

EDUCATION

Description

The Henrico County Public School system is responsible for the construction, operation and maintenance of educational facilities and programs in the County. In November, 1995, voters in Henrico County for the first time elected School Board members to four-year terms. Previously, the School Board had been appointed by the County Board of Supervisors. The School Board is charged with providing a total educational environment to prepare the students of today for the world of tomorrow.

The Divisions of Instruction, Administrative Services, Operations, Finance, and School Board and Superintendent have been established to accomplish the educational objectives of the County. A description of each follows:

In FY2009-10, the Division of Instruction will provide instructional programs to 22,254 elementary school students (grades K-5); 11,004 middle school students (grades 6-8) and 15,564 high school students (grades 9-12). This Division includes the departments of Elementary Education, Middle School Education, High School Education, Career and Technical Education, Nontraditional Programs, Exceptional Education, Technology and Information Services, and Staff Development.

The Division of Administrative Services provides support to instructional and non-instructional programs through recruitment, selection, assignment, and evaluation of personnel. Additionally,

this Division provides support to the other Divisions in the School system. This includes educational research, evaluation, student testing and assessment, program audit services, curriculum development, records management, facility monitoring, system-wide planning services, and coordination of programs promoting International Education. Finally, the Division provides support systems for employees in Human Resources and Student Health Services; and analyzes current regulatory/legal and economic development for their affect on schools.

The Division of Operations provides support for building construction and maintenance, warehousing, and pupil transportation.

The Division of Finance includes the areas of School Finance, Budget, Payroll, General Services, and the student breakfast and lunch programs for all schools.

The Division of the School Board and the Superintendent is responsible for compliance requirements of Federal and State laws, regulations, and standards. The Superintendent, appointed by the School Board as the Chief Administrative Officer, is charged with establishing and supervising the policies of the Henrico County Public Schools in accordance with the laws of the Commonwealth of Virginia, the regulations adopted by the State Board of Education, and the directives of the Henrico County School Board.

Annual Fiscal Plan

<u>Description</u>	<u>FY08 Actual</u>	<u>FY09 Original</u>	<u>FY10 Approved</u>	<u>Change 09 to 10</u>
Personnel	\$ 366,875,404	\$ 392,869,654	\$ 397,845,696	1.3%
Operation	56,842,739	64,415,292	66,574,113	3.4%
Capital	16,726,249	16,696,806	13,960,231	(16.4%)
Debt Service	31,650,113	34,820,691	40,054,789	15.0%
Total	<u>\$ 472,094,505</u>	<u>\$ 508,802,443</u>	<u>\$ 518,434,829</u>	<u>1.9%</u>
Personnel Complement	6,421.52	6,558.17 *	6,629.80	71.63
Average Daily Membership	47,958	48,285	48,822	537

* The personnel complement in FY2008-09 reflects the Superintendent's Proposed Budget. The FY2009-10 Budget includes 31 new General Fund and 13 new Special Revenue Fund positions.

Education (cont'd)

Objectives

- To strengthen instruction across the curriculum and improve student performance at all grade levels in reading, writing, math, and analytical skills.
- To expand opportunities for adults.
- To ensure a level of staffing consistent with programmatic and support service needs.
- To meet compliance requirements of Federal and State laws, regulations, and standards.
- To operate and maintain all facilities and equipment in a manner to ensure optimal returns on the public investment.

Budget Highlights

The approved budget includes a total General Fund appropriation of \$424,250,000 for Education in FY2009-10. This amount represents an increase of \$2,953,137, or 0.7 percent over the FY2008-09 Approved Annual Fiscal Plan. Of the \$424,250,000, \$197,224,000 (46.5 percent) will be provided from General Fund revenues and \$227,026,000 (53.5 percent) comes directly from the State and Federal Governments to support Education. Projected State revenues of \$226,476,000 reflect a reduction of \$12.5 million from the FY2008-09 budget, including State Lottery funding which has been eliminated in FY2009-10 and has historically been utilized in the Capital Projects Fund for Education infrastructure.

The local amount above also does not include expenditures for Education debt service, which is funded entirely with local dollars. In the FY2009-10 budget, local Education debt service expenditures will total \$40,054,789, which is an increase of \$5,234,098 or 15.0 percent over the FY2008-09 Approved Annual Fiscal Plan.

Education's FY2009-10 budget for the Special Revenue Fund totals \$54,130,040, which is a 2.7 percent increase over the FY2008-09 Approved Annual Fiscal Plan. In total, with all funds (General Fund, Special Revenue Fund, and Debt Service Fund)

included, the FY2009-10 budget for Education totals 518,434,829, which is an increase of \$9,632,386 or 1.9 percent over the FY2008-09 Approved Annual Fiscal Plan.

A total of \$750,000 will fund ten planning positions for the new Central/West Area High School and West Area Middle School funded through the March 2005 General Obligation Bond referendum.

Staffing to accommodate the 537 additional students as well as balance class sizes through out the system is included at a cost of \$1.1 million. This staffing level will allow Henrico County Schools to have an average class size in our elementary schools at 20.1:1, middle schools at 21.6:1, and high schools at 21.4:1.

In the technology area, Education's FY2009-10 Budget (General and Special Revenue Funds) includes \$12.4 million of funding for technology equipment, which includes funding for the Dell and Apple laptop leases. The laptop initiative began in FY2001-02 when the School system entered into an agreement with Apple Corporation to provide iBook laptop computers to all high school students and 7th and 8th graders. In FY2002-03, the agreement was amended to include 6th grade students. In FY2005-06, Dell began providing laptops to the high school students while Apple continues to provide laptops to the middle school students. The cost for the laptop initiative in FY2009-10 is \$7.4 million. An additional \$3.3 million is allocated for computer replacement at elementary schools. Also, \$146,000 of General Funds and \$317,000 of grant funding is allocated for the purchase of computer equipment and printers for various schools. The FY2009-10 budget also includes \$1.7 million for the cost of high speed internet access as well as operating and maintenance costs associated with the local and wide area networks.

The increase in full-time equivalent (FTE) positions from the FY2008-09 Approved Annual Fiscal Plan to the FY2009-10 budget is 71.63. Of these, 50.38 are within the School's General Fund and 21.25 are within the Special Revenue Fund. The additional positions include: 43.55 Instructional positions; 9.84

Education (cont'd)

Instructional Assistants; 5.00 School Administrative positions including Principals, Assistant Principals, Librarians, Psychologists, and Nurses, 5.50 Administrative Clerical, and Other Professional positions; 5.25 Technical positions that include Bus Assistants and Clinic Attendants, and 2.49 Bus Driver positions.

The School Resource Officer (SRO) Program, which is a joint effort with the Division of Police, assigns a Uniformed Police Officer to each middle and high school in the County: one SRO is responsible for gang prevention Countywide, twenty-three SRO's are assigned to specific schools, and one SRO is dedicated to providing relief throughout the system and is not assigned to a specific school. The presence of the SRO provides a safer environment to the students and staff of the schools while also providing a positive role model and adviser to the students.

The passage of the General Obligation (GO) Bond Referendum in November 2000 by County voters resulted in the authorization of \$170.5 million of GO Bond funding for school capital projects in fiscal years 2000-01 through 2006-07. The original proposal included the use of \$9.0 million of interest earnings from prior school Virginia Public School Authority (VPSA) bonds to fund project costs. A revised financing plan included in the FY2001-02 Approved Annual Fiscal Plan, utilized \$12.6 million of VPSA interest earnings.

Approved in the referendum was funding to complete the construction of a new high school, build three new elementary schools, a new middle school, and an alternative middle school. Also funded were renovations at seven elementary schools, one middle school, and two high schools. Five of the elementary school renovations included additions. The referendum projects also included funding for asbestos abatement, tennis court replacements, and ADA enhancements.

GO Bonds have been issued six times since November 2000. The following table provides a summary of each GO Bond issue and the total debt issued for Education projects. The November 2006, FY2006-07, debt issue was the final issue associated with the November 2000 Referendum.

Fiscal Year	Amount	Issue Date
FY2000-01	\$37,110,000	May 2001
FY2001-02	\$8,674,055	February 2002
FY2002-03	\$41,597,975	January 2003
FY2003-04	\$12,549,826	May 2004
FY2005-06	\$39,883,931	August 2005
FY2006-07	\$26,691,167	November 2006
Total	\$166,506,954	

In March 2005, County voters approved a GO Bond Referendum, which resulted in the authorization of \$220.0 million of GO Bond funding for school capital projects in fiscal years 2005-06 through 2011-12. The approved funding in the March 2005 referendum will build a new high school, two new middle schools, and two new elementary schools, as well as provide funding for planning and design of a third new middle school and second new high school. Also funded are additions and renovations at two high schools, the renovation of two middle schools, and the renovation of five elementary schools, two of which will include additions.

Because of the current difficult economic environment, the County has chosen to take the prudent approach and delay the planned FY2009-10 issuance of GO Bonds. The future issuance of GO bonds will be contingent upon the recovery of the economy and the subsequent revenue growth to ensure adequate coverage of the associated debt service costs. It should be noted that the County has \$88.6 million in outstanding GO Bond authorization for Education projects from the GO Bond Referendum approved in March 2005.

The table below depicts the amount of Education funding in the GO Bond issues to date as well as the originally planned remaining GO Bond issues approved on the March 2005 referendum. However, as stated above, the planned GO Bond issue in FY2009-10 has been delayed due to the current economic environment.

Fiscal Year	Amount	Issue Date
FY2005-06	\$22,878,432	August 2005
FY2006-07	\$20,320,013	November 2006
FY2007-08	\$25,115,892	January 2008
FY2008-09	\$59,386,186	November 2008
FY2009-10	\$65,656,903	Projected Fall '10 (delayed)
FY2010-11	\$22,931,208	Projected Spring '11

Education (cont'd)

The FY2009-10 approved capital budget for Education is \$2,500,000, which continues the annual allocation for roof replacements and mechanical improvements. The initiative to provide local funds for these maintenance needs began in FY1998-99. These County cash allocations for infrastructure repairs - specifically roof replacements and HVAC improvements - ensure that School facilities are maintained at the level expected by the citizens.

In July 2008, Schools participated in a VPSA Bond issue that totaled \$45,000,000 in proceeds. These proceeds will be utilized as needed to cover anticipated cost increases in the following March 2005 GO Bond Referendum projects: Central/West Area High School #1, inclusive of Leadership in Energy and Environmental Design (LEED) certification and design of a Technical Center, the

West Area Middle School, inclusive of LEED certification, Mehfoud and Varina Elementary School classroom additions, and construction of a new West Area Elementary School.

It must be noted that in the FY2006-07 Approved Annual Fiscal Plan the Board of Supervisors designated \$6,700,000 in a reserve to cover cost increases for projects included in the March 2005 Referendum. In the FY2007-08 Capital Budget, an additional \$3,350,000 was included for the same purpose, and the FY2008-09 budget included \$5,000,000 in State revenues designated in a reserve to cover these cost increases. Including the VPSA proceeds noted above, a total of \$60,050,000 has been identified since FY2006-07 for the purpose of continuing capital projects approved by the citizens on the March 2005 GO Bond Referendum.