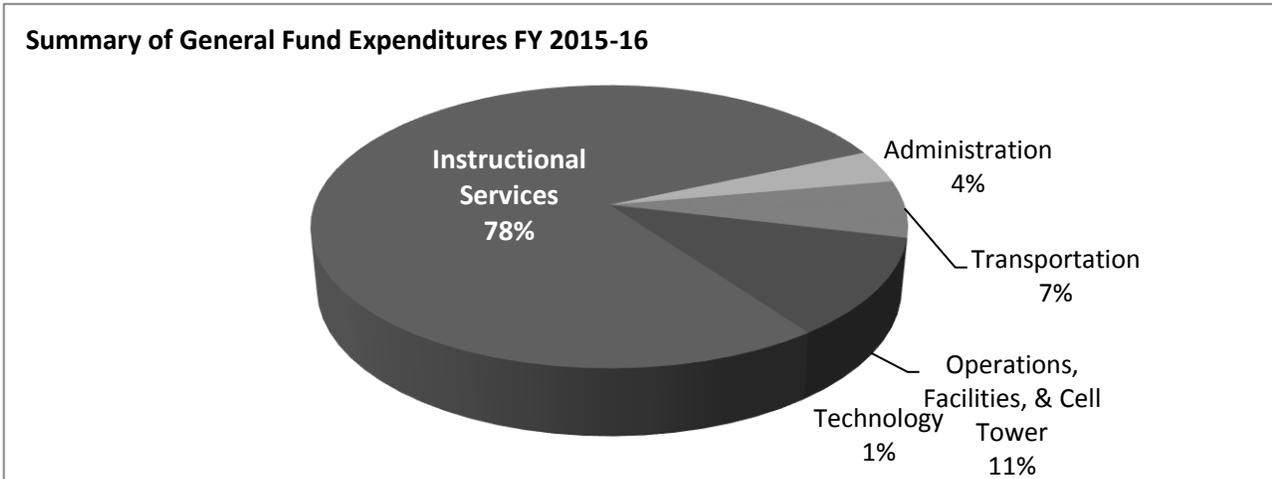


Education - School System

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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 13-14		FY 14-15		FY 15-16	Change from
	Actual		Budget		Budget	prior year
School General Fund:						
Instructional Services						
Classroom Instruction	243,165,804	\$	244,668,335	\$	247,895,061	1.3%
Instructional Support - students	11,256,845		11,529,369		11,674,967	1.3%
Instructional Support - staff	18,987,527		19,771,947		19,917,965	0.7%
Office of the Principal	21,993,114		22,488,583		22,059,170	-1.9%
Total Instructional Services	295,403,290		298,458,234		301,547,163	1.0%
Admin. Attendance and Health	13,808,461		14,065,032		14,463,327	2.8%
Pupil Transportation	25,072,652		24,681,010		25,032,137	1.4%
Operation & Maintenance	40,799,595		42,477,201		42,928,155	1.1%
Facilities	420,738		502,194		466,449	-7.1%
Technology	11,754,739		14,298,227		14,814,092	3.6%
Total School General Fund	387,259,475	\$	394,481,898	\$	399,251,323	1.2%
School Cell Tower Fund	420,735		100,000		100,000	0.0%
Textbook Fund	4,333,941		2,748,345		2,518,958	-8.3%
Grants Fund	20,017,576		27,708,543		29,592,723	6.8%
Self Insurance Fund	7,963,819		7,963,819		9,100,000	14.3%
Food Service Fund	11,546,149		13,227,275		12,910,900	-2.4%
Total Expenses	431,541,695	\$	446,229,880	\$	453,473,904	1.6%



Education - School System

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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 .3610 meaning that the City is required to provide 36.10% 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 represents 46.0% of the FY 2015-16 Schools General Fund budget, exclusive of existing debt service and the Reserve for Future School Capital Needs.

Statistics	FY 13-14 Actual	FY 14-15 Budget	FY 15-16 Budget	Change from prior year
K-12 Students enrolled (September 30)	38,685	38,679	38,625	-0.1%
Career & Tech. Ed students	18,397	18,722	19,002	1.5%
Industry Certifications	3,923	4,275	4,312	0.9%
Advanced Placement Students	2,131	2,075	2,100	1.2%
International Baccalaureate Students	212	222	233	5.0%
Early College Scholars	1,369	1,149	1,200	4.4%
Adult education students enrolled	795	1,360	2,240	64.7%
Elem. summer school enrolled	2,125	2,100	2,100	0.0%
Secondary summer school enrolled	1,601	1,625	1,650	1.5%
Students transported	32,352	32,352	32,352	0.0%

Education - School System

In addition to resources noted in the School Operating Budget, the following additional City resources are provided for School purposes:

- o \$22.2 million are set aside for the Reserve for School Capital.
- o \$0.4 million in pre-lockbox debt service for the construction of School facilities.
- o \$ 0.9 million for School resources officers and School crossing guards.

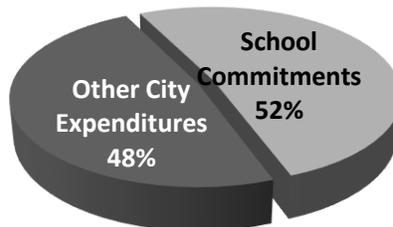
The total debt service for School issuances is \$22.0 million. However, funds are contributed annually to a Lockbox designated for School debt and future School capital projects. For FY 2015-16 the contribution to the Lockbox is \$22.2 million, \$13.3 million of which will be used to pay current debt service. The difference between the contribution and the Lockbox debt service is available for cash funding of capital projects. \$387,000 will come from Proffer funds already collected. The remaining \$8.3 million of School debt payments for FY 2015-16 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 2014-15		FY 2015-16	
	Budget	% of Total	Budget	% of Total
State General Fund	167,981,974	34.66%	168,262,472	34.67%
State Share Sales Tax	40,396,428	8.34%	42,441,916	8.75%
Federal	3,825,000	0.79%	3,825,000	0.79%
Tuition, rent, other local	2,886,935	0.60%	2,886,925	0.59%
City General Fund for Operations	179,391,561	37.02%	183,222,000	37.75%
General Fund In-Kind Support	943,836	0.19%	943,836	0.19%
Funds for School Lock-Box	15,388,570	3.18%	22,213,400	4.58%
School Debt - other than Lockbox	22,043,288	4.55%	8,278,988	1.71%
School Debt - Use of Proffer Funds	-	0.00%	387,000	0.08%
School Textbook Fund	2,748,345	0.57%	1,131,958	0.23%
School Food Service Fund	13,227,275	2.73%	12,910,900	2.66%
Cell Tower Fund	100,000	0.02%	100,000	0.02%
Self-Insurance Fund	7,963,819	1.64%	9,100,000	1.88%
School Grants Fund	27,708,543	5.72%	29,592,723	6.10%
TOTAL SCHOOL FUNDING	484,605,574	100.00%	485,297,118	100.00%

School Operations, Debt & Capital

Total City Budget - \$ 937.81



Education - School System

School Board Strategic Goals and Plans of the FY2015-16 Operating Budget

Positions and Employee Compensation

- Provide average salary increase of 2% for VRS covered positions
- Avoid layoffs and furloughs to employees
- Eliminates some positions, teacher assistants (6), administrative (4), clerical (1.5), and security (1)
- Reduces part-time, temporary, and summer work
- Adjusts for certain contract day and supplement changes
- Increases health insurance for projected 12% increase in trend and Affordable Care Act fees

Optimize School Safety

- Continue annual repairs and services to insure school buildings are safe and comfortable for students and employees
- Continue the Parent Alert System for emergency notification
- Continue funding for repairs and maintenance of equipment and buses including preventative maintenance for buses and vehicles
- Continue CPR training for school security monitors, nurses, and other employees

Ensure Rigorous Educational Standards

- Continues the International Baccalaureate Program, Technology Academy, and Science and Medicine Academy
- Provides science textbooks for grades 5 - 12
- Provides iReady program for math and reading and the READ 180 program; continues NBC Learn subscription at 7 high schools
- Continues the Virginia Preschool Initiative
- Continue advanced placement course and dual enrollment opportunities; pays test fees and some tuition for those eligible for free and reduced meals

Evaluate Effectiveness and Efficiency

- Continue the program evaluation of new and existing programs
- Continue funding for financial audits of the division and schools
- Provides assistance in developing and monitoring individual school improvement programs (SIP)

Education - School System

Optimize the Management 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

- Funds teacher training for academies, advanced placement courses, iReady, READ 180 program, and AVID programs
- Provides tuition and textbooks for cohorts seeking gifted endorsement
- Continue training for all CPS employees in a variety of work related topics

Optimize the use of Technology

- 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 and SQL testing and maintenance
- Provides for support and maintenance of the student data system
- Continues the Scholastic Reading Inventory pre-assessment test
- Partners with departments to oversee the first year implementation of the Human Resources and Payroll system (e-PASS)

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
- Provide special interest community classes and continue 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
- Continue service contracts for maintenance of all facilities
- Monitor all fire and safety codes and update as needed