

REVENUE - STATE

State support for the operation of the public schools is derived primarily from the Basic State Aid appropriation. The sum appropriated to each school division from this source is based on the application of an established cost-per-pupil (for each locality) as determined by the state for each pupil in average daily membership (ADM). This sum, minus the state sales and use tax, and the ability of the locality to support its public schools establishes the contribution by the state. Additional state aid is received in lesser amounts in other categories according to specific guidelines established by the State Department of Education. Major sources of state revenue are highlighted below. (NOTE: The 2002-2003 state revenue totals have been adjusted to reflect an additional appropriation of \$2,200,000.)

Basic Aid: Funding is established at \$4,014 per pupil in average daily membership (38,999 - Adjusted ADM) minus the state sales and use tax, and the local share based on the financial ability of the locality (composite index at .3344) as prescribed by the state formula. Funding is \$3,902 per pupil for 2002-2003, and the composite index is .3344.

Career and Technical Education: Funding is established at \$82 per pupil in average daily membership minus the local share based on the financial ability of the locality as prescribed by the state formula. A portion of the revenue in this category results from state support for adult education, occupational and technology education, and for on-site administration of a career and technical education high school. Funding is \$82 per pupil for 2002-2003.

Special Education: Funding is established at \$382 per pupil in average daily membership minus the local share based on the financial ability of the locality as prescribed by the state formula. Funding is \$382 for 2002-2003. Additionally, a portion of the revenue in this category results from state support for homebound instruction, foster home children, and regional tuition payments.

Gifted and Talented: Funding is established at \$36 per pupil in average daily membership minus the local share based on the financial ability of the locality as prescribed by the state formula. Funding is \$36 per pupil for 2002-2003.

VRS Contribution, Social Security Benefits, and Group Life Insurance: The state share of each payment is based upon a per-pupil amount for each student in average daily membership minus the local share based on the financial ability of the locality as prescribed by the state formula. The per-pupil amounts for 2002-2003 and 2003-2004 are as follows: VRS - \$105; and FICA-\$180. There is a Group Life premium holiday for 2002-2003 and 2003-2004.

Remedial Education: Funding is established at \$54 per pupil in average daily membership minus the local share based on the financial ability of the locality as prescribed by the state formula. Funding is \$54 per pupil for 2002-2003.

Remedial Summer School: Funding is established at \$355 per remedial student attending elementary or secondary summer school minus the local share based on the financial ability of the locality as prescribed by the state formula. For 2002-2003, funding is \$355 per remedial student.

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Textbooks: Funding is established at \$75.36 per pupil in average daily membership minus the local share as prescribed by the state formula. Funding is based on a system of free textbooks. Funding is \$75.36 per pupil for 2002-2003.

State Sales Tax: The state annually distributes to the school system a portion of the state sales tax revenue designated for the support of public education. The amount received each year is determined by the amount of total state collections and the triennial school census. The budgeted sales tax amount for 2003-2004 is based on an estimate by the state of Chesapeake's share of sales tax revenue.

Forest Reserve: The U.S. Fish and Wildlife and Minerals Management Service distributes funds generated from the leasing of lands required for flood control and navigation. In Virginia these funds are used in support of public education.

At Risk: Special funding is included to support programs for students who are educationally at risk. An additional allocation of Basic Aid is provided based on a percentage of students in Chesapeake who are eligible for the free lunch program.

Maintenance Reserve: For the past several years, a maintenance supplement has been provided to assist with the cost of ongoing maintenance needs and for debt service. Funding was \$15.00 per pupil for 2000-2001 and 2001-2002. The program was eliminated in 2002-2003.

ESL: Funding has been included to assist with students who speak English as a second language.

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Salary Supplement: Funding for the state share of a 2.25% salary increase effective in January, 2004 for all state-funded positions (equals a 1% mid-year increase for all employees). No funding was included in the 2001-2002 or the 2002-2003 state revenue for a salary increase. The amount shown under 2001-2002 represents the state share of the increase provided in 2000-2001.

Class Size: Funding is included to reduce class size in grades K-3 in all schools housing those grades. The pupil teacher ratios funded range from 14:1 to 24:1, with the lower ratios provided at schools with higher free and reduced lunch percentages.

SOL Teaching Material: No funds are provided as an incentive payment to purchase materials aligned with the Standards of Learning. In 2002-2003 this funding source was eliminated.

Reading Intervention: Funding is provided for early intervention services to primary grade students.

Remediation Assistance: Funding to support the development of remediation programming for the Standards of Learning and the statewide testing program are included totaling \$465,791.

Lottery Proceeds: Funding is provided for Chesapeake's share of proposed lottery proceeds for 2003-2004.

Additional Teachers: No funds are provided for additional elementary teachers for 2003-2004. This funding source was eliminated in 2002-2003.

SOL Algebra Readiness: Funding is provided for math intervention services to students in grades 6, 7, 8, and 9 who are at risk of failing the Algebra I end of course test.

Technology Resource Assistants: Funding for on-site technology support was eliminated in 2003-2004. In 2002-2003, the State share of \$26,000 per high school was included.

School Construction: Funding provides for non-recurring costs including school construction, additions, infrastructure, site acquisition, renovations, technology, and other expenditures related to modernizing classroom equipment.