



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Tripp Lawrence, Assistant Finance Director
RE: Amending the FY 2022 Budget for Fredericksburg Public Schools to Appropriate Funds for Retention Bonuses
DATE: July 28, 2022 (for the August 9, 2022 Meeting)

ISSUE

Shall City Council approve a FY 2022 Budget Amendment at the request of the School Board for additional reimbursements received from Medicaid and the Virginia Department of Education (VDOE)? These reimbursements would be used to fund retention bonuses as approved at the May 9, 2022 School Board meeting.

RECOMMENDATION

Yes. Staff recommends approval on first reading. Second reading, if approved, would be scheduled for the Council meeting of August 23, 2022.

BACKGROUND

The School Board, at their June 6, 2022 meeting, amended their budget and requested that City Council adopt a resolution amending the overall City budget for \$266,000 in additional Medicaid reimbursements for school health services, \$160,000 in VDOE Students with Intensive Support Needs (SISNA) reimbursements, and \$274,000 in additional State Sales Tax. The total amount of the request is \$700,000.

These additional revenues will be used to fund retention bonuses. All permanent employees who work a regular schedule five days a week and receive a regular semimonthly paycheck will receive \$1,000. All permanent employees who work a regular schedule of less than five days a week and receive a regular semimonthly paycheck will receive \$500. The bonus is only available to employees who sign their contracts for the 2022-2023 school year. Because Fredericksburg City Public Schools had resignations at the end of the 2021-2022 school year, the actual total amount of bonuses paid was approximately \$550,000.

The School Board agenda item from June 6, 2022 is attached for additional information.

FISCAL IMPACT

The total appropriation requested is \$700,000. No local funds are requested from City Council as part of the attached resolution.

Attachment: Resolution
School Board Agenda Item from June 6, 2022



August 9, 2022
Regular Meeting
Resolution 22-

MOTION:

SECOND:

RE: Amending the Fiscal Year 2022 Budget for Fredericksburg Public Schools to Appropriate Funds for Retention Bonuses

ACTION: APPROVED: AYES: ; NAYS:

FIRST READ: _____ SECOND READ: _____

The Fredericksburg City School Board approved a resolution amending the School Budget on Monday, June 6, 2022, and requested that City Council approve and appropriate these funds.

The School Board Medicaid and Virginia Department of Education reimbursements will fund retention bonuses approved at the May 9, 2022 School Board meeting.

Therefore, City Council resolves that the following appropriation amending the FY 2022 budget in the School Fund be made:

School Fund (Fund 2050)

Medicaid and Department of Education reimbursement funds

Sources

Medicaid Return of Cost	O189912M 389912	\$ 266,000
Special Education Regional	O24048SR 324248	\$ 160,000
State Sales Tax	O2408STT 324308	\$ 274,000

Total		\$ 700,000
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Uses

Contingency	O2165FIN 490000	\$ 700,000
Total		\$ 700,000

Vote

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 22-, adopted at a meeting of the City Council held August 23, 2022 at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council

**Fiscal Year 2022 Budget Appropriations
June 6, 2022**

Retention Bonus

FCPS has received additional reimbursements that will be used to fund a retention bonus as approved at the May 9, 2022 School Board meeting. The funds need to be appropriated for use in FY22 so that the bonus can be paid in June.

Sources:

Medicaid Return of Cost	O188912M	389912	\$ 266,000
SISNA (Special Education Regional)	O24048SR	324248	\$ 160,000
State Sales Tax	O2408STT	324308	\$ 274,000
			<u>\$ 700,000</u>

Uses:

Contingency	O2165FIN	490000	\$ 700,000
			<u>\$ 700,000</u>



Agenda Item Details

Meeting	Jun 06, 2022 - Regular School Board Meeting - Revised (June 6, 2022)
Category	7. Action Items
Subject	C. Supplemental Appropriation for Retention Bonus
Type	Action
Recommended Action	The Superintendent recommends that the Board approve the supplemental appropriation for retention bonuses.

FCPS has received additional, unbudgeted reimbursements and revenue that will be used to pay for a retention bonus for employees as described in the agenda of the May 9, 2022 School Board meeting. These funds need to be appropriated for use in Fiscal Year 2022.

[2022 11 Supplemental Appropriation.xlsx \(19 KB\)](#)

Motion & Voting

The Superintendent recommends that the School Board approve the supplemental appropriation for retention bonuses.

Motion by Matt Rowe, second by Jannan Holmes.

Final Resolution: Motion Carries Unanimously

Aye: Jarvis Bailey, Malvina Kay, Kathleen Pomeroy, Jannan Holmes, Matt Rowe

