

# STATE OF THE SCHOOLS

## Preparing for FY16 and Beyond



Rockbridge County Public Schools  
Budget Planning • FY16  
February 2015





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## Introduction

According to the Virginia Department of Education (VDOE):

*Virginia's public schools are financed through a combination of state, local and federal funds. The private sector also contributes through partnerships with schools and school divisions.*

*The apportionment of the state funds for public education is the responsibility of the General Assembly, through the Appropriations Act. General fund appropriations serve as the mainstay of state support for the commonwealth's public schools, augmented by retail sales and use tax revenues, state lottery proceeds, and other sources.*

*Counties, cities and towns comprising school divisions also support public education by providing the locality's share to maintain an educational program meeting the commonwealth's Standards of Quality.*

*While public education is primarily a state and local responsibility, the federal government provides assistance to state and local education agencies in support of specific federal initiatives and mandates.*

During the economic downturn which impacted Virginia and the rest of the United States from 2009 through the present day, the percentage of funding provided to Rockbridge County Public Schools by the State of Virginia has fallen significantly. While reducing funds for public education, state lawmakers imposed higher accountability and achievement standards on students, teachers, and schools. In doing this, Virginia school administrators were placed in a position of producing more with fewer resources. In addition, localities, which were likewise struggling with reduced revenues, were being asked to “fill in the gaps” to the extent possible to make up for the loss of revenues from the State.

Locally, the Rockbridge County School Board has had to make difficult and challenging decisions in order to continue to meet ever-increasing State mandates for student performance while faced with significant reductions in the overall school division operating budget due to the decrease in State funding. To reduce expenditures, necessitated by decreased financial revenues from the state, programs in the operating budget were cut or scaled back, positions – including instructional positions – were eliminated, central-office staffing and programs were reduced, and two schools were ultimately closed.

These measures produced the desired effect of reducing costs. In doing so, instructional resources and opportunities available for the students of Rockbridge County were also reduced.



During this time, even with fewer resources, the county school system has been working to grow new programs in Career and Technical Education fields for middle school and high school students, to increase the number of high school credit-bearing courses for middle school students, to expand on-line course opportunities for high school students, and to increase Advanced Placement and Dual Enrollment opportunities for high school students. However, elementary programs have not experienced a similar growth in programs. During the past several years, core programming in Math, English/Reading, Science, and History/Social Science at the elementary level has remained consistent. However, non-core programs, such as physical education and art instruction, have been reduced in order to provide intervention and remediation programs for students who struggle to be successful on Standards of Learning assessments, which are becoming more rigorous per State mandates.

At the time the State was reducing funding to localities and schools, local governments were facing similar revenue losses. The Board of Supervisors of Rockbridge County has been supportive of Rockbridge County Public Schools during these times. While increases to the school division operating budgets have been modest over the past several years, the Supervisors have provided additional revenues when possible. In addition to the funds provided for the operating budget, the Board of Supervisors assumed significant increases in debt service over the next 20 years in order for the Maury River Middle School facility to be totally renovated – including new construction to allow for all county students to be housed in one middle school facility. That step provided significant educational and extra-curricular opportunities for all of our middle school students, while reducing the costs per student over what was being paid with two middle schools. None of this would have been possible without the support and active encouragement from the Board of Supervisors.

Planning for the 2015-16 Fiscal Year will continue to provide challenges for the School Board. Although revenues from the State increased significantly for the 2014-15 school year, the increase was due primarily to a change in the Local Composite Index (LCI) – a determination of the locality’s ability to contribute to the operating budget of the school division – not as a result of an overall increase in funding from the State to be used in supporting education. For FY11 through FY14, levels of State funding lagged below percentages from ten years ago. Even with increased revenues from the State for FY15, additional mandates from the State from FY10 through FY15 – including increased employer contributions to the Virginia Retirement System (VRS) and mandatory raises for employees and staff members – coupled with increasing local expenses for health care, transportation services, facilities repair, and utility costs have more than consumed these revenues.

Moving forward, the School Board must look to the future. There are program requirements in supporting our students with special needs that must be met. Declining Standards of Learning test scores from the past few years have placed four of our six schools into categories of “improvement” as dictated by State mandates – resources must be found to support programs



in these schools. Returning higher levels of programming for Physical Education and Art in our elementary schools should be a priority – our Board members recognize the need for core programming; they also believe that students need more than just Math, English/Reading, Science, and History/Social Sciences. Finally, the high school facility is approaching 25 years of service. It is in need of substantial renovation and improvement in order to serve students for the next 25 years. The Vocational-Technical Center, to which the high school is attached, is approaching 40 year of service. This facility can no longer provide the space or the utilities for 21<sup>st</sup> century learning skills needed for the modern workforce. It is time to begin considering together how we can move forward to provide our students with the best opportunities available.



### School Board Preparation of the Annual School Budget - Policy File DB

The annual school budget is the financial outline of the division's education program. It presents a proposed plan of expenditures and the expected means of financing those expenditures. After adoption, it provides the primary means of managing expenditures.

The fiscal year begins on the first day of July and ends on the thirtieth day of the following June.

The superintendent shall prepare, with the approval of the school board, and submit to the appropriating body, an estimate of the amount of money needed during the next fiscal year for the support of the public schools of the school division. The estimate shall set up the amount of money needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.

The superintendent or his/her designee shall prepare a budget calendar identifying all deadlines for the annual budgetary process. The calendar shall include at least one work session for reviewing the budget and at least one public hearing on the budget. Notice of the time and place for the public hearing must be published at least ten days in advance, in a newspaper having general circulation within the school division.

Upon approval of the school division's budget by the appropriating body, the school division shall publish the approved budget, including the estimated required local match, on its website.

Rockbridge County School Board Policy File DB  
Code of Virginia § 22.1-92





## Executive Summary

Rockbridge County Public Schools (RCPS) does not have taxing authority and must rely on four main sources of revenue to fund its operating expenses:

- Revenue from the state
  - Dependent on legislative budget
  - Determined by sales tax revenue and formulas
    - Impacted by Average Daily Membership
    - Impacted by the Local Composite Index, or Local Ability to Pay
    - Designed, primarily, to partially fund state mandated SOQ programs
  
- Revenue from Rockbridge County Board of Supervisors
  - Impacted by the Local Composite Index, or Local Ability to Pay
  - In response to the Categorical Estimate of Needs submitted by RCPS by March 31
  - Funded by local tax revenues
  
- Revenue from the Federal Government
  - Legislatively determined
  - Funded from federal tax revenues
  - To achieve specific purposes and satisfy federal mandates
  - Paid through reimbursement of incurred expenses
  
- Tuition from the City of Lexington
  - Dependent on the percentage of city students at RCHS
  - Dependent on expenditures at or for RCHS

Since federal revenues are by reimbursement only and are not discretionary, an historical overview of revenues will not consider federal revenues or expenses. This overview considers budgeted revenues.

Operating Budget Revenues from the State for FY10 - FY15 (Source: RCPS Budget Books FY10 – FY15)

STATE FUNDING BY YEAR - OPERATING BUDGET ONLY			
FY	School Year	Amount	Percent
FY10	School Year 2009-10	\$12,196,892	45.7%
FY11	School Year 2010-11	\$10,644,712	42.9%
FY12	School Year 2011-12	\$10,534,329	41.0%
FY13	School Year 2012-13	\$11,070,659	41.4%
FY14	School Year 2013-14	\$11,255,047	42.2%
FY15	School Year 2014-15	\$13,214,756	46.5%

Revenues from the state decreased significantly in FY11 during the economic downturn, and they continued at that level for the next three years. State revenues increased in FY15, with the increase due in large part to an increase in average daily membership and the re-indexing of the Local Composite Index.



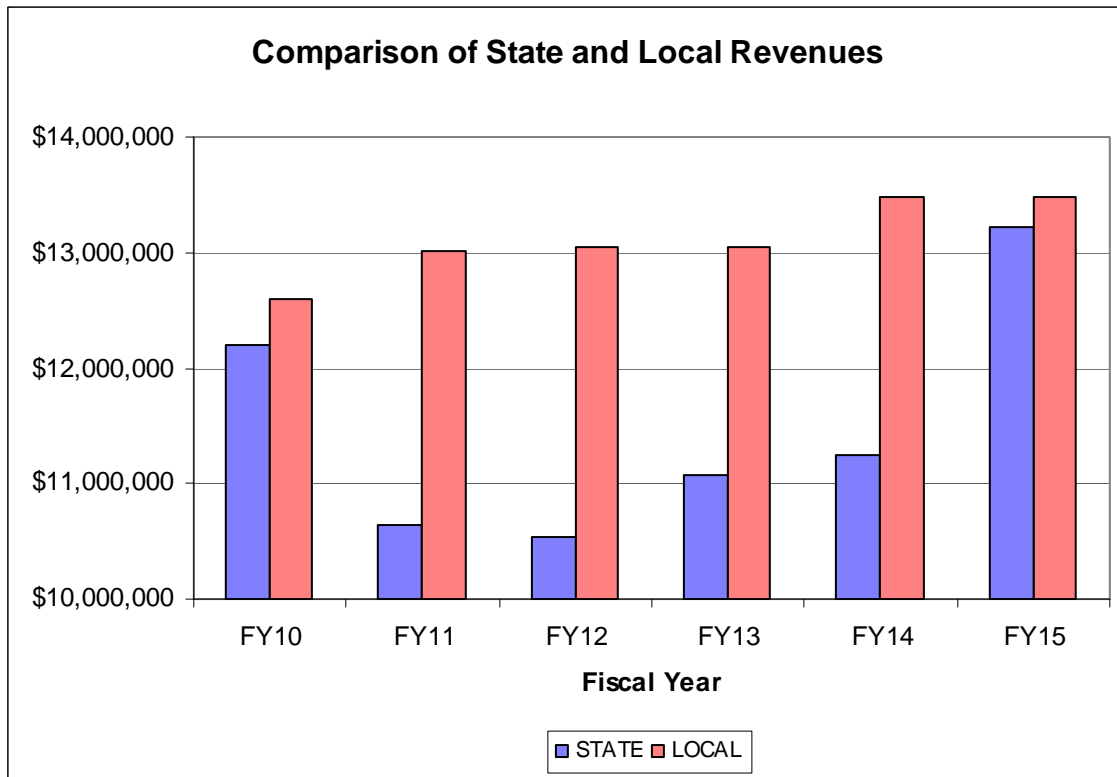
While revenues from the state decreased during this six year period, revenues from the locality increased in FY11 to partially compensate for the loss of state revenues, remained stable for the next two years, increased again in FY14, and remained level in FY15. However, with the increase in state funding in FY2015, the percentage of total revenue represented by the locality decreased.

Operating Budget Revenues from the Locality for FY10 - FY15 (Source: RCPS Budget Books FY10 – FY15)

LOCAL FUNDING BY YEAR - OPERATING BUDGET ONLY			
FY	School Year	Amount	Percent
FY10	School Year 2009-10	\$12,603,390	47.2%
FY11	School Year 2010-11	\$13,014,893	52.4%
FY12	School Year 2011-12	\$13,051,629	50.8%
FY13	School Year 2012-13	\$13,051,629	48.8%
FY14	School Year 2013-14	\$13,478,834	50.6%
FY15	School Year 2014-15	\$13,478,834	47.5%

Combining the two sources of revenue demonstrates that revenue from the locality has been stable compared to revenue from the state. It also demonstrates that total revenue from both sources in FY14 was unchanged from FY10.

Comparison of Operating Budget Revenues from the State and Locality for FY10 – FY15





FY	STATE	LOCAL	COMBINED
FY10	\$12,196,892	\$12,603,390	\$24,800,282
FY11	\$10,644,712	\$13,014,893	\$23,659,605
FY12	\$10,534,329	\$13,051,629	\$23,585,958
FY13	\$11,070,659	\$13,051,629	\$24,122,288
FY14	\$11,255,047	\$13,478,834	\$24,733,881
FY15	\$13,214,756	\$13,478,834	\$26,693,590

In an effort to help school divisions which were struggling financially, for the last quarter of FY11, the state declared a holiday from the requirement of school divisions to make payments into VRS. These payments had been budgeted by RCPS, and by agreement between RCPS and the locality, the unexpended funds resulting from this holiday were placed into a special escrow to be released by the locality to RCPS, so long as they lasted, to help meet what were anticipated to be increasing VRS rates in the future. These funds have not been included with the revenues from the Locality.

Tuition from the City of Lexington rose slowly from \$1,085,000 in FY10 to \$1,125,000 in FY14. During that time, this revenue was budgeted by agreement between the two school divisions. For FY15, RCPS reverted to the terms of the original agreement and budgeted \$1,450,000 based on its estimate of expenditures anticipated at or for RCHS.

Budgeted expenditures during the period FY10 through FY15 had to match budgeted revenues in order to achieve a balanced budget. New expenses mandated by the state during this period included:

- VRS rates increased from 8.93% in FY11 to 14.5% in FY15 resulting in additional expenses of \$1,076,000.
- In FY13, the state mandated a 5% salary increase to offset shifting 5% of the VRS contribution to employees. To keep Employees “whole” after the increase in FICA, RCPS gave employees a 5.8% increase. The total increase in payroll related expenses for FY13 was \$1,400,000, which was added to the base payroll for future years.
- A 2% salary increase was mandated in FY14, resulting in \$406,000 in additional payroll.
- While not mandated, in FY15, staff was given a step increase, resulting in \$330,000 in additional payroll added to the base.
- Other increases over this six year period included \$155,000 in healthcare premiums, a \$25,000 increase in the cost of each bus, increased fuel costs, increased utility rates, and general inflation.

Among other cost saving measures, in order to balance the budget during this six year period, RCHS closed two schools, eliminated 45 positions, eliminated or scaled back programs, and delayed capital expenditures.

#### Looking Forward, Resources and Needs

- Resources for FY16
  - State revenues down by \$61,264
  - Funds from VRS Escrow down by \$35,000
  - Forest Fund Reserve eliminated – down by \$35,000



- Tuition from Lexington down by \$50,000
- Needs for FY16 – Programs and Personnel
  - A One Step Salary Increase for All Employees - \$300,000
  - Health Care Premium Increase - \$166,000
  - Two additional Special Education classroom teachers - \$120,000
  - Upper Elementary Transition Class - \$109,000
  - Six additional Math and Reading Specialists - \$390,000
  - Two Physical Education teachers - \$105,000
  - Two Fine Arts teachers - \$105,000
  - Two Enrichment/technology Resource teachers - \$105,000
  - Summer School Programs for elementary and middle schools - \$48,000
  - After-School Programs - \$92,000
  - STEM Programs – Elementary and Middle Schools - \$60,000
  - STEM Programs – High School – To Be Determined
  - CTE/Trades & Industry Programs – To Be Determined
- Needs for FY16 – Capital Outlay Expenditures
  - RCHS Comprehensive A&E Study - \$55,000
  - RCHS Environmental Control System - \$55,000
  - RCHS Air Handler Unit Replacement (RTU's 4&5) - \$500,000
  - MRMS Hallway Gates - \$10,000
  - RCHS Outside Storage Units (2 ea) - \$14,000
  - MVES Cafeteria and Gym Floor Repair - \$5,000
  - RCHS Outside Storage Unit - \$7,000
  - SPED UETC Grades 3-4-5 Classroom - \$7,000
  - VoTech Outside Air Compressor Unit - \$10,000
  - MVES Outdoor Track Repair/Resurface - \$ 3,000
  - NBES VOIP Telephone System - \$22,000
  - TRAN Bus Replacement (4 ea)\* - \$380,000
  - VoTech Auto-Lift Replacement - \$5,000
  - MAIN Van Replacement (1 ea) - \$32,000
  - SPED Car Replacement (1 ea)\* - \$22,000
  - NBES Computer Replacement - \$110,000
  - Classroom Projector Replacement (30 ea) - \$54,000
  - VoTech Workstation Equipment (Expansion to 20 per area) - \$15,000
  - VoTech HVAC Program Instructional Equipment \$5,000
  - MRMS 1-to-1 Technology Initiative - \$80,000
  - VoTech Paint Booth - \$35,000
  - SPED Technology (laptops and iPads) - \$8,000



Historical Overview: FY10 – FY15

Public Schools in Virginia operate on monies provided primarily through tax dollars collected through local, state, and federal governments. The major portion of the revenues supporting public schools in Virginia comes directly from local and state appropriating bodies. The federal government also provides funds that support instruction and services to specific groups of students, generally through programs provided through the Elementary & Secondary Education Act (ESEA) and Individuals with Disabilities Education Act (IDEA). In addition, school divisions may receive funding from other sources, including tuition paid by non-resident students.

State Revenues

For Rockbridge County Public Schools, over the past six years (FY10 through FY15), revenues from the state have provided an average of 43.3% of the operating budget for the school division. During this time frame, the percentage of the operating budget for Rockbridge County Public Schools from state funding has fluctuated from a current high of 46.5% for FY15 to a low of 41.0% in FY12. Much of this change has been due to the economic downturn across the nation that led then Governor McDonnell to reduce state funding across the board shortly after assuming office in 2010. For fiscal years FY11, FY12, FY13, and FY14 the percentage of the operating budget provided through state funding hovered between 41.0% and 42.9% of the total operating budget, a drop from the 45.7% for FY10. For the current FY15 operating budget, the state is providing 46.5% of the total operating budget. This increase is significant and is due primarily to a re-indexing of the Local Composite Index (LCI) – a determination of the locality’s ability to contribute to the operating budget - which provided Rockbridge County with a larger share of state funds, and an increase in the student population attending the public schools in Rockbridge County.

Table 1 - Operating Budget Revenues from the State for FY10 - FY15 (Source: RCPS Budget Books FY10 – FY15)

STATE FUNDING BY YEAR - OPERATING BUDGET ONLY			
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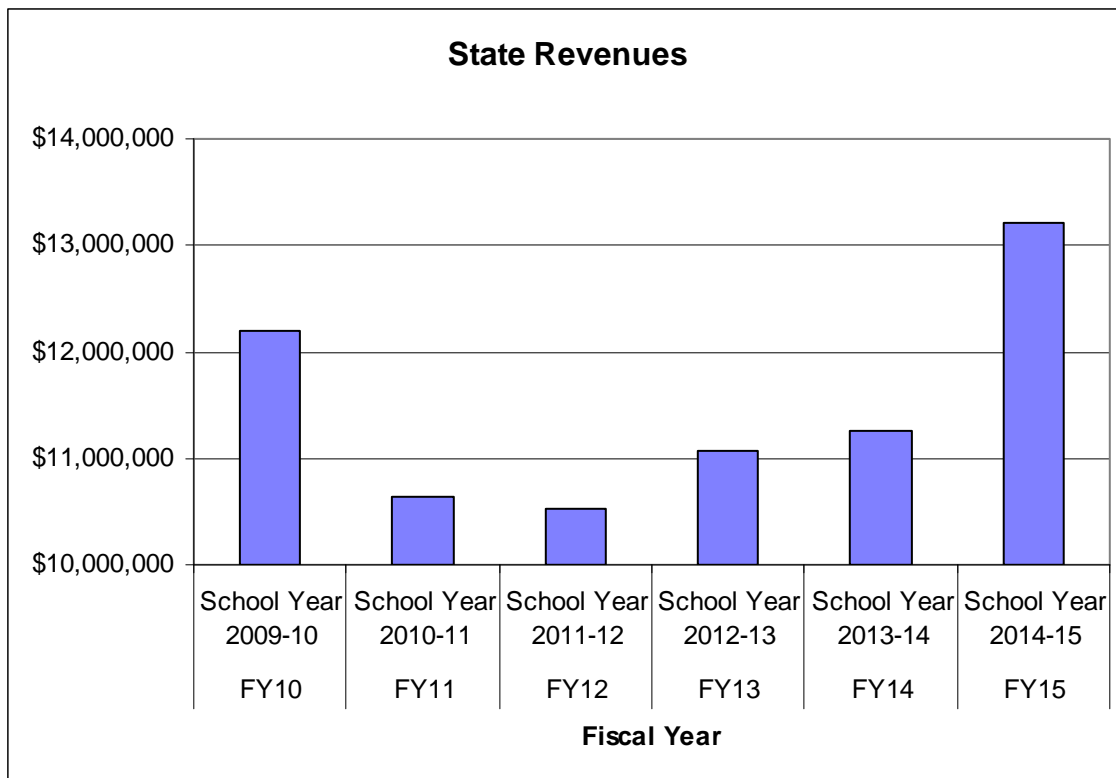
In addition to calculations involving the Local Composite Index, school division revenues from the state are also based on funding formulas provided through the Standards of Quality (SOQ). These Standards of Quality are part of the Code of Virginia and have been in place since 1971. Standards of Quality provide funding for various aspects of K-12 education, with BASIC AID to school divisions accounting for about 55% of the total SOQ funding for FY14, according to the December 2014 Joint Legislative Audit and Review Commission (JLARC). State SOQ funding per



student actually declined from FY13 to FY14. The school divisions with larger numbers of students generally receive more funding from the state than do those divisions with smaller numbers of students. According to this same JLARC report, state funding to school divisions "dropped considerably in FY2010 and again in FY2011, before increasing moderately in FY2012 and FY2013."

Locally, funding received from the state confirms the decline in funding compared to several years ago, but does not begin to show an increase until the FY13 year. Table 1 above and Graph 1 below show the revenues provided by the state for the school division operating budget for FY10 through FY15.

Graph 1 – Operating Budget Revenues from the State for FY10 – FY15



FY10	School Year 2009-10	\$12,196,892	45.7%
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If FY10 were to be used as a “base” for comparison, it is easy to see a loss of \$1,552,180 from state revenues moving into FY11. While state revenues are never guaranteed, a loss of over 1.5 million dollars in the operating budget in a single year is significant for a school division the size



of Rockbridge. Lower than expected funding from the state for the school division operating budget continued through FY14.

A significant increase in state revenues was provided for the school division operating budget for FY15. However, this was not a direct result of increases for Standards of Quality funding by the General Assembly, but rather is a result of more students in the school division and a change in the Local Composite Index, which required that more funding would be provided to Rockbridge County Public Schools for the operating budget. In other words, the pie didn't get larger, but Rockbridge County Public Schools received a larger slice of the pie for FY15. This also marked a return to a level of funding last provided by the state in FY10.

Local Revenues

Local funding for Rockbridge County Public Schools is determined by the Rockbridge County Board of Supervisors and apportioned through Rockbridge County. Annually, the Rockbridge County School Board presents the Board of Supervisors with an "Estimate of Needs" by the end of March. Based on budget requests and other funding sources, such as the state government and tuition from non-resident students, the Board of Supervisors then determines the total amount of local funding to be provided to the school division.

The economic downturn in the Virginia economy had an impact on local revenues in two ways. First, anticipated collections in real estate and sales taxes did not grow as expected. Second, funds returning to the locality from the state government were reduced as the state struggled to ensure that funding obligations matched available revenues at the state levels. These reductions forced the local government to likewise reduce expected expenditures. For the school division, the Board of Supervisors attempted to ensure funding for the school operating budget would remain at or slightly above funding from previous years. However, the Board of Supervisors was unable to make up for the loss of significant annual funding for the school division's operating budget resulting from reductions in state funding.

Table 2 - Operating Budget Revenues from the Locality for FY10 - FY15 (Source: RCPS Budget Books FY10 – FY15)

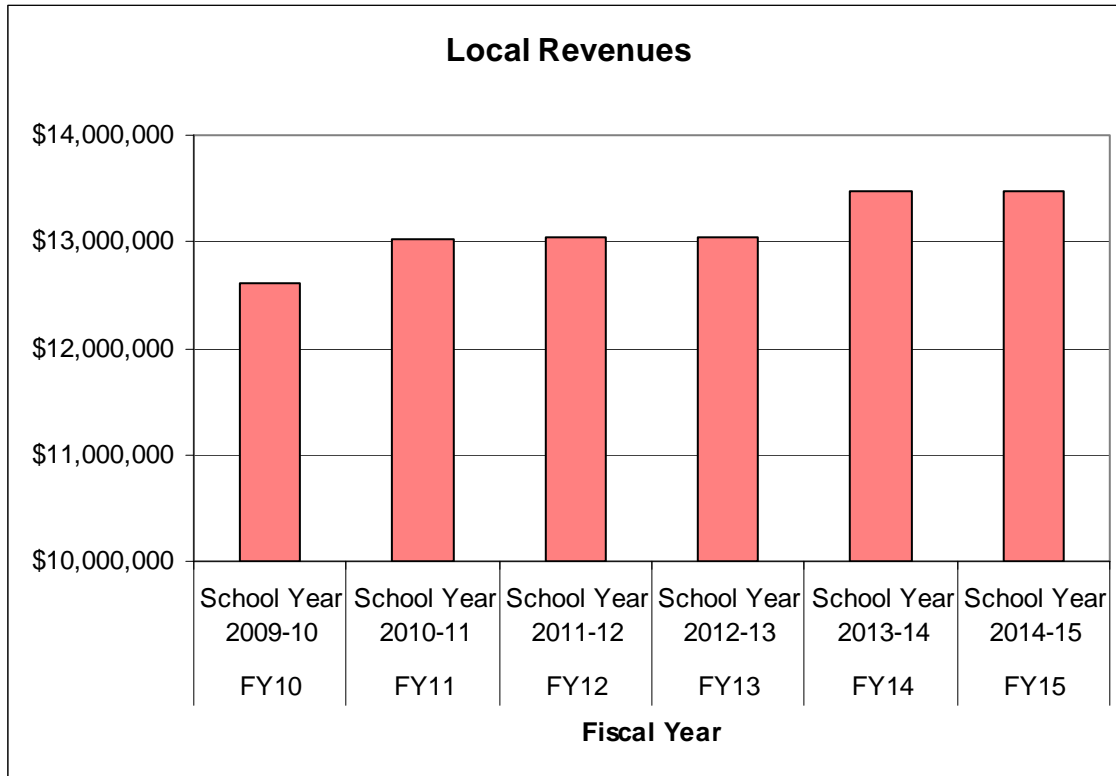
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FY14	School Year 2013-14	\$13,478,834	50.6%
FY15	School Year 2014-15	\$13,478,834	47.5%

As the percentage of the local operating budget funded by state revenues decreased, the percentage of the local operating budget provided by the locality grew larger. Table 2 above



and Graph 2 below provide funding information from the locality in supporting the operating budget for Rockbridge County Public Schools during FY10 through FY15.

Graph 2 – Operating Budget Revenues from the Locality for FY10 – FY15



FY10	School Year 2009-10	\$12,603,390	47.2%
FY11	School Year 2010-11	\$13,014,893	52.4%
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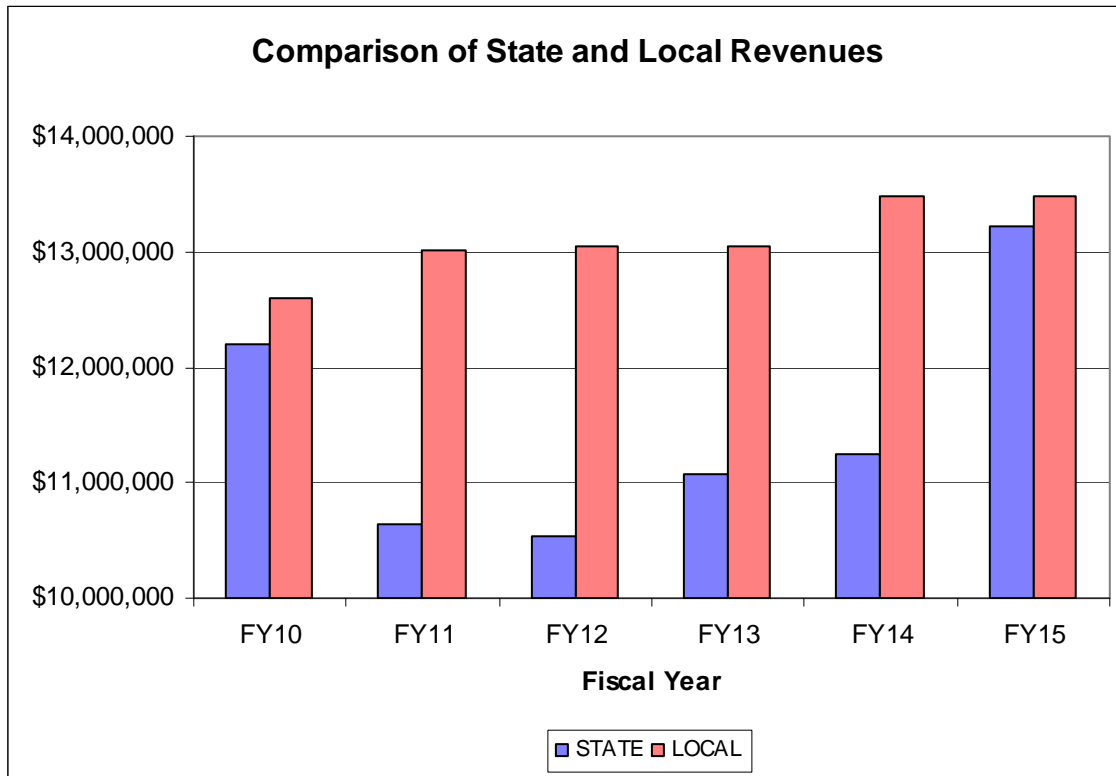
### Comparing State and Local Revenues

As noted earlier, the percentage of state funding and actual state revenue dollars have decreased from FY10 through FY14. As a result, funding for the operating budget provided by the local government has increased as a percentage while also increasing in dollars. Graph 3 below provides a comparison of the total funding provided for Rockbridge County Public Schools by the state and local governments to support the operating budget for FY10 through FY15.





Graph 3 – Comparison of Operating Budget Revenues from the State and Locality for FY10 – FY15



FY	STATE	LOCAL	COMBINED
FY10	\$12,196,892	\$12,603,390	\$24,800,282
FY11	\$10,644,712	\$13,014,893	\$23,659,605
FY12	\$10,534,329	\$13,051,629	\$23,585,958
FY13	\$11,070,659	\$13,051,629	\$24,122,288
FY14	\$11,255,047	\$13,478,834	\$24,733,881
FY15	\$13,214,756	\$13,478,834	\$26,693,590

Despite a significant increase in state funding for the FY15 year due to changes in student population numbers and a re-indexing of the Local Composite Index, there is no evidence the state will be in a position in the near future to provide significantly more funding to Rockbridge County Public Schools. According to calculations performed using the template released by the Virginia Department of Education for FY16 budget planning – adjusted to use local ADM projections – the Governor’s proposed budget would provide state revenues for FY16 in the amount of \$13,153,492, which is a reduction of \$61,264 from the funding provided by the state for FY15 for the school division operating budget.

Unfortunately, the school division is facing growing funding needs in order to provide programs for helping our students be successful on state-mandated Standards of Learning assessments; re-instituting or expanding programs to enable our elementary students to have more opportunities for structured physical activities, art instruction, and enrichment activities; and



providing means for capital improvements for our facilities - especially Rockbridge County High School.

### Budget Expenditures

As part of the budget planning process for the operating budget of Rockbridge County Public Schools, an "Estimate of Needs" is developed annually which is submitted to the Board of Supervisors by the end of March. This estimate provides a listing of categorical needs resulting from a proposed expenditure plan, or budget, for the upcoming fiscal year. Once approved by the Board of Supervisors, the final budget, or expenditure plan, is developed by the school division and put into place for the upcoming fiscal year.

The categories included in the "Estimate of Needs" are:

**Instruction** - Instruction includes the activities that deal directly with the interaction between teachers and students. Instruction may be provided for students in a school classroom, in another location such as a home or hospital, or in other learning situations such as those involving co-curricular activities. Instruction may also be provided through another approved medium such as television, Internet, radio, telephone, or correspondence. The activities of aides or classroom assistants of any type that assist in the instructional process are included in this category. The salary and expenses of the principal, assistant principal and clerical staff are also included in this category.

**Administration, Attendance, and Health** - Activities concerned with establishing and administering policy for administration, attendance, and health, such as: Payments (salaries and fringe benefits) for school board services and general administration of the entire local education agency (LEA); Costs of services related to personnel, planning, fiscal operations, and purchasing; Costs of services related to attendance and health programs, psychological needs and speech/audiology programs.

**Pupil Transportation Services** - Activities concerned with conveying students to and from school as provided by State and Federal law. This includes trips between home and school, and trips to and from school activities.

**Operations and Maintenance Services** - Activities concerned with keeping school facilities, grounds, and equipment in effective working condition. This includes the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools.



**Facilities** - Activities concerned with acquiring land and buildings, remodeling buildings, constructing buildings and additions to buildings, installing or extending service systems and other built-in equipment, and improving sites. This category refers to capital construction.

**Technology** - This function captures technology-related expenditures as required by the General Assembly. All technology-related expenditures should be reported under this function, including expenditures for hardware, equipment, and services involving the use of technology for instructional, public information, or any other use.

*Source - VSBA Finance Manual 3rd Edition*

Two other categories for expenditures or fund transfers exist outside of the school division operating budget. One of these categories is used for recording revenues and expenditures associated with school food nutrition services. Even though staff members and workers who are in the food nutrition services department are employees of Rockbridge County Public Schools, their salaries and benefits are not part of the school division operating budget. These expenses, along with the costs for food and equipment for providing breakfasts and lunches, must be paid from a separate fund not related to the school division operating budget. Monies are provided to this fund through the sales of breakfasts and lunches, as well as support provided by the state and federal governments.

The other category which exists outside of the school division operating budget is for debt service. Any debt created for capital improvements, construction, renovation, or purchase for school division buildings or real property is the responsibility of the Board of Supervisors. Monies required to fund expenditures in this category are not under the control of the School Board, but rather the Board of Supervisors. Final decisions for any expenditures involving the assumption of debt rests solely with the Board of Supervisors. Reporting regulations from the State of Virginia require debt service supporting school facilities to be reported as school expenditures/costs. However, these expenditures are separate from the school division operating budget and are not grouped or identified as part of the operating budget.

#### Budget Expenditures by Category

Table 3 below provides a comparison of the amounts budgeted for each of the categories listed above for FY10 through FY15. As is to be expected, during these budget years, over 72% of the school budget was in the category of Instruction, which is used to provide direct support for students and teachers. The next largest category for expenditures is for Operations and Maintenance into which over 11% of funding goes – this category supports keeping our school facilities safe, clean, and in good repair, as well as providing funds for the payment of the utilities – electricity, heating/cooling, and water/sewer services – needed to provide comfortable environments for our students and teachers. Pupil Transportation shows an



increasing cost for the school division – rising from 6.8% to 7.6%. Increased fuel prices over the past five years have contributed to this change. In addition, the prices for replacement school buses have risen by over \$25,000 per bus over the past six years.

Table 3 – Expenditures by Category of the Operating Budgets for FY10 - FY15

BUDGET BOOK INFORMATION	FY10		FY11		FY12	
CATEGORIES	BUDGETED	PERCENT	BUDGETED	PERCENT	BUDGETED	PERCENT
Instruction (61)	\$19,654,344	73.6%	\$17,998,830	72.5%	\$18,570,682	72.3%
Administration & Health (62)	\$1,310,356	4.9%	\$1,211,005	4.9%	\$1,237,996	4.8%
Pupil Transportation (63)	\$1,819,314	6.8%	\$1,783,435	7.2%	\$1,886,765	7.3%
Operations & Maintenance (64)	\$2,926,222	11.0%	\$2,840,738	11.4%	\$2,963,272	11.5%
Facilities (66)	\$167,665	0.6%	\$167,665	0.7%	\$115,095	0.4%
Technology (68)	\$829,954	3.1%	\$822,932	3.3%	\$906,148	3.5%
<b>TOTAL EXPENDITURES</b>	<b>\$26,707,855</b>	<b>100.0%</b>	<b>\$24,824,605</b>	<b>100.0%</b>	<b>\$25,679,958</b>	<b>100.0%</b>

BUDGET BOOK INFORMATION	FY13		FY14		FY15	
CATEGORIES	BUDGETED	PERCENT	BUDGETED	PERCENT	BUDGETED	PERCENT
Instruction (61)	\$19,370,837	72.4%	\$19,285,331	72.4%	\$20,624,888	72.7%
Administration & Health (62)	\$1,312,084	4.9%	\$1,325,281	5.0%	\$1,364,768	4.8%
Pupil Transportation (63)	\$2,013,045	7.5%	\$1,973,457	7.4%	\$2,148,722	7.6%
Operations & Maintenance (64)	\$3,122,107	11.7%	\$3,024,165	11.4%	\$3,170,784	11.2%
Facilities (66)	\$20,000	0.1%	\$20,000	0.1%	\$20,000	0.1%
Technology (68)	\$916,339	3.4%	\$1,013,897	3.8%	\$1,059,428	3.7%
<b>TOTAL EXPENDITURES</b>	<b>\$26,754,411</b>	<b>100.0%</b>	<b>\$26,642,131</b>	<b>100.0%</b>	<b>\$28,388,590</b>	<b>100.0%</b>

A quick calculation shows that over 91% of the operating budgets from FY10 through FY15 provide for expenditures that directly support classroom instruction, provide safe buildings and facilities for our students, and get our students to and from school on a daily basis. When technology expenditures are added in – the bulk of which provides equipment, hardware, applications, and services for student instruction – then almost 95% of the monies expended by Rockbridge County Public Schools from FY10 through FY15 have gone – directly or indirectly – into supporting instruction for our students. The remaining 5% pays for health services at the schools, including nurses in each of our buildings; support for administering required Standards of Learning annual assessments; support for schools in improvement (a direct requirement from mandates from the Virginia Department of Education); support for administering federal programs (which support reading programs, professional development activities for teachers, and technology training); support for administering and overseeing Special Education services as required through IDEA; support for overall education, including general education and Career Technical Education/Trades & Industry; support for financial services for the school division; and general administrative support as required by the Virginia Department of Education.

Even with the economic downturn and revenues from the state lower than what might have been anticipated, Rockbridge County Public Schools still showed an increase in budgeted



revenues (and in budgeted spending) of about 1.68 million dollars over the period from FY10 through FY15. That averages out to an increase of almost \$280,000 each year over the six year period from FY10 through FY15.

#### Increased Expenses

While revenues from the state declined and the overall operating budget for the school division was reduced from FY10 through FY14, there were also mandated expenses from the state that increased costs for Rockbridge County Public Schools.

During this six year span, the school division experienced significant changes in the rates charged the school division by the state for the employer portion of the Virginia Retirement System (VRS). As a result of the economic downturn, the state reduced the VRS employer rates from 13.81% in FY10 to a low of 8.93% for FY11. However, over the course of the next five years, from FY11 through FY15, the rate has steadily increased until the current rate of 14.50% was reached for FY15. During this span from FY11 through FY15, the school division has paid an additional \$1,076,000 to VRS as result of these changes in the employer rate.

In FY13 the state determined that the VRS employee contribution would be reinstated. This contribution would be based on 5.0% of the employee's reported VRS salary. In doing this, the state mandated that employees would receive a minimum of a 5.0% increase in salary in order to offset the required VRS contribution. In order to avoid having employees lose money through increased taxes, an effective increase averaging 5.8% was required. This mandated pay raise increased the overall payroll by approximately \$1,000,000 over the previous fiscal year (which became a recurring expense for future years). Other benefits, some tied to VRS such as health care credit and group life insurance, as well as FICA, increased as a result of the salary changes, bringing the total increase in FY13 payroll and benefits (other than VRS) to almost \$1,400,000. This significant increase in the costs for payroll and benefits mandated by the state DID NOT provide employees with any tangible increase in salaries.

In FY14 the state mandated another 2% increase in employee salaries. This change produced an increase in payroll – salaries plus benefits – of over \$406,000 compared with FY13.

In FY15 the school board voted to provide all staff members with a step increase. This increase resulted in a payroll increase of approximately \$330,000 over the previous year (including benefits – FICA, VRS, health care credit, and group life insurance).

Overall, for the period from FY10 through FY15, salaries and benefits – including VRS – have increased over \$3,000,000. Health care costs have likewise risen over this time span, costing an additional \$155,000 during this time period. In addition, the price of buses increased by about \$25,000 per bus; fuel prices rose; utilities costs increased – especially with increased consumption during colder winters; and inflation, though low, caused other prices for materials



and consumables to increase. This all occurred during a period where the operating budget – after reaching a low of \$24,824,102 – effectively grew by only \$1,680,735 when compared to FY10.

To function during these times, the Rockbridge County School Board was required to make several difficult decisions. Two schools were closed. Reduction in personnel took place beyond the result of closing schools – resulting in a reduction of over 45 positions during this time period (nine of these were reductions from division level staff, including director positions, clerical positions, maintenance positions, curriculum specialists positions, and instructional technology resource positions). Programs were scaled back or eliminated. Purchases of capital equipment were put off. Capital improvements to facilities – especially Rockbridge County High School – were delayed. These actions kept the school division in good financial shape, especially when compared to other school divisions across the state. However, decisions such as these had consequences. While it might be possible to provide almost as much in the short term with fewer resources, this is not a sustainable practice. In the end, it is not a matter of “doing more with less”. Instead, you will simply “do less with less”. Our student performance has declined on Standards of Learning assessments, with four of our six schools currently under state guidance for improvement. The high school facility is approaching 25 years of use, with the original Vocational-Technical Center, to which the high school is attached, approaching 40 years of use. Serious investment in personnel, programs, and capital projects will be necessary over the next five to ten years in order to move instruction forward in Rockbridge County Public Schools.



### Preparing for FY16 and Beyond

As we enter into budget planning for Fiscal Year 2016 it is worth noting again that increases in state revenue funding for Rockbridge County Public Schools for FY15 came about as a result of the change in the Local Composite Index (LCI) and an increase in the student population. These increases did not result from additional funding being provided by the General Assembly. As we begin to receive information from the Virginia Department of Education regarding state funding possibilities, it appears that Rockbridge County Public Schools will not suffer a significant loss of state revenues, as was the case in FY11, but there is expected to be a decrease in state revenues compared to what was provided for FY15. Based on preliminary figures obtained from the Governor's proposed budget in December 2014, revenues from the state would decrease by \$61,264 compared to FY15.

Other revenues are also diminishing. The VRS Supplement is a local escrow account that was created at the end of the 2010-11 school year from funds already budgeted by the Rockbridge County Public Schools division to pay for the last quarter of VRS expenses, which the state did not collect. These funds, supplemented by other monies budgeted for school division expenses – have been used to assist in paying for mandated increases in VRS expenses. For the FY16 school year, this revenue is expected to be \$174,000, a decrease of \$36,000 from FY15. This is also the last year funds will be available from this escrow account.

Another source for funding in the operating budget for FY16 has been eliminated. The Forest Fund Reserve/Small Rural School Secure Reserve is expected to be fully eliminated for FY16. It has already been reduced significantly for the FY15 school year. The loss of this revenue represents a decrease of \$35,000 from the FY15 revenue sources.

Tuition revenue paid by the City of Lexington for city students who are attending Rockbridge County High School is expected to decrease compared to the tuition amount shown in the FY15 budget. Agreement has been reached with the Lexington City School Board for how future tuition payments will be calculated. Revenues from the City for tuition in FY15 will be significantly less than the \$1,450,000 listing in FY15. Preliminary calculations indicate tuition for FY16 could be as low as \$1,400,000. This represents a \$50,000 drop in revenues as listed in the FY15 budget.

Overall, at this time and using the information available, the revenues for Rockbridge County Public Schools could decline by \$182,264 when compared to revenues from the state, the VRS Supplement, and miscellaneous revenues (tuition and Forest Funds).

### Meeting Student Needs

As previously noted, four of the six schools in the Rockbridge County Public Schools system have been designated as *schools in improvement* by the Virginia Department of Education.



Three of these schools are elementary schools, with the fourth being the middle school. Additionally, one of these elementary schools has been designated a “Focus School” and is receiving additional scrutiny from the Virginia Department of Education. We have been told on several occasions in meetings with VDOE officials and contractors that there are additional services, including personnel, which may be needed to help these schools meet the necessary gains to move out of the status of *school in improvement*. Summer-school programs need to be re-instituted for the elementary and middle school levels. While much of the costs for summer school instructional personnel are reimbursed by the Virginia Department of Education, there would be additional costs for other personnel, transportation, materials, and daily snacks which would have to come from the operating budget.

The school division has also been fortunate over the past decade in being recipients of 21<sup>st</sup> Century Learning Grants in our elementary and middle schools. These grants have allowed for robust after-school programs and summer session programs which focused on academics and enrichment to be in place for many years. These grants ranged in size from about \$130,000 annually for a three-year cycle at Mountain View Elementary to almost \$400,000 annually for a three-year cycle at Maury River Middle School. However, for now, only one of our elementary schools currently has a program in place funded through a 21<sup>st</sup> Century Learning Grant. This program ends June 30 of the current school year. For our students in our schools in improvement, having time after school to get additional academic help and to prepare for the next school day is essential. The school division has attempted to put a limited after-school program in place for this school year which is focused on supplying homework help and additional time for students to be engaged in structured physical activities. To fully implement a program for next year, additional funding will be needed. Without such a program, many of our students who struggle the most may miss out on opportunities to prepare for the next day of instruction and learning.

#### New Personnel Considerations

New Personnel which are being considered to help meet student needs and improve student performance, as well as providing our students with a well-rounded educational experience include:

- Special Education Classroom Teachers  
Two of our elementary schools – both of which are in improvement – are showing increases in enrollment and identification of students identified with special needs. To meet these increased needs, two additional special education teachers are expected to be needed - student needs drive the number of teaching positions necessary and our special education population is growing. Salaries and benefits for two classroom teachers would be approximately \$120,000.





- Upper Elementary Transition Class/Program (UETC)  
Several years ago the School Board made a commitment to provide a classroom with teachers and aides to provide specialized instructional services for identified students in grades K – 2 who had significant social, communication, and behavioral deficits which interfered with the student’s success in regular classroom settings. This program – Primary Elementary Transition Class (PETC) – has been successful. However, several of these students will be aging out of the program within the next two years. The upper level program will allow for a continuation of the services which are helping these students access the academic curricula while developing better social, communication, and behavior skills. Ultimately, this program would be staffed by one teacher and two teacher assistants. The approximate cost for salaries and benefits would be \$109,000.
- Elementary Math and Reading Specialists  
Each of the three elementary schools in improvement failed to meet full requirements from VDOE and the No Child Left Behind Act for student performance in reading/language arts. Two of the three also failed to meet full requirements from VDOE and the No Child Left Behind Act for student performance in mathematics. Students are provided daily classroom instruction in reading/language arts in each of these schools for 60 to 120 minutes and in math for at least 60 minutes. Students who struggle with reading or mathematics receive additional instruction during the school day – but not on a daily basis, and not always by a trained teacher. Each of the schools currently has two Reading Specialists which are provided through Title I funding. However, there are some restrictions on how these teachers can be used and which students can be served. In addition, with increased remediation and intervention being required for more students, two teachers typically can’t meet the need and aren’t able to meet with these students on a daily basis. The addition of one more reading specialist per school – supported by operating budget funds – would provide additional services for our struggling readers.

Likewise, each of these three schools also has a full-time mathematics specialist – supported by operating budget funds. While two of the three schools did not meet required student performance requirements in math, the third school was barely into the acceptable performance range. Each of these schools would benefit by the addition of another full-time mathematics specialist. This would allow all three schools to provide services across more grade levels and enable students to work with the specialists on a daily basis – necessary to provide needed mathematics support for struggling learners.



The Virginia Department of Education requires teachers in these positions – reading or mathematics specialist – to hold a Master’s degree with a specialized endorsement as a Reading Specialist or a Math Specialist. As a result, teachers eligible to hold these positions are generally more veteran teachers who are high on the salary scale. Salary with benefits for a single specialist would be approximately \$65,000. Funding for six specialists would require approximately \$390,000.

- **Elementary Positions Supporting Overall Student Engagement**  
Four years ago, the elementary schools had three more physical education teachers than we currently have. These positions provided additional time for structured physical education activities for our elementary students. The positions were grant funded positions and were not able to become part of the operating budget due to lack of funds. While not related directly to student performance in reading or mathematics, many people would agree that active students perform better in the classroom. While certainly not a root cause, our SOL total performance dropped in the elementary schools once the opportunities for daily structured physical education activities were reduced. Funding for the return of two of these positions would require approximately \$105,000 for salaries and benefits.

Four years ago, the elementary schools were provided with Art instruction by way of an agreement with Fine Arts in Rockbridge (FAIR). To reduce expenses, this program was replaced with an art program provided by way of a para-professional who is part of the Rockbridge County Public Schools system. This one individual serves all four elementary schools. As a result, opportunities for art instruction for students have been reduced. Art frequently requires students to read and to work with math in the context of creating or exploring art, and can provide reinforcement for both. Art may also provide students with opportunities to grow, learn, and express themselves in ways that can impact the overall development of a child. Providing two full-time, certified, art teachers for our elementary programs would expand these opportunities and could well enhance strong art programs at the middle and high school levels through helping identify students with high art aptitudes at the elementary levels. The costs for providing two art teachers would be approximately \$105,000.

Rockbridge County Public Schools is committed to improving opportunities for providing enrichment for our academically strong students at the elementary levels. Each of the elementary schools has a teacher who handles the additional



responsibilities as the school gifted coordinator, and the division does have a person who is in schools on a daily basis working with students and teachers as part of her responsibilities as the supervisor for gifted education; however, additional personnel are needed to expand enrichment opportunities for our students. The addition of two teachers – serving in the capacity of enrichment/technology resource teachers – would allow the school division to provide better coordination for the many community and college volunteers working in our enrichment programs, to provide direct instruction for enrichment activities for our academically strong students, provide teachers with assistance in developing and providing curricula that goes beyond classroom instruction for the core curricula, and explore emerging ways of incorporating technology into teaching and learning. The costs for providing two enrichment/technology resource teachers would be approximately \$105,000.

#### Program Considerations

- **Summer School Programs at the Elementary and Middle School Levels**  
Several years ago, in an effort to reduce costs for the school division, summer school programs for elementary and middle school students were eliminated. These programs, typically ranging in duration from 16 to 20 days and operating in the mornings for Mondays through Fridays, provided intervention instruction for students who struggled with academic success. The focus for these programs, especially at the elementary levels, was primarily on reading/language arts and mathematics.

A portion of the personnel costs for actual summer school instruction is reimbursed to the school division by the Virginia Department of Education. However, costs for materials, snacks, transportation, and personnel other than teachers must be provided from the school division operating budget. To reinstitute summer schools programs, approximately \$28,000 will be needed for transportation costs. An additional \$20,000 is estimated to be needed for salaries, materials, and snacks, with a portion of these costs being reimbursed by VDOE based on student participation.

- **After-School Programs**  
After-school programs for elementary and middle school students provide additional opportunities for struggling students to gain additional instructional and work time under the guidance of a teacher. With the loss of the 21<sup>st</sup> Century Learning Grants, the school division has attempted to provide a scaled down version of after-school programs for a limited number of elementary and middle school students. To provide a program of more substance, including transportation costs, a minimum of \$92,000 would be needed. Even with



\$92,000 set aside for after-school programs, this still falls far short of the average of over \$300,000 which has been available through 21<sup>st</sup> Century Learning Grants during the past five years for funding after-school and summer session programs.

- **Science, Technology, Engineering, and Math (STEM) Programs**  
Moving forward with 21<sup>st</sup> Century instruction has brought an increased emphasis on integrated instruction for science, technology, engineering, and mathematics in the Commonwealth of Virginia and across the nation. School divisions in the state are working together and with universities and colleges to develop curricula which address these interdisciplinary studies, as well as developing partnerships to assist in implementing programs. These programs will require specialized equipment to support learning that is hands-on and driven by real applications for science and mathematics. Rockbridge County Public Schools are at the initial stages of exploring STEM and the opportunities which could be provided for our students. In the short term, the first steps will be developing ways of integrating science, technology, engineering, and math for projects which can become part of our instructional programs at the elementary and middle school levels. In the long term, STEM instruction could grow into a partnership with our local colleges and universities, allowing our high school students to have opportunities to participate in a “STEM Academy” which could also provide college-level instruction and college credits for the program participants.
- **Career Technical Education/Trades & Industry Programs**  
As previously mentioned, programs in Career Technical Education/Trades & Industry are expanding in Rockbridge County Public Schools. Maury River Middle School provides students with opportunities to take high school, entry-level courses and Level One courses in technology education (Introduction to Drafting and Technology), in Family and Consumer Sciences (Individual Development), and in Agriculture (Agriculture I and Introduction to Trades). Students are also able to take business courses with high school credit for Keyboarding and Computer Applications. At Rockbridge County High School, a program in Heating, Air Conditioning, and Ventilation was recently introduced – this is a growing program which is pertinent to employers in our area. Interest exists for adding programs in Small Engine Repair, Welding, Advanced Manufacturing Techniques, and Cosmetology. However, facilities restrictions will prevent these courses from being offered in the near future.

The vocational center has provided almost 40 years of service with few upgrades to the instructional facilities. Electric power (amperage) has already reached the



limit of availability. Space for instruction is at a premium, with future program expansion dependent on renovation and expansion of the existing facility, or construction of a new facility. Without these changes, Rockbridge County High School will be limited in moving forward with further expansion for the CTE/T&I programs.

#### Existing Personnel Considerations

Our current employees deserve consideration as decisions are made for the FY16 operating budget. For several years, our employees did not receive any type of salary increase – essentially having salaries frozen in time. With health care costs increasing and costs of living likewise increasing, our employees took steps backwards in terms of real money. In recent years, salaries have begun to inch forward again. As noted earlier, the state mandated raises totaling 5.0% in FY13 to cover required employee contributions to VRS. Even with an increase that averaged 5.8%, many of the employees either stayed level with income or experienced a slight decrease in earnings as a result of this mandate. The state also mandated a 2.0% increase in salaries for FY14. For the FY15 school year, the school board voted to fund a one-step increase in salaries for all employees. As is the case with any increase in salary, benefits such as FICA, VRS, Health Care Credit (HCC), and Group Life Insurance (GLI) – all of which are required benefits – also go up. Finally, increases of these are not one time increases – they set the base level for the next fiscal year as they have already been established as part of the operating budget.

In addition to salary considerations, health care premium costs are expected to go up. The school division has been active in recent years in monitoring and adjusting plans in order to better control health care costs – for both the school division and the employees. Over the years, additional plans have been added which give employees choice between a basic plan and a plan that costs more for the employee but provides greater benefits. The prescription drug plan has been modified as have plan deductibles, shifting some costs to the employees. Within the past five years the school division has switched health care carriers twice in efforts to reduce costs. Regardless, costs do continue to rise and consideration should be given as to how much of the increase the school board is willing to include in the operating budget.

- **One-Step Salary Increases for All Employees**  
A one-step increase in salary for all employees would cost the school division approximately \$300,000. This figure is based on current employees and does not consider potential changes in personnel which may occur for FY16 and which could impact the total dollar figure. The figure is also smaller than the change from FY14 to FY15 because VRS rates did not increase by almost 3% as they did from FY14 to FY15.



- Health Care Premium Increases

At this time, insurance consultants for Rockbridge County Public Schools have advised a trend increase of 10% to 11% for the total costs for the premium paid as the employer share by the school division. For an initial calculation, a 10.5% increase on the current individual premium paid for by the school division was used. Such an increase would yield an overall increase of approximately \$166,000 over the current amount provided in the FY15 operating budget. In addition, there would be a corresponding increase in the premium paid by the employees. Unless the school division absorbs these increases on the employer side, then the total premium increase – employer and employee – would fall for the employee to pay. This could represent a significant reduction in net salary for employees who participate in the health care program provided by the school division.

Summary – Programs and Personnel Considerations

The summary below provides estimated costs associated with the information previously presented.

Table 4 – Programs and Personnel

• Special Education Classroom Teachers (2).....	\$120,000
• Upper Elementary Transition Class/Program (UTECH) Teacher and Aides (2) .....	\$109,000
• Elementary Math and Reading Specialists (3 each) .....	\$390,000
• Elementary Positions	
- Physical Education (2) .....	\$105,000
- Art Instruction (2) .....	\$105,000
- Enrichment/Technology Resource (2) .....	\$105,000
• Summer School Programs for Elementary and Middle School Levels.....	\$48,000
• After-School Programs for Elementary and Middle School Levels .....	\$92,000
• STEM Programs for Elementary and Middle School Levels .....	\$60,000
• STEM Programs for the High School .....	To Be Determined
• Career Technical Education/Trades & Industry Programs .....	To Be Determined
• One-Step Salary Increases for All Employees.....	\$300,000
• Health Care Premium Increases (Employer Costs).....	\$166,000

NOTE: Costs are approximate.

Capital Outlay for FY16 – Facilities, Equipment, and Programs

*Capital Outlay – Outlays that result in the acquisition of or additions to fixed assets. Capital Outlay includes the purchase of fixed assets both replacement and/or additional. Capital outlay does not include the purchase of equipment costing less than \$5,000, unless the LEA has set a lower capitalization threshold.*

The school division underwent a comprehensive review during FY15. The purposes of the review were to identify needs, to set expectations and goals, and to provide a plan for



addressing the needs and meeting the expectations and goals as the school division moves into FY16 and beyond. This comprehensive review included a review of all school facilities and programs, along with identification of anticipated needs. These have been categorized part of either the *Capital Improvement Plan (CIP)* or the *Capital Purchases Plan (CPP)*. The complete listing of capital expenses is listed in Appendices A and B. Below are listings for capital improvements and capital purchases which the school division will attempt to address during the FY16, provided funds are available.

Table 5 – FY16 Capital Improvements Plan (CIP)

SITE	PRIORITY	DESCRIPTION	ESTIMATED COST	NOTES
RCHS	1	Comprehensive A&E Study	\$55,000	1, 2
RCHS	2	Environmental Control System	\$55,000	1, 3
RCHS	3	Air Handler Unit Replacement (RTU's 4&5)	\$500,000	1, 4
MRMS	4	Hallway Gates	\$10,000	5
RCHS	5	Outside Storage Units (2 ea)	\$14,000	1, 6
MVES	6	Cafeteria and Gym Floor Repair	\$5,000	7
NBES	7	Outside Storage Unit	\$7,000	6
SPED	8	UETC Grades 3-4-5 Classroom	\$7,000	8
VoTech	9	Outside Air Compressor Unit	\$10,000	1, 9
MVES	10	Outdoor Track Repair/Resurface	\$3,000	10
NBES	11	VOIP Telephone System	\$22,000	11
TOTAL:			\$633,000	

Notes:

1. Total project cost; partially reimbursable from City of Lexington per RCHS Consolidation Agreement (estimated total reimbursement \$105,000).
2. Comprehensive campus-wide (including VoTech) study to support repair and renovation plans.
3. Required upgrade to support roof-top unit (RTU) replacement.
4. Year 1 of multi-year program; costs vary year-to-year based upon size of units to be replaced.
5. Required to provide security during after-school/community use.
6. Provides needed athletic and academic storage space.
7. Repair of existing floors; prevents further damage.
8. Supports expansion of existing PETC program for grades 3-5 in FY 17.
9. Year 1 of two-year program to replace aged/failing exterior VoTech compressors.
10. Provides improved safety for grades K-5 and community users.
11. Replaces existing outdated/failing phone system.



Table 6 – FY16 Capital Purchases Plan (CPP)

SITE	PRIORITY	DESCRIPTION	ESTIMATED COST	NOTES
TRANS	1	Bus Replacement (4 ea)*	\$380,000	1
VoTech	2	Auto-Lift Replacement	\$5,000	2
MAIN	3	Van Replacement (1 ea)	\$32,000	3
TRANS	4	Car Replacement (1 ea)*	\$22,000	3
NBES	5	Computer Replacement	\$110,000	4
ALL	6	Classroom Projector Replacement (30 ea)	\$54,000	2, 5
VoTech	7	Workstation Equipment (Expansion to 20 per area)	\$15,000	2, 6
VoTech	8	HVAC Program Instructional Equipment	\$5,000	2, 7
MRMS	9	1-to-1 Technology Initiative	\$80,000	8
VoTech	10	Paint Booth	\$35,000	2, 9
SPED	11	Technology (laptops and iPads)	\$8,000	10
TOTAL:			\$746,000	

Notes:

1. Annual replacement program required to meet state guidelines and ensure student safety.
  2. Total project cost; partially reimbursable from the City of Lexington per RCHS Consolidation Agreement (estimated total reimbursement \$13,500).
  3. Year 1 of multi-year program to replace aged/high-mileage vehicles and ensure student safety (SPED vehicles).
  4. Replace existing Macs with PC-based systems; multi-year effort (FES and CES in future years).
  5. Replace failing classroom projectors with more cost effective equipment.
  6. Required to expand availability of CTE and reduce student wait-lists.
  7. Purchase of required instructional mechanical/control units for dual-enrollment program.
  8. Provides ChromeBooks (or equivalent device) to every 8<sup>th</sup> grade student to facilitate 21<sup>st</sup> Century instruction and prevent development of a “two-tiered” educational system.
  9. Replace outdated CTE equipment.
  10. Enhance SPED instructional capabilities.
- \* Included in FY15 Budget as annual replacement costs.





Appendices

Appendix A – Capital Improvements Plan FY16 – FY20 and Beyond

**FY16 Capital Improvements Plan**

Location	Description	Justification	Estimated	Notes	Priority
RCHS	Comprehensive A&E Study	Cost efficiency of R&R and future improvements	\$80,000	2, 6, 8	1
RCHS	Environmental Control System	Upgrade (accommodate new RTU's)	\$55,000	6, 7	2
RCHS	Air Handler Unit Replacement (RTU's 4&5)	Failing Units	\$500,000	3, 6, 7	3
MRMS	Hallway Gates	Security and after school program use	\$10,000	1, 8	4
RCHS	Outside Storage Units (2 ea)	Protection of materiel	\$14,000	6, 7	5
MVES	Cafeteria and Gym Floor Repair	Repair/Renovation (R&R)	\$5,000	8	6
NBES	Outside Storage Unit	Protection of materiel	\$7,000	8	7
VoTech	Outside Air Compressor Unit	Replacement of aged/failing units	\$10,000	4, 6, 7	9
MVES	Outdoor Track Repair/Resurface	R&R	\$3,000	8	10

**Total: \$684,000**

Notes:

- Hallway gates to restrict access within the building during after-school/outside-agency use.
- Campus-wide study, including VoTech, to ensure cost effectiveness of R&R projects and future improvements.
- Year 1 of multi-year program; eleven(11) RTU's and ancilliary equipment require replacement.
- Year 1 of multi-year program; two(2) total units require replacement.
- Accommodates expansion of current PETC program (grades PK thru 2) in FY 17.
- Total project cost; partially refundable from City of Lexington per RCHS consolidation agreement (estimated at \$109,000).
- Subject to adjustment depending upon A&E study results.
- Possible acceleration into FY 15 dependent upon funds availability.

**FY17 Capital Improvements Plan**

Location	Description	Justification	Estimated Cost	Notes
CES	Office Carpet	High Traffic Area - Worn	\$1,500	
CES	VOIP telephone System	Aged System Replacement	\$22,000	
FES	Office Carpet	High Traffic Area - Worn	\$1,500	
FES	VOIP telephone System	Aged System Replacement	\$22,000	
MVES	Office Carpet	High Traffic Area - Worn	\$1,500	
RCHS	Window Glass Replacement - Academic	Security and Safety	\$85,000	1, 3
VoTech	Security Slats in Chain Link Fence at VoTech	Security and Safety	\$5,000	1
RCHS	Air Handler Units (RTU's 6&7)	Replacement of aged/failing units	\$500,000	1, 2, 3
NBES	VOIP Telephone System	Replace aging/failing system	\$22,000	
SPED	UETC Grades 3-4-5 Classroom	Remodeling to accommodate special needs	\$7,000	5

**Total: \$667,500**

Notes:

- Total project cost; partially refundable from City of Lexington per RCHS consolidation agreement (estimated \$94,000).
- Year 2 of multi-year program.
- Subject to adjustment dependent upon A&E study results.

**FY18 Capital Improvements Plan**

Location	Description	Justification	Estimated Cost	Notes
NBES	Reconstruction/Relocation of Playground	Security and Safety	\$38,000	
RCHS	Air Handler Units (RTU's 1&3))	Replace aging/failed units	\$300,000	1, 2, 4
RCHS	Remodel Restrooms in School	Security and Safety	\$50,000	1, 4
VoTech	Ceiling Lights Replacement in Hallways	Security and Safety	\$10,000	1, 4
VoTech	Ceiling Tile Replacement in Hallways	Damaged/Aged Tiles	\$5,000	1
VoTech	Outside Air Compressors Replaced	Damaged/Aged System	\$10,000	1, 3
VoTech	Roof Replacement	Aged System	\$325,000	1, 4

**Total: \$738,000**

Notes:

- Total project cost; partially refundable from City of Lexington per RCHS consolidation agreement (estimated \$110,000).
- Year 3 of multi-year program.
- Year 2/Final year of multi-year program.
- Subject to adjustment based upon A&E study results.



# Rockbridge County Public Schools

### FY19 Capital Improvements Plan

Location	Description	Justification	Estimated Cost	Notes
RCHS	Tennis Courts Expansion/Lighting (B-S-T)	Sports Facility	\$525,000	1, 3
RCHS	Locker Renovation (Academic and Sports)	Replace old/damaged eqpt	\$10,000	1, 3
RCHS	Provide Space for CTE Expansion	Classroom Instructional Space	\$300,000	1, 3
RCHS	STEM Academy Facilities/Aux Gym/Academic Expansion (A&E work)	Classroom Instructional Space	\$175,000	1, 3
RCHS	Air Handler Units (RTU's 2&9)	Aged/Failing units	\$335,000	1, 2, 3

**Total: \$1,345,000**

**Notes:**

1. Total project cost; partially refundable from City of Lexington per RCHS consolidation agreement (estimated \$215,000).
2. Year 4 of multi-year program.
3. Subject to adjustment dependent upon A&E study results.

### FY20 Capital Improvements Plan

Location	Description	Justification	Estimated Cost	Notes
RCHS	Air Handler Units (RTU's 8&10)	Replace aged/failing units	\$265,000	1, 2, 3
RCHS	STEM Acad/Aux Gym/Academic Expansion	Accommodate new academic and sports requirements	\$5,500,000	1, 3

**Total: \$5,765,000**

**Notes:**

1. Total project cost; partially refundable from City of Lexington per RCHS consolidation agreement (estimated \$920,000).
2. Year 5 of multi-year program.
3. Subject to adjustment based upon A&E study results.

### Deferred Capital Improvements

Location	Description	Justification	Estimated Cost	Notes
ECO	Renovating Field Lights on Playing Field	Community Use	\$ 10,000	
MRMS	Chain Link Fencing along Rt 11	Security and Safety	\$ 40,000	
RCHS	Concession/Restrooms B-S-T	Sports Facility	\$ 75,000	1
RCHS	Lights for Baseball Field (B-S-T)	Sports Facility	\$ 75,000	1
RCHS	Lights for Softball Field (B-S-T)	Sports Facility	\$ 75,000	1
RCHS	Rerouting Bus Pickup Lane/New Road/Sidewalk	Security and Safety	\$ 125,000	1
VoTech	Sprinkler System under Canopy Replaced	Damaged/Aged System	\$ 15,000	1
RCHS	Air Conditioning in Team Rooms	Sports Facility	\$ 20,000	1
RCHS	Fieldhouse w/Locker Rooms	Sports Facility	\$ 400,000	1
RCHS	Sprinkling System for Stadium Field	Sports Facility	\$ 30,000	1
RCHS	Pave Parking Lot (B-S-T)	Security and Safety	\$ 50,000	1
RCHS	Remodel Weight Room	Sports Facility	\$ 25,000	1
RCHS	Repave Parking Lot at VoTech	Security and Safety	\$ 50,000	1
CES	Auxiliary Gym	Classroom/PE/Storage Space	\$ 3,000,000	
FES	Auxiliary Gym	Classroom/PE/Storage Space	\$ 3,000,000	
NBES	Auxiliary Gym	Classroom/PE/Storage Space	\$ 3,000,000	
RCHS	Additional Stadium Seating	Sports Facility	\$ 100,000	1
RCHS	Field Turf at Stadium	Sports Facility	\$ 100,000	1
RCHS	Remodel Locker Rooms in Gym	Sports Facility	\$ 35,000	1
RCHS	RTU 11 & Make-Up Air Units	Replace Aging/Failing Units	\$ 300,000	1, 2
RCHS	Cabinet Units & Exhaust Fans	Replace Aging/Failing Units	\$ 300,000	1, 2
RCHS	Boilers (2 ea)	Replace Aging Units	\$ 90,000	1, 2

**Deferred Projects Total: \$ 10,915,000**

**Notes:**

1. Project cost subject to partial reimbursement from City of Lexington.
  2. Multi-year program.
- Note that all RCHS/VoTech projects subject to adjustment dependent upon A&E study results.*

**Five Year (FY 16-20) CIP Total:**

**\$9,199,500**



## Appendix B – Capital Outlay Listings by Site

### CAPITAL IMPROVEMENTS

For the purposes of planning, CAPITAL IMPROVEMENTS will refer to the addition, renovation, replacement, or improvement of permanent structures owned by Rockbridge County Public Schools.

#### SCHOOL DIVISION CAPITAL IMPROVEMENTS

SITE	CAPITAL IMPROVEMENT	RATIONALE	COMMENTS
CES	Auxiliary Gym	Classroom/PE/Storage Space	New Construction (Addition)
CES	Office Carpet	High Traffic Area - Worn	Replacement
CES	Outside LED Lighting	Security and Safety	Improvement
CES	Outside Storage Unit	Additional Storage Space	New Construction (Addition)
CES	VOIP Phone System	Aged System	Improvement
ECO	Renovating Field Lights on Playing Field	Community Use	Improvement
ECO	Outside Storage Unit	Additional Storage Space	New Construction (Addition)
FES	Auxiliary Gym	Classroom/PE/Storage Space	New Construction (Addition)
FES	Office Carpet	High Traffic Area - Worn	Replacement
FES	Outside LED Lighting	Security and Safety	Improvement
FES	Outside Storage Unit	Additional Storage Space	Improvement
FES	VOIP Phone System	Aged System	Improvement
MRMS	Chain Link Fencing along Rt 11	Security and Safety	Improvement
MRMS	Hallway Gates for Main Hallways	Security and Safety	Improvement
MVES	Boiler #1 Replaced	Failed Unit	Replacement
MVES	Cafeteria/Gym Floor Repair	High Traffic Area - Defects	Replacement
MVES	Office Carpet	High Traffic Area - Worn	Replacement
MVES	Outdoor Walking Track needs to be Redone	Security and Safety	Improvement
MVES	Outside LED Lighting	Security and Safety	Improvement
MVES	Outside Storage Unit	Additional Storage Space	New Construction (Addition)
NBES	Auxiliary Gym	Classroom/PE/Storage Space	New Construction (Addition)
NBES	Outside Door Replacement	Security and Safety	Renovation
NBES	Outside LED Lighting	Security and Safety	Improvement
NBES	Outside Storage Unit	Additional Storage Space	New Construction (Addition)
NBES	VOIP Phone System	Aged System	Improvement
NBES	Reconstruction/Relocation of Playground	Security and Safety	Improvement
RCHS	Additional Stadium Seating	Sports Facility	New Construction (Addition)
RCHS	Air Conditioning in Team Rooms	Sports Facility	Improvement
RCHS	Air Handler Unit Replacement (12 units)	Failing Units	Replacement
RCHS	HVAC Valves and Actuators (30 units)	Failing Units	Replacement
RCHS	Auxiliary Gym	Classroom/PE/Storage Space	New Construction (Addition)
RCHS	Ceiling Tile Replacement in Commons	Damaged/Aged Tiles	Replacement
RCHS	Concession/Restrooms B-S-T	Sports Facility	New Construction (Addition)
RCHS	Expand Tennis Courts (B-S-T)	Sports Facility	New Construction (Addition)
RCHS	Field Turf at Stadium	Sports Facility	New Construction (Addition)
RCHS	Fieldhouse w/Locker Rooms	Sports Facility	New Construction (Addition)
RCHS	Lights for Baseball Field (B-S-T)	Sports Facility	New Construction (Addition)
RCHS	Lights for Softball Field (B-S-T)	Sports Facility	New Construction (Addition)
RCHS	Lights for Tennis Courts (B-S-T)	Sports Facility	New Construction (Addition)
RCHS	Locker Renovation – Academic and Sports	Damaged Units	Renovation
RCHS	Outside LED Lighting	Security and Safety	Improvement
RCHS	Outside Storage Areas – VoTech/Gym	Additional Storage Space	New Construction (Addition)
RCHS	Pave Parking Lot (B-S-T)	Security and Safety	Improvement
RCHS	Provide Space for CTE Expansion	Classroom Instructional Space	New Construction (Addition)
RCHS	Remodel Locker Rooms in Gym	Sports Facility	New Construction (Addition)
RCHS	Remodel Restrooms in School	Security and Safety	Improvement
RCHS	Remodel Weight Room	Sports Facility	Renovation
RCHS	Repave Parking Lot at VoTech	Security and Safety	Improvement
RCHS	Rerouting Bus Pickup Lane/New Road/Sidewalk	Security and Safety	Improvement
RCHS	Sprinkling System for Stadium Field	Sports Facility	Improvement
RCHS	STEM Academy Facilities	Classroom Instructional Space	New Construction (Addition)



SITE	CAPITAL IMPROVEMENT	RATIONALE	COMMENTS
RCHS	Window Glass Replacement - Academic	Security and Safety	Replacement
RCHS	Cap Blocks – Replace Packing/Caulking	Damaged/Aged System	Replacement
RCHS	VOIP Phone System	Aged System	Improvement
VoTech	Ceiling Lights Replacement in Hallways	Security and Safety	Replacement
VoTech	Ceiling Tile Replacement in Hallways	Damaged/Aged Tiles	Replacement
VoTech	Roof Replacement	Aged Roof – Last Section	Replacement
VoTech	Security Slats in Chain Link Fence at VoTech	Security and Safety	Improvement
VoTech	Sprinkler System under Canopy Replaced	Damaged/Aged System	Renovation
VoTech	Outside Air Compressors Replaced	Damaged/Aged System	Replacement
SPED	Classroom – UETC G3-4-5	Classroom Instructional Space	Renovation
Division	Alternative Education Facility	Alt. Ed. For 8 - 12	New Construction (Addition)

### CAPITAL PURCHASES

For the purposes of planning, CAPITAL PURCHASES will refer to expenditures made by Rockbridge County Public Schools for purchases of \$5,000 which have a useful life expectancy of at least seven to ten years. Replacement of equipment costing over \$5,000 in total will be considered a capital purchase if part of a renovation or upgrade project.

### SCHOOL DIVISION CAPITAL PURCHASE – INSTRUCTION/TECHNOLOGY

SITE	CAPITAL PURCHASES	RATIONALE	COMMENTS
ALL	Establish 4-Year Replacement Cycle for School Computers (400/year)	Regular Replacement Cycle	Replacement
CES	Computer Replacement	Replacement of Mac with PC	Replacement
CES	Lego Robotics Equipment	STEM Instruction at Elementary	New Program (Addition)
CES	Wireless Infrastructure for CES	Network Upgrade	Improvement
FES	Classroom Projectors	Failing/Aged Units	Replacement
FES	Computer Replacement	Replacement of Mac with PC	Replacement
FES	Lego Robotics Equipment	STEM Instruction at Elementary	New Program (Addition)
FES	Wireless Infrastructure for FES	Network Upgrade	Improvement
MRMS	1-to-1 Technology Initiative – Tablet/Laptop for each student	21 <sup>st</sup> Century Instruction	New Program (Addition)
MRMS	Digital Camera System Expansion	Safety and Security	Addition
MVES	Classroom Projectors	Failing/Aged Units	Replacement
MVES	Computer Replacement	Replacement of Mac with PC	Replacement
MVES	Lego Robotics Equipment	STEM Instruction at Elementary	New Program (Addition)
MVES	Wireless Infrastructure for MVES	Network Upgrade	Improvement
NBES	Computer Replacement	Replacement of Mac with PC	Replacement
NBES	Lego Robotics Equipment	STEM Instruction at Elementary	New Program (Addition)
NBES	Wireless Infrastructure for NBES	Network Upgrade	Improvement
RCHS	1-to-1 Technology Initiative – Tablet/Laptop for each student	21 <sup>st</sup> Century Instruction	New Program (Addition)
RCHS	Classroom Projectors	Failing/Aged Units	Replacement
RCHS	Digital Security Camera System	Safety and Security	Improvement
RCHS	Flat Screen TVs for Halls, Commons, Café (8)	Safety and Security	Replacement
RCHS	Computer Monitor Replacement RCHS (400)	Failed/Aged Units	Replacement
RCHS	Replacement Sound System in Auditorium	Failed/Aged Units	Replacement
RCHS	STEM Academy Equipment	STEM Instruction	New Program (Addition)
RCHS	Wireless Infrastructure for RCHS	Network Upgrade	Improvement
SPED	Technology – Assistive Tech	SPED Instruction	Improvement
SPED	Technology - iPads	SPED Instruction	Improvement
SPED	Technology - Laptops	SPED Instruction	Improvement
VoTech	Automotive Lift – Auto Tech	Failed/Aged Unit	Replacement
VoTech	Paint Booth Replacement	Aged System	Replacement
VoTech	Four Wheel Alignment Machine – Auto Tech	VoTech Expansion	New Equipment (Addition)
VoTech	Control Systems for Instruction – HVAC	VoTech Expansion	New Equipment (Addition)
VoTech	Robotics Equipment in Electronics	VoTech Expansion	New Equipment (Addition)
VoTech	Kitchen Equipment – Culinary Arts	VoTech Expansion	Replacement
VoTech	Equipment to Expand to 20 Workstations - All	VoTech Expansion	New Equipment (Addition)
VoTech	Cosmetology Program Equipment	VoTech Expansion	New Program (Addition)
VoTech	Preschool Care Program Equipment	VoTech Expansion	New Program (Addition)
VoTech	Small Engines Program Equipment	VoTech Expansion	New Program (Addition)



**SCHOOL DIVISION CAPITAL PURCHASE – VEHICLES/EQUIPMENT**

SITE	CAPITAL PURCHASES	RATIONALE	COMMENTS
MAIN	Mower Replacement – 1/Year	Aged Units	Replacement
MAIN	Van Replacement – 1/Year	Aged Units	Replacement
TRANS	Bus Replacement – 4/Year	Aged Units	Replacement
TRANS	Car Replacement – 2/Year (SPED Use)	Aged Units	Replacement



Appendix C – Teacher Salary Scales • Bachelor's Degree • FY08 – FY15

TEACHER SALARY SCALES • BACHELOR'S DEGREE • FY08 - FY15										
STEP	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	%	Year
0	\$34,000	\$35,200	\$35,200	\$35,200	\$35,500	\$37,140	\$37,264	\$37,639		
1	\$34,000	\$35,200	\$35,200	\$35,200	\$35,800	\$37,379	\$37,883	\$37,883	3.5%	FY08 TO FY09
2	\$34,000	\$35,200	\$35,200	\$35,200	\$35,982	\$37,619	\$38,126	\$38,126	0.0%	FY09 TO FY10
3	\$34,552	\$35,564	\$35,200	\$35,200	\$35,982	\$37,860	\$38,372	\$38,372	0.0%	FY10 TO FY11
4	\$35,104	\$36,141	\$35,564	\$35,200	\$36,164	\$38,099	\$38,617	\$38,617	2.7%	FY11 TO FY12
5	\$35,656	\$36,719	\$36,141	\$35,564	\$36,164	\$38,337	\$38,861	\$38,861	6.0%	FY12 TO FY13
6	\$36,208	\$37,296	\$36,719	\$36,141	\$36,742	\$38,579	\$39,104	\$39,104	2.0%	FY13 TO FY14
7	\$36,760	\$37,874	\$37,296	\$36,719	\$37,320	\$39,186	\$39,351	\$39,351	0.6%	FY14 TO FY15
8	\$37,312	\$38,451	\$37,874	\$37,296	\$37,898	\$39,793	\$39,970	\$39,970		
9	\$37,864	\$39,028	\$38,451	\$37,874	\$38,476	\$40,400	\$40,589	\$40,589		
10	\$38,416	\$39,606	\$39,028	\$38,451	\$39,054	\$41,007	\$41,208	\$41,208		
11	\$38,968	\$40,183	\$39,606	\$39,028	\$39,632	\$41,614	\$41,827	\$41,827	4.6%	FY08 TO FY09
12	\$39,520	\$40,761	\$40,183	\$39,606	\$40,210	\$42,221	\$42,446	\$42,446	0.0%	FY09 TO FY10
13	\$40,072	\$41,338	\$40,761	\$40,183	\$40,788	\$42,827	\$43,065	\$43,065	0.0%	FY10 TO FY11
14	\$40,624	\$41,915	\$41,338	\$40,761	\$41,366	\$43,434	\$43,684	\$43,684	2.9%	FY11 TO FY12
15	\$41,176	\$42,493	\$41,915	\$41,338	\$41,944	\$44,041	\$44,303	\$44,303	6.5%	FY12 TO FY13
16	\$41,728	\$43,070	\$42,493	\$41,915	\$42,522	\$44,648	\$44,922	\$44,922	2.0%	FY13 TO FY14
17	\$42,280	\$43,647	\$43,070	\$42,493	\$43,100	\$45,255	\$45,541	\$45,541	1.4%	FY14 TO FY15
18	\$42,832	\$44,225	\$43,647	\$43,070	\$43,678	\$45,862	\$46,160	\$46,160		
19	\$43,384	\$44,802	\$44,225	\$43,647	\$44,256	\$46,469	\$46,779	\$46,779		
20	\$43,936	\$45,380	\$44,802	\$44,225	\$44,834	\$47,076	\$47,398	\$47,398		
21	\$44,488	\$45,957	\$45,380	\$44,802	\$45,412	\$47,683	\$48,017	\$48,017	4.6%	FY08 TO FY09
22	\$45,040	\$46,534	\$45,957	\$45,380	\$45,990	\$48,290	\$48,636	\$48,636	0.0%	FY09 TO FY10
23	\$45,592	\$47,112	\$46,534	\$45,957	\$46,568	\$48,896	\$49,255	\$49,255	0.0%	FY10 TO FY11
24	\$46,144	\$47,689	\$47,112	\$46,534	\$47,146	\$49,503	\$49,874	\$49,874	2.6%	FY11 TO FY12
25	\$46,696	\$48,267	\$47,689	\$47,112	\$47,724	\$50,110	\$50,493	\$50,493	6.3%	FY12 TO FY13
26	\$47,248	\$48,844	\$48,267	\$47,689	\$48,302	\$50,717	\$51,112	\$51,112	2.0%	FY13 TO FY14
27	\$47,800	\$49,421	\$48,844	\$48,267	\$48,880	\$51,324	\$51,731	\$51,731	1.2%	FY14 TO FY15
28	\$48,352	\$49,999	\$49,421	\$48,844	\$49,458	\$51,931	\$52,350	\$52,350		
29	\$48,904	\$50,576	\$49,999	\$49,421	\$50,036	\$52,538	\$52,970	\$52,970		
30+	\$49,456	\$51,154	\$50,576	\$49,999	\$50,614	\$53,145	\$53,589	\$53,589		

Highlighted cells indicate step progression for a teacher through seven steps of salary changes. The percentage to the right of the table indicates the change in salary from the previous year.



Appendix D – Debt Service Summary • FY15

<b>DEBT SERVICE SUMMARY • FY15</b>					
<b>ESTIMATE OF LOAN PAYMENTS • FY 2015</b>					
<b>Debt Issue</b>	<b>Annual Principal</b>	<b>Annual Interest</b>	<b>Total Payment</b>		
VPSA Safety and A&E	\$85,000	\$37,868	\$122,868		
VPSA Series 2002B	\$50,000	\$25,833	\$75,833		
VPSA 2003 Subsidy Sale - Central	\$275,038	\$138,962	\$414,000		
VPSA 2003 Consolidated Loan	\$375,000	\$404,955	\$779,955		
VPSA 2005 Spring - Effinger	\$160,000	\$122,368	\$282,368		
VPSA Series 2012		\$689,536	\$689,536		
VPSA QSCB - MRMS	\$395,000	\$318,750	\$713,750		
VPSA Series 2013	\$180,000	\$57,173	\$237,173		
<b>Total Principal and Interest Pmts.</b>	<b>\$1,520,038</b>	<b>\$1,795,445</b>	<b>\$3,315,482</b>		
<b>Paying Agent Fees</b>			<b>\$4,550</b>		
			<b>Total Debt Service Payments \$ 3,320,032</b>		
<b>SCHEDULE OF PAYMENTS • FY 2015</b>					
<b>Debt Issue</b>	<b>Financial Institution</b>	<b>Due Date</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
VPSA (Safety & A&E)	US Bank	July 15, 2014	\$85,000	\$20,018	\$105,018
VPSA Series 2002B	US Bank	July 15, 2014	\$50,000	\$13,554	\$63,554
VPSA Central Loan	US Bank	July 15, 2014	\$275,038	\$72,987	\$348,025
VPSA Consolidated	US Bank	July 15, 2014	\$375,000	\$207,259	\$582,259
VPSA 2005A	US Bank	July 15, 2014	\$160,000	\$63,224	\$223,224
VPSA 2012	US Bank	July 15, 2014		\$344,768	\$344,768
VPSA QSCB - MRMS	US Bank	December 1, 2014	\$395,000	\$159,375	\$554,375
VPSA Series 2013	US Bank	July 15, 2014	\$180,000	\$29,959	\$209,959
VPSA Series 2002B	US Bank	January 15, 2015		\$12,279	\$12,279
VPSA (Safety & A&E)	US Bank	January 15, 2015		\$17,850	\$17,850
VPSA Central Loan	US Bank	January 15, 2015		\$65,974	\$65,974
VPSA Consolidated	US Bank	January 15, 2015		\$197,696	\$197,696
VPSA 2005A	US Bank	January 15, 2015		\$59,144	\$59,144
VPSA 2012	US BANK	January 15, 2015		\$344,768	\$344,768
VPSA 2013	US BANK	January 15, 2015		\$27,214	\$27,214
VPSA QSCB - MRMS	US Bank	June 1, 2015		\$159,375	\$159,375
		<b>Sub-Total</b>	<b>\$1,520,038</b>	<b>\$1,795,444</b>	<b>\$3,315,482</b>
		<b>Total Principal and Interest Payments</b>			<b>\$3,315,482</b>
		<b>Escrow Agent Fee</b>			<b>\$4,550</b>
		<b>Total Debt Service Payments</b>			<b>\$3,320,032</b>



Appendix E – Debt Service Summary • FY16

<b>DEBT SERVICE SUMMARY • FY16</b>					
<b>ESTIMATE OF LOAN PAYMENTS • FY 2016</b>					
Debt Issue	Annual Principal	Annual Interest	Total Payment		
VPSA Safety and A&E	\$85,000	\$33,533	\$118,533		
VPSA Series 2002B	\$50,000	\$23,283	\$73,283		
VPSA 2003 Subsidy Sale - Central	\$277,118	\$124,882	\$402,000		
VPSA 2003 Consolidated Loan	\$395,000	\$385,320	\$780,320		
VPSA 2005 Spring - Effinger	\$170,000	\$113,953	\$283,953		
VPSA Series 2012	\$450,000	\$678,174	\$1,128,173		
VPSA QSCB - MRMS	\$395,000	\$318,750	\$713,750		
VPSA Series 2013	\$180,000	\$51,683	\$231,683		
<b>Total Principal and Interest Pmts.</b>	<b>\$2,002,118</b>	<b>\$1,729,576</b>	<b>\$3,731,693</b>		
Paying Agent Fees			\$4,550		
<b>Total Debt Service Payments</b>			<b>\$ 3,736,243</b>		
<b>SCHEDULE OF PAYMENTS • FY 2016</b>					
Debt Issue	Financial Institution	Due Date	Principal	Interest	Total
VPSA (Safety & A&E)	US Bank	July 15, 2015	\$85,000	\$17,850	\$102,850
VPSA Series 2002B	US Bank	July 15, 2015	\$50,000	\$12,278	\$62,278
VPSA Central Loan	US Bank	July 15, 2015	\$277,118	\$65,974	\$343,092
VPSA Consolidated	US Bank	July 15, 2015	\$395,000	\$197,696	\$592,696
VPSA 2005A	US Bank	July 15, 2015	\$170,000	\$59,144	\$229,144
VPSA 2012	US Bank	July 15, 2015	\$450,000	\$344,768	\$794,768
VPSA Series 2013	US Bank	July 15, 2015	\$180,000	\$27,214	\$207,214
VPSA QSCB - MRMS	US Bank	December 1, 2015	\$395,000	\$159,375	\$554,375
VPSA (Safety & A&E)	US Bank	January 15, 2016		\$15,683	\$15,683
VPSA Series 2002B	US Bank	January 15, 2016		\$11,004	\$11,004
VPSA Central Loan	US Bank	January 15, 2016		\$58,908	\$58,908
VPSA Consolidated	US Bank	January 15, 2016		\$187,624	\$187,624
VPSA 2005A	US Bank	January 15, 2016		\$54,809	\$54,809
VPSA 2012	US BANK	January 15, 2016		\$333,406	\$333,406
VPSA 2013	US BANK	January 15, 2016		\$24,469	\$24,469
VPSA QSCB - MRMS	US Bank	June 1, 2016		\$159,375	\$159,375
<b>Sub-Total</b>			<b>\$2,002,118</b>	<b>\$1,729,575</b>	<b>\$3,731,693</b>
<b>Total Principal and Interest Payments</b>					<b>\$3,731,693</b>
<b>Escrow Agent Fee</b>					<b>\$4,550</b>
<b>Total Debt Service Payments</b>					<b>\$3,736,243</b>



