

March 27, 2017

Dear Colleagues, Parents and Supporters of Caroline County Public Schools,

On March 14th, the County Administrator presented his proposed budget for the next fiscal year. The County typically presents a proposed budget in March after receiving a proposed budget from the schools and the other County departments. It is also customary for the County Board of Supervisors to solicit input from the community on the Proposed Budget prior to the approval of the County Budget in April.

**On Tuesday, March 28, 2017, the County Board of Supervisors will hold a Public Hearing on their Proposed Budget at the Caroline County Community Center at 7:30p.m.** This information is provided to inform our community and stakeholders about the impact the Proposed Budget, if passed, will have on our schools. While I have included pertinent information from the budget in the following section, you may access the full The County Administrator's proposed Budget at <https://co.caroline.va.us/CivicAlerts.aspx?AID=190>.

#### **HIGHLIGHTS FROM THE COUNTY ADMINISTRATOR'S PROPOSED FY 2017/2018 BUDGET**

- The total County Budget is \$97,419,027, an increase of **\$5,888,861 or 6.4%** over the current year.
- Of the total increase of \$5,888,861, \$4,890,359 will go to the county budget which is an increase of 10.37% to the County budget over the current year.
- The County is proposing to use the following resources to fund the increase in this budget:
  - A 2 cent increase in real estate rates which will raise approximately \$500,000.
  - A 2% increase in water rates, water administration fees and water capital assessment fees.
  - \$1,468,862 from the County General Fund Balance (accumulated savings) to balance the budget.
  - \$288,993 dollars from the County's Reserve Funds
  - A reduction in the required Debt Service payments of \$441,685. The total debt savings consists of \$299,974 in savings from school debt and \$141,711 savings from county debt.
  - The County Administrator's Budget will save an additional \$452,636 in reduced transfers to various departments.
  - \$4,798,558 in borrowed funds.

**Based on the above information the additional revenue in the County Proposed Budget totals \$8,755,969:**

**\$3,957,411 in Taxes/fees/savings**

**\$4,798,558 from Borrowed Funds**

**\$8,755,969 Total Available Resources**

#### **COUNTY CAPITAL IMPROVEMENT and PERSONNEL INITIATIVES**

The County Administrator's Proposed Budget allocates **\$5,301,558** toward County Capital Projects. This equates to a **223%** increase in capital spending in one year for items such as police vehicles, emergency vehicles, repairs and improvements to County facilities; and energy savings upgrades to existing county facilities.

Additionally, the County Budget calls for the addition of (6) new full-time county positions and includes \$500,000 for implementation of a classification and compensation study for full-time and part-time employees under the County Administrator and Constitutional Offices.

## THE IMPACT OF THE COUNTY PROPOSED BUDGET ON CAROLINE COUNTY PUBLIC SCHOOLS

Based on my analysis of the Proposed County Budget, there is cause for concern with the level of funding provided for school division priorities. **In particular, while the overall County Budget will increase by 6.4%, the proposed increase to schools in the budget is \$453,159 which equates to a 2.3% increase in spending on public education.**

**State support for the school division is expected to increase by \$545,343.** Therefore, under this Proposed Budget is adopted, the total increase in the school division budget for FY 2017-18 would amount to \$998,502. At first glance this would appear to be a sizeable increase in funding; however, when we account for a state mandated payment of approximately \$500,000 into the Virginia Retirement System (VRS) and a \$119,509 increase in spending for bus leases and purchasing, the reality of meeting many of the **Instructional** needs of the school division becomes very challenging.

Breakdown of Funding	Amount	Total Proposed Increase \$998,502
Increases in Virginia Retirement System for FY18	\$500,000	(\$500,000)
Increase in Bus Leases and Purchases	\$119,509	(\$119,509)
<b>Total Remaining to Address Instructional Priorities</b>		<b>\$378,993</b>

**An increase in our operational budget of \$378,993 falls significantly short of the \$1.9 million of instructional school division needs which were included in the School Board Budget that was submitted to the County on February 14, 2017.** Of the School Boards Budget priorities, only a small percentage of items will be able to be funded with the proposed increase in revenue from the County Budget. Therefore, unless additional funding is provided by the County, the below identified school division priorities would be considered in jeopardy for the 2017-2018 school year:

SCHOOL BOARD PRIORITIES – <i>In Jeopardy</i>	ESTIMATED COST
Keeping employees current on CCPS Salary Scale (Step Increase)	\$607,177
Raises for Bus Drivers	\$267,281
Raises for Paraprofessionals	\$125,176
Additional Instructional Staff (3) Positions	\$180,000
Additional Support Staff Positions (6) Positions	\$264,000

**Having experienced over a 50% turnover in teachers over a three-year period while facing a growing shortage of qualified teachers around the state, I believe our continued focus on employee salaries and benefits is critical to the success of our students in the classroom.** Based on the proposed funding to schools in this budget, employee salaries may be frozen, which will derail the important work accomplished last year to place all employees on their correct step on the salary scale. Additionally, our school bus drivers and paraprofessionals will continue to be amongst the lowest paid amongst surrounding school divisions, and added positions in gifted education and English as a Second Language (ESL) may not be possible.

I firmly believe that our County Board of Supervisors want to pass a budget that improves not only the quality of our public services; but also, ensures that we build on our promise to provide the best education possible for our children. **Unfortunately, the Proposed Budget will allocate nearly 83% of added revenue towards County projects and staffing while the school division will receive 17%. A more equitable balance is needed.** Whether you are a parent, community supporter or employee of Caroline County Public Schools, I encourage you to advocate for more funding for public education.

**Together we can ensure that our children will have a voice at the table.**

Yours in Service,

Dr. George Parker, III

Superintendent

Caroline County Public Schools