



## FY 2021 Recommended Budget Budget Question

Board Question #: 16

**BUDGET QUESTION:** What is the LCI? Show the calculation. What is the purpose and how does it affect the locality?

**RESPONDING DEPARTMENT/OFFICE:** Schools

**RESPONSE:** The Local Composite Index (LCI) is calculated as an indicator of a locality's ability to pay education costs associated with the Standards of Quality (SOQs) and is the way the State allocates the funding it has available for education purposes among the various localities of Virginia. The LCI measures the locality relative to statewide figures for true value of real property (50% weight), adjusted gross income (40% weight), taxable retail sales (10% weight), average daily membership (ADM), and population. Each locality's index is adjusted to maintain an overall statewide local share of 45% and an overall state share of 55%. Below is the source data used for calculation of the LCI.

<b>Source Data Used in the Calculation:</b>	
School Division:	<b>SPOTSYLVANIA</b>
Local True Value of Property	\$17,549,263,473
Local AGI	\$4,057,966,914
Local Taxable Retail Sales	\$1,634,908,083
Division ADM	23,184
Local Population	131,549
State True Value of Property	\$1,255,682,912,829
State AGI	\$276,897,521,668
State Taxable Retail Sales	\$103,736,609,468
State ADM	1,246,931
State Population	8,470,020

**ESTIMATE OF STAFF TIME SPENT ON RESPONSE:**