



# **SUPERINTENDENT'S ANNUAL BUDGET PROPOSAL 2015-2016**

## **COLONIAL HEIGHTS PUBLIC SCHOOLS**



# RESPONSIBILITIES

## VIRGINIA CODE SEC. 22-1-92

It shall be the duty of each division superintendent to prepare, with the approval of the school board, and submit to the governing body..., the estimate of the amount of money deemed to be needed during the next fiscal year for the support of public schools of the school division. The estimate shall set forth the amount of money deemed to be needed for **each major classification** prescribed by the Board of Education and such other headings or items as may be necessary.

# Colonial Heights City Charter

## **Sec. 6.16. School Budget. [Amended by § 1 of Acts 1962, Ch. 467; § 1 of Acts 1968, Ch. 474]**

**It shall be the duty of the school board to file its budget estimates with the city manager at the same time as other departments and in the form prescribed by the city manager.** The action of the city manager and council on the school budget shall relate to its **total only** and the school board shall have authority to expend in its discretion the sum appropriated for its use; provided that if it receives an appropriation greater or less than its original request, it shall forthwith revise its estimates of expenditure and adopt appropriations in accordance therewith. The school board shall before the beginning of the fiscal year file with the city manager its budget as finally revised and its appropriations based on said revised budget, which need not be itemized further than by operating units and principal objects of expenditure. They shall have power to order during the course of the fiscal year transfers from one item of appropriation to another, notice of which shall be immediately transmitted to the city manager. The school board, notwithstanding the provisions contained in section 6.9 of this Charter, may hold a public hearing on the school board budget at any time after the school board has filed its budget estimates with the city manager and prior to the adoption of the general fund of the city by council.



# Budget Calendar

## September - November:

Staff begin to evaluate current programs and develop budget initiatives. School Board provides direction for the administration. Budget developed by all staff. Input received from citizens.

## December - February:

Program format developed. Staff work sessions to put budget into final form. Budget presented to School Board. School Board sets dates for work sessions and a public hearing.

## March:

Approved Budget presented to City Manager.

# Our Continuing Challenge

- Continuing our legacy of educational excellence in a time of economic recession
- Maintaining resources to support programs and the quality workforce needed to preserve excellence



# Maintaining High Academic Standards and Full Accreditation

## Virginia Standards of Learning

All five Colonial Heights City Schools are fully accredited for **thirteen** consecutive years.



# An Elite Group.....



Colonial Heights  
was one of only **22**  
school divisions in  
the State of  
Virginia with all  
schools  
accredited!



# Graduation Rates Exceed Targets

- Graduation Rates exceeded State Targets.
- Colonial Heights Public Schools were 2<sup>nd</sup> in the region and 10<sup>th</sup> in the state in graduation rankings!

<b>Class of 2014</b>	2014 Graduation Rate	2014 Dropout Rate
Hanover County	96.20%	2.20%
<b>CHHS Average</b>	<b>94.80%</b>	<b>2.60%</b>
Chesterfield County	91.40%	5.60%
New Kent HS	90.70%	4.90%
Wmburg-James County	90.50%	4.00%
Henrico County	89.00%	6.60%
Prince George HS	88.80%	7.40%
Powhatan HS	86.90%	6.10%
Petersburg HS	85.00%	6.70%
Dinwiddie HS	82.00%	8.70%
Hopewell HS	79.50%	11.10%

## **In Recessionary Times...**

### **Employee Compensation & Benefits Package Funding** **(85% of total budget is personnel)**

- 2008-2009 2.3% COLA & Step
- 2009-2010 No COLA or Step
- 2010-2011 2% One-Time Payment
- 2011-2012 No COLA or Step
- 2012-2013 5% VRS Adjustment/Salary Increase
- 2013-2014 2% COLA

Total Budget Impact:

- **Salary, VRS, Social Security - \$2,457,000**
- **Health Insurance - \$1,500,000**

# Funding Strategies

Actions taken to use “one-time funds” to maintain current staffing levels, salary & benefits and instructional programs:

- Use of \$774,000 Fund Balance
- Reduction of Contingency Reserve by \$219,920

# 2015-2016 Budget Realities for Colonial Heights

## Revenue Changes:

City Funds	\$315,144
State Funds	(\$185,640)
Federal Funds	\$204,221
Other Funds	<u>(\$ 44,937)</u>
Estimated Revenue Increase	\$288,788
CHPS Beginning Fund Balance Decrease	<u>(\$549,489)</u>
Net Revenue Reduction	(\$260,701)



# 2015-2016 Budget Realities for Colonial Heights

Net revenue reduction	(\$260,701)
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## Noteable Expenditure Increases:

13% Health Insurance estimated increase	(\$441,480)
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Increase in General Insurance	(\$ 41,794)
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Increase in Federal Expenditures	<u>(\$137,221)</u>
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Total Revenue Reduction & Expenditure Increase	<u>(\$881,196)</u>
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Resulting in a required expenditure decrease of \$881,196 from current expenditure levels for a balanced budget.

# 2015-2016 Budget Realities for Colonial Heights

## Expenditure Reductions:

Reduced Contingency Reserve	\$219,920
VRS rate decrease (one-time transfer of funds)	\$138,591
Employee attrition/retirements	\$177,254
Reduced textbook expenditures	\$ 65,726
Reduced instructional capital expenditures	\$ 49,698
Reduced SAO educational supplies	\$ 27,000
Reduced maintenance capital expenditures	\$ 31,135
Reduced water, sewage, refuse budget	\$ 35,350
Net reduction of other misc. budget lines	<u>\$136,522</u>
Net Expenditure Reductions	<u>\$881,196</u>

# Complicating Factors

- Decrease in Fund Balance carryover
- Continued effects of the discontinued state funding for the 2% employee salary increase implemented in FY 13-14
- Claims paid by Health Insurance Carrier continue to exceed premiums paid

# Capital Improvement Projects

## – Total Estimated Costs

2014-2015	\$ 1,401,913
2015-2016	\$ -
2016-2017	\$ 3,933,400
2017-2018	\$ 3,466,000
2018-2019	<u>\$ 5,521,879</u>
	<u>\$14,323,192</u>



# Capital Improvement Projects - (\$5,335,313)

## Priorities

(Funding Source - Non-Operating Funds)

<b>CHHS - Renovation of Science and Biology Labs</b> <b>(Designated School Fund CIP Reserve plus City Match)</b>	<b><u>\$1,401,913</u></b>
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<b>North Elementary School student drop off/pick up &amp; Parking Lot</b>	<b>\$ 429,000</b>
<b>Replace aging Busses</b>	<b>\$ 350,000</b>
<b>Replace CHHS Bleachers</b>	<b>\$ 200,000</b>
<b>CHMS Cafeteria Addition &amp; Renovation</b>	<b>\$1,640,000</b>
<b>CHMS Auditorium Renovation</b>	<b>\$ 463,000</b>
<b>CHHS Locker Room &amp; Team Room Renovation</b>	<b><u>\$ 851,400</u></b>
<b>2016-2017 CIP Bond and Revenue Initiative</b>	<b><u>\$3,933,400</u></b>

# Budget Unknowns

- General Assembly modifications to the Governor's proposal
- Further economic impacts (national, state, and local)
- ADM – student numbers may not meet projection of 2,795

# Maintaining Employee Compensation & Benefits Package

(85% of total budget is personnel)

- \$442,000 Employer Contribution towards 13% estimated increase in Health Insurance
- Maintaining the \$500,000 FY 13-14 2% Salary increase in FY15-16 even though state funding discontinued

# Path to a Balanced Budget

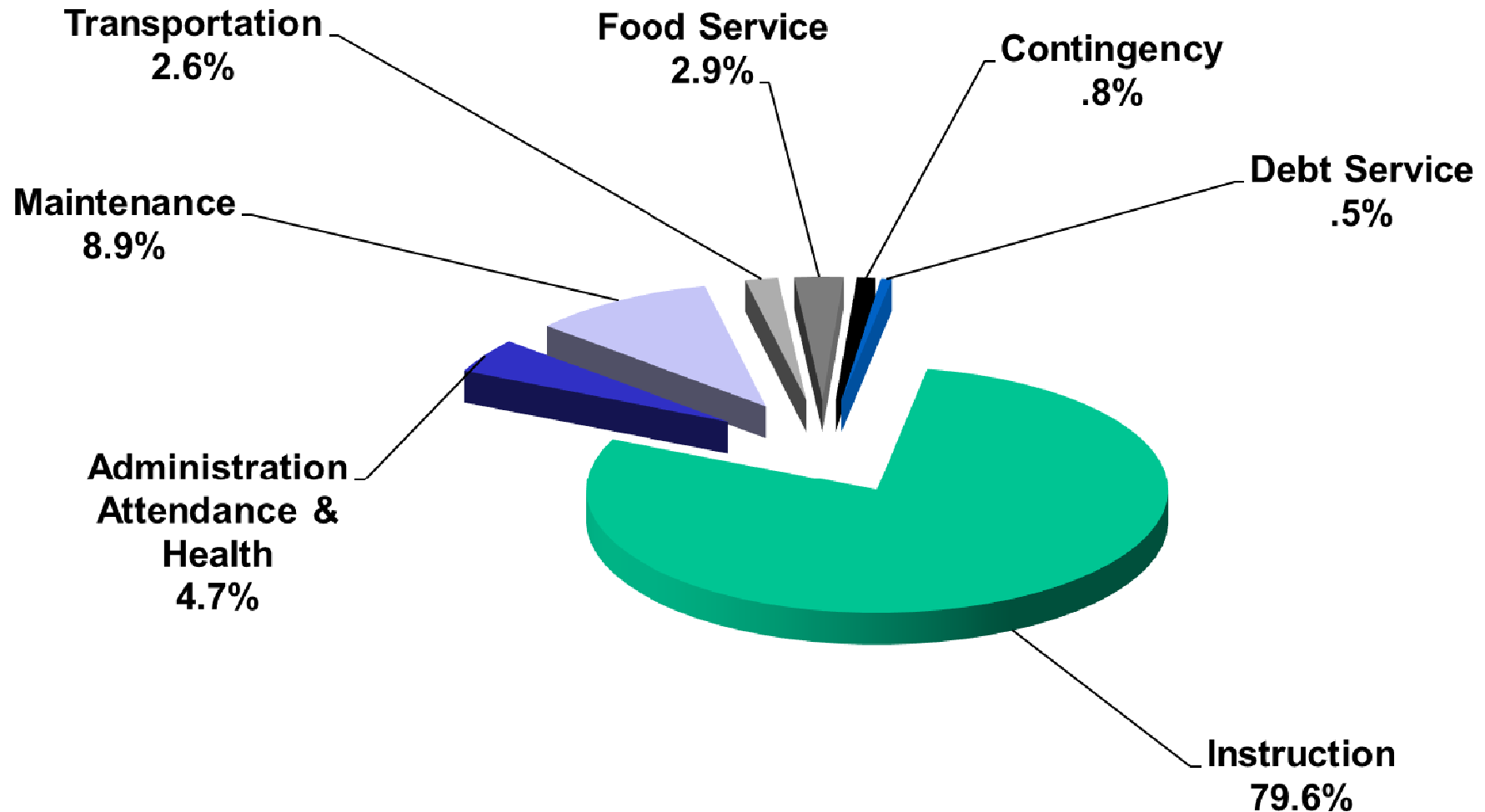
- Reduction of Contingency Reserve (\$219,920)
- Use of estimated employee attrition and retirement savings
- Minimal funding of maintenance projects



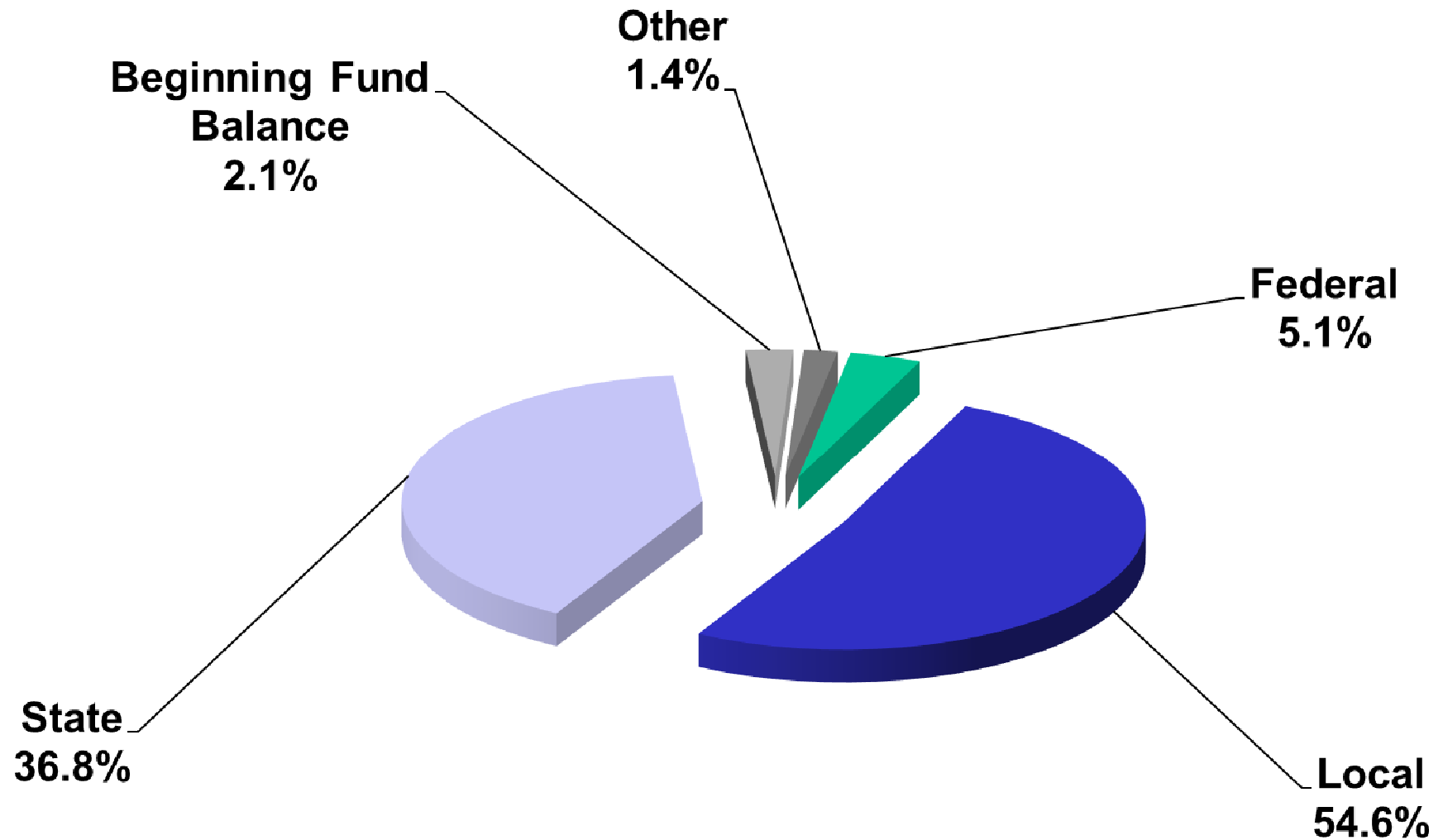
# Path to a Balanced Budget

- Minimal funding of instructional equipment or furniture
- No cost of living adjustment (COLA) or merit salary increases in this presentation
  - However, February and March budget work sessions with the School Board will focus on reviewing all revenue sources and expenditures to evaluate any potential salary increase
    - Step = \$515,000 (current scales)
    - 1% COLA = \$241,000 (current scales)
    - 2% COLA = \$482,000 (current scales)

# Categorical Expenditures



# Revenue Sources



# Local Funds - \$20,462,731

	Current	Anticipated	Increase/ (Decrease)
City Appropriation	\$19,373,430	\$19,688,574	\$315,144
Fund Balance	\$1,323,646	\$774,157	(\$549,489) *



# State Funds - \$13,262,021

State funding estimates are based on Governor McAuliffe's proposal; final budget expected March 2015

	Current	Anticipated	Increase/ (Decrease)
Sales Tax	\$2,736,038	\$2,721,276	(\$14,762)
Basic Aid – SOQ	\$6,714,576	\$6,758,445	\$43,869 *
Technology	\$180,000	\$180,000	\$0
At-Risk Students	\$138,091	\$138,720	\$629

# State Funds - \$13,262,021

	Current	Anticipated	Increase/ (Decrease)
Textbooks	\$151,882	\$152,674	\$792
Reading Intervention	\$32,406	\$27,000	(\$5,406)
SOL Algebra Readiness	\$27,638	\$27,724	\$86
ESL	\$49,932	\$51,492	\$1,560
K-3 Initiative	\$267,646	\$148,173	(\$119,473) *

# State Funds - \$13,262,021

	Current	Anticipated	Increase/ (Decrease)
Adult Ed/ISAEP	\$10,934	\$7,859	(\$3,075)
Foster Care	\$62,058	\$4,809	(\$57,249) *
Gifted – SOQ	\$74,189	\$74,576	\$387
Prevention, Intervention & Remediation – SOQ	\$187,840	\$188,820	\$980
Special Ed - SOQ	\$1,067,055	\$1,072,624	\$5,569
School Food Service	\$21,914	\$19,583	(\$2,331)

# State Funds - \$13,262,021

	Current	Anticipated	Increase/ (Decrease)
Voc. Ed – SOQ	\$198,889	\$199,927	\$1,038
Voc. Ed – Cat.	\$42,545	\$36,538	(\$6,007)
Special Ed – Cat.	\$39,704	\$33,823	(\$5,881)
Va. Preschool Initiative	\$64,729	\$61,312	(\$3,417)
Social Security	\$441,976	\$444,282	\$2,306
Retirement	\$907,628	\$883,804	(\$23,824) *
Group Life	\$29,991	\$28,561	(\$1,430)

# Federal Funds - \$1,834,895

	Current	Anticipated	Increase/ (Decrease)
NCLB: Title I Part A	\$318,308	\$425,800	\$107,492 *
NCLB: Title II Part A	\$70,000	\$70,000	\$0
NCLB: Title III Part A	\$8,000	\$9,500	\$1,500
DMAS - Medicaid	\$0	\$50,000	\$50,000
National Lunch	\$500,816	\$511,850	\$11,034

# Federal Funds - \$1,834,895

	Current	Anticipated	Increase/ (Decrease)
National Breakfast	\$115,363	\$117,479	\$2,116
Impact Aid	\$17,000	\$17,000	\$0
SPED Flow Thru	\$549,048	\$580,095	\$31,047 *
SPED Preschool A	\$13,365	\$13,362	(\$3)
Vocational Education	\$38,775	\$39,810	\$1,035

# Other Funds - \$499,571

	Current	Anticipated	Increase/ (Decrease)
Rent	\$15,000	\$15,000	\$0
Regional Vision Program	\$55,643	\$0	(\$55,643) *
Fees	\$25,000	\$20,000	(\$5,000)
Food Service	\$414,865	\$380,571	(\$34,294)
Transportation	\$9,000	\$9,000	\$0
Misc. Income	\$25,000	\$75,000	\$50,000



