



DOLLAR\$ and \$ENSE



An online newsletter by Chesapeake Public Schools for the FY 2016 budget

December 12, 2014

Welcome to **Dollar\$ and \$en\$e**, a publication produced while the budget for the 2015–2016 school year (FY 2016) is proposed, discussed, and approved. It contains the latest budget news and important dates, and clarifies budget misconceptions in order to help the CPS community better understand the budget and the budget process.

Chesapeake Public Schools Releases Early Budget Update for FY 2016

At the December 8, 2014, School Board Meeting, Chesapeake Public Schools Superintendent Dr. Jim Roberts discussed the fiscal forecast for the 2015-2016 school year (FY 2016). The early budget update focused on the latest revenue projections, the 15/16 expenditure outlook, and the 15/16 budget strategy. Below are highlights from the presentation. The full presentation can be [accessed here](#).

- FY 14/15 budgeted expenditures EXCEED current FY 15/16 projected revenues.
- FY 15/16 projected state revenues are subject to change.
- Estimated **-.7M shortfall for 2015-2016** DOES NOT include:
 - Salary increases for employees.
 - Health care increases for annual trend.
 - Health care contributions required under Health Care Reform.
 - Textbook funding.
 - Additional staffing for class size/inclusion/programs.
 - Bus replacement cycle.
- Since the budget shortfall in FY 09/10, one-time funds, federal grants (ARRA/SFSF), and self-insurance funds have been used to balance the budget. These funds do not appear to be available for the upcoming year. State funding needs to increase, yet there is a threat of further reductions.
- Realities facing the 2015/2016 budget include:
 - Nowhere else to cut.
 - A loss of spending power for teachers and other employees due to extended periods of little or no pay increases.
 - A duty to students, employees, and the community to advocate for public education.
- The Superintendent’s Proposed FY 15/16 Budget Presentation is scheduled for February 9, 2015.

Virginia’s state aid to public education has been declining since the 2009 recession with State direct aid K-12 appropriations currently at \$6.8 billion (all funds)/\$5.2 billion General Fund compared to \$7.1 billion (all funds)/\$5.6 billion General Fund FY 2009. Balancing each year’s budget on **continued reductions is not viable**. Chesapeake Public Schools prides itself on being the “school system of choice.” Continued reductions will prevent CPS from maintaining this honorable reputation as high-quality instructional programs and services will suffer.

BUDGET 2016 MISCONCEPTIONS

Misconception: Lottery money is “extra money” for schools.

Fact: HB 5010 increases the appropriation of lottery proceeds in the Direct Aid to Public Education budget by \$28.1 million and the appropriation of Lottery Funds by \$15 million for fiscal year 2015, while **decreasing general fund appropriations** by the same total amount (\$43.1 million) for fiscal year 2015.

-- Superintendent’s Memo #312-14; issued 11/21/14

Heard a misconception? Want the facts? E-mail it to kellie.goral@cpschools.com, and we will respond to the most frequently mentioned misconceptions in upcoming issues.

Constitutional Responsibility of General Assembly

“Provide for a system of free public elementary and secondary schools for all children” and “seek to ensure that an educational program of **high quality** is established and continually maintained.”