

# Propaganda for Budget and Campaigning Rhetoric posted – March 7, 2016

To quote the 2015 School Board Budget –

“Total state funding for FY15 is down – by \$1,819,158 – based primarily on a reduction in budgeted ADM from 20,150 to 20,000 and a decrease in the per pupil amount for Special Education from \$726 to \$543.”

Fewer students (ADM) = fewer dollars.

• 2017 Budget Highlights Presentation



**Snapshot of funding decline and how it impacts our staff, students and community.**

With nearly **62 percent** of its funding coming from the Commonwealth, Hampton City Schools is heavily reliant upon state funding. As a result, our schools are dramatically impacted during periods of state funding decline.

**Since 2009, HCS has lost nearly \$24 Million in state funding**, from \$144 million to \$120 million in FY16.

- In FY09, per pupil funding from the state was \$6,701. By FY15, it was \$4,426 or 34 percent less.
- The ten-year trend of spending on education is not keeping up with inflation.

Hampton City Schools Website

**Scary!**

Another year of the cast of characters at 1 Franklin Street referencing a decrease in funding that was partly (\$12 million) due to the one-time ARRA grant. This is just the leadership team spinning facts to divert the focus off the ineffective management from the board and 1 Franklin Street. Poor management, not state funding, is what negatively impacts our children’s education resulting in two schools being denied accreditation this year.

Subrecipient Award Notification, Federal Funds  
CFDA No: 84.394A

Referenced in Supts. Memo No. 184 July 10, 2009  
Supts. Memo No. 337 Dec 18, 2009  
Supts. Memo No. 314-10 Dec 17, 2010

2009-2010 State Fiscal Stabilization Fund - Education Fund  
Legislative Data: Authority PL 111-5 American Recovery and Reinvestment Act of 2009 (ARRA)  
Federal Award Number: S394A090047  
Award Beginning Date: February 17, 2009  
Award Expiration Date: September 30, 2011  
Reimbursement Request Deadline: November 15, 2011  
DOE Program Managers: Glenn Millican, 804-225-4906 and Karen Lux, 804-371-6877  
OMEGA Assistance: 804-371-0993

Payee Code	School Divisions with Accepted Applications at VDOE	ARRA St. Fiscal Stabilization Fund - Education St. Grants Phase 1 - Initial Allocation Project Code: 625320000	ARRA St. Fiscal Stabilization Fund - Education St. Grants Phase 1 - Basic Aid Replacement FY 2010 Project Code: 62532AA00	ARRA St. Fiscal Stabilization Fund - Education St. Grants Phase 1 - Basic Aid Replacement FY 2011 Project Code: 62532BB00
112	Hampton City Public Schools	\$ 8,136,617.40	\$ 4,941,915.15	\$ 2,710,343.00
113	Harrisonburg City Public Schools	\$ 1,384,142.25	\$ 779,787.86	\$ 461,912.00
114	Hopewell City Public Schools	\$ 1,643,173.69	\$ 996,527.92	\$ 571,388.00
115	Lynchburg City Public Schools	\$ 2,892,747.72	\$ 1,644,400.79	\$ 899,601.00
116	Martinsville City Public Schools	\$ 1,074,488.48	\$ 535,079.86	\$ 297,240.00
117	Newport News City Public Schools	\$ 11,138,099.66	\$ 6,563,611.53	\$ 3,621,217.00
118	Norfolk City Public Schools	\$ 12,125,091.42	\$ 7,076,012.70	\$ 3,860,040.00

VDOE

Year	Students	Percentage Changed	Total Operations	Percentage Changed	Per Student	Percentage Changed
2008	21,394.53		\$222,249,530		\$10,388	
2009	20,955.27	2.053% ↓	\$227,844,960	2.518% ↑	\$10,873	4.669% ↑
2010	20,786.69	0.804% ↓	\$231,592,355	1.645% ↑	\$11,141	2.465% ↑
2011	20,709.34	0.372% ↓	\$206,937,712	10.646% ↓	\$9,992	10.313% ↓
2012	21,405.56	3.362% ↑	\$215,576,982	4.175% ↑	\$10,071	0.791% ↑
2013	21,191.43	1.000% ↓	\$213,211,150	1.097% ↓	\$10,061	0.099% ↓
2014	20,986.00	0.969% ↓	\$218,790,339	2.617% ↑	\$10,426	3.628% ↑
2015	20,639.31	1.652% ↓	\$221,452,930	1.217% ↑	\$10,730	2.916% ↑
2016	Not Available					

**Data extracted from Hampton's ASFIN reports. Data used by the Virginia Department of Education Superintendent Report Table 15.**

As budget talks begin, let's look back at previous budgets to get an idea of what board members will claim as reduced funding.

## FY 2009

"A significant challenge faced by the division in developing this budget was due to an error in calculating our Local Composite Index (LCI). The LCI is based on the true value of property in the city of Hampton as reported by the Assessor's Office. Due to an error, the incorrect data was submitted to the state and our LCI was wrongly revised to .2165 from the 2007-2008 level of .2410. This resulted in additional state funding of over \$3 million. Our original proposed budget was developed using the funding as presented in the Governor's Introduced Budget.

When the error was discovered by the state in late February, and our LCI was revised to .2358, our initial budget proposal was complete and ready to be presented to the School Board. It was initially anticipated that either the State or the City would hold the school division harmless; however it quickly became clear that the State would not be able to make up the lost funding and was looking to the City to make us whole. When our School Board Recommended Budget was forwarded to City Council in April, it included a request for an additional \$2.4 million over and above the approved funding formula. The entire request was denied by City Council on May 14, 2008; however, local contribution was not reduced by nearly \$1 million based on the two-cent real estate tax rate reduction approved by City Council. This resulted in the school division having to go back and make some hard choices on where to reduce the budget to adjust for the \$2.4 million shortfall. Below is a summary of the adjustments that were ultimately approved."

### 2008-2009 Hampton City School Board Budget

FY09 began with a \$3,000,000 error.

## FY 2010

"Funds provided by the American Recovery and Reinvestment Act of 2009, specifically the State Fiscal Stabilization Funds, were allocated by the General Assembly in the amount of \$8,136,617 and are incorporated as part of our overall operating budget, thus helping to offset the significant state revenue reductions. The total operating budget for Hampton City Schools is \$208,713,038, a reduction of \$7,167,204, or 3.32% less than FY09."

### 2009-2010 Hampton City School Board Budget

The school year started with the award of a grant of more than \$8 million. Though the Hampton School Board approved a total operating budget of \$208,713,038, the Virginia Department of Education reports total operating expenditures for FY10 as \$231,592,355. Though fewer students (168.58) in FY10, more per student expenditures.

## **FY 2011**

“Funds provided by the American Recovery and Reinvestment Act of 2009, specifically the State Fiscal Stabilization Funds, were allocated by the General Assembly in the amount of \$2,785,985 as part of the total Basic Aid allocation and are incorporated as part of our overall operating budget. The total operating budget for Hampton City Schools is \$184,485,176, a reduction of \$24,227,862, or 11.61% less than FY10.”

### **2010-2011 Hampton City School Board Budget**

## **FY 2012**

“We are pleased to present to you the School Board’s Adopted Budget for 2011-2012. This budget was approved by the School Board at its meeting on March 30, 2011, and by City Council on May 11, 2011. The total approved budget is \$184,891,473, which represents an increase of \$206,297 or .11%, over 2010-2011.”

### **2011-2012 Hampton City School Board Budget**

FY12 saw an increase over the previous year’s budget. Increase in the number of students. Increase total operating expenditures. Increase in the per student expenditures.

## **FY 2013**

“We are pleased to present to you the School Board’s Adopted Budget for 2012-2013. This budget was approved by the School Board at its meeting on March 28, 2012, and by City Council on May 16, 2012. The total approved budget is \$191,909,156, which represents an increase of \$7,017,683 or 3.8%, over 2011-2012.”

### **2012-2013 Hampton City School Board Budget**

With a reported 214.13 fewer students in FY2013 and more than \$2 million less in expenditures, per student expenditures only dropped \$10.

## **FY 2014**

“We are pleased to present to you the School Board’s Adopted Budget for 2013 - 2014. This budget was approved by the School Board at its meeting on March 27, 2013, and by City Council on May 08, 2013. A presentation of the final approved budget was given to the School Board on May 15, 2013. The total approved budget is \$196,998,077, which represents an increase of \$5,088,921 or 2.65%, over 2012-2013.”

### **2013-2014 Hampton City School Board Budget**

Although student count is down, overall expenditures are up. A per student expenditures increase of \$365 was reported.

# FY 2015

"We are pleased to present to you the School Board's Adopted Budget for 2014- 2015. This budget was approved by the School Board at its meeting on April 2, 2014, and by City Council on May 14, 2014. A final revised budget was approved by the School Board on June 18, 2014. The total approved budget is \$196,018,093, which represents a decrease of \$979,984 or .50%, over 2013-2014."

## **2014-2015 Hampton City School Board Budget**

There may have been a decrease in spending represented in the budget, but actual expenditures reported to the Virginia Department of Education represents an increase. According to Hampton City Schools' ASFIN report, Hampton spent \$230,927,224.72 in FY15. This is \$739,904.75 more than in FY14.

# FY 2016

"We are pleased to present the School Board's Adopted Budget for 2015-2016. This budget was approved by the School Board on March 25, 2015 and by City Council on May 13, 2015. The total approved budget is \$195,249,254 representing a decrease of \$768,839 or .39% over 2014-2015."

## **2015-2016 Hampton City School Board Budget**

Hampton is once again reporting fewer dollars to play with. Is 1 Franklin serious? No official reporting is available to make a determination...or is there.

According to the "monthly" financial statement from the finance department to the board, Hampton City Schools has spent \$2,918,463 more this year than the same time last year. This, according to reports to the board –

"Is on target for this point in the year based on a budgeted ADM of 19,700 pupils."

**January 31, 2016**

## **Statement of Revenues, Expenditures and Encumbrances**

Since 2008, we have approximately 755 fewer students than in 2015 with an additional 850 expected to be lost this school year (FY16). You would expect overall funding to be down. Fewer students mean fewer dollars. Yet, per student expenditures are **UP**.

So to reiterate – **FEWER STUDENTS MEAN FEWER DOLLARS.**