



HAMPTON CITY SCHOOLS
Fiscal Year 2020–2021
SUPERINTENDENT'S
Approved Budget
March 18, 2020

1 FRANKLIN STREET
HAMPTON VA, 23669
WWW.HAMPTON.K12.VA.US



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HAMPTON CITY PUBLIC SCHOOLS

FISCAL YEAR 2020-2021

SUPERINTENDENT'S RECOMMENDED BUDGET

Approved March 18, 2020, by Hampton School
Board

1 Franklin Street
Hampton, Virginia 23669
<http://www.hampton.k12.va.us>

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Executive Summary



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to

HAMPTON CITY SCHOOLS

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2019–2020.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in blue ink that reads 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in blue ink that reads 'David J. Lewis'.

David J. Lewis
Executive Director

SCHOOL BOARD



ANN B. CHERRY
CHAIR

OUR MISSION: In collaboration with our community, Hampton City Schools ensures academic excellence for every child, every day, whatever it takes.

VISION: Hampton City Schools: the first choice for success for every student.

CORE VALUES: We believe that the developmental needs of children are central to every aspect of the operation of Hampton City Schools and that all interactions with our stakeholders must be governed by our core values-integrity, responsibility, innovation, excellence, and professionalism.



JOSEPH C. KILGORE
VICE CHAIR



PHYLLIS T. HENRY



DR. RICHARD M. MASON



MONICA M. SMITH



JASON S. SAMUELS



DR. REGINALD C. WOODHOUSE



DR. JEFFERY O. SMITH
SUPERINTENDENT



**Hampton City Schools
Division Structure
FY 2019-2020**

The Hampton City School Board is a seven member group of citizens elected to serve four-year overlapping terms. The School Board is charged by the statutes of Virginia and the regulations of the Virginia Board of Education to provide and operate the public schools of Hampton, Virginia. It is the function of the School Board to set general school policy and, within the framework of Virginia Board of Education regulations, to establish guidelines that will ensure the proper administration of the city school program.

Mrs. Ann B. Cherry, Chair

Mr. Joseph C. Kilgore, Vice-Chair

Mrs. Phyllis T. Henry

Ms. Martha M. Mugler (term ended December 31, 2019)

Mr. Jason S. Samuels

Dr. Reginald C. Woodhouse

Dr. Richard M. Mason

Mrs. Monica Smith (appointed January 15, 2020)

Dr. Jeffery Smith
Superintendent

Mrs. Nanci Reaves
School Board Attorney

Ms. Carolyn Bowers
Clerk of the Board

Division Leadership Team

| | |
|---|---------------------|
| Curriculum, Instruction and Assessment, Deputy Superintendent | Dr. John Caggiano |
| Student Support, Executive Director..... | Mrs. Trena Hatcher |
| Secondary Education, Executive Director | Dr. Raymond Haynes |
| Elementary Education, Executive Director | Dr. Anita Owens |
| Human Resources, Executive Director..... | Mrs. Robbin Ruth |
| Public Relations and Marketing, Executive Director..... | Mrs. Kellie Goral |
| Community and Legislative Relations, Director..... | Mrs. Ann Bane |
| Chief Operations Officer..... | Dr. Daniel Bowling |
| Chief Financial Officer..... | Ms. Brittany Dortch |

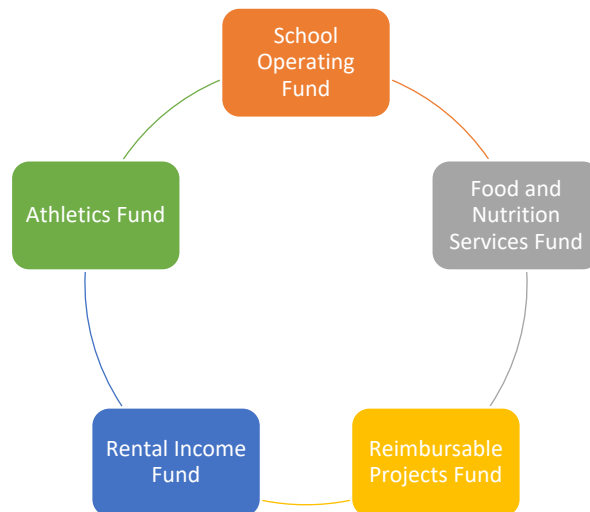
Introduction

The Hampton City School Board (also referred to as Hampton City Schools) is located in Hampton, Virginia. Established over four hundred years ago, Hampton is the oldest continuously settled English community in the United States. America's first free public school, the Syms-Eaton Academy, was established in Hampton in 1634. It was later renamed Hampton Academy and in 1852 became part of the public school system. Hampton High School traces its origin to the Syms-Eaton school and thus lays claim to being the oldest public school in the United States. The trust fund created from the Syms and Eaton donations has remained intact since the 17th century and was incorporated into support for the Hampton public school system.

Hampton City Schools (HCS) serves around 19,700 students within eighteen elementary schools, five middle schools, two prekindergarten – eighth grade combined schools, four high schools, one grades 3-8 gifted magnet school, one early childhood center, and three alternative programs co-located at one site, the Adult and Alternative Learning Center.

HCS is a fiscally dependent school division pursuant to state law. As a fiscally dependent school division, assessed and market value of taxable property and tax rates do not apply, nor does the school division maintain a debt service fund. The city of Hampton assesses taxes on taxable property and establishes tax rates as well as manages the city debt service.

The HCS budget comprises the following five funds, each of which is considered a separate accounting entity:



School Operating Fund (Fund 50) – is the largest fund for the school division and is used to account for all financial resources except those required to be accounted for in another fund.

Food and Nutrition Services Fund (Fund 51) – is used to account for the school food/cafeteria operations across the school division.

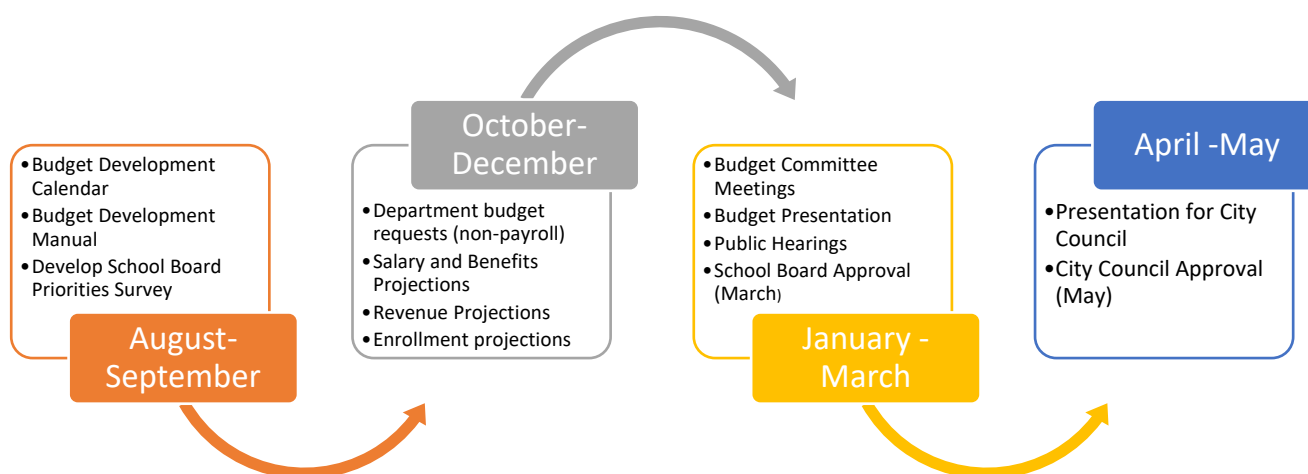
Reimbursable Projects Fund (Fund 60) – is used to account for projects that are 100% self-supporting and include all grants awarded to the school division.

Rental Income Fund (Fund 65) – is used to account for activity associated with rental properties within the school division.

Athletics Fund (Fund 94) – is used to account for activity for all interscholastic sports within each school.

Budget Process

Each fund is budgeted on an annual basis. The budget process begins in August with the creation of the budget development calendar to provide a road map for the budget process. New for FY 2020-2021, a budget development manual was created to instruct departments on how to make budget requests.



Between October and December, non-personnel budget requests are requested electronically through the division's financial system. New for FY 2020-2021, each school received a building level per pupil amount based on projected fall 2020 enrollment. Each school was then required to allocate the funds across their school accounts (e.g., instructional supplies) based on the needs for next school year. SOL remediation was budgeted on a per building basis based on the division's Pyramid of Interventions for School Support by school and subject area.

Additionally, initial projections are performed for salary and benefits based on current information available, initial revenue projections are performed for each fund, and Fall (September 30) enrollment and Spring (March 31) Average Daily Membership (or ADM) are projected.

Between January and March, budget committee and staffing meetings are held to determine what will be included in the proposed budget for each fund based on the division's strategic plan, staffing formulas, and program initiatives. School Board 2x2 meetings and School Board/City Council Buddy meetings are also held.

In March, each fund's proposed budget is publicly presented and two public hearings are held. School Board approval of the proposed budget is scheduled for March 25, 2020. Once approved the School Board approved budget will be submitted to the city before April 1.

The School Board Chair and Division Superintendent publicly presented the School Board approved budget to City Council in April and City Council is scheduled to approve the budget on in May.

School Board Strategic Goals and Objectives

The FY 2020-2021 budget was developed in line with the Vision 2020 Strategic Plan for Hampton City Schools. The five main goals of the strategic plan are best understood using the Strategic Focus Model, below:



The core of the work, **Maximizing every child's learning**, is at the center of the model, surrounded by two equally important pieces of our success, **Creating safe, nurturing environments** and **Attracting, developing and retaining exceptional staff**. The learning, the staff, and the environment, then, receive crucial support through **Enhancing family and community engagement and satisfaction** and **maintaining effective, efficient and innovative support systems** for both students and employees. Finally, all three "inner circles" are made possible by **managing fiscal resources effectively and efficiently**.

The full Vision 2020 Strategic Plan is located in the *Organizational Section* of this document and can be viewed on our website using the link below:

http://www.hampton.k12.va.us/about/strategic_plan.php.

The plan is based on our continuous mission to ensure academic excellence for all students by working collaboratively with each other and with our community. The process began by revisiting our mission, values and strategic focus to determine what, if anything needed to be changed, added or removed to shape the plan for the future.

We found after gathering input from teachers, administrators, parents and community members (over 630 participants) that our mission, basic beliefs, and core values had not changed. Our stakeholders agreed that we must continue the work in our six areas of focus while planning for the future areas of growth.

In the final planning stages, participants were challenged to define the work that would make us amazing, make us proud to work for the school division, and make parents want to enroll their children with us. Our initiatives are bold as are our targets for performance. We decided we had to set the highest standards so that no child would be left behind. **Every child, every day, whatever it takes!**

In line with the strategic plan, the School Board Goals are as follows:

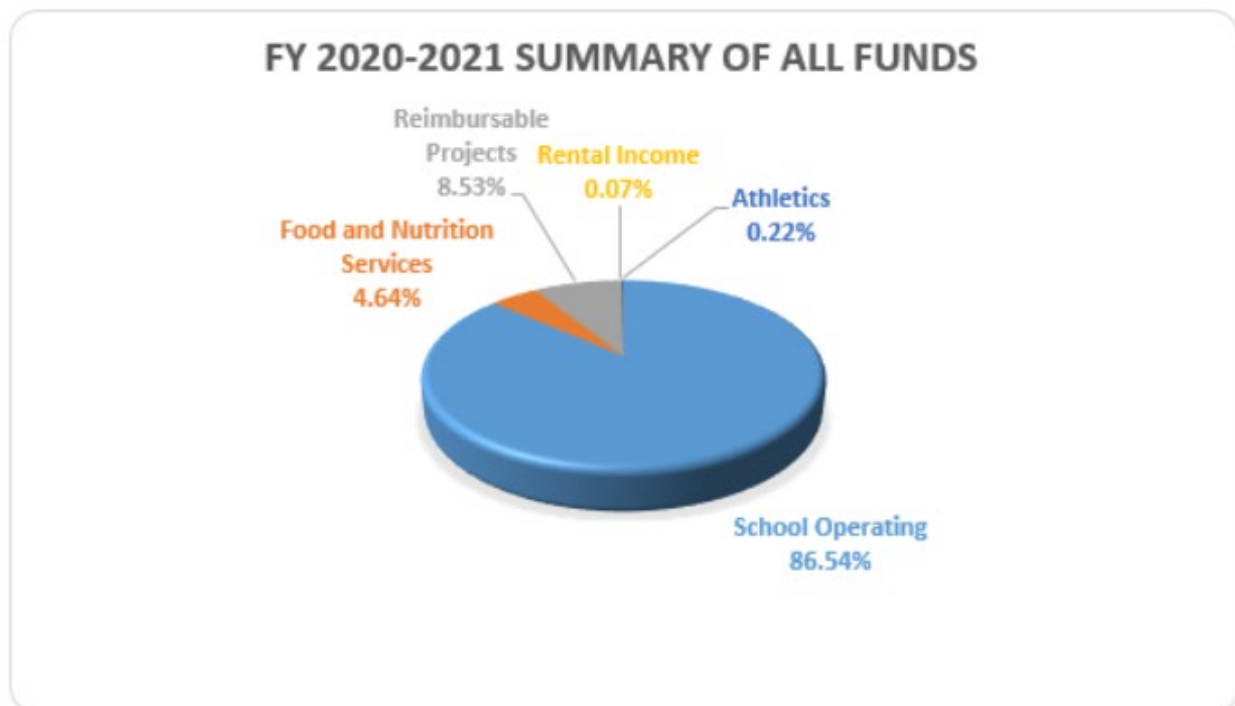
- 1. Identify and communicate funding priorities in support of the division's mission and vision.** (Strategic Plan Focus – Manage Fiscal Resources Efficiently and Effectively)
- 2. Support technology accessibility and the successful integration of technology with instruction for all students.** (Strategic Plan Focus – Maximize Every Child's Learning)
- 3. Support the effective implementation of the Academies of Hampton.** (Strategic Plan Focus – Maximize Every Child's Learning)
- 4. Support the successful development of K-8 career awareness exploration.** (Strategic Plan Focus- Maximize Every Child's Learning)
- 5. Maintain focus on facility needs with particular emphasis on safety and climate.** (Strategic Plan Focus – Create Safe, Nurturing Learning Environments)
- 6. Support the continued implementation of social & emotional resources for staff and students.** (Strategic Plan Focus – Create Safe, Nurturing Learning Environments)

FY 2020-2021 Proposed Budget

The total FY 2020-2021 Proposed Budget for all five funds is \$264,760,124. This is an increase of \$19.2 million or 7.83% when compared to FY 2019-2020. The breakout of the budget by fund is as follows:

| Fund | Approved FY 2019-2020 | Proposed FY 2020-2021 | Change | |
|-----------------------------|--------------------------|--------------------------|----------------------|--------------|
| | | | \$ | % |
| School Operating | \$ 211,141,195 | \$ 229,118,069 | \$ 17,976,874 | 8.51% |
| Food and Nutrition Services | 11,911,063 | 12,297,737 | 386,674 | 3.25% |
| Reimbursable Projects | 21,823,278 | 22,581,111 | 757,833 | 3.47% |
| Rental Income | 163,025 | 172,176 | 9,151 | 5.61% |
| Athletics | 496,000 | 591,031 | 95,031 | 19.16% |
| All Funds | \$ 245,534,561 | \$ 264,760,124 | \$ 19,225,563 | 7.83% |

The School Operating fund (Fund 50) is the largest fund and represents 86.54% of the total FY 2020-2021 budget.



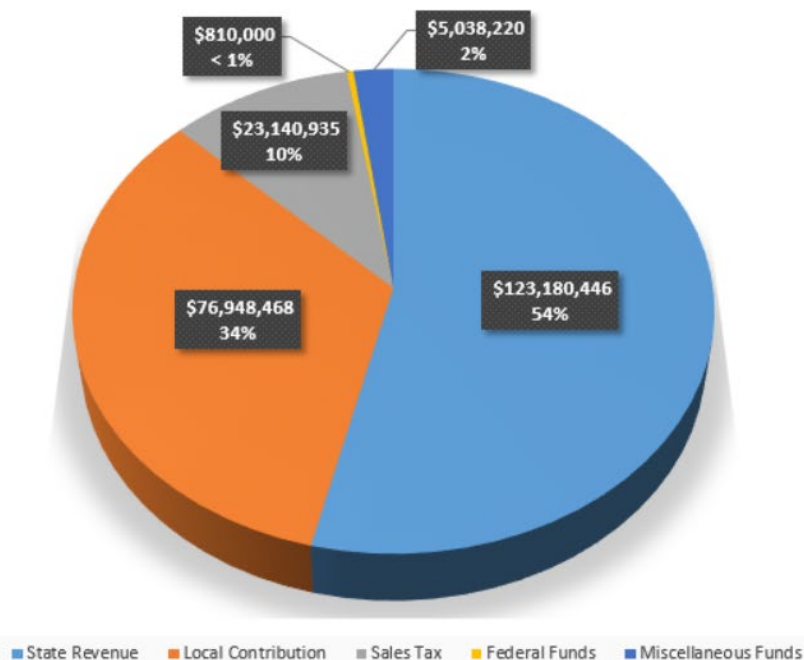
School Operating Fund (Fund 50)

The School Operating fund for FY 2020-2021 totals \$229,118,069. This is an increase of \$17.9 million or 8.51% when compared to FY 2019-2020. The School Operating fund revenue sources include state funds, state sales tax, local funds (city of Hampton), federal funds, and miscellaneous funds.

**School Operating Fund
Budgeted Revenue By Major Categories**

| Revenue Source | FY 2019-2020 Approved Budget | FY 2020-2021 Proposed Budget | \$ INCR (DECR) | % INCR (DECR) |
|----------------------|---------------------------------|---------------------------------|----------------------|------------------|
| State Revenue | \$ 107,414,742 | \$ 123,180,446 | \$ 15,765,704 | 14.68 |
| Local Contribution | 75,572,304 | 76,948,468 | 1,376,164 | 1.82 |
| Sales Tax | 22,624,685 | 23,140,935 | 516,250 | 2.28 |
| Federal Funds | 810,000 | 810,000 | 0 | - |
| Miscellaneous Funds | 4,719,464 | 5,038,220 | 318,756 | 6.75 |
| Total Revenue | \$ 211,141,195 | \$ 229,118,069 | \$ 17,976,874 | 8.51 % |

FY 2021 School Operating Fund Revenue by Source



State Revenues consist of the Standards of Quality (SOQ) payments, incentive funds, categorical programs, and lottery funded programs. The General Assembly establishes funding on a biennial basis. State revenue is \$123 million or 54% of the FY 2021 School Operating Budget. One of the main budget variables for state revenue is the March 31

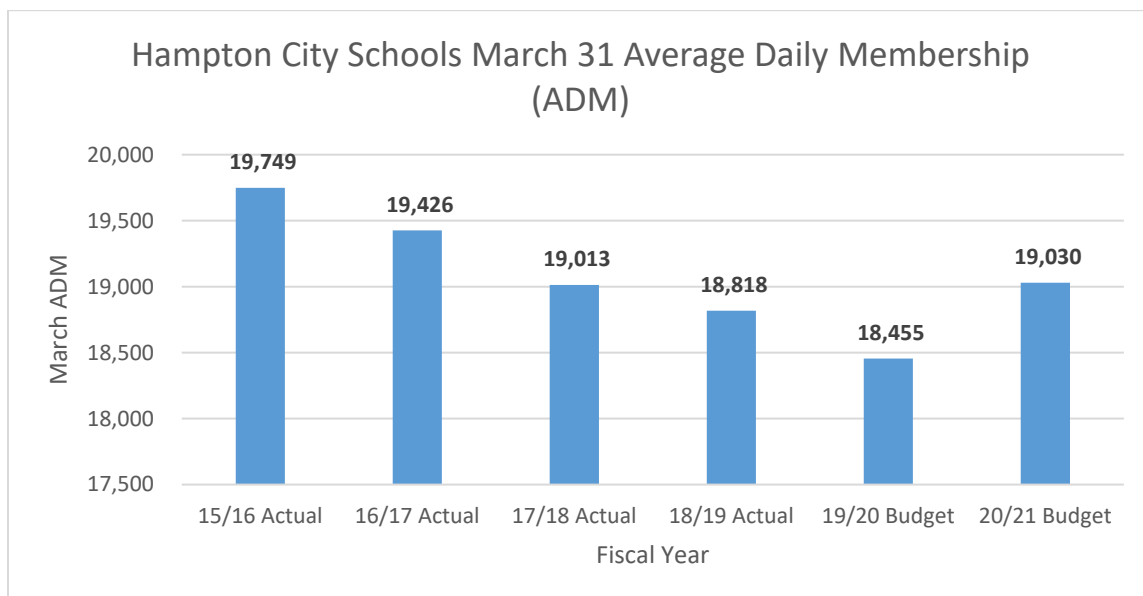
Average Daily Membership (ADM). The FY 2021 School Operating Budget is based on an ADM of 19,030.

Student Enrollment

Enrollment projections are done using the University of Virginia Weldon Cooper Center (Weldon Cooper) model as a starting point. This model looks at grade progression ratios, birth rates, and historical data to project future enrollment. The results of this model is adjusted based on local knowledge of recent trends and the impact of changes in the instructional program.

The March 31 (or spring) ADM is a main driver in state funding and only includes Grades K-12, as the state funding for pre-kindergarten students is funded based on slots allocated to school divisions under the Virginia Preschool Initiative program. Additionally, some students in Grades K-12 are excluded from the ADM calculation. For example, students receiving services in a Special Education Regional Program are excluded from the calculation because the state provides funding for these students under a separate program.

Between FY 2016 and FY 2019, there was a year over year decline in March ADM. The original budgeted ADM for FY 2020 anticipated this decline to continue. However, based on current enrollment data, the division's enrollment is increasing. For FY 2021, the projected March ADM is 19,030.



Statewide Enrollment

Based on the fall 2019 (FY 2019-2020) enrollment submitted by all divisions across Virginia, the enrollment statewide has increased. See five year statewide fall enrollment below.

| School Year | Full Time Count (All Grades) | Part Time Count (All Grades) | Total Count |
|-------------|------------------------------|------------------------------|-------------|
| 2015-2016 | 1,283,494 | 620 | 1,284,114 |
| 2016-2017 | 1,286,711 | 1,322 | 1,288,033 |
| 2017-2018 | 1,291,239 | 1,467 | 1,292,706 |
| 2018-2019 | 1,289,176 | 1,337 | 1,290,513 |
| 2019-2020 | 1,296,822 | 1,261 | 1,298,083 |

Local Revenues consist of funding provided by the city of Hampton and is 34% of the FY 2021 School Operating Budget. A minimum level of funding is required to meet SOQ and to support other state programs based on the locality's Local Composite Index (LCI). The LCI is a measure of a locality's ability to fund education costs and is based on the true value of property, adjusted gross income, and taxable retail sales. The FY 2021 LCI is .2743. The city of Hampton provides an appropriation based on a funding formula. The city provides funding in excess of the minimum required.

Local Funding Formula

The local school funding formula endorsed by the City Council and School Board in FY 1999 is as follows:

- a.** The local school system shall receive 61.83% of all residential real estate, personal property, and utility taxes. Utility taxes include telephone, electric, gas, and cable utility tax revenues.
- b.** The residential component of these taxes is obtained by subtracting the commercial component out of the total amount for each tax rate.
- c.** The commercial component is subject to some variation each year.
- d.** The amount provided to the schools will be based on this formula, regardless of the state and federal revenue provided to schools.
- e.** It was agreed, however, that should the General Assembly ever address the inadequate level of state funding for education as noted by various Joint Legislative Audit and Review Commission (JLARC) studies as a comprehensive package, that negotiations around appropriate local adjustments would be in order.
- f.** It was also agreed that the local school system could make requests for special funding in the form of dedicated real estate tax increases if the School Board felt additional funding was warranted. This was done to help fund teacher salary adjustments.
- g.** Dedicated real estate tax increases are not shared according to the local funding formula.

Historical Notes

In FY 2006, a local financial guideline pertaining to real estate growth was adopted by City Council as follows effective FY 2007:

- a.** Real estate tax revenue growth, net of new construction, from one fiscal year to the next shall be limited to the equivalent percentage increase in an inflationary growth factor as measured by either the consumer price index for urban dwellers (CPI-U) or resident income growth (RI); whichever is greater in any given year.

b. To the extent that budgetary needs require real estate revenues to grow faster than this factor, the City Manager and City Council shall explicitly explain the budget driving factors causing this so that residents may have a concise and clear understanding of the need to deviate from this financial guideline.

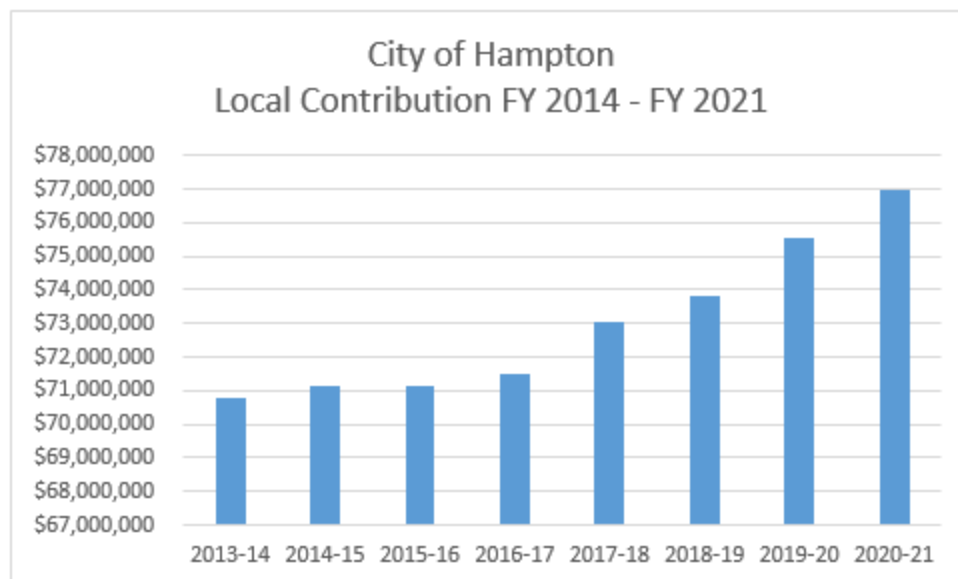
The adoption of the financial guideline pertaining to real estate growth has the effect of constraining the real estate component of the local funding formula to no more than the percent growth in resident income growth. Dedicated real estate revenues, however, can be assigned to the local school program as they were in FY 2008 when the City Council dedicated the equivalent of three cents that exceeded the financial guideline to school construction. Beginning in FY 2014, City Council appropriated (within the Capital Projects Fund) an additional two cents per year for the technology one-to-one initiative.

FY 2020 Real Estate Tax Rate

The current real estate tax rate is \$1.24 per \$100 of assessed value (as of July 1, 2019). The tax year corresponds to the budget year, beginning on July 1 and ending on June 30 of the next calendar year. All real estate is assigned an assessed value by the Office of the Assessor of Real Estate. Real estate is appraised each year and is assessed at 100% of market value.

FY 2021 Local Funding

The city of Hampton projected FY 2021 local contribution to the School Operating fund is \$76.9 million. This is an increase of \$1.3 million or 1.82% when compared to the FY 2020 budget. Included in the local contribution is one time funding of \$380,000 to support the Academies of Hampton.



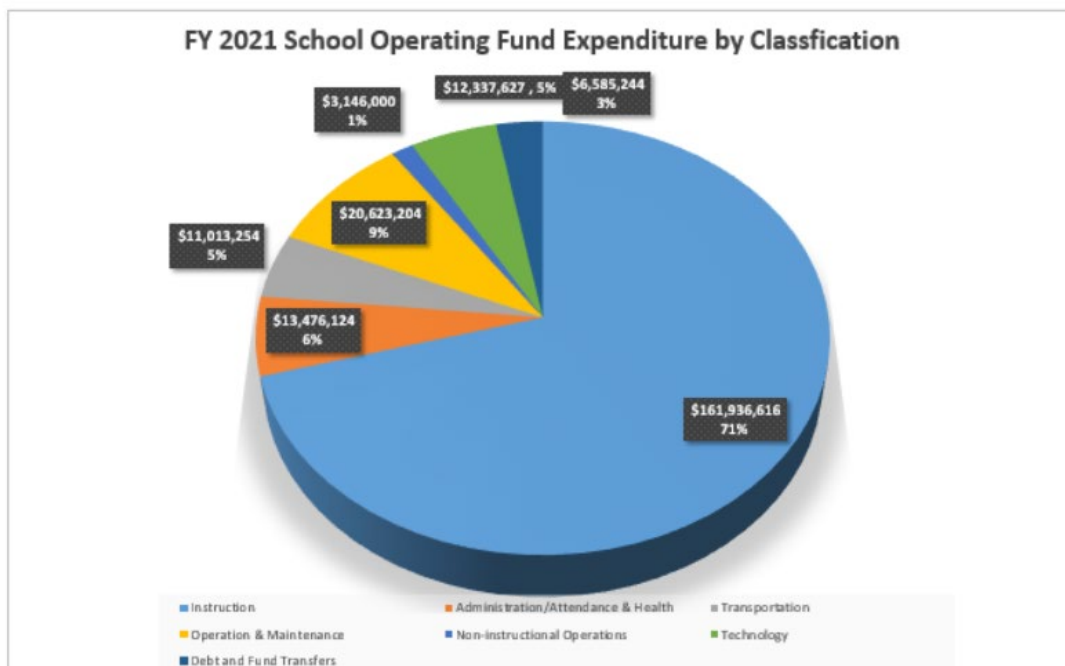
State Sales Tax (another source of state revenue) provides revenue collected through the state sales and use tax to localities to support public education. Sales tax is \$23 million or 10% of the FY 2021 School Operating Budget.

Federal and Miscellaneous Revenues consist of Federal Impact Aid, Junior Reserve Officer Training Corps (JROTC), indirect cost recovery, Medicaid, cell tower receipts, scrap sales, interest on investments, pharmacy deposits, print shop revenue and other miscellaneous items. Federal revenue is \$0.8 million (or 0.4%) and miscellaneous revenue is \$5.0 million (or 2.2%) of the FY 2021 School Operating Budget, respectively.

All revenue sources for the School Operating fund are budgeted within the major expenditure classifications as follows:

**School Operating Fund
Expenditures by Classification
FY 2020 Compared to FY 2021**

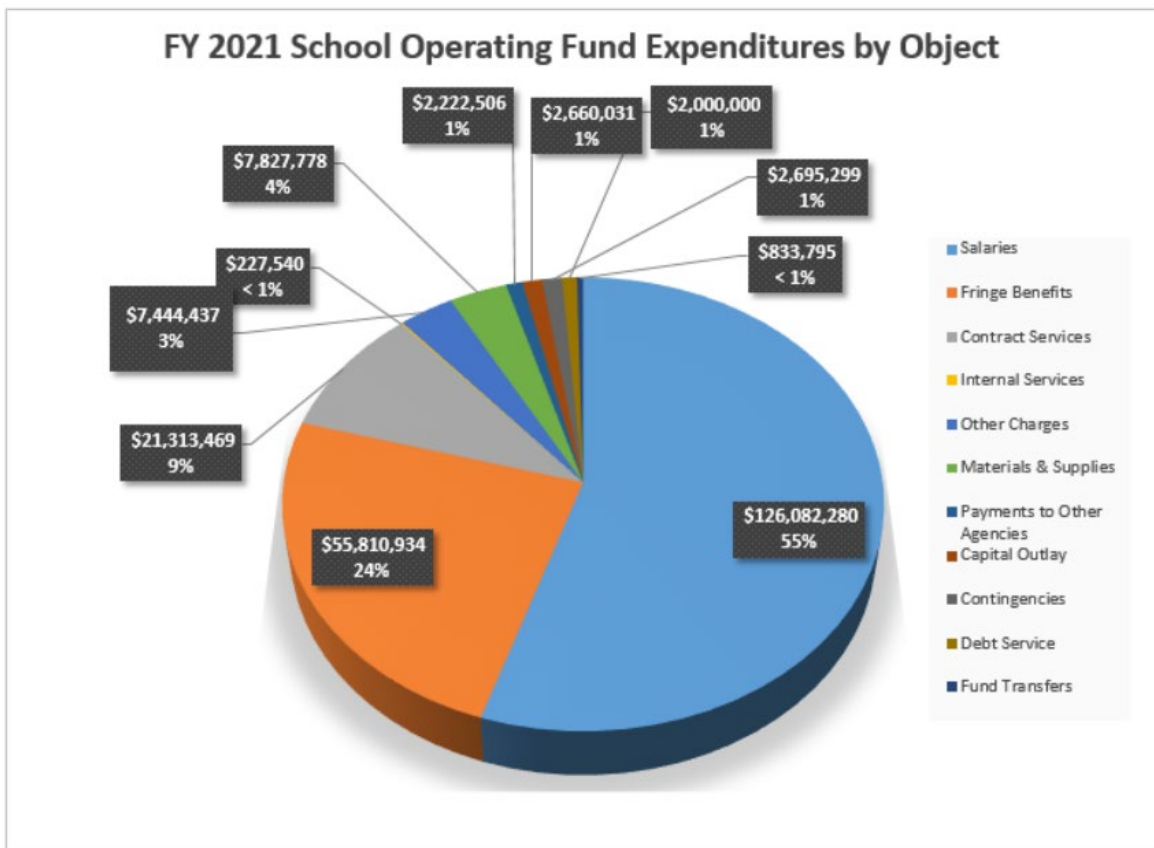
| Classification | FY 2019-2020 Budget | FY 2020-2021 Budget | \$ INCR (DECR) | % INCR (DECR) |
|------------------------------------|------------------------|------------------------|----------------------|------------------|
| Instruction | \$ 154,422,693 | \$ 161,936,616 | \$ 7,513,923 | 4.87 |
| Administration/Attendance & Health | 14,908,995 | 13,476,124 | (1,432,871) | (9.61) |
| Transportation | 10,647,337 | 11,013,254 | 365,917 | 3.44 |
| Operation & Maintenance | 19,362,510 | 20,623,204 | 1,260,694 | 6.51 |
| Non-instructional Operations | - | 3,146,000 | 3,146,000 | 100.00 |
| Technology | 11,088,558 | 12,337,627 | 1,249,069 | 11.26 |
| Debt and Fund Transfers | 711,102 | 6,585,244 | 5,874,142 | 826.06 |
| Total | \$ 211,141,195 | \$ 229,118,069 | \$ 17,976,874 | 8.51% |



Within each major classification, expenditures are further budgeted by expenditure object/type:

**School Operating Fund
Budgeted Expenditures by Object/Type
FY 2020 Compared to FY 2021**

| Object/Type | FY 2019-2020 Budget | FY 2020-2021 Budget | \$ INCR (DECR) | % INCR/ DECR |
|----------------------------|------------------------|------------------------|---------------------|-----------------|
| Salaries | \$117,542,678 | \$126,082,280 | \$8,539,602 | 7.27 |
| Fringe Benefits | 50,853,309 | 55,810,934 | 4,957,625 | 9.75 |
| Contract Services | 19,414,783 | 21,313,469 | 1,898,686 | 9.78 |
| Internal Services | 7,160 | 227,540 | 220,380 | 3,077.93 |
| Other Charges | 7,626,336 | 7,444,437 | (181,899) | (2.39) |
| Materials & Supplies | 7,660,872 | 7,827,778 | 166,906 | 2.18 |
| Payments to Other Agencies | 1,730,300 | 2,222,506 | 492,206 | 28.45 |
| Capital | 2,594,655 | 2,660,031 | 65,376 | 2.52 |
| Contingencies | 1,000,000 | 2,695,299 | 1,695,299 | 169.53 |
| Debt Service | 2,000,000 | 2,000,000 | 0 | 0.00 |
| Fund Transfers | 711,102 | 833,795 | 122,693 | 17.25 |
| Total | \$211,141,195 | \$229,118,069 | \$17,976,874 | 8.51% |

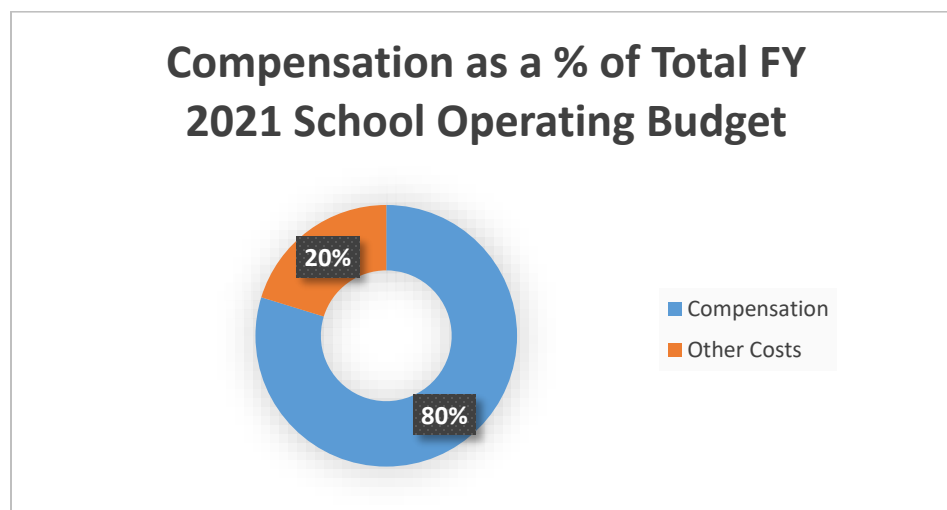


A description of each expenditure object/type is included below:

| Object | Description |
|-----------------------------------|--|
| Salaries | Salaries and wages for full-time and part-time employees, as well as overtime, supplements, and other compensation |
| Fringe Benefits | Fringe benefits including employer's portion of Social Security and Medicare Tax (FICA), retirement, healthcare, life insurance, disability income, and unemployment |
| Contract Services | Contractual services, excluding capitalized expenditures, from outside organizations |
| Internal Services | Charges from an internal service fund to another fund for activities of the school division for intragovernmental services |
| Other Charges | Charges that support the use of programs, such as utilities, telecommunication, travel, etc. |
| Materials/Supplies | Charges for articles and commodities that are consumed or materially altered when used and minor equipment that is not capitalized |
| Payments to Other Agencies | Charges such as tuition payments to the fiscal agent for operations that are jointly operated by two or more local governments (e.g. a regional program) |
| Capital Outlay | Charges for the purchase of equipment that meets the capitalization threshold |
| Contingencies | Budget for unexpected expenditures and city debt service payment |
| Debt Service | Charges for debt payments paid to the local government |
| Fund Transfers | Charges for fund transfers to the local government or other funds |

Salaries and Fringe Benefits

Salaries and fringe benefits (also referred to as compensation) are \$182 million and make up 80% of the total School Operating Budget. Compensation is impacted by personnel changes, pay increases, and fringe benefit rates.



Summary of Personnel Changes

Overall, the FY 2020-2021 School Operating Budget includes a net increase of 78.12 positions when compared to FY 2019-2020. The estimated cost (salaries and benefits) to the budget was \$3.6 million. The total budgeted FTE positions for the School Operating fund for FY 2020-2021 is 2,683.22.

| | FY 2020 Approved Positions* | FY 2021 Proposed Positions* | Change |
|------------------------------------|-----------------------------------|-----------------------------------|--------------|
| Instruction | 1,999.80 | 2,080.22 | 80.42 |
| Administration/Attendance & Health | 154.30 | 148.00 | (6.30) |
| Pupil Transportation | 290.00 | 288.00 | (2.00) |
| Operations & Maintenance | 75.00 | 77.00 | 2.00 |
| Technology | 86.00 | 90.00 | 4.00 |
| GRAND TOTAL | 2,605.10 | 2,683.22 | 78.12 |

Summary of Position Additions

| | |
|--|--------------|
| Full-Time Teachers | 25.12 |
| Part-Time Teachers | 2.00 |
| Instructional Assistants | 17.00 |
| School Counselors | 4.00 |
| School Social Workers | 2.00 |
| Library Technician | 1.00 |
| Part-Time Assistant Principal | 1.00 |
| Speech Language Pathologists | 4.00 |
| School Office Assistant | 1.00 |
| Senior Directors | 2.00 |
| Restorative Counselor | 2.00 |
| Part-Time Family Engagement Specialist | 1.00 |
| Part-Time In School Suspension Assistants | 2.00 |
| Café Monitors | 20.00 |
| Full-Time Psychologists | 2.00 |
| Full-Time Nurse | 1.00 |
| Part-Time Digital Learning Program Technicians | 4.00 |
| Digital Learning Specialist | 1.00 |
| Full-Time Dispatcher | 1.00 |
| Tier II Intervention Coordinator | 1.00 |
| Mental Health Service Provider | 1.00 |
| School Security Officer | 3.00 |
| Total Position Additions | 98.12 |

Summary of Position Reductions

| | |
|---|----------------|
| Full-Time Teachers | (2.00) |
| Part-Time Teachers | (1.00) |
| Full-Time In School Suspension Assistants | (4.00) |
| Part-Time Dispatcher | (1.00) |
| Full-Time Bus Driver | (1.00) |
| Full-Time Bus Attendant | (1.00) |
| School Operations Compliance Coordinator | (1.00) |
| Executive Director of School Leadership | (1.00) |
| High School Principal | (1.00) |
| Full-Time Family Engagement Specialist | (1.00) |
| Behavioral Specialist | (1.00) |
| Part-Time Psychologists | (2.00) |
| Part-Time Nurse | (1.00) |
| Occupational Therapist | (1.00) |
| Physical Therapist | (1.00) |
| Total Position Reductions | (20.00) |

Net Change in Operating Positions

78.12

* Due to the implementation of a new financial system, the FY 2020 Approved Positions and FY 2021 Proposed Positions have been updated to convert all .5 full time equivalent (FTE) to 1 part-time position where applicable. For example, in prior year published budget books the number of school board positions was reported as 3.5 FTE positions. Starting with the FY 2021 budget the number of School Board members will be reported as 7 part-time positions instead of 3.5 full time equivalent positions.

Compensation Increases

For FY 2020-2021, a 2.5% compensation increase is proposed for all employees effective July 1, 2020. For every 1% raise provided to employees, it costs Hampton City Schools \$1.45 million. The total impact to the School Operating fund is \$3.6 million.

Additionally, the budget includes reclassifications, changes to supplements, and market adjustments for select employee groups. Each change is in addition to the division wide proposed 2.5% compensation increase. The total impact to the School Operating fund is \$3.9 million.

Reclassifications

During the budget development process reclassifications were identified for seven positions based on changes in job responsibilities effective July 1, 2020. The largest reclassification is increasing all office assistant positions from 3 hours per day to 5 hours per day. Additionally, a current part-time school counselor position was reclassified into full-time school counselor at Armstrong Elementary. The total cost (salaries and benefits) for all reclassifications is \$0.03 million.

Supplements

As part of the FY 2021 budget, the following supplement changes are proposed for a total cost of \$0.02 million:

- Increase middle school counselor director stipend from \$683 to \$820
- Add a new stipend for the new volleyball sports program at each middle school effective July 1, 2020
- Restore 12% of the 25% reduction that was made to instructional supplements during the recession

Market Adjustments

As competitive compensation continues to be a School Board priority and is in line with the strategic plan goal to Attract, Develop, and Retain Exceptional Staff, the FY 2021 budget includes market adjustments for employee groups based on factors such as turnover rate, competitiveness with surrounding divisions, compression, and anticipated changes to minimum wage laws. The total impact to the School Operating fund is \$3.4 million which includes the following:

- Teacher Scale Adjustments- steps 1-14 will receive an additional \$500 and steps 15-29 will receive an additional \$1,000.
- Bus Driver and Bus Attendants will receive an additional \$2 per hour
- Instructional Assistants will receive an additional \$1 per hour
- Secretaries will receive an additional \$1 per hour
- Technology Specialists will receive an additional \$1.50 per hour
- School Maintenance Staff will receive an additional \$1.50 per hour

- Auto Mechanics will receive an additional \$1.50 per hour
- School Security Officers will receive an additional \$1 per hour
- Instructional Coaches, school based administrators, and senior leadership – \$354,000 to address compression
- Summer School Teachers- increase summer school hourly rate from \$25 to \$30
- School Nurses will receive an additional \$1,500 in annual pay

Based on legislative bills that have been introduced during the current Virginia General Assembly session, the division anticipates changes to minimum wage laws. Currently, this change could be anywhere between \$9 - \$10 effective July 1, 2020. In preparation for any changes, each position was analyzed to determine if the hourly rate (after proposed market adjustments) was below \$10. Based on the analysis performed, it was determined that adjustments needed to be made to the division's pay scale to increase all impacted employees to at least \$10 per hour. The total cost to the School Operating fund is \$37,000.

Fringe Benefits

Fringe benefits represent additional compensation provided to employees for items such as Social Security and Medicare tax, Virginia Retirement System (VRS), healthcare coverage, life insurance, disability/income protection. As gross salaries increase, all fringe benefits with the exception of healthcare, increase.

VRS rates are determined on a biennium basis. Since FY 2021 is the first year of the 2020-2022 biennium, retirement rates were analyzed and it was determined by VRS that the following rate changes will take effect beginning July 1, 2020:

| Program | Teacher/Professional Rates | | Non-Professional Rates | |
|------------------------------------|----------------------------|-----------------------|------------------------|-----------------------|
| | 2020-2022 Biennium | 2018-2020 Biennium | 2020-2022 Biennium | 2018-2020 Biennium |
| VRS Pension | 16.62% | 15.68% | 7.03% | 9.30% |
| VRS Health Insurance Credit | 1.21% | 1.20% | 0.00% | 0.00% |
| VRS Group Life Insurance | 1.34% | 1.31% | 1.34% | 1.31% |

The VRS professional pension rate will increase from 15.68% to 16.62% and the VRS non-professional rate will decrease from 9.30% to 7.03%. The total impact of all VRS rate changes to the School Operating fund is \$0.5 million.

Healthcare (medical claims) are expected to increase by 5.3% during FY 2021 based on a third party projection. The school division will absorb 100% of this increase thus employee healthcare rates will not change in FY 2021. This decision would allow the school division to provide an unencumbered 2.5% compensation increase. The impact to the School Operating fund is \$1.4 million.

Other Costs

Other costs are \$47 million and make up 20% of the School Operating Budget and represent all non-personnel costs. The largest cost is contract services at \$21 million of the total School Operating Budget. Contract services represent any services provided by an outside organization. The \$2.1 million increase in contract services is primarily related to contracted medical services for students with disabilities, repair costs for school buses, outsourced substitute costs, new technology programs for communication with stakeholders and classroom instructional programs.

Other increases include additional funds for instructional supplies in line with the anticipated increase in enrollment, increase in the contribution to the Athletics fund (Fund 94) for increased expenditures for the new middle school volleyball program and athletic insurance costs. Additionally, the division's contribution to the New Horizons Regional Education Center is projected to increase.

Beginning with FY 2020-2021, the following programs (revenues and expenditures) have been moved from Reimbursable Projects (Fund 60) to the School Operating fund (Fund 50): Academic Year Governor's School, Adult Education – Individual Student Alternative Educational Plan (ISAEP), Mentor Teacher Program and the Cardiopulmonary resuscitation (CPR) program. The net impact to the Fund 50 budget is \$0.

FY 2020-2021 School Operating Fund Budget Overview

| | |
|-------------------------------------|----------------------|
| FY 2019-2020 Approved Budget | \$ 211,141,195 |
| FY 2020-2021 Proposed Budget | 229,118,069 |
| Difference | <u>\$ 17,976,874</u> |

| Changes to the School Operating fund (Fund 50) budget: | Estimated Cost |
|---|-----------------------|
| Attract, Develop, and Retain Exceptional Staff | \$ 9,423,846 |
| Healthcare program - 5.3% increase in medical claims | 1,340,719 |
| Pharmacy and Wellness Center operational costs | 66,174 |
| 2% compensation Increase | 3,642,350 |
| FY 2021 VRS rate changes | 529,537 |
| Increase HCS minimum wage to \$10 per hour | 37,022 |
| High school band director schedule change from 200 to 220 days | 23,705 |
| Middle school and Prek-8 school finance officer schedule change from 200 to 220 days | 26,325 |
| Office assistant daily work schedule change from 3 to 5 hours per day | 138,352 |
| Middle school counseling director stipend change from \$638 to \$820 | 1,332 |
| New middle school volleyball coach stipend | 8,612 |
| 12% increase to coaching and instructional supplements | 135,000 |
| Teacher salary scale adjustments (\$500-\$1,000/step increase) | 1,398,764 |
| \$2 per hour increase for bus drivers and bus attendants | 644,934 |
| \$1 per hour increase for instructional assistants | 398,000 |
| \$1 per hour increase for secretaries | 189,336 |
| \$1.50 per hour increase for school operations & maintenance staff | 80,155 |
| \$1.50 per hour increase for auto mechanics | 27,704 |
| \$1 per hour increase for school security officers | 69,605 |
| Adjust hourly teacher rate from \$25 to \$30 for summer school | 78,347 |
| Mentor Teacher Program (Program moved from Fund 60) | 23,173 |
| Reclassification of 5 positions for changes in job responsibilities | 20,661 |
| Salary compression adjustments for instructional coaches, principals, assistant principals and other administrators | 354,149 |
| FY 2021 VRS hybrid disability | 26,000 |
| \$1.50 per hour increase for technology specialists | 103,112 |
| Increase Annual School Nurse Pay by \$1,500 | 60,778 |
| Create Safe, Nurturing Environments | \$ 1,249,641 |
| Add 4 school counselors for FY 2021 SOQ ratio | 461,508 |
| Reclass part-time counselor at Armstrong elementary to full-time | 76,254 |
| Add part-time assistant principal at Armstrong elementary | 35,273 |
| Add 1 school psychologist | 89,156 |
| Add 2 school social workers | 178,311 |
| Add hearing officer as a temporary employee | 37,419 |
| CPR Program (Program moved from Fund 60) | 12,900 |
| Tier III Intervention Coordinator (Temporary Employee) | 60,000 |
| Middle School Tier II Intervention Coordinator | 100,000 |
| Mental Health Service Provider | 115,000 |
| Add 2 School Security Officer | 83,820 |

FY 2020-2021 School Operating Fund Budget Overview

| | |
|-------------------------------------|----------------------|
| FY 2019-2020 Approved Budget | \$ 211,141,195 |
| FY 2020-2021 Proposed Budget | 229,118,069 |
| Difference | <u>\$ 17,976,874</u> |

| Changes to the School Operating fund (Fund 50) budget: | Estimated Cost |
|---|-----------------------|
| Maintain Effective, Efficient, and Innovative Support Systems | \$ 1,424,381 |
| Reclass part-time digital press operator to full-time | 27,123 |
| Add 4 part-time digital learning program technicians | 43,598 |
| Additional funding for Virginia e-Learning Backpack program | 307,660 |
| Implement new division communication platform: Parents Square | 46,000 |
| Contingency for Enrollment/State Sales Tax Loss | 1,000,000 |
| Manage Fiscal Resources Effectively and Efficiently | \$ 368,498 |
| Increase contribution to the Hampton Employee Retirement System (HERS) | 60,713 |
| Net increase in other non-payroll costs | 299,785 |
| DOMA electronic records management annual maintenance | 8,000 |
| Maximize Every Child's Learning | \$ 5,510,508 |
| Literacy Lab at Kraft and Aberdeen | 70,000 |
| Science Dual Enrollment Field Trips | 15,730 |
| Net increase for FY 2020 payroll changes (includes 37.12 position changes) | 1,528,930 |
| Academic Year Governor's School (program moved from Fund 60) | 526,019 |
| Individualized Student Alternative Educational Plan (ISAEF) (Program moved from Fund 60) | 33,545 |
| Additional VPI non-payroll costs | 102,759 |
| Add 1 library technician at Spratly Gifted Center | 40,847 |
| Add 2 KG Teachers | 154,974 |
| Add 2 KG Instructional Assistants | 28,000 |
| Add 2 english language learners teachers | 153,513 |
| Repurpose 1 vacant teacher position | (58,912) |
| Add 2 full-time and 1 part-time reading/writing exploration teachers | 65,610 |
| Add 1 digital learning specialist | 89,156 |
| Add 1 physical education assistant at Tarrant | 38,055 |
| Increase in instructional supplies budgets | 268,159 |
| Increase in contracted medical services for students with disabilities | 546,074 |
| Upgrade Google Apps for Education | 66,000 |
| Virginia Air and Space Center membership | 30,000 |
| Contingency for Academies of Hampton Extended Learning Program | 360,000 |
| Add 5 preschool teachers and 5 instructional assistants (Virginia Preschool Initiative (VPI)) | 585,830 |
| Increase in contribution to New Horizons Regional Education Center | 226,562 |
| Add 3 part-time early reading initiative assistants | 47,406 |
| Increase in substitute teacher costs (ESS formally Source 4 Teachers) | 294,384 |
| Additional VPI funding (e.g., waiting lists) | 217,500 |
| Add 1 English Teacher | 80,367 |
| Grand Total | \$ 17,976,874 |

Food and Nutrition Services Fund (Fund 51)

The Food and Nutrition Services fund for FY 2020-2021 totals \$12,297,737. This is an increase of \$386,674 or 3.25% when compared to FY 2019-2020. The Food and Nutrition Services fund revenue sources include state funds, federal funds, donated commodities, cash sales and miscellaneous/other funds.

**Food and Nutrition Services Fund
Budgeted Revenue By Major Categories**

| Revenue Source | 2019-2020 Approved Budget | 2020-2021 Budget | \$ INCR (DECR) | % INCR/ (DECR) |
|----------------------------|------------------------------|----------------------|-------------------|-------------------|
| State Funds | \$ 345,467 | \$ 418,732 | \$ 73,265 | 21.21 |
| Federal Funds | 8,348,806 | 8,540,686 | 191,880 | 2.30 |
| Other Funds | 35,714 | 37,494 | 1,780 | 4.98 |
| Cash Receipts (Sales) | 2,401,076 | 2,520,825 | 119,749 | 4.99 |
| Donated Commodities (USDA) | 780,000 | 780,000 | 0 | 0.00 |
| Total Revenue | \$ 11,911,063 | \$ 12,297,737 | \$ 386,674 | 3.25% |

Federal and state funds are comprised of breakfast, lunch and snack programs for meals at the schools through the United States Department of Agriculture (USDA), the Virginia Lunch and Breakfast Programs (e.g., Breakfast After the Bell), and the School Meals Expansion program which will begin in FY 2021.

Donated commodities from the USDA provide raw food materials to be used in the preparation of meals. The amount of donated commodities from the USDA will fluctuate from year to year. The donated commodities of raw materials received are converted into food for students.

Other funds are comprised of vending, interest and miscellaneous revenue.

Cash receipts revenue is derived from catering services, a la carte food sales, and school meal charges.

For School Year (SY) 2019-2020, the average cost of breakfast is \$1.10. To continue to run sustainable operations, an increase of ten (10) cents to school breakfast prices are proposed for SY 2020-2021 to cover the direct costs (excluding labor) incurred to prepare breakfast meals.

SY 2019-2020 Breakfast

Elementary \$1.00

Secondary \$1.00

SY 2020-2021 Breakfast

Elementary \$1.10

Secondary \$1.10

For FY 2021, there will be no increase in school lunch prices.

A transfer from fund balance is not budgeted for FY 2021. A transfer is generally made to upgrade cafeteria equipment in the school division; however, Food and Nutrition Services are required to maintain three months of operating costs in fund balance at the end of the fiscal year.

All revenue sources for the Food and Nutrition Services fund are budgeted within expenditure objects/types as follows:

**Food and Nutrition Services Fund
Budgeted Expenditures By Object/Type**

| Expenditure Object/Type | 2019-2020 Approved Budget | 2020-2021 Approved Budget | \$ INCR (DECR) | % INCR (DECR) |
|-----------------------------------|--------------------------------------|--------------------------------------|---------------------------|--------------------------|
| Personnel Services | \$ 3,449,966 | \$ 3,698,439 | \$ 248,473 | 7.20 |
| Fringe Benefits | 857,862 | 909,172 | 51,310 | 5.98 |
| Contract Services | 131,876 | 109,250 | (22,626) | (17.16) |
| Other Charges | 76,117 | 17,371 | (58,746) | (77.18) |
| Materials and Supplies | 6,775,634 | 6,984,455 | 208,821 | 3.08 |
| Capital | 119,608 | 110,530 | (9,078) | (7.59) |
| Transfer to School Operating Fund | 500,000 | 468,520 | (31,480) | (6.30) |
| Total Expenditures | \$ 11,911,063 | \$ 12,297,737 | \$ 386,674 | 3.25% |

Personnel Services (Salaries): The net increase in salaries is due to a 2.5% salary adjustment for all food service staff. Additionally, the following salary adjustments are recommended:

- Cafeteria Managers - \$2 per hour increase
- Cafeteria Staff - \$1.83 per hour increase – this change will ensure that all cafeteria staff are paid at least \$10 per hour based on anticipated changes to minimum wage laws
- Secretaries will receive an additional \$1 per hour
- School Maintenance Staff and Technology Specialists will receive an additional \$1.50 per hour

To balance the budget, a reduction of 14 vacant cafeteria staff positions is recommended.

Fringe Benefits: The net increase is due to the impact of the 2% salary increase and other salary adjustments on fringe benefits, increases in healthcare costs, changes in VRS rates and the reduction in vacant positions.

Contract Services: The decrease in contract costs is due to moving the budget for items purchased from CINTAS to materials and supplies for state reporting purposes.

Other Charges: The decrease in other costs is due to moving the budget for Food Services management software, Horizon to materials and supplies for state reporting purposes.

Materials and Supplies: Food costs are projected to increase due to higher costs for food. Donated commodities are projected to be fairly consistent with FY 2020 and non-food supplies are projected to increase based on replenishing the current inventory available for use. Additionally, materials and software which were budgeted under contract services and other charges have been moved to materials and supplies for state reporting purposes.

Capital: The decrease is based on projected equipment replacements planned for FY 2021.

Transfer to School Operating Fund: Represents indirect costs charged to Food and Nutrition Services by the School Operating fund.

USDA Community Eligibility Provision (CEP) Program

Hampton City Schools currently has 14 schools that participate in the USDA Community Eligibility Provision (CEP) program. The CEP school meal program provides the option for school divisions with high percentages of low-income households to offer school breakfast and lunch meals at no charge to all students in participating schools without collecting meal applications.

The USDA provides guidelines on division-wide CEP eligibility. Division-wide eligibility is based on an Identified Student Percentage (ISP) of 40% or more. Identified Students are defined as students approved for free meals through means other than completing an individual application (e.g., Supplemental Nutrition Assistance Program or SNAP, homeless, runaway, foster).

The number of Identified Students is divided by the total enrollment to determine the Identified Student Percentage. HCS division-wide ISP was 41% as of spring 2019. HCS projects that the ISP % will increase however the final ISP will not be known until May 2020.

In line with USDA recommendations, HCS evaluates the financial impact of implementing CEP each year. Based on information currently available, it is recommended to continue the CEP program at the current 14 sites as well as expand the program to Phoebus High, Forrest Elementary, and the Alternative Learning Center.

School Meals Expansion Program

For FY 2021, the Governor introduced and the General Assembly approved the School Meals Expansion program to provide funds to local school divisions to reduce or eliminate the cost of school breakfast and lunch for students eligible for reduced price meals under the National School Lunch Program and the School Breakfast Program. Hampton City Schools, will implement this new program next year, thus students who are eligible for reduced price lunch will receive breakfast and lunch at no cost beginning in the 2020-2021 school year.

Reimbursable Projects Fund (Fund 60)

The Reimbursable Projects fund for FY 2020-2021 totals \$22,581,111. This is an increase of \$0.75 million or 3.47% when compared to FY 2019-2020. The Reimbursable Projects fund revenue sources include state funds, federal funds, tuition and miscellaneous/other funds.

**Reimbursable Projects Fund
Budgeted Revenue By Major Categories**

| Revenue Source | 2019-2020 Approved Budget | 2020-2021 Budget | \$ INCR (DECR) | % INCR (DECR) |
|----------------------|------------------------------|----------------------|-------------------|------------------|
| State Funds | \$ 1,775,270 | \$ 1,888,296 | \$ 113,026 | 6.37 |
| Federal Funds | 17,936,975 | 19,466,341 | 1,529,366 | 8.53 |
| Tuition | 155,700 | 148,240 | (7,460) | (4.79) |
| Other Funds | 1,955,333 | 1,078,234 | (877,099) | (44.86) |
| Total Revenue | \$ 21,823,278 | \$ 22,581,111 | \$ 757,833 | 3.47% |

State revenue comprises 8% of the overall FY 2020-2021 budget and includes grants and programs that facilitate learning for students and faculty. State grants primarily consists of the Year Round School Planning (Extended Learning) Grant, School Security Equipment Grant, Teacher Recruitment and Retention, Safe Routes to School, and Career Switchers grant programs.

Beginning with FY 2020-2021, the following state program budgets were moved to the School Operating fund (Fund 50): Academic Year Governor's School, Adult Education – Individual Student Alternative Educational Plan (ISAE), and the Teacher Mentor Program. The net impact to fund 60 is \$0.

Federal revenue comprises 86% of the overall FY 2020-2021 budget. The majority of the federal budget are the Title I Local Education Agency, Title VI Part B Special Education, and Title V 21st Century Community Learning Centers grants.

Tuition revenue comprises 1% of the overall FY 2020-2021 budget and is derived from summer school, summer drivers' education, and adult education programs.

Other revenue comprises 5% of the overall FY 2020-2021 budget and is comprised of WHCS Channel 46, private grants, tuition and miscellaneous revenue. WHCS Channel 46 is a partnership between Hampton City Schools and the city of Hampton. The TV station receives a subsidy from the schools and program income from the city to maintain the facility. Both agencies use the TV station to communicate with the community through broadcasts of the School Board and City Council meetings.

Beginning with FY 2020-2021, the Concessions budget was moved to the Athletics Fund (fund 94) and the Cardiopulmonary resuscitation (CPR) program was moved to the School Operating fund (Fund 50). The net impact to fund 60 is \$0.

Additionally, the local match requirement for the School Security Grant is budgeted in fund 60 and will be funded through a fund transfer from the School Operating fund (Fund 50).

Federal and state funds are budgeted so revenue and expenditures match. They do not result in any fund balance. There is no limit designated for fund balance at the end of the fiscal year.

All revenue sources for the Reimbursable Projects fund are budgeted within expenditure objects/types as follows:

**Reimbursable Projects Fund
Budgeted Expenditures By Object/Type**

| Expenditure Object/Type | 2019-2020 Approved Budget | 2020-2021 Budget | \$ INCR (DECR) | % INCR (DECR) |
|--------------------------------|--------------------------------------|-----------------------------|---------------------------|--------------------------|
| Personnel Services | \$ 11,151,164 | \$ 12,588,224 | \$ 1,437,060 | 12.89 |
| Fringe Benefits | 3,912,701 | 4,606,783 | 694,082 | 17.74 |
| Contract Services | 1,599,693 | 1,619,628 | 19,935 | 1.25 |
| Internal Services | 218,096 | 248,663 | 30,567 | 14.02 |
| Other Charges | 905,053 | 807,996 | (97,057) | (10.72) |
| Materials and Supplies | 1,016,900 | 863,806 | (153,094) | (15.05) |
| Payments to Other Agencies | 763,000 | 0 | (763,000) | (100.00) |
| Capital | 2,256,671 | 1,846,011 | (410,660) | (18.20) |
| Total Expenditures | \$ 21,823,278 | \$ 22,581,111 | \$ 757,833 | 3.47% |

The majority of expenditures within the Reimbursable Projects fund are for personnel services (salaries) and fringe benefits.

Rental Income Fund (Fund 65)

The Rental Income fund for FY 2020-2021 totals \$172,176. This is an increase of \$9,151 or 5.61% when compared to FY 2019-2020. The Rental Income fund revenue sources include rental income and transfers from fund balance (if needed).

Rental Income Fund Budgeted Revenue By Major Categories

| Revenue Source | 2019-2020 Approved Budget | 2020-2021 Budget | \$ INCR (DECR) | % INCR (DECR) |
|----------------------|------------------------------|---------------------|-------------------|------------------|
| Rental Income | \$ 163,025 | \$ 172,176 | \$ 9,151 | 5.61 |
| Total Revenue | \$ 163,025 | \$ 172,176 | \$ 9,151 | 5.61% |

The school system receives rental income from school buildings that have been closed in previous years and repurposed to generate income. The repurposed buildings used are Mary Peake and Mallory. In addition to repurposed buildings, funds are derived from space used at the Pharmacy and the Health and Wellness Center. An increase is expected based on current rental agreements.

All revenue sources for the Rental Income fund are budgeted within expenditure objects/types as follows:

Rental Income Fund Budgeted Expenditures By Object/Type

| Expenditure Object/Type | 2019-2020 Approved Budget | 2020-2021 Budget | \$ INCR (DECR) | % INCR (DECR) |
|---------------------------|------------------------------|---------------------|-------------------|------------------|
| Contract Services | \$ 117,025 | \$ 132,676 | \$ 15,651 | 13.37 |
| Other Charges | 46,000 | 39,500 | (6,500) | (14.13) |
| Total Expenditures | \$ 163,025 | \$ 172,176 | \$ 9,151 | 5.61% |

Contract services represent budgeted repair and maintenance expenditures and other charges represent budgeted utility costs for Mallory and Mary Peake (rental facilities).

Athletics Fund (Fund 94)

The Athletics fund for FY 2020-2021 totals \$591,031. This is an increase of \$95,031 when compared to FY 2019-2020. The Athletics fund revenue sources include local funds, transfers from other funds and transfers from fund balance (if needed).

Athletics Fund Budgeted Revenue By Major Categories

| Revenue Source | 2019-2020 Approved Budget | 2020-2021 Budget | \$ INCR (DECR) | % INCR (DECR) |
|----------------------------|------------------------------|---------------------|-------------------|------------------|
| Other Local Funds | \$ 182,000 | \$ 204,800 | \$ 22,800 | 12.53 |
| Transfer from Fund Balance | 37,000 | 37,000 | - | 0.00 |
| Transfer from Other Funds | 277,000 | 349,231 | 72,231 | 26.08 |
| Total Revenue | \$ 496,000 | \$ 591,031 | \$ 95,031 | 19.16% |

Other Local Funds comprises 35% of the FY 2020-2021 budget and includes gate receipts for football, basketball, wrestling, volleyball, athletic event pass sales, concession sales and activity fees. The \$22,800 increase is primarily related to the gross sales from concessions being accounted for in fund 94 instead of fund 60.

Transfer from Fund Balance is 6% of the budget. There is no minimum or maximum limit on the amount of fund balance that can be carried forward. Funds are only allocated if needed.

Transfer from Other Funds is a subsidy from the School Operating fund and comprises 59% of the budget. The \$72,231 increase is directly related to funding the new middle school volleyball program and increased costs for athletic insurance.

All revenue sources for the Athletics fund are budgeted within expenditure objects/types as follows:

Athletics Fund Budgeted Expenditures By Object/Type

| Expenditure Object/Type | 2019-2020 Approved Budget | 2020-2021 Budget | \$ INCR (DECR) | % INCR (DECR) |
|---------------------------|------------------------------|---------------------|-------------------|------------------|
| Personnel Services | \$ 22,500 | \$ 34,423 | \$ 11,923 | 52.99 |
| Fringe Benefits | 1,730 | 2,634 | 904 | 52.25 |
| Contract Services | 165,160 | 193,680 | 28,520 | 17.27 |
| Internal Services | 0 | 82,000 | 82,000 | 100.00 |
| Other Charges | 176,880 | 99,031 | (77,849) | (44.01) |
| Materials and Supplies | 116,600 | 165,319 | 48,719 | 41.78 |
| Contingencies | 13,130 | 13,944 | 814 | 6.20 |
| Total Expenditures | \$ 496,000 | \$ 591,031 | \$ 95,031 | 19.16% |

The \$95,031 increase in expenditures is directly related to the movement of concessions expenditures from fund 60 to fund 94, increased insurance costs and expenditures for the new middle school volleyball program.

The middle school volleyball program is projected to cost \$32,000. For the first year, all projected expenditures are budgeted within the division wide athletic department.

Of the total expenditures, \$213,200 are allocated evenly across the four high schools to be used for supplies, uniforms, sports travel and other needs for the athletic program.

Debt Service

The school division does not prepare or administer a budget for school debt service. The school debt service budget is prepared and administered by the city of Hampton.

Prior to 1980, there had not been any new construction for HCS. Two new PreK-8 schools were built and opened in the fall of 2010. The school division currently pays the City \$2 million each year as a debt service reserve for the two new PreK-8 schools. To date, the school division has paid \$28 million.

Capital Improvement Plan

The school division has established a fund (Fund 52, Capital Projects) within the accounting system to account for capital improvement transactions. As payments for work done are processed, the city transfers money from its capital fund to cover the expenses as they occur. Funds are generally used for maintenance and improvement projects such as roofs, boilers, gymnasium renovations, façade improvements, etc. The city of Hampton approves and funds the capital projects for the school system. This fund is only reported in the city financials and is budgeted by the city.

Capital expenditures are defined as items that have a single acquisition cost of \$5,000 or more and a minimum useful life of five years. Those items, which can be clearly classified as major improvements, rather than routine maintenance or equipment replacement, are defined as capital for the purposes of this program. It includes major expenditures for physical facilities, to include but not be limited to, roof replacement, window replacement, HVAC replacement, ceiling tile/lighting upgrades, bathroom renovations, flooring upgrades, interior and exterior painting, building additions or significant modifications, and other structural upgrades. Vehicles intended for use on the streets and highways are not included in the capital improvement program (CIP).

The CIP funds approximately \$2.4 million in improvements each year. In addition, the city allocates \$2.9 million that was recommended by the school investment panel (SIP) to be provided annually beginning in FY 2007, for school renovation and remodeling. The total available is \$5,287,500 per year. The SIP also recommends funds for new construction. Additional funding for capital improvement projects beyond the total available is determined and approved through the city of Hampton's annual budget process.

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ORGANIZATIONAL SECTION

Overview of the City of Hampton

History

Located on the southeastern tip of the Virginia peninsula on the Chesapeake Bay, Hampton is the oldest continuously settled English community in the United States. As an Indian village called Kecoughtan, it was visited by the first English colonists before they sailed up the James River to settle in Jamestown. Hampton is graced with miles of shoreline and breathtaking water views. The city is literally in the heart of the Hampton Roads region and the center of the East Coast. Hampton was named an “All America City” by the National Civic League in 1972, 2002, and 2014 making it one of a handful cities to win the title multiple times.

Established in 1610, Hampton is one of America's oldest cities and is also one of the fastest growing cities in the region ... a city on the move! Rich in history with small-town charm, Hampton has been recognized by *Money* magazine as one of the best places to live, as well as a national model for youth development and civic engagement. Stroll the streets of our vibrant, waterfront community and you will quickly see what makes Hampton a great place to live, work and play.

In 1610, the construction of Fort Henry and Fort Charles at the mouth of Hampton Creek marked the beginnings of Hampton. In 1619, the settlers chose an English name for the community, Elizabeth City. The settlement was known as Hampton as early as 1680 and in 1705 Hampton was recognized as a town. The city of Hampton was first incorporated in 1849 and classified as a city of the second class in 1908. In 1952, Hampton- the independent town of Phoebus and Elizabeth City County encompassing Buckroe and Foxhill- were consolidated under one municipal government and classified as a city of the first class.

The first free public schools in the United States were founded in Hampton by Benjamin Syms and Thomas Eaton and are commemorated in the Syms-Eaton Museum. Hampton is the site of Hampton University, established in 1868 to educate freed slaves, and Thomas Nelson Community College. St. John's Episcopal parish was founded in 1610, making it the oldest in the country.

Fort Monroe dates from 1819. For a long period during the American Civil War the fort was the only Union outpost in the Confederacy. The famous battle between the first ironclad battleships, the Monitor and the Merrimac, was fought just offshore.

During the Civil War, the city was burned down by its own troops rather than surrender to Federalist troops in 1861. Before the fire, Hampton had 30 businesses and over 100 homes. Fewer than six buildings remained intact after the fire. In 1884, fire again besieged Hampton and almost completely destroyed the downtown business district.

Hampton is also fortunate to be the home of NASA Langley Research Center. Many of the Apollo Space Program astronauts lived in and trained at the Hampton facility. The Oscar nominated film “Hidden Figures” based on the real life story of Katherine Johnson was based at NASA Langley here in Hampton.

Hampton Demographics

Population

- Population: 134,669 people
 - Male: 48.2%
 - Female: 51.8%

Households

- Households: 53,656 people
- Median household income: \$49,890

Ethnicity Percentages

- African American: 50.3%
- White: 42.3%
- Hispanic or Latino: 5.3%
- Identified by two or more: 3.0%
- Asian: 2.5%
- American Indian and Alaska Native: 0.4%

Education

- High school graduates: 90.1%
- Bachelor’s degree or higher: 24.0%

Source: July 1, 2017 U.S. Census Bureau & County Quick Facts

Size

51.41 sq. miles

2,619.51 persons per square mile

City Information

311 (inside Hampton)

757.727.8311 (outside & cell phones)

School Information

<http://www.hampton.k12.va.us/>

757.727.2000

**Fort Monroe**

Hampton's national monument, Fort Monroe, plays a large part in Hampton's history. In 1607, the English explorer Captain John Smith came ashore near Fort Monroe. In 1609, colonial settlers built a wooden structure large enough to hold 50 men and seven mounted cannons, and called it Fort Algernourne. In 1619, it would serve as a landing place in the New World for Africans brought in as slaves.

Work on the fort began in 1819. Named for James Monroe, the fifth President of the United States, Fort Monroe took 15 years to build. Among those who directed construction of the fort was a young lieutenant, Robert E. Lee.

Fort Monroe remained in the hands of the U.S. Army. Although situated in Virginia and surrounded by Confederate forces, the fort did not fall to the Confederacy. Fort Monroe was decommissioned in 2011.

Civil War Inclusion

On May 23, 1861, three Virginia slaves escaped from Norfolk at night and rowed a small boat across the harbor to Hampton. They arrived at Fort Monroe, which had remained

under Union control, and asked for asylum. Post commander Major General Benjamin Butler met with the three - Frank Baker, Sheppard Mallory and James Townsend - and determined he would not return them. When a Confederate officer requested their return under the Fugitive Slave Act, Butler refused, declaring the three to be "contraband of war."

General Butler's contraband decision propelled slavery to the forefront as a wartime concern. By the end of the war, more than 10,000 former slaves were living in large tent cities outside the fort. Many of them stayed in the area, starting businesses and rebuilding Hampton. Thousands of African Americans today trace their heritage to the slaves who escaped to "Freedom's Fortress."

National Monument

On November 1, 2011, President Barack Obama signed a proclamation to designate portions of Fort Monroe as a National Monument. This was the first time that President Obama exercised his authority under the Antiquities Act, a 1906 law to protect sites deemed to have natural, historical or scientific significance.

To learn more about Hampton's 400 plus years of history, visit the [Hampton History Museum page](#).

Variety of Opportunities

In Hampton, we take great pride in partnering with our citizens and collaborating with a diverse array of businesses, universities and other government entities. Hampton is home to the Hampton University Proton Therapy Institute, a state-of-the-art cancer treatment center and Sentara Careplex, a technologically advanced facility featuring the area's first dedicated orthopedic hospital.

The ever growing Peninsula Town Center (PTC) and other developments have reestablished Hampton as a premier shopping, dining and entertainment destination of Hampton Roads. The Element Hotel by Westin, located within the PTC, provides upscale lodging, a rooftop terrace to accompany the retail, dining, entertainment, office and residential living opportunities that the PTC already has to offer. As the development of Fort Monroe continues, the possibilities are endless for making Hampton a leading destination for economic, social and entertainment growth in the region.

In 2019, Hampton's entertainment options expanded to include the gaming emporium, Rosie's. This is the first of its kind in the Hampton Roads region. The nearly 40,000 square foot facility includes off track betting and restaurants.

Hampton's neighborhoods are as diverse as they are unique with prices, styles and sizes to meet residents' needs. Options range from beautiful waterfront properties and exquisite turn-of-the century Victorians to new urban condominiums and convenient downtown living.

Quality of Life

The quality of life is a breath of fresh air and one of the best kept secrets on the East Coast. A waterfront city with a mild climate, Hampton has one of the lowest crime rates in the region. The city was named one of the most technology-advanced cities in the nation by the Center for Digital Government for the 10th year in a row and one of the top 20 hot spots for young professionals to live and work by Next Generation Consulting.

There is also an abundance of things to see and do in Hampton. The city has a vibrant arts community, distinctive festivals, and signature events such as The Hampton Jazz Festival and Hampton Cup Regatta. There are also cultural attractions that include the Fort Monroe National Monument, Virginia Air and Space Center, NASA Langley Research Center, Emancipation Oak, Ft. Wool, Hampton History Museum, Peninsula Town Center, Langley Speedway, The American Theatre, Buckroe Beach, Hampton Carousel, and harbor tours.

Hampton City School Division

The Hampton City School Board (Hampton City Schools or HCS) is responsible for preschool, elementary and secondary education within the city. The division serves around 19,700 students within eighteen elementary schools, five middle schools, two prekindergarten – eighth grade combined schools, four high schools, one gifted magnet school (grades 3-8), one early childhood center, and three alternative programs co-located at one site, the Adult and Alternative Learning Center.

Pursuant to Virginia law, HCS is a fiscally dependent on the local government. As a fiscally dependent school division, assessed and market value of taxable property and tax rates do not apply, nor does the school division maintain a debt service fund. Virginia law prohibits the school division from entering into debt that extends beyond the current fiscal year without the approval of Hampton City Council, the local governing body.

An Overview of Hampton City Schools

Our Mission: In collaboration with our community, Hampton City Schools ensures academic excellence for every child, every day, whatever it takes.

Core Values: We believe that the developmental needs of children are central to every aspect of the operation of Hampton City Schools and that all interactions with our stakeholders must be governed by our core values- integrity, responsibility, innovation, excellence, and professionalism.

Education Facilities*:

1 Early Childhood Center

18 Elementary Schools (Grades K-5) – includes 1 magnet for technology, 2 fundamental schools, and 2 schools for the arts

1 Gifted Center (Grades 3-8)

2 PK-8 Schools

800 elementary school students each (Grades PK-5)

400 middle school students each (Grades 6-8)

100 middle school students in each choice program (Engineering and Biotechnology/Medical Arts

3 major learning centers (Grades PK-2; Grades 3-5; and Grades 6-8)

5 Middle Schools – includes 1 fundamental and 1 magnet school

4 High Schools/ Academies of Hampton

1 Adult and Alternative Learning Center

*All schools are handicap accessible

Accreditation: Virginia State Department of Education (VDOE). High schools are regionally accredited by the Southern Association of Colleges and Schools. [Standards for Accrediting Public Schools in Virginia.](#)

Student Population: 19,590

English as a Second Language: More than 650 students from 70 countries

Number of Advanced Placement Courses Offered: 20

2019 Graduates: 1,405

Scholarships: Over \$59 million

On-Time Graduation Rate: 92.73% (as calculated by VDOE for 2018-2019)

Teacher Population: 1,511 (727 with Master's Degree or Higher)

National Board Certified Staff Members: 45

School Board

The Hampton City School Board (the Board) is composed of seven members. Elections are held the first Tuesday in May and members are elected by the citizens of Hampton to four-year terms in staggered elections in even numbered years. The Chair and Vice Chair are selected by the Board at the annual Organizational Meeting in July.

Additionally, there are two student representatives (primary and alternate) appointed for a one year term to represent the voice of the student body on issues and policies that directly impact students. The primary student representative attends all open board meetings; the alternate attends in his/her absence.

School Board meetings are held on the first and third Wednesday of each month. The first meeting of the month is a regular meeting and is televised live on Cox Cable WHCS Channel 46 and FIOS Channel 20. This meeting is held at Jones Magnet Middle School, 1819 Nickerson Blvd. The second meeting is a work session and is not televised. This meeting is held at the Rupert Sargent Building at 1 Franklin Street. Both meetings begin at 6:30 pm and are open to the public.

The Board appoints the Division Superintendent who serves as the executive and administrative lead of the school division. The Superintendent manages the school division as prescribed in the regulations of the Commonwealth's Board of Education and in accordance with policies approved by the Board. The Board also appoints the School Board Attorney and School Board Clerk.

Division Leadership Team

The Superintendent appoints members to the Division Leadership Team (DLT) to oversee the daily operations of schools and departments. The members of the DLT include:

- Deputy Superintendent for Curriculum, Instruction, and Assessment
- Chief Financial Officer
- Chief Operations Officer
- Executive Director of Student Support
- Executive Director of Elementary Education
- Executive Director of Secondary Education
- Executive Director for Human Resources
- Executive Director for Public Relations and Marketing
- Director of Community and Legislative Relations

Hampton City Schools

Division Structure

FY 2019-2020

The Hampton City School Board is a seven member group of citizens elected to serve four-year overlapping terms. The School Board is charged by the statutes of Virginia and the regulations of the Virginia Board of Education to provide and operate the public schools of Hampton, Virginia. It is the function of the School Board to set general school policy and, within the framework of Virginia Board of Education regulations, to establish guidelines that will ensure the proper administration of the city school program.

Mrs. Ann B. Cherry, Chair

Mr. Joseph C. Kilgore, Vice-Chair

Mrs. Phyllis T. Henry

Ms. Martha M. Mugler (term ended December 31, 2019)

Mr. Jason S. Samuels

Dr. Reginald C. Woodhouse

Dr. Richard M. Mason

Mrs. Monica Smith (appointed January 15, 2020)

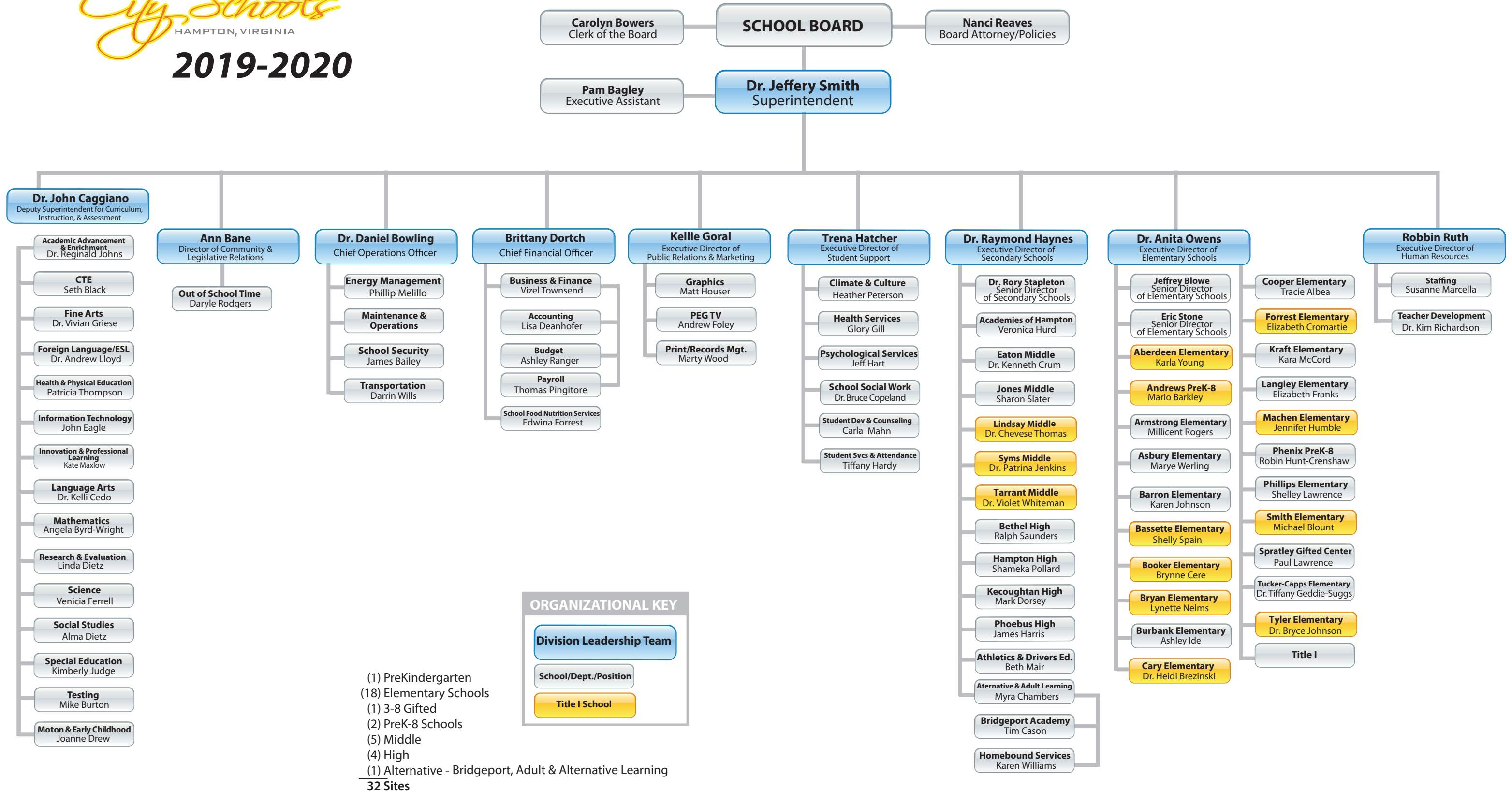
Dr. Jeffery Smith
Superintendent

Mrs. Nanci Reaves
School Board Attorney

Ms. Carolyn Bowers
Clerk of the Board

Division Leadership Team

| | |
|---|---------------------|
| Curriculum, Instruction and Assessment, Deputy Superintendent | Dr. John Caggiano |
| Student Support, Executive Director | Mrs. Trena Hatcher |
| Secondary Education, Executive Director | Dr. Raymond Haynes |
| Elementary Education, Executive Director | Dr. Anita Owens |
| Human Resources, Executive Director | Mrs. Robbin Ruth |
| Public Relations and Marketing, Executive Director | Mrs. Kellie Goral |
| Community and Legislative Relations, Director | Mrs. Ann Bane |
| Chief Operations Officer | Dr. Daniel Bowling |
| Chief Financial Officer | Ms. Brittany Dortch |



HAMPTON CITY SCHOOLS 2020 VISION FOR THE FUTURE (STRATEGIC PLAN 2016-2020)

Mission:

In collaboration with our community, Hampton City Schools ensures academic excellence for **every child, every day, whatever it takes.**

Vision:

Hampton City Schools: the first choice for success for every student.

Core Values:

We believe that the developmental needs of children are central to every aspect of the operations of Hampton City Schools and that interactions with our stakeholders must be governed by our core values—**integrity, responsibility, innovation, excellence and professionalism.**

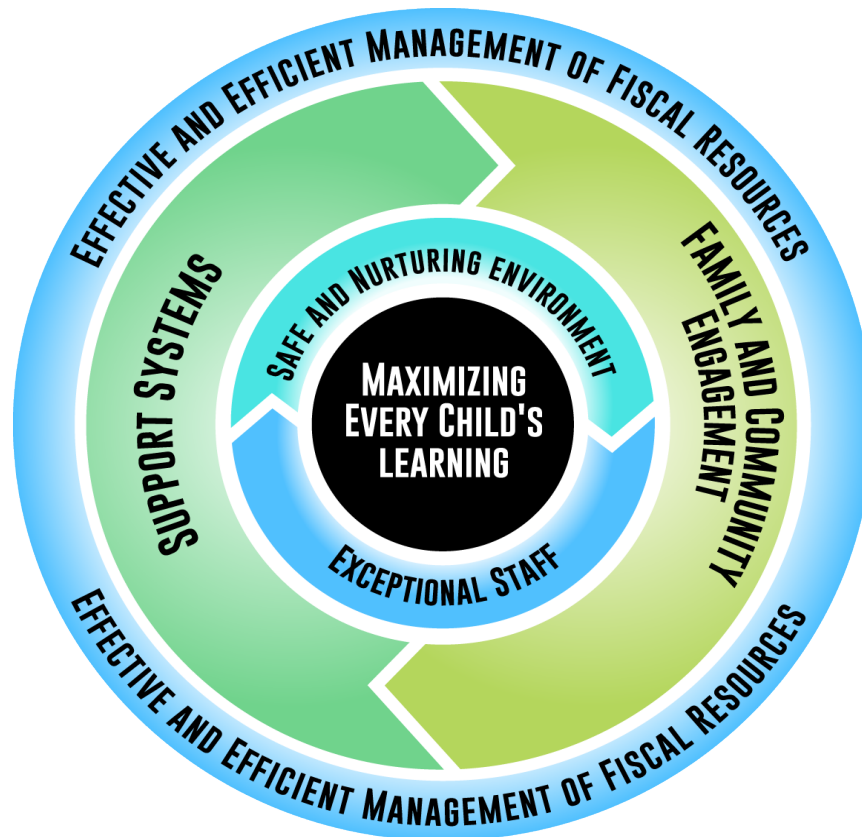
In Hampton City Schools we will exhibit:

- **Integrity** by being honest, sincere, and trustworthy; treating all with fairness and respect
- **Responsibility** by being accountable and reliable
- **Innovation** by taking risks, being creative, and recognizing that small gains are important
- **Excellence** by exceeding expectations; committing to quality through a focus on high standards and continuous improvement
- **Professionalism** by communicating effectively, demonstrating confidence in our abilities, maintaining competence, working collaboratively and exhibiting leadership

What follows here are the Strategic Focus Areas that explain **where we need to focus** our work, our Strategic Goals that make clear **what we plan to accomplish** and how we will measure progress, and finally, our Key Initiatives that furnish the broad strokes of **how we will work** to meet our goals and the needs of our students.



Strategic Focus Model



Hampton City Schools' work is best understood with a visual model. The core of the work, ***Maximizing every child's learning***, is at the center of the model, surrounded by two equally important pieces of our success, ***Creating safe, nurturing environments*** and ***Attracting, developing and retaining exceptional staff***. The learning, the staff, and the environment, then, receive crucial support through ***Enhancing family and community engagement and satisfaction*** and ***Maintaining effective, efficient and innovative support systems*** for both students and employees. Finally, all three "inner circles" are made possible by ***Managing fiscal resources effectively and efficiently***.

Maximize every child's learning

Key Goals & Performance Measures

- **Increase achievement for all students**
 - SOL Proficiency and Advanced Rates in all Core Subjects
 - Measures of growth for special populations
 - Percentage of students earning Advanced Diplomas
- **Increase literacy for every student every year**
 - Percentage of students at grade appropriate comprehension level or showing growth on assessments. Current literacy measures in use are the Phonological Awareness and Literacy Screening (PALS) test, the Diagnostic Reading Assessment (DRA) and the Scholastic Reading Inventory (SRI)
- **Intentionally close achievement gaps**
 - Difference in SOL pass rates by group
- **Graduate 100% of our students**
 - Virginia Graduation and Completion rate

Key Initiatives

- **Increase relevance & engagement for students by:**
 - Redefining the role of teachers in the classroom to be facilitators of learning and collaborative work, which then results in a shift in the role of students to participants in and contributors to learning
 - Creating a system of personalized college and career plans for every student, based on student interest and aptitude and research done by students to chart a 10-year plan that includes post-secondary education and training
 - Enhancing and expanding career exploration in middle school to prepare students for academy membership at high school
 - Expanding Career Academies in high schools to engage students and prepare them for success after graduation

- Expanding the instructional use of technology through the 1:1 initiative at all grades 5 – 12 to better allow students to participate in and contribute to learning experiences both in and outside of the classroom
- **Increase support for students by:**
 - Creating a system of “rapid response” based on frequent formative assessment so there is a process to identify students who need more help *quickly* to master a skill and a structure and protocol to provide that help *without delay*
 - Instituting a comprehensive Response to Intervention (RTI) system with a continuum of interventions available and a data system to track student needs and interventions for monitoring progress and making needed adjustments
 - Providing a comprehensive PK-12 literacy program to continue instruction in reading and reading comprehension beyond the elementary grades

While these key initiatives are at the center of improving our student achievement, literacy, and graduation rates while narrowing our achievement gaps, many of the goals and key initiatives that follow are ultimately tied to student learning as well.

Learning does not happen in a vacuum, or in a school filled with disruptions, low expectations, or a climate where students (or adults) do not feel safe and valued. Our goals, measures and initiatives to assure that both students and staff come to learn and work in a safe and nurturing environment are below. Please note that cultural competence generally refers to an ability to interact appropriately and effectively with people of different cultures and socio-economic backgrounds. In our schools, it also encompasses understanding and appreciating diversity and making conscious efforts to avoid judgment based on stereotypes or a lack of accurate information. In places where there is a high degree of cultural competence, individuals of all types and from all backgrounds feel welcomed and treated fairly.

Create safe, nurturing environments

Key Goals & Performance Measures

- **Increase our cultural competence and relationships**
 - Percentage of positive responses on *cultural competence* questions on annual student and staff climate surveys

- Percentage of positive responses on *caring and supportive adults* question on the annual student climate survey
- Percentage of negative responses listing bullying as a problem in schools or workplaces
- **Increase student engagement and responsibility**
 - Decreased percentage of students missing more than 10% of instructional time
 - Decreased percentage of students with behaviors resulting in suspension

Key Initiatives

- **Improve relationship-building and cultural competence by:**
 - Creating climate teams at every school/program to build capacity, drive job-embedded learning with differentiated experiences ensuring a commitment to relationship-building at all levels in the school community
 - Creating and using reflection tools to measure current practice, identifying strengths and opportunities for growth
 - Training leaders in effective practices and also creating an understanding of the correlation between relationship-building/cultural competence and student achievement
 - Training both new and veteran teachers with interactive and differentiated workshops where they participate in a variety of strategic activities they can use at the classroom level and model for students the power of embracing differences and utilizing the strengths of all
- **Consciously and consistently engage in building a sense of community in schools and throughout the school system by:**
 - Creating a framework to define and provide strategies for developing community at all levels in the organization
 - Establishing consistent practices for engaging school stakeholders in focused, intentional and specific activities that improve school effectiveness and exemplify best practice in collaborative work
 - Providing time and structures for collaborative learning and reflective practices for teachers to have opportunities to work with colleagues in a variety of arrangements (e.g., vertical, in-building, across the division) to ensure success for all

- **Incorporate youth development practices by:**

- Providing information and training for staff in the conceptual framework of youth development and the part it plays in student motivation and achievement
- Working to revise our curricula to reflect effective youth development practices including classroom activities for teacher use
- Researching and adopting *or* creating a framework of practices to teach young people to function effectively in business settings and to adopt these learned behaviors in our schools and other public settings

It is clear from research that the factor that most strongly affects student achievement is the quality of the teacher in the classroom, which in turn is affected not simply by content knowledge and teaching skill, but also motivation and support. Our goals, measures and initiatives to assure that our students have high quality teachers in every classroom are below.

Attract, develop and retain exceptional staff

Key Goals & Performance Measures

- **Staff 100% of our instructional positions with highly qualified employees by the opening day of school each year**
 - Percentage of positions staffed on the opening day of school as reported to the Board
- **Reduce the percentage of employees who opt to leave Hampton City Schools each year**
 - Percentage of voluntary terminations reported to the board in personnel reports collated annually
- **Increase the percentage of employees who express satisfaction with their work environment**
 - Percentage of positive responses to work environment questions on the annual staff climate survey

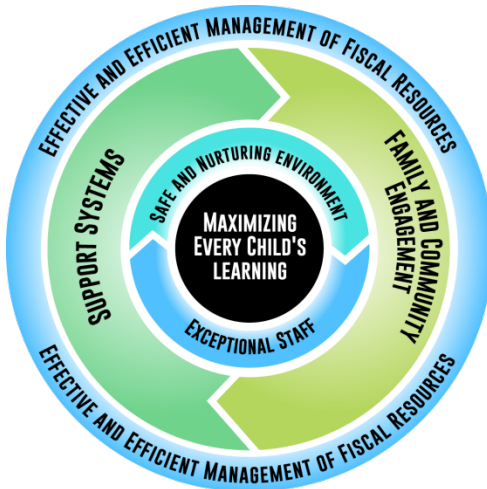
Key Initiatives

- **Create and implement a comprehensive employee induction process with a unifying and inspiring culture by:**

- Capturing and communicating the rich history of Hampton City Schools as the birthplace of the first “free school” created with a mission of teaching students from all backgrounds and means
 - Capturing and communicating the satisfaction that comes from doing our work well and changing lives
 - Creating a multi-year system of development and support that is differentiated to meet the various (technical, social, and emotional) needs of incoming employees
- **Recruit, develop and retain exceptional leadership throughout the organization by:**
 - Recognizing the leadership potential in employees at all levels of the organization and working to cultivate effective leadership skills and behaviors at all levels through training and internship opportunities
 - Providing comprehensive training for current and prospective leaders on effective coaching practices to enable them to coach employees for success and for improvement
 - Including all facets of effective leadership in recruitment, training, and employee evaluation when applicable
- **Provide job embedded professional development differentiated by employee needs by:**
 - Developing an organizational culture grounded in a “growth mindset” that fosters a love of learning rather than a fear of failure
 - Developing a “formative assessment” system including tools for self-assessment to measure employee skills in specific areas to provide targeted training to meet identified needs
 - Expanding the opportunities to receive coaching for both instructional and non-instructional staff
- **Maintain a competitive salary & benefit package to attract and retain exceptional employees by:**
 - Considering competitive employee compensation as a key employee recruitment and retention factor in the budget process each year
 - Creating an information gathering plan and cycle to poll employees about

benefit preferences

- Continuing to expand our benefits to include innovative components appealing to employees, unique to Hampton and based on best practices, (e.g. wellness center and pharmacy)



The strategic focus areas in the two inner circles of our model, contain all of the *measurable* goals in the plan. This is our core work. The outer rings that support the core work each have key initiatives.

The work for these will be planned and mapped with project management tools (e.g., Project Charters, Gantt Charts, and Milestone Charts) and reports on progress will be included with the annual report of progress. Large projects may also generate separate reports to the board and community.

Maintain effective, efficient and innovative support systems

Key Initiatives

- **Ensure technology literacy for staff and students by:**
 - Identifying the key skills necessary to successfully navigate on-line learning systems, assessment systems, support systems, financial and business systems and creating a self-assessment tool to identify areas for training
 - Creating multiple modes of professional learning for technology literacy
 - Creating technology experts throughout the division through a certification driven professional learning academy
- **Expand the productivity of staff by:**
 - Creating an accessible and intuitive curriculum management system with resources linked and accessible
 - Creating a comprehensive “Help Desk” system for support in any area, (e.g. maintenance, human resources, curriculum and instruction) so that employees have a single access point for assistance

- **Expand support for students by:**
 - Broadening our partnerships with community groups and agencies to create programs that provide resources and services to students and families (e.g. Community Services Board, Department of Human Services)

Enhance family and community engagement and satisfaction

Key Initiatives

- **Create a welcoming environment in every school and department by:**
 - Identifying the key components to excellent customer service and creating a self-assessment tool to identify needs for growth
 - Implementing an on-going customer service training program for staff including, but not limited to, front line staff members
 - Creating a comprehensive customer feedback system
- **Expand partnerships with community groups and organizations by:**
 - Creating a process and system to match needs with potential supports that would facilitate access and problem solving for both schools and community members or groups
- **Expand marketing of great things going on in our schools by:**
 - Providing training and tools for employees, students and families to be, not only press agents, but also ambassadors for Hampton City Schools
- **Increase effective communication between the school system and our community by:**
 - Redesigning the division's web pages for easy navigation
 - Obtaining and implementing a new message system that integrates with our student information system to improve accuracy in our target audience for messages
 - Continuing to expand our use of social media to highlight events and successes in Hampton City Schools
 - Implementing a school division mobile app to provide parents with easier access to division, school and student information

Manage fiscal resources effectively and efficiently

Key Initiatives

- **Improve efficiency, transparency and accountability by:**
 - Introducing program-based accounting, which includes charting all accounts (including grants) with an applicable program code, creating annual spending plans for each program with program descriptors such as clients served, services provided, and results (both expected and actual) and using these data to measure return on investment
 - Creating and implementing a system to include end users in decision-making about purchases and to allow all employees to report concerns about spending and/or perceived inefficiencies
 - Instituting the use of an electronic requisition, purchasing and accounting system to automate workflow and enable enhanced reporting

By engaging in work on these key initiatives, and pursuing these goals, we believe we will move our division and community forward and further grow our ability to fulfill our mission to ensure academic excellence for every child, every day, whatever it takes.

Organization of Financial Data

Basis of Presentation – Fund Accounting

The accounts of Hampton City Schools are organized on the basis of funds, each of which is considered a separate accounting entity.

The following are the Hampton City School Division's governmental fund types in line with General Accounting Standards Board (GASB):

General Fund – The School Operating Fund (Fund 50) is the main operating fund of the School Division. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. School Food Services (Fund 51), Reimbursable Projects (Fund 60), Rental Income (Fund 65) and Athletics (Fund 94) are accounted for in Special Revenue Funds.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. State law prohibits school divisions from entering into debt that extends beyond the current fiscal year without approval from the local governing body. If Hampton City Council approves a debt issue, it is listed in the name of the Hampton City Council. Hampton City Council maintains the budget and administers all payments related to the Debt Service Fund. The School Division does not budget for debt service.

Capital Project Fund – The Capital Project Fund (Fund 52) is used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Capital Project Fund accounts for school construction and major renovations to facilities. The city of Hampton approves and funds the capital projects for Hampton City Schools. This fund is only reported in the city financials.

Basis of Accounting

The modified accrual basis of accounting is used by the governmental funds. Under this basis, revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay

liabilities of the current period. Expenditures are recorded when the fund liability is incurred, if measurable. Encumbrances outstanding at year end are reported as assigned fund balances since they do not constitute expenditures or liabilities. Depreciation expense is not included in the budget.

In applying the measurable and available accrual concept to revenues, the legal and contractual requirements of the programs are used as guidance. There are essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the School Division; therefore revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to the purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These are reflected as revenues at the time of receipt or earlier if accrual criteria are met.

Classification of Revenues

Revenues of the School Division are classified by fund and source. The three primary sources of revenue are state, federal, and local funds.

| Fund | Description of Revenue Sources |
|--|--|
| Operating Fund (Fund 50) | State funds (e.g., basic aid to support the Standards of Quality-SOQ-), state sales tax, local funds from the city of Hampton, federal funds such as Impact Aid and Junior Reserve Officer Training Corps (JROTC), and other funds (e.g., indirect cost, cell tower, Medicaid reimbursement). |
| Food and Nutrition Services (Fund 51) | Federal funds from the United States Drug Administration (USDA); state funds for the breakfast and lunch programs; lunch and breakfast meal prices, grants, and catering events. |
| Reimbursable Projects (Fund 60) | Federal, state and other grant awards; examples include Title I, Title II, Title VIB, McKinney Vento, Carl Perkins, Adult Education and Family Literacy grants, as well as other reimbursable projects receive funding from non-grant sources (e.g.; the C-PEG Television station funding comes from Fund 50, the city of Hampton, Verizon and Cox). |
| Rental Income (Fund 65) | Rental Income from facility space occupied by external organizations. |
| Athletics (Fund 94) | Ticket sales for athletic events, activity fees, concession profits, corporate sponsorships and Fund 50 contribution. |

Classification of Expenditures

Expenditures are classified by the following major classifications:

| Major Classification | Description |
|---|---|
| Instruction | Activities that deal directly with the interaction between teachers, aides, or classroom assistants and students. These activities include classroom instruction, guidance services, school social workers, homebound services, improvement of instruction, media services, and expenditures of the office of the principal. |
| Administration, Attendance, and Health | <p>Administration includes those activities concerned with establishing and administering policy for the school division, such as school board services, executive administration services, budget and planning, public information, human resources, financial services, and purchasing services.</p> <p>Attendance and Health Services includes 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 and therapy services.</p> |
| Pupil Transportation | Activities associated 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, and other vehicle and equipment purchases. |
| Operation and Maintenance | Activities concerned with keeping the physical building open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition. This includes the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools. |
| Non-instructional Operations | Activities concerned with providing non-instructional services to students, staff, or the community. |
| Debt and Fund Transfers | Activities for certain transfers of monies from one fund to another and to the local governing body. |
| Technology | Activities for services (i.e., distance learning) involving the use of technology for instructional, public information, administration, or any other use. Technology also includes the acquisition and maintenance of hardware and software. |

Classification of Expenditures

Expenditures are further categorized by the following object/type:

| Object | Description |
|-----------------------------------|---|
| Salaries | Salaries and wages for full-time and part-time employees, as well as overtime, supplements, and other compensation. |
| Fringe Benefits | Fringe benefits including employer's portion of Social Security and Medicare Tax (FICA), retirement, healthcare, life insurance, disability income, and unemployment. |
| Contract Services | Contractual services, excluding capitalized expenditures, from outside organizations. |
| Internal Services | Charges from an internal service fund to another fund for activities of the school division for intragovernmental services. |
| Other Charges | Charges that support the use of programs such as utilities, telecommunication, travel, etc. |
| Materials/Supplies | Charges for articles and commodities that are consumed or materially altered when used and minor equipment that is not capitalized. |
| Payments to Other Agencies | Charges such as tuition payments to the fiscal agent for operations that are jointly operated by two or more local governments (e.g., a regional program). |
| Capital Outlay | Charges for the purchase of equipment that meets the capitalization threshold. |
| Contingencies | Budget for unexpected expenditures and city debt service payment. |
| Fund Transfers | Charges for fund transfers to local government or other funds. |

Budget Development Process

Annual Budget Policy

School Board Policy DB - Annual Budget states that 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 shall prepare an estimate of the amount of money needed during the next fiscal year for the support of the public schools of the Division, for School Board approval and submission to the appropriating body. The estimate shall set the amount of money needed for each major classification prescribed by the State Board of Education and such other headings or items as may be necessary.

The Superintendent/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 (10) days in advance, in a newspaper having general circulation within the Division.

Upon approval of the Division's budget by the appropriating body, the Division publishes the approved budget, 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.

Fiscal Year 2020-2021 Process

In compliance with School Board Policy DB, Annual Budget, the Division is required to prepare and submit a budget to the School Board for approval.

August/September

The budget development process begins in August with the creation of the budget development calendar. This calendar serves as the road map for the budget process and includes budget committee meeting dates, expected deliverables and responsible departments for each deliverable.

During September, prior fiscal year spending is analyzed, the school board priorities survey is developed and changes to the budget methodology are determined and communicated to all impacted departments.

Beginning with FY 2020-2021, a Budget Development Manual was created to provide each department with information on the school division's fund structure, the budget development process, and how to submit budget requests. This document will be updated and included in the annual budget development process.

October/November

Zero-based budgeting was used to develop the FY 2021 budget. Zero-based budgeting (ZBB) is a method of budgeting in which all expenses must be justified each year. This method helps in developing a budget based on actual needs for the upcoming year, repurposing funds to help support increased costs and new initiatives, and it helps to deter replicating the prior year budget.

Beginning with FY 2020-2021, departments utilized *Munis Next Year Budget Entry* to electronically submit non-personnel budget requests between October and November. Personnel requests were submitted via a Google document form. Each DLT member worked collaboratively with their respective departments to review budget submissions with special attention to justifying any new funding requests.

The Finance Department calculates an initial salary projection and attrition based on the filled positions and vacancies at that point in time. This calculation also provides a baseline projection for salaries and benefits (prior to any consideration for compensation increases, benefit rate changes, or new position requests).

Additionally, fall enrollment projections are calculated as a baseline for school level budgets.

School level budgets (with the exception of utility costs) are allocated on a per pupil basis. Beginning with the FY 2020-2021 budget development process, a schoolwide Per Pupil Amount (PPA) will be developed annually for each level of education (elementary, middle/PreK-8, and high school).

The PPA will be applied to each school's projected fall enrollment for the upcoming school year. This calculation is used as the maximum level of funding available to each school. Principals/School Administrators use this amount to allocate funds across the school's accounts using the *Munis Next Year Budget Entry module*.

SOL remediation is budgeted on a per building basis based on the division's Pyramid of Interventions for School Support by school and subject area.

December

All budget requests have to be entered into *Munis* by departments before December to provide sufficient time for DLT review. Initial revenue and expenditure projections are

developed for Food and Nutrition Services (Fund 51), Reimbursable Projects (Fund 60), Rental Income (Fund 65) and Athletics (Fund 94) by mid-December (before Winter Break).

Around mid-December, the Governor releases the proposed state budget. The Governor's proposal serves as the initial basis for state funding for the annual budget.

The Finance Department reviews the Governor's proposal, projects spring average daily membership (ADM), and determines the impact to the school division.

January/February

Budget committee meetings occur every Friday between January and February. The Budget Committee is made up of the Superintendent, DLT, Director of Business and Finance, Assistant Director of Budget, Assistant Director of Accounting, and the Assistant City Manager who oversees the City Budget process.

During the meetings, the Budget Committee reviews all budget requests, initial revenue and expenditure projections for all funds, and projected ADM. The Budget Committee also identifies and quantifies expenditure pressures, expenditures savings, and personnel changes. Using the initial salary projection, personnel changes are generally made based on a combination of projected ADM, critical need, new programs, and changes due to efficiency or consolidation.

In line with the Strategic Plan, School Board priorities for the upcoming budget year, and availability of funds, the Budget Committee determines what will be included in the proposed budget.

The proposed budget is then presented to the School Board members in preliminary 2x2 meetings before the end of February.

March - May

Throughout the month of March, the School Board has four (4) public meetings. The proposed budget for all funds (Fund 50, 51, 60, 65, and 94) are presented to the School Board and the community.

The second and third meeting includes a public hearing for the proposed budget. Each public hearing allows the community the opportunity to provide public comment on the proposed budget. Input is carefully considered by the School Board and has in the past been the impetus for making changes to the proposed budget.

For the FY 2021 budget, only 3 public meetings and 1 public hearing were held in March 2020 due to efforts to limit large gatherings of more than 10 people due to COVID-19.

The last meeting in March is the scheduled date for the School Board to approve the proposed budget.

The School Board approved proposed budget is then submitted to the City prior to the April 1 deadline as required by state law.

The School Board budget is included with the City Manager's Proposed Operating Budget and is submitted to City Council by no later than April 15. City Council adopts the budget by no later than May 15 to comply with state law for approval of the School Board budget.

The Hampton City Council approves the budget by total amount or lump sum.

Hampton City Schools Fall 2020 Enrollment Projection

| School Name | VP | SP | KG | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | Fall 2020 Projection |
|---------------------------------|------------|-----------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------|
| Aberdeen Elementary School | 35 | 0 | 72 | 71 | 66 | 78 | 72 | 63 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 457 |
| Alternative Learning Center | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14 | 24 | 24 | 46 | 108 |
| Andrews PreK-8 School | 90 | 5 | 131 | 117 | 96 | 110 | 106 | 102 | 111 | 118 | 110 | 0 | 0 | 0 | 0 | 1096 |
| Armstrong Elementary School | 0 | 0 | 43 | 46 | 46 | 45 | 49 | 64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 293 |
| Asbury Elementary School | 0 | 0 | 77 | 84 | 75 | 56 | 59 | 64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 415 |
| Barron Elementary School | 0 | 10 | 58 | 62 | 59 | 58 | 63 | 56 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 366 |
| Bassette Elementary School | 0 | 10 | 76 | 70 | 70 | 82 | 74 | 63 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 445 |
| Bethel High School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 521 | 465 | 393 | 306 | 1685 |
| Booker Elementary School | 0 | 0 | 51 | 57 | 61 | 50 | 42 | 63 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 324 |
| Bridgeport Academy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 | 2 | 10 | 11 | 4 | 1 | 0 | 31 |
| Bryan Elementary School | 0 | 1 | 65 | 72 | 73 | 48 | 59 | 63 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 381 |
| Burbank Elementary School | 35 | 0 | 76 | 65 | 70 | 65 | 57 | 60 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 428 |
| Cary Elementary School | 0 | 0 | 43 | 60 | 47 | 48 | 60 | 60 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 318 |
| Cooper Elementary School | 0 | 12 | 75 | 60 | 67 | 70 | 66 | 61 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 411 |
| Eaton Fundamental Middle School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 198 | 200 | 176 | 0 | 0 | 0 | 0 | 574 |
| Forrest Elementary School | 0 | 0 | 80 | 95 | 68 | 56 | 62 | 76 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 437 |
| Hampton High School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 415 | 364 | 339 | 300 | 1418 |
| Jones Middle School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 231 | 219 | 196 | 0 | 0 | 0 | 0 | 646 |
| Kecoughtan High School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 481 | 392 | 358 | 341 | 1572 |
| Kraft Elementary School | 0 | 1 | 72 | 81 | 61 | 54 | 57 | 51 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 377 |
| Langley Elementary School | 35 | 0 | 92 | 81 | 98 | 78 | 94 | 67 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 545 |
| Lindsay Middle School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 178 | 208 | 192 | 0 | 0 | 0 | 0 | 578 |
| Machen Elementary School | 0 | 0 | 66 | 64 | 65 | 72 | 63 | 62 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 392 |
| Moton Early Childhood Center | 301 | 11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 312 |
| Phenix PreK-8 School | 89 | 6 | 135 | 152 | 148 | 111 | 143 | 149 | 162 | 162 | 133 | 0 | 0 | 0 | 0 | 1390 |
| Phillips Elementary School | 0 | 7 | 97 | 69 | 65 | 48 | 71 | 63 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 420 |
| Phoebus High School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 361 | 267 | 243 | 164 | 1035 |
| SEAP | 0 | 11 | 4 | 2 | 5 | 13 | 7 | 6 | 6 | 12 | 11 | 8 | 14 | 7 | 28 | 134 |
| Smith Elementary School | 35 | 1 | 65 | 57 | 65 | 43 | 50 | 58 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 374 |
| Spratley Gifted Center | 0 | 0 | 0 | 0 | 0 | 76 | 133 | 105 | 186 | 210 | 161 | 0 | 0 | 0 | 0 | 871 |
| Syms Middle School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 247 | 243 | 240 | 0 | 0 | 0 | 0 | 730 |
| Tarrant Middle School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 179 | 174 | 181 | 0 | 0 | 0 | 0 | 534 |
| Tucker-Capps Elementary School | 0 | 11 | 53 | 51 | 48 | 45 | 47 | 57 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 312 |
| Tyler Elementary School | 0 | 0 | 69 | 64 | 63 | 64 | 54 | 38 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 352 |
| VPIO | 15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15 |
| Totals | 635 | 86 | 1,500 | 1,480 | 1,416 | 1,370 | 1,488 | 1,452 | 1,500 | 1,548 | 1,410 | 1,811 | 1,530 | 1,365 | 1,185 | 19,776 |

Enrollment for K-12 only

19,055

Management of Funds Policy

School Board Policy DA – Management of Funds state the Superintendent/designee shall be responsible for administering the Division budget in accordance with board policies and applicable state and federal regulations and laws; therefore, the Superintendent/designee will use appropriate fiscal planning and management methods, modeled after the best accepted business practices and directed toward the educational goals of the Division.

- a. If the governing body approves the School Board budget by total amount (also referred to as lump sums), funds may be transferred by the School Board from one major classification to another. If funds are appropriated to the School Board by major classifications, 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.
- b. The Superintendent/designee may be authorized by the School Board to make line item transfers within a major classification.
- c. The School Board authorizes the Superintendent/designee to make transfers of funds between any classification and the Technology classification in order to facilitate the proper classification of purchases as required by the Virginia Department of Education (VDOE). An accounting of such transfers will be included as part of the monthly financial report to the Board.

The School Board shall manage and control the funds made available to the School Board for the public schools and may incur costs and expenses.

Budget Administration and Management Process

Once the School Board budget is appropriated by City Council, School Board Policy DA is followed to administer the budget.

The budget is monitored on a routine basis. Managers have access to the financial system to monitor their department's budget status. Non-personnel expenditures cannot be processed if there is not sufficient budget available. Managers are notified when this happens and requested to process a budget transfer. The School Board policy authorizes budget transfers within each major classification without School Board approval. For budget transfers between major classifications, other than Technology, School Board approval is required. The School Board allows transfers to and from the Technology classification; however, monthly reports have to be submitted to the School Board listing all transfers to and from the Technology classification.

As part of the budget monitoring, monthly reports are generated and reviewed for personnel attrition (funds available due to vacant positions), headcount (to ensure it is within budgeted limits), compensatory time and overtime earned, part-time hours worked, as well as other reports as needed. Items that appear out of bounds are flagged and reviewed with the appropriate personnel for action. Periodic updates are also provided to the Superintendent and the Division Leadership Team. A budget report for the Operating Fund is also submitted to the School Board on a monthly basis.

Internal controls are in place to ensure adequate segregation of duties in the payroll, accounts payable, accounts receivable, general ledger reporting, and other financial functions, both at the district level and at the school level. In addition, the division is audited by independent auditors on an annual basis. The delegated procurement authority for departments (the level at which purchases may be made without going through Procurement) is \$4,999.99 or less. Purchases of \$5,000 and over on an annualized basis must be submitted on a requisition to Procurement for appropriate bidding and award. Sole Source vendors are submitted on a requisition to Procurement regardless of amount. The School Board shares a Consolidated Procurement office with the City, reimbursing them for a proportionate share of the department's cost.

Fund Balance

Fund balance at the end of the year primarily represents outstanding encumbrances that exist as of June 30 that must be paid for in the subsequent fiscal year. State law prohibits school divisions from carrying over unspent funds from one fiscal year to the next in the General Fund (Operating Fund 50). Therefore, any unspent funds at year end are returned to the City and funds are requested to be re-appropriated into the next fiscal year.

The Food and Nutrition Services (Fund 51), Reimbursable Projects (Fund 60), Rental Income (Fund 65) and Athletics (Fund 94) funds can all carry forward fund balances. Food and Nutrition Services (Fund 51) is restricted by state code to carry forward three months of revenue reimbursements in their fund balance. The Capital Project Fund (Fund 52) can carry a fund balance from year to year.

Fund Balance Policy

I. Purpose

The purpose of this policy is to address the requirements of Governmental Accounting Standards Board (GASB) No. 54, Fund Balance Reporting and Governmental Fund Definitions. The policy sets forth the different classifications of fund balance and the level of authority required to commit or assign amounts for specific purposes.

II. General Policy

Fund Balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which HCS is bound to honor constraints on the specific purpose for which amounts can be spent. The five categories are as follows:

- a. **Nonspendable Fund Balance** – Includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact. Examples would be inventory, long term receivables, or a fund that is legally or contractually required to be maintained intact such as a permanent fund.
- b. **Restricted Fund Balance** – Includes amounts that can be spent only for specific purposes as stipulated by constraints imposed by either external creditors, grantors, laws or regulations of other governments, or they are imposed by law through constitutional provisions or enabling legislation.

- c. Committed Fund Balance – Includes amounts that can only be used for specific purposes pursuant to a formal action of the government’s highest level of decision-making authority.
 - i. Authority to Commit - Commitments for specific purposes require a formal action of the School Board or City Council, dependent on the type of commitment. A majority vote is required to approve or remove a commitment.
- d. Assigned Fund Balance – Includes amounts intended to be used by HCS for a specific purpose but do not meet the criteria to be classified as restricted or committed. The intent should be expressed by the governing body itself or an official or committee that the governing body has delegated the authority to assign amounts to be used for specific purposes. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.
 - i. Authority to Assign - The School Board delegates to the Superintendent and Deputy Superintendent, Operations and Support the authority to assign amounts to be used for specific purposes; however, before the assigned funds can be spent, such amounts, excluding appropriations related to encumbrances that are carried forward to subsequent fiscal year, must be appropriated by the School Board.
- e. Unassigned Fund Balance – The residual classification for the General Fund. This category represents fund balance that has not been restricted, committed or assigned to specific purposes within the General Fund. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed or assigned.

III. Operational Guidelines

The following guidelines address the classification and use of fund balance in governmental funds:

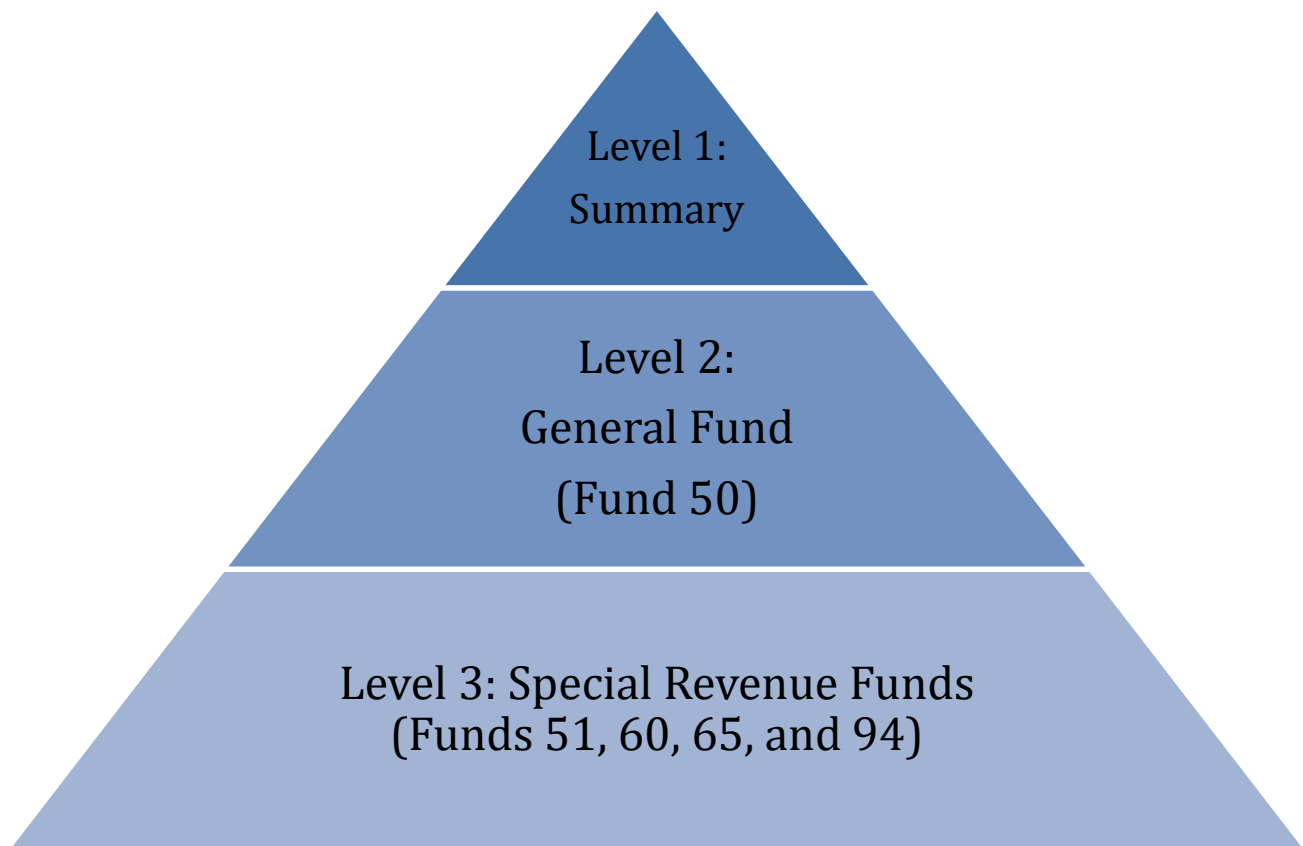
- a. Encumbrance reporting – Encumbering amounts for specific purposes for which resources have already been restricted, committed or assigned should not result in separate display of encumbered amounts. Encumbered amounts for specific purposes for which amounts have not been previously restricted, committed or assigned, will be classified as committed or assigned, as appropriate, based on the definitions and criteria set forth in GASB Statement No. 54.
- b. Prioritization of Fund Balance Use:

- i. When expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) amounts are available, it shall be the policy of HCS to consider restricted amounts to have been spent first.
- ii. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of HCS that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

FINANCIAL SECTION

Financial Section Introduction

Utilizing a pyramid approach, the financial section provides a more in-depth view of the budget by providing the adopted budget, the current year budget and actual amounts for three previous fiscal years, a three-year budget forecast, and discussion around significant trends and assumptions that comprise the adopted budget.



Level 1: Includes a summary of the total budget for all funds by revenue source and by expenditure object.

Level 2: Includes a summary of the General Fund by revenue source, expenditure classification, and expenditure object. A further breakout of the General Fund budget is provided by department and program.

Level 3: Includes a summary of each Special Revenue Fund by revenue source and expenditure object.

General Ledger Account/Cost String Glossary

The budget is allocated using a general ledger account or cost string that includes specific characteristics to identify transactions recorded in the accounting system. The cost string was developed with a focus of enhancing both state and local division reporting. The cost string has nine segments which are explained below:

Example: 60-1121-2-670-020-61100-00000-0000000-67018

Fund: an independent accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities in accordance with specific regulations, restrictions or limitations.

Examples: 50 – School Operating Fund
51 – School Food and Nutrition Fund
60 – Reimbursable Projects Fund
94 – Athletics Fund

Object Code: a distinct number used to describe the type of expenditures, revenue, or balance sheet account within a fund.

Examples: 1121 – Compensation of Teachers
2300 – Healthcare Subsidy
3145 – Professional Services
6013 – Instructional Supplies

Cost Center: a non-revenue producing element of an organization, where costs are separately allocated.

Examples: 2 – Elementary School
3 – Middle School
4 – High School
9 – Division Wide

Department: a distinct, usually specialized, division within an organization.

Examples: 300 – Hampton High School
860 – Graphics
903 – Student Services
922 – Transportation

Location: a distinct, usually specialized, division of an organization that is used to further allocate expenditures. The location can either be the same or different from the department.

Examples: 300 – Hampton High School
860 – Graphics
903 – Student Services
922 – Transportation

Function: a distinct number that is used to allocate expenditures based on the type of activity within the state required major classifications.

Examples: 61100 – Classroom Instruction
63100 – Transportation Management and Direction
64100 – Operation and Maintenance Management and Direction
68100 – Technology Classroom Instruction

Program: a distinct number that is used to allocate expenditures within each function required for state reporting and to track expenditures for division level reporting.

Examples: 02200 – Special Education
01008 – Science
08115 – At Risk 4 Year Olds
11000 – Summer Instruction

Revenue Source: a distinct number that is used to track the specific source of revenue from state and federal agencies.

Examples: 1055800 – National Lunch Program
2402280 – Early Reading Intervention
8428700 – 21st Century Learning Grant
2402810 – Virginia Preschool Initiative/At Risk 4 Year Olds

Project Code: a distinct code that is used only in specific Funds (e.g., Fund 60 Reimbursable Projects) to allow for special reporting typically for reimbursements. The School Operating Budget (Fund 50) does not use project codes.

Examples: 65018 – 21st Century Learning Grant 2018
75718 – Career and Technical Education Perkins Grant 2018
68118 – Title VIB Flow Through Grant (Special Education) 2018
69218 – Title I School Improvement Grant 2018

**HAMPTON CITY SCHOOLS
TOTAL BUDGET SUMMARY FOR ALL FUNDS**

| ACCOUNT | FUND 50 | | FUND 51 | | FUND 60 | |
|----------------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
| | FY 2020 APPROVED | FY 2021 APPROVED | FY 2020 APPROVED | FY 2021 APPROVED | FY 2020 APPROVED | FY 2021 APPROVED |
| REVENUE | | | | | | |
| Local Revenue | \$ 75,572,304 | \$ 76,948,468 | \$ - | \$ - | \$ - | \$ - |
| State Revenue | 107,414,742 | 123,180,446 | 345,467 | 418,732 | 1,775,270 | 1,888,296 |
| State Sales Tax | 22,624,685 | 23,140,935 | - | - | - | - |
| Federal Revenue | 810,000 | 810,000 | 8,348,806 | 8,540,686 | 17,936,975 | 19,466,341 |
| Fund Balance | - | - | - | - | - | - |
| Transfers from Other Funds | - | - | - | - | 434,102 | 484,564 |
| Other Revenue | 4,719,464 | 5,038,220 | 3,216,790 | 3,338,319 | 1,676,931 | 741,910 |
| Total Revenue | <u>\$ 211,141,195</u> | <u>\$ 229,118,069</u> | <u>\$ 11,911,063</u> | <u>\$ 12,297,737</u> | <u>\$ 21,823,278</u> | <u>\$ 22,581,111</u> |
| EXPENDITURES | | | | | | |
| Personnel Services | 117,542,678 | 126,082,280 | 3,449,966 | 3,698,439 | 11,151,164 | 12,588,224 |
| Fringe Benefits | 50,853,309 | 55,810,934 | 857,862 | 909,172 | 3,912,701 | 4,606,783 |
| Contract Services | 19,414,783 | 21,313,469 | 131,876 | 109,250 | 1,599,693 | 1,619,628 |
| Internal Services | 7,160 | 227,540 | - | - | 218,096 | 248,663 |
| Other Charges | 7,626,336 | 7,444,437 | 76,117 | 17,371 | 905,053 | 807,996 |
| Materials and Supplies | 7,660,872 | 7,827,778 | 6,775,634 | 6,984,455 | 1,016,900 | 863,806 |
| Payments to Other Agencies | 1,730,300 | 2,222,506 | - | - | 763,000 | - |
| Capital Outlay | 2,594,655 | 2,660,031 | 119,608 | 110,530 | 2,256,671 | 1,846,011 |
| Contingencies | 3,000,000 | 2,695,299 | - | - | - | - |
| Debt Service | - | 2,000,000 | - | - | - | - |
| Fund Transfers | 711,102 | 833,795 | 500,000 | 468,520 | - | - |
| Total Expenditures | <u>\$ 211,141,195</u> | <u>\$ 229,118,069</u> | <u>\$ 11,911,063</u> | <u>\$ 12,297,737</u> | <u>\$ 21,823,278</u> | <u>\$ 22,581,111</u> |

| ACCOUNT | FUND 65 | | FUND 94 | | TOTAL ALL FUNDS | |
|----------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|
| | FY 2020 APPROVED | FY 2021 APPROVED | FY 2020 APPROVED | FY 2021 APPROVED | FY 2020 APPROVED | FY 2021 APPROVED |
| REVENUE | | | | | | |
| Local Revenue | \$ - | \$ - | \$ - | \$ - | \$ 75,572,304 | \$ 76,948,468 |
| State Revenue | - | - | - | - | 109,535,479 | 125,487,474 |
| State Sales Tax | - | - | - | - | 22,624,685 | 23,140,935 |
| Federal Revenue | - | - | - | - | 27,095,781 | 28,817,027 |
| Fund Balance | - | - | - | - | - | - |
| Transfers from Other Funds | - | - | 277,000 | 349,231 | 711,102 | 833,795 |
| Other Revenue | 163,025 | 172,176 | 219,000 | 241,800 | 9,995,210 | 9,532,425 |
| Total Revenue | <u>\$ 163,025</u> | <u>\$ 172,176</u> | <u>\$ 496,000</u> | <u>\$ 591,031</u> | <u>\$ 245,534,561</u> | <u>\$ 264,760,124</u> |
| EXPENDITURES | | | | | | |
| Personnel Services | - | - | 22,500 | 34,423 | 132,166,308 | 142,403,366 |
| Fringe Benefits | - | - | 8,250 | 2,634 | 55,632,122 | 61,329,523 |
| Contract Services | 117,025 | 132,676 | 149,000 | 193,680 | 21,412,377 | 23,368,703 |
| Internal Services | - | - | - | 82,000 | 225,256 | 558,203 |
| Other Charges | 46,000 | 39,500 | 176,885 | 99,031 | 8,830,391 | 8,408,335 |
| Materials and Supplies | - | - | 116,600 | 165,319 | 15,570,006 | 15,841,358 |
| Payments to Other Agencies | - | - | - | - | 2,493,300 | 2,222,506 |
| Capital Outlay | - | - | - | - | 4,970,934 | 4,616,572 |
| Contingencies | - | - | 22,765 | 13,944 | 3,022,765 | 2,709,243 |
| Debt Service | - | - | - | - | - | 2,000,000 |
| Fund Transfers | - | - | - | - | 1,211,102 | 1,302,315 |
| Total Expenditures | <u>\$ 163,025</u> | <u>\$ 172,176</u> | <u>\$ 496,000</u> | <u>\$ 591,031</u> | <u>\$ 245,534,561</u> | <u>\$ 264,760,124</u> |

Revenues and Expenditures – Significant Trends and Assumptions

REVENUES

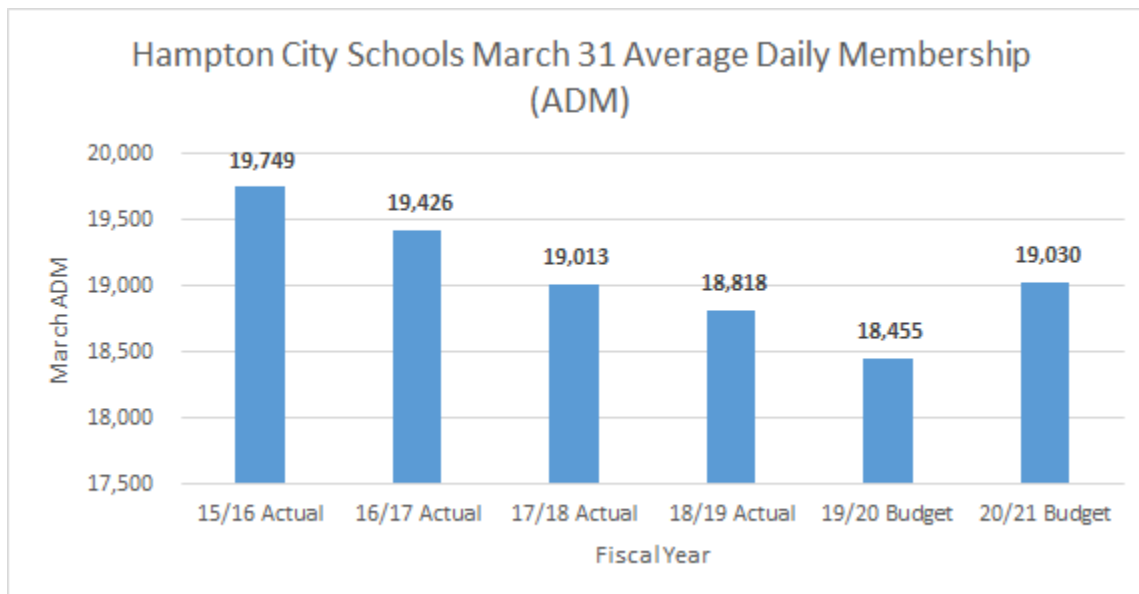
The budget is comprised of the following major revenue sources across all five funds: state, local, federal, fund transfers, and other revenue.

| REVENUE | TOTAL REVENUES- ALL FUNDS | | | | |
|----------------------------|---------------------------|-----------------------|----------------------|--|--------------|
| | FY 2020 APPROVED | FY 2021 APPROVED | CHANGE | | |
| | | | \$ | | % |
| Local Revenue | \$ 75,572,304 | \$ 76,948,468 | \$ 1,376,164 | | 1.82% |
| State Revenue | 109,535,479 | 125,487,474 | 15,951,995 | | 14.56% |
| State Sales Tax | 22,624,685 | 23,140,935 | 516,250 | | 2.28% |
| Federal Revenue | 27,095,781 | 28,817,027 | 1,721,246 | | 6.35% |
| Fund Balance | - | - | - | | 0.00% |
| Transfers from Other Funds | 711,102 | 833,795 | 122,693 | | 17.25% |
| Other Revenue | 9,995,210 | 9,532,425 | (462,785) | | -4.63% |
| Total Revenue | \$ 245,534,561 | \$ 264,760,124 | \$ 19,225,563 | | 7.83% |

State

State revenue flows to the school division for numerous programs and impacts the School Operating, Food and Nutrition Services, and Reimbursable Projects funds. The majority of state revenue (about 98%) is for the School Operating fund to provide direct aid to local school divisions. Direct aid comprises the Standards of Quality (SOQ) programs, Incentive programs, Categorical programs, and Lottery-funded programs. Two predominant factors that impact state funding are Average Daily Membership (ADM) and the Local Composite Index (LCI).

Average Daily Membership is the aggregate number of days of student membership during the school year divided by the number of days schools was in session. For the purposes of state funding, the March 31 ADM is used as a basis for funding. The school division is projected to have an increase in ADM in FY 2021. The FY 2021 March 31 ADM is projected to be 19,030. This is an increase of 575 students when compared to the FY 2020 actual ADM of 18,455.



The Local Composite Index (LCI) is a measure used by the state to determine the local government's ability to pay for the minimum required education costs under the SOQ. The LCI is primarily based on the following three components:

- True value of real property (weighted 50 percent)
- Adjusted gross income (weighted 40 percent)
- Taxable retail sales (weighted 10 percent)

Typically, the lower the LCI the more funds a school division will receive; however, each division's LCI is adjusted to ensure overall state funding is 55 percent (the locality's share is 45 percent) of the minimum required education costs. The LCI is calculated on a biennium basis (every two years). The calculation of the LCI for the 2020-2022 biennium is primarily based on the true value of property in Hampton as of 2017. This value increased by 3.8% from \$10.89 billion in 2015 to \$11.30 billion in 2017. The LCI for the school division will increase to 0.2743 for FY 2021.

| Biennium | Local Composite Index |
|-----------|-----------------------|
| 2014-2016 | 0.2878 |
| 2016-2018 | 0.2773 |
| 2018-2020 | 0.2741 |
| 2020-2022 | 0.2743 |

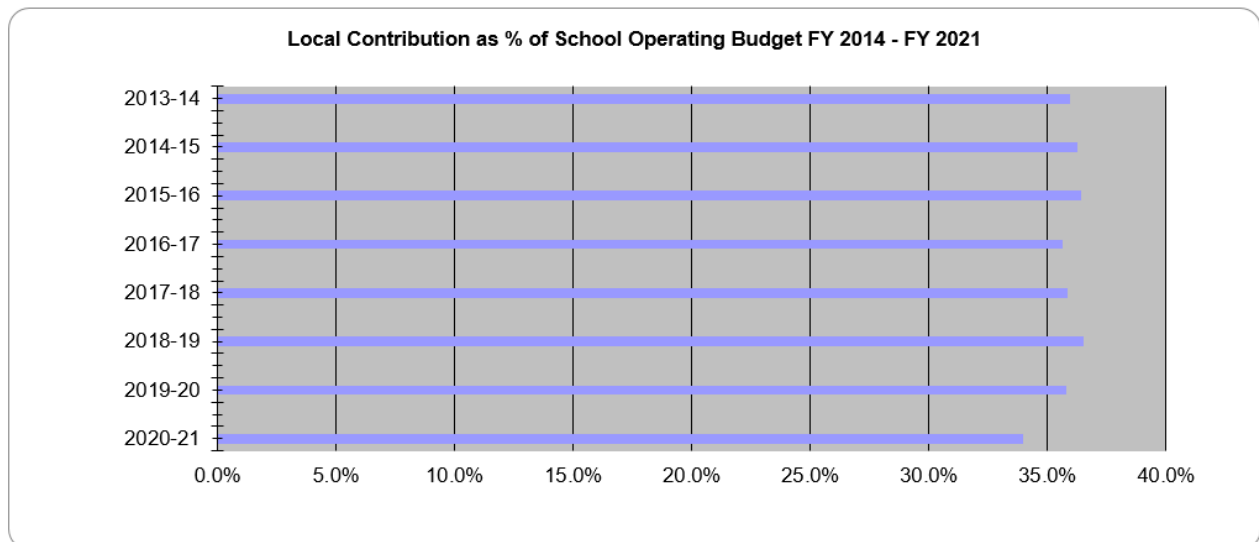
State sales tax is another source of state revenue that provides funding to school divisions to offset the costs of the minimum education requirements under the SOQ. The state allocates 1.125% of state sales and use tax to K-12 education. The school division's allocation is primarily based on the school age population within the locality. For FY 2021, an increase in state sales tax revenue is projected.

Local

The city of Hampton's local contribution to the School Operating fund is projected to be \$76.9 million. This is a 1.8% increase over the FY 2020 budget. Beginning in FY 1999, the city began using a formula that allocates 61.83% of residential real estate, personal property, and utility taxes to fund the school division. In FY 2007, the formula was modified to include a financial guideline for real estate growth. During the FY 2014 budget development process, and to stabilize annual real estate tax collections, City Council approved a revenue guideline that adjusts the real estate tax up or down each year based on changes in the assessed value of property.

Included in the \$76.9 million for FY 2021, is one-time funding of \$380,000 to support the Academies of Hampton transformation.

City funding as a percent of the total School Operating Budget is approximately 34% for FY 2021.



Federal

Federal revenue flows to the school division for numerous programs and impacts the School Operating, Food and Nutrition Services, and Reimbursable Projects funds. The majority of federal revenue (about 68%) is related to federal grants within the Reimbursable Projects fund.

The FY 2021 federal grants are projected to be \$19 million. Title I Part A Improving Basic Programs Operated by Local Education Agency, Individuals with Disabilities Education Act Part B Flow-through, and Title IV – 21st Century Schools are the three largest federal grants and make up 86% or \$16.7 million of the federal grant budget. This estimate is based on the continuation of federal grants currently received, projected carryforward amounts for multi-year grants, and projected increases to be submitted for approval from each grantor. As grant applications are submitted (and approved) and carryforward amounts are finalized, subsequent adjustments are made to the budget to ensure the division only spends up to the amounts allowed by each grantor.

Federal revenue is also received from the United States Department of Agriculture to support the Food and Nutrition Services fund.

Federal revenue is the smallest revenue source for the School Operating fund and represents funding received from Federal Impact Aid and the Junior Reserve Officer Training Corps (JROTC). Federal Impact Aid is federal assistance for loss revenue from tax exempt federal property and is based on the annual counts of federally connected students (approximately 13% of students are federally connected within the school division). JROTC provides funding to school divisions to reimburse a portion of the salary of military instructors who work within the school division as part of the JROTC program.

Fund Transfers

Fund transfers represent revenue received in one fund that is transferred out to support specific activities within another fund. For FY 2021, the School Operating fund is projected to transfer out \$833,795 to other funds. The Reimbursable Projects fund will receive \$484,564 (\$434,102 to fund a portion of expenditures incurred by CPEG television station and \$50,462 for the local match requirement for the School Security Equipment grant). The School Athletics fund will receive \$349,231 to fund a portion of athletic costs, middle school volleyball program, and athletic insurance costs. The fund transfers are reported as revenue to the Reimbursable Projects and School Athletics fund.

Other Revenue

Other local revenue is also referred to as miscellaneous revenue and covers a variety of revenue such as student fees, school meal charges, sales of public surplus, Medicaid reimbursements, interest earned, indirect cost revenue from federal programs and Food and Nutrition Services, cell towers, and rental income. Other revenue impacts all School Board funds. A 4% decrease is projected in other revenue primarily as a result of less fund balance projected to be carried forward for the CPEG television station based on FY 2020 spending.

EXPENDITURES

The budget is classified by the following expenditure object/types:

| EXPENDITURES | TOTAL EXPENDITURES- ALL FUNDS | | | | |
|----------------------------|-------------------------------|----------------|---------------|--|---------|
| | FY 2020 | FY 2021 | CHANGE | | |
| | APPROVED | APPROVED | \$ | | % |
| Personnel Services | \$ 132,166,308 | \$ 142,403,366 | \$ 10,237,058 | | 7.75% |
| Fringe Benefits | 55,632,122 | 61,329,523 | 5,697,401 | | 10.24% |
| Contract Services | 21,412,377 | 23,368,703 | 1,956,326 | | 9.14% |
| Internal Services | 225,256 | 558,203 | 332,947 | | 147.81% |
| Other Charges | 8,830,391 | 8,408,335 | (422,056) | | -4.78% |
| Materials and Supplies | 15,570,006 | 15,841,358 | 271,352 | | 1.74% |
| Payments to Other Agencies | 2,493,300 | 2,222,506 | (270,794) | | -10.86% |
| Capital Outlay | 4,970,934 | 4,616,572 | (354,362) | | -7.13% |
| Contingencies | 3,022,765 | 2,709,243 | (313,522) | | -10.37% |
| Debt Service | - | 2,000,000 | 2,000,000 | | 100.00% |
| Fund Transfers | 1,211,102 | 1,302,315 | 91,213 | | 7.53% |
| Total Expenditures | \$ 245,534,561 | \$ 264,760,124 | \$ 19,225,563 | | 7.83% |

Personnel Services

Personnel services/ Salaries represent the gross salaries and pay of all employee types across the school division. An overall increase of 7.8% or \$10.2 million is anticipated for FY 2021. The majority of this increase is due to a 2.5% compensation increase for employees effective July 1, 2020, market adjustments for teacher and support staff over and above the 2.5% compensation increase and other changes in personnel services are due to annual realignment of the budget based on actual costs

(e.g., hiring a less tenured teacher to fill a position in which a long tenured teacher retired) and changes in the number of positions within the school division. For FY 2021, the School Operating fund added a net 78.12 positions.

| Position Title | New | Eliminated** | Reclassification | Total FTE |
|--|--------------|--------------|------------------|--------------|
| Full-Time Teacher | 14 | | | 14 |
| School Security Officer | 3 | | | 3 |
| Part-Time Dispatcher (vacant) | | -1 | | -1 |
| Full-Time Dispatcher | 1 | | | 1 |
| Bus Driver (vacant) | | -1 | | -1 |
| Bus Attendant (vacant) | | -1 | | -1 |
| School Operations Compliance Coordinator (vacant) | | -1 | | -1 |
| Full-Time Teacher (vacant) | | -1 | -1 | -2 |
| Part-Time Teacher | 1 | | | 1 |
| Senior Directors | 2 | | | 2 |
| Principal | | | -1 | -1 |
| Executive Director (vacant) | | -1 | | -1 |
| Full Time Family Engagement Specialist | | -1 | | -1 |
| Part-Time Family Engagement Specialist | 1 | | | 1 |
| Speech Language Pathologists | 4 | | | 4 |
| Restorative Counselor | 2 | | | 2 |
| Behavioral Specialist (vacant) | | -1 | | -1 |
| Full-Time In School Suspension (vacant) | | -2 | -2 | -4 |
| Part-Time In School Suspension | 2 | | | 2 |
| Occupational Therapist (vacant) | | -1 | | -1 |
| Physical Therapist (vacant) | | -1 | | -1 |
| Instructional Assistants | 6 | | | 6 |
| Office Assistant | 1 | | | 1 |
| Café Monitors | 20 | | | 20 |
| Full-Time Psychologists | 1 | | | 1 |
| Part-Time Psychologists | | | -2 | -2 |
| Full-Time Nurse | 1 | | | 1 |
| Part-Time Nurse | | | -1 | -1 |
| Adjustment to budget reporting for split funded position | 0.12 | | | 0.12 |
| School Counselors | 4 | | | 4 |
| Preschool Teachers (VPI) | 5 | | | 5 |
| Preschool Instructional Assistants (VPI) | 5 | | | 5 |
| Teachers (Kindergarten) | 2 | | | 2 |
| Instructional Assistants (Kindergarten) | 2 | | | 2 |
| Teachers (English Language Learners) | 2 | | | 2 |
| Teacher | | -1 | | -1 |
| Tier II Intervention Coordinator | 1 | | | 1 |
| Mental Health Service Provider | 1 | | | 1 |
| Library Technician | 1 | | | 1 |
| Full-Time Reading/Writing Exploration Teacher | 2 | | | 2 |
| Part-Time Reading/Writing Exploration Teacher | 1 | | | 1 |
| Part-Time Digital Learning Program Technician | 4 | | | 4 |
| Part-Time Assistant Principal (Armstrong) | 1 | | | 1 |
| Digital Learning Specialist | 1 | | | 1 |
| Early Reading Initiative Instructional Assistants | 3 | | | 3 |
| Physical Education Assistant (Tarrant) | 1 | | | 1 |
| School Psychologist | 1 | | | 1 |
| School Social Workers | 2 | | | 2 |
| | 98.12 | -13 | -7 | 78.12 |

**Eliminated positions are vacant

Fringe Benefits

Fringe benefits represent additional compensation provided to employees for items such as Social Security and Medicare tax, Virginia Retirement System (VRS), healthcare coverage, life insurance, and disability/income protection. As gross salaries increase, all fringe benefits with the exception of healthcare, increase.

VRS rates are determined on a biennium basis. Since FY 2021 is the first year of the 2020-2022 biennium, retirement rates were analyzed and it was determined by VRS that the following rate changes will take effect beginning July 1, 2020:

| Program | Teacher/Professional Rates | | Non-Professional Rates | |
|-----------------------------|----------------------------|-----------------------|------------------------|-----------------------|
| | 2020-2022 Biennium | 2018-2020 Biennium | 2020-2022 Biennium | 2018-2020 Biennium |
| VRS Pension | 16.62% | 15.68% | 7.03% | 9.30% |
| VRS Health Insurance Credit | 1.21% | 1.20% | 0.00% | 0.00% |
| VRS Group Life Insurance | 1.34% | 1.31% | 1.34% | 1.31% |

Healthcare costs are expected to increase by 5.3% during FY 2021 based on a third party projection. The school division will absorb 100% of this increase thus employee healthcare rates will not change in FY 2021. This decision allowed the school division to provide an unencumbered 2.5% compensation increase as discussed. The impact to School Operating Budget is \$1.3 million.

Contract Services

Contract services represent any services provided by an outside organization. The majority of contract services are within the School Operating fund. The increase in contract services is primarily related to contracted medical services for students with disabilities, repair costs for school buses, outsourced substitute costs, new technology programs for communication with stakeholders and classroom instructional programs.

Internal Services

Internal services represent intragovernmental charges between two funds. The majority of internal charges are within the Reimbursable Projects fund and are for printing, transportation, and food services provided from the School Operating and Food and Nutrition Services funds. Internal services also includes the School Operating fund supplement to Food and Nutrition Services fund.

Other Charges

Other charges represent various charges that support programs within the school division such as utilities, telecommunication, and risk management costs. These costs are projected to decrease for FY 2021 due to the divisions efforts to budget costs in better alignment with the reporting done for Virginia Annual School Report.

Materials and Supplies

Materials and supplies represent items that are consumed, materially altered when used and/or minor equipment that is not capitalized. An overall increase in materials and supplies is projected based on projected increases in student enrollment. Additionally, food costs are expected to increase for the Food and Nutrition Services fund.

Payment to Other Agencies

Payment to other agencies primarily comprise tuition payments to the New Horizons Regional Program that is jointly operated by Hampton City Schools along with the following surrounding divisions: Newport News Public Schools, Gloucester County Public Schools, Poquoson City Public Schools, Williamsburg-James City County Public Schools, and York County Schools.

Capital Outlay

Capital outlay represents equipment purchases and replacements over \$250. A decrease is projected based on the removal of one-time state funds from the General Assembly in FY 2020 for the Academies of Hampton.

Contingencies

Contingency amounts are budgeted to protect the division from unforeseen and unexpected changes in actual costs and revenues as compared to the budget. Contingency funds are often used to address changes in student enrollment within schools to ensure proper staffing ratios.

Debt Service

Debt service amounts represent payments to the city of Hampton for the PreK-8 schools built and opened in the fall of 2010. The school division currently pays the City \$2 million each year as a debt service reserve.

Fund Transfers

Fund transfers represent funds that are paid to another fund that are not specifically tied to a particular service that was rendered (e.g., School Operating fund support for division-wide athletic costs within the Athletics fund).

ALL FUNDS
SUMMARY STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EXPENDITURES BY OBJECT

| REVENUES | FY17 Actual | FY18 Actual | FY19 Actual | FY20 Budget | FY21 Budget |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| State Funds | \$ 124,948,974 | \$ 126,445,840 | \$ 129,292,478 | \$ 132,160,164 | \$ 148,628,409 |
| Federal Funds | 22,672,879 | 22,890,725 | 23,188,471 | 27,095,781 | 28,817,027 |
| Other Funds/Receipts | 4,506,040 | 4,621,973 | 6,028,482 | 9,287,185 | 8,854,729 |
| Rental Income | 221,091 | 131,385 | 161,988 | 163,025 | 172,176 |
| Payments from City | 71,471,416 | 73,036,416 | 73,827,042 | 75,572,304 | 76,948,468 |
| Total Revenues | 223,820,400 | 227,126,339 | 232,498,461 | 244,278,459 | 263,420,809 |
| EXPENDITURES | | | | | |
| Personnel Services | 125,562,638 | 125,229,626 | 125,702,321 | 132,166,308 | 142,403,366 |
| Fringe Benefits | 50,621,278 | 52,676,239 | 53,626,470 | 55,625,602 | 61,329,523 |
| Contract Services | 17,590,191 | 17,621,087 | 17,945,278 | 21,428,537 | 23,368,703 |
| Internal Services | 69,972 | 138,727 | 218,582 | 225,256 | 558,203 |
| Other Charges | 8,939,049 | 9,517,330 | 8,864,682 | 8,822,386 | 8,408,335 |
| Materials and Supplies | 15,132,821 | 14,484,931 | 14,261,082 | 15,570,006 | 15,841,358 |
| Payments to Other Agencies | 1,900,191 | 2,080,296 | 2,229,305 | 2,493,300 | 2,222,506 |
| Capital | 4,296,831 | 4,000,190 | 4,384,034 | 4,970,934 | 4,616,572 |
| Contingencies | 1,975,437 | 1,251,629 | 2,008,079 | 3,013,130 | 2,709,243 |
| Debt Service | - | - | - | - | 2,000,000 |
| Fund Transfers | 20,143 | - | 12,966 | - | - |
| Total Expenditures | 226,108,550 | 227,000,055 | 229,252,799 | 244,315,459 | 263,457,809 |
| OTHER FINANCING SOURCES/USES | | | | | |
| Transfer to Reimbursable Projects | (434,102) | (434,102) | (434,102) | (434,102) | (484,564) |
| Transfer to Athletics Fund | (291,267) | (280,807) | (281,716) | (285,000) | (349,231) |
| Transfer to School Operating Fund | (500,000) | (500,000) | (386,584) | (500,000) | (468,520) |
| Transfer from School Operating Fund | 721,102 | 711,102 | 711,102 | 711,102 | 833,795 |
| Transfer from Reimbursable Projects Fund | 4,267 | 3,807 | 4,716 | 8,000 | - |
| Transfer from Food and Nutrition Services | 500,000 | 500,000 | 386,584 | 500,000 | 468,520 |
| Total other sources/uses | - | - | - | - | - |
| Excess of revenues and other sources over (under) expenditures and other uses | (2,288,150) | 126,284 | 3,245,662 | (37,000) | (37,000) |
| Fund Balance July 1 | 10,370,266 | 8,082,116 | 8,208,400 | 11,454,062 | 11,417,062 |
| Fund Balance - June 30 | \$ 8,082,116 | \$ 8,208,400 | \$ 11,454,062 | \$ 11,417,062 | \$ 11,380,062 |

Note: Totals may not add due to rounding.

**FY 2021 Budget total expenditures excludes the impact of FY 2020 fund balance carryforward and encumbrances amounts as of June 30, 2020.

The \$37,000 of excess expenditures over revenue is due to the projected use of \$37,000 of fund balance for Fund 94.

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SCHOOL OPERATING FUND (FUND 50)

OPERATING FUND
SUMMARY STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EXPENDITURES BY OBJECT

| | FY17 | FY18 | FY19 | FY20 | FY21** |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Actual | Actual | Actual | Budget | Budget |
| REVENUES | | | | | |
| State Funds | \$ 123,769,359 | \$ 125,188,802 | \$ 127,359,131 | \$ 130,039,427 | 146,321,381 |
| Federal Funds | 800,141 | 674,842 | 867,335 | 810,000 | 810,000 |
| Other Funds | 1,113,559 | 1,337,768 | 2,299,988 | 4,219,464 | 4,569,700 |
| Payments from City | 71,471,416 | 73,036,416 | 73,827,042 | 75,572,304 | 76,948,468 |
| Total Revenues | 197,154,475 | 200,237,828 | 204,353,496 | 210,641,195 | 228,649,549 |
| EXPENDITURES | | | | | |
| Personnel Services | 113,659,146 | 113,528,548 | 113,116,694 | 117,542,678 | 126,082,280 |
| Fringe Benefits | 46,801,814 | 48,749,165 | 49,598,076 | 50,853,309 | 55,810,934 |
| Contract Services | 15,913,488 | 15,926,256 | 16,415,254 | 19,414,783 | 21,313,469 |
| Internal Services | 8,087 | 56,823 | 145,020 | 7,160 | 227,540 |
| Other Charges | 8,091,929 | 8,657,608 | 8,054,226 | 7,626,336 | 7,444,437 |
| Materials and Supplies | 7,088,850 | 7,000,854 | 6,953,161 | 7,660,872 | 7,827,778 |
| Payments to Other Agencies | 1,252,167 | 1,392,950 | 1,556,225 | 1,730,300 | 2,222,506 |
| Capital | 2,900,848 | 3,747,673 | 3,067,992 | 2,594,655 | 2,660,031 |
| Contingencies | 1,975,437 | 1,231,903 | 2,000,000 | 3,000,000 | 2,695,299 |
| Debt Service | 0 | 0 | - | - | 2,000,000 |
| Total Expenditures | 197,691,766 | 200,291,780 | 200,906,648 | 210,430,093 | 228,284,274 |
| OTHER FINANCING SOURCES/USES | | | | | |
| Transfer to Reimbursable Projects | (434,102) | (434,102) | (434,102) | (434,102) | (484,564) |
| Transfer to Athletics Fund | (287,000) | (277,000) | (277,000) | (277,000) | (349,231) |
| Transfer from Food and Nutrition Services | 500,000 | 500,000 | 386,584 | 500,000 | 468,520 |
| Total other sources/uses | (221,102) | (211,102) | (324,518) | (211,102) | (365,275) |
| Excess of revenues and other sources over (under) expenditures and other uses | (758,393) | (265,054) | 3,122,330 | - | - |
| Fund Balance July 1 | 3,144,451 | 2,386,058 | 2,121,004 | 5,243,334 | 5,243,334 |
| Fund Balance - June 30* | \$ 2,386,058 | \$ 2,121,004 | \$ 5,243,334 | \$ 5,243,334 | \$ 5,243,334 |

Note: Totals may not add due to rounding.

*Fund balance for the Operating Fund represents nonspendable fund balance for inventory, encumbrances (undelivered orders/commitments), and the carryforward request sent to the city of Hampton for approval.

FY 2021 Budget total expenditures **excludes the impact of FY 2020 fund balance carryforward and encumbrances amounts as of June 30, 2020.

**HAMPTON CITY SCHOOLS
SCHOOL OPERATING FUND (FUND 50)
COMPARISON OF FY 2020 and 2021**

ESTIMATED REVENUES

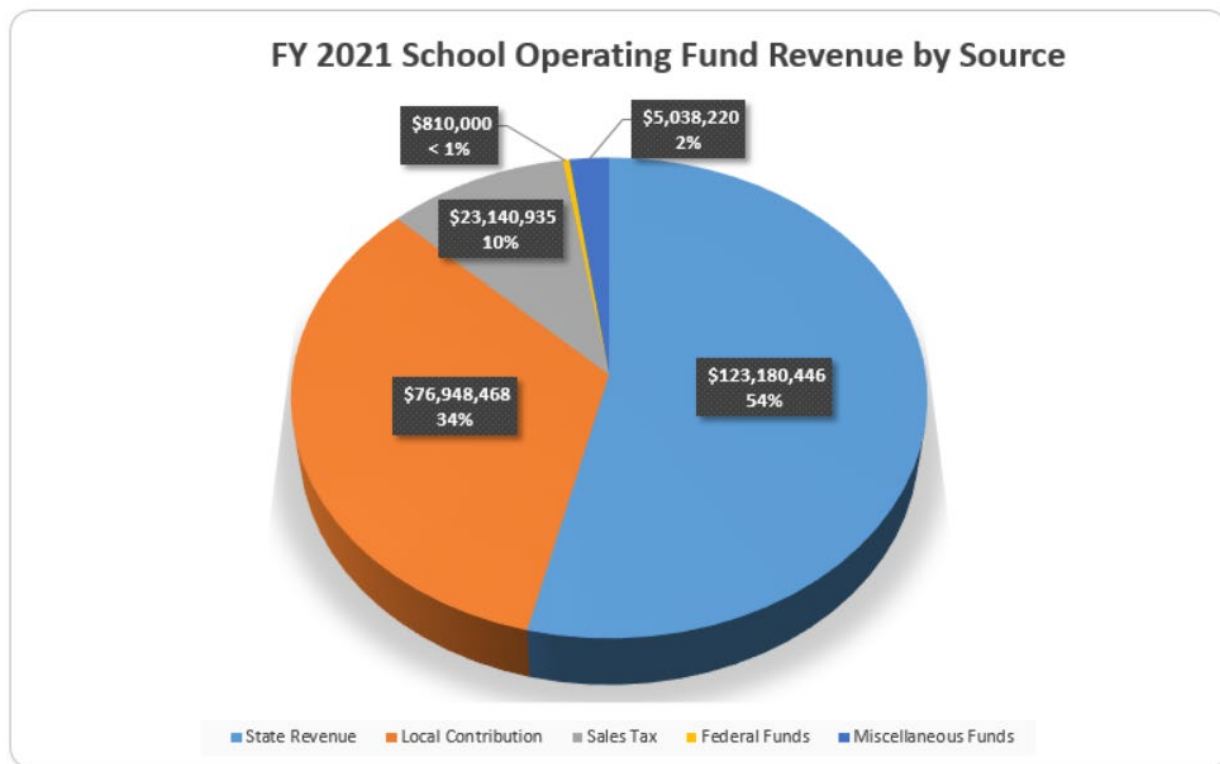
| | <u>FY 2020</u> | <u>FY 2021</u> | <u>\$ Difference</u> | <u>% Change</u> |
|----------------------------|------------------------------|------------------------------|-----------------------------|---------------------|
| SOQ Funds | \$ 84,253,189 | \$ 96,970,232 | \$ 12,717,043 | 15.09% |
| Sales Tax | 22,624,685 | 23,140,935 | 516,250 | 2.28% |
| Lottery Funds | 13,065,873 | 14,817,660 | 1,751,787 | 13.41% |
| Other State Funds | 10,095,680 | 11,392,554 | 1,296,874 | 12.85% |
| Federal Funds | 810,000 | 810,000 | - | 0.00% |
| Miscellaneous Funds | 4,719,464 | 5,038,220 | 318,756 | 6.75% |
| Local Contribution | <u>75,572,304</u> | <u>76,948,468</u> | <u>1,376,164</u> | <u>1.82%</u> |
| Total | <u><u>\$ 211,141,195</u></u> | <u><u>\$ 229,118,069</u></u> | <u><u>\$ 17,976,874</u></u> | <u><u>8.51%</u></u> |

EXPENDITURE APPROPRIATIONS

| | <u>FY 2020</u> | <u>FY 2021</u> | <u>\$ Difference</u> | <u>% Change</u> |
|---|------------------------------|------------------------------|-----------------------------|---------------------|
| Instruction | \$ 154,422,693 | \$ 161,936,616 | \$ 7,513,923 | 4.87% |
| Administration / Attendance & Health | 14,908,995 | 13,476,124 | -1,432,871 | -9.61% |
| Transportation | 10,647,337 | 11,013,254 | 365,917 | 3.44% |
| Operation & Maintenance | 19,362,510 | 20,623,204 | 1,260,694 | 6.51% |
| Technology | 11,088,558 | 12,337,627 | 1,249,069 | 11.26% |
| Non-instructional Operations | - | 3,146,000 | 3,146,000 | 100% |
| Debt and Fund Transfers | <u>711,102</u> | <u>6,585,244</u> | <u>5,874,142</u> | <u>826.06%</u> |
| Total | <u><u>\$ 211,141,195</u></u> | <u><u>\$ 229,118,069</u></u> | <u><u>\$ 17,976,874</u></u> | <u><u>8.51%</u></u> |

Note: Totals and percentages may not add due to rounding.

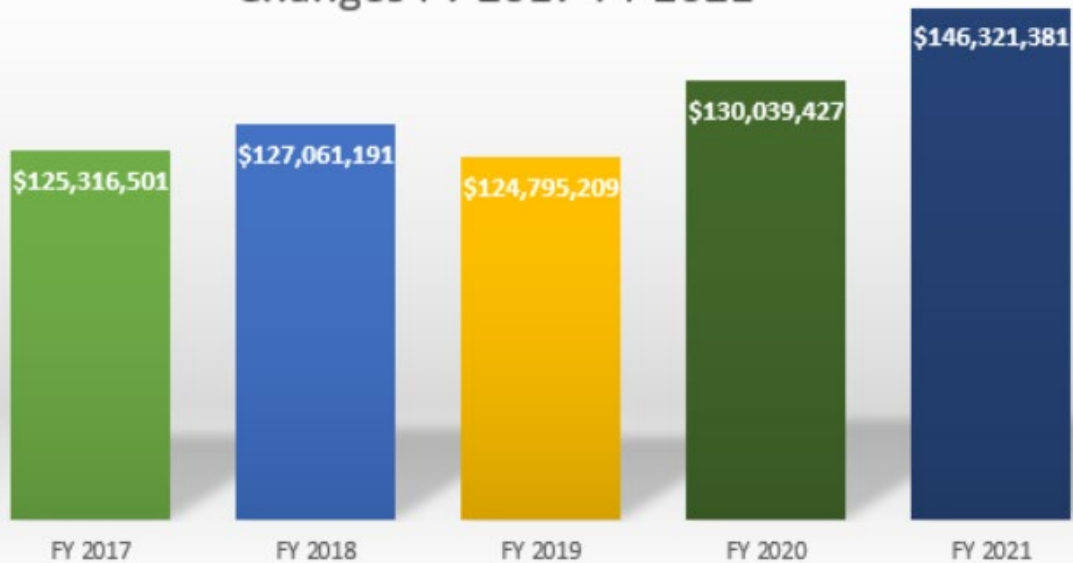
School Operating Fund Revenue – Significant Trends and Assumptions



State revenue and state sales tax comprise 64% of the School Operating Budget. State sales tax is allocated to the school division to support Standards of Quality (SOQ). State revenue consist of SOQ payments, incentive funds, categorical programs, and lottery funded programs. FY 2021 state revenue is based on an ADM of 19,030 and the LCI is 0.2743. State revenue and state sales tax, when compared to FY 2020, are projected to increase by \$16.2 million. The majority of the increase (\$12.7 million) is directly related to the Basic Aid and other SOQ programs.

The proposed budget is currently based on the Governor's proposed budget as the General Assembly has not finalized the state budget as of date of this document. Once released, the School Operating fund revenue and expenditures will be adjusted based on the final state budget.

State Revenue (including State Sales Tax) Changes FY 2017-FY 2021



Local revenues consist of funding provided by the city of Hampton and represents 34% of the School Operating Budget. A minimum level of funding is required to meet SOQ and to support other state programs based on the LCI. The city of Hampton provides local funds based on a funding formula. The funding formula provides funding in excess of the minimum required for FY 2021. Additionally, the city of Hampton continues to collaborate with the school division as a true partner in support of the Academies of Hampton and will provide one-time funds to support this transformation in the amount of \$380,000 for FY 2021.

Federal and Miscellaneous revenues primarily consist of Impact Aid, JROTC, indirect cost revenue, Medicaid reimbursements, cell towers, public surplus sales, interest, Pharmacy deposits, print shop revenue, and transfer from Food and Nutrition Services. Federal revenue is 0.4% and miscellaneous revenue is 2.2% of the School Operating Budget, respectively.

Hampton City Schools
School Operating Fund Revenue Detail
Comparison of FY 2020 and 2021

| <i>DESCRIPTION</i> | <i>ADM of 19,030 Fiscal Year 2021 (Budget)</i> | <i>ADM of 18,455 Fiscal Year 2020 (Budget)</i> | <i>\$ Change</i> |
|---|--|--|----------------------|
| Local Contribution | \$ 76,948,468 | \$ 75,572,304 | \$ 1,376,164 |
| Sales Tax | 23,140,935 | 22,624,685 | 516,250 |
| State SOQ Funds | | | |
| Basic Aid | 67,656,317 | 58,274,527 | 9,381,790 |
| Textbooks | 1,484,188 | 1,348,874 | 135,314 |
| Vocational Education | 1,146,251 | 1,152,082 | (5,831) |
| Gifted Education | 718,133 | 669,815 | 48,318 |
| Special Education | 7,374,675 | 6,242,677 | 1,131,998 |
| Prevention, Intervention, and Remediation | 3,052,066 | 3,134,735 | (82,669) |
| Virginia Retirement System - Retirement | 9,639,556 | 8,305,708 | 1,333,848 |
| Social Security | 4,129,265 | 3,764,361 | 364,904 |
| Virginia Retirement System - Group Life Ins. | 290,015 | 254,530 | 35,485 |
| English as a Second Language | 329,633 | 273,968 | 55,665 |
| Remedial Summer School | 1,150,133 | 831,912 | 318,221 |
| Total - State SOQ Funds | 96,970,232 | 84,253,189 | 12,717,043 |
| State Categorical Funds | | | |
| Special Ed/Homebound | 110,526 | 110,342 | 184 |
| Total - State Categorical/Regular | 110,526 | 110,342 | 184 |
| State Lottery Funds | | | |
| Foster Care | 180,181 | 64,973 | 115,208 |
| At-Risk Payments | 1,715,781 | 964,233 | 751,548 |
| Virginia Preschool Initiative | 0 | 2,452,151 | (2,452,151) |
| Early Reading Intervention | 435,997 | 346,974 | 89,023 |
| Mentor Teacher Program | 23,173 | 0 | 23,173 |
| K-3 Primary Class Size | 4,338,243 | 3,910,993 | 427,250 |
| SOL Algebra Readiness | 387,874 | 324,711 | 63,163 |
| Project Graduation | 37,500 | 37,500 | 0 |
| Individualized Student Alternative Educational Plan (ISAEF) | 33,545 | 0 | 33,545 |
| Special Ed Regional Payments | 2,429,734 | 0 | 2,429,734 |
| Vocational Education (Career and Technical Education) | 84,267 | 42,000 | 42,267 |
| Infrastructure and Operations Per Pupil Fund | 5,151,365 | 0 | 5,151,365 |
| Supplemental Lottery Per Pupil | 0 | 4,922,338 | (4,922,338) |
| Total - State Lottery Funds | 14,817,660 | 13,065,873 | 1,751,787 |
| State - Incentive, Other Funds | | | |
| Compensation Supplement | 1,769,311 | 3,680,882 | (1,911,571) |
| Academic Year Governor's School | 526,019 | - | 526,019 |
| At-Risk (split funded FY20) | 4,439,641 | 2,419,280 | 2,020,361 |
| Special Ed Regional Payments | 0 | 2,314,032 | (2,314,032) |
| Early Reading Specialists Initiative | 51,914 | 49,581 | 2,333 |
| Technology/Virginia Public School Authority (VPSA) | 1,070,800 | 1,020,800 | 50,000 |
| Virginia Preschool Initiative | 3,206,843 | 0 | 3,206,843 |
| Community Provider Add-on Funds - Mixed Delivery | 217,500 | 0 | 217,500 |
| Academies of Hampton State Funds | 0 | 500,763 | (500,763) |
| Total - State-Incentive, Other Funds | 11,282,028 | 9,985,338 | 1,296,690 |
| Federal Funds - Regular | | | |
| Impact Aid | 380,000 | 380,000 | - |
| Impact Aid - Special Education | 116,000 | 80,000 | 36,000 |
| JROTC | 314,000 | 350,000 | (36,000) |
| Total - Federal Funds - Regular | 810,000 | 810,000 | - |
| Miscellaneous Funds | | | |
| Student Fees | 13,000 | 17,500 | (4,500) |
| Medicaid Reimbursement | 950,000 | 922,000 | 28,000 |
| Miscellaneous Revenue | 3,083,000 | 2,706,564 | 376,436 |
| Interest on Investments | 3,700 | 3,400 | 300 |
| Indirect Costs Fund 60 | 520,000 | 570,000 | (50,000) |
| Indirect Costs Fund 51 | 468,520 | 500,000 | (31,480) |
| Total - Miscellaneous | 5,038,220 | 4,719,464 | 318,756 |
| Total - Fund 50-School Operating | \$ 229,118,069 | \$ 211,141,195 | \$ 17,976,874 |

Note: Totals may not add due to rounding

HAMPTON CITY SCHOOLS STATE REVENUE DEFINITIONS

State support for the School Operating Budget is primarily received as Basic Aid, a formula-driven funding based on a per pupil amount and March 31 Average Daily Membership (ADM). See all state programs and related description below based on the 2020-2022 Biennium:

| | |
|---|---|
| Basic Aid (SOQ) | Basic Aid includes funding for the basic instructional positions derived from minimum student to teacher ratios and other instructional position staffing standards required by the Standards of Quality (SOQ) for each school division with a minimum ratio of 51 instructional personnel for each 1,000 pupils; plus all other personnel and non-personnel support costs funded through the SOQ, including support salaries and benefits costs. |
| Sales Tax (SOQ) | A portion of net revenue from the state sales and use tax dedicated to public education (1.125%) is distributed to counties, cities, and towns in support of the Standards of Quality. |
| Textbooks (SOQ) | State law requires that students attending public schools receive free textbooks. State funding is provided on a per pupil basis based on the funded per pupil amount for textbooks. |
| Vocational Education (SOQ) | State funds are provided to support career and technical education courses for students in grades 6-12. |
| Gifted Education (SOQ) | Gifted education funding supports the state share of one full-time equivalent instructional position per 1,000 students in adjusted ADM. |
| Special Education (SOQ) | Funding for special education provides for the state share of salary costs of instructional positions generated based on the staffing standards for special education. Each special education student is counted in their respective school and up to three disabilities per student may be recognized for calculating instructional positions for funding at either the resource or self-contained level of staffing based on the percentage of special education provided to the student daily. |
| Prevention, Intervention & Remediation (SOQ) | SOQ Prevention, Intervention, and Remediation funding provides remedial services to children who need additional instruction. Funding is disbursed to local school divisions to support the state share of additional professional instructional positions ranging from a pupil teacher ratio of 10:1 to 18:1 (on a sliding scale) based on the division-level failure rate on the SOL English and math tests for all students at risk of educational failure (the three-year average free lunch eligibility data is used as a proxy for at risk students). |
| Virginia Retirement System (SOQ) | This funding supports the state share of cost of employer contributions to the Virginia Retirement System (VRS) for retirement benefits for funded SOQ instructional positions. |
| Social Security (SOQ) | This funding supports the state share of cost of the employer share of Social Security costs for funded SOQ instructional positions. |
| VRS - Group Life (SOQ) | This funding supports the state share of cost of employer contributions to the VRS for Group Life benefits for funded SOQ instructional positions. |
| English as a Second Language (SOQ) | State funds are provided to support local school divisions providing the necessary educational services to children not having English as their primary language. The funding supports the salary and benefits cost of instructional positions at a standard of 20 positions per 1,000 ESL students. |
| Remedial Summer School (SOQ) | Remedial Summer School programs provide additional education opportunities for at-risk students. These funds are available to school divisions for the operation of programs designed to remediate students who are required to attend such programs during a summer school session, or during an intersession in the case of year-round schools. |
| Compensation Supplement (Incentive) | Compensation supplement funding covers the state share of cost (including fringe benefits) for a percentage-based salary increase for funded SOQ instructional and support positions. |
| Academic Governor's Schools (Incentive) | Funds to assist with the programs for gifted and talented high school students. |
| At-Risk (Incentive/Lottery) | State payments for at-risk students are disbursed to school divisions based on the estimated number of federal free lunch participants in each division to support programs for students who are educationally at-risk. Funding is provided as a percentage add-on to Basic Aid to support the additional costs of educating at-risk students. |
| Special Education Regional Tuition (Incentive) | Regional tuition reimbursement funding provides for students with low-incidence disabilities who can be served more appropriately and less expensively in a regional program than in more restrictive settings. A joint or a single school division operates regional special education programs. These programs accept eligible children with disabilities from other local school divisions. All reimbursement is in lieu of the per pupil basic operation cost and other state aid otherwise available. |

HAMPTON CITY SCHOOLS STATE REVENUE DEFINITIONS

State support for the School Operating Budget is primarily received as Basic Aid, a formula-driven funding based on a per pupil amount and March 31 Average Daily Membership (ADM). See all state programs and related description below based on the 2020-2022 Biennium:

| | |
|--|---|
| Early Reading Specialists Initiative (Incentive) | Schools with a third grade that rank lowest on the reading Standards of Learning assessments will be given priority for the state share of funding for a reading specialist in such schools. |
| Technology/VP SA (Incentive) | The VP SA Technology program provides grant funding for school divisions to purchase additional technology to support the SOL Technology Initiative. Funding is also included for the Virginia e-Learning Backpack Initiative to purchase laptop or tablet computers for ninth grade students in high schools that are not fully accredited for two consecutive years. |
| Special Education Homebound (Categorical) | Homebound funding provides for the continuation of educational services for students who are temporarily confined to their homes for medical reasons. |
| Foster Care (Lottery) | Foster care funding provides reimbursement to localities for educating students in foster care that are not residents of their school division. |
| Virginia Preschool Initiative (Incentive) | The Virginia Preschool Initiative provides funding for programs for unserved, at-risk four-year-old children, which include quality preschool education, health services, social services, parental involvement, and pupil transportation. Programs must provide full-day or half-day and, at least, school-year services. Educational services may be delivered by both public and private providers. |
| Early Childhood ED4 (Incentive) | Early Childhood ED4 program includes: Mixed-Delivery Add-on Grant; Increase Staffing Ratios and Class Sizes; Reallocate Slots-Eliminate Wait List; VPI Pilot for At Risk 3 Year Olds; Expand mixed delivery to include At Risk 3 Year Olds. |
| Early Reading Intervention (Lottery) | The Early Reading Intervention program is designed to reduce the number of students needing remedial reading services. Program funds are used by local school divisions for: special reading teachers; trained aides; full-time early literacy tutors; volunteer tutors under the supervision of a certified teacher; computer-based reading tutorial programs; aides to instruct in class groups while the teacher provides direct instruction to the students who need extra assistance; or extended instructional time in the school day or year for these students. |
| K-3 Primary Class Size (Lottery) | State funding is disbursed to school divisions as an incentive payment for reducing ratios and class sizes in grades kindergarten through three below the required SOQ standard of a 24:1 pupil-teacher ratio. Schools with three-year average free lunch eligibility percentages of 30 percent and greater are eligible for funding. The required ratios range from 19:1 and may go as low as 14:1 based on the free lunch eligibility rate of the eligible school. Eligible school list and funding based on Fall Membership enrollment. |
| SOL Algebra Readiness (Lottery) | Funding is based on the estimated number of 7th and 8th grade students who are at-risk of failing the Algebra I end-of-course. This number is approximated based on the free lunch eligibility percentage for the school division. |
| Individual Student Alternative Education Plan/ISAEP (Lottery) | Funding for Individual Student Alternative Education Plans (ISAEP) developed when a student demonstrates substantial need for an alternative program, meets enrollment criteria, and demonstrates an ability to benefit from the program. The need is determined by a student's risk of dropping-out of school. Programs must comply with the provisions of §22.1-254D; Code of Virginia. |
| Mentor Teacher Program (Lottery) | Funds are allocated to provide grants to school divisions providing mentors for new teachers with zero years of teaching experience. |
| Project Graduation (Lottery) | Funding is for school divisions to assist high school students to pass end-of-course Standards of Learning assessments in English: Reading, English: Writing, Algebra I, Geometry, Algebra II, science, and/or history, in order to complete their diploma requirements. |
| Vocational Education-CTE (Lottery) | State share of support costs(e.g., adult education, equipment, occupational preparation) for vocational education programs. |
| Infrastructure and Operations Per Pupil Fund (Lottery) | Formally identified as Supplemental Lottery Per Pupil funding, school divisions are permitted to spend such funds on both recurring (no more than 70% in FY 2021) and nonrecurring expenses (at least 30% in FY 2021) in a manner that best supports the needs of the school divisions. There is no required local match for FY 2021. |

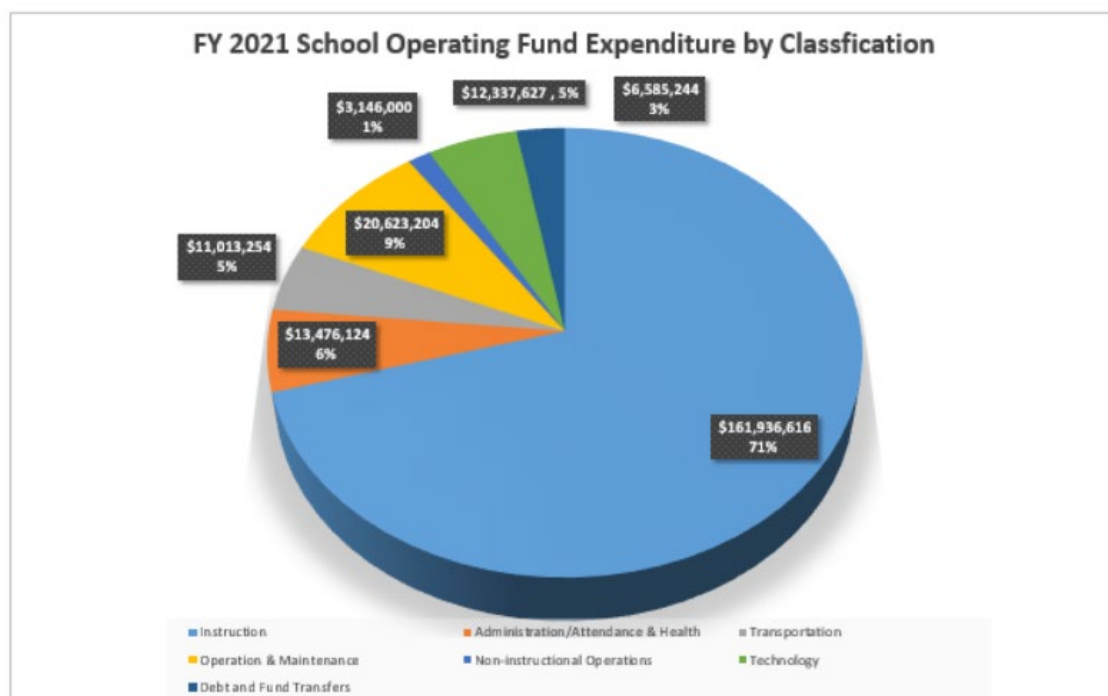
Hampton City Schools
Expenditures by Classification and Object Type
Comparison of FY 2020 and 2021

| FY 2021 Budget | | | | | | | | | |
|----------------------------|-----------------------|--|----------------------|----------------------------------|-------------------------------------|----------------------------|----------------------|-----------------------|----------------|
| | Instruction | Administration, Attendance, and Health | Transportation | Operations and Maintenance | Non- Instructional Operations | Debt and Fund Transfers | Technology | Total | % of Budget |
| Salaries | \$ 103,860,392 | \$ 7,939,924 | \$ 6,337,106 | \$ 3,013,505 | \$ - | \$ - | \$ 4,931,353 | \$ 126,082,280 | 55.03% |
| Fringe Benefits | 43,456,906 | 3,434,827 | 2,122,308 | 1,362,914 | - | 3,225,430 | 2,208,549 | 55,810,934 | 24.36% |
| Contract Services | 7,756,606 | 1,144,152 | 243,935 | 7,838,928 | 3,146,000 | - | 1,183,848 | 21,313,469 | 9.30% |
| Internal Services | 22,160 | 205,380 | - | - | - | - | - | 227,540 | 0.10% |
| Other Charges | 354,042 | 397,709 | 19,831 | 6,038,873 | - | - | 633,982 | 7,444,437 | 3.25% |
| Materials & Supplies | 2,400,192 | 289,276 | 2,290,074 | 871,922 | - | - | 1,976,314 | 7,827,778 | 3.42% |
| Payments to Other Agencies | 1,686,487 | 10,000 | - | - | - | 526,019 | - | 2,222,506 | 0.97% |
| Capital Outlay | 1,039,831 | 9,500 | - | 207,119 | - | - | 1,403,581 | 2,660,031 | 1.16% |
| Contingencies | 1,360,000 | 45,356 | - | 1,289,943 | - | - | - | 2,695,299 | 1.18% |
| Debt Service | - | - | - | - | - | 2,000,000 | - | 2,000,000 | 0.87% |
| Fund Transfers | - | - | - | - | - | 833,795 | - | 833,795 | 0.36% |
| Total | \$ 161,936,616 | \$ 13,476,124 | \$ 11,013,254 | \$ 20,623,204 | \$ 3,146,000 | \$ 6,585,244 | \$ 12,337,627 | \$ 229,118,069 | 100.00% |

| FY 2020 Budget | | | | | | | | | |
|----------------------------|-----------------------|--|----------------------|----------------------------------|-------------------------------------|----------------------------|----------------------|-----------------------|---------------|
| | Instruction | Administration, Attendance, and Health | Transportation | Operations and Maintenance | Non- Instructional Operations | Debt and Fund Transfers | Technology | Total | % of Budget |
| Salaries | \$ 96,599,162 | \$ 7,502,832 | \$ 5,914,268 | \$ 2,843,210 | \$ - | \$ - | \$ 4,683,206 | \$ 117,542,678 | 55.67% |
| Fringe Benefits | 42,157,362 | 3,214,993 | 2,281,800 | 1,157,930 | - | - | 2,041,224 | 50,853,309 | 24.08% |
| Contract Services | 6,572,112 | 3,875,222 | 43,000 | 7,830,836 | - | - | 1,093,613 | 19,414,783 | 9.20% |
| Internal Services | 7,160 | - | - | - | - | - | - | 7,160 | 0.00% |
| Other Charges | 422,541 | 107,643 | 16,725 | 6,657,152 | - | - | 422,275 | 7,626,336 | 3.61% |
| Materials & Supplies | 2,551,370 | 199,301 | 2,391,544 | 755,263 | - | - | 1,763,394 | 7,660,872 | 3.63% |
| Payments to Other Agencies | 1,730,300 | - | - | - | - | - | - | 1,730,300 | 0.82% |
| Capital Outlay | 1,382,686 | 9,004 | - | 118,119 | - | - | 1,084,846 | 2,594,655 | 1.23% |
| Contingencies | 1,000,000 | - | - | - | - | - | - | 1,000,000 | 0.47% |
| Debt Service | 2,000,000 | - | - | - | - | - | - | 2,000,000 | 0.95% |
| Fund Transfers | - | - | - | - | - | 711,102 | - | 711,102 | 0.34% |
| Total | \$ 154,422,693 | \$ 14,908,995 | \$ 10,647,337 | \$ 19,362,510 | \$ - | \$ 711,102 | \$ 11,088,558 | \$ 211,141,195 | 100.0% |

Note: Totals and percentages may not add due to rounding.

School Operating Fund Expenditures – Significant Trends and Assumptions



Instruction costs represent 71% or \$162 million of the School Operating Budget and are projected to increase by \$7.5 million (from FY 2020) primarily due to the 2.5% compensation increase, teacher and support staff market adjustments, and additional positions for FY 2021.

Administration, Attendance, and Health costs represent 6% or \$13 million of the School Operating Budget and are projected to decrease by \$1.4 million (from FY 2020) primarily due to the net impact of a 2.5% compensation increase, support staff market adjustments, and moving the budget for the HCS Pharmacy and Wellness Center to the Non-instructional Operations classification which is more in line with reporting for the Annual School Report.

Transportation costs represent 5% or \$11 million of the School Operating Budget and are projected to increase by \$0.3 million (from FY 2020) due to the net impact of a 2.5% compensation increase, market adjustments for bus drivers, bus attendants, and auto mechanics, and realigning the budget based on historical spending trends.

Operation and Maintenance costs represent 9% or \$20 million of the School Operating Budget and are projected to increase by \$1.2 million (from FY 2020) due to the net impact of a 2.5% compensation increase, market adjustments for support staff,

realigning the budget based on historical spending trends, and contingency funds for enrollment/state sales tax loss.

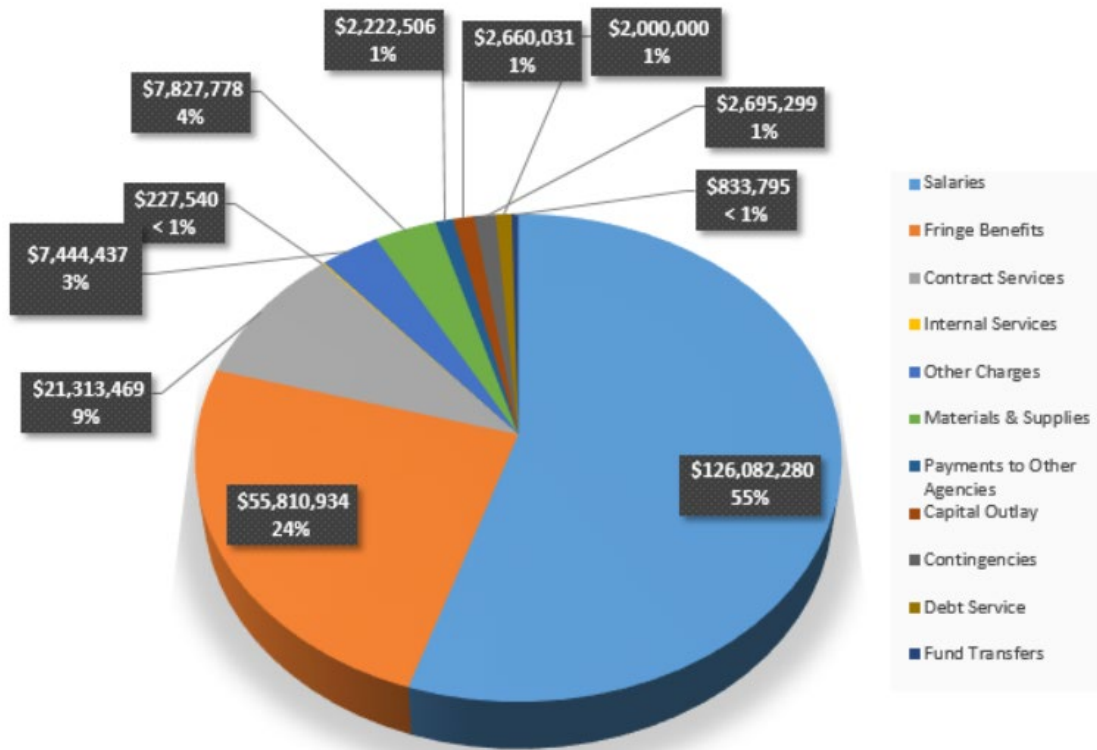
Non-instructional Operations costs represent 1% or \$3.1 million of the School Operating Budget. These costs are directly related to the budget for the HCS Pharmacy and Wellness Center which were previously budgeted in the Administration, Attendance, and Health classification.

Debt and Fund transfers cost represent 3% or \$6.5 million of the School Operating Budget and increased when compared to FY 2020 due to the moving of the budgets for debt service and the Hampton Employee Retirement Systems (HERS) from the Instruction classification which is more in line with reporting for the Annual School Report. This classification also increased due to additional support to Fund 94 for the new middle school volleyball program and athletic insurance costs.

Technology costs represent 5% or \$12 million of the School Operating Budget and are projected to increase by \$1.2 million (from FY 2020). This increase is primarily due to the net impact of a 2.5% compensation increase, market adjustments for support staff, projected spending under the Virginia Public School Authority (VPSA) and Virginia e-learning Backpack programs, and new technology programs for communication with stakeholders and classroom instructional programs.

Across all expenditure classifications (with the exception of Debt and Fund Transfers and Non-instructional operations), personnel services and fringe benefits comprise most of the costs. In total, personnel services and fringe benefits make up 80% of the budget. See breakout of FY 2021 expenditures by object below.

FY 2021 School Operating Fund Expenditures by Object



FY 2021 School Operating Fund Positions by Classification and Object Code

| Classification | Object | Description | FY 2020 Budget Approved FTE | FY 2020 Budget Approved Positions (Part-Time converted) | FY 2021 Budget Positions | Change |
|--------------------------------------|--------|---|--------------------------------|--|-----------------------------|--------------|
| INSTRUCTION | | | | | | |
| | 1114 | Comp of Administrative Personnel | 5.00 | 5.00 | 6.30 | 1.30 |
| | 1121 | Comp of Teachers | 1,314.00 | 1,314.00 | 1,337.12 | 23.12 |
| | 1122 | Comp of Librarians | 35.00 | 35.00 | 35.00 | 0.00 |
| | 1123 | Comp of Deans & School Counselors | 60.00 | 60.00 | 64.00 | 4.00 |
| | 1124 | Comp of Coordinators | 3.00 | 3.00 | 5.00 | 2.00 |
| | 1125 | Comp of Directors / Curriculum Leaders | 17.30 | 17.30 | 19.30 | 2.00 |
| | 1126 | Comp of Principals | 32.00 | 32.00 | 31.00 | (1.00) |
| | 1127 | Comp of Assistant Principals | 52.00 | 52.00 | 52.00 | 0.00 |
| | 1128 | Comp of Teachers - Summer Remedial | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1129 | Comp of ROTC Instructors | 9.00 | 9.00 | 9.00 | 0.00 |
| | 1134 | Comp of Social Workers | 9.00 | 9.00 | 10.00 | 1.00 |
| | 1139 | Comp of Instructional Support Personnel | 63.00 | 63.00 | 67.00 | 4.00 |
| | 1141 | Comp of Instructional Assistants | 154.00 | 154.00 | 161.00 | 7.00 |
| | 1143 | Comp of Technical Personnel | 1.00 | 1.00 | 1.00 | 0.00 |
| | 1148 | Comp of Teacher Assistants - Summer Remedial | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1150 | Comp of Secretarial & Clerical | 81.50 | 81.50 | 83.50 | 2.00 |
| | 1320 | Comp of Part-Time Teachers | 6.75 | 15.00 | 17.00 | 2.00 |
| | 1321 | Comp of Homebound Instructors | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1322 | Comp of Temporary Teachers | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1324 | Comp of Part-Time Coordinators | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1327 | Comp of Part-Time Assistant Principals | 0.00 | 0.00 | 1.00 | 1.00 |
| | 1334 | Comp of Part-Time Social Workers | 0.50 | 1.00 | 2.00 | 1.00 |
| | 1339 | Comp of Part-Time Instructional Support Personnel | 3.50 | 7.00 | 7.00 | 0.00 |
| | 1342 | Comp of Part-Time Instructional Assistants | 51.00 | 102.00 | 112.00 | 10.00 |
| | 1343 | Comp of Part-Time Employees | 1.50 | 4.00 | 4.00 | 0.00 |
| | 1350 | Comp of Part-Time Secretarial & Clerical | 17.50 | 35.00 | 36.00 | 1.00 |
| | 1395 | Cafe Monitors | 0 | 0 | 20.00 | 20.00 |
| INSTRUCTION TOTAL | | | 1,916.55 | 1,999.80 | 2,080.22 | 80.42 |
| ADMINISTRATION / ATTENDANCE & HEALTH | | | | | | |
| | 1111 | Comp of Board Members | 3.50 | 7.00 | 7.00 | 0.00 |
| | 1112 | Comp of Superintendent | 1.00 | 1.00 | 1.00 | 0.00 |
| | 1113 | Comp of Deputy Superintendents | 2.00 | 2.00 | 2.00 | 0.00 |
| | 1114 | Comp of Administrative Personnel | 10.30 | 10.30 | 9.00 | (1.30) |
| | 1124 | Comp of Coordinators | 4.00 | 4.00 | 4.00 | 0.00 |
| | 1125 | Comp of Directors | 5.00 | 5.00 | 4.00 | (1.00) |
| | 1131 | Comp of Nurses | 34.00 | 34.00 | 35.00 | 1.00 |

FY 2021 School Operating Fund Positions by Classification and Object Code

| Classification | Object Description | FY 2020 Budget Approved FTE | FY 2020 Budget Approved Positions (Part-Time converted) | FY 2021 Budget Positions | Change |
|---|---|--------------------------------|--|-----------------------------|---------------|
| | 1132 Comp of Psychologists | 8.00 | 8.00 | 10.00 | 2.00 |
| | 1139 Comp of Other Professional Personnel: | 33.00 | 33.00 | 29.00 | (4.00) |
| | 1143 Comp of Technical Personnel | 6.00 | 6.00 | 6.00 | 0.00 |
| | 1150 Comp of Secretarial & Clerical | 31.00 | 31.00 | 29.00 | (2.00) |
| | 1331 Comp of Nurses, Part-Time | 0.50 | 1.00 | 0.00 | (1.00) |
| | 1339 Comp of Other Professional Personnel - Part-Time | 2.00 | 4.00 | 4.00 | 0.00 |
| | 1343 Comp of Part-Time Employees | 1.00 | 2.00 | 2.00 | 0.00 |
| | 1350 Comp of Part-Time Secretarial & Clerical | 3.00 | 6.00 | 6.00 | 0.00 |
| ADMINISTRATION / ATTENDANCE & HEALTH TOTAL | | 144.30 | 154.30 | 148.00 | (6.30) |
| TRANSPORTATION | | | | | |
| | 1114 Comp of Administrative Personnel | 5.00 | 5.00 | 5.00 | 0.00 |
| | 1125 Comp of Directors | 1.00 | 1.00 | 1.00 | 0.00 |
| | 1143 Comp of Technical Personnel | 4.00 | 4.00 | 5.00 | 1.00 |
| | 1150 Comp of Secretarial & Clerical | 1.00 | 1.00 | 1.00 | 0.00 |
| | 1165 Comp of Garage Employees | 10.00 | 10.00 | 10.00 | 0.00 |
| | 1170 Comp of Bus Drivers | 160.00 | 160.00 | 159.00 | (1.00) |
| | 1190 Comp of Bus Attendants | 9.00 | 9.00 | 8.00 | (1.00) |
| | 1265 Comp of Garage Employees - Overtime | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1343 Comp of Part-Time Employees | 0.50 | 1.00 | 0.00 | (1.00) |
| | 1350 Comp of Part-Time Secretarial & Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1365 Comp of Part-Time Garage Employees | 0.50 | 1.00 | 1.00 | 0.00 |
| | 1370 Comp of Bus Drivers - Extra Runs | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1371 Comp of Part-Time Bus Drivers | 14.00 | 27.00 | 27.00 | 0.00 |
| | 1394 Comp of Part-Time Bus Attendants | 35.50 | 71.00 | 71.00 | 0.00 |
| TRANSPORTATION TOTAL | | 240.50 | 290.00 | 288.00 | (2.00) |
| OPERATIONS AND MAINTENANCE | | | | | |
| | 1114 Comp of Administrative Personnel | 4.00 | 4.00 | 3.00 | (1.00) |
| | 1125 Comp of Directors | 1.00 | 1.00 | 1.00 | 0.00 |
| | 1150 Comp of Secretarial & Clerical | 2.00 | 2.00 | 2.00 | 0.00 |
| | 1160 Comp of Maintenance Employees | 27.00 | 27.00 | 27.00 | 0.00 |
| | 1192 Comp of Staff Aides | 40.00 | 40.00 | 43.00 | 3.00 |
| | 1260 Comp of Maintenance Personnel - Overtime | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1291 Comp of Custodial Personnel - Overtime | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1360 Comp of Part-Time Maintenance Employees | 0.50 | 1.00 | 1.00 | 0.00 |
| | 1392 Comp of Part-Time Staff Aides | 0.00 | 0.00 | 0.00 | 0.00 |
| OPERATIONS AND MAINTENANCE TOTAL | | 74.50 | 75.00 | 77.00 | 2.00 |

FY 2021 School Operating Fund Positions by Classification and Object Code

| Classification | Object | Description | FY 2020 Budget Approved FTE | FY 2020 Budget Approved Positions (Part-Time converted) | FY 2021 Budget Positions | Change |
|-------------------------|--------|--------------------------------------|--------------------------------|--|-----------------------------|--------------|
| TECHNOLOGY | | | | | | |
| | 1121 | Comp of Teachers | 25.00 | 25.00 | 24.00 | (1.00) |
| | 1125 | Comp of Directors/Curriculum Leaders | 1.00 | 1.00 | 1.00 | 0.00 |
| | 1139 | Comp of Other Professional Personnel | 1.00 | 1.00 | 1.00 | 0.00 |
| | 1143 | Comp of Other Technical Personnel | 49.00 | 49.00 | 50.00 | 1.00 |
| | 1150 | Comp of Secretarial and Clerical | 9.00 | 9.00 | 9.00 | 0.00 |
| | 1320 | Comp of Part Time Teachers | 0.50 | 1.00 | 1.00 | 0.00 |
| | 1343 | Comp of Part Time Employees | 0.00 | 0.00 | 4.00 | 4.00 |
| TECHNOLOGY TOTAL | | | 85.50 | 86.00 | 90.00 | 4.00 |
| GRAND TOTAL | | | 2,461.35 | 2,605.10 | 2,683.22 | 78.12 |

FY 2020-2021
SCHOOL OPERATING BUDGET
(FUND 50)
By Classification and Object

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 1 - 1114 Comp of Administrative Personnel | 253,598 | 261,305 | 312,214 | 50,909 | 19.48 |
| 1 - 1121 Comp of Teachers | 64,261,310 | 67,702,775 | 71,563,266 | 3,860,491 | 5.70 |
| 1 - 1122 Comp of Librarians | 1,643,583 | 1,873,763 | 1,911,301 | 37,538 | 2.00 |
| 1 - 1123 Comp of Deans & Guidance Counselors | 3,340,646 | 3,324,509 | 3,731,242 | 406,733 | 12.23 |
| 1 - 1124 Comp of Coordinators | 245,856 | 226,579 | 345,657 | 119,078 | 52.55 |
| 1 - 1125 Comp of Directors / Curriculum Leaders | 1,576,518 | 1,610,818 | 1,870,417 | 259,599 | 16.12 |
| 1 - 1126 Comp of Principals | 2,757,778 | 2,845,067 | 3,020,781 | 175,714 | 6.18 |
| 1 - 1127 Comp of Assistant Principals | 3,580,844 | 3,712,451 | 3,769,004 | 56,553 | 1.52 |
| 1 - 1128 Comp of Teachers - Summer Remedial | 485,439 | 400,534 | 546,299 | 145,765 | 36.39 |
| 1 - 1129 Comp of ROTC Instructors | 643,466 | 676,259 | 717,694 | 41,435 | 6.13 |
| 1 - 1134 Comp of Social Workers | 475,276 | 492,978 | 568,987 | 76,009 | 15.42 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 1 – 1114 Comp of Administrative Personnel:** The net increase in this line item is due to a 2.5% salary increase, adjustments based on classifications in the State's Annual School Report, and adjustments based on FY20 actual costs.
- 1 – 1121 Comp of Teachers:** The net increase in this line item is due to a 2.5% salary increase. Additional salary adjustments were budgeted to add \$500 to steps 1 through 14, to add \$1,000 for steps 15 through 29, to maintain step 30, and to move licensed instructional coaches to the 11 month salary scale. Additionally, 20 teacher positions were added to the budget.
- 1 – 1122 Comp of Librarians:** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1123 Comp of Deans and Guidance Counselors:** The net increase in this line item is due to adding 4 school counselors based on the Standards of Quality (SOQ), a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1124 Comp of Coordinators:** The net increase in this line item is due to a position reclassification from non-exempt to exempt based on job responsibilities, the addition of a tier II intervention coordinator, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1125 Comp of Directors/Curriculum Leaders:** The net increase in this line item is due to the addition of 2 senior director positions (repurposed from two existing positions), moving the funding for the executive director of student support from 2-1125 to 1-1125, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1126 Comp of Principals:** The net increase in this line item is due to the decrease of 1 principal position at Hampton High School (repurposed to a senior director position), market adjustments, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1127 Comp of Assistant Principals:** The net increase in this line item is due to market adjustments, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1128 Comp of Teachers-Summer Remedial:** The net increase in this line item is due to the adjustment of the hourly teacher rate from \$25 to \$30 an hour for summer school instruction and adjustments based on FY20 actual costs.
- 1 – 1129 Comp of ROTC Instructors:** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1134 Comp of Social Workers:** The net increase in this line item is due to the addition of 2 school social workers, a 2.5% salary increase and adjustments based on FY20 actual costs.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 1 - 1139 Comp of Instructional Support Personnel | 3,999,443 | 4,309,342 | 4,398,272 | 88,930 | 2.06 |
| 1 - 1141 Comp of Instructional Assistants | 2,912,977 | 3,185,719 | 3,500,006 | 314,287 | 9.87 |
| 1 - 1143 Comp of Technical Personnel | 41,758 | 42,933 | 44,303 | 1,370 | 3.19 |
| 1 - 1148 Comp of Instructional Assistants - Summer Remedial | 22,040 | 25,076 | 42,000 | 16,924 | 67.49 |
| 1 - 1150 Comp of Secretarial & Clerical | 2,750,382 | 2,898,220 | 3,005,643 | 107,423 | 3.71 |
| 1 - 1320 Comp of Part-Time Teachers | 474,975 | 557,979 | 537,985 | (19,994) | -3.58 |
| 1 - 1321 Comp of Homebound Instructors | 326,572 | 305,990 | 330,000 | 24,010 | 7.85 |
| 1 - 1322 Comp of Temporary Teachers | 199,953 | 401,456 | 436,305 | 34,849 | 8.68 |
| 1 - 1327 Comp of Part-Time Assistant Principals | 6,116 | - | 32,927 | 32,927 | 100.00 |
| 1 - 1334 Comp of Part-Time Social Workers | 25,311 | 35,535 | 72,327 | 36,792 | 103.54 |
| 1 - 1339 Comp of Part-Time Instructional Support Personnel | 226,890 | 255,563 | 261,288 | 5,725 | 2.24 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 1 – 1139 Comp of Instructional Support Personnel:** The net increase in this line item is due a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1141 Comp of Instructional Assistants:** The net increase in this line item is due to the addition of 5 preschool assistants, 2 kindergarten assistants, a physical education assistant, a 2.5% salary increase, an additional \$1 per hour market adjustment, and adjustments based on FY20 actual costs.
- 1 – 1143 Comp of Technical Personnel:** The net increase in this line item is due to a 2.5% salary increase.
- 1 – 1148 Comp of Instructional Assistants-Summer Remedial:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 1 – 1150 Comp of Secretarial & Clerical:** The net increase in this line item is due to the addition of 1 library technician, a 2.5% salary increase, an additional \$1 per hour market adjustment (for secretaries, school finance officers, office assistants, administrative support specialists, and executive secretary) and adjustments based on FY20 actual costs.
- 1 – 1320 Comp of Part-Time Teachers:** The net decrease in this line item is due to an addition of 1 part-time reading/writing exploration teacher, 1 part-time teacher (repurposed from a full-time teacher position), a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1321 Comp of Homebound Instructors:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 1 – 1322 Comp of Temporary Teachers:** The net increase in this line item is due to the addition of the cardiopulmonary resuscitation (CPR), the individual student alternative education plan (ISAEP) and mentor teacher programs moved from Fund 60 Reimbursable Projects fund and adjustments based on FY20 actual costs.
- 1 – 1334 Comp of Part-Time Assistant Principals:** The net increase in this line item is due to the addition of 1 part-time assistant principal at Armstrong, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1334 Comp of Part-Time Social Workers:** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1339 Comp of Part-Time Instructional Support Personnel:** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 1 - 1342 Comp of Part-Time Instructional Assistants | 1,131,691 | 1,297,885 | 1,453,439 | 155,554 | 11.99 |
| 1 - 1343 Comp of Part-Time Employees | 72,448 | 109,748 | 132,210 | 22,462 | 20.47 |
| 1 - 1350 Comp of Part-Time Secretarial & Clerical | 249,728 | 277,401 | 444,017 | 166,616 | 60.06 |
| 1 - 1395 Comp of Part-Time Cafeteria Monitors | - | - | 124,419 | 124,419 | 100.00 |
| 1 - 1398 Employee Bonus Payment | 279,000 | 1,000 | - | (1,000) | -100.00 |
| 1 - 1399 Comp of Temporary Employees | 1,347,499 | 1,296,744 | 2,048,243 | 751,499 | 57.95 |
| 1 - 1425 Comp of Part-Time Curriculum Developers | 138,697 | 91,777 | 150,000 | 58,223 | 63.44 |
| 1 - 1514 Comp of Substitute Administrators | 152,642 | 129,476 | 194,760 | 65,284 | 50.42 |
| 1 - 1521 Comp of Substitute Teachers | 137,394 | 92,894 | 138,000 | 45,106 | 48.56 |
| 1 - 1550 Comp of Substitute Secretarial & Clerical | 27,262 | - | - | - | 0.00 |
| 1 - 1900 Attrition | - | (1,842,614) | (1,842,614) | - | 0.00 |
| 1 - 2100 FICA, Employer Contribution | 6,964,734 | 7,389,836 | 7,875,635 | 485,799 | 6.57 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 1 – 1342 **Comp of Part-Time Instructional Assistants:**** The net increase in this line item is due to the addition of 2 kindergarten instructional assistants based on projected student enrollment, 3 early reading initiative assistants, a 2.5% salary increase, an additional \$1 per hour market adjustment and adjustments based on FY20 actual costs.
- 1 – 1343 **Comp of Part-Time Employees:**** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1350 **Comp of Part-Time Secretarial & Clerical:**** The net increase in this line item is due to the change in work schedule for office assistants from 3 to 5 hours a day, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1343 **Comp of Part-Time Cafeteria Monitors:**** The net increase in this line item is due to hiring 20 cafeteria monitors for all elementary and PK-8 schools instead of outsourcing these positions, adjustments for projected changes to minimum wage laws, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 1 – 1398 **Comp of Employee Bonus:**** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report (see 2-1398).
- 1 – 1399 **Comp of Temporary Personnel:**** The net increase in this line item is due to the addition of middle school volleyball supplements, the addition of a temporary tier III intervention coordinator, a 12.5% increase to coaching and instructional stipends and adjustments based on FY20 actual costs.
- 1 – 1425 **Comp of Part-Time Curriculum Developers:**** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 1 – 1514 **Comp of Substitute Administrators:**** The net increase in this line item is due to adding a hearing officer as a temporary employee and adjustments based on FY20 actual costs.
- 1 – 1521 **Comp of Substitute Teachers:**** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 1 – 1900 **Attrition:**** Personnel savings due to resignations, reassignments, transfers, retirements, etc for a period of time or at a reduced salary.
- 1 – 2100 **FICA, Employer Contribution:**** The net increase in this line item is due to a 2.5% salary increase, teacher and support staff market adjustments, and adjustments based on FY20 actual costs.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 1 - 2210 Virginia Retirement System (VRS) | 10,954,997 | 15,693,109 | 10,980,886 | (4,712,223) | -30.03 |
| 1 - 2211 Virginia Retirement System Hybrid | 3,923,555 | - | 5,314,918 | 5,314,918 | 100.00 |
| 1 - 2212 Health Insurance Credit | - | - | 1,183,287 | 1,183,287 | 100.00 |
| 1 - 2220 Hampton Employees Retirement System | 3,164,717 | 3,164,717 | - | (3,164,717) | -100.00 |
| 1 - 2300 Healthcare Subsidy | 14,659,025 | 14,075,674 | 16,069,998 | 1,994,324 | 14.17 |
| 1 - 2400 VRS Life Insurance Subsidy | 1,151,605 | 1,217,889 | 1,311,292 | 93,403 | 7.67 |
| 1 - 2501 Income Protection Subsidy | 66,639 | 65,445 | 76,556 | 11,111 | 16.98 |
| 1 - 2506 Health Savings Account | 320,639 | 371,728 | 521,120 | 149,392 | 40.19 |
| 1 - 2600 Unemployment Insurance Employer Contribution | 50,458 | 67,900 | - | (67,900) | -100.00 |
| 1 - 2831 Unused Sick Leave | 76,184 | 61,064 | 83,214 | 22,150 | 36.27 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 1 – 2210** **Virginia Retirement System (VRS):** The net decrease in this line item is due to an increase in the VRS rate from 15.68% to 16.62.5%, a 2.5% salary increase, teacher and support staff market adjustments and moving the budget for VRS Hybrid pension plan and the VRS Health Insurance Credit from this line to new budget lines (see 1-2211 and 1-2212).
- 1 – 2211** **Virginia Retirement System Hybrid:** The net increase in this line item is due to an increase in the VRS rate from 15.68% to 16.62.5%, a 2.5% salary increase, teacher and support staff market adjustments and adjustments based on FY20 actual costs. A new budget line was created for more accurate reporting.
- 1 – 2212** **Health Insurance Credit (VRS):** The net increase in this line item is due to an increase in the VRS health credit rate from 1.20% to 1.21%, a 2.5% salary increase, teacher and support staff market adjustments and adjustments based on FY20 actual costs. A new budget line was created for more accurate reporting.
- 1 – 2220** **Hampton Employees Retirement System (HERS):** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report (see 7-2220).
- 1 – 2300** **Healthcare Subsidy:** The net increase in this line item is based on a projection of medical claims and administrative costs for the upcoming healthcare plan year and changes in healthcare enrollment.
- 1 – 2400** **VRS Life Insurance Subsidy:** The net increase in this line item is due to an increase in the VRS life insurance rate from 1.31% to 1.34%, a 2.5% salary increase, teacher and support staff market adjustments and adjustments based on FY20 actual costs.
- 1 – 2501** **Income Protection Subsidy:** The funding in this line item is for the mandatory employer contribution for employees in the VRS Hybrid Plan. The increase in this line item is due to a 2.5% salary increase, teacher and support staff adjustments, and adjustments based on FY20 actual costs.
- 1 – 2506** **Health Savings Account:** This line item represents the employer contribution to the Health Savings Accounts for employees on the high deductible health plan. The increase in this line item is due to the increase in employees enrolled in the high deductible health plan.
- 1 – 2600** **Unemployment Insurance Employer Contribution:** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report (see 2-2600).
- 1 – 2831** **Unused Sick Leave:** The net increase in this line item is due to adjustments based on FY20 actual costs.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 1 - 2832 Unused Vacation Leave | 35,522 | 50,000 | 40,000 | (10,000) | -20.00 |
| 1 - 3112 Contracted Medical SPED | 245,584 | - | 250,000 | 250,000 | 100.00 |
| 1 - 3145 Professional Services | 3,010,600 | 2,801,845 | 3,230,385 | 428,540 | 15.29 |
| 1 - 3150 Due Process Hearings | 23,591 | 121,544 | 35,000 | (86,544) | -71.20 |
| 1 - 3160 Concert Series | 24,659 | 25,887 | 25,887 | - | 0.00 |
| 1 - 3170 Prepaid Travel Expenses | - | - | 19,802 | 19,802 | 100.00 |
| 1 - 3320 Contracted Maintenance Agreements | - | 907 | - | (907) | -100.00 |
| 1 - 3602 At-Risk Four-Year Old Program | 239,004 | 212,448 | 532,707 | 320,259 | 150.75 |
| 1 - 3612 Public Relations | - | - | 87,045 | 87,045 | 100.00 |
| 1 - 3760 Virginia Living Museum Services | 4,740 | 5,134 | 5,320 | 186 | 3.62 |
| 1 - 3770 Virginia Air and Space Center | 5,009 | - | - | - | 0.00 |
| 1 - 3780 Children's Museum of Virginia | - | 4,320 | 4,320 | - | 0.00 |
| 1 - 3810 Tuition Paid Regional Programs - Spec Ed | 3,107,437 | 3,290,485 | 3,517,047 | 226,562 | 6.89 |
| 1 - 3815 Tuition Paid Academic Programs | 15,230 | 14,448 | 24,318 | 9,870 | 68.31 |
| 1 - 3822 Out of School Time Support | 7,044 | 12,394 | - | (12,394) | -100.00 |
| 1 - 3830 Staff Development | 113,061 | 82,700 | 24,775 | (57,925) | -70.04 |
| 1 - 4200 Internal Food Service | - | - | 2,800 | 2,800 | 100.00 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 1 – 2832 Unused Vacation Leave:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 1 – 3112 Contracted Medical SPED:** The net increase in this line item reflects actual charges for contracted positions based on FY20 actual costs.
- 1 – 3145 Professional Services:** The net increase in this line item is due to adjustments based on FY20 actual costs, literacy lab at Kraft and Aberdeen, services for students with disabilities, middle school tier II intervention services with Hampton University and science dual enrollment field trips.
- 1 – 3150 Due Process Hearing:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 1 – 3170 Prepaid Travel Expenses:** The net increase in this line item is due to the creation of a new budget line based on the State's Annual School Report.
- 1 – 3320 Contracted Maintenance Agreements:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 1 – 3602 At-Risk Four Year Old Program:** The net increase in this line item is due to additional state funding for the Virginia Preschool Initiative (VPI).
- 1 – 3612 Public Relations:** The net increase in this line item is due to additional funding for the Academies of Hampton.
- 1 – 3810 Tuition Paid Regional Programs – Spec Ed:** Funding in this line item is based on projected student enrollment and tuition costs as proposed in the New Horizons Regional Education Center (NHREC) FY21 budget and projected costs for Southeastern Cooperative Educational Program (SECEP).
- 1 – 3815 Tuition Paid Academic Programs:** The net increase in this line item supports the tuition for 3 students per program to participate in the Governor's School summer residential program.
- 1 – 3822 Out of School Time Support:** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report (see 2-3822).
- 1 – 3830 Staff Development:** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report (see 1-3170 and 1-5501).
- 1 – 4200 Internal Food Service:** The net increase in this line item is due to the creation of a new budget line based on the State's Annual School Report.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 1 - 4300 Internal Transportation | - | - | 12,200 | 12,200 | 100.00 |
| 1 - 4400 Printing Services | 6,769 | 7,160 | 7,160 | - | 0.00 |
| 1 - 5401 Leases/Rental of Equipment | 847 | 20,702 | 500 | (20,202) | -97.58 |
| 1 - 5402 Operating Leases - Rentals | 68,000 | 62,500 | 86,500 | 24,000 | 38.40 |
| 1 - 5403 Commencement Costs | 13,271 | 37,300 | 18,000 | (19,300) | -51.74 |
| 1 - 5500 Co-Curricular Activities | 66,082 | 113,746 | 76,211 | (37,535) | -33.00 |
| 1 - 5501 Travel Expenses | 14,361 | 24,466 | 28,191 | 3,725 | 15.23 |
| 1 - 5504 Travel - Professional | 35,261 | 36,100 | - | (36,100) | -100.00 |
| 1 - 5510 Mileage Reimbursement | 65,354 | 89,373 | 100,538 | 11,165 | 12.49 |
| 1 - 5800 Community Services | 21,924 | 22,229 | 22,915 | 686 | 3.09 |
| 1 - 5801 Accreditation Costs | 4,900 | 4,080 | 4,800 | 720 | 17.65 |
| 1 - 5802 Dues and Association Memberships | 15,727 | 12,045 | 16,387 | 4,342 | 36.05 |
| 1 - 6001 Office Supplies | 53,790 | 67,647 | 95,645 | 27,998 | 41.39 |
| 1 - 6002 Food Cost | 43 | - | 12,655 | 12,655 | 100.00 |
| 1 - 6012 Textbooks | 380,467 | 743,168 | 378,928 | (364,240) | -49.01 |
| 1 - 6013 Instructional Supplies | 1,000,763 | 925,782 | 1,156,051 | 230,269 | 24.87 |

**HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021**

- 1 – 4300 Internal Transportation:** The net increase in this line item is due to the creation of a new budget line based on the State's Annual School Report.
- 1 – 5401 Leases/Rentals of Equipment:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 1 – 5402 Operating Leases - Rentals:** The net increase in this line item is due to adjustments based on projected increases in the rental of the Hampton Coliseum for graduations and Crown Plaza for the annual academic banquet.
- 1 – 5403 Commencement Costs:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 1 – 5500 Co-Curricular Activities:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 1 – 5501 Travel Expenses:** The net increase in this line item is due to adjustments based on classifications in the State's Annual School Report and FY20 actual costs (see 1-3170 and 1-3830).
- 1 – 5504 Travel-Professional:** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report (see 2-5504).
- 1 – 5510 Mileage Reimbursement:** The net increase in this line item is due to adjustments based on per pupil school allocations and FY20 actuals costs.
- 1 – 5801 Accreditation Costs:** The net increase in this line item is due to the addition of funds to support the Advanced Ed accreditation review.
- 1 – 5802 Dues and Association Memberships:** The net increase in this line item is due to adjustments based on FY20 actuals costs.
- 1 – 6001 Office Supplies:** The net increase in this line item is due to per pupil school allocations and adjustments based on FY20 actual costs.
- 1 – 6002 Food Costs:** The net increase in this line item is due to adjustments based on classifications in the State's Annual School Report.
- 1 – 6012 Textbooks:** The net decrease in this line item is due to reallocation of funding to support instructional software, supplies and curriculum development.
- 1 – 6013 Instructional Supplies:** The net increase in this line item is due to per pupil school allocations and adjustments based on FY20 actual costs.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 1 - 6016 Testing & Monitoring Supplies | 167,028 | 260,724 | 258,061 | (2,663) | -1.02 |
| 1 - 6031 Library Books & Periodicals | 218,005 | 246,547 | 245,000 | (1,547) | -0.63 |
| 1 - 6039 Other Instructional Costs - Remedial | 7,739 | 37,456 | 4,000 | (33,456) | -89.32 |
| 1 - 6050 Other Expenses | 366,023 | 270,046 | 187,675 | (82,371) | -30.50 |
| 1 - 6060 Non Capitalized Assets | - | - | 62,177 | 62,177 | 100.00 |
| 1 - 7002 New Horizons - Special Ed | 19,257 | 19,257 | - | (19,257) | -100.00 |
| 1 - 7003 New Horizons - CTE | 1,306,675 | 1,468,652 | 1,452,295 | (16,357) | -1.11 |
| 1 - 7004 New Horizons - Governor's School | 220,293 | 232,391 | 214,935 | (17,456) | -7.51 |
| 1 - 7005 New Horizons - Social Work | - | - | 19,257 | 19,257 | 100.00 |
| 1 - 7100 Youth Violence Prevention | 10,000 | 10,000 | - | (10,000) | -100.00 |
| 1 - 8100 Capital Outlay - Replacement | 178,565 | 945,681 | 1,008,054 | 62,373 | 6.60 |
| 1 - 8200 Capital Outlay - New | 57,246 | 437,005 | 31,777 | (405,228) | -92.73 |
| 1 - 9920 Contingency - Personnel | - | 1,000,000 | 1,360,000 | 360,000 | 36.00 |
| 1 - 9924 City Debt Service | 2,000,000 | 2,000,000 | - | (2,000,000) | -100.00 |
| INSTRUCTION CATEGORY TOTAL | 148,249,517 | 154,422,693 | 161,936,616 | 7,513,923 | 4.87 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 1 – 6039 Other Instructional Costs-Remedial:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 1 – 6050 Other Expenses:** The net decrease in this line item is due to per pupil school allocations and adjustments based on FY20 actual costs.
- 1 – 6060 Non Capitalized Assets:** The net increase in this line item is due to adjustments based on purchases of items less than \$250 with a useful life of greater than 1 year.
- 1 – 7002 New Horizons – Special Ed:** The net decrease in this line item is due to the creation of a new line item specific to the contribution to NHREC for the program at William and Mary (see 1-7005).
- 1 – 7003 New Horizons – CTE:** Based on projected student enrollment and tuition costs per the proposed NHREC FY21 budget.
- 1 – 7004 New Horizons – Governor's School:** Based on projected student enrollment and tuition costs per the proposed NHREC FY21 budget.
- 1 – 7005 New Horizons – Social Work:** The net increase in this line item is due to the creation of a new line item specific to the contribution to NHREC for the program at William and Mary.
- 1 – 7100 Youth Violence Prevention:** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report (see 2-7100).
- 1 – 8100 Capital Outlay - Replacement:** The net increase in this line item is due to per pupil student allocations, increased funding for transformation of learning space within the Academies of Hampton and adjustments based on FY20 actual costs.
- 1 – 8200 Capital Outlay - New:** The net decrease in this line item is due to adjustments based on FY20 actual costs and one-time state funds for the Academies of Hampton.
- 1 – 9920 Contingency - Personnel:** This item is included in the budget to safeguard against unexpected expenditure pressures and is used primarily to hire instructional positions if additional staffing is necessary at the start of school based on student enrollment, K-3 Class Size Reduction requirements and other instructional programs.
- 1 – 9924 City Debt Service:** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report (see 7-9924).

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 2 - 1111 Comp of Board Members | 90,419 | 93,132 | 95,460 | 2,328 | 2.50 |
| 2 - 1112 Comp of Superintendent | 223,527 | 230,078 | 251,365 | 21,287 | 9.25 |
| 2 - 1113 Comp of Deputy Superintendents | 284,764 | 291,230 | 156,099 | (135,131) | -46.40 |
| 2 - 1114 Comp of Administrative Personnel | 718,353 | 667,682 | 653,904 | (13,778) | -2.06 |
| 2 - 1124 Comp of Coordinators | 281,188 | 289,605 | 294,838 | 5,233 | 1.81 |
| 2 - 1125 Comp of Directors | 569,116 | 545,367 | 591,656 | 46,289 | 8.49 |
| 2 - 1131 Comp of Nurses | 1,381,987 | 1,453,331 | 1,539,274 | 85,943 | 5.91 |
| 2 - 1132 Comp of Psychologists | 501,573 | 516,570 | 647,933 | 131,363 | 25.43 |
| 2 - 1139 Comp of Other Professional Personnel | 1,151,706 | 1,594,337 | 1,560,731 | (33,606) | -2.11 |
| 2 - 1143 Comp of Technical Personnel | 246,300 | 267,774 | 296,288 | 28,514 | 10.65 |
| 2 - 1150 Comp of Secretarial & Clerical | 1,036,823 | 1,076,011 | 1,087,527 | 11,516 | 1.07 |
| 2 - 1331 Comp of Nurses, Part-Time | 13,686 | 29,608 | - | (29,608) | -100.00 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 2 – 1111 Comp of Board Members:** The net increase in this line item is due to a 2.5% salary increase.
- 2 – 1112 Comp of Superintendent:** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 2 – 1113 Comp of Deputy Superintendents:** The net decrease in this line item is due moving the budget for the chief financial officer to 2-1125, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 2 – 1114 Comp of Administrative Personnel:** The net decrease in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 2 – 1124 Comp of Coordinators:** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 2 – 1125 Comp of Directors:** The net increase in this line item is due to moving the funding for the chief financial officer from 2-1113 to 2-1125, moving the funding for the executive director of student support from 2-1125 to 1-1125, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 2 – 1131 Comp of Nurses:** The net increase in this line item is due to the reclassification of the nurse at Moton from part-time to full-time, a 2.5% salary increase, a \$1,500 increase to annual nurse pay and adjustments based on FY20 actual costs.
- 2 – 1132 Comp of Psychologists:** The net increase in this line item is due to the addition of 1 school psychologist, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 2 – 1139 Comp of Other Professional Personnel:** The net decrease in this line item is due to a 2.5% salary increase, a mental health service provider and adjustments based on FY20 actual costs.
- 2 – 1143 Comp of Technical Personnel:** The net increase in this line item is due to the reclassification of a digital press operator from part-time to full-time and a 2.5% salary increase.
- 2 – 1150 Comp of Secretarial & Clerical:** The net increase in this line item is due a 2.5% salary increase an additional \$1 per hour market adjustment (for secretaries, school finance officers, office assistants, administrative support specialists, and executive secretary), and adjustments based on FY20 actual costs.
- 2 – 1331 Comp of Nurses, Part-Time:** The net decrease in this line item is due to the reclassification of the nurse at Moton from part-time to full-time.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 2 - 1339 Comp of Other Professional Personnel - Part-Time | 143,779 | 147,902 | 125,728 | (22,174) | -14.99 |
| 2 - 1343 Comp of Part-Time Employees | 15,036 | 40,090 | 17,070 | (23,020) | -57.42 |
| 2 - 1350 Comp of Part-Time Secretarial & Clerical | 70,594 | 80,108 | 83,983 | 3,875 | 4.84 |
| 2 - 1398 Employee Bonus Payments | - | - | 361,000 | 361,000 | 100.00 |
| 2 - 1399 Comp of Temporary Employees | 38,938 | 97,819 | 94,880 | (2,939) | -3.00 |
| 2 - 1531 Comp of Substitute Nurses | 54,703 | 82,188 | 82,188 | - | 0.00 |
| 2 - 2100 FICA, Employer Contribution | 497,393 | 573,967 | 603,244 | 29,277 | 5.10 |
| 2 - 2210 Virginia Retirement System (VRS) | 857,981 | 1,167,431 | 833,861 | (333,570) | -28.57 |
| 2 - 2211 Virginia Retirement System Hybrid | 203,763 | - | 335,153 | 335,153 | 100.00 |
| 2 - 2212 Health Insurance Credit | - | - | 84,950 | 84,950 | 100.00 |
| 2 - 2300 Healthcare Subsidy | 1,074,693 | 1,197,887 | 1,189,748 | (8,139) | -0.68 |
| 2 - 2400 VRS Life Insurance Subsidy | 88,888 | 90,600 | 94,614 | 4,014 | 4.43 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 2 – 1339 Comp of Other Professional Personnel – Part-Time:** The net decrease in this line item is due to the reclassification of a school psychologist from part-time to full-time, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 2 – 1343 Comp of Part-Time Employees:** The net decrease in this line item is due to the reclassification of a part-time digital press operator to full-time and a 2.5% salary increase.
- 2 – 1350 Comp of Part-Time Secretarial/Clerical:** The net increase in this line item is due to adjustments for projected changes to minimum wage laws, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 2 – 1398 Comp of Employee Bonus:** The net increase in this line item is due to the addition of funding for the teacher of the year and math bonuses.
- 2 – 2100 FICA, Employer Contribution:** The net increase in this line item is due to a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs.
- 2 – 2210 Virginia Retirement System (VRS):** The net decrease in this line item is due to an increase in the VRS rate from 15.68% to 16.62.5%, a 2.5% salary increase, support staff market adjustments and moving the budget for VRS Hybrid pension plan and the VRS Health Insurance Credit from this line to new budget lines (see 1-2211 and 1-2212).
- 2 – 2211 Virginia Retirement System Hybrid:** The net increase in this line item is due to an increase in the VRS rate from 15.68% to 16.62.5%, a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs. A new budget line was created for more accurate reporting.
- 2 – 2212 Health Insurance Credit (VRS):** The net increase in this line item is due to an increase in the VRS health credit rate from 1.20% to 1.21%, a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs. A new budget line was created for more accurate reporting.
- 2 – 2300 Healthcare Subsidy:** The net decrease in this line item is based on a projection of medical claims and administrative costs for the upcoming healthcare plan year and changes in healthcare enrollment.
- 2 – 2400 VRS Life Insurance Subsidy:** The net increase in this line item is due to an increase in the VRS life insurance rate from 1.31% to 1.34%, a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|--|---------------------|--------------------------------|---|-------------------|------------------|
| 2 - 2501 Income Protection Subsidy | 3,566 | 3,395 | 4,942 | 1,547 | 45.57 |
| 2 - 2506 Health Savings Account | 49,234 | 44,500 | 67,735 | 23,235 | 52.21 |
| 2 - 2600 Unemployment Insurance | - | - | 60,000 | 60,000 | 100.00 |
| 2 - 2831 Unused Sick Leave | 28,849 | 15,000 | 28,965 | 13,965 | 93.10 |
| 2 - 2832 Unused Vacation Leave | 48,208 | 15,496 | 50,000 | 34,504 | 222.66 |
| 2 - 2834 Employee Assistance Program | 29,706 | 33,600 | - | (33,600) | -100.00 |
| 2 - 2900 Other Fixed Costs | 95,277 | 73,117 | 81,615 | 8,498 | 11.62 |
| 2 - 3111 Contracted Testing | - | 19,800 | 17,500 | (2,300) | -11.62 |
| 2 - 3112 Contracted Medical Expenses - Spec Ed | 380,372 | 84,926 | 381,000 | 296,074 | 348.63 |
| 2 - 3113 Contracted Background Checks | (15,530) | 1,000 | 1,000 | - | 0.00 |
| 2 - 3140 Consultant Services | - | 31,950 | - | (31,950) | -100.00 |
| 2 - 3145 Professional Services | 307,110 | 3,292,980 | 216,836 | (3,076,144) | -93.42 |
| 2 - 3170 Prepaid Travel Expenses | - | - | 86,629 | 86,629 | 100.00 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 2 – 2501 Income Protection Subsidy:** The funding in this line item is for the mandatory employer contribution for employees in the VRS Hybrid Plan. The increase in this line item is due to a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs.
- 2 – 2506 Health Savings Account:** This line item represents the employer contribution to the Health Savings Accounts for employees on the high deductible health plan. The increase in this line item is due to the increase in employees enrolled in the high deductible health plan.
- 2 – 2600 Unemployment Insurance Employer Contribution:** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report (see 2-2600).
- 2 – 2831 Unused Sick Leave:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 2 – 2832 Unused Vacation Leave:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 2 – 2834 Employee Assistance Program:** The net decrease in this line item is due to a change in healthcare administrator for the HCS health plan. The cost is included in the medical insurance premium.
- 2 – 2900 Other Fixed Costs:** The net increase in this line item is due to an increase in the employers liability to the tax sheltered annuity plan.
- 2 – 3111 Contracted Testing:** The net decrease in this line item is due to projected costs for FY21.
- 2 – 3112 Contracted Medical SPED:** The net increase in this line item reflects actual charges for contracted positions based on FY20 actual costs.
- 2 – 3140 Consultant Services:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 2 – 3145 Professional Services:** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report and adjustments based on FY20 actual costs. The operational expenses of the HCS Pharmacy and Wellness Center are now reported in 5-3145.
- 2 – 3170 Prepaid Travel Expenses:** The net increase in this line item is due to the creation of a new budget line based on the State's Annual School Report.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 2 - 3500 Contracted Printing Costs | 16,130 | 16,234 | 16,500 | 266 | 1.64 |
| 2 - 3610 Advertisements | 6,412 | 5,250 | 8,800 | 3,550 | 67.62 |
| 2 - 3612 Public Relations | 31,004 | 117,711 | 31,533 | (86,178) | -73.21 |
| 2 - 3821 Payment to City for Purchasing | 300,960 | 305,371 | 310,654 | 5,283 | 1.73 |
| 2 - 3822 Partnership Payments to the City | - | - | 15,000 | 15,000 | 100.00 |
| 2 - 3830 Professional Development | - | - | 58,700 | 58,700 | 100.00 |
| 2 - 4200 Food Service | 138,251 | - | 203,000 | 203,000 | 100.00 |
| 2 - 4300 Internal Transportation | - | - | 1,380 | 1,380 | 100.00 |
| 2 - 4400 Internal Printing Services | - | - | 1,000 | 1,000 | 100.00 |
| 2 - 5201 Postage Services | - | - | 152,700 | 152,700 | 100.00 |
| 2 - 5401 Leases/Rental of Equipment | - | - | 11,000 | 11,000 | 100.00 |
| 2 - 5501 Travel Expenses | 20,786 | 16,417 | 111,244 | 94,827 | 577.61 |
| 2 - 5504 Travel Expenses - Professional | 1,621 | 5,309 | 8,000 | 2,691 | 50.69 |
| 2 - 5505 Travel - School Board | 19,725 | 25,000 | 33,000 | 8,000 | 32.00 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 2 – 3610 Advertisements:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 2 – 3612 Public Relations:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 2 – 3821 Payment to City for Purchasing:** Funds in this line item pay for Procurement Services which are shared with the City of Hampton. This information is provided by the City.
- 2 – 3822 Out of School Time Support:** The net increase in this line item is due to adjustments based on classifications in the State's Annual School Report (see 1-3822).
- 2 – 3830 Staff Development:** The net increase in this line item is due to projected costs for FY21 and adjustments based on classifications in the State's Annual School Report.
- 2 – 4200 Internal Food Service:** The net increase in this line item is due to the creation of a new budget line based on the State's Annual School Report and operational support from Fund 50 to Fund 51.
- 2 – 4300 Internal Transportation:** The net increase in this line item is due to the creation of a new budget line based on the State's Annual School Report.
- 2 – 4400 Internal Printing Services:** The net increase in this line item is due to the creation of a new budget line based on the State's Annual School Report.
- 2 – 5201 Postage Services:** The net increase in this line item is due to adjustments based on classifications in the State's Annual School Report (see 4-5201).
- 2 – 5401 Leases/Rentals of Equipment:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 2 – 5501 Travel Expenses:** The net increase in this line item is due to projected costs for FY21 and adjustments based on classifications in the State's Annual School Report (see 2-3170 and 2-3830).
- 2 – 5504 Travel Expenses-Professional:** The net increase in this line item is due to adjustments based on classifications in the State's Annual School Report (see 1-5504).
- 2 – 5505 Travel-School Board:** The net increase in this line item is based on funding for Virginia School Board Association (VSBA) and National School Board Association (NSBA) conference travel expenses for School Board members.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|--|---------------------|--------------------------------|---|-------------------|------------------|
| 2 - 5510 Mileage Reimbursement | 12,641 | 13,141 | 17,875 | 4,734 | 36.02 |
| 2 - 5802 Membership & Association Dues | 50,646 | 47,776 | 63,890 | 16,114 | 33.73 |
| 2 - 6001 Office Supplies | (14,938) | 14,945 | 20,241 | 5,296 | 35.44 |
| 2 - 6002 Food Cost | - | - | 19,500 | 19,500 | 100.00 |
| 2 - 6004 Medical Supplies | 34,886 | 47,995 | 45,500 | (2,495) | -5.20 |
| 2 - 6011 Other Operating Supplies | 204 | 4,362 | 4,000 | (362) | -8.30 |
| 2 - 6014 Books, Subscriptions & Microfilm | - | 700 | - | (700) | -100.00 |
| 2 - 6017 Repair Parts and Supplies | 1,791 | - | 3,050 | 3,050 | 100.00 |
| 2 - 6040 Print Shop Supplies | (41,057) | 87,261 | 115,000 | 27,739 | 31.79 |
| 2 - 6050 Other Expenses | 40,300 | 44,038 | 76,365 | 32,327 | 73.41 |
| 2 - 6060 Non Capitalized Assets | - | - | 5,620 | 5,620 | 100.00 |
| 2 - 7100 Youth Violence Prevention | - | - | 10,000 | 10,000 | 100.00 |
| 2 - 8100 Capital Outlay - Replacement | 41,169 | 9,004 | 7,500 | (1,504) | -16.70 |
| 2 - 8200 Capital Outlay - New | 15,773 | - | 2,000 | 2,000 | 100.00 |
| 2 - 9920 Contingency | - | - | 45,356 | 45,356 | 100.00 |
| ADMINISTRATION / ATTENDANCE & HEALTH CATEGORY TOTAL | 11,148,308 | 14,908,995 | 13,476,124 | (1,432,871) | -9.61 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 2 – 5510 Mileage Reimbursement:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 2 – 5802 Dues and Association Memberships:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 2 – 6001 Office Supplies:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 2 – 6002 Food Costs:** The net increase in this line item is due to adjustments based on classifications in the State's Annual School Report.
- 2 – 6040 Print Shop Supplies:** The net increase in this line item is due to supplies needed to support division wide and external organizations printing services provided by the Printing Services Department.
- 2 – 6050 Other Expenses:** The net increase in this line item is due to adjustments based on FY20 actual costs related to community partnerships.
- 2 – 6060 Non Capitalized Assets:** The net increase in this line item is due to adjustments based on purchases of items less than \$250 with a useful life of greater than 1 year.
- 2 – 7100 Youth Violence Prevention:** The net increase in this line item is due to adjustments based on classifications in the State's Annual School Report (see 1-7100).
- 2 – 8100 Capital Outlay - Replacement:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 2 – 8200 Capital Outlay - New:** The net increase in this line item is due to one time capital purchases for the school clinics.
- 2 – 9920 Contingency - Administration, Attendance and Health:** This item is included in the budget for salary adjustments due to compression.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 3 - 1114 Comp of Administrative Personnel | 266,356 | 274,347 | 283,813 | 9,466 | 3.45 |
| 3 - 1125 Comp of Directors | 85,729 | 88,301 | 103,322 | 15,021 | 17.01 |
| 3 - 1143 Comp of Technical Personnel | 146,511 | 125,712 | 159,649 | 33,937 | 27.00 |
| 3 - 1150 Comp of Secretarial & Clerical | 39,871 | 39,969 | 42,951 | 2,982 | 7.46 |
| 3 - 1165 Comp of Garage Employees | 496,302 | 469,267 | 536,028 | 66,761 | 14.23 |
| 3 - 1170 Comp of Bus Drivers | 3,064,497 | 3,035,052 | 3,235,537 | 200,485 | 6.61 |
| 3 - 1190 Comp of Bus Attendants | 149,836 | 132,554 | 136,624 | 4,070 | 3.07 |
| 3 - 1343 Comp of Part-Time Employees | 9,770 | 16,350 | - | (16,350) | -100.00 |
| 3 - 1365 Comp of Part-Time Garage Employees | 18,978 | 17,468 | 19,687 | 2,219 | 12.70 |
| 3 - 1370 Comp of Bus Drivers - Extra Runs | (17,121) | 406,762 | 312,000 | (94,762) | -23.30 |
| 3 - 1371 Comp of Part-Time Bus Drivers | 224,725 | 463,525 | 611,825 | 148,300 | 31.99 |
| 3 - 1394 Comp of Part-Time Bus Attendants | 686,101 | 825,535 | 858,744 | 33,209 | 4.02 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 3 – 1114 Comp of Administrative Personnel:** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 3 – 1125 Comp of Directors:** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 3 – 1143 Comp of Technical Personnel:** The net increase in this line item is due to the reclassification of 1 dispatcher from part-time to full-time, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 3 – 1150 Comp of Secretarial/Clerical:** The net increase in this line item is due a 2.5% salary increase, an additional \$1 per hour market adjustment and adjustments based on FY20 actual costs.
- 3 – 1165 Comp of Garage Employees:** The net increase in this line item is due a 2.5% salary increase, an additional \$1.50 per hour market adjustment for auto mechanics, automotive shop manager, and transportation shop attendant, and adjustments based on FY20 actual costs.
- 3 – 1170 Comp of Bus Drivers:** The net increase in this line item is due to a 2.5% salary increase, an increase of \$2 per hour for school bus driver pay and adjustments based on FY20 actual costs.
- 3 – 1190 Comp of Bus Attendants:** The net increase in this line item is due to a 2.5% salary increase, an increase of \$2 per hour for school bus attendant pay and adjustments based on FY20 actual costs.
- 3 – 1343 Comp of Part-Time Employees:** The net decrease in this line item due to the reclassification of 1 dispatcher from part-time to full-time.
- 3 – 1365 Comp of Part-Time Garage Employees:** The net increase in this line item is due to a 2.5% salary increase, adjustments for projected changes to minimum wage laws, an increase of \$1.50 per hour market adjustment, and adjustments based on FY20 actual costs.
- 3 – 1370 Comp of Bus Drivers - Extra Runs:** The net decrease in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 3 – 1371 Comp of Part-Time Bus Drivers:** The net increase in this line item is due to a 2.5% salary increase, an increase of \$2 per hour for school bus driver pay and adjustments based on FY20 actual costs.
- 3 – 1394 Comp of Part-Time Bus Attendants:** The net increase in this line item is due to a 2.5% salary increase, an increase of \$2 per hour for school bus attendant pay and adjustments based on FY20 actual costs.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|--|---------------------|--------------------------------|---|-------------------|------------------|
| 3 - 1399 Comp of Temporary Employees | 18,702 | 19,426 | 36,926 | 17,500 | 90.09 |
| 3 - 2100 FICA, Employer Contribution | 398,346 | 452,442 | 474,480 | 22,038 | 4.87 |
| 3 - 2210 Virginia Retirement System (VRS) | 248,635 | 411,223 | 262,408 | (148,815) | -36.19 |
| 3 - 2211 Virginia Retirement System Hybrid | 107,949 | - | 99,366 | 99,366 | 100.00 |
| 3 - 2212 Health Insurance Credit | - | - | 21,178 | 21,178 | 100.00 |
| 3 - 2300 Healthcare Subsidy | 1,201,597 | 1,343,706 | 1,161,237 | (182,469) | -13.58 |
| 3 - 2400 VRS Life Insurance Subsidy | 42,886 | 52,284 | 58,541 | 6,257 | 11.97 |
| 3 - 2501 Income Protection Subsidy | 5,079 | 5,072 | 6,364 | 1,292 | 25.47 |
| 3 - 2506 Health Savings Account | 15,833 | 14,109 | 31,584 | 17,475 | 123.86 |
| 3 - 2831 Unused Sick Leave | 7,058 | 1,453 | 7,150 | 5,697 | 392.09 |
| 3 - 2832 Unused Vacation Leave | - | 1,511 | - | (1,511) | -100.00 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 3 – 1399 Comp of Temporary Employees:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 3 – 2100 FICA, Employer Contribution:** The net increase in this line item is due to a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs.
- 3 – 2210 Virginia Retirement System (VRS):** The net decrease in this line item is due to a decrease in the VRS rate from 9.30% to 7.03%, a 2.5% salary increase, support staff market adjustments and moving the budget for VRS Hybrid pension plan and the VRS Health Insurance Credit from this line to new budget lines (see 1-2211 and 1-2212).
- 3 – 2211 Virginia Retirement System Hybrid:** The net increase in this line item is due to an decrease in the VRS rate from 9.30% to 7.03%, a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs. A new budget line was created for more accurate reporting.
- 3 – 2212 Health Insurance Credit (VRS):** The net increase in this line item is due to an increase in the VRS health credit rate from 1.20% to 1.21%, a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs. A new budget line was created for more accurate reporting.
- 3 – 2300 Healthcare Subsidy:** The net decrease in this line item is based on a projection of medical claims and administrative costs for the upcoming healthcare plan year and changes in healthcare enrollment.
- 3 – 2400 VRS Life Insurance Subsidy:** The net increase in this line item is due to an increase in the VRS life insurance rate from 1.31% to 1.34%, a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs.
- 3 – 2501 Income Protection Subsidy:** The funding in this line item is for the mandatory employer contribution for employees in the VRS Hybrid Plan. The increase in this line item is due to a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs.
- 3 – 2506 Health Savings Account:** This line item represents the employer contribution to the Health Savings Accounts for employees on the high deductible health plan. The decrease in this line item is due to the decrease in employees enrolled in the high deductible health plan.
- 3 – 2831 Unused Sick Leave:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 3 – 2832 Unused Vacation Leave:** The net decrease in this line item is due to adjustments based on FY20 actual costs.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 3 - 3145 Professional Services | 2,399 | 15,000 | 15,000 | - | 0.00 |
| 3 - 3170 Prepaid Travel Expenses | - | - | 9,115 | 9,115 | 100.00 |
| 3 - 3330 Contracted Repair Service | 224,617 | - | 200,000 | 200,000 | 100.00 |
| 3 - 3410 Transportation by Public Carrier | 950 | 3,000 | 2,820 | (180) | -6.00 |
| 3 - 3420 Transportation by Contracted Carrier | 19,550 | 18,000 | 17,000 | (1,000) | -5.56 |
| 3 - 3830 Staff Development | 10,400 | 7,000 | - | (7,000) | -100.00 |
| 3 - 5204 Cell Phone Service | 13,477 | 13,500 | 13,500 | - | 0.00 |
| 3 - 5401 Leases/Rental of Equipment | - | 3,225 | 6,231 | 3,006 | 93.21 |
| 3 - 5802 Dues and Association Memberships | 100 | - | 100 | 100 | 100.00 |
| 3 - 6001 Office Supplies | 12,654 | 16,832 | 16,832 | - | 0.00 |
| 3 - 6008 Vehicle & Powered Equipment Fuels | 889,212 | 1,445,334 | 1,445,300 | (34) | 0.00 |
| 3 - 6009 Vehicle & Powered Equipment Supplies | 795,899 | 915,378 | 775,378 | (140,000) | -15.29 |
| 3 - 6050 Other Expenses | 42,625 | 14,000 | 52,564 | 38,564 | 275.46 |
| 3 - 8100 Capital Outlay - Replacement | 30,937 | - | - | - | 0.00 |
| 3 - 8200 Capital Outlay - New | 10,577 | - | - | - | 0.00 |
| TRANSPORTATION CATEGORY TOTAL | 9,271,037 | 10,647,337 | 11,013,254 | 365,917 | 3.44 |

**HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021**

- 3 – 3170 Prepaid Travel Expenses:** The net increase in this line item is due to the creation of a new budget line based on the State's Annual School Report.
- 3 – 3330 Contracted Repair Service:** The net increase in this line item is due to the cost of parts and services associated with school bus repairs.
- 3 – 3830 Staff Development:** The net decrease in this line item is due to the creation of a new budget line based on the State's Annual School Report (see 3-3170).
- 3 – 5401 Leases/Rentals of Equipment:** The net increase in this line item is due to the transfer of funds for SPIVEY and Safety Kleen (see 3-6050).
- 3 – 6009 Vehicle & Powered Equipment Supplies:** The net decrease in this line item is due to the transfer of a portion of funding to contracted repair service (see 3-3330) to cover the cost of parts and services associated with school bus repairs.
- 3 – 6050 Other Expenses:** The net increase in this line item is due to the transfer of funding to leases/rentals of equipment (see 3-5401) and additional funding for the purchase of uniforms for the mechanics.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|--|---------------------|--------------------------------|---|-------------------|------------------|
| 4 - 1114 Comp of Administrative Personnel | 240,161 | 262,674 | 224,741 | (37,933) | -14.44 |
| 4 - 1125 Comp of Directors | 106,233 | 118,450 | 128,466 | 10,016 | 8.46 |
| 4 - 1150 Comp of Secretarial & Clerical | 82,696 | 84,191 | 101,255 | 17,064 | 20.27 |
| 4 - 1160 Comp of Maintenance Employees | 1,323,841 | 1,321,075 | 1,411,153 | 90,078 | 6.82 |
| 4 - 1192 Comp of School Security Officers | 888,672 | 989,896 | 1,034,698 | 44,802 | 4.53 |
| 4 - 1360 Comp of Part Time Maintenance Employees | 13,393 | 24,022 | 26,156 | 2,134 | 8.88 |
| 4 - 1399 Comp of Temporary Employees | 25,996 | 7,902 | 27,036 | 19,134 | 242.14 |
| 4 - 1592 Comp of Substitute Staff Aides | 49,804 | 35,000 | 60,000 | 25,000 | 71.43 |
| 4 - 2100 FICA, Employer Contribution | 199,167 | 217,506 | 224,767 | 7,261 | 3.34 |
| 4 - 2210 Virginia Retirement System (VRS) | 265,095 | 289,696 | 255,128 | (34,568) | -11.93 |
| 4 - 2211 Virginia Retirement System Hybrid | 72,036 | - | 96,226 | 96,226 | 100.00 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 4 – 1114 Comp of Administrative Personnel:** The net decrease in this line item is due to the reduction of 1 compliance coordinator, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 4 – 1125 Comp of Directors:** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 4 – 1150 Comp of Secretarial & Clerical:** The net increase in this line item is due an additional \$1 per hour market adjustment, a 2.5% salary increase and adjustments based on FY20 actual costs.
- 4 – 1160 Comp of Maintenance Employees:** The net increase in this line item is due a 2.5% salary increase, an additional \$1.50 per hour market adjustment and adjustments based on FY20 actual costs.
- 4 – 1192 Comp of School Security Officers:** The net increase in this line item is due to a 2.5% salary increase, an additional \$1 per hour market adjustment, the addition of 2 school security officers and adjustments based on FY20 actual costs.
- 4 – 1360 Comp of Part-Time Maintenance Employees:** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 4 – 1399 Comp of Temporary Employees:** The net increase in this line item is due to the use of temporary employees for summer projects.
- 4 – 1592 Comp of Substitute Staff Aides:** The net increase in this line item is due to adjustments based on FY20 actual costs for substitute security officers.
- 4 – 2100 FICA, Employer Contribution:** The net increase in this line item is due to a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs.
- 4 – 2210 Virginia Retirement System (VRS):** The net decrease in this line item is due to a decrease in the VRS rate from 9.30% to 7.03%, a 2.5% salary increase, support staff market adjustments and moving the budget for VRS Hybrid pension plan and the VRS Health Insurance Credit from this line to new budget lines (see 1-2211 and 1-2212).
- 4 – 2211 Virginia Retirement System Hybrid:** The net increase in this line item is due to an decrease in the VRS rate from 9.30% to 7.03%, a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs. A new budget line was created for more accurate reporting.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|--|---------------------|--------------------------------|---|-------------------|------------------|
| 4 - 2212 Health Insurance Credit | - | - | 22,511 | 22,511 | 100.00 |
| 4 - 2300 Healthcare Subsidy | 535,064 | 588,044 | 691,771 | 103,727 | 17.64 |
| 4 - 2400 VRS Life Insurance Subsidy | 32,344 | 35,955 | 37,568 | 1,613 | 4.49 |
| 4 - 2501 Income Protection Subsidy | 1,701 | 1,378 | 2,405 | 1,027 | 74.53 |
| 4 - 2506 Health Savings Account | 7,088 | 5,750 | 13,338 | 7,588 | 131.97 |
| 4 - 2831 Unused Sick Leave | (8,401) | 4,601 | 4,200 | (401) | -8.72 |
| 4 - 2832 Unused Vacation Leave | (1,399) | 15,000 | 15,000 | - | 0.00 |
| 4 - 3100 Contracted OSHA Expenses | 91,365 | 150,000 | 142,750 | (7,250) | -4.83 |
| 4 - 3120 Contracted Security Service | 70,098 | 134,500 | 135,000 | 500 | 0.37 |
| 4 - 3122 Contracted Resource Officers | 813,383 | 823,205 | 827,249 | 4,044 | 0.49 |
| 4 - 3310 Contracted Building & Grounds Service | 5,956,992 | 6,186,069 | 6,186,069 | - | 0.00 |
| 4 - 3320 Contracted Maintenance Agreements | 154,066 | 181,436 | 174,478 | (6,958) | -3.83 |
| 4 - 3330 Contracted Repair Services | 7,349 | 11,129 | 13,700 | 2,571 | 23.10 |
| 4 - 3823 Payment to City for Building Services | 314,980 | 344,497 | 359,682 | 15,185 | 4.41 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 4 – 2212 Health Insurance Credit (VRS):** The net increase in this line item is due to an increase in the VRS health credit rate from 1.20% to 1.21%, a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs. A new budget line was created for more accurate reporting.
- 4 – 2300 Healthcare Subsidy:** The net increase in this line item is based on a projection of medical claims and administrative costs for the upcoming healthcare plan year and changes in healthcare enrollment.
- 4 – 2400 VRS Life Insurance Subsidy:** The net increase in this line item is due to an increase in the VRS life insurance rate from 1.31% to 1.34%, a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs.
- 4 – 2501 Income Protection Subsidy:** The funding in this line item is for the mandatory employer contribution for employees in the VRS Hybrid Plan. The increase in this line item is due to a 2.5% salary increase, support staff market adjustments and adjustments based on FY20 actual costs.
- 4 – 2506 Health Savings Account:** This line item represents the employer contribution to the Health Savings Accounts for employees on the high deductible health plan. The decrease in this line item is due to the decrease in employees enrolled in the high deductible health plan.
- 4 – 2831 Unused Sick Leave:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 4 – 3100 Contracted OSHA Expenses:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 4 – 3120 Contracted Security Service:** The net increase in this line item is due to a new contract awarded for alarm monitoring repairs.
- 4 – 3122 Contracted Resource Officers:** This line item is based on the cost of School Resource Officers who work in secondary schools during the school year. This cost is provided annually by the City of Hampton.
- 4 – 3320 Contracted Maintenance Agreements:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 4 – 3330 Contracted Repair Service:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 4 – 3823 Payment to City for Building Services:** This line item represents the rental and associated expenses of the Ruppert L. Sargent building, for which the school division pays 2/3 of the cost. This cost is provided annually by the City of Hampton.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|---|---------------------|--------------------------------|---|-------------------|------------------|
| 4 - 5100 Natural Gas | 106,567 | 271,448 | 140,000 | (131,448) | -48.42 |
| 4 - 5101 Electrical Services | 2,475,026 | 2,554,338 | 2,518,000 | (36,338) | -1.42 |
| 4 - 5103 Water & Sewer Services | 347,638 | 341,769 | 369,200 | 27,431 | 8.03 |
| 4 - 5201 Postage Services | 117,595 | 122,428 | - | (122,428) | -100.00 |
| 4 - 5204 Cell Phone Service | 17,575 | 22,444 | 22,444 | - | 0.00 |
| 4 - 5300 Self Insurance | 2,879,806 | 2,837,709 | 2,837,000 | (709) | -0.02 |
| 4 - 5401 Leases/Rental of Equipment | 384,588 | 467,016 | 113,229 | (353,787) | -75.75 |
| 4 - 5606 WHRO - Capital | 38,026 | 40,000 | 39,000 | (1,000) | -2.50 |
| 4 - 6001 Office Supplies | 3,072 | 6,561 | 6,561 | - | 0.00 |
| 4 - 6007 Maintenance Supplies | 578,663 | 457,457 | 490,000 | 32,543 | 7.11 |
| 4 - 6010 OSHA Supplies | 15,965 | 45,036 | 59,824 | 14,788 | 32.84 |
| 4 - 6017 Repair Parts & Supplies | 74,942 | 70,894 | 71,722 | 828 | 1.17 |
| 4 - 6050 Other Expenses | 202,909 | 175,315 | 175,315 | - | 0.00 |
| 4 - 6060 Non Capitalized Assets | - | - | 68,500 | 68,500 | 100.00 |
| 4 - 8100 Capital Outlay - Replacement | 124,737 | 118,119 | 207,119 | 89,000 | 75.35 |
| 4 - 9920 Contingency | - | - | 1,289,943 | 1,289,943 | 100.00 |
| OPERATION AND MAINTENANCE CATEGORY TOTAL | 18,608,829 | 19,362,510 | 20,623,204 | 1,260,694 | 6.51 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 4 – 5100 Natural Gas:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 4 – 5103 Water & Sewer Services:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 4 – 5201 Postage Services:** The net decrease in this line item is due to adjustments based on classifications in the State's Annual School Report (see 2-5201).
- 4 – 5300 Self-Insurance:** The net decrease in this line item reflects the estimated costs for FY21 as determined by the City's Risk Management Office.
- 4 – 5401 Leases/Rental of Equipment:** The net decrease in this line item is due to the consolidation of all copier leases across the division to one department (see 8-5401).
- 4 – 6007 Maintenance Supplies:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 4 – 6010 OSHA Supplies:** The net increase in this line item is to ensure adequate funding is available for OSHA supplies for all employees.
- 4 – 6060 Non Capitalized Assets:** The net increase in this line item is due to adjustments based on purchases of items less than \$250 with a useful life of greater than 1 year.
- 4 – 8100 Capital Outlay-Replacement:** The net increase in this line item is due to the significant costs associated with specialized parts due to the age of the current systems within the buildings.
- 4 – 9920 Contingency - Operations and Maintenance:** This item is included in the budget to provide funding to safeguard against enrollment/state sales tax loss.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|--|--|---------------------|--------------------------------|---|-------------------|------------------|
| 5 - 3145 Professional Services | | - | - | 3,146,000 | 3,146,000 | 100.00 |
| NON-INSTRUCTIONAL OPERATIONS CATEGORY TOTAL | | - | - | 3,146,000 | 3,146,000 | 100.00 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

5 – 3145 **Professional Services:** The net increase in this line item is due to adjustments based on classifications in the State's Annual School Report. The operational expenses of the HCS Pharmacy and Wellness Center are now reported in 5-3145.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|-----------------------|---|---------------------|--------------------------------|---|-------------------|------------------|
| 7 - 2220 | Hampton Employee Retirement System (HERS) | - | - | 3,225,430 | 3,225,430 | 100.00 |
| 7 - 7003 | New Horizons Contribution | - | - | 526,019 | 526,019 | 100.00 |
| 7 - 9924 | City Debt Service | - | - | 2,000,000 | 2,000,000 | 100.00 |
| 7 - 9930 | Student Athletic Subsidy (Fund 94) | 277,000 | 277,000 | 349,231 | 72,231 | 26.08 |
| 7 - 9940 | PEG TV Subsidy (Fund 60) | 434,102 | 434,102 | 434,102 | - | 0.00 |
| 7 - 9960 | School Security Equipment Local Match | - | - | 50,462 | 50,462 | 100.00 |
| FUND TRANSFERS | | | | | | |
| CATEGORY TOTAL | | 711,102 | 711,102 | 6,585,244 | 5,874,142 | 826.06 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 7 – 2220 Hampton Employees Retirement System (HERS):** The net increase in this line item is due to adjustments based on classifications in the State's Annual School Report (see 1-2220).
- 7 – 7003 New Horizons Contribution:** The net increase in this line item is due to the inclusion of funding for the Academic Governor's School. This funding used to be budgeted in the Reimbursable Projects (Fund 60) budget.
- 7 – 9924 City Debt Service:** This line item represents funds due to the City of Hampton for FY21 debt service for building construction.
- 7 – 9930 Student Athletic Subsidy (Fund 94):** This line item provides support for student athletics in all high schools. The increase in contribution is to support student insurance for all athletes and implementation of the middle school volleyball program.
- 7 – 9940 PEG TV Subsidy (Fund 60):** This line item represents the HCS portion of the subsidy to fund the joint project with the City of Hampton for Community Public Education Television Services.
- 7 – 9960 School Security Equipment Local Match:** This line item represents the 25% required local match for the school security equipment grant.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|-----------------------|--------------------------------------|---------------------|--------------------------------|---|-------------------|------------------|
| 8 - 1121 | Comp of Teachers | 1,282,714 | 1,358,628 | 1,336,505 | (22,123) | -1.63 |
| 8 - 1125 | Comp of Directors/Curriculum Leaders | 141,365 | 145,579 | 149,201 | 3,622 | 2.49 |
| 8 - 1139 | Comp of Other Professional Personnel | 77,559 | 73,781 | 75,626 | 1,845 | 2.50 |
| 8 - 1143 | Comp of Other Technical Personnel | 2,663,253 | 2,722,383 | 2,940,394 | 218,011 | 8.01 |
| 8 - 1150 | Comp of Secretarial and Clerical | 326,810 | 335,405 | 349,813 | 14,408 | 4.30 |
| 8 - 1320 | Comp of Part Time Teachers | 33,618 | 47,430 | 34,970 | (12,460) | -26.27 |
| 8 - 1343 | Comp of Part Time Employees | 60,738 | - | 40,699 | 40,699 | 100.00 |
| 8 - 1399 | Comp of Temporary Employees | | - | 4,145 | 4,145 | 100.00 |
| 8 - 2100 | FICA, Employer Contribution | 337,673 | 358,265 | 369,056 | 10,791 | 3.01 |
| 8 - 2210 | Virginia Retirement System (VRS) | 641,558 | 776,873 | 633,233 | (143,640) | -18.49 |
| 8 - 2211 | Virginia Retirement System Hybrid | 100,565 | - | 125,654 | 125,654 | 100.00 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 8 – 1121 **Comp of Teachers:**** The net decrease in this line item is due to a 2.5% salary increase. Additional salary adjustments were budgeted to add \$500 to steps 1 through 14, to add \$1,000 for steps 15 through 29 and to maintain step 30.
- 8 – 1125 **Comp of Directors/Curriculum Leaders:**** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 8 – 1139 **Comp of Other Professional Personnel:**** The net increase in this line item is due to a 2.5% salary increase and adjustments based on FY20 actual costs.
- 8 – 1143 **Comp of Other Technical Personnel:**** The net increase in this line item is due to the addition of 1 digital learning specialist, a 2.5% salary increase, adjustments for projected changes to minimum wage laws, \$1.50 per hour increase for technology specialists and adjustments based on FY20 actual costs.
- 8 – 1150 **Comp of Secretarial & Clerical:**** The net increase in this line item is due a 2.5% salary increase, an additional \$1 per hour market adjustment and adjustments based on FY20 actual costs.
- 8 – 1320 **Comp of Part-Time Teachers:**** The net decrease in this line item is due a 2.5% salary increase and adjustments based on FY20 actual costs.
- 8 – 1343 **Comp of Part-Time Employees:**** The net increase in this line item is due to the addition of 4 digital learning program technicians.
- 8 – 1399 **Comp of Temporary Employees:**** The net increase in this line item is due to co-curricular supplements.
- 8 – 2100 **FICA, Employer Contribution:**** The net increase in this line item is due to a 2.5% salary increase, teacher and support staff market adjustments, and adjustments based on FY20 actual costs.
- 8 – 2210 **Virginia Retirement System (VRS):**** The net decrease in this line item is due to an increase in the VRS rate from 15.68% to 16.62.5%, a 2.5% salary increase, teacher and support staff market adjustments and moving the budget for VRS Hybrid pension plan and the VRS Health Insurance Credit from this line to new budget lines (see 1-2211 and 1-2212).
- 8 – 2211 **Virginia Retirement System Hybrid:**** The net increase in this line item is due to an increase in the VRS rate from 15.68% to 16.62.5%, a 2.5% salary increase, teacher and support staff market adjustments and adjustments based on FY20 actual costs. A new budget line was created for more accurate reporting.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|-----------------------|----------------------------------|---------------------|--------------------------------|---|-------------------|------------------|
| 8 - 2212 | Health Insurance Credit | - | - | 55,922 | 55,922 | 100.00 |
| 8 - 2300 | Healthcare Subsidy | 820,348 | 781,835 | 888,232 | 106,397 | 13.61 |
| 8 - 2400 | VRS Life Insurance Subsidy | 57,962 | 60,290 | 61,930 | 1,640 | 2.72 |
| 8 - 2501 | Income Protection Subsidy | 1,852 | 2,761 | 1,772 | (989) | -35.82 |
| 8 - 2506 | Health Savings Account | 30,500 | 26,200 | 47,750 | 21,550 | 82.25 |
| 8 - 2831 | Unused Sick Leave | - | 10,000 | 25,000 | 15,000 | 150.00 |
| 8 - 2832 | Unused Vacation Leave | - | 25,000 | - | (25,000) | -100.00 |
| 8 - 3145 | Professional Services | 530,861 | 1,077,428 | 1,179,563 | 102,135 | 9.48 |
| 8 - 3330 | Contracted Repair Service | - | 3,500 | 3,600 | 100 | 2.86 |
| 8 - 3820 | Data Processing Payments to City | 685 | 685 | 685 | - | 0.00 |
| 8 - 3830 | Staff Development | 5,974 | 12,000 | - | (12,000) | -100.00 |
| 8 - 5200 | Telephone Service | 74,986 | 145,219 | 94,116 | (51,103) | -35.19 |
| 8 - 5205 | Communication Technology | 212,397 | 260,306 | 128,855 | (131,451) | -50.50 |
| 8 - 5401 | Leases/Rental of Equipment | 81,190 | - | 380,000 | 380,000 | 100.00 |
| 8 - 5405 | Leases/Financing | 876,694 | - | - | - | 0.00 |
| 8 - 5501 | Travel Expenses | - | - | 15,483 | 15,483 | 100.00 |
| 8 - 5510 | Mileage Reimbursement | 2,564 | 5,000 | 3,778 | (1,222) | -24.44 |

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 8 – 2212 Health Insurance Credit (VRS):** The net increase in this line item is due to an increase in the VRS health credit rate from 1.20% to 1.21%, a 2.5% salary increase, teacher and support staff market adjustments and adjustments based on FY20 actual costs. A new budget line was created for more accurate reporting.
- 8 – 2300 Healthcare Subsidy:** The net increase in this line item is based on a projection of medical claims and administrative costs for the upcoming healthcare plan year and changes in healthcare enrollment.
- 8 – 2400 VRS Life Insurance Subsidy:** The net increase in this line item is due to an increase in the VRS life insurance rate from 1.31% to 1.34%, a 2.5% salary increase, teacher and support staff market adjustments and adjustments based on FY20 actual costs.
- 8 – 2501 Income Protection Subsidy:** The funding in this line item is for the mandatory employer contribution for employees in the VRS Hybrid Plan. The increase in this line item is due to a 2.5% salary increase, teacher salary scale adjustments, changes to minimum wage, market adjustments, and adjustments based on FY20 actual costs.
- 8 – 2506 Health Savings Account:** This line item represents the employer contribution to the Health Savings Accounts for employees on the high deductible health plan. The decrease in this line item is due to the decrease in employees enrolled in the high deductible health plan.
- 8 – 3145 Professional Services:** The net increase in this line item is due to maintenance costs for network infrastructure (including systems used to control logins, network access, fiber and switches), Filemaker system fees, benefits system (BSwift) fees and the annual maintenance fee for Tyler Technologies Munis system.
- 8 – 3830 Staff Development:** The net decrease in this line item is due to the creation of a new budget line based on the State's Annual School Report (see 8-5501).
- 8 – 5200 Telephone Service:** The net decrease in this line item is due to erate reimbursement and adjustments based on FY20 actual costs.
- 8 – 5205 Communication Technology:** The net decrease in this line item is due to erate reimbursement and adjustments based on FY20 actual costs.
- 8 – 5401 Leases/Rental of Equipment:** The net increase in this line item is due to the reallocation of funding for copiers from the Public Relations Department.
- 8 – 5501 Travel Expenses:** The net increase in this line item is due to the creation of a new budget line based on the State's Annual School Report (see 8-3170 and 8-3830).
- 8 – 5510 Mileage Reimbursement:** The net decrease in this line item is due to adjustments based on FY20 actual costs.

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATION BUDGET (FUND 50)
FY 2020-2021

| OBJECT OF EXPENDITURE | | ACTUAL 2018-2019 | FINAL APPROVED 2019-2020 | SCHOOL BOARD FINAL APPROVED 2020-2021 | \$ INCR (DECR) | % INCR (DECR) |
|--------------------------------|---------------------------------------|---------------------|--------------------------------|---|-------------------|------------------|
| 8 - 5604 | Contribution - WHRO | 10,000 | 11,500 | 11,500 | - | 0.00 |
| 8 - 5802 | Dues and Association Memberships | 200 | 250 | 250 | - | 0.00 |
| 8 - 6001 | Office Supplies | 1,907 | 4,025 | 4,500 | 475 | 11.80 |
| 8 - 6013 | Instructional Supplies | 37,569 | 24,010 | 49,900 | 25,890 | 107.83 |
| 8 - 6016 | Testing and Monitoring Supplies | - | 16,180 | 10,000 | (6,180) | -38.20 |
| 8 - 6017 | Repair Parts and Supplies | 109,649 | 137,862 | 147,640 | 9,778 | 7.09 |
| 8 - 6031 | Library Books and Periodicals | 73,016 | 74,000 | 32,000 | (42,000) | -56.76 |
| 8 - 6047 | Technology - Software/On-Line Content | 1,495,102 | 1,482,400 | 1,693,006 | 210,606 | 14.21 |
| 8 - 6049 | Data Processing Supplies | 1,070 | 1,141 | 1,200 | 59 | 5.17 |
| 8 - 6050 | Other Expenses | 50,104 | 10,076 | 12,473 | 2,397 | 23.79 |
| 8 - 6060 | Non Capitalized Assets | - | 13,700 | 25,595 | 11,895 | 86.82 |
| 8 - 8000 | Equipment-Instructional | 1,402,687 | 977,300 | 1,284,960 | 307,660 | 31.48 |
| 8 - 8100 | Capital Outlay - Replacement | 70,226 | 29,932 | 44,621 | 14,689 | 49.07 |
| 8 - 8200 | Capital Outlay - New | 97,948 | 77,614 | 74,000 | (3,614) | -4.66 |
| TECHNOLOGY CATEGORY TOTAL | | 11,711,343 | 11,088,557 | 12,337,627 | 1,249,070 | 11.26 |
| ALL CATEGORIES GRAND TOTALS | | 199,700,136 | 211,141,195 | 229,118,069 | 17,976,874 | 8.51 |

Note: Totals may not add due to rounding

HAMPTON CITY SCHOOLS
SUPERINTENDENT'S RECOMMENDED OPERATING BUDGET (FUND 50)
FY 2020-2021

- 8 – 6001 Office Supplies:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 8 – 6013 Instructional Supplies:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 8 – 6016 Testing and Monitoring Supplies:** The net decrease in this line item is due to adjustments based on FY20 actual costs.
- 8 – 6017 Repair Parts and Supplies:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 8 – 6031 Library Books and Periodicals:** The net decrease in this line item is due to the reallocation of funds to assist with the library cohort's final classes.
- 8 – 6047 Technology - Software/On-Line Content:** The net increase in this line item is due to the annual renewal costs of software and adjustments based on FY20 actual costs.
- 8 – 6050 Other Expenses:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 8 – 6060 Non Capitalized Assets:** The net increase in this line item is due to adjustments based on purchases of items less than \$250 with a useful life of greater than 1 year.
- 8 – 8000 Equipment - Instructional:** The net increase in this line item is due to adjustments based on FY20 actual costs and also includes funding for the Virginia Public School Authority (VPSA) and Virginia e-Learning Backpack Initiative.
- 8 – 8100 Capital Outlay-Replacement:** The net increase in this line item is due to adjustments based on FY20 actual costs.
- 8 – 8200 Capital Outlay-New:** The net decrease in this line item is due to adjustments based on FY20 actual costs.

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**FOOD AND NUTRITION
SERVICES FUND
(FUND 51)**

FOOD AND NUTRITION SERVICES FUND
SUMMARY STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EXPENDITURES BY OBJECT

| | FY17 Actual | FY18 Actual | FY19 Actual | FY20 Budget | FY21 Budget |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| REVENUES | | | | | |
| State Funds | \$ 226,262 | \$ 260,655 | \$ 306,602 | \$ 345,467 | \$ 418,732 |
| Federal Funds | 8,357,459 | 8,766,960 | 7,989,987 | 8,348,806 | 8,540,686 |
| Other Funds | 2,188,515 | 2,241,880 | 3,156,994 | 3,216,790 | 3,338,319 |
| Total Revenues | 10,772,236 | 11,269,495 | 11,453,583 | 11,911,063 | 12,297,737 |
| EXPENDITURES | | | | | |
| Personnel Services | 3,054,471 | 2,945,364 | 2,828,154 | 3,449,966 | 3,698,439 |
| Fringe Benefits | 742,432 | 753,457 | 714,958 | 857,862 | 909,172 |
| Contract Services | 175,394 | 205,310 | 208,090 | 131,876 | 109,250 |
| Internal Services | - | - | - | - | - |
| Other Charges | 16,112 | 12,852 | 18,579 | 76,117 | 17,371 |
| Materials and Supplies | 7,097,436 | 6,723,290 | 6,549,856 | 6,775,634 | 6,984,455 |
| Payments to Other Agencies | - | - | - | - | - |
| Capital | 699,564 | 7,170 | 200,271 | 119,608 | 110,530 |
| Contingencies | - | - | - | - | - |
| Fund Transfers | - | - | - | - | - |
| Total Expenditures | 11,785,409 | 10,647,443 | 10,519,908 | 11,411,063 | 11,829,217 |
| OTHER FINANCING SOURCES/USES | | | | | |
| Transfer to School Operating Fund | (500,000) | (500,000) | (386,584) | (500,000) | (468,520) |
| Transfer from Fund Balance | - | - | - | - | - |
| Total other sources/uses | (500,000) | (500,000) | (386,584) | (500,000) | (468,520) |
| Excess of revenues and other sources over (under) expenditures and other uses | (1,513,173) | 122,052 | 547,091 | - | - |
| Fund Balance July 1 | 4,948,353 | 3,435,180 | 3,557,232 | 4,104,323 | 4,104,323 |
| Fund Balance - June 30 | <u>\$ 3,435,180</u> | <u>\$ 3,557,232</u> | <u>\$ 4,104,323</u> | <u>\$ 4,104,323</u> | <u>\$ 4,104,323</u> |

Note: Totals may not add due to rounding.

HAMPTON CITY SCHOOLS
FOOD AND NUTRITION SERVICES BUDGET (FUND 51)
FY 2020-2021

| | FY 20 | FY 21 | CHANGE | CHANGE |
|-----------------------------------|----------------------|----------------------|-------------------|---------------|
| REVENUES | Approved | Proposed | (\$) | (%) |
| State Funds | \$ 345,467 | \$ 418,732 | \$ 73,265 | 21.21% |
| Federal Funds | 8,348,806 | 8,540,686 | 191,880 | 2.30% |
| Other Funds | 35,714 | 37,494 | 1,780 | 4.98% |
| Cash Receipts (Sales) | 2,401,076 | 2,520,825 | 119,749 | 4.99% |
| Donated Commodities (USDA) | 780,000 | 780,000 | - | 0.00% |
| TOTAL REVENUES | \$ 11,911,063 | \$ 12,297,737 | \$ 386,674 | 3.25% |
| EXPENDITURE | | | | |
| Personnel Services | \$3,449,966 | \$3,698,439 | \$248,473 | 7.20% |
| Fringe Benefits | 857,862 | 909,172 | 51,310 | 5.98% |
| Contract Services | 131,876 | 109,250 | (22,626) | -17.16% |
| Other Charges | 76,117 | 17,371 | (58,746) | -77.18% |
| Materials and Supplies | 6,775,634 | 6,984,455 | 208,821 | 3.08% |
| Capital Outlay | 119,608 | 110,530 | (9,078) | -7.59% |
| Transfer to School Operating Fund | 500,000 | 468,520 | (31,480) | -6.30% |
| TOTAL EXPENDITURES | \$ 11,911,063 | \$ 12,297,737 | \$ 386,674 | 3.25% |
| Excess Revenues over Expenditures | - | - | | |
| Fund Balance - Beginning of Year | 3,022,816 | 3,022,816 | | |
| Fund Balance - End of Year | \$ 3,022,816 | \$ 3,022,816 | | |

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**REIMBURSABLE PROJECTS
FUND
(FUND 60)**

REIMBURSABLE PROJECTS FUND
SUMMARY STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EXPENDITURES BY OBJECT

| | FY17 | FY18 | FY19 | FY20 | FY21 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Actual | Actual | Budget | Budget |
| REVENUES | | | | | |
| State Funds | \$ 953,353 | \$ 996,383 | \$ 1,626,745 | \$ 1,775,270 | \$ 1,888,296 |
| Federal Funds (includes pass through) | 13,515,279 | 13,448,923 | 14,331,149 | 17,936,975 | 19,466,341 |
| Other Funds | 1,033,503 | 890,385 | 421,557 | 1,676,931 | 741,910 |
| Total Revenues | 15,502,135 | 15,335,691 | 16,379,451 | 21,389,176 | 22,096,547 |
| EXPENDITURES | | | | | |
| Personnel Services | 8,827,971 | 8,732,612 | 9,731,482 | 11,151,164 | 12,588,224 |
| Fringe Benefits | 3,067,637 | 3,164,186 | 3,306,283 | 3,912,701 | 4,606,783 |
| Contract Services | 1,172,878 | 1,317,225 | 992,067 | 1,599,693 | 1,619,628 |
| Internal Services | 61,885 | 81,904 | 73,562 | 218,096 | 248,663 |
| Other Charges | 652,228 | 686,786 | 634,223 | 897,053 | 807,996 |
| Materials and Supplies | 838,712 | 655,059 | 675,603 | 1,016,900 | 863,806 |
| Payments to Other Agencies | 648,024 | 687,346 | 673,080 | 763,000 | - |
| Capital | 685,570 | 245,347 | 1,104,709 | 2,256,671 | 1,846,011 |
| Contingencies | - | 19,726 | - | - | - |
| Fund Transfers | 20,143 | - | 12,966 | - | - |
| Total Expenditures | 15,975,047 | 15,590,191 | 17,203,975 | 21,815,278 | 22,581,111 |
| OTHER FINANCING SOURCES/USES | | | | | |
| Transfer to Athletics Fund | (4,267) | (3,807) | (4,716) | (8,000) | - |
| Transfer from School Operating Fund | 434,102 | 434,102 | 434,102 | 434,102 | 484,564 |
| Total other sources/uses | 429,835 | 430,295 | 429,386 | 426,102 | 484,564 |
| Excess of revenues and other sources over (under) expenditures and other uses | (43,077) | 175,795 | (395,138) | - | - |
| Fund Balance July 1 | 1,009,885 | 966,808 | 1,142,603 | 747,465 | 747,465 |
| Fund Balance - June 30 | \$ 966,808 | \$ 1,142,603 | \$ 747,465 | \$ 747,465 | \$ 747,465 |

Note: Totals may not add due to rounding.

**HAMPTON CITY SCHOOLS
REIMBURSABLE PROJECTS (FUND 60)
BUDGET PROPOSAL 2020-2021**

| REVENUE | 2019-2020 Original | 2019-2020 Revised | 2020-2021 Proposed | Increase/ Decrease (\$) | Increase/ Decrease (%) |
|----------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------------|-----------------------------------|
| STATE FUNDS | \$ 1,775,270 | \$ 2,965,074 | \$ 1,888,296 | \$ (1,076,778) | -36.32% |
| FEDERAL FUNDS | 17,936,966 | 19,971,465 | 19,466,341 | (505,124) | -2.53% |
| TUITION | 155,700 | 148,700 | 148,240 | (460) | -0.31% |
| OTHER FUNDS | 1,955,334 | 1,931,300 | 1,078,234 | (853,066) | -44.17% |
| TOTAL REVENUES | \$ 21,823,270 | \$ 25,016,539 | \$ 22,581,111 | \$ (2,435,428) | -9.74% |
| APPROPRIATIONS | | | | | |
| TOTAL PERSONNEL SERVICES | \$ 11,151,164 | \$ 13,137,218 | \$ 12,588,224 | \$ (548,994) | -4.18% |
| TOTAL FRINGE BENEFITS | 3,912,701 | 5,097,467 | 4,606,783 | (490,684) | -9.63% |
| TOTAL PROFESSIONAL SERVICES | 1,599,693 | 1,809,213 | 1,619,628 | (189,585) | -10.48% |
| TOTAL INTERNAL SERVICES | 218,096 | 277,642 | 248,663 | (28,979) | -10.44% |
| TOTAL OTHER CHARGES | 905,053 | 902,158 | 807,996 | (94,162) | -10.44% |
| TOTAL MATERIALS AND SUPPLIES | 1,016,900 | 966,593 | 863,806 | (102,787) | -10.63% |
| TOTAL PAYMENTS TO OTHER AGENCIES | 763,000 | 763,000 | - | (763,000) | -100.00% |
| TOTAL CAPITAL | 2,256,671 | 2,063,248 | 1,846,011 | (217,237) | -10.53% |
| TOTAL APPROPRIATIONS | \$ 21,823,278 | \$ 25,016,539 | \$ 22,581,111 | \$ (2,435,428) | -9.74% |

**HAMPTON CITY SCHOOLS
REIMBURSABLE PROJECTS (FUND 60)
BUDGET PROPOSAL 2020-2021**

| APPROPRIATIONS | 2019-2020 Original | 2019-2020 Revised | 2020-2021 Proposed | Increase/ Decrease (\$) | Increase/ Decrease (%) |
|---|-------------------------------|------------------------------|-------------------------------|------------------------------------|-----------------------------------|
| NEW HORIZONS (GOVERNOR'S SCHOOL/WORKFORCE CENTER) | \$ 763,000 | \$ 763,000 | \$ - | \$ (763,000) | -100.00% |
| YEAR ROUND SCHOOL PLANNING/ EXTENDED LEARNING | 612,919 | 1,626,833 | 1,403,358 | (223,475) | -13.74% |
| TEACHER RECRUITMENT AND RETENTION | 16,000 | 8,000 | 8,000 | - | 0.00% |
| ADULT ED ISAP | 33,420 | 33,545 | - | (33,545) | -100.00% |
| MCKINNEY VENTO | 40,900 | 38,280 | 30,000 | (8,280) | -21.63% |
| TEACHER MENTOR PROGRAM | 22,286 | 22,286 | - | (22,286) | -100.00% |
| CAREER SWITCHER PROGRAM | 6,000 | 4,000 | 4,000 | - | 0.00% |
| DRIVER EDUCATION | 44,000 | 44,000 | 44,000 | - | 100.00% |
| MIDDLE SCHOOL TEACHER CORPS | 20,000 | 20,000 | 20,000 | - | 0.00% |
| CHILD AND ADULT CARE FOOD PROGRAM | - | 3,164 | - | (3,164) | -100.00% |
| VIRGINIA NO KID HUNGRY CAMPAIGN | - | 11,182 | - | (11,182) | -100.00% |
| SPECIAL EDUCATION - LOCAL AND REGIONAL FACILITIES | 1,022 | - | - | - | -100.00% |
| SCHOOL SECURITY EQUIPMENT GRANT | 125,000 | 201,846 | 250,000 | 48,154 | 23.86% |
| VIRGINIA READING CORP PARTNERSHIP | 60,000 | 60,000 | - | (60,000) | -100.00% |
| CTE COMPETITIVE GRANT | - | 5,000 | 5,000 | - | 0.00% |
| VPI PROVISIONAL LICENSE TEACHER | - | 16,900 | 16,900 | - | 0.00% |
| SAFE ROUTES TO SCHOOL | - | 67,000 | 67,000 | - | 0.00% |
| VISION SCREENING GRANT PROGRAM | 30,723 | 40,038 | 40,038 | - | 0.00% |
| TOTAL STATE FUNDS | \$ 1,775,270 | \$ 2,965,074 | \$ 1,888,296 | \$ (1,076,777) | -36.32% |
| TITLE I LOCAL EDUCATION AGENCY | \$ 7,803,217 | \$ 8,880,849 | \$ 8,497,471 | \$ (383,378) | -4.32% |
| TITLE VIB SPECIAL ED FLOWTHROUGH | 6,214,903 | 6,213,589 | 5,941,000 | (272,589) | -4.39% |
| TITLE IV - 21ST CENTURY | 1,951,039 | 1,969,383 | 2,259,262 | 289,879 | 14.72% |
| TITLE II PART A TRAINING AND RECRUITING | 721,878 | 991,465 | 1,113,358 | 121,893 | 12.29% |
| TITLE II STUDENT SUPPORT/ACADEMIC ACHIEVEMENT | 223,930 | 30,366 | - | (30,366) | -100.00% |
| TITLE I NEGLECTED AND DELINQUENT | 1,721 | 16,615 | - | (16,615) | -100.00% |
| TITLE I SCHOOL IMPROVEMENT | 13,117 | 191,704 | 172,590 | (19,114) | -9.97% |
| CARL PERKINS VOC/TECH EDUCATION | 424,910 | 675,344 | 519,589 | (155,755) | -23.06% |
| NOAA ENVIRONMENTAL LITERACY PROGRAM | - | 10,318 | - | (10,318) | -100.00% |
| NSLP EQUIPMENT ASSISTANCE | - | 109,500 | 50,000 | (59,500) | -54.34% |
| TITLE IV A STUDENT SUPPORT/ACADEMIC ACHIEVEMENT | 365,907 | 657,902 | 702,110 | 44,208 | 6.72% |
| TITLE VIB SPECIAL ED PRESCHOOL | 80,730 | 89,869 | 93,087 | 3,218 | 3.58% |
| FORT MONROE NATIONAL MONUMENT PARTNERSHIP | 49,000 | 55,919 | 45,000 | (10,919) | -19.53% |
| TITLE III PART A ENGLISH AS A SECOND LANGUAGE | 76,961 | 74,139 | 72,874 | (1,265) | -1.71% |
| TITLE III PART A IMMIGRANT AND YOUTH | 9,652 | 4,503 | - | (4,503) | -100.00% |
| TOTAL FEDERAL FUNDS | \$ 17,936,966 | \$ 19,971,465 | \$ 19,466,341 | \$ (505,122) | -2.53% |

**HAMPTON CITY SCHOOLS
REIMBURSABLE PROJECTS (FUND 60)
BUDGET PROPOSAL 2020-2021**

| APPROPRIATIONS | 2019-2020 Original | 2019-2020 Revised | 2020-2021 Projected | Increase/ Decrease (\$) | Increase/ Decrease (%) |
|---|-------------------------------|------------------------------|--------------------------------|------------------------------------|-----------------------------------|
| GENERAL/CONTRACTED ADULT EDUCATION | \$ 25,000 | \$ 18,000 | \$ 15,000 | \$ (3,000) | -16.67% |
| REGULAR SUMMER SCHOOL (NON-REMEDIAL) | 100,000 | 100,000 | 100,000 | - | 0.00% |
| DRIVER EDUCATION | 17,000 | 17,000 | 21,000 | 4,000 | 23.53% |
| SUMMER PROGRAMS (BAND AND BEHIND THE WHEEL) | 13,700 | 13,700 | 12,240 | (1,460) | -10.66% |
| TOTAL TUITION | \$ 155,700 | \$ 148,700 | \$ 148,240 | \$ (460) | -0.31% |
| C-PEG TELEVISION | \$ 1,568,069 | \$ 1,568,069 | \$ 820,270 | \$ (747,799) | -47.69% |
| SCHOOL SECURITY EQUIPMENT LOCAL MATCH | - | - | 50,462 | 50,462 | 100.00% |
| ADULT ED AND FAMILY LITERACY | 128,221 | 126,435 | 126,435 | - | 0.00% |
| 1:1 INITIATIVE REPAIRS | 119,262 | 3,351 | - | (3,351) | -100.00% |
| CONCESSION OPERATIONS | 44,000 | 48,228 | - | (48,228) | -100.00% |
| AMERICAN HONDA FOUNDATION | - | 9,700 | 10,000 | 300 | 3.09% |
| EARLY COLLEGE PROGRAM | - | 5,679 | 2,840 | (2,839) | -49.99% |
| VENDING OPERATIONS | 20,000 | 20,000 | 20,000 | - | 0.00% |
| RACE TO GED | 38,916 | 38,112 | 38,112 | - | 0.00% |
| TITLE I PUBLIC SURPLUS | - | 475 | - | (475) | -100.00% |
| EXTERNAL DIPLOMA PROGRAM | 10,000 | 10,000 | 8,000 | (2,000) | -20.00% |
| SUMMER TEACHER INSTITUTE | - | 24,000 | - | (24,000) | -100.00% |
| CPR PROGRAM | 10,093 | 10,093 | - | (10,093) | -100.00% |
| DAIRY ALLIANCE SUMMER FEEDING | - | 7,964 | - | (7,964) | -100.00% |
| NEA URBAN GRANT | 5,979 | 6,416 | 2,115 | (4,301) | -67.04% |
| ENEROC UTILITY REBATES | 9,000 | 9,000 | - | (9,000) | -100.00% |
| NORTHROP GRUMMAN FAB LAB | 1,794 | 3,588 | - | (3,588) | -100.00% |
| VISUAL ARTS SPACE FUNK | - | 4,000 | - | (4,000) | -100.00% |
| 200 PLUS MENS FOUNDATION | - | 250 | - | (250) | -100.00% |
| FORD HS STEM COMMUNITY | - | 10,000 | - | (10,000) | -100.00% |
| HAMPTON MARITIME ACADEMY | - | 20,000 | - | (20,000) | -100.00% |
| HAMPTON READS ONE BOOK | - | 3,896 | - | (3,896) | -100.00% |
| HAMPTON OPPORTUNITIES BOARD | - | 510 | - | (510) | -100.00% |
| JAZZ LEGACY GRANT | - | 269 | - | (269) | -100.00% |
| EARLY CHILDHOOD INCLUSION PROGRAMS | - | 111 | - | (111) | -100.00% |
| COMMITMENT TO GRADUATE-AOH | - | 900 | - | (900) | -100.00% |
| FAMILY ENGAGEMENT SUMMIT | - | 254 | - | (254) | -100.00% |
| TOTAL OTHER FUNDS | \$ 1,955,334 | \$ 1,931,300 | \$ 1,078,234 | \$ (853,066) | -44.17% |
| TOTAL APPROPRIATIONS | \$ 21,823,270 | \$ 25,016,539 | \$ 22,581,111 | \$ (2,435,424) | -9.74% |

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RENTAL INCOME FUND

(FUND 65)

RENTAL INCOME FUND
SUMMARY STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EXPENDITURES BY OBJECT

| | FY17 Actual | FY18 Actual | FY19 Actual | FY20 Budget | FY21 Budget |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| REVENUES | | | | | |
| Rental Income | \$ 221,091 | \$ 131,385 | \$ 161,988 | \$ 163,025 | \$ 172,176 |
| Total Revenues | 221,091 | 131,385 | 161,988 | 163,025 | 172,176 |
| EXPENDITURES | | | | | |
| Contract Services | 175,452 | 30,670 | 191,839 | 117,025 | 132,676 |
| Other Charges | - | - | - | 46,000 | 39,500 |
| Total Expenditures | 175,452 | 30,670 | 191,839 | 163,025 | 172,176 |
| OTHER FINANCING SOURCES/USES | | | | | |
| Total other sources/uses | - | - | - | - | - |
| Excess of revenues and other sources over (under) expenditures and other uses | 45,639 | 100,715 | (29,851) | - | - |
| Fund Balance July 1 | 1,057,726 | 1,103,365 | 1,204,080 | 1,174,229 | 1,174,229 |
| Fund Balance - June 30 | \$ 1,103,365 | \$ 1,204,080 | \$ 1,174,229 | \$ 1,174,229 | \$ 1,174,229 |

Note: Totals may not add due to rounding.

**HAMPTON CITY SCHOOLS
RENTAL INCOME
FY 2020-2021**

| REVENUE | 2019 - 2020 Approved | 2020 - 2021 Proposed | Increase/ Decrease (\$) | Increase/ Decrease (%) |
|--|---------------------------------|---------------------------------|------------------------------------|-----------------------------------|
| Rental - Office of Human Affairs (Mallory) | \$ 45,031 | \$ 46,382 | \$ 1,274 | 2.83% |
| Rental - Dental Office (Wellness Center) | 20,400 | 20,400 | - | 0.00% |
| Rental - Source 4 Teachers (Ruppert Sargent) | 2,782 | 2,782 | - | 0.00% |
| Rental - ABS (Merrimack) | - | 7,800 | 7,800 | 100.00% |
| Appropriation Transfer From Fund Balance | 94,812 | 94,812 | - | - |
| TOTAL REVENUES | \$ 163,025 | \$ 172,176 | \$ 9,151 | 5.61% |
| APPROPRIATIONS | | | | |
| Contracted Repair Services | \$ 117,025 | \$ 132,676 | \$ 15,651 | 13.37% |
| Electrical Services | 38,445 | 33,500 | (4,945) | -12.86% |
| Water and Sewer Services | 7,555 | 6,000 | (1,555) | -20.58% |
| TOTAL APPROPRIATIONS | \$ 163,025 | \$ 172,176 | \$ 9,151 | 5.61% |

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ATHLETICS FUND

(FUND 94)

ATHLETICS FUND
SUMMARY STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EXPENDITURES BY OBJECT

| | FY17 Actual | FY18 Actual | FY19 Actual | FY20 Budget | FY21 Budget |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| REVENUES | | | | | |
| Other Receipts | \$ 170,463 | \$ 151,940 | \$ 149,943 | \$ 174,000 | \$ 204,800 |
| Total Revenues | 170,463 | 151,940 | 149,943 | 174,000 | 204,800 |
| EXPENDITURES | | | | | |
| Personnel Services | 21,050 | 23,102 | 25,991 | 22,500 | 34,423 |
| Fringe Benefits | 9,395 | 9,431 | 7,153 | 1,730 | 2,634 |
| Contract Services | 152,978 | 141,626 | 138,028 | 165,160 | 193,680 |
| Internal Services | - | - | - | - | 82,000 |
| Other Charges | 178,780 | 160,084 | 157,654 | 176,880 | 99,031 |
| Materials and Supplies | 107,824 | 105,728 | 82,462 | 116,600 | 165,319 |
| Capital | 10,849 | - | 11,062 | - | - |
| Contingencies | - | - | 8,079 | 13,130 | 13,944 |
| Total Expenditures | 480,876 | 439,971 | 430,429 | 496,000 | 591,031 |
| OTHER FINANCING SOURCES/USES | | | | | |
| Transfer from School Operating Fund | 287,000 | 277,000 | 277,000 | 277,000 | 349,231 |
| Transfer from Reimbursable Projects Fund | 4,267 | 3,807 | 4,716 | 8,000 | - |
| Total other sources/uses | 291,267 | 280,807 | 281,716 | 285,000 | 349,231 |
| Excess of revenues and other sources over (under) expenditures and other uses | (19,146) | (7,224) | 1,230 | (37,000) | (37,000) |
| Fund Balance July 1 | 209,852 | 190,706 | 183,482 | 185,942 | 148,942 |
| Fund Balance - June 30 | \$ 190,706 | \$ 183,482 | \$ 184,712 | \$ 148,942 | \$ 111,942 |

Note: Totals may not add due to rounding.

**HAMPTON CITY SCHOOLS
ATHLETICS FUND (FUND 94)
FY 2020-2021**

| | 2019-2020 Approved Budget | 2020-2021 Projected Budget | Increase/ Decrease (\$) | Increase/ Decrease (%) |
|---------------------------------|--|---|------------------------------------|---------------------------------------|
| Revenue | | | | |
| Fund 50 Transfer | \$ 277,000 | \$ 349,231 | \$ 72,231 | 26.08% |
| Football | 65,000 | 60,000 | (5,000) | -7.69% |
| Basketball | 42,000 | 45,000 | 3,000 | 7.14% |
| Wrestling | 2,500 | 1,500 | (1,000) | -40.00% |
| Volleyball | 6,500 | 5,000 | (1,500) | -23.08% |
| Miscellaneous (Passes/Interest) | 13,000 | 4,000 | (9,000) | -69.23% |
| Concession Revenue | 8,000 | 47,500 | 39,500 | 493.75% |
| Activity Fees | 45,000 | 41,800 | (3,200) | -7.11% |
| Fund Balance | 37,000 | 37,000 | - | 0.00% |
| Total Estimated Revenue | \$ 496,000 | \$ 591,031 | \$ 95,031 | 19.16% |
| Appropriations | | | | |
| High School Allocations | \$ 228,020 | \$ 213,200 | \$ (14,820) | -6.50% |
| Security | 55,000 | 51,200 | (3,800) | -6.91% |
| Officials | 94,000 | 102,480 | 8,480 | 9.02% |
| Workers | 22,500 | 37,057 | 14,557 | 64.70% |
| Contingency | 13,130 | 9,144 | (3,986) | -30.36% |
| Dues and Memberships | - | 14,800 | 14,800 | 100.00% |
| Swimming Pool Rentals | 10,500 | 10,000 | (500) | -4.76% |
| Administrative Expenses | 1,000 | 1,000 | - | 0.00% |
| Concession Expenses | - | 35,279 | 35,279 | 100.00% |
| Medical Supplies | 12,000 | 10,000 | (2,000) | -16.67% |
| Student Insurance | 8,250 | 40,000 | 31,750 | 384.85% |
| Internal Transportation | - | 3,200 | 3,200 | 100.00% |
| Uniforms | - | 3,200 | 3,200 | 100.00% |
| Mileage | 1,000 | 750 | (250) | -25.00% |
| Post-Season Travel | 35,000 | 32,000 | (3,000) | -8.57% |
| Golf Course Rental | 2,000 | 2,000 | - | 0.00% |
| Amusement Tax | 13,000 | 13,000 | - | 0.00% |
| Athletic Supplies | - | 12,240 | 12,240 | 100.00% |
| Communication Technology | 600 | 481 | (119) | -19.83% |
| Total Appropriations | \$ 496,000 | \$ 591,031 | \$ 95,031 | 19.16% |

**HAMPTON CITY SCHOOLS
STUDENT ACTIVITIES BUDGET (94)
2020-2021**

| Fund Number | Description | AMOUNT DEPOSITED INTO EACH ACCOUNT AT EACH SCHOOL | | | | |
|-------------|-------------------------------------|---|------------------|------------------|------------------|-------------------|
| | | Bethel | Hampton | Kecoughtan | Phoebus | Totals |
| 9020 | Purchasing, Contingency | \$ 1,200 | \$ 1,200 | \$ 1,200 | \$ 1,200 | \$ 4,800 |
| 6900 | Trophies, Sports, Letters, Initials | 1,300 | 1,300 | 1,300 | 1,300 | 5,200 |
| 568 | Cheerleaders | 1,050 | 1,050 | 1,050 | 1,050 | 4,200 |
| 551 | Baseball | 1,050 | 1,050 | 1,050 | 1,050 | 4,200 |
| 552 | Basketball | 1,050 | 1,050 | 1,050 | 1,050 | 4,200 |
| 553 | Football Supplies | 8,400 | 8,400 | 8,400 | 8,400 | 33,600 |
| 554 | Basketball (Girls) | 1,050 | 1,050 | 1,050 | 1,050 | 4,200 |
| 555 | Track (Girls) | 1,150 | 1,150 | 1,150 | 1,150 | 4,600 |
| 556 | Golf | 750 | 750 | 750 | 750 | 3,000 |
| 557 | Soccer (Boys) | 1,050 | 1,050 | 1,050 | 1,050 | 4,200 |
| 558 | Swimming | 500 | 500 | 500 | 500 | 2,000 |
| 559 | Tennis (Boys) | 600 | 600 | 600 | 600 | 2,400 |
| 560 | Tennis (Girls) | 600 | 600 | 600 | 600 | 2,400 |
| 561 | Track (Boys) | 1,150 | 1,150 | 1,150 | 1,150 | 4,600 |
| 562 | Wrestling | 850 | 850 | 850 | 850 | 3,400 |
| 563 | Softball | 1,050 | 1,050 | 1,050 | 1,050 | 4,200 |
| 564 | Forensics/Debate | 400 | 400 | 400 | 400 | 1,600 |
| 565 | Field Hockey | 1,050 | 1,050 | 1,050 | 1,050 | 4,200 |
| 566 | Uniforms | 6,500 | 6,500 | 6,500 | 6,500 | 26,000 |
| 567 | Soccer (Girls) | 1,050 | 1,050 | 1,050 | 1,050 | 4,200 |
| 571 | Volleyball (Boys) | 900 | 900 | 900 | 900 | 3,600 |
| 572 | Volleyball (Girls) | 900 | 900 | 900 | 900 | 3,600 |
| 5501 | Athletic Travel | 19,700 | 19,700 | 19,700 | 19,700 | 78,800 |
| | TOTAL APPROPRIATIONS | \$ 53,300 | \$ 53,300 | \$ 53,300 | \$ 53,300 | \$ 213,200 |

APPENDIX

Glossary of Key Financial Terms

Accrual Basis – A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Appropriation – A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.

Attrition – A method of achieving a reduction in personnel cost by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs for a period of time or at a reduced salary.

Authorized Positions – Employee positions to be filled during the fiscal year that is authorized in the adopted budget.

ADM – Average Daily Membership (unadjusted) – Student membership on any day within a school month.

ADM – Average Daily Membership (adjusted) – Student membership on any given day within a school month with a 15% reduction for half-day kindergarten.

Basis of Accounting – A term used to refer to when revenues, expenditures, expenses and transfers and the related assets and liabilities are recognized in the accounts and reported in the financial statements (i.e., Accrual or Cash).

Budget – A financial plan for a given period, usually a fiscal year that contains an estimate of proposed expenditures and a proposed means of financing them.

Budget Calendar – The schedule of key dates used in the preparation and adoption of the budget by the government.

Category, Administration/Attendance and Health – The activities identified and used to establish and administer policy for the school division. These include the School Board, Executive Services, Human Resources, Fiscal Services and Health Services. Also included are the costs associated with promoting the well-being of students and staff and costs related to encouraging good school attendance.

Category, Instruction – Programs and services identified to deal directly with the interaction between teachers and students. Also, included in this category are the activities associated with curriculum development and instructional staff training. Funds for instructional supplies and equipment are also included as are funds for contributions to joint regional, vocational and special education programs.

Category, Operations and Maintenance – Activities to keep physical plants clean, open, and safe for use by the school division. This includes heating, lighting, ventilating systems, repair of facilities and replacement of facility equipment. Utilities, postage and communication are also included in this area.

Category, Pupil Transportation – Activities associated with transporting students from home to school and back home as well as on other trips to school activities. This includes the purchase and maintenance of our yellow bus fleet.

Category, Technology – Captures technology-related expenditures as required by the General Assembly. Any services involving the use of technology for instructional, public information, or any other use should be recorded here. This includes technology for classroom instruction, instructional support, administration and operations and maintenance. This category was new in FY09.

Chart of Accounts - A list of all accounts in an accounting system.

Compensation – Compensation includes salaries and benefits paid to staff for services rendered.

Composite Index - A factor used in the Virginia Basic Aid formula, (derived from true values of property, ADM, population, retail sales, adjusted gross income, etc.) to determine local and state share of basic appropriation.

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services – Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.

Deficit – The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department – The basic organizational unit of government which is functionally unique in its delivery of services.

Disbursement – The expenditure of monies from an account.

Employee (Fringe) Benefits – Compensation in addition to regular salary, provided to an employee. This may include such benefits as health insurance, life insurance, retirement contributions, social security, etc.

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.

Equipment (Capital Outlay) – The purchase of additional equipment not currently owned.

Equipment (Replacement) – The purchases of equipment to replace another piece of equipment which is to be sold or scrapped.

Expenditure – The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Expenditures Per Pupil – Expenditures for a given period divided by a pupil unit of measure (i.e., ADM or ADA).

Expense – Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Fiscal Year – A twelve month period to which the annual budget applies and at the end of which the entity determines its financial position and results of operations. Local school divisions in the Commonwealth of Virginia have fiscal years that begin July 1 and end June 30.

Food and Nutrition Service Budget – This fund accounts for all of the cafeteria operations within the school division, including the preparation and serving of school breakfast and lunch. The primary funding source for this independent financial operation is the fees charged for meals.

Full-Time Equivalent Position (FTE) – A measurement equal to one staff person working a full-time work schedule for a specific position for one fiscal year. A part-time position is converted to the decimal equivalent of a full-time position.

Fund – An independent accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities in accordance with special regulations, restrictions or limitations.

Fund Balance – The excess of assets of a fund over its liabilities and reserves.

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Grant – A contribution made by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

Hampton City School Board – An elected body created according to state law and vested with the responsibility for elementary and secondary public education activities in the city of Hampton.

Impact Aid – Section 8003 – Funding from the United States Department of Education for loss of tax revenues for students whose parents live or work on federal property.

Indirect Cost – A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service. Also an amount, usually a percentage of expenditures, allowed to be recovered from administering grant programs.

Interfund Transfers – The movement of monies between funds of the same governmental entity.

Line-Item Budget – A budget prepared along departmental lines that focuses on what is to be bought.

Materials and Supplies – Expendable materials and operating supplies necessary to conduct departmental operations.

Operating Budget – This is the general fund for the school division. It is used to account for all financial resources except those required to be accounted for in other funds.

Operating Expenses – The cost for personnel, materials, and equipment required for a department to function.

Operating Revenue – Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Personnel Services – Expenditures for salaries, wages and fringe benefits of an entity's employees.

Program Budget – A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Purchase Order – A document submitted to a vendor which requests materials or services at a price indicated on the purchase order. The issuance of a purchase order establishes an encumbrance in the accounting system.

Resources – Total amounts available for appropriation including estimated revenues, fund transfers and beginning balances.

Revenue – Sources of income financing the operations of government.

State Standards of Accreditation – The standards for the accreditation of public schools in Virginia are designed to ensure that an effective educational program is established and maintained in Virginia's public schools. The Code of Virginia requires the Virginia Board of Education to promulgate regulations establishing standards for accreditation of public elementary and secondary schools. A school can be assigned one of the following ratings: (1) Accredited without Condition (2) Accredited with Condition (3) Accreditation Denied.

SOL (Standards of Learning) – State-mandated testing that occurs in the spring. Beginning with the Class of 2004, verified credits for graduation will be based on the achievement by the student of a passing score.

Supplemental Appropriation – An additional appropriation made by the governing body after the budget year has started.

Transfers In/Out – Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

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