriates the budgets for the school system and the County.
- The School Board makes necessary adjustments to their adopted budget based on the level of funding provided to Loudoun County Public Schools in the appropriations resolution approved by the Board of Supervisors.

May – July

- The adopted budget is interfaced with the automated accounting system providing account funding levels and becomes the basis for operating the school system in the next fiscal year.
- The Budget and Financial Analytics Division prepares the final adopted budget documents.

FY24 Budget Overview

Loudoun County Public Schools budgets its operations in three categories of funds: general, special revenue and internal service funds. Funds are established following Governmental Accounting Standards Board rules to separately record and report its financial transactions. Each fund is a self-balancing set of accounts used to track financial activity of a specific revenue or series of revenues.

The chart to the right identifies the relationship between funds and departments.

Departments and certain programs are listed on the left with funds along the top. This cross reference identifies the funds Departments expend from. A department may have financial activity in multiple funds.

Revenues are primarily categorized as either originating from other governmental sources, such as state, federal, local, and charges and/or fees.

Department	General Fund	Special Revenue Funds					Internal Service Funds
	Operating	Grant	School Nutrition	Lease	CIP	CAPP	Self Insurance
Instruction	x	x					
Student Services	x	x					
Support Services	x			x			
Digital Innovation	x	x		x			
Human Resources & Talent Dev.	x	x					x
Business & Financial Services	x		x	x			x
Superintendent/Communications & Community Engagement	x						
School Board	x						
Non-Departmental	x	x					
Charter School	x						
Capital Projects					x	x	

Expenditures are grouped into 4 main categories throughout the budget book—Personnel, Operations and Maintenance, Capital Outlay and Transfers Out. Further subcategories and definitions are provided below.

PERSONNEL:

Personnel & Fringe Costs: Salaries (both full-time equivalent employees and part time such as substitutes), social security, retirement, group life insurance and health insurance are the major expenditures in this portion of the budget.

For FY24, the Virginia Retirement System (VRS) rates will remain flat, with the school system paying 17.83% of the base salary for all Plan 1 full-time instructional/professional personnel and 7.73% of the base salary for all Plan 1 non-professional covered employees.

For FY24, Health premiums will increase by 4% for the High Deductible Plan, Open Access Plan, and Point of Service plan. The Dental and Vision Plan rates will remain flat.

OPERATIONS AND MAINTENANCE:

Contractual Services: The contractual services budget is used to purchase outside contractors or other school systems for services provided to LCPS. An example is the tuition paid to Fairfax County Public Schools for LCPS students to attend Thomas Jefferson High School for Science and Technology.

Internal Services: The Self Insurance Fund accounts for transactions associated with the comprehensive health benefits program, worker’s compensation insurance program, and the disability programs.

EXECUTIVE SUMMARY

Utilities & Communication: The utility and communication budget provides for the heating fuel, electricity, water, sewer and telephone services for the 98 schools and nine educational support buildings.

Insurance: Insurance expenditures are for the property, casualty, liability, and fleet insurance carried by the school system.

Materials, Supplies & Equipment: These expenditures include instructional supply allotments to each school, textbooks and minor instructional equipment such as computers, calculators, globes, maps, etc.

Mileage Reimbursement: Mileage for itinerant teachers and other staff who travel on behalf of LCPS.

Training & Continuing Education: Includes expenditures for training, workshops and conferences.

Leases & Rentals: Lease or rental of heavy equipment needed for maintenance repairs.

CAPITAL OUTLAY:

Capital Outlay: The purchase of major items of equipment that cost in excess of \$5,000.

TRANSFERS OUT:

Transfers out: Transfers from the LCPS funds to the Loudoun County government funds.

While the expenditures have categories for grouping that appear on the reports, request categories are used to categorize changes that appear in the budget. Following is a listing of these categories and a short description.

Category	Sub-category	Description
Growth	<i>Staffing Standard</i>	staffing standard driven growth
	<i>New School</i>	growth related to new school
	<i>Other</i>	non-staffing standard, but related to enrollment growth
	<i>O&M</i>	non-salary increase related to enrollment growth
Enhancement	<i>Staffing Standard</i>	change or enhancement to existing staffing standard
	<i>Other</i>	non-staffing standard related change or enhancement
	<i>O&M</i>	non-salary increase related to an enhancement
Restoration	<i>Cut</i>	FTE(s) cut made in prior year(s)
	<i>O&M</i>	non-salary cut made in prior year(s)
Reallocation	<i>Reallocation</i>	FTE(s) reallocated to other FTE use
	<i>O&M</i>	non-salary reallocated to other operating use
Other	<i>O&M</i>	non-salary change that doesn't fit any other category
Compensation	Salaries	step increases, scale adjustment, etc.
	Benefits	health rate changes, VRS changes, etc.

EXECUTIVE SUMMARY

FY24 Budget

A summary of the FY24 budget by fund is provided below. Revenues are categorized by source and expenditures by department.

Budget Summary

FY24	General Fund	Special Revenue Funds			Internal Service Fund	CIP	CAPP	TOTAL
	Operating	Grant	School Nutrition	Lease Purchase	Self Insurance			
Revenues								
State	499,378,901	6,184,385	1,316,547	-	-	-	-	506,879,833
Federal	2,962,436	23,262,530	16,339,468	-	-	-	-	42,564,434
Local	-	1,057,000	-	-	-	-	-	1,057,000
Charges for Services	10,876,466	-	29,985,516	-	267,730,155	-	-	308,592,137
Transfers In	1,143,014,205	-	-	-	-	-	-	1,143,014,205
Debt Proceeds	-	-	-	10,002,000	-	122,179,377	43,216,000	175,397,377
Carry Over	12,000,000	-	-	-	-	-	-	12,000,000
Total Revenues	1,668,232,008	30,503,915	47,641,531	10,002,000	267,730,155	122,179,377	43,216,000	2,189,504,987
Expenditures:								
Instruction	901,732,540	10,075,520	-	-	-	-	-	911,808,060
Student Services	313,327,182	15,371,588	-	-	-	-	-	328,698,770
Support Services	226,398,647	-	51,663,825	2,800,000	-	-	-	280,862,472
Digital Innovation	63,094,380	2,494,000	-	7,200,000	-	-	-	72,788,380
Human Resources & Talent Dev.	14,464,698	-	-	-	264,592,601	-	-	279,057,299
Business & Financial Services	11,011,947	2,562,807	-	2,000	-	-	-	13,576,754
Superintendent / Communications & Community Engagement	19,684,294	-	-	-	-	-	-	19,684,294
School Board	1,532,306	-	-	-	-	-	-	1,532,306
Non-Departmental	111,136,287	-	-	-	-	-	-	111,136,287
Charter School	5,849,727	-	-	-	-	-	-	5,849,727
Capital Projects	-	-	-	-	-	122,179,377	43,216,000	165,395,377
*Total Expenditures	1,668,232,008	30,503,915	51,663,825	10,002,000	264,592,601	122,179,377	43,216,000	2,190,389,726
FTE	12,726.3	211.9	437.0	-	8.0	20.0	-	13,403.2

*Totals may be off due to rounding

EXECUTIVE SUMMARY

The table below shows three years of actual revenue and expenditure activity for all funds. The FY23 Adopted Budget and the FY24 Adopted Budget are shown along with the change between years.

	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Budget	FY24 Adopted Budget	Budget Change FY23 to FY24	Percent Change FY23 to FY24
OPERATING FUND							
Beginning Balance	28,339,116	36,216,772	65,003,741	40,971,958	28,971,958	(12,000,000)	-29.29%
Fund Balance Carryover	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	-	0.00%
Revenue	1,261,172,718	1,346,167,040	1,455,178,106	1,549,049,152	1,656,232,008	107,182,856	6.92%
Expenditures	1,253,295,062	1,317,380,071	1,479,209,889	1,561,049,152	1,668,232,008	107,182,856	6.87%
Ending Fund Balance	48,216,772	77,003,741	52,971,958	40,971,958	28,971,958	(12,000,000)	
GRANT FUND							
Beginning Balance	1,606,451	2,374,235	1,833,006	(684,103)	1,833,007	2,517,110	-367.94%
Revenue	25,872,404	26,827,614	29,064,405	56,415,746	30,503,915	(25,911,831)	-45.93%
Expenditures	25,104,620	27,368,842	31,581,513	56,415,746	30,503,915	(25,911,831)	-45.93%
Ending Fund Balance	2,374,235	1,833,007	(684,103)	(684,103)	1,833,007	2,517,110	
SCHOOL NUTRITION FUND							
Beginning Balance	14,591,695	13,017,197	23,502,755	37,705,812	30,433,093	(7,272,719)	-19.29%
Revenue	27,587,068	38,114,553	55,150,618	38,543,052	47,641,531	9,098,479	23.61%
Expenditures	29,161,566	27,628,996	40,947,560	45,815,771	51,663,825	5,848,054	12.76%
Ending Fund Balance	13,017,197	23,502,755	37,705,812	30,433,093	26,410,799	(4,022,294)	
LEASE PURCHASE FUND							
Beginning Balance	2,251,277	1,505,333	1,498,149	2,551,422	2,551,422	-	0.00%
Revenue	10,024,373	10,000,439	10,001,412	10,002,000	10,002,000	-	0.00%
Expenditures	10,770,317	10,007,622	8,948,140	10,002,000	10,002,000	-	0.00%
Ending Fund Balance	1,505,333	1,498,149	2,551,422	2,551,422	2,551,422	-	
SELF INSURANCE FUND							
Beginning Balance	80,676,073	53,644,904	52,270,483	40,422,648	35,461,617	(4,961,031)	-12.27%
Revenue	172,874,676	206,830,381	228,753,728	232,876,322	267,730,155	34,853,833	14.97%
Expenditures	199,905,845	208,204,802	240,601,563	237,837,353	264,592,601	26,755,248	11.25%
Ending Fund Balance	53,644,904	52,270,483	40,422,648	35,461,617	38,599,171	3,137,554	
CAPITAL PROJECTS FUND							
Beginning Balance	52,285,086	90,861,944	96,528,323	122,087,297	122,087,297	-	0.00%
Revenue	158,492,457	158,909,821	147,256,983	85,490,000	122,179,377	36,689,377	42.92%
Expenditures	119,915,599	153,243,442	121,698,009	85,490,000	122,179,377	36,689,377	42.92%
Ending Fund Balance	90,861,944	96,528,323	122,087,297	122,087,297	122,087,296	-	
CAPITAL ASSET PRESERVATION PROGRAM FUND							
Beginning Balance	10,294,178	8,125,279	18,549,100	28,750,475	28,750,475	-	0.00%
Revenue	14,277,500	24,261,000	24,543,000	27,904,300	43,216,000	15,311,700	54.87%
Expenditures	16,446,399	13,837,179	14,341,625	27,904,300	43,216,000	15,311,700	54.87%
Ending Fund Balance	8,125,279	18,549,100	28,750,475	28,750,475	28,750,475	-	

EXECUTIVE SUMMARY

Operating Fund

The Operating Fund will increase by \$107.2, or 6.9% above the FY23 Adopted Budget. Those changes are categorized as follows and are shown in millions of dollars:

Compensation	\$69.10	Net change includes a step increase, cost of living adjustment for Universal, Auxiliary and Classified salary scales, hourly banded rates and stipends, a restructure of the licensed scale, next phase of the classification review process, 4% increase to health benefit rates, workers' compensation, disability and health self-insurance programs
Growth		
Staffing Standard	\$5.10	FTE increases due to enrollment
New Schools	\$0.50	FTE and operating increases
Other	\$0.60	Operating increases
	<u>\$6.20</u>	
Enhancements		
Staffing Standard	\$7.50	FTE increases due to strategic staffing standard changes
Other	<u>\$6.60</u>	Support for Dual Language Immersion program, International Baccalaureate, maintenance and software increases
	\$14.10	
Reallocations	\$1.90	Various FTE and operating reallocations to increase LCPS efficiency and effectiveness
Other Operating/Maintenance	\$15.90	Division-wide operating and maintenance costs
Total	<u><u>\$107.20</u></u>	

EXECUTIVE SUMMARY

Grant Fund

The Grant Fund increases result from a combination of expected increases in state and federal grant awards.

School Nutrition Fund

School Nutrition Services is a special revenue fund and should retain no more than 3 months expenditures in reserve.

Lease Purchase Fund

The Lease Purchase Fund remains at a flat \$10m per year funding for capital technology and fleet purchases. For FY24, \$7.2m is designated for technology and \$2.8m for fleet vehicles and equipment.

Self Insurance Fund

The FY24 expenditure budget is predominantly comprised of claim expenditures that are projected to increase. Revenues from health insurance premiums will increase due to a 4% rate increase for calendar year 2024.

Capital Improvement Projects (CIP) Fund

The Capital Improvement Projects Fund has funding for construction of ES-32 and MS-14, other major projects include school security improvements, school bus replacement and acquisition, and other capital renewals and alterations.

Capital Asset Preservation Program (CAPP) Fund

The Capital Asset Preservation Program Fund will increase by \$15.3m for capital maintenance repairs and replacements.

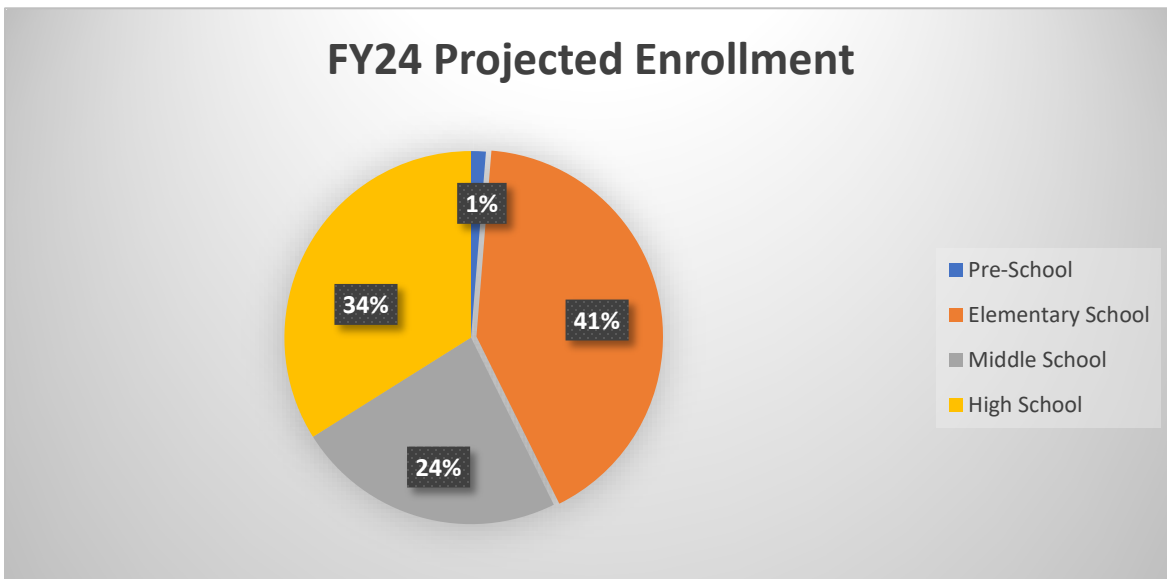
Note: Loudoun County Public Schools is not permitted to incur long-term debt which includes debt incurred for School Division purposes. The County Government is responsible for the issuance and maintenance of debt for the School Division. Debt obligations are expected to increase as the school division continues to grow and more facilities are needed.

FY24 Enrollment Growth

Loudoun County Public Schools is the third largest of 132 school divisions in Virginia. From FY23 Adopted to FY24 Adopted, student membership is expected to increase by 22 students. However, compared to FY23 actual, the increase is 828 students or 1.0% growth. In FY24, it will cost an average of \$19,903 for personnel, employee benefits, and materials to provide school-level instructional and support services for each student.

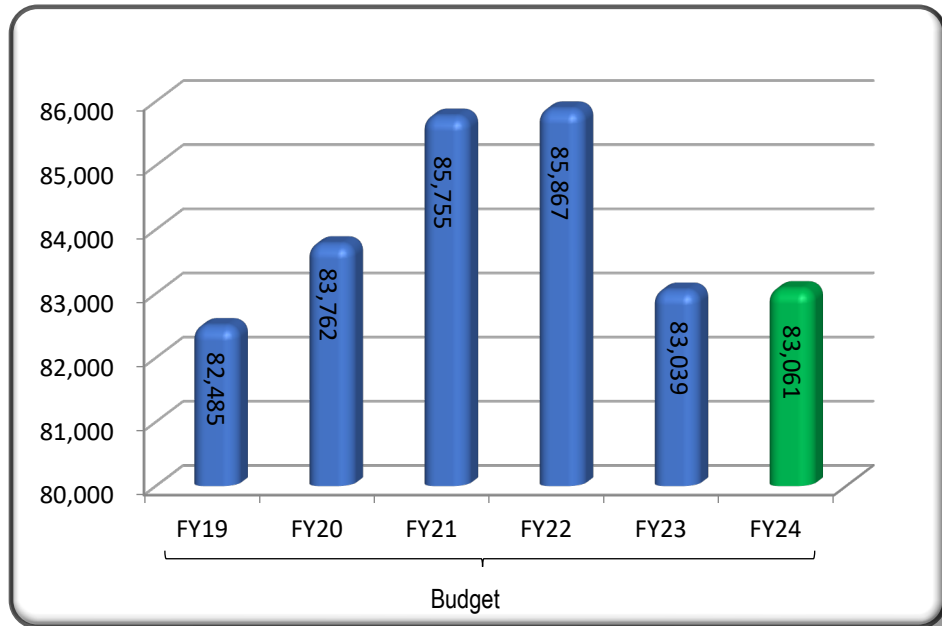
Student Membership

	FY23 Adopted	FY23 Actual	FY24 Projected	FY23 Actual to FY24		FY23 Budget to FY24	
				Change	Percent	Change	Percent
Pre-School	1,064	1,039	1,064	25	2.4%	-	0.0%
Elementary School	34,273	34,566	34,381	(185)	-0.5%	108	0.3%
Middle School	19,610	19,187	19,437	250	1.3%	(173)	-0.9%
High School	28,092	27,441	28,179	738	2.7%	87	0.3%
Total	83,039	82,233	83,061	828	1.0%	22	0.0%

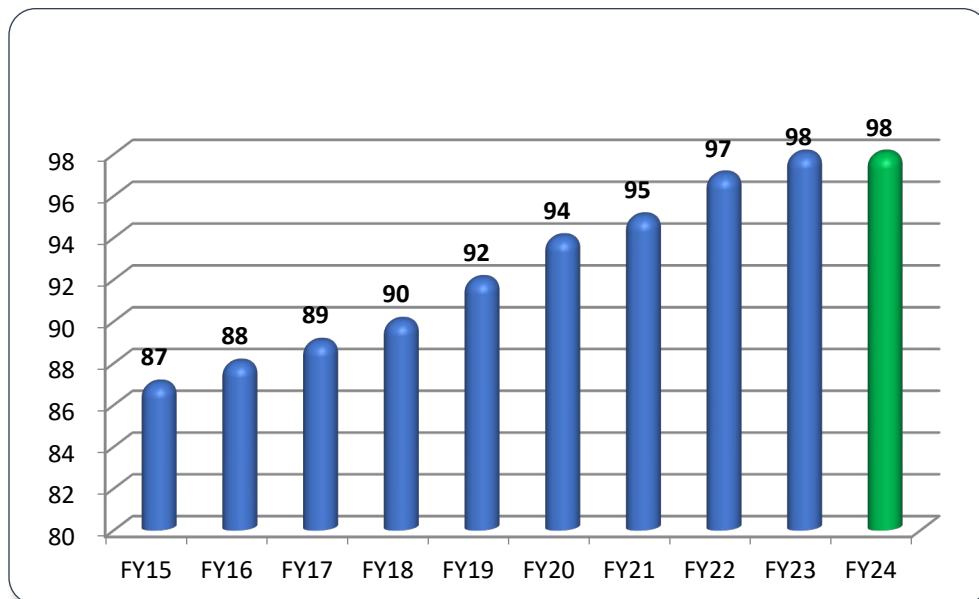


EXECUTIVE SUMMARY

Historical student enrollment is displayed showing the steady increase over the years, with a decline in FY23 as a result of the pandemic.



Although FY24 is the first time in many years that LCPS has not opened a new school, new schools will continue to be needed to meet student membership growth. The FY24 Adopted Budget includes pre-staffing for the opening of ES-32 and MS-14 in the fall of 2024.



Staffing (Operating and Grant Funds)

A decline in enrollment directly impacts staffing. Staffing at LCPS is categorized as either school based or non- school based. The following table shows the adopted staffing and the prior two years staffing for Operating Fund and Grant Fund positions only. LCPS maintains one of the highest percentages of school-based staffing in the region.

Position	FY22	FY23	FY24
School Based			
Instruction	7,583.8	7,385.8	7,459.7
Bus Drivers & Attendants	809.5	779.5	787.5
Teacher Assistants	1,670.1	1,590.1	1,585.6
Custodians	638.0	642.0	642.0
Other School Support	595.5	610.0	621.5
Administration	414.5	413.5	415.5
Instructional Support	310.0	307.0	309.6
Nurses & Health Clinic Specialists	110.1	121.6	122.6
Total School Based FTEs	12,131.5	11,849.5	11,944.0
Non-School Based			
Secretarial/Clerical	124.0	137.8	136.8
Other Support Staff	493.8	510.0	534.0
Administration	268.5	307.0	323.5
Total Non-School Based FTEs	886.3	954.8	994.2
Total FTEs	13,017.8	12,804.3	12,938.2
Total Student Enrollment	85,867	83,039	83,061

**LCPS FY24
proposed staffing
is 92.3% School
Based**

School Division	Percentage School Based Employees	Percentage Non-School Based Employees
Fairfax	92.3%	7.7%
Loudoun	92.1%	7.9%
Arlington	90.2%	9.8%
Prince William	90.1%	9.9%
Alexandria	90.1%	9.9%

Source: FY2023 Washington Area Boards of Education (WABE) Guide
 *WABE Guide excludes bus drivers and bus attendants for calculation of the school based/non-school based percentages and may not match prior year Superintendent Estimate of Needs..

Cost Per Pupil

The per pupil expenditure is calculated annually using the total General fund and Grant fund budget less adult education, self-funded summer school, and health services. The total amount is divided by the student enrollment as of September 30 to determine an average per pupil cost for the current fiscal year and adopted enrollment for the next fiscal year.

The calculated per pupil cost for FY24 is shown below.

FY24 Budgeted Cost Per Pupil	
State Category	Amount
Instruction	\$15,571
Operation & Maintenance	1,763
Pupil Transportation	970
Administration, Attendance, & Health	755
Technology	753
Facilities	91
FY24 Estimated Cost Per Pupil	\$19,903

When reviewing the prior two budgets, Loudoun County Public Schools spends less per student than the majority of the other local school divisions.

FY22 & FY23 Per Pupil Expenditure Comparison		
	FY22	FY23
Arlington	\$20,000	\$23,521
Alexandria	\$18,921	\$20,777
Fairfax	\$16,674	\$18,772
Loudoun	\$17,120	\$18,719
Prince William	\$13,536	\$15,406

Source: FY 2023 Washington Area Boards of Education (WABE) Guide

Historically, LCPS’ cost per pupil is one of the lowest in the region. The chart below shows the change in cost per pupil since FY16. For FY24, the cost per pupil increases 6.3% to \$19,903.

