



FY 2016-2017 BUDGET PORTSMOUTH CITY SCHOOL BOARD

APPROVED
MAY 26, 2016



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

TABLE OF CONTENTS



2 | Introductory

- 3 | ASBO Meritorious Budget Award
- 4 | GFOA Distinguished Budget Presentation Award
- 5 | Executive Summary
 - 6 | Mission and Goals
 - 7 | Portsmouth City School Board
 - 8 | Superintendent's Cabinet
 - 9 | Budget Process and Timeline
 - 11 | Fiscal Year 2016-17 Adopted Budget
 - 15 | Budget Highlights
 - 16 | Budget Discussion
 - 19 | Per Pupil Cost
 - 20 | Capital Improvement Plan
 - 20 | Debt Obligations
 - 21 | Future Outlook
 - 22 | Budget Forecast

23 | Organizational

- 24 | About the Division
- 27 | Governance Structure
- 29 | Division Organizational Chart
- 30 | Mission and Vision
- 31 | Policies, Regulations and Process
- 33 | Budget Process
- 36 | Budget Calendar
- 39 | School Board Funds
- 39 | Revenue Classifications
- 41 | Expenditures Classifications
- 42 | Expenditure Types
- 43 | Fund Balance Classifications

44 | Financial

- 45 | School Board Funds
- 46 | General Fund Revenue Overview
- 47 | Categories of State School Funds
- 48 | Expenditure Categories
- 49 | Expenditure Types
- 50 | General Fund Expenditure Overview

- 51 | General Fund Instruction Overview
- 58 | General Fund Administration, Attendance, and Health Overview
- 68 | General Fund Transportation Overview
- 71 | General Fund Operations and Maintenance Overview
- 77 | General Fund Facilities Overview
- 79 | General Fund Technology Overview
- 82 | General Fund Debt and Fund Transfers Overview
- 84 | Grants Fund Overview
- 87 | Cafeteria Fund Overview
- 89 | Textbook Fund Overview
- 90 | Reprographic Fund Overview
- 91 | Risk Management Fund Overview
- 92 | Significant Trends and Changes
- 102 | Forecasting the Future

105 | Informational

- 106 | Taxation
- 109 | Division Enrollment
- 111 | Student Teacher Ratios
- 113 | Personnel Resource Allocations by Fund
- 117 | Standardized Testing
- 120 | Free and Reduced Lunch
- 121 | Graduation Rate
- 122 | Division Accomplishments
- 124 | Appendix
- 124 | Code of Virginia, 1950 (Excerpts)
- 126 | School Board Management Funds Policy
- 127 | School Board Annual Budget Policy
- 128 | Code of the City of Portsmouth, Virginia
- 129 | City of Portsmouth Ordinances
- 134 | Capital Improvement Plan 2017-2021
- 136 | Glossary



Introductory



NATIONALLY RECOGNIZED

Churchland High School and Woodrow Wilson High are Bronze award winners in the top high schools listing by U.S. News & World Report, April 2016.





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to

PORTSMOUTH CITY PUBLIC SCHOOLS

For excellence in the preparation and issuance of its budget
for the Fiscal Year 2015-2016.

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 'Mark C. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Portsmouth City School Board
Virginia**

For the Fiscal Year Beginning

July 1, 2015

Executive Director

EXECUTIVE SUMMARY

The Portsmouth City School Board (the School Board) is located in historic Portsmouth, Virginia which was settled in 1751 and incorporated by the Virginia General Assembly in 1858. Over 250 years old and situated on the James and Elizabeth Rivers, Portsmouth is one of the world's greatest natural harbors.

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 each year. PPS offers pre-kindergarten through grade 12 education. There are three high schools, three middle schools, thirteen elementary schools, and four preschool centers within the division.

	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Elementary Schools	8,316	8,251	8,269	8,054	8,031
Middle Schools	2,115	2,063	2,110	2,078	2,072
High Schools	3,843	3,810	3,880	3,871	3,856
Total Enrollment	14,332	14,153	14,259	14,003	13,959

For preschool students, ages 2 through 4, who have special disabilities or developmental needs, education is provided at the four 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 the 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, Hotel and Motel Management, Early Childhood Education Exploration, Culinary Arts, Horticulture, Marine Electrical, Diesel Equipment Technology, 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 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. 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.

MISSION AND GOALS

The School Board mission is to challenge the minds, challenge the bodies, and challenge the dreams of all students while focusing on excellence.

This mission statement was adopted in August 2007 and is the continued focus of the School Board to this day. To accomplish this mission, the following six goals were identified:

1. By 2017, the Portsmouth School Board will be a leading force for community advancement.
2. By 2017, all parents of Portsmouth Public School students will be excited about and claim ownership of their children's education.
3. By 2017, all graduates of Portsmouth Public Schools will be highly sought after by both employers and institutions of higher learning.
4. By 2017, Portsmouth Public Schools will be recognized by educational organizations and institutions of higher learning for its innovative and effective programs.
5. By 2017, all Portsmouth Public Schools students will be socially responsible and respected as lights of inspiration for future generations.
6. By 2017, the Portsmouth City School Board will provide educational facilities – including technology – that contribute to the learning environment for students and provide safe and accessible facilities for students and staff.

The full text of the Comprehensive Plan, including measurable objectives 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 2007-17 Comprehensive Plan from the side menu on the School Board page.

It is this mission and six goals which drive the decision making of the School Board and provides the basis for the development of the budget for fiscal year 2016-17.

As the Comprehensive Plan covers fiscal years 2007-2017, the School Board has begun the strategic planning process in spring 2016 to develop an enhanced plan that will continue the School Board's mission of challenging the minds, challenging the bodies, and challenging the dreams of all students while focusing on excellence.

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, 2016
Retired Supervisor and Community Volunteer



Mr. James E. Bridgeford
Member since 1990
Current Term expires
December 31, 2016
Retired Systems Accountant
and Federal Auditor



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



Mrs. Sarah D. Hinds
Member since 2014
Current Term expires
December 31, 2016
Career Educator



Mr. Ted J. Lamb
Member since 2013
Current Term expires
December 31, 2016
Career Educator



Mr. Brian K. Nance, Sr.
Member since 2009
Current Term expires
December 31, 2016
Consultant



Rev. Cardell C. Patillo
Member since January 2015
Current Term expires
December 31, 2018
Youth Pastor



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

Superintendent's Cabinet

Dr. Elie Bracy, III
Division Superintendent

Dr. Anita W. Taylor
*Assistant Superintendent
Curriculum and Instruction*

Mr. Joseph L. Wiggins
Executive Administrator to the Superintendent

Scott A. Ziegler
Director of Human Resources / Operations

Brittany T. Dortch, CPA
Director of Accounting/Controller / Interim CFO

Dr. Antonia M. Fox
Director of Curriculum and Instruction

Derrick A. Nottingham
Director of Research and Evaluation

Dean M. Schlaepfer
Director of Information Technology

Ariel M. Durall
Public Information Officer

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. This year, the budget office conducted surveys in the fall and spring to solicit community and employee group feedback. The budget office incorporated the feedback with the School Board's mission and goals to develop the fiscal year 2016-17 budget. In response to the current economic conditions facing the City of Portsmouth (the City), the School Board has submitted a sound, balanced 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, details 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 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.

September/October

Early in the fall, the budget office meets with the Superintendent's budget team. This meeting outlines the initial budget process goals and the budget calendar is presented to the budget team. New this year, the budget office released an online community survey to gather employee and citizen feedback. This survey is developed during early fall.

November

In November, departments and schools submit their non-payroll budgets. The budget office 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 state 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.

Additionally, the community survey is released in mid-November.

December

The state releases its initial revenue projections for the next fiscal year in December. Departments and schools, also, finalize non-payroll budgets, and the budget office begins meeting with the individual departments and schools. 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 community survey closes mid-December.

January

The budget office continues to meet with each school and department, and with the Assistant Superintendent of Curriculum and Instruction, to discuss their budget requests. This step allows the budget office to gain greater insight into the proposed activities and changes from the current and preceding years.

A second projection of budgeted revenues is done based on the most recent available information which includes the Governor's proposed budget in December. Based on the revenue projection, the non-payroll and payroll budgets are revised and adjusted to align with the goals outlined in the comprehensive plan. Any must fund items, such as Virginia Retirement System rate increases, are included in the budget first. Any items not covered under the budget are accumulated and identified as unfunded needs.

New for the fiscal year 2016-17 budget cycle, the City and the School Board collaborated to host community engagement meetings at each of the three high schools in the city. These meetings ended with an additional survey that gauged public support for different school and city related issues. The City and School Board plan to incorporate the community engagement meetings in future budget processes.

February

The budget office incorporates the projected revenues, payroll projection, and approved non-payroll requests into the Superintendent's Proposed Budget. This budget is submitted and presented to the School Board in February. The School Board and City Council hold a joint council meeting to discuss budgetary concerns.

March

The School Board reviews and provides additional changes to the Superintendent's Proposed Budget based on the School Board's priorities. These changes are incorporated into the budget and the School Board approves the budget at the end of March. Virginia State code requires that the School Board hold a public hearing on the Superintendent's Proposed Budget before the end of March. The school board formally adopts the Superintendent's 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.

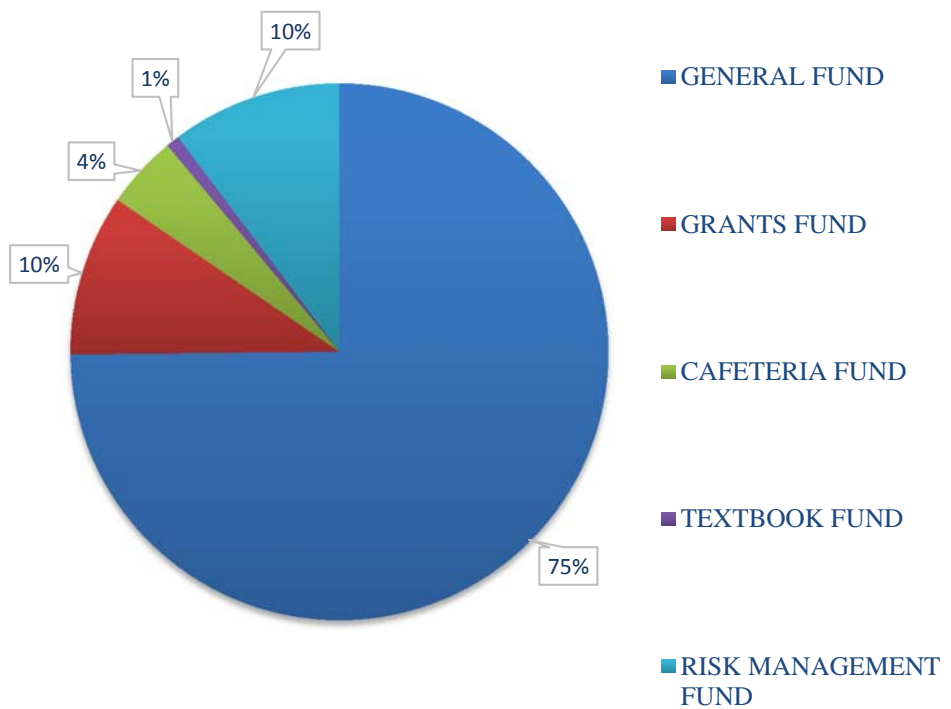
FISCAL YEAR (FY) 2016-17 ADOPTED BUDGET

On May 10, 2016, the City of Portsmouth, Virginia City Council (the City) adopted Ordinance 2016-30 to appropriate \$191.8 million to the School Board for fiscal year 2016-17. On May 26, 2016, the School Board adopted the following fiscal year 2016-17 budget:

All Funds

FUND	FY 2016 - 17 ADOPTED BUDGET
GENERAL FUND	\$ 143,551,503
GRANTS FUND	18,650,117
CAFETERIA FUND	8,420,100
TEXTBOOK FUND	1,532,441
RISK MANAGEMENT FUND	19,656,132
TOTAL ALL FUNDS	\$ 191,810,293

Fy 2016 - 17 Adopted Budget



General Fund

REVENUES	FY 2015 – 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
CITY FUNDS	\$ 51,200,000	\$ 52,400,000	\$ 1,200,000	2.34%
FEDERAL FUNDS	700,000	600,000	(100,000)	-14.29%
OTHER REVENUE FUNDS	1,953,770	1,548,995	(404,775)	-20.72%
SALES TAX	15,072,252	15,612,710	540,458	3.59%
STATE FUNDS	71,625,658	73,389,798	1,764,140	2.46%
TOTAL REVENUE	\$ 140,551,680	\$ 143,551,503	\$ 2,999,823	2.13%

EXPENDITURES	FY 2015 – 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
INSTRUCTION	\$ 103,371,405	\$ 106,467,206	\$ 3,095,801	2.99%
ADMINISTRATION, ATTENDANCE & HEALTH	7,258,644	8,191,512	932,868	12.85%
TRANSPORTATION	7,019,684	6,404,615	(615,069)	-8.76%
OPERATIONS AND MAINTENANCE	15,274,072	14,472,059	(802,013)	-5.25%
TECHNOLOGY	4,897,244	4,891,279	(5,965)	-0.12%
DEBT AND FUND TRANSFERS	2,730,631	3,124,832	394,201	14.44%
TOTAL EXPENDITURES	\$ 140,551,680	\$ 143,551,503	\$ 2,999,823	2.13%

School Grants Fund

REVENUES	FY 2015 – 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
FEDERAL	\$ 11,075,105	\$ 11,668,429	\$ 593,324	5.36%
STATE	4,724,291	4,921,464	197,173	4.17%
OTHER	251,049	274,432	23,383	9.31%
LOCAL MATCH	1,268,509	1,375,792	107,283	8.46%
ANTICIPATED GRANTS	100,000	410,000	310,000	310.00%
TOTAL REVENUES	\$ 17,418,954	\$ 18,650,117	\$ 1,231,163	7.07%

EXPENDITURES	FY 2015 – 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
INSTRUCTION	\$ 14,549,843	\$ 15,050,379	\$ 500,536	3.44%
ADMINISTRATION, ATTENDANCE & HEALTH	636,460	1,380,708	744,248	116.94 %
PUPIL TRANSPORTATION	207,406	274,085	66,679	32.15%
OPERATIONS AND MAINTENANCE	125,000	36,527	(88,473)	-70.78%
TECHNOLOGY	1,900,245	1,908,418	8,173	0.43%
TOTAL EXPENDITURES	\$ 17,418,954	\$ 18,650,117	\$ 1,231,163	7.07%

School Cafeteria Fund

REVENUES	FY 2015 – 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
FROM THE FEDERAL GOVERNMENT	\$ 5,700,000	\$ 6,454,600	\$ 754,600	13.24%
FROM THE COMMONWEALTH	125,000	110,000	(15,000)	-12.00%
CHARGES FOR SERVICES	1,050,000	755,000	(295,000)	-28.10%
DONATED COMMODITIES	400,000	400,000	0	0.00%
OTHER REVENUE	1,151,500	700,500	(451,000)	-39.17%
TOTAL REVENUES	\$ 8,426,500	\$ 8,420,100	\$ (6,400)	-0.08%

EXPENDITURES	FY 2015 – 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
SALARIES AND WAGES	\$ 2,299,478	\$ 2,072,000	\$ (227,478)	-9.89%
FRINGE BENEFITS	1,767,892	1,628,000	(139,892)	-7.91%
PURCHASE OF FOODS	3,010,630	3,335,000	324,370	10.77%
DONATED COMMODITIES	400,000	400,000	-	0.00%
OTHER	948,500	985,100	36,600	3.86%
TOTAL EXPENDITURES	\$ 8,426,500	\$ 8,420,100	\$ (6,400)	-0.08%

Textbook Fund

REVENUES	FY 2015 – 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
STATE	\$ 997,692	\$ 1,148,411	\$ 150,719	15.11%
LOCAL MATCH	366,188	384,030	17,842	4.87%
TOTAL REVENUES	\$ 1,363,880	\$ 1,532,441	\$ 168,561	12.36%

EXPENDITURES	FY 2015 – 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
TEXTBOOKS	\$ 1,363,880	\$ 1,532,441	\$ 168,561	12.36%
TOTAL EXPENDITURES	\$ 1,363,880	\$ 1,532,441	\$ 168,561	12.36%

Risk Management Fund

REVENUES	FY 2015 – 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
LOCAL MATCH	\$ 955,702	\$ 1,425,200	\$ 469,498	49.13%
SELF-HEALTH PLAN CONTRIBUTIONS	-	18,230,872	18,230,872	100.00%
TOTAL REVENUES	\$ 955,702	\$ 19,656,072	\$ 18,700,370	1956.72%

EXPENDITURES	FY 2015 – 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
WORKMEN'S COMP INS. PREMIUM	-	\$ 975,260	\$ 975,260	100.00%
WORKMEN'S COMP & CLAIMS	-	449,940	449,940	100.00%
INSTRUCTION	270,523	-	(270,523)	-100.00%
ADMINISTRATION, ATTENDANCE & HEALTH	512,337	-	(512,337)	-100.00%
PUPIL TRANSPORTATION	79,557	-	(79,557)	-100.00%
OPERATIONS AND MAINTENANCE	92,911	-	(92,911)	-100.00%
TECHNOLOGY	374	-	(374)	-100.00%
SELF-HEALTH PLAN EXPENSES	-	18,230,872	18,230,872	100.00%
TOTAL EXPENDITURES	\$ 955,702	\$ 19,656,072	\$ 18,700,370	1956.72%

BUDGET HIGHLIGHTS

Must Fund Items:

- Continued funding of step and 1.5% Cost of Living increase implemented in January 2016 (FY 2015-16)
- Increase employer contributions to the Virginia Retirement System (VRS)
- Increase in Southeastern Cooperative Educational Programs tuition costs
- Increase in fund transfers/local match requirements to the Grants and Food Services Funds
- Increase in First College/Dual Enrollment tuition
- Increase funding for Special Education – Occupational therapy, Physical therapy, and Speech services

Reductions:

- Elimination of unfilled vacancies not needed to operate for FY 2016-17
- Decrease in workers compensation claims
- Decrease in food costs in the Food Services Fund
- Reduction in non-payroll costs

Quality Improvement Recommendations (Funded):

- Paid Winter Break for 10 month non-exempt employees
- One-time, discretionary bonus
- Increase SOL tutoring
- Increase in athletic and marching band funding
- Continuation of all additional programs (i.e. STARBASE, PORT TOWNE MAGIC, etc.)

Quality Improvement Recommendations (Not Funded):

- Additional Kindergarten Instructional Assistants
- Additional Security Officers
- Expansion of STEM and STEAM offerings for students
- Expansion of vocational programs and certifications
- Establish a vocational center
- Expand technology (1:1 Initiative) in Middle and Elementary schools
- Expand First College/Dual Enrollment Program and increase student participation

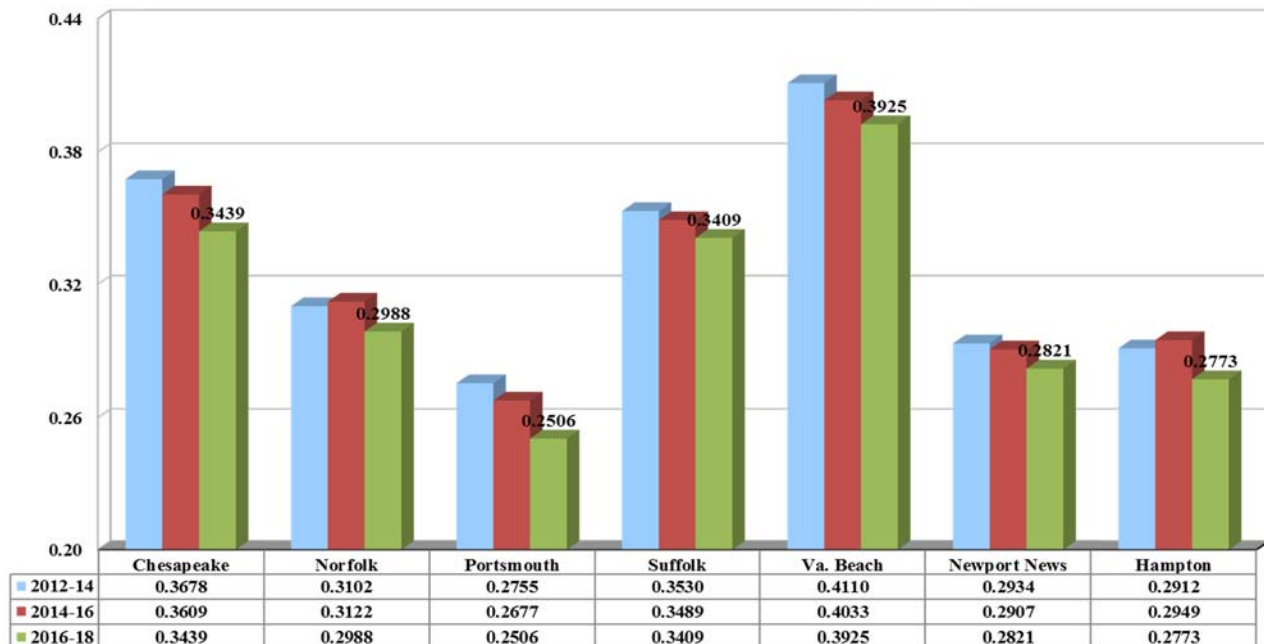
BUDGET DISCUSSION

The School Board primarily receives revenues from city, state, and federal sources with city and state funds as the two largest revenue sources. By law, the school division is fiscally dependent on the city and cannot levy taxes to directly support education. State funds, including sales tax, make up over 60% of the projected revenue. City funds make up over 35% of the division’s revenue with the remaining balance coming from federal and other funding sources.

State funding is determined by the division’s Average Daily Membership (ADM) and the local composite index. Virginia distributes 1½ percent of sales tax revenue to the state’s school districts based upon the number of school-age children in each division. State School Funds consist of Standards of Quality (SOQ) payments, incentive funds, and categorical amounts established by the State General Assembly.

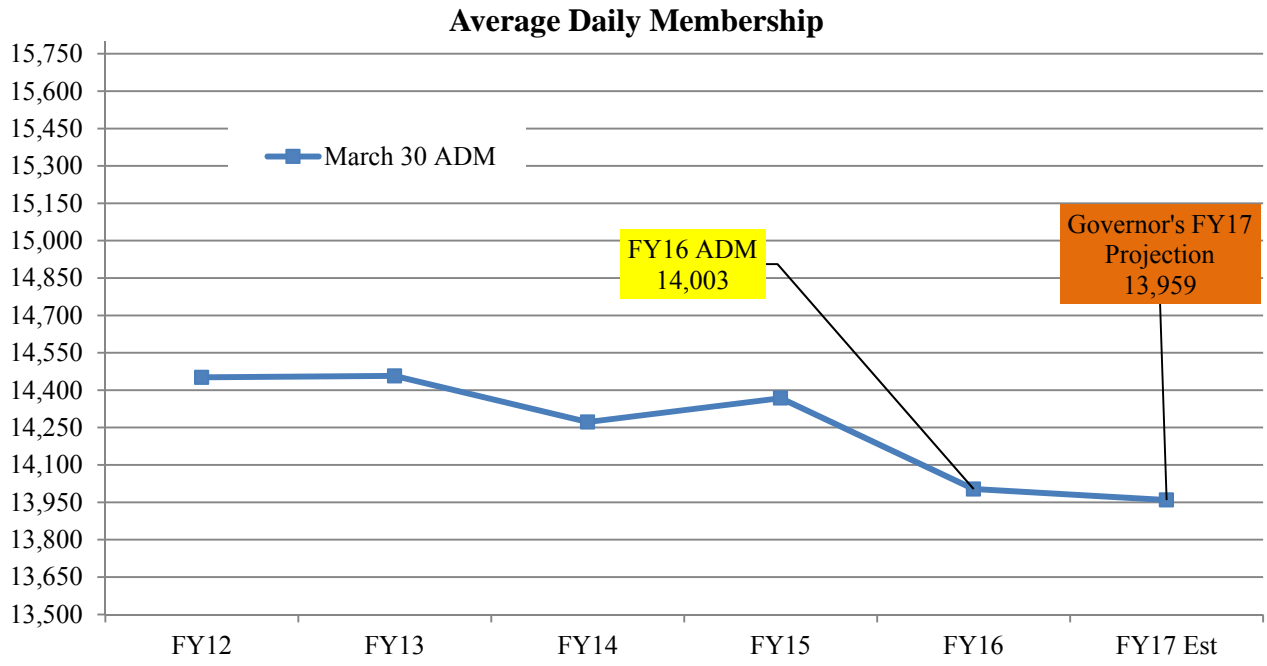
The Composite Index of Local Ability to Pay determines a school division’s ability to pay education costs to meet the Commonwealth’s fundamental SOQ goals. Local Ability to Pay is calculated using three indicators: true value of real property (weighted 50%), adjusted gross income (weighted 40%), and 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. As a locality’s index declines, the state’s share of its funding increases and the local required share decreases. The chart below compares the composite index among the surrounding school divisions. For the biennium 2016-2018, Portsmouth’s LCI remains the lowest amongst major Hampton Roads cities and has experienced a decline from the previous fiscal year.

Local Composite Index 2012-2018



Source: Budget Office, Virginia Department of Education, December 2015

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. The division has experienced a decline in ADM year over year. The state and the division both expect enrollment to continue to decline year over year. The fiscal year 2016 budget expected 14,200 students; current preliminary membership figures are estimated at 14,003 for fiscal year 2016. In response to projected decreases, the fiscal year 2017 budget is based on expected ADM of 13,959.



The division aims to build a sustainable budget every fiscal year. It relies upon conservative revenue estimates to develop a budget that is attainable and efficient. The division aligned one-time revenues with one-time expenses and reoccurring revenues with reoccurring expenses. With salaries and benefits accounting for over 80% of the budget, the division took a firm look at staffing levels and used formula based staffing to best determine staffing needs and analyze the necessity of vacant, unfilled position throughout the division.

Fiscal Year 2016-17 Staffing (Active and Vacant Positions)

FUND	FY 2015-2016 Positions	FY 2016-17 Positions	Position Change	Percent Change
General Fund	1,823	1,788	-35	-1.92%
Grants Fund	186	187	1	0.54%
Cafeteria Fund	165	165	0	0.00%
Textbook Fund	1	0	-1	-100.00%
Risk Management Fund	0	0	0	0.00%
Total	2,175	2,140	-35	-1.61%

The “must fund” expenses were considered despite declining enrollment. The division employed conservative average daily membership (ADM) figures into revenue projections as well as reduced the expected revenue from non-state, federal, and local funds (other revenue funds).

In January 2016 (fiscal year 2015-16), the division implemented a step and cost of living increase to all employees. This raise only affected one half of the fiscal year 2016 budget. The fiscal year 2016-17 budget incorporated a full year of this salary increase which equates to an average pay raise of 4%. Also, within the fiscal year 2017 budget, there is the continuation of paid winter break for 10-month non-exempt employees; the additional paid days off equates to an average 5% increase in pay.

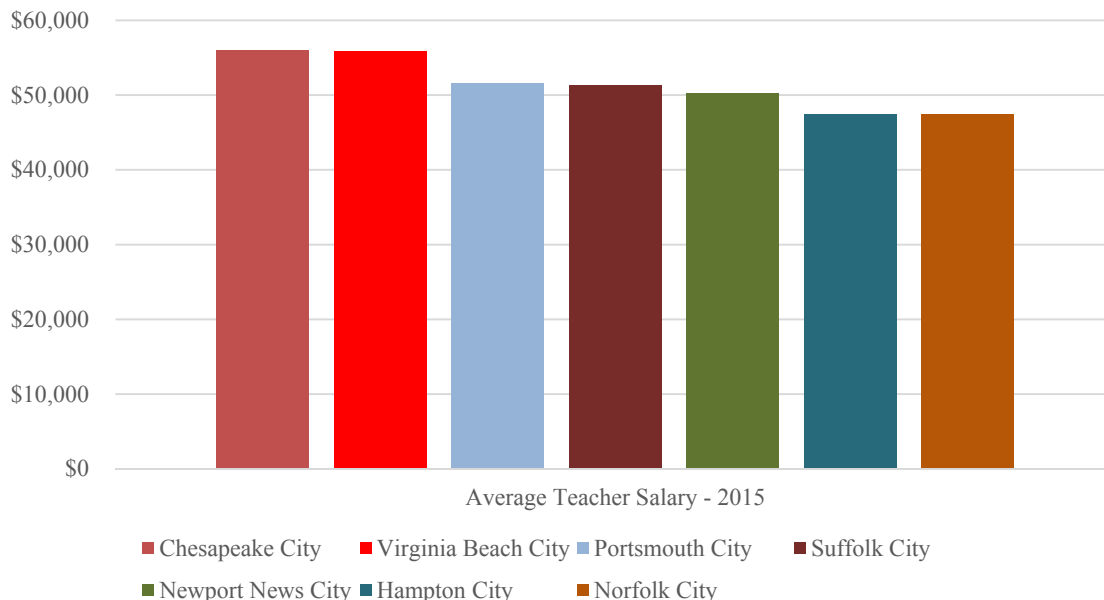
With the implementation of the January raise, an average pay increase of 7.5% has been provided to employees since FY 2013-14 (see pay raise history below). With the inclusion of paid winter break, 10 month non-exempt employees have been provided an average pay raise of 12.5%.

Pay Raise History (FY 2014 thru FY 2016)



The previous year’s raises have had an impact on average teacher pay. In comparison to surrounding school division’s, Portsmouth Public School’s average teacher salary ranked third behind Virginia Beach and Chesapeake (two of the largest school divisions in the Hampton Roads area).

Average Teacher Salaries in Hampton Roads



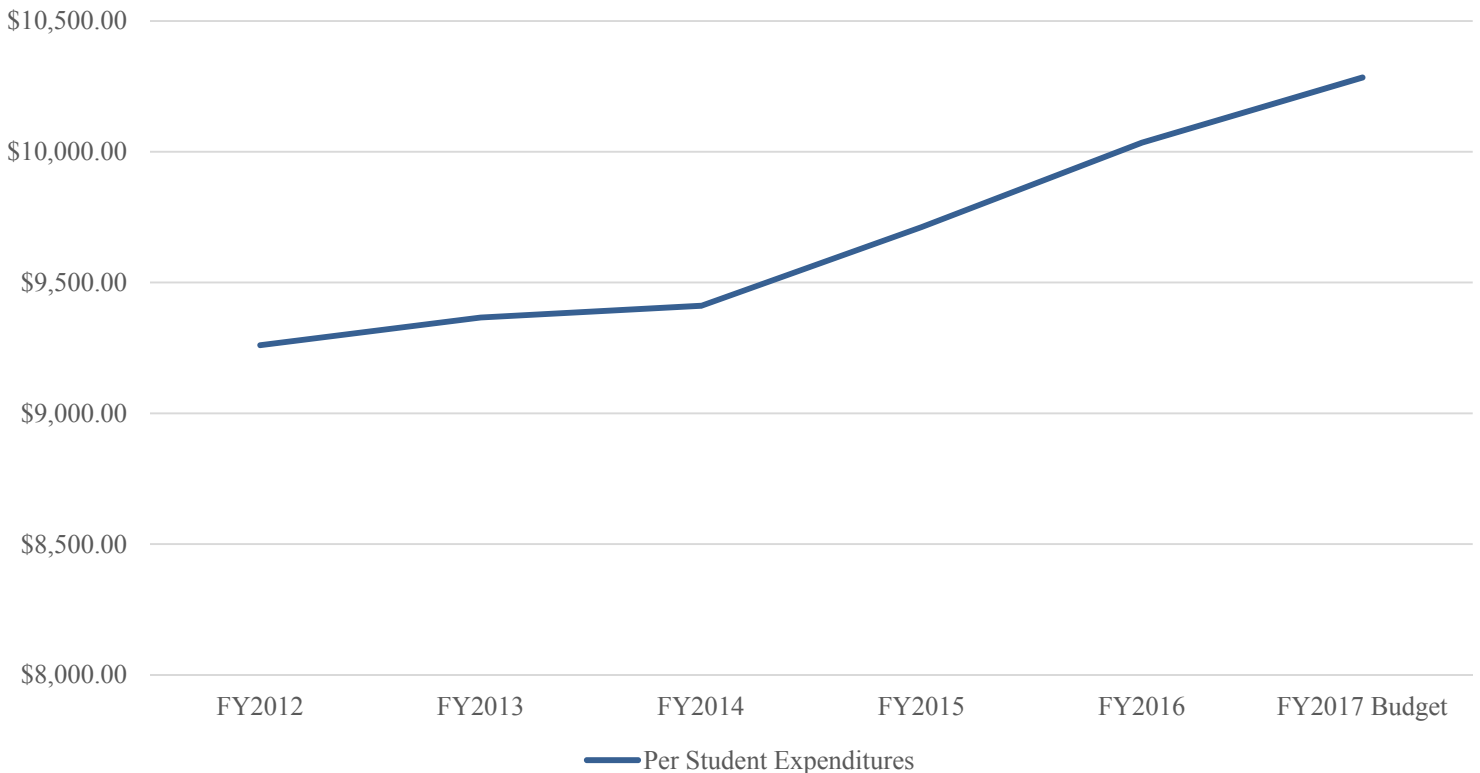
As a result of continued funding of previous years enacted pay increases, 10 month non-exempt employee Winter Break continuation for fiscal year 2017, and required employer increase of approximately \$1 million into the Virginia Retirement System (VRS), the fiscal year 2017 budget could not fund an additional pay raise for all employees.

As such, in lieu of a pay raise for all employees, funds within the FY17 have been allocated to assist in funding a one-time bonus to all employees. Fiscal year 2016 funds from one-time savings, will also be needed and requested for re-appropriation (from the City) to assist in providing a one-time bonus for all employees for fiscal year 2017.

PER PUPIL COST

Expenditures per pupil for the upcoming year are reported each year. This cost is determined by dividing the total operating budget expenditures by the average daily membership. Based on the adopted FY 2017 budget, per pupil cost have increased by \$246 or almost 2.5%. This is an almost 6% increase compared to FY 2015. FY 2016 final revenue amounts were not available at the time of the completion of this document as such a comparison of per pupil costs was done between FY 2015 and FY 2017.

Per Pupil Cost



CAPITAL IMPROVEMENT PLAN

Prior to fiscal year 2013-14, the City appropriated funds each year to the School Board's capital projects fund. On September 2014, all funds held in the School Board's capital projects fund were transferred to the City and the fund was closed. The City controls and maintains the funding for all of the School Board's capital projects.

For fiscal year 2016-17, the School Board submitted a 5 year capital project plan to the City which totaled \$48 million. The plan included the top 10 projects (based on priority). The top 10 projects required an estimated \$3.6 million for funding for fiscal year 2016-17.

On, May 10, 2016 the City approved budget included \$4.6 million for the following School Board capital projects:

Project Title	FY 2017
Brighton Elementary Roof Replacement	\$ 78,000
Churchland High HVAC system	800,000
Churchland Middle School Bleachers	75,000
IRC Data Center Cooling and UPS project	300,000
Mount Herman Pre School HVAC Replacement	250,000
Mount Herman Pre School Roof Replacement	69,000
Transportation - School Bus Replacements	1,000,000
Waters Middle School Bleachers	75,000
Woodrow Wilson High Roof	1,419,000
Debt Service payment for Simonsdale	510,000
TOTAL	\$ 4,576,000

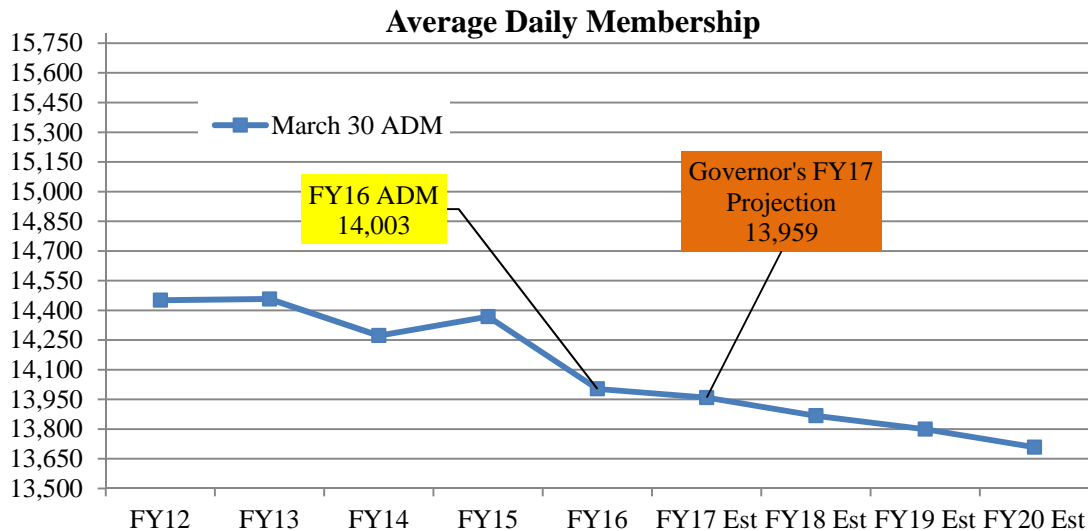
DEBT OBLIGATIONS

By law, the School Board may not issue bonds or enter into debt. The City 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. In 2005, the School Board entered into an \$8.5 million Energy Performance contract with Ameresco, Inc. that was funded by a lease through Citi Mortgage, now PNC Equipment Finance, LLC. The final (one-time) payment for this energy lease will be paid using one-time savings from end of year fiscal year 2016 funds.

FUTURE OUTLOOK

The division's operating revenue is dependent upon state and local funding. Both state and local funding make up 98.5% of the operating budget revenue. As the main drivers for state revenues are the local composite index and average daily membership, the trending decrease in the local composite index indicates increased state funding, however, the increased state funding is expected to be offset with the trending decrease in average daily membership.

The following graph illustrates the forecast for future average daily membership for the next three (3) years:



Local city funding, the next largest revenue source, is primarily derived from local tax revenues. Of the City's total general fund revenue (\$238 million), the allocation to the schools (\$52.4 million) represents 22%. General property tax represents the largest source of local tax revenue. According to the 2010 Census, Portsmouth's median home value is \$81,300 and the current tax rate is \$1.30 tax per \$100 of assessed value. This means for a property valued at \$100,000, a citizen would owe \$1,300 to the City. Of this \$1,300, a minimum of approximately 22% or \$286 would likely go towards education.

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.

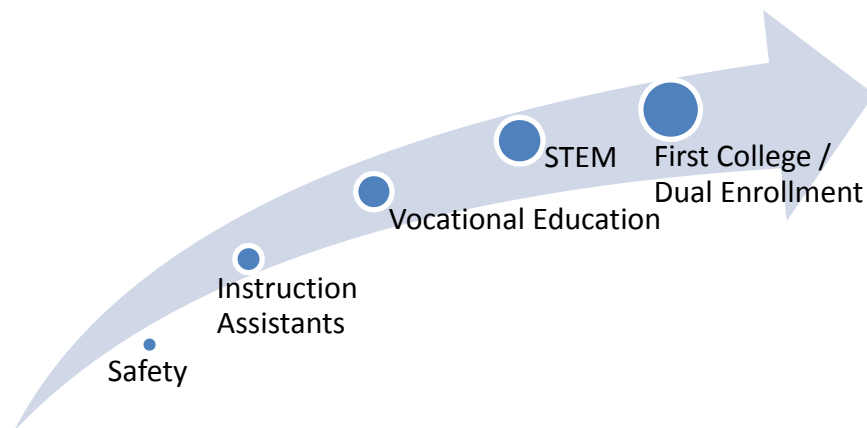
The City has some of the highest local tax rates in the Hampton Roads area which is primarily due to large portions of untaxable properties within the city. Approximately 54% of property in the City is tax exempt due in large part to military installations and religious organizations. To increase local tax revenues, the City's Economic Development Department is steadily committed to attract new residents and businesses to the City.

BUDGET FORECAST

The following table illustrates forecasts for future revenues. For the general fund and textbook fund, the forecasts were primarily based on projected changes in ADM, projected state funding, and anticipated local funding. For food services and risk management funds the forecasts are based on historical revenues and expenses. The grants fund forecast was based on state grant funding, anticipated increases in federal grant funds, and anticipated new grants due to active pursuit of new grant opportunities by the Grant Writer.

FUND	FISCAL YEAR 17/18	FISCAL YEAR 18/19	FISCAL YEAR 19/20
GENERAL FUND	\$142,917,605	\$142,291,046	\$141,671,753
CAFETERIA FUND	\$8,420,100	\$8,420,100	\$8,420,100
GRANT FUND	\$19,000,170	\$19,360,724	\$19,732,095
RISK MANAGEMENT FUND	\$19,656,072	\$19,656,072	\$19,656,072
TEXTBOOK FUND	\$1,361,425	\$1,352,711	\$1,350,953
TOTALS	\$191,355,372	\$191,080,653	\$190,830,973

With the challenges of declining average daily membership, low composite index, and uncertainty of changes in local funding, the division will have to continue to work closely with City leadership in striving to continue funding the current level of education services and focusing on increased funding for the quality improvement initiatives.



Organizational



TEACHER OF THE YEAR : NICOLE MILLER

As Portsmouth Public Schools' Elementary and Division-Wide Teacher of the Year, Nicole Miller's philosophy is deeply rooted in her understanding that the world is diverse and full of challenges. She knows students need to be equipped with textbook knowledge, test taking skills and life skills to be productive citizens. Her ultimate goal is to assist each student to become a better person.

About the Division

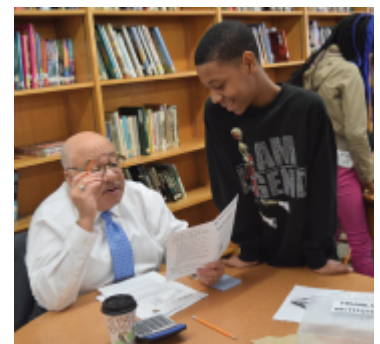
The title of the corporate body is the Portsmouth City School Board. Better known as Portsmouth Public Schools, the division's School Board derives its authority from the Constitution of Virginia, the Code of Virginia, and the regulations of the State Board of Education. The nine elected members of this 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 being 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.

Portsmouth Public Schools serves students who live within the borders of the independent City of Portsmouth, Virginia. This urban city, settled in 1752 and incorporated by the Virginia General Assembly in 1858, has a current population of 96,802 within its 33 square miles. According to 2014 City data, the ethnic population is approximately 53% black, 42% white, and 5% other. Portsmouth is bordered by the cities of Chesapeake and Suffolk respectively to the south and west, and by the City of Norfolk to the east across the Elizabeth River.

Portsmouth Public Schools offers education from pre-K through the 12th grade and has an enrollment of approximately 14,000 students. There are three high schools, three middle schools, thirteen elementary schools, and four pre-K centers. Supplemented by state preschool initiative grant funding, the division educates four-year olds to ensure success in kindergarten and throughout their educational careers. Students in kindergarten through sixth grade 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 programs for students in grades K-8 take place at the New Directions Center, while grades 9-12 alternative programs include Project Uplift and the Individual Student Alternative Education Plan (ISAEP) at the Clarke facility.



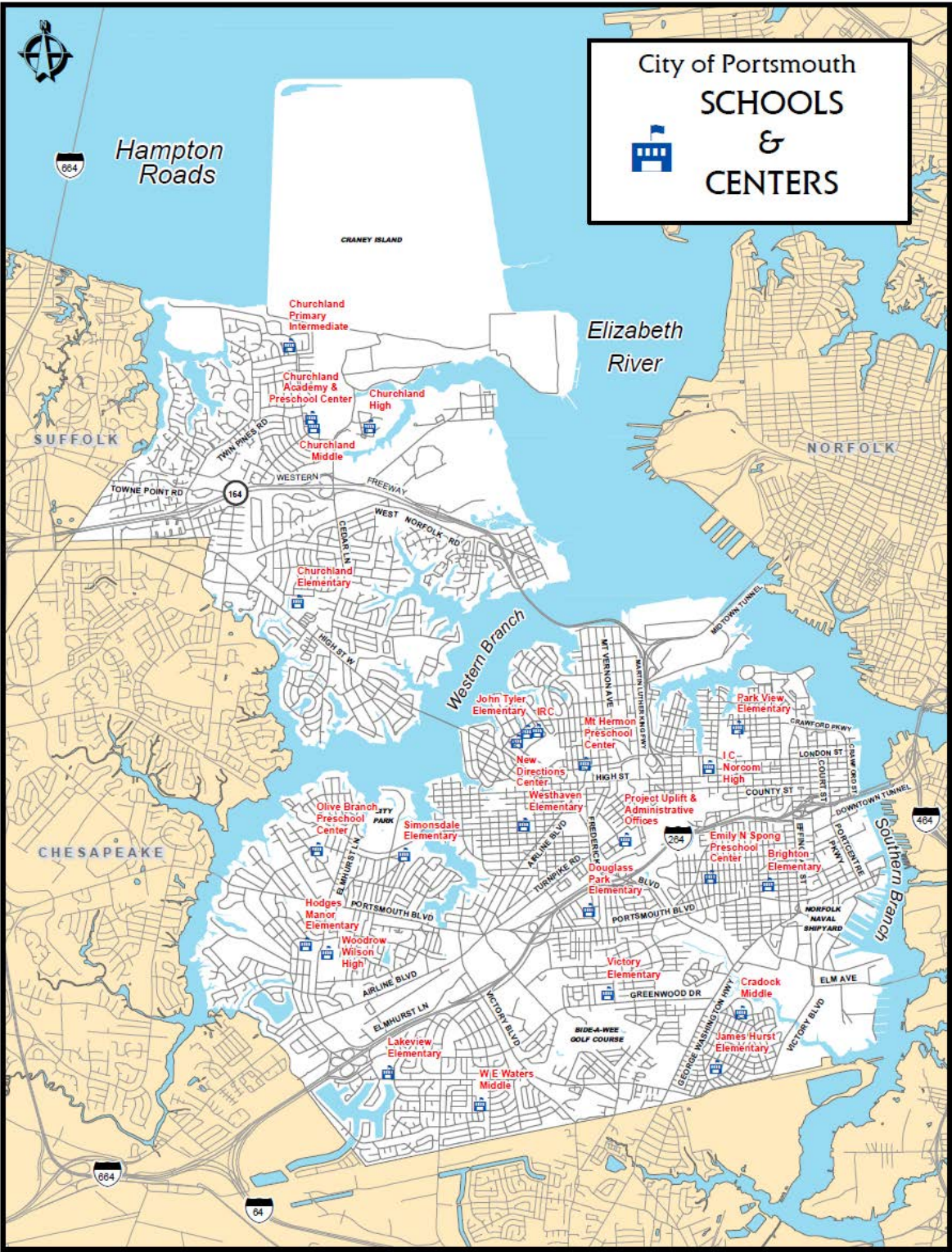
In addition to traditional instructional settings for students in grades K-12, the division offers a number of magnet and enrichment programs. Portsmouth Public Schools operates a Science, Technology, Engineering, and Mathematics (STEM) pathways program for all elementary students at Victory Elementary School. High school students have the option of applying to attend magnet programs that are home-based at each high school. The Math and Science Magnet program is at Norcom High School, the International Studies Magnet Program operates at Wilson High School, and the Visual and Performing Arts Magnet program is based at Churchland High School.

The division also strives to prepare students for success after high school through Career and Technical Education (CTE), First College, and Dual Enrollment programs. The CTE program offers courses in practical nursing, hotel and motel management, early childhood education exploration, culinary arts, horticulture, marine electrical, diesel equipment technology, and automotive repair. Upon completion of these courses, students not only possess workplace readiness skills, but also receive certification that potentially enables them to earn a living. For those interested in continuing their education, Portsmouth Public Schools partnered with Tidewater Community College to offer First College to second-semester seniors who have completed coursework for their high school diplomas. These students take classes at the local campus of Tidewater Community College and earn up to 14 semester hours of post-secondary credit. This program began in the spring of 2006 with 19 students and has grown every year with 200 students taking advantage of the program in spring 2016.



The Adult Education department offers night courses at the Excel Campus at Woodrow Wilson High School. Courses are designed to prepare adult students to pass the GED test, to learn new hobbies, or to gain knowledge simply for personal enrichment. In addition, adults wishing to learn English as a second language receive instruction through the Adult Education department.





Governance Structure

Portsmouth Public Schools is governed by a nine person 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 members of the school board are Mr. James E. Bridgeford, Rev. Joseph A. Fleming, Mrs. Sarah Duncan Hinds, Mr. Ted J. Lamb, Mr. B. Keith Nance, Rev. Cardell C. Patillo, and Dr. Ingrid P. Whitaker. Members of the school board serve alongside school business and City leaders on various committees.

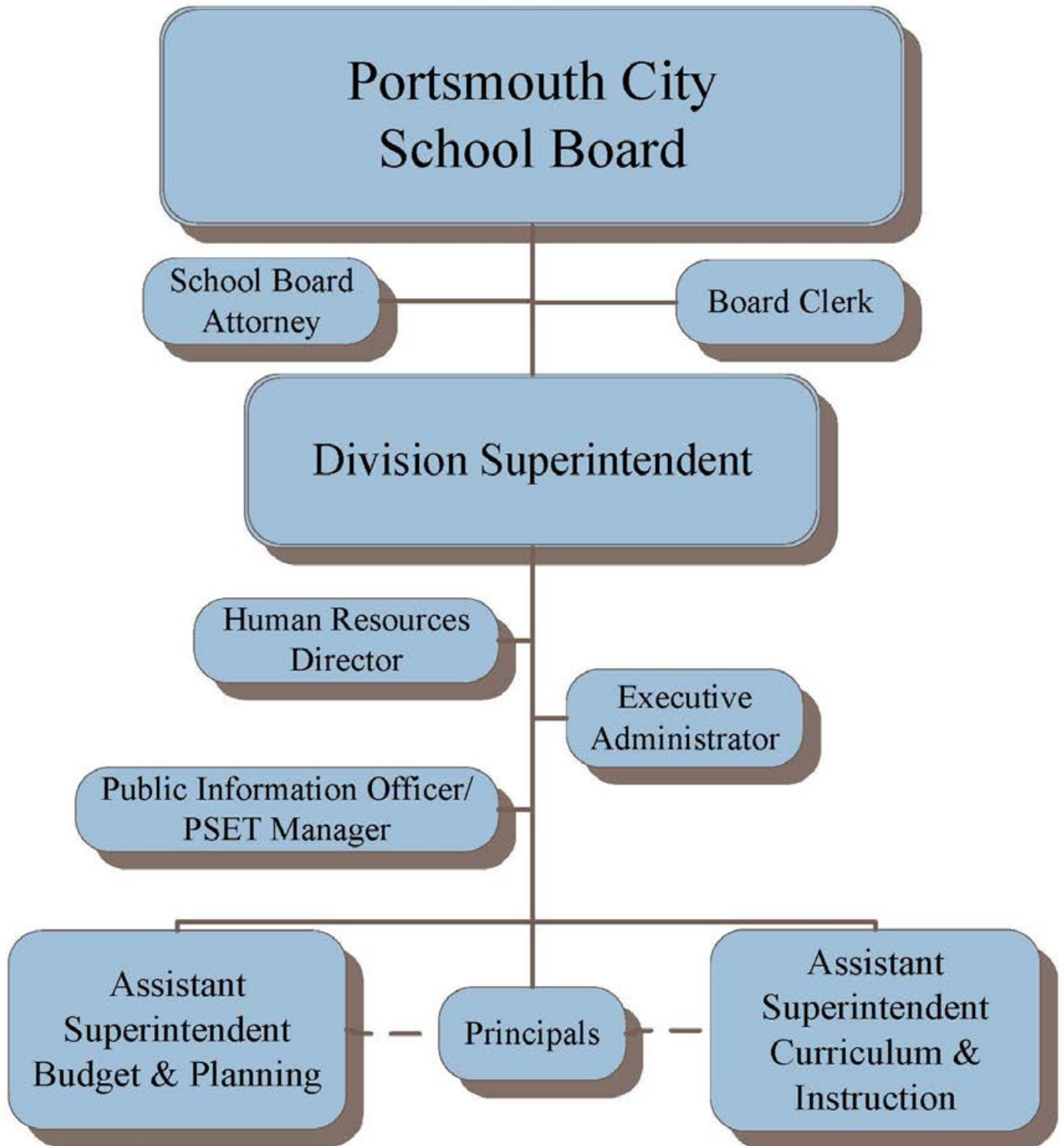
School Board Committee Assignments	
Budget and Finance	Mr. Claude C. Parent Rev. Cardell C. Patillo
City Council Liaison	Mr. Claude C. Parent Mrs. Costella B. Williams
Curriculum and Instruction	Mrs. Sarah D. Hinds Mrs. Costella B. Williams
Human Resources	Rev. Joseph A. Fleming Mrs. Costella B. Williams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

These various committees allow the board to help school business 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 business leaders.

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. He 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. His 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 and directed toward the educational goals of the division. Other important 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 Clerk assists with the administrative needs of the school board and acts as a gatekeeper between the board and the citizens of Portsmouth.

The School Board empowers the Division Superintendent to appoint members of the cabinet to oversee the day-to-day operations of the division. The Executive Administrator provides administrative support to the Superintendent. The Human Resources director handles all of the human capital issues of the division while the Public Information Officer manages communications and is the liaison between the division and the community at large. Two Assistant Superintendents report directly to the Superintendent as well; the Assistant Superintendent of Budget and Planning oversees the financial and operational aspects of the division while the Assistant Superintendent of Curriculum and Instruction directs the instructional aspects of Portsmouth Public Schools. Finally, Principals report to both Assistant Superintendents as well as the Division Superintendent while managing instructional personnel.

Division Organizational Chart 2015-16



The mission of the Portsmouth Public Schools is to challenge the minds, challenge the bodies, and challenge the dreams of all students while focusing on excellence.

Mission and Vision

The School Board adopted the Mission Statement above in August 2007. To accomplish this mission, the School Board approved a 2007-2017 Comprehensive Plan in December 2007 with five visions which constituted the Board's goals for the division. Every two years the School Board reviews the plan and revises it as necessary. They added a sixth vision in December 2009. The full text is available at <http://ppsk12.us/>. (Click the "About PPS" tab; double-click "School Board" from the drop-down menu; and click the "[Comprehensive Plan](#)" link on the left side of the page.) The plan's six visions are summarized below.

1. *By 2017, the Portsmouth School Board will be a leading force for community advancement.* To complete this Vision, the School Board will seek recognition by the Virginia School Boards Association (VSBA) as a "Board of Distinction"; they will implement technology to increase the efficiency of its operation; they will implement a minority business utilization program; and they will establish a PSET commission to direct and oversee the programming and operation of the school division's television station.
2. *By 2017, all parents of Portsmouth Public School students will be excited about and claim ownership of their children's education.* Schools will exhibit a parent-friendly environment and will invite parents into schools. Parent literacy programs will be expanded.
3. *By 2017, all graduates of Portsmouth Public Schools will be highly sought after by both employers and institutions of higher learning.* The Board envisions that 100% of Portsmouth Public Schools students will graduate and enter a post high school educational program or a job that requires specific training. They see high-quality teachers seeking the school division and growing within it. Portsmouth Public Schools will partner with local colleges and universities to establish or enhance teacher quality programs. At the same time, the school system will establish a program evaluation system that will indicate which programs merit expansion, modification, or deletion.
4. *By 2017, Portsmouth Public Schools will be recognized by educational organizations and institutions of higher learning for its innovative and effective programs.* To fulfill this Vision, all Portsmouth Public Schools graduates will successfully complete four credits of high school English, three or more credits of high school mathematics, and three credits of high school social studies. The School Board expects will enhance cultural awareness and learning experiences through the arts, gifted services and foreign languages, and increase rigor, relevance, and relationships. Portsmouth Public Schools will strengthen athletic and other extracurricular programs to make PPS students more competitive on the state and national levels.
5. *By 2017, all Portsmouth Public Schools students will be socially responsible and respected as lights of inspiration for future generations.* To accomplish this vision, Portsmouth Public Schools will provide leadership development programs for all students and teach them the value of being law-abiding citizens. Additionally, the emergence of violent behavior that could threaten the safety of students will be reduced.
6. *By 2017, the Portsmouth City School Board will provide educational facilities – including technology – that contribute to the learning environment for students and provide safe and accessible*

facilities for students and staff. The Board expects to provide facilities that support the 21st Century Learning Environment and will participate in the Virginia School Boards Association (VSBA) Green Schools challenge by implementing environment-friendly solutions. In addition to providing and maintaining safe facilities and equipment, they will also build processes, responsibilities, and technologies that provide information to understand the past and present and enable the shaping of the future.

The division develops its budget to accomplish the above visions and supports implementation of the Comprehensive Plan. Most of the costs associated with achieving the goals are accommodated within the budget for the day-to-day operation of the various departments. With decreasing revenue, it has been difficult to fund some of the objectives; thus, they have been delayed or deleted. For example, under Vision 4, the Board identified a goal related to foreign languages. One objective was to include foreign language as part of the elementary school curriculum in grades 4-6. The cost for this objective involved paying supplements to curriculum writers, purchasing additional supplies, and hiring additional teaching staff. Since consistent funding cannot be identified to support this objective, it was removed from the plan when the plan was revised in December 2013.

The division began developing a new strategic plan to supersede the previous School Board strategic vision above. In spring 2016, Portsmouth Public Schools released a public survey to help the division build the next version of the strategic plan. By leveraging the public's input, the division hopes to build an enhanced strategic and comprehensive plan to help guide all decisions of the division going forward. The division expects this plan to be finalized and adopted in summer 2016.

Policies, Regulations, & Process

Each year, State code requires the Division Superintendent to prepare an itemized budget document to present 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 adopted 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. During fiscal year 2013-14, Portsmouth City Council appropriated the division funds by category. The categories are as follows: Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; Facilities; Technology; and Debt and Fund Transfers. During fiscal year 2014-15, Portsmouth City Council began appropriating funds on a quarterly instead of an annual basis. The School Board authorizes the Superintendent to move funds between the accounts within each category as necessary, but the School Board must seek approval from City Council to move funds between categories. During the year, the School Board may submit a request to the City Council to allow a redistribution of the appropriated funds between the categories to meet projected expenditures, while still meeting the goals of the approved budget. While the Superintendent has final approval for all expenditures, the various departments and schools manage the funds allotted to them. Whether funds are moved between accounts or categories, authorized budget adjustments are required. 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 applicable rules have been followed in accordance with acceptable accounting

procedures and in compliance with the Virginia Public Procurement Act and School Board Policies and Regulations. For the 2016-17 fiscal year, the Portsmouth City Council continued to appropriate funds on a categorical basis and quarterly basis for all funds except the Grants and Risk Management Funds. The Grants fund will no longer require categorical or quarterly appropriation as Grants spending is pre-authorized by the grantors. The Risk Management fund will no longer require categorical appropriations. City Ordinances 2016-29 and 2016-30 approved May 10, 2016 are included in the Appendix.

Once formally adopted, the School Division maintains budgetary control through its Enterprise Resource Planning (ERP) financial system on an encumbrance basis. The budget is consistently monitored and reviewed by the budget office. Additionally, 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. These reports compare revenue and expenditures to the same time period for the previous year to provide context for the division's spending patterns. 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 District 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.

After the end of the fiscal year, the School Board is required to request re-appropriation of all unspent appropriated funds and are also required to request re-appropriation of funds encumbered at the end of the fiscal year from City Council. 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.

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). For Workers Compensation, the School Board carries an excess policy, with a self-insured retention of \$500,000. Workers Compensation claims are handled by VACoRP, a third-party claims administrator.

Upon the recommendation of USI, a health benefits consultant, the School Board adopted a self-funded health insurance plan effective January 1, 2015. Previously, under a fully-insured plan, premiums were set by the insurer projecting claims, expenses, and necessary reserves. Under the self-funded plan, a third party administrator charges a fee for administration of claims but payment is made from an account set up by the employer. Expenditures charged to various School Board departments are based on expected claims liability and administrative costs for a full calendar year as provided by the third party health care benefit consultant. This method of funding employee health benefits 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 margin. 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 \$150,000. The self-insured health plan also has aggregate stop loss coverage at 120% of expected medical claims during a single policy year.

Even with the purchase of a stop-loss insurance policy against catastrophic claims, the School Board was reluctant to move forward with self-funding employee health benefits because of the potential to exceed their budget by \$2,000,000 before the stop-loss policy would take effect. Due to tightening budget restraints over the past few years, the School Board did not want to risk a \$2,000,000 loss. Recognizing the long-term savings to the School Board's budget by employing self-funding, the Portsmouth City Council assured the School Board that City Council would cover any costs that exceed the School Board's budget during the first couple of years that self-funding was in effect. Fortunately, it appears that claims so far in 2016 will not exceed the budgeted amount.

Budget Process

Throughout the entire process, the budget office periodically looks at staffing levels, revenue and expenditure projections, and monitors state legislation. This year, the budget office issued surveys in the fall and spring to solicit community and employee group feedback. The feedback was incorporated with school board initiatives to develop the budget.

Meetings are held with the 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, details programs included/excluded, and 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 are obtained from the Finance and Food Services departments, respectively. The projected Grants fund 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 minimum required local match as directed by the state.

Non-Payroll

During November/early December, schools and departments submit their budget requests for non-payroll items for the upcoming year electronically through the division's third party financial system.

Once all school and department non-payroll budget requests have been received, the budget team meets with each school and department and the Assistant Superintendent of Curriculum and Instruction, to discuss budget requests. 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.

The budget office allocates a number of funds based on student enrollment or the number of instructional staff in a school. Based on the projected March 31, 2017 average daily membership, PPS allocates instructional funds, office supplies, and replace equipment based on the number of students and level of education provided. High schools receive funds to offer a freshman orientation for rising 9th graders. Dues and memberships and staff development are allocated based on the number of teacher types within each school.

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, the fiscal year 2017 budget includes increased funding for Commonwealth Standards of Learning (SOL) tutoring. Substitutes are budgeted based on projected actual expenditures and the division offers tactile work experience through its Co-Operative Education (COE) Program. Managed by the Career and Technical Education (CTE) department, this budget allows for up to 17 students to earn money while developing work skills. The full allocation to schools is on page 48.

Payroll

During November/early December, the budget office 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 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 personnel from the Office of Curriculum and Instruction and the Human Resources department to go through current staffing levels and open vacancies to determine adjustments needed.

For both non-payroll and payroll, information is also gathered from communication received from employee groups and the community. This information is gathered through presentations at monthly meetings, budget surveys, and joint community budget meetings with the City of Portsmouth.

A second projection of budgeted revenues is done based on the most recent available information including the Governor's proposed budget in December. Based on the current revenue projection, the non-payroll and payroll budgets are revised accordingly and adjusted to align with the goals outlined in the comprehensive plan. Any "must fund" items (i.e. additional monies for VRS contributions) are included in the budget first. Any items not covered under the budget are accumulated and identified as unfunded needs.

Meetings are held with the Superintendent (and a subsequent meeting is held with the School Board Finance committee) to provide a detailed overview of the budget including categorical breakdown of the proposed budget, programs included/excluded, projected staffing level changes, must funds items, unfunded items/initiatives, etc.

The Superintendent's proposed budget is submitted and presented to the School Board in February. Virginia State code requires that the school board hold a public hearing on the Superintendent's proposed budget before the end of March. The School Board reviews and provides additional changes based on the School Board's priorities. These changes are incorporated and the School Board approves the budget at the end of March and submits the School Board's proposed budget to the City of Portsmouth in April.

Throughout the entire process the budget office is still working on reviewing staffing levels, major changes in projections of revenues and expenditures, and continues to monitor state legislation in the event that additional changes are needed to the budget even after the budget is submitted to the City of Portsmouth. Necessary changes are communicated to the School Board and the City of Portsmouth on a timely basis.

Once the City of Portsmouth adopts their budget (which includes the School Board budget) typically around April/May, the School Board will then adopt the initial budget before the end of May.

Throughout the fiscal year, the Office of Budget and Planning monitors and controls the budget through its enterprise resource planning tool, MUNIS. The division uses the purchasing module and leverages the manpower of the purchasing team to make sure that money is spent in accordance with Virginia Procurement Act code. Additionally, large purchases must go through the formal requisition process which is also facilitated in MUNIS. Monthly reports are generated out of MUNIS in order to confirm that spending is within the division's quarterly appropriations and these reports are sent to the School Board for approval. Once approved, the reports are sent to City Council. On a day to day basis, the budget office relies on MUNIS reporting to confirm that no account lines are overspent as well as monitoring budget transfer requests. Budget transfer requests require the Assistant Superintendent of Budget and Planning approval prior to being granted.

In spring 2016, the budget office, with the assistance of the finance and purchasing departments, temporarily centralized all division spending by departments and schools to help control spending within the

last quarter of the fiscal year. This new step, in the budget process, has been helpful to better estimate final revenue figures (especially with trending decreased in ADM around March 30th) and estimate end of year fund balance. This new process also helps the budget office identify one-time savings which can be directed to accomplish one-time expense needs.

The School Board does not control the funding of the division's Capital Improvement Plan. Funds are appropriated within the City of Portsmouth's capital improvements budget. The budget office and City leadership work closely together in the management and monitoring of the divisions capital improvement projects. In the event that a capital project is rejected for funding by the City, one time savings may be identified to help fund critical, unfunded capital project needs.

Portsmouth City Public Schools
2015-16 Budget Development Calendar for FY2017

Wednesday, September 9, 2015	9:00 a.m. • School Board Finance Sub-Committee
Tuesday, October 13, 2015	9:00 a.m. • School Board Finance Sub-Committee
All Month – November 2015	School Administration, City Administration, and Budget staff meet to discuss FY2017 Operating and CIP Budgets
Thursday, November 5, 2015	9:00 a.m. • School Board Finance Sub-Committee
Thursday, November 12, 2015	7:00 p.m. • Input from Employee groups presented to School Board
Wednesday, November 18, 2015	School & Department Budget instructions distributed. Budget Survey released to staff and public.
Tuesday, November 24, 2015	9:00 a.m. • School Board Finance Sub-Committee
All Month – December 2015	School Administration, City Administration, and Budget staff meet to discuss FY2017 Operating and CIP Budgets
December 2, 2015	Schools & Departments begin entering their budget
Friday, December 4, 2015	Budget Survey closes. 2:00 p.m. – PPS Budget Team Meeting
Tuesday, December 8, 2015	10:00 am Joint Meeting with City officials
Friday, December 11, 2015	Final input due in MUNIS from schools and departments Schools to provide additional request forms 10:00 am - School Board and City Officials meet at University of Mary Washington for “Urban Crescent” meetings CIP Budget input due to City
Monday, December 14, 2015	Assistant Superintendents begin entering/editing budget
Wednesday, December 16 2015	9:00 a.m. – PPS Budget Team Meeting
Thursday, December 17 2015	FY2017 – Budget Development Update to School Board at School Board Meeting. Governor submits his Executive Budget Document
Thursday, January 7 2016	3:00 p.m. – PPS Budget Team Meeting
Friday, January 8, 2016	Final input due in MUNIS from Assistant Superintendents
Wednesday, January 12, 2016	9:00 a.m. • School Board Finance Sub-Committee
Thursday, January 21, 2016	11 a.m. • CC-SB Liaison Meeting regarding Budget Issues

Monday, January 25, 2016	Budget Overview FY17 – CC?
Tuesday, January 26, 2016	9:00 a.m. • School Board Finance Sub-Committee Regular CC Meeting – Mid Year Budget Review & Adjustments (2nd Quarter financial report) – City + Schools
Thursday, January 28, 2016	5:30 p.m. • Updates on 2016-17 Budget Issues/Status
Saturday, January 30, 2016	9:00 – 11:00 a.m. • City-School Community Engagement Meeting at Wilson High School Auditorium
Thursday, February 4, 2016	6:30 – 8:30 p.m. • City-School Community Engagement Meeting at I.C. Norcom High School Auditorium
Saturday, February 6, 2016	9:00 – 11:00 a.m. • City-School Community Engagement Meeting at Churchland High School Auditorium
Tuesday, February 9, 2016	9:00 a.m. • School Board Finance Sub-Committee
Monday, February 22, 2016	6:00 p.m. • Joint City Council Meeting with School Board
Tuesday, February 23, 2016	9:00 a.m. • School Board Finance Sub-Committee
Thursday, February 25, 2016	5:30 p.m. • Superintendent’s 2016-17 Proposed Budget submitted to School Board
Thursday, March 10, 2016	7:00 p.m. • School Board holds Public Hearing on 2016-17 Proposed Budget
Tuesday, March 15, 2016	9:00 a.m. • School Board Finance Sub-Committee
Thursday, March 24, 2016	7:00 p.m. • School Board adopts 2016-17 Proposed Operating Budget
Tuesday, March 29, 2016	City Manager Presentation of Proposed Budget
Tuesday, April 5, 2016	9:00 a.m. • School Board Finance Sub-Committee
Monday, April 11, 2016	City Council Work Session – Proposed Budget
Monday, April 25, 2016	City Council Work Session – Proposed Budget
Tuesday, April 26, 2016	City Council Meeting – Public Hearing on FY 2017 Proposed Budget and Tax Rates
Tuesday May 3, 2015	9:00 a.m. • School Board Finance Sub-Committee
Monday, May 9, 2016	City Council Work Session – Proposed Budget
Tuesday, May 10, 2016	Regular City Council Meeting

Adoption – Operating Budget, School Budget, CIP, Tax Rates

- Thursday, May 12, 2016 5:30 p.m. • School Board reviews priorities and discusses options for any adjustments to the City Council adopted 2016-17 Operating Budgets
- Friday, May 20, 2016 2016-17 School Board Operating Budget document to School Board members
- Thursday, May 26, 2016 7:00 p.m. • School Board adopts the final 2016-17 Operating Budget

School Board Funds

The funds of the School Board consist of the General fund, the School Grants fund (various categorical grants), the Cafeteria fund, the Textbook fund, and the Risk Management fund. The 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, are now part of the City's Capital Improvement Program (CIP).

General Fund - The School Board General Fund is the basic funding plan for the schools. It includes funds for the fiscal operation of the school system and is used to account for all financial resources except those required to be accounted for in another fund.

Grants Fund - The Grants fund provides assistance for particular federal, state, and local programs. These grants encourage recipient divisions to expand expenditures to support certain 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 records revenues and expenditures for textbooks. Historically, the State General Assembly authorizes the Textbook fund balance to be carried forward each fiscal year.

Risk Management Fund - The Risk Management fund is an internal service fund that accounts for all 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.

Revenue Classifications

The division has four major types of revenues: Federal, Local, State, and Other Revenue Funds. Federal Funds include impact aid for a portion of the City owned by the Federal Government. Local funds are appropriated by the City, making up about one-third of total revenues. The other two thirds of revenue comes from State sources: sales tax and State funds. These funds are governed by the State Standard of Quality (SOQ) and are dependent upon division enrollment and the local composite index. Other revenue funds include highly variable revenue sources such as Medicaid reimbursements, rebates, and refunds.

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.

CITY FUNDS include the appropriation approved by the 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 sale of surplus property, rebates, refunds, and E-Rate program subsidies. The E-Rate program is part of the Universal Services subsidy program of the Telecommunications Act of 1996. The subsidy program is to provide discounts on all telecommunications services and advanced telecommunications to schools, libraries, and rural health care organizations. The E-Rate program is regulated

by the FCC and calls for discounts of 20 to 90 percent on all telecommunications services, Internet access, and internal connections for schools and libraries, depending on the applicant's location and economic status. The program is funded by fees charged to interstate telecommunication providers.

Expense Classifications

Projected expenditures consist of cost estimates for the operation of regular day school, summer school, adult education programs, other education programs, and support services. The operating budget classifications are: Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; Facilities; Debt and Fund Transfers; and Technology with subcategories under each classification. No amounts are budgeted within the Facilities category.

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 expenses 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 board services, executive administration services, budget and planning, public information, human resources, financial services, and purchasing services. Attendance and Health Services includes those 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 services and therapy services.

PUPIL TRANSPORTATION includes activities concerned 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 activities concerned with keeping the physical plant 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 concerned with keeping the physical plant clean and ready for daily use are also included in the this area.

TECHNOLOGY activities are primarily concerned with 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 School Division.

DEBT AND FUND TRANSFERS includes outlays of funds that are not properly classified as expenditures, but require budgetary or accounting control. This includes payments for both principal and interest that service the debt of the school division and transfers between funds such as from the operating fund to the grant fund to satisfy match requirements for grant programs.

Expenditure Types

Each expenditure classification is either comprised of payroll and/or non-payroll costs. Payroll costs include salaries and benefits, such as employer Virginia Retirement System (VRS) contributions, health care costs, and FICA, as well as salaries. 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 services include occupational and speech therapy, consulting, and maintenance. Other charges captures costs such as dues and memberships, energy and utility costs, and postage. Most of the divisions non-payroll costs comprise of purchased services. The highest non-payroll costs go to tuition for SECEP and for the division's dual enrollment programs. A brief description of each expenditure type is as follows:

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

FRINGE BENEFITS provides for all fringe benefits including Social Security, life insurance, retirement, medical insurance, and unemployment.

PURCHASED SERVICES provides for all contractual services required by the School Board; i.e., printing, maintenance agreements, advertising expenses, and other contracted services.

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

MATERIALS AND SUPPLIES provides for expenditures for articles and commodities which are consumed.

CAPITAL OUTLAY provides expenditures for new equipment and replacement equipment. Items that are appropriate in this category include 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.

FUND TRANSFERS accounts for the conveying of funds between the seven expenditure categories and from one fund (e.g., School General Fund) to another fund (e.g., Textbook Fund, Grants Fund, or Risk Management Fund).

The School Board chart of accounts is organized on the basis of funds and account groups, each of which is considered a separate accounting entity with a separate set of self-balancing accounts.

The school division utilizes the modified accrual basis for accounting and budgeting for all funds. Under the modified accrual basis of accounting, 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. Budgeted revenues for all funds is based on projected funds deemed measurable and available. Expenditures are recorded when the related fund liability is incurred, if measurable. As such budgeted expenditures include costs which could be paid in the subsequent fiscal year but the service or good was rendered/delivered in the current budget year.

Fund Balance Classifications

Fund balance is categorized within one of five classifications based primarily 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 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.

Financial

SERVICE LEARNING

In 2016, 14 Portsmouth Public Schools conducted a district-wide Pennies for Peace campaign. They collected pennies in support of education, especially for girls, in Afghanistan, Pakistan, and Tajikistan. Together they raised \$759.97.

The program strives to educate students about the world outside their own experiences and demonstrate that they can make a positive impact on a global scale — one penny at a time.



School Board Funds

General Fund - The School Board General Fund is the basic funding plan for the schools. It includes funds for the fiscal operation of the school system and is used to account for all financial resources except those required to be accounted for in another fund.

Grants Fund - The Grants fund provides assistance for particular federal, state, and local programs. These grants encourage recipient divisions to expand expenditures to support certain instructional programs.

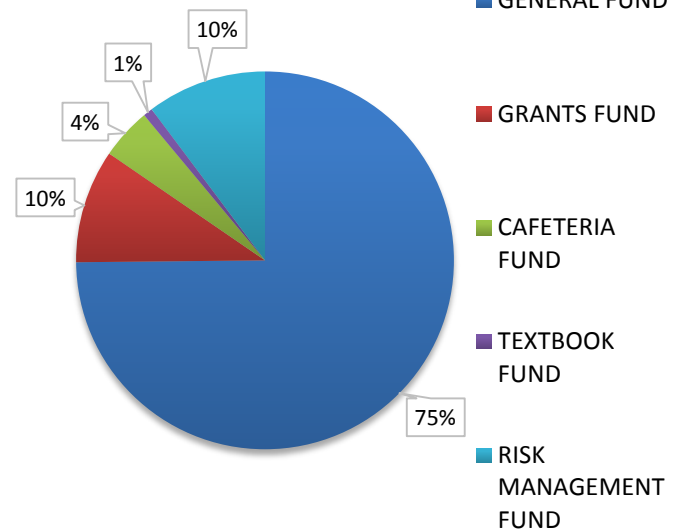
Cafeteria Fund - The Cafeteria fund is a special revenue fund that supports food services operations at the division's schools.

Textbook Fund - The Textbook fund records revenues and expenditures for textbooks. Historically, the State General Assembly authorizes the Textbook fund balance to be carried forward each fiscal year.

Risk Management Fund - The Risk Management fund is an internal service fund that accounts for all 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. The Risk Management and Insurance fund will also account for the Self-Insured Health Care Benefits Plan (Self-Insured Health Plan).

Effective January 1, 2015, the School Board established a Self-Insured Health Plan for all School Board employees and retirees. The Self-Insured Health Plan accounts for employer and employee premiums, medical claims, administrative costs, wellness program costs, and other health plan costs. Expenditures charged to various School Board departments are based on expected claims liability and administrative costs for a full calendar year as provided by the third party health care benefit consultant. 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 \$150,000. The Self-Insured Health Plan also has aggregate stop loss coverage at 120% of expected medical claims during a single policy year. Claims processing and payments for all health care claims are made through a third party administrator.

FY 2016 - 17 ADOPTED BUDGET



FUND	FY 2012-13 FINAL BUDGET	FY 2013-14 FINAL BUDGET	FY 2014-15 FINAL BUDGET	FY 2015-16 ORIGINAL BUDGET	FY2016-17 ADOPTED BUDGET
GENERAL FUND	\$ 139,633,984	\$ 135,191,228	\$ 142,529,244	\$ 140,551,680	\$ 143,551,503
GRANTS FUND	18,088,605	17,435,186	16,707,293	17,418,954	18,650,117
CAFETERIA FUND	8,029,000	8,220,504	8,477,000	8,426,500	8,420,100
TEXTBOOK FUND	924,094	3,363,275	1,347,080	1,363,880	1,532,441
REPROGRAPHICS FUND	626,871	570,527	755,866	-	-
RISK MANAGEMENT FUND	955,702	955,702	955,702	955,702	19,656,132
TOTAL	\$ 168,258,256	\$ 165,736,422	\$ 170,772,185	\$ 168,716,716	\$ 191,810,293

General Fund Revenue Overview

STATE FUNDS includes 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 TAXES 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.

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

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

OTHER REVENUE FUNDS includes Medicaid reimbursements, non-resident tuition, fees and rents from the use of school buildings, proceeds from sale of surplus property, rebates, refunds, and E-Rate program subsidies. The E-Rate program is part of the Universal Services subsidy program of the Telecommunications Act of 1996. The subsidy program is to provide discounts on all telecommunications services and advanced telecommunications to schools, libraries, and rural health care organizations. The E-Rate program is regulated by the FCC and calls for discounts of 20 to 90 percent on all telecommunications services, Internet access, and internal connections for schools and libraries, depending on the applicant's location and economic status. The program is funded by fees charged to interstate telecommunication providers.

REVENUE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
CITY FUNDS	\$48,871,532	\$43,900,000	\$52,400,000	\$51,200,000	\$52,400,000
REAPPROPRIATION OF CONSTRUCTION FUND	4,900,000	-	-	-	-
REAPPROPRIATION OF CITY FUNDS	-	3,400,000	-	-	-
FEDERAL FUNDS	700,000	700,000	700,000	700,000	600,000
OTHER REVENUE FUNDS	1,625,000	1,625,000	1,170,000	1,953,770	1,548,995
SALES TAX	14,191,795	14,821,566	14,834,837	15,072,252	15,612,710
STATE FUNDS	70,021,366	69,865,727	70,433,566	71,625,658	73,389,798
TOTAL REVENUE	\$140,309,693	\$134,312,293	\$139,538,403	\$140,551,680	\$143,551,503

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 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 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 support career and technical education courses for students in grades 6-12.

Expenditure Categories

The Operating Budget classifications are: Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; Facilities; Debt and Fund Transfers; and Technology with subcategories under each classification. No amounts are budgeted within the Facilities category.

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 expenses 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 board services, executive administration services, budget and planning, public information, human resources, financial services, and purchasing services. Attendance and Health Services includes those 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 services and therapy services.

PUPIL TRANSPORTATION includes activities concerned 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 activities concerned with keeping the physical plant 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 concerned with keeping the physical plant clean and ready for daily use are also included in the this area.

TECHNOLOGY activities are primarily concerned with 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 School Division.

DEBT AND FUND TRANSFERS includes outlays of funds that are not properly classified as expenditures, but require budgetary or accounting control. This includes payments for both principal and interest that service the debt of the school division and transfers between funds such as from the operating fund to the grant fund to satisfy match requirements for grant programs.

Expenditure Types

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

FRINGE BENEFITS provides for all fringe benefits including Social Security, life insurance, retirement, medical insurance, and unemployment.

PURCHASED SERVICES provides for all contractual services required by the School Board; i.e., printing, maintenance agreements, advertising expenses, and other contracted services.

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

MATERIALS AND SUPPLIES provides for expenditures for articles and commodities which are consumed.

CAPITAL OUTLAY provides expenditures for new equipment and replacement equipment. Items that are appropriate in this category include 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.

FUND TRANSFERS accounts for the conveying of funds between the seven expenditure categories and from one fund (e.g., School General Fund) to another fund (e.g., Textbook Fund, Grants Fund, or Risk Management Fund).

General Fund Expenditure Overview

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
INSTRUCTION	\$ 93,160,266	\$ 93,754,920	\$ 99,026,695	\$ 103,371,405	\$ 106,467,206
ADMINISTRATION, ATTENDANCE, AND HEALTH	6,422,653	6,404,294	6,829,554	7,258,644	8,191,512
TRANSPORTATION	5,338,602	5,822,713	6,530,269	7,019,684	6,404,615
OPERATIONS AND MAINTENANCE	15,645,414	13,935,196	16,199,540	15,274,072	14,472,059
FACILITIES	87,104	110,189	-	-	-
TECHNOLOGY	5,213,236	3,552,393	8,605,554	4,897,244	4,891,279
DEBT AND FUND TRANSFERS	8,684,076	3,561,289	4,552,625	2,730,631	3,124,832
TOTAL EXPENDITURES	\$ 134,551,351	\$ 127,140,994	\$ 141,744,237	\$ 140,551,680	\$ 143,551,503

General Fund Instruction Overview

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
ASSISTANT PRINCIPAL	\$ 2,188,347	\$ 2,152,862	\$ 2,074,684	\$ 2,132,029	\$ 2,676,365
ASSISTANT SUPERINTENDENT	141,071	145,815	140,735	114,019	254,096
CLERICAL	2,421,247	2,429,047	2,337,664	2,430,857	2,773,484
DIR / SUPV / MNGR / COORD	1,656,941	1,396,774	1,337,961	1,453,111	1,582,158
LIBRARIAN	1,230,273	1,177,159	1,148,829	1,252,351	1,248,252
OTHER PROFESSIONAL	1,010,217	1,030,044	966,727	962,856	997,225
INSTRUCTIONAL ASSISTANT	3,036,016	3,011,819	3,043,011	3,166,899	3,364,479
PRINCIPAL	2,276,334	2,272,834	2,283,201	2,325,843	2,379,600
SECURITY GUARD	8,517	5,803	8,655	6,800	7,934
SUB INSTRUCTIONAL ASSISTANT	420	-	70	-	-
SUB TEACHER	637,357	635,408	387,830	794,914	769,958
SUB CLERICAL	-	-	2,465	-	-
SUB LIBRARIAN	140	105	140	-	-
SUPPLEMENTS	720,371	612,250	660,408	665,935	559,211
TEACHER	48,349,032	49,084,855	49,665,851	51,895,593	53,769,125
TECHNICAL SUPPORT	673,178	686,885	694,949	728,501	706,511
BENEFITS:					
FICA	4,818,727	4,860,013	4,820,327	4,436,086	4,621,056
HEALTH INSURANCE	8,043,494	9,863,378	10,926,123	11,471,875	10,504,312
LIFE INSURANCE	738,718	746,713	740,262	775,169	798,247
UNEMPLOYMENT COMPENSATION	73,237	73,716	-8,901	74,000	18,650
VLDP VA LOCAL DISABILTY PROG	-	133	8,960	11,900	24,834
VRS	7,227,944	7,297,723	8,557,416	8,511,655	8,613,664
VRS HEALTH INSURANCE CREDIT	688,218	695,243	657,698	690,584	749,798
VRS HYBRID PLAN	-	5,350	449,537	575,598	1,134,422
TOTAL SALARY AND BENEFITS:	\$ 85,939,799	\$ 88,183,929	\$ 90,904,602	\$ 94,476,575	\$ 97,553,381
NON-SALARY:					
PURCHASED SERVICES	\$ 1,193,179	\$ 1,256,234	\$ 1,183,351	\$ 1,613,396	\$ 1,847,494
OTHER CHARGES	525,169	220,876	330,910	822,343	493,932
MATERIALS AND SUPPLIES	731,759	2,139,177	2,314,154	1,239,618	1,383,385
EQUIPMENT	509,828	141,140	95,463	300,499	127,366
TUITION	4,260,532	1,813,564	4,198,215	4,918,974	5,061,648
TOTAL NON-SALARY:	\$ 7,220,467	\$ 5,570,991	\$ 8,122,093	\$ 8,894,830	\$ 8,913,825
TOTAL EXPENDITURES	\$ 93,160,266	\$ 93,754,920	\$ 99,026,695	\$ 103,371,405	\$ 106,467,206

Instruction
Classroom Instruction

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 12,345	\$ 11,420	\$ 11,069	\$ 13,000	\$ 13,000
LIBRARIAN	16,425	15,794	11,675	17,000	18,668
OTHER PROFESSIONAL	213,987	237,054	228,478	230,404	166,951
INSTRUCTIONAL ASSISTANT	3,036,016	3,011,819	3,043,011	3,166,899	3,364,479
PRINCIPAL	8,336	8,706	8,164	9,000	10,502
SECURITY GUARD	8,517	5,803	8,655	6,800	7,934
SUB INSTRUCTIONAL ASSISTANT	420	-	70	-	-
SUB TEACHER	631,295	634,428	387,830	794,914	769,958
SUPPLEMENTS	720,351	612,742	661,433	665,935	559,211
TEACHER	45,630,762	46,261,723	46,820,993	48,957,784	50,767,451
BENEFITS:					
FICA	3,767,125	3,821,502	3,814,735	3,423,887	3,545,748
HEALTH INSURANCE	6,264,807	7,973,915	9,002,692	9,226,585	8,349,326
LIFE INSURANCE	576,804	586,774	584,649	610,291	623,627
UNEMPLOYMENT COMPENSATION	63,692	69,793	-8,901	74,000	18,650
VLPD VA LOCAL DISABILITY PROG	-	133	8,700	10,880	22,991
VRS	5,642,646	5,730,187	6,679,672	6,648,156	6,603,981
VRS HEALTH INSURANCE CREDIT	537,287	546,055	519,060	543,714	585,908
VRS HYBRID PLAN	-	5,350	436,157	525,419	1,049,915
TOTAL SALARY AND BENEFITS:	\$ 67,130,815	\$ 69,533,198	\$ 72,218,142	\$ 74,924,668	\$ 76,478,301
NON-SALARY:					
PURCHASED SERVICES	864,363	921,267	824,095	996,812	1,144,244
OTHER CHARGES	406,611	141,643	218,889	469,323	300,383
MATERIALS AND SUPPLIES	-332,622	1,715,688	942,818	558,708	705,398
EQUIPMENT	75,232	66,248	47,090	81,554	47,739
TUITION - OTHER	1,243	68,713	181,143	535,222	590,222
TUITION - SECEP	4,259,289	1,744,851	4,017,072	4,383,752	4,471,426
TOTAL NON-SALARY:	\$ 5,274,116	\$ 4,658,410	\$ 6,231,107	\$ 7,025,371	\$ 7,259,412
TOTAL EXPENDITURES	\$ 72,404,931	\$ 74,191,608	\$ 78,449,249	\$ 81,950,039	\$ 83,737,713

Instruction
Guidance Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 163,006	\$ 168,903	\$ 137,823	\$ 150,842	\$ 175,217
TEACHER	1,904,931	2,004,282	2,010,963	1,985,541	2,045,389
SUB TEACHER	6,062	980	-	-	-
BENEFITS:					
FICA	155,254	162,205	160,744	142,005	143,636
HEALTH INSURANCE	263,648	291,555	284,539	324,763	289,820
LIFE INSURANCE	24,562	25,627	25,334	25,446	25,243
UNEMPLOYMENT COMPENSATION	8,300	-	-	-	-
VRS	240,664	251,091	306,468	297,755	292,647
VRS HEALTH INSURANCE CREDIT	22,911	23,903	22,544	22,664	23,657
VRS HYBRID	-	-	1,914	2,939	3,313
VRS DISABILITY	-	-	38	59	74
TOTAL SALARY AND BENEFITS:	\$ 2,789,338	\$ 2,928,546	\$ 2,950,367	\$ 2,952,014	\$ 2,998,996
NON-SALARY:					
OTHER CHARGES	\$ 3,533	\$ 351	\$ 372	\$ 1,050	\$ 1,050
MATERIALS AND SUPPLIES	15,559	5,713	4,773	8,418	8,418
EQUIPMENT	1,600	1,421	530	-	-
TOTAL NON-SALARY:	\$ 20,692	\$ 7,485	\$ 5,675	\$ 9,468	\$ 9,468
TOTAL EXPENDITURES	\$ 2,810,030	\$ 2,936,031	\$ 2,956,042	\$ 2,961,482	\$ 3,008,464

Instruction
Social Worker Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
OTHER PROFESSIONAL	\$ 491,973	\$ 461,890	\$ 507,227	\$ 515,042	\$ 526,087
BENEFITS:					
FICA	36,981	37,620	35,739	37,595	38,390
HEALTH INSURANCE	52,276	55,946	58,766	69,935	55,577
LIFE INSURANCE	5,855	5,965	5,983	6,134	6,213
VRS	57,364	58,447	66,044	72,469	77,127
VRS HEALTH INSURANCE CREDIT	5,461	5,564	5,375	5,463	5,843
TOTAL SALARY AND BENEFITS:	\$ 649,910	\$ 625,432	\$ 679,134	\$ 706,638	\$ 709,237
NON-SALARY:					
OTHER CHARGES	1,784	2,410	993	2,410	2,410
TOTAL NON-SALARY:	\$ 1,784	\$ 2,410	\$ 993	\$ 2,410	\$ 2,410
TOTAL EXPENDITURES	\$ 651,694	\$ 627,842	\$ 680,127	\$ 709,048	\$ 711,647

Instruction
Homebound Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
TEACHER	\$ 86,522	\$ 55,840	\$ 63,500	\$ 56,000	\$ 60,000
BENEFITS:					
FICA	6,554	4,228	4,816	4,284	5,000
TOTAL SALARY AND BENEFITS:	\$ 93,076	\$ 60,068	\$ 68,316	\$ 60,284	\$ 65,000
TOTAL EXPENDITURES	\$ 93,076	\$ 60,068	\$ 68,316	\$ 60,284	\$ 65,000

Instruction
Improvement of Instruction

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
ASSISTANT SUPERINTENDENT	\$ 141,071	\$ 145,815	\$ 140,735	\$ 114,019	\$ 254,096
CLERICAL	743,303	733,829	645,682	693,338	703,812
DIR / SUPV / MNGR / COORD	1,580,479	1,331,632	1,337,961	1,392,655	1,582,158
OTHER PROFESSIONAL	196,589	220,923	112,484	111,434	186,325
PRINCIPAL	-	-	-	-	-
SUPPLEMENTS	20	492	1,025	-	-
TEACHER	651,988	763,010	770,395	896,268	1,013,228
TECHNICAL SUPPORT	634,585	647,047	655,373	689,965	667,327
BENEFITS:					
FICA	293,049	282,743	269,142	283,473	307,487
HEALTH INSURANCE	485,492	491,193	482,284	564,273	567,682
LIFE INSURANCE	46,025	44,564	42,315	46,235	50,103
VRS	450,034	437,047	514,232	502,325	576,965
VRS HYBRID	-	-	1,299	24,425	23,607
VRS HEALTH INSURANCE CREDIT	42,860	41,569	37,693	41,186	47,016
VLDP DISABILITY	-	-	22	489	510
TOTAL SALARY AND BENEFITS:	\$ 5,265,495	\$ 5,138,880	\$ 5,008,592	\$ 5,360,085	\$ 5,980,315
NON-SALARY:					
PURCHASED SERVICES	\$ 304,771	\$ 333,129	\$ 358,705	\$ 616,545	\$ 703,211
OTHER CHARGES	66,582	56,323	83,976	338,030	179,964
MATERIALS AND SUPPLIES	923,831	364,515	1,152,440	534,188	509,694
EQUIPMENT	387,467	7,801	18,425	179,860	31,244
TOTAL NON-SALARY:	\$ 1,682,651	\$ 761,768	\$ 1,613,546	\$ 1,668,623	\$ 1,424,113
TOTAL EXPENDITURES	\$ 6,948,146	\$ 5,900,648	\$ 6,622,138	\$ 7,028,708	\$ 7,404,428

Instruction
Media Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 177,486	\$ 176,507	\$ 178,406	\$ 168,745	\$ 193,545
DIR / SUPV / MNGR / COORD	76,462	65,142	-	60,456	-
LIBRARIAN	1,213,848	1,161,365	1,137,154	1,235,351	1,229,584
OTHER PROFESSIONAL	107,668	110,177	118,538	105,976	117,863
TEACHER	74,829	-	-	-	-
TECHNICAL SUPPORT	38,593	39,838	39,576	38,536	39,184
SUB LIBRARIAN	140	105	140	-	-
BENEFITS:					
FICA	126,289	117,107	109,405	108,430	105,707
HEALTH INSURANCE	247,127	251,852	267,317	298,716	262,051
LIFE INSURANCE	19,689	17,787	16,887	19,165	18,547
VRS	192,925	174,287	198,547	190,706	201,184
VRS HYBRID	-	-	7,913	20,734	21,154
VLDP DISABILITY	-	-	158	429	468
VRS HEALTH INSURANCE CREDIT	18,366	16,591	15,042	17,069	17,423
UNEMPLOYMENT COMPENSATION	-	3,231	-	-	-
TOTAL SALARY AND BENEFITS:	\$ 2,293,422	\$ 2,133,989	\$ 2,089,083	\$ 2,264,313	\$ 2,206,709
NON-SALARY:					
PURCHASED SERVICES	\$ 21,727	\$ 39	\$ -	\$ 39	\$ 39
OTHER CHARGES	3,256	1,256	-	1,156	2,386
MATERIALS AND SUPPLIES	76,432	36,671	98,923	50,738	50,738
EQUIPMENT	12,457	28,478	1,067	3,467	3,680
TOTAL NON-SALARY:	\$ 113,872	\$ 66,444	\$ 97,856	\$ 55,400	\$ 56,843
TOTAL EXPENDITURES	\$ 2,407,294	\$ 2,200,433	\$ 2,186,939	\$ 2,319,713	\$ 2,263,552

Instruction
Office of the Principal

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
ASSISTANT PRINCIPAL	\$ 2,188,347	\$ 2,152,862	\$ 2,074,684	\$ 2,132,029	\$ 2,676,365
CLERICAL	1,325,107	1,338,388	1,364,684	1,404,932	1,570,967
PRINCIPAL	2,267,998	2,264,128	2,275,037	2,316,843	2,369,098
SUB CLERICAL	-	-	2,465	-	-
BENEFITS:					
FICA	433,475	434,608	425,746	436,412	475,088
HEALTH INSURANCE	730,144	798,917	830,525	987,603	979,856
LIFE INSURANCE	65,783	65,996	65,094	67,898	74,514
UNEMPLOYMENT COMPENSATION	1,245	692	-	-	-
VRS	644,311	646,664	792,453	800,244	861,760
VRS HYBRID	-	-	2,254	2,081	36,433
V LDP DISABILITY	-	-	42	43	791
VRS HEALTH INSURANCE CREDIT	61,333	61,561	57,984	60,488	69,951
TOTAL SALARY AND BENEFITS:	\$ 7,717,743	\$ 7,763,816	\$ 7,890,968	\$ 8,208,573	\$ 9,114,823
NON-SALARY:					
PURCHASED SERVICES	\$ 2,318	\$ 1,799	\$ 551	\$ -	\$ -
OTHER CHARGES	43,403	18,893	26,680	10,374	7,739
MATERIALS AND SUPPLIES	48,559	16,590	115,200	87,566	109,137
EQUIPMENT	33,072	37,192	30,485	35,618	44,703
TOTAL NON-SALARY:	127,352	74,474	172,916	133,558	161,579
TOTAL EXPENDITURES	\$ 7,845,095	\$ 7,838,290	\$ 8,063,884	\$ 8,342,131	\$ 9,276,402

General Fund
Administration, Attendance, and Health Overview

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
ASSISTANT SUPERINTENDENT	\$ 34,002	\$ 80,779	\$ 116,016	\$ 117,789	\$ 120,096
BOARD MEMBER	50,262	49,399	50,600	50,600	50,600
CLERICAL	1,138,974	1,090,527	1,112,831	1,171,108	1,244,483
DIR / SUPV / MNGR / COORD	951,509	953,958	821,183	956,223	1,153,171
NURSE	921,409	888,690	892,892	965,702	945,982
OTHER PROFESSIONAL	12,837	-	37,457	57,245	110,696
PSYCHOLOGIST DISTRICT	343,879	350,152	354,050	338,349	379,569
SUB NURSE	1,445	17,127	13,122	-	-
SUPERINTENDENT	228,813	233,389	194,110	243,550	245,700
TEACHER	260,657	252,002	247,071	252,531	259,460
BENEFITS:					
FICA	285,658	284,723	270,112	317,049	305,076
HEALTH INSURANCE	482,633	524,984	704,456	684,751	677,326
LIFE INSURANCE	44,519	43,713	58,828	51,732	50,417
UNEMPLOYMENT COMPENSATION	-	894	-	6,000	1,200
VLDP VA LOCAL DISABILTY PROG	-	65	922	1,934	2,175
VRS	436,259	424,807	423,549	479,696	523,314
VRS HEALTH INSURANCE CREDIT	41,524	40,692	37,652	46,076	47,432
VRS HYBRID PLAN	-	2,601	46,096	95,588	98,400
HEALTH INSURANCE RETIREE	500	450	300	-	-
TOTAL SALARY AND BENEFITS:	\$ 5,233,880	\$ 5,238,052	\$ 5,380,647	\$ 5,835,923	\$ 6,215,097
NON-SALARY:					
PURCHASED SERVICES	\$ 805,907	\$ 695,291	\$ 895,128	\$ 882,488	\$ 1,551,192
OTHER CHARGES	278,387	446,090	510,359	465,692	364,252
MATERIALS AND SUPPLIES	45,687	24,660	42,792	41,247	38,486
EQUIPMENT	58,792	201	628	33,294	22,485
TOTAL NON-SALARY:	\$ 1,188,773	\$ 1,166,242	\$ 1,448,907	\$ 1,422,721	\$ 1,976,415
TOTAL EXPENDITURES	\$ 6,422,653	\$ 6,404,294	\$ 6,829,554	\$ 7,258,644	\$ 8,191,512

Administration, Attendance, and Health
Board Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
BOARD MEMBER	\$ 50,262	\$ 49,399	\$ 50,600	\$ 50,600	\$ 50,600
BENEFITS:					
FICA	3,831	3,780	3,874	3,874	3,874
HEALTH INSURANCE	3,669	-	-	-	-
TOTAL SALARY AND BENEFITS:	\$ 57,762	\$ 53,179	\$ 54,474	\$ 54,474	\$ 54,474
NON-SALARY:					
PURCHASED SERVICES	\$ 124,554	\$ 198,629	\$ 256,141	\$ 247,598	\$ 242,402
OTHER CHARGES	38,313	59,499	65,782	61,286	55,340
MATERIALS AND SUPPLIES	9,415	6,795	11,060	8,486	8,486
EQUIPMENT	-	274	-	276	276
TOTAL NON-SALARY:	\$ 172,282	\$ 265,197	\$ 332,983	\$ 317,646	\$ 306,504
TOTAL EXPENDITURES	\$ 230,044	\$ 318,376	\$ 387,457	\$ 372,120	\$ 360,978

Administration, Attendance, and Health
Executive Admin Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 137,494	\$ 142,753	\$ 145,708	\$ 162,867	\$ 173,915
DIR / SUPV / MNGR / COORD	103,524	105,545	106,734	120,849	111,748
OTHER PROFESSIONAL	12,837	-	475	-	-
SUPERINTENDENT	228,813	233,389	194,110	243,550	245,700
BENEFITS:					
FICA	30,154	29,817	26,943	30,910	31,053
HEALTH INSURANCE	52,604	54,689	45,785	63,220	62,736
LIFE INSURANCE	5,519	5,586	4,157	5,483	5,550
VRS	54,036	54,739	40,268	34,544	37,425
VRS HEALTH INSURANCE CREDIT	5,148	5,211	3,704	4,884	5,222
VLDP DISABILITY	-	-	208	624	667
VRS HYBRID	-	-	10,392	31,175	30,229
TOTAL SALARY AND BENEFITS:	\$ 630,129	\$ 631,729	\$ 578,484	\$ 698,106	\$ 704,245
NON-SALARY:					
PURCHASED SERVICES	\$ 38,064	\$ 31,396	\$ 36,929	\$ 35,901	\$ 36,386
OTHER CHARGES	55,371	58,703	79,386	56,300	77,950
MATERIALS AND SUPPLIES	7,320	2,378	2,736	2,616	2,471
TOTAL NON-SALARY:	\$ 100,755	\$ 92,477	\$ 119,051	\$ 94,817	\$ 116,807
TOTAL EXPENDITURES	\$ 730,884	\$ 724,206	\$ 697,535	\$ 792,923	\$ 821,052

Administration, Attendance, and Health
Office of Budget and Planning

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
ASSISTANT SUPERINTENDENT	\$ 34,002	\$ 80,779	\$ 116,016	\$ 117,789	\$ 120,096
CLERICAL	82,963	85,647	93,091	84,706	81,902
OTHER PROFESSIONAL	-	-	-	-	61,806
BENEFITS:					
FICA	8,602	12,558	15,744	15,056	19,421
HEALTH INSURANCE	17,760	19,142	20,161	24,328	23,449
LIFE INSURANCE	1,068	1,876	2,366	2,411	3,115
VRS	10,385	18,378	28,835	28,492	29,613
VRS HEALTH INSURANCE CREDIT	996	1,751	2,108	2,148	2,931
VRS HYBRID	-	-	-	-	8,691
VLDP VA LOCAL DISABILTY PROG	-	-	-	-	192
TOTAL SALARY AND BENEFITS:	\$ 155,776	\$ 220,131	\$ 278,321	\$ 274,930	\$ 351,216
NON-SALARY:					
PURCHASED SERVICES	\$ 28,161	\$ 3,129	\$ 41,620	\$ 36,420	\$ 38,595
OTHER CHARGES	1,301	1,157	7,468	3,734	5,174
MATERIALS AND SUPPLIES	78	329	1,163	1,444	1,115
EQUIPMENT	-	12	-	444	-
TOTAL NON-SALARY:	\$ 29,384	\$ 1,631	\$ 50,251	\$ 42,042	\$ 44,884
TOTAL EXPENDITURES	\$ 185,160	\$ 218,500	\$ 328,572	\$ 316,972	\$ 396,100

**Administration, Attendance, and Health
Public Information Services**

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
DIR / SUPV / MNGR / COORD	-	-	-	-	65,428
BENEFITS:					
FICA	-	-	-	-	5,005
HEALTH INSURANCE					12,164
LIFE INSURANCE	-	-	-	-	773
VRS HEALTH INSURANCE CREDIT	-	-	-	-	727
VRS HYBRID	-	-	-	-	9,200
VLDP VA LOCAL DISABILTY PROG	-	-	-	-	203
TOTAL SALARY AND BENEFITS:	\$ -	\$ -	\$ -	\$ -	\$ 93,500
NON-SALARY:					
PURCHASED SERVICES	\$ -	\$ -	\$ -	\$ -	\$ 5,000
TOTAL NON-SALARY:	\$ -	\$ -	\$ -	\$ -	\$ 5,000
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ 98,500

Administration, Attendance, and Health
Human Resources

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 255,713	\$ 255,730	\$ 246,127	\$ 271,799	\$ 305,594
DIR / SUPV / MNGR / COORD	359,262	329,863	280,617	330,468	354,374
BENEFITS:					
FICA	46,234	44,110	39,230	43,848	47,196
HEALTH INSURANCE	69,578	71,477	70,337	82,553	83,608
LIFE INSURANCE	7,214	6,345	5,784	7,026	7,663
VRS	70,656	62,169	68,248	64,659	85,669
VRS HEALTH INSURANCE CREDIT	6,728	5,918	5,152	6,257	7,210
VRS HYBRID	-	-	2,228	18,915	9,097
VLDP DISABILITY	-	-	45	380	201
UNEMPLOYMENT	-	-	-	-	1,200
TOTAL SALARY AND BENEFITS:	\$ 815,385	\$ 775,612	\$ 717,768	\$ 825,905	\$ 901,812
NON-SALARY:					
PURCHASED SERVICES	\$ 53,218	\$ 53,589	\$ 74,174	\$ 61,007	\$ 116,007
OTHER CHARGES	98,492	95,991	106,485	89,133	147,370
MATERIALS AND SUPPLIES	15,223	1,688	5,903	8,047	8,047
TOTAL NON-SALARY:	\$ 166,933	\$ 151,268	\$ 186,562	\$ 158,187	\$ 271,424
TOTAL EXPENDITURES	\$ 982,318	\$ 926,880	\$ 904,330	\$ 984,092	\$ 1,173,236

Administration, Attendance, and Health
Financial Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 489,169	\$ 434,597	\$ 451,600	\$ 470,720	\$ 491,958
DIR / SUPV / MNGR / COORD	336,543	369,911	316,962	340,137	377,097
BENEFITS:					
FICA	60,869	59,785	56,379	58,961	62,273
HEALTH INSURANCE	97,513	105,946	274,691	115,010	138,312
HEALTH INSURANCE RETIREE	500	450	300	-	-
LIFE INSURANCE	9,603	9,178	25,443	9,659	10,151
VRS	94,172	89,931	52,260	95,797	112,220
VRS HEALTH INSURANCE CREDIT	8,957	8,561	7,913	8,602	9,548
UNEMPLOYMENT COMPENSATON	-	-	-	6,000	-
VRS HYBRID	-	-	10,564	18,859	13,245
VLDP DISABILITY	-	-	211	378	293
TOTAL SALARY AND BENEFITS:	\$ 1,096,326	\$ 1,077,459	\$ 1,195,723	\$ 1,124,123	\$ 1,215,097
NON-SALARY:					
PURCHASED SERVICES	\$ 190,107	\$ 98,953	\$ 142,950	\$ 144,525	\$ 166,000
OTHER CHARGES	60,492	206,623	217,544	211,522	18,760
MATERIALS AND SUPPLIES	1,368	4,191	5,910	7,087	4,800
EQUIPMENT	57,816	164	557	4,565	3,000
TOTAL NON-SALARY:	\$ 309,783	\$ 309,603	\$ 366,961	\$ 367,699	\$ 192,560
TOTAL EXPENDITURES	\$ 1,406,109	\$ 1,387,062	\$ 1,562,684	\$ 1,491,822	\$ 1,407,657

Administration, Attendance, and Health
Purchasing Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 148,357	\$ 146,014	\$ 150,118	\$ 154,075	\$ 160,879
DIR / SUPV / MNGR / COORD	74,600	69,516	36,839	82,888	161,413
BENEFITS:					
FICA	16,742	16,377	13,853	17,525	17,851
HEALTH INSURANCE	33,080	45,868	41,181	46,060	57,777
LIFE INSURANCE	2,475	2,574	2,157	2,822	2,886
VRS	24,365	25,174	26,285	21,681	35,816
VRS HEALTH INSURANCE CREDIT	2,309	2,401	1,922	2,514	2,714
TOTAL SALARY AND BENEFITS:	\$ 301,928	\$ 307,924	\$ 272,355	\$ 327,565	\$ 439,336
NON-SALARY:					
PURCHASED SERVICES	\$ 2,198	\$ 248	\$ 3,012	\$ 1,205	\$ 18,650
OTHER CHARGES	-	-	7,875	4,851	6,386
MATERIALS AND SUPPLIES	-	-	411	600	600
EQUIPMENT	779	-	-	-	-
TOTAL NON-SALARY:	\$ 2,977	\$ 248	\$ 11,298	\$ 6,656	\$ 25,636
TOTAL EXPENDITURES	\$ 304,905	\$ 308,172	\$ 283,653	\$ 334,221	\$ 464,972

Administration, Attendance, and Health
Attendance Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
OTHER PROFESSIONAL	\$ -	\$ -	\$ 36,982	\$ 57,245	\$ 48,890
BENEFITS:					
FICA	-	-	2,828	4,335	3,501
HEALTH INSURANCE	-	-	6,666	11,151	10,905
LIFE INSURANCE	-	-	445	682	577
UNEMPLOYMENT COMPENSATION	-	-	-	-	-
VRS	-	-	5,416	8,055	7,168
VRS HEALTH INSURANCE CREDIT	-	-	396	607	543
TOTAL SALARY AND BENEFITS:	\$ -	\$ -	\$ 52,733	\$ 82,075	\$ 71,584

Administration, Attendance, and Health
Health Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 25,278	\$ 25,786	\$ 26,187	\$ 26,941	\$ 30,235
DIR / SUPV / MNGR / COORD	77,580	79,123	80,031	81,881	83,111
NURSE	921,409	888,690	892,892	965,702	945,982
SUB NURSE	1,445	17,127	13,122	-	-
BENEFITS:					
FICA	76,328	75,064	74,864	73,179	71,101
HEALTH INSURANCE	149,788	167,196	183,963	212,615	180,171
LIFE INSURANCE	11,697	11,082	11,323	11,912	12,154
UNEMPLOYMENT COMPENSATON	-	894	-	-	-
VLDP VA LOCAL DISABILTY PROG		65	458	552	619
VRS	114,608	105,120	115,069	114,049	121,718
VRS HEALTH INSURANCE CREDIT	10,910	10,254	10,085	10,611	11,438
VRS HYBRID PLAN	-	2,601	22,912	26,639	27,938
TOTAL SALARY AND BENEFITS:	\$ 1,389,043	\$ 1,383,002	\$ 1,430,906	\$ 1,524,081	\$ 1,484,467
NON-SALARY:					
PURCHASED SERVICES	\$ 128,378	\$ 119,726	\$ 125,988	\$ 153,133	\$ 177,133
OTHER CHARGES	2,784	1,511	1,857	3,272	3,272
MATERIALS AND SUPPLIES	12,439	9,279	15,609	12,967	12,967
EQUIPMENT	197	79	71	28,009	19,209
TOTAL NON-SALARY:	\$ 143,798	\$ 130,595	\$ 143,525	\$ 197,381	\$ 212,581
TOTAL EXPENDITURES	\$ 1,532,841	\$ 1,513,597	\$ 1,574,431	\$ 1,721,462	\$ 1,697,048

Administration, Attendance, and Health
Psychological Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
PSYCHOLOGIST - DISTRICT	\$ 343,879	\$ 350,152	\$ 354,050	\$ 338,349	\$ 379,569
TEACHER	260,657	252,002	247,071	252,531	259,460
BENEFITS:					
FICA	42,898	43,232	36,397	69,361	43,801
HEALTH INSURANCE	58,641	60,666	61,672	129,814	108,204
LIFE INSURANCE	6,943	7,072	7,153	11,737	7,548
VRS	68,037	69,296	87,168	112,419	93,685
VRS HEALTH INSURANCE CREDIT	6,476	6,596	6,372	10,453	7,099
TOTAL SALARY AND BENEFITS:	\$ 787,531	\$ 789,016	\$ 799,883	\$ 924,664	\$ 899,366
NON-SALARY:					
PURCHASED SERVICES	\$ 241,227	\$ 195,879	\$ 214,314	\$ 202,699	\$ 751,019
OTHER CHARGES	21,634	22,606	23,962	35,594	50,000
TOTAL NON-SALARY:	262,861	218,485	238,276	238,293	801,019
TOTAL EXPENDITURES	\$ 1,050,392	\$ 1,007,501	\$ 1,038,159	\$ 1,162,957	\$ 1,700,385

**General Fund
Transportation Overview**

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
BUS DRIVER	\$ 2,374,171	\$ 2,340,660	\$ 2,285,462	\$ 3,074,702	\$ 2,483,396
BUS MONITOR	559,738	536,570	519,428	523,444	533,023
CLERICAL	132,169	103,516	130,117	154,276	145,402
DIR / SUPV / MNGR / COORD	58,887	60,065	60,757	63,616	127,420
OTHER PROFESSIONAL	41,975	45,584	46,396	40,557	41,232
SUB BUS DRIVER	-	-	-	-	15,000
BENEFITS:					
FICA	233,226	224,606	221,036	165,049	243,519
HEALTH INSURANCE	253,558	1,104,070	1,726,319	1,221,719	1,135,616
LIFE INSURANCE	24,949	24,709	22,894	27,636	35,185
UNEMPLOYMENT COMPENSATION	205	798	-	40,000	2,200
VDLP VA LOCAL DISABILTY PROG	-	74	887	1,754	3,631
VRS	196,344	192,218	213,583	219,502	285,926
VRS HEALTH INSURANCE CREDIT	2,461	2,167	2,302	2,456	3,312
VRS HYBRID PLAN	-	1,122	15,754	30,270	62,660
TOTAL SALARY AND BENEFITS:	\$ 3,877,683	\$ 4,636,159	\$ 5,244,935	\$ 5,564,981	\$ 5,117,521
NON-SALARY:					
PURCHASED SERVICES	\$ 656,612	\$ 655,870	\$ 632,782	\$ 648,814	\$ 684,019
OTHER CHARGES	222	-	177,744	177,817	1,743
MATERIALS AND SUPPLIES	802,110	530,624	440,792	626,710	600,000
EQUIPMENT	1,975	60	34,016	1,362	1,332
TOTAL NON-SALARY:	\$ 1,460,919	\$ 1,186,554	\$ 1,285,334	\$ 1,454,703	\$ 1,287,094
TOTAL EXPENDITURES	\$ 5,338,602	\$ 5,822,713	\$ 6,530,269	\$ 7,019,684	\$ 6,404,615

Transportation
Management and Direction

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 132,169	\$ 103,516	\$ 130,117	\$ 154,276	\$ 145,402
DIR / SUPV / MNGR / COORD	58,887	60,065	60,757	63,616	127,420
OTHER PROFESSIONAL	41,975	45,584	46,396	40,557	41,232
BENEFITS:					
FICA	17,225	15,629	17,488	18,867	23,039
HEALTH INSURANCE	51,789	46,859	50,404	60,820	60,820
LIFE INSURANCE	2,639	2,323	2,584	2,758	3,520
VRS	25,771	22,761	31,486	32,567	48,099
VRS HEALTH INSURANCE CREDIT	2,461	2,167	2,302	2,456	3,312
TOTAL SALARY AND BENEFITS:	\$ 332,916	\$ 298,904	\$ 341,534	\$ 375,917	\$ 452,844
NON-SALARY:					
PURCHASED SERVICES	\$ 3,650	\$ 12,897	\$ 16,895	\$ 18,055	\$ 11,500
OTHER CHARGES	222	-	75	148	1,303
EQUIPMENT	1,975	60	34,016	1,362	1,332
TOTAL NON-SALARY:	\$ 5,847	\$ 12,957	\$ 50,986	\$ 19,565	\$ 14,135
TOTAL EXPENDITURES	\$ 338,763	\$ 311,861	\$ 392,520	\$ 395,482	\$ 466,979

Transportation
Vehicle Operation

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
BUS DRIVER	\$ 2,374,171	\$ 2,340,660	\$ 2,285,462	\$ 3,074,702	\$ 2,483,396
BUS MONITOR	559,738	536,570	519,428	523,444	533,023
SUB BUS DRIVER	-	-	-	-	15,000
BENEFITS:					
FICA	216,001	208,977	203,548	146,182	220,480
HEALTH INSURANCE	201,769	1,057,211	1,675,915	1,160,899	1,074,796
LIFE INSURANCE	22,310	22,386	20,310	24,878	31,665
UNEMPLOYMENT COMPENSATION	205	798	-	40,000	2,200
VLDP VA LOCAL DISABILITY PROG	-	74	887	1,754	3,631
VRS	170,573	169,457	182,097	186,935	237,827
VRS HYBRID PLAN	-	1,122	15,754	30,270	62,660
TOTAL SALARY AND BENEFITS:	\$ 3,544,767	\$ 4,337,255	\$ 4,903,401	\$ 5,189,064	\$ 4,664,677
NON-SALARY:					
PURCHASED SERVICES	\$ 1,864	\$ -	\$ 3,277	\$ 3,290	\$ 15,050
OTHER CHARGES	-	-	177,669	177,669	440
MATERIALS AND SUPPLIES	802,110	530,624	440,792	626,710	600,000
TOTAL NON-SALARY:	\$ 803,974	\$ 530,624	\$ 621,738	\$ 807,669	\$ 615,490
TOTAL EXPENDITURES	\$ 4,348,741	\$ 4,867,879	\$ 5,525,139	\$ 5,996,733	\$ 5,280,167

Transportation
Vehicle Maintenance

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
NON-SALARY:					
PURCHASED SERVICES	\$ 651,098	\$ 642,973	\$ 612,610	\$ 627,469	\$ 657,469
TOTAL NON-SALARY:	\$ 651,098	\$ 642,973	\$ 612,610	\$ 627,469	\$ 657,469
TOTAL EXPENDITURES	\$ 651,098	\$ 642,973	\$ 612,610	\$ 627,469	\$ 657,469

**General Fund
Operations and Maintenance Overview**

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 122,521	\$ 119,117	\$ 104,716	\$ 169,703	\$ 74,271
CROSSING GUARD	311,225	305,265	307,191	268,766	266,733
CUSTODIAN	2,616,600	2,635,487	2,698,367	2,965,283	3,073,226
DIR / SUPV / MNGR / COORD	477,513	334,528	354,507	363,924	256,748
SECURITY GUARD	482,520	462,532	455,766	653,726	488,713
SUB CUSTODIAN	-	-	5,669	-	20,000
SUPPORT SERVICE MISC	169,563	181,461	188,282	226,713	242,894
TRADES	899,871	960,382	948,284	938,380	1,009,579
BENEFITS:					
FICA	378,606	376,485	376,309	369,828	400,581
HEALTH INSURANCE	1,095,752	1,206,738	1,516,210	1,437,166	1,446,090
LIFE INSURANCE	54,333	52,922	52,950	56,532	59,412
UNEMPLOYMENT COMPENSATION	5,199	8,568	-	74,000	2,600
VDLP VA LOCAL DISABILTY PROG	-	195	1,314	2,380	4,672
VRS	441,723	422,321	472,455	459,735	498,772
VRS HEALTH INSURANCE CREDIT	11,208	8,959	8,831	9,814	10,785
VRS HYBRID PLAN	-	2,971	26,688	51,822	97,008
TOTAL SALARY AND BENEFITS:	\$ 7,066,634	\$ 7,077,931	\$ 7,517,539	\$ 8,047,772	\$ 7,952,085
NON-SALARY:					
PURCHASED SERVICES	\$ 3,066,371	\$ 2,545,959	\$ 2,776,431	\$ 1,971,938	\$ 1,926,621
OTHER CHARGES	4,506,955	3,502,364	4,192,406	4,435,507	3,773,228
MATERIALS AND SUPPLIES	617,589	630,066	549,494	560,674	563,729
EQUIPMENT	387,865	178,876	1,163,670	258,181	256,396
TOTAL NON-SALARY:	\$ 8,578,780	\$ 6,857,265	\$ 8,682,001	\$ 7,226,300	\$ 6,519,974
TOTAL EXPENDITURES	\$ 15,645,414	\$ 13,935,196	\$ 16,199,540	\$ 15,274,072	\$ 14,472,059

Operations
Management and Direction

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 54,841	\$ 49,218	\$ 58,356	\$ 131,385	\$ 35,307
DIR / SUPV / MNGR / COORD	248,953	150,353	181,518	244,187	-
BENEFITS:					
FICA	23,039	15,100	18,046	23,300	2,602
HEALTH INSURANCE	8,545	18,502	34,305	44,162	10,267
LIFE INSURANCE	3,595	1,843	2,491	3,717	405
VRS	35,194	18,062	30,349	33,690	5,415
VRS HEALTH INSURANCE CREDIT	3,353	1,719	2,219	3,311	410
VDLP VA LOCAL DISABILTY PROG	-	-	-	211	-
VRS HYBRID PLAN	-	-	-	10,544	-
TOTAL SALARY AND BENEFITS:	\$ 377,520	\$ 254,797	\$ 327,284	\$ 494,507	\$ 54,406
NON-SALARY:					
PURCHASED SERVICES	\$ 10,964	\$ 10,964	\$ 11,992	\$ 10,964	\$ 10,964
OTHER CHARGES	3,356	7,655	8,886	7,356	-
MATERIALS AND SUPPLIES	3,871	1,651	966	1,404	-
TOTAL NON-SALARY:	\$ 18,191	\$ 20,270	\$ 21,844	\$ 19,724	\$ 10,964
TOTAL EXPENDITURES	\$ 395,711	\$ 275,067	\$ 349,128	\$ 514,231	\$ 65,370

Operations
Building Maintenance

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
DIR / SUPV / MNGR / COORD	\$ 58,108	\$ 9,118	\$ -	\$ -	\$ 129,452
TRADES	899,871	960,382	948,284	938,380	1,009,579
BENEFITS:					
FICA	71,950	74,281	71,461	69,923	85,132
HEALTH INSURANCE	147,573	154,280	432,456	174,672	192,609
LIFE INSURANCE	11,147	11,300	10,676	11,177	13,246
UNEMPLOYMENT COMPENSATION	756	-	-	-	-
VRS	86,531	86,294	89,881	88,391	119,135
VRS HEALTH INSURANCE CREDIT	645	110	-	-	2,233
VDLP VA LOCAL DISABILTY PROG	-	-	207	542	812
VRS HYBRID PLAN	-	-	3,595	9,401	15,160
TOTAL SALARY AND BENEFITS:	\$ 1,276,581	\$ 1,295,765	\$ 1,556,560	\$ 1,292,486	\$ 1,567,357
NON-SALARY:					
PURCHASED SERVICES	\$ 2,866,961	\$ 2,290,530	\$ 2,528,311	\$ 1,767,539	\$ 1,708,297
OTHER CHARGES	4,405,475	3,387,998	4,064,271	4,325,641	3,665,369
MATERIALS AND SUPPLIES	278,086	245,386	254,911	220,917	224,045
EQUIPMENT	374,123	169,057	1,148,503	250,000	250,000
TOTAL NON-SALARY:	\$ 7,924,645	\$ 6,092,971	\$ 7,995,996	\$ 6,564,097	\$ 5,847,711
TOTAL EXPENDITURES	\$ 9,201,226	\$ 7,388,736	\$ 9,552,556	\$ 7,856,583	\$ 7,415,068

Operations
Building Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 36,018	\$ 36,816	\$ 37,424	\$ 38,318	\$ 38,964
CUSTODIAN	2,616,600	2,635,487	2,698,367	2,965,283	3,073,226
DIR / SUPV / MNGR / COORD	170,452	175,057	172,989	119,737	127,296
SUB CUSTODIAN	-	-	5,669		20,000
BENEFITS:					
FICA	210,225	215,074	216,685	211,257	239,651
HEALTH INSURANCE	747,896	822,010	839,027	999,198	1,037,605
LIFE INSURANCE	32,343	32,613	33,027	34,176	37,411
UNEMPLOYMENT COMPENSATION	4,443	8,568	-	74,000	2,600
VLDP VA DISABILTY PROG	-	195	976	1,507	3,137
VRS	253,191	252,349	280,250	269,673	299,271
VRS HEALTH INSURANCE CREDIT	2,291	2,350	2,157	1,677	1,909
VRS HYBRID PLAN	-	2,971	16,948	26,099	58,420
TOTAL SALARY AND BENEFITS:	\$ 4,073,459	\$ 4,183,490	\$ 4,303,519	\$ 4,740,925	\$ 4,939,491
NON-SALARY:					
PURCHASED SERVICES	\$ 67,256	\$ 65,915	\$ 72,739	\$ 60,952	\$ 66,360
OTHER CHARGES	91,615	103,111	111,986	93,913	98,609
MATERIALS AND SUPPLIES	237,096	286,741	241,883	251,586	263,506
EQUIPMENT	13,472	8,730	14,581	7,459	5,496
TOTAL NON-SALARY:	\$ 409,439	\$ 464,497	\$ 441,189	\$ 413,910	\$ 433,971
TOTAL EXPENDITURES	\$ 4,482,898	\$ 4,647,987	\$ 4,744,708	\$ 5,154,835	\$ 5,373,462

Operations
Vehicle Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
NON-SALARY:					
PURCHASED SERVICES	\$ 121,190	\$ 178,550	\$ 85,264	\$ 131,908	\$ 140,000
MATERIALS AND SUPPLIES	84,467	81,755	42,189	69,782	60,000
TOTAL NON-SALARY:	\$ 205,657	\$ 260,305	\$ 127,453	\$ 201,690	\$ 200,000
TOTAL EXPENDITURES	\$ 205,657	\$ 260,305	\$ 127,453	\$ 201,690	\$ 200,000

Operations
Security Services

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
SECURITY GUARD	\$ 482,520	\$ 462,532	\$ 455,766	\$ 653,726	\$ 488,713
BENEFITS:					
FICA	34,714	32,567	32,043	28,181	34,728
HEALTH INSURANCE	135,397	149,429	156,142	172,376	147,384
LIFE INSURANCE	4,908	4,770	4,478	4,761	5,481
VRS	48,051	46,414	50,532	50,403	61,548
VRS HEALTH INSURANCE CREDIT	4,567	4,420	3,989	4,240	5,536
VLDP DISABILITY	-	-	114	120	150
VRS HYBRID PLAN	-	-	5,846	5,778	7,293
TOTAL SALARY AND BENEFITS:	\$ 710,157	\$ 700,132	\$ 708,910	\$ 919,585	\$ 750,833
NON-SALARY:					
PURCHASED SERVICES	\$ -	\$ -	\$ 78,125	\$ 575	\$ 1,000
OTHER CHARGES	1,210	-	1,045	1,196	2,000
MATERIALS AND SUPPLIES	1,801	855	4,805	959	3,000
EQUIPMENT	270	1,089	586	722	900
TOTAL NON-SALARY:	\$ 3,281	\$ 1,944	\$ 84,561	\$ 3,452	\$ 6,900
TOTAL EXPENDITURES	\$ 713,438	\$ 702,076	\$ 793,471	\$ 923,037	\$ 757,733

Operations
Crossing Guards

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CROSSING GUARD	\$ 311,225	\$ 305,265	\$ 307,191	\$ 268,766	\$ 266,733
BENEFITS:					
FICA	23,809	23,229	23,442	20,221	20,430
TOTAL SALARY AND BENEFITS:	\$ 335,034	\$ 328,494	\$ 330,633	\$ 288,987	\$ 287,163
NON-SALARY:					
MATERIALS AND SUPPLIES	\$ 3,978	\$ 3,136	\$ 2,490	\$ 7,022	\$ 7,022
TOTAL NON-SALARY:	\$ 3,978	\$ 3,136	\$ 2,490	\$ 7,022	\$ 7,022
TOTAL EXPENDITURES	\$ 339,012	\$ 331,630	\$ 333,123	\$ 296,009	\$ 294,185

Operations
Warehouse

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 31,662	\$ 33,083	\$ 8,936	\$ -	\$ -
SUPPORT SERVICE - MISC	169,563	181,461	188,282	226,713	242,894
BENEFITS:					
FICA	14,869	16,234	14,632	16,946	18,038
HEALTH INSURANCE	56,341	62,517	54,280	46,758	58,225
LIFE INSURANCE	2,340	2,396	2,278	2,701	2,869
VRS	18,756	19,202	21,443	17,578	13,403
VRS HEALTH INSURANCE CREDIT	352	360	466	586	698
VLDP DISABILITY	-	-	17		573
VRS HYBRID PLAN	-	-	299		16,136
TOTAL SALARY AND BENEFITS:	\$ 293,883	\$ 315,253	\$ 290,633	\$ 311,282	\$ 352,835
NON-SALARY:					
OTHER CHARGES	\$ 5,299	\$ 3,600	\$ 6,218	\$ 7,401	\$ 7,250
MATERIALS AND SUPPLIES	8,290	10,542	2,250	9,004	6,156
TOTAL NON-SALARY:	\$ 13,589	\$ 14,142	\$ 8,468	\$ 16,405	\$ 13,406
TOTAL EXPENDITURES	\$ 307,472	\$ 329,395	\$ 299,101	\$ 327,687	\$ 366,241

General Fund
Facilities Overview

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
DIR / SUPV / MNGR / COORD	\$ 9,831	\$ -	\$ -	\$ -	\$ -
OTHER PROFESSIONAL	49,797	43,128	-	-	-
BENEFITS:					
FICA	4,401	3,109	-	-	-
HEALTH INSURANCE	8,545	8,138	-	-	-
LIFE INSURANCE	569	532	-	-	-
VRS	5,573	5,210	-	-	-
VRS HEALTH INSURANCE CREDIT	531	496	-	-	-
UNEMPLOYMENT COMPENSATION	7,182	-	-	-	-
TOTAL SALARY AND BENEFITS:	\$ 86,429	\$ 60,613	\$ -	\$ -	\$ -
NON-SALARY:					
PURCHASED SERVICES	626	49,576	-	-	-
OTHER CHARGES	49	-	-	-	-
TOTAL NON-SALARY:	\$ 675	\$ 49,576	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 87,104	\$ 110,189	\$ -	\$ -	\$ -

Facilities
Building Acquisition

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
DIR / SUPV / MNGR / COORD	\$ 9,831	\$ -	\$ -	\$ -	\$ -
OTHER PROFESSIONAL	49,797	43,128	-	-	-
BENEFITS:					
FICA	4,401	3,109	-	-	-
HEALTH INSURANCE	8,545	8,138	-	-	-
LIFE INSURANCE	569	532	-	-	-
UNEMPLOYMENT COMPENSATION	7,182			-	-
VRS	5,573	5,210	-	-	-
VRS HEALTH INSURANCE CREDIT	531	496	-	-	-
TOTAL SALARY AND BENEFITS:	\$ 86,429	\$ 60,613	\$ -	\$ -	\$ -
NON-SALARY:					
OTHER CHARGES	49	-	-	-	-
TOTAL NON-SALARY:	\$ 49	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 86,478	\$ 60,613	\$ -	\$ -	\$ -

Facilities
Building Additions and Improvement

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
NON-SALARY:					
PURCHASED SERVICES	\$ 626	\$ 49,576	\$ -	\$ -	\$ -
TOTAL NON-SALARY:	\$ 626	\$ 49,576	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 626	\$ 49,576	\$ -	\$ -	\$ -

General Fund
Technology Overview

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 137,950	\$ 100,762	\$ 41,111	\$ 99,947	\$ 47,175
DIR / SUPV / MNGR / COORD	254,338	259,424	262,417	269,065	273,688
PARAPROFESSIONAL	-	-	7,288	-	-
TECHNICAL SUPPORT	998,375	975,614	1,047,632	1,093,635	1,176,751
BENEFITS:					
FICA	102,523	98,112	99,131	103,115	108,775
HEALTH INSURANCE	66,252	223,239	392,152	266,824	251,058
LIFE INSURANCE	16,539	15,817	16,007	16,966	17,607
UNEMPLOYMENT COMPENSATION	-	-	-	6,000	350
VLDP VA LOCAL DISABILTY PROG	-	26	244	433	703
VRS	162,047	153,221	182,863	179,557	185,060
VRS HEALTH INSURANCE CREDIT	15,427	14,687	14,258	15,116	16,541
VRS HYBRID PLAN	-	1,042	12,181	21,590	32,135
TOTAL SALARY AND BENEFITS:	\$ 1,753,451	\$ 1,841,944	\$ 2,075,284	\$ 2,072,248	\$ 2,109,843
NON-SALARY:					
PURCHASED SERVICES	632,817	557,121	953,417	707,165	707,165
OTHER CHARGES	218,992	196,299	78,652	286,647	286,647
MATERIALS AND SUPPLIES	1,124,960	230,885	1,065,512	889,190	845,630
EQUIPMENT	1,483,016	726,144	4,432,689	941,994	941,994
TOTAL NON-SALARY:	\$ 3,459,785	\$ 1,710,449	\$ 6,530,270	\$ 2,824,996	\$ 2,781,436
TOTAL EXPENDITURES	\$ 5,213,236	\$ 3,552,393	\$ 8,605,554	\$ 4,897,244	\$ 4,891,279

Technology
Classroom Instruction

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
NON-SALARY:					
PURCHASED SERVICES	\$ 126,000	\$ 93,451	\$ 373,168	\$ 112,552	\$ 112,552
OTHER CHARGES	824	744	6,716	6,000	6,000
MATERIALS AND SUPPLIES	619,514	56,549	660,505	465,688	422,688
EQUIPMENT	1,483,016	726,144	4,432,689	941,994	941,994
TOTAL NON-SALARY:	\$ 2,229,354	\$ 763,790	\$ 5,473,078	\$ 1,526,234	\$ 1,483,234
TOTAL EXPENDITURES	\$ 2,229,354	\$ 763,790	\$ 5,473,078	\$ 1,526,234	\$ 1,483,234

Technology
Instructional Support

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
CLERICAL	\$ 137,950	\$ 100,762	\$ 41,111	\$ 99,947	\$ 47,175
DIR / SUPV / MNGR / COORD	155,765	158,879	160,713	164,485	167,005
TECHNICAL SUPPORT	998,375	975,614	1,047,632	1,093,635	1,176,751
BENEFITS:					
FICA	95,431	90,991	91,997	95,919	101,463
HEALTH INSURANCE	55,272	211,669	380,071	252,260	236,494
LIFE INSURANCE	15,366	14,621	14,797	15,721	16,348
UNEMPLOYMENT COMPENSATION	-	-	-	6,000	350
VLPD VA LOCAL DISABILITY PROG	-	26	244	433	703
VRS	150,553	141,497	168,114	164,842	169,420
VRS HEALTH INSURANCE CREDIT	14,333	13,571	13,180	14,007	15,356
VRS HYBRID PLAN	-	1,042	12,181	21,590	32,135
TOTAL SALARY AND BENEFITS:	\$ 1,623,045	\$ 1,708,672	\$ 1,937,328	\$ 1,928,839	\$ 1,963,200
NON-SALARY:					
PURCHASED SERVICES	197,452	112,259	262,749	277,113	277,113
OTHER CHARGES	171,555	199,964	60,290	249,347	249,347
MATERIALS AND SUPPLIES	447,964	248,825	356,302	372,213	372,213
TOTAL NON-SALARY:	\$ 816,971	\$ 561,048	\$ 679,341	\$ 898,673	\$ 898,673
TOTAL EXPENDITURES	\$ 2,440,016	\$ 2,269,720	\$ 2,616,669	\$ 2,827,512	\$ 2,861,873

Technology
Administration

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES:					
DIR / SUPV / MNGR / COORD	\$ 98,573	\$ 100,545	\$ 101,704	\$ 104,580	\$ 106,683
BENEFITS:					
FICA	7,092	7,121	7,134	7,196	7,312
HEALTH INSURANCE	10,980	11,570	12,081	14,564	14,564
LIFE INSURANCE	1,173	1,196	1,210	1,245	1,259
VRS	11,494	11,724	14,749	14,715	15,640
VRS HEALTH INSURANCE CREDIT	1,094	1,116	1,078	1,109	1,185
TOTAL SALARY AND BENEFITS:	\$ 130,406	\$ 133,272	\$ 137,956	\$ 143,409	\$ 146,643
NON-SALARY:					
PURCHASED SERVICES	\$ 309,365	\$ 351,411	\$ 317,500	\$ 317,500	\$ 317,500
OTHER CHARGES	46,613	4,409	11,646	31,300	31,300
MATERIALS AND SUPPLIES	52,327	37,300	42,609	42,259	42,259
TOTAL NON-SALARY:	\$ 408,305	\$ 384,302	\$ 371,755	\$ 391,059	\$ 391,059
TOTAL EXPENDITURES	\$ 538,711	\$ 517,574	\$ 509,711	\$ 534,468	\$ 537,702

Technology
Operations and Maintenance

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
NON-SALARY:					
MATERIALS AND SUPPLIES	\$ 5,155	\$ 1,309	\$ 6,096	\$ 9,030	\$ 8,470
TOTAL NON-SALARY:	\$ 5,155	\$ 1,309	\$ 6,096	\$ 9,030	\$ 8,470
TOTAL EXPENDITURES	\$ 5,155	\$ 1,309	\$ 6,096	\$ 9,030	\$ 8,470

General Fund
Debt and Fund Transfers Overview

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
NON-SALARY:					
INTEREST - ENERGY	\$ 176,992	\$ 146,251	\$ 190,779	\$ 113,123	\$ -
LOCAL MATCH - AE GRANT	-	-	-	-	40,000
LOCAL MATCH - EARLY READING	129,300	166,007	148,595	149,444	141,559
LOCAL MATCH - SAFE RTE	-	-	-	-	10,000
LOCAL MATCH - ALGEBRA READINESS	102,108	98,586	101,778	102,670	99,176
LOCAL MATCH - VA PRESCHOOL	1,023,207	1,023,207	878,919	968,900	906,671
LOCAL MATCH - SCHOOL SECURITY	-	-	7,039	25,000	70,000
MATH/READING SPECIALIST	-	-	34,125	34,428	33,196
PRINCIPAL - ENERGY	779,908	839,356	1,870,027	15,176	-
RISK MGMT - CURRENT CLAIMS	955,702	921,894	942,594	955,702	1,425,200
TRANSFER TO CITY	3,400,000	-	-	-	-
TRANSFER TO CONSTRUCTION FUND	559,266	-	-	-	-
TRANSFER TO CAFE FUND	-	-	13,681	-	15,000
TRANSFER TO TEXTBOOK FUND	1,557,593	348,032	365,088	366,188	384,030
TOTAL NON-SALARY:	\$ 8,684,076	\$ 3,543,333	\$ 4,552,625	\$ 2,730,631	\$ 3,124,832
TOTAL EXPENDITURES	\$ 8,684,076	\$ 3,543,333	\$ 4,552,625	\$ 2,730,631	\$ 3,124,832

General Fund
Debt Service

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
NON-SALARY:					
INTEREST - ENERGY	\$ 176,992	\$ 146,251	\$ 190,779	\$ 113,123	\$ -
PRINCIPAL - ENERGY	779,908	839,356	1,870,027	15,176	-
TOTAL NON-SALARY:	\$ 956,900	\$ 985,607	\$ 2,060,806	\$ 128,299	\$ -
TOTAL EXPENDITURES	\$ 956,900	\$ 985,607	\$ 2,060,806	\$ 128,299	\$ -

General Fund
Fund Transfers

EXPENDITURE CATEGORIES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
NON-SALARY:					
LOCAL MATCH - AE GRANT	\$ -	\$ -	\$ -	\$ -	\$ 40,000
LOCAL MATCH - EARLY READING	129,300	166,007	148,595	149,444	141,559
LOCAL MATCH - MSP INSTITUTE	-	-	-	-	-
LOCAL MATCH - ALGEBRA READINESS	102,108	98,586	101,778	102,670	99,176
LOCAL MATCH - VA PRESCHOOL	1,023,207	1,023,207	878,919	968,900	906,671
LOCAL MATCH - SCHOOL SECURITY		17,956	7,039	25,000	70,000
LOCAL MATCH - SAFE ROUTE TO SCHOOL	-	-	-	-	10,000
MATH/READING SPECIALIST			34,125	34,428	33,196
RISK MGMT - CURRENT CLAIMS TO CITY	955,702 3,400,000	921,894 -	942,594 -	955,702 -	1,425,200 -
TO CONSTRUCTION FUND	559,266	-	-	-	-
TO TEXTBOOK FUND	1,557,593	348,032	365,088	366,188	384,030
TO CAFÉ FUND	-	-	13,681		15,000
TOTAL NON-SALARY:	\$ 7,727,176	\$ 2,575,682	\$ 2,491,819	\$ 2,602,332	\$ 3,124,832
TOTAL EXPENDITURES	\$ 7,727,176	\$ 2,575,682	\$ 2,491,819	\$ 2,602,332	\$ 3,124,832

Grants Fund

The Grants fund provides assistance for particular federal, state, and local programs. Grants encourage recipient divisions to expand expenditures to support certain instructional programs. Grant funds are intended to supplement, not supplant, divisional efforts to achieve different goals. Grants typically have additional requirements for reporting and local matching of funds to help the grant program reach its intended goal. Portsmouth Public Schools has hired a part time grant writer to help the division pursue additional grant funds. This grants budget cycle expects an additional \$1.2 million of additional funds. Most of the grant funds go towards the instruction category but the division receives grants that support each of the major school fund categories. The school grants fund is a multi-year fund that carries funds forward through the life of each edition of the grant. It is also important to note that each grant has its own fiscal cycle which does not always align with the division's fiscal year.

The largest grant the division receives is the Title I grant for improving basic programs. Title I targets the high poverty elementary schools throughout the country. Focusing on grades K-3, Title I funds go towards early intervention strategies to give at risk kids a strong educational foundation. Out of the division's 13 elementary schools, only one school, Churchland Elementary, is not a Title I school. When the local match is included, the Virginia Pre-school Initiative (VPI) is the division's second largest grant. This grant provides the funds to operate all three of Portsmouth Public School's pre-school centers. The next largest grant is IDEA Part B for preschool special education. IDEA Part B is a state funded grant that allows the division to educate special needs children within their preschools. The next largest grant is Title II, also a federal grant, and the intent of this grant is to assist in improving teacher quality. Title II funds are used to help retain quality teachers and administrators while also ensuring that qualified teachers are instructing subjects they align with that teacher's certification. Following Title II, the next largest grant received is the states VPSA technology grant. This grant is intended to move divisions throughout the state towards implementing all standards of learning tests via the internet as well as increasing internet connectivity at schools at all levels. All together, these six grants make up 82% of the grants budget which translates to \$15.3 million dollars.

Grants Fund Revenue and Expenditures

REVENUES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
FEDERAL	\$ 11,528,042	\$ 11,665,994	\$ 10,593,952	\$ 11,075,105	\$ 11,668,429
STATE	3,880,104	3,877,280	5,062,421	4,724,291	4,921,464
OTHER	173,163	213,876	236,183	251,049	274,432
LOCAL MATCH	1,254,615	1,305,757	1,170,456	1,268,509	1,375,792
ANTICIPATED GRANTS	-	-	-	100,000	410,000
TOTAL REVENUES	\$ 16,835,924	\$ 17,062,907	\$ 17,063,012	\$ 17,418,954	\$ 18,650,117

EXPENDITURES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
INSTRUCTION	\$ 16,309,113	\$ 15,169,394	\$ 14,192,850	\$ 14,549,843	\$ 15,050,379
ADMINISTRATION ATTENDANCE & HEALTH	485,810	807,490	1,302,039	636,460	1,380,708
PUPIL TRANSPORTATION	313,766	228,166	258,468	207,406	274,085
OPERATIONS AND MAINTENANCE	-	37,543	34,446	125,000	36,527
TECHNOLOGY	-	48,866	1,799,682	1,900,245	1,908,418
CAPTIAL OUTLAY	78,584	-	-	-	-
TRANSFER OUT	-	-	382,872	-	-
TOTAL EXPENDITURES	\$ 17,187,273	\$ 16,291,459	\$ 17,970,357	\$ 17,418,954	\$ 18,650,117

Figures taken from CAFR

FY 2016-17 Budgeted Grants

Grant Name	FY17 Total Estimated
Additional Budget for Unknown Grants	\$ 410,000
Adult Ed Regional Lead Agency (SLCA)	128,750
Adult Literacy Services (Federal)	168,665
Algebra Readiness - Local Match	99,176
Career Switcher New Teacher Mentor Program	6,180
Early Reading Intervention	423,321
Early Reading Intervention - Local Match	141,559
General Adult Education	17,973
Hampton Roads Regional Jail	190,645
IDEA - Part B Section 611 - Special Education Preschool	3,497,067
IDEA - Part B Section 619 - Special Education Preschool	181,373
ISAEP - Individual Student Alternative Education Plan	39,293
LEA Fee Collected from Localities	59,404
Math/Reading Instructional Specialists	99,269
Math/Reading Instructional Specialists - Local Match	33,196
Mentor Teacher	8,132
Middle School Teacher Corps	15,450
National Board Certification	7,725
NCLB - Title I Part A - Improving Basic Programs	6,331,965
NCLB - Title II Part A - Improving Teacher Quality	1,016,971
NCLB - Title III - Limited English Proficient	9,045
Perkins Career and Technical Education Act of 2006 - Title I (Federal)	391,244
Project Graduation Academic Year	17,477
Projection Graduation Summer Academy	27,436
Race to GED	50,467
Safe Routes to School	53,560
SAIL Grant - Math and Science Partnership	24,383
School Security Equipment	98,880
School Security Equipment - Local Match	25,750
SOL Algebra Readiness	296,579
Special Education Jail Program	91,668
State CTE Monies	34,335
Title X Part C McKinney-Vento Homeless Assistance Act	18,540
VA Preschool Initiative - Local Match	906,671
VA Preschool Initiative	2,711,329
VPSA Educational Technology Notes Series XI	847,200
VPSA Educational Technology Notes Series XI - Local Match	169,440
Total	\$ 18,650,117

Cafeteria Fund

The Cafeteria fund is a special revenue fund that supports food services operations within the schools. The cafeteria or food services fund is a multi- year enterprise fund that carries a fund balance from year to year. The Federal government reimburses the division for participating in USDA sponsored programs. These USDA programs are intended to increase the quality and nutritious value of the food the division serves. The fund also receives state funds, accepts food donations, and catering revenue.

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 can receive breakfast and lunch for free. Under the program, the division is reimbursed for the upfront costs for feeding the students.

In 2010, the Healthy, Hunger-Free Kids Act went into effect. The purpose of the legislation was to ensure that students receiving free lunches received the full advantage of the funding for their meals. At the same time, higher nutrition standards were also put in place. Since all students were to receive the same nutritious meals, paying students would be expected to pay the equivalent price for their meals. Historically, in some divisions, lunches for paying students were subsidized by the reimbursements for the free and reduced price lunches while nutrition content suffered for all. The Healthy, Hunger-Free Kids Act prohibited this subsidy. A formula for determining the equitable price for paying students was incorporated into the act. For FY 2016-2017, the calculation is as follows:

Step 1: What are critical price points?

- A. Federal reimbursement for free students = \$3.15
- B. Federal reimbursement for paying student = \$0.37

Step 2: What must the paying student actually pay for a lunch per the federal government?

A-B or $\$3.15 - \$0.37 = \underline{\$2.78}$

Based on the calculation at Step 2, the free student lunch has to be valued at \$3.15 in order to meet federal governments desired balanced meal nutrition standards.

Step 3: Compare \$2.78 to actual division lunch price (\$1.50 for FY 2015-16).

- A. If the division lunch price is more than \$2.78 then this the division meets the federal government standard
- B. If the division lunch price is less than \$2.78, then the division is required to consider a price increase

The division's current rounded price, \$1.50, is based on the allowance for rounding down from the "Unrounded Price Requirement" from FY 2015-16. The "Unrounded Price Requirement" from FY 2015-16 was \$1.53. The unrounded lunch price is required to be used to calculate a possible price increase for FY 2016-17.

Step 4: Calculate the required price increase.

- A. $2\% + \text{inflation rate} = 2\% + 2.97\% = 4.97\%$
- B. If the 4.97% increase multiplied by the unrounded lunch price is less than \$0.05 (5 Cents) then no increase is required for the year.
 - a. $\$1.53 \times 4.97\% = \0.076
- C. Since \$0.076 is greater than \$0.05, then the increase must be added to the current unrounded lunch price.
 - a. then $\$1.53 + \$0.076 = \$1.606$ (Divisions are allowed to round down to the nearest \$0.05)

Divisions may not increase the amount charged to paying students by more than 10 cents in one year. As such, based on the calculations above, the division is required by law to increase lunch prices by \$0.10 in school year 2016-2017. On May 26, 2016, the School Board approved the \$0.10 lunch price increase.

Hampton Roads Lunch Price Comparison Current and Proposed Prices					
	Current Lunch Prices		2016-2017 Proposed Prices		
District	Elem	Sec	INCREASE	Elem	Sec
Norfolk	\$1.80	\$1.95	-	\$1.80	\$1.95
Newport News	\$2.15	\$2.25	\$0.10	\$2.25	\$2.35
Hampton	\$1.80	\$2.00	\$0.05	\$1.85	\$2.05
Suffolk	\$1.70	\$1.85	\$0.05	\$1.75	\$1.90
Virginia Beach	\$2.75	\$2.75	-	\$2.75	\$2.75
Chesapeake	\$2.40	\$2.40	\$0.05	\$2.45	\$2.45
PORTSMOUTH	\$1.50	\$1.50	\$0.10	\$1.60	\$1.60

School Cafeteria Revenues and Expenditures

REVENUES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
FROM THE FEDERAL GOVERNMENT	\$ 5,528,135	\$ 5,467,899	\$ 5,424,966	\$ 5,700,000	\$ 6,454,600
FROM THE COMMONWEALTH	119,543	104,848	87,795	125,000	110,000
CHARGES FOR SERVICES	913,852	799,064	552,768	1,050,000	755,000
DONATED COMMODITIES	431,169	435,202	322,654	400,000	400,000
OTHER REVENUE	766,622	935,326	850,910	1,151,500	700,500
TOTAL REVENUES	\$ 7,759,321	\$ 7,742,339	\$ 7,239,093	\$ 8,426,500	\$ 8,420,100

EXPENDITURES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES AND WAGES	\$ 2,500,436	\$ 2,533,600	\$ 2,518,533	\$ 2,299,478	\$ 2,072,000
FRINGE BENEFITS	1,272,912	1,353,872	1,378,228	1,767,892	1,628,000
PURCHASE OF FOODS	2,969,565	2,956,399	3,190,051	3,010,630	3,335,000
DONATED COMMODITIES	422,921	441,987	339,277	400,000	400,000
REPAIRS	174,437	106,605	94,484	-	-
EQUIPMENT	159,937	138,453	254,128	-	-
OTHER	434,990	376,435	301,380	948,500	985,100
TOTAL EXPENDITURES	\$ 7,935,198	\$ 7,907,351	\$ 8,076,081	\$ 8,426,500	\$ 8,420,100

Textbook Fund

The Textbook fund records revenues and expenditures for textbooks. Historically, the State General Assembly authorizes the Textbook fund balance to be carried forward each fiscal year. The school textbook fund will carry balances forward whenever a division does not adopt a new textbook. This fund is supported exclusively through state and local funds. The division did not adopt a new text book in fiscal year 2016; any expenses out of this fund went towards the replacement of damaged or lost textbooks.

REVENUES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
STATE	\$ 924,094	\$ 915,243	\$ 998,199	\$ 997,692	\$ 1,148,411
LOCAL MATCH	-	2,100,000	365,088	366,188	384,030
OTHER	4,052	-	7,474	-	-
TRANSFERS IN	1,557,593	-	-	-	-
TOTAL REVENUES	\$ 2,485,739	\$ 3,015,243	\$ 1,370,761	\$ 1,363,880	\$ 1,532,441

EXPENDITURES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
TEXTBOOKS	\$ 378,521	\$ 3,349,274	\$ 1,237,968	\$ 1,363,880	\$ 1,532,441
TRANSFERS OUT	2,738,849	-	7,092	-	-
TOTAL EXPENDITURES	\$ 3,117,370	\$ 3,349,274	\$ 1,245,060	\$ 1,363,880	\$ 1,532,441

Reprographics Fund

The Reprographics fund was an enterprise fund that offered internal and external printing services for the division. Similar to the school cafeteria fund, this fund was a multiyear fund that would be self-sufficient. At the beginning of fiscal year 2015-16, the print shop was closed.

REVENUES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
PORTSMOUTH PUBLIC SCHOOLS	\$ 326,642	\$ 307,324	\$ 264,553	CLOSED - 7/1/2015	
CITY OF PORTSMOUTH	153,731	91,572	151,173		
OTHER (OUTSIDE SOURCES)	10,185	27,685	340,140		
TOTAL REVENUES	\$ 490,558	\$ 426,581	\$ 755,866		

EXPENDITURES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
SALARIES & BENEFITS	\$ 371,873	\$ 303,034	\$ 327,169	CLOSED - 7/1/2015	
CONTRACTUAL SERVICES	166,019	119,993	77,420		
SUPPLIES & EXPENSES	82,674	142,756	209,080		
REPAIRS & MAINTENANCE	1,695	-	142,197		
DEPRECIATION	4,610	4,744	-		
TOTAL EXPENDITURES	\$ 626,871	\$ 570,527	\$ 755,866		

Risk Management Fund

The Risk Management fund is an internal service fund that accounts for all 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. The Risk Management and Insurance fund also accounts for all activity and reserves related to the self-health insurance plan. The Risk Management fund is a multi-year fund that is supported by division contributions through charges for services to the governmental and special revenue funds.

REVENUES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
FROM CUSTOMERS AND USERS	\$ 955,702	\$ 955,702	\$ 942,594	\$ -	\$ -
LOCAL MATCH	-	-	-	955,702	1,425,200
INSURANCE RECOVERY	-	-	13,108	-	-
INTEREST INCOME	-	-	-	-	-
SELF-HEALTH PLAN CONTRIBUTIONS	-	-	-	-	18,230,872
TOTAL REVENUES	\$ 955,702	\$ 955,702	\$ 955,702	\$ 955,702	\$ 19,656,072

EXPENDITURES	FY 2012 - 13 ACTUAL	FY 2013 - 14 ACTUAL	FY 2014 - 15 ACTUAL	FY 2015 - 16 ORIGINAL BUDGET	FY 2016 - 17 ADOPTED BUDGET
WORKMEN'S COMP INS. PREMIUM	\$ 225,639	\$ 409,007	\$ -	\$ -	\$ 975,260
WORKMEN'S COMP & CLAIMS	730,063	-	232,788	-	450,000
INSTRUCTION	-	-	-	270,523	-
ADMINISTRATION ATTENDANCE & HEALTH	-	-	-	512,337	-
PUPIL TRANSPORTATION	-	-	-	79,557	-
OPERATIONS AND MAINTENANCE	-	-	-	92,911	-
TECHNOLOGY	-	-	-	374	-
SELF-HEALTH PLAN EXPENSES	-	-	-	-	18,230,872
TOTAL EXPENDITURES	\$ 955,702	\$ 409,007	\$ 232,788	\$ 955,702	\$ 19,656,072

Significant Trends and Changes

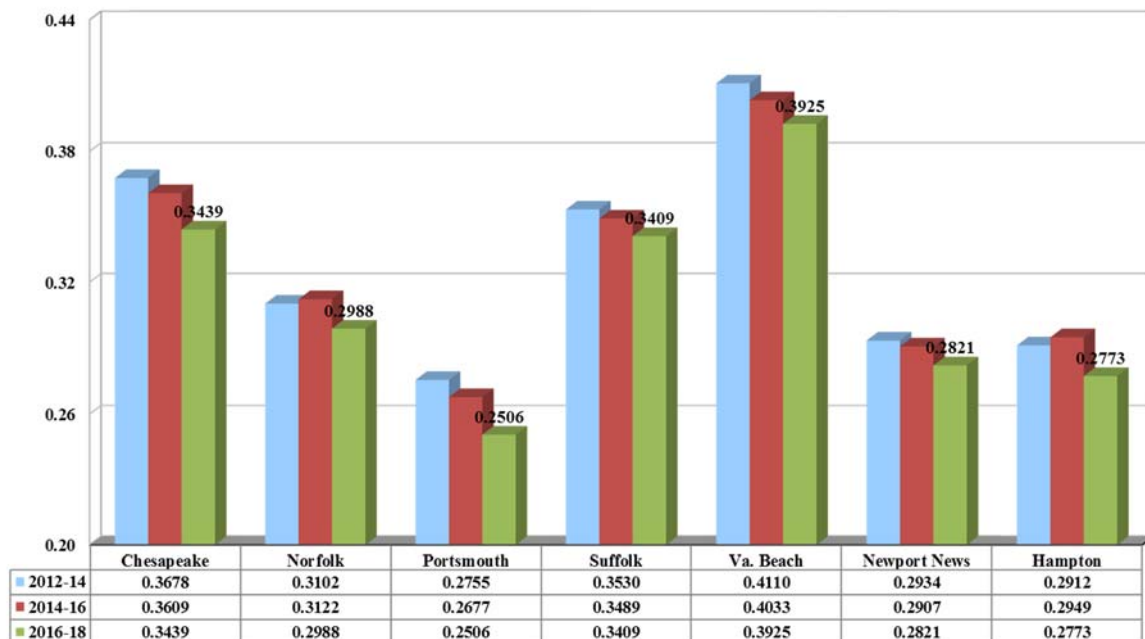
Revenues

Portsmouth Public Schools receives revenues from City, State, and Federal sources with City and State funds as the two largest revenue sources. By law, the school division is fiscally dependent on the City and cannot levy taxes to directly support education.

State funding is determined by the local composite index for the City of Portsmouth and Portsmouth Public Schools' Average Daily Membership (ADM). Additionally, Virginia distributes 1⅛% of sales tax revenue to the state's school districts based upon the number of school-age children in each division. State School Funds consist of Standards of Quality (SOQ) payments, incentive funds, and categorical amounts established by the State General Assembly.

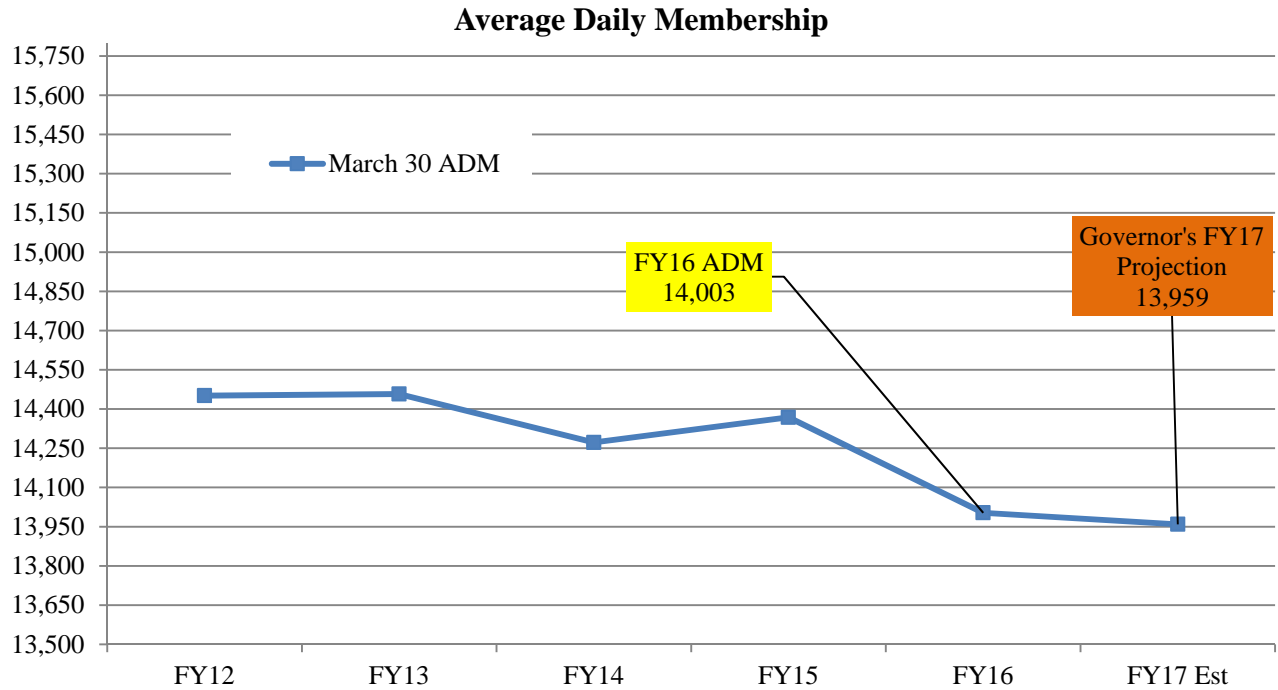
The Local Composite Index determines the local appropriating body's ability to pay education costs to meet the Commonwealth's fundamental SOQ goals. Local ability to pay is calculated using three indicators: true value of real property (weighted 50%), adjusted gross income (weighted 40%), and taxable 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. As a locality's index declines, the state's share of its funding increases and the amount the locality should be able to pay decreases. The chart below compares the composite index among the surrounding school divisions. For the biannuum 2016-2018, Portsmouth's LCI remains the lowest amongst major Hampton Roads cities and has decreased from the previous biannuum.

Local Composite Index 2012-2018



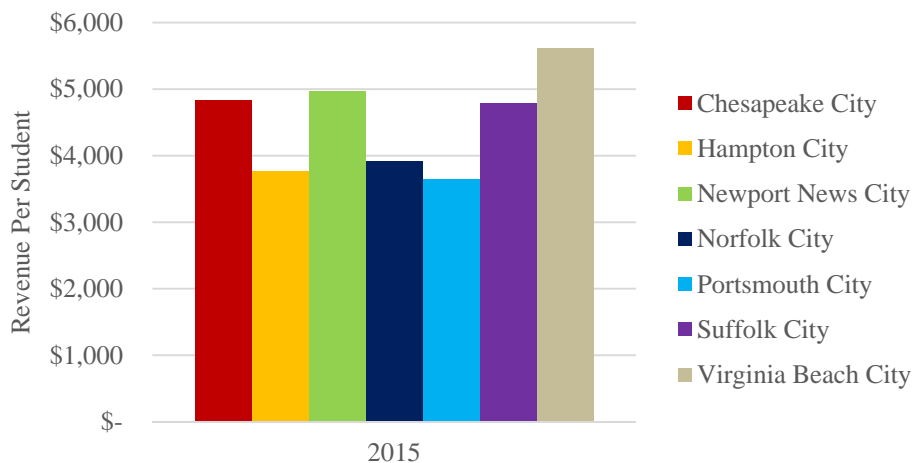
Source: Budget Office, Virginia Department of Education, December 2015

While the City of Portsmouth's low LCI increases State revenue per student, the total amount of State funds is also driven by the March 31 ADM figure. Therefore, should membership decline, State funds will decline as well despite a decrease in LCI. The division and the State both expect enrollment to slowly decline over the next few years. The fiscal year 2017 budget is based on the State's projected ADM of 13,959. Along with the LCI of .2506, state funds increased by \$1.8 million from fiscal year 2015-16.



The City of Portsmouth provides the second largest source of division revenue. For FY 2016-17, the City of Portsmouth is providing \$52.4 million, \$1.2 million more than what was allocated for FY 2015-16. This \$52.4 million is approximately 8% of the City's entire budget or 22% of the City's general fund revenue. While the City exceeds the minimum local contribution (\$25 million for FY 2016-17) required by the Commonwealth's Standards of Quality (SOQ), compared to surrounding divisions in our area, the City provided the lowest amount of funding for education on a per student basis in 2015. In 2015, the City provided \$3,643 per student. The city provided the school division \$3,479 and \$3,572 per student in FY 2015-16 and FY 2016-17, respectively.

Hampton Roads Local Education Funding Per Student



With approximately 54% of property in the City being tax exempt, Portsmouth has a smaller tax base. The majority of these tax exempt properties are military installations and religious organizations. This smaller tax base directly impacts the City funding for the division. For the division to remain competitive, it is critical that City funding for education keep pace with the surrounding divisions as local funding makes up over one-third of Portsmouth Public School's revenue.

In addition to State and local funds, Portsmouth Public Schools receives Federal funding, which primarily consists of Impact Aid from the United States Government for the loss of tax revenue because federal property is not subject to local and state taxes. Also included in federal funding in the general fund is money for the Junior Reserve Officer Training Corps. The federal revenue streams are expected to decrease by approximately \$100,000 from fiscal year 2015-16.

In addition to general federal funding, the Federal Government awards significant grants associated with No Child Left Behind, Title I, Title VI-B, Special Education, and Education Technology. These grants allow the division to offer or supplement programs not funded through the general fund. To further supplement Portsmouth Public Schools' finances and support its mission, the division aggressively seeks competitive grant funds. The Superintendent hired a Grants Writer in fiscal year 2015-16 to help maximize the division's access to grant opportunities. Portsmouth Public Schools anticipates to see an increase in grant funds the division is awarded in fiscal year 2017.

Other Revenue Funds consist of funds from the rental of facilities, non-resident tuition, summer school tuition, P-Card/Travel credit card and other rebates, refunds, proceeds from the sale of surplus property, and e-Rate. These sources of revenue are highly variable from one year to the next. Other revenue funds have decreased by approximately \$.4 million from fiscal year 2015-16.

Finally, the division will see an increase in revenue/charges for services in the risk management fund as a result of the self-health insurance program being reported in the risk management fund for fiscal year 2016-17. Food services fund expects to see a decrease in revenue next year primarily due to expected decreases in other revenue sources (i.e. revenue from non-school related catering events).

Expenditures

Since salaries and benefits (payroll) are the largest expenses of the division, the division strategically focused on ensuring that payroll was accurately budgeted. The division utilized an in-house developed staffing model to determine appropriate staffing levels. As part of the budget process, unfilled and outstanding vacancies were analyzed, for necessity, in the division meeting operating needs. Vacancies identified as not essential were inactivated.

The divisions across the state have seen increases in employer Virginia Retirement System (VRS) contributions for both professional and non-professional positions. These increases are estimated to be about \$900,000 and \$70,000, respectively. The division implemented a step and cost of living raise in January 2016; this pay increase had to be supported for a full year which costs the division approximately \$2.4 million. Additionally, for fiscal year 2016-17, the School Board will continue to include extra paid days into the contracts of 10-month, non-exempt employees, to cover their winter break, which costs the division approximately \$619,000.

For non-payroll expenditures, the division focused on ensuring the budget accurately presented actual expected non-payroll costs based on historical spending information, changes in contract amounts, increases in tuition, planned changes based on feedback from departments and schools, and strategic changes on how the division pays for certain expenses.

The division anticipates an additional \$90,000 increase to the Southeastern Cooperative Educational Program (SECEP) for tuition costs. An increase in participation for the division's dual enrollment programs with Tidewater Community College is expected, which is estimated to cost an additional \$100,000. With the continued strategy of increasing Medicaid billable costs, the division has shifted the majority of occupational and physical therapy and speech therapy costs to the General Fund from the Grants fund. Paying for these services with non-grant funds will increase reimbursements from Medicaid. With the closure of the division's print shop at the beginning of fiscal year 2015-16, outside printing costs have increased as the division continues to utilize third party vendors for reprographics needs.

A number of funds are allocated based on student enrollment or the number of instructional staff in a school. Based on the projected ADM, PPS allocates instructional funds, office supplies, and replace equipment based on the number of students and level of education provided. High schools receive funds to offer freshman orientation for rising 9th graders. Funds for dues and memberships and staff development are allocated based on the number of teacher types within each school.

On a per school basis, a lump sum is provided per year for athletic and band programs. As the division continues to strive towards full accreditation, the FY2017 budget includes increased funding for State Standards of Learning (SOL) tutoring. Substitutes are budgeted based on projected actual expenditures and the division offers tactile work experience through its COE Program. The COE program, managed by the Career and Technical Education department, allows up to 17 students to earn money while developing work skills.

A number of goals and initiatives were not funded. The biggest of these was the goal to hire additional instructional assistants for kindergarten classrooms and employ additional school security guards within the schools. There are a number of capital improvement projects that went unfunded and the division plans to work closely with the City to have them incorporated into the City's CIP in future years. Finally, the division hopes to redesign its career and technical education programs to offer additional vocational learning opportunities and one day have a vocational center. The division will have to work with the City to carefully study the best course of action and investigate various forms of financing to accomplish this initiative.

Allocations to Schools

INSTRUCTIONAL FUNDS – These funds are allocated to schools on a per student basis. Funds are to be used for instructional materials and supplies including paper, science and math consumables, maps, art supplies, physical education materials and any specific program needs.

Elementary	\$25.00 per student (includes PreK)
Middle	\$20.00 per student (includes New Directions)
High.....	\$20.00 per student

OFFICE SUPPLY – Funds are allocated at a rate of \$4.00 per student for all schools. These funds will be allocated to the Office of the Principal and can be further distributed to Guidance and Library at the principal's discretion.

EQUIPMENT (REPLACEMENT) – Funds are allocated at a rate of \$3.00 per student.

DUES AND MEMBERSHIPS – Division funds are allocated to each school to provide additional support are distributed as follows:

Preschool	\$250.00
Elementary.....	\$300.00
Middle.....	\$350.00
High.....	\$350.00

REMEDICATION –SOL remediation money is allocated to schools as follows:

Elementary Tutoring ..	\$8,000 per school
Middle Tutoring	\$8,000 per school
High Tutoring.....	\$8,000 per school

FRESHMAN ORIENTATION – High schools receive specific funding for incoming freshman orientation to include instruction, materials, and transportation. The allotment of funds is \$5.00 per incoming freshman student.

ATHLETIC ACTIVITIES – Division funds are allocated to each school to provide additional support to athletic program requirements for equipment, uniforms, and other necessary items.

Middle School Athletics	\$8,000 per school
High School Athletics	\$30,000 per school

HIGH SCHOOL MARCHING BAND – Each high school is allotted \$10,000 to fund their Marching Band requirements.

CO-OPERATIVE EDUCATION (COE) WORKERS – This program supports the Career and Technical COE program. The division has budgeted for 17 student COE workers, where students are offered the opportunity to utilize skills learned in a classroom in different educational support areas. Hours are determined by the Career and Technical Director and students are paid at minimum wage.

STAFF DEVELOPMENT – Funds are allotted at a rate of \$15.00 per teacher type in each school.

SUBSTITUTE TEACHERS – The Division allots \$ \$769,958 for Substitute Teachers, including Cafeteria Monitors. The amount is based on the number of teachers assigned to schools.

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, 2014, health plan membership consisted of 2,033 active service participants and 49 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 2015 Comprehensive Annual Financial Report:

Fiscal Year	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2015	416,350	-	0%	(4,978,072)
2014	379,064	-	0%	(5,394,422)
2013	766,102	-	0%	(5,773,486)

Capital Improvement Plan

On September 23, 1999, the School Board adopted a long range Capital Improvement Plan (CIP) for the period 1999-2014. In the years that followed, the plan was updated several times. The original Funding Plan laid out a 15-year execution period with Literary Fund Loans being obtained in years with funding shortfalls. In November 2000, voters approved a Virginia Constitutional amendment establishing a Lottery Proceeds Fund to be used for education. This additional source of construction funds shortened the original plan by 3 years.

In 2006, the plan was updated to include a new 700 student school to replace Olive Branch Elementary and Simonsdale Elementary rather than a renovation and addition to Olive Branch. The Olive Branch building was converted to a Pre-K Center to support new initiatives in early childhood education. A new Simonsdale Elementary School was constructed using Qualified School Construction Bonds under the American Recovery and Reinvestment Act (ARRA). In 2006, an Energy Performance Contract funded \$8.5 million in Energy Conservation measures to be paid back from guaranteed energy savings over a 12 year period.

In 2012, the plan was updated to include gymnasiums for all elementary schools. After the economic downturn and funding changes, the CIP focused largely on capital maintenance projects that extended the useful economic life of schools from 60 to 75 years. During the 2013-14 school year, funds remaining in the Construction Fund to support the Capital Improvement Plan were transferred to the City. All capital improvement projects must now be submitted to the City for inclusion in the City’s CIP.

For fiscal year 2016-17, the School Board submitted an updated 5 year CIP totaling \$45 million. The plan included the top 10 projects (based on priority). The top 10 projects cost an estimated \$4.6 million for fiscal year 2016-17. The City funded the top 10 projects, resulting in an increase to the CIP budget for education by over 70% as compared to fiscal year 2015-16.

*Source: City Budget Books

	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
*City Adopted Budget	\$594,830,878	\$614,478,112	\$632,415,946	\$444,333,941	\$651,558,103
*City Total CIP	\$38,508,337	\$59,997,923	\$72,532,757	\$55,569,887	\$33,460,984
School Operating Budget	\$140,309,693	\$134,312,293	\$139,538,403	\$140,551,680	\$143,551,503
City Funds Portion of School Budget	\$53,771,532	\$47,300,000	\$52,400,000	\$51,400,000	\$52,400,000
*City CIP for Schools	\$1,375,000	\$2,760,000	\$2,260,000	\$2,639,132	\$4,576,000
% of City CIP Funding for Schools CIP	3.57%	4.60%	3.12%	4.75%	13.68%

The top 10 capital improvement projects include bleachers, heating, ventilating, and air conditioning projects, four roofs, and school bus replacements. The Churchland High HVAC project is slated to last at least five more years. School bus replacements are an ongoing program which the City has agreed to fund \$1,000,000 per year to help replace an aging school bus fleet. All other projects can be completed within 2 years.

Additionally, in fiscal year 2016, the Westhaven Elementary roof was appropriated by the City in fiscal year 2016 but was not funded. This project is expected to be funded in fiscal year 2017. Most of the projects will extend the useful economic life of division facilities or protect them from deterioration.

Project Title	FY 2017	Un-Appropriated Subsequent Years			
		FY 2018	FY2019	FY2020	FY2021
Brighton Elementary Roof Replacement	\$ 78,000	\$ 895,000			
Churchland High HVAC System	800,000	2,500,000	2,500,000	2,500,000	2,500,000
Churchland Middle School Bleachers	75,000				
IRC Data Center Cooling and UPS Project	300,000				
Mount Herman Pre School HVAC Replacement	250,000	863,000			
Mount Herman Pre School Roof Replacement	69,000				
Transportation - School Bus Replacements	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Waters Middle School Bleachers	75,000				
Westhaven Elementary Roof Replacement	*				
Woodrow Wilson High Roof	1,419,000	1,889,000			
Debt Service Payment for Simonsdale	510,000				
TOTAL	\$ 4,576,000	\$ 7,147,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000
*WES Roof was originally appropriated in FY16					

Historical Comparison of Fund Balances for Portsmouth School Board Funds

General Fund	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	559,924	135,575	300,259	152,853	274,185
Assigned	6,370,824	8,582,212	397,077	2,359,913	12,450,267
Unassigned	-	-	-	2,361,295	972,097
Total General Fund	\$ 6,930,748	\$ 8,717,787	\$ 697,336	\$ 4,874,061	\$ 13,696,549

Cafeteria Fund	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	41,708	38,325	94,404	43,656	25,787
Restricted	2,146,211	2,036,930	1,804,974	1,690,710	871,591
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Cafeteria Fund	\$ 2,187,919	\$ 2,075,255	\$ 1,899,378	\$ 1,734,366	\$ 897,378

Grants Fund	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	449,844	527,586	296,628	526,847	332,976
Committed	-	-	-	-	-
Assigned	-	244,606	124,215	665,444	-
Unassigned	(585,465)	-	-	-	(48,030)
Total Grants Fund	\$ (135,621)	\$ 772,192	\$ 420,843	\$ 1,192,291	\$ 284,946

Textbook Fund	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	144,567	61,027	346	-	-
Restricted	1,181,316	375,765	843,673	862,997	988,698
Committed	-	1,038,858	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Textbook Fund	\$ 1,325,883	\$ 1,475,650	\$ 844,019	\$ 862,997	\$ 988,698

Construction Fund	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	509,246	505,998	-	-	-
Committed	11,368,937	6,778,417	1,156,185	-	-
Assigned	9,943,797	36,707	-	-	-
Unassigned	-	-	-	-	-
Total Construction Fund	\$ 21,821,980	\$ 7,321,122	\$ 1,156,185	\$ -	\$ -
All Funds	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Grand Total	\$ 32,130,909	\$ 20,362,006	\$ 5,017,761	\$ 8,663,715	\$ 15,867,571

Source: Comprehensive Annual Financial Report for each relevant year

The General Fund's fund balance increased in fiscal year 2014-15, due to the fund balance reserve for the self-health insurance plan which the division implemented in January 2015. Additionally, the end of fiscal year 2015 had a larger fund balance due to the timing of when funds were deemed available and the decision was made by the new superintendent (which began February 2015) to implement the state 1:1 Technology Initiative to provide Chromebooks to all high school students. The implementation took approximately 11 months largely due to required wireless infrastructure changes and updates. Going forward, fund balance in the general fund is expected to decrease as the division transfers the self-health insurance reserve (and activity) into the risk management fund. Additionally, the School Board implemented a raise for all employees in January 2016 which will further decrease fund balance going forward.

The decrease in the Cafeteria Fund's fund balance in fiscal year 2014-15 is attributed to an increase in food supply expenses as well as salaries and benefit costs. Going forward, the division will continue to analyze and employ formula based staffing, analyze pricing levels for catering services, and discover ways to decrease supply costs while also producing quality meals. Cafeteria Fund expects to see a slight decrease in fund balance as the food services department adjusts to rising payroll and supply costs.

The decrease in the Grants Fund’s fund balance in fiscal year 2014-15 was due to increased instructional expenditures. An increase in fund balance is expected due to increase grant funds expected to be received. Some of the expected increase will be offset by a full year of the January 2016 pay raise.

The balance in the Textbook Fund is expected to increase as new textbook were not adopted in fiscal year 2016. Assigned fund balances represent year end encumbrances. PPS expects the textbook fund balance to remain stable until new textbook adoptions are implemented by curriculum and instruction, which is expected in fiscal year 2016-17.

The Risk Management Fund is an internal service fund and not a governmental fund and therefore is not listed in the above chart. However, with the transfer of the self-health insurance program to this fund, the reserve amounts within the risk management fund are expected to increase.

Debt Obligations

By law, the School Board may not issue bonds or enter into debt. 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. In 2005, the School Board entered into an \$8.5 million Energy Performance contract with Ameresco, Inc. that was funded by a lease through CitiMortgage, now PNC Equipment Finance LLC. The investment will be paid back from guaranteed energy savings over the 12-year period of the lease. The payment schedule, which is in arrears, is as follows:

Payment Date	Principal	Interest	Total Payment
July 25, 2006	\$388,469	\$389,578	\$778,047
July 25, 2007	482,776	318,612	801,389
July 25, 2008	525,848	299,583	825,430
July 25, 2009	571,338	278,856	850,193
July 25, 2010	619,364	256,335	875,699
July 25, 2011	670,048	231,922	901,970
July 25, 2012	723,518	205,511	929,029
July 25, 2013	779,908	176,992	956,900
July 25, 2014	839,356	146,251	985,607
July 25, 2015	902,009	113,166	1,015,175
July 25, 2016	968,018	77,612	1,045,631
July 25, 2017	1,001,007	39,456	1,040,463
Totals	\$8,471,658	\$2,533,876	\$ 11,005,534

The final (one-time) payment (due July 25, 2017) for this energy lease will be paid utilizing one-time savings from fiscal year 2015-16.

Forecasting the Future

The division's operating revenue is dependent upon state and local funding. Both state and local funding make up 98.5% of the operating budget revenue. As the main drivers for state revenues are the local composite index and average daily membership, the trending decrease in the local composite index indicates increased state funding however the increased state funding is expected to be offset with the trending decrease in average daily membership.

Local funding, which is primarily derived from local tax revenues, has been fairly consistent the last past 3 fiscal years which can be seen on page 113. As Portsmouth has one of the highest tax rates in the Hampton Roads area, additional funding in future years from the City could require increases in city tax rates.

Due to the uncertainty of future tax rate increases being enacted, trending decreases in ADM, anticipated increases in payroll related expenditures such as retirement costs, and the completion of the new strategic plan in the summer of 2016, the division will have to continue to work closely with City leadership in striving to continue funding the current level of education services and while focusing on increased funding for quality improvement initiatives as directed within the new, enhanced strategic plan.

The following tables illustrates forecasts for future revenues and expenditures. For the general fund and textbook fund, the forecasts were primarily based on projected changes in ADM, projected state funding, and anticipated local funding. For food services and risk management funds the forecasts are based on historical revenues and expenses. The grants fund forecast was based on state grant funding, anticipated increases in federal grant funds, and anticipated new grants due to active pursuit of new grant opportunities by the Grant Writer.

Based on the forecasted decrease in the general fund over the next three years, the division has begun identifying ways to reduce costs such as working with the City to identify and research how shared services could help reduce operating costs for both the City and the division. Additionally, the division will have to closely monitor staffing levels as ADM changes and determine ways to utilized staff in the most optimal way in the face of projected operating revenues. The division is also looking at ways to decrease the employer share of health costs and has begun working with the benefits consultant on potential health plan changes. To help increase revenue, the division is continuing to focus on Medicaid reimbursement revenue. The budget team is already reviewing additional changes to strategy on how Medicaid reimbursable expenses are paid to impact FY 2017-18 and beyond.

GENERAL FUND

Revenues	FY 2017-18	FY 2018-19	FY 2019-20
CITY FUNDS	\$ 52,400,000	\$ 52,400,000	\$ 52,400,000
FEDERAL FUNDS	600,000	600,000	600,000
OTHER REVENUE FUNDS	1,548,995	1,548,995	1,548,995
SALES TAX	15,712,710	15,812,710	15,912,710
STATE FUNDS	72,655,900	71,929,341	71,210,048
TOTAL REVENUE	\$ 142,917,605	\$ 142,291,046	\$ 141,671,753

Expenditures	FY 2017-18	FY 2018-19	FY 2019-20
INSTRUCTION	\$ 105,997,066	\$ 105,532,368	\$ 105,073,060
ADMINISTRATION	8,155,340	8,119,586	8,084,247
TRANSPORTATION	6,376,333	6,348,379	6,320,749
OPERATIONS	14,408,153	14,344,987	14,282,553
TECHNOLOGY	4,869,680	4,848,331	4,827,230
FUND TRANSFERS	3,111,033	3,097,394	3,083,914
TOTAL EXPENDITURES	\$ 142,917,605	\$ 142,291,046	\$ 141,671,753

SCHOOL CAFETERIA FUND

Revenues	FY 2017-18	FY 2018-19	FY 2019-20
FROM THE FEDERAL GOVERNMENT	\$ 6,454,600	\$ 6,454,600	\$ 6,454,600
FROM THE COMMONWEALTH	110,000	110,000	110,000
CHARGES FOR SERVICES	755,000	755,000	755,000
DONATED COMMODITIES	400,000	400,000	400,000
OTHER REVENUE	700,500	700,500	700,500
TOTAL REVENUES	\$ 8,420,100	\$ 8,420,100	\$ 8,420,100

Expenditures	FY 2017-18	FY 2018-19	FY 2019-20
SALARIES AND WAGES	\$ 2,072,000	\$ 2,072,000	\$ 2,072,000
FRINGE BENEFITS	1,628,000	1,628,000	1,628,000
PURCHASE OF FOODS	3,335,000	3,335,000	3,335,000
DONATED COMMODITIES	400,000	400,000	400,000
OTHER	985,100	985,100	985,100
TOTAL EXPENDITURES	\$ 8,420,100	\$ 8,420,100	\$ 8,420,100

GRANTS FUND

Revenues	FY 2017-18	FY 2018-19	FY 2019-20
FEDERAL	\$ 12,018,482	\$ 12,379,036	\$ 12,750,407
STATE	4,921,464	4,921,464	4,921,464
OTHER	274,432	274,432	274,432
LOCAL MATCH	1,375,792	1,375,792	1,375,792
ANTICIPATED GRANTS	410,000	410,000	410,000
TOTAL REVENUES	\$ 19,000,170	\$ 19,360,724	\$ 19,732,095

Expenditures	FY 2017-18	FY 2018-19	FY 2019-20
INSTRUCTION	\$ 15,332,867	\$ 15,623,829	\$ 15,923,520
ADMINISTRATION ATTENDANCE & HEALTH	1,406,623	1,433,316	1,460,809
PUPIL TRANSPORTATION	279,229	284,528	289,986
OPERATIONS AND MAINTENANCE	37,213	37,919	38,646
TECHNOLOGY	1,944,238	1,981,133	2,019,134
TOTAL EXPENDITURES	\$ 19,000,170	\$ 19,360,724	\$ 19,732,095

RISK MANAGEMENT FUND

Revenues	FY 2017-18	FY 2018-19	FY 2019-20
LOCAL MATCH	\$ 1,425,200	\$ 1,425,200	\$ 1,425,200
SELF-HEALTH PLAN CONTRIBUTIONS	\$ 18,230,872	\$ 18,230,872	\$ 18,230,872
TOTAL REVENUES	\$ 19,656,072	\$ 19,656,072	\$ 19,656,072

Expenditures	FY 2017-18	FY 2018-19	FY 2019-20
INSURANCE CLAIMS AND EXPENSES	\$ 19,656,072	\$ 19,656,072	\$ 19,656,072
TOTAL EXPENDITURES	\$ 19,656,072	\$ 19,656,072	\$ 19,656,072

TEXTBOOK FUND

Revenues	FY 2017-18	FY 2018-19	FY 2019-20
STATE	\$ 1,021,069	\$ 1,014,533	\$ 1,013,215
LOCAL MATCH	340,356	338,178	337,738
TOTAL REVENUES	\$ 1,361,425	\$ 1,352,711	\$ 1,350,953

Expenditures	FY 2017-18	FY 2018-19	FY 2019-20
INSTRUCTION	\$ 1,361,425	\$ 1,352,711	\$ 1,350,953
Total Expenditures	\$ 1,361,425	\$ 1,352,711	\$ 1,350,953



Informational

STRATEGIC PLANNING

Portsmouth Public Schools is embarked on a strategic planning process to plan for the future. As part of the planning process, nearly 900 community and employees participated in a survey.

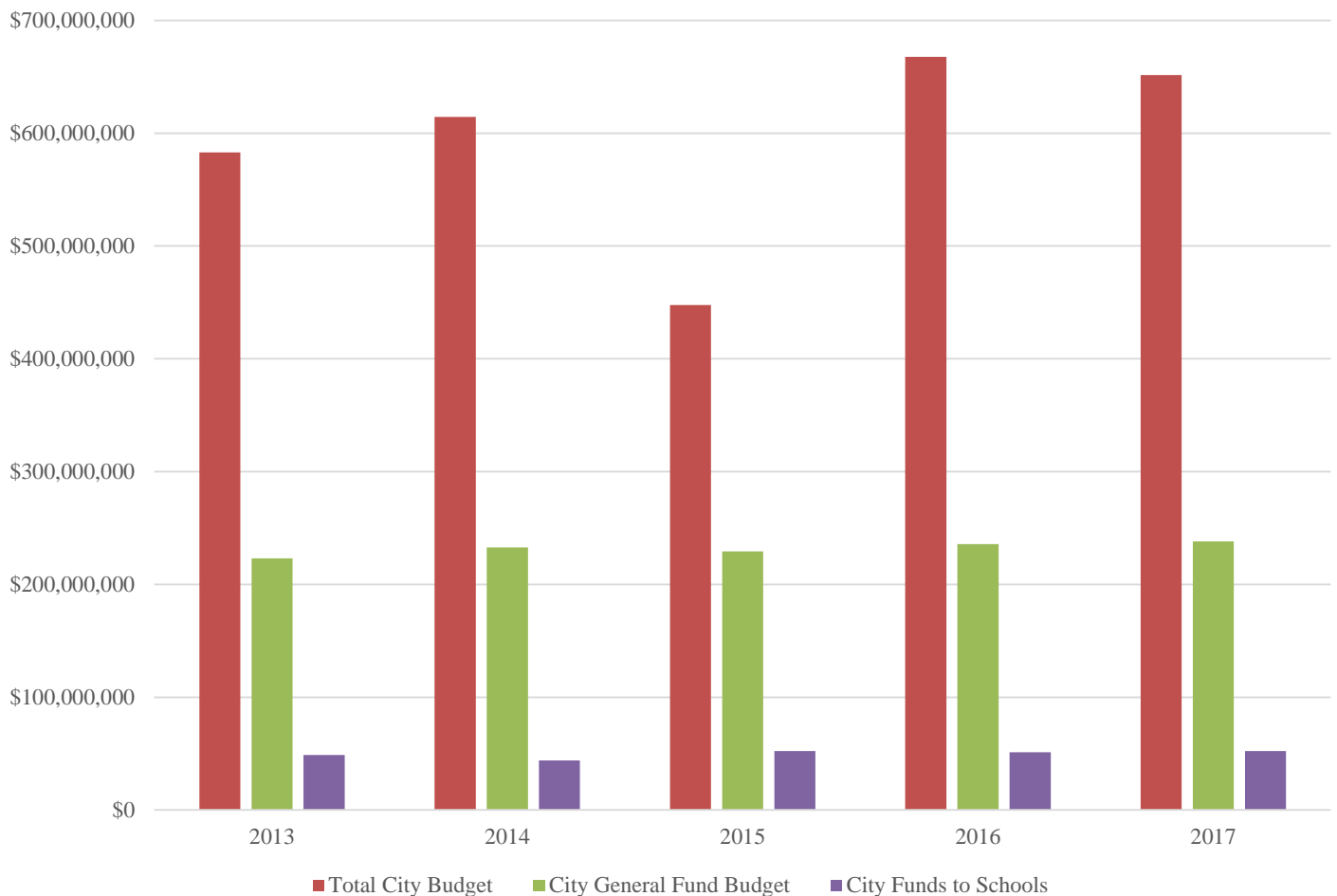
The survey allowed community members the opportunity to help shape the five-year plan and set the strategic direction for our schools.

Taxation

Per State Code, the City of Portsmouth acts as the school division's appropriating body. Funds that are awarded to the division must be formally approved to be spent by the schools in the form of ordinances. All funds that 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 less. The City's allocation to schools (of \$52.4 million) makes up approximately 7% of the City's total budget or about 20% of the City's total General Fund for FY 2016-17.

Fiscal Year	Total City Budget	City General Fund Budget	City Funds to Schools	% of Total City Budget
2013	\$583,000,536	\$223,225,100	\$48,871,532	8.26%
2014	\$614,478,112	\$232,685,811	\$43,900,000	7.84%
2015	\$447,659,600	\$229,207,940	\$52,400,000	10.76%
2016	\$667,620,544	\$235,770,132	\$51,200,000	7.22%
2017	\$651,558,103	\$238,037,007	\$52,400,000	7.39%

City Budget vs. City Funds to Schools



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.

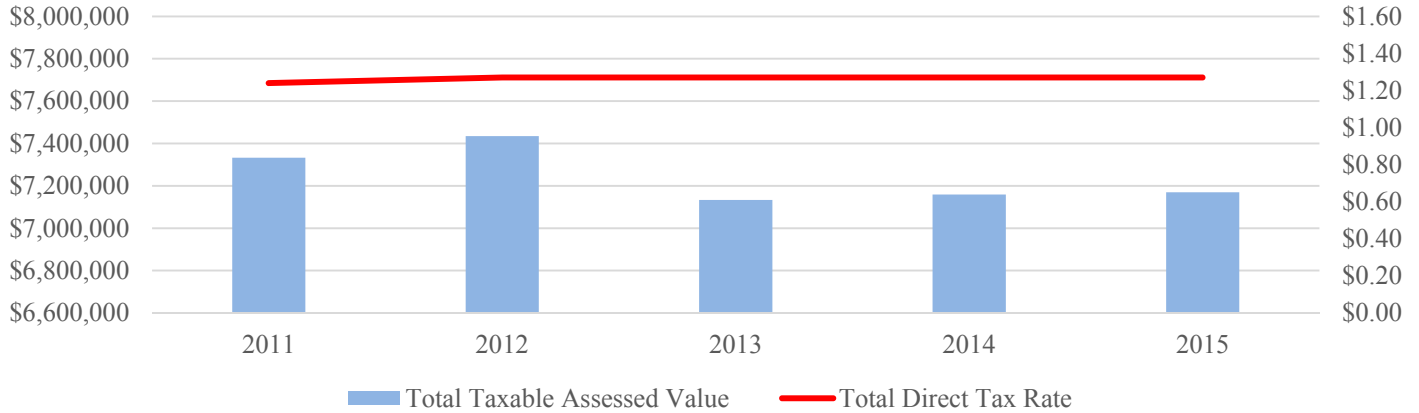
For 2016-17, the allocation to schools in the City budget is approximately 7% of the City’s entire budget and the City expects to collect \$238 million in its general fund in 2017. The school division is funded out of this general fund revenue which is generated primarily through property tax. Of this revenue, the schools receives 22%. Therefore, with the current tax rate at \$1.30 tax 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 graph illustrates the changes in real estate property tax obligations, the contribution towards education, and the tax rate since 2013. 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 fiscal year 2016. Fiscal year 2017 expects to see the contribution to education increase \$4.00 compared to fiscal year 2016. The division assumes that tax rates will remain stable for the foreseeable future.

Real Estate Tax Contribution to Education



Fiscal Year	Residential Property	Commercial Property	Industrial Property	Total Taxable Assessed Value	Total Direct Tax Rate
2015	\$5,024,940	\$1,745,055	\$399,665	\$7,169,660	\$1.27
2014	\$5,032,854	\$1,723,320	\$402,731	\$7,158,905	\$1.27
2013	\$5,039,792	\$1,697,096	\$396,839	\$7,133,727	\$1.27
2012	\$5,132,403	\$1,900,610	\$402,017	\$7,435,030	\$1.27
2011	\$5,198,747	\$1,729,629	\$404,688	\$7,333,064	\$1.24

Taxable Property in Portsmouth, VA



Total Assessed Value for FY2016 not available at publication
 Source: City of Portsmouth CAFR - 2015

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 complete list of 2016-2017 tax rates is as follows:

Tax Type	Rate	Unit
Real Estate	\$1.30	per \$100
Personal Property - Vehicles	\$5.00	per \$100
Personal Property - Machinery	\$3.00	per \$100
Admissions Tax	10%	of sale price
Food & Beverage	6.50%	of sale price
Lodging Tax Part 1	8%	of sale price
Lodging Tax Part 2	\$1.00	per night
Short Term Rental	1%	of sale price
Sales Tax	6%	of sale price
Cigarette Tax	\$0.90	per pack

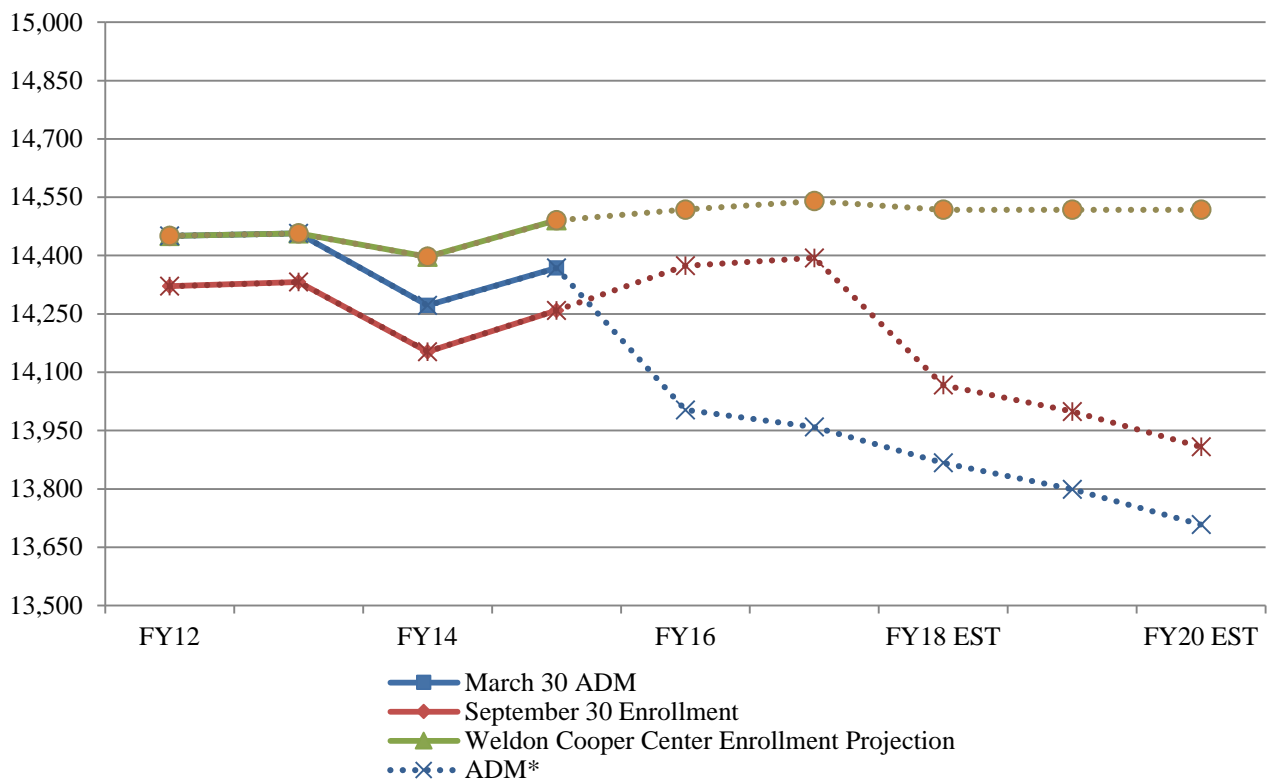
Historical Tax Rates

Fiscal Year	Real Estate	Vehicles	Boats	RV's	Manufacturer's Machinery and Tools
2015	\$ 1.27	\$ 5.00	\$ 0.50	\$ 1.50	\$ 3.00
2014	1.27	5.00	0.50	1.50	3.00
2013	1.27	5.00	0.50	1.50	3.00
2012	1.27	5.00	0.50	1.50	3.00
2011	1.24	5.00	0.50	1.50	3.00

Division Enrollment

Over the last several fiscal years, Portsmouth Public Schools has relied upon Weldon Cooper Center of the University of Virginia for enrollment trends and projections. The Center gathers and analyzes data from varied sources; enrollment information is just one example of the information they provide. After a few years of using Weldon Cooper projections, the division has noticed that the centers projections tend to run 1%-2% higher than actual March 31st ADM figures. As such, for FY 2016-17, a more conservative estimate projected by VDOE was used. Additionally, every January, a significant number of students graduate early which directly impacts final ADM. The division expects a slight increase in enrollment on September 30, 2016, but it expects the downward trend for ADM to continue for the next 3 years. While the fiscal year 2016-17 budget is based on ADM of 13,959, for FY2017-18, FY 2018-19, and FY 2019-20, ADM is projected to decrease to 13,867, 13,799, and 13,708, respectively.

Comparison of ADM and Enrollment K-12



Pre-K-Grade 12 Enrollment by School

ELEMENTARY SCHOOLS	2013-14	2014-15	2015-16	Projected 2016-17	Projected 2017-18	Projected 2018-19	Projected 2019-20
Brighton	549	514	496	493	490	487	486
Churchland Academy	702	724	668	667	663	659	654
Churchland	830	819	799	797	792	788	782
Churchland Primary & Intermediate	569	575	589	587	583	580	577
Douglass Park	719	771	742	740	735	732	726
Hodges Manor	548	544	571	569	565	562	559
James Hurst	697	707	665	663	659	655	651
Lakeview	509	522	463	462	459	457	453
Park View	620	593	579	577	573	570	567
Simonsdale	729	716	699	697	692	689	684
John Tyler	732	707	651	649	645	642	637
Victory	528	530	569	568	564	561	557
Westhaven	519	547	564	562	558	556	552

MIDDLE SCHOOLS	2013-14	2014-15	2015-16	Projected 2016-17	Projected 2017-18	Projected 2018-19	Projected 2019-20
Churchland	897	905	903	900	894	890	884
Cradock	576	612	578	577	573	570	566
William E. Waters	590	593	597	595	591	588	584

HIGH SCHOOLS	2013-14	2014-15	2015-16	Projected 2016-17	Projected 2017-18	Projected 2018-19	Projected 2019-20
Churchland	1,371	1,351	1,402	1,397	1,388	1,381	1,372
I. C. Norcom	1,125	1,185	1,091	1,087	1,080	1,075	1,068
Woodrow Wilson	1,314	1,344	1,377	1,372	1,363	1,356	1,348
SOQ Eligible Reported Enrollment	14,153	14,259	14,003	13,959	13,867	13,799	13,708

SPECIALITY CENTERS	2013-14	2014-15	2015-16	Projected 2016-17	Projected 2017-18	Projected 2018-19	Projected 2019-20
Churchland Preschool Center	178	180	180	140	140	140	140
Emily N. Spong Preschool	124	149	149	116	116	116	116
EXCEL Campus	(Reported At Home School)						
Mt. Hermon Preschool	217	186	186	144	144	144	144
Olive Branch Preschool Center	179	197	197	153	153	153	153
New Directions Center	(Reported At Home School)						
Project Uplift	29	(Reported at Home School Beginning 2014-15)					
TOTAL Enrollment	14,851	14,971	14,715	14,511	14,419	14,351	14,260

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. All but one of Portsmouth Public Schools elementary schools are designated as a Federal Title One school. 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 above ratios dictate staffing levels and are incorporated in the divisions staffing tool. Please note, preschools are not included in the below list as they are funded by a state grant which limits the number of preschool slots allotted to the division. Based on projected enrollment for FY 2016-17, the budget office, human resources, and curriculum and instruction departments analyzed teacher staffing levels to ensure the division continued to stay under and within the SOQ required student teacher ratios.

Virginia SOQ-Required Student Teacher Ratios by School 2015-2016

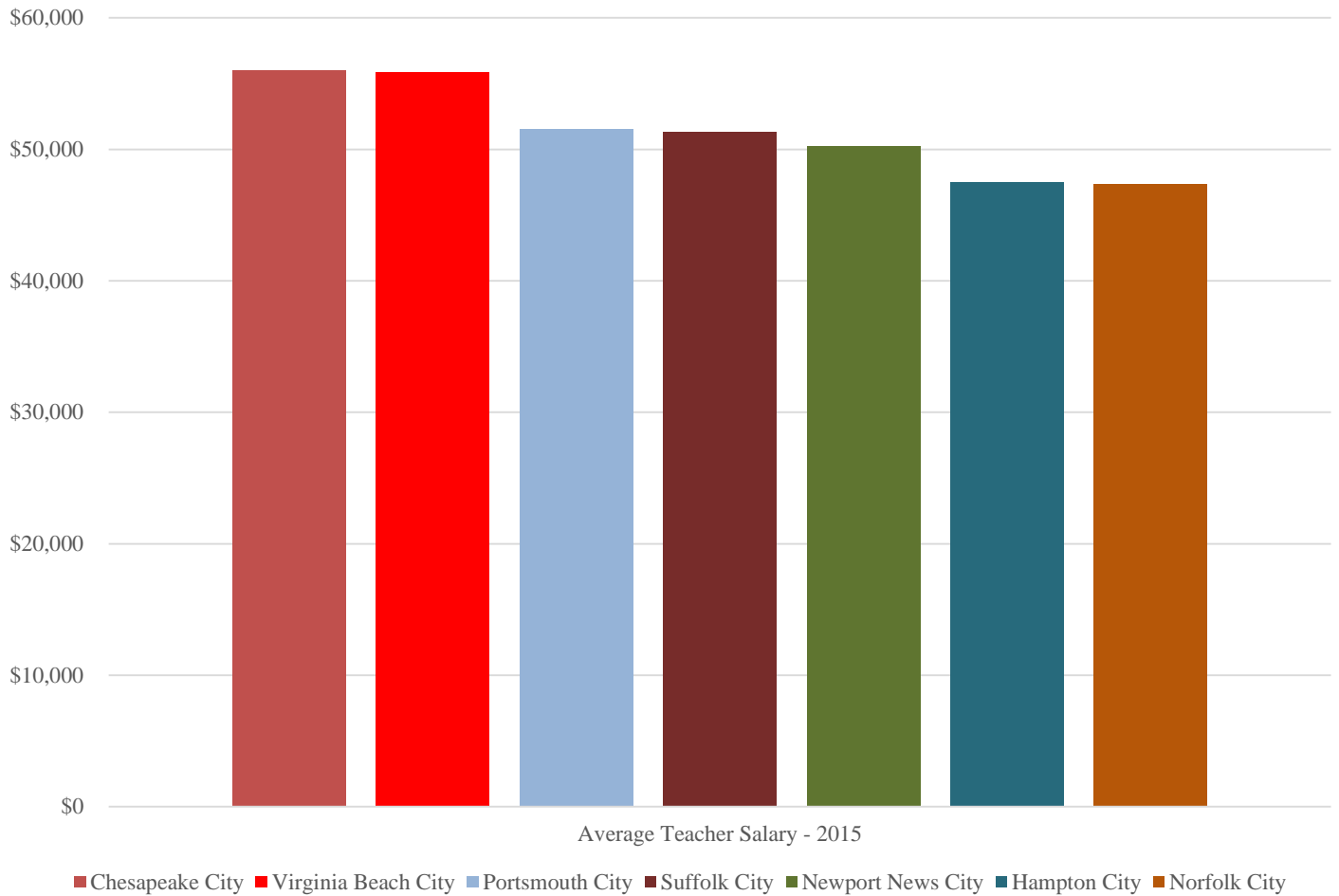
Elementary	Percentage of Free & Reduced Lunch	Title I School	K-3	4-6
Brighton	89.54%	Y	14	25
Churchland Academy	52.92%	Y	18	25
Churchland	27.83%	N	24	25
Churchland Primary & Intermediate	41.89%	Y	19	25
Douglass Park	91.19%	Y	14	25
Hodges Manor	56.41%	Y	17	25
James Hurst	71.86%	Y	15	25
John Tyler	63.76%	Y	17	25
Lakeview	63.10%	Y	17	25
Park View	70.94%	Y	15	25
Simonsdale	45.37%	Y	18	25
Victory	51.79%	Y	18	25
Westhaven	63.33%	Y	17	25

Middle	Percentage of Free & Reduced Lunch	Title I School	Secondary English	Secondary Non-English (including Career & Technical Education)
Churchland	50.31%	N	24	21
Cradock	78.11%	N	24	21
William E. Waters	58.22%	N	24	21

High School	Percentage of Free & Reduced Lunch	Title I School	Secondary English	Secondary Non-English (including Career & Technical Education)
Churchland	35.40%	N	24	21
I.C. Norcom	61.82%	N	24	21
Woodrow Wilson	53.40%	N	24	21

Compared to other major cities in the area, Portsmouth teacher salaries remain very competitive. Per the 2015 State Annual School Reports, Portsmouth Public Schools is ranked third for the average teacher salary amongst major Hampton Roads cities. The division offers very competitive starting salaries for teachers and a competitive benefits package. The division implemented a step and a cost of living increase in January 2016 to help keep our teacher salaries competitive. Due to rising costs associated with retirement benefits and paid winter break for 10-month non-exempt employees and limited funding, an across the board salary increase could not be funded for FY 2016-17; however the division has budgeted to provide a one-time bonus to employees based on estimated revenues and use of one time savings from FY 2015-16 (after re-appropriation from the City).

Average Teacher Salaries in Hampton Roads



Personnel Resource Allocations by Fund

CAFETERIA FUND	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16*	FY 2016-17
ASSOCIATE 200 DAY - 7 HOUR	1	1	1	1	1
ASSOCIATE 260 DAY - 8 HOUR	2	2	3	3	3
COORDINATOR	1	1	1	1	1
FOOD SERVICES 4.5 HRS	4	4	3	3	3
FOOD SERVICES 5.5 HRS	45	45	45	45	45
FOOD SERVICES 6.0 HRS	48	48	49	49	49
FOOD SERVICES 6.5 HRS	0	0	0	0	0
FOOD PRODUCTION CHEF	0	0	0	0	0
FOOD SERVICES MAINTENANCE	0	0	0	0	0
FOOD SERVICES MANAGER	23	23	23	23	23
PART TIME WITH POSITION	35	35	37	37	37
SUPERVISOR	3	3	3	3	3
TOTAL CAFETERIA FUND	162	162	165	165	165

GENERAL FUND	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16*	FY 2016-17
ASSISTANT DIRECTOR	2	1	0	0	0
ASSISTANT SUPERINTENDENT	2	0	1	2	2
ASSOCIATE 200 DAY - 7 HOUR	30	29	27	27	26
ASSOCIATE 260 DAY - 7 HOUR	18	17	14	0	0
ASSOCIATE 260 DAY - 8 HOUR	66	64	61	92	90
ASSOCIATE 260 DAY - 7.25 HOUR	17	17	17	0	0
ATTENDANCE OFFICERS	3	3	3	3	3
BUS DRIVER	122	126	119	115	110
BUS MONITOR	43	43	39	39	38
BUS LOT LEADER	0	0	0	3	3
CLINIC ASSISTANT	0	0	0	0	0
COORDINATOR	4	3	4	9	9
CROSSING GUARD 10 MTH	30	30	29	29	27
CUSTODIAN	64	64	64	64	64
CUSTODIAN, HEAD	17	17	17	20	20
CUSTODIAN, LEAD	23	23	23	23	21
DEAN OF STUDENTS	0	0	0	4	4
DELIVERY PERSONNEL	2	2	2	2	2
DIRECTOR	11	10	10	5	5
DEPUTY SUPERINTENDENT	0	1	1	0	0
ELEMENTARY SCHOOL PRINCIPAL	14	17	16	16	16
ELEM SCHOOL ASST PRINCIPAL	16	13	13	13	13
EXECUTIVE ADMINISTRATOR	0	1	1	1	1

GRADUATION COACH	0	2	2	2	2
GUIDANCE COUNSELOR	25	23	23	23	23
GUIDANCE COUNSELOR 10+1	6	6	6	6	6
GUIDANCE COUNSELOR 10+2	3	3	4	3	3
HIGH SCHOOL ASST PRINCIPAL	9	9	9	9	9
HIGH SCHOOL PRINCIPAL	3	3	3	3	3
HOME SCHOOL LIAISON	0	0	0	0	0
IN-SCHOOL SUSPENSION I	4	4	4	4	4
IN-SCHOOL SUSPENSION II	3	3	3	3	3
INSTRUCTIONAL ASSISTANT	3	0	2	15	15
INSTRUCTIONAL ASSISTANT SPED	147	151	143	142	139
INSTRUCTIONAL ASSISTANT SEVERE & PROF	0	0	0	0	0
INTERPRETER	6	6	6	6	6
LIBRARY MEDIA SPECIALIST	23	22	22	22	22
MAINTENANCE PERSONNEL	23	23	22	22	22
MAINTENANCE PERSONNEL EXEMPT	1	1	0	0	0
MANAGER	5	6	5	4	4
MEDIA PERSONNEL	0	0	0	0	0
MIDDLE SCHOOL PRINCIPAL	4	4	4	4	4
MIDDLE SCHOOL ASST PRINCIPAL	7	7	6	6	6
NURSE	26	26	27	26	26
NURSE 10+2	0	0	0	0	0
OCCUPATIONAL/PHYSICAL TH 10+1	1	1	1	1	1
OCCUPATIONAL/PHYSICAL TH 10+2	1	1	1	1	1
OCCUPATIONAL/PHYSICAL THERPST	1	1	1	1	1
OFFICERS	1	0	0	1	1
OTHER PROFESSIONAL STAFF	3	3	1	0	0
PART TIME WITH POSITION	3	4	4	5	5
PROGRAM SPECIALIST	8	9	11	13	13
PSYCHOLOGIST	5	0	6	6	6
PSYCHOLOGIST 10+2	0	0	0	0	0
PURCHASING PERSONNEL - NON EXE	1	1	1	1	1
PURCHASING PERSONNEL- EXEMPT	1	1	1	1	1
RESEARCH SPECIALIST	0	0	0	1	1
ROTC INSTRUCTORS	7	7	7	7	7
SCHOOL BOARD	9	9	9	9	9
SECURITY OFFICERS	17	17	16	16	16
SENIOR SUPERVISOR	11	9	9	8	8
SOCIAL WORKER	1	1	1	1	1
SOCIAL WORKER 10+1	3	3	3	3	3
SOCIAL WORKER 10+2	4	4	4	4	4

SPEECH / HEARING / SIGHT THERP	16	16	17	17	16
SPEECH/HEARING/SIGHT TH 10+2	1	1	1	1	1
STUDENT RESOURCE LIAISON	3	3	3	3	1
SUPERINTENDENT	1	1	1	1	1
SUPERVISOR	11	10	11	11	11
SUPERVISOR 10+1	0	0	0	0	0
TEACHER	739	756	754	769	760
TEACHER SPECIAL ED	146	148	142	142	136
TEACHER 10+2	10	8	7	7	6
TEACHER 10+1	2	1	1	2	2
TEACHER SPECIALIST	0	0	1	1	1
TEACHER SPECIALIST 10+1	0	0	0	0	0
TECHNOLOGY PERSONNEL - NON EXE	8	7	6	6	6
TECHNOLOGY PERSONNEL EXEMPT	12	12	13	14	14
WAREHOUSE PERSONNEL	3	3	3	3	3
TOTAL GENERAL FUND	1811	1817	1788	1823	1788

GRANT FUND	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16*	FY 2016-17
ASSOCIATE 200 DAY - 7 HOUR	1	1	1	1	1
ASSOCIATE 260 DAY - 7 HOUR	3	3	3	0	0
ASSOCIATE 260 DAY - 8 HOUR	3	3	3	6	6
ASSOCIATE 260 DAY - 7.25 HOUR	1	1	1	0	0
COORDINATOR	3	2	2	3	3
ELEMENTARY SCHOOL PRINCIPAL	2	2	2	1	1
HOME SCHOOL LIAISON	1	1	1	1	1
HOME SCHOOL LIAISON 12 MTH	1	1	1	1	1
INTERPRETER	0	0	0	0	0
INSTRUCTIONAL ASSISTANT	58	69	58	45	44
INSTRUCTIONAL ASSISTANT SPED	9	0	9	8	9
MAINTENANCE PERSONNEL	1	1	1	0	0
OTHER PROFESSIONAL STAFF	1	1	1	1	1
PART TIME WITH POSITION	2	3	4	3	3
PROGRAM SPECIALIST	7	9	8	5	5
PSYCHOLOGIST	0	0	0	0	0
PSYCHOLOGIST 10+2	5	4	4	4	4
RESEARCH SPECIALIST	0	0	0	0	0
SENIOR SUPERVISOR	6	5	5	5	5
SOCIAL WORKER 10+1	0	0	0	0	0
SOCIAL WORKER 10+2	0	0	0	0	0
SPEECH / HEARING / SIGHT THERP	1	1	1	1	1
STUDENT RESOURCE LIAISON	1	1	0	0	0

TEACHER	90	90	83	73	73
TEACHER SPECIAL ED	14	14	14	14	15
TEACHER 10+1	4	3	2	2	2
TEACHER 10+2	3	3	2	2	2
TEACHER 10+2 SPECIAL ED	0	0	0	0	0
TEACHER SPECIALIST	11	11	10	10	10
TOTAL GRANT FUND	228	229	216	186	187

TEXTBOOK FUND	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16*	FY 2016-17
ASSOCIATE 260 DAY - 8 HOUR	1	1	1	1	0
TOTAL TEXTBOOK FUND	1	1	1	1	0

	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16*	FY 2016-17
TOTAL FOR ALL FUNDS	2202	2215	2170	2175	2140

*FY2015-16 Figures as of 4/26/2016

Standardized Testing

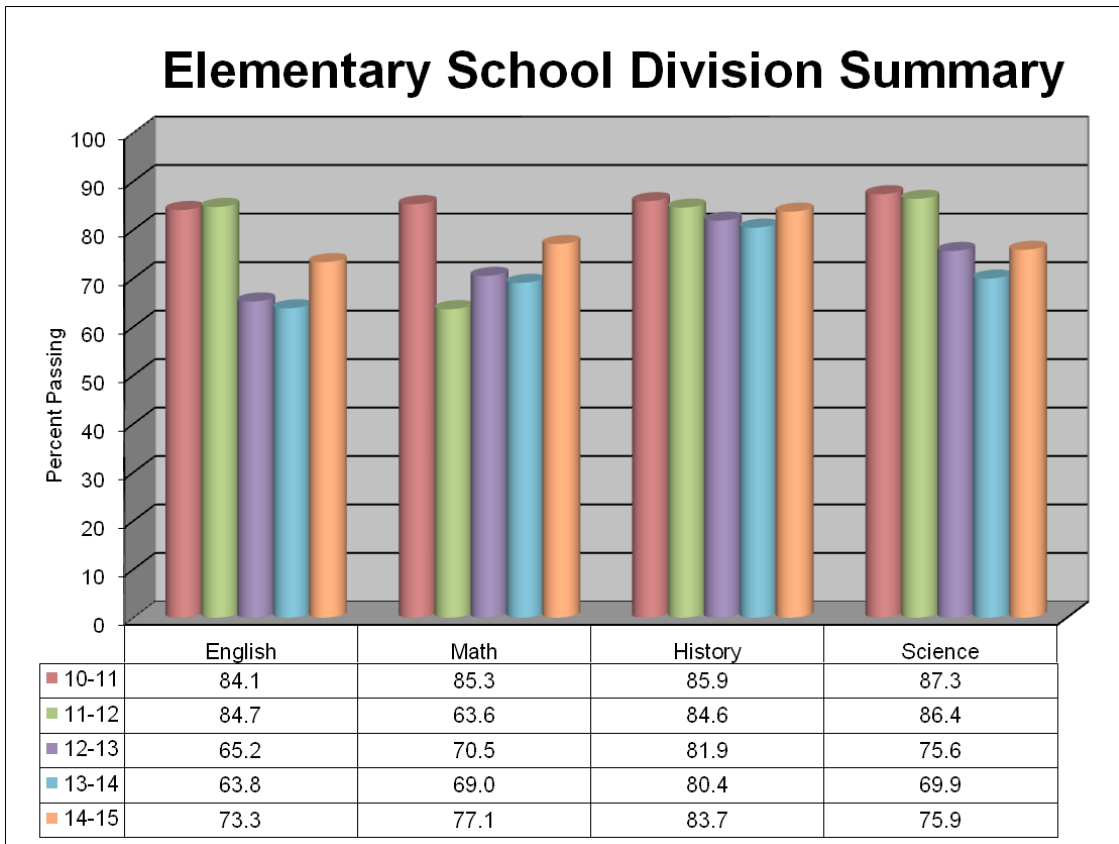
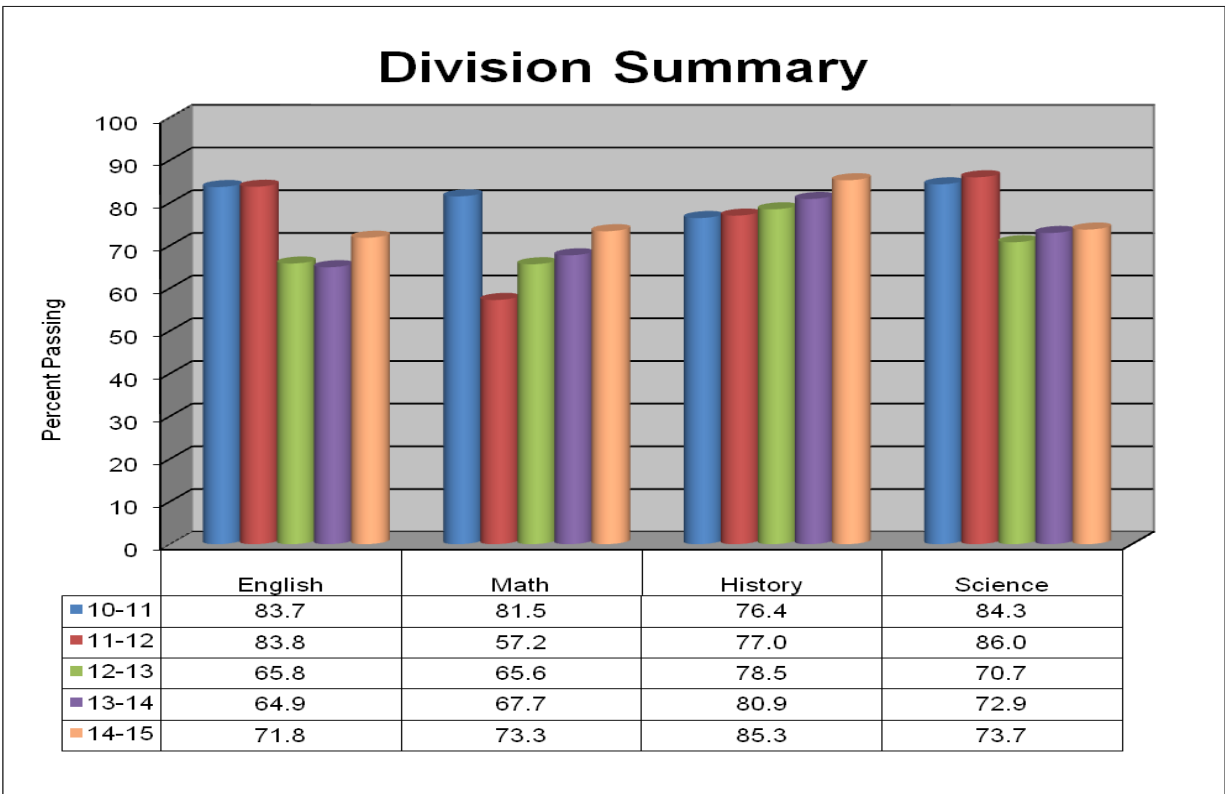
The Commonwealth uses Standards of Learning tests in order to ensure school divisions give students an adequate and challenging education. Starting in 1998, the division tested its students in order to reach state education requirements, earn accreditation, and maintain state funding.

Student performance affects funding in two areas. Monies received from the Federal government through Title I are based on student performance, and the division would lose some funding from the state if any or all of the schools do not meet the Standards of Learning (SOL) criteria for accreditation. While those funds are not withheld because of one year's poor performance, failing to improve would trigger a take-over of a school by the state and the funding received for the students who attend that particular school would be lost. Detailed SOL pass rates are illustrated on the next pages.

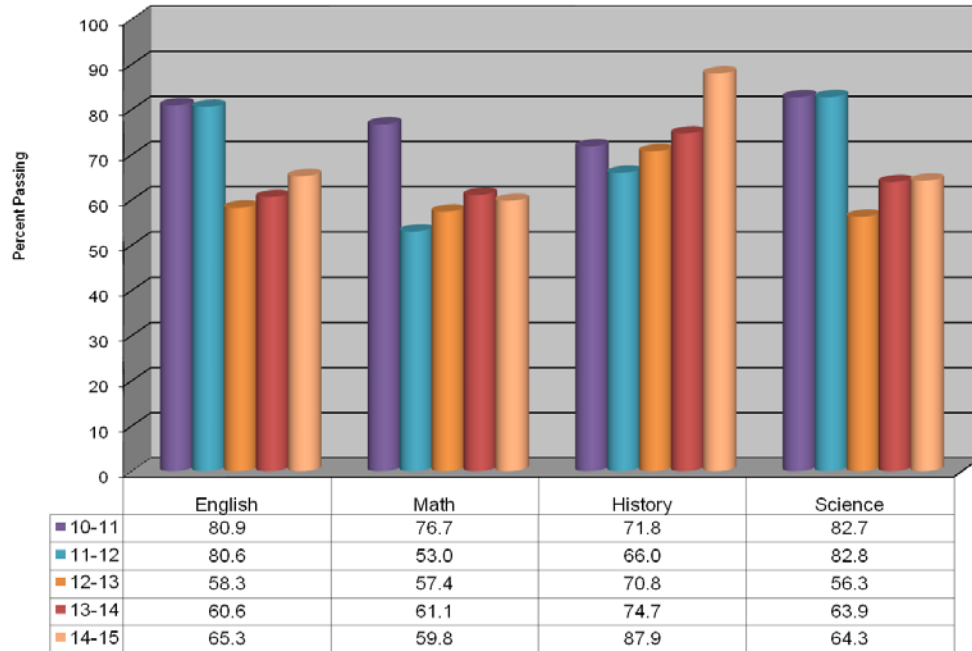
Based on the historical look at the detailed SOL pass rates, the accreditation rate has slipped since the division achieved full accreditation for all schools in 2010. Since that time, the state implemented new, more rigorous SOL tests in the areas of Social Studies, Mathematics, English (Reading/Writing), and Science to better prepare students to compete in today's global economy. The new tests 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 2009, the on-time graduation rate also became a factor in achieving accreditation. The division has made great strides since 2010 to improve the on-time graduation rate and do not expect that to be a factor in achieving full accreditation in the future.

Compared to FY 2013-14, SOL passing rates across the division have improved in all subject matters in FY 2014-15. High school students continue to perform well on their SOL passing rates in each subject compared to middle and elementary school. History is a strong subject throughout the division with over 80% of all students, at all three levels, passing. Across all subjects, middle school passing rates lag behind the other levels in the division which also affects the accreditation status for these schools. Currently, none of the division's middle schools have earned accreditation. Improving their passing rates and earning full accreditation for these schools continues to be a top priority for the division. The division is also focused on improving the scores for all schools and grade levels who received full accreditation in FY 2014-15.

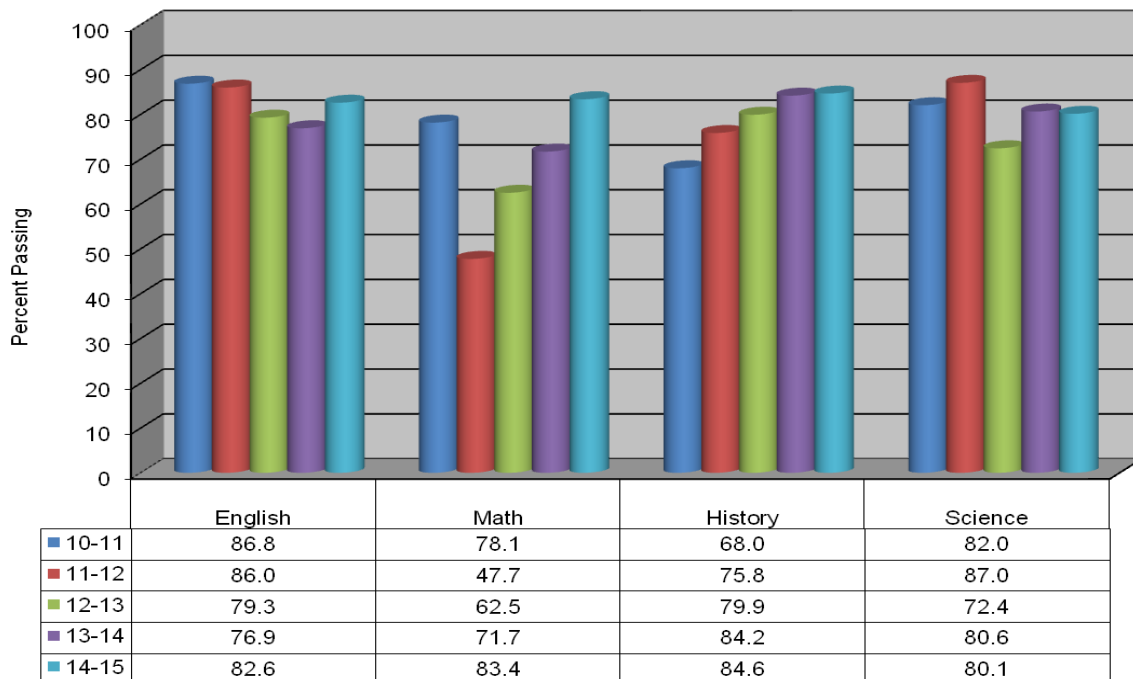
SOL Pass Rates by Core Areas



Middle School Division Summary



High School Division Summary



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 second largest percentage of students receiving free or reduced lunch in the Hampton Roads region. When compared to other divisions with similar demographic qualities, the division standards of learning scores are near or above the median when compared with other cities in the Hampton Roads region.

VDOE National School Lunch Program (NSLP) Regional Comparison 2015

Division	NLSP Membership	Free Eligibility	FREE %	Reduced Eligibility	REDUCED %	TOTAL F/R Eligible	TOTAL F/R %
Chesapeake	38,499	11,206	29.11%	1,902	4.94%	13,108	34.05%
Suffolk*	14,435	5,975	41.39%	822	5.69%	6,797	47.09%
Virginia Beach	68,731	20,534	29.88%	5,407	7.87%	25,941	37.74%
Hampton*	20,636	10,608	51.41%	1,061	5.14%	11,669	56.55%
Newport News	28,997	15,876	54.75%	2,187	7.54%	18,063	62.29%
Norfolk*	32,559	21,442	65.86%	1,545	4.75%	22,987	70.60%
Portsmouth*	14,959	9,996	66.82%	494	3.30%	10,490	70.13%

Source: VDOE National School Lunch Program (NSLP) Free & Reduced Price Eligibility Report and Fall Membership Reports

*This division is operating under USDA Community Eligibility Provision (CEP). Free eligibility is based on USDA guidance.

The number of students who qualify for free and reduced lunch in Portsmouth has grown from nearly 58% in 2008-09 to over 64% in the current school year. Effective July 2014, alternative means of identifying households that qualify for free or reduced price meals became available. If at least 40% of the identified free 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 receive lunch and breakfast at no charge. As of fiscal year 2015-16, the division has nine 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 will continue to evaluate 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 2011-2016

School Year	NSLP Membership	Total Free/Reduced Lunch Eligible	Total Free/Reduced %
2011-12	15,544	10,601	68.20%
2012-13	15,163	9,419	62.12%
2013-14	15,108	9,529	63.07%
2014-15	15,146	9,736	64.28%
2015-16	14,959	10,490	70.13%

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

Graduation Rate

Acknowledging that the division's most important product are graduates, the Board's third vision was for all graduates to be highly sought-after by both employers and institutions of higher learning. The School Board has set a goal of 100% of PPS students graduating and entering post high school education programs or jobs that require specific training. Beginning with the 2011-12 school year, state accreditation standards required a school division to achieve a graduation index of 85% and the index rises each following year. 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. Portsmouth Public Schools continues to see improvement in graduation rates year after year.

SCHOOL	Class of 2013			Class of 2014			Class of 2015		
	First-time 9th Grade Cohort 2009-10			First-time 9th Grade Cohort 2010-11			First-time 9th Grade Cohort 2011-12		
	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 HIGH	26	6.40%	88.90%	12	3.30%	91.70%	7	2.30%	93.80%
I. C. NORCOM	48	14.00%	74.40%	29	9.60%	78.10%	29	9.60%	82.50%
WOODROW WILSON	42	11.60%	78.00%	21	6.50%	84.00%	9	2.80%	84.90%

Source: Virginia Department of Education & Portsmouth Public Schools Department of Research

Division Accomplishments

- US NEWS honored Woodrow Wilson High and Churchland High as among the best in the nation for high academic achievement, graduation rates, and advanced placement opportunities for the second consecutive year.
- The Instructional Personnel Verification Survey reported 99.18% highly qualified teachers in 2015-16. Thirteen schools reported 100% highly qualified teachers, one more than during 2015-2016.
- The First College Program has grown from 19 students in 2006 to 200 scholars in 2016. In the 10 years that this program has operated, 1,340 students took advantage of the opportunity to get a jumpstart to college while still in high school.
- One student from the Class of 2015 earned dual associate degrees along with a high school diploma.
- Received the Certificate of Excellence in Financial Reporting from ASBO for the tenth consecutive time and the Certificate of Achievement in Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the eighth time for the comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2015.
- Received the ASBO Meritorious Budget Award for excellence in the preparation and issuance of the school system budget for the eighth time for fiscal year 2015-16.
- Received the Government Finance Officers Association's Distinguished Budget Presentation Award for 2015-16.
- The Science Department is offering student summer camps that are grant-funded or in partnership with local organizations and educational institutions. These camps offer varied opportunities for students to explore their interests in science, mathematics, and engineering. A listing of some of the camps follows:
 - LEGO WEDO for rising 4th grade students – an introduction to robot design and programming
 - SPACEBASE Atlas (rising 5th grade students) – Students learn how math, science, and technology skills are used in geo-referencing Portsmouth's historic Old Towne to create a tourism brochure.
 - ENVIROBASE Aquarius (rising 6th grade students) – Students use math, science, technology, and visual arts skills in experimental design, collecting weather data, and environmental stewardship.
 - Hampton Roads STEM Summer Academy (rising 7th and 8th grade students) – Student teams work together to solve STEM challenges, engaging in engineering, robotics, ballistics, rocketry, electronics, biology and chemistry, and environmental science.
 - DISCOVERYBASE CSI (rising 8th and 9th grade students) – Students learn how forensic scientists process a crime scene.
 - DISCOVERYBASE Maker Camp (rising 9th grade students) – The camp gives students the opportunity to function as modern-day inventors and engineers using critical thinking, engineering, and problem-solving skills to address local and global issues. At the conclusion of the 12-day camp, student give a professional design presentation to an audience consisting of their parents and community leaders.
 - RIVERQUEST (rising 9th grade students) – Students explore college and careers in Environmental Science, Oceanography, Maritime Industry, and more.



- SPEED Academy (rising 11th & 12 grade students) – Students learn about design elements in the context of remote control car racing. They build a track, design and build remote control cars, and develop marketing materials to support the racing team as they enter competitions.
 - Green Ships and Ports (high school students) – STEM-related careers are emphasized in an educational game that models applications and equipment used in environmentally friendly, self-sustainable ports and ships.
- Five additional schools have received Virginia Department of Education Accreditation, increasing the number from 6 to 11.



- Partnered with the City of Portsmouth to host Budget Community Engagement Meetings – about 150 participants.
- The division provided Chromebooks for all high school students in the division in February. Equipped with Google apps and Office 365, these devices will increase collaboration, communication, and creativity amongst students.
- For the Chromebook launch, the division upgraded infrastructure at each of the three high schools to provide Wi-Fi throughout the schools. The division hopes to roll the infrastructure and Chromebook upgrades to the middle school in the near future.
- Virginia Department of Education selected Portsmouth to provide a Cybercamp where twenty-five high school students will receive 98 hours of cybersecurity instruction at I.C. Norcom High.

- The Future Business Leaders of America at I.C. Norcom was recognized at the FBLA national conference for their Breast Cancer awareness programs. This chapter was one of three in the country recognized at the conference for their community service efforts.
- Students from Woodrow Wilson High and Churchland High combined to represent Portsmouth Public Schools at the VEX robotics state championship in February 2016.



Appendix

Code of Virginia, 1950 (excerpts)

§ 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.

School Board Management of Funds Policy

The Division Superintendent or the Division Superintendent's designee 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 approves the School Board budget 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, outstanding encumbrances in the form of purchase orders, contracts, and other commitments for the expenditure of funds are reported as fund balances and carried forward to the next fiscal year. After 120 days, those outstanding encumbrances carried into the next fiscal year will be liquidated and funds will be transferred to the City unless the School Board approves otherwise.

The School Board shall manage and control 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

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

School Board Annual Budget Policy

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.

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)

AN ORDINANCE APPROVING THE FISCAL YEAR 2016 – 2017 OPERATING BUDGET FOR THE PORTSMOUTH PUBLIC SCHOOL SYSTEM IN THE AMOUNT OF \$191,810,233 AND APPROPRIATING THE NECESSARY FUNDS BY CLASSIFICATIONS TO IMPLEMENT (1) THE GRANT FUND CATEGORY OF SAID BUDGET FOR THE ENTIRETY OF FISCAL YEAR 2016 - 2017 AND (2) THE REMAINDER OF SAID BUDGET FOR THE FIRST QUARTER OF FISCAL YEAR 2016 – 2017.

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

1. The Fiscal Year 2016 – 2017 Operating Budget in the amount of \$191,810,233 for the Portsmouth Public Schools is hereby approved in the following revenue and expenditure classifications:

Revenues:

School General Fund	\$	143,551,503
School Grant Fund		18,650,117
School Food Services Fund		8,420,100
School Risk Management Fund		19,656,072
School Textbook Fund		1,532,441
Total Revenues	\$	191,810,233

Expenditures:

General Fund:

Instruction	\$	106,467,206
Administration, Attendance, and Health		8,191,512
Pupil Transportation		6,404,615
Operation and Maintenance		14,472,059
Debt and Fund Transfers		3,124,832
Technology		4,891,279
Total General Fund	\$	143,551,503

Other Funds:

Grant Fund:

Instruction	\$	15,050,379
Administration, Attendance, and Health		1,380,708
Pupil Transportation		274,085
Operations and Maintenance		36,527
Technology		1,908,418
Total Grant Funds	\$	18,650,117

Food Services Fund:

School Food Service and Other Non-Instructional Operations	\$	8,420,100
--	----	-----------

Total Food Service Fund	\$ 8,420,100
Risk Management Fund:	
Workmen's Comp Insurance Premium	975,260
Workmen's Comp and Claims	449,940
Self-Health Plan Expenses	18,230,872
Total Risk Management Fund:	\$ 19,656,072
Textbook Fund:	
Instruction	\$ 1,532,441
Total Textbook Fund	\$ 1,532,441
Total Expenditures	191,810,233

2. In order to provide the funding for the first quarter of the Portsmouth Public Schools' Fiscal Year 2016 - 2017 Operating Budget, that the sum of \$43,290,030 be, and the same hereby is appropriated to the following classifications to fund the first quarter of the Fiscal Year 2016 - 2017 which begins on July 1, 2016 and ends on September 30, 2016:

Instruction	\$ 26,429,843
Administration, Attendance, and Health	2,047,878
Pupil Transportation	1,601,154
Operation and Maintenance	4,341,618
Debt and Fund Transfers	-
Technology	1,467,384
Total General Fund	\$ 35,887,877

Other Funds:

Food Services Fund:	
School Food Service and Other Non-Instructional Operations	\$ 2,105,025
Total Food Service Fund	\$ 2,105,025

Risk Management Fund:	
Workmen's Comp Insurance Premium	243,815
Workmen's Comp and Claims	112,485
Self-Health Plan Expenses	4,557,718
Total Risk Management Fund:	\$ 4,914,018

Textbook Fund:	
Instruction	\$ 383,110
Total Textbook Fund	\$ 383,110

Total Expenditures \$ **43,290,030**

3. In order to provide the funding for the Portsmouth Public Schools' Fiscal Year 2016 - 2017 Grant Fund, that the sum of \$18,650,117 be, and the same hereby is appropriated to the Grant Fund for Fiscal Year 2016 – 2017 which begins on July 1, 2016 and ends on June 30, 2017.

Grant Fund:	
Instruction	\$ 15,050,379
Administration, Attendance, and Health	1,380,708
Pupil Transportation	274,085
Operations and Maintenance	36,527
Technology	1,908,418
Total Grant Funds	\$ 18,650,117

4. All unspent appropriations under this ordinance 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.

5. That this ordinance shall take effect on July 1, 2016.

ADOPTED by the Council of the City of Portsmouth, Virginia at a meeting held on May 10, 2016.

Teste:

City Clerk

AN ORDINANCE APPROVING THE FY 2017 - 2021 CAPITAL IMPROVEMENT PROGRAM AND APPROPRIATING \$33,460,984 IN THE FY 2016 - 2017 CAPITAL IMPROVEMENT FUND, \$2,100,000 IN THE FY 2016 - 2017 PORTSMOUTH PARKING AUTHORITY CAPITAL IMPROVEMENT FUND AND \$1,000,000 IN THE FY 2016 - 2017 PUBLIC UTILITIES CAPITAL IMPROVEMENT FUND.

WHEREAS, the City Manager has submitted to the City Council the Capital Improvement Program for FY 2017 through 2021 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. 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, 2016 and ending June 30, 2017, be, and the same hereby are, as follows:

Capital Improvement Fund Revenue

State Categorical Aid	\$9,824,000
State Funding – VDOT	134,768
Charges for Services	35,000
Operating Transfers In	8,592,275
Bond Proceeds	<u>14,874,941</u>
Total Revenues	\$33,460,984

Portsmouth Parking Authority CIP

Operating Transfers In	\$600,000
Bond Proceeds	<u>1,500,000</u>
Total Revenues	\$2,100,000

Public Utility CIP Fund Revenue

Operating Transfer In	<u>\$ 1,000,000</u>
Total Revenues	\$ 1,000,000

2. That the five-year FY 2017 - 2021 Capital Improvement Program is hereby approved with fiscal years 2018 through 2021 being non-appropriated subsequent planning years.

3. That the sums of \$33,460,984 in the FY 2016 - 2017 Capital Improvement Fund, \$2,100,000 in the FY 2016 - 2017 Parking Authority Capital Improvement Fund and \$1,000,000 in the FY 2016 - 2017 Public Utilities Capital Improvement Fund, be, and the same hereby are, appropriated for expenditure in the following categories and amounts to implement the FY 2017 - 2021 Capital Improvement Program:

Capital Improvement Fund

Drainage and Street Improvements	\$ 17,016,213
Education	4,576,000
Industrial and Economic Development	350,000
Municipal Facilities	7,828,000
Fleet Management	<u>3,690,771</u>
Total Capital Improvement Fund	\$ 33,460,984

Total Parking Authority Capital Improvement Fund \$ 2,100,000

Public Utilities Capital Improvement Fund:

Water	\$ 500,000
Sewer	<u>500,000</u>
Total Public Utilities Capital Improvement Fund	\$ 1,000,000

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, notes and other debt instruments to be issued is not expected to exceed \$ 16,374,941.

5. That the City Manager is hereby authorized and directed to do all things necessary to implement the FY 2017 - 2021 Capital Improvement Program.

6. That this ordinance shall take effect on July 1, 2016.

ADOPTED by the Council of the City of Portsmouth, Virginia, at a meeting held on May 10, 2016.

Teste:

Debra Y. White
City Clerk

Capital Improvement Plan 2017-2021
Education Requirements for City Capital Improvement Plan

Project Title	FY 2017	FY 2018	FY 2019	FY2020	FY2021	5 Year
Brighton ES Roof Renovation	\$ 78,000	\$ 895,000				\$ 973,000
Churchland Academy Additional Parking	95,000	350,000				445,000
Churchland Academy Ceramic Tiles Installation	120,000					120,000
Churchland ES Upgrade Interior Lighting		500,000				500,000
Churchland MS Gym Bleachers	75,000					75,000
Churchland MS Gym Lighting Replacement w/LED		200,000				200,000
Churchland MS Replace Pneumatic Dual Duct VAV		475,000				475,000
Churchland MS Restroom Renovation		200,000				200,000
Churchland MS Site Lighting Replacement w/LED		325,000				325,000
Churchland HS Baseball/ Softball Lighting	400,000					400,000
Churchland HS HVAC	800,000	2,500,000	2,500,000	2,500,000	2,500,000	10,800,000
Churchland HS New Fieldhouse		64,000	736,000			800,000
Churchland HS Restroom Renovation		200,000				200,000
Churchland HS Site Lighting Replacement w/LED		325,000				325,000
Churchland HS Stage Lighting/Sound System/Auditorium Lighting	25,000	315,420				340,420
Churchland HS Synthetic Turf Football Fields					1,000,000	1,000,000
Churchland HS TRT Bus Lots Improve Lighting		200,000				200,000
Craddock MS Gym Lighting Replacement w/LED		200,000				200,000
Craddock MS Restroom Renovation		200,000				200,000
Craddock MS Site Lighting Replacement w/LED		325,000				325,000
Emily Spong PS Replacement of Ceiling		330,000				330,000
Hodges Manor ES HVAC Units Replacement	380,000					380,000
I. C. Norcom Baseball/ Softball Lighting	400,000					400,000
I. C. Norcom New Fieldhouse		64,000	736,000			800,000
I. C. Norcom Restroom Renovation		200,000				200,000
I. C. Norcom Site Lighting Replacement w/LED		325,000				325,000
I. C. Norcom Stage Lighting/Sound System/Auditorium Lighting			25,000	300,000		325,000
I. C. Norcom Synthetic Turf Football Fields				1,000,000		1,000,000
IRC Data Center Cooling and UPS	300,000					300,000
James Hurst ES Replace Pneumatic Dual Duct VAV	165,000					165,000
Lakeview ES Gym A&E/Construction			500,000	3,000,000		3,500,000
Mount Hermon PS Bus Loop Project		95,000	350,000			445,000
Mount Hermon PS Replace Classroom HVAC Units	250,000					250,000

Project Title	FY 2017	FY 2018	FY 2019	FY2020	FY2021	5 Year
Mount Hermon PS Replacement of Ceiling		380,000				380,000
Mount Hermon PS Roof	69,000	863,000				932,000
Olive Branch PS (21) Carrier Classroom HVAC Units		225,000				225,000
Olive Branch PS Roof		61,000	763,000			824,000
Steven H. Clarke Additional Parking Area	350,000					350,000
Steven H. Clarke Replace Gas Piping on Roof			200,000			200,000
Steven H. Clarke Replace HVAC Units			750,000			750,000
Transportation - School Bus Replacements	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
TRT School Bus Parking Lot Install	150,000					150,000
Various Classroom Multi Media	1,900,000	110,000	110,000	110,000	110,000	2,340,000
Various Wi-Fi Upgrades for all Schools	1,500,000					1,500,000
Various Student Tablets	114,000	114,000	114,000	114,000	114,000	570,000
Westhaven ES Roof*	*					-
William E. Waters MS Const. Athletic Field	300,000					300,000
William E. Waters MS Gym Bleachers	75,000					75,000
William E. Waters MS Gym Lighting Replacement w/LED		200,000				200,000
William E. Waters MS Restroom Renovation		200,000				200,000
William E. Waters MS Site Lighting Replacement w/LED		325,000				325,000
William E. Waters MS Window Replacements		300,000				300,000
Woodrow Wilson HS New Fieldhouse			64,000	736,000		800,000
Woodrow Wilson HS Replace Cooling Tower		750,000				750,000
Woodrow Wilson HS Restroom Renovation		200,000				200,000
Woodrow Wilson HS Roof	1,419,000	1,889,000				3,308,000
Woodrow Wilson HS Site Lighting Replacement w/LED		325,000				325,000
Woodrow Wilson HS Stage Lighting/Sound System/Auditorium Lighting		25,000	300,000			325,000
Woodrow Wilson HS Synthetic Turf Football Fields					1,000,000	1,000,000
Totals	\$ 9,965,000	\$ 15,255,420	\$8,148,000	\$ 8,760,000	\$ 5,724,000	\$47,852,420
* Westhaven ES Roof was appropriated in FY16, but not funded (funding was dependent on EOFY15 available PPS GF). New construction estimate is \$851,799.						

Glossary

AC=13	Academics and Career After High School = 13th Year
ADM	Average Daily Membership reported to Virginia Department of Education yearly as of March 31
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
ARRA	American Recovery & Reinvestment Act of 2009
AYP	Adequate Yearly Progress under No Child Left Behind guidelines
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.
Comprehensive Plan	Ten-year vision of the Portsmouth School Board for the Portsmouth School Division. Adopted in 2007, revised 2009, 2011, and 2013.
Debt Service	The cost of paying principal and interest on borrowed money according to a predetermined payment schedule
Disbursement	The expenditure of monies from an account
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.
E-Rate	Schools and libraries universal service support mechanism for discount telecommunication services, and Internet access
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	Fiscally dependent school division 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
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.
Grants	A contribution by a government or other organization to support a particular function.

ISAEP	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.
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
SFSF	State Fiscal Stabilization Funds from ARRA
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.
VRS	Virginia Retirement System