



VIRGINIA BEACH CITY PUBLIC SCHOOLS CHARTING THE COURSE

School Board Services

Carolyn T. Rye, Chair
District 5 - Lynnhaven

Kimberly A. Melnyk, Vice Chair
District 7 – Princess Anne

Beverly M. Anderson At-Large	Daniel D. Edwards District 2 – Kempsville	Sharon R. Felton District 6 – Beach
Dorothy M. Holtz At-Large	Laura K. Hughes At-Large	Victoria C. Manning At-Large
Jessica L. Owens District 3 – Rose Hall	Trenace B. Riggs District 1 – Centerville	Carolyn D. Weems District 4 - Bayside

Aaron C. Spence, Ed.D., Superintendent

School Board Special Meeting MINUTES

Tuesday, March 3, 2020

School Administration Building #6, Municipal Center
2512 George Mason Dr.
Virginia Beach, VA 23456

NOTICE OF SPECIAL MEETING OF THE SCHOOL BOARD OF THE CITY OF VIRGINIA BEACH

In accordance with the Schedule of School Board Meetings approved by the School Board at their January 8, 2019 Organizational/Regular meeting, and pursuant to Bylaw 1-46, and *Virginia Code* § 2.2-3707, the School Board will hold a workshop followed by a special meeting on Tuesday, March 3, 2020, beginning at 5:00 p.m., at the School Administration Building #6 at the Municipal Center, 2512 George Mason Dr., Virginia Beach, VA 23456. The purpose is for the School Board to discuss and take action on the

- 1) Schools Operating Budget for Fiscal Year 2020-21; and
- 2) Capital Improvement Program (CIP) Fiscal Year 2020-21 through Fiscal Year 2025-26.

INFORMAL MEETING

- 1. Convene School Board Workshop:** The School Board convened in the einstein.lab in workshop format at 5:00 p.m. All School Board members were present along with Superintendent Spence.

School Operating Budget FY2020-21 and Capital Improvement Program (CIP) FY2020-21 through FY2025-26 Workshop #4: Farrell E. Hanzaker, Chief Financial Officer, reviewed the proposed School Operating Budget FY2020-21 resolution in detail explaining components of the \$818.4 million spending plan. Anthony L. Arnold, P.E., Executive Director of Facilities Services, reviewed the resource summary for the \$480.6 million six-year Capital Improvement Program (CIP) and reported on the transfer of \$5 million earmarked for field lighting associated with a potential shift in school start times to grounds for the installation of synthetic turf fields at four additional schools. Daniel F. Keever, Senior Executive Director for High Schools, responded to questions regarding factors taken into consideration for the selection of the proposed schools and further explained the Field Sharing Plan while Mr. Arnold spoke to the advantages of the turf fields and addressed questions regarding future related CIP projects. Noting these funds must be used for one-time expenses and could not be used for employee compensation, it was affirmed approval of the CIP would authorize the installation of synthetic turf fields as proposed.

John A. Mirra, Chief Human Resources Officer, reviewed information provided in response to compensation topics raised during the School Board’s budget/CIP public hearing. School Board



members suggested any additional funds identified in the state budget be used in compensation areas recommended by Administration keeping the ongoing list of unmet needs in mind.

The workshop concluded at 6:12 p.m.

- 2. **School Board Recess:** The School Board recessed at 6:12 p.m. to reconvene in School Board Chambers in formal meeting format at 6:21 p.m.

FORMAL MEETING

- 3. **Call to Order and Electronic Roll Call:** Chairwoman Rye called the formal meeting to order at 6:21 p.m. All School Board members were present along with Superintendent Spence.
- 4. **Moment of Silence followed by the Pledge of Allegiance**
- 5. **Adoption of the Agenda:** Prior to a motion to adopt the agenda, Chairwoman Rye announced the stated purpose of the special meeting. Ms. Manning then made a motion, seconded by Vice Chair Melnyk, that the School Board adopt the meeting agenda as presented. Without discussion, the motion passed unanimously.
- 6. **Action:**
 - A. **Resolution Regarding School Operating Budget for Fiscal Year 2020-21:** Ms. Weems made a motion, seconded by Ms. Hughes, that the School Board approve the resolution regarding the School Operating Budget for Fiscal Year 2020-21 as presented. After a School Board member’s comment, the motion passed unanimously, and the resolution was approved as follows:

Budget Resolution – FY 2020/21

WHEREAS, the mission of Virginia Beach City Public Schools (VBCPS), in partnership with the entire community, is to empower every student to become a life-long learner who is a responsible, productive, and engaged citizen within the global community; and

WHEREAS, the School Board of the City of Virginia Beach has adopted a comprehensive strategic plan and school improvement priorities to guide budgetary decisions; and

WHEREAS, the School Board has studied the recommended FY 2020/21 Operating Budget in view of state and federal requirements, the strategic plan, priorities, community expectations, competitive compensation for employees and the best educational interests of its students; and

WHEREAS, the City/School Revenue Sharing Policy provides 46.75% of certain general fund revenues to meet obligations of the School Board of the City of Virginia Beach; and

WHEREAS, the proposed Operating Budget moves all eligible employees up an experience step (0.5 percent) not to exceed the “top of scale” and provides a 3.0 percent cost of living adjustment (COLA) for all employees; and

WHEREAS, the total funds requested for FY 2020/21 from the City of Virginia Beach to the School Board of the City of Virginia Beach are \$458,924,065, and

WHEREAS, the debt service payment is estimated to be \$47,630,328 leaving a balance of \$411,293,737 to allocate between the Operating Budget and the Capital Improvement Program (CIP); and

WHEREAS, \$5,800,000 of the School Reserve Special Revenue Fund, which would have normally been used for major one-time purchases, will now be budgeted to use for the FY 2020/21 Operating Budget.

NOW, THEREFORE, BE IT



RESOLVED: That \$3,591,000 of the Sandbridge Tax Increment Financing (TIF) be allocated to the Schools' Pay-As-You-Go (PAYGO) for the CIP, with the remaining \$409,000 earmarked for the Operating Budget, bringing it to a total of \$411,702,737; and be it

FURTHER RESOLVED: That \$500,000 be allocated to the Schools' PAYGO, leaving a balance of \$411,202,737; and be it

FURTHER RESOLVED: That federal funds in the amount of \$13,500,000 along with state funds in the amount of \$383,927,952 and other local funds in the amount of \$3,968,341 be added to the Operating Budget, bringing it to a total for FY 2020/21 of \$812,599,030; and be it

FURTHER RESOLVED: That \$5,800,000 of the School Reserve Special Revenue fund be added to the Operating Budget, bringing the total to \$818,399,030; and be it

FURTHER RESOLVED: That the School Board of the City of Virginia Beach requests a Lump Sum Appropriation of \$818,399,030 from the City Council of Virginia Beach for the School Board FY 2020/21 Operating Budget; and be it

FURTHER RESOLVED: That the School Board of the City of Virginia Beach requests an appropriation of \$123,673,708 for categorical grants and other special revenue funds comprised of federal grants in the amount of \$40,499,512, state grants in the amount of \$21,363,909, other grants in the amount of \$7,599,890; Green Run Collegiate in the amount of \$4,076,486; and other special revenue funds in the amount of \$50,133,911; and be it

FURTHER RESOLVED: That the total of the Operating Budget of \$818,399,030 plus the other funds of \$123,673,708 brings the grand total of all funds to \$942,072,738 and that the School Board of the City of Virginia Beach requests a Lump Sum Appropriation for this grand total of all funds; and be it

FINALLY RESOLVED: That a copy of this Resolution be spread across the official minutes of this School Board, and the Clerk of the School Board is directed to deliver a copy of this Resolution to the Mayor, each member of the City Council, the City Manager, and the City Clerk.

- B. Resolution Regarding Capital Improvement Program (CIP) for Fiscal Year 2020-21 through Fiscal Year 2025-26: Mr. Edwards made a motion, seconded by Ms. Holtz, that the School Board approve the resolution regarding the Capital Improvement Program (CIP) for Fiscal Year 2020-21 through Fiscal Year 2025-26 as presented. Without discussion, the motion passed unanimously, and the resolution was approved as follows:

**FY 2020/21 - FY 2025/26 Capital Improvement Program (CIP)
RESOLUTION**

WHEREAS, the mission of Virginia Beach City Public Schools, in partnership with the entire community, is to empower every student to become a life-long learner who is a responsible, productive, and engaged citizen within the global community; and

WHEREAS, the School Board of the City of Virginia Beach has adopted a comprehensive strategic plan and school improvement priorities to guide budgetary decisions; and

WHEREAS, the primary funding sources for the School CIP have been Sandbridge Tax Increment Financing (TIF) funds and the issuance of debt by the City; and

WHEREAS, the City/School Revenue Sharing Policy provides 46.75% of certain general fund revenues to meet obligations of the School Board of the City of Virginia Beach; and



WHEREAS, the City/School Revenue Sharing Policy allocates funds first to Debt Service, while the balance is used for the Operating Budget; and

WHEREAS, the School Board has comprehensively reviewed all sources of funding, projected various scenarios and prioritized the needs of the Operating and CIP budgets.

NOW, THEREFORE, BE IT

RESOLVED: That the School Board of the City of Virginia Beach adopts a CIP program of \$480,543,623 (as shown on the attached School Board Funding Summary and Project Summary dated March 3, 2020), and be it

FINALLY RESOLVED: That a copy of this Resolution be spread across the official minutes of this School Board, and the Clerk of the School Board is directed to deliver a copy of this Resolution to the Mayor, each member of the City Council, the City Manager, and the City Clerk.

Virginia Beach City Public Schools
FY 2020/21 - FY 2025/26 Capital Improvement Program (CIP)
March 3, 2020

Funding Sources	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Charter Bonds	32,300,000	32,300,000	32,300,000	32,300,000	32,300,000	32,300,000
Sandbridge	3,591,000	3,600,000	3,700,000	3,800,000	3,900,000	4,000,000
Public Facility Revenue Bonds	15,000,000	0	0	0	0	0
PayGo	500,000	1,000,000	1,500,000	2,000,000	2,500,000	3,000,000
Interest/Sale of Property	7,500,000 ¹	0	0	0	0	0
Energy Performance Contracts Funding	5,000,000	5,000,000	0	0	0	0
State Construction Grants	0	0	0	0	0	0
Lottery Funds	0	0	0	0	0	0
School Special Reserve Fund Balance	0	0	0	0	0	0
Total	\$ 63,891,000	\$ 41,900,000	\$ 37,500,000	\$ 38,100,000	\$ 38,700,000	\$ 39,300,000

¹Projected proceeds from sale of Laskin Road Annex



School Board Funding Summary
Virginia Beach City Public Schools
FY 2020/21 - FY 2025/26 Capital Improvement Program (CIP)
March 3, 2020

CIP #	Project Category	Total Project Cost	Six Year Appropriations	Appropriations to Date	Year 1 2020-2021	Year 2 2021-2022	Year 3 2022-2023	Year 4 2023-2024	Year 5 2024-2025	Year 6 2025-2026
1-003	Renovations and Replacements - Energy Management/Sustainability	18,875,000	18,875,000	7,775,000	1,700,000	1,800,000	1,900,000	1,900,000	1,900,000	1,900,000
1-004	Tennis Court Renovations - Phase II	2,400,000	2,400,000	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000
1-035	John B. Dey Elementary School Modernization	28,040,076	28,040,076	28,040,076	0	0	0	0	0	0
1-043	Thoroughgood Elementary School Replacement	32,470,000	32,470,000	32,470,000	0	0	0	0	0	0
1-056	Princess Anne Middle School Replacement	77,238,759	77,238,759	77,238,759	0	0	0	0	0	0
1-107	Princess Anne High School Replacement	170,750,000	122,059,000	4,218,000	32,191,000	17,650,000	16,850,000	17,450,000	17,050,000	16,650,000
1-110	Energy Performance Contracts - Phase II	30,000,000	30,000,000	20,000,000	5,000,000	5,000,000	0	0	0	0
1-178	Renovations and Replacements - Grounds - Phase III	17,629,510	17,629,510	7,729,510	1,500,000	1,600,000	1,700,000	1,700,000	1,700,000	1,700,000
1-179	Renovations and Replacements - HVAC - Phase III	62,221,541	62,221,541	13,121,541	7,250,000	7,850,000	8,500,000	8,500,000	8,500,000	8,500,000
1-180	Renovations and Replacements - Reroofing - Phase III	38,750,000	38,750,000	6,900,000	4,750,000	5,100,000	5,500,000	5,500,000	5,500,000	5,500,000
1-182	Renovations and Replacements - Various - Phase III	18,075,000	18,075,000	4,125,000	2,100,000	2,250,000	2,400,000	2,400,000	2,400,000	2,400,000
1-184	Plaza Annex/Laskin Road Office Addition	13,500,000	13,500,000	13,500,000	0	0	0	0	0	0
1-185	Elementary School Playground Equipment Replacement	2,334,737	2,334,737	834,737	250,000	250,000	250,000	250,000	250,000	250,000
1-209	B.F. Williams/Bayside 6th (Grades 4-6) Replacement	79,037,500	3,000,000	0	0	0	0	0	1,000,000	2,000,000
1-275	Achievable Dream at Lynnhaven Middle School	12,750,000	12,750,000	4,000,000	8,750,000	0	0	0	0	0
1-280	Renovations and Replacements - Safe School Improvements	1,200,000	1,200,000	0	200,000	200,000	200,000	200,000	200,000	200,000
			Total	Appropriations to Date	Year 1 2020-2021	Year 2 2021-2022	Year 3 2022-2023	Year 4 2023-2024	Year 5 2024-2025	Year 6 2025-2026
GRAND TOTAL (all projects)		605,272,123	480,543,623	221,152,623	63,891,000	41,900,000	37,500,000	38,100,000	38,700,000	39,300,000
TARGETS					63,891,000	41,900,000	37,500,000	38,100,000	38,700,000	39,300,000
DIFFERENCE					0	0	0	0	0	0

7. Adjournment: Prior to adjournment, Superintendent Spence thanked the Chief Financial Officer and budget development staff for their efforts, and extended appreciation to the School Board’s Planning and Performance Monitoring Committee for their support throughout the process. Chairwoman Rye adjourned the special meeting at 6:36 p.m.

Respectfully submitted:

Dianne P. Alexander, Clerk of the School Board

Approved:

Carolyn T. Rye, School Board Chair