

**Contribution to Williamsburg-James City
County Schools**

General Operating Fund

DESCRIPTION OF SERVICES

The Williamsburg-James City County Public Schools operates as an independent, regional school division. In FY 2005, the Division will operate 12 schools - seven elementary schools, three middle schools, and two high schools. Funding is received from several sources - local appropriations, State aid, Federal aid, and charges for certain services. This budget provides for James City County's share of the Schools' Operating Budget and a contribution for Debt Service (repayment of borrowed funds, plus interest) relating to school facilities.

BUDGET SUMMARY

<u>Breakdown</u>	FY 04 Budget	FY 05 Adopted Budget*	Percent Change	FY 06 Budget	Percent Change
Local Contribution	\$ 46,837,028	\$ 48,478,397	3.5	\$ 50,467,309	4.1
State Sales Tax	5,703,245	6,963,981	22.1	7,257,761	4.2
	<u>\$ 52,540,273</u>	<u>\$ 55,442,378</u>	<u>5.5</u>	<u>\$ 57,725,070</u>	<u>4.1</u>
Debt Service	8,605,500	9,420,000	9.5	9,738,000	3.4
"Two Penny" Debt Service	1,160,000	1,270,000	9.5	1,382,000	8.8
Salary/Fringes-Board	18,450	17,355	-5.9	17,355	-
	<u>\$ 62,324,223</u>	<u>\$ 66,149,733</u>	<u>6.1</u>	<u>\$ 68,862,425</u>	<u>4.1</u>

BUDGET COMMENTS

The local contribution is made up of local revenues and the moneys provided to the County as a share of the State Sales Tax for Education. The amount listed for Debt Service is the amount contributed to the Debt Service Fund to repay school debt. Salaries and fringe benefits for the five County Board members on the Williamsburg-James City County School Board are also shown.

The "Two Penny" Debt Service figure shown above represents a proposal to allocate the equivalent of two cents of the real estate tax as an additional contribution to the Debt Service Fund. This will allow the Debt Service Fund to accumulate enough money to issue bonds in FY 2005 for a third high school and attempt to avoid a tax increase for the Debt Service incurred for that borrowing. This is better illustrated in the presentation of the Debt Service Fund in Section F of this budget.

The Schools remain the single largest investment of County funds.

The impact of this increase in County funds is shown on the next page as a component of total School Board Revenues.

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The funding proposal recommended in this budget funds a total school budget as follows:

	FY 04 Adopted Budget	FY 05 School Board	FY 05 County Budget	Change	Percent Change
County	\$ 52,540,273	\$ 55,442,378	\$ 55,442,378	\$ 2,902,105	5.5
City	6,726,814	6,160,264	6,160,264	(566,550)	(8.4)
Other	16,657,407	21,397,182	21,397,182	4,739,775	28.5
	<u>\$ 75,924,494</u>	<u>\$ 82,999,824</u>	<u>\$ 82,999,824</u>	<u>\$ 7,075,330</u>	<u>9.3</u>

Local Funding as
a percent of the
Total Budget

78.1% 74.2% 74.2%

Number of Students

8,959 9,153 9,153

Total Funding Per
Student

\$8,475 \$9,068 \$9,068

Including Debt
Service

\$9,565 \$10,236 \$10,236

The City share is calculated to match the County's proposed under the current contract. City Council may appropriate either less than or more than the contribution shown above. The funding split for the County is 88.65 percent in FY 2004 and 90 percent in FY 2005.

As is illustrated, the budget fully funds the budget requested for FY 2005. City Council may adopt a matching allocation or a figure more or less than the match, at its discretion.

State Support for Public Education

The Commonwealth of Virginia has established Standards of Quality, Standards of Learning, and other mandates for school divisions around the State. The State has failed to fully fund its share of the Standards of Quality. Those standards have been revised and updated in the 2004 session of the General Assembly and additional State revenue has been made available to help finance those updates.