

**Proposed Adjustments to Superintendent's  
FY16 Proposed Budget  
March 9, 2015**

**PROPOSED EXPENDITURE ADJUSTMENTS TO FY16 SUPT. PROPOSED BUDGET**

1	Rate increase from VA Power	75,000	
2	Change in cost sharing for YFPE secretarial services YFPE percentage drops from 47% to 25%	13,000	
3	Further reduce health insurance rates by another 3%. Brings total reduction to 6.6% when combined with Supt proposed budget. (employer share savings)	(318,000)	
4	Decrease in VRS retirement rate from 15.15% to 15.06% as approved by the General Assembly	(59,238)	
5	Reduce Defined Benefit Plan contribution based on actuarial study	(26,834)	
<b>Total expenditure decrease</b>			<b><u><u>(316,072)</u></u></b>

**PROPOSED REVENUE ADJUSTMENTS TO FY16 SUPT. PROPOSED BUDGET**

1	State revenue as approved by the General Assembly (increase to Superintendent's proposed budget)	1,928	
2	Increase impact aid projection in Superintendent's proposed budget	300,000	
3	Decrease proposed contribution request to Board of Supervisors included in Superintendent's Proposed Budget	(618,000)	
<b>Brings new total increase request to \$1,032,848</b>			
<b>(\$1,650,848 less \$618,000 = \$1,032,848)</b>			
<b>Total revenue decrease</b>			<b><u><u>(316,072)</u></u></b>

**GOVERNOR MCAULIFFE, HOUSE, SENATE AND GENERAL ASSEMBLY FY16 PROPOSED BUDGETS**

**FY16 estimates are based an enrollment projection of 12,670 as compared to 12,420 for FY15**

**Composite index for FY15 AND FY16 is .4026**

<b>State Funding Source</b>	<b>School Operating Budget for FY15</b>	<b>Governor Proposed for FY16</b>	<b>House Proposed for FY16</b>	<b>Senate Proposed for FY16</b>	<b>Gen. Assembly Approved</b>
Sales Tax	12,142,279	12,482,106	12,482,106	12,482,106	12,605,078
Basic Aid	34,107,650	34,710,412	34,710,412	34,710,412	34,636,949
Compensation Supplement (Note 1)	0	0	559,945	510,898	535,383
Special Education - SOQ	3,206,387	3,269,833	3,269,833	3,269,833	3,269,833
Textbooks	714,163	728,295	728,295	728,295	728,295
Employer Shared Benefits (Note 2)	5,759,621	5,752,484	5,729,777	5,729,777	5,729,777
Technology Initiative - Regular Grant	544,000	544,000	544,000	544,000	544,000
Technology Initiative - e-Learning Backpack	0	0	0	0	0
Prevention, Intervention, Remediation	348,843	355,746	355,746	355,746	355,746
Other State Funds	<u>2,639,577</u>	<u>2,667,031</u>	<u>2,666,773</u>	<u>2,666,774</u>	<u>2,666,774</u>
<b>Total State Revenue</b>	<b>59,462,520</b>	<b>60,509,907</b>	<b>61,046,887</b>	<b>60,997,841</b>	<b>61,071,835</b>
<b>Change in State revenue as compared to FY15</b>		<b>1,047,387</b>	<b>1,584,367</b>	<b>1,535,321</b>	<b>1,609,315</b>
<b>Increase included in the Superintendent's FY16 Proposed Budget</b>			<b><u>1,607,387</u></b>	<b><u>1,607,387</u></b>	<b><u>1,607,387</u></b>
<b>Increase (Decrease) in State revenue as compared to Superintendent's Proposed Budget</b>			<b><u>(23,020)</u></b>	<b><u>(72,066)</u></b>	<b><u>1,928</u></b>
<b>VRS expenditure decreases for Professional Group:</b>					
<b>Governor Proposed</b> (See note 1 for rates)		<b>222,860</b>			
<b>Additional House/Senate/Gen. Assembly</b> (See note 1 for rates)			<b>50,940</b>	<b>50,940</b>	<b>57,310</b>
<b>NET INCREASE (DECREASE) IN AVAILABLE RESOURCES AS COMPARED TO SUPERINTENDENT'S PROPOSED BUDGET</b>			<b><u>27,920</u></b>	<b><u>(21,126)</u></b>	<b><u>59,238</u></b>

**Note 1:**

Compensation Supplement is an incentive payment to provide an average 1.5% increase in FY16 for all SOQ instructional and support positions.

House version is effective August 1, 2015 and the Senate version is effective September 1, 2015.

The state 1.5% compensation supplement payment is subject to State revenue estimates for Fiscal Year 2015 being met or exceeded.

General Assembly approved is the same as House and Senate with the exception the effective date is August 16, 2015.

**Note 2:**

Employer Shared Benefits reflect the following VRS rates.

The adjustments in the retirement rate also impacts the expenditure side of the budget.

**Professional Group**

	Retirement	RHCC	Group Life
Rates in FY15	15.50	1.06	1.19
Governor Proposed for FY16	15.15 (-.35)	1.06	1.19
House/Senate Proposed for FY16	15.07 (-.43)	1.06	1.19
General Assembly Approved	15.06 (-.44)	1.06	1.19

**Non-professional group**

	Retirement	Group Life
Rates in FY15	9.80	1.19
VRS actuarial rate for FY16	<u>9.80</u>	<u>1.19</u>
Increase in rate	0.00	0.00

**HEALTH AND DENTAL INSURANCE FUND  
SUMMARY OF FY2015 AND FY2016 PROPOSED BUDGETS**

	<b>FY2015</b>	<b>FY2016</b>	<b>Difference</b>
<b>REVENUE</b>			
Health insurance contributions	\$ 17,000,000	\$ 16,235,000	\$ (765,000)
Dental insurance contributions	<u>1,100,000</u>	<u>1,100,000</u>	<u>-</u>
Total revenue	<u><u>18,100,000</u></u>	<u><u>17,335,000</u></u>	<u><u>-</u></u>
<b>EXPENDITURES</b>			
Health insurance	17,000,000	16,235,000	(765,000)
Dental insurance	<u>1,100,000</u>	<u>1,100,000</u>	<u>-</u>
Total expenditures	<u><u>18,100,000</u></u>	<u><u>17,335,000</u></u>	<u><u>(765,000)</u></u>

# WORKER'S COMPENSATION FUND - FY2016 PROPOSED BUDGET

<b>Revenue</b>	<b>FY2015</b>	<b>FY2016</b>	<b>Difference</b>
Transfer in from School Operating Fund	<u>\$ 525,000</u>	<u>\$ 525,000</u>	<u>0</u>
	<u><u>\$ 525,000</u></u>	<u><u>\$ 525,000</u></u>	<u><u>0</u></u>
 <b>Expenditures</b>			
Contractual Services	\$ 65,000	\$ 65,000	0
Medical Reimbursements	375,000	375,000	0
Lost Wages	<u>85,000</u>	<u>85,000</u>	<u>0</u>
	<u><u>\$ 525,000</u></u>	<u><u>\$ 525,000</u></u>	<u><u>0</u></u>