

Children First!



2010-2011 BUDGET

SALEM CITY SCHOOLS

Salem, Virginia

2010-2011 SCHOOL BUDGET

Approved by the School Board on March 23, 2010

OUR MISSION STATEMENT

The mission of Salem City Schools is to provide a nurturing environment that enables and encourages ALL STUDENTS to acquire the knowledge, skills and values necessary to become successful, responsible contributors to society.

Salem City Schools does not unlawfully discriminate on the basis of race, color, national origin, disability, gender, or age in employment or in its educational programs and activities.

SALEM CITY SCHOOLS

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SALEM CITY SCHOOLS

2010-2011 School Budget

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Salem City Schools Superintendent's Budget Message

At the March 9, 2010 School Board meeting, the administration presented an initial proposed budget of \$42,188,790 (\$40,554,290 for the School Fund and \$1,634,500 for the Cafeteria Fund) for FY 11. Two major outstanding issues remained at that time—the Senate and House had differing budget bills that had not been reconciled and secondly, the City of Salem was not at a point in their budget process where local funding could be confirmed.

On March 23, 2010 an updated budget of \$42,035,598 (\$40,401,098 School Fund and \$1,634,500 Cafeteria Fund) was presented and adopted and by that meeting estimates from the Conference Committee in the General Assembly were available. In April 2010 proposed pay scales were presented and approved by the School Board and local revenue was confirmed to be level funded in FY 11 as assumed in the adopted budget.

We are pleased to present a budget for FY 2011 which represents the second year of the so called Great Recession, our most fiscally challenging time in school division history. Last year (FY 10) \$1.4 million in last minute federal stimulus funds averted what would have been a \$1.8 million deficit in the School Fund.

The FY 2011 budget includes both decreased State revenue and decreased federal stimulus funds since FY 2011 is the last year for all federal stimulus funds appropriated to date by Congress. Local funding will remain level funded at FY 2010 levels for operations and an increase in debt service paid for by the City due to the loss of lottery funds designated for debt service.

Enrollment in the current year has remained stable and consistent with the prior year. Fall membership as of September 30, 2009 was 3,915, and final Average Daily Membership (ADM) for the year is expected to be close to last year's 3,900---the budget for this year and for FY 2011 is based on a conservative 3,830 to allow for any unexpected decreases. The latest enrollment estimates predict the slight decline in membership over the next 3-5 years with a possible uptick in 3 years. As of April 2010, kindergarten enrollment was down about 30 students from FY 10 at the same point in time.

Salem's composite index was recalculated by the State and will change only minimally in the new biennium—it will go from .3518 currently to .3516 for the FY 11/12 biennium.

The total budget presented and approved by the Board is \$42,035,598 which consists of \$ 40,401,098 for the School Fund and \$1,634,500 for the Cafeteria Fund. This budget overall is \$2,244,356 or 5.1 % lower than the original adopted budget of \$44,279,954 for the current year.

The budget decrease will be accomplished through personnel cuts through attrition (7 teaching positions, 1 administrative position, and 1 clerical position and possibly other instructional positions as spring hiring decisions are finalized), utility expense budget reductions, notably lower VRS pension contributions, instructional supply budget cuts, reduction in ARRA federal stimulus account budgets due to lesser funds in FY 2011, and other individual line item reductions throughout.

General Assembly Action

The General Assembly as of March 9 had 2 budget bills outstanding that had to be reconciled before adjournment on March 13. Based on Salem's calculations of the individual bills, the Senate version would reduce State revenue (including ARRA State stimulus) by \$2.7 million offset by pension savings of \$960,000 for a net reduction of \$1.7 million. The House would reduce State revenue (including ARRA State stimulus) by \$3.3 million offset by \$1 million in pension savings for a net reduction of \$2.3 million.

Differences in Senate and House Budget Bills

Going into the conference committee, the Senate and House budgets had the following notable characteristics and differences as noted:

- Both make routine rebenchmarking updates based on statewide salary costs, inflation, enrollment forecasts, test updates, and caseloads for categorical programs—this occurs in the first year of every biennium.
- The Senate eliminates the triennial census requirement—the House has not taken any action
- The Senate retained VPSA technology funding in FY 11 and 12—the House funds this only in FY 12

- Both reduce VRS pension contribution rates dramatically to balance the State’s budget (Senate from 14.85% to 10.85% in FY 11 and 10.43% in FY 12--House from 14.85% to 9.24% in FY 11 and 12), but the House has a unique mechanism to pay higher revenue to the school division upfront in FY 11 and then afterwards require
- “the local governing body” to repay part of the higher revenue payment in the form of a “required local effort credit” payment (\$648,307)
- The Senate has a group life insurance “holiday” (no premium required) for 2 years and the House maintains required payments at an increased rate of 1.02% of salary
- The Senate reduces unallocated lottery funding (“Additional Support for School Construction and Operating Costs”) from \$225,000 to \$50,000 while the House eliminates the unallocated lottery line items completely and proposes a new block grant in its place that can be used only for Va. Preschool Initiative, At Risk, or Early Reading Intervention
- The Senate and House both address certain SOQ requirements for cost saving purposes with the House’s changes viewed as permanent changes
 - House removed inflation assumptions in the calculation of Basic Aid (same as Kaine)—the Senate restored inflation assumptions
 - Both houses excluded certain support costs for things like other benefits, capital outlay, leases and rentals, travel—by removing the costs from SOQ funding calculations, the cost to the State was thereby reduced.
 - The House eliminates the requirement for a secondary planning period
 - The House changed the bus replacement cycle assumption from 12 years to 15 years.
 - The Senate relaxes SOQ funding standards by allowing 1 higher in the case of class ratios or one lower in the case of FTE’s per 1,000 students. The House allows divisions to “increase their teacher to pupil staffing ratios in kindergarten through grade seven and English classes for grades six through twelve by one additional student....teacher to pupil staffing ratios for Elementary Resource teachers, Prevention, Intervention, and Remediation, English as a Second Language, Gifted and Talented, Career and Technical funded programs are waived, and instructional and support technology position, librarian, and guidance counselor staffing ratios for new hires are waived.
- The Senate eliminated textbook funding in FY 12 only.
- The House eliminates Project Graduation funding-no action by Senate

- The Senate and House used the same sales tax assumptions which assume a 2.7% increase in FY 2011—the State’s assumptions have tended to more reliable when the economy is growing and less reliable when the economy is falling. The proposed budget uses the latest FY 10 estimate, which appears to be in line with collections so far this year.

Final General Assembly Budget Bill Provisions

At adjournment, the final adopted budget bill contained these general provisions:

- Basic Aid reduced noticeably
- K-3 Primary Class Size program eligibility changed, which reduced revenue for Salem
- Routine rebenchmarking updates
- Triennial census eliminated
- VPSA Technology funding of \$206,000 per year continued
- Drastically lower VRS employer contribution rates (9.53% for the professional group (teachers) vs. 14.85% in FY10) and changes to future retirement benefit calculations and contribution requirements for employees hired after July 1, 2010
- Reduced VRS employer health credit payment reflected in pension contribution rate above
- Lower VRS employer contribution rates for group life insurance (.28% instead of .79%)
- Lottery funding for general use and debt service was completely eliminated, a decrease of \$225,000
- Elimination of the revenue line item for Enrollment Loss, which subsidizes divisions in years when enrollment declines
- Various funding assumptions were changed such as assuming the useful life of buses is 15 years instead of 10 years, thus reducing the State’s share of funding as part of the Basic Aid per pupil amount
- Textbook funding was reduced but the definition of textbooks was expanded to include electronic materials

- SOQ staffing ratios were reduced by one student to give “temporary flexibility” and also waived for certain positions
- Project Graduation funding for on-line tutorials was eliminated

Federal Revenue

The overall category of federal revenue will decrease by \$558,355 or 20% due to a lesser amount of federal stimulus funding in FY 11. Routine federal grants such as Title I and Flow Through for special education are budgeted to continue at levels consistent with the current year-actual grant awards occur in late summer or early fall.

Listed below is a complete summary of the status of federal stimulus funds.

State Fiscal Stabilization Funding (SFSF)

- Salem received \$1.4 million in federal stimulus funds in FY 10. Those funds are being used for 13 existing positions and classroom supplies, small equipment, and technology. The proposed state budget is also amending **FY 10** by replacing Basic Aid with \$778,000 in ARRA funding that was to be received in FY 11, thus reducing FY 11 ARRA funds. For FY 11, there is \$447,393 in SFSF ARRA funding budgeted under federal grants which will be used for the salaries and fringes of 6 teaching positions.

Title I Stimulus Funding

- Title I Stimulus Funding of \$239,000 with a deadline to spend 85% by 9/30/2010 has been used for 2 one year teacher positions and supplies and tuition and should be almost fully expended by the end of FY 10. Therefore, there is no budget in FY 11.

Flow through Stimulus Funding

- This special education funding of \$786,300 has a longer deadline and is being spent one half in FY 10 and one half in FY 11 on one year contract instructional positions to enhance services and also for an autism service contract and other supplies/equipment. There is a budget for the second half of the funding in FY 11.

Ed Tech Stimulus Grant

- This small grant of \$11,000 approximately is being spent on technology training and will be budgeted in FY 11 after it is confirmed that year 2 of funds will be received.

Accounting for the federal funds including reimbursement requests, additional attention to purchases for eligibility, and mandatory quarterly jobs reporting continues to be another layer of effort but should be complete by December 31, 2011.

Local Revenue-Level Funding Next Year

The City faces its own challenges with flat real estate assessments and flat or declining taxes in other categories.

In addition to an operating subsidy of \$18.4 million, the City pays about \$2.0 million in school debt service except that the school division agreed years ago to use ½ of lottery revenue (unallocated lottery revenue line item) for debt service.

The State eliminated the \$113,000 in lottery funds the school division allocated to debt service in FY 10, thus resulting in an increase in debt paid by the City for the School Board in FY 11.

Notable Items Recommended for Funding

- Additional funding for possible 11% health insurance increase including \$130,000 for deposit to the VML trust fund established to address the GASB 45 Postemployment Benefits liability (\$150,000)

- Continued funding for Distinguished Scholars program (\$ 24,500)
- Continued funding for Textbooks (\$174,000)
- Funding for VPSA technology computer purchases (\$247,200 including local match)
- Full funding for continuation of the REWIP (Retirement Extended Work Incentive Program) for retirees. (approximately 54 participants in FY 2011 budgeted at \$476,198 incl. FICA)

Budget Cuts

The following cuts are included in the proposed budget as presented to the Board:

- 7 teaching positions eliminated to date through attrition (approx. \$ 536,000 in savings)
- 2 positions were eliminated in the Central office (1 administrative and 1 clerical) for savings of \$107,000
- All salaries have been adjusted to current salaries, realizing estimated savings of about \$440,000 because of positions eliminated last year and any other employee changes from turnover since the budget was adopted last year
- VRS locally funded Pension and Health insurance credit budgets were adjusted to final lower VRS rates, which cut expenditures by around \$1.2 million
- ARRA non personnel line items for supplies, equipment and technology of \$435,000 were zeroed out and \$500,000 in ARRA SFSF-funded salaries and fringes were moved to local accounts because SFSF federal stimulus funds decrease in FY 11.
- Cut in electricity, natural gas, water and sewer, and communications accounts based on most recent trends while still allowing for the possibility of modest increases in rates (\$143,000)
- Reduced textbook budget from \$313,738 to \$174,000 (\$144,738)
- Maintenance accounts were adjusted up or down based on trend in a minimal amount overall

Other Budget Characteristics

- No school buses are funded in the operating budget. They will have to be funded through capital reserve.
- Minimal capital outlay is funded
- Cafeteria Fund-NO CHANGES RECOMMENDED IN LUNCH PRICES IN FY 2011

Other Revenue

Non-Resident Tuition to increase from \$300 to \$500 (67 % increase) except for employees with children whose cost would remain at \$150 per student- \$58,000 revenue impact

Other local revenue as a category was adjusted upward by \$218,000. Most of the increase is due to increased reimbursement for the regional special education program (increased revenue due to increased expenditures) of \$160,000 and the remainder of about \$58,000 from an increase in non-resident tuition. Seventy eight of 362 non-resident students in October 2009 were employees' children.

Transfer to Capital Projects Fund-Zero Budget

There is no beginning budget in the Transfer to Capital Projects budget in the future since the State previously eliminated State construction grant funding in FY 10 that is usually budgeted here in the original budget. That line item will be adjusted after the school year begins as funds are appropriated from capital reserve for classroom renovations or major equipment purchases.

Operating Expenditures

This budget is designed to maintain the current instructional and remediation program at current levels but with reduced resources for supplies and fewer instructional positions.

SALARY AND FRINGES-All salary accounts and fringe benefit accounts have been adjusted to today's actual salaries and will remain at those levels since no salary raise was budgeted in FY 11.

Health insurance costs, which will cost the division a total of \$ 3.6 million next year, have been budgeted in anticipation of a possible 11% increase (all costs have been spread to individual line items) effective October 1 based on market trends. The final cost cannot be known each year for the annual contract renewal on October 1 until rate negotiation takes place later in the spring. Market trends point to a 10-12% increase just on medical inflation alone. Salem's claims experience will impact the rate as well. The amount of \$130,000 has been budgeted throughout in health insurance in anticipation of making the annual payment to the VML trust funds for the GASB 45 postemployment benefits liability.

Technology funding is included at the minimum amount necessary to receive the \$206,000 in VPSA state revenue (local match of \$41,200 required.). That funding is in question because only one body has it in the budget bill. Depending upon the availability of Capital Reserve funds after closing out the year on June 30, the Board may be asked to supplement these funds in the fall.

VRS pension contribution rates—the adopted budget uses VRS rates from the final adopted budget bill--9.53% for the “professional group” (teachers), down from 14.85%.

The VRS pension contribution rate for the “non-professional” group, which is based on an actuarial report, will increase from 11.75% in FY 10 to 12.19 % in FY 11.

VRS group life insurance, currently .79%, will be .28% in FY 11 pending final deliberations by VRS in interpreting the budget bill and other VRS-related bills.

Instructional supply budgets, which were kept level in FY 10 by using ARRA Funds, will decrease by \$85,000 as part of the elimination of \$435,179 in ARRA funding line items.

Utility budgets for natural gas, electricity, water and sewer and telecommunications were scrutinized, particularly in light of substantial reductions in the cost of natural gas, and reduced downward to reflect budget savings.

Other operating accounts such as maintenance are adjusted based on trend.

Cafeteria Fund-No meal price changes in FY 11

The Cafeteria budget, also a balanced budget of \$1.63 million, is always a challenge to maintain as a break-even operation.

In the current year, the trends have been the same number of meals division wide served on a daily basis, but fewer full paid meals and instead more free lunches due to a 3% increase in free and reduced eligibility to around 28% divisions wide. Breakfast sales continue to be strong.

There were lunch price increases in both FY 09 and FY 10 which along with moderating food costs and frozen salary costs will mean **we are recommending no increase in breakfast, lunch, or milk prices next year**. The food consortium appears to be having a positive impact on prices and may help to at least hold down future increases to less than they would be otherwise.

We will still need to monitor costs, both personnel and food including commodity availability since commodities account for about \$100,000 in food which would otherwise have to be purchased.

Cafeteria revenue accounts and expenditure budgets were adjusted based on the most recent trends. Personnel costs and even food costs can vary from school to school based on the experience level of employees and whether they participate in health insurance programs and differences in manager's styles of food preparation. Some school cafeterias will produce a "profit" to offset those which run at a "loss".

A la carte items are adjusted as needed at the beginning of the school year.

Supplemental Information

Notable State Revenue **Increases** from original adopted budget of FY 2010:

- Special Education SOQ \$141,883

Notable State Revenue **Decreases** from original adopted budget of FY 2010:

- Sales Tax Estimate \$ (63,145)
- Basic Aid \$ (1,299,299)*
- VRS Pension Reimbursement \$ (411,999)
- Lottery Funds for Support of Construction
Operating Costs \$ (225,594)
- Textbook Payments \$ (163,762)
- K-3 Primary Class Size \$ (119,284)

*Basic Aid from State will be supplemented by federal ARRA SFSF funds of \$447,493

State Lottery Funds Update

The General Assembly has provided lottery funding for Salem City Schools for a number of years—in recent years, the State has reallocated them to replace funding in other line items that used to be funded by General Funds, thereby reducing the lottery funds shown below which could be used ½ for general operations and ½ for debt service or construction.

For FY 2011, all lottery funds previously used for these purposes were eliminated by the State reallocating them to fund other sources of revenue previously paid for with categorical or incentive funds.

FY 1999	\$ 488,384
FY 2000	\$ 496,325

FY 2001	\$ 480,386	
FY 2002	\$ 513,605	
FY 2003	\$ 560,876	
FY 2004	\$ 509,502	
FY 2005	\$ 513,839	
FY 2006	\$ 575,474	
FY 2007	\$ 573,225	
FY 2008	\$ 532,980	
FY 2009	\$ 502,124	
FY 2010	\$ 225,594	<i>(represents adopted budget, a 55% decrease)</i>
FY 2011	<i>ELIMINATED COMPLETELY</i>	

Prior years (prior to FY 11) lottery usage requirements

Lottery funds were used one-half for debt service and one-half for operations. No more than 50% may be used for operating costs and at least 50 % must be used for non-recurring costs (construction, technology, modernizing classroom equipment, and debt service on projects in the past 10 years). Required matching funds are provided by existing debt service payments. Lottery funds are computed on a per pupil basis with a composite index match and a requirement to maintain the same level of financial support as in prior years.

State Construction Funds Update

FY 1999	\$ 298,042	School roofing
FY 2000	\$ 297,184	School roofing
FY 2001	\$ 298,784	School roofing
FY 2002	\$ 296,983	Andrew Lewis project A/E
FY 2003	\$150,404	Andrew Lewis project A/E
FY 2004	\$148,827	East Salem roofing
FY 2005	\$149,705	Salem High Work and Family Studies Remodeling
FY 2006	\$149,946	Salem High cafeteria & special education remodeling
FY 2007	\$ 149,647	Salem High Locker Room project
FY 2008	\$ 150,884	Technology and Salem High cameras
FY 2009	\$ 152,530	Technology
FY 2010	\$ 0	FUNDING ELIMINATED
FY 2011	0	NONE

Salem received a cumulative total of \$2.2 million in construction funding since 1999 until it was eliminated in FY 10.

Conclusions for the Current Year and FY 2011

FY 2010 will be remembered as a year of a continuing recession, and a dramatic State budget crisis that will be reflected in lower State revenue and an infusion of federal stimulus funds to allow school divisions to avoid drastic cuts.

For 2011, significant expenditure reductions for VRS employer contributions due to pension contribution rate reductions, attrition of positions, decreased federal stimulus grants, general budget cuts in all areas, stable enrollment, and level local funding all characterize the final adopted balanced budget. The core instructional program remains intact, albeit with fewer teachers, increased class sizes in some areas, phasing out of one time federal stimulus funding, and the necessity to closely monitor expenditures.

Future Trends Beyond FY 2011—Fragile National Economy-Recovery Underway?

Forty-eight of fifty states are reported to be dealing with deficit budgets this year. School divisions in Virginia are subject to falling economic conditions as are all entities and adjustments will be necessary in FY 12 to make sure our budget remains sound.

The State may face another difficult year that hinges on the degree of economic recovery that occurs in the coming months. Many economists predict the economy will recover at a slow pace, meaning that a return to “normal” or the “new normal” could be a multi-year process.

Regardless of what the economy does, we should anticipate a slow return to increases in state and local revenue, major increases in the VRS pension contribution rates at some point in the coming years, continuing health insurance increases including any side effects of healthcare reform, energy cost fluctuations, slightly declining enrollment, cafeteria cost challenges, and the continuing challenge to maintain competitive salaries and seek ways to reward employees in a time of stagnant salaries.

The school division remains committed, as always, even in challenging times such as these, to providing every student with the opportunity for an excellent education by caring teachers and a professional support staff.

H. Alan Seibert
Superintendent

May 2010

Salem City Schools
Goals Discussed During Fiscal Year 2010-2011 Budget Process (November 2009 Board Meeting)

Four First Priority Goals

- Monitor federal and state revenue trends
 - Monitor federal ARRA funding and plan for impact on FY 11 and 12 budgets of ARRA funding termination as soon as effect can be estimated
 - Monitor status of State funding and anticipate level funding at best in FY 11
- Emphasize preservation of jobs while scrutinizing all personnel costs and any vacant positions closely
 - Continue to use grant-funded one year contractual positions judiciously, realizing that they are subject to change on a year to year basis
 - Consider a salary increase, if possible, for employees with emphasis on classified staff if funding permits
- Provide sufficient funding for any increase in VRS pension contributions or life insurance contributions
- Provide funding for possible health insurance increase and funding for annual deposit to VML-VACO trust fund for postemployment health benefits for pre-65 retirees

Maintain and improve the quality of instruction

- Provide sufficient funding to implement the Standards of Quality, Standards of Learning, SOL remediation efforts, Standards of Accreditation, and No Child Left Behind AYP (Adequate Yearly Progress) goals
- Provide funding for necessary teaching positions based on desirable pupil-teacher ratios and based on enrollment and other factors
- Maintain sufficient funding for textbook replacements in accordance with State adoption guidelines
- Consider the impact of federal budget changes related to any reauthorization of the No Child Left Behind grants on programs or personnel

- Continue to provide sufficient funding for special education, risk reduction and English Language Learners , which have seen cost increases in recent years

Emphasize staff development to maintain a trained and motivated work force

- Emphasize funding, if available, for conference and tuition reimbursement to train instructional staff in latest technology and learning strategies and respond to decreasing federal funding

Provide funding for on-going operational and maintenance needs

- Provide sufficient funding for electricity, natural gas, diesel fuel for buses, and water/sewer accounts to address increasing costs
- Adjust funding in maintenance accounts where trends indicate a need
- Continue funding started in FY 2007 to supply custodial products such as tissues and soap and thereby reduce the burden for parents buying school supplies
- Provide for any needed aging equipment replacement
- Purchase two buses annually from either the operating budget or capital reserve

Continue to enhance technology in the schools and administrative area

- Continue implementation of the 6 year technology plan including on-going computer and server replacements

Emphasize cost-saving methods and ideas from schools in preparing the budget

2010-2011 BUDGET

REVENUE

**SALEM CITY SCHOOLS
2010-2011 SCHOOL BUDGET
REVENUE SUMMARY**

Revenue for the 2010-2011 school operating fund is presented in the printouts and summary that follows. The total revenue available for the 2010-2011 school year in the School Operating Fund is \$40,401,098. The total Cafeteria Fund revenue for 2009-2010 is \$1,634,500. The grand total of all revenue available for the 2010-2011 school budget is \$42,035,598. The amounts and sources of revenue are detailed in the charts below.

School Operating Fund			Cafeteria Fund		
<u>Source</u>		<u>Percent</u>	<u>Source</u>		<u>Percent</u>
State	\$13,419,304	33.2%	Sales	\$1,060,000	64.9%
Sales Tax	3,036,855	7.5%	Federal	543,000	33.2%
Federal	2,238,646	5.5%	State	22,800	1.4%
Local	20,568,196	50.9%	Rebates and Interest and Miscellaneous	<u>8,700</u>	<u>0.5%</u>
Other	<u>1,138,097</u>	<u>2.9%</u>			
Total	\$40,401,098	100.0%	Total	\$1,634,500	100.0%

Total School Operating Fund Revenue	\$40,401,098
Total Cafeteria Fund Revenue	<u>1,634,500</u>
Grand Total – All Revenue	\$42,035,598

**SALEM CITY SCHOOLS
SCHOOL OPERATING FUND
STATE REVENUE**

I. Standards of Quality (SOQ) Programs

BASIC AID

3,830 (Est. 3/31 ADM) x \$4,839 Per Pupil Amt.		\$ 18,533,370
Less: 1% Sales Tax (State's estimate)		<u>(3,120,449)</u>
Basic Aid Less Sales Tax		15,412,921
Composite Index-- State Share (1-.3516 LCI)	x	<u>.6484</u>
Subtotal-Computed Basic Aid		\$ 9,993,738
Less: ARRA SFSF funds used by State to fund part of Basic Aid		<u>(447,493)</u>
Total State Basic Aid Revenue for Salem for FY 11		\$ 9,546,345

Note: The Local Composite Index for FY 11 and FY 12 is .3516. LCI's in most recent years were .3518 (FY 09 and 10), .3768 (FY 07 and 08) and .3905 (FY 05 and 06) and .4166 (FY 03 and 04).

<u>SALES TAX</u>	3,036,855
<u>TEXTBOOKS (SOQ)</u>	
3,830 (Est. ADM) x \$52.54 x .6484	130,476
<u>VOCATIONAL EDUCATION (SOQ)</u>	
3,830 (Est. ADM) x \$94 x .6484	233,437
<u>GIFTED EDUCATION (SOQ)</u>	
3,830 (Est. ADM) x \$45 x .6484	111,752
<u>SPECIAL EDUCATION (SOQ)</u>	
3,830 (Est. ADM) x \$488 x .6484	1,211,886
<u>PREVENTION, INTERVENTION, AND REMEDIATION(SOQ)</u>	
3,830 (Est. ADM) x \$54 x .6484	134,102
<u>REMEDIAL SUMMER SCHOOL</u>	88,496
<u>ENGLISH AS A SECOND LANGUAGE</u>	39,200

V. LOTTERY-FUNDED PROGRAMS

At Risk Funds	67,821
Early Reading Intervention	39,402
Foster Care	85,000
K- 3 Primary Class Size Reduction	90,880
SOL Algebra Readiness	22,161
Mentor Teacher	2,963
ISAEP	7,859
Alternative Education	40,000
Special Education-Regional Tuition	301,371
Career and Technical Education	<u>11,889</u>
Total Lottery Funded Accounts	<u>\$ 669,346</u>
 <u>Other State Revenue:</u>	
Race to GED	<u>\$ 18,941</u>
Total Other State Revenue	\$ 18,941

GRAND TOTAL-ALL STATE REVENUE

\$ 16,456,159

FEDERAL REVENUE

NCLB Title I A	\$ 413,758
NCLB III A LEP	5,920
IDEA Title VI Flow Through Funds- Special Education	733,862
NCLB Title II A- Teacher Quality	140,405
Pre-School- Special Education	17,920
Carl Perkins Vocational Education Grant	41,500
Adult Basic Education Grant	31,500
ARRA State Fiscal Stabilization Stimulus Grant	447,393
ARRA IDEA Title VI Flow Through Stimulus Grant	393,150
ARRA IDEA Pre-School Stimulus Grant	<u>13,238</u>
Total Federal Funds	\$ 2,238,646

LOCAL REVENUE

Transfer from General Fund	\$18,420,000
Debt Service	<u>2,148,196</u>
Total Local Revenue	\$20,568,196

**SCHOOL OPERATING FUND
OTHER REVENUE**

Tuition – Non-Residents	\$ 153,700
Adult Education	1,800
Tuition – Summer School	18,500
Visually Handicapped	4,100
VWCC Dual Enrollment Fee Reimbursements & /Student Fees	375,000
Art Camp	2,600
Insurance Adjustments/Rebates/Refunds	10,000
Drivers Education Fees	40,000
Roanoke Valley Regional Board	522,396
Miscellaneous Income	<u>10,001</u>
Total Other Revenue	<u>\$ 1,138,097</u>
Gross Total – School Fund Revenue	<u>\$ 40,401,098</u>

EXPENDITURE

SUMMARY

**SALEM CITY SCHOOLS
2010-2011 SCHOOL OPERATING FUND BUDGET**

EXPENDITURE SUMMARY BY STATE CATEGORIES

		<u>Amount</u>	<u>Percent</u>
61000	Instruction	\$ 30,694,781	73.0%
62000	Administration, Attendance and Health	2,105,890	5.0
63000	Pupil Transportation Services	1,239,940	2.9
64000	Operation and Maintenance Services	3,360,222	8.0
65000	School Food Service	1,634,500	3.9
66000	Facilities	0	-
67000	Debt Service and Fund Transfers	2,148,196	5.1
68000	Contingency Reserves	-	-
69000	Technology	<u>852,069</u>	<u>2.1</u>
	TOTAL	\$ 42,035,598	100.00%

SALEM CITY SCHOOLS

BUDGET REQUESTS

FOR FISCAL YEAR

JULY 1, 2010–JUNE 30, 2011

SCHOOL OPERATING FUND

2010-2011

CAFETERIA BUDGET

2010-2011

CAFETERIA FUND

SUMMARY OF REVENUE AND EXPENDITURES BUDGET BY LOCATION

FY 2010-2011

Revenue

Salem High School	\$ 510,100
Andrew Lewis Middle School	412,500
G. W. Carver Elementary School	206,950
West Salem Elementary School	155,750
South Salem Elementary School	171,400
East Salem Elementary School	<u>177,800</u>
Total Revenue Budget	<u>\$ 1,634,500</u>

Expenditures

Salem High School	\$ 490,419
Andrew Lewis Middle School	411,839
G. W. Carver Elementary School	198,321
West Salem Elementary School	162,902
South Salem Elementary School	174,367
East Salem Elementary School	<u>196,652</u>
Total Expenditure Budget	<u>\$1,634,500</u>

CAFETERIA FUND

SUMMARY OF REVENUE AND EXPENDITURE BUDGET BY CATEGORY

FY 2010-2011

<u>Revenue</u>	
Sale of Lunches	\$1,032,000
Federal Aid	543,000
State Aid	22,800
State Breakfast Grant	-
Interest Revenue	-
Rebate Revenue	6,000
Special Events and Misc. Revenue	<u>30,700</u>
Total Revenue Budget	<u>\$1,634,500</u>
<u>Expenditures</u>	
Compensation	\$ 505,219
Fringe Benefits	240,538
Maintenance of Point of Sale Terminals	13,000
Dietitian Services	2,250
Repair/Replacement of Equipment	24,500
Storage of Commodities	8,650
Cost of Food	760,718
Cost of Food-Special Events	2,000
Uniforms	5,125
Supplies	<u>72,500</u>
Total Expenditure Budget	<u>\$1,634,500</u>

Summary of Cafeteria Meal Prices for FY 2011

	<u>FY 2010</u>	<u>FY 2011</u>
Elementary Breakfast	\$ 1.00	No changes
Elementary Lunch	1.90	
Middle and High School Breakfast	1.00	No changes
Middle and High School Lunch	2.05	
High School Lunch	2.05	No changes
Reduced Breakfast (Set by fed. govt.)	.30	
Reduced Lunch (Set by fed. govt.)	.40	
Adult Breakfast	1.45	No changes
Adult Lunch	2.55	
Milk	.40	

Note: A la Carte items and ice cream prices are adjusted as needed each year based on cost of product

