Budget Development 2017-18

School Board Work Session

March 7, 2017

Work Session Agenda

I. Other Fund Budgets
II. Revenue Update
III. Health Insurance Options
IV. Results of Stakeholder Priority Setting Activities
V. Board Member Budget Discussions & Requests
VI. Next Steps

Other Fund Budgets

Other Funds

A set of self-balancing funds which maintain year-end balances.

Instructional Resources Fund

Grant Fund

Nutrition Fund

Laptop Fund

Bus Fund

Capital Fund

Instructional Resources Fund

- The Instructional Resources Fund is used to account for the purchase of student textbooks (in paper or digital format) and other consumable instructional materials.

- Revenues are primarily from State categorical funds and the school general fund.



Instructional Resources Fund

	2013-2014 Actuals	2014-2015 Actuals	2015-2016 Actuals	2016-2017 Budget	2017-2018 Budget
Revenues:					
State reimbursement	$ 792,782	$ 842,589	$ 847,031	$ 982,106	$ 964,506
Sale of textbooks	364	11,211	39,520	2,500	5,000
Other income	6,263	5,031	2,013	5,000	2,000
Transfer from operating fund	145,146	145,146	145,146	120,146	120,146
Total revenues	944,555	1,003,977	1,033,710	1,109,752	1,091,652
Expenditures:					
Salaries and related costs	84,341	87,051	107,786	107,154	102,672
Instructional materials	222,072	207,274	74,317	120,750	120,750
Contracted textbooks	588,723	675,296	724,446	763,098	749,480
Small machinery	-	6,495	-	-	-
Non-contracted textbooks	70,952	48,255	92,338	118,750	118,750
Total expenditures	966,088	1,024,371	998,887	1,109,752	1,091,652
Excess(deficiency) of revenues over (under) expenditures	(21,533)	(20,394)	34,823	-	-
Beginning fund balance	63,990	42,457	22,063	-	-
Ending fund balance	$ 42,457	$ 22,063	$ 56,886	$ -	$ -

Instructional Resources Fund

Year	Scheduled Adoptions/Purchases
FY2017-18	Social Studies, World Language (German)
FY2018-19	Math
FY2019-20	Reading K-5, English 6-12, and Science
FY2020-21	Reading K-5, English 6-12, and Science
FY2021-22	Reading K-5, English 6-12, and Science

Grant Fund

- The Grant Fund is used to account for transactions related to federal, state, and private grants that are not reported in another fund.

Grant Fund: Federal

	2013-2014 Actuals	2014-2015 Actuals	2015-2016 Actuals	2016-2017 Budget	2017-2018 Budget
ESEA Title I Part A Programs	$ 954,017	$ 1,331,244	$ 1,199,568	$ 1,300,000	$ 1,300,000
ESEA Title I Part A Distinguished Schools	-	-	17,000	-	-
ESEA Title II Part A Teacher Quality	96,442	215,097	292,584	270,000	285,000
ESEA Title III Part A Language	35,813	54,528	53,697	33,376	33,900
ESEA Title III Immigrant and Youth	-	4,446	1,521	-	-
IDEA Title VI-B Flow Through	2,730,375	3,194,411	3,027,171	2,989,422	3,064,982
IDEA Title VI-B Excellence in Co-Teaching	-	35,000	35,000	-	25,000
IDEA Title VI-B Parent Resource Center	-	-	8,000	-	8,000
IDEA Title VI-B Preschool	83,813	83,869	83,899	83,899	87,341
Total Federal Grants	$ 3,900,460	$ 4,918,595	$ 4,718,440	$ 4,676,697	$ 4,804,223

What Programs are we supporting?

- Title I – Supports 4 elementary schools with high disadvantaged population
- Title II – Supports professional development for teachers and principals
- Title III Language – Supports students who do not speak English as their primary language
- Title III Immigrant and Youth – Supports new students who have immigrated
- Title VI-B – Supports students with disabilities in K-12
- Title VI-B Preschool – Supports programs for students with disabilities 2 years to KG

Grant Fund: State and Other

	2013-2014 Actuals	2014-2015 Actuals	2015-2016 Actuals	2016-2017 Budget	2017-2018 Budget
State Grants					
Technology Initiative ①	$ -	$ -	$ -	$ 726,000	$ 726,000
Early Reading Initiative	136,117	164,212	155,167	163,330	196,833
Algebra Readiness	95,916	90,042	89,967	96,844	93,177
ISAEP	15,717	15,717	15,717	15,717	15,717
Preschool Initiative	479,531	551,530	521,309	589,194	600,978
Special Education in Regional Jail	85,035	84,735	89,140	96,260	117,365
Mentor Teacher	-	8,810	5,672	8,810	7,372
Jobs for Virginia Graduates	42,000	42,000	50,000	50,000	50,000
History to Life	1,923	-	-	-	-
Governors Academy	1,000	3,000	-	-	-
Total State Grants	857,239	960,046	926,972	1,746,155	1,807,442
Private Grants and Other					
Allstate	-	1,000	1,000	1,000	1,000
Champions Together	-	-	5,000	-	-
Grant Contingency	-	-	-	350,000	400,000
Total Private Grants and Other	-	1,000	6,000	351,000	401,000
Total revenues	$ 4,757,699	$ 5,879,641	$ 5,651,412	$ 6,773,852	$ 7,012,665

① In the 2016-2017 budget year the Technology Initiative was moved from the Capital Fund to the Grant Fund.

Nutrition Fund

- The Nutrition Fund is used to account for procurement, preparation, and serving of student breakfasts, snacks, and lunches.

- Revenues are primarily from food sales and subsidies from federal and state breakfast and lunch programs.



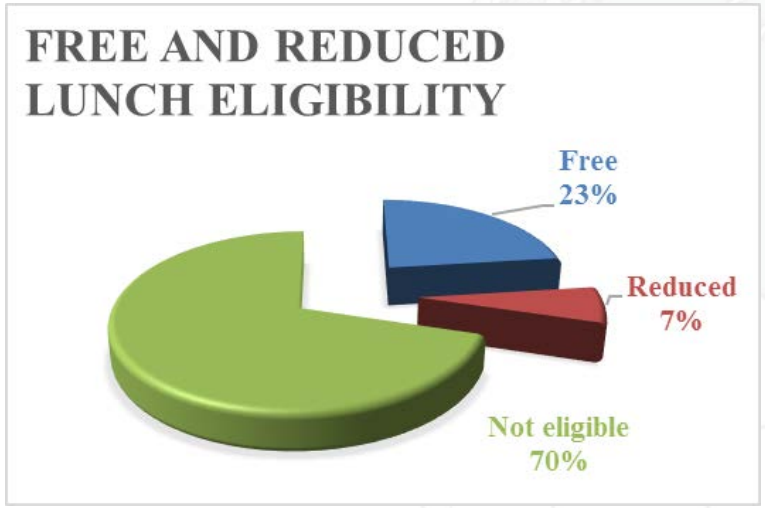
Nutrition Fund

	2013-2014 Actuals	2014-2015 Actuals	2015-2016 Actuals	2016-2017 Budget	2017-2018 Budget
Revenues:					
State reimbursement	$ 98,426	$ 96,790	$ 100,444	$ 102,110	$ 109,434
Federal reimbursement	2,346,774	2,322,183	2,441,118	2,442,000	2,442,000
Charges for services	3,013,951	3,015,530	2,955,049	3,465,000	3,465,000
Rebates and refunds	36,599	8,884	15,874	30,000	30,000
Interest income	1,922	4,406	10,656	2,770	2,770
Other income	4,456	4,883	-	5,000	5,000
Grant contingency	-	-	-	25,000	25,000
Transfer from operating fund	-	76,432	-	-	-
Total revenues	5,502,128	5,529,108	5,523,141	6,071,880	6,079,204
Expenditures:					
Salaries and related costs	2,899,001	2,297,392	2,209,174	2,624,706	2,716,544
Food and food supplies	2,501,680	2,510,886	2,426,872	2,785,910	2,799,676
Contractual services	69,029	81,756	71,870	82,500	82,500
Other supplies	53,527	44,313	45,123	91,587	84,116
Equipment	57,634	78,992	56,493	440,477	347,668
Training and travel	13,316	9,479	11,103	21,700	23,700
Grant and other contingency	-	-	-	25,000	25,000
Total expenditures	5,594,187	5,022,818	4,820,635	6,071,880	6,079,204
Excess(deficiency) of revenues over (under) expenditures	(92,059)	506,290	702,506	-	-
Beginning fund balance	1,031,946	939,887	1,446,177	-	-
Ending fund balance	$ 939,887	$ 1,446,177	$ 2,148,683	$ -	$

Nutrition Fund

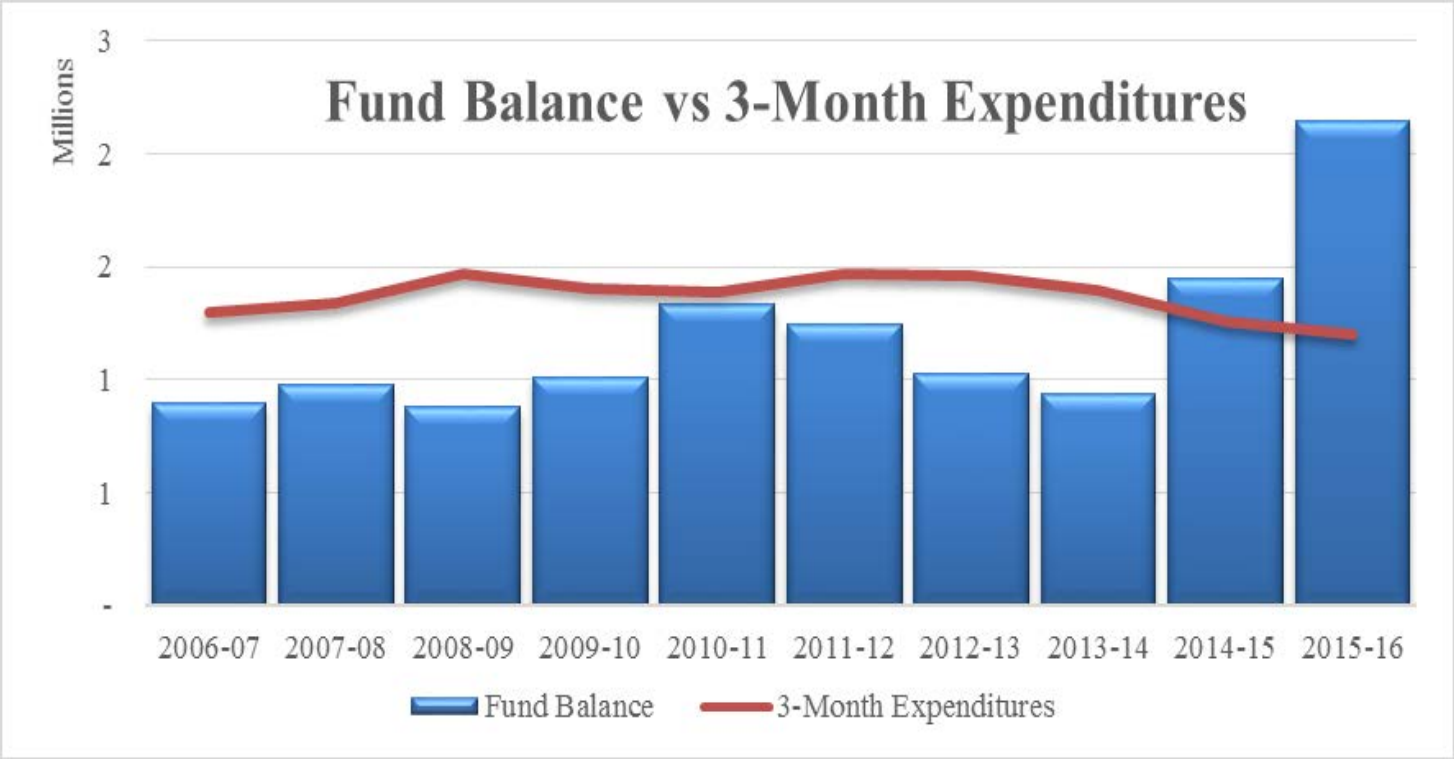
	Breakfast	Elementary Lunch	Secondary Lunch
2008	$0.85	$1.75	$1.75
2009	1.00	2.00	2.00
2010	1.00	2.00	2.00
2011	1.00	2.00	2.00
2012	1.00	2.05	2.05
2013	1.00	2.15	2.15
2014	1.10	2.25	2.25
2015	1.15	2.35	2.35
2016	1.25	2.35	2.60
2017	1.25	2.45	2.70
2018	1.35	2.55	2.80

- Breakfast
  - Traditional
  - Grab and Go
  - Second Chance
    - Typically secondary
- Lunch
  - Traditional



Nutrition Fund

The School Nutrition Fund is self-supporting and does not rely on any funding from the General Fund.



Laptop Fund

- The Laptop Fund is a self-insured fund used to account for the repair and replacement of student laptops under the Technology Initiative program.

- Revenues are generated by warranty reimbursements and the sale of obsolete computer equipment.



Laptop Fund

	2013-2014 Actuals	2014-2015 Actuals	2015-2016 Actuals	2016-2017 Budget	2017-2018 Budget
Revenues:					
Laptop fees ①	$ 217,353	$ 219,888	$ 272,025	$ -	$ -
Warranty reimbursements	147,824	157,426	94,517	100,000	100,000
Interest income	3,378	4,910	7,536	-	-
Fees from damaged parts	676	-	-	-	-
Rebates and refunds	-	-	869	-	-
Sale of equipment	-	-	-	-	53,780
Transfer from operating fund	-	-	170,398	-	-
Total revenues	369,231	382,224	545,345	100,000	153,780
Expenditures:					
Salaries and related costs	9,492	7,753	13,516	21,530	21,530
Professional services	-	15,000	-	-	-
Repair parts	78,184	58,520	20,278	20,000	20,000
Printing supplies	15,662	23,143	27,069	22,918	22,918
Batteries and projector supplies	2,495	202,188	35,238	35,552	89,332
Lease payment	-	193,339	-	-	-
Transfer to operating fund ①	-	-	193,800	-	203,960
Total expenditures	105,833	499,943	289,901	100,000	357,740
Excess(deficiency) of revenues over (under) expenditures	263,398	(117,719)	255,444	-	(203,960)
Beginning fund balance	1,040,437	1,303,835	1,186,116	-	1,441,560
Ending fund balance	$ 1,303,835	$ 1,186,116	$ 1,441,560	$ -	$ 1,237,600

① In the 2016-2017 budget year the Student Laptop Fees were moved from the Laptop Fund to the General Fund.

Bus Fund

- The Bus Fund is used to account for the replacement of school buses on a 15 year cycle.

- Revenues are primarily from the school general fund and investment income.



Propane vs. Diesel Comparison

BUS TYPE	NUMBER OF PASSENGERS	PURCHASE PRICE	FUEL CONSUMPTION (MPG)	FUEL COSTS PER GALLON	AVERAGE ANNUAL MAINTENANCE COSTS	CURRENT INVENTORY	AVERAGE COST PER MILE	GREEN BENEFITS
Diesel	77	$83,600	6.2	$1.8543	$945	137	$0.30	Good
Propane	77	$96,722	3.9	$1.519	$96	10	$0.39	Better

Staff Recommendation for Bus Replacement

2016 – 24 Passenger , Type A Bus

Gas, 6.0 Liter,

Extended Body Length,

Track Seating & Wheelchair Lift Package.

2018 – 77 Passenger (48 secondary), Type C Bus

Cummings Diesel,

220 HP Clean Emissions Motor.

Bus Fund

	2013-2014 Actuals	2014-2015 Actuals	2015-2016 Actuals	2016-2017 Budget	2017-2018 Budget
Revenues:					
Sale of machinery and equipment	$ 34,382	$ 8,851	$ 8,616	$ -	$ -
Insurance refunds	12,150	34,986	3,247	-	-
Interest income	2,067	7,257	11,025	-	10,000
Transfer from operating fund	1,225,000	1,275,000	433,219	783,219	533,219
Total revenues	1,273,599	1,326,094	456,107	783,219	543,219
Expenditures:					
School bus replacements	793,374	1,191	1,654,929	783,219	876,893
Support vehicle replacements	-	-	1,257	-	-
Total expenditures	793,374	1,191	1,656,186	783,219	876,893
Excess(deficiency) of revenues over (under) expenditures	480,225	1,324,903	(1,200,079)	-	(333,674)
Beginning fund balance	914,596	1,394,821	2,719,724	-	1,771,731
Ending fund balance	$ 1,394,821	$ 2,719,724	$ 1,519,645	$ -	$ 1,438,057

Bus Fund

FISCAL YEAR	NO. OF BUSES DUE TO REPLACE					AVERAGE COST PER BUS WITH 2% INFLATION				ANNUAL COST OF BUS PURCHASES	PROJECTED ANNUAL ALLOCATION TO BUSES	FUNDS CARRIED OVER FROM PREV YEAR	INTEREST INCOME AND SURPLUS SALES	TOTAL FUNDS AVAILABLE FOR EXPENDITURE	Cumulative Surplus (Deficit)	Increases (Decreases) in Budget
	REG	SPED	PROP	GAS	TOTAL	REG	SPED	PROP	GAS		*Incl EPA grant*					
FY 2016-17	6	4	0	0	10	$ 83,600	$ 63,633	$ 96,722	$ 84,110	$ 756,132	$ 998,219	$ 1,519,644	$ 10,000	$ 2,527,863	$ 1,771,731	$ -
FY 2017-18	**8**	**3**	**0**	**0**	**11**	**85,272**	**64,906**	**98,656**	**85,792**	**876,893**	**533,219**	**1,771,731**	**10,000**	**2,314,950**	**1,438,057**	**(465,000)**
FY 2018-19	10	3	0	0	13	86,977	66,204	100,630	87,508	1,068,386	633,219	1,438,057	10,000	2,081,276	1,012,890	100,000
FY 2019-20	9	2	0	0	11	88,717	67,528	102,642	89,258	933,509	733,219	1,012,890	10,000	1,756,109	822,601	100,000
FY 2020-21	8	2	0	0	10	90,491	68,878	104,695	91,043	861,687	833,219	822,601	10,000	1,665,820	804,132	100,000
FY 2021-22	9	1	0	0	10	92,301	70,256	106,789	92,864	900,966	933,219	804,132	10,000	1,747,351	846,385	100,000
FY2022-23	11	2	0	0	13	94,147	71,661	108,925	94,722	1,178,941	933,219	846,385	10,000	1,789,604	610,663	0
FY2023-24	8	4	0	0	12	96,030	73,094	111,103	96,616	1,060,618	933,219	610,663	10,000	1,553,882	493,264	0
FY2024-25	8	3	0	0	11	97,951	74,556	113,325	98,548	1,007,274	933,219	493,264	10,000	1,436,483	429,208	0
FY2025-26	8	3	0	0	11	99,910	76,047	115,592	100,519	1,027,420	933,219	429,208	10,000	1,372,427	345,007	0
FY2026-27	6	3	0	0	9	101,908	77,568	117,904	102,530	844,152	933,219		10,000	943,219	99,067	0
FY2027-28	4	3	0	0	7	103,946	79,120	120,262	104,580	653,143	933,219		10,000	943,219	290,076	0
FY2028-29	4	3	0	0	7	106,025	80,702	122,667	106,672	666,206	933,219		10,000	943,219	277,013	0
FY2029-30	4	3	0	0	7	108,146	82,316	125,120	108,805	679,530	933,219		10,000	943,219	263,689	0
FY2030-31	6	3	0	0	9	110,308	83,962	127,623	110,981	913,738	933,219		10,000	943,219	29,481	0
FY2031-32	6	4	0	0	10	112,515	85,642	130,175	113,201	1,017,654	933,219		10,000	943,219	(74,435)	0
Total	115	46	0	0	161											

Capital Projects Fund

- The Capital Projects Fund is used to account for the financing of capital outlay for construction.

- Revenues are primarily from bond issues and allocations from the Major and Minor Capital reserves maintained by the School Board.



Recommended FY 2018 – 2027 CIP

Roanoke County Public Schools
2018-2027 Capital Improvement Program
PENDING SCHOOL BOARD APPROVAL IN MARCH

Projects	For Appropriation	For Future Planning									Total
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	CIP
	$10M	$10M		$10M	$10M		$10M	$10M		$10M	2018-2027
Cave Spring High ($2M funded in 2016)	27,000,000	8,500,000	-	-	-	-	-	-	-	-	35,500,000
HR & Payroll Software System (50%)	50,000	350,000	350,000	-	-	-	-	-	-	-	750,000
Capital Maintenance Plan	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	10,000,000
William Byrd High School	-	1,500,000	-	12,879,955	8,372,185	-	-	-	-	-	22,752,140
Hidden Valley Middle	-	-	-	-	860,000	2,271,320	10,051,477	-	-	-	13,182,797
Burlington Elementary	-	-	-	-	-	-	325,000	4,975,199	-	-	5,300,199
Glenvar Elementary	-	-	-	-	-	-	379,030	5,813,601	-	-	6,192,631
WE Cundiff Elementary	-	-	-	-	-	-	-	-	650,000	9,386,373	10,036,373
Glen Cove Elementary	-	-	-	-	-	-	-	-	-	890,647	890,647
Total Capital Costs Planned	**28,050,000**	**11,350,000**	**1,350,000**	**13,879,955**	**10,232,185**	**3,271,320**	**11,755,507**	**11,788,800**	**1,650,000**	**11,277,020**	**104,604,787**
Funding Sources:											
Major Capital Reserves	4,384,376	-	-	1,108,051	-	-	-	-	-	-	5,492,427
VPSA Bond Issue	20,000,000	10,000,000	-	10,000,000	9,232,185	767,815	10,000,000	10,000,000	-	10,000,000	80,000,000
Debt Fund - Schools	2,502,064	350,000	350,000	1,441,502	-	1,275,856	640,701	676,244	650,000	128,924	8,015,291
2015 VPSA Refunding Credit	163,560	-	-	330,402	-	227,649	114,806	112,556	-	148,096	1,097,069
CIP Joint Funding Plan for CMP	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	10,000,000
Total Funding Sources Planned	**28,050,000**	**11,350,000**	**1,350,000**	**13,879,955**	**10,232,185**	**3,271,320**	**11,755,507**	**11,788,800**	**1,650,000**	**11,277,020**	**104,604,787**

Note: Proposed VPSA Bond Issue in FY18 includes bond sale “saved” in FY16 for next project on School CIP (CSHS)

Capital Projects Fund

	2013-2014 Actuals	2014-2015 Actuals	2015-2016 Actuals	2016-2017 Budget	2017-2018 Budget
Revenues:					
Roanoke County	$ 25,000	$ 824,058	$ 25,000	$ 25,000	$ 25,000
State education grant	95,906	97,222	61,200	-	-
Technology Initiative ①	726,000	726,000	726,000	-	-
Soft drink commission	50,000	50,000	50,000	50,000	50,000
Rental income and other fees	19,710	21,993	20,708	20,670	-
Other income	9	13,885	2,848	-	-
Insurance refunds	2,000	2,000	-	-	-
Proceeds from VPSA bonds	-	20,003,646	-	-	20,000,000
Transfer from operating fund	25,000	25,000	25,000	25,000	1,025,000
Future Capital Fund	7,728,091	4,520,478	4,366,753	1,005,000	2,665,624
Grant Contingency	25,000	78,084	-	150,000	175,000
Total revenues	8,696,716	26,362,366	5,277,509	1,275,670	23,940,624

Capital Projects Fund

	2013-2014 Actuals	2014-2015 Actuals	2015-2016 Actuals	2016-2017 Budget	2017-2018 Budget
Expenditures:					
Major capital projects:					
Cave Spring High Renovation	-	3,639	30,256	-	27,000,000
HR and Payroll System	-	-	-	5,000	50,000
2014 VPSA Fall Bond	230,416	18,118,642	5,664,934	-	-
2011 VPSA Fall Bond	923,685	223,093	38,665	-	-
2009 VPSA Spring Bond	-	560,841	156,761	-	-
2003 VPSA Fall Bond	-	6,537	-	-	-
Capital Improvements	3,129,554	1,462,316	1,343,074	-	-
Minor capital projects:					-
Capital Maintenance Plan	-	-	-	1,000,000	1,000,000
Capital Improvements	4,400,760	2,877,228	3,697,899	70,670	50,000
Bogle Reserves	-	-	-	50,000	50,000
Technology Initiative ①	726,000	726,000	726,000	-	-
Grant Contingency	-	-	-	150,000	175,000
Total expenditures	9,410,415	23,978,296	11,657,589	1,275,670	28,325,000
Excess(deficiency) of revenues over (under) expenditures	(713,699)	2,384,070	(6,380,080)	-	(4,384,376)
Beginning fund balance	17,699,323	16,985,624	19,369,694	-	4,384,376
Ending fund balance	$ 16,985,624	$ 19,369,694	$ 12,989,614	$ -	$ -

Revenue Update
Commonwealth of Virginia

General Assembly Approved Budget

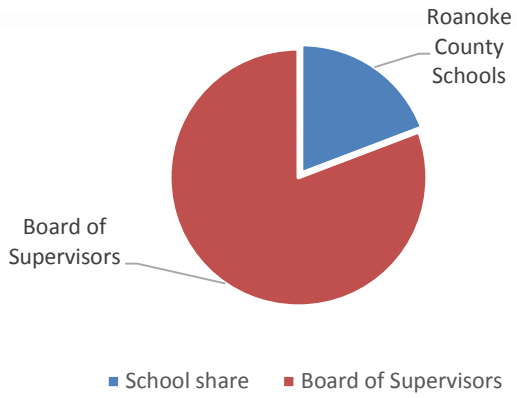
	Current Year			At Crossover		
	Budget	Estimated	Governor	House	Senate	Final GA
ADM	***13950***	***13834***	***13700***	***13700***	***13700***	***13,700***
State Revenues						
Sales Taxes (local estimate)	15,000,000	15,101,794	15,183,022	15,183,022	15,183,022	15,183,022
Basic Aid	39,907,713	39,748,579	39,259,803	39,253,827	39,253,827	39,253,827
Compensation Supplement/Bonus	619,578	0	679,029	0	1,034,311	394,938
Lottery Supplement	468,956	466,299	1,979,004	2,754,351	1,642,371	2,408,366
Categorical/Incentive Revenues	17,527,872	17,271,059	17,933,097	17,933,097	17,913,723	17,933,097
Total State Operating Revenues	73,524,119	72,587,731	75,033,955	75,124,297	75,027,254	75,173,250
Increase (Decrease)		**(936,388)**	**1,509,836**	**1,600,178**	**1,503,135**	**1,649,131**

General Assembly budget includes funds for 2% salary increase as of February 15, 2018 or only **38% of the year** and for only SOQ positions.

Proposed Transfer from County of Roanoke

Property and Local Taxes	$ 161,029,473	$ 163,295,794	
Adjustments:	-	-	
Lodging Tax-RVCVB	(507,643)	(514,894)	
New Treasurer Position (Proposed Budget)	-	(39,909)	
Increase in CSA costs	-	(660,000)	
Economic Development Incentive (South Peak CDA)	(311,000)	(560,000)	
Economic Development Incentive (Allstate)	(150,000)	(150,000)	
Economic Development Incentive (HyperGen)	(37,500)	-	
Economic Development Incentive (Ardagh)	(650,000)	(650,000)	
Net total taxes	**$ 159,373,330**	**$ 160,720,991**	**$ 1,347,661**

Portion allocated to Roanoke County Public Schools **$ 258,839**



Revenues
All General Fund

Total General Fund Revenue

	2016-17	2017-18	Increase (Decrease)
State sales tax	$ 15,000,000	$ 15,183,022	$ 183,022
State aid for education	58,524,119	59,990,228	$ 1,466,109
Transfer from County	67,839,376	68,098,215	$ 258,839
Federal revenue	634,807	374,998	$ (259,809)
Other revenue	1,142,181	1,142,181	$ -
Total revenue	$ 143,140,483	$ 144,788,644	$ 1,648,161

Discussion of Health Insurance Cost Options

Health Insurance – Budget Options

Options from 2/27/17 work session:

1. Increasing EE share of subscriber only premium (currently $1.46/month)
2. Increasing EE share of spouse and family coverage (well below neighboring school districts and with much lower deductibles)
3. Increasing differential between wellness and non-wellness rates
4. Consideration of spouse surcharge if spouse has coverage available through own employer
5. Shift to higher deductible plan (current HDHP is $1000 deductible)
6. Pricing should reflect incentive for employees to shift to higher deductible plans (27% to 43% shifted this year)
7. Use health reserves to subsidize rate increases (future budget impact)

Health Insurance Options – Employee Increase

					Increase to Employee Deduction							
					KC1000 Wellness				KC200 Wellness			
					EE	EE+1	EE+Spouse	Family	EE	EE+1	EE+Spouse	Family
A	Original Renewal	$	1,134,022	EE Increase	$ 5.44	$ 30.94	$ 46.06	$ 53.27	$ 6.56	$ 31.92	$ 52.09	$ 62.37
B	Renewal, no margin, add $20 rate	$	843,838	EE Increase	$ 18.54	$ 26.53	$ 39.48	$ 45.66	$ 19.50	$ 27.36	$ 44.65	$ 53.46
C	Renewal, no margin, add $20 rate; EE pays 50% of total premium increase	$	793,911	EE Increase	$ 18.54	$ 35.83	$ 54.11	$ 64.15	$ 31.73	$ 44.80	$ 65.03	$ 76.16
D	Renewal, no margin, add $20 rate; EE pays 75% of total premium increase	$	441,925	EE Increase	$ 18.54	$ 53.74	$ 81.16	$ 96.23	$ 47.59	$ 92.20	$ 97.56	$ 114.25
E	Renewal, no margin, add $20 rate; EE pays 100% of total premium increase	$	-	EE Increase	$ 18.54	$ 71.65	$ 108.22	$ 128.30	$ 63.46	$ 89.61	$ 130.09	$ 152.33

					Total Payroll Deduction - Employee Share							
					KC1000 Wellness				KC200 Wellness			
					EE	EE+1	EE+Spouse	Family	EE	EE+1	EE+Spouse	Family
	Current Employee Rates				$ 1.46	$ 162.26	$ 282.22	$ 339.45	$ 52.08	$ 253.33	$ 413.40	$ 495.00
A	Original Renewal	$	1,134,022	Total Premium	$ 6.90	$ 193.20	$ 328.28	$ 392.72	$ 58.64	$ 285.25	$ 465.49	$ 557.37
B	Renewal, no margin, add $20 rate	$	843,838	Total Premium	$ 20.00	$ 188.79	$ 321.70	$ 385.11	$ 71.58	$ 280.69	$ 458.05	$ 548.46
C	Renewal, no margin, add $20 rate; EE pays 50% of total premium increase	$	793,911	Total Premium	$ 20.00	$ 198.09	$ 336.33	$ 403.60	$ 83.81	$ 298.13	$ 478.43	$ 571.16
D	Renewal, no margin, add $20 rate; EE pays 75% of total premium increase	$	441,925	Total Premium	$ 20.00	$ 216.00	$ 363.38	$ 435.68	$ 99.67	$ 345.53	$ 510.96	$ 609.25
E	Renewal, no margin, add $20 rate; EE pays 100% of total premium increase	$	-	Total Premium	$ 20.00	$ 233.91	$ 390.44	$ 467.75	$ 115.54	$ 342.94	$ 543.49	$ 647.33

SAMPLE RATES

Health Insurance Reserves

	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17 Estimated	FY17-18 Projected
Balance at year-end	$10,767,292	$7,823,815	$9,473,449	$9,136,806	$7,797,275	$7,065,356
Estimated excess	$6,292,938	$3,565,069	$4,963,075	$3,561,806	$3,622,275	$3,356,356
Used in operating fund	$1,176,242 General Fund Budget	$1,668,156 General Fund Budget	-0-	-0-	$746,541 Wellness Clinic	$731,919 Wellness Clinic

Reserves encumbered for the following:

- IBNR per WFIS recommendation
- Contribution risk per WFIS recommendation
- Wellness Clinic for next 3 years

Impact on Future Budgets:

- HI increase in FY17-18 unlikely to go down in future years
- Transfer to General Fund for reserves used in FY17-18 would need to be reduced to -0- in future budgets (2-3 yrs)

Results of Stakeholder Priority Setting Activities

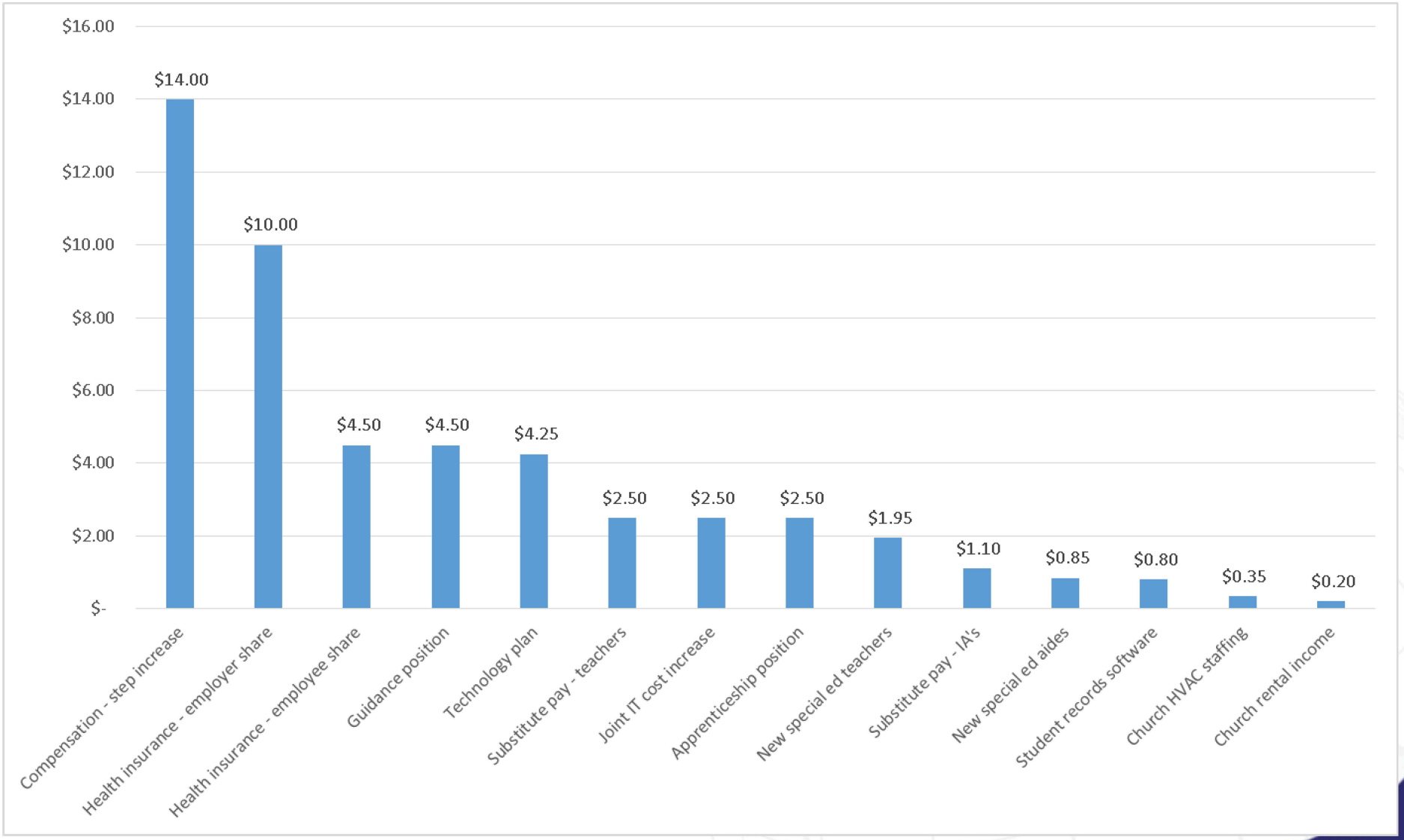
EAC and Principals – October 2016 Brainstorming

1	Compensation increases for ALL employees
1	Compensation
1	Compensation
1	Compensation
1	Compensation
1	Compensation
1	Compensation & stipends
1	Compensation steps for employees
1	Compensation
1	Keep teacher/student ratio low
1	Maintain people
1	People resources - support
1	Compensation remain competitive
1	Compensation steps, then supplements
1	Compensation steps
1	Compensation steps

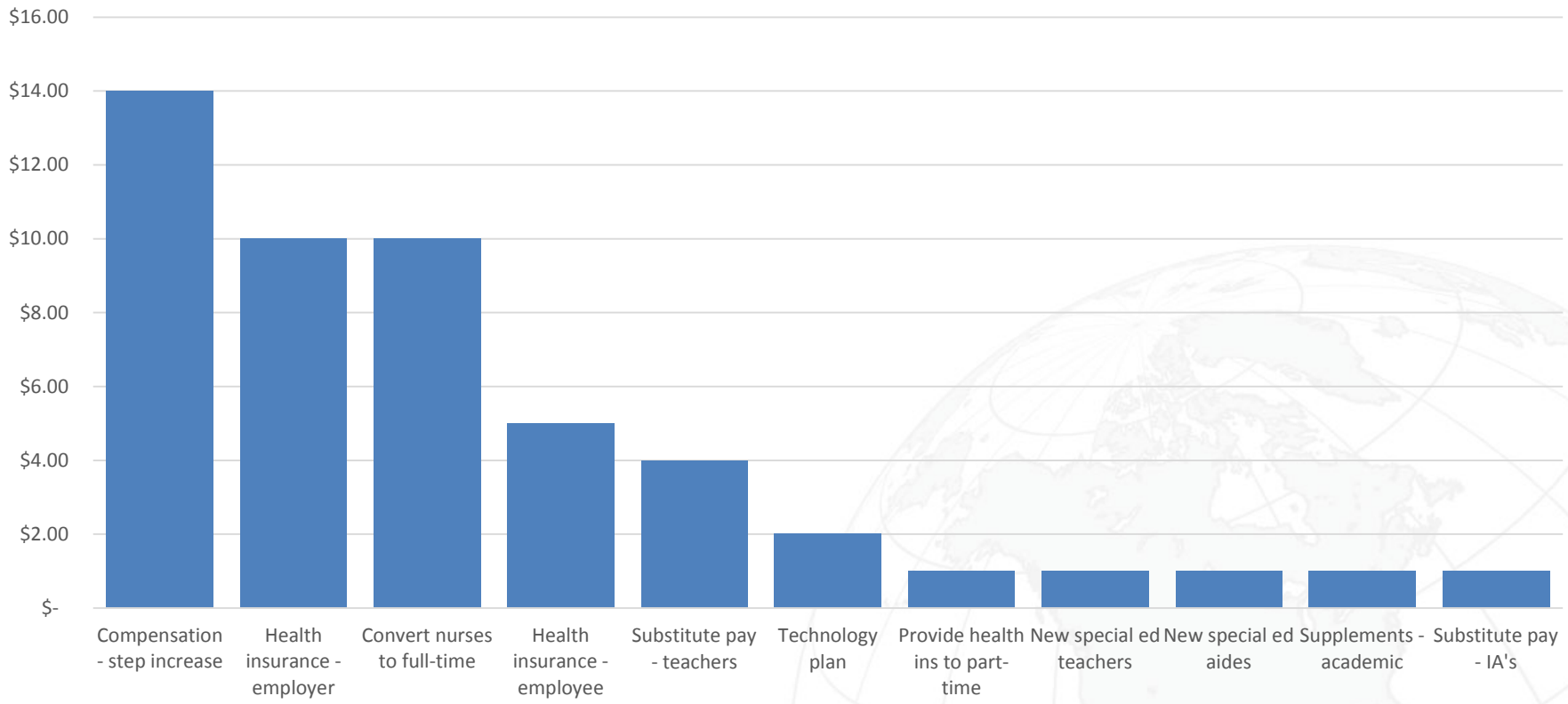
2	More support staff (IA, bus driver, custodians)
2	Personnel
2	Class size
2	Reading
2	Staff
2	Meaningful professional development
2	Materials
2	Teacher/student ratio
2	Maintain facilities & equipment
2	Continue with Compensation Study
2	Compensation
2	Teacher/student ratio lower
2	More Spec Ed teachers
2	Non-program IA's
2	More IA's
2	More Spec Ed staff

3	Affordable health insurance
3	Benefits
3	Materials
3	Additional support staff
3	Facilities
3	Technology
3	Higher substitute pay
3	Maintain & advance technology
3	Maintain or improve benefits
3	Extend school day/year round school
3	Staffing numbers
3	Professional development
3	Technology retain and add 6th grade
3	Additional teachers
3	Add 6th grade laptops
3	Reading specialists in middle school

Senior Staff – January 2017



School Board – January 12, 2017



Board Member Requests, Discussion, and Direction

Recap the Challenge

New Funds:		
Commonwealth of Virginia	$	1,649,131
County of Roanoke	$	258,839
Federal Revenue	$	(259,809)
Other Revenue	$	-
Use of health insurance reserves		TBD
Use of personnel savings (lapse)		TBD
New Revenue	**$**	**1,648,161**
New Expenditures:		
Virginia Retirement System (mandatory increase)	$	1,367,843
Compensation Plan - step increase (1.55%)	$	1,555,061
Compensation Study - part 2 (substitutes/stipends)	$	304,900
Additional special education teachers/aides	$	329,600
Health insurance renewal increase	$	1,134,022
Additional requests	$	3,214,151
New Budget Requests	**$**	**7,905,577**

Additional Budget Requests

Allocate portion of church rent for on-call HVAC support on weekends	$	10,000
Replace student records software system		26,000
Prevention Council funding request		50,000
Extend contract - athletic directors (240 days/8 hrs)		56,000
Increase in joint IT costs for financial system annual support services		62,967
Remove church rental income from Operating Budget		65,000
New position - Apprenticeship Supervisor (including benefits)		82,000
New position - Guidance/contract adjustment (including benefits)		84,000
New position - Internal Audit position		94,000
Technology replacement plan		248,184
Increase in employee share of health insurance renewal - 13.2%		500,000
Convert nurses to full-time status including benefits		601,000
Provide full-time health benefits to part-time employees		1,335,000
Total Additional Requests	**$**	**3,214,151**

Next Steps

- Work session – March 16, 2017
  - Preliminary presentation of Superintendent's FY18 Recommended Budget
- Work session – March 21, 2017
  - Final School Board direction for revisions to Superintendent's Recommended FY18 Budget
- Board Meeting – March 31, 2017 – School Board Adopts FY18 Budget
  - Includes CIP, CMP, Bus Replacement Plan, and Technology Replacement Plan
- School Board submits FY18 Budget to Board of Supervisors – April 1, 2017

Questions & Comments