



FY 2018-19 Adopted Budget
Portsmouth School Board

801 Crawford Street, Portsmouth, VA 23704
www.ppsk12.us



TABLE OF CONTENTS



3 ASBO Meritorious Budget Award	53 Fund Balance Classifications
4 School Board Budget Message	54 Policies, Regulations, and Process
6 Executive Summary	56 Budget Development Process
8 Portsmouth City School Board	59 2018-19 Budget Development Calendar
9 Superintendent's Cabinet	62 Financial Section
10 Division Overview	65 Summary - All Revenues and Expenditures
11 Mission and Goals	68 Historical Fund Balance Change
12 Budget Process and Timeline	70 FY 2018-19 General Fund Budget
15 FY 2018-19 Budget - All Funds	71 General Fund Revenues
17 State Funding	73 General Fund Expenditures by Category and Type
18 Division Enrollment/Membership	75 General Fund Expenditures by Function and Object Code
21 Personnel Allocation	86 FY 2018-19 Grant Fund Budget
26 Non-Personnel Allocation	90 FY 2018-19 Risk Management Fund Budget
26 Per Pupil Cost	93 FY 2018-19 Textbook Fund Budget
27 Budget Forecast	96 FY 2018-19 Cafeteria Fund Budget
32 Organizational Section	99 Debt Obligations
33 About the Division	99 Other Post-Employment Health Care Benefits
34 School Division Map	100 Capital Improvement Projects
37 Student Body	102 Informational Section
38 Governance Structure	103 Taxation
40 Division Organizational Chart	106 Division Enrollment Forecast
41 Division Strategic Plan	107 Personnel Resource Allocations by Fund
48 Fund Overview	110 Standards of Learning (SOL) Testing
49 General Fund Revenue Sources	113 Graduation Rates
50 Other Funds Revenue Sources	114 Free and Reduced Lunch
51 Expenditure Categories	116 Appendix
52 Expenditure Types	117 Code of Virginia (excerpts)
	118 Code of the City of Portsmouth, VA (excerpt)
	119 School Board Management of Funds Policy
	121 School Board Annual Budget Policy
	122 City of Portsmouth Ordinances
	126 Select Categories of State Funds
	127 Glossary



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to

**CITY OF PORTSMOUTH,
VIRGINIA SCHOOL BOARD**

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2017–2018.

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

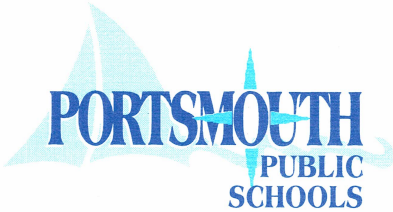


A handwritten signature in black ink, appearing to read 'Anthony N. Dragona'. The signature is written in a cursive style and is positioned above a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, appearing to read 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



Office of the Chairman

Post Office Box 998

Portsmouth, Virginia 23705-0998

Ph: (757) 393-8200 • Fax: (757) 393-5236

A message from School Board Chairman Claude C. Parent.

On behalf of the Portsmouth School Board, I present to you the 2018-19 Adopted Fiscal Year budget.

As a Board, we strive to keep students and staff at the forefront of the budget development process. It is a challenging task, but an important one.

Again this year, we are faced with economic challenges.. The state budget remains uncertain. We were hopeful that the City Council would step in to help in areas where other agencies have fallen short. We are thankful that the City provided nearly \$400,000 for school security officers. However, we again had to cut the budget since City Council did not provide funding for a raise.

Despite these challenges, the Superintendent and School Board put together a plan to provide a strong educational experience for students and staff. This budget, at \$195 million, aims to improve academics and school safety as well as strives to attract and retain quality staff through a 2 percent pay increase.

Along with the raise, the new plan includes:

- 1 new pharmacy technician teacher position (re-purposed from a teacher vacancy)
- 13 elementary school security officers, possible, in part, because of city funding
- A director of auxiliary services who will manage school safety, transportation, facilities and other departments
- 11 kindergarten instructional assistants

In order to give a raise, we had to cut the budget, scale back on various initiatives, and hold off on other school improvements. They include:

- 1 Graduation Coach for Churchland High, our largest high school where the graduation rate has declined
- 3 math coaches who would have helped with new state learning goals and tests
- 6 middle and high school security officers in a 19-officer staffing plan
- 2 assistant principals and 2 guidance counselors needed due to enrollment levels at Churchland-area schools
- 1 social studies specialist who would have helped with new state testing requirements
- 4 instructional vacancies such as in foreign language courses which we will now offer online
- 1 instructional vacancy repurposed for Career and Technical Education
- 3 Clerical positions.
- 1% cut in the non-payroll budget

During the budget process, and all throughout the year, we must remain good stewards of our resources. Therefore, the school division cut and adjusted the budget before asking for additional support. The changes include:

- A change in healthcare plans, including introducing a consumer-driven high-deductible plan
- Adjusted projections for benefits costs
- A decrease in the Virginia Retirement System Plan rates

We believe students and staff members deserve our best effort and investment.

We boast nationally recognized high schools, and we maintain a special partnership with Tidewater Community College to provide dual enrollment opportunities for students. Now, our students can earn a high school diploma and an Associate's Degree. Furthermore, each school provides hands-on learning experiences, especially with STEM (science, technology, engineering, and math) activities.

We have much to celebrate, and we will continue working hard on behalf of children, teachers, and staff.

Sincerely,

A handwritten signature in black ink that reads "Claude C. Parent". The signature is written in a cursive style with a large initial "C".

Claude C. Parent

Executive Summary



THIS PAGE LEFT BLANK INTENTIONALLY



PORTSMOUTH CITY SCHOOL BOARD



Mr. Claude C. Parent
School Board Chairman
Member of the School Board since 2010
Current Term expires December 31, 2018
Minister of Church Administration, Retired Educator

Mrs. Costella B. Williams
School Board Vice-Chairman
Member of the School Board since 2008
Current Term expires December 31, 2020
Retired Supervisor and Community Volunteer



Ms. Angelia N. Allen
Member since 2016
Current Term expires
December 31, 2020
Healthcare Professional



Ms. Lakeesha S. "Klu" Atkinson
Member since 2016
Current Term expires
December 31, 2020



Rev. Joseph A. Fleming
Member since July 2012
Current Term expires
December 31, 2018
Senior Pastor,
Former Teacher



Mrs. Sarah D. Hinds
Member since 2014
Current Term expires
December 31, 2020
Career Educator



Mr. Ted J. Lamb
Member since 2013
Current Term expires
December 31, 2020
Career Educator



Rev. Cardell C. Patillo
Member since 2015
Current Term expires
December 31, 2018
Executive Director



Dr. Ingrid P. Whitaker
Member since 2015
Current Term expires
December 31, 2018
Associate Professor

Superintendent's Cabinet

Elie Bracy, III, Ed.D
Division Superintendent

Dr. Anita Wynn
*Assistant Superintendent
Curriculum and Instruction*

Brittany T. Dortch, CPA
Chief Financial Officer

Dr. Michael T. Cromartie
Chief of Schools

Scott A. Ziegler
Executive Director of Human Resources

Cherise M. Newsome
Director of Communications

Derrick A. Nottingham
Director of Research and Evaluation

Dean M. Schlaepfer
Director of Information Technology

DIVISION OVERVIEW

The Portsmouth School Board (the School Board) is located in historic Portsmouth, Virginia. The School Board is a component unit of the City of Portsmouth. The School Board derives its authority from the Constitution of Virginia, the Code of Virginia, and the regulations of the State Board of Education. The nine elected members of this corporate body are officers of the Commonwealth and govern the operations of the school division during their four-year terms.

The School Board (also referred to as Portsmouth Public Schools or PPS) enrolls on average 14,000 students in preschool through grade 12.



There are three high schools, three middle schools, thirteen elementary schools, and three pre-K centers. Students in kindergarten through sixth grade receive instruction at the 13 elementary schools. Grades 7 and 8 receive instruction in the 3 middle schools and the 3 high schools serve grades 9-12. Alternative placement programs for students in grades K-8 take place at the New Directions Center, while grades 9-12 alternative programs, such as the Individual Student Alternative Education Plan (ISAE), are held at the S.H. Clarke administration building.

In addition to traditional instructional settings for students in grades K-12, the division offers a number of magnet and enrichment programs, a Career and Technical Education program, and has a partnership with Tidewater Community College to offer the First College and Early College programs.

All activity across the division is accounted for within the School Board's five (5) distinct funds:

General Fund - is the main operating fund which includes funds from state, local, federal and other sources for the fiscal operation of the school system.

Grants Fund - includes funds from federal, state, and local grant funding to be used for specific purposes.

Cafeteria Fund - includes funds from federal, state, and charges for services to support food service operations at the division's schools.

Textbook Fund - includes funds from state and local for the purchase of textbooks and related materials.

Risk Management Fund - includes charges for services to fund expenditures for the Portsmouth Public Schools Self Insurance Health Plan, and insurance premiums and workers' compensation and other claims for which the School Board is liable.

MISSION AND GOALS

The mission of the Portsmouth Public School Division is to engage all students in learning that will foster academic excellence and responsible citizenship.

The Five Year Strategic Plan was adopted in 2017 and provides the framework to drive the decision making of the School Board to fulfill its mission each year. The main goals include the following:

1. **Curriculum, Instruction and Assessment:** *Provide educational opportunities to assure all students achieve high academic growth.* The major objectives are to ensure graduates will be College and Career Ready, that highly effective, research based curriculum, instruction and assessment practices are implemented, and curriculum and related programs meet the needs of all students.
2. **Social-Emotional Development:** *Strengthen practices and policies focused on social-emotional development.* The major objectives are to implement social-emotional learning support and strategies, and implement practices and policies that support each student's ability to be a responsible citizen.
3. **High-Quality Personnel:** *Recruit, retain, and develop highly qualified personnel.* The main objectives include providing a competitive compensation package with other school districts of similar size and revenues, provide professional learning opportunities aligned with the strategic plan and school improvement plans, implement leadership development opportunities, and continued on-going support for new teachers and administrators through the comprehensive induction plan.
4. **Family and Community Engagement:** *Strengthen school, family, and community involvement and perceptions.* The main objectives include partnering with families to strengthen understanding of academic standards, student progress, social-emotional development and implementing practices to increase positive perception of schools among families and community members.
5. **Finance and Operations:** *Ensure fiscal stability through sound financial practices and ensure high-quality school facilities.* The main objectives include continuing to develop and sustain sound financial management practices, process efficiencies to make best use of available resources, provide safe and inviting school facilities, and maintain equipment and infrastructure to support technology integration.

The full text of the Strategic Plan, including measurable objectives and action steps for each goal, is available in a separate publication on the Portsmouth Public Schools website, <http://ppsk12.us/>. Click the "About PPS" tab, double-click "School Board" from the drop-down list, and then choose Strategic Plan from the side menu on the School Board page.

BUDGET PROCESS AND TIMELINE



Throughout the process, the Office of Budget and Planning (budget office) periodically reviews staffing levels, revenue and expenditure projections, and monitors state legislation. The budget office conducted an online survey in the fall to solicit community and employee group feedback. The feedback was incorporated with the School Board’s mission and goals to develop the fiscal year 2018-19 budget.

Meetings are held with the Division Superintendent, School Board Finance Committee, and the School Board throughout the process to provide a timely, detailed overview of the budget process. The budget office presents categorical breakdowns of the proposed budget, programs included/excluded, projects staffing level changes, must funds items, recommended budget items, and unfunded initiatives.

Information concerning projected revenues and expenditures, related to the Grants fund and the Food Services fund, is obtained from the Finance and Food Services departments, respectively. The projected Grants fund revenue is based on current grants awarded with the anticipation that the school division will receive the same grant funding in the upcoming year and anticipated new grant awards currently being pursued by the division. The Textbook fund budget is based on the projected state revenue and the minimum required local match as directed by the state.

September

The budget office meets with the Superintendent’s budget team to discuss the budget process, goals, and budget calendar. This year’s budget team included all members of the Superintendent’s Cabinet and the Budget Analyst.

October/November

In mid- October, the budget office releases an online community survey to gather employee and citizen feedback. The survey closes at the end of November.

During October and November, departments and schools submit their non-payroll budgets. Simultaneously, the budget office conducts individual budget meetings with schools and departments to understand the goals and initiatives for the upcoming budget year. These meetings, also, are opportunities for the budget office to learn how effective the previous year budget was in allowing the schools and departments to meet their objectives. Changes are incorporated in the budget as needed. The Chief of Schools is included in the budget discussions.

The budget office meets with Operations leadership and City leaders to identify potential changes to the Capital Improvement Plan. The Capital Improvement Plan budget is controlled and maintained by the City; funds for the School Board's capital projects are not appropriated to the School Board, however, the School Board and the City meet (individually and jointly) throughout the capital improvement budget process.

The budget office also gathers information on any changes to healthcare costs, retirement benefits, and other payroll related costs from the Benefits department. An initial projection of payroll is done utilizing an in-house staffing tool to determine the proper staffing ratios based on the state's standard of quality requirements, projected average daily membership (ADM), and division goals.

The budget office meets with personnel from the Office of Curriculum and Instruction and the Human Resources department to review current staffing levels and open vacancies to determine if any adjustments are needed.

December

An initial projection of budgeted revenues is done based on the most recent available information which includes the Governor's proposed budget for the next fiscal year (released in mid-December). The budget office performs a detail review of all non-payroll requests, from schools and departments, and payroll costs and makes revisions and adjustments to align with the goals outlined in the Strategic Plan. The budget office also meets with the Division Grant Writer to help identify additional grant revenue sources that may be available for the division to pursue based on division initiatives.

The budget office then compares projected payroll and non-payroll costs for the next fiscal year to the initial revenue projection as of December. Any must fund items, such as Virginia Retirement System rate increases, are also included in the budget first. Any projected costs not covered under the initial revenue projection are accumulated and analyzed with the Superintendent and Finance Committee and are deemed unfunded needs.

January/February

In January, preliminary budget discussions are held with the School Board to discuss budget survey results and the Governor's proposed budget.

The budget office continues to review initial projection of costs for any changes and communicates the changes in a timely manner to the Superintendent.

The budget office incorporates the projected revenues, payroll projection, and approved non-payroll requests and unfunded needs into the Superintendent’s Estimate of Needs (SEON). The SEON is submitted and presented to the School Board in February. Any changes requested by the School Board are incorporated into the SEON and serves as the basis for the School Board’s Proposed Budget.

As required by Virginia State Code, the School Board holds a public hearing on the Proposed Budget and the School Board and City Council hold a joint council meeting to discuss budgetary concerns.

March

The School Board formally adopts the Proposed Budget and these figures are sent to the City Manager for inclusion into the City Manager’s Proposed Budget to City Council.

April

The City hosts public work sessions to address the City budget which includes the School Board budget. Any changes to local funding are communicated to the School Board and any necessary changes are incorporated.

May

City Council approves the City’s budget (which includes the School Board budget) and the School Board adopts the final budget by the end of May.

Summary of Key Dates

October 26th	PPS Budget Survey Released to Staff and Public
November 9th	PPS Employee groups present requests to School Board
January 11th	Preliminary budget discussion with School Board on Budget Results and Governor’s Proposed Budget
February 8th	Superintendent's FY 2018-19 Statement of Needs/Proposed Budget submitted to School Board
February 22nd	School Board Public Hearing on FY 2018-19 Proposed Budget
February 26th	School Board and City Council Joint Meeting
March 22nd	School Board approves FY 2018-19 Proposed Operating Budget
March 23rd	Superintendent submits School Board Proposed Budget to City Manager
March 26th	City Manager presentation of Proposed Budget to City Council
May 8th	City Council Adoption of FY 2018-19 School Board Operating Budget
May 24th	School Board Adoption of FY 2018-19 Operating Budget

FY 2018-19 Budget - All Funds

The total FY 2018-19 budget (all funds) is \$192.9 million. The General Fund makes up 75% of the total budget at \$145.3 million. See breakout of revenues and expenditures for each fund below:

FY 2018-19 Total Revenues by Fund and Revenue Source

Revenue Source	General Fund	Grants Fund	Cafeteria Fund	Textbook Fund	Risk Management Fund	Total 2018-19 BUDGET	2017-2018 BUDGET	DOLLAR CHANGE	PERCENT CHANGE
State Funds	\$ 73,809,096	\$ 4,334,622	\$ 123,457	\$ 1,003,927	\$ -	\$ 79,271,102	\$ 80,342,328	\$(1,071,226)	-1%
State Sales Tax	15,809,649	-	-	-	-	15,809,649	15,395,174	414,475	3%
Local/City Funds	52,796,045	-	-	-	-	52,796,045	52,400,000	396,045	1%
Federal Funds	828,000	11,777,378	7,678,270	-	-	20,283,648	19,757,060	526,588	3%
Other Funds	2,084,499	912,369	500,000	3,000	250,000	3,749,868	3,307,635	442,233	13%
Charges for Services	-	-	585,000	-	19,386,800	19,971,800	20,215,000	(243,200)	-1%
Local Match / Transfers between Funds	-	1,065,211	15,000	327,894	-	1,408,105	1,568,592	(160,487)	-10%
Total Revenues	\$145,327,289	\$ 18,089,580	\$ 8,901,727	\$ 1,334,821	\$19,636,800	\$193,290,217	\$192,985,789	\$ 304,428	0.16%

FY 2018-19 Total Expenditures by Fund and Expenditure Type

Expenditure Type	General Fund	Grants Fund	Cafeteria Fund	Textbook Fund	Risk Management Fund	Total 2018-19 BUDGET	2017-2018 BUDGET	DOLLAR CHANGE	PERCENT CHANGE
Salaries	\$ 87,042,254	\$ 10,351,494	\$ 2,325,377	\$ -	\$ -	\$ 99,719,125	\$ 99,297,239	\$ 421,886	0%
Benefits	34,841,176	3,809,547	1,207,433	-	-	39,858,156	40,138,383	(280,227)	-1%
Purchased Services	5,674,725	912,219	15,000	-	-	6,601,944	7,199,253	(597,309)	-8%
Joint Operations	5,173,627	-	-	-	-	5,173,627	5,018,637	154,990	3%
Other Charges	4,484,680	464,252	190,000	-	-	5,138,932	4,935,858	203,074	4%
Materials/Supplies	4,050,192	2,016,000	4,317,500	-	-	10,383,692	8,979,447	1,404,245	16%
Equipment	1,190,730	536,067	336,417	-	-	2,063,214	2,718,863	(655,649)	-24%
Internal Services	1,461,800	-	60,000	-	-	1,521,800	-	1,521,800	100%
Fund Transfers Out	1,408,105	-	-	-	-	1,408,105	3,086,922	(1,678,817)	-54%
Donated Commodities	-	-	450,000	-	-	450,000	415,000	35,000	8%
Textbooks	-	-	-	1,334,821	-	1,334,821	1,496,186	(161,365)	-11%
Administrative Fees	-	-	-	-	3,001,800	3,001,800	3,516,850	(515,050)	-15%
Workers Comp. Claims	-	-	-	-	420,000	420,000	429,350	(9,350)	-2%
Healthcare Claims	-	-	-	-	16,215,000	16,215,000	15,753,800	461,200	3%
Total Expenditures	\$ 145,327,289	\$ 18,089,580	\$ 8,901,727	\$ 1,334,821	\$ 19,636,800	\$ 193,290,217	\$ 192,985,789	\$ 304,428	0.16%

Highlights from the FY 2018-19 Budget in line with the Strategic Plan:

Goal 1: Curriculum, Instruction and Assessment: Provide educational opportunities to assure all students achieve high academic growth

- Over \$55 million in teacher base salaries (**Objective 3**)
- \$2,000,000 for instructional materials and supplies (**Objective 2 and 3**)
- \$29,000 increased funding for Gifted and Talented/World Language Program (**Objective 3**)
- Over \$1,200,000 funding of all additional instructional programs (i.e. FIRST COLLEGE/DUAL ENROLLMENT, STARBASE, ROBOTICS, PORT TOWNE MAGIC, etc.) (**Objective 1 and 3**)
- Over \$4,000,000 in Southeastern Cooperative Educational Program (SECEP) and Governor's School tuition (**Objective 1**)
- Additional funding for Standards of Learning Tutoring Program (**Objective 3**)
- \$1,400,000 in funding for local match grant requirements (**Objective 2 and 3**)
- Hire additional Kindergarten Instructional Assistants (**Objective 3**)
- \$60,000 to hire additional Career and Technical Education Teacher for Pharmacy Technician course (**Objective 1**)

Goal 2: Social– Emotional Development: Strengthen practices and policies focused on social-emotional development

- \$53,000 to support Positive Behavioral Interventions and Support (PBIS) program (**Objective 1**)

Goal 3: High-Quality Personnel: Recruit, retain, and develop highly-qualified personnel

- \$1,890,000 for 2% Compensation increase for employees (**Objective 1**)
- Paid Winter Break for 10 month non-exempt (hourly) employees (**Objective 1**)
- \$177,000 to restructure tutor and other instructional supplement pay to be more competitive with surrounding divisions (**Objective 1**)
- Over \$100,000 for staff development funding for schools and instructional departments (**Objective 3 and 4**)

Goal 4: Family & Community Engagement: Strengthen school, family, and community involvement and perceptions

- Continued funding of communication resources and program used to reach parents and the community (**Objective 1 and 2**)
- Funding for parental involvement through Title I grant

Goal 5: Finance and Operations: Ensure fiscal stability through sound financial practices and ensure high-quality school facilities

- Hire additional school security officers for elementary schools (**Objective 3**)
- Hire Director of Auxiliary Services in line with external staffing study (**Objective 3**)
- \$200,000 increase funding for facility maintenance and repairs (**Objective 3**)

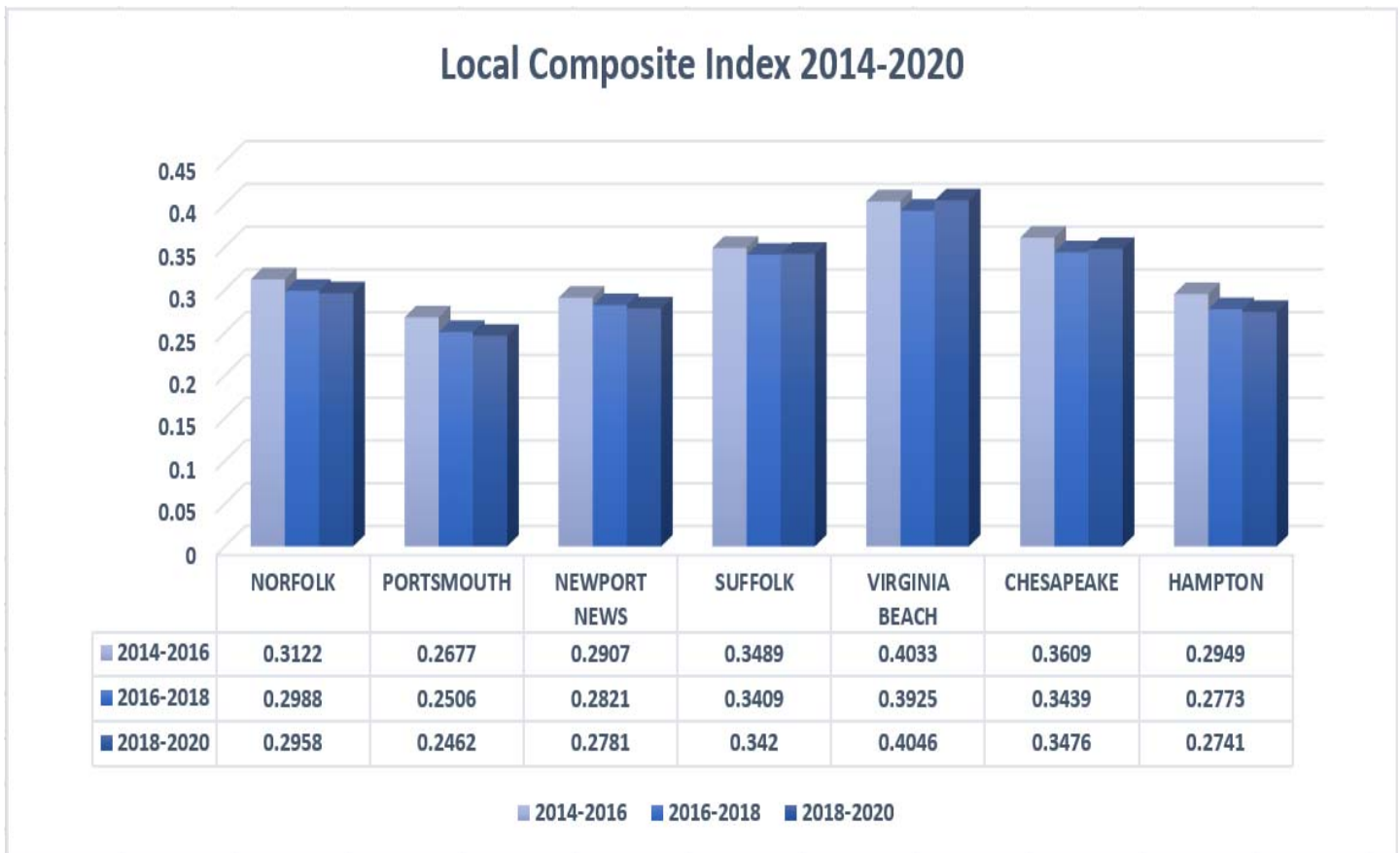
STATE FUNDING

State funding is the largest funding source for the division and helps support expenses for all School Board funds. FY 2018-19 state funding for all funds is projected to decrease by \$1 million as compared to FY 2017-18. The state budget has not been finalized, therefore, this projection is based on the Governor’s proposed state budget. Once the state budget is finalized, this may impact state funding projections and planned expenditures for FY 2018-19.

State funding is primarily determined by each division’s Average Daily Membership (ADM) and the local composite index (LCI). Virginia distributes 1⅛ percent of sales tax revenue to the state’s school districts based upon the number of school-age children in each division.

The LCI determines a locality’s ability to pay for education costs to meet the Commonwealth’s fundamental SOQ goals. Local ability to pay is calculated using three indicators: true value of real property (weighted 50%), adjusted gross income (weighted 40%), and taxable retail sales (weighted 10%).

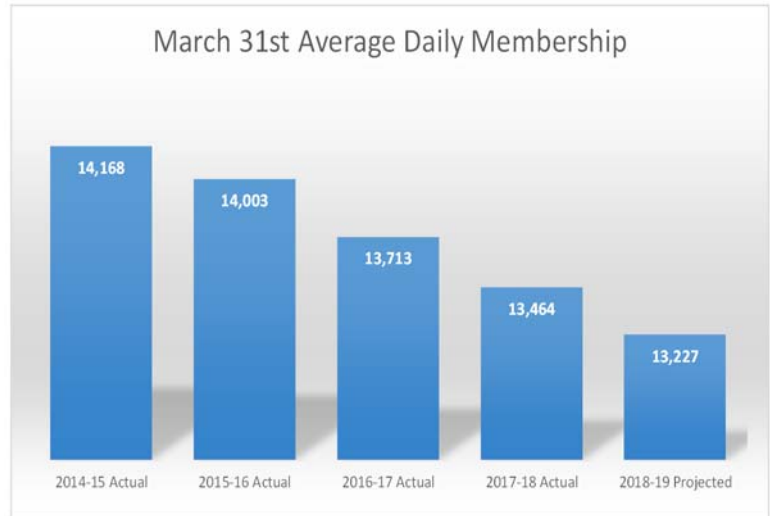
Each locality’s index is adjusted to maintain an overall local share of 45 percent statewide with the Commonwealth covering the remaining 55 percent. The index is recalculated every two years. The chart below compares the composite index among the surrounding school divisions. For the biannual 2019-2021, Portsmouth’s LCI of .2462 remains the lowest amongst major Hampton Roads cities and has experienced a decline from the previous fiscal year.



Source: Virginia Department of Education, November 2017

DIVISION ENROLLMENT/ MEMBERSHIP

As the local composite index for the city decreases, the amount of state revenue received per student increases. The other component that effects state revenue, as previously mentioned, is ADM. ADM is the aggregate number of days of membership of students during a specified period of time divided by the number of days school is in session for the same time period (pre-kindergarten students are excluded).



The state utilizes the March 31st ADM to determine state funding. The division has experienced an overall decline in ADM the last 3 years. The state and the division both expect enrollment to continue to decline year over year. The FY 2017-18 revised ADM is 13,464. In response to projected decreases, the FY 2018-19 budget is based on expected March 31, 2019 ADM of 13,227. Pre-kindergarten membership is expected to be 558.

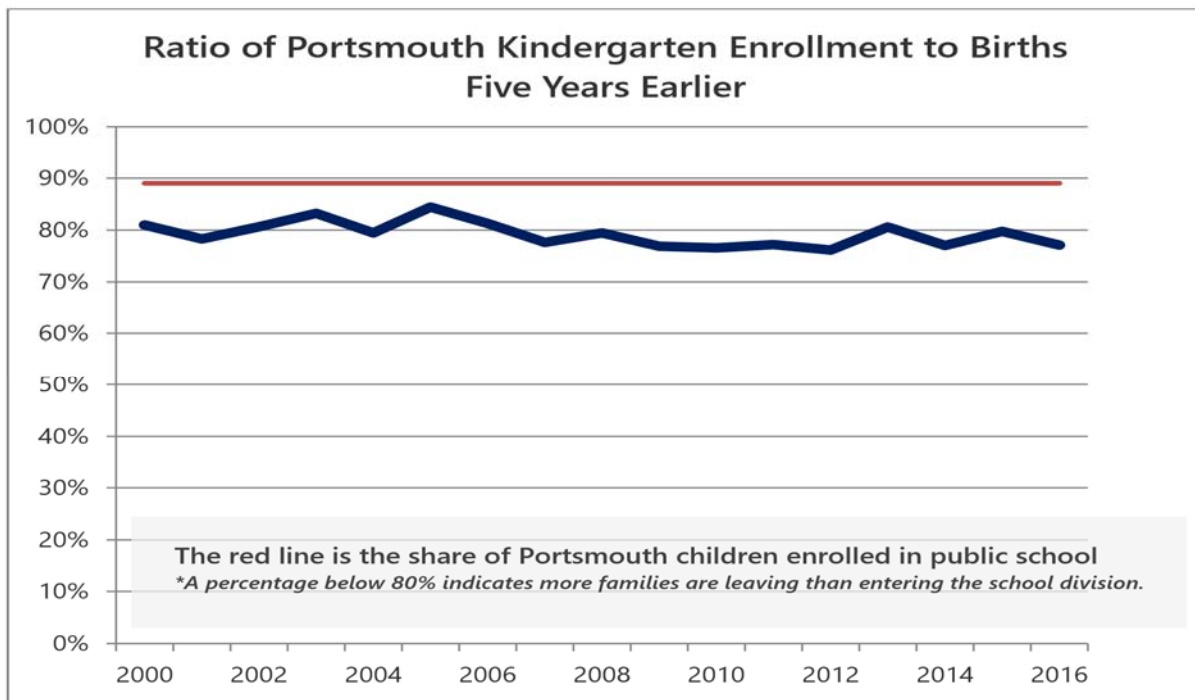
The overall decrease in ADM is likely due to a variety of factors which include the early (January) completion of course requirements of approximately 100 high school seniors. Once these students finish course requirements, they no longer attend school for the second half of the school year. This directly impacts the March 31st ADM. Additionally, the division had more students who withdrew from the division than new students. Between the end of the previous school year and the first half of FY 2017-18, there were approximately 1,300 new students (excluding pre-k students) and approximately 1,500 withdrawals for a net decrease of 200. The division is also located in a large military area which causes the population to be more transient. Defense spending in Hampton Roads has remained fairly stable which could translate to fewer new military families coming into the area.

Another likely factor for declining ADM is the stable population within the City of Portsmouth. The City, as a whole, is not experiencing significant growth which directly impacts the number of potential new students to the division. According to the July 1, 2016 statistics from the U.S. Census Bureau, Portsmouth had a population of 95,252. This is a decrease of 949 as compared to the July 1, 2015 statistics. At the height of the recession (2008), the population was 99,542.

DIVISION ENROLLMENT/MEMBERSHIP, CONTINUED

Of the total population, the school-age population in Portsmouth has decreased. Within Hampton Roads, nearly every school division has experienced a decline in the school age population since 2010. According to University of Virginia Weldon Cooper Center for Public Service (Weldon Cooper), this decline is likely due to families moving and less births after the housing boom.

Based on further analysis by Weldon Cooper, the ratio of kindergarten enrollment to births, five years earlier, is a way to track whether a school division is gaining or losing families. A ratio of 100% would indicate that all children born five years earlier enrolled in the school division. Since 2000, the ratio of kindergartners to births has been around 80%. Approximately 90% of children attend public school in Portsmouth based on analysis by Weldon Cooper for the period of 2000-2016. As such, the difference means about 10% of Portsmouth families moved before enrolling in the school division.



Sources: Virginia Department of Education Fall Count and Weldon Cooper Center Annual Births Tabulations

Chart prepared by MB Khan and published in Portsmouth Public School Facility Study Results

Other changes in population that have impacted enrollment/membership in Portsmouth and statewide, include the decline in live births and shifts in the age of the population. Weldon Cooper projects Virginia's 65 and older population will represent the majority of the state's population between now and 2030.

March 31st Average Daily Membership by Grade Level

Grade	March 31st Average Daily Membership				
	2014-15	2015-16	2016-17	2017-18	2018-19*
K	1,231.59	1,285.64	1,202.66	1,149.26	1,157.00
1	1,276.72	1,189.48	1,250.61	1,167.28	1,123.00
2	1,250.64	1,230.94	1,152.04	1,205.94	1,153.00
3	1,151.65	1,204.44	1,194.78	1,110.80	1,189.00
4	1,169.91	1,072.21	1,114.23	1,133.95	1,066.00
5	1,094.19	1,098.73	1,017.00	1,095.69	1,026.00
6	1,111.22	1,038.52	1,035.76	960.90	964.00
7	1,092.21	1,044.00	956.10	985.90	926.00
8	1,041.89	1,047.83	1,023.65	919.81	963.00
9	1,098.03	1,140.86	1,122.14	1,111.81	1,062.00
10	1,009.84	974.93	980.25	981.45	947.00
11	902.59	872.66	870.13	864.02	866.00
12	848.44	902.61	890.48	870.57	878.00
Subtotal	14,278.92	14,102.85	13,809.83	13,557.38	13,320.00
Less:					
Pupils under 5	-	0.58	1.07	1.30	1.00
Pupils 20 and over	1.78	-	1.00	0.43	0.43
Pupils in Special Education Regional Program	102.62	94.06	85.02	86.62	87.00
Pupils from whom tuition is received in excess of Local Share from another school division	-	-	0.74	-	-
Pupils from whom the state's share of tuition to a private day or private residential program was funded with Comprehensive Services Act	6.04	5.02	8.73	4.48	4.57
Subtotal	110.44	99.66	96.56	92.83	93.00
Total March 31st ADM	14,168.48	14,003.19	13,713.27	13,464.55	13,227.00
	Pre-Kindergarten Membership				
Grade	2014-15	2015-16	2016-17	2017-18	2018-19*
Pre-K	712.00	710.00	637.00	629.00	558.00

*Projection

With anticipated decreases in ADM, the division continually seeks ways to supplement loss revenue to help maintain and improve the education provided to students. Federal funding is expected to increase by \$742,000. This increase is primarily due to the division pursuing and subsequently being awarded new federal grants, operational changes in the food service division, and continued improvement in managing the Impact Aid process. Increases are also expected in sales tax revenue and other funds revenue for FY 2018-19.

PERSONNEL ALLOCATION

Student Teacher Ratios

Virginia’s Standard of Quality (SOQ) requires certain average student teacher ratios throughout the state based on the grade level, content taught, and percentage of student population that qualifies for free and reduced lunch. At the elementary school level, as the proportion of free and reduced lunch students increases, the required SOQ student teacher ratio decreases.

At the secondary level, all non-English courses must adhere to an average student teacher ratio of 21:1; this figure includes career and technical education. English courses are allowed an average ratio of 24:1.

The ratios dictate staffing levels and are incorporated in the division’s staffing tool. Please note, preschools are not included in the below list as they are funded by the Virginia Preschool Initiative grant which limits the number of preschool slots allotted to the division.

Virginia SOQ-Required Student Teacher Ratios by School 2018-2020				
Elementary	Percentage of Free & Reduced Lunch per State K-3 Initiative	Title I School	K-3 Initiative	4-6
Brighton	85.48%	Y	14	25
Churchland Academy	51.17%	Y	18	25
Churchland	28.73%	N	N/A	25
Churchland Primary & Intermediate	40.60%	Y	19	25
Douglass Park	87.59%	Y	14	25
Hodges Manor	54.49%	Y	18	25
James Hurst	72.17%	Y	15	25
John Tyler	65.86%	Y	16	25
Lakeview	64.69%	Y	17	25
Park View	68.61%	Y	16	25
Simonsdale	44.71%	Y	19	25
Victory	48.18%	Y	18	25
Westhaven	62.59%	Y	17	25

Middle	Title I School	Secondary English	Secondary Non-English (including Career & Technical Education)
Churchland	N	24	21
Cradock	N	24	21
William E. Waters	N	24	21
High School	Title I School	Secondary English	Secondary Non-English (including Career & Technical Education)
Churchland	N	24	21
I.C. Norcom	N	24	21
Woodrow Wilson	N	24	21

Each year, the budget, human resources, and curriculum and instruction departments analyze staffing levels based on projected enrollment to ensure the division continues to stay under and within the SOQ, other state mandated required student teacher ratios, and specific needs within the division.

Pupil to Teaching Position Ratio

Fiscal Year	Elementary Teaching Positions K-7	End-of-Year Average Daily Membership K-7	Pupil/Teacher Ratio K-7	State Average Pupil/Teacher Ratio
FY 2014-15	645.8	9328.5	14.4	13.3
FY 2015-16	669.4	9119.3	13.6	13.1
FY 2016-17	654.7	8860.0	13.5	13.1

Fiscal Year	Secondary Teaching Positions 8-12	End-of-Year Average Daily Membership 8-12	Pupil/Teacher Ratio 8-12	State Average Pupil/Teacher Ratio
FY 2014-15	366.2	4766.2	13.0	12.5
FY 2015-16	370.6	4794.9	12.9	12.5
FY 2016-17	370.3	4750.7	12.8	12.3

Source: Superintendent's Annual School Report Table 17

Full Time Equivalent (FTE) Employees per 1,000 Average Daily Membership

Functional Area	FY 2016 FTEs	FY 2016 FTEs per 1,000 ADM	FY 2017 FTEs	FY 2017 FTEs per 1,000 ADM	FY17 vs FY16 FTE per 1,000 ADM Percent Change
Classroom Instruction	1,341.9	96.4	1,313.4	95.9	-1%
Instructional Support - Student	50.9	3.7	52.0	3.8	4%
Instructional Support - Staff	106.4	7.6	103.1	7.5	-1%
Instructional Support - School Administration	108.1	7.8	108.0	7.9	2%
Administration	53.1	3.8	51.5	3.8	-1%
Attendance & Health Services	48.4	3.5	43.7	3.2	-8%
Pupil Transportation	153.0	11.0	153.1	11.2	2%
Operation & Maintenance	180.2	13.0	182.4	13.3	3%
School Food Services and Other	127.4	9.2	110.5	8.1	-12%
Technology	34.8	2.5	35.7	2.6	4%

End of the Year (June 30th) Average Daily Membership (K-12)

13,914

13,688

Source: VDOE Annual School Report

Fiscal Year 2018-19 Staffing (Active and Vacancy Positions)

FUND	FY 2017-18 Positions	FY 2018-19 Positions	Position Change
General Fund	1,826	1,838	12
Grants Fund	232	240	8
Cafeteria Fund	154	154	-
Textbook Fund	-	-	-
Risk Management Fund	-	-	-
Total	2,212	2,232	20

The total FY 2018-19 positions will increase by a net 20 positions as compared to FY 2017-18. This increase is due to the following:

- ◆ Add additional Instructional Assistants to Kindergarten Classrooms (11).
- ◆ Add additional Career and Technical Education Teacher (1) to implement a Pharmacy Technician course.
- ◆ Add an additional School Security Officer at each school (13) to keep the learning environment safe for students and staff. Security officers assist with general campus safety, de-escalation of conflicts, and serve as part of the crisis management team.
- ◆ Add Director of Auxiliary Services (1) to solely focus on the planning and operational aspects of the division as recommended in the Virginia Association of School Superintendents (VASS) Staffing Study.
- ◆ Add Special Education Specialist/Therapists (2) to support students with autism.
- ◆ Reduce 5 teacher vacancies
- ◆ Reduce 3 clerical vacancies

Average Annual Salaries

Based on data submitted by individual school divisions as part of the FY 2016-17 Virginia Department of Education (VDOE) Superintendent's Annual School Report (ASR), the following is a comparison of average salaries for select positions among school divisions in Hampton Roads.

Classroom - Teacher (K-7)	
Suffolk	\$57,026
Chesapeake	56,947
Virginia Beach	53,555
Newport News	52,789
Portsmouth	51,397
Norfolk	50,368
Hampton	49,890

Classroom - Teacher (8-12)	
Chesapeake	\$58,943
Suffolk	55,709
Virginia Beach	55,480
Portsmouth	54,114
Newport News	52,286
Hampton	51,163
Norfolk	48,506

Classroom - Teacher (Pre-K, ISEAP, Adult Education, other)	
Newport News	\$73,605
Portsmouth	67,703
Chesapeake	58,499
Virginia Beach	55,975
Norfolk	47,454
Suffolk	45,646
Hampton	20,290

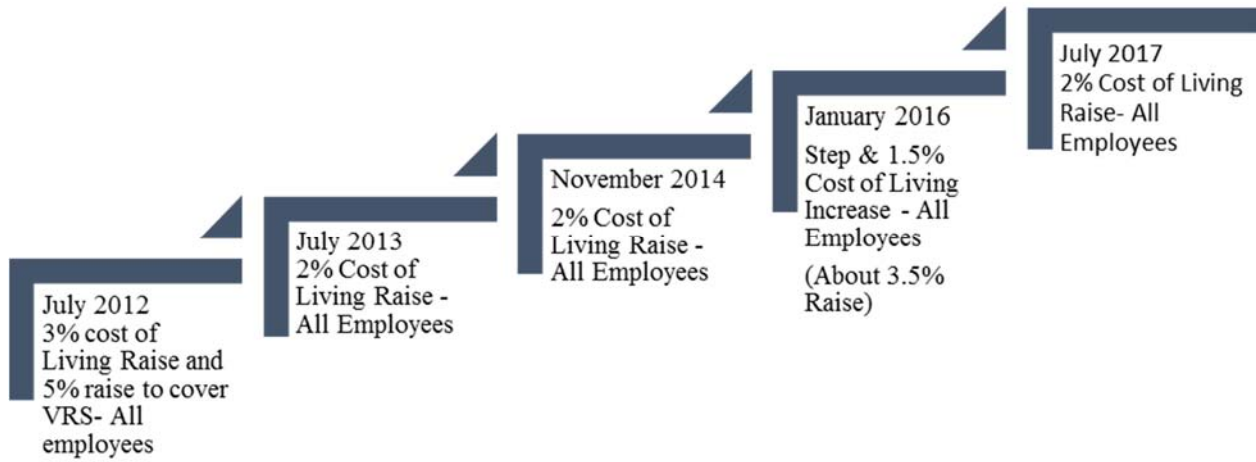
Licensed School Nurses (LPNs, RNs, & Nurse Practitioners)	
Virginia Beach	\$49,259
Norfolk	45,934
Chesapeake	40,176
Hampton	38,084
Newport News	37,200
Suffolk	35,451
Portsmouth	35,097

Classroom - Teacher Aides	
Virginia Beach	\$22,014
Newport News	21,589
Hampton	20,226
Portsmouth	20,108
Suffolk	18,262
Chesapeake	18,198
Norfolk	17,222

Transportation, Operative (Bus Drivers)	
Newport News	\$24,735
Virginia Beach	22,569
Portsmouth	22,062
Suffolk	19,669
Norfolk	16,395
Hampton	15,150
Chesapeake	14,393

Fiscal Year 2018-19 Compensation

The FY 2018-19 budget includes a 2% pay increase for teachers and all employees. This pay raise will allow the division to continue to stay competitive with surrounding divisions. Below is a history of pay raises for the last 6 fiscal years:



NON-PERSONNEL ALLOCATION

Beyond salaries and benefits, money is allocated to non-payroll costs. Within the Grants fund, Cafeteria fund, Textbook fund, and Risk Management fund, non-payroll costs are primarily used for instructional supplies and technology, cafeteria food supplies, textbooks and instructional material, and insurance premiums and claims respectively. Within the General fund, the majority of non-payroll is allocated to the following. A slight decrease is projected for General fund non-payroll costs.

- ◆ Electricity for 24 buildings
- ◆ Fuel-School buses and maintenance vehicles
- ◆ Tuition- Regional Special Education Program
- ◆ Tuition- First College/Dual Enrollment
- ◆ Instructional Materials and Supplies
- ◆ Software

- ◆ Grant Local Match
- ◆ Division wide Copier Lease
- ◆ Contracted Facilities Maintenance
- ◆ Risk Management Charges for Services
- ◆ Equipment Replacement
- ◆ Fleet Maintenance

By Law, the School Board may not issue bonds or enter into debt. The City, as the appropriating body, levies the necessary taxes to finance school operations and borrows money and issues bonds when necessary. For FY 2018-19, the division has no debt obligations.

Per Pupil Cost

Expenditures per pupil are determined by dividing the total operating budget expenditures by the average daily membership. The state requires certain expenses (i.e. capital outlay) to be excluded from the calculation. Based on the latest per pupil data available, Portsmouth's total per pupil cost (\$11,230) ranks fifth (5th) in Hampton Roads. In comparison to the other surrounding divisions, the division ranks last for local funds per pupil. This directly correlates to the LCI for the City of Portsmouth. The division ranked second in state funds per pupil.

School Division	Local Per Pupil	State Per Pupil	State Retail Sales Per Pupil	Federal Per Pupil	Total Per Pupil
Norfolk	\$ 3,840	\$ 5,039	\$ 1,046	\$ 1,761	\$ 11,686
Newport News	3,823	5,333	1,027	1,417	11,600
Virginia Beach	5,563	3,986	1,063	895	11,507
Chesapeake	4,903	4,553	1,071	738	11,265
Portsmouth	3,391	5,319	1,055	1,465	11,230
Hampton	3,835	5,086	1,072	1,103	11,097
Suffolk	3,958	4,483	1,153	913	10,507

Source: Table 15 of the 2017 Superintendent's Annual Report of Virginia

BUDGET FORECAST

By 2019-2020, the school division expects an overall decrease in revenue of \$1 million, primarily within the General fund and the Grants fund.

	2017-2018 BUDGET	2018-2019 BUDGET	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
General Fund					
Revenues	144,303,313	145,327,289	144,728,659	144,791,325	144,734,832
Grants Fund					
Revenues	17,687,599	17,024,369	16,759,281	16,665,260	16,665,260
Other Financing Sources (Transfers in)	1,179,901	1,065,211	1,021,017	1,021,017	1,021,017
Cafeteria Fund					
Revenues	8,603,790	8,886,727	8,905,049	8,905,049	8,905,049
Other Financing Sources (Transfers in)	15,000	15,000	15,000	15,000	15,000
Textbook Fund					
Revenues	1,122,495	1,006,927	987,880	968,905	949,930
Other Financing Sources (Transfers in)	373,691	327,894	321,673	315,476	309,279
Risk Management Fund					
Revenues	19,700,000	19,636,800	19,636,800	19,636,800	19,636,800
Total All Funds	192,985,789	193,290,217	192,375,359	192,318,832	192,237,167

Grants Fund Budget Forecast

By 2019-20, the Grants fund budget is expected to decrease from \$18.1 million to \$17.8 million. This decrease is due to less state grant funding for programs, such as the Virginia Preschool Initiative (VPI), Early Reading Initiative, and Project Graduation, and fewer new grants than originally projected. As grant funding changes, the division first looks to reduce non-personnel budgets if possible. For grants such as VPI, reductions to staff are made due to fewer preschool students being served. Lastly, when the school division loses 100% of a grant, the educational program is eliminated.

The division has a part-time grant writer who works with the division to actively seek and apply for new grants each school year. These efforts have brought in over \$2 million in new grant awards since 2016. The projected revenue for the Grants fund will change if more grants are awarded than originally projected.

General Fund Budget Forecast

By FY 2019-20, the General fund revenues are projected to decrease from \$145.3 million to \$144.7 million due to less Basic Aid from the state.

Basic Aid

Basic Aid includes funding for the basic instructional positions needed for minimum student to teacher ratios required by the Standards of Quality (SOQ) along with support costs funded through SOQ.

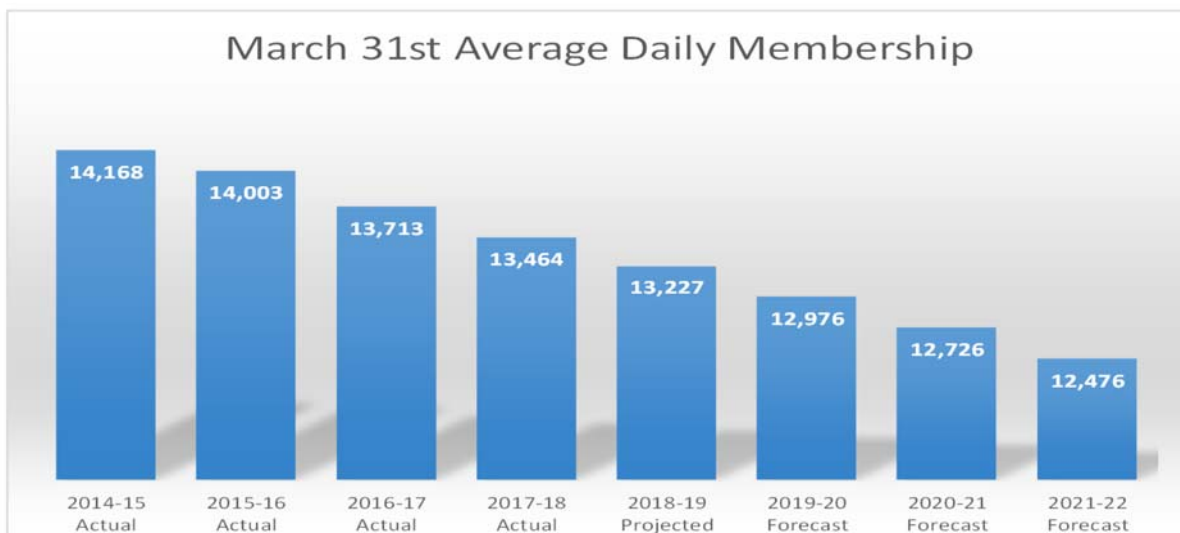
SOQ are minimum state mandated objectives that each school division must adhere to. For example, SOQ requires a part time Elementary Assistant Principal for every 600 students and a full time Elementary Assistant Principal for every 900 students. A Secondary Assistant Principal is required for every 600 students. If the division staffed the schools at this minimum requirement, 10 elementary schools would be without an Assistant Principal and 1 secondary school would be without a full time Assistant Principal.

Looking at another example, SOQ allows classrooms to have up to 35 students in grades four through six. Teaching 35 students in one class creates challenges to instruction and student learning. As such, the division reduced the maximum class size to 28 for grades four through six.

ADM Impact on Basic Aid

The primary reason for decreased Basic Aid funding is the projected decrease in ADM from 13,227 to 12,976 between FY 2018-19 to FY 2019-20. Basic Aid in FY 2019-20 is projected to fund 16 fewer teacher positions based on the minimum student to teacher ratios. Additionally, less Basic Aid funding for support costs and healthcare costs is projected. In anticipation of decreased students and funding, the division will plan to reduce teacher positions through attrition for FY 2019-20.

The impact of changes in ADM on funding beyond FY 2019-20 are not known, but it will require the division to analyze staffing during staffing meetings.



General Fund Budget Forecast, cont.

City funding to the General fund is projected to be stable in FY 2019-20. City funding for the division is primarily derived from property tax. The current real estate tax rate is \$1.30 per \$100 assessed value. The City of Portsmouth has the highest property tax rate in Hampton Roads, thus, the real estate tax rate changes in the near future appear unlikely. Other taxes which generate revenue include personal property tax and local taxes such as admission tax. Below are some of the 2018-19 tax rates for the City of Portsmouth:

Tax Type	Unit	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual
Real Estate	per \$100	\$1.27	\$1.30	\$1.30	\$1.30	\$1.30
Personal Property - Vehicles	per \$100	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Personal Property - Machinery	per \$100	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Personal Property - Boats	per \$100	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Admissions Tax	of sale price	10%	10%	10%	10%	10%
Restaurant Food	of sale price	6.50%	6.50%	6.50%	6.50%	6.50%
Lodging Tax	of sale price	8.00%	8.00%	8.00%	8.00%	8.00%
Sales Tax	of sale price	6.00%	6.00%	6.00%	6.00%	6.00%
Cigarette Tax	per pack	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90

Source: City of Portsmouth FY 2018-19 Budget

Though real estate tax and other tax rates are projected to be stable, property values are projected to increase for FY 2018-19. Projections for subsequent years are not available.

Fiscal Year	Total Taxable Assessed Value
2014-15 ACTUAL	\$ 7,169,660
2015-16 ACTUAL	\$ 7,172,539
2016-17 ACTUAL	\$ 7,269,208
2017-18 BUDGET	\$ 7,175,083
2018-19 BUDGET	\$ 7,562,595

Numbers in 000s

Source: City of Portsmouth FY 2018-19 Budget

Beyond FY 2019-20

Since the state budget is completed every two years, information is not available to reasonably project future state revenues. The next biennium budget will be for fiscal years 2020-2022 and will have an impact on all funds. As such, the overall division budget currently projects slight decreases beyond FY 2019-20.

Anticipated declines in ADM are expected based on historical trends and future projections of the City and the state population performed by Weldon Cooper. Without increased or new revenue, school operations and educational programs will have to be analyzed and restructured based on fiscal constraints. Additionally, the ability to add new programs may be hindered.

Capital Improvement Plan

The division is in the process of developing a new Capital Improvement Plan based on a third party facility study completed in FY 2017-18. The condition of many of the division's buildings are in need of repair, renovation, and in some cases replacement. The CIP fund for the division is maintained and funded by the City. For the FY 2018-19 budget, the City included the building of a new middle school to increase the total number of middle schools from 3 to 4. This project is estimated to take 3 to 4 years. The continued repair and maintenance of the remaining school buildings are projected to increase the operating budget. Some repairs may have to be delayed based on fiscal constraints.

With the anticipated construction of a new middle school, the division will continue to explore the reconfiguration of each middle school from a grade 7 and 8 model to the traditional grade 6 thru 8 model. This reconfiguration along with a zoning analysis is expected to relieve overcrowding at specific elementary schools.

THIS PAGE LEFT BLANK INTENTIONALLY

Organizational Section



ABOUT THE DIVISION

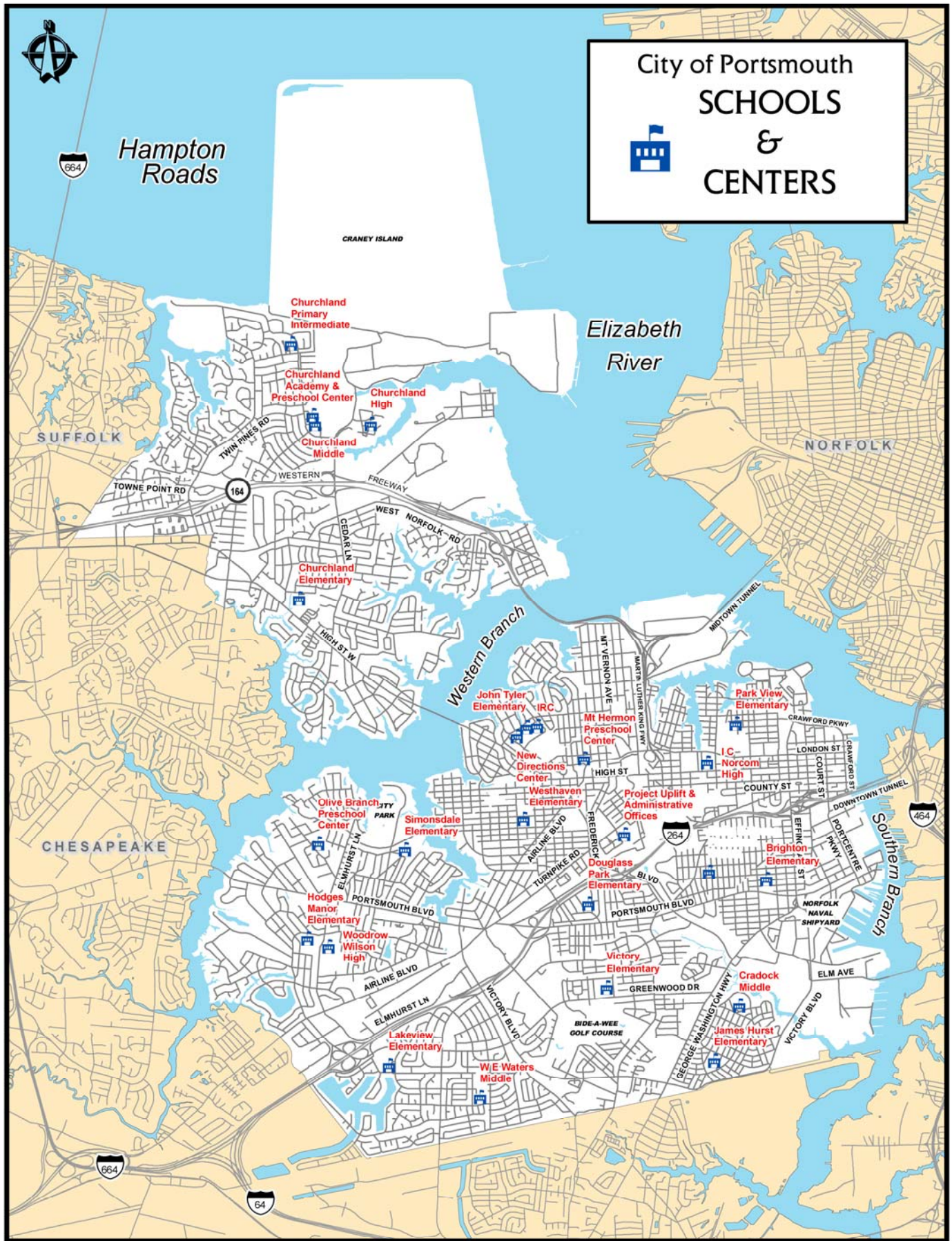
Legal Autonomy/Fiscal Dependence

The title of the corporate body is the Portsmouth School Board. Better known as Portsmouth Public Schools, the division serves students who live within the borders of the City of Portsmouth, Virginia.

The division's School Board derives its authority from the Constitution of Virginia, the Code of Virginia, and the regulations of the State Board of Education. The nine elected members of this corporate body are officers of the Commonwealth and govern the operations of the school division during four-year terms. For the full text of the portion of the Code of Virginia that discusses the authority and duties of the School Board, visit the [Virginia General Assembly's Legislative Information System](#) and choose [§ 22.1-79](#), Powers and Duties. Other portions of the Virginia Code that refer to the School Board's budget responsibilities are included in the Appendix.

The school division is fiscally dependent, deriving most of its funding from the Commonwealth of Virginia and the City of Portsmouth. According to the Code of Virginia [§22.1-110](#), school boards may not borrow any money without express authority of law. The main exception is that a School Board may borrow to purchase new school buses to replace obsolete or worn out ones, but such loans must be repaid within 10 years. The City Council appropriates funding for the School Board's Operating Budget, levies the necessary taxes to finance the operations, and borrows money and issues bonds when necessary.





City of Portsmouth
SCHOOLS
 &
CENTERS



Education

Portsmouth Public Schools offers education from pre-K through 12th grade and has an enrollment of over 14,000 students. For preschool students, ages 2 through 4, who have special disabilities or developmental needs, education is provided at three preschool centers. Four-year old preschool students acquire skills to ensure success in kindergarten and throughout their educational careers. Kindergarten through sixth grade students receive traditional instruction at the 13 elementary schools. Regular instruction continues through the three middle schools (grades 7-8) and three high schools (grades 9-12). Alternative placement, through the New Directions Center for students in grades K-8, is also available.

In addition to traditional instruction for students in grades K-12, high school students have the option of applying for acceptance into magnet programs that are home-based at each high school. The division also operates a Science, Technology, Engineering, and Mathematics (STEM) pathways program for all elementary students and offers an adult education program which includes night courses at one of the high schools. The night courses are designed to prepare adult students for the GED test, to learn new hobbies, and to gain knowledge simply for personal enrichment. Adults who want to learn English as a second language can also receive instruction through the adult education program.

Portsmouth Public Schools began the AC=13 Program (Academics Plus Career After High School=13th Year) in 2006 to prepare students for the time immediately following high school graduation. The program erased the boundaries of traditional academic courses, and career or technical courses, and blurred the lines between high school and community college. The Career and Technical Education Program offers courses in Practical Nursing, Cybersecurity, Early Childhood Education Exploration, Culinary Arts, Horticulture, Marine Electrical, Diesel Equipment Technology, Television Production and Automotive Repair. Upon completion of these courses, students not only possess workplace readiness skills, but they also receive certification that enables them to earn a living while still determining their educational journeys.

Portsmouth Public Schools also partnered with Tidewater Community College to offer First College to second-semester seniors who completed coursework for their high school diplomas and who plan to attend a college or university after graduation. Early College, which began in 2017, is also available for ninth grade students. These students take classes at the local campus of Tidewater Community College and earn post-secondary credits. This program began in the spring of 2006 with 19 students and has grown each year to over 200 students.



PRESCHOOL CENTERS

CHURCHLAND PRESCHOOL CENTER
MOUNT HERMON PRESCHOOL CENTER
OLIVE BRANCH PRESCHOOL CENTER

ELEMENTARY SCHOOLS

BRIGHTON ELEMENTARY
CHURCHLAND ACADEMY ELEMENTARY
CHURCHLAND ELEMENTARY
CHURCHLAND PRIMARY & INTERMEDIATE ELEMENTARY
DOUGLASS PARK ELEMENTARY
HODGES MANOR ELEMENTARY
JAMES HURST ELEMENTARY
JOHN TYLER ELEMENTARY
LAKEVIEW ELEMENTARY
PARK VIEW ELEMENTARY
SIMONSDALE ELEMENTARY
VICTORY ELEMENTARY
WESTHAVEN ELEMENTARY

MIDDLE SCHOOLS

CHURCHLAND MIDDLE
CRADOCK MIDDLE
WM. E. WATERS MIDDLE

HIGH SCHOOLS

CHURCHLAND HIGH
I.C. NORCOM HIGH
WOODROW WILSON HIGH

ALTERNATIVE SCHOOLS

NEW DIRECTIONS

STUDENT BODY

Source: VDOE 2017-2018 Fall Student Record Collection Report

Total Enrollment (9/30/2017):	14,340
Special Needs Students:	1,864
English Learner Students:	68
Home Instruction Students:	310
Early College Scholars Program:	23

Ethnicity:

American Indian:	50
Asian:	125
Black/African American:	10,305
Hawaiian:	46
Hispanic:	485
White/Caucasian:	2,818
Two or More:	511

Military Connected Students:

Active Duty	810
National Guard	15
Reserve	99

Gender:

Male	7,224
Female	7,116

Students served in Regional Programs:

Governor's School for the Arts	22
Southeastern Cooperative Educational Program (SECEP)	79



GOVERNANCE STRUCTURE

School Board

Portsmouth Public Schools is governed by a nine member school board, chaired by Mr. Claude C. Parent and Vice-chaired by Mrs. Costella B. Williams. School Board members serve four year terms where they strategically direct and manage the division. The other School Board members are Rev. Joseph A. Fleming, Mrs. Sarah Duncan Hinds, Mr. Ted J. Lamb, Rev. Cardell C. Patillo, Dr. Ingrid P. Whitaker, Ms. Lakeesha S. Atkinson, and Ms. Angelia Allen. Members of the School Board serve alongside school business and City leaders on various committees.

School Board Committee Assignments	
Budget and Finance	Mr. Claude C. Parent Rev. Cardell C. Patillo
City Council Liaison	Ms. Angelia Allen Mrs. Costella B. Williams
Curriculum and Instruction	Mrs. Sarah D. Hinds Mrs. Costella B. Williams
Human Resources	Rev. Joseph A. Fleming Mrs. Costella B. Williams
Minority Contractors Business Policy	Dr. Ingrid P. Whitaker Ms. LaKeesha S. Atkinson
Legislative and Policy	Ms. Angelia Allen Rev. Joseph A. Fleming
Technology and Operations	Mr. Ted J. Lamb Rev. Cardell C. Patillo
Corporate Sponsorships	Dr. Ingrid P. Whitaker Mr. Ted J. Lamb

Special Committees

Career and Technical Education Advisory

Dr. Ingrid P. Whitaker

Mrs. Sarah D. Hinds

Ad Hoc Student Disciplinary

Mr. Claude C. Parent

Ms. Lakeesha S. Atkinson

Wellness

Dr. Ingrid P. Whitaker

Ms. Lakeesha S. Atkinson

These various committees allow the School Board to help school officials align day to day initiatives with those of the School Board. The City Council Liaison committee serves as a bridge between Portsmouth City Council, the division's appropriating body, and the School Board. By working closely together, the Board makes sure that the interests of their constituents are met as well as providing tangible leadership to school leaders.

Division Superintendent

One of the duties of the School Board is to appoint the Division Superintendent who is the executive and administrative head of the public school division. The Superintendent manages the school division as prescribed in the regulations of the Commonwealth's Board of Education and in accordance with policies and procedures approved by the School Board.

Specific responsibilities related to budget preparation and administration are detailed in School Board Policies DA (Management of Funds), and DB (Annual Budget) which are included in the Appendix. These policies require that the Superintendent use appropriate fiscal planning and management methods, modeled after accepted business practices, directed toward the educational goals of the division.

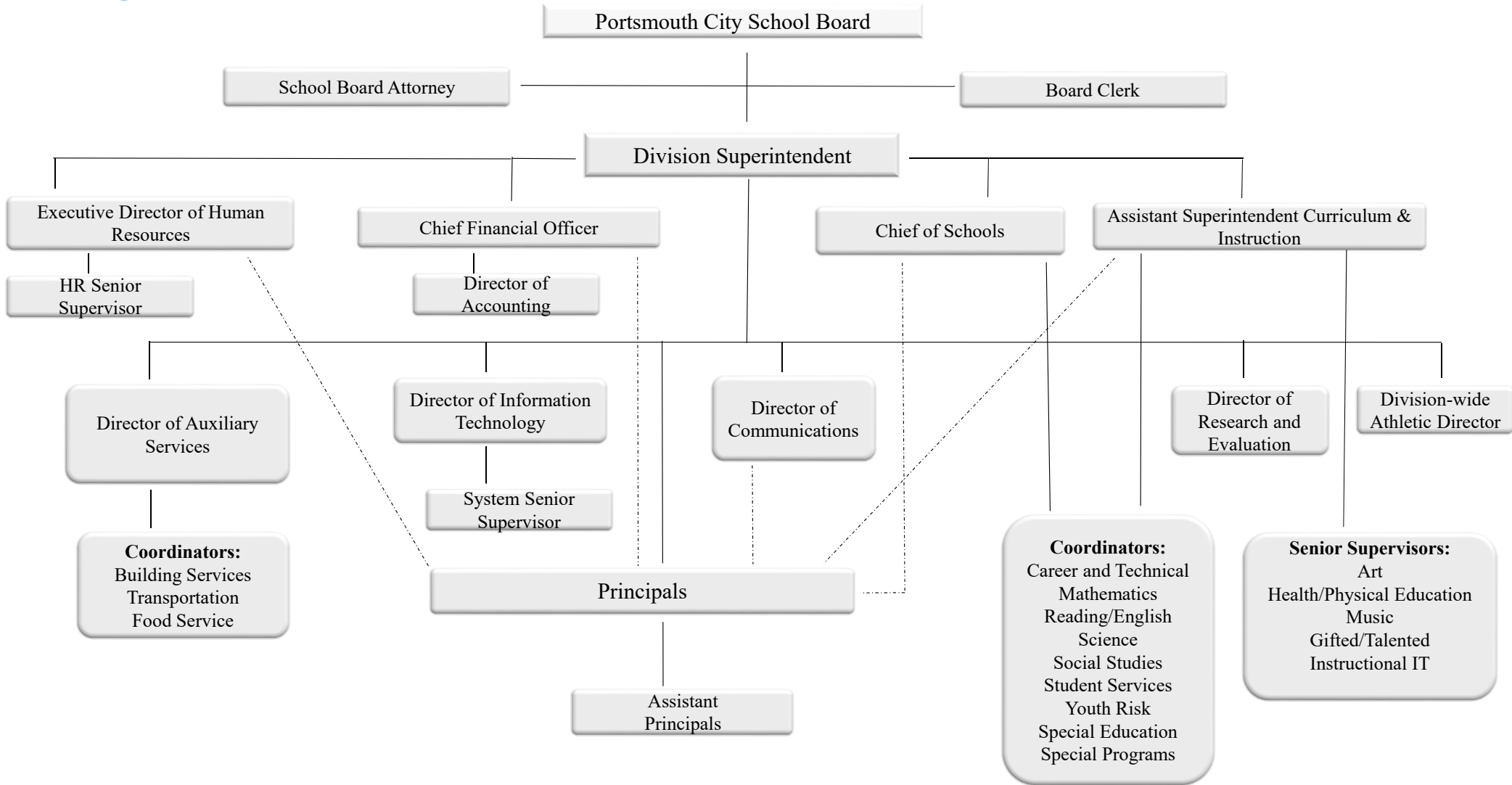
School Board Attorney and Board Clerk

Other vital positions that report directly to the School Board include the School Board Attorney and the Board Clerk. The School Board Attorney protects the interests of the division while the Board Clerk assists with the administrative needs of the School Board and acts as a gatekeeper between the Board and the citizens of Portsmouth.

Division Administration

The School Board empowers the Division Superintendent to appoint members of the cabinet to oversee the day-to-day operations of the division. The Superintendent's Cabinet consists of the Assistant Superintendent of Curriculum and Instruction, Chief Financial Officer, Chief of Schools, Executive Director of Human Resources, Director of Communication, Director of Information Technology, and Director of Research and Evaluation. The FY 2018-19 proposal includes a Director of Auxiliary Services. This position would serve as a cabinet member. Beyond the Superintendent's Cabinet, other members of administration include the Division Wide Athletic Director, Senior Supervisors, Coordinators, Principals, and Assistant Principals.

FY 2018-19 Proposed Organizational Chart



DIVISION STRATEGIC PLAN

During calendar year 2016, the division created a Strategic Planning team to reflect on strengths, challenges, and opportunities for the future. Feedback was also solicited from the community to foster collaboration between the division and the citizens. From this process, the following mission, goals, objectives, and action steps were adopted and utilized to develop the FY 2018-19 budget.

Most of the cost associated with achieving the Strategic Plan are accommodated within the budget by the day to day operation of the various departments. Many of the action steps within each objective and goal can be accomplished through continued focus of improvement in processes/practices while others require significant funding, for example increasing career and technical course offerings, offering competitive compensation annually, and expansion of technology. With declining enrollment and the low locality composite index, funding may pose a challenge on the timeline of completing the goals, however, the division is committed to make the best use of resources to meet these goals where possible.

The mission of the Portsmouth Public School Division is to engage all students in learning that will foster academic excellence and responsible citizenship.



Curriculum, Instruction & Assessment

Provide educational opportunities to assure all students achieve high academic growth.

Objective 1: Graduates will be College and Career Ready.

Action Steps:

- a. Increase the number of students who exceed state expectations on the VA Standards of Learning assessments and decrease the number of students who do not meet state standards.
- b. Monitor and address achievement levels and gaps to assure all schools are recognized as fully accredited.
- c. Increase the percentage of students graduating from high school to be equal to or greater than the state average in all gap groups.
- d. Continue to promote and expand access to technical and career awareness programs.
- e. Increase the variety of technical and career offerings available to students.
- f. Increase student opportunities connected to higher education institutions in the region.
- g. Increase the number of students earning college credit by graduation.

Goal 1, Continued

Objective 2: Instructional personnel will implement highly effective, research-based curriculum, instruction and assessment practices.

Action Steps:

- a. Adopt and implement division-wide instructional practices that support rigor and student engagement across the curriculum.
- b. Continue to identify and implement instructional and assessment practices that increase student mastery of the four core content areas: English/Language Arts/Reading, Mathematics, Science and Social Studies.
- c. Integrate literacy across the curriculum practices and policies.
- d. Continue to develop and implement instructional accountability practices for school-based leaders and teachers that will benefit student learning.
- e. Implement a balanced assessment system that includes a focus on research-based formative and summative assessment strategies, including the use of performance tasks.
- f. Identify and implement inquiry-based teaching and learning practices that will increase student critical thinking and problem-solving abilities.
- g. Continue to leverage technology integration as a teaching, learning and assessment tool across the curriculum.
- h. Continue to expand teacher and administrative use of technology tools for data-based instructional decision-making.

Objective 3: The curriculum and related programs will meet the needs of all students.

Action Steps:

- a. Continue to implement policies and practices that assure the district-level K-12 curriculum remains aligned to standards, adheres to curriculum development best practices, and is accessible to all teachers and administrators.
- b. Implement division-wide practices that assure teacher unit and lesson plans are aligned to the district curriculum, identified standards, and identified research-based instruction and assessment practices.
- c. Increase instructional programs and related student services that will meet the needs of the diverse student population.
- d. Increase the opportunity for advanced content pathways and courses offered in elementary, middle and high schools.
- e. Continue to leverage technology and identify other research-based solutions to integrate personalized learning practices across the curriculum.



Social-Emotional Development

Strengthen practices and policies focused on social-emotional development.

Objective 1: Implement social-emotional learning support and strategies.

Action Steps:

- a. Integrate social-emotional learning into curriculum and instruction.
- b. Adopt and effectively implement a research-based positive behavior program at each school.
- c. Evaluate and strengthen programs and practices designed to support the social-emotional development of high need students.

Objective 2: implement practices and policies that support each students' ability to be responsible, contributing citizens.

Action Steps:

- a. Identify and implement practices that will increase student's ability to work cooperatively with others, resolve conflicts, and respect other cultures and beliefs.
- b. Identify and implement practices that will increase the percentage of students demonstrating accountability for following rules and laws.
- c. Identify and implement practices that will increase student ability to filter and use information.
- d. Identify and implement practices that will increase student ability to use technology wisely.



High-Quality Personnel

Recruit, retain, and develop highly-qualified personnel.

Objective 1: Provide a compensation package that is competitive with other school districts in the state of similar size and resources.

Action Steps:

- a. Continue to annually assess the district's capacity to offer salary schedule adjustments for all positions.
- b. Continue to annually assess the total compensation package offered to employees.

Objective 2: Strengthen the teacher recruitment pipeline.

Action Steps:

- a. Continue to strengthen outreach and connections with regional university teacher education programs to engage with talented future teachers early in their university experience.
- b. Continue to explore and implement partnerships with alternative certification programs and pathways.

Objective 3: Provide effective, research-based, and differentiated professional learning opportunities tied directly to the district strategic plan and aligned school improvement plans.

Action Steps:

- a. Collaborate across all school division departments to develop a five-year professional learning plan aligned to the strategic plan categories and focus areas.
- b. Work with schools to support them in developing differentiated professional learning plans that include implementation follow-up support, job-embedded strategies and best practices for effective professional learning communities.
- c. Assure that district and school professional learning plans include research-based evaluation practices to determine if the professional learning is making a difference in employee performance and student achievement.

Goal 3, continued

Objective 4: Implement ongoing research-based leadership development opportunities for educational and support personnel to ensure a healthy pipeline of high quality leaders.

Action Steps:

- a. Identify and implement leadership development opportunities for principals, assistant principals and aspiring principals that will build their capacity as instructional leaders, visionaries, community engagement practitioners, learners and collaborators.
- b. Develop and implement a teacher leadership program for teachers who want to remain in the classroom, lead the learning of their colleagues, and significantly impact education in the division; the program should include research-based teacher leadership practices, incentives and recognitions.
- c. Implement ongoing leadership development opportunities for operations and support personnel identified as high-flyers aligned with best practices in business leadership development and the future needs of the school division.

Objective 5: Continue to provide ongoing support for new teachers and administrators through a comprehensive induction plan.

Action Steps:

- a. Collaborate with new teachers and administrators regularly using face-to-face communities of practice, ongoing coaching and various virtual strategies to provide support.
- b. Continue to develop and implement an effective mentoring program for new teachers and administrators aligned with mentoring best practices.



Family & Community Engagement

Strengthen school, family, and community involvement and perceptions.

Objective 1: Partner with families to strengthen understanding of academic standards, student progress, social-emotional development support and the importance of teachers and families working together.

Action Steps:

- a. Continue to strengthen the resources and information provided to families to support their child's education.
- b. Introduce families to resources that assist with student and family social-emotional needs.
- c. Continue to use the Internet, social media, and other tools to enhance parent and community partnerships and communication.

Objective 2: Identify and implement practices to increase positive perception of schools among families and community members.

Action Steps:

- a. Develop, implement and monitor consistent effective customer service practices across all schools in the division.
- b. Strengthen and monitor consistent positive school culture and climate practices across all schools in the division.
- c. Expand ongoing collaboration opportunities with businesses, military, faith-based, recreational, civic and city organizations to benefit students and families.



Finance & Operations

Ensure fiscal stability through sound financial practices and ensure high-quality school facilities.

Objective 1: Continue to develop and sustain sound financial management practices, stability, and efficiency based on best practices.

Action Step:

- a. Develop, monitor and evaluate an annual financial and debt plan aligned to the District Strategic Plan.

Objective 2: Continue to develop and sustain process efficiencies that make the best use of available resources.

Action Step:

- a. Monitor, evaluate and update processes as needed to assure optimum resource availability to support student and staff success factors.

Objective 3: School facilities will be safe and inviting places for students, families, staff, and the community.

Action Step:

- a. Monitor and increase safety, cleanliness, and overall appearance factors of facilities.

Objective 4: Maintain equipment and infrastructure to support technology integration.

Action Step:

- a. Continue to update virtual servers, switches, bandwidth, wireless capacity, and storage to meet demand as needed.

FUND OVERVIEW

The funds of the School Board consist of the General fund, Grants fund, Cafeteria fund, Textbook fund, and Risk Management fund. The former Construction fund was transferred to the City of Portsmouth in September 2014. All school division construction and building improvement needs, in excess of \$50,000 and with a useful life of 10 years or more, are now part of the City's Capital Improvement Program (CIP).



GENERAL FUND - General fund is the *main operating fund* for the division. It includes funds from state, local, federal and other sources for the fiscal operation of the school system.

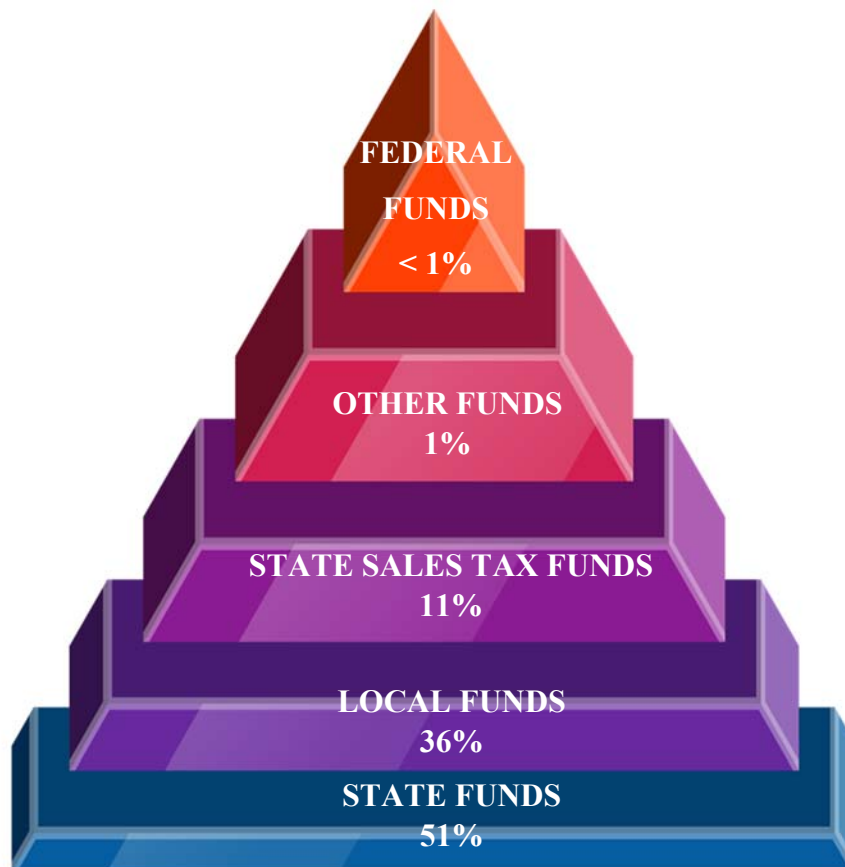
GRANTS FUND - The Grants fund is a special revenue fund which consists of federal, state, and local grant funding to be used for specific purposes that support and allow divisions to primarily expand expenditures to support instructional programs.

CAFETERIA FUND - The Cafeteria fund is a special revenue fund that supports food services operations at the division's schools.

TEXTBOOK FUND - The Textbook fund is a special revenue fund which is used exclusively for textbook expenditures.

RISK MANAGEMENT FUND - The Risk Management fund is an internal service fund that accounts for all expenditures associated with the Portsmouth Public Schools Self Insurance Health Plan, and insurance premiums and workers' compensation claims for which the School Board is liable, and for the payment of claims and legal fees, if necessary, on public liability claims arising from the operations of the School Board.

GENERAL FUND REVENUE SOURCES



**Percentages are based on the Fiscal Year 2017-18 adopted budget.

The main operating fund has five major types of revenues: Federal, Local, State, State Sales Tax and Other Revenue Funds.

STATE FUNDS include funding for basic aid to support the Standards of Quality (SOQ), categorical aid, and incentive program revenue to support specific programs and initiatives.

STATE SALES TAX in the amount of one and one-eighth cent is distributed by the state for public education based on the school-aged population that resides within the locality.

LOCAL FUNDS include the appropriation approved by City Council. The locality is required to match a portion of the funding from the State.

FEDERAL FUNDS include federal impact aid and Junior Reserve Officer Training Corps (JROTC) funds.

OTHER REVENUE FUNDS include Medicaid reimbursements, non-resident tuition, fees and rents from the use of school buildings, proceeds from the sale of surplus property, rebates, refunds, and grant indirect cost reimbursements.

OTHER FUNDS REVENUE SOURCES

GRANTS FUND:

Federal Grants

State Grants

Other Grants

Local Match—From General Fund

GRANTS include Federal, State, and Other grant funds awarded to the division. The majority of the grant revenue is earned on a reimbursement basis. The division incurs expenses and requests reimbursement from the applicable grantor.

For specific grants, the General fund is required to provide the grant a minimum amount of local funds (also referred to as local match) to support the purpose and use of the grant in the division.

CAFETERIA FUND:

Federal

State

Other

Charges for Services

Transfers in

FEDERAL funds make up the majority of revenue and come from the United States Drug Administration (USDA). A portion of funding comes from the state for the division's breakfast and lunch program. Funds are also received from students who pay for lunch. Additional funding is also earned through catering events/meetings.

RISK MANAGEMENT FUND:

Charges for Services:

General Fund

Grants Fund

Cafeteria Fund

Employee (Healthcare premium – portion)

Retirees (Healthcare premium 100%)

CHARGES FOR SERVICES include a fee based charge to the other funds and employees as part of the internal service funds to support workers' compensation and healthcare expenses. Employees pay a portion of the healthcare fee only. Retirees pay 100% of the healthcare fee.

TEXTBOOK FUND:

State Funds

Local Match—From General Fund

STATE funds are provided to divisions as part of the Standard of Quality for textbooks. The State requires the General fund to provide a minimum amount of local funds (also referred to as local match) for textbook purchases.

EXPENDITURE CATEGORIES

Estimated expenditures consist of cost estimates for the operation of regular day school, other education programs, and support services. The expenditure categories are as follows:

INSTRUCTION includes the activities that deal directly with the interaction between teachers and students. These activities include classroom instruction, guidance services, school social workers, homebound services, improvement of instruction, media services, and expenditures of the office of the principal.

ADMINISTRATION, ATTENDANCE AND HEALTH

includes activities associated with establishing and administering policy for Administration, Attendance and Health. Administration includes those activities concerned with establishing and administering policy for the school division, such as school board services, executive administration services, budget and planning, public information, human resources, financial services, and purchasing services. Attendance and Health Services includes activities whose primary purpose is the promotion and improvement of children's attendance at school, including activities associated with providing students with appropriate medical, dental, and nursing services as well as psychological and therapy services.

PUPIL TRANSPORTATION includes activities associated with transporting students to and from school as provided by state and federal law. This includes trips between home and school, and trips to and from school activities. Subcategories within pupil transportation include management, vehicle operation and maintenance services, and school bus purchases and leases.

OPERATIONS AND MAINTENANCE includes keeping facilities and vehicles in good operating condition. This would include safety and security services, equipment services, vehicle services, and warehouse operations as well as management services. Costs associated with building services, mainly keeping the physical facilities clean and ready for daily use, are also included in this area.

TECHNOLOGY includes the delivery of technology to the classroom in support of student instruction. In addition, technology supports other functional categories through the acquisition and maintenance of hardware and software as well as recommending policy and procedures that relate to technology activities in the division.

DEBT AND FUND TRANSFERS include payments for both principal and interest that service the debt of the school division and transfers between funds, such as from the General fund to the Grants fund, to satisfy local match requirements for grant programs.



EXPENDITURE TYPES

Within each expenditure classification are expenditure types. Expenditure types either comprise payroll or non-payroll costs. Payroll costs include salaries and benefits, such as employer Virginia Retirement System (VRS) contributions, health care costs, and FICA.

Non-payroll costs include capital outlay, materials and supplies, purchased services, other charges, and fund transfers. Equipment and materials and supplies cover tangible goods while purchased services covers intangible offerings provided by vendors. Examples of these services include occupational and speech therapy, consulting, and maintenance. Other charges capture costs, such as dues and memberships, energy and utility costs, and postage. Joint Operations cover tuition for SECEP and the DUAL ENROLLMENT/FIRST COLLEGE program. A brief description of each expenditure type is as follows:

SALARIES include payroll costs for full-time and part-time employees, as well as overtime expenses, supplements and other allowances.

BENEFITS include fringe benefits including Social Security, life insurance, retirement, medical insurance, and unemployment.

PURCHASED SERVICES include contractual services required by the division i.e., printing, maintenance agreements, advertising expenses, and other contracted services.

JOINT OPERATIONS include tuition costs paid by the division for special needs students and high school students.

OTHER CHARGES include payments of utilities, postage, telecommunications, insurance, rentals, travel, and other miscellaneous charges.

INTERNAL SERVICES include charges from the internal service fund for insurance premiums and workers' compensation claims for which the School Board is liable.

MATERIALS AND SUPPLIES include expenditures for commodities which are consumed, such as instructional materials, custodial supplies, building supplies, etc.

EQUIPMENT includes expenditures for new equipment and replacement equipment, such as computer equipment, furniture, educational and audiovisual equipment, motor vehicles, communications equipment and medical equipment. This category excludes any capital outlays associated with facilities acquired or constructed that exceed \$50,000. Such capital outlays are included in the City's CIP Budget.

DEBT/FUND TRANSFERS account for the transferring of monies to and from one fund (e.g., School General fund) to another fund (e.g., Textbook fund or Grants fund). There is no outstanding debt for the division.

FUND BALANCE CLASSIFICATIONS

Fund balance is categorized within one of five classifications based on the extent to which the School Board is bound to observe constraints imposed upon the use of resources in the governmental funds.

- The *non-spendable fund balance* category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It includes the long-term amount of inter-fund loans.
- The *restricted fund balance* is reported as restricted when constraints are placed on the use of resources either externally by creditors, grantors, contributors, laws and regulations, or through enabling legislation.
- The *committed fund balance* classification includes amounts that can be used only for the specific purposes determined by a formal action of the School Board - the highest level of authority.
- The *assigned fund balance* classification is intended to be used by the School Board for specific purposes that do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General fund, assigned amounts represent intended uses established by the School Board or the delegate – an authority delegated by appropriate action such as a resolution.
- The *unassigned fund balance* is the residual classification for the General fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

A fund balance of the School Board may be committed for a specific source of formal action, e.g., the approval of a contract would commit that fund balance for that specific purpose. When it is appropriate for a fund balance to be assigned, the School Board has delegated the authority to the Superintendent, or his designee, to assign the fund balance. In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

POLICIES, REGULATIONS, & PROCESS

Each year, Virginia State code requires the Division Superintendent to prepare an itemized budget to be presented to the School Board for adoption. This budget document serves as the financial outline of the division's education program and acts as the primary means of managing expenditures during the fiscal year (July 1 through June 30).

To manage the budget development process, the Superintendent prepares a calendar that identifies the necessary milestones to complete the next budget cycle. The budget calendar includes a number of public and private meetings between school leadership, the School Board, and the community. Towards the end of the budget calendar, the School Board hosts at least one advertised public hearing on the budget per State code. To meet the advertisement requirement, the division purchases an ad at least ten days prior in the local newspaper, the Virginian Pilot. The division then incorporates the community feedback from the public hearing into the School Board's budget, representing a reasonable compromise between academic expectations and economic realities.

Once adopted, the Superintendent administers the budget in accordance with School Board policies and applicable local, state, and federal regulations and laws. Beginning FY 2013-14, Portsmouth City Council appropriated the division funds by category. The next fiscal year, Portsmouth City Council began appropriated funds on a quarterly basis. Beginning FY 2016-17, the Grants fund no longer requires categorical or quarterly appropriation and the Risk Management fund no longer requires categorical appropriation.

Movement of Funds

The School Board authorizes the Superintendent to move funds between the accounts within each category as necessary. Beginning FY 2018-19, the School Board no longer must seek approval from City Council to move funds between categories.

While the Superintendent has final approval for all expenditures, the various departments and schools manage the funds allotted to them. Authorized budget adjustments are required to move funds. An automated workflow process is in place for the appropriate personnel to approve budget amendments and expenditures in the category for which they are responsible. Approvers are expected to ensure the Virginia Public Procurement Act and School Board Policies and Regulations are followed.

Budget Monitoring

Once the budget is formally adopted, the division maintains budgetary control through the MUNIS Enterprise Resource Planning (ERP) financial system using encumbrance accounting. The budget is consistently monitored and reviewed by the budget office.

The Purchasing department makes sure that money is spent in accordance with the Virginia Procurement Act. Additionally, large purchases must go through a formal requisition process which is facilitated in MUNIS.

On a day to day basis, the budget office relies on MUNIS electronic workflow to confirm that no account lines are overspent as well as monitoring budget transfer requests. Budget transfer requests, within categories, require the Chief Financial Officer's approval prior to being granted. The budget office also monitors for slow spending by departments and will contact departments/schools as deemed necessary.

Additionally, the budget office monitors revenue projections against actual revenue received. This step is vital especially with the trending decrease in ADM. The budget office may enact a temporary spending freeze in which all spending is temporarily centralized to help control spending in the event of significant changes in revenue projections versus actual.

Reporting

The budget office prepares a cash basis monthly report to the School Board that tracks revenue and expenses for all funds on a year-to-date basis. The report compares revenue and expenditures to the same time period for the previous year to provide context for the division's spending patterns. Each report is approved by the School Board and subsequently sent to City Council.

Additionally, management maintains an internal control structure designed to provide reasonable assurance that material errors or fraud are detected in a timely manner by employees in the normal course of performing their duties. The division is also audited annually by an external audit firm in conjunction with the production of its Comprehensive Annual Financial Report (CAFR). The modified accrual basis of accounting is used for financial reporting.

Modified Accrual Basis of Accounting

The modified accrual basis of accounting is a generally accepted accounting principal (GAAP) method under which revenues are recognized in the period they become available and measureable and expenditures are recognized in the period the associated liability was incurred. A revenue example would be the school division receiving revenue in July for state sales tax incurred in June. The sales tax would be recorded as June revenue under the modified accrual basis of accounting. An expenditure example would be the pay out of the last week of June payroll at the beginning of July. Since the expenditures are related to employee work at the end of June, the division must report the expenditures in June.

The modified accrual basis of accounting is different than the cash basis of accounting. The cash basis of accounting is a method of recording transactions for revenue and expenditures only when the corresponding cash is received or payments are made. Utilizing the same revenue and expenditure examples above, the sales tax received in July and the June payroll paid in July would both be reported as part of July financial results under the cash basis of accounting.

Reappropriation

At the end of the fiscal year, the School Board is required to request reappropriation of all unspent appropriated funds and is also required to request reappropriation of lawfully encumbered funds at the end of the fiscal year from City Council. Funds not approved by City Council for reappropriation are transferred back to City. Additionally, in accordance with School Board Policy DA, any encumbrances not liquidated after 120 days have to be approved by the School Board to remain open.

BUDGET DEVELOPMENT PROCESS

Throughout the process, the Office of Budget and Planning (budget office) periodically reviews staffing levels, revenue and expenditure projections, and monitors state legislation. The budget office conducted an online survey in the fall to solicit feedback. The feedback was incorporated with the School Board's mission and goals to develop the FY 2018-19 budget.

Non-payroll

In the Fall, schools and departments submit non-payroll budget requests for the upcoming year electronically through the division's ERP financial system, MUNIS. Simultaneously, the budget office meets with departments and schools to discuss funding needs for the upcoming year. The Assistant Superintendent of Curriculum and Instruction and/or Chief of Schools are involved with the discussions with the instructional administration. This step allows the budget office to gain greater insight into the proposed activities and changes from the current and preceding years for each school and department and assess how the request align with the Strategic Plan and public feedback from the budget survey.

Beginning with FY 2017-18, the budget office did not use a funding formula for non-payroll requests but took the approach of providing the funding requested by each school while making adjustments where necessary based on any schools that were outliers compared to other schools serving the same grade level and similar student population. High schools receive funds to offer a freshman orientation for rising 9th graders. Based on positive feedback from schools, this approach was used for FY 2018-19.

On a per school basis, the budget office provides a lump sum per year for athletic and band programs. As the division continues to strive towards full accreditation at all schools, the FY 2018-19 budget includes funding for Standards of Learning (SOL) tutoring.

Non-payroll expenditures for the Cafeteria fund are estimated by the Food Services Coordinator. The budget office meets with the Coordinator to discuss anticipated changes in expenditures.

Non-payroll expenditures for the Risk Management fund are primarily based on historical expenses, third party projections for healthcare claims and administrative expenses, current and projected healthcare enrollment and current open workers compensation claims.

Grants and Textbook fund non-payroll expenditures are estimated based on expected grant and state funding amounts, respectively.

Payroll

During November/early December, the budget office gathers information on any changes to healthcare costs, retirement benefits, and other payroll related costs.

An initial projection of payroll is done based on current filled and vacant positions in place at that point in time and all necessary adjustments for benefits are incorporated into the payroll projection.

After the initial projection, an in-house staffing tool is utilized to determine the proper staffing ratios based on various factors such as state Standard of Quality requirements, projected average daily member (ADM), square footage etc.

The budget office meets with Curriculum and Instruction, Human Resources and the Superintendent to go through current staffing levels, open vacancies, and new positions proposed during the department and school budget meetings to determine adjustments needed.

Capital Improvement Plan

The capital projects budget is based on a 5 year Capital Improvement Plan. The budget office meets with the Operations and the Superintendent to discuss the projects that need to be requested and submitted for funding from the City. During these meetings, Operations provides a status of previous funded projects and identifies which projects need to be requested for funding. The capital projects selected are presented to the School Board and to City leadership. Currently, the division is in the process of developing a new 5 year Capital Improvement Plan based on the final results of a recent third party facility study completed January 2018.

Revenues

An initial projection of budgeted revenues is done based on the most recent available information which includes the Governor's proposed budget for the next fiscal year (released in mid-December). The budget office also meets with the Division Grant Writer to help identify additional grant revenue sources that may be available for the division to pursue based on the requests from the division.

Information concerning projected revenues and expenditures, related to the Grants fund and the Food Services fund are obtained from the Finance and Food Services departments, respectively. The projected Grants fund revenue is based on current grants awarded with the anticipation that the school division will receive the same grant funding in the upcoming year and anticipated new grant awards currently being pursued by the division. The Textbook fund budget is based on the projected state revenue and the minimum required local match as directed by the state.

The budget office then compares projected payroll and non-payroll costs for the next fiscal year to the initial revenue projection as of December. Any must fund items, such as Virginia Retirement System rate increases, are included in the budget first. Any projected costs not covered under the initial revenue projection are accumulated and analyzed with the Superintendent and are deemed unfunded needs.

Communication

The budget office incorporates the projected revenues, payroll projection, and approved non-payroll requests and unfunded needs into the Superintendent's Estimate of Needs (SEON). The SEON is submitted and presented to the School Board in February. Any changes requested by the School Board are incorporated into the SEON and serves as the basis for the School Board's Proposed Budget.

As required by Virginia State Code, the School Board holds a public hearing on the Proposed Budget. The School Board and City Council also hold a joint meeting to discuss budgetary concerns.

The budget office continues to review initial projection of costs for any changes and communicates the changes in a timely manner to the Superintendent and School Board. Additionally, the budget office stays abreast of changes in the initial revenue projections with the release of the Senate, House, and eventually the final State budget.

The Division Superintendent meets with the City Manager on a regular basis to discuss division matters (including budget discussions).

The budget office provides updates to the public primarily through social media, division website, and public meetings.

Budget Adoption

By the end of March, the School Board formally adopts the Proposed Budget and these figures are sent to the City Manager for inclusion into the City Manager's Proposed Budget to City Council.

The City hosts public work sessions to address the City budget which includes the School Board budget. Any changes to local funding are communicated to the School Board and any necessary changes are incorporated.

City Council approves the City's budget (which includes the School Board budget) and the School Board adopts the final budget by the end of May.



2018-19 Budget Development Calendar

September

Thursday, September 7, 2017	5:30 p.m.	School Board Public Work Session
Thursday, September 21, 2017	7:00 p.m.	School Board Meeting (Council Chambers)
Wednesday, September 27, 2017	10:00 a.m.	PPS Budget Team Kick-Off Meeting

October

Individual school and departmental budget meetings throughout the month

Wednesday, October 11, 2017	4:00 p.m.	School Board Finance Committee Meeting
Thursday, October 12, 2017	5:30 p.m.	School Board Public Work Session
Thursday, October 19, 2017		School & Department Budget instructions distributed; School & Departments begin submitting their budgets
Thursday, October 26, 2017	7:00 p.m.	School Board Meeting (Council Chambers) FY 2018-19 Budget Survey Released to Staff and Public

November

Individual school and departmental budget meetings throughout the month

Thursday, November 9, 2017	7:00 p.m.	School Board Meeting (City Council Chambers) Input from Employee Groups presented to School Board
TBD (November 13, 2017)	10:00 a.m.	Senior Staff and Budget Department meet to discuss FY 2018-19
Tuesday, November 14, 2017	3:30 p.m.	School Board Finance Committee Meeting
Thursday, November 30, 2017		Budget Survey Closes Final input due in MUNIS from schools and departments

December

Friday, December 1, 2017		Preparation begins for Superintendent's Estimate of Needs
Thursday, December 7, 2017	5:30 p.m.	School Board Public Work Session
Thursday, December 14, 2017	7:00 p.m.	School Board Meeting (Council Chambers)
Mid-December		Governor submits his Executive Budget Document - Preliminary State Revenue Estimates



2018-19 Budget Development Calendar

January

Thursday, January 11, 2018	5:30 p.m.	School Board Annual Organizational Meeting FY 2018-19 Budget Update
Wednesday, January 24, 2018	3:30 p.m.	School Board Finance Committee Meeting
Thursday, January 25, 2018	7:00 p.m.	School Board Meeting (Council Chambers) Facility Study Presentation

February

Thursday, February 8, 2018	5:30 p.m.	School Board Public Work Session Superintendent Presentation of FY 2018-19 Statement of Needs to School Board
Thursday, February 22, 2018	7:00 p.m.	School Board Meeting (Council Chambers) School Board holds Public Hearing on FY 2018-19 Proposed
Monday, February 26, 2018	6:00 p.m.	Joint City Council Meeting with School Board

March

Delayed		General Assembly Release Adopted State Budget - Revised State Revenue Estimates
Thursday, March 8, 2018	5:30 p.m.	School Board Public Work Session
Thursday, March 22, 2018	7:00 p.m.	School Board Meeting (Council Chambers) School Board approves FY 2018-19 Proposed Operating Budget
Friday, March 23, 2018		Division Superintendent Submission of School Board Proposed Budget to City Manager
Monday, March 26, 2018	5:00 p.m.	City Manager Presentation of Proposed Budget

April

Monday, April 16, 2018	4:00 p.m.	School Board Finance Committee Meeting
Thursday, April 19, 2018	5:30 p.m.	School Board Public Work Session
Tuesday, April 24, 2018	7:00 p.m.	City Council Meeting-Public Hearing on FY 2018-19 Proposed Budget and Tax Rates
Thursday, April 26, 2018	7:00 p.m.	School Board Meeting (Council Chambers)



2018-19 Budget Development Calendar

May

Tuesday, May 8, 2018	7:00 p.m.	Regular City Council Meeting - Adoption of Operating Budget, School Budget, CIP and Tax Rates
Thursday, May 10, 2018	5:30 p.m.	School Board Public Work Session School Board reviews priorities and discusses options for any adjustments to the City Council adopted FY 2018-19 Operating Budgets
Friday, May 18, 2018	10:00 a.m.	Final draft of School Board Operating Budget due
Thursday, May 24, 2018	7:00 p.m.	School Board Meeting (Council Chambers) School Board adopts the final FY 2018-19 Operating Budget

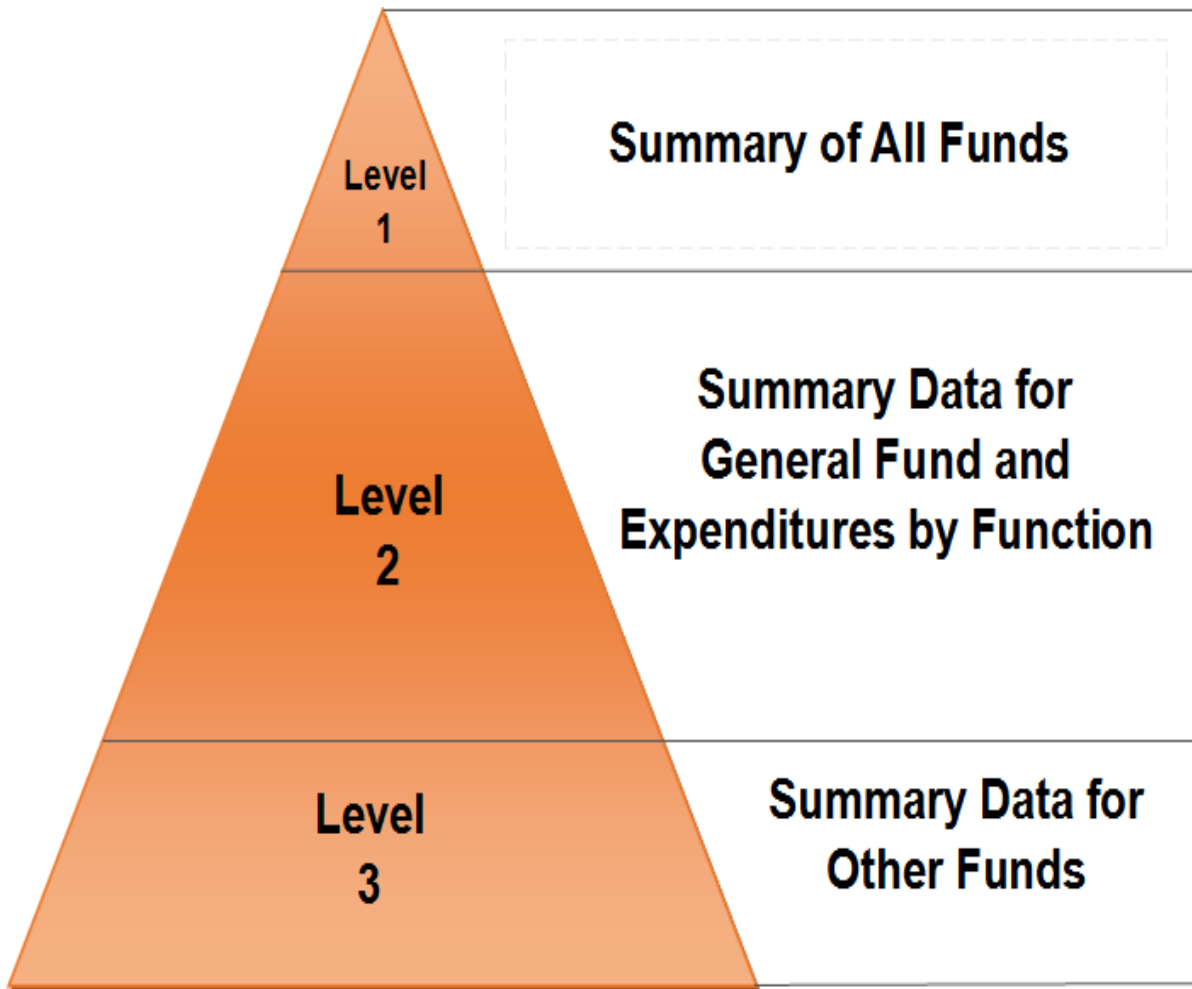
Financial Section



THIS PAGE LEFT BLANK INTENTIONALLY

FINANCIAL PYRAMID APPROACH

The Financial section is outlined in a pyramid approach starting with high level detail of the FY 2018-19 budget for all funds and gradually progressing to detailed information by fund, revenue, and expenditures. For the General fund, additional detail is provided by function and object code.



All Revenues and Expenditures - Level 1

The following summary data for all funds (Level 1) includes actual amounts as reported in the Comprehensive Annual Financial Report which is presented using the modified accrual basis of accounting. Budget and proposed amounts are based on the FY 2017-18 Original Adopted Budget and the FY 2018-19 Adopted Budget, respectively.

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
General Fund									
Revenues	153,606,173	137,400,506	141,647,962	144,303,313	145,327,289	1,023,976	144,728,659	144,791,325	144,734,832
Expenditures	143,843,179	138,221,642	142,898,050	142,734,721	143,919,184	1,184,463	143,370,969	143,439,832	143,389,536
Other Financing Sources (Transfers in)	608,720	301,433	-	-	-	-	-	-	-
Other Financing Uses (Transfers out)	(1,549,226)	(1,658,473)	(1,826,129)	(1,568,592)	(1,408,105)	160,487	(1,357,690)	(1,351,493)	(1,345,296)
Net activity	8,822,488	(2,178,176)	(3,076,217)	-	-	-	-	-	-
Beginning Fund Balance	4,874,061	7,932,853	5,754,677	-	-	-	-	-	-
Restatement Fund Balance***	(5,763,696)	-	-	-	-	-	-	-	-
Ending Fund Balance	7,932,853	5,754,677	2,678,460	-	-	-	-	-	-
Grants Fund									
Revenues	15,892,556	14,675,716	16,403,354	17,687,599	17,024,369	(663,230)	16,759,281	16,665,260	16,665,260
Expenditures	17,587,485	15,991,007	16,918,821	18,867,500	18,089,580	(777,920)	17,780,298	17,686,277	17,686,277
Other Financing Sources (Transfers in)	1,170,456	1,276,708	1,180,687	1,179,901	1,065,211	(114,690)	1,021,017	1,021,017	1,021,017
Other Financing Uses (Transfers out)	(382,872)	-	-	-	-	-	-	-	-
Net activity	(907,345)	(38,583)	665,220	-	-	-	-	-	-
Beginning Fund Balance	1,192,291	284,946	246,363	-	-	-	-	-	-
Ending Fund Balance	284,946	246,363	911,583	-	-	-	-	-	-
Cafeteria Fund									
Revenues	7,225,411	7,907,863	8,151,922	8,603,790	8,886,727	282,937	8,905,049	8,905,049	8,905,049
Expenditures	7,857,325	8,193,183	8,200,378	8,618,790	8,901,727	282,937	8,920,049	8,920,049	8,920,049
Other Financing Sources (Transfers in)	13,682	20,934	268,178	15,000	15,000	-	15,000	15,000	15,000
Other Financing Uses (Transfers out)	(218,756)	-	-	-	-	-	-	-	-
Net activity	(836,988)	(264,386)	219,722	-	-	-	-	-	-
Beginning Fund Balance	1,734,366	897,378	632,992	-	-	-	-	-	-
Ending Fund Balance	897,378	632,992	852,714	-	-	-	-	-	-

All Revenues and Expenditures - Level 1

The following summary data for all funds (Level 1) includes actual amounts as reported in the Comprehensive Annual Financial Report which is presented using the modified accrual basis of accounting. Budget and proposed amounts are based on the FY 2017-18 Original Adopted Budget and the FY 2018-19 Adopted Budget, respectively.

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
Textbook Fund									
Revenues	1,005,673	991,094	1,130,731	1,122,495	1,006,927	(115,568)	987,880	968,905	949,930
Expenditures	1,237,968	897,901	390,590	1,496,186	1,334,821	(161,365)	1,309,553	1,284,381	1,259,209
Other Financing Sources (Transfers in)	365,088	360,831	377,264	373,691	327,894	(45,797)	321,673	315,476	309,279
Other Financing Uses (Transfers out)	(7,092)	-	-	-	-	-	-	-	-
Net activity	125,701	454,024	1,117,405	-	-	-	-	-	-
Beginning Fund Balance	862,997	988,698	1,442,722	-	-	-	-	-	-
Ending Fund Balance	988,698	1,442,722	2,560,127	-	-	-	-	-	-
Risk Management Fund									
Revenues	955,702	17,167,412	19,505,527	19,700,000	19,636,800	(63,200)	19,636,800	19,636,800	19,636,800
Expenditures	232,788	19,645,221	18,891,166	19,700,000	19,636,800	(63,200)	19,636,800	19,636,800	19,636,800
Transfer to City of Portsmouth	-	-	(252,628)	-	-	-	-	-	-
Other Financing Sources/(uses)	-	-	-	-	-	-	-	-	-
Net activity	722,914	(2,477,809)	361,733	-	-	-	-	-	-
Beginning Net Position	948,062	7,434,672	4,956,863	-	-	-	-	-	-
Restatement Net Position***	5,763,696	-	-	-	-	-	-	-	-
Ending Net Position	7,434,672	4,956,863	5,318,596	-	-	-	-	-	-
Reprographics Fund**									
Revenues	343,298	-	-	-	-	-	-	-	-
Expenditures	519,912	19,763	-	-	-	-	-	-	-
Nonoperating revenues/(expenses)	-	1,199	-	-	-	-	-	-	-
Transfer out	(19,561)	(301,433)	-	-	-	-	-	-	-
Net activity	(196,175)	(319,997)	-	-	-	-	-	-	-
Beginning Fund Balance	516,172	319,997	-	-	-	-	-	-	-
Ending Fund Balance	319,997	-	-	-	-	-	-	-	-

All Revenues and Expenditures - Level 1

The following summary data for all funds (Level 1) includes actual amounts as reported in the Comprehensive Annual Financial Report which is presented using the modified accrual basis of accounting. Budget and proposed amounts are based on the FY 2017-18 Original Adopted Budget and the FY 2018-19 Adopted Budget, respectively.

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
Total All Funds									
Revenues	179,028,813	178,142,591	186,839,496	191,417,197	191,882,112	(464,915)	191,017,669	190,967,339	190,891,871
Expenditures	171,278,657	182,968,717	187,299,005	191,417,197	191,882,112	(464,915)	191,017,669	190,967,339	190,891,871
Nonoperating revenues/(expenses)	-	1,199	-	-	-	-	-	-	-
Other Financing Sources (Transfers in)	2,157,946	1,959,906	1,826,129	1,568,592	1,408,105	160,487	1,357,690	1,351,493	1,345,296
Other Financing Uses (Transfers out)	(2,177,507)	(1,959,906)	(1,826,129)	(1,568,592)	(1,408,105)	(160,487)	(1,357,690)	(1,351,493)	(1,345,296)
Transfer to City of Portsmouth	-	-	(252,628)	-	-	-	-	-	-
Net activity	7,730,595	(4,824,927)	(712,137)	-	-	-	-	-	-
Beginning Fund Balance	10,127,949	17,858,544	13,033,617	-	-	-	-	-	-
Restatement Fund Balance***	-	-	-	-	-	-	-	-	-
Ending Fund Balance	17,858,544	13,033,617	12,321,480	-	-	-	-	-	-

** Reprographic Fund closed in FY 2016. Remaining fund balance was transferred to the General Fund

***FY 2016 Beg. Fund Balance was restated for the Risk Management Fund and General Fund due to the movement of the Health Self Insurance Plan

HISTORICAL FUND BALANCE CHANGES

General Fund:

The General fund balance experienced a decrease in fund balance between FY 2015-16 and FY 2016-17. As part of the FY 2016-17 fiscal year, \$3.0 million of fund balance was transferred back to the City of Portsmouth for Education capital improvement projects.

Non-spendable fund balance represents inventory that continues to be used for division operations. Assigned fund balance is used to fund subsequent year expenditures ordered and encumbered in the previous fiscal year. Unassigned fund balance is used to cover subsequent year projected revenue gaps for additional expenditures.

		FY 2014-15	FY 2015-16	FY 2016-17
General Fund				
Non-spendable	\$	274,185	267,125	218,658
Restricted		-	-	-
Committed		-	-	-
Assigned		12,450,267	453,425	1,827,694
Unassigned		972,097	5,034,127	632,108
Ending Fund Balance	\$	13,696,549	5,754,677	2,678,460

Grants Fund:

The Grants fund balance experienced an increase in restricted fund balance between FY 2015-16 and FY 2016-17. This increase is primarily due to increased revenue received in FY 2016-17 due to procedural changes in processing reimbursement billings to aid in the reduction of timing lags between when expenditures are incurred and when grant reimbursement is received. Restricted fund balance is used to continue to fund grant program expenditures through the remaining award periods for the specific grants.

		FY 2014-15	FY 2015-16	FY 2016-17
Grants Fund				
Non-spendable	\$	-	-	-
Restricted		332,976	246,363	911,583
Committed		-	-	-
Assigned		-	-	-
Unassigned		(48,030)	-	-
Ending Fund Balance	\$	284,946	246,363	911,583

Cafeteria Fund:

The Cafeteria fund balance experienced an increase in fund balance between FY 2015-16 and FY 2016-17. This increase is primarily due to reduced expenses from operational changes, such as utilizing part time food service personnel instead of full time personnel, and purchasing more higher priced food supplies that require less preparation time versus lower priced food supplies that require significant preparation time.

Nonspendable fund balance represents inventory that continues to be used for food service operations. Restricted fund balance are used to fund food service expenditures in subsequent years and projected revenue gaps in the subsequent year.

		FY 2014-15	FY 2015-16	FY 2016-17
<i>Cafeteria Fund</i>				
Non-spendable	\$	25,787	4,926	11,719
Restricted		871,591	628,066	840,995
Committed		-	-	-
Assigned		-	-	-
Unassigned		-	-	-
Ending Fund Balance	\$	897,378	632,992	852,714

Textbook Fund:

The Textbook fund balance experienced an increase in fund balance between FY 2015-16 and FY 2016-17. This increase is primarily due to no textbook reviews finalized by the State in 2016 and 2017.

Restricted fund balance are used to fund textbook expenditures in subsequent years based on the VDOE adoption schedule, textbook replacement needs, and other non-core subjects (i.e. World Languages) textbooks. A portion of textbook funds are used to fund other instructional materials that are aligned with the SOL.

		FY 2014-15	FY 2015-16	FY 2016-17
<i>Textbook Fund</i>				
Non-spendable	\$	-	-	-
Restricted		988,698	1,442,722	2,560,127
Committed		-	-	-
Assigned		-	-	-
Unassigned		-	-	-
Ending Fund Balance	\$	988,698	1,442,722	2,560,127

Risk Management Fund:

The Risk Management fund is not categorized using the fund balance categories above. The Risk Management fund reports net position on an annual basis. The net position within this fund is a reserve source of funding to protect the school division for unexpected and/or large losses and claims (arising from self insured programs, legal claims, etc.). The FY 2016-17 net position increased from FY 2015-16 due to increased insurance recoveries in FY 2016-17.

		FY 2014-15	FY 2015-16	FY 2016-17
Net Position	\$	7,434,672	4,956,863	5,318,596

FY 2018-19 GENERAL FUND BUDGET

The General fund is the main operating fund for the division and funds the majority of the division's expenditures. FY 2018-19 budget is \$145,327,289. The budget is based on the Governor's State Budget. As of the date of this publication, the state has not adopted a budget. Once the state budget is adopted this could impact the total budget for the General Fund.

REVENUES	FY 2017 - 18 ADOPTED BUDGET	FY 2018 - 19 ADOPTED BUDGET	Dollar Change	Percent Change
CITY FUNDS	\$ 52,400,000	\$ 52,796,045	\$ 396,045	1%
FEDERAL FUNDS	600,000	828,000	228,000	38%
OTHER REVENUE FUNDS	1,707,495	2,084,499	377,004	22%
SALES TAX	15,395,174	15,809,649	414,475	3%
STATE FUNDS	74,200,644	73,809,096	(391,548)	-1%
TOTAL REVENUE	\$ 144,303,313	\$ 145,327,289	\$ 1,023,976	0.71%

EXPENDITURES	FY 2017 - 18 ADOPTED BUDGET	FY 2018 - 19 ADOPTED BUDGET	Dollar Change	Percent Change
INSTRUCTION	\$ 106,446,910	\$ 105,816,739	\$ (630,171)	-0.59%
ADMINISTRATION ATTENDANCE & HEALTH	8,619,319	9,215,968	596,649	6.92%
PUPIL TRANSPORTATION	6,433,474	6,700,486	267,012	4.15%
OPERATIONS AND MAINTENANCE	14,144,522	15,351,579	1,207,057	8.53%
DEBT/FUND TRANSFERS	3,086,922	1,408,105	(1,678,817)	-54.38%
INFORMATION TECHNOLOGY	5,572,166	6,834,412	1,262,246	22.65%
TOTAL EXPENDITURES	\$ 144,303,313	\$ 145,327,289	\$ 1,023,976	0.71%

General Fund Budget Highlights:

Increased revenue of about \$1.0 million.

Provide a 2% compensation increase to all employees (approx. \$1.9 million)

Add 6 additional Instructional Positions (approx. \$0.2 million)

Add 14 additional School Security Officers and Operations Positions (approx. \$0.7 million)

Reduce Healthcare budget for changes in health plans (implemented 1/1/2018) and projection adjustments (approx. \$0.8 million)

Reduce VRS professional plan employer contribution due to decrease in required VRS contribution rate for FY 2018-19 and other reductions to expenses (approx. \$0.2 million)

Reduce payroll through the elimination of 8 teacher and clerical vacancies (approx. 0.5 million)

Reduce non-payroll by around 1% (approx. \$0.3 million)

General Fund Revenues - Level 2

The following table is a breakout of General Fund revenues by classification.

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
State Revenues									
SALES TAX RECEIPTS	\$ 14,878,325	\$ 15,046,394	\$ 15,161,431	\$ 15,395,174	\$ 15,809,649	\$ 414,475	\$ 16,157,040	\$ 16,157,040	\$ 16,157,040
BASIC AID	43,325,854	42,599,805	43,893,691	43,268,746	43,747,848	479,102	42,459,214	43,137,786	43,137,786
COMPENSATION SUPPLEMENT	-	751,516	-	442,249	-	(442,249)	678,572	-	-
CAREER & TECH ED SOQ	736,563	727,974	750,203	743,096	757,756	14,660	743,379	743,379	743,379
GIFTED EDUCATION SOQ	487,584	481,898	493,284	488,611	498,524	9,913	489,065	489,065	489,065
SPECIAL EDUCATION SOQ	5,072,950	5,013,794	4,727,304	4,682,524	4,845,651	163,127	4,763,497	4,763,497	4,763,497
PREV/INTERV/REMEDI SOQ	2,728,397	2,696,580	2,805,552	2,778,976	2,741,881	(37,095)	2,689,860	2,689,860	2,689,860
REMEDIATION SUMMER SCHOOL	160,912	190,619	167,826	168,952	162,027	(6,925)	157,000	157,000	157,000
ESL	61,116	40,002	69,304	72,685	119,682	46,997	154,166	154,166	154,166
TCHR RETIREMENT-INSTR	5,685,024	5,454,680	5,796,085	6,392,663	6,221,576	(171,087)	6,103,537	6,103,537	6,103,537
SOCIAL SECURITY INSTR	2,790,641	2,758,099	2,815,829	2,789,156	2,821,644	32,488	2,768,110	2,768,110	2,768,110
GROUP LIFE INS INSTR	176,360	174,304	195,258	193,409	189,439	(3,970)	185,845	185,845	185,845
AT RISK	2,756,906	2,723,937	2,988,234	2,964,916	2,777,390	(187,526)	2,809,403	2,872,069	2,815,576
K-3 PRIM CLASS REDUCT	3,674,587	3,640,788	3,557,185	3,604,336	3,494,099	(110,237)	3,428,758	3,428,758	3,428,758
REGULAR FOSTER CHILDREN	43,639	62,837	42,066	89,383	145,976	56,593	158,081	158,081	158,081
HOMEBOUND	92,583	102,120	111,373	113,601	113,147	(454)	113,713	113,713	113,713
REGIONAL TUITION PROG	2,503,643	2,418,259	2,346,224	2,616,964	2,441,344	(175,620)	2,488,034	2,488,034	2,488,034
CTE - EQUIP	17,417	-	-	-	-	-	-	-	-
CTE - OCCUPATION PREP	984	-	-	-	-	-	-	-	-
SP ED FOSTER CHILDREN	89,788	65,882	41,615	-	-	-	-	-	-
VIRTUAL ADVANCED PLACEMENT	2,220	2,378	-	-	-	-	-	-	-
PROJECT GRADUATION	-	33,302	-	-	-	-	-	-	-
INDUSTRY CERTIFICATION COSTS	14,468	-	-	-	-	-	-	-	-
WORKPLACE READINESS ASSESSMENT	3,234	-	-	-	-	-	-	-	-
ADD ASST RETIREMENT INFLATION	-	-	-	-	-	-	-	-	-
SUPPLEMENTAL LOTTERY PER PUPIL	-	-	540,146	2,790,377	2,731,112	(59,265)	2,672,840	2,672,840	2,672,840
Total State Revenues	85,303,195	84,985,167	86,502,610	89,595,818	89,618,745	22,927	89,020,115	89,082,781	89,026,288
Local Revenues									
CITY OF PORTSMOUTH	52,400,000	51,200,000	52,400,000	52,400,000	52,796,045	396,045	52,796,045	52,796,045	52,796,045
Total Local Revenues	52,400,000	51,200,000	52,400,000	52,400,000	52,796,045	396,045	52,796,045	52,796,045	52,796,045

General Fund Revenues - Level 2

The following table is a breakout of General Fund revenues by classification.

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
Federal Revenues									
IMPACT AID	322,103	376,654	575,409	400,000	575,000	175,000	575,000	575,000	575,000
JROTC	241,746	246,380	252,648	200,000	253,000	53,000	253,000	253,000	253,000
Total Federal Revenues	563,849	623,034	828,057	600,000	828,000	228,000	828,000	828,000	828,000
Other Revenue									
MISCELLANEOUS	1,110,826	589,679	1,911,930	1,707,495	2,010,000	302,505	2,010,000	2,010,000	2,010,000
INTEREST	223	2,626	5,365		74,499	74,499	74,499	74,499	74,499
Total Other Revenues	1,111,049	592,305	1,917,295	1,707,495	2,084,499	377,004	2,084,499	2,084,499	2,084,499
Transfers In from Other Funds	608,720	301,433	-	-	-	-	-	-	-
Charges for Services***									
HEALTH SELF INSURANCE PLAN	14,836,800	-	-	-	-	-	-	-	-
Total Charges for Services	14,836,800	-	-	-	-	-	-	-	-
Subtotal General Fund Revenue	\$ 154,823,614	\$ 137,701,938	\$ 141,647,962	\$ 144,303,313	\$ 145,327,289	\$ 1,023,976	\$ 144,728,659	\$ 144,791,325	\$ 144,734,832

***Charges for Services were accounted for in Risk Management Fund starting July 1, 2015

State Funding impacted by changes in Average Daily Membership

Budget Forecasts:

State budget projections for FY 2021 and FY 2022 cannot be reasonably projected since they are a separate biennium budget which the state will begin working on in FY 2020. The state updates the various factors that impact funding such as the SOQ formula, average salaries, ADM, per pupil amounts for Special Education, and fringe benefit rates. As such, state amounts are projected to stay flat due to limited information available concerning future state budgets.

For FY 2019-20, the budget is projected to decrease by about \$598,000 primarily due to state funding changes in the Governor's budget. The state budget is not finalized thus this projection is subject to change. Much of this decrease will be due to changes in ADM; as such the division will analyze staffing based on reduced students and will likely have to reduce the number of teachers through attrition to balance the budget.

General Fund Expenditures by Category and Type - Level 2

The following table is a breakout of General Expenditures by Category and Expenditure Type.

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
Instruction									
Salaries	\$ 64,713,057	\$ 67,183,653	\$ 68,131,653	\$ 70,529,774	\$ 69,712,267	\$ (817,507)	\$ 69,331,958	\$ 69,376,453	\$ 69,331,958
Benefits	25,877,856	24,581,525	26,321,053	28,002,420	27,491,031	(511,389)	27,333,931	27,358,299	27,333,931
Purchased Services	820,342	1,028,141	1,163,090	816,498	629,305	(187,193)	629,305	629,305	629,305
Joint Operations	4,406,667	4,469,180	4,887,817	5,018,637	5,173,627	154,990	5,173,627	5,173,627	5,173,627
Other Charges	313,769	446,258	331,983	498,354	391,020	(107,334)	391,020	391,020	391,020
Internal Services	257,415	178,612	283,722	-	395,587	395,587	395,587	395,587	395,587
Materials/Supplies	1,913,177	1,793,747	1,425,894	1,552,727	1,998,402	445,675	1,998,402	1,998,402	2,016,969
Equipment	39,998	59,522	1,124,649	28,500	25,500	(3,000)	25,500	25,500	25,500
Transfer to City of Portsmouth	-	-	3,032,024	-	-	-	-	-	-
Total Instruction	98,342,281	99,740,638	106,701,885	106,446,910	105,816,739	(630,171)	105,279,330	105,348,193	105,297,897
Administration, Attendance, Health									
Salaries	3,839,331	4,147,937	4,265,618	4,935,235	5,041,871	106,636	5,041,871	5,036,986	5,036,986
Benefits	1,686,663	1,754,332	1,544,383	1,877,301	1,897,939	20,638	1,897,939	1,897,939	1,897,939
Purchased Services	895,462	925,557	1,306,335	1,471,994	1,177,580	(294,414)	1,177,580	1,177,580	1,177,580
Joint Operations	-	-	-	-	-	-	-	-	-
Other Charges	323,375	266,837	365,504	249,788	187,420	(62,368)	187,420	192,305	192,305
Internal Services	512,337	338,269	889,041	-	843,208	843,208	843,208	843,208	843,208
Materials/Supplies	43,342	40,559	52,774	45,597	57,950	12,353	57,950	57,950	57,950
Equipment	629	25,598	80,641	39,404	10,000	(29,404)	10,000	10,000	10,000
Total Administration, Attendance, Health	7,301,138	7,499,088	8,504,297	8,619,319	9,215,968	596,649	9,215,968	9,215,968	9,215,968
Pupil Transportation									
Salaries	3,042,161	3,416,837	3,550,594	3,306,097	3,663,232	357,135	3,663,232	3,663,232	3,663,232
Benefits	2,153,487	1,570,707	1,716,470	1,865,136	1,815,464	(49,672)	1,815,464	1,815,464	1,815,464
Purchased Services	649,790	663,471	743,288	759,106	693,430	(65,676)	693,430	693,430	693,430
Joint Operations	-	-	-	-	-	-	-	-	-
Other Charges	177,744	181,250	1,527	1,803	1,700	(103)	1,700	1,700	1,700
Internal Services	79,557	52,528	50,729	-	105,330	105,330	105,330	105,330	105,330
Materials/Supplies	479,723	405,971	385,228	500,000	420,000	(80,000)	420,000	420,000	420,000
Equipment	34,016	124,559	1,327	1,332	1,330	(2)	1,330	1,330	1,330
Total Pupil Transportation	6,616,479	6,415,322	6,449,163	6,433,474	6,700,486	267,012	6,700,486	6,700,486	6,700,486

General Fund Expenditures by Category and Type - Level 2

The following table is a breakout of General Expenditures by Category and Expenditure Type.

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
Operations and Maintenance									
Salaries	5,062,754	5,277,367	5,648,490	5,359,735	6,004,473	644,738	6,004,473	6,004,473	6,004,473
Benefits	2,361,362	2,114,102	2,370,931	2,369,039	2,602,691	233,652	2,602,691	2,602,691	2,602,691
Purchased Services	2,872,558	2,759,793	2,032,266	1,956,860	2,009,310	52,450	2,009,310	2,009,310	2,009,310
Joint Operations	-	-	-	-	-	-	-	-	-
Other Charges	4,287,039	3,959,530	3,502,962	3,539,394	3,626,490	87,096	3,615,684	3,615,684	3,615,684
Internal Services	92,911	61,344	44,906	-	117,275	117,275	117,275	117,275	117,275
Materials/Supplies	530,978	619,671	959,061	569,494	640,440	70,946	640,440	640,440	640,440
Equipment	158,134	1,256,257	910,866	350,000	350,900	900	350,900	350,900	350,900
Total Operations and Maintenance	15,365,735	16,048,063	15,469,482	14,144,522	15,351,579	1,207,057	15,340,773	15,340,773	15,340,773
Technology									
Salaries	1,351,161	1,510,003	1,481,470	1,595,740	2,620,411	1,024,671	2,620,411	2,620,411	2,620,411
Benefits	685,853	544,917	604,773	704,153	1,034,051	329,898	1,034,051	1,034,051	1,034,051
Purchased Services	734,981	954,238	754,075	1,188,822	1,165,100	(23,722)	1,165,100	1,165,100	1,165,100
Joint Operations	-	-	-	-	-	-	-	-	-
Other Charges	77,511	323,707	285,231	283,347	278,050	(5,297)	278,050	278,050	278,050
Internal Services	374	247	-	-	400	400	400	400	400
Materials/Supplies	779,360	923,478	868,751	858,110	933,400	75,290	933,400	933,400	933,400
Equipment	1,508,425	4,184,330	720,693	941,994	803,000	(138,994)	803,000	803,000	803,000
Transfer to City of Portsmouth	-	-	26,814	-	-	-	-	-	-
Total Technology	5,137,666	8,440,919	4,741,807	5,572,166	6,834,412	1,262,246	6,834,412	6,834,412	6,834,412
Debt/Fund Transfers	3,532,420	1,736,085	2,857,546	3,086,922	1,408,105	(1,678,817)	1,357,690	1,351,493	1,345,296
Health Self Insurance Plan	9,096,686	-	-	-	-	-	-	-	-
Subtotal General Fund Expenditures	\$ 145,392,405	\$ 139,880,115	\$ 144,724,180	\$ 144,303,313	\$ 145,327,289	\$ 1,023,976	\$ 144,728,659	\$ 144,791,325	\$ 144,734,832

General Fund Expenditures by Function and Object Code

To provide a more detailed look at the General fund, the next pages provide a breakdown of the main operating fund by Function and Object Code.

Each appropriated category is made up of different functions which describe the activity or purpose of the budgeted expenditures. Function codes are used in line with the VDOE prescribed account code structure that is to be followed by all school divisions. Examples of function codes include: 61100 Classroom Instruction, 62160 Fiscal Services, and 64100 Management and Direction.

Function	Description
61XXX	Instruction
62XXX	Administration, Attendance, and Health
63XXX	Pupil Transportation
64XXX	Operations and Maintenance
67XXX	Debt/Fund Transfers
68XXX	Information Technology

Each Function is made up of different object codes. Object codes provide the lowest level of detail of the type of expenditures budgeted within the school system and are in line with the VDOE prescribed account code structure. Examples of object codes includes: 511120 Instructional Salaries and Wages, 522210 VRS Benefits Hybrid Plan Employees Only, and 566030 Instructional Materials.

Object	Description
51XXXX	Personal Services (Salaries and Wages)
52XXXX	Employee Benefits
53XXXX	Purchased Services
54XXXX	Internal Services
55XXXX	Other Charges
56XXXX	Materials and Supplies
57XXXX	Payment to Joint Operations
58XXXX	Capital Outlay
59XXXX	Other Uses of Funds

General Fund Expenditures by Function and Object Code

	FY 2016-17 ACTUALS	FY 2017-18 BUDGET	FY 2018-19 BUDGET	\$ Change	% Change
Instruction					
61100 CLASSROOM INSTRUCTION					
511120 TEACHER	48,463,733	51,998,348	52,273,899	275,551	1%
511122 LIBRARIAN	10,106	17,000	7,200	(9,800)	-58%
511126 PRINCIPAL	7,436	9,000	7,500	(1,500)	-17%
511130 OTHER PROFESSIONAL	166,316	148,468	153,817	5,349	4%
511142 SECURITY GUARD	10,561	8,000	10,600	2,600	33%
511150 CLERICAL	14,035	12,000	10,800	(1,200)	-10%
511151 CLRM INST E REG ED PARA	32,061	20,207	35,384	15,177	75%
511151 PARA	3,015,578	3,146,301	3,235,197	88,896	3%
511151 PARAPROFESSIONAL	59,916	69,398	122,641	53,243	77%
511521 SUB TEACHER	705,597	627,826	167,239	(460,587)	-73%
511550 SUB CLERICAL	4,256	-	-	-	0%
511551 SUB PARA	9,985	-	-	-	0%
511551 SUB PARAPROFESSIONAL	4,028	-	-	-	0%
511620 SUPPLEMENTS	674,600	757,292	918,476	161,184	21%
511660 BONUSES	417,205	-	-	-	0%
522100 FICA	4,001,190	3,599,785	3,687,517	87,732	2%
522210 VRS	5,835,453	6,703,893	6,473,806	(230,087)	-3%
522220 VRS HYBRID PLAN	1,487,475	1,853,248	2,531,992	678,744	37%
522300 HEALTH INSURANCE	8,345,391	8,914,079	8,388,960	(525,119)	-6%
522400 LIFE INSURANCE	656,419	697,842	724,560	26,718	4%
522510 VLDP VA LOCAL DISABILTY PROG	31,525	41,509	48,267	6,758	16%
522600 UNEMPLOYMENT COMPENSATION	24,821	-	-	-	0%
522750 VRS HEALTH INSURANCE CREDIT	7,089	7,650	9,896	2,246	29%
522750 VRS HIC	547,573	585,132	670,508	85,376	15%
533120 CONSULTANTS	97,912	19,760	19,760	-	0%
533160 MISC SERVICES	79,948	78,400	-	(78,400)	-100%
533170 PROFESSIONAL SERVICES	17,438	11,300	11,300	-	0%
533300 REPAIR EQUIPMENT	11,542	32,500	32,500	-	0%
533345 COPIER - LEASE	391,638	-	-	-	0%
533500 OUTSIDE PRINTING	4,041	4,000	4,000	-	0%
533810 TUITION - PUBLIC DE/AP	481,325	350,000	482,000	132,000	38%
544020 PPS CARRIER	29,784	103,000	103,130	130	0%
555201 POSTAGE	914	560	750	190	34%
555307 LIAB INS	42,000	42,000	-	(42,000)	-100%
555511 TRAVEL - LOCAL	1,168	2,644	5,145	2,501	95%
555531 FIELD TRIPS	8,679	14,500	16,250	1,750	12%
555541 STAFF DEVELOPMENT	37,892	58,450	52,000	(6,450)	-11%
555801 DUES / MEMBERSHIPS	508	900	1,200	300	33%
555802 MISCELLANEOUS	61,860	86,411	2,000	(84,411)	-98%
566001 OFFICE SUPPLIES	332	975	15,300	14,325	1469%
566002 FOOD SUPPLIES	5,291	4,750	5,000	250	5%
566003 BOOKS / SUBSCRIPTIONS	214	107	-	(107)	-100%
566011 UNIFORMS	15,666	10,500	10,500	-	0%
566030 INSTRUCTIONAL SUPPLIES	508,516	486,536	554,230	67,694	14%
566031 PBIS SUPPLIES	-	19,500	29,200	9,700	50%
577100 TUITION - SECEP	3,828,261	4,055,137	4,077,627	22,490	1%
577200 TUITION	578,231	613,500	614,000	500	0%
588100 REPLACE - EQUIPMENT	7,316	3,000	3,000	-	0%
588200 NEW EQUIP	2,000	2,000	-	(2,000)	-100%
588200 NEW EQUIPMENT	22,714	22,500	22,500	-	0%
588220 NEW - INFRASTRUCTURE ADDIT.	974,894	-	-	-	0%
599990 BUDGET REDUCTION	-	-	-	-	0%
599999 TRANSFER TO CITY	3,032,024	-	-	-	0%

General Fund Expenditures by Function and Object Code

	<u>FY 2016-17 ACTUALS</u>	<u>FY 2017-18 BUDGET</u>	<u>FY 2018-19 BUDGET</u>	<u>\$ Change</u>	<u>% Change</u>
61210 GUIDANCE SERVICES					
511120 TEACHER	1,838,724	1,841,285	1,901,396	60,111	3%
511150 CLERICAL	143,356	173,653	177,077	3,424	2%
511660 BONUSES	38,124	-	-	-	0%
522100 FICA	150,901	134,369	136,945	2,576	2%
522210 VRS	269,749	305,612	297,233	(8,379)	-3%
522220 VRS HYBRID PLAN	19,506	20,886	38,566	17,680	85%
522300 HEALTH INSURANCE	254,044	272,520	291,031	18,511	7%
522400 LIFE INSURANCE	26,106	26,413	26,970	557	2%
522510 VLDP VA LOCAL DISABILTY PROG	412	442	735	293	66%
522600 UNEMPLOYMENT COMPENSATION	3,164	-	-	-	0%
522750 VRS HEALTH INSURANCE CREDIT	-	-	-	-	100%
522750 VRS HIC	21,900	22,381	25,327	2,946	13%
555541 STAFF DEVELOPMENT	188	200	200	-	0%
555801 DUES / MEMBERSHIPS	-	200	200	-	0%
555802 MISCELLANEOUS	-	-	-	-	0%
566001 OFFICE SUPPLIES	1,110	1,658	1,650	(8)	0%
566002 FOOD SUPPLIES	130	450	450	-	0%
566003 BOOKS / SUBSCRIPTIONS	270	675	675	-	0%
566030 INSTRUCTIONAL SUPPLIES	7,554	5,885	-	(5,885)	-100%
61220 SOCIAL WORKER SERVICES					
511130 OTHER PROFESSIONAL	481,836	526,087	546,250	20,163	4%
511660 BONUSES	818	-	-	-	0%
522100 FICA	36,193	38,479	39,948	1,469	4%
522210 VRS	69,371	85,860	89,152	3,292	4%
522300 HEALTH INSURANCE	50,380	50,276	45,551	(4,725)	-9%
522400 LIFE INSURANCE	6,823	6,895	7,160	265	4%
522750 VRS HIC	5,253	5,843	6,722	879	15%
555511 TRAVEL - LOCAL	1,461	-	1,500	1,500	100%
61230 HOMEBOUND INSTRUCTION					
511120 TEACHER	80,823	85,000	106,300	21,300	25%
522100 FICA	6,100	6,503	8,132	1,629	25%
61310 IMPROVEMENT OF INSTRUCTION					
511110 DIR / SUPV / MNGR / COORD	1,334,475	1,367,479	1,286,171	(81,308)	-6%
511113 ASST SUPT	248,453	254,096	-	(254,096)	-100%
511120 TEACHER	827,354	572,671	603,394	30,723	5%
511130 OTHER PROFESSIONAL	239,177	235,410	71,570	(163,840)	-70%
511141 TECHNOLOGY SUPPORT	612,872	771,014	-	(771,014)	-100%
511150 CLERICAL	654,050	590,827	593,485	2,658	0%
511150 INST SUP M REG ED CLERICAL	75,401	66,846	69,536	2,690	4%
511620 SUPPLEMENTS	(280)	-	-	-	0%
511660 BONUSES	127,613	-	-	-	0%
522100 FICA	304,745	276,783	192,120	(84,663)	-31%
522210 VRS	556,585	559,169	395,659	(163,510)	-29%
522220 VRS HYBRID PLAN	13,113	42,400	23,966	(18,434)	-43%
522300 HEALTH INSURANCE	526,564	514,369	314,702	(199,667)	-39%
522400 LIFE INSURANCE	50,977	49,478	33,711	(15,767)	-32%
522510 VLDP VA LOCAL DISABILTY PROG	277	841	457	(384)	-46%
522750 VRS HEALTH INSURANCE CREDIT	2,482	2,633	2,572	(61)	-2%
522750 VRS HIC	40,679	39,298	33,279	(6,019)	-15%
533120 CONSULTANTS	4,900	95,445	93,445	(2,000)	-2%
533160 MISC SERVICES	213,096	200,993	-	(200,993)	-100%
533170 PROFESSIONAL SERVICES	89,763	100,000	130,000	30,000	30%
533350 CONT OPS	27,782	30,000	29,000	(1,000)	-3%
533410 PUBLIC CARRIER	125,298	150,000	150,000	-	0%
533500 OUTSIDE PRINTING	35,788	30,000	59,000	29,000	97%
533600 ADVERTISING	756	-	-	-	0%
533804 CITY SERVICES	62,756	64,100	74,300	10,200	16%
544020 PPS CARRIER	256	300	300	-	0%
555201 POSTAGE	-	58,800	53,690	(5,110)	-9%
555511 TRAVEL - LOCAL	9,765	13,850	16,795	2,945	21%
555521 TRAVEL - OUT OF TOWN	1,293	1,000	7,000	6,000	600%
555541 STAFF DEVELOPMENT	91,361	55,385	51,365	(4,020)	-7%
555801 DUES / MEMBERSHIPS	20,006	20,047	43,030	22,983	115%

General Fund Expenditures by Function and Object Code

	FY 2016-17 ACTUALS	FY 2017-18 BUDGET	FY 2018-19 BUDGET	\$ Change	% Change
555802 MISCELLANEOUS	14,741	9,334	6,500	(2,834)	-30%
566001 OFFICE SUPPLIES	37,586	23,938	27,320	3,382	14%
566002 FOOD SUPPLIES	9,272	7,805	8,300	495	6%
566003 BOOKS / SUBSCRIPTIONS	16,710	10,657	210,120	199,463	1872%
566006 ATHLETIC SUPPLIES	109,278	115,500	122,000	6,500	6%
566009 MARCHING BAND SUPPLIES	36,064	30,000	36,000	6,000	20%
566015 TECHNOLOGY-PARTS & MAINTENANCE	48,834	60,000	60,000	-	0%
566030 INSTRUCTIONAL SUPPLIES	139,762	215,668	187,357	(28,311)	-13%
566040 SOFTWARE	386,311	381,000	551,000	170,000	45%
588100 REPLACE - EQUIPMENT	9,840	-	-	-	0%
588200 NEW EQUIPMENT	80,137	1,000	-	(1,000)	-100%
61320 MEDIA SERVICES					
511110 DIR / SUPV / MNGR / COORD	-	-	-	-	0%
511122 LIBRARIAN	1,098,710	1,211,016	1,266,398	55,382	5%
511130 OTHER PROFESSIONAL	132,911	65,520	-	(65,520)	-100%
511141 TECHNOLOGY SUPPORT	42,756	39,034	-	(39,034)	-100%
511150 CLERICAL	173,545	172,669	160,636	(12,033)	-7%
511522 SUB LIBRARY MEDIA SPECIALIST	1,360	-	-	-	0%
511660 BONUSES	48,889	-	-	-	0%
522100 FICA	111,083	99,952	93,848	(6,104)	-6%
522210 VRS	179,648	185,975	183,682	(2,293)	-1%
522220 VRS HYBRID PLAN	26,034	42,778	49,227	6,449	15%
522300 HEALTH INSURANCE	258,159	249,620	234,978	(14,642)	-6%
522400 LIFE INSURANCE	18,528	19,384	18,709	(675)	-3%
522510 VLDP VA LOCAL DISABILTY PROG	551	906	940	34	4%
522750 VRS HIC	15,573	16,426	17,566	1,140	7%
533160 MISC SERVICES	-	-	25,000	25,000	100%
555511 TRAVEL - LOCAL	-	-	-	-	0%
555541 STAFF DEVELOPMENT	1,280	7,500	3,600	(3,900)	-52%
555801 DUES / MEMBERSHIPS	-	-	-	-	0%
566001 OFFICE SUPPLIES	-	-	-	-	0%
566002 FOOD SUPPLIES	-	-	-	-	0%
566003 BOOKS / SUBSCRIPTIONS	28,766	42,500	42,500	-	0%
566030 INSTRUCTIONAL SUPPLIES	19,103	9,500	9,500	-	0%
588100 REPLACE - EQUIPMENT	1,638	-	-	-	0%
588200 NEW EQUIPMENT	-	-	-	-	0%
61400 INSTRUCTIONAL SUPPORT- SCHOOL ADMINSTRATION					
540000 INTERNAL SERVICES	283,722	-	395,586	395,586	100%
61410 OFFICE OF THE PRINCIPAL					
511126 PRINCIPAL	2,224,348	2,123,284	2,194,513	71,229	3%
511127 ASSISTANT PRINCIPAL	10,000	10,000	10,000	-	0%
511127 ASST PRIN	2,467,341	2,250,414	2,224,364	(26,050)	-1%
511150 CLERICAL	1,527,217	1,565,218	1,561,804	(3,414)	0%
511550 SUB CLERICAL	8,262	-	-	-	0%
511660 BONUSES	98,103	-	-	-	0%
522100 FICA	472,058	425,035	441,984	16,949	4%
522210 VRS	845,860	892,973	884,704	(8,269)	-1%
522220 VRS HYBRID PLAN	29,539	32,299	72,142	39,843	123%
522300 HEALTH INSURANCE	866,562	828,374	794,037	(34,337)	-4%
522400 LIFE INSURANCE	78,287	74,606	76,850	2,244	3%
522510 VLDP VA LOCAL DISABILTY PROG	625	686	1,375	689	100%
522750 VRS HEALTH INSURANCE CREDIT	882	883	900	17	2%
522750 VRS HIC	65,400	62,346	71,265	8,919	14%
533500 OUTSIDE PRINTING	431	-	1,000	1,000	100%
555511 TRAVEL - LOCAL	1,787	2,500	4,500	2,000	80%
555541 STAFF DEVELOPMENT	520	5,000	1,000	(4,000)	-80%
555801 DUES / MEMBERSHIPS	6,305	15,773	20,865	5,092	32%
566001 OFFICE SUPPLIES	53,179	113,323	110,100	(3,223)	-3%
566002 FOOD SUPPLIES	400	7,800	13,200	5,400	69%
566030 INSTRUCTIONAL SUPPLIES	1,858	4,000	4,000	-	0%
588100 REPLACE - EQUIPMENT	26,018	-	-	-	0%
Total Instruction	106,701,885	106,446,910	105,816,738	(630,172)	-1%

General Fund Expenditures by Function and Object Code

	<i>FY 2016-17 ACTUALS</i>	<i>FY 2017-18 BUDGET</i>	<i>FY 2018-19 BUDGET</i>	<i>\$ Change</i>	<i>% Change</i>
Administration, Attendance, & Health					
62100 ADMINISTRATION, AND ATTENDANCE AND HEALTH					
540000 INTERNAL SERVICES	889,041	-	843,209	843,209	100%
62110 BOARD SERVICES					
511111 BOARD MEMBER	50,192	50,600	50,600	-	0%
522100 FICA	3,796	3,874	3,790	(84)	-2%
522300 HEALTH INSURANCE	7,302	10,432	10,233	(199)	-2%
533120 CONSULTANTS	109,906	-	-	-	0%
533140 OUTSIDE - LEGAL	103,250	-	-	-	0%
533600 ADVERTISING	615	1,200	1,500	300	25%
533804 CITY SERVICES	-	-	-	-	0%
555511 TRAVEL - LOCAL	-	-	-	-	0%
555521 TRAVEL - OUT OF TOWN	9,771	21,000	11,000	(10,000)	-48%
555801 DUES / MEMBERSHIPS	29,153	29,000	25,000	(4,000)	-14%
555802 MISCELLANEOUS	7,151	6,000	6,600	600	10%
566001 OFFICE SUPPLIES	1,380	600	1,000	400	67%
566002 FOOD SUPPLIES	9,911	7,600	8,200	600	8%
588200 NEW EQUIPMENT	-	-	-	-	0%
62120 EXECUTIVE ADMIN SERVICES					
511110 DIR / SUPV / MNGR / COORD	124,951	-	279,968	279,968	100%
511112 SUPERINTENDENT	229,469	253,520	258,405	4,885	2%
511130 OTHER PROFESSIONAL	725	-	-	-	0%
511150 CLERICAL	155,033	173,454	177,381	3,927	2%
511660 BONUSES	46,529	-	-	-	0%
522100 FICA	34,487	23,083	44,835	21,752	94%
522210 VRS	36,766	22,460	69,546	47,086	210%
522220 VRS HYBRID PLAN	31,577	31,519	35,923	4,404	14%
522300 HEALTH INSURANCE	53,714	43,728	63,505	19,777	45%
522400 LIFE INSURANCE	6,107	4,621	8,470	3,849	83%
522510 VLDP VA LOCAL DISABILTY PROG	668	667	683	16	2%
522750 VRS HIC	5,174	3,916	7,951	4,035	103%
533120 CONSULTANTS	-	-	-	-	0%
533160 MISC SERVICES	7,211	5,178	5,000	(178)	-3%
533345 COPIER - LEASE	23,705	-	-	-	0%
533500 OUTSIDE PRINTING	974	5,000	4,000	(1,000)	-20%
555511 TRAVEL - LOCAL	105	362	200	(162)	-45%
555541 STAFF DEVELOPMENT	20,032	10,100	6,000	(4,100)	-41%
555801 DUES / MEM	-	-	-	-	0%
555801 DUES / MEMBERSHIPS	14,195	12,000	12,000	-	0%
555802 GRADUATION	37,320	35,880	25,115	(10,765)	-30%
555802 MISCELLANEOUS	4,089	4,294	-	(4,294)	-100%
566001 OFFICE SUPPLIES	2,386	2,200	1,200	(1,000)	-45%
566002 FOOD SUPPLIES	1,960	1,100	4,000	2,900	264%
566003 BOOKS / SUBSCRIPTIONS	240	500	300	(200)	-40%
599990 BUDGET REDUCTION	-	-	-	-	0%
62125 OFFICE OF BUDGET AND PLANNING					
511113 ASST SUPT	92,949	126,089	131,183	5,094	4%
511130 OTHER PROFESSIONAL	62,612	61,806	64,202	2,396	4%
511150 CLERICAL	55,817	44,985	-	(44,985)	-100%
511660 BONUSES	1,446	-	-	-	0%
522100 FICA	15,934	17,036	14,544	(2,492)	-15%
522210 VRS	8,383	7,342	-	(7,342)	-100%
522220 VRS HYBRID PLAN	22,924	30,065	31,890	1,825	6%
522300 HEALTH INSURANCE	31,955	31,296	17,774	(13,522)	-43%
522400 LIFE INSURANCE	2,798	3,052	2,561	(491)	-16%
522510 VLDP VA LOCAL DISABILTY PROG	485	583	607	24	4%
522750 VRS HIC	2,371	2,587	2,404	(183)	-7%
533160 MISC SERVICES	18,000	-	-	-	0%
533500 OUTSIDE PRINTING	2,328	6,000	6,000	-	0%
533804 CITY SERVICES	39,336	39,336	41,450	2,114	5%
555541 STAFF DEVELOPMENT	1,655	5,000	3,000	(2,000)	-40%
555801 DUES / MEMBERSHIPS	4,530	6,018	6,000	(18)	0%
566001 OFFICE SUPPLIES	512	-	-	-	0%
566002 FOOD SUPPLIES	24	100	-	(100)	-100%

General Fund Expenditures by Function and Object Code

	FY 2016-17 ACTUALS	FY 2017-18 BUDGET	FY 2018-19 BUDGET	\$ Change	% Change
566003 BOOKS / SUBSCRIPTIONS	-	-	-	-	0%
62130 PUBLIC INFORMATION SERVICES					
511110 DIR / SUPV / MNGR / COORD	63,430	67,485	197,912	130,427	193%
522100 FICA	4,666	4,974	14,749	9,775	197%
522220 VRS HYBRID PLAN	7,068	9,894	30,626	20,732	210%
522300 HEALTH INSURANCE	7,818	9,804	28,743	18,939	193%
522400 LIFE INSURANCE	732	885	2,304	1,419	160%
522510 VLDP VA LOCAL DISABILTY PROG	173	210	240	30	14%
522750 VRS HIC	620	750	2,163	1,413	188%
533120 CONSULTANTS	1,425	15,000	20,000	5,000	33%
533500 OUTSIDE PRINTING	-	3,000	3,000	-	0%
533600 ADVERTISING	1,590	3,000	5,000	2,000	67%
555511 TRAVEL LOC	-	1,000	2,000	1,000	100%
555521 TRAVEL - OUT OF TOWN	-	1,500	2,000	500	33%
555541 STAFF DEVELOPMENT	-	1,000	1,000	-	0%
555801 DUES / MEM	-	400	800	400	100%
555802 MISCELLANEOUS	22,630	1,500	1,500	-	0%
566001 OFFICE SUPPLIES	-	-	7,000	7,000	100%
566002 FOOD SUPPLIES	-	-	500	500	100%
566003 BOOKS/SUB	3,000	5,000	6,000	1,000	20%
62140 HUMAN RESOURCES					
511110 DIR / SUPV / MNGR / COORD	358,053	367,583	370,742	3,159	1%
511150 CLERICAL	296,098	303,950	284,345	(19,605)	-6%
511550 SUB CLERICAL	-	-	-	-	0%
511660 BONUSES	1,636	-	-	-	0%
522100 FICA	48,506	48,376	47,963	(413)	-1%
522210 VRS	74,621	83,378	81,155	(2,223)	-3%
522220 VRS HYBRID PLAN	18,644	21,655	25,436	3,781	17%
522300 HEALTH INSURANCE	82,278	79,688	77,493	(2,195)	-3%
522400 LIFE INSURANCE	8,464	8,632	8,561	(71)	-1%
522510 VLDP VA LOCAL DISABILTY PROG	405	460	603	143	31%
522600 UNEMPLOYMENT COMPENSATION	-	-	-	-	0%
522750 VRS HIC	7,099	7,315	8,037	722	10%
533120 CONSULTANTS	3,877	10,000	10,000	-	0%
533140 OUTSIDE - LEGAL	-	104,000	125,000	21,000	20%
533160 MISC SERVICES	2,190	3,500	-	(3,500)	-100%
533170 PROFESSIONAL SERVICES	89,788	94,119	94,100	(19)	0%
533500 OUTSIDE PRINTING	1,538	3,000	1,600	(1,400)	-47%
533600 ADVERTISING	1,645	1,000	-	(1,000)	-100%
555201 POSTAGE	50,875	-	-	-	0%
555511 TRAVEL - LOCAL	929	1,000	1,000	-	0%
555521 TRAVEL - OUT OF TOWN	1,800	1,750	1,750	-	0%
555541 STAFF DEVELOPMENT	4,944	5,000	3,000	(2,000)	-40%
555801 DUES / MEMBERSHIPS	2,200	1,500	1,500	-	0%
555802 MISCELLANEOUS	3,100	4,682	-	(4,682)	-100%
555802 RETIREMENT & TEACHER OF YEAR	12,459	13,000	13,000	-	0%
555805 RECRUITING	39,478	45,000	38,055	(6,945)	-15%
566001 OFFICE SUPPLIES	7,856	4,297	4,300	3	0%
566002 FOOD SUPPLIES	518	3,500	500	(3,000)	-86%
566003 BOOKS / SUBSCRIPTIONS	595	250	250	-	0%
62150 PLANNING SERVICES					
533140 OUTSIDE - LEGAL	30,068	50,000	30,000	(20,000)	-40%
62160 FINANCIAL SERVICES					
511110 DIR / SUPV / MNGR / COORD	345,867	359,186	364,977	5,791	2%
511150 CLERICAL	479,030	871,455	474,372	(397,083)	-46%
511660 BONUSES	1,370	-	-	-	0%
522100 FICA	60,877	60,502	61,430	928	2%
522210 VRS	111,268	118,906	129,990	11,084	9%
522220 VRS HYBRID PLAN	3,452	14,537	6,997	(7,540)	-52%
522300 HEALTH INSURANCE	104,799	138,551	99,589	(38,962)	-28%
522302 RETIREE INS	(83)	-	-	-	0%
522400 LIFE INSURANCE	11,475	11,285	11,002	(283)	-3%
522510 VLDP VA LOCAL DISABILTY PROG	73	308	133	(175)	-57%
522600 UNEMPLOYMENT COMPENSATION	-	-	-	-	0%

General Fund Expenditures by Function and Object Code

	FY 2016-17 ACTUALS	FY 2017-18 BUDGET	FY 2018-19 BUDGET	\$ Change	% Change
522750 VRS HIC	8,761	9,193	10,330	1,137	12%
533120 CONSULTANTS	78,376	88,493	3,000	(85,493)	-97%
533130 AUDITS	99,930	104,000	101,430	(2,570)	-2%
533500 OUTSIDE PRINTING	5,081	-	-	-	0%
555511 TRAVEL - LOCAL	342	500	500	-	0%
555541 STAFF DEVELOPMENT	3,653	3,000	2,000	(1,000)	-33%
555801 DUES / MEMBERSHIPS	2,830	-	-	-	0%
555802 MISCELLANEOUS	29,183	-	-	-	0%
555811 BANK CHARGES	-	7,500	3,500	(4,000)	-53%
566001 OFFICE SUPPLIES	6,503	5,100	8,000	2,900	57%
566002 FOOD SUPPLIES	-	-	-	-	100%
566003 BOOKS / SUBSCRIPTIONS	-	-	200	200	100%
588100 REPLACE - EQUIPMENT	-	1,000	-	(1,000)	-100%
588200 NEW EQUIPMENT	538	-	-	-	0%
62170 PURCHASING SERVICES					
511110 DIR / SUPV / MNGR / COORD	117,329	175,989	158,519	(17,470)	-10%
511150 CLERICAL	160,282	159,342	166,604	7,262	5%
511660 BONUSES	320	-	-	-	0%
522100 FICA	20,699	20,248	24,037	3,789	19%
522210 VRS	39,989	39,980	53,061	13,081	33%
522300 HEALTH INSURANCE	48,269	49,903	40,449	(9,454)	-19%
522400 LIFE INSURANCE	3,573	3,212	4,262	1,050	33%
522750 VRS HIC	3,028	2,722	4,003	1,281	47%
533160 MISC SERVICES	582	1,500	3,000	1,500	100%
533500 OUTSIDE PRINTING	1,945	600	2,000	1,400	233%
533600 ADVERTISING	632	1,900	500	(1,400)	-74%
555511 TRAVEL - LOCAL	74	300	500	200	67%
555541 STAFF DEVELOPMENT	2,457	9,672	2,500	(7,172)	-74%
555801 DUES / MEMBERSHIPS	669	4,499	5,900	1,401	31%
555802 MISCELLANEOUS	-	-	-	-	0%
566001 OFFICE SUPPLIES	1,037	1,850	2,000	150	8%
62210 ATTENDANCE SERVICES					
511130 OTHER PROFESSIONAL	-	-	170,494	170,494	100%
522100 FICA	-	-	11,769	11,769	100%
522210 VRS	-	-	27,827	27,827	100%
522300 HEALTH INSURANCE	-	-	27,052	27,052	100%
522400 LIFE INSURANCE	-	-	2,235	2,235	100%
522750 VRS HEALTH INSURANCE CREDIT	-	-	2,098	2,098	100%
62220 HEALTH SERVICES					
511110 DIR / SUPV / MNGR / COORD	61,045	65,903	68,364	2,461	4%
511131 NURSE	866,662	822,220	833,104	10,884	1%
511150 CLERICAL	30,510	30,120	19,375	(10,745)	-36%
511531 NURSE	4,420	-	-	-	0%
511660 BONUSES	41,363	-	-	-	0%
522100 FICA	74,255	62,470	57,779	(4,691)	-8%
522210 VRS	105,501	103,120	89,315	(13,805)	-13%
522220 VRS HYBRID PLAN	35,121	42,996	52,442	9,446	22%
522300 HEALTH INSURANCE	148,833	148,712	126,545	(22,167)	-15%
522400 LIFE INSURANCE	12,694	11,961	11,761	(200)	-2%
522510 VLDP VA LOCAL DISABILTY PROG	747	898	1,097	199	22%
522750 VRS HEALTH INSURANCE CREDIT	438	-	-	-	0%
522750 VRS HIC	10,226	10,139	11,043	904	9%
533110 HEALTH SERVICES	168,896	173,869	173,000	(869)	0%
533175 MEDICAID SERVICES	-	-	-	-	0%
555511 TRAVEL - LOCAL	1,387	2,000	2,000	-	0%
555541 STAFF DEVELOPMENT	1,850	4,330	10,000	5,670	131%
566001 OFFICE SUPPLIES	2,783	500	1,000	500	100%
566004 MEDICAL SUPPLIES	14,069	12,600	12,500	(100)	-1%
566011 UNIFORMS	-	400	1,000	600	150%
588100 REPLACE - EQUIPMENT	80,103	38,404	10,000	(28,404)	-74%
62230 PSYCHOLOGICAL SERVICES					
511120 TEACHER	259,506	327,468	268,496	(58,972)	-18%
511132 PSYCHOLOGIST - DISTRICT	343,298	759,179	726,614	(32,565)	-4%
511660 BONUSES	15,677	-	-	-	0%

General Fund Expenditures by Function and Object Code

	FY 2016-17 ACTUALS	FY 2017-18 BUDGET	FY 2018-19 BUDGET	\$ Change	% Change
522100 FICA	45,121	71,053	70,442	(611)	-1%
522210 VRS	88,490	166,248	162,407	(3,841)	-2%
522300 HEALTH INSURANCE	66,566	168,317	106,980	(61,337)	-36%
522400 LIFE INSURANCE	7,975	13,350	13,043	(307)	-2%
522750 VRS HEALTH INSURANCE CREDIT	2,869	2,882	3,304	422	15%
522750 VRS HIC	3,831	8,431	8,942	511	6%
533180 OT/PT PROFESSIONAL SERVICES	308,886	463,000	318,000	(145,000)	-31%
533190 SPEECH PROFESSIONAL SERVICES	204,560	295,296	230,000	(65,296)	-22%
555802 MISCELLANEOUS	56,645	11,000	-	(11,000)	-100%
Total Administration, Attendance, and Health	8,504,297	8,619,319	9,215,969	596,650	7%
Pupil Transportation					
63000 PUPIL TRANSPORTATION					
540000 INTERNAL SERVICES	50,729	-	105,330	105,330	100%
63100 TRANSP - MGMT AND DIRECTION					
511110 DIR / SUPV / MNGR / COORD	128,954	127,420	132,568	5,148	4%
511130 OTHER PROFESSIONAL	28,419	41,074	50,122	9,048	22%
511150 CLERICAL	135,626	138,071	145,867	7,796	6%
511660 BONUSES	9,102	-	-	-	0%
522100 FICA	22,401	22,626	24,166	1,540	7%
522210 VRS	38,846	43,373	43,663	290	1%
522220 VRS HYBRID PLAN	1,182	4,417	8,181	3,764	85%
522300 HEALTH INSURANCE	44,146	41,296	67,061	25,765	62%
522400 LIFE INSURANCE	3,618	3,879	4,165	286	7%
522510 VLDP VA LOCAL DISABILTY PROG	25	94	156	62	66%
522750 VRS HIC	3,031	3,288	3,911	623	19%
533160 MISC SERVICES	70,807	17,927	12,630	(5,297)	-30%
533500 OUTSIDE PRINTING	338	1,500	1,500	-	0%
555541 STAFF DEVELOPMENT	1,327	1,500	1,400	(100)	-7%
555801 DUES / MEMBERSHIPS	200	303	300	(3)	-1%
588100 REPLACE - EQUIPMENT	1,327	1,332	1,330	(2)	0%
599990 BUDGET REDUCTION	-	-	-	-	0%
63200 TRANSP - VEHICLE OPERATION					
511170 BUS DRIVER	2,621,174	2,488,179	2,800,766	312,587	13%
511660 BONUSES	154	-	-	-	0%
522100 FICA	192,307	182,105	200,470	18,365	10%
522210 VRS	182,592	189,683	187,001	(2,682)	-1%
522220 VRS HYBRID PLAN	31,400	52,341	61,194	8,853	17%
522300 HEALTH INSURANCE	813,303	904,479	829,261	(75,218)	-8%
522400 LIFE INSURANCE	24,322	26,935	27,854	919	3%
522510 VLDP VA LOCAL DISABILTY PROG	1,614	2,590	3,160	570	22%
522600 UNEMPLOYMENT COMPENSATION	-	-	-	-	0%
533300 REPAIR EQUIPMENT	14,944	11,900	9,200	(2,700)	-23%
555307 LIAB INS	-	-	-	-	0%
566008 FUEL - GAS	385,228	500,000	420,000	(80,000)	-16%
63400 TRANSP - MONITORING SVS					
511171 BUS MONITOR	602,414	524,691	533,909	9,218	2%
511571 SUB BUS MONITOR	16,569	-	-	-	0%
511660 BONUSES	8,182	-	-	-	0%
522100 FICA	44,514	37,069	37,181	112	0%
522210 VRS	37,186	38,604	31,524	(7,080)	-18%
522220 VRS HYBRID PLAN	19,685	22,754	30,920	8,166	36%
522300 HEALTH INSURANCE	248,596	268,208	246,980	(21,228)	-8%
522400 LIFE INSURANCE	6,580	6,886	7,021	135	2%
522510 VLDP VA LOCAL DISABILTY PROG	1,010	1,171	1,595	424	36%
522600 UNEMPLOYMENT COMPENSATION	114	-	-	-	0%
533347 CONTRACTED MAINT VEHICLES	657,199	727,779	670,100	(57,679)	-8%
Total Pupil Transportation	6,449,163	6,433,474	6,700,486	267,012	4%
Operations and Maintenance					
64000 OPERATIONS AND MAINTENANCE					
540000 INTERNAL SERVICES	44,906	-	117,275	117,275	100%
64100 OPERATIONS - MGMT & DIRECTION					
511110 DIR / SUPV / MNGR / COORD	-	-	85,987	85,987	100%

General Fund Expenditures by Function and Object Code

	FY 2016-17 ACTUALS	FY 2017-18 BUDGET	FY 2018-19 BUDGET	\$ Change	% Change
511150 CLERICAL	26,656	38,454	35,421	(3,033)	-8%
511660 BONUSES	127	-	-	-	0%
522100 FICA	2,000	2,849	9,135	6,286	221%
522210 VRS	3,756	5,578	5,781	203	4%
522220 VRS HYBRID PLAN	-	-	14,808	14,808	100%
522300 HEALTH INSURANCE	6,201	8,804	18,119	9,315	106%
522400 LIFE INSURANCE	336	448	1,590	1,142	255%
522510 VLDP VA LOCAL DISABILTY PROG	-	-	267	267	100%
522750 VRS HIC	285	380	1,494	1,114	293%
533345 COPIER - LEASE	10,964	-	-	-	0%
555541 STAFF DEVELOPMENT	-	-	-	-	0%
599990 BUDGET REDUCTION	-	-	-	-	0%
64200 OPERATIONS - BLDG MAINTENANCE					
511110 DIR / SUPV / MNGR / COORD	131,950	137,195	142,738	5,543	4%
511160 TRADES	1,013,759	1,110,235	1,054,698	(55,537)	-5%
511660 BONUSES	683	-	-	-	0%
522100 FICA	85,722	88,828	88,821	(7)	0%
522210 VRS	118,243	119,224	119,928	704	1%
522220 VRS HYBRID PLAN	15,897	25,239	26,810	1,571	6%
522300 HEALTH INSURANCE	178,593	187,692	180,084	(7,608)	-4%
522400 LIFE INSURANCE	14,410	14,707	15,405	698	5%
522510 VLDP VA LOCAL DISABILTY PROG	816	1,076	1,378	302	28%
522750 VRS HIC	2,073	2,160	2,490	330	15%
533300 REPAIR EQUIPMENT	206	-	10,000	10,000	100%
533340 CONTRACTED - EQUIPMENT	867,147	975,000	975,000	-	0%
533341 CONTRACTED - BUILDING	889,330	600,000	634,000	34,000	6%
533342 CONTRACTED - ELECTRICIAN	52,056	100,000	100,000	-	0%
533343 CONTRACTED - PLUMBING	2,184	20,000	20,000	-	0%
533344 CONTRACTED - ENVIRONMENT	16,692	30,000	30,000	-	0%
533346 CONTRACTED - ELECTRONICS	1,219	5,000	10,000	5,000	100%
555101 ELECTRIC	2,551,360	2,544,077	2,600,000	55,923	2%
555102 FUEL	281,574	329,243	330,000	757	0%
555103 WATER	344,393	343,969	350,000	6,031	2%
555105 STORM WTR	196,266	196,261	222,780	26,519	14%
555307 LIAB INS	-	-	-	-	0%
555400 LEASE/RENT	1,849	15,035	2,000	(13,035)	-87%
555541 STAFF DEVELOPMENT	4,423	1,100	2,000	900	82%
555801 DUES / MEMBERSHIPS	-	-	-	-	0%
566001 OFFICE SUPPLIES	1,485	3,000	3,000	-	0%
566002 FOOD SUPPLIES	1,480	1,000	1,000	-	0%
566007 BLDG SUPPL	435,458	200,000	250,000	50,000	25%
566010 ELEC SUPPL	9,539	12,000	12,000	-	0%
566011 UNIFORMS	9,045	21,445	21,445	-	0%
588100 REPLACE - EQUIPMENT	795,958	250,000	250,000	-	0%
64210 OPERATIONS - BLDG SERVICES					
511110 DIR / SUPV / MNGR / COORD	128,343	120,669	125,545	4,876	4%
511150 CLERICAL	40,075	38,815	40,229	1,414	4%
511190 CUSTODIAN	3,021,167	2,899,238	2,943,050	43,812	2%
511590 SUB CUSTODIAN	184,803	70,000	188,700	118,700	170%
511660 BONUSES	37,335	-	-	-	0%
522100 FICA	253,871	231,884	243,186	11,302	5%
522210 VRS	277,696	286,963	247,914	(39,049)	-14%
522220 VRS HYBRID PLAN	75,121	71,812	115,830	44,018	61%
522300 HEALTH INSURANCE	910,162	863,019	897,741	34,722	4%
522400 LIFE INSURANCE	39,211	39,314	39,955	641	2%
522510 VLDP VA LOCAL DISABILTY PROG	3,885	3,697	5,960	2,263	61%
522600 UNEMPLOYMENT COMPENSATION	-	-	-	-	0%
522750 VRS HIC	1,856	1,771	2,040	269	15%
533300 REPAIR EQUIPMENT	33,930	25,000	30,000	5,000	20%
533350 CONT OPS	10,743	51,360	51,360	-	0%
555104 WASTE REMOVAL	113,607	98,609	98,610	1	0%
566005 CUSTODIAN SUPPLIES	404,258	239,396	261,700	22,304	9%
566008 FUEL - GAS	-	945	500	(445)	-47%
566011 UNIFORMS	39,255	23,165	23,165	-	0%

General Fund Expenditures by Function and Object Code

	FY 2016-17 ACTUALS	FY 2017-18 BUDGET	FY 2018-19 BUDGET	\$ Change	% Change
588100 REPLACE - EQUIPMENT	-	75,000	75,000	-	0%
588200 NEW EQUIPMENT	114,908	25,000	25,000	-	0%
64500 OPERATIONS - VEH SERVICES					
533347 CONTRACTED MAINT VEHICLES	147,795	150,000	147,950	(2,050)	-1%
566008 FUEL - GAS	41,276	55,290	52,000	(3,290)	-6%
64600 OPERATIONS - SECURITY SERVICES					
511142 SECURITY GUARD	518,342	520,730	961,922	441,192	85%
511660 BONUSES	14,749	-	-	-	0%
522100 FICA	38,084	36,377	70,327	33,950	93%
522210 VRS	56,676	63,642	62,451	(1,191)	-2%
522220 VRS HYBRID PLAN	10,285	10,470	82,454	71,984	688%
522300 HEALTH INSURANCE	147,604	142,536	202,856	60,320	42%
522400 LIFE INSURANCE	6,041	6,051	11,855	5,804	96%
522510 VLDP VA LOCAL DISABILTY PROG	221	223	1,620	1,397	626%
522750 VRS HEALTH INSURANCE CREDIT	-	-	5,629	5,629	100%
522750 VRS HIC	5,084	5,130	5,504	374	7%
533300 REPAIR EQUIPMENT	-	-	500	500	100%
533346 CONTRACTED - ELECTRONICS	-	500	500	-	0%
555541 STAFF DEVELOPMENT	-	1,100	1,100	-	0%
566011 UNIFORMS	5,455	-	3,000	3,000	100%
588100 REPLACE - EQUIPMENT	-	-	900	900	100%
64610 OPERATIONS - CROSSING GUARDS					
511143 CROSSING GUARD	287,390	226,390	190,674	(35,716)	-16%
511660 BONUSES	95	-	-	-	0%
522100 FICA	21,860	16,995	15,268	(1,727)	-10%
566002 FOOD SUPPLIES	158	150	-	(150)	-100%
566011 UNIFORMS	6,861	6,947	6,480	(467)	-7%
64700 OPERATIONS - WAREHOUSE					
511150 CLERICAL	8,355	-	-	-	0%
511199 SUPPORT SERVICE - MISC	234,457	231,648	235,508	3,860	2%
511660 BONUSES	203	-	-	-	0%
522100 FICA	18,048	17,044	17,330	286	2%
522210 VRS	13,340	10,020	14,843	4,823	48%
522220 VRS HYBRID PLAN	16,095	18,797	15,501	(3,296)	-18%
522300 HEALTH INSURANCE	43,073	48,276	54,007	5,731	12%
522400 LIFE INSURANCE	3,076	3,038	3,089	51	2%
522510 VLDP VA LOCAL DISABILTY PROG	568	708	476	(232)	-33%
522750 VRS HIC	742	648	746	98	15%
555104 WASTE REMOVAL	9,490	10,000	20,000	10,000	100%
566001 OFFICE SUPPLIES	2,263	3,500	3,500	-	0%
566011 UNIFORMS	2,529	2,656	2,650	(6)	0%
<i>Total Operations and Maintenance</i>	15,469,482	14,144,522	15,351,579	1,207,057	9%

Debt/Fund Transfers

67100 DEBT SERVICE					
599104 PRINCIPAL ENERGY	1,021,027	-	-	-	0%
599204 INTEREST ENERGY	10,390	-	-	-	0%
67200 INTRA-AGENCY FUND TRANSFERS					
599901 TEXTBOOK	377,264	378,918	327,894	(51,024)	-13%
599902 RISK MGMT CURRENT CLAIMS	-	1,425,200	-	(1,425,200)	-100%
599906 TRANSFER TO CAFE FUND	268,178	15,000	15,000	-	0%
599914 VA PRESHCOOL	847,278	847,278	708,748	(138,530)	-16%
599916 EARLY READING	171,835	171,835	172,819	984	1%
599917 ABE	-	40,000	32,244	(7,756)	-19%
599918 ALGEBRA READINESS	95,040	95,040	84,947	(10,093)	-11%
599921 LOCAL MATCH - SCHOOL SECURITY	23,326	70,000	23,326	(46,674)	-67%
599922 LOCAL MATCH - MATH/READ SPEC	33,208	33,651	33,127	(524)	-2%
599923 LOCAL MATCH - SAFE ROUTE TO SC	10,000	10,000	10,000	-	0%
599990 BUDGET REDUCTION	-	-	-	-	0%
<i>Total Debt/Fund Transfers</i>	2,857,545	3,086,922	1,408,105	(1,678,817)	-54%

General Fund Expenditures by Function and Object Code

	<i>FY 2016-17 ACTUALS</i>	<i>FY 2017-18 BUDGET</i>	<i>FY 2018-19 BUDGET</i>	<i>\$ Change</i>	<i>% Change</i>
Technology					
68000 OPERATIONS AND MAINTENANCE					
540000 INTERNAL SERVICES	-	-	400	400	100%
68100 TECH - CLASSROOM INSTRUCTION					
533345 COPIER - LEASE	-	481,657	431,000	(50,657)	-11%
533700 TECHCONSUL	111,944	112,552	112,000	(552)	0%
555511 TRAVEL - LOCAL	1,849	3,500	3,500	-	0%
555802 MISCELLANEOUS	11,000	5,000	-	(5,000)	-100%
566040 SOFTWARE	447,818	437,688	495,700	58,012	13%
588110 REPL HDWR	397,372	451,246	400,000	(51,246)	-11%
588210 NEW HARDWARE	235,674	259,044	270,000	10,956	4%
588220 NEW - INFRASTRUCTURE ADDIT.	87,646	231,704	133,000	(98,704)	-43%
599990 BUDGET REDUCTION	-	-	-	-	0%
599999 TRANSFER TO CITY	26,814	-	-	-	0%
68200 TECH - INSTRUCTIONAL SUPPORT					
511110 DIR / SUPV / MNGR / COORD	168,590	167,005	259,630	92,625	55%
511141 TECHNOLOGY SUPPORT	1,147,997	1,286,591	2,201,548	914,957	71%
511150 CLERICAL	45,058	46,868	48,240	1,372	3%
511660 BONUSES	12,324	-	-	-	0%
522100 FICA	100,431	110,478	178,369	67,891	61%
522210 VRS	161,599	177,966	314,595	136,629	77%
522220 VRS HYBRID PLAN	39,889	61,970	88,092	26,122	42%
522300 HEALTH INSURANCE	230,652	264,852	347,617	82,765	31%
522400 LIFE INSURANCE	18,005	19,573	32,343	12,770	65%
522510 VLDP VA LOCAL DISABILTY PROG	844	1,251	1,677	426	34%
522600 UNEMPLOYMENT COMPENSATION	-	-	-	-	0%
522750 VRS HIC	15,257	16,584	30,368	13,784	83%
533700 TECHCONSUL	310,717	277,113	277,100	(13)	0%
555204 TELECOMMUNICATIONS	247,799	249,347	249,400	53	0%
566040 SOFTWARE	372,154	372,213	372,200	(13)	0%
68300 TECH - ADMINISTRATION					
511110 DIR / SUPV / MNGR / COORD	107,489	106,683	110,993	4,310	4%
511660 BONUSES	12	-	-	-	0%
522100 FICA	7,534	7,642	7,716	74	1%
522210 VRS	15,640	17,411	18,114	703	4%
522300 HEALTH INSURANCE	12,343	12,432	12,340	(92)	-1%
522400 LIFE INSURANCE	1,398	1,398	1,454	56	4%
522750 VRS HIC	1,184	1,185	1,366	181	15%
533804 CITY SERVICES	331,414	317,500	345,000	27,500	9%
555201 POSTAGE	-	-	500	500	100%
555541 STAFF DEVELOPMENT	21,134	22,000	21,200	(800)	-4%
555801 DUES / MEMBERSHIPS	3,449	3,500	3,450	(50)	-1%
566015 TECHNOLOGY-PARTS & MAINTENANCE	42,626	42,213	60,000	17,787	42%
68600 TECH - OPERATIONS AND MAINT					
566001 OFFICE SUPPLIES	6,153	6,000	5,500	(500)	-8%
Total Technology	4,741,807	5,572,166	6,834,412	1,262,246	23%
Grand Total	144,724,180	144,303,313	145,327,289	1,023,976	1%

FY 2018-19 GRANTS FUND BUDGET

The Grants fund provides assistance for particular federal, state, and local programs. Grantors encourage recipient divisions to expand expenditures to support certain instructional programs. Grant funds are intended to supplement, not supplant, divisional efforts and require additional reporting and, in some cases, require local matching of funds to help the grant program reach its intended goal.

The Grants fund budget is based on anticipated re-award of current grant awards and an estimate for new grant awards. Both new and current grants are awarded throughout each fiscal year and often have a grant period which is different than the division’s fiscal year. The grant period is the required timeline in which the specific grant funds have to be encumbered and subsequently spent. There are different grant periods for the over 20 grants currently awarded to the division. It is for this purpose that the Grants fund is a multi-year fund that carries funds forward through the life (grant period) of each grant.

Each grant also outlines the type of costs that are allowable. Most of the grant funds go towards the instruction category, but the division receives grants that support each of the major categories. Though funds are coded to the other categories (i.e. school security equipment grant is coded to Operations and Maintenance), the grant funds support instruction (i.e. school security equipment grant puts equipment into specific schools as outlined by the grant).

The individual budget for each grant is developed separately as part of the grant application process and/or the date of the award. For FY 2018-19, a 2% raise is written into each grant that funds personnel costs.

Below are the top 5 largest grants received by the division. These grants make up 71% or \$18 million of the grants budget:

No Child Left Behind Title I	The Title I grant is the largest grant in the division. This grant is awarded to improve academic achievement for schools with high poverty as primarily measured by the percentage of students receiving free and reduced lunch. Funding under this grant is received for 12 schools in the division.
IDEA Section 611	The IDEA Section 611 grant is used to support the education and additional resources for students with disabilities.
Virginia Preschool Initiative (VPI)	The VPI grant is used to fund resources (including teachers) for 470 preschool slots (determined by the state) for the division’s preschool program.
VPSA Technology Grant	This grant is used to fund resources necessary to implement and maintain improvement in instructional, remedial, and testing capabilities of the Standards of Learning tests via the internet as well as increasing internet connectivity at schools.
No Child Left Behind Title II	The Title II grant provides funding to improve teacher quality through providing additional resources (i.e. staff development, coaches, etc.) to help retain quality teachers.

Grant Fund Revenues - Level 3

The following table is a breakout of Grant Fund revenues by classification.

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Increase	2019-2020	2020-2021	2021-2022
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	(Decrease)	FORECAST	FORECAST	FORECAST
Federal Revenues									
Adult Literacy Services (AFLEA)	\$ 209,519	\$ 36,267	\$ 244,664	\$ 152,726	\$ 141,548	\$ (11,178)	141,548	141,548	141,548
Educational Opportunity Center (EOC) - Trio	-	-	151,519	235,468	-	(235,468)	-	-	-
Educational Opportunity Center (EOC) - Upward Bound	-	-	-	-	263,938	263,938	263,938	263,938	263,938
IDEA - Part B - SWD Instructional Program Improvement	59,013	-	-	-	-	-	-	-	-
IDEA - Part B Section 619 - Special Education Preschool	169,534	193,393	190,490	180,110	180,112	2	180,112	180,112	180,112
IDEA Part B Section 611 - Special Education	4,013,039	3,348,287	3,077,559	3,501,224	3,492,269	(8,955)	3,492,269	3,492,269	3,492,269
NCLB - Title I Part A - Improving Basic Programs	4,720,041	4,523,680	5,746,706	5,876,415	5,827,879	(48,536)	5,827,879	5,827,879	5,827,879
NCLB - Title I Part A - School Improvement 1003g	-	-	-	-	-	-	-	-	-
NCLB - Title I Part D - Prevention and Intervention Programs	-	-	66,619	89,554	37,725	(51,829)	37,725	37,725	37,725
NCLB - Title II Part A - Improving Teacher Quality	1,070,758	839,367	1,077,862	798,786	731,841	(66,945)	731,841	731,841	731,841
NCLB - Title III - Limited English Proficient	-	3,201	2,726	5,896	8,205	2,309	8,205	8,205	8,205
NCLB - Title IV	-	-	-	-	155,617	155,617	155,617	155,617	155,617
Perkins Career and Technical Education Act of 2006	287,309	458,916	471,014	322,533	351,103	28,569	351,103	351,103	351,103
Safe Route to Schools	41,517	72,144	13,086	40,000	40,000	-	40,000	40,000	40,000
SAIL Grant - Math and Science Partnership	13,779	26,947	2,225	24,383	-	(24,383)	-	-	-
Title IV - 21st Century Community Learning Centers	-	-	340,682	522,141	522,141	-	522,141	522,141	522,141
Title X Part C McKinney Vento Homeless Assistance Act	9,443	17,295	32,316	22,000	25,000	3,000	25,000	25,000	25,000
Total Federal Revenues	10,593,952	9,519,497	11,417,467	11,771,236	11,777,378	6,142	11,777,378	11,777,378	11,777,378
State Revenues									
Adult Education Regional Lead Agency	116,321	121,714	122,624	128,750	189,958	61,208	189,958	189,958	189,958
Career Switcher	10,000	21,000	2,151	6,180	2,200	(3,980)	2,200	2,200	2,200
Early Reading Initiative	406,278	403,956	513,858	513,858	529,127	15,269	519,048	519,048	519,048
Early Reading Specialists	-	-	-	-	98,722	98,722	99,787	99,787	99,787
General Adult Education	17,973	12,674	16,401	18,044	15,966	(2,078)	15,966	15,966	15,966
ISAEF - Individual Student Alternative Education Plan	40,793	42,783	42,059	39,293	39,293	-	39,293	39,293	39,293
Math/Reading Specialist	93,302	94,130	99,306	101,335	101,426	91	102,523	102,523	102,523
Mentor Teacher	8,132	11,975	11,937	13,269	10,341	(2,928)	10,341	10,341	10,341
Middle School Teacher	-	-	30,000	30,000	25,000	(5,000)	25,000	25,000	25,000
National Board Certification	7,500	7,500	7,500	7,500	5,000	(2,500)	5,000	5,000	5,000
Project Graduation Academic Year and Summer	18,423	-	54,344	23,265	20,492	(2,773)	20,501	-	-
Race to GED	44,962	45,222	48,429	48,840	48,520	(320)	48,520	48,520	48,520
School Board Professional Development	-	-	1,500	-	-	-	-	-	-
School Security Equipment	28,156	98,648	93,303	93,303	93,303	-	-	-	-

Grant Fund Revenues - Level 3

The following table is a breakout of Grant Fund revenues by classification.

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Increase	2019-2020	2020-2021	2021-2022
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	(Decrease)	FORECAST	FORECAST	FORECAST
SOL Algebra Readiness	278,274	276,069	284,211	279,830	260,086	(19,744)	254,898	254,898	254,898
Special Education in Jails	83,766	72,314	109,588	93,475	90,185	(3,290)	91,952	91,952	91,952
State Career and Technical Education	-	33,335	44,059	44,060	54,000	9,940	54,000	54,000	54,000
STEM Team Competition	-	-	5,000	-	-	-	-	-	-
STEM-Teacher recruitment	1,000	11,000	29,066	32,000	7,000	(25,000)	7,000	7,000	7,000
VA Tiers System of Support (VTSS)-PBIS	-	-	25,000	25,000	25,000	-	25,000	25,000	25,000
Virginia Cybersecurity	-	62,500	-	62,500	5,000	(57,500)	5,000	5,000	5,000
Virginia Preschool Initiative	2,403,080	2,649,100	2,533,721	2,533,721	2,170,002	(363,719)	2,119,214	2,119,214	2,119,214
VPSA Educational Technology Notes	1,504,461	894,195	507,425	834,000	544,000	(290,000)	544,000	544,000	544,000
Total State Revenues	5,062,421	4,858,115	4,581,481	4,928,223	4,334,622	(593,601)	4,179,201	4,158,700	4,158,700
Other Revenue									
Adult Education -- Program Support	6,405	-	-	-	-	-	-	-	-
Hampton Roads Regional Jail	174,632	227,459	182,635	188,008	192,765	4,757	192,765	192,765	192,765
Regional Adult Ed Lead Agency Fee	55,146	43,256	70,797	57,674	54,402	(3,272)	52,436	52,436	52,436
Southeast VA Community Foundation - MINDS IN MOTION	-	-	-	7,500	7,500	-	7,500	7,500	7,500
Other Revenue (Miscellaneous)	-	27,389	141,114	-	-	-	-	-	-
Additional budget for unknown grants	-	-	-	734,958	657,702	(77,256)	550,000	476,480	476,480
Total Other Revenues	236,183	298,104	404,406	988,140	912,369	(75,771)	802,701	729,181	729,181
Transfers In from Other Funds									
SOL Algebra Readiness Local Match	101,778	100,971	95,040	93,575	84,947	(8,628)	83,253	83,253	83,253
Safe Route to School Local Match	-	-	10,000	10,000	10,000	-	10,000	10,000	10,000
Early Reading Initiative Local Match	148,595	147,746	171,835	171,835	172,819	984	169,527	169,527	169,527
Early Reading Specialists Local Match	-	-	-	-	32,244	32,244	32,592	32,592	32,592
Math/Reading Specialist Local Match	34,125	34,428	33,208	33,887	33,127	(760)	33,485	33,485	33,485
School Security Equipment Local Match	7,039	24,662	23,326	23,326	23,326	-	-	-	-
Virginia Preschool Initiative Local Match	878,919	968,901	847,278	847,278	708,748	(138,530)	692,160	692,160	692,160
Total Transfers In from Other Funds	1,170,456	1,276,708	1,180,687	1,179,901	1,065,211	(114,690)	1,021,017	1,021,017	1,021,017
Total Grant Revenues	\$ 17,063,012	\$ 15,952,424	\$ 17,584,041	\$ 18,867,500	\$ 18,089,580	\$ (777,920)	17,780,298	17,686,277	17,686,277

Budget Forecasts:

For FY 2019-20, the budget is projected to decrease by about \$309,000 primarily due to less state grant funding for programs such as the Virginia Preschool Initiative (VPI), Early Reading Initiative, Project Graduation, and fewer new grants than originally projected. As grant funding changes, the division first looks to reduce non-personnel budgets if possible. For grants such as VPI, reduction to staff are made due to fewer preschool students being served. If the division loses 100% of a grant, the education program is eliminated.

Budget forecasts for FY 2021 and FY 2022 are based on continued funding of currently awarded grants plus any changes projected for FY 2019-20. The division has a part-time grant writer who works with the division to actively seek and apply for new grants each year. The projected revenue for the Grants fund will change if more grants are awarded.

Grant Fund Expenditures - Level 3

The following table is breakout of Grant Fund expenditures by Type and a breakout of Grant Fund expenditures by Category.

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
Grant Expenditures by Type									
Salaries	\$ 10,018,523	\$ 9,528,658	\$ 9,681,545	\$ 11,242,691	\$ 10,351,494	\$ (891,197)	\$10,196,853	\$10,196,853	\$10,196,853
Benefits	4,006,081	3,370,356	3,562,993	3,976,622	3,809,547	(167,075)	3,809,547	3,809,547	3,809,547
Purchased Services	1,005,756	839,892	853,181	990,973	912,219	(78,754)	912,219	912,219	912,219
Joint Operations	-	-	-	-	-	-	-	-	-
Other Charges	450,846	168,383	434,206	198,672	464,252	265,580	464,252	464,252	464,252
Materials/Supplies	2,194,602	1,070,886	1,885,524	1,263,519	2,016,000	752,481	1,861,359	1,767,338	1,767,338
Equipment	294,549	1,012,832	501,373	1,195,022	536,067	(658,955)	536,067	536,067	536,067
Total Expenditures	17,970,357	15,991,007	16,918,821	18,867,500	18,089,580	(777,920)	17,780,298	17,686,277	17,686,277
Grant Expenditures by Category									
Instruction	14,192,850	13,702,874	14,984,751	16,148,814	16,021,675	(127,139)	15,712,393	15,618,372	15,618,372
Administration, Attendance, Health	1,302,039	734,213	631,429	872,368	675,123	(197,245)	675,123	675,123	675,123
Pupil Transportation	258,468	214,218	323,972	254,527	346,390	91,863	346,390	346,390	346,390
Operations and Maintenance	34,446	123,310	127,123	146,513	135,920	(10,593)	135,920	135,920	135,920
Technology	1,799,682	1,216,392	851,546	1,445,278	910,472	(534,806)	910,472	910,472	910,472
Transfers out	382,872	-	-	-	-	-	-	-	-
Total Expenditures	\$ 17,970,357	\$ 15,991,007	\$ 16,918,821	\$ 18,867,500	\$ 18,089,580	\$ (777,920)	\$17,780,298	\$17,686,277	\$17,686,277

FY 2018-19 RISK MANAGEMENT FUND BUDGET

The Risk Management fund is an internal service fund that accounts for all activity and reserves associated with the health self insurance plan, insurance premiums and workers' compensation claims and payment of claims and legal fees, if necessary, on public liability claims arising from the operations of the School Board.

The School Board is "fully insured" for auto liability and for general liability through the Virginia Association of Counties Group Self Insurance Risk Pool (VACoRP) and "fully insured" for student accidents through Tower Financial. For workers' compensation, the School Board carries an excess policy, with a self-insured retention of \$500,000. Workers' compensation claims are primarily handled by VACoRP, a third-party claims administrator.

The School Board is "self insured" for the health insurance plan. A self insurance model offers state tax savings, avoidance of pass-through taxes under the Affordable Care Act, and a savings to the employer of the insurance carrier's profit margin.



Under the self-insured plan, a third party administrator charges a fee for the administration of claims, but payments of the claims are made from the division's Risk Management fund. Medical claim expenses paid, on behalf of each individual employee covered during a single policy year, are covered by excess loss insurance with a specific stop loss limit of \$300,000. The self-insured health plan also has aggregate stop loss coverage at 120% of expected medical claims during a single policy year.

The Risk Management fund is supported by division contributions through charges for services to the governmental and special revenue funds. This fund is not self supporting, and, as such, for the Risk Management fund to pay for healthcare claims, workers' compensations claims, etc., it has to charge a fee to the General fund, Grants fund, Cafeteria fund, employees (healthcare only), and retirees (healthcare only) to earn revenue.

For FY 2018-19, a decrease of \$63,000 is anticipated due to the remodel of healthcare plan options. Beginning with plan year 2018, the division introduced a Consumer Savings Qualified High Deductible Health Plan (HDHP) option for employees. A HDHP is a consumer driven health plan in which employees pay lower rates per pay period, have higher deductibles, and allow employees to contribute money (tax free and up to IRS limits) to a Health Savings Account (HSA). The division also discontinued a Point of Service (POS) plan which had very low participation and remodeled the remaining plans.

Risk Management Fund Revenues - Level 3

The following table is a breakout of Risk Management Fund revenues by classification

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
Insurance Recovery	\$ 13,108	\$ 88,163	\$ 348,034	\$ 45,000	\$ 250,000	\$ 205,000	\$ 250,000	\$ 250,000	\$ 250,000
Charges for Services									
Risk and Workers Compensation Program	942,594	542,837	1,268,399	1,380,200	1,521,800	141,600	1,521,800	1,521,800	1,521,800
Health Self Insurance Plan	-	16,536,412	17,889,096	18,274,800	17,865,000	(409,800)	17,865,000	17,865,000	17,865,000
Total Charges for Services	942,594	17,079,249	19,157,495	19,655,000	19,386,800	(268,200)	19,386,800	19,386,800	19,386,800
Total Revenues	\$ 955,702	\$ 17,167,412	\$ 19,505,529	\$ 19,700,000	\$ 19,636,800	\$ (63,200)	\$ 19,636,800	\$ 19,636,800	\$ 19,636,800

Budget Forecasts:

As the majority of the Risk Management fund comprises the division's health self-insured plan, information is not readily available to forecast what future expenses will be. The division works with a third party benefits consultant each year in the summer to look at the subsequent plan year projected expenditures and discusses strategies and ways to control and/or decrease healthcare costs. The division maintains an adequate reserve and has stop loss insurance to protect the division against large and unexpected changes in claims.

Risk Management Fund Expenditures - Level 3

The following table is breakout of Risk Management Fund expenses by Type

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
<i>Risk Management</i>									
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-	-	-	-	-
Administrative Fees	110,460	231,289	3,140,633	3,516,850	3,001,800	(515,050)	3,001,800	3,001,800	3,001,800
Workers Compensation Claims	122,328	50,128	183,667	429,350	420,000	(9,350)	420,000	420,000	420,000
Healthcare Claims	-	19,363,804	15,566,867	15,753,800	16,215,000	461,200	16,215,000	16,215,000	16,215,000
Transfers to City of Portsmouth	-	-	252,628	-	-	-	-	-	-
Total Expenditures	\$ 232,788	\$ 19,645,221	\$ 19,143,794	\$ 19,700,000	\$ 19,636,800	\$ (63,200)	\$ 19,636,800	\$ 19,636,800	\$ 19,636,800

Note: Actual worker compensation claims and healthcare claims actuals are reported based on modified accrual basis of accounting and include adjustments for actuarial determined incurred but not received (IBNR) liabilities.

FY 2018-19 TEXTBOOK FUND BUDGET

The Textbook fund is a special revenue fund specifically for the purchase of textbooks for students. A portion of the Textbook funds can be used to purchase Standards of Learning instructional materials, electronic textbooks and other electronic media resources integral to the curriculum and classroom instruction, and technical equipment required to read and access the electronic textbooks and electronic curriculum materials.

Revenues are received exclusively from the state and the state requires a minimum local match. Any unspent funds within the Textbook fund, are authorized by the State General Assembly to be carried forward each fiscal year through re-appropriation by the locality.

Estimated revenues and expenditures for FY 2018-19 are expected to decrease due to declining ADM.



Textbook Fund Revenue - Level 3

The following table is a breakout of Textbook Fund revenues by classification.

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
State Revenues									
TEXTBOOKS	\$ 998,199	\$ 986,559	\$ 1,128,181	\$ 1,117,495	\$ 1,003,927	\$ (113,568)	\$ 984,880	\$ 965,905	\$ 946,930
Total State Revenues	998,199	986,559	1,128,181	1,117,495	1,003,927	(113,568)	984,880	965,905	946,930
Local Revenues									
CITY OF PORTSMOUTH	-	-	-	-	-	-	-	-	-
Total Local Revenues	-	-	-	-	-	-	-	-	-
Other Revenue									
MISCELLANEOUS	7,474	4,535	2,550	5,000	3,000	(2,000)	3,000	3,000	3,000
Total Other Revenues	7,474	4,535	2,550	5,000	3,000	(2,000)	3,000	3,000	3,000
Transfers In/Out from Other Funds									
LOCAL MATCH	365,088	360,831	377,264	373,691	327,894	(45,797)	321,673	315,476	309,279
Total Transfers In from Other Funds	365,088	360,831	377,264	373,691	327,894	(45,797)	321,673	315,476	309,279
Total Textbook Revenues	\$ 1,370,761	\$ 1,351,925	\$ 1,507,995	\$ 1,496,186	\$ 1,334,821	\$ (161,365)	\$ 1,309,553	\$ 1,284,381	\$ 1,259,209

Budget Forecasts:

As textbook funding is based on the state budget, decreases in ADM will result in decreased funds for textbooks over the next 3 years. New textbook purchases are not done every year but are based on the state review process schedule. Textbook funding in future years along with remaining state funds from previous years should be adequate to cover new textbook purchases.

Textbook Fund Expenditures - Level 3

The following table is breakout of Textbook Fund expenditures by Type

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
<i>Instruction</i>									
Salaries	\$ 32,254	\$ 33,217	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	17,875	17,102	-	-	-	-	-	-	-
Textbooks	1,187,839	847,582	390,590	1,496,186	1,334,821	(161,365)	1,309,553	1,284,381	1,259,209
Total Expenditures	\$ 1,237,968	\$ 897,901	\$ 390,590	\$ 1,496,186	\$ 1,334,821	\$ (161,365)	\$ 1,309,553	\$ 1,284,381	\$ 1,259,209

FY 2018-19 CAFETERIA FUND BUDGET

The Cafeteria fund is a special revenue fund that supports the food services operations within the schools. The Cafeteria fund is a multi-year fund that carries a fund balance from year to year.

The Cafeteria fund's largest revenue source is the federal government through reimbursement for participating in USDA sponsored programs. The USDA programs are intended to increase the quality and nutritious value of the food the division serves. The Cafeteria fund also receives state funds, accepts food donations, and earns catering revenue for various events.

The division has a high percentage of free and reduced lunch students, therefore, many schools in the division qualify for the Community Eligibility Program (CEP), which allows a division to designate schools as a free and reduced lunch site so all students who attend the school can receive free breakfast and lunch. Under the program, the division is reimbursed for costs incurred at 12 schools.

For the remaining schools, students are charged a fee for lunch. This revenue is recorded as charges for services within the Cafeteria fund.

For FY 2018-19, an overall increase is expected due to increase sales from new menu items, such as pizza, which is offered at least 3 days during the school week and a 2% raise is included for food service personnel.



Cafeteria Fund Revenues - Level 3

The following table is a breakout of Cafeteria Fund revenues by classification.

	2014-2015 ACTUALS	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 BUDGET	2018-2019 BUDGET	Increase (Decrease)	2019-2020 FORECAST	2020-2021 FORECAST	2021-2022 FORECAST
Federal Revenues									
NATIONAL SCHOOL LUNCH PROGRAM	\$ 5,276,344	\$ 6,256,691	\$ 6,341,767	\$ 6,820,824	\$ 7,038,270	\$ 217,446	\$ 7,038,270	\$ 7,038,270	\$ 7,038,270
FRESH FRUIT AND VEGETABLE PROGRAM	148,621	127,755	185,336	150,000	190,000	40,000	190,000	190,000	190,000
DONATED COMMODITIES	322,654	414,936	441,514	415,000	450,000	35,000	450,000	450,000	450,000
Total Federal Revenues	5,747,619	6,799,382	6,968,617	7,385,824	7,678,270	292,446	7,678,270	7,678,270	7,678,270
State Revenues									
SCHOOL NUTRITION - STATE	87,796	80,051	114,419	95,966	123,457	27,491	141,779	141,779	141,779
Total State Revenues	87,796	80,051	114,419	95,966	123,457	27,491	141,779	141,779	141,779
Charges for Services									
PAID SCHOOL BREAKFAST/LUNCH	552,766	454,957	479,228	560,000	585,000	25,000	585,000	585,000	585,000
Total Charges for Services	552,766	454,957	479,228	560,000	585,000	25,000	585,000	585,000	585,000
Other Revenue									
MISCELLANEOUS	837,230	573,473	589,658	562,000	500,000	(62,000)	500,000	500,000	500,000
Total Other Revenues	837,230	573,473	589,658	562,000	500,000	(62,000)	500,000	500,000	500,000
Transfers In from Other Funds									
BONUS AND UNPAID LUNCH- GENERAL FUND	13,682	20,934	268,178	15,000	15,000	-	15,000	15,000	15,000
Total Transfers In from Other Funds	13,682	20,934	268,178	15,000	15,000	-	15,000	15,000	15,000
Total Cafeteria Revenues	\$ 7,239,093	\$ 7,928,797	\$ 8,420,100	\$ 8,618,790	\$ 8,901,727	\$ 282,937	\$ 8,920,049	\$ 8,920,049	\$ 8,920,049

Budget Forecasts:

For FY 2019-20, the budget is projected to increase slightly by about \$18,000 primarily due to increased state funding for the School breakfast and lunch program. Future budgets are expected to maintain stable through FY 2022.

Cafeteria Fund Expenditures - Level 3

The following table is breakout of Cafeteria Fund expenditures by Type

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Increase	2019-2020	2020-2021	2021-2022
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	(Decrease)	FORECAST	FORECAST	FORECAST
Food Services									
Salaries	\$ 2,518,533	\$ 2,616,033	\$ 2,639,431	\$ 2,327,967	\$ 2,325,377	\$ (2,590)	\$ 2,327,967	\$ 2,327,967	\$ 2,327,967
Benefits	1,378,228	1,216,407	1,270,257	1,343,712	1,207,433	(136,279)	1,343,712	1,343,712	1,343,712
Purchased Services	10,500	6,363	7,296	15,000	15,000	-	15,000	15,000	15,000
Materials/Supplies	3,544,024	3,766,818	3,641,184	4,190,000	4,317,500	127,500	4,381,259	4,381,259	4,381,259
Other Charges	31,391	30,964	23,364	164,500	190,000	25,500	164,500	164,500	164,500
Internal Services	-	-	-	-	60,000	60,000	60,000	60,000	60,000
Equipment	254,128	139,266	176,823	162,611	336,417	173,806	212,611	212,611	212,611
Donated Commodities	339,277	417,333	442,022	415,000	450,000	35,000	415,000	415,000	415,000
Total Expenditures	\$ 8,076,081	\$ 8,193,183	\$ 8,200,378	\$ 8,618,790	\$ 8,901,727	\$ 282,937	\$ 8,920,049	\$ 8,920,049	\$ 8,920,049

Debt Obligations

By law, the School Board may not issue bonds or enter into debt. There are no debt obligations for the division.

Other Post-Employment Health Care Benefits

The School Board provides medical insurance benefits to eligible retirees and their spouses in accordance with the division's personnel policies and procedures. An Other Post-Employment Benefit (OPEB) trust was established for the purpose of accumulating and investing assets to fund the medical insurance benefits obligations. As of June 30, 2017, health plan membership consisted of 1,852 active service participants and 42 retirees and beneficiaries receiving benefits. The annual OPEB cost is based on the annual required contribution (ARC) which represents a level of funding that would cover normal costs each year over a thirty-year period.

The School Board's annual OPEB costs, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset over the past three years are illustrated below from the School Board's 2017 Comprehensive Annual Financial Report:

Fiscal Year	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2017	711,225	(246,113)	34.6%	(4,566,686)
2016	468,072	(521,798)	-111%	(5,031,798)
2015	416,350	-	0%	(4,978,072)

The employer contribution amount was not actually paid into the OPEB trust. This amount, as determined by a third party actuary, represents an implicit subsidy. Annual costs for retirees are typically higher than those for the average covered life (due to being older than the covered group). Therefore, some of the expense for active coverage is subsidizing the cost of coverage for retirees. It is required that this subsidized retiree cost be reflected in OPEB accounting. The implicit subsidy or implied contribution towards retiree coverage made by the active/younger population was included as a contribution for FY 2016-17.

Effective June 30, 2017, state and local governments with OPEB plans administered through a trust were required to report the net OPEB liability for the plan. The net OPEB Liability as of June 30, 2017 is as follows:

Total OPEB liability	\$ 16,043,164
Plan fiduciary net position	(12,081,964)
Net OPEB liability	<u>\$ 3,961,200</u>
Plan fiduciary net position as a percentage of the total OPEB liability	75.31%

Capital Improvement Projects

Capital projects in excess of \$50,000 and a useful life of at least ten (10) years are submitted to City Council for approval and inclusion in the City Capital Improvement Fund - Education. Currently, the following projects have been approved by the City:

Capital Improvements Education

<u>Project Title</u>	Appropriated	FY 2019	Un-Appropriated Subsequent Years				5 Year	CIP
	To Date	Proposed	FY 2020	FY 2021	FY 2022	FY 2023	Total	Total
Brighton ES Roof Replacement	973,000	-	-	-	-	-	-	973,000
Churchland Academy Parking Lot	77,500	450,000	-	-	-	-	450,000	527,500
Churchland High HVAC	2,162,009	3,000,000	-	-	-	-	3,000,000	5,162,009
Churchland HS Stage/Sound/Lighting Renovation	345,000	-	-	-	-	-	-	345,000
Hodges Manor ES Roof Top Unit Replacement	380,000	-	-	-	-	-	-	380,000
IRC Data Center HVAC and UPS Project	300,000	-	-	-	-	-	-	300,000
MT Hermon Preschool Roof Replacement	932,000	-	-	-	-	-	-	932,000
Mt. Hermon Bus Loop Upgrades	-	350,000	-	-	-	-	350,000	350,000
New Middle School	-	3,000,000	17,500,000	17,500,000	-	-	38,000,000	38,000,000
School Bus Fleet Replacement	4,956,082	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	9,956,082
Woodrow Wilson High School Roof	3,398,516	-	-	-	-	-	-	3,398,516
Woodrow Wilson HS HVAC Cooling Tower Replacement	550,000	-	-	-	-	-	-	550,000
Total Project Cost	14,074,107	7,800,000	18,500,000	18,500,000	1,000,000	1,000,000	46,800,000	60,874,107
Debt Funding								
Education Bonds-QZAB	973,000	-	-	-	-	-	-	973,000
Future Bond Issuance	7,515,000	6,800,000	17,500,000	17,500,000	-	-	41,800,000	49,315,000
Debt Funding Funding	8,488,000	6,800,000	17,500,000	17,500,000	-	-	41,800,000	50,288,000
Transfers								
Transfer from General Fund	5,586,107	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	10,586,107
Total Funding	14,074,107	7,800,000	18,500,000	18,500,000	1,000,000	1,000,000	46,800,000	60,874,107

Source: City of Portsmouth FY 2018-19 Adopted Operating Budget and Capital Improvement Program

The FY 2018-19 CIP budget for education includes continued funding of previous approved projects along with bus loop upgrades at Mt Hermon Preschool and the construction of a fourth middle school. Funding for each capital project will be primarily funded through future bond issuance.

A new long range capital project plan is in development based on results of a recent facility study presented in February 2018 and internal assessments by the operations and maintenance department.

THIS PAGE LEFT BLANK INTENTIONALLY

Informational Section



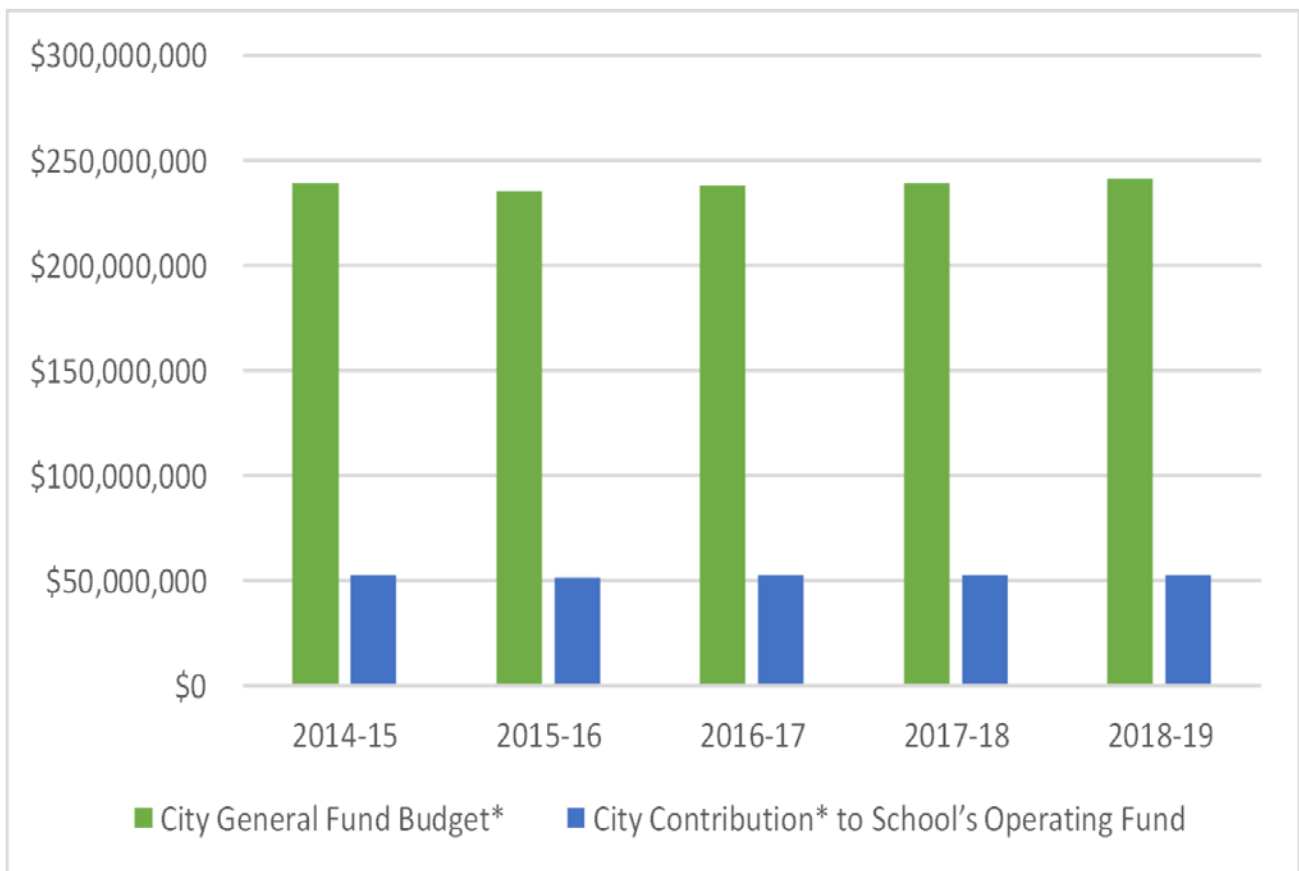
Taxation

Per State Code, the City of Portsmouth acts as the school division’s appropriating body. Funds awarded to the division must be formally approved to be spent by the schools in the form of ordinances. All funds the division receives including state and grants funds are included in the City’s budgeted allocation to the schools, but the actual City contribution to the schools is 36% of the total operating budget. The following is a historical look at the city’s contribution to the division’s operating fund:

Fiscal Year	City General Fund Budget*	City Contribution* to School’s Operating Fund	% of Total General Fund Budget
2014-15	\$239,281,998	\$52,400,000	22%
2015-16	\$235,770,132	\$51,200,000	22%
2016-17	\$238,037,007	\$52,400,000	22%
2017-18	\$239,068,378	\$52,400,000	22%
2018-19	\$241,726,136	\$52,796,045	22%

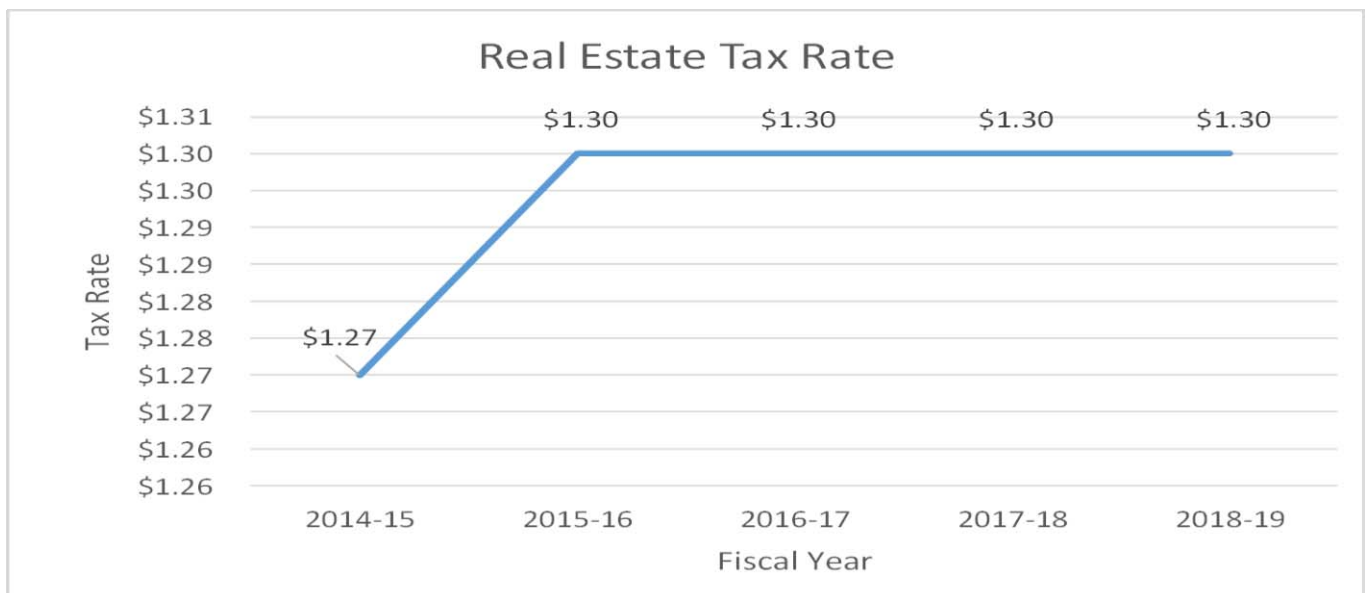
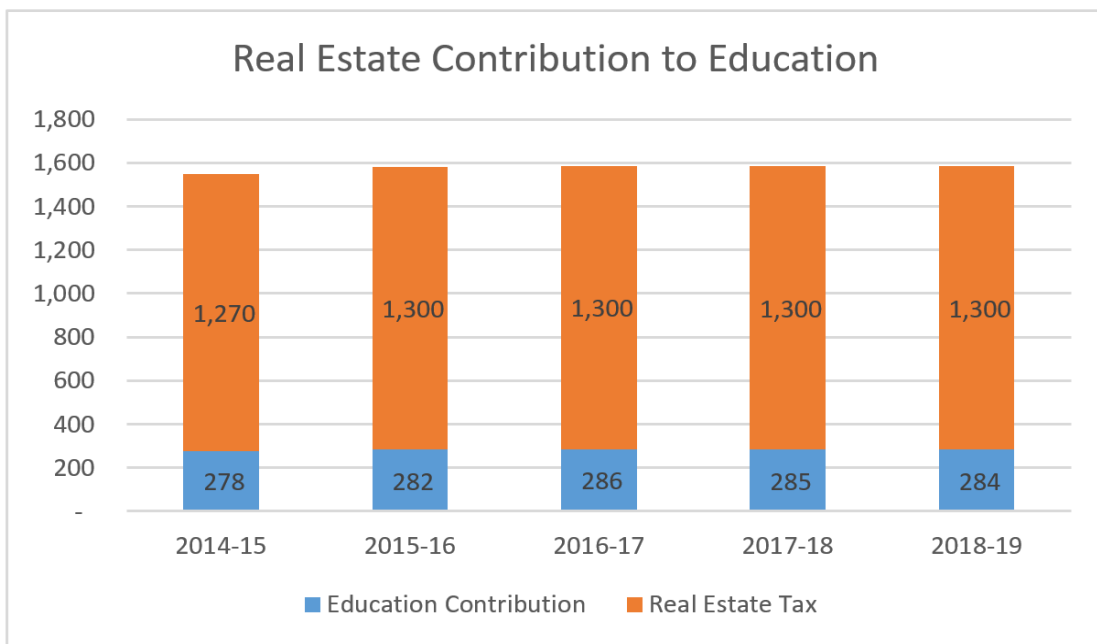
*Original Budget

City General Fund Budget vs. City Funding to School Operating Fund



The Commonwealth of Virginia does not give school divisions the authority to levy taxes on citizens, making all public school divisions fiscally dependent upon the local appropriating bodies. The municipality collects revenue in a variety of ways including usage fees, fines, and property taxes. In turn, a portion of these revenues are shared with the school division. The allocation to the schools operating fund in the City budget is generated primarily through property tax.

Therefore, with the current tax rate at \$1.30 per \$100 of assessed value, the owner of a property assessed at \$100,000 would owe a property tax bill of \$1,300 with approximately \$286 of that bill funding education. The following graphs illustrates the changes in real estate property tax obligations, the contribution towards education, and the tax rate since 2014. While a \$0.03 tax rate hike increased the taxpayer’s obligation by \$30.00, the corresponding contribution to education decreased by \$8.00 in FY 2015-16. In FY 2016-17, the contribution to education increased by \$4.00 compared to the previous fiscal year. The following is an example of the real estate contribution to education and the real estate tax rate.



The following table is a five year look at Assessed Property Values in the City of Portsmouth. A forecast for the next three years is not available.

Fiscal Year	Total Taxable Assessed Value
2014-15 ACTUAL	\$ 7,169,660
2015-16 ACTUAL	\$ 7,172,539
2016-17 ACTUAL	\$ 7,269,208
2017-18 BUDGET	\$ 7,175,083
2018-19 BUDGET	\$ 7,562,595

Numbers in 000s

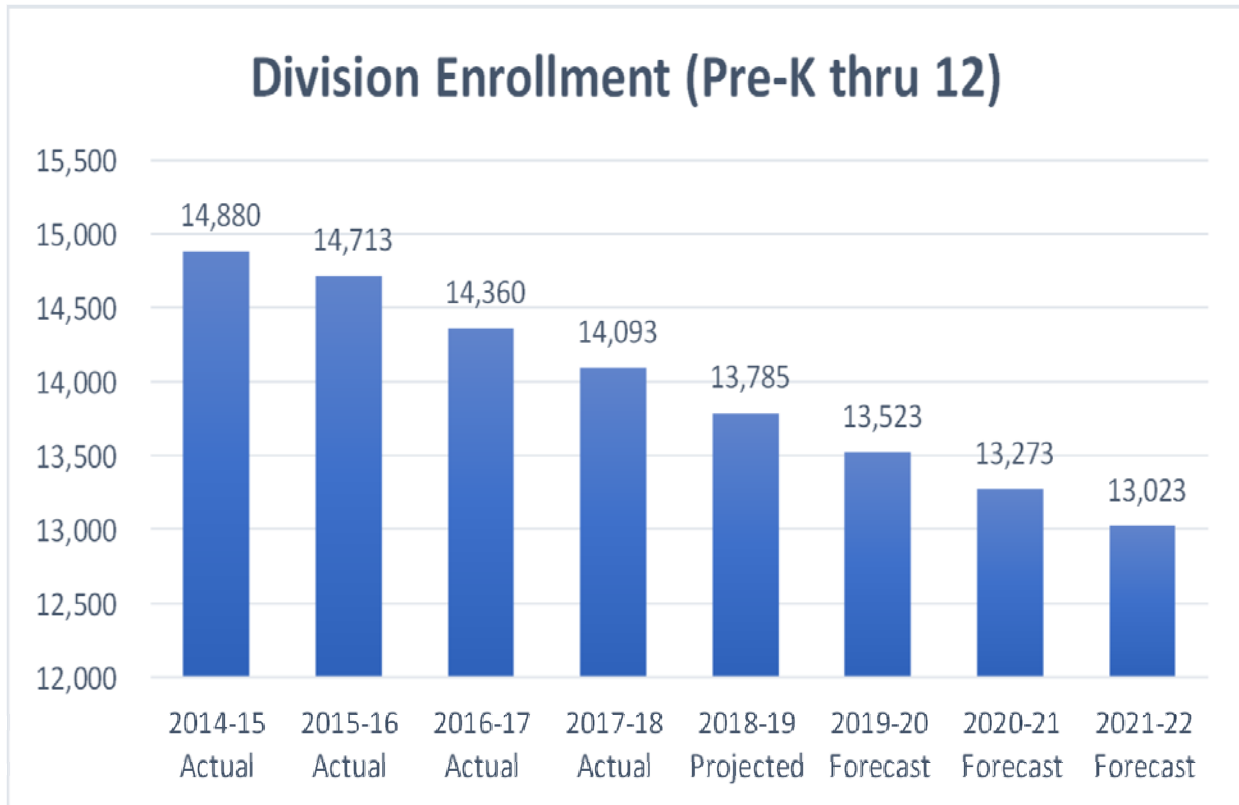
City funding for education is also derived from personal property tax and various other local taxes such as admission and amusement tax, bank franchise tax, business and professional licenses tax, licensing fees, lodging tax, cigarette tax, recordation tax, restaurant food tax, short term rental tax, and franchise tax.

The City also assesses a \$5.00 per \$100 vehicle property tax, a \$3.00 per \$100 machinery tax, as well as a \$0.50 per \$100 per assessed value of boats. The City estimates the value of personal property and typically collects on these taxes in June. The following is a summary of some of the tax rates assessed by the City:

Tax Type	Unit	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual
Real Estate	per \$100	\$1.27	\$1.30	\$1.30	\$1.30	\$1.30
Personal Property - Vehicles	per \$100	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Personal Property - Machinery	per \$100	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Personal Property - Boats	per \$100	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Admissions Tax	of sale price	10%	10%	10%	10%	10%
Restaurant Food	of sale price	6.50%	6.50%	6.50%	6.50%	6.50%
Lodging Tax	of sale price	8.00%	8.00%	8.00%	8.00%	8.00%
Sales Tax	of sale price	6.00%	6.00%	6.00%	6.00%	6.00%
Cigarette Tax	per pack	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90

Division Enrollment Forecast

Enrollment trends and projections are based on Forecast 5 Analytics Cohort Survival model and Pre-K students and slots from the Virginia Preschool Initiative. The Cohort Survival model is considered very reliable and is utilized by several Departments of Education in student projections and U.S. Census Bureau reports. This model uses an “aging” approach that moves a group of students and adjusts amounts based on past history. The model also relies on historical enrollment, live birth data, housing changes, etc. The division also reviews the state projection of ADM along with the historical average change in March 31st ADM to project enrollment.



Enrollment figures above are based on actual and projected March 31st membership and pre-k students

PERSONNEL RESOURCE ALLOCATIONS BY FUND

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 as of 12/12/2017	Budgeted FY 2018-19	Change
CAFETERIA FUND						
ASSOCIATE 200 DAY - 7 HOUR	1	1	1	1	1	0
ASSOCIATE 260 DAY - 8 HOUR	3	3	3	3	3	0
COORDINATOR	1	1	1	1	1	0
FOOD SERVICES 4.5 HRS	3	3	3	3	3	0
FOOD SERVICES 5.5 HRS	45	45	33	33	33	0
FOOD SERVICES 6.0 HRS	49	49	46	44	44	0
FOOD SERVICES MANAGER	23	23	23	22	22	0
PART TIME WITH POSITION	37	37	45	45	45	0
SUPERVISOR	3	3	2	2	2	0
TOTAL FOR FUND	165	165	157	154	154	0

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 as of 12/12/2017	Budgeted FY 2018-19	Change
GENERAL FUND						
ASSISTANT SUPERINTENDENT	1	2	2	3	3	0
ASSOCIATE 200 DAY - 8 HOUR	27	27	27	13	13	0
ASSOCIATE 213 DAY - 7 HOUR	0	0	0	13	13	0
ASSOCIATE 260 DAY - 7 HOUR	14	0	0	0	0	0
ASSOCIATE 260 DAY - 8 HOUR	61	92	91	86	83	-3
ASSOCIATE 260 DAY - 7.25 HOUR	17	0	0	0	0	0
ATTENDANCE OFFICERS	3	3	4	4	4	0
BUS DRIVER	119	115	111	111	111	0
BUS MONITOR	39	39	39	39	39	0
BUS LOT LEADER	0	3	3	3	3	0
COORDINATOR	4	9	9	9	9	0
CROSSING GUARD 10 MTH	29	29	26	23	23	0
CUSTODIAN	64	64	64	62	62	0
CUSTODIAN, HEAD	17	20	20	20	20	0
CUSTODIAN, LEAD	23	23	23	23	23	0
DEAN OF STUDENTS	0	4	4	0	0	0
DELIVERY PERSONNEL	2	2	2	2	2	0
DIRECTOR	10	5	5	4	5	1
DEPUTY SUPERINTENDENT	1	0	0	0	0	0
ELEMENTARY SCHOOL PRINCIPAL	16	16	16	15	15	0
ELEM SCHOOL ASST PRINCIPAL	13	13	13	13	13	0
EXECUTIVE ADMINISTRATOR	1	1	1	0	0	0
GRADUATION COACH	2	2	2	2	2	0
GUIDANCE COUNSELOR	23	23	23	23	23	0
GUIDANCE COUNSELOR 10+1	6	6	6	6	6	0
GUIDANCE COUNSELOR 10+2	4	3	3	3	3	0
HIGH SCHOOL ASST PRINCIPAL	9	9	9	9	9	0
HIGH SCHOOL PRINCIPAL	3	3	3	3	3	0
IN-SCHOOL SUSPENSION I	4	4	4	4	4	0
IN-SCHOOL SUSPENSION II	3	3	3	3	3	0
INSTRUCTIONAL ASSISTANT	2	15	15	15	20	5
INSTRUCTIONAL ASSISTANT SPED	143	142	138	138	138	0

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 as of 12/12/2017	Budgeted FY 2018-19	Change
INTERPRETER	6	6	6	5	5	0
LIBRARY MEDIA SPECIALIST	22	22	22	22	22	0
MAINTENANCE PERSONNEL	22	22	22	21	21	0
MANAGER	5	4	4	3	3	0
MIDDLE SCHOOL PRINCIPAL	4	4	4	4	4	0
MIDDLE SCHOOL ASST PRINCIPAL	6	6	6	6	6	0
NURSE	27	26	24	19	19	0
NURSE LPN	0	0	0	3	3	0
OCCUPATIONAL/PHYSICAL TH 10+1	1	1	1	1	1	0
OCCUPATIONAL/PHYSICAL TH 10+2	1	1	1	1	1	0
OCCUPATIONAL/PHYSICAL THERPST	1	1	1	1	1	0
OFFICERS	0	1	1	1	1	0
OTHER PROFESSIONAL STAFF	1	0	0	0	0	0
PART TIME WITH POSITION	4	5	5	4	4	0
PROGRAM SPECIALIST	11	13	14	9	9	0
PSYCHOLOGIST	6	6	6	6	6	0
PSYCHOLOGIST 10+2	0	0	0	4	4	0
PURCHASING PERSONNEL - NON EXE	1	1	1	1	1	0
PURCHASING PERSONNEL- EXEMPT	1	1	2	2	2	0
RESEARCH SPECIALIST	0	1	1	2	2	0
ROTC INSTRUCTORS	7	7	7	7	7	0
SCHOOL BOARD	9	9	9	9	9	0
SECURITY OFFICERS	16	16	16	16	29	13
SENIOR SUPERVISOR	9	8	8	8	8	0
SOCIAL WORKER	1	1	1	1	1	0
SOCIAL WORKER 10+1	3	3	3	3	3	0
SOCIAL WORKER 10+2	4	4	4	4	4	0
SPEECH / HEARING / SIGHT THERP	17	17	17	16	15	-1
SPEECH/HEARING/SIGHT TH 10+2	1	1	1	1	1	0
STUDENT RESOURCE LIAISON	3	3	1	1	1	0
SUPERINTENDENT	1	1	1	1	1	0
SUPERVISOR	11	11	11	11	11	0
TEACHER	754	769	771	820	817	-3
TEACHER SPECIAL ED	142	142	137	126	126	0
TEACHER 10+2	7	7	6	6	6	0
TEACHER 10+1	1	2	1	5	5	0
TEACHER SPECIALIST	1	1	1	1	1	0
TECHNOLOGY PERSONNEL - NON EXE	6	6	6	11	11	0
TECHNOLOGY PERSONNEL EXEMPT	13	14	14	12	12	0
WAREHOUSE PERSONNEL	3	3	3	3	3	0
TOTAL FOR FUND	1788	1823	1805	1826	1838	12

GRANT FUND

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 as of 12/12/2017	Budgeted FY 2018-19	Change
ASSOCIATE 200 DAY - 8 HOUR	1	1	1	1	1	0
ASSOCIATE 260 DAY - 7 HOUR	3	0	0	0	0	0
ASSOCIATE 260 DAY - 8 HOUR	3	6	6	6	6	0
ASSOCIATE 260 DAY - 7.25 HOUR	1	0	0	0	0	0
COORDINATOR	2	3	5	6	6	0
DIRECTOR	0	0	1	1	1	0
ELEMENTARY SCHOOL PRINCIPAL	2	1	1	1	1	0
HOME SCHOOL LIAISON	1	1	0	12	12	0
HOME SCHOOL LIAISON 12 MTH	1	1	2	2	2	0
INSTRUCTIONAL ASSISTANT	58	45	41	84	90	6
INSTRUCTIONAL ASSISTANT SPED	9	8	9	9	9	0
MAINTENANCE PERSONNEL	1	0	0	0	0	0
OTHER PROFESSIONAL STAFF	1	1	1	1	1	0
PART TIME WITH POSITION	4	3	6	6	6	0
PROGRAM SPECIALIST	8	5	5	14	16	2
PSYCHOLOGIST 10+2	4	4	4	0	0	0
SENIOR SUPERVISOR	5	5	5	5	5	0
SPEECH / HEARING / SIGHT THERP	1	1	1	1	1	0
TEACHER	83	73	70	41	41	0
TEACHER SPECIAL ED	14	14	14	22	22	0
TEACHER 10+1	2	2	2	8	8	0
TEACHER 10+2	2	2	2	2	2	0
TEACHER SPECIALIST	10	10	10	10	10	0
TOTAL FOR FUND	216	186	186	232	240	8

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 as of 12/12/2017	Budgeted FY 2018-19	Change
TOTAL FOR ALL FUNDS	2170	2175	2148	2212	2232	20

Standards of Learning (SOL) Testing

The Commonwealth of Virginia uses Standards of Learning tests to ensure school divisions give students an adequate and challenging education. Starting in 1998, the division tests its students in order to reach state education requirements, earn accreditation, and maintain state funding.

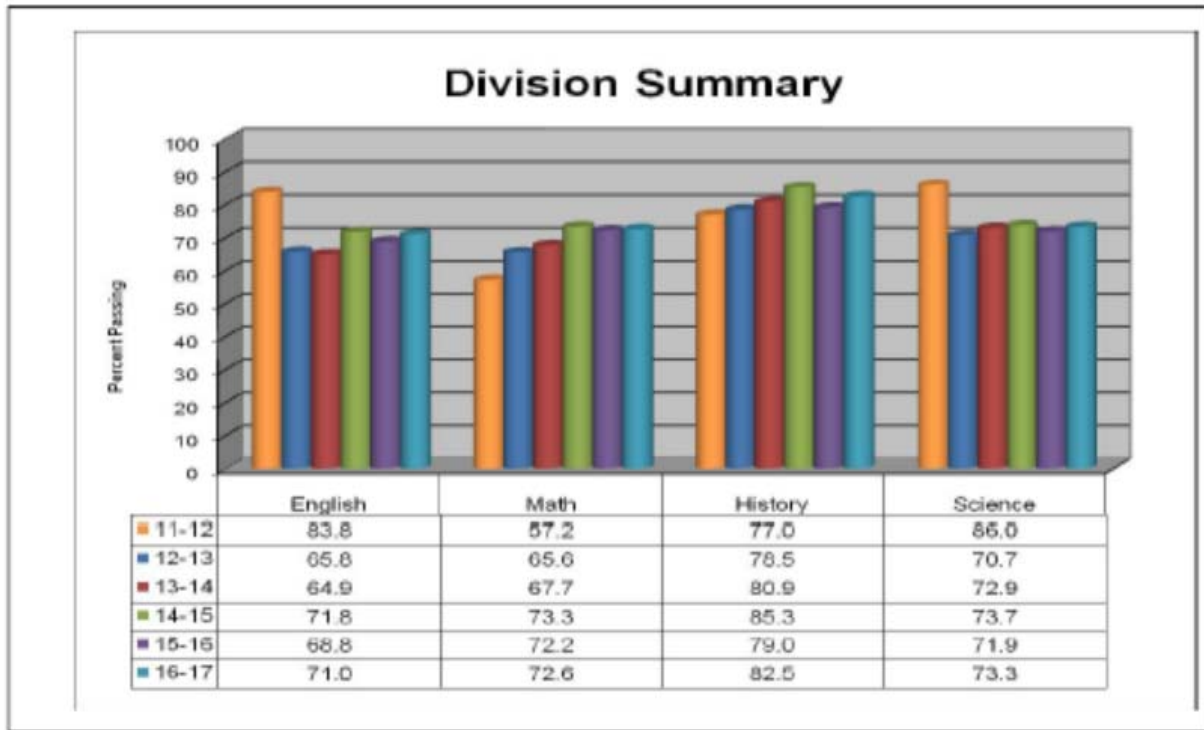
Based on the historical look at the detailed SOL pass rates, the accreditation rate has slipped since the division achieved full accreditation for all schools in 2010. Since that time, the state implemented new, more rigorous SOL tests, in the areas of Social Studies, Mathematics, English (Reading/Writing), and Science, to better prepare students to compete in today's global economy, and to meet the higher expectations of national and international benchmarks for college and career readiness. VDOE reported a decline in the scores in these areas statewide so Portsmouth's similar decline was no surprise. Teaching methods were adjusted to better prepare students for the new testing formats.

In 2015, VDOE revised the accreditation standards with the goal of better informing the public of the progress of schools to reach accreditation. The most significant change was the introduction of partially accredited ratings. This new designation identifies schools that are close to full accreditation or making acceptable progress.

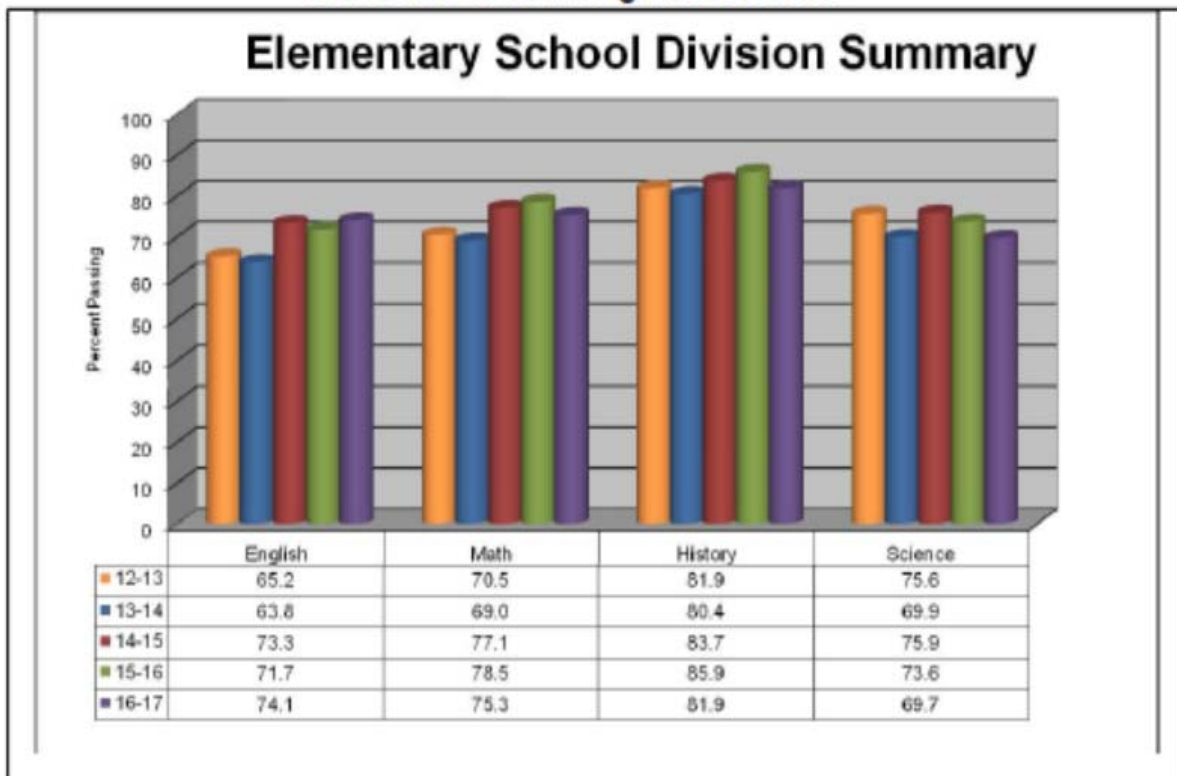
For FY 2016-17, the school division increased the number of fully accredited schools from 8 to 12 schools. Partially accredited schools decreased from 4 to 1 schools. Accreditation denied schools remained at 5 schools. Detailed SOL pass rates are illustrated on the next pages. The division is proud of the achievements of the students and instructional staff, and it expects continued growth and this trend of increasing the number of fully accredited schools to continue.

Fully Accredited	Partially Accredited	Accreditation Denied
3 High Schools 9 Elementary Schools	1 Middle School	2 Middle Schools 5 Elementary Schools

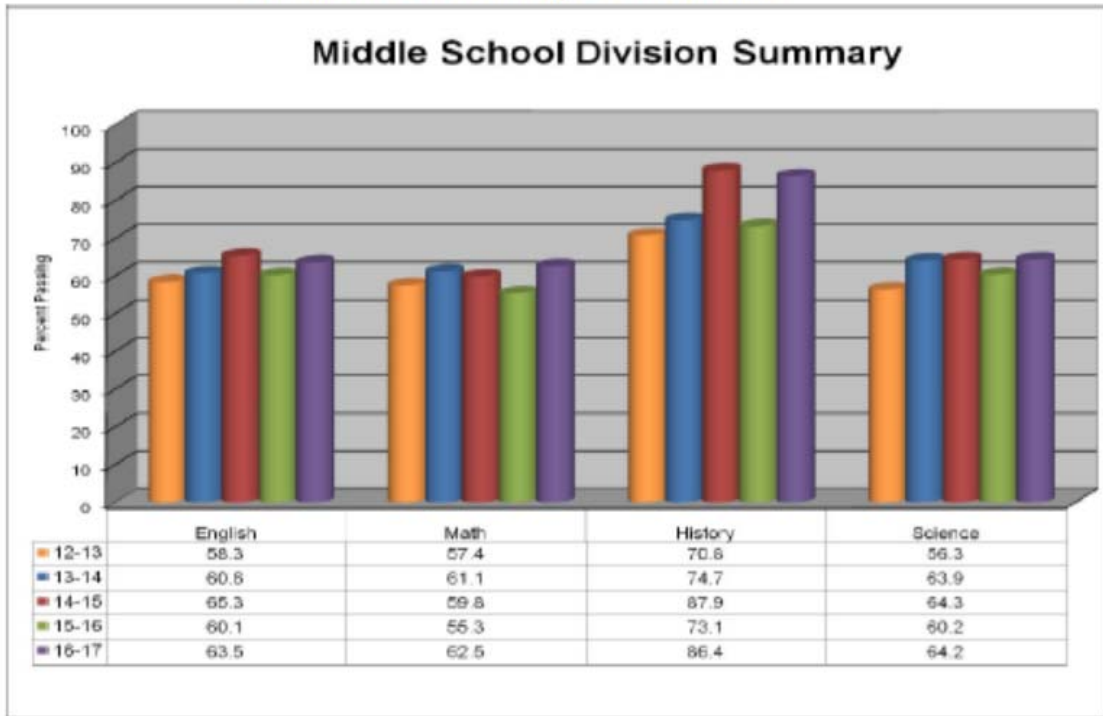
**Division Summary
Portsmouth Public Schools
Standards of Learning Assessments**



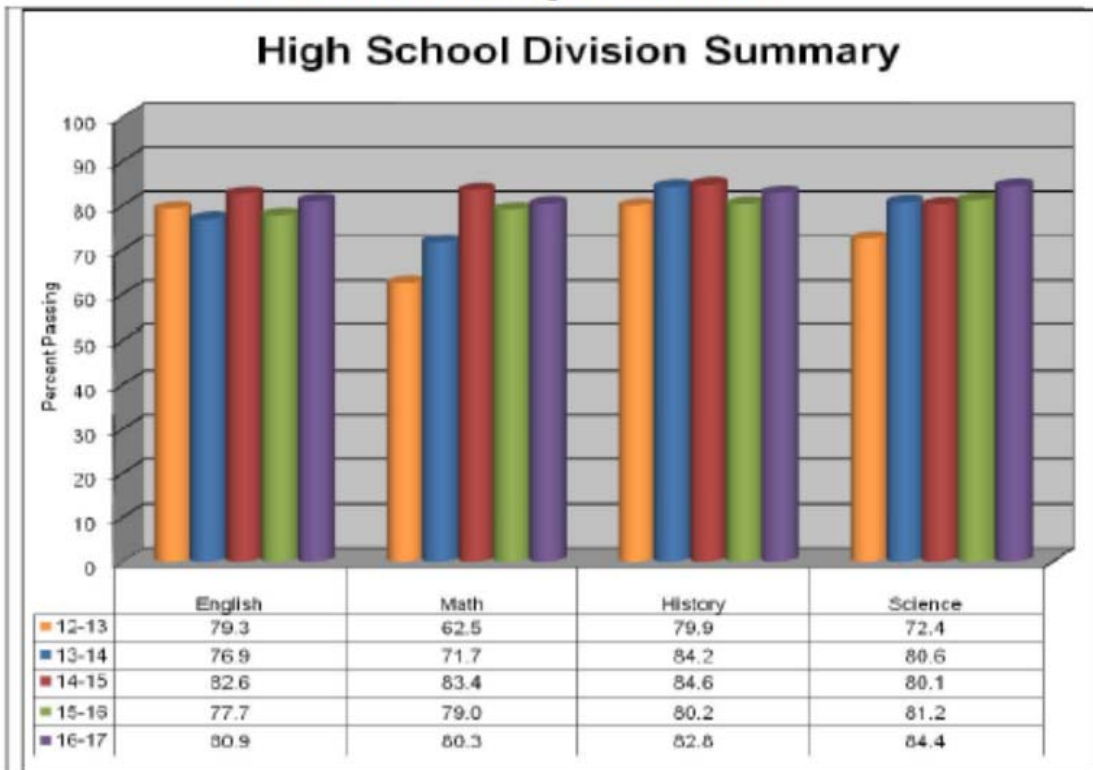
**Elementary Schools Summary
Portsmouth Public Schools
Standards of Learning Assessments**



**Middle Schools Summary
Portsmouth Public Schools
Standards of Learning Assessments**



**High Schools Summary
Portsmouth Public Schools
Standards of Learning Assessments**



Graduation Rates

The division's most important products are graduates. The first objective under the Strategic Plan Goal 1 is that graduates will be college and career ready. Beginning with the 2012-13 school year, state accreditation standards required a school division to achieve a graduation index of 85%, with the index rising each of the following years. This complex index measures the on-time graduation rate of a cohort of students who entered high school four years before. The division continues to explore ways to reduce the dropout rate in order to meet the on-time graduation requirement.

HIGH SCHOOL	Class of 2015			Class of 2016			Class of 2017		
	Dropouts	Dropout Rate	Virginia On-time Graduation Rate	Dropouts	Dropout Rate	Virginia On-time Graduation Rate	Dropouts	Dropout Rate	Virginia On-time Graduation Rate
CHURCHLAND	7	2.30%	93.80%	16	1.11%	92.8%	17	1.17%	91.64%
I. C. NORCOM	29	9.60%	82.50%	33	2.95%	89.2%	49	4.58%	80.77%
WOODROW WILSON	9	2.80%	84.90%	41	2.88%	84.6%	44	3.07%	85.92%



Free and Reduced Lunch

Portsmouth educates children in an urban setting with a high percentage of students receiving free and reduced lunch. Portsmouth has the largest percentage of students receiving free or reduced lunch in the Hampton Roads region.

VDOE National School Lunch Program (NSLP) Regional Comparison School Year 2017-18

Public School Division	SNP Membership	FREE Eligibility	FREE %	REDUCED Eligibility	REDUCED %	TOTAL F/R Eligibility	TOTAL F/R %
Virginia Beach City Public Schools*	70,186	22,134	31.54%	5,047	7.19%	27,181	38.73%
Chesapeake City Public Schools*	39,588	13,188	33.31%	2,240	5.66%	15,428	38.97%
Suffolk City Public Schools*	14,413	6,372	44.21%	788	5.47%	7,160	49.68%
Hampton City Public Schools*	19,933	11,365	57.02%	946	4.75%	12,311	61.76%
Newport News City Public Schools*	28,585	18,144	63.47%	1,006	3.52%	19,150	66.99%
Norfolk City Public Schools*	31,248	22,592	72.30%	1,187	3.80%	23,779	76.10%
Portsmouth City Public Schools*	14,427	10,698	74.15%	355	2.46%	11,053	76.61%

*One or more sites in this School Food Authority (SFA) operate under the USDA Community Eligibility Provision (CEP).

The free eligibility for those sites is calculated based on USDA guidance.

The number of students who qualify for free and reduced lunch in Portsmouth has grown from 10,055 in 2016-17 to 11,053 in 2017-18. Effective July 2014, alternative means of identifying eligible households that qualify for free or reduced price meals became available. If at least 40% of the identified free lunch students at a particular school qualify during the prior school year, that school qualifies to use the alternate means of identification, the Community Eligibility Provision (CEP) program. Should the division nominate them for the program, these schools would receive full free funding and all students in these schools would receive lunch and breakfast at no charge. The division has twelve (12) total schools in the CEP program. If PPS was to implement the program in all schools, other non-federal funds would be required to fund the program. Implementation of this program saves money for the parents at the participating schools and participation in the School Nutrition Program increases. Food Services continually evaluates the identified student population of all schools each year to determine the possibility of adding new schools to the program.

VDOE National School Lunch Program (NSLP) Portsmouth Free and Reduced Meals 2013-2018

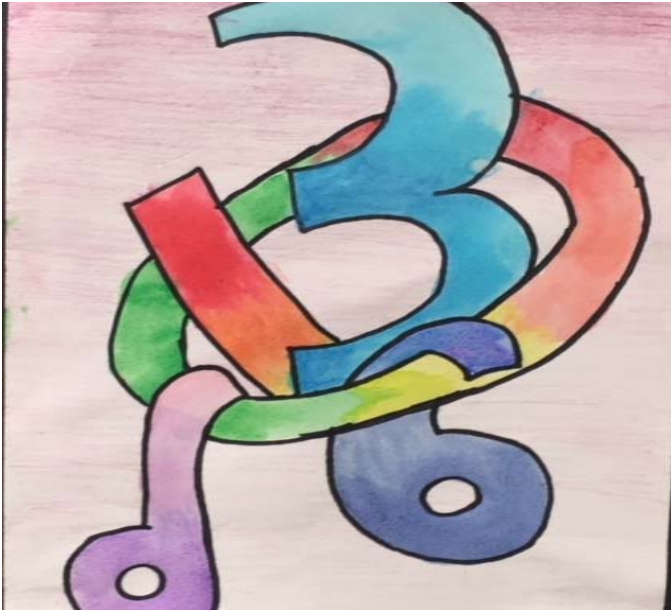
School Year	NSLP Membership	Total Free/Reduced Lunch Eligible	Total Free/Reduced %
2013-14	15,108	9,529	63.07%
2014-15	15,146	9,736	64.28%
2015-16	14,959	10,490	70.13%
2016-17	14,607	10,055	68.84%
2017-18	14,427	11,053	76.61%

Source: VDOE NSLP Free & Reduced Price Eligibility Report and Fall Membership Reports

Data is reported in principals' report to Food Services, October 31 of each school year

THIS PAGE LEFT BLANK INTENTIONALLY

Appendix



Artwork by: Samiyah Young, 6th Grade
Churchland Elementary School



Artwork by: Skyler Grener, 8th Grade
Waters Middle School



Artwork by: Hailey Leggett, 2nd Grade
Churchland Elementary School



Artwork by: Brenden White, 5th Grade
Churchland Elementary School

§ 22.1-88. Of What School Funds to Consist.

The funds available to the school board of a school division for the establishment, support and maintenance of the public schools in the school division shall consist of state funds appropriated for public school purposes and apportioned to the school board, federal funds appropriated for educational purposes and apportioned to the school board, local funds appropriated to the school board by a local governing body or such funds as shall be raised by local levy as authorized by law, donations or the income arising there from, and any other funds that may be set apart for public school purposes.

§ 22.1-89. Management of Funds.

Each school board shall manage and control the funds made available to the school board for public schools and may incur costs and expenses. If funds are appropriated to the school board by major classification as provided in § 22.1-94, no funds shall be expended by the school board except in accordance with such classifications without the consent of the governing body appropriating the funds.

§ 22.1-91. Limitation on Expenditures; Penalty.

No school board shall expend or contract to expend, in any fiscal year, any sum of money in excess of the funds available for school purposes for that fiscal year without the consent of the governing body or bodies appropriating funds to the school board. Any member of a school board or any division superintendent or other school officer violating, causing to be violated or voting to violate any provision of this section shall be guilty of malfeasance in office.

§ 22.1-92. Estimate of Moneys Needed for Public Schools; Notice of Costs to be distributed.

A. It shall be the duty of each division superintendent to prepare, with the approval of the school board, and submit to the governing body or bodies appropriating funds for the school division, by the date specified in § 15.2-2503, the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division. The estimate shall set up 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.

Upon preparing the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division, each division superintendent shall also prepare and distribute, within a reasonable time as prescribed by the Board of Education, notification of the estimated average per pupil cost for public education in the school division for the coming school year in accordance with the budget estimates provided to the local governing body or bodies. Such notification shall also include actual per pupil state and local education expenditures for the previous school year. The notice may also include federal funds expended for public education in the school division.

The notice shall be made available in a form provided by the Department of Education and shall be published on the school division's website or in hard copy upon request. To promote uniformity and allow for comparisons, the Department of Education shall develop a form for this notice and distribute such form to the school divisions for publication.

B. Before any school board gives final approval to its budget for submission to the governing body, the school board shall hold at least one public hearing to receive the views of citizens within the school division. A school board shall cause public notice to be given at least 10 days prior to any hearing by publication in a newspaper having a general circulation within the school division. The passage of the budget by the local government shall be conclusive evidence of compliance with the requirements of this section.

§ 22.1-93. Approval of Annual Budget for School Purposes.

Notwithstanding any other provision of law, including but not limited to Chapter 25 (§ 15.2-2500 et seq.) of Title 15.2, the governing body of a county shall prepare and approve an annual budget for educational purposes by May first or within thirty days of the receipt by the county of the estimates of state funds, whichever shall later occur, and the governing body of a municipality shall prepare and approve an annual budget for educational purposes by May fifteen or within thirty days of the receipt by the municipality of the estimates of state funds, whichever shall later occur. Upon approval, each local school division shall publish the approved annual budget in line item form, including the estimated required local match, on the division's website, and the document shall also be made available in hard copy as needed to citizens for inspection.

The Superintendent of Public Instruction shall, no later than the fifteenth day following final adjournment of the Virginia General Assembly in each session, submit estimates to be used for budgetary purposes relative to the Basic School Aid Formula to each school division and to the local governing body of each county, city and town that operates a separate school division. Such estimates shall be for each year of the next biennium or for the then next fiscal year.

§ 22.1-94. Appropriations by County, City or Town Governing Body for Public Schools.

A governing body may make appropriations to a school board from the funds derived from local levies and from any other funds available, for operation, capital outlay and debt service in the public schools. Such appropriations shall be not less than the cost apportioned to the governing body for maintaining an educational program meeting the standards of quality for the several school divisions prescribed as provided by law. The amount appropriated by the governing body for public schools shall relate to its total only or to such major classifications prescribed by the Board of Education pursuant to § 22.1-115. The appropriations may be made on the same periodic basis as the governing body makes appropriations to other departments and agencies.

§ 22.1-100. Unexpended School and Educational Funds.

All sums of money derived from the Commonwealth which are unexpended in any year in any school division shall revert to the fund of the Commonwealth from which derived unless the Board of Education directs otherwise. All sums derived from local funds unexpended in any year shall remain a part of the funds of the governing body appropriating the funds for use the next year, but no local funds shall be subject to re-division outside of the locality in which they were raised.

Code of the City of Portsmouth, Virginia

Sec. 12-4. Lapse of Appropriations.

Appropriations, to the extent they shall not have been expended or lawfully encumbered, shall lapse at the end of the period for which they were made. Grant appropriations made as a result of the operating budget shall lapse upon termination of the grant period, which shall include any extensions granted subsequent to the date of appropriation.

(Code 1973, § 11-5; Code 1988, § 12-4; Ord. No. 1998-19, § 1, 4-28-1998)

MANAGEMENT OF FUNDS

The Division Superintendent or the Division Superintendent's designee is responsible for administering the division budget in accordance with Board policies and applicable state and federal regulations and laws. The Division Superintendent or the Division Superintendent's designee uses appropriate fiscal planning and management methods, modeled after the best accepted business practices and directed toward the educational goals of the division.

1. If the appropriating body appropriates funds to the School Board by total expenditures, funds may be transferred by the School Board from one category to another. If funds are appropriated to the School Board by major classifications, no funds are expended by the School Board except in accordance with such classifications without the consent of the body appropriating the funds.
2. The Division Superintendent may be authorized by the School Board to make line-item transfers within a category.
3. The school division will maintain an encumbrance accounting system as a method of accomplishing budgetary control. After the end of the fiscal year, encumbrances in the form of purchase orders, contracts, and other commitments for the expenditure of funds will be requested for reappropriation by City Council, reported as fund balances and carried forward to the next fiscal year. Any encumbered amounts not approved by City Council shall be cancelled and funding therefore shall be transferred to the City. Any encumbered amounts approved by City Council, not liquidated after 120 days subsequent to year end, require School Board approval to remain open.

The School Board manages and controls the funds made available to it for the public schools and incurs costs and expenses.

Adopted: December 19, 1996 - VSBA

Revised: April 19, 2001 - CEPI (R)

Revised: May 22, 2008

Revised: February 6, 2014

Revised: May 22, 2014

Revised: November 9, 2017

Legal Ref.: *The Code of Virginia*, 1950, as amended, §§ 22.1-78, 22.1-89, 22.1-94.

Cross Refs.:	DB	Annual Budget
	DG	Custody and Disbursement of School Funds
	DI	Financial Accounting and Reporting
	DJ	Small Purchasing
	DJA	Purchasing Authority

File: DA

DJF	Purchasing Procedures
DK	Payment Procedures
DL	Payroll Procedures

ANNUAL BUDGET

The annual school budget is the financial outline of the division's education program. It presents a proposed plan of expenditures and the expected means of financing those expenditures. After adoption, it provides the primary means of managing expenditures.

The fiscal year begins on the first day of July and ends on the thirtieth day of the following June.

The superintendent prepares, with the approval of the School Board, and submits to the appropriating body, an estimate of the amount of money needed during the next fiscal year for the support of the public schools of the school division. The estimate sets up the amount of money needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.

The superintendent or superintendent's designee prepares a budget calendar identifying all deadlines for the annual budgetary process. The calendar includes at least one work session for reviewing the budget and at least one public hearing on the budget. Notice of the time and place for the public hearing is published at least ten days in advance, in a newspaper having general circulation within the school division.

Upon approval of the school division's budget by the appropriating body, the school division publishes the approved budget in line item form, including the estimated required local match, on its website and the document is also made available in hard copy as needed to citizens for inspection.

Adopted: December 19, 1996

Revised: April 9, 2001

Revised: April 17, 2003

Revised: May 22, 2008

Revised: February 26, 2009

Revised: July 2, 2009

Revised: September 22, 2011

Revised: September 24, 2015

Legal Refs.: *The Code of Virginia*, 1950, as amended, §§ 15.2-2500, 15.2-2503, 15.2-2504, 15.2-2506, 22.1-91, 22.1-92, 22.1-93, 22.1-94.

AN ORDINANCE APPROVING THE FISCAL YEAR 2019 OPERATING BUDGET FOR THE PORTSMOUTH PUBLIC SCHOOL SYSTEM IN THE AMOUNT OF \$193,290,217 AND APPROPRIATING THE NECESSARY FUNDS TO IMPLEMENT SAID BUDGET FOR THE FISCAL YEAR 2019.

BE IT ORDAINED by the Council of the City of Portsmouth, Virginia:

1. The Fiscal Year 2019 Operating Budget in the amount of \$193,290,217 for the Portsmouth Public Schools is hereby approved in the following revenue and expenditures:

Revenues:

School General Fund:

Federal Funds	\$	828,000
State Revenue		73,809,096
State Sales Tax		15,809,649
City Funds		52,796,045
Other Funds		2,084,499

School General Fund Total **\$ 145,327,289**

School Grant Fund		18,089,580
School Food Services Fund		8,901,727
School Risk Management Fund		19,636,800
School Textbook Fund		1,334,821
Total Revenues	\$	193,290,217

Expenditures:

General Fund:

Instruction	\$	105,384,729
Administration, Attendance, and Health		9,500,397
Pupil Transportation		6,619,684
Operation and Maintenance		15,606,499
Debt and Fund Transfers		1,408,105
Technology		6,807,875
Total General Fund	\$	145,327,289

Other Funds:

School Grants Fund:	\$	18,089,580
Total School Grant Funds	\$	18,089,580

School Food Services Fund:	\$	8,901,727
Total School Food Service Fund	\$	8,901,727

School Textbook Fund:		\$ 1,334,821
	Total School Text Book Fund	\$ 1,334,821
School Risk Management Fund:		\$ 19,636,800
	Total School Risk Management Fund	\$ 19,636,800
	Total Expenditures	\$ 193,290,217

2. All unspent appropriations under this ordinance or any ordinance appropriating funds for the FY 2019 Portsmouth Public Schools budgets shall lapse at the end of the fiscal year, as provided under Section 22.1-100 of the Code of Virginia. Funds encumbered but unpaid by the end of the fiscal year will be deemed unspent appropriations that will require re-appropriation by the City Council.

3. The City Funds listed as Revenues in this budget include the amount of \$396,045 to be used by Portsmouth Public Schools for additional School Security Officers.

4. That this ordinance shall take effect on July 1, 2018.

ADOPTED by the Council of the City of Portsmouth, Virginia at a meeting held on May 8, 2018.

Teste:

City Clerk.

AN ORDINANCE APPROVING THE FY 2019-2023 CAPITAL IMPROVEMENT PROGRAM AND APPROPRIATING \$38,140,062 IN THE FY 2019 CAPITAL IMPROVEMENT FUND, \$56,800,000 IN THE FY 2019 PUBLIC UTILITIES CAPITAL IMPROVEMENT FUND AND \$250,000 IN THE FY 2019 PARKING AUTHORITY CAPITAL IMPROVEMENT FUND.

WHEREAS, the City Manager has submitted to the City Council the Capital Improvement Program for FY 2019 through 2023 and the funding for Year One of the Capital Improvement Program; and

WHEREAS, public hearings have been held to receive public comments on the five-year Capital Improvement Program and on funding for Year One of the Capital Improvement Program.

BE IT ORDAINED by the Council of the City of Portsmouth, Virginia:

1. That the estimated revenues and revenue contributions and the appropriation of funds to finance the Capital Improvement budgets of and for the City of Portsmouth, Virginia, for the period beginning July 1, 2018 and ending June 30, 2019, be, and the same hereby are, as follows:

Capital Improvement Fund Revenue

State Categorical Aid	\$132,000
State Funding - VDOT	4,150,000
Charges for Services	35,000
Operating Transfers In	12,708,218
Bond Proceeds	<u>21,114,844</u>
Total Revenues	\$38,140,062

Parking Authority

Operating Transfer In	<u>\$250,000</u>
Total Revenues	\$250,000

Public Utility CIP Fund Revenue

Operating Transfer In	\$900,000
Revenue Bond Proceeds	<u>55,900,000</u>
Total Revenues	\$ 56,800,000

2. That the five-year FY 2019-2023 Capital Improvement Program is hereby approved with fiscal years 2020 through 2023 being non-appropriated subsequent planning years.

3. That the sums of \$38,140,062 in the FY 2019 Capital Improvement Fund, \$250,000 in the FY 2019 Parking Authority Capital Improvement Fund, and \$56,800,000 in the FY 2019 Public Utilities Capital Improvement Fund, be, and the same hereby are, appropriated for expenditure in the following categories and amounts to implement the FY 2019-2023 Capital Improvement Program:

Capital Improvement Fund

Drainage and Street Improvements	\$ 14,635,375
Education	7,800,000
Industrial and Economic Development	300,000
Municipal Facilities	11,589,687
Fleet Management	3,450,000
Leisure Services	<u>365,000</u>
Total Capital Improvement Fund	\$38,140,062

Parking Authority Capital Improvement Fund **\$250,000**

Public Utilities Capital Improvement Fund

Water	\$ 41,650,000
Sewer	14,500,000
Municipal Facilities	<u>650,000</u>
Total Public Utilities Capital Improvement Fund	\$56,800,000

4. That it is the intent of the City to make certain expenditures in connection with the planning, design, acquisition, construction and equipping of the projects herein approved which the City reasonably expects to be reimbursed as permitted by Section 1.150-2 of the regulations pursuant to the Internal Revenue Code of 1986, as amended, from the proceeds of one or more issues of bonds issued to fund the projects. As of the date of this ordinance, the maximum projected amount of general obligation bonds and notes to be issued is not expected to exceed \$21,114,844. As of the date of this ordinance, the maximum projected amount of revenue bonds and notes to be issued is not expected to exceed \$55,900,000.

5. That the City Manager is hereby authorized and directed to do all things necessary to implement the FY 2019-2023 Capital Improvement Program.

6. That this ordinance shall take effect on July 1, 2018.

ADOPTED by the Council of the City of Portsmouth, Virginia, at a meeting held on May 8, 2018.

Teste:

City Clerk

Select Categories of State School Funds

Adult Education	Funds provided to improve educational opportunities for adults to complete secondary school, obtain a GED, or to benefit from job training and retraining programs
At-Risk	Funds to support the additional costs of educating at-risk students
Basic Aid (SOQ)	Funding for basic instructional positions calculated from minimum student to teacher ratios required by SOQ
CTE – Adult	Funds provided for adult persons who have academic or economic disadvantages
ESL	Funds to support necessary education services to children not having English as their primary language.
Gifted Education (SOQ)	State share of support costs for the gifted education program
Group Life Insurance	State share of cost of employer contributions to the VRS for Group Life benefits
Homebound	Provides for continuation of educational services for special education students who are temporarily homebound for medical reasons
ISAEP	Funding for students in substantial need for an alternative program and at risk of dropping-out of school
K-3 Primary Class Reduction	Funding as an incentive for reducing class sizes below the required SOQ standard in kindergarten through grade 3
Mentor Teacher Program	Support programs for new teachers
Prevention/Intervention/Remediation (SOQ)	Funds for additional professional instructional personnel to provide remedial services to at-risk children
Regional Tuition Program	Reimbursement for tuition paid to regional programs where students with certain disabilities can be served more appropriately and less expensively than the division's setting
Regular Foster Children	Reimbursement to the locality for educating students in foster care that are not residents of the division
Remedial Summer School	Funds to provide additional educational opportunities for at-risk students.
Sales Tax	Funds distributed to localities in support of public education based on the locality's pro-rata share of school age population Social Security State share of Social Security costs for funded SOQ positions
Special Education in Jails	Reimbursement for the instructional costs of providing special education and related services to children with disabilities in regional or local jails
Special Education (SOQ)	State reimbursement for additional cost for special education programs
Teacher Retirement	Supports the state share of the cost of employer contributions to VRS for SOQ personnel
Vocational Education (SOQ)	Funds to support career and technical education courses for students in grades 6-12.

Glossary

AC=13	Academics and Career after High School = 13th Year
ADM	Average Daily Membership is the aggregate number of days of membership of all students enrolled during a specified period of time divided by the number of school days is in session for the same period of time.
Appropriation	A legal authorization to incur obligations and to make expenditures for specific purposes
Attrition	A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs
Authorized Positions	Employee positions, which are authorized in the adopted budget, to be filled during the year
Balanced Budget	A budget in which revenues are equal to expenditures. The accounts balance, that is, neither a budget deficit nor a budget surplus exists.
Budget	A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period
Budget Process	A schedule of activities, responsibilities, and deadlines related to budget development and adoption
CAFR	Comprehensive Annual Financial Report
Capital Budget	Accounts for all financial resources used for the acquisition or construction of major capital facilities.
CIP	The Capital Improvements Program is a plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.
Cash Accounting	An accounting method where receipts are recorded during the period they are received, and expenses are recorded in the period in which they are actually paid.
Debt Service	The cost of paying principal and interest on borrowed money according to a predetermined payment schedule
Encumbrances	Obligations in the form of purchase orders, contracts, or other commitments, which are chargeable to an appropriation and for which a part of the appropriation is reserved.
Enrollment	The total number of students officially registered in the school system
Expenditure	An outlay or the creation of a liability for an asset or an expense item
Expense	Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest, or other charges
Fiscal Year	A twelve-month calendar period used for accounting and budgetary purposes. The fiscal year for Portsmouth Public Schools is July 1 through June 30.
Fiscally dependent	A fiscally dependent school division is dependent on general government for financial support and do not have taxing authority. Portsmouth is a fiscally dependent school division.
Fund	A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity

Fund Balance	The excess of the assets of a fund over its liabilities, reserves, and carryover
GED	General Education Development
General Fund	The general fund of the School Board is used to account for all financial resources except for those accounted for in another fund and is the main operating fund for the school system.
Grants	A contribution by a government or other organization to support a particular function.
Internal Service Fund	A fund used to report an activity that provides services or goods to other funds, departments, or agencies on a cost reimbursement basis
ISAEF	Individual Student Alternative Education Plan
LCI	Local Composite Index - Factor used by the state of Virginia to distribute state education dollars (the lower the index, the higher state aid). The main variables used to calculate this index are property values, ADM, population, retail sales, and adjusted gross income. It is adjusted at the beginning of each biennium.
Modified Accrual	Revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means the funds are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, if measurable.
MUNIS	Enterprise Resource Planning (ERP) system used by governmental entities
No Child Left Behind	Federal legislation that enacts the theories of standards-based education reform. First enacted in 2002. Often abbreviated, NCLB
OPEB	Other Post-Employment Benefits
Revenue	Sources of income financing the operations of government
Self-Insurance	Insurance of one-self or an entity by maintaining a fund to cover possible losses/expenses rather than by purchasing an insurance policy
SEON	Superintendent Estimate of Needs
SOL	Standards of Learning tests are the instruments for measuring student mastery of the Standards of Quality.
SOQ	Standards of Quality are state-mandated objectives for student achievement.
Taxes	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people.
VLDP	Virginia Local Disability Plan
VPI	Virginia Preschool Initiative
VRS	Virginia Retirement System