



Chesapeake  
Public  
Schools

312 CEDAR ROAD, CHESAPEAKE, VIRGINIA 23322, 757-547-0153

# DOLLAR\$ and \$ENSE



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

May 22, 2015

## BUDGET 2016 MISCONCEPTIONS

Welcome to **Dollar\$ and \$en\$e**, 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 May 21, 2015, School Board Meeting, the School Board took final action on the 2015-2016 Proposed Operating, Categorical, and Special Funds Budgets. Below are highlights from the budget presentation. The full presentation can be [accessed here](#).

- On May 12, 2015, City Council approved the city’s fiscal budget for next year, providing \$4.6 million less than the school division requested in the School Board’s proposed budget.
- To balance the school division’s 2015-2016 budget, Dr. Roberts made the following recommendations:
  - Ask City Council for the actual over budget from the 2013-2014 school year of \$598,000 to be appropriated to the Operating Budget.
  - Request for City Council to transfer one-time funds to the textbook fund from the lock box.
  - Request City Council to increase our appropriations in order to move \$9.1 million from the OPEB Trust Fund to our Self Insurance Fund to fund the increase in health and dental insurance costs.
- FY 15/16 Operating Budget includes increases in these areas:
  - 2% salary increase for all full-time employees (\$5.5M)
  - Hospitalization (\$3.8M)
  - SECEP (\$0.5M)
- Summary of all FY 15/16 Operating, Categorical, and Special Funds Budgets:

○ Operating	\$ 399,251,323
○ School Nutrition	\$ 12,910,900
○ Textbook Fund	\$ 2,518,958
○ Cell Tower	\$ 100,000
○ Self-Insurance	\$ 9,100,000
○ State Grants	\$ 4,052,785
○ Federal Grants	\$ 19,528,938
○ Other Grants	\$ 11,000
○ Anticipated Grants	\$ 6,000,000

**Total** **\$453,473,904**

### Misconception:

Organizations and businesses are not affected by the Affordable Care Act.

**Fact:** Organizations, including our school division, do have a financial burden from the Affordable Care Act. The items below impact our operating budget and take money away from other items:

- Required to cover dependents to age 26
- Required to pay into a reinsurance pool for the federal plans
- Required to pay an annual fee for a research institute
- Required to offer health insurance to part-time employees who work 30 hours per week
- Will be required in 2018/2019 to pay a 40% tax on certain benefits
- Total approximate projected annual cost to the school budget is \$1 million

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

**Get Involved – Contact Your Chesapeake Delegation of the Virginia General Assembly**