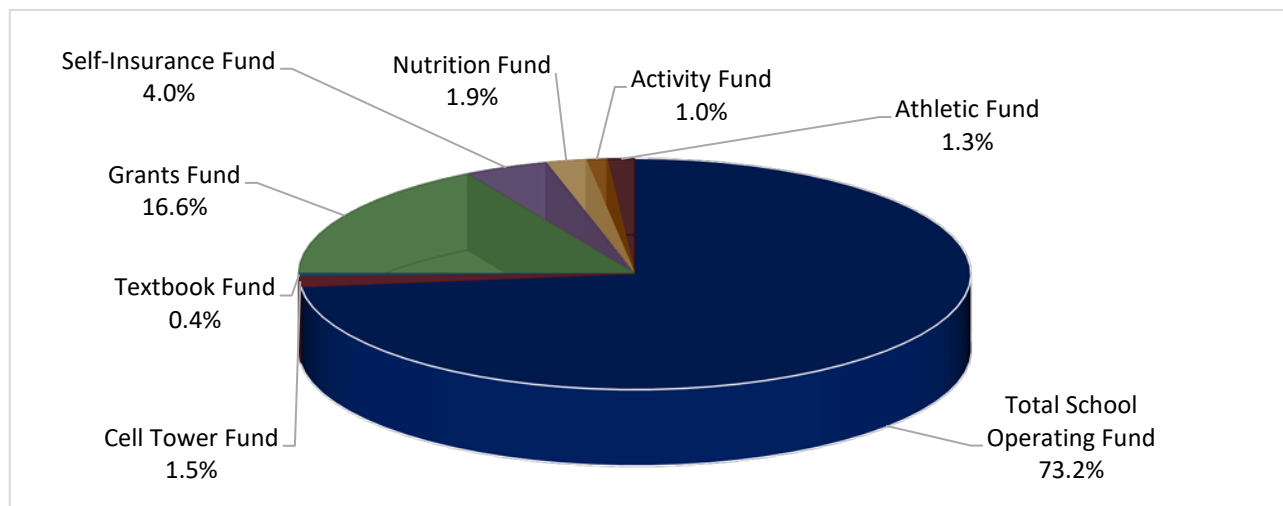


## Education -- School System

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 39,000 students from pre-school through grade twelve.

Expenditures	FY 2020 Actual	FY 2021 Adopted	FY 2022 Proposed	Change from prior year
<b>School Operating Fund</b>				
<b>Instructional Services</b>				
Classroom Instruction	298,612,841	304,784,203	325,763,546	6.9%
Instructional Support - Students	13,024,098	13,210,764	14,702,875	11.3%
Instructional Support - Staff	21,068,269	21,684,179	22,819,176	5.2%
Office of the Principal	27,111,258	25,975,656	26,340,963	1.4%
<b>Total Instructional Services</b>	<b>359,816,466</b>	<b>365,654,802</b>	<b>389,626,560</b>	<b>6.6%</b>
Admin. Attendance and Health	17,089,139	17,530,814	18,798,124	7.2%
Pupil Transportation	27,462,254	27,897,964	29,135,218	4.4%
Operation & Maintenance	45,287,700	44,221,782	46,664,676	5.5%
Facilities	845,357	3,133,782	880,413	-71.9%
Technology	17,970,630	18,848,491	25,629,453	36.0%
<b>Total School Operating Fund</b>	<b>468,471,546</b>	<b>477,287,635</b>	<b>510,734,444</b>	<b>7.0%</b>
<b>Other Funds</b>				
Cell Tower Fund	-	10,440,000	10,440,000	0.0%
Textbook Fund	-	6,359,680	2,775,592	-56.4%
Grants Fund	-	38,642,667	116,167,945	200.6%
Self-Insurance Fund	-	25,000,000	28,182,650	12.7%
Nutrition Fund	-	13,505,798	13,505,798	0.0%
Activity Fund	-	-	7,000,000	
Athletic Fund	-	-	9,235,065	
<b>Total School Expenditures</b>	<b>468,471,546</b>	<b>571,235,780</b>	<b>698,041,494</b>	<b>22.2%</b>



Revenue	FY 2020 Actual	FY 2021 Adopted	FY 2022 Proposed	Change from prior year
State Revenue	208,154,002	215,909,205	235,634,045	9.1%
Sales Tax Revenue	48,268,649	39,457,719	47,554,456	20.5%
Federal Revenue	7,491,513	4,575,000	4,575,000	0.0%
Revenue Sharing Formula	208,975,361	205,876,000	220,084,008	6.9%
TIF Surplus	-	2,750,000	-	-100.0%
Other Local	1,990,525	5,132,097	2,886,935	-43.7%
Reversion	-	3,587,614	-	-100.0%
<b>Total School Operating Fund</b>	<b>474,880,050</b>	<b>477,287,635</b>	<b>510,734,444</b>	<b>7.0%</b>
<b>Other Operating Funds</b>				
<b>Athletic Fund</b>				
Local Revenue	-		840,000	
Transfers from Other Funds	-		2,000,000	
FY 2020 Reversion	-		4,395,065	
FY 2020 Revenue True-Up	-		2,000,000	
<b>Activity Fund</b>				
Local Revenue	-		7,000,000	
<b>Cell Tower Fund</b>				
Local Revenue	488,141	10,230,000	10,230,000	0.0%
Use of Fund Balance	-	210,000	210,000	0.0%
<b>School Nutrition Fund</b>				
State Revenue	348,379	374,180	-	-100.0%
Federal Revenue	8,483,650	8,804,582	13,451,813	52.8%
Local Revenue	3,999,282	4,327,036	53,985	-98.8%
Use of Reserves	300,000	-	-	
<b>Textbook Fund</b>				
State Revenue	-	2,859,603	2,745,592	-4.0%
Other Revenue	92,073	30,000	30,000	0.0%
Use of Reserves	4,282,242	3,470,077	-	-100.0%
<b>Self-Insurance Fund</b>				
Local Revenue	-	14,521,981	14,520,000	0.0%
Transfer from Other Funds	81,908,865	-	-	
Other Revenue	18,224,509	978,019	500,000	-48.9%
Use of Reserves	-	9,500,000	13,162,650	38.6%
<b>School Grants Fund</b>				
Local Revenue	17,060	6,003,000	8,003,000	33.3%
State Revenue	5,152,905	5,432,901	6,723,761	23.8%
Federal Revenue	17,655,275	27,206,766	101,441,184	272.9%
<b>Total School Fund Revenue</b>	<b>615,832,431</b>	<b>571,235,780</b>	<b>698,041,494</b>	<b>22.2%</b>
<b>School Capital Projects Fund</b> transfer from TIF surplus*			5,062,182	
<b>Total School Revenue</b>	<b>615,832,431</b>	<b>571,235,780</b>	<b>703,103,676</b>	<b>23.1%</b>

The tables on the preceding page show the Approved operating budget for Chesapeake Public Schools. Per State law, the City Council appropriates funding for the schools and controls the level of appropriation provided. The School Board is responsible for directing the use of those funds through their operating budget process.

For FY 2022, the Schools operating budget as proposed by the Superintendent totaled \$627.3 million, an increase of \$56 million or 9.8% when compared to the adopted FY 2021 budget. In addition to the amount proposed by the Superintendent, the City Manager's proposed budget included an additional \$8,885,793 in funding to the Schools. This additional amount was provided consistent with the revenue sharing formula and past practice of sharing surplus TIF funds equally with the Schools. \*The Superintendent and School Board have chosen to transfer the surplus declared from the TIF districts, or \$5,062,182 directly to the School Capital Improvement Budget.

Additional funding from the State of \$7,610,374 became available as an amendment to the Operating Budget on June 8, 2021 along with additional State grants funding of \$1,225,457 and Federal grant funding of \$51,097,732 for the ESSR IIII needs. Finally, due to accounting standards, the School Activity Fund has been added as an appropriation of \$7,000,000 to the School Other Operating Funds.

Like the City, the Schools have aligned their funding decisions to their strategic plan, Empower 2025. Below are some of the initiatives included in the Superintendents proposed budget by goal area.

### **Goal 1: Provide exemplary teaching and learning experiences.**

Related to this goal, funding is included for:

- Final expansion of full-day kindergarten to include three remaining schools – Deep Creek Central, Chittum, and Southeastern Elementary
- 14 School Counselors to meet the revised SOQ
- 9 positions for the Computer Science program in the middle schools
- 8 positions for the Chesapeake Virtual Academy (CVA)
- 4 Work Based Learning Coordinators
- 2 EL Teachers
- 2 CTE Teachers for new offerings at the Chesapeake Career Center
- 1 Gifted Specialist
- 2.5 Technology Integration Specialists

### **Goal 2: Recruit, retain, and support our valued employees.**

Related to this goal, funding is included for:

- \$11.3M for compensation increases
- Teachers: Average increase 3.46%
  - Starting pay increased to \$46,752
  - 1.45% step increment and expansion to 40 Steps
  - 1.5% increase to teachers above the new top of scale
- Support Scale: Average increase 2.93%
  - 1.5% increase in S100 Step 1
  - Step increase
  - 1.5% increase to employees above scale

- Administrative Scale: Average increase 2.88%
  - 1.5% increase in A100 Step
  - Step Increase
  - 1.5% increase to employees above scale
- 8 Technology Support Specialists
- 1 HR Recruitment/Retention Administrator

**Goal 3: Provide a safe and supportive learning environment.**

Related to this goal, funding is included for:

- 2 School Psychologists
- 2 Social Workers
- 2 School Nurses
- 3 Occupational Therapists
- 1 Coordinator of Facility Use
- 1 Enrollment Technician

**Goal 4: Engage, inform, and collaborate with the community to support our mission.**

Related to this goal, funding is included for:

- 1 Supervisor of Strategic Initiatives
- Funding to provide additional means for communication between the division and stakeholder groups
- Continue to enhance communication efforts with the larger community by seeking input from stakeholder groups

In January, when the City provided the initial revenue estimates to the Schools (the basis for the Superintendent’s proposal) the City had not yet finalized the revised revenue estimate based on the first six months of actual collections for FY 2021. Now that those estimates have been updated and run through the revenue sharing formula, additional funding is due to the Schools.

In addition to the revised amount allocated to the Schools per the revenue sharing formula, the January estimates provided to the Schools did not contain any surplus TIF funding. The policy decision to declare certain amounts from the TIF as surplus was not made until later in the City’s budget development process. Now that these amounts have been determined, the Budget includes funding from both the Greenbrier and South Norfolk TIF’s as surplus and is providing it to the schools consistent with past practice. Most of this funding is transferred to the Schools CIP 03-180 "Non-Routine Renewal & Replacement Projects -- Schools".

Additional funding for Schools has also been included with the adoption of the State budget with additional funding from Federal grants for the ESSR III needs. The School Activity Fund has also been added to the appropriation due to accounting regulations.