

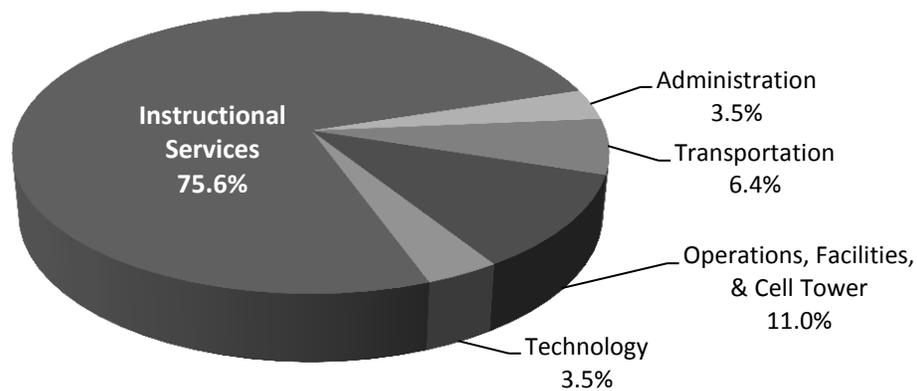
Education - School System

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The Education section includes the operating costs associated with the City of Chesapeake's School System. The City's School System is operated under the direction of an independent School Board. The School Superintendent manages the system that provides free and appropriate education to over 38,000 students from pre-school through grade twelve.

Expenditures:	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Budget	Change from prior year
School General Fund:				
Instructional Services				
Classroom Instruction	232,071,955	235,793,243	240,513,946	2.0%
Instructional Support - students	10,947,834	11,163,059	11,359,541	1.8%
Instructional Support - staff	17,620,099	19,226,748	19,519,377	1.5%
Office of the Principal	19,612,805	17,584,551	22,059,196	25.4%
Total Instructional Services	280,252,693	283,767,601	293,452,060	3.4%
Admin. Attendance and Health	12,875,800	13,567,387	13,709,284	1.0%
Pupil Transportation	25,708,582	23,690,851	24,635,586	4.0%
Operation & Maintenance	39,333,029	41,933,314	41,629,596	-0.7%
Facilities	573,354	624,566	488,280	-21.8%
Technology	11,407,120	13,218,295	13,616,656	3.0%
Total School General Fund	370,150,578	376,802,014	387,531,461	2.8%
less transfer to the Textbook Fund	(2,000,000)	-		
School Cell Tower Fund	-	370,000	417,943	13.0%
Textbook Fund	2,090,796	5,476,460	5,909,883	7.9%
Grants Fund	41,261,855	37,534,994	27,920,311	-25.6%
Self Insurance Fund	-	-	7,963,819	N/A
Food Service Fund	11,280,807	13,133,509	13,027,275	-0.8%
Total Expenses	422,784,036	433,316,977	442,770,692	2.2%

Summary of General Fund Expenditures FY 2013-2014



Education - School System

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Operating Revenues	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Budget	Change from prior year
School Funds				
Use of Money and Property	965,667	1,334,509	1,342,500	0.6%
Charges for Services	7,637,163	7,816,920	5,443,300	-30.4%
Miscellaneous Revenue	1,796,922	1,002,655	972,135	-3.0%
State Other Categorical Aid	199,106,761	209,585,348	214,320,709	2.3%
Federal Aid	45,738,734	36,434,493	28,062,786	-23.0%
Total Revenues	255,245,247	256,173,925	250,141,430	-2.4%
General Fund Support	166,488,283	171,438,112	177,417,342	3.5%
Use of (contribution to) Fund Balance	1,050,506	5,704,940	15,211,920	166.6%
Total Resources	422,784,036	433,316,977	442,770,692	2.2%

Funding for the School Operating Fund is provided primarily through local funding, State General Fund support, and State Sales Tax designated for local education. State funds are distributed to school districts based on the number of students (average daily membership) and each district's composite index (a measure of locality wealth and capacity). Chesapeake's composite index is .3678 meaning that the City is required to provide 36.78% of the basic cost of K-12 education.

As do most Virginia localities, Chesapeake provides more support to its schools than this minimum requirement. Chesapeake's efforts in this regard rank among the top 20% of localities in the State. City resources represent 44.2% of the FY 2013-14 Schools General Fund budget, exclusive of existing debt service and the Reserve for Future School Capital Needs.

Statistics	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Budget	Change from prior year
K-12 Students enrolled (September 30)	38,440	38,592	38,700	0.3%
Career & Tech. Ed students	17,887	18,080	18,275	1.1%
Industry Certifications	2,188	3,044	4,318	41.9%
Advanced Placement Students	3,024	3,567	3,637	2.0%
International Baccalaureate Students	201	210	215	2.4%
Early College Scholars	1,068	1,070	1,070	0.0%
Adult education students enrolled	3,048	2,595	2,000	-22.9%
Elem. summer school enrolled	2,768	2,700	2,700	0.0%
Secondary summer school enrolled	1,871	1,870	1,870	0.0%
Students transported	30,575	30,575	30,575	0.0%

Education - School System

In addition to resources for School operations, the following additional City resources are provided for School purposes:

- o \$14.8 million are set aside for the Reserve for School Capital.
- o \$24.0 million in debt service for the construction of School facilities. (pre-lockbox debt)
- o \$ 0.9 million for School resources officers and School crossing guards.

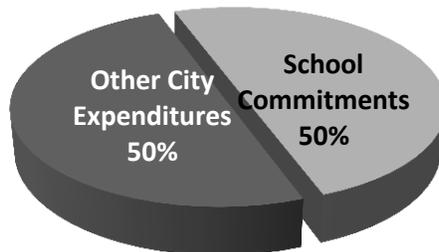
The total debt service for School issuances is \$35.4 million. However, funds are contributed annually to a Lockbox designated for School debt and future School capital projects. For FY 2013-14 the contribution to the Lockbox is \$14.8 million, \$11.4 million of which will be used to pay current debt service. The difference between the contribution and the Lockbox debt service, or \$3.4 million is available for cash funding of capital projects. The remaining \$24.0 million of School debt payments for FY 2013-14 is funded from the City's General Fund (current resources).

A summary of all resources dedicated to Schools is shown below:

SCHOOL OPERATIONS, DEBT & CAPITAL	FY 2012-13		FY 2013-14	
	Budget	% of Total	Budget	% of Total
State General Fund	159,673,133	33.91%	163,430,122	33.87%
State Share Sales Tax	39,021,114	8.29%	40,472,063	8.39%
Federal	3,325,600	0.71%	3,325,000	0.69%
Tuition, rent, other local	3,344,055	0.71%	2,886,935	0.60%
City General Fund for Operations	171,438,112	36.41%	177,417,342	36.76%
General Fund In-Kind Support	943,836	0.20%	943,836	0.20%
Funds for School Lock-Box	14,832,735	3.15%	14,836,598	3.07%
School Debt - other than Lockbox	23,612,256	5.02%	24,034,713	4.98%
School Textbook Fund	2,090,796	0.44%	5,909,883	1.22%
School Food Service Fund	11,280,807	2.40%	13,027,275	2.70%
Cell Tower Fund	-	0.00%	417,943	0.09%
Self Insurance Fund	-	0.00%	7,963,819	1.65%
School Grants Fund	41,261,855	8.76%	27,920,311	5.79%
TOTAL SCHOOL FUNDING	470,824,299	100.00%	482,585,840	100.00%

School Operations, Debt & Capital

Total City Budget - \$ 966.41



Education - School System

School Board Strategic Goals and Plans of the FY2013-14 Operating Budget

Positions and Employee Compensation

- Provide average salary increase of 5.1% for VRS covered positions
- Shift 2% VRS employee share from School Board to employee
- Avoid layoffs, furloughs, and reduction in salary compensation to employees
- Add a net of 34 teacher positions and 2 nurse positions to the operating budget which includes those positions moved from grants due to loss of federal funding
- Fund increases in hospitalization due to implementation of the "Affordable Care Act" and trend increases

Ensure School Safety

- Continue the Parent Alert System for emergency notification
- Provide replacement of public address (PA) system at schools
- Expand internet protocol (IP) telephone systems
- Replace walkie-talkies and security cameras at schools
- Fund repairs and maintenance costs for equipment
- Continue CPR training for school security monitors and nurses
- Fund maintenance and support for *Lobby Guard School Security System*
- Provide 53 replacement buses and 6 "white" fleet vehicles for aging fleet
- Provide 2 new buses for the third year of the Science and Medicine Academy and change in location of SECEP
- Provide preventative maintenance for buses and vehicles
- Continue annual repairs and services to insure school buildings are safe and comfortable for students and employees

Ensure Rigorous Educational Standards

- Continue the following programs: READ180, Virginia Preschool Initiative, International Baccalaureate Program, Technology Academy, and Science and Medicine Academy
- Continue advanced placement course offerings and payment of test fees for those eligible for free and reduced meals
- Offer dual enrollment and tuition assistance for those eligible for free and reduced meals

Evaluate Effectiveness and Efficiency

- Continue the program evaluation effort
- Continue funding for annual financial audit of the division as well as internal financial audits for all schools

Education - School System

Optimize the use of Human Resources and Ensure Effective Staff Development

- Continue to seek exceptionally qualified employees through recruitment efforts, advertising, and interview process
- Continue to provide an employee assistance program
- Provide training to improve student achievement, teacher classroom management, and literacy
- Fund *Cohorts for Gifted Education*
- Continue training for all CPS employees in a variety of work related topics
- Provide teacher training for the READ 180 program, training for academies, and advanced placement courses
- Continue to monitor vacancies as they occur

Optimize the use of Technology

- Provide computer and related equipment replacement
- Continues support and maintenance of the Scholastic Reading Inventory pre-assessment test
- Support and maintain technology for the Science and Medicine Academy, Technology Academy, special programs, classroom instruction, and all departments and schools in the division
- Provide on-line learning software support and maintenance

Enhance Parental and Community Involvement

- Continued updating of the CPS website to keep information about the division flowing to the community
- Continue the CPS television (WCPS) and radio (WFOS) stations to connect the community to school activities while providing media instruction to our students
- Offer free adult education classes for GED, ABE, "English for Speakers of Other Languages" (ESOL), and citizenship preparation
- Provides for meetings with community leaders to share information about the division and its accomplishments
- Provide access to "Board Docs" through the CPS website for the public to view school board meeting agenda and documents

Provide Optimal School Facilities

- Fund custodial, grounds, and trades building supply materials
- Continue energy conservation measures and participation in the National Energy program
- Provides replacement vehicles, tools, and equipment for tradesmen and mechanics
- Provide football stadium sound systems, communications tower maintenance, and classroom audio enhancement
- Provide furniture for classrooms and offices