



Legislation Text

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Resolution to Amend the Fiscal Year 2020 Budget and to Appropriate \$2,080,615 of Fiscal Year 2019 State Carryover Funds to the General Fund's School Operating Fund to Offset the Impact of Fiscal Year 2020 State Revenue Adjustments

PURPOSE/BACKGROUND:

The School Board of the City of Hampton is requesting appropriation of \$2,080,615 of fiscal year 2019 state carryover funds to offset the impact of fiscal year 2020 state revenue reductions. If the reductions do not occur, the funds will be spent for the operational and instructional technology capital projects, instructional expenditures, the Academies of Hampton, and other one-time expenditures.

This appropriation request is authorized by Chapter 854, Item 136, Section (B)24. a (2019 Amendments to the 2018 Appropriation Act), which provides that any locality that has met its required local effort for the Standards of Quality accounts for FY 2019 and that has met its required local match for incentive or Lottery-funded programs in which the locality elected to participate in FY 2019 may carry over into FY 2020 any remaining state Direct Aid to Public Education fund balances available to help minimize any FY 2020 revenue adjustments that may occur in state funding to that locality. Localities electing to carry forward such unspent state funds must appropriate the funds to the school division for expenditure in FY 2020.

Recommendation:

Approve.

WHEREAS, Chapter 854, Item 136, Section (B) 24.a of the 2019 Acts of Assembly (2019 Amendments to the 2018 Appropriation Act) permits school divisions that have met required local effort for Standards of Quality accounts and required local match for incentive or Lottery-funded programs in which the locality elected to participate in for fiscal year 2019 to carry forward fiscal year 2019 unexpended state funds to fiscal year 2020 to help minimize the impact of any fiscal year 2020 state revenue adjustments to the school division;

WHEREAS, the School Board of the City of Hampton, Virginia received additional state funds of \$2,563,922 due to exceeding the original projected average daily membership and final General Assembly changes in Sales Tax, At Risk, and Supplemental Lottery fund payments to the school division;

WHEREAS, the School Board of the City of Hampton, Virginia has closed its books for fiscal year 2019 and has reported unexpended state funds of \$2,080,615;

WHEREAS, the School Board of the City of Hampton, Virginia has stated that they have met the required local effort for Standards of Quality and local match for incentive or Lottery-funded programs in which it elected to participate in fiscal year 2019;

WHEREAS, the School Board of the City of Hampton, Virginia determined it best to be prudent in identifying specific needs that align with the Strategic plan and support continued focus in ensuring all students are college, career, and life ready;

WHEREAS, the School Board of the City of Hampton, Virginia will use the \$2,080,615 in unexpended state funds in fiscal year 2020 to offset the impact of fiscal year 2020 state revenue reductions to the school division if necessary; however, if those reductions do not materialize, the division plans to spend the carryover on operational and instructional technology capital projects, instructional expenditures, the Academies of Hampton, and other one-time expenditures (collectively, the "One-Time Purchases"); and

WHEREAS, the School Board of the City of Hampton, Virginia is requesting that the City Council of the City of Hampton approve and appropriate the carryover of unexpended state funds.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Hampton, Virginia that the sum of \$2,080,615 in Fiscal Year 2019 qualifying carryover funds is hereby appropriated to the General Fund's School Operating Fund, that the Fiscal Year 2020 Council Approved Budget is simultaneously amended for that purpose, and that the School Board of the City of Hampton, Virginia's use of those funds shall be solely to offset the impact of fiscal year 2020 state revenue adjustments if necessary, or for the One-Time Purchases outlined above.