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Dear School Board Members,

I am pleased to present the proposed FY2021 budget for your consideration. Each budget development process presents a unique set of opportunities and challenges that we must carefully consider to meet the ever-changing needs of our students, staff, and community. Through a combination of strong support from contributing school divisions and careful evaluation of existing resources, I am confident that this budget places the highest priority on meeting our complex needs and advancing gifted education at The Appomattox Regional Governor's School. Above all, it places the highest priority on caring for our students, faculty, and staff.

The key highlights are as follows:

- Salary correction for all employees effective July 1st, moving toward the Chesterfield County Public Schools' salary scale.
- Pragmatic realignment of line expenditures to match historic spending in order to balance the budget.

The Appomattox Regional Governor's School is a regional program where 366 gifted students from each of the following 14 school divisions attend:

- Amelia County - 4
- Charles City County - 4
- Chesterfield County - 129
- Colonial Heights City - 11
- Dinwiddie County - 15
- Franklin City - 4
- Hopewell City - 16
- Petersburg City - 64
- Powhatan County - 9
- Prince George County - 14
- Richmond City - 74
- Southampton County - 7
- Surry County - 7
- Sussex County - 8

Revenue

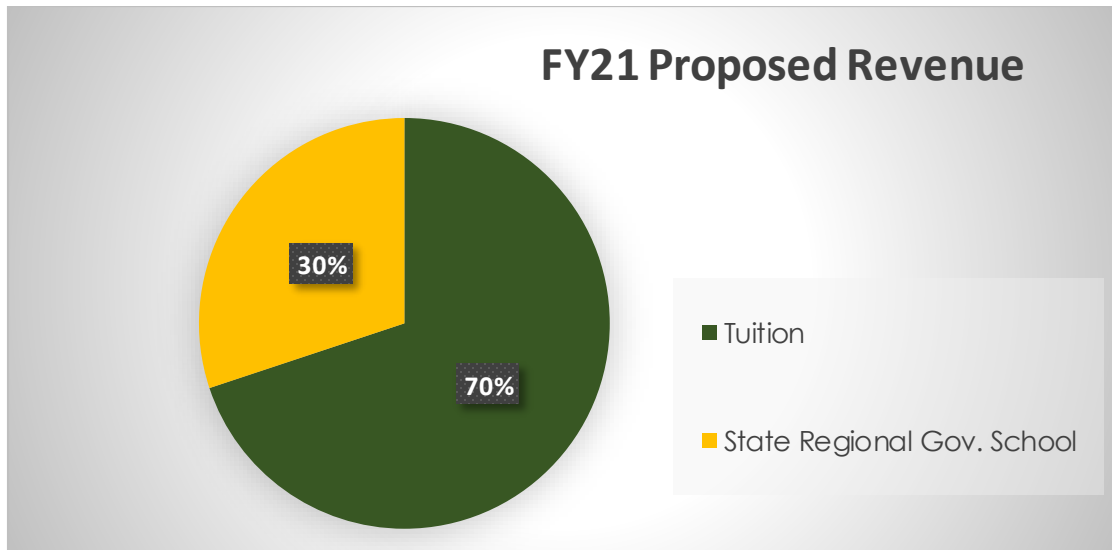
The Appomattox Regional Governor's School acquires its revenue via two sources; State Funding and School Division Tuition.

With support from the Appomattox Regional Governing Board, tuition has been increased over the past few years. The long term intent is to compensate for a lack of increase in the ten years prior. The long term goal is to increase tuition in FY21, FY22, and FY23 in order to realign ARGs staff salaries to match the Chesterfield County Public Schools' Salary scale, which has been shown to approximate the mean of the regional consortium. A history of student tuition is included, below:

	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>
Tuition Rate	6,995	6,995	7,580	8,055

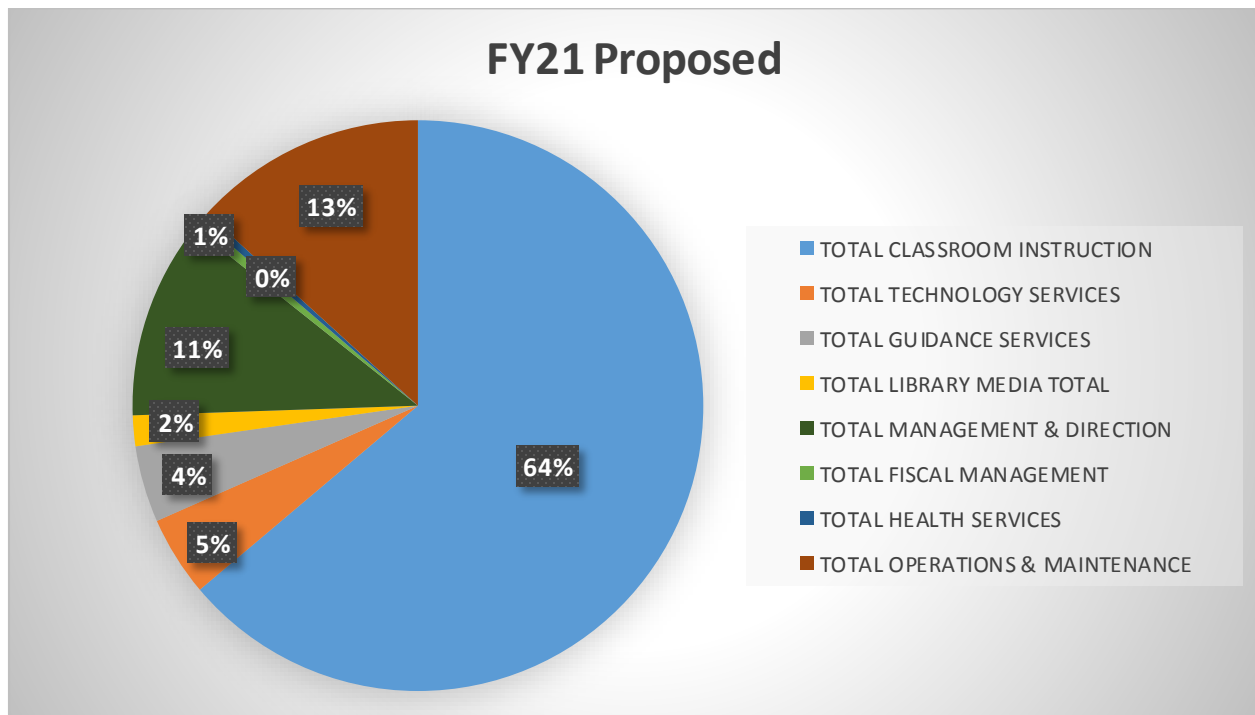
ARGs second source of income comes from the Virginia Legislature and Governor's office. This amount is pro-rated per child and is not aligned to any Standards of Quality benchmarks, in the way that typical school divisions in Virginia are funded. As of April 28th 2020, ARGs was working with a budget that included \$1,300,890 revenue funding from the Commonwealth of Virginia. At that time our working budget included teacher raises and did not cut any funds to any existing lines. As of April 30th, this amount was adjusted to \$1,269,526 to accommodate cuts to state funding due to reduction in state revenue due the COVID-19 closures across the state. ARGs does not receive any Federal Funding.

	<u>FY18</u> <u>Actuals</u>	<u>FY19</u> <u>Actuals</u>	<u>FY20</u> <u>Adopted</u>	<u>FY21</u> <u>Proposed</u>
Tuition	2,587,780	2,580,786	2,663,472	2,948,130
State Regional Gov. School	1,295,746	1,195,858	1,245,928	1,269,526
TOTAL REVENUES	3,883,526	3,778,330	3,909,400	4,217,656



Expenditures

	<u>FY18 Actuals</u>	<u>FY19 Actuals</u>	<u>FY20 Adopted</u>	<u>FY21 Proposed</u>
TOTAL CLASSROOM INSTRUCTION	2,353,625	2,428,633	2,443,220	2,692,684
TOTAL TECHNOLOGY SERVICES	178,882	167,544	201,169	191,484
TOTAL GUIDANCE SERVICES	161,694	163,941	167,824	182,877
TOTAL LIBRARY MEDIA TOTAL	56,758	56,217	65,866	73,404
TOTAL MANAGEMENT & DIRECTION	398,259	423,576	458,190	473,559
TOTAL FISCAL MANAGEMENT	24,030	15,395	26,972	25,408
TOTAL HEALTH SERVICES	36,079	17,338	18,588	19,475
TOTAL OPERATIONS & MAINTENANCE	751,528	477,974	527,571	558,764
TOTAL EXPENDITURES	3,960,855	3,750,617	3,909,400	4,217,656



Below is a summary of each line item.

CLASSROOM INSTRUCTION

	<u>FY18 Actuals</u>	<u>FY19 Actuals</u>	<u>FY20 Adopted</u>	<u>FY21 Proposed</u>
Personnel Services Total	1,644,513	1,704,702	1,697,164	1,871,196
Employee Benefits Total	580,942	602,110	616,203	705,288
Purchased Services Total	30,259	36,430	35,900	28,150
Other Costs Total	21,306	22,882	21,450	22,450
Materials Total	48,853	36,124	60,503	50,600
Capital Total	11,995	15,974	-	-
TOTAL CLASSROOM INSTRUCTION	2,353,625	2,428,633	2,443,220	2,692,684

This table shows:

- Increase in teacher salaries & associated benefits
- Decreases in Purchased Services and Materials, according to spending trends.

TECHNOLOGY SERVICES

	<u>FY18 Actuals</u>	<u>FY19 Actuals</u>	<u>FY20 Adopted</u>	<u>FY21 Proposed</u>
Personnel Services Total	104,971	107,070	110,283	113,938
Employee Benefits Total	35,259	39,154	43,153	45,546
Materials Total	9,053	21,320	47,733	32,000
Capital Total	29,599	-	-	-
TOTAL TECHNOLOGY SERVICES	178,882	167,544	201,169	191,484

This table shows:

- Increase in salaries for technology employees and their benefits.
- Decrease in materials spending due to moving certain purchased items to other departments.

GUIDANCE SERVICES

	<u>FY18 Actuals</u>	<u>FY19 Actuals</u>	<u>FY20 Adopted</u>	<u>FY21 Proposed</u>
Personnel Services Total	119,561	121,260	125,611	136,472
Employee Benefits Total	42,132	42,681	42,213	46,405
TOTAL GUIDANCE SERVICES	161,694	163,941	167,824	182,877

This table shows:

- Increase in salaries for School Counseling employees and their benefits.

LIBRARY MEDIA SERVICES

	<u>FY18 Actuals</u>	<u>FY19 Actuals</u>	<u>FY20 Adopted</u>	<u>FY21 Proposed</u>
Personnel Services Total	42,908	43,765	45,079	51,288
Employee Benefits Total	11,395	11,332	18,777	21,116
Library Supplies Total	2,455	1,119	2,010	1,000
TOTAL LIBRARY MEDIA TOTAL	56,758	56,217	65,866	73,404

This table shows:

- Increase in salaries for library employee and their benefits.
- Decrease in materials spending due to moving certain purchased items to other departments.

MANAGEMENT AND DIRECTION

	<u>FY18 Actuals</u>	<u>FY19 Actuals</u>	<u>FY20 Adopted</u>	<u>FY21 Proposed</u>
Personnel Services Total	288,977	293,511	296,018	324,462
Employee Benefits Total	76,306	94,716	101,807	109,060
Purchased Services Total	8,909	14,332	21,550	13,000
Internal Services Total	1,827	1,504	1,000	3,000
Other Costs Total	13,866	13,125	24,685	16,285
Materials Totals	8,372	6,388	13,130	7,752
TOTAL MANAGEMENT & DIRECTION	398,259	423,576	458,190	473,559

This table shows:

- Increase in salaries for school management employees and their benefits.
- Decreases in Purchased Services, Internal Services and Other Costs, according to spending trends.

FISCAL MANAGEMENT

	<u>FY18 Actuals</u>	<u>FY19 Actuals</u>	<u>FY20 Adopted</u>	<u>FY21 Proposed</u>
Purchased Services Total	23,970	14,911	23,408	23,408
Unemployment Insurance	60	484	3,564	2,000
TOTAL FISCAL MANAGEMENT	24,030	15,395	26,972	25,408

HEALTH SERVICES

	<u>FY18 Actuals</u>	<u>FY19 Actuals</u>	<u>FY20 Adopted</u>	<u>FY21 Proposed</u>
Personnel Services Total	32,292	14,644	15,600	17,046
Employee Benefits Total	2,662	1,240	1,318	1,429
Medical Supplies	1,125	1,454	1,670.00	1,000
TOTAL HEALTH SERVICES	36,079	17,338	18,588	19,475

This table shows:

- Increase in salaries for Health Services employees and their benefits.
- Decreases in Medical Supplies, according to spending trends.

OPERATIONS AND MAINTENANCE

	<u>FY18 Actuals</u>	<u>FY19 Actuals</u>	<u>FY20 Adopted</u>	<u>FY21 Proposed</u>
Personnel Services Total	112,339	112,584	98,751	117,435
Employee Benefits Total	38,618	32,893	27,781	42,331
Purchased Services Total	204,899	86,840	124,238	128,000
Other Costs Total	220,440	211,705	220,382	219,398
Materials Total	19,999	14,318	56,419	51,600
TOTAL OPERATIONS & MAINTENANCE	751,528	477,974	527,571	558,764

This table shows:

- Increase in salaries for Operations and Maintenance employees and their benefits.
- Increase in Purchased Services according to spending trends
- Decreases in Materials and other costs, according to spending trends.

Unexpended Funds

Unlike a school division in the Commonwealth of Virginia, The Appomattox Regional Governor's School may hold any unspent funds at the end of the fiscal year over in Unexpended Funds. These funds are held by the County of Chesterfield in two separate portions. 50% of any unexpended funds go into a Capital Fund line, for the purpose of spending on the physical building of the school. 50% of any unexpended funds go into a Fund Balance, which can be drawn upon in the years that Fiscal Spending goes into a deficit. Below is a summary of the Appomattox Regional Governor's School's current Fund Balance:

Undesignated Fund Balance
Fund Balance from FY19 Audit

Beginning FY19 Fund Balance	1,103,560.11
YTD FY19 Revenues	3,778,330.04
YTD FY19 Expenditures	<u>(3,750,616.99)</u>
FY19 Surplus (Deficit)	27,713.05
Ending FY19 Fund Balance	1,131,273.16
Undesignated Fund Balance	1,131,273.16

Summation

We are proud of our School's focus on Creation, Leadership, Inspiration, and Achievement, and recognize that we must strategically build upon our current and past successes to ensure that we remain relevant and unique in the future. This proposed budget is an essential component of our continuous effort in this regard.

This budget represents an investment in our staff, students, and the community that we proudly serve. It firmly supports the alignment and achievement of our school's mission, vision, core beliefs, and strategic plan. Primarily, it upholds our promise to provide all students with excellent instructors and employees, who are the lifeblood of our school.

ARGS aims to produce citizens who are successful and life-ready by teaching them to be empowered learners, creative thinkers, globally-engaged communicators, and resilient individuals.

Thank you for your consideration of my proposed budget, as well as for your continued support of the Appomattox Regional Governor's School.

In education,



Dr. Brendon Albon