



# DOLLAR\$ and \$ENSE



An online newsletter by Chesapeake Public Schools for the FY 2016 budget

March 12, 2015

## BUDGET 2016 MISCONCEPTIONS

Welcome to ***Dollar\$ and \$ense***, a publication produced while the budget for the 2015–2016 school year (FY 2016) is proposed, discussed, and approved. It contains the latest budget news and important dates and clarifies budget misconceptions in order to help the CPS community better understand the budget and the budget process.

At the March 9, 2015, School Board Meeting, the School Board took action on the Superintendent's Proposed Operating, Categorical, and Special Budgets, 2015-2016. Below are highlights from the budget presentation. The full presentation can be [accessed here](#).

- Dr. Jim Roberts recommended that the School Board approve an unbalanced budget - **-\$2.7 million out of balance**
- School Board member, Mr. Tom Mercer, moved for the School Board to approve an unbalanced budget - **-\$4.6 million out of balance (approved by the School Board)**
- Next steps:
  - Transmit to the City of Chesapeake
  - Final action on May, 21, 2015
- FY 15/16 Operating Budget includes increases in these areas:
  - 2% salary increase for all full-time employees (\$5.5M)
  - Textbook funding (\$1.9M)
  - Hospitalization (\$5M)
  - SECEP (\$0.5M)
- Position Reductions for FY 15/16 using attrition (no layoffs):
  - Five school building administrative positions
  - One librarian and one teacher
  - Six teacher assistants
  - One school security monitor
  - One support clerk
  - Summer football supplements
  - Certain extended contracts
- Options to balance:
  - Use of \$2 million previously designated for transportation and technology
  - More positive projection for health insurance rates
  - Increase in city funding
  - Reduce salary increase for all full-time employees
  - Eliminate additional positions
  - Use OPEB trust fund, self-insurance fund
  - Use actual over budget funds from FY 13/14

**Misconception:** The state will definitely provide for a 1.5 percent salary increase effective September 1, 2015, for all funded SOQ instructional and support positions.

**Fact:** The wording that accompanies the compensation supplement says, "The pay increase is contingent on the Commonwealth's revenues meeting the fiscal year 2015 revenue forecast that is adopted by the 2015 General Assembly. The State Comptroller has five days after the close of fiscal year 2015 to determine if revenues are sufficient to meet this requirement."

**-- Superintendent's Memo #034-15; issued 2/13/15**

This additional verbiage added to HB1400/SB800 does not take in to account that employee contracts will be signed prior to July 1, 2015, and if the Commonwealth determines state revenues are not sufficient to meet this requirement, the school division will have a revenue shortfall.

Heard a misconception? E-mail [kellie.goral@cpschools.com](mailto:kellie.goral@cpschools.com).