

The Rockbridge County School Board held a special meeting on Wednesday, February 7, 2018 at the Rockbridge County School Board Office.

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

CALL TO ORDER

Chairman McDaniel called the meeting to order at 3:02 p.m. and introduced Neil Whitmore, newly appointed school board member for the Walkers Creek District.

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

HEALTH INSURANCE UPDATE

Jim Gordon, Principal, OneDigital Health and Benefits stated that this is a high-level overview and will explain tools that are used during the analysis process. He stated that OneDigital will analyze financial opportunities in the marketplace on an annual basis, evaluate the renewal data, and make recommendations to the school board. He stated that he anticipates renewal data from Anthem no later than the end of March.

- Chairman McDaniel stated that although Mr. Gordon will eventually be able to give concrete numbers, it will not be the cost, as the true number of employees who will be enrolled in insurance program are not known until September.

Mr. Gordon provided a summary of the Medical Claims Review and Experience Summary. He stated that OneDigital's analysis of the claims experience suggests an increase of approximately 14% for the July 2018 renewal, while noting that this projection is based only on the claims experience and does not include any adjustment for the demographic rate.

Mr. Gordon provided a 2018 Illustrative Renewal Projection, which included:

- The goal is for the renewal to be in the single digit percentage range.
- A self-funding recommendation will be part of their evaluation, to be used as a gauge, for fixed cost to Anthem to process claims, while giving school employees access to their network. This would be on a stand-alone basis and would serve as a comparison.
- A high-level assessment was begun last year of combining Rockbridge County Public Schools with the Rockbridge County Government Administration and Lexington City. This will again be a part of the assessment process over the next 45 days.
 - Superintendent Thompson stated that the plans in place with Rockbridge County Government Administration and Lexington City are typically richer.
- Chairman McDaniel stated that 92% is representative of new employees with single plans who utilize the high deductible plan and asked if the high deductible plan that was begun a couple of years ago is showing as a benefit for Rockbridge County Public Schools. He also stated that the education of explaining the high deductible plan benefits was very beneficial for employees. The initial reason for going to the high deductible plan was to help to contain the cost while noting that the more people who utilize the plan, the more advantageous the program is for all. He stated that it may be advantageous to have new employees who have experienced the high deductible to give testimony of their experience.
 - Mr. Gordon stated that he understands that the new employees, who utilize it, like it and it is working well. He stated that he would like to bring a recommendation to the board that would represent a financial incentive for employees to consider the high deductible. Most of the enrollments in the high deductible plan are new-hires, consistently.
 - Superintendent Thompson stated that the high deductible plan is the base plan for new employees.
- Mr. Gordon stated that part of their assessment will be a recommendation centered around contribution modeling in relationship to potential savings.
- Chairman McDaniel stated that in the past, some increases have been substantial, the school division has had to switch carriers, but now have three plans in trying to curb the cost. He cited that health insurance will continue to be a concern because there will always be considerations given to employee raises, new programs.
 - Mr. Gordon confirmed that all steps taken have been good to manage the annual cost for the school system. He noted that there are ways to create value for employees.
 - Mr. Gordon confirmed that there will be a stand-alone assessment with benefit cost analysis, and then look collectively with Rockbridge County Government and Lexington City.

- Trustee Lovell inquired how many employees are affected by the contract issue with Augusta Health Center.
 - Superintendent Thompson responded that based on the number of employees who have contacted him regarding the Augusta Health issue, the number is significant.
 - Chairman McDaniel stated that the intent is for employees to be able to go where they are comfortable for their health care, but ultimately the financial obligation and responsibility is to Rockbridge County Public Schools.
 - Mr. Gordon stated that other insurance companies will be part of the assessment with anticipation that other carriers will be aggressive with their plans.

Chairman McDaniel inquired if a total compensation package report is given to all employees and stated that it may be beneficial to show the three plans and potential savings.

- Superintendent Thompson confirmed that a total compensation package report is given to all employees on an annual basis with their contract. The compensation package report reflects what the school division contributes for each employee.
- Mr. Gordon stated that the price for each plan option will be represented during open enrollment. He emphasized that education of employees is key, citing that a Benefits Committee may assist in explaining information to colleagues.
- David Daniels, Director of Financial Services, concurred that educating employees that they could potentially save money is key.
- Trustee Berkstresser inquired whom employees contact at the division level if there is a question about benefits.
 - Mr. Gordon stated that employees should contact the Payroll Specialist, who will then contact OneDigital with questions if further direction is needed.

Mr. Gordon emphasized that he advocates giving employees a choice in their health care options and wants people to be informed when making decisions.

Mr. Gordon stated that it is his intent to have data by March 10, 2018 and have final recommendation for the Rockbridge County School Board by that date, citing that it may be advantageous to have a meeting before that date to strategically discuss benefit design and contribution before final recommendation. He is hopeful to have three or four scenarios so that the board can see financially what it would look like, receive feedback and allow time to get final numbers.

- Superintendent Thompson stated that March 30 is the date that the Estimate of Need is due to the Rockbridge County Board of Supervisors. It is the intent of Dr. Thompson to have a draft Estimate of Needs ready to communicate to the Rockbridge County Board of Supervisors by March 15, 2108, if it is also the intent of the board.
- Chairman McDaniel reflected the frustration of trying to determine budget, while also looking at health insurance plan options. He asked if it would be possible to have a fall meeting in order to get information out to employees earlier.
 - Mr. Gordon stated that this would be an option and that if the board would like to conduct an employee survey based on concepts and ideas, it could be done in the fall. He noted that the true hard budget number would not be known until February or March.
 - Superintendent Thompson confirmed that an employee survey about budget including health insurance could be conducted in October or November.

Superintendent Thompson stated that there is a special meeting of the Rockbridge County School Board scheduled for March 1, 2018 for the purpose of a budget work session and invited Mr. Gordon to present health insurance data and options at that meeting.

COMPREHENSIVE PLANNING

Chairman McDaniel stated that Rockbridge County School Board and administration worked on developing and maintaining a Comprehensive Plan but that it is an enormous project and that there is not enough staff in place to be beneficial. The Rockbridge County School Board reached out to marketing for assistance for the Comprehensive Plan.

Chairman McDaniel introduced Dr. Alisha Martinez, Senior Director of Research and Business Analytics, and Dr. Stephan Knobloch, Chief Learning Officer, of K12 *Insight*. Their stated purposes are: Design stakeholder input opportunities; Analyze and review feedback data; Craft strategic planning process framework; and Develop metrics and monitoring processes.

- Superintendent Thompson stated that the Comprehensive Planning Survey reflected what stakeholders believe are important as Rockbridge County Public Schools move forward in planning for the next five years.

Dr. Martinez and Dr. Knobloch provided an overview of the Comprehensive Plan and Priorities Survey with the intent to generate feedback from the Rockbridge County School Board members. The survey represents part of an important, ongoing process to develop the right comprehensive plan to guide Rockbridge County Public Schools for the next five years.

The following information on the purpose and details of the study were given:

- The purpose of the study was to obtain input from stakeholders regarding mission statement, whether the division is meeting its mission and goals, whether the division's goals are the right ones, the level of support for current (and proposed) division programs and initiatives, what in Rockbridge County Public Schools makes them the most proud, proposed priorities and goals, and areas of strength and improvement.
- K12*Insight* partnered with Superintendent Thompson and division representatives to develop the Comprehensive Plan and Priorities Study.
- The survey was open from November 28 – December 22, 2017.
- Email invitations with unique survey links were sent to advisory council members, community members, parent/guardians, and staff. High school students used their student IDs to access the survey in school. A public link was available on the division's website, and paper surveys were also available upon request.
- Pre-survey communications included letters to principals, community members, staff members, and parent/guardians; social media posts; news brief; newsletter item; website news item, phone script, text messages, and an email/letter to literacy tutors and a program ad with a QR code.
- Reminders were sent December 5, 12, 19, and 21, 2017.
- The survey was available in English and Spanish.

Dr. Martinez stated that the report by K12*Insight* summarized the survey results and broke the results down by parents, employees, students, and other (business owners/representatives of nonprofit organizations, community members who do not have children in Rockbridge County Public Schools, and advisory council members. She cautioned that the findings reflect only the perceptions and opinions of participants and that findings for each item exclude participants who did not answer.

Dr. Martinez offered the following summary from the community:

- 67% rated Rockbridge County Public Schools as excellent or good
- 88% have internet access at home
- 74% support the revised mission of Rockbridge County Public Schools
- 57% agree that Rockbridge County Public Schools has clear goals to measure success

Dr. Martinez offered the following as the top issues facing students:

- College and workplace preparation
- Lack of parental involvement and a changing economy
- Substance abuse

Dr. Knobloch stated that the intent is for the Comprehensive Plan to be in place for the next five years. He stated that K12*Insight* will return and update the board during the process. He stressed that it is important for the school board to be a part of this project. The end result will be approval of the Comprehensive Plan by the Rockbridge County School Board.

- Chairman McDaniel inquired if there will be another survey.
 - Dr. Knobloch stated that the next step will be working with the co-chairs to give K12*Insight* a list of programs and initiatives that are in place, then evaluate if the committee needs more information and if another survey is needed.
 - Trustee Lovell inquired who would serve on the committee.
 - Haywood Hand, Assistant Superintendent, stated that he has 26 members participating on the Comprehensive Planning Committee. The committee currently consists of district leaders, elementary principal, elementary assistant principal, middle school principal, high school principal, parents, students, community members, and maintenance representatives.
 - Chairman McDaniel inquired if there is a school board member serving on the committee.
 - After discussion, Dr. Thompson offered that there could be more frequent updates to the board, as well as sending updates to Board of Supervisors.

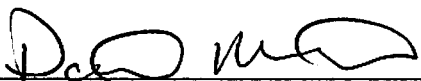
- Trustee Lovell inquired if their information can be shared with the Rockbridge County Board of Supervisors.
 - Dr. Martinez stated that once K12*Insight* receives feedback back from the Rockbridge County School Board, and after adjustments are made to the documents, the documents will become final and can be shared.
 - Superintendent Thompson stated that the final data will be available on the Rockbridge County Public Schools website.

Dr. Martinez stated that the following are the next steps for K12Insight:

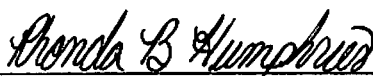
- Create the Rockbridge County Public Schools Profile
- Facilitate two day of workshops with Rockbridge County Public Schools subcommittees chairs (March 5, April 5)
- Collect all committee information from chairs after the worships are complete
- Present the strategic plan to the Rockbridge County School Board in August 2018

ADJOURNMENT

Upon motion by Trustee Hostetter, seconded by Trustee Lovell, and passed by 5-0 vote, the meeting was adjourned at 5:48 p.m.



David B. McDaniel, Chairman



Rhonda B. Humphries, Clerk of the Board