

PRINCE WILLIAM COUNTY PUBLIC SCHOOLS PROPOSED PWCS BUDGET 2017-18

Meeting Fast-Rising Student Needs with Slow-Growing Revenue



Dear Community Members:

I am pleased to propose a Prince William County Public Schools budget to serve the needs and aspirations of each of the nearly 91,000 students expected for the 2017-18 school year.

We are proud of our top-notch people, programs, and facilities that are essential to student success and continuous school improvement, but continue to find ourselves constrained by limits on funding. By prioritizing needs and controlling costs, we offer a spending plan that:

- Maintains all existing educational programs and services;
- Provides more than \$26 million for 2,420 students more than included in the 2016-17 budget;
- Boosts employee pay by two percent to help attract and retain the best teachers and staff;
- Funds \$8.9 million in increased debt payments on needed school construction and improvements, including the new non-traditional school at Independent Hill;
- Covers costs to open the new elementary school at Potomac Shores and the replacement for Kilby Elementary School; and
- Invests an additional \$8.4 million toward meeting urgent classroom, school, and Division technology improvement needs.

Balancing the budget was not easy. Anticipated funding from the Prince William Board of County Supervisors and the Commonwealth of Virginia—while higher than the year before—lags behind costs of added enrollment, inflation, and growing expectations.

In total, new costs added to the budget exceed expected new revenue by more than \$11.4 million. Only careful planning and economizing let us fully balance spending with anticipated revenue. The result is a proposed 2017-18 operating and debt service budget of \$1.14 billion.

This is not the budget of our dreams; however, it will fund student success. It also allows us to maintain the incremental progress achieved toward addressing key School Board priorities, such as class-size reduction, closing achievement gaps, and doing our best to limit the use of educational trailers.

With anticipated per-pupil funding still among the lowest in the Washington, D.C. metro area, making bigger strides will be difficult. That is why, at the School Board's direction, I have also provided a supplemental plan for achieving much greater progress on strategic priorities over the next five years. It includes an expedited plan to further reduce class size, eliminate trailers, and close achievement gaps, and estimates the necessary financial investments.

I look forward to working with the School Board to use this proposal and supplemental document as starting points for moving us to an approved budget. They will provide for student success and school improvement in the coming year, while charting a course to build on that progress without undermining the foundations of current success.

With School Board guidance and help from all stakeholders who see investments in our students as a top priority, we can ensure a bright, world-class future for our children and all the residents of Prince William County.

Sincerely,

Steven L. Walts
Steven L. Walts
Superintendent of Schools

Details at a Glance

Operating Budget

2017	\$990,713,694
2018	\$1,039,801,143
Increase	4.95%

Debt Service Budget*

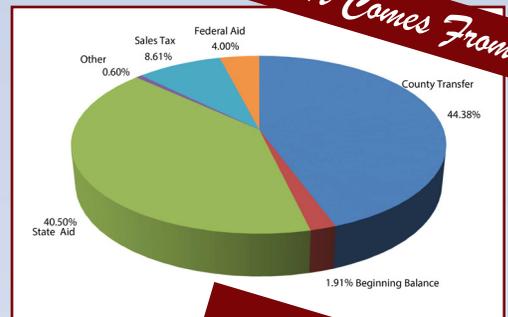
2017	\$88,351,647
2018	\$97,243,315
Increase	10.06%

Proposed 2018 Total
\$1,137,044,458

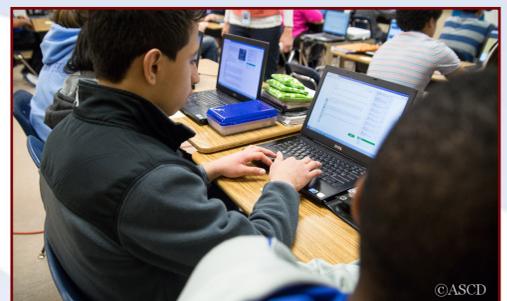
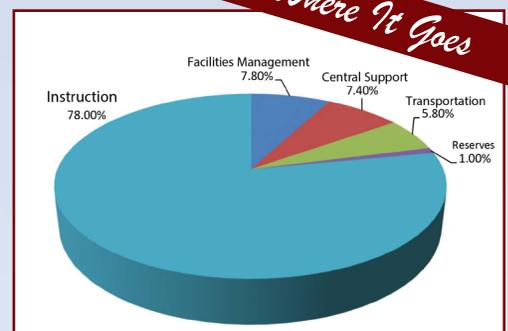
Proposed Total Increase
5.37%

**The School Division's "mortgage," covering costs of construction, renovation, etc.*

Where It Comes From



Where It Goes



The Balancing Challenge

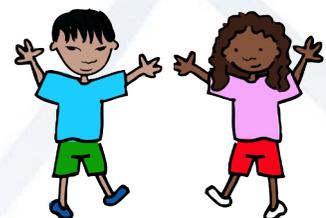
NEW COSTS

- 2,420 new students
\$26.4 million
- Increased debt service \$8.9 million
- State retirement system cost increase \$9.5 million
- Health insurance rate increase \$687,297
- New school cost allocation \$754,095
- Teacher/Staff pay increase \$14 million



REVENUE CHANGES

- State funding increase \$24.9 million
- County funding increase \$21.5 million



PROPOSAL AND BEYOND



AVERAGE PUPIL EXPENDITURES

Sources of Financial Support	2016 Actual	2017 Estimated	2018 Proposed
For Operations*			
State Funds	4,471	4,486	4,633
Sales and Use Tax	1,004	1,007	988
Federal Funds	665	650	665
Local Funds	<u>5,442</u>	<u>5,523</u>	<u>5,599</u>
Total:	11,582	11,666	11,885
For Debt Service	996	1,002	1,073
For Facilities	1,798	1,873	3,654

*Operations include regular day school, school food services, summer school, adult education, and other education programs, but do not include facilities, debt service, and capital outlay additions.

The state per pupil expenditures above do not match PWCS figures elsewhere due to differences in mandatory reporting requirements.

BUDGET APPROVAL TIMETABLE

PWCS is required to submit a budget that balances with available revenue. To comment on this or related issues, visit the PWCS Budget Comment Page on Facebook, or attend any of the following at the Kelly Leadership Center:

- FEB 1** Presentation of Proposed Budget/CIP (7 p.m.)
- FEB 6** Public Meeting on Budget/CIP (7 p.m.)
- FEB 22** Budget Work Session (6 p.m.)
- MAR 2** Budget Work Session (6 p.m.)
- MAR 8** Budget Work Session Mark-Up (6 p.m.)
- MAR 15** Public Hearing, School Board Approves Budget/CIP (7 p.m.)
- MAR 28** Presentation to PW Board of County Supervisors (BOCS)* (7:30 p.m.)
*This meeting at McCoart Center
- APR 18** Final Date for BOCS Budget Approval

BUILDING IN PRIORITIES

Currently anticipated funding severely limits the ability to invest in School Board priorities without taking a serious toll on existing programs and the staff that support them. Ambitious School Board-established objectives are achievable, when needed funds become available.



Eliminating the Use of Classroom Trailers

- Five-Year Costs - \$307,443,000



Closing Achievement Gaps

- FY 2018 - \$4,490,675



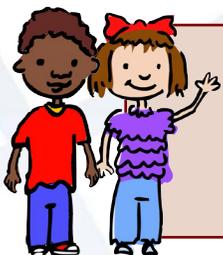
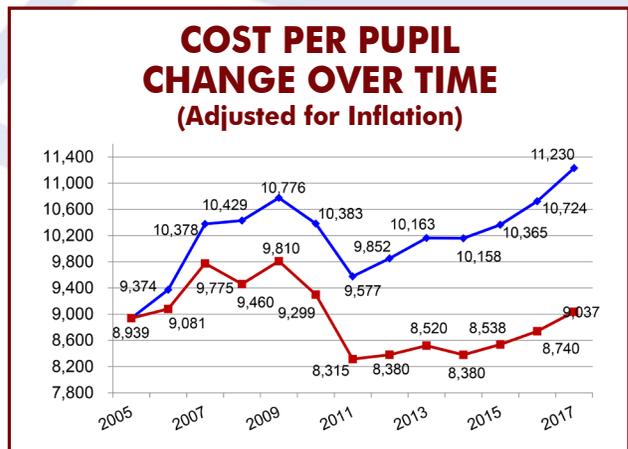
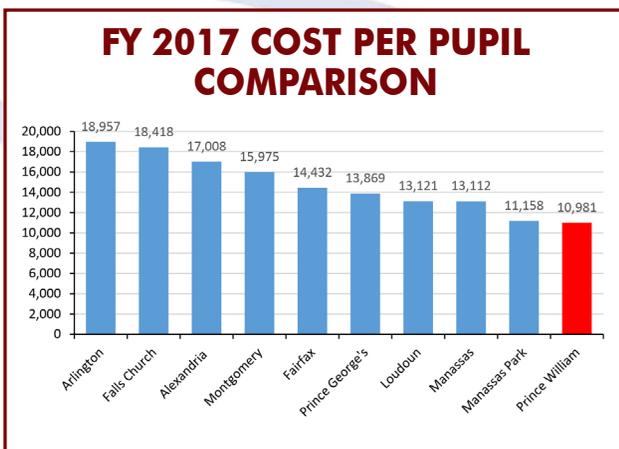
Reducing Class Sizes to 2007 Levels in Five Years

- Annual Costs - \$6,446,810
- Five-Year Costs - \$37,489,613
- Facilities Costs - \$277,390,000

Investment Needed \$629,579,391

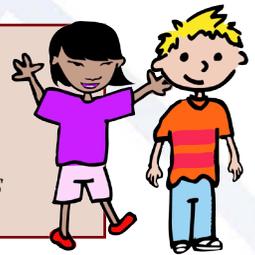


THE CONTINUING CHALLENGE



"We are giving our students a great start. What we invest in their journey may help determine how far many can go."

Steven L. Walts
Superintendent of Schools



For more information, visit pwcs.edu/Budget_Updates