



CHESTERFIELD COUNTY PUBLIC SCHOOLS

**SUPERINTENDENT'S
FY 2018 FINANCIAL PROPOSAL**

PRESENTED JAN. 24, 2017

DR. JAMES F. LANE

SUPERINTENDENT'S MESSAGE

During the State of Our Schools community presentation last week, I noted that I have seen many great things in our classrooms and schools during my first six months as Superintendent. I also shared that I believed it was my responsibility as the school division's leader to preserve the work that makes us nationally known and to enhance our work in ways that will make us even better.

I am pleased this week to present my first proposed operating budget as Superintendent of Chesterfield County Public Schools. I firmly believe this proposed \$621 million operating budget will help us maintain our place as a national leader in public education while also providing avenues to become innovation leaders as we create the classroom of the future.

Funding provided in this plan will allow us to

- meet commitments identified in the School Board's five-year plan, including salary increases for all full-time employees;
- maintain the Supplemental Retirement Program (SRP) with modifications to be determined;
- change high school starting times to better align with medical recommendations;
- address board priorities identified in fall 2016; and
- begin work to enhance the classroom experience in elementary, middle and high schools.

The Fiscal Year 2018 proposal represents a \$23.7 million increase from current funding levels, and for the first time in years meets the county government-provided funding target for our school division.

A people-intensive business, more than 80 percent of the new funding will be allocated to support our employees. The proposal includes funding for a 2-percent salary increase for all full-time employees, coverage of Virginia Retirement System rate increases and projected health-care cost increases. A committee of employees and I continue to work on possible solutions that would help us save the school division's SRP as well.



SEE THE SUPERINTENDENT'S TRANSITION PLAN

In all, this budget has something for everyone in it while maintaining my desire and meeting the School Board's directive to put as much money into classrooms as possible. Slightly more than 72 percent of the operating budget will go into the Instruction category. Nearly 8.5 percent will fund school division operations, and another 8.1 percent will fund debt payments. Only 3.2 percent of the operating budget will go toward administration.

The proposal has funding that continues the five-year initiative to reduce class size and increase student opportunities. There will be 28 additional teachers hired for the 2017-18 school year, as we target reducing secondary language arts class sizes.

Other budget highlights associated with the five-year operating plan include:

- continuing the board's commitment to provide elementary schools with more special education coordinators.
- continuing the initiative to enhance safe, supportive and nurturing learning environments by having a nurse in each school.
- enhancing the school division's digital curriculum as an ongoing part of the Anytime, Anywhere Learning initiative.
- purchasing new buses as we continue to replace an aging fleet.

There are new academic programs funded in the proposed operating budget as well

- creating early college academies that will support students obtaining a high school diploma and a two-year associate's degree during the four-year high school experience
- opening CodeRVA enrollment to help meet a critical need in the business community
- starting the Phoenix Program designed to support alternative education needs
- introducing a remedial study skills program pilot at the middle school level
- expanding social emotional learning programs at the elementary school level

The write-ups elsewhere in this document provide additional details about our budget proposal. The full School Board presentation can be found on Board Docs (<http://www.boarddocs.com/vsba/chesterfield/Board.nsf/Public>).

Work on the budget will continue through February, with a budget public hearing held on Feb. 14 at 6:30 p.m. in the Public Meeting Room, 10001 Lori Road.

We will keep you updated as we move forward!



James F. Lane, Ed.D.
Superintendent
#oneCCPS

Compensation and Benefits

- 2-percent salary increase for all full-time employees
- Continuation of the school division's Supplemental Retirement Program with changes
- Coverage of Virginia Retirement System rate increases
- School-based leadership salary initiative
- Bus driver salary initiative
- Stipends for lacrosse and swimming coaches

Academics

- Continued focus on class-size reductions and more student opportunities
- Digital curriculum enhancements and textbook replacement
- More elementary special education coordinators
- A new alternative education program
- Early College Academies
- Pilot of remedial study skills program
- Expansion of social emotional learning program
- STEAM resource teachers
- Musical instrument replacement

Operations

- Funding for the first of a two-year plan to support school starting time changes
- Replacement school buses

Safety

- Continued effort to provide a nurse in every school

COMPENSATION

Full-time employees would receive a 2-percent salary increase during the 2017-18 school year based on funding proposed in the Fiscal Year 2018 operating budget. The 2-percent increase is consistent with salary increases identified in the school division's five-year operating plan and is part of an effort to increase employee compensation by at least 10 percent over a five-year period.

The proposed operating budget also includes funding to cover school division cost increases related to the state's Virginia Retirement System (VRS). The proposed operating budget also provides funding for up to a 7-percent increase in health-care costs for the 2018 calendar year. (Potential employee health-care cost increases will not be known until late fall.)

The 2-percent salary increase will cost the division nearly \$7.8 million. Along with nearly \$2.3 million to cover health-care cost increases, \$5.1 million to address VRS rate increases, \$3.1 million for increasing SRP costs and other compensation initiatives, salary and benefits changes alone make up approximately \$20 million of the proposed \$23.7 million operating budget increase.

"As the Superintendent's Transition Report recently noted, our employees are the school division's biggest asset," Superintendent Dr. James Lane said. "As a people-intensive business, it's important that we retain the high-quality workforce our school division is known for. We're doing just that by allocating a majority of our new funding in FY 2018 – nearly 85 percent – to support our hard-working staff."

Following a 3-percent increase during the 2016-17 school year, employees will have seen salary

increases of 5-percent in just two years alone. The recent salary increases have helped keep Chesterfield County teachers extremely competitive when it comes to surrounding county school divisions.

- Chesterfield County leads the way 82 percent of the time when compared to Henrico and Hanover school divisions – the two school divisions with which Chesterfield County most regularly competes. Chesterfield County leads on 28 of 34 years of experience, while Hanover leads on five and Henrico on one.
- Chesterfield County also is extremely competitive on the master's experience scale, leading 65 percent of the time (with Richmond again excluded). Chesterfield leads on 22 of the 34 years, while Hanover leads on 12.

Seeking to address salary inequities that are affecting the recruitment and retention of school-based leaders, funding is also proposed to increase principal salaries and to make one assistant principal position at each secondary school a 12-month associate principal post.



SUPPLEMENTAL RETIREMENT PROGRAM

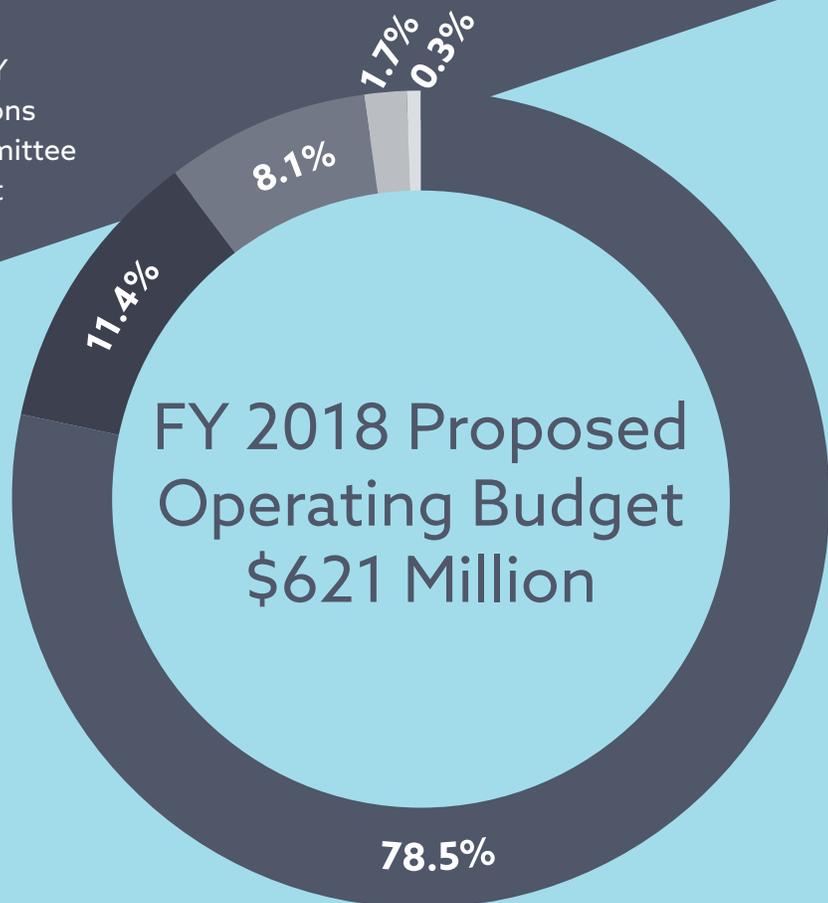
Chesterfield County Public Schools leaders and a special-appointed committee continue to consider potential changes to the school division's Supplemental Retirement Plan in order to make it solvent for future years. As Superintendent Dr. James Lane previously has shared with staff members, he recognizes the importance of this benefit to long-serving team members and is working to find a fiscally appropriate solution to save the program for those who have earned the benefit.

The employee committee tasked with developing recommendations for the Superintendent continues to meet. A final committee recommendation is expected soon. The school division is also awaiting results from an experience study currently being done by an actuary.

In the meantime, an additional \$3.1 million in funding is proposed for inclusion in the FY 2018 budget to address some cost escalations associated with the program. The SRP committee has been reviewing changes to the plan that

would allow the program to continue with the proposed funding next year, \$500,000 more in FY 2019 and then \$1 million more annually until the total increased contribution is about \$7 million annually in out years. Pending the completion of the experience study and a review by attorneys, this action could stabilize the SRP.

The Superintendent will review the committee's recommendations, consider possible changes and present a final recommendation to the School Board in February. It is likely that changes will include lengthening the time employees must work for Chesterfield County Public Schools, capping the number of employees who can participate in any one year, and increasing the period of time over which a retiree would receive his/her payments.



WHAT THE BUDGET PAYS FOR

- Salaries and Benefits 78.5%**
- Operating 11.4%**
- Debt Service 8.1%**
- Transfers 1.7%**
- Capital 0.3%**

ACADEMIC ENHANCEMENTS

As Superintendent Dr. James Lane acknowledged during the recent State of Our Schools presentation, the proposed Fiscal Year 2018 operating budget includes funding that continues to fulfill commitments made in the school division's five-year operating plan, as well as new funding to support academic enhancements designed to innovate the classroom experience. The budget proposal also includes a multiyear digital curriculum funding plan and textbook replacement effort.

Funding proposed will continue the class-size reduction initiative started three years ago with the implementation of a five-year operating plan. The additional teacher positions proposed in the FY 2018 operating budget would support secondary language arts. Once approved, more than 200 new teachers will have been hired as part of the effort to reduce class size and provide students with more opportunities.

There is also approximately \$575,000 to support the second part of a two-year initiative to provide special education coordinator services to each elementary school. This work will assist in better serving students identified with special needs and also will allow school-based leaders to more directly support classroom instruction.

The FY 2018 budget proposal also includes funding for reinventing the high school experience. Nearly \$300,000 is identified to continue work associated with Early College Academies. In partnership with John Tyler Community College, interested high school students will be able to complete coursework that would allow them to graduate from Chesterfield County with a high school diploma and a two-year associates degree.

Initiatives proposed also would increase exposure to the computer science field and provide funding for a new alternative education program. CodeRVA, a regional high school that will open during the 2017-18 school year, will provide students with a high school diploma and internship experience at local businesses. The Phoenix Program will provide students not successful in traditional classrooms with options for successfully completing high school.

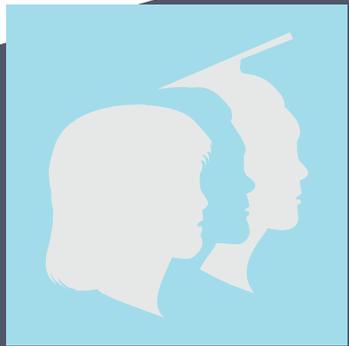
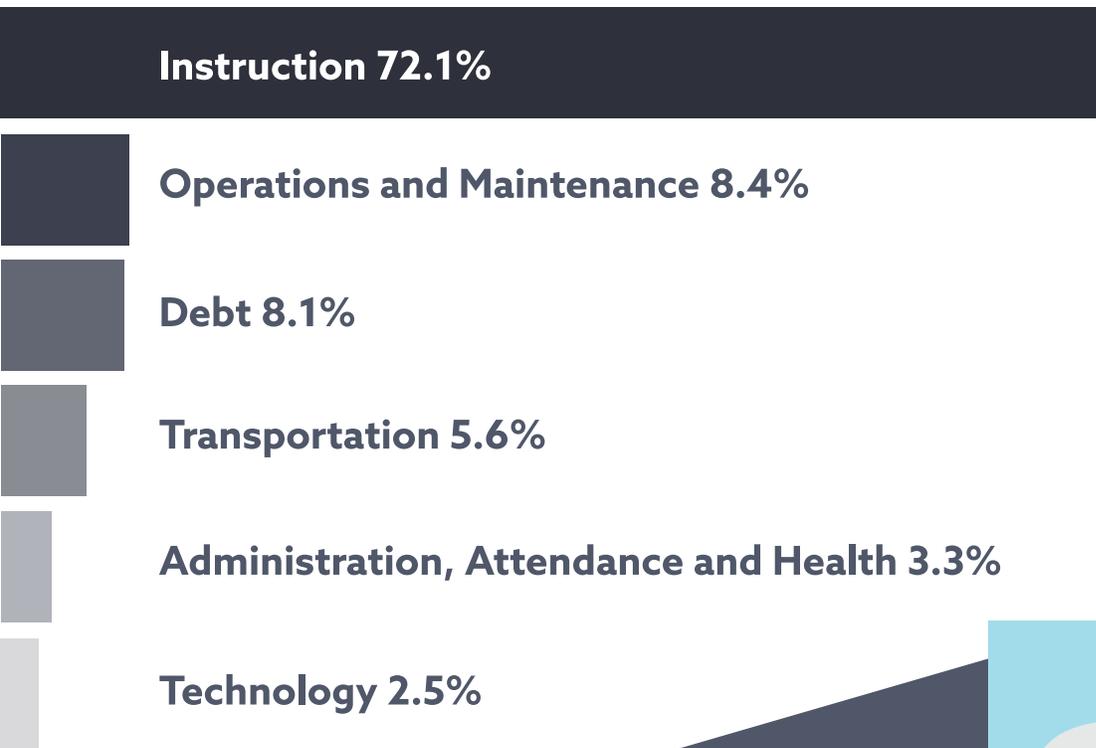
"We are committed to continuing to enhance education at the high school level and our work to reinvent the classroom of the future," Dr. Lane said. "We also have exciting and innovative plans in place to create engaging classrooms at the middle and elementary school levels."

The proposed budget also includes \$140,000 for a remedial study skills program to be piloted at Falling Creek Middle during the 2017-18 school year. If successful, the study skills program could expand to other middle schools.

Nearly \$150,000 is included to support turning technology resource time at five elementary schools into a STEAM resource period, while approximately \$100,000 is included in the proposed budget to support the expansion of social emotional learning at seven elementary schools.

- \$1.6 million – Additional pupil-teacher ratio reduction (targeted to secondary language arts)
- \$1.6 million – Required set aside for Coordinated Early Intervening Services (additional student support specialists for schools)
- \$572,500 – Additional elementary special education coordinators
- \$296,900 – Early College Academy start up
- \$281,300 – Seats for 29 Chesterfield County students at CodeRVA regional high school
- \$212,600 – Special education music and art program
- \$144,700 – STEAM resource period at five elementary schools
- \$140,500 – Phoenix Program (alternative education program) (first of multiyear plan)
- \$140,000 – Pilot of remedial study skills program at Falling Creek Middle
- \$125,000 – Digital curriculum enhancements and textbook replacement (continuation of multiyear effort)
- \$102,000 – Science materials for elementary and middle schools
- \$90,000 – Social emotional learning program at six elementary schools
- \$50,000 – Support for SOL/SAT/PSAT/WISE academies (first year of two-year plan)
- \$20,000 – Reimplement musical instrument replacement cycle (start of five-year plan)
- \$10,000 – Dual enrollment support for career and technical education programs

WHERE THE MONEY GOES





STARTING TIMES

The proposed Fiscal Year 2018 operating budget includes \$500,000 in funding as the first part of a two-year funding plan to change school starting times. Additional funding is recommended for inclusion in the FY 19 operating budget so that starting time changes can be made for the 2018-19 school year.

The starting time changes would address a national conversation about how early high schools should start. Medical research has shown detrimental effects for high school students who start school prior to 8:30 a.m.

The \$500,000 proposed for the 2017-18 school year would address school bus driver salaries. Additional funding is proposed for the 2018-19 school year to hire more bus drivers and to pay for increased operating costs.

After a recent community discussion about high school starting times, approximately 70 percent of the nearly 14,000 survey responses the school division received showed support for changing high school starting times. Additional details about starting time changes will be shared in February, after the Transportation Department has finished testing proposed school routes later this month.

CAPITAL IMPROVEMENT PLAN UPDATE

The proposed Fiscal Year 2018 Capital Improvement Plan (CIP), the first year of a five-year plan, includes funding for the construction of a replacement Matoaca Elementary and a new Midlothian-area elementary school as part of \$81.4 million projected to be appropriated during the 2017-18 school year. Both schools are expected to open in fall 2019.

The proposed five-year CIP includes \$223.6 million in funding for school construction projects, school renovation projects, technology replacement and security projects. The school construction and renovation projects are 2013 bond referendum projects overwhelmingly approved by county voters.

The proposed funding for the two elementary school projects would mean seven of the projects approved in the 2013 bond referendum will have been fully funded. Those projects include completed renovations at Monacan High, ongoing work at Providence Middle and upcoming work at Manchester Middle, as well as Beulah and Enon elementary schools.

The proposed five-year CIP also includes funding for the planning and renovations at Harrowgate, Crestwood and Ettrick elementary schools. Planning funding was already scheduled for FY 2018 in previous CIPs for Reams Road Elementary. Planning for these four projects will begin during the 2017-18 school year.

In addition to construction and renovation funding, the proposed plan includes more than \$10 million for major maintenance projects, including safety enhancements and delayed HVAC maintenance projects. The proposed CIP also adds funding for two initiatives: a facility assessment study and walk-in freezer replacements for the Food and Nutrition Services team. The facility assessment study, which would be similar to the Baker Report that helped determine 2013 bond referendum projects, is critical to developing future projects that might be included in another bond referendum.

SPEAK UP

The [Chesterfield County School Board](#) and Superintendent want to hear from you. One way to communicate is by signing up to speak during the Feb. 14 public hearing by calling 748-1897 by 2 p.m. Feb. 14 or by registering with the clerk at the beginning of the public hearing. You can also contact School Board members and Superintendent Dr. James Lane directly:

Dr. Javaid Siddiqi, chair, Midlothian District
332-1856, je_siddiqi@ccpsnet.net

John Erbach, vice chair, Dale District
332-1826, jm_erbach@ccpsnet.net

Carrie Coyner, Bermuda District
839-7117, ce_coyner@ccpsnet.net

Dianne Smith, Clover Hill District
839-7121, dh_smith@ccpsnet.net

Rob Thompson, Matoaca District
332-1812, rw_thompson@ccpsnet.net

Dr. James Lane, Superintendent
748-1405, superintendent@ccpsnet.net

It's important to let local and state leaders know that you support adequate funding for public education. You can speak during the [Chesterfield County Board of Supervisors](#) public hearing at 6:30 p.m. March 29 or contact the supervisors and county administrator directly:

Dorothy Jaeckle, chair and Bermuda District
768-7398, jaeckled@chesterfield.gov

Leslie Haley, vice chair and Midlothian District
768-7397, haley1@chesterfield.gov

Christopher Winslow, Clover Hill District
768-7396, winslowc@chesterfield.gov

James Holland, Dale District
768-7528, hollandj@chesterfield.gov

Steve Elswick, Matoaca District
768-7400, elswicks@chesterfield.gov

Dr. Joseph Casey, County Administrator
748-1211, countyadministrator@chesterfield.gov

Here is how to contact Chesterfield County's representatives in the [Virginia General Assembly](#):

Del. Lashrecse Aird, 698-1063
DelLAird@house.virginia.gov

Del. Betsy Carr, 698-1069
DelBCarr@house.virginia.gov

Del. Kirk Cox, 698-1066
DelKCox@house.virginia.gov

Del. Riley Ingram, 698-1062
DelRIngram@house.virginia.gov

Del. Manoli Loupassi, 698-1068
DelMLoupassi@house.virginia.gov

Del. Delores McQuinn, 698-1070
DelDMcQuinn@house.virginia.gov

Del. Roxann Robinson, 698-1027
DelRRobinson@house.virginia.gov

Del. Lee Ware, 698-1065
DelLWare@house.virginia.gov

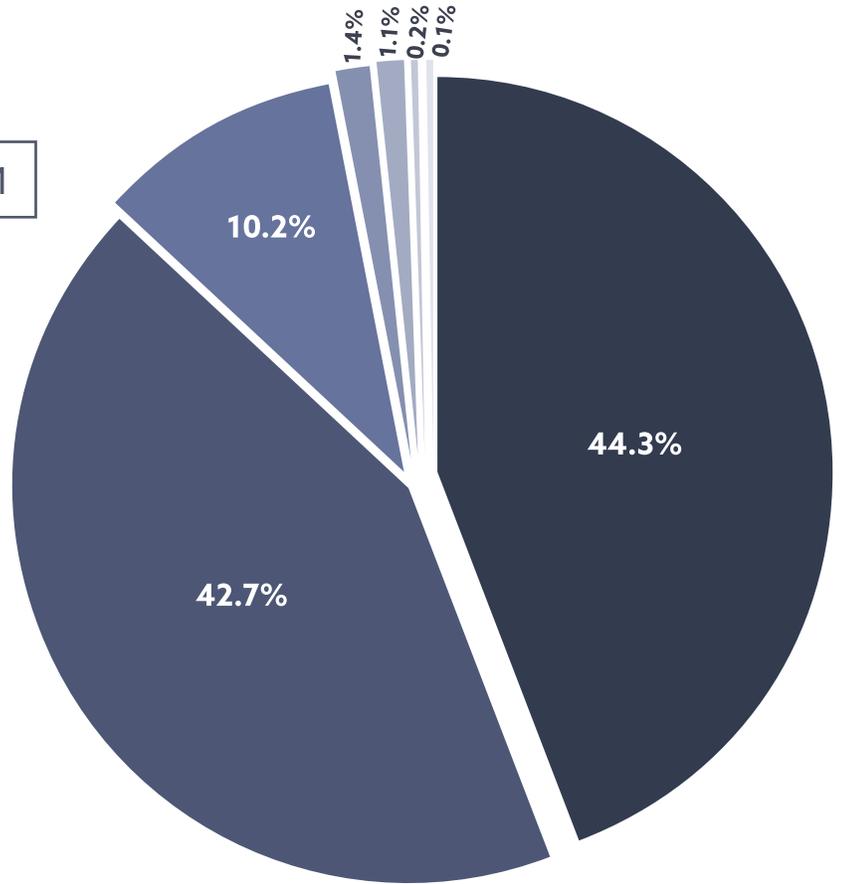
Sen. Amanda Chase, 698-7511
district11@senate.virginia.gov

Sen. Rosalyn Dance, 698-7516
district16@senate.virginia.gov

Sen. Glen Sturtevant Jr., 698-7510
district10@senate.virginia.gov

WHERE THE MONEY COMES FROM

County	44.3%
State	42.7%
Sales Tax	10.2%
Local (CCPS generated)	1.4%
Use of Reserves	1.1%
Beginning Balance	0.2%
Federal	0.1%



BUDGET MEETINGS

Meetings in the public meeting room are shown live on Comcast 98 and Verizon 28 and are live streamed at chesterfieldschools.va.swagit.com/live. Meetings held at the Career and Technical Center @ Hull will be taped and re-aired.

- Feb. 7 - School Board work session at 4 p.m. at the Career and Technical Center @ Hull
- Feb. 14 - School Board meeting at 6:30 p.m. in the Public Meeting Room
 - Citizen Budget Advisory Committee presents budget report
 - Public hearing on proposed operating and CIP budgets
- Feb. 23 - School Board work session at 4 p.m. at the Career and Technical Center @ Hull
- Feb. 28 - School Board meeting at 6:30 p.m. in the Public Meeting Room
 - School Board approves budget

GET MORE INFO

Chesterfield County Public Schools provides up-to-date information via

- mychesterfieldschools.com
- facebook.com/chesterfieldschools
- twitter.com/ccpsinfo



Chesterfield County Public Schools
Innovative. Engaging. Relevant.