

Issue Analysis Form



Date: December 10, 2019
Item: School Carry Forward Appropriation
Lead Department(s): County & School Finance
Contact Person(s): Betsy Drewry

Description and Current Status

On November 26, 2019, the Prince George County School Superintendent provided an updated request for carry-forward of unexpended FY2019 school operating funds and an appropriation increase of \$704,232.13. This represents the reduction in local school transfer for actual school revenues over actual school expenditures (\$851,921.13), **less amount already re-appropriated for purchase orders (\$147,689)**. The request is shown as Attachment A. This appropriation would come from fund balance.

The requested appropriation increases are amounts above those included in the adopted FY2020 budget. The total request does **not** represent 1% of the adopted FY2020 budget, so no public hearing is required.

The School textbook and Food Service funds carry forward automatically.

COUNTY OF PRINCE GEORGE, VIRGINIA

Exhibit 39

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2019

	School Operating Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Charges for services	\$ 115,500	\$ 115,500	\$ 33,129	\$ (82,371)
Miscellaneous	25,000	25,000	72,994	47,994
Recovered costs	131,500	131,500	159,329	27,829
Intergovernmental:				
County contribution to School Board	16,167,405	16,302,234	15,450,314	(851,920)
Commonwealth	41,282,370	41,615,827	41,839,653	223,826
Federal	5,789,968	7,988,740	7,783,050	(205,690)
Total revenues	\$ 63,511,743	\$ 66,178,801	\$ 65,338,469	\$ (840,332)
EXPENDITURES				

A history of carry-over amounts appropriated to schools is shown below:

Added Appropriation in:	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY2018-2019	FY2019-2020
	Left from FY2013-2014	Left from FY 2014-2015	Left from FY 2015-2016	Left from FY 2016-2017	Left from FY2017-2018	Left from FY 2018-2019
Approved Carryover Appropriation	\$ 512,562	\$ 1,907,359	\$ 408,239	\$ 1,600,508	\$ -	TBD
Resolution Number	R-15-013	R-16-008	R-17-037	R-18-058	N/A	TBD
Resolution Date	1/27/2015	1/12/2016	3/28/2017	5/8/2018	N/A	12/10/2019

Request \$ 2,725,326 \$ 583,616 \$ 704,232

Notes:

For FY2018, \$1,346,508 was appropriated to FY2018 Operating / Capital; \$254,000 was appropriated to FY2019 to assist with employee insurance premium reductions.

Note B - During FY2018-19, the Board of Supervisors appropriated additional funds for school use as follows:

School Utility Loan Payoff	654,379.94	R-18-088	7/31/2018
Excess Impact Aid Funds to CIP (school projects)	1,583,633.35	R-19-036	3/12/2019
Excess Impact Aid Funds to School Oper Fund	436,169.00	R-19-079	6/11/2019
Additional State Revenues to School Oper Fund	297,761.00	R-19-079	6/11/2019

The updated school request outlines the use carryover funds as follows:

\$450,000.00 – trailers (3, 2 classroom trailers and set up for 6 classrooms)
 \$ 90,000.00 – one bus (and use of \$110,162 currently in CIP bus account)
 \$164,232.13 – Walton HVAC (portion of Phase I)

Budget transfer also requested to move \$80,000 earmarked for Field House Improvements to Walton HVAC (portion of Phase I)

Total Phase I Walton HVAC is estimated at \$415,000; and with the request above of \$244,232.13 (\$164,232.13 + \$80,000.00) there will be a \$170,767.87 shortfall.

Board Action Requested:

Consider for approval school carry over request as requested. Draft resolution for board consideration is attached.

Government Path

- | | | |
|--|---|--|
| Does this require IDA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require BZA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does This require Planning Commission Action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does this require a public hearing? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

If so, before what date? 7 days prior to public hearing

Yes No

Fiscal Impact Statement

Reduction of fund balance of \$704,232.13, approximately 0.61% of budgeted expenditures.

Increase in appropriation for school needs.

Total Increase in Appropriation for FY2019-20 \$704,232.13

County Impact

Appropriation would allow the school division to make the purchases and repairs as requested. Reduction of unrestricted fund balance of \$704,232.13, approximately 0.61% of budgeted expenditures used to calculate fund balance threshold requirement.

Notes



Prince George County Public Schools

A Commitment To Quality Education

November 26, 2019

Mr. Percy Ashcraft, County Administrator
Prince George County
P.O. Box 68
Prince George, VA 23875

RE: Request for Re-appropriation of FY19 Carryover Funds and Re-allocation of Certain Funds in Countywide CIP

Dear Mr. Ashcraft:

The annual audit of the FY19 school budget is now complete. The final amount remaining from FY19 is \$704,232.13. We previously asked the Board of Supervisors for consent to use funds from the anticipated carryover and received it for the following:

- \$450,000.00 for three 2-classroom trailers/educational cottages for a total of six new classrooms
- \$200,000.00 for two buses

After reviewing the funds in the Countywide CIP, Mrs. Drewry and Mrs. Barnes identified an available balance in the Countywide CIP school bus line of \$110,162.00. This means that we are able to adjust the amount we previously needed for buses from the carryover funds of \$200,000.00 down to \$90,000.00 as we can add it to the available funds of \$110,162.00 for the purchase of two school buses.

We would like to revise our request to reflect the new carryover amount of \$704,232.13 to include:

- \$450,000.00 for three 2-classroom trailers/educational cottages for a total of six new classrooms
- \$90,000.00 for one bus (The \$110,162.00 that is currently available in the Countywide CIP will make up the difference for the remainder of the first bus and the purchase of the second.)
- \$164,232.13 (We would like to request that these funds be put toward the HVAC repairs at Walton Elementary)

OFFICE OF THE SUPERINTENDENT

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Additionally, we would like to ask that you consider allowing us to reallocate the \$80,000.00 we currently have in the Countywide CIP for the Field House to HVAC at Walton. This would give us a total of \$244,232.13 to put towards the work that needs to be done as quickly as possible.

We would also like to ask to be put on the agenda for the December 10, 2019, meeting so this request can be considered at the same time that we present the HVAC Study and needs of Walton.

From discussions with the engineer, we believe that the work that needs to be completed at Walton can be completed in two phases:

Phase I: Costing approximately \$415,000.00

- Replace existing packaged units (39) for \$265,000.00;
- Rooms DG5, DG3, E Conference, and PALS for \$70,000.00; and
- Gym in I Building for approximately \$80,000.00.

Phase II: Costing approximately \$490,000.00

- Remaining work in the I Building

If we are able to move forward with this, we would need to ask the Board of Supervisors for approximately \$170,000.00 in additional funds for use in FY20 and \$490,000 in FY21.

Thank you for sharing this information with your Board, and we look forward to your response.

Sincerely,

Lisa Pennycuff, Ed.D.
Superintendent

cc: Robert E. Cox, Jr., Chairman of the School Board
Lewis E. Stevenson, Vice Chairman of the School Board
Robert E.L. Eley, III, School Board Member
Kevin S. Foster, School Board Member
Chris A. Johnson, School Board Member
Monique Barnes, Director of Finance
William Barnes, Assistant Superintendent
Donald Hunter, Chairman of the Board of Supervisors
Floyd Brown, Vice Chairman of the Board of Supervisors
Alan Carmichael, Member of the Board of Supervisors
T.J. Webb, Member of the Board of Supervisors
Marlene Waymack, Member of the Board of Supervisors

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia this 10th day of December, 2019:

Present:

Vote:

Donald R. Hunter, Chairman
Floyd M. Brown, Jr., Vice-Chairman
Alan R. Carmichael, Jr.
Marlene J. Waymack
T. J. Webb

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On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

**RESOLUTION; BUDGET AMENDMENT AND APPROPRIATION
(\$704,232.13 FOR FY19 SCHOOL DIVISION CARRY-OVER FUNDS)**

NOW, THEREFORE, BE IT RESOLVED That the Board of Supervisors of the County of Prince George this 10th day of December, 2019, does hereby authorize and appropriate the following increase of funds within the **2019-2020 Budget**, such line items increased as follows, which monies shall be expended for purposes authorized and approved by the Board of Supervisors of the County of Prince George:

<u>FUND/ORGANIZATION</u>	<u>AMOUNT</u>
General Fund	
Revenues:	
0100-40-900-8208-399999	Fund Balance \$704,232.13
Expenditures:	
0100-09-401-0917-49172	Transfer to County-Wide CIP School Projects \$704,232.13
County-Wide CIP Fund	
Revenues:	
0311-90-901-8207-399100	Transfer from General Fund \$704,232.13
Expenditures:	
0311-06-208-3196-48128	Walton Trailers \$450,000.00
0311-06-208-3132-48105	School Buses 90,000.00
0311-06-208-XXXX-4XXXX	Walton HVAC 164,232.13
CIP Fund Transfer	
Expenditure Increase	
0311-06-208-XXXX-4XXXX	Walton HVAC 80,000.00

Expenditure Decrease
0311-06-208-3176-48120

Field House Renovations

(80,000.00)

A Copy Teste:

Percy C. Ashcraft
County Administrator