

SCHOOL FUNDS

The School Funds consist of six major funds: School Operating Fund, School Nutrition Service Fund, School Construction Fund, Grants Fund, Worker's Compensation Fund, and the School Health Services Fund. 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.

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.

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

W. Bruce Benson, Ed.D.
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

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

SCHOOL OPERATING FUND

The schools operate 30 facilities, including one currently under renovation. The facilities include 17 elementary schools, grades K-5, eight middle schools, grades 6-8, and five high schools, grades 9-12.

The composite index for the upcoming biennium is .3412, an increase from the current of .3305. This means that the state will pay a slightly lower share of education costs. The County still provides more than twice the amount of local funding required by the state.

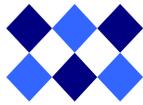
Because the FY2014 ADM was lower than originally estimated, there will be a state revenue shortfall for that year. The increase in state funding from the FY2014 adopted budget to the projection for FY15 is modest, at \$2.3M, although the increase from the FY2014 current estimate is \$4.4M.

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 FY2013. The FY2015 Budget includes the 3rd year 1% salary increase for employees to pay the 1% VRS. The employee VRS requirement is now 3%. The Schools' budget also reflects increased VRS rates, as the General Assembly continues efforts toward fully funding the pension liability,

The Board of Supervisors has approved local School funding of \$141.1M. This is more than twice the required local effort of \$57 million mandated by the state. This budget provides the largest school operating transfer in Stafford's history, an increase of \$3.3M. Funding is included for a possible expansion to the Heather Empfield public day school. This national award-winning partnership between the Schools and County provides the least restrictive community based services to special education students in Stafford, saving \$300,000 per year.

DEBT SERVICE

School Debt Service for FY2014 totals \$29,151,550 and is shown in the General Fund.



SCHOOL BUDGET HIGHLIGHTS

SUMMARY OF SCHOOL FUNDS

	FY2012 Actual	FY2013 Actual	FY2014 Adopted Budget	Adopted Budget	FY2015 Changes '14 to '15	
School Operating Fund	\$237,817,637	\$246,390,384	\$251,166,914	\$256,242,629	\$5,075,715	2.02%
Nutrition Services Fund	\$11,791,530	\$12,263,227	\$13,040,603	\$13,695,511	\$654,908	5.02%
Construction Fund	\$17,535,081	\$19,112,635	\$2,332,000	\$128,480	(\$2,203,520)	-94.49%
Grant Fund	\$9,904,658	\$9,784,272	\$11,805,169	\$12,116,290	\$311,121	2.64%
Total School Funds	\$277,048,906	\$287,550,518	\$278,344,686	\$282,182,910	\$3,838,224	1.38%
Internal Service Funds						
	FY2012 Actual	FY2013 Actual	FY2014 Adopted Budget	Adopted Budget	FY2015 Changes '14 to '15	
Health Services Fund	\$30,477,160	\$34,276,989	\$24,916,982	\$35,847,255	\$10,930,273	43.87%
Workers' Compensation Fund	\$819,106	\$797,410	\$613,745	\$600,166	(\$13,579)	-2.21%
Total	\$31,296,266	\$35,074,399	\$25,530,727	\$36,447,421	\$10,916,694	42.76%

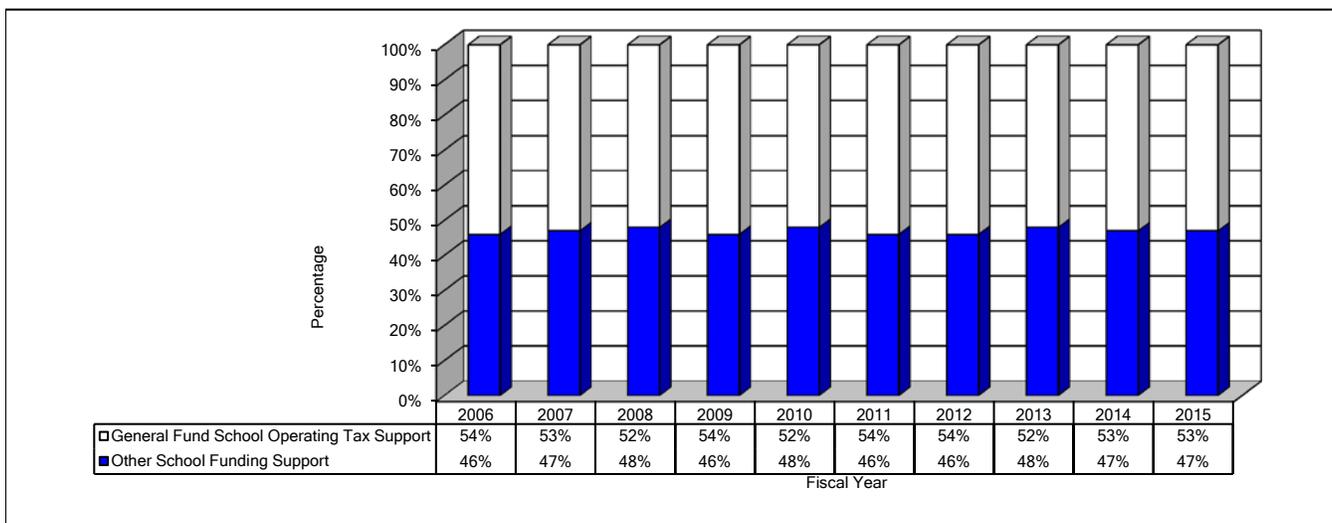


EDUCATION COST STATISTICS

The Local School Funding Fiscal Year 2015 is \$141.1 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
2015 *	27,048	-0.7%	142,299	2.8%	297,550	9,849	3.4%	11,001	2,091
2014 *	27,229	1.2%	138,423	2.3%	287,702	5,218	1.8%	10,566	2,078
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
2006	25,871	1.8%	120,170	2.1%	247,130	31,688	14.7%	9,552	2,057

Fiscal Year	School Enrollment		County Population		General Fund Transfer					
	Pupils	% Increase	Number	% Increase	Amount (000)	Increase (000)	%	Per Pupil	Per Capita	% of Oper. Fund
2015 *	27,048	-0.7%	142,299	2.8%	141,139	4,686	3.4%	5,218	992	47%
2014 *	27,229	1.2%	138,423	2.3%	136,453	370	0.3%	5,011	986	47%
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%
2006	25,871	1.8%	120,170	2.1%	114,427	20,975	22.4%	4,423	952	46%



* Fiscal Years 2014 and 2015 are Adopted.

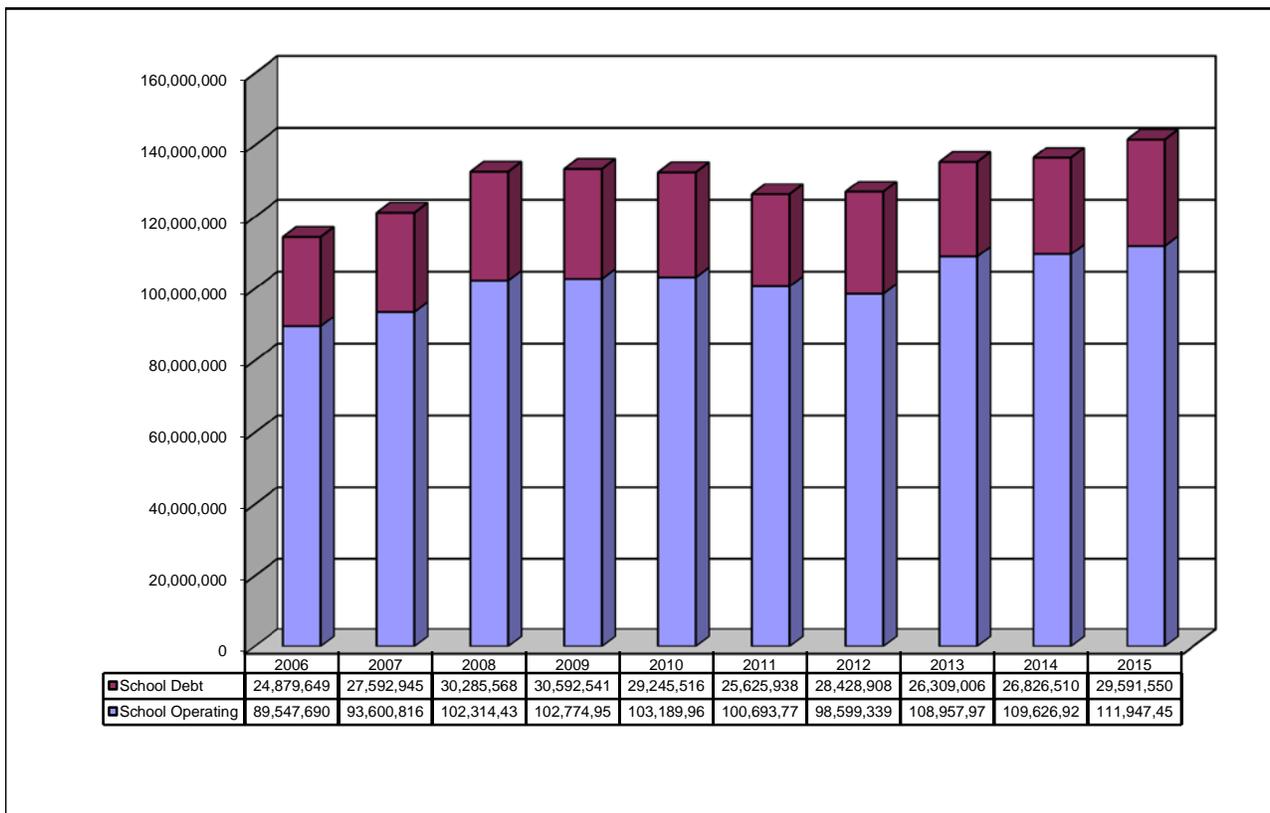


SCHOOL TRANSFER AND DEBT SERVICE

The schedule and graph below show an historical analysis of the School Transfer separated by Operating Costs and Debt Service. FY2006 to FY2013 are actuals, FY2014 and FY2015 is the Adopted Budgets.

Fiscal Year	School Transfer	School Transfer Operating	Prior Year % Change Oper	Debt Service/ Capital Projects	Prior Year % Change Debt
2006	114,427,339	89,547,690	29.07%	24,879,649	3.36%
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	136,453,431	109,626,921 ¹	0.61%	26,826,510	1.97%
2015	141,139,006	111,947,456	2.12%	29,591,550	10.31%
Average 2006 to 2015			5.25%		2.40%

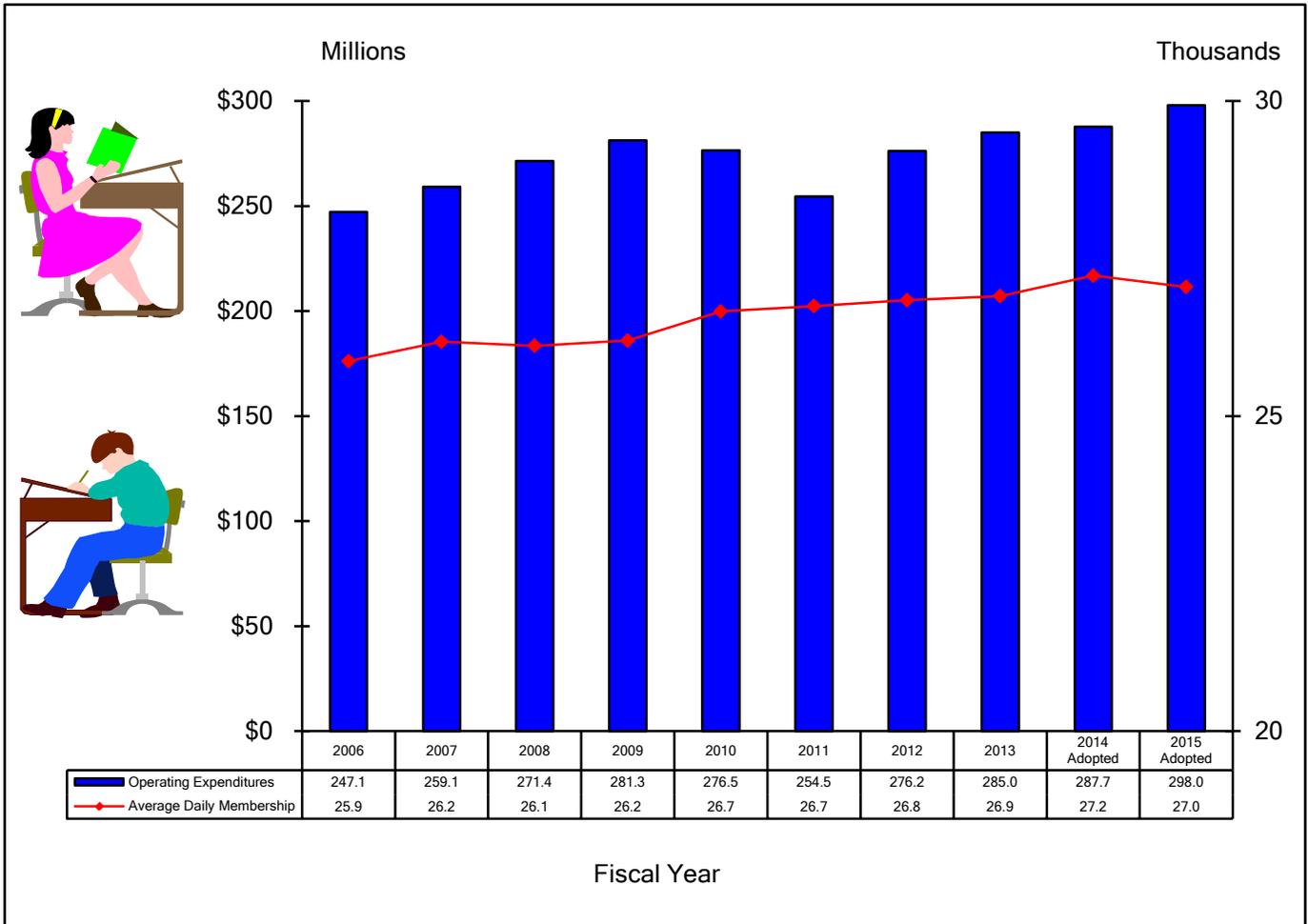
¹ One-time debt service savings of \$3.1M from VPSA refunding was used to increase School transfer to be used for Capital Projects and other one-time expenditures. \$1M was included in the operating transfer, \$2.1M was used for capital projects in the Construction fund.





SCHOOL OPERATING VS. ENROLLMENT

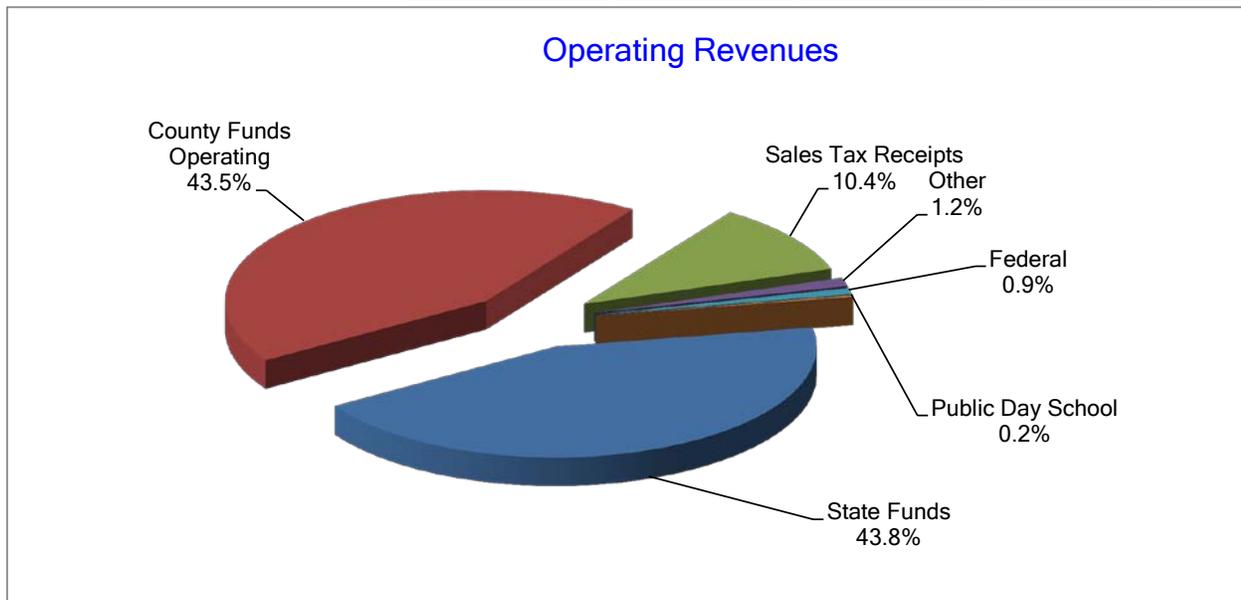
Estimated school average daily membership for Fiscal Year 2015 is 27,048 and a school operating budget of \$298 million (includes total operating budget, debt service, and grants fund).





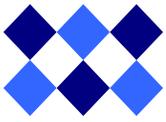
SCHOOL OPERATING REVENUES

Revenues	FY2013	FY2014	FY2015	Change	
	Actual	Adopted Budget	Adopted Budget	'14 to '15	
State Funds	\$107,094,321	\$109,812,949	\$112,162,441	\$2,349,492	2%
County Funds Operating	108,625,975	108,294,921	111,429,456	3,134,535	3%
Sales Tax Receipts	25,513,251	26,682,015	26,540,703	(141,312)	-1%
Other	2,930,829	2,610,029	3,187,029	577,000	22%
Federal	2,071,309	2,435,000	2,405,000	(30,000)	-1%
Public Day School	332,000	332,000	518,000	186,000	100%
VPSA Refunding	0	1,000,000	0	0	100%
Other Financing Sources	2,361,672	0	0	0	0%
Prior Year Carryforward	0	0	0	0	0%
Total	\$248,929,357	\$251,166,914	\$256,242,629	\$5,075,715	2%



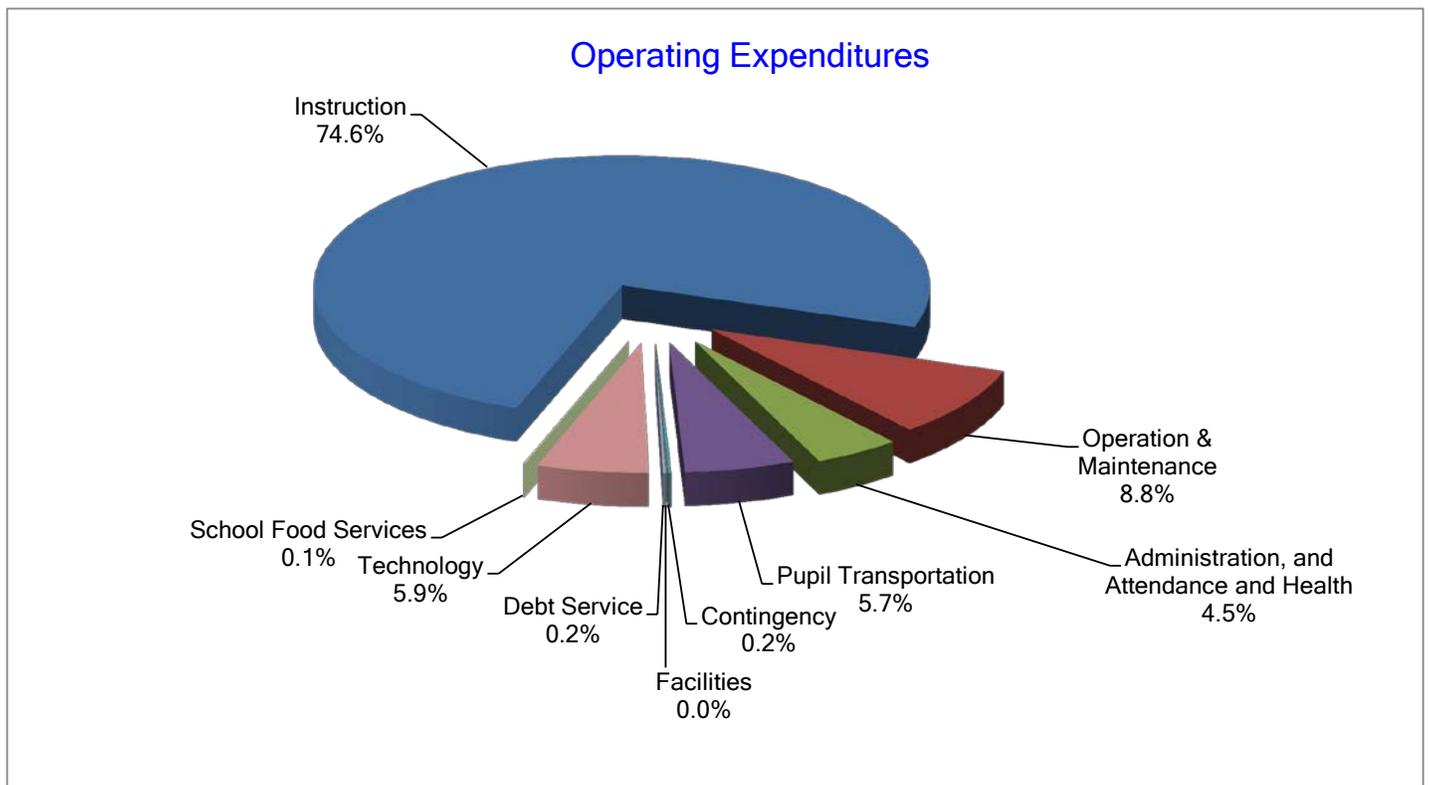
Fund Balance, Beginning of Year	\$2,975,591	\$5,514,564	\$5,514,564	\$0	0.00%
Fund Balance, End of Year ⁽¹⁾	\$5,514,564	\$5,514,564	\$5,514,564	\$0	0.00%

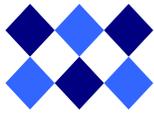
⁽¹⁾ The ending fund balance for FY2013 is the stated fund balance from the Stafford County Public Schools Comprehensive Annual Financial Report



SCHOOL OPERATING EXPENDITURES

	FY2013 Actual	FY2014 Adopted Budget	Adopted Budget	FY2015 Change '14 to '15	
Instruction	\$181,881,078	\$187,142,363	\$191,183,710	\$4,041,347	2.2%
Operation & Maintenance	21,315,872	22,283,065	22,439,315	156,250	0.7%
Administration, and Attendance and Health	10,422,301	10,972,960	11,536,765	563,805	5.1%
Pupil Transportation	13,419,206	14,312,366	14,781,077	468,711	3.3%
Contingency	0	500,000	500,000	0	0.0%
Facilities	198,990	98,558	99,000	442	0.4%
Debt Service	464,923	461,909	461,909	0	0.0%
Technology	14,783,665	15,160,689	15,014,165	(146,524)	-1.0%
School Food Services	212,264	235,004	226,688	(8,316)	-3.5%
Capital Outlay	3,692,085	0	0	0	0.0%
Total	\$246,390,384	\$251,166,914	\$256,242,629	\$5,075,715	2.0%

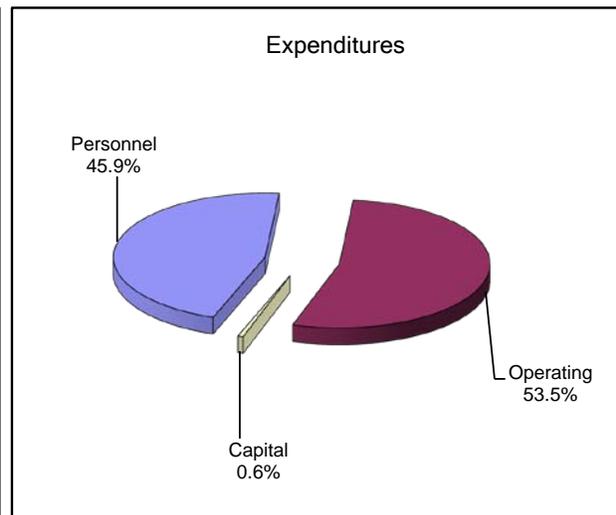
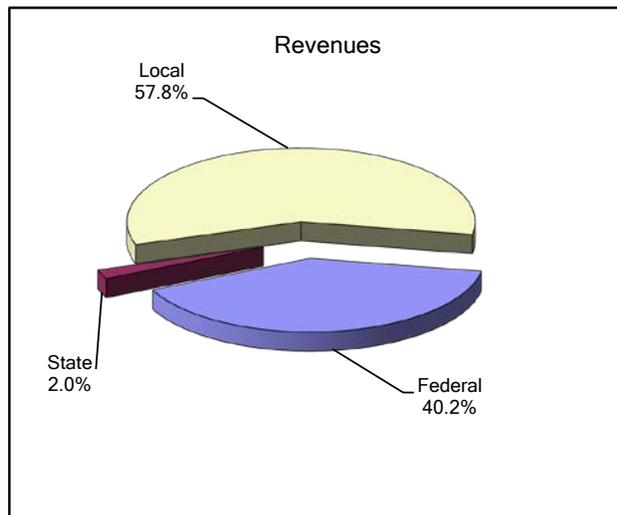


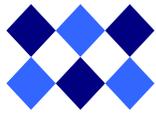


SCHOOL NUTRITION SERVICE FUND

	FY2013 Actual	FY2014 Adopted Budget	FY2015 Adopted Budget	FY2015 Change '14 to '15	
Revenues					
Federal	\$5,180,412	\$5,363,263	\$5,123,602	(\$239,661)	-4.47%
State	\$218,554	\$215,000	\$259,708	\$44,708	20.79%
Local					
Lunch Sales	\$3,904,507	\$4,020,500	\$4,261,701	\$241,201	6.00%
A-la-carte	2,351,901	2,500,042	2,597,000	96,958	3.88%
Breakfast Sales	375,734	415,000	417,500	2,500	0.60%
Expenditure Refunds	4,912	90,000	101,500	11,500	100.00%
Total	\$6,637,054	\$7,025,542	\$7,377,701	\$352,159	5.01%
From School Operating Fund	\$12,464	\$0	\$0	\$0	0.00%
Other	31,728	25,000	934,500	909,500	0.00%
Total	\$12,080,212	\$12,628,805	\$13,695,511	\$1,066,706	8.45%
Expenditures					
Personnel	\$5,491,317	\$6,087,818	\$6,287,747	\$199,929	3.28%
Operating	6,476,553	6,653,785	7,328,264	674,479	10.14%
Capital	295,357	299,000	79,500	(219,500)	-73.41%
Total	\$12,263,227	\$13,040,603	\$13,695,511	\$654,908	5.02%
Fund Balance, Beginning of Year	\$2,633,949	\$2,450,934	\$2,039,136	(\$411,798)	-16.80%
Fund Balance, End of Year⁽¹⁾	\$2,450,934	\$2,039,136	\$2,039,136	\$0	0.00%

(1) The ending fund balance for FY2013 is the stated fund balance from the Stafford County Public Schools Comprehensive Annual Financial Report





CONSTRUCTION FUND

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.

Revenues	FY2013	FY2014	Adopted	FY2015	Change '14 to '15
	Actual	Adopted Budget	Budget		
VP SA Bond Funding	\$34,050,331	\$0	\$0	\$0	0.00%
VP SA Interest	45,810	235,000	18,480	(216,520)	-92.14%
Transfer from General Fund	0	2,097,000	0	(2,097,000)	100.00%
Other	1,306,671	0	110,000	110,000	0.00%
Total	\$35,402,812	\$2,332,000	\$128,480	(\$2,203,520)	-94.49%
Expenditures					
Personnel	\$301,432	\$235,000	\$128,480	(\$106,520)	-45.33%
Operating	0	0	0	0	0.00%
Capital	18,811,203	2,097,000	0	(2,097,000)	100.00%
Total	\$19,112,635	\$2,332,000	\$128,480	(\$2,203,520)	-94.49%
Fund Balance, Beginning of Year	\$17,117,378	\$33,407,555	\$33,407,555	\$0	0.00%
Fund Balance, End of Year ⁽¹⁾	\$33,407,555	\$33,407,555	\$33,407,555	\$0	0.00%

⁽¹⁾ The ending fund balance for FY2013 is the stated fund balance from the Stafford County Public Schools Comprehensive Annual Financial Report



GRANT FUND

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	FY2013 Actual	FY2014 Adopted Budget	FY2015 Adopted Budget	Change '14 to '15	
Federal Funds	\$9,437,553	\$9,265,746	\$9,576,867	311,121	3.36%
Contingency	0	2,500,000	2,500,000	0	0.00%
State Funds	88,093	39,423	39,423	0	0.00%
Other Funds	259,491	0	0	0	0.00%
Total	\$9,785,137	\$11,805,169	\$12,116,290	\$311,121	2.64%

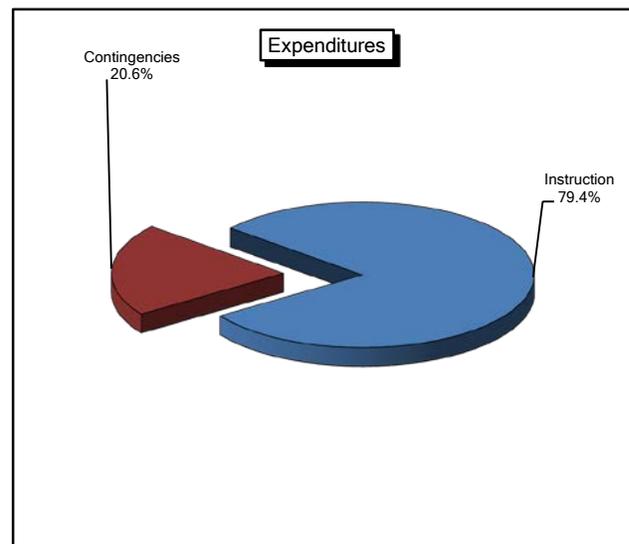
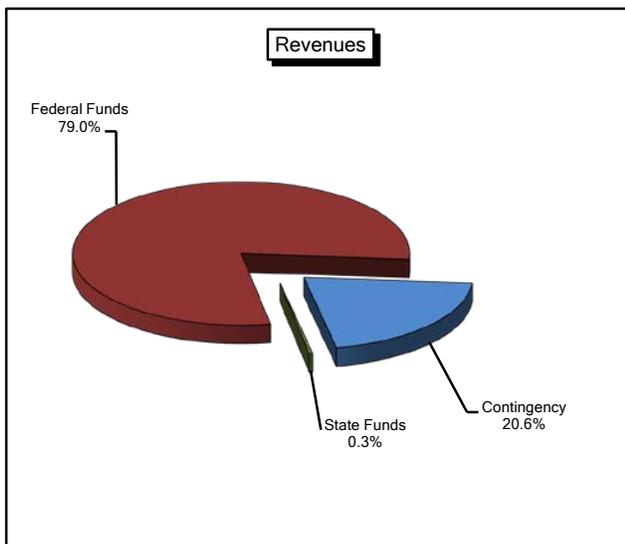
Expenditures

Instruction	\$9,552,878	\$9,305,169	\$9,616,290	\$311,121	3.34%
Contingencies	0	2,500,000	2,500,000	0	0.00%
Capital Outlay	\$7,240	0	0	0	0.00%
Other	\$3,343	0	0	0	0.00%
Technology	\$220,811	0	0	0	0.00%
Total	\$9,784,272	\$11,805,169	\$12,116,290	\$311,121	2.64%

Fund Balance, Beginning of Year	\$40,328	\$41,193	\$41,193	\$0	0.00%
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Fund Balance, End of Year⁽¹⁾	\$41,193	\$41,193	\$41,193	\$0	0.00%
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(1) The ending fund balance for FY2013 is the stated fund balance from the Stafford County Public Schools Comprehensive Annual Financial Report





SCHOOL WORKERS COMPENSATION FUND

	FY2013 Actual	FY2014 Adopted Budget	Adopted Budget	FY2015 Changes '14 to '15	
Revenues					
Transfer from Other Funds	\$597,732	\$613,745	\$600,166	(\$13,579)	-2%
Total	\$597,732	\$613,745	\$600,166	(\$13,579)	-2%
Expenditures					
Workers Compensation	\$718,223	\$613,745	\$600,166	(\$13,579)	-2%
Personnel	79,187	0	0	0	0%
Total	\$797,410	\$613,745	\$600,166	(\$13,579)	-2%
Net Assets, Beginning of Year	\$1,070,445	\$870,767	\$870,767	\$0	0%
Net Assets, End of Year⁽¹⁾	\$870,767	\$870,767	\$870,767	\$0	0%

⁽¹⁾ The ending net assets for FY2013 is the stated net assets from the Stafford County Public Schools Comprehensive Annual Financial Report



SCHOOL HEALTH BENEFITS FUND

	FY2013 Actual	FY2014 Adopted Budget	Adopted Budget	FY2015 Changes '14 to '15	
Revenues					
Charges for Services	\$31,523,769	\$24,916,982	\$35,847,255	\$10,930,273	44%
Interest	\$7,697				
Total	\$31,531,466	\$24,916,982	\$35,847,255	\$10,930,273	44%
Expenditures					
Personnel	\$144,767	\$150,932	\$167,175	\$16,243	11%
Operating	31,376,161	23,666,050	35,178,080	11,512,030	0%
Transfers to Other Funds	2,756,061	1,100,000	502,000	(598,000)	-54%
Total	\$34,276,989	\$24,916,982	\$35,847,255	\$10,930,273	44%
Net Assets, Beginning of Year	(\$5,670,268)	(\$8,415,791)	(\$8,415,791)	\$0	0%
Net Assets, End of Year⁽¹⁾	(\$8,415,791)	(\$8,415,791)	(\$8,415,791)	\$0	0%

⁽¹⁾ The ending net assets for FY2013 is the stated net assets from the Stafford County Public Schools Comprehensive Annual Financial Report



PUBLIC SCHOOL FACTS

School	Year Opened	Capacity	ADM ¹
Elementary Schools			
Ferry Farm	1957	732 ²	583
Hartwood	1963	649 ²	543
Moncure	1966	754 ²	727
Falmouth	1967	794 ²	553
Grafton Village	1967	754 ²	570
Stafford	1968	794 ²	686
Garrisonville	1981	768 ²	516
Widewater	1988	843 ²	800
Rockhill	1989	843 ²	647
Park Ridge	1990	843 ²	651
Hampton Oaks	1992	950	830
Winding Creek	1997	925 ²	648
Rocky Run	2000	950	792
Kate Waller Barrett	2002	950	737
Margaret Brent	2004	950	854
Conway	2005	950	898
Anthony Burns	2006	950	750
Middle Schools			
Edward E. Drew	1951	650 ³	539
A. G. Wright	1981	920	754
Stafford	1991	1,100	497
H. H. Poole	1995	1,100	848
Rodney E. Thompson	2000	1,100	1,055
T. Benton Gayle	2002	1,100	957
Dixon-Smith	2006	1,100	788
Shirley Heim	2008	1,100	947
High Schools			
Stafford	1975	1,850 ⁴	1,926
North Stafford	1981	1,925	1,668
Brooke Point	1993	1,800	1,765
Colonial Forge	1999	1,875 ⁴	1,958
Mountain View	2005	1,800	1,742

¹ ADM - Average Daily Membership (FY15 (2014 - 2015 School Year))

² March 2010 -- Capacity was reviewed and recalculated

³ Reduced due to the addition of the Emphield Day School

⁴ Includes Modular Classrooms (CFHS - 3, SHS - 2)