A Snapshot of Funding Decline and Implications for HamptonCity Schools *January2012*

HA MPTON CITY SCHOOLS, ONE FR A NKLIN STR EET, HAMPTON, VIR GINIA, 23 669 7 5 7 - 72 7- 2000

Dramatic reductions since FY09

- Total HCS budget decline since 2009 - **$31M**
- State revenue reductions since 2009 - **$28M**
- Local revenue decline since 2009 - **$3M**
- Personnel reductions between fiscal years 2009 and 2012 – **445 full time equivalent positions or 14.2% of workforce**
- Drastic responses (in additional to reduction in force) in wake of dramatic revenue reductions thus far - **school closures, salary reduction, employee and spousal benefits reductions, health insurance cost increases, and requirement of plan 2 employees to pay employee share of VRS**

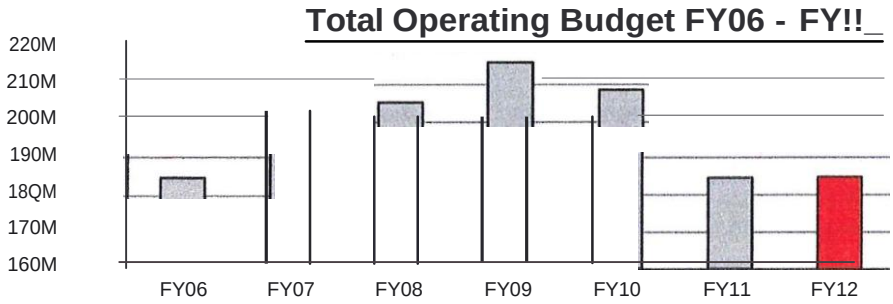
Financial Forecast

- $5.45M increase in state revenue for HCS - **$3.3M committed to offset increase in VRS rate and group life for SOQ positions**
- Additional unfunded VRS increase and group life for other unfunded positions - **$3.5M**
- Change in Local Composite Index - **$2.BM reduction in state revenue**
- September 2012 Ed Jobs Fund end - **$5.3M "funding cliff" for HCS**
- Continuing downward trend in local tax revenues – possible **$3.3M reduction to HCS**
- Limited options for additional reductions - **Portion of total budget in "people and benefits" - 85%**

Historical Trend Overview of HCS Budget Decline

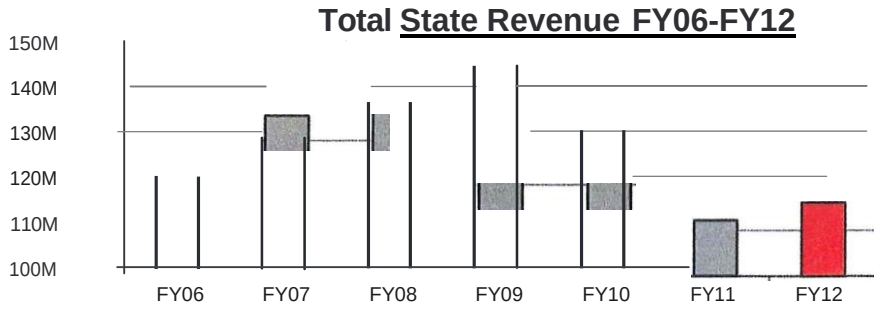
Total Budget

In 2009 the total budget for Hampton City Schools was $21SM. For fiscal year 2012 our budget totaled $184M dollars, representing a $31M decline in three short years. FY12 funding is slightly less than FY06.



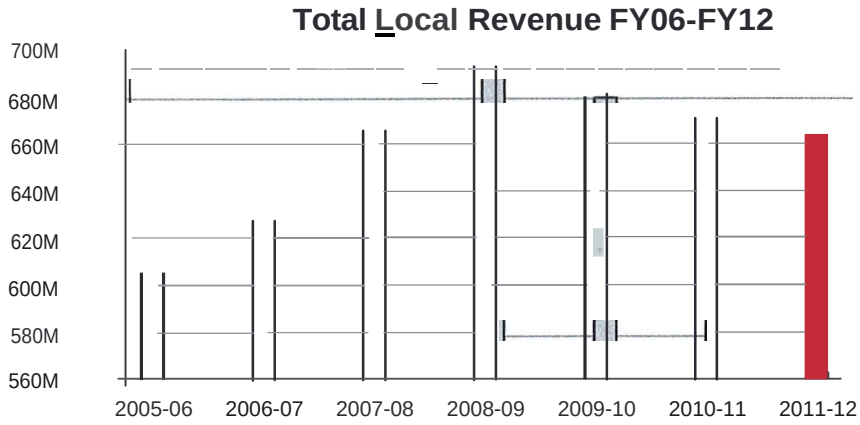
State Revenue

State revenue declined from $144M in 2009 to $116M in 2011-2012, a $28M reduction. State revenue to HCS for FY11 was significantly less than FY 2006 and, while trending upward slightly, FY 12 funding remains well beneath FY06.



Local Support

Local revenue to HCS declined $3M from FY09 to FYI2 due to the decline of residential property values and resulting loss in local revenue as applied to the local funding formula. The downward trend in local revenue to HCS does not nearly reflect that of state revenue since FY06.



Loss of Personnel

Since 2009 the reduction of 445 full time equivalent positions (or 14.2% of our workforce) has placed a strain upon our division. Loss of revenue and the 201O implementation of the "support cap" resulted in the loss of valuable support personnel and an increased load for remaining staff and, in particular, classroom teachers.

	FY09	FY10	FY11	FY12	Total	% of FV09
Clerical	146	(13.5)	(29.7)	19.5	(33.7)	-23.1%
Operational Admin	45	(3.0)	(3.7)	(1.0)	(7.7)	-17.1%
Operational Support	626	(17.5)	(76.5)	(49.5)	(143.5)	-22.9%
Instructional Support	556	(11.5)	(89.5)	(53.5)	(154.5)	-27.8%
School Admin	181	(7.0)	(15.0)	(2.0)	(24.0)	-13.3%
Principals	38	(2.0)	(4.0)	(2.0)	(8.0)	-21.1%
Teachers*	1543	(59.0)	(23.5)	8.5	(74.0)	-4.8%
*Primarily due to declining enrollment	*3135*	*(113.5)'*	*(241.9)*	*(90.0)*	*(445.4)*	*-14.2%*

Sustainability

While funding has decreased dramatically, expectations remain high for our school division ...and our people continue to produce, most notably a nearly **6% increase in our division-wide graduation rate last year.** HCS employees have accepted the challenges of the economic downturn and committed themselves to doing what is necessary to provide academic excellence for every child every day whatever it takes (in spite of diminished fiscal and human resources). How much longer might we expect to achieve our community's priority of "attracting, developing and retaining exceptional staff" under these conditions?

Our Region

HCS is not in this alone. School divisions across our region face similar challenges. We are all inthis together and we look to our State Leaders to collaborate with us to address this crisis.

		# Positions	Per Pupil	Per Pupil	% Drop	Total State	Total State	!I. Drop	Basic	Basic	K Drop
	2012 2012	Ellmlna1ed	CoSI OI09	cost 1011	In	Fundln 1	Fundln1	In	Aid	Aid	In
Ro 1lon ll School Divisions	Enrollment	(Pa113 yr,)	(T.t)le1S)	(EsUmmd)	Per Pupil	2008-2009	2011-2012	Total	2008-2009	2011-2012	Basic Aid
Chosopc oko Publk Schools	38,420	251	11,037	10,749	-2.61%	237,699,759	196,273,351	-17.43%	131,284,977	103,048,553	-21.51%
Newport News Public Schools	28,087.	337	11,032	10,549	-4.38%	194,780,910	160,789,416	-17.45''	104,833,355	79,032,361	-24.61''
Portsmouth PubUt Schools	14,321	375	14,422	14,216	-1.43%	105,481,144	87,901,802	-16.67%	57,593,626	43,645,983	-24.22%
hie of Wllht County Public Schools	5,345	74	10,695	9,827	-0.12%	30,518,017	25,637,952	-15.99%	17,150,454	13,910,583	-18.89%
Poquoson Public Schools	1,165	35	9,198	8,767	4.69%	13,362,123	10,123,935	-24.23%	8,334,726	5,813,644	30.25''
Yorlc County Publlc Schools	11,410	62	9,706	9,458	-2.56%	65,976,672	55,835,121	-15.37''	42,432,710	32,979,623	-22.28''
Hamplon City Public Schools	20,658	445	10,873	10,001	-8.02%	144,193,899	116,312,018	-19.34''	77,382,038	60,399,998	-21.95!1
Northamplon Public Schools	1,659	10	11,868	11,515	-2.97''	9,460,852	8,659,114	8.47%	4,272,516	4,178,363	-2.20''
VlrclnI • D H-Ich Public School•	69,703	454	11,020	10,470	-4.99%	385,853,866	315,496,556	-18.23%	217,568,508	165,360,768	-24.00%
Sub Tot•I •• of December 21,2011	192,863	2,043	99,851	95,552	-4.31''	1,187,327,242	977,029,265	-17.71%	660,852,910	508,369,876	-23.07''

In compliance with Federal and State Laws and Regulations, Hampton City Schools does not discriminate on the basis of race, color, religion, sex, national origin, age, marital status, or the presence of non-job related medical conditions or handicaps in the educational programs and activities it operates in its admission policies and its employment practices.

HAMPTON City Schools
Every Child, Every Day, Whatever it Takes!
www.c;.hn h;imntnn It11 \l:a 11c