

Vision:

To be an innovative learning organization committed to Excellence.

Our Beliefs:

We Believe in Community,
We Believe in Diversity,
We Believe in Respect,
We Believe in Integrity,
We believe in Excellence.

Mission

Teaching our Students today to be the Leaders of tomorrow.

It is the duty of the Superintendent of Schools, with the advice of the School Board, to prepare the education budget estimates. These must be submitted to the Board of Supervisors by the April 1 statutory deadline, unless the governing body has set an earlier date for receiving estimates. The estimate for public education submitted to the Board of Supervisors must show the amount of money estimated to be received from the State Basic School Aid Fund and the amount needed for the support of public schools, including instruction, operating and maintenance costs, the capital reserve fund and other costs. In adjusting the school budget, the governing body may make changes only in the total amount or in the amounts of major categories established by the State Board of Education. The Board of Supervisors may not adjust individual line items. The Board of Supervisors must adopt the school budget no later than May 1.



The new Stafford High School will open fall of 2015 and replace the existing school on the same site.

Who Are We?

The School Funds consist of six major funds:

- The School Operating Fund, a governmental component unit fund, accounts for the operations of Stafford's public school system.
- The School Nutrition Service Fund accounts for the revenues and expenditures associated with the providing of food services within the public school system.
- The School Construction Fund accounts for the acquisition, construction and equipping of new schools and renovations and additions to older schools.
- The Grants Fund accounts for the revenues and expenditures associated with state and federal grant funding.
- The Workers' Compensation Fund accounts for revenues and expenditures associated with the administration of the worker's compensation insurance program for employees under a self-insurance program.
- The Health Services Fund accounts for revenue and expenses associated the providing of health-related benefits to employees under a comprehensive health benefits self-insurance program.



SCHOOL BOARD MEMBERS

Nanette Kidby, Chairman
GARRISONVILLE DISTRICT

Holly Hazard, Vice-Chairman
HARTWOOD DISTRICT

Irene Egan
AQUIA DISTRICT

C. Scott Hirons
FALMOUTH DISTRICT

Patricia Healy
ROCKHILL DISTRICT

Dewayne McOsker, Jr.
GEORGE WASHINGTON DISTRICT

Dana Reinboldt
GRIFFIS-WIDEWATER DISTRICT

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SUPERINTENDENT

Lance Wolff
ASSISTANT SUPERINTENDENT
OF FINANCIAL SERVICES

Chris Quinn
ASSISTANT SUPERINTENDENT
FOR INSTRUCTION

Scott Horan
ASSISTANT SUPERINTENDENT
FOR FACILITIES

David White
ASSISTANT SUPERINTENDENT
FOR SECONDARY EDUCATION
& SUPPORT SERVICES

Pam Kahle
ASSISTANT SUPERINTENDENT
FOR ELEMENTARY EDUCATION
& SUPPORT SERVICES

Vision, Beliefs and Mission Statement

Stafford County FY16 Adopted Budget

VISION

To be an innovative learning organization committed to EXCELLENCE

OUR BELIEFS

We believe in COMMUNITY.

We believe in DIVERSITY.

We believe in RESPECT.

We believe in INTEGRITY.

We believe in EXCELLENCE.

MISSION

Teaching our STUDENTS today to be the LEADERS of tomorrow

School Budget Highlights

Stafford County FY16 Adopted Budget

The Schools' FY2016 Budget includes \$2.6 million in increased local funding. The County provides an increased local transfer of \$1.1 million for operations and an increase of \$1.3 million for debt service, including master lease funding for eight school buses. In addition, the Schools' effort to increase cash capital is advanced by a cash contribution of \$209,000 for the purchase of two school buses. Cash for school buses is now included in the base budget and efforts will be made to step up the contribution in future years.

The County provides more than twice the amount of local funding required by the state.

Required local effort	\$57.2 million
Debt Service	30.5 million
Additional local funding	56.0 million
Total	\$143.7 million

Virginia Retirement System (VRS) funding continues to be a challenge for the School system. In an effort to develop a more sustainable retirement system, the state has required that employees begin to pay into the system, but receive a corresponding salary increase. The total requirement, which can be phased in, is known as the VRS "5&5" since ultimately employees will pay 5% of their salary to VRS, but receive a 5% salary increase. Because the increase is subject to payroll taxes and retirement costs, the net effect is an increase in costs to the schools and a slight decrease in net pay to employees. However, the employees' retirement benefits are higher as a result. To comply with this mandate, the school system began phasing in the requirement and provided a 1% salary increase and required employees to pay 1% into VRS in beginning in FY13. The FY16 Budget must include the 4th year of implementation. The employee VRS requirement is now 4%. As part of the state budget, one-time funds were deposited into the teachers' retirement fund, which decreased the outstanding liability and allowed the ongoing funding rate to decrease from the current 14.5% to 14.06%. This results in savings of about \$0.7 million.

The FY16 state funding for Stafford County Public Schools is an increase from the current year of approximately \$2.2 million. The adopted state budget provides funding for a 1.5% salary increase for school employees. However, the state funding covers only state SOQ recognized positions and the funding is for 10.5 months of the year only. Therefore, paying for full year increases for all positions requires significant local funding that greatly exceeds the matching funds required by the state.

The School Board allocated funds for an overall salary increase of 2%. They did not apply it across the board, but they did approve a 1½% salary increase for all employees and will begin the implementation of market-based pay scale enhancements, designed to better attract and retain talented employees. Funding is included for the fourth phase of the VRS 5&5 mandate which requires an increase the employees' share of retirement costs, while providing an offsetting salary increase.

The Schools' budget included \$3.5M in program expenditures savings. Other budget initiatives include funding for professional development; new positions to address growth, special needs, and class size reductions; and operating costs for a new financial and human resources enterprise resource planning system.

The School Board requests that \$1.2 million in anticipated FY15 savings be carried forward into FY16. This budget includes that funding for one time educational needs, to be appropriated when the FY15 audit is complete.

The Board continues to support students in the public day school program, which provides educational services in the least restrictive, most cost-effective environment, and within the community, through shared responsibility between the County and Schools for day school students.

In addition, the budget fully funds the School Board's Capital Improvement Program, which continues to address future capacity projections.

School Budget Highlights

Stafford County FY16 Adopted Budget

Summary of Schools Funds

This table reflects the Superintendents' proposed budget. The School Board's approved budget will be presented at a later date. Updated budget amounts will be considered for budget and appropriation when details are available.

	FY2013 Actual	FY2014 Actual	FY2015 Adopted Budget	Adopted Budget	FY2016 Changes '15 to '16	
School Operating Fund	\$246,390,384	\$247,699,343	\$256,242,629	\$260,884,091	\$4,641,462	1.81%
Nutrition Services Fund	12,263,227	11,748,969	13,695,511	13,654,371	(41,140)	-0.30%
Construction Fund ¹	19,112,635	31,585,886	128,480	128,480	0	0.00%
Grant Fund	9,784,272	11,805,169	12,116,290	12,016,661	(99,629)	-0.82%
Total School Funds	\$287,550,518	\$302,839,367	\$282,182,910	\$286,683,603	\$4,500,693	1.59%

Internal Service Funds	FY2013 Actual	FY2014 Actual	FY2015 Adopted Budget	Adopted Budget	FY2016 Changes '15 to '16	
Fleet Services Fund	\$4,105,023	\$3,859,270	\$4,106,972	\$4,394,476	\$287,504	7.00%
Health Services Fund	34,276,989	31,192,866	35,847,255	34,598,568	(1,248,687)	-3.48%
Workers' Compensation Fund	797,410	664,298	613,745	564,713	(49,032)	-7.99%
Total	\$39,179,422	\$35,716,434	\$40,567,972	\$39,557,757	(\$1,010,215)	-2.49%

¹ Construction bond proceeds will be appropriated when the bonds are authorized and the CIP is approved.

Debt Service

School Debt Service for FY16 totals \$30,463,428 and is shown in the General Fund.

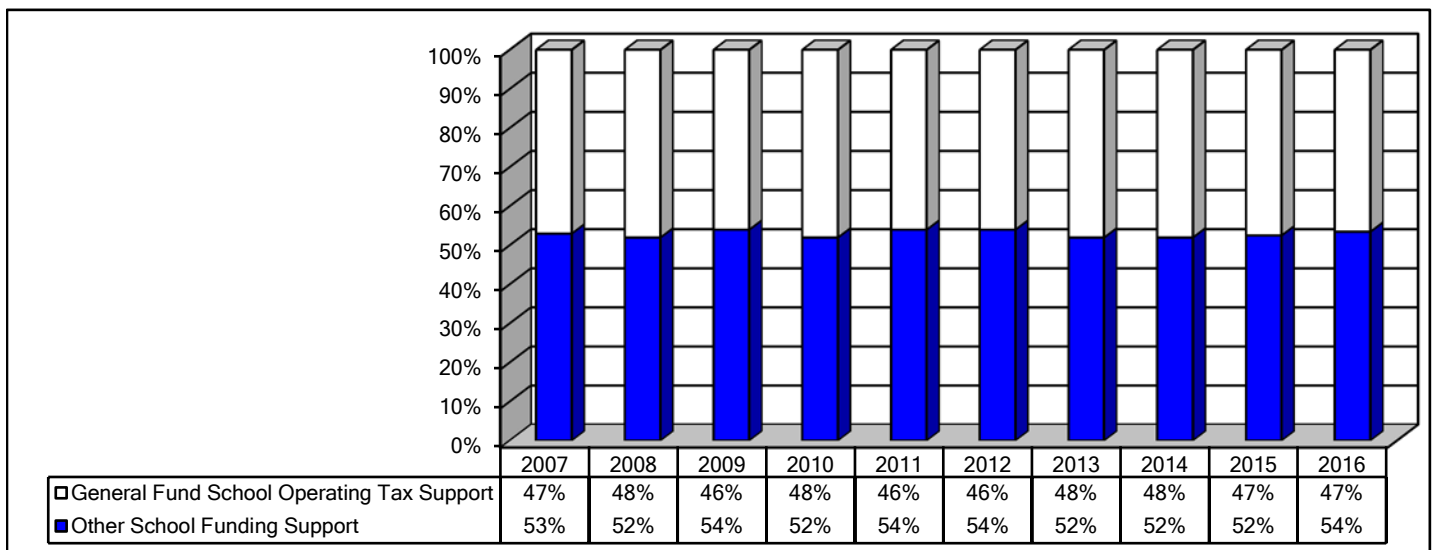
Education Cost Statistics

Stafford County FY16 Adopted Budget

The Local School Funding Fiscal Year 2016 is \$147.1 million. All Operating Expenditures Consist of Total Operating Costs, Including Facilities and Debt Service. The General Fund Transfer Includes Debt Service.

Fiscal Year	Avg. Daily Membership		County Population		Operating Expenditures				
	Pupils	% Increase	Number	% Increase	Amount (000)	Increase (000)	%	Per Pupil	Per Capita
2016	27,340	1.1%	147,137	3.4%	303,683	6,133	2.1%	11,108	2,064
2015	27,048	-0.7%	142,299	2.8%	297,550	13,022	4.6%	11,001	2,091
2014	27,229	1.2%	138,423	2.3%	284,528	2,045	0.7%	10,449	2,055
2013	26,904	0.2%	135,311	2.0%	282,484	6,332	2.3%	10,500	2,088
2012	26,838	0.3%	132,719	2.3%	276,151	7,427	2.8%	10,290	2,081
2011	26,745	0.3%	129,772	0.6%	268,724	(7,749)	-2.8%	10,048	2,071
2010	26,661	1.2%	128,961	5.0%	276,473	(4,816)	-1.7%	10,370	2,144
2009	26,350	0.9%	122,800	0.9%	281,289	9,750	3.6%	10,675	2,291
2008	26,114	-0.3%	121,736	0.8%	271,539	12,465	4.8%	10,398	2,231
2007	26,181	1.2%	120,723	0.5%	259,074	11,944	4.8%	9,895	2,146

Fiscal Year	School Enrollment		County Population		General Fund Transfer					
	Pupils	% Increase	Number	% Increase	Amount (000)	Increase (000)	%	Per Pupil	Per Capita	% of Oper. Fund
2016	27,340	1.1%	147,137	3.4%	143,718	2,579	1.8%	5,257	977	47%
2015	27,048	-0.7%	142,299	2.8%	141,139	5,544	4.1%	5,218	992	47%
2014	27,229	1.2%	138,423	2.3%	135,595	(489)	-0.4%	4,980	980	48%
2013	26,904	0.2%	135,311	2.0%	136,084	9,055	7.1%	5,058	1,006	48%
2012	26,838	0.3%	132,719	2.3%	127,028	2,122	1.7%	4,733	957	46%
2011	26,745	0.3%	129,772	0.6%	124,906	(7,529)	-5.7%	4,670	963	46%
2010	26,661	1.2%	128,961	5.0%	132,435	2,386	1.8%	4,967	1,027	48%
2009	26,350	0.9%	122,800	0.9%	130,049	(464)	-0.4%	4,935	1,059	46%
2008	26,114	-0.3%	121,736	0.8%	130,513	9,319	7.7%	4,998	1,072	48%
2007	26,181	1.2%	120,723	0.5%	121,194	27,742	29.7%	4,629	1,004	47%



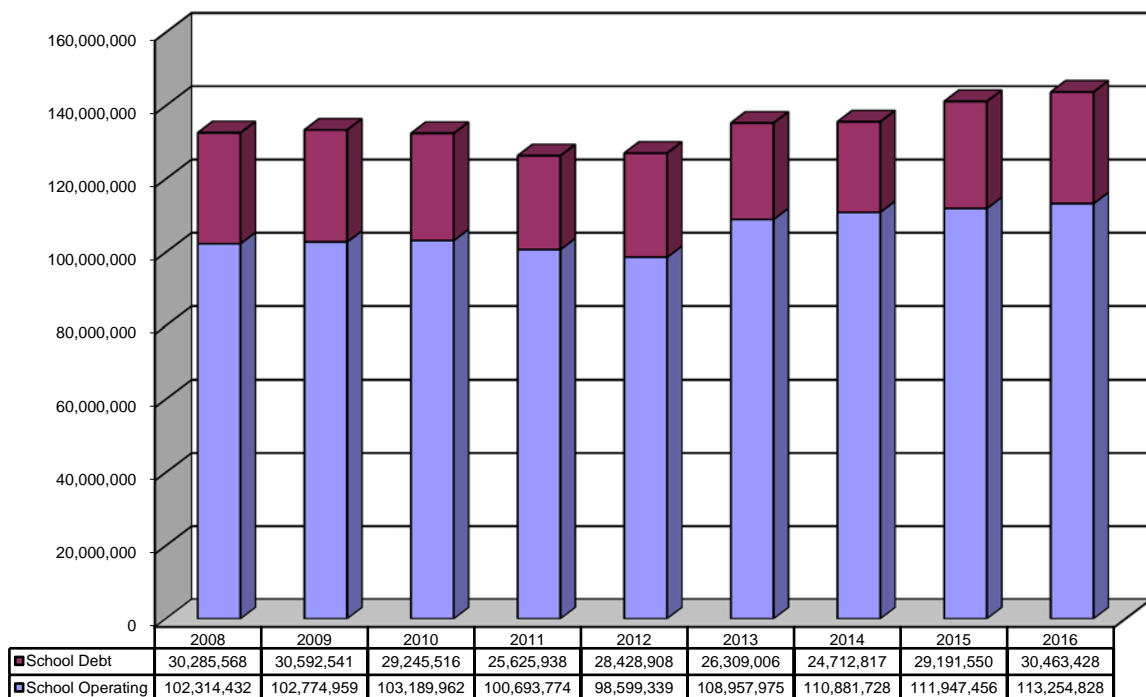
School Transfer and Debt Service

Stafford County FY16 Adopted Budget

The schedule and graph below show an historical analysis of the School Transfer separated by Operating Costs and Debt Service. FY2007 to FY2014 are actuals, FY2015 and FY2016 is the Adopted Budgets.

Fiscal Year	School Transfer	School Transfer Operating	Prior Year % Change Oper	Debt Service/ Capital Projects	Prior Year % Change Debt
2007	121,193,761	93,600,816	4.53%	27,592,945	10.91%
2008	132,600,000	102,314,432	9.31%	30,285,568	9.76%
2009	133,367,500	102,774,959	0.45%	30,592,541	1.01%
2010	132,435,478	103,189,962	0.40%	29,245,516	-4.40%
2011	126,319,712	100,693,774	-2.42%	25,625,938	-12.38%
2012	127,028,247	98,599,339	-2.08%	28,428,908	10.94%
2013	135,266,981	108,957,975	10.51%	26,309,006	-7.46%
2014	135,594,545	110,881,728 ¹	1.77%	24,712,817	-6.07%
2015	141,139,006	111,947,456	0.96%	29,191,550	18.12%
2016	143,718,256	113,254,828	1.17%	30,463,428	4.36%
Average 2007 to 2016			5.25%		2.38%

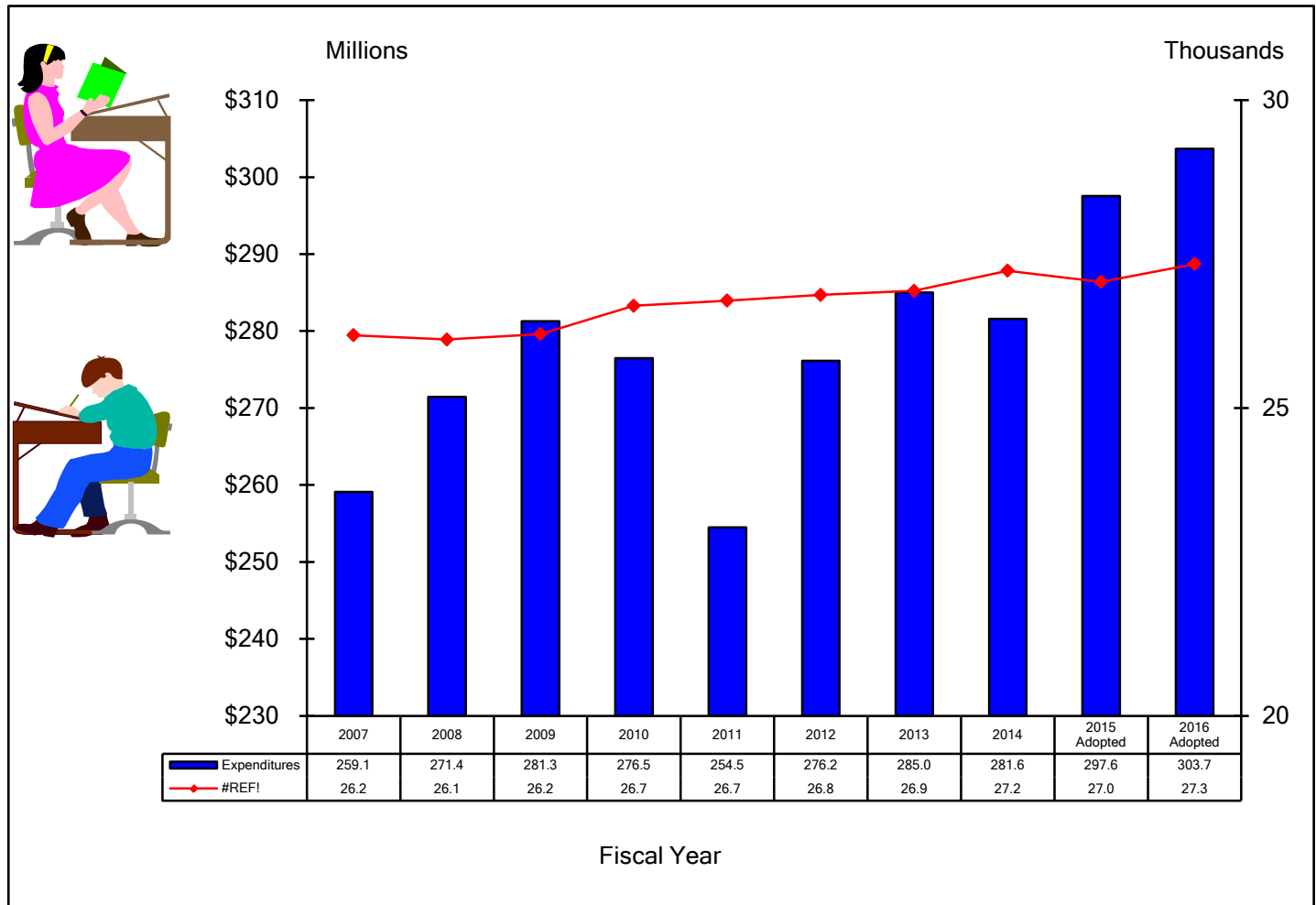
¹ One-time debt service savings of \$3.1M from VPSA refunding was used to increase School transfer to be used for Capital Projects and other one-time expenditures. \$1M was included in the operating transfer, \$2.1M was used for capital projects in the Construction fund.



School Operating VS. Enrollment

Stafford County FY16 Adopted Budget

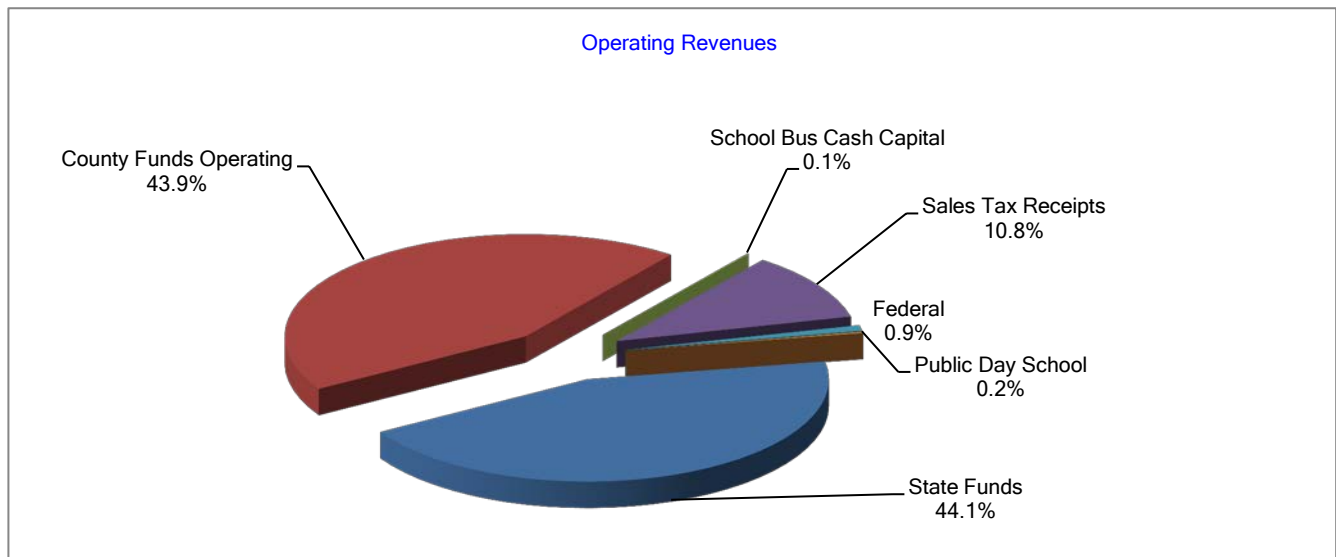
Estimated school average daily membership for Fiscal Year 2016 is 27,340 and a school operating budget of \$303.7 million (includes total operating budget, debt service, and grants fund).



School Operating Revenues

Stafford County FY16 Adopted Budget

	FY2014 Actual	FY2015 Adopted Budget	Adopted Budget	FY2016 Change '15 to '16	
Revenues					
State Funds	\$109,496,312	\$112,162,441	\$113,262,270	\$1,099,829	1%
County Funds Operating	107,306,439	111,429,456	112,527,828	1,098,372	1%
School Bus Cash Capital	0	0	209,000	209,000	100%
Sales Tax Receipts	25,785,019	26,540,703	27,616,298	1,075,595	4%
Federal	2,377,362	2,405,000	2,306,725	(98,275)	-4%
Public Day School	332,000	518,000	518,000	0	0%
Other Financing Sources	1,866,011	3,187,029	3,293,970	0	0%
Prior Year Carryforward	1,108,289	0	1,150,000	1,150,000	100%
Total	\$248,271,432	\$256,242,629	\$260,884,091	\$4,641,462	2%

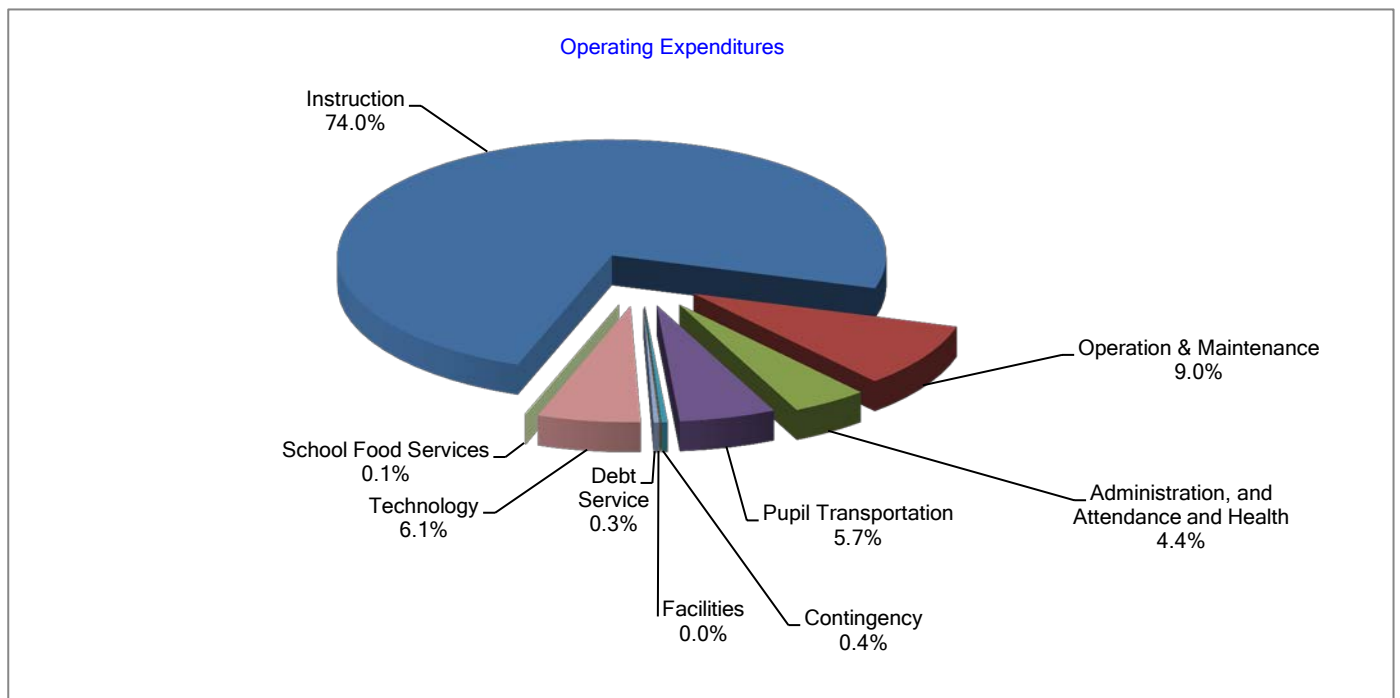


Fund Balance, Beginning of Year	\$5,514,564	\$5,514,564	\$5,514,564	\$0	0.00%
Fund Balance, End of Year ⁽¹⁾	\$6,086,653	\$5,514,564	\$5,514,564	\$0	0.00%

School Operating Budget

Stafford County FY16 Adopted Budget

	FY2014 Actual	FY2015 Adopted Budget	FY2016 Adopted Budget	FY2016 Change '15 to '16	
Instruction	\$181,946,654	\$191,183,710	\$193,111,854	\$1,928,144	1.0%
Operation & Maintenance	20,731,939	22,439,315	23,398,203	958,888	4.3%
Administration, and Attendance and Health	10,587,435	11,536,765	11,592,520	55,755	0.5%
Pupil Transportation	13,591,390	14,781,077	14,802,788	21,711	0.1%
Contingency	0	500,000	1,000,000	500,000	100.0%
Facilities	111,512	99,000	99,000	0	0.0%
Debt Service	475,167	461,909	832,858	370,949	80.3%
Technology	14,984,910	15,014,165	15,823,937	809,772	5.4%
School Food Services	205,547	226,688	222,931	(3,757)	-1.7%
Capital Outlay	4,499,924	0	0	0	0.0%
Carryforward	0	0	0	0	0.0%
Transfers to Other Funds	564,865	0	0	0	0.0%
Total	\$247,699,343	\$256,242,629	\$260,884,091	\$4,641,462	1.8%

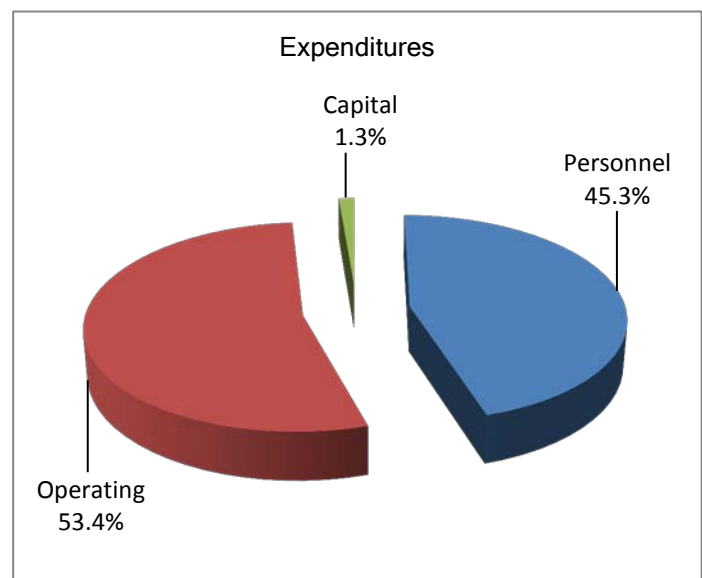
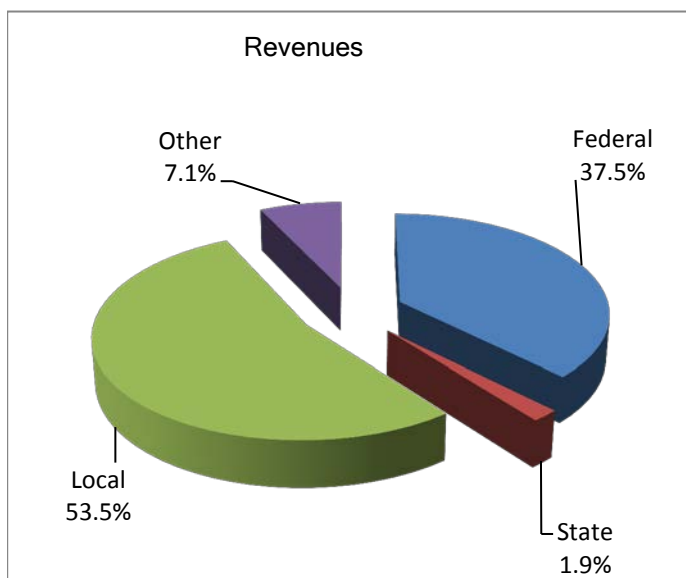


School Nutrition Fund

Stafford County FY16 Adopted Budget

	FY2014	FY2015	FY2016		
	Actual	Adopted Budget	Adopted Budget	Change '15 to '16	
Revenues					
Federal	\$4,509,985	\$5,123,602	\$5,123,602	\$0	0.00%
State	215,625	259,708	259,708	0	0.00%
Local					
Lunch Sales	4,473,480	4,261,701	4,831,350	569,649	13.37%
A-la-carte	1,561,207	2,597,000	1,845,000	(752,000)	-28.96%
Breakfast Sales	455,353	417,500	512,500	95,000	22.75%
Expenditure Refunds	105,978	101,500	109,000	7,500	100.00%
Total	\$6,596,018	\$7,377,701	\$7,297,850	(\$79,851)	-1.08%
From School Operating Fund	\$10,078	\$0	\$0	\$0	0.00%
Other	772,172	934,500	973,211	38,711	0.00%
Total	\$12,103,878	\$13,695,511	\$13,654,371	(\$41,140)	-0.30%
Expenditures					
Personnel	\$5,395,282	\$6,287,747	\$6,178,187	(\$109,560)	-1.74%
Operating	6,353,687	7,328,264	7,297,184	(31,080)	-0.42%
Capital	0	79,500	179,000	99,500	125.16%
Total	\$11,748,969	\$13,695,511	\$13,654,371	(\$41,140)	-0.30%
Fund Balance, Beginning of Year	\$2,450,934	\$2,805,843	\$2,805,843	\$0	0.00%
Fund Balance, End of Year⁽¹⁾	\$2,805,843	\$2,805,843	\$2,805,843	\$0	0.00%

⁽¹⁾ The ending fund balance for FY2014 is the stated fund balance from the Stafford County Public Schools Comprehensive Annual Financial Report



School Construction Fund

Stafford County FY16 Adopted Budget

Funds are budgeted and appropriated when projects and the funding sources are approved. These funds may be carried over to the next fiscal year until the project is complete.

		FY2015		FY2016	
Revenues	FY2014 Actual	Adopted Budget	Adopted Budget	Change '15 to '16	
VPSC Bond Funding	\$30,973,208	\$0	\$0	\$0	0.00%
VPSC Interest	46,322	18,480	18,480	0	0.00%
Transfer from General Fund	2,135,000	0	0	0	0.00%
Other	683,339	110,000	110,000	0	0.00%
Total	\$33,837,869	\$128,480	\$128,480	\$0	0.00%
Expenditures					
Personnel	\$315,648	\$128,480	\$128,480	\$0	0.00%
Operating	2,408,420	0	0	0	0.00%
Capital	28,861,818	0	0	0	0.00%
Total	\$31,585,886	\$128,480	\$128,480	\$0	0.00%
Fund Balance, Beginning of Year	\$33,407,555	\$35,659,538	\$35,659,538	\$0	0.00%
Fund Balance, End of Year ⁽¹⁾	\$35,659,538	\$35,659,538	\$35,659,538	\$0	0.00%

⁽¹⁾ The ending fund balance for FY2014 is the stated fund balance from the Stafford County Public Schools Comprehensive Annual Financial Report

Schools Grants Fund

Stafford County FY16 Adopted Budget

Grant funds are budgeted and appropriated when a grant is authorized. These funds may be carried over to the next fiscal year until the grant is complete.

Revenues	FY2014 Actual	FY2015 Adopted Budget	FY2016 Adopted Budget	Change '15 to '16	
Federal Funds	\$8,904,681	\$9,576,867	\$9,477,711	(99,156)	-1.04%
State Funds	91,872	39,423	336,308	296,885	753.08%
Contingency	0	2,500,000	2,521,500	21,500	0.86%
Other Funds	224,372	0	0	0	0.00%
Total	\$9,220,925	\$12,116,290	\$12,335,519	\$219,229	1.81%

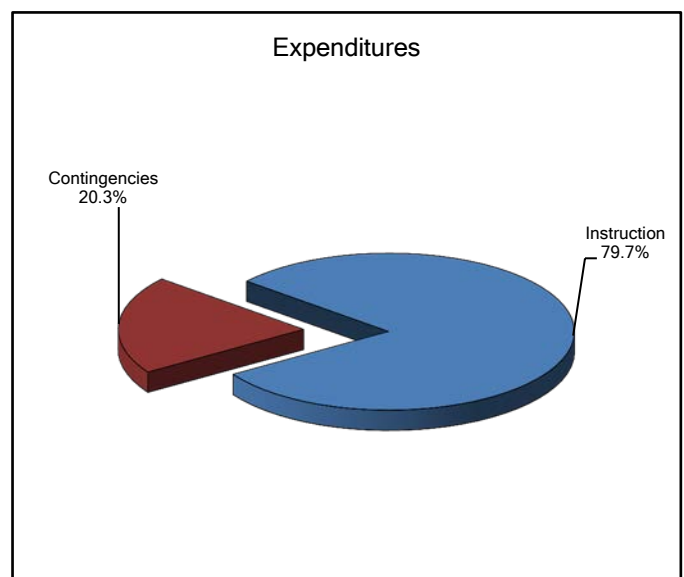
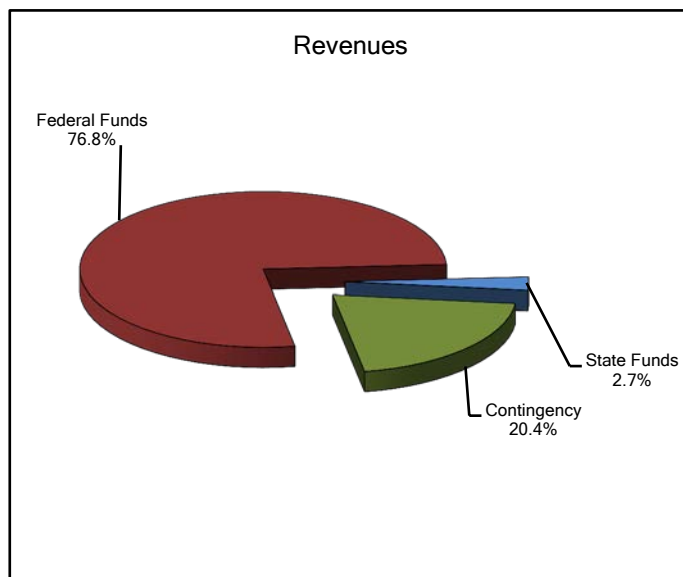
Expenditures

Instruction	\$8,958,330	\$9,616,290	\$9,835,519	\$219,229	2.28%
Contingencies	0	2,500,000	2,500,000	0	0.00%
Capital Outlay	26,017	0	0	0	0.00%
Technology	158,664	0	0	0	0.00%
Other	14,120	0	0	0	0.00%
Total	\$9,157,131	\$12,116,290	\$12,335,519	\$219,229	1.81%

Fund Balance, Beginning of Year	\$41,193	\$104,987	\$104,987	\$0	0.00%
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Fund Balance, End of Year⁽¹⁾	\$104,987	\$104,987	\$104,987	\$0	0.00%
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⁽¹⁾ The ending fund balance for FY2014 is the stated fund balance from the Stafford County Public Schools Comprehensive Annual Financial Report



Schools Workers Compensation Fund

Stafford County FY16 Adopted Budget

	FY2014 Actual	FY2015 Adopted Budget	Adopted Budget	FY2016 Changes '15 to '16	
Revenues					
Transfer from Other Funds	\$588,604	\$613,745	\$564,713	(\$49,032)	-8%
Total	\$588,604	\$613,745	\$564,713	(\$49,032)	-8%
Expenditures					
Workers Compensation	\$581,863	\$613,745	\$564,713	(\$49,032)	-8%
Personnel	82,435	0	0	0	0%
Total	\$664,298	\$613,745	\$564,713	(\$49,032)	-8%
Net Assets, Beginning of Year	\$870,767	\$795,073	\$795,073	\$0	0%
Net Assets, End of Year⁽¹⁾	\$795,073	\$795,073	\$795,073	\$0	0%

⁽¹⁾ The ending net position for FY2014 is the stated net assets from the Stafford County Public Schools Comprehensive Annual Financial Report

Schools Health Benefits Fund

Stafford County FY16 Adopted Budget

	FY2014 Actual	FY2015 Adopted Budget	Adopted Budget	FY2016 Changes '15 to '16	
Revenues					
Charges for Services	\$27,597,612	\$35,847,255	\$34,598,568	(\$1,248,687)	-3%
Transfers from Other Funds	190,381	0	0	0	0%
Interest	4,856	0	0	0	0%
Total	\$27,792,849	\$35,847,255	\$34,598,568	(\$1,248,687)	-3%
Expenditures					
Personnel	\$145,599	\$167,175	\$171,982	\$4,807	3%
Operating	31,047,267	35,178,080	34,426,586	(751,494)	-2%
Transfers to Other Funds	0	502,000	0	(502,000)	-100%
Total	\$31,192,866	\$35,847,255	\$34,598,568	(\$1,248,687)	-3%
Net Assets, Beginning of Year	(\$8,415,791)	(\$11,815,808)	(\$11,815,808)	\$0	0%
Net Assets, End of Year⁽¹⁾	(\$11,815,808)	(\$11,815,808)	(\$11,815,808)	\$0	0%

⁽¹⁾ The ending net position for FY2014 is the stated net assets from the Stafford County Public Schools Comprehensive Annual Financial Report

Stafford County School Facilities

Stafford County FY16 Adopted Budget

