

Memo

To: Roanoke County Board of Supervisors

From: Daniel R. O'Donnell, County Administrator

Date: April 11, 2019

Subject: FY 2020 Budget Memo #11: Additional Questions from Budget Work Session #1



As part of budget work session #1 held on March 26, 2019, the Board of Supervisors requested additional information on a number of items. Budget Memorandum #9 addressed some of those questions. This memorandum addresses the remainder.

1. In work session #1, staff presented information regarding historical data tracking County salary adjustments with inflation. Please provide this data to include salary adjustments of Roanoke County Public Schools (RCPS). (Board of Supervisors)

Response: Attachment #1 provides information regarding County compensation adjustments and Roanoke County Public Schools compensation adjustments, compared with inflation over the past ten years. For the purposes of displaying the information, the starting point for salaries is the current Roanoke County median salary of \$42,403. Based on the compensation adjustments, RCPS salary adjustments have kept pace with inflation, while County salaries have lagged behind inflation.

RCPS compensation adjustments were verified by RCPS staff. It is important to note that from FY 2017 forward, compensation adjustments are based on an average for all RCPS employees, as compensation adjustments vary based on the RCPS employee classification. All Roanoke County employees receive the same compensation adjustment.

2. Please provide median salary information for the Roanoke Valley. (Supervisor Hooker)

Response: There are a number of sources of data that provide different methodologies for calculating the salary statistics in the Roanoke Valley. Staff has researched and provided the most relevant data as of April 4, 2019. As noted in work session #1, the Roanoke County Government median salary is currently \$42,403.

2018, 3rd Quarter Average Annual / Prevailing Wage: \$41,817

Source: Virginia Economic Development Partnership (VEDP)

The Virginia Economic Development Partnership utilizes community prevailing wage data when calculating Return on Investment (ROI) and incentives for projects. The VEDP's benchmark for prevailing wage is based on the Virginia Employment Commission's average annual wage. The amount is determined by dividing the total wages paid by employers during a 12-month period by the average monthly employment reported by employers for the same period.

2017 Median Household Income: \$62,134

Source: US Census as posted on Yes Roanoke (Roanoke County Economic Development)

This includes the income of the householder and all other individuals 15 years old and over in the household, whether they are related to the householder or not. Because many households consist of only one person, average household income is usually less than average family income.

2013-2017 Per Capita Income in past 12 months (in 2017 dollars): \$33,717

Source: US Census Roanoke County Quick Facts

Per capita income is the mean income computed for every man, woman, and child in a particular group including those living in group quarters. It is derived by dividing the aggregate income of a particular group by the total population in that group. This measure is rounded to the nearest whole dollar.

2018 Average Weekly Wage: \$791 (Assuming 52 weeks worked, Annual Wage could be \$41,132)

Source: Virginia Community Profile: Roanoke County, Virginia Employment Commission, Page 28

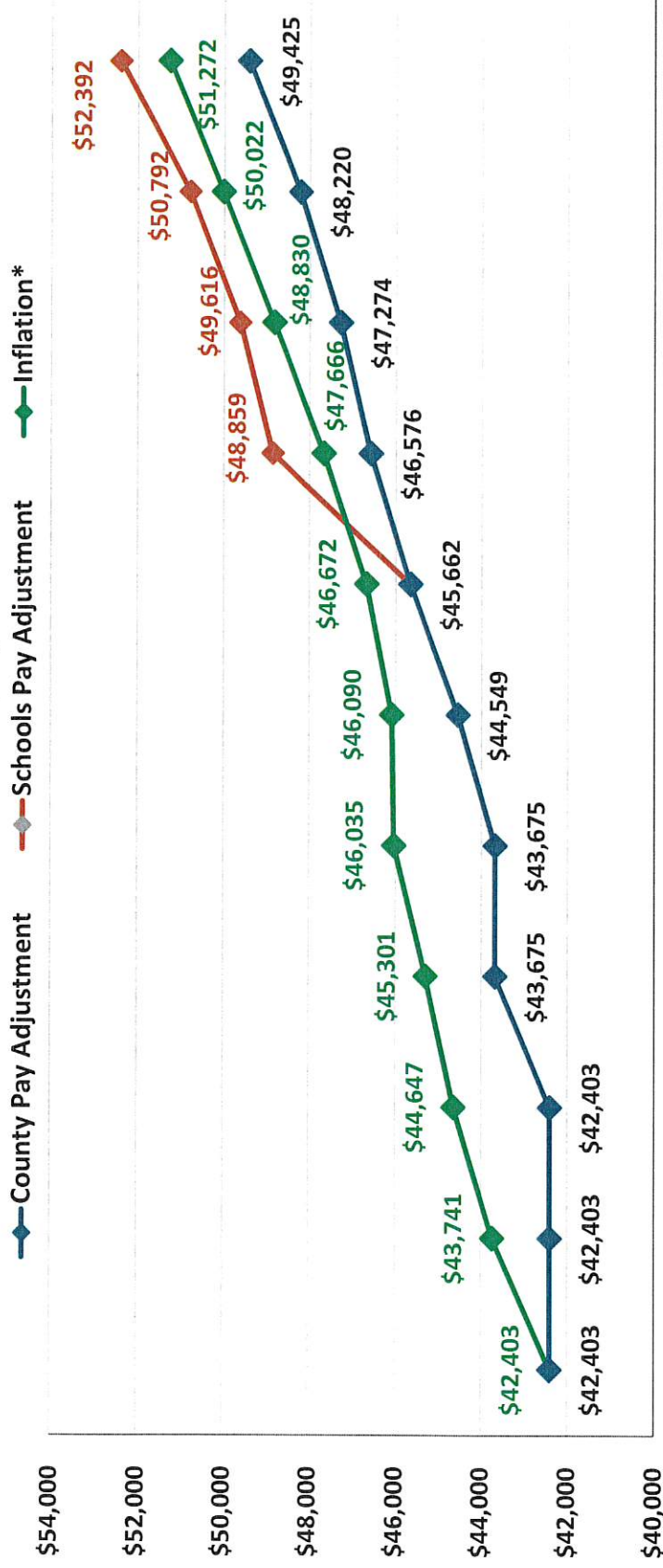
Total of All Industries as provided by the Virginia Employment Commission, Economic Quarterly Census of Employment and Wages (VQEW).

Attachment #1: Salary Adjustments for County and Schools Employees as Relates to Inflation

cc: Rebecca Owens, Assistant County Administrator
Richard Caywood, Assistant County Administrator
Jill Loope, Director of Economic Development
Laurie Gearheart, Acting Director of Finance
Chris Bever, Director, Office of Management and Budget

Attachment #1 Salary Adjustments for County and Schools Employees as Relates to Inflation

Salary Adjustments Compared to Inflation \$42,403 Median Salaried Employee in FY 2010



	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Proposed FY 2020
County Pay Adjustment	-----	-----	-----	3.00%	-----	-----	2.00%	2.50%	1.50%	2.00%	2.50%
Schools Pay Adjustment	-----	-----	-----	3.00%	-----	-----	2.50%	7.00%	1.55%	2.37%	3.15%
Inflation %	1.64%	3.16%	2.07%	1.46%	1.62%	0.12%	1.26%	2.13%	2.44%	2.44%	2.50%

*FY 2013 also included a hold harmless 5.75% increase for VRS Plan 1 employees due to state mandate that all employees pay their share of VRS contribution

*Non-recurring bonuses were received in FY 2010 (\$500) and FY 2011 (\$500 - \$2,500)

**Attachment #1
Salary Adjustments for County and Schools Employees as Relates to Inflation**

History of Pay Adjustments		
Fiscal Year	Roanoke County	Roanoke County Public Schools
FY 2010	Non-recurring bonus \$500	Non-recurring bonus \$500
FY 2011	Non-recurring bonuses (\$500 to \$2,500)	Non-recurring 4% bonus with a cap between \$500 and \$2,500
FY 2012	---	---
FY 2013	3.0% Pay Adjustment; 5.75% increase for VRS contribution	3.0% Pay Adjustment; 5.75% increase for VRS contribution
FY 2014	---	---
FY 2015	2.0% Pay Adjustment	2.0% Pay Adjustment
FY 2016	2.5% Pay Adjustment	2.5% Pay Adjustment
FY 2017	2.0% Pay Adjustment	2.0% Pay Adjustment step increase; 5.0% individual market adjustments
FY 2018	1.5% Pay Adjustment	1.55% Pay Adjustment
FY 2019	2.0% Pay Adjustment	2.37% Pay Adjustment
FY 2020	Proposed 2.5% Pay Adjustment	3.15% Pay Adjustment