

Surry County Public Schools

SUPERINTENDENT'S PROPOSED BUDGET

Fiscal Year
2019–2020

February 12, 2019

Dr. Michael E Thornton, Superintendent

Surry County Public Schools

Vision

Surry County Public Schools' vision is to provide a safe, healthy learning environment that prepares all students to be competitive and productive citizens in a highly technical and global society.

Theme:

Building Excellence, One Student At A Time

School Board and Division Goals

Goal 1: The Board will continue to provide for and promote *high student achievement for all students* while meeting and exceeding state accreditation requirements for each school.

Goal 2: The Board will continue to support and maintain a *positive school climate* which provides for the safety, health, and well-being of each student.

Goal 3: The Board will continue to provide for and support efforts to attract, develop, and retain *highly qualified and effective employees*.

Goal 4: The Board will ensure that policies and practices are implemented that promote *sound fiscal stewardship and transparency*.

Goal 5: The Board will continue to assert its role in the community as the *educational policy leader* and govern the school division fairly and openly, while seeking the engagement of school community stakeholders in Surry County.

SCPS Highlights and Accomplishments

- All Surry County Schools are **Fully Accredited** for the 3rd Consecutive Year
- SCHS On-time Graduation rate of **93.8% for 2018 exceeded** the statewide average rate of 91.6%.
- Surry County students **outperformed** the State on Reading and Science SOL assessments in 2017-2018.
- Surry County Schools demonstrated **growth/improvement** in all subjects tested in 2017-2018.
- SCPS students earn **600-700 Dual Enrollment college credits** on an annual basis, representing tuition savings of approximately \$400,000.
- The SCHS Class of 2018 was awarded nearly **\$2.0 million** in scholarship offers.
- SCPS provides a **personal computing device** (iPad, Laptop or Chromebook) to every pre-kindergarten through grade 8 student.
- SCHS was awarded a \$37,500 grant to procure and integrate **drone technology** into its agriculture and technology course offerings.
- 60% of our teachers hold **advanced degrees**.
- SCPS **partners with Head Start** to provide classroom space for pre-kindergarten at Surry Elementary School.
- SCPS received VACORP's **Excellence in Risk Management award** in the area of property and casualty insurance.

FY2019–2020 Budget Highlights

- ▶ Overall Operating Budget of \$15.1 million
- ▶ Increase of .88% over FY2019 budget
- ▶ Requires a 1.96% increase in Local Funding
- ▶ Projected Enrollment of 729 students
- ▶ Recommends a 5% Salary Increase
- ▶ Reduces Existing Staffing Costs by \$540k
- ▶ Reduces staffing levels through attrition
- ▶ Consolidation of targeted Administrative Positions
- ▶ Adds a Part-time Early Literacy Specialist

Major Influences on FY2019–2020 Budget

- ▶ 5.0% Employee Compensation Adjustment
- ▶ 7.9% Increase in Health Insurance Premiums
- ▶ Reduction/Realignment of Staffing Levels in response to incremental enrollment decline
- ▶ Ongoing Facility/Maintenance Needs
- ▶ Declining Student Enrollment
- ▶ Restoration of Roof at SCHS

What this Proposal Supports ...

- ▶ **A 5% Increase in Employee Compensation**
School Board Goal No. 3
Comprehensive Plan Goal No. 3
- ▶ **Increase in Health Insurance costs**
School Board Goal No. 3
Comprehensive Plan Goal No. 3
- ▶ **Targeted Realignment of Key Administrative Positions**
School Board Goal No. 1
Comprehensive Plan Goal No. 1

FY2019–2020 Proposed Budget – All Funds

Surry County Public Schools Summary of All Funds FY2019 - 2020

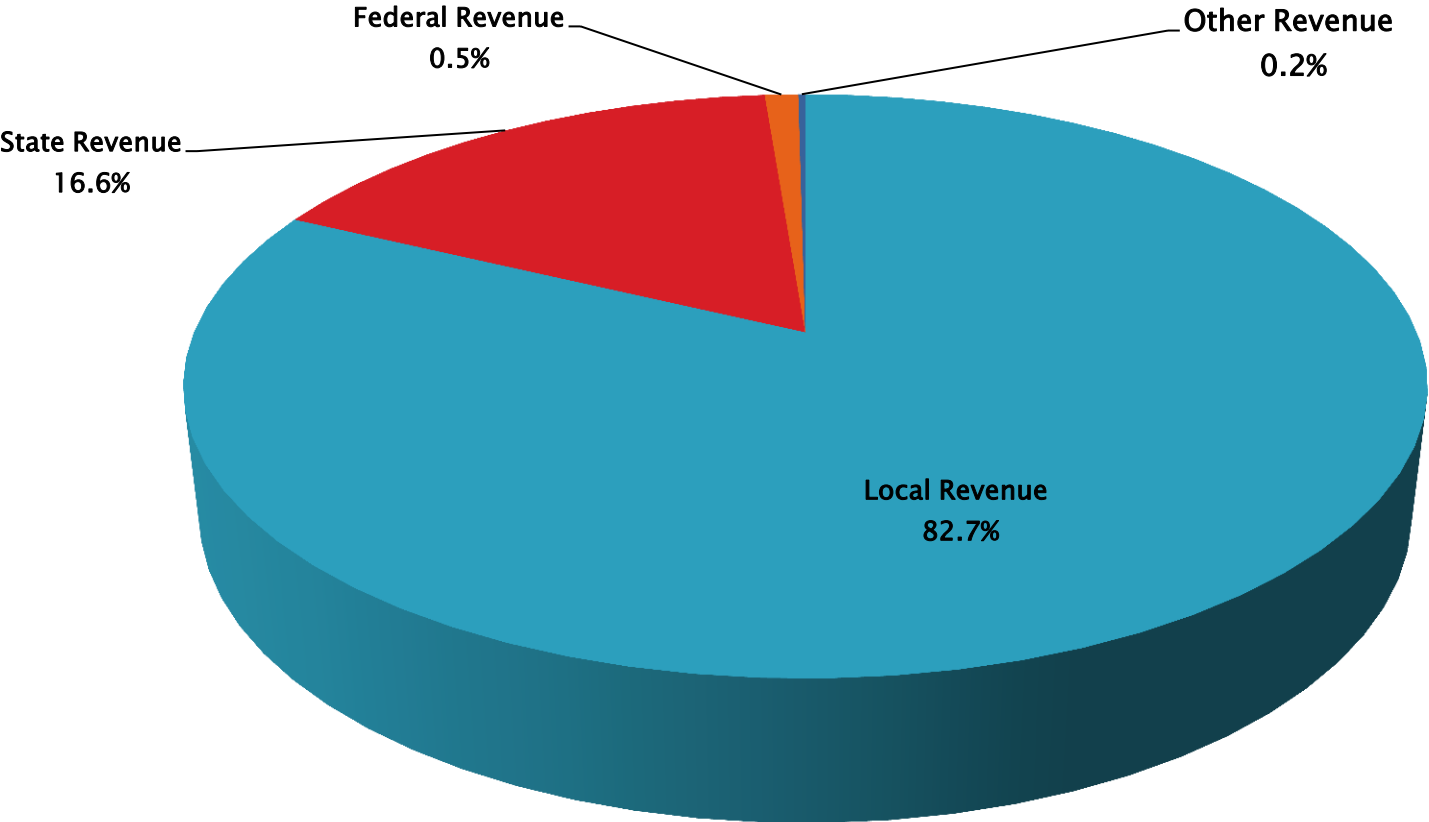
Fund Description	FY2018-19 Adopted	FY2019-20 Proposed	Change (\$)	Change (%)
General Operating	\$ 14,962,602	\$ 15,094,633	\$ 132,031	0.88%
Grants	646,432	717,672	71,240	11.02%
School Food Services	502,000	518,500	16,500	3.29%
Total - All Funds	\$ 16,111,034	\$ 16,330,805	\$ 219,771	1.36%

Proposed Operating Revenues

Surry County Public Schools
General Operating Fund
Revenue Summary
FY2019-2020 Budget

Description	FY2018-19 Budget	FY2019-20 Proposed	Change (\$)	Change (%)
<i>Local:</i>				
County Appropriation	\$ 12,240,000	\$ 12,480,000	\$ 240,000	1.96%
Total - Local Revenue	\$ 12,240,000	\$ 12,480,000	\$ 240,000	1.96%
<i>State:</i>				
Standards of Quality (SOQ)	\$ 1,122,196	\$ 1,094,899	\$ (27,297)	-2.43%
Sales Tax	947,348	970,556	23,208	2.45%
Lottery	259,374	254,723	(4,651)	-1.79%
Categorical & Incentive	204,552	180,323	(24,229)	-11.84%
Total - State Revenue	\$ 2,533,470	\$ 2,500,501	\$ (32,969)	-1.30%
<i>Other:</i>				
Federal				
E-Rate	\$ 75,000	\$ -	\$ (75,000)	-100.00%
JROTC	82,000	82,000	-	-
Other Local & Miscellaneous Sources	32,132	32,132	-	-
Total - Other Revenue	\$ 189,132	\$ 114,132	\$ (75,000)	-39.65%
Total Revenue - General Fund	\$ 14,962,602	\$ 15,094,633	\$ 132,031	0.88%

Proposed Operating Revenue by Major Source

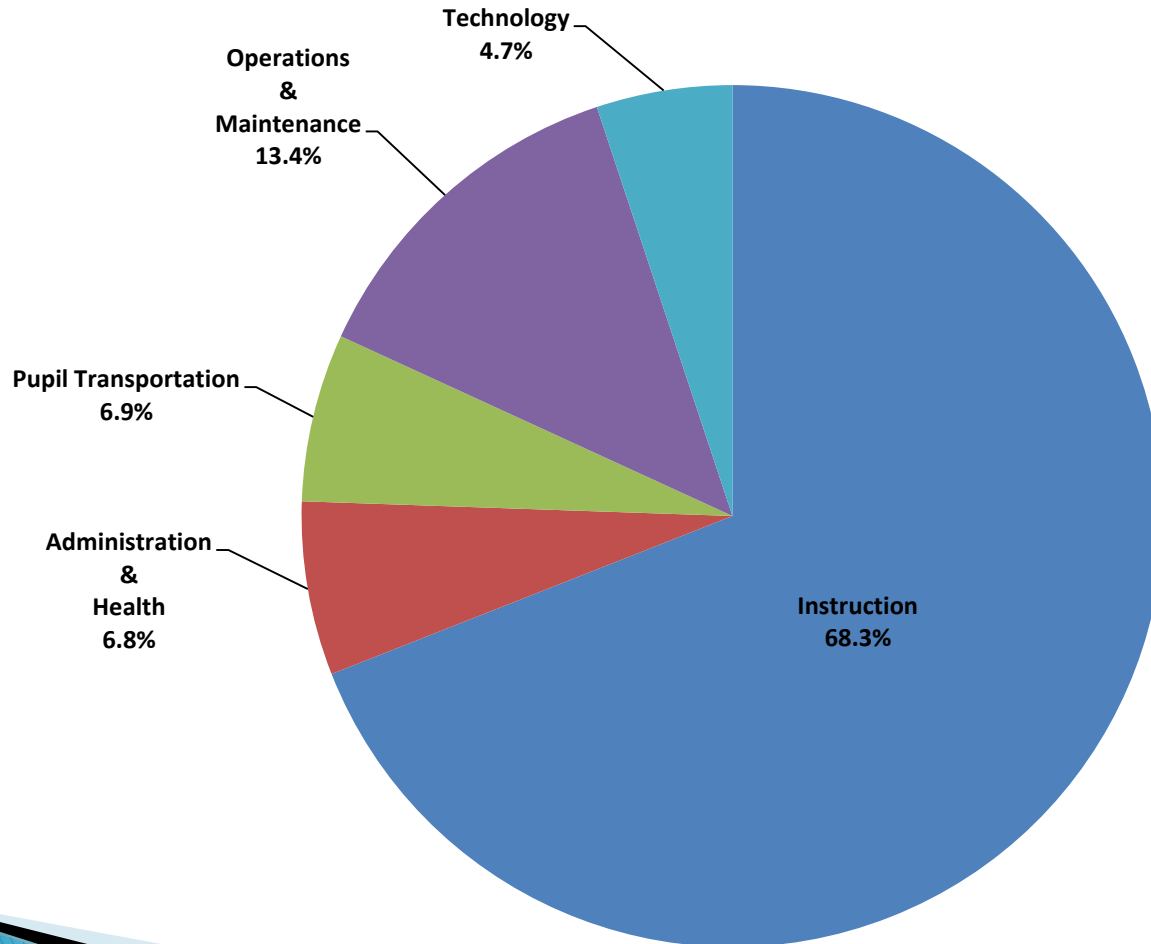


Proposed Operating Expenditures by Function

Surry County Public Schools Projected Operating Expenditure Summary by State Function Category FY2019 - 2020

Description	FY2018-19 Adopted	FY2019-20 Proposed	% of Total	Change (\$)	Change (%)
Instruction	\$ 10,320,734	\$ 10,305,025	68.3%	\$ (15,709)	-0.15%
Administration & Health	975,931	1,022,724	6.8%	46,793	4.79%
Pupil Transportation Services	958,989	1,037,339	6.9%	78,350	8.17%
Operations & Maintenance Services	1,940,115	2,024,113	13.4%	83,998	4.33%
Technology Services	766,833	705,432	4.7%	(61,401)	-8.01%
Total	\$ 14,962,602	\$ 15,094,633	100.0%	\$ 132,031	0.88%

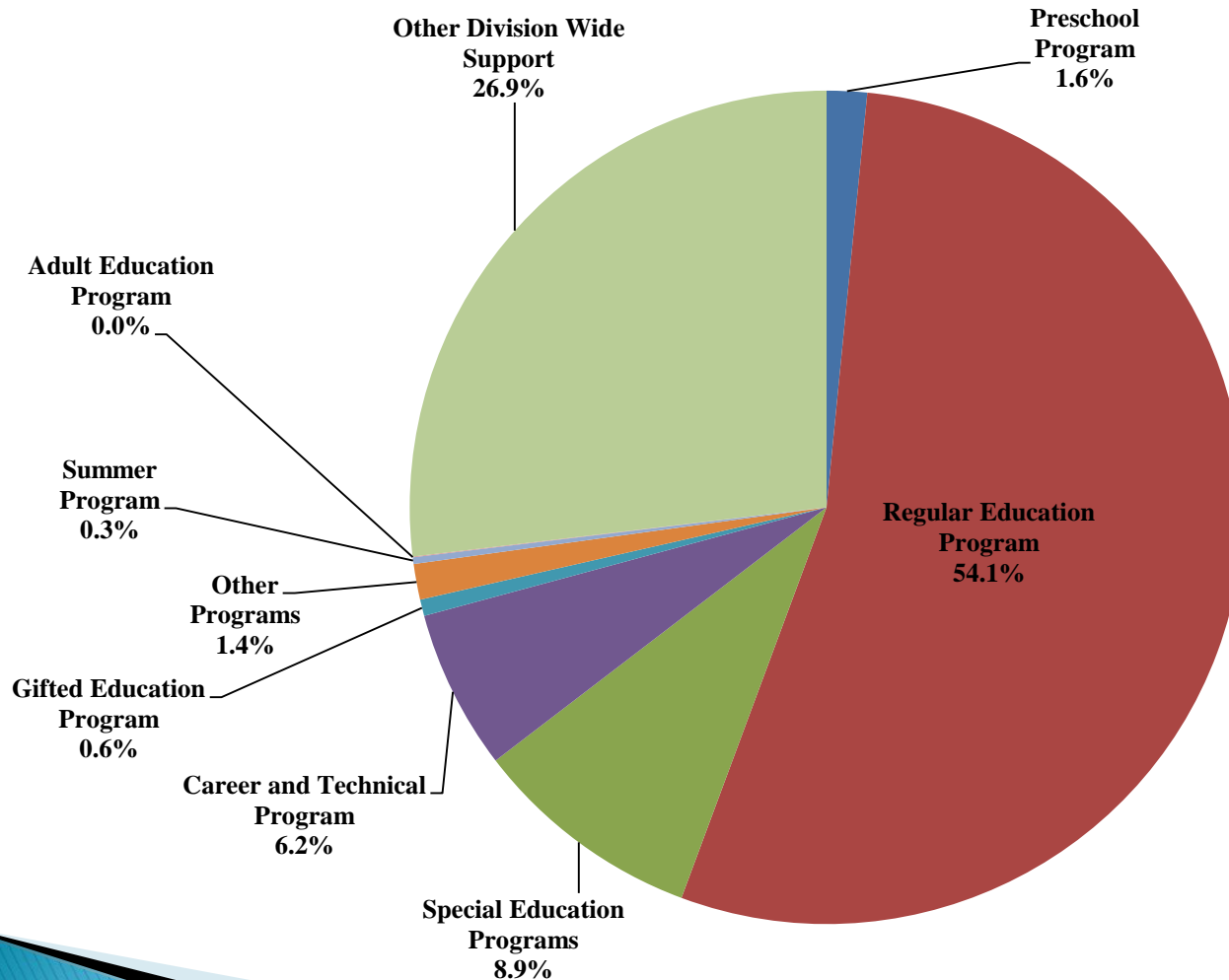
Proposed Operating Expenditures by Function



Proposed Operating Expenditures by Program

Surry County Public Schools					
Projected Operating Expenditure Summary by State Program Category					
FY2019 - 2020					
Description	FY2018-19 Adopted	FY2019-20 Proposed	% of Total	Change (\$)	Change (%)
Preschool (Four-Year) Program	\$ 340,945	\$ 235,785	1.6%	\$ (105,160)	-30.84%
Regular Education Program	8,129,065	8,165,686	54.1%	36,621	0.45%
Special Education Program	1,291,701	1,349,745	8.9%	58,044	4.49%
Career and Technical Education Program	1,019,626	936,170	6.2%	(83,456)	-8.18%
Gifted Education Program	79,635	96,172	0.6%	16,535	20.76%
Other Programs*	199,413	209,193	1.4%	9,780	4.90%
Summer Program	38,605	38,667	0.3%	62	0.16%
Adult Education Program	4,692	4,692	0.0%	-	-
Other Division Wide Support**	3,858,920	4,058,525	26.9%	199,605	5.17%
Total	\$ 14,962,602	\$ 15,094,633	100.0%	\$ 132,031	0.88%
*Other Programs include: Extracurricular Activities and Athletics.					
**Other Division Wide Support includes: Pupil Transportation, Operations & Maintenance, Administrative and Health Services and Security.					

Proposed Operating Expenditures by Program



FY2019–20 Proposed Operating Budget

Projected Base Revenues	FTE	Amount	Adjustment	Amount
State				
Standards of Quality		\$ 1,094,899		\$ 1,094,899
State Sales Tax		970,556		970,556
Lottery Funded Programs		254,723		254,723
Incentive and Categorical		180,323		180,323
Subtotal - State		\$ 2,500,501	\$ -	\$ 2,500,501
Local - Regular Appropriation based on FY2019 Funding Level		12,240,000		12,240,000
<i>Local - Request for Increase in Local Funding in FY2020</i>		<i>240,000</i>		<i>240,000</i>
Federal		82,000		82,000
Other		32,132		32,132
FY2019-2020 Projected Base Revenue Budget		\$ 15,094,633	\$ -	\$ 15,094,633

FY2019-20 Proposed Operating Budget Change Summary

FY2019-20 Expenditure Base Budget (excluding Federal Grants)		\$ 14,962,602		\$ 14,962,602
Base Expenditure Budget Adjustments:				
Compensation Increase for Teachers and Staff: 5% Increase for full-time, contracted staff		394,580		394,580
FICA		30,185		30,185
VRS-Retirement: Professional & Non-Professional Staff		58,178		58,178
VRS-Retirement: Non-Professional		7,612		7,612
VRS-RHCC		5,035		5,035
VRS-Group Life Insurance		5,496		5,496
VRS-Disability Insurance		-		-
Early Literacy Specialist (Part-time)		11,842		11,842
Additional Student Enrollment Slot at Regional Governor's School		7,000		7,000
Substitute Staff Costs: Classroom Teachers & School Bus Drivers		26,913		26,913
Net Budget Impact of 7.9% Increase in Health Insurance Premiums		22,510		22,510
Administrative Reorganization: Director of Assessment, Career Readiness & Instructional Technology	1.0	103,227		103,227
Administrative Reorganization: Part-time Receptionist @ School Board Office		10,765		10,765
Middle School Athletics		10,000		10,000
Increase in Energy & Fuel Costs		75,000		75,000
Subtotal - Expenditure Base Budget Adjustments		768,343	-	768,343
FY2019-20 Projected Expenditure Base Budget		\$ 15,730,945	\$ -	\$ 15,730,945
Projected Budget Deficit/Gap - Estimated Base Revenue to Base Expenditures		\$ (636,312)	\$ -	\$ (636,312)
<i>Potential Expenditure Reductions/Balancing Strategies</i>				
Description	FTE	Amount	Adjustment	Amount
Turnover/Attrition Savings		21,727		\$ 21,727
Reduction in Administrative Staffing due to Reorganization	2.0	255,309		255,309
Reduction in Instructional Staffing due to Enrollment Change (Classroom Teaching Positions)	3.0	225,496		225,496
Reduction in Instructional Staffing due to Enrollment Change (Classroom Instructional Aide Positions)				-
Reduction in Non-Instructional Staff (School Board Office)	1.0	58,780		58,780
Elimination of E-rate funded Expenditures		75,000		75,000
Total - Recommended Budget Reduction/Balancing Strategies	6.0	\$ 636,312	\$ -	\$ 636,312

Grants Fund Budget Summary

<i>Description</i>	FY2018-19 Adopted Budget	FY2019-20 Proposed Budget	Change (\$)	Change (%)
<i>Revenue Summary:</i>				
Federal - Title I Part A, Improving Basic Programs	\$ 186,821	\$ 204,197	\$ 17,376	9.30%
Federal - Title VI-B Special Education Grant	238,018	294,515	56,497	23.74%
Federal - Title II Part, Improving Teacher Quality	30,420	30,420	(0)	0.00%
Federal - Perkins Career and Technical Education Grant	14,575	17,146	2,571	17.64%
21st Century	176,598	171,393	(5,205)	-2.95%
Total Federal Grant Revenue	\$ 646,432	\$ 717,672	\$ 71,239	11.02%

Grants Fund Budget Summary

<i>Description</i>	FY2018-19 Adopted Budget	FY2019-20 Proposed Budget	Change (\$)	Change (%)
--------------------	---	--	--------------------	-------------------

Expenditure Summary:

Title I Part A, Improving Basic Programs Grant

Personnel Services	\$ 114,380	\$ 119,974	\$ 5,594	4.89%
FICA & Medicare	8,750	9,178	428	4.89%
VRS Retirement	17,935	18,812	877	4.89%
Health Insurance	20,741	23,371	2,631	12.68%
Group Life Insurance	1,498	1,572	73	4.89%
Unemployment Insurance	257	385	128	49.69%
VRS Retiree Health Care Credit	1,373	1,440	67	4.89%
Instructional Supplies & Materials	21,888	29,466	7,578	34.62%
Total - Title I Grant	\$ 186,821	\$ 204,197	\$ 17,376	9.30%

Title VI-B Special Education Grant

Personnel Services	\$ 176,515	\$ 200,638	\$ 24,123	13.67%
FICA & Medicare	13,197	15,349	969	7.34%
VRS Retirement	27,022	31,303	1,858	6.88%
Health Insurance	16,272	41,653	20,958	128.80%
Group Life Insurance	2,247	2,615	166	7.39%
Disability Insurance	-	-	-	-
Unemployment Insurance	706	561	(173)	-24.44%
VRS Retiree Health Care Credit	2,058	2,396	152	7.39%
Total - Title VIB Grant	\$ 238,018	\$ 294,515	\$ 52,275	21.96%

Grants Fund Budget Summary

<i>Description</i>	FY2018-19 Adopted Budget	FY2019-20 Proposed Budget	Change (\$)	Change (%)
<i>Expenditure Summary:</i>				
<i>Title II Part A, Improving Teacher Quality Grant</i>				
Personnel Services	\$ 20,166	\$ 23,597	\$ 3,431	17.01%
FICA & Medicare	1,543	2,020	477	30.94%
VRS Retirement	3,162	4,140	978	30.94%
Health Insurance	4,953	-	(4,953)	-100.00%
VRS Group Life Insurance	264	346	82	30.94%
Unemployment Insurance	90	-	(90)	-100.00%
VRS Retiree Health Care Credit	242	317	75	30.94%
Total - Title II Grant	\$ 30,420	\$ 30,420	\$ (0)	0.00%
<i>Perkins Career and Technical Education Grant</i>				
Professional Development	\$ 4,000	\$ 4,000	-	-
Equipment	10,575	13,146	2,571	24.31%
Total - Perkins Career and Technical Education Grant	\$ 14,575	\$ 17,146	\$ 2,571	17.64%
<i>21st Century Grant</i>				
Personnel Services	\$ 132,074	\$ 126,074	\$ (6,000)	-4.54%
Employee Benefits	9,705	9,705	-	-
Purchased Services	12,410	12,410	-	-
Internal Services & Travel	9,609	10,404	795	8.27%
Instructional Supplies & Materials	12,800	12,800	-	-
Total - 21st Century Grant	\$ 176,598	\$ 171,393	\$ (5,205)	-2.95%
Total Federal Grant Expenditures	\$ 646,432	\$ 717,672	\$ 67,017	10.37%

School Food Services Fund Budget

Proposed Revenue

Description	FY2018-19 Adopted Budget	FY2019-20 Proposed Budget	Change (\$)	Change (%)
Sales	\$ 180,000	\$ 160,000	\$ (20,000)	-11.11%
State Revenue	7,000	8,500	1,500	21.43%
Federal Revenue	315,000	325,000	10,000	3.17%
U.S.D.A. Commodities		25,000	25,000	-
Other: Transfer from School Fund	-	-	-	-
Total Revenue	\$ 502,000	\$ 518,500	\$ 16,500	3.29%

School Food Services Budget Summary

Proposed Expenditures

Description	FY2018-19 Adopted Budget	FY2019-20 Proposed Budget	Change (\$)	Change (%)
Administrative Salaries	\$ -	\$ -	\$ -	-
Service Salaries	157,013	164,864	7,850	0.05
Food Services Part-time	4,000	10,000	6,000	1.50
FICA - Regular	13,236	12,612	(624)	(0.05)
VRS Professional	-	-	-	-
VRS Non-Professional	17,099	17,954	855	0.05
HMP	65,088	66,661	1,573	0.02
GLI	2,057	2,160	103	0.05
Unemployment -Regular	500	250	(250)	(0.50)
RHCC (Professional)	-	-	-	-
Purchased Services	2,000	2,000	-	-
Miscellaneous	-	-	-	-
Travel - School Food Services	-	-	-	-
Food Service Materials & Supplies	5,000	5,000	-	-
Food & Food Service Supplies	229,007	205,000	(24,007)	(0.10)
U.S.D.A. Commodities	-	25,000	25,000	-
Food Services Equipment - Replacement	7,000	7,000	-	-
Total	\$ 502,000	\$ 518,500	\$ 16,500	3.29%

FY2019–2020 Proposed Budget – All Funds

**Surry County Public Schools
Summary of All Funds
FY2019 - 2020**

Fund Description	FY2018-19 Adopted	FY2019-20 Proposed	Change (\$)	Change (%)
General Operating	\$ 14,962,602	\$ 15,094,633	\$ 132,031	0.88%
Grants	646,432	717,672	71,240	11.02%
School Food Services	502,000	518,500	16,500	3.29%
Total - All Funds	\$ 16,111,034	\$ 16,330,805	\$ 219,771	1.36%

Five-Year Capital Improvement Plan (2020-2024)

Summary of All Projects by Fiscal Year

	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2023-24	Total
Total of All Projects by Year	\$ 2,350,000	\$ 535,000	\$ 1,400,000	\$ 350,000	\$ 100,000	\$ 4,735,000

Summary of All Projects by Location

Location	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2023-24	Total
Surry Elementary School	\$ 290,000	\$ -	\$ 1,200,000	\$ 250,000	\$ -	\$ 1,740,000
Luther Porter Jackson Middle	35,000	150,000	-	-	-	185,000
Surry County High School	1,925,000	235,000	-	-	-	2,160,000
Transportation & Maintenance	100,000	150,000	200,000	100,000	100,000	650,000
Total Projects by Location	\$ 2,350,000	\$ 535,000	\$ 1,400,000	\$ 350,000	\$ 100,000	\$ 4,735,000

Summary by Project Type and Fiscal Year

Project Type	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2023-24	Total
HVAC Replacement	\$ 345,000	\$ -	\$ 650,000	\$ -	\$ -	\$ 995,000
Roof Restoration	1,500,000	-	500,000	-	-	2,000,000
Electrical System Upgrades	220,000	-	-	-	-	220,000
Plumbing	50,000	-	50,000	-	-	100,000
Fire Suppression System	35,000	150,000	-	-	-	185,000
Interior Reimbursements	-	-	-	250,000	-	250,000
Security	75,000	-	-	-	-	75,000
Athletics	25,000	235,000	-	-	-	260,000
Transportation & Maintenance	100,000	150,000	200,000	100,000	100,000	650,000
Total by Project Type & Year	\$ 2,350,000	\$ 535,000	\$ 1,400,000	\$ 350,000	\$ 100,000	\$ 4,735,000

What's Next...

- ▶ February 19th – Public Hearing and School Board Work Session
- ▶ March 5th – School Board Budget Work Session
- ▶ February 23rd – General Assembly Session Adjournment
- ▶ March 12th – Scheduled Adoption of FY2019–20 Budget
- ▶ March 14th – School Board's Adopted Budget submitted to County Administrator
- ▶ March 21st – School Board Presents Adopted Budget to Board of Supervisors

Note: Other County-Specific Budget Activities to be Updated