

The Rockbridge County School Board held a special meeting on Tuesday, October 9, 2018 at the Rockbridge County School Board Office.

Present: Chairman David McDaniel; Trustees Heather Hostetter, Wendy Lovell, Neil Whitmore; Superintendent Phillip Thompson; Clerk Rhonda Humphries. Absent: Trustee Corey Berkstresser.

#### **CALL TO ORDER**

School Board Chairman McDaniel called the meeting to order at 4:04 p.m.

The purpose of the meeting was to conduct a Budget Work Session.

#### **BUDGET WORK SESSION**

Superintendent Thompson stated that this meeting kicks off the FY20 budget season and that his intention is to review the current year FY19 of items known and priorities in respect to the FY20 budget. The goal for this meeting is to gain priorities and what the board would like to see done so that support documents can be prepared for budget season FY20.

He offered the following highlights:

- FY20 is the year two of the Biennium for the General Assembly (GA).
- Budget Considerations:
  - VRS: Rate set at 15.68% last year and will remain for FY20.
  - Health Insurance: Very early trends indicate about a 12-15% increase as of now. Reevaluate in December and see where we are noting that the Rockbridge County School Board has little / no control.
    - Chairman McDaniel stated that it is typical to begin at a higher percentage as it is dependent upon claims.
    - Superintendent Thompson stated that the current data will be reviewed with hopes of bringing the percentage down. He also stated that the health benefit education must be better this year for employees. He stated that the following education tools will be available for employees:
      1. Survey for employees that will evaluate desired cost, benefits, and provider.
      2. There will be a web-based service with a link for employees to answer four questions in regards to health insurance issues to help make decisions and to recommend a health care insurance option.
      3. Jim Gordon and team will be in schools twice to be available for individual or group discussion. [anticipated November 2018 and February 2019]
      4. It may be helpful for employees who utilized the Health Savings Account (HSA) plan to give testimony on their experience with the new plan.
    - Chairman McDaniel stated that the enrollment period will be expanded to allow for more time for employee choice and wants employees to have all information in order to make their health care option decision.
  - Property & Casualty Insurance: Current projections see an increase of around \$16,800 for FY 20 noting that the Rockbridge County School Board has little / no control.
  - ADM (Average Daily Membership):
    - There was a spike last year in ADM.
      - Superintendent Thompson stated that ADM is calculated only a few times a year with the March ADM being the most critical. The current state projection is 2557 for FY20. The recommendation of Superintendent Thompson and David Daniels, Director of Financial Services, is to use 2550 as a projected ADM.
      - Chairman McDaniel added that the ADM is set by Rockbridge County Public Schools for budget purposes and will adjust to the projected state ADM.
    - FY19 Budget was based on 2540.
      - Chairman McDaniel stated that the number from the state is estimated and that the number used by the Rockbridge County Public School Board is always conservative.
        - Trustee Lovell inquired if Rockbridge County Public Schools are part of a discussion for school funding.
        - Superintendent Thompson responded that the Rockbridge County School Board is part of the Small and Rural School Coalition. Conversation is ongoing and the by-laws are being written now, adding that delegates and state senators know that the coalition exists. The Rockbridge County School Board signed the resolution in support of this on January 9, 2018.

- FY20 State Budget
  - Year two of Biennium
  - Current projections reflect Rockbridge County Public Schools potentially receiving approximately \$370,000-\$400,000 additional from last year's state funding.
- FY19 Priorities
  - The primary goal was to generally improve overall employee pay.
  - Specifically, try to increase teacher salaries to be more competitive with surrounding localities because there was a beginning trend of losing good teachers; goal was met.
    - Superintendent Thompson offered the following summary:
      - Progress was made but Local Composite Index (LCI) does not reflect true economic standing of Rockbridge County.
      - Rockbridge County is considered the 30<sup>th</sup> wealthiest county with the ability of locality to fund schools.
    - Chairman McDaniel stated that the current LCI is 0.4498; the LCI formula has not changed and does not include property, level of poverty, nor free and reduced lunch.
      - Superintendent Thompson stated that the reason for being a part of the coalition is to be a part of the discussion for consideration to make free and reduced lunch part of the equation to be calculated.
      - Chairman McDaniel stated that conversation has taken place with delegates and that delegates should recognize the needs of patrons in Rockbridge County.
      - Trustee Hostetter stated that the two colleges affect the sales tax rate revenue, not patrons who live here.
- FY20 School Priorities
  - Concentrate on teacher / employee pay and ensure Rockbridge County Public School teachers remain competitive in comparison with the surrounding school divisions.
    - Superintendent Thompson stated that FY19 priorities are met at this point and this priority is ongoing for FY20. Contractual support staff employees also received raise for FY19. He asked the board to consider what type of raise they would like to work towards for FY20.
      - Trustee Whitmore stated that the school system is having a harder time getting new teachers.
      - Superintendent Thompson stated that there is an aging population who will be looking at retirement in the future.
    - Chairman McDaniel inquired if an exit interview process has begun.
      - Superintendent Thompson stated that Jason Kirby, Director of Personnel and Technology, is currently working on the project. He further stated that Rockbridge County Public Schools is in better shape than some in the Commonwealth because of the local universities that are near and that we have been fortunate to fill positions when folks move into the area.
    - Trustee Hostetter inquired if consideration has ever been given to teacher commendation or incentive pay for teachers based on performance instead of years.
      - Superintendent Thompson referenced merit pay and stated that other school divisions have not yet figured out how to successfully do it well.
    - Chairman McDaniel requested that Superintendent Thompson generate options for pay raises utilizing percentage versus a dollar amount, and including the amount from the state.
    - Superintendent Thompson stated that he will generate pay raise options for 1, 2, and 3 percent as well as with a dollar amount pay raise and how to distribute to employees.
  - Trustee Hostetter stated that PBL Training (Project Based Learning) is moving toward the vocational program and moving forward. She further stated that she has heard positive feedback from teachers and hope to see the momentum continue.
    - Haywood Hand, Assistant Superintendent, stated that teachers are taking risks and chances indirectly connected to PBL training.
    - Superintendent Thompson stated his hope that the PBL growth model will help reach PBL goals and will continue with new teachers.
    - Chairman McDaniel requested that an update be provided to reflect progress made the coming months with a summary of PBL from principals.
    - Chairman McDaniel stated that if there is a need for a Vo-Tech class, it should be a budget priority. If a class does not have enough interest and is only serving 30-50 students, it should be a point of discussion as to how best use the resources for what students need.

- Superintendent Thompson stated that staffing needs are an ongoing review. Student requests for the next year are generally begun in January or February with staffing needs being reviewed three or four times a year. He also stated that if a teacher leaves, the position may not be automatically filled. The need of the students are reevaluated.
- Dual Enrollment at Rockbridge County High School
  - Mr. Hand stated that dual enrollment has a drastic impact on the CTE program. The core subjects are being taught and feed into the community college.
  - Superintendent Thompson stated that SACS tried to begin the restrictions this year after the staffing process began by Rockbridge County Public Schools but gave a year's reprieve because the expectations could not be met. He also stated that Roanoke County Public Schools (Region 6) has considered doing away with dual enrollment classes if SACS does not change their route on this issue. Like many other school divisions, Rockbridge County could not absorb the cost of separate classes for dual enrollment and advanced placement classes. The cost would be too high. It would require additional 10-15 staff positions under the SACS restrictions.
  - Trustee Lovell inquired what information has been sent to SACS to illustrate the impact on our students and community if we have to change our practice in regards to dual enrollment.
    - Superintendent Thompson stated that the regional superintendent groups have sent letters to SACS to plead their cases. Local school administrators have met with Dr. John Rainone (President, Dabney S. Lancaster Community College) and Dr. Benjamin Worth (Vice President, Dabney S. Lancaster Community College) to express concerns regarding SACS requirements. He is hopeful that a decision will come from SACS in December 2018.
    - Superintendent Thompson stated that the dual enrollment program is a great benefit for students who potentially cannot afford a four-year school or a trade school. Superintendent Thompson stated that he will continue to communicate in regards to the SACS requirement and will continue to update the board.

**ADJOURNMENT**

Upon motion by Trustee Lovell, seconded by Trustee Hostetter, and passed by 4-0 vote, the meeting was adjourned at 5:11 p.m.



David B. McDaniel, Chairman



Rhonda B. Humphries, Clerk of the Board