

March 4, 2019

Clarke County Board of Supervisors
Budget Work Session
Main Meeting Room

7:00 p.m.

At a budget work session of the Board of Supervisors of Clarke County, Virginia, held in the Berryville Clarke County Government Center, 101 Chalmers Court, 2nd Floor, Berryville, Virginia conducted on Monday, March 4, 2019.

Board Members

Present: Mary L.C. Daniel – Berryville District; David S. Weiss – Buckmarsh / Blue Ridge District; Terri T. Catlett - Millwood / Pine Grove District; Bev B. McKay – White Post District

Absent: Barbara J. Byrd – Russell District

County Staff Present

Cathy Kuehner, Brian Lichty, Brianna R. Taylor, Lora B. Walburn

Constitutional / State Offices / Other Agencies

Travis Sumption, Don Chambers; Tom Judge

Katie Kerr-Hobert, Zara Ryan, Monica Singh-Smith, Jon Turkel, Chuck Bishop, Rick Catlett

Press

Mickey Powell – The Winchester Star

Others Present

Robina Rich Bouffault, Gwen Malone

1) Call to Order

Chairman Weiss called the meeting to order at 7:00 pm.

2) FY2020 Budget School Board Presentation

Monica Singh-Smith, Clarke County School Board Chair, read from the following prepared statement.

Good evening - Mr. Chairman and fellow Board members, thank you for your time tonight as we present the adopted school board budget for the 2019-2020 school year. Tonight, I hope we can convey to you the priority we felt most strongly about as we discussed the needs for the upcoming year. As school board members, it is our responsibility to advocate for our students and teachers. It is our responsibility to make decisions that will positively impact the education we provide to ALL Clarke County students. We are fully aware of the competing priorities within the County. During the budget development process, every program and staffing position is carefully reviewed to ensure our financial resources are used wisely and in accordance with the school division's mission, initiatives and financial policies.

Our budget proposal is aligned with the school division's five strategic goals which Dr. Bishop will go over during his presentation. The budget was designed to meet the education needs and expand opportunities for every one of our students. Our request will accomplish that by providing for the programs, the professional development, the schools, the teachers and all the other staff, who are vital to supporting our students. I am confident that Dr. Bishop and his staff, in partnership with the school board, will carefully leverage every single dollar we expect to get this year from the Board of Supervisors, the Virginia budget and the federal government. This means we need to invest – to the extent funding allows – in filling critical needs that better serve our students and community. And it means having the very best teachers, administrators and other staff committed to our students and our mission.

This is why our proposed budget includes a well-deserved 4% increase for our teachers and supporting staff and a 3% increase for our administrators. These investments will help us close the salary gap with our neighboring counties. We aren't naïve to believe we will ever be able to match the salaries of Frederick County and Winchester City or even Loudoun County, but our goal is to try to stay competitive as best we can. What is the return of this investment? Our ability to retain and attract more experienced teachers with higher salary requirements pays off not only a higher quality education for our students but also reduces the increased cost of training less experienced staff. Again, the investment of our salary increase is a necessity we feel strongly about and was one of the highest priorities discussed during our budget process.

Despite the current decline in student enrollment, our needs for support and resources to our students has not changed and in some cases, we are required to augment our current practices. Our projected total student enrollment for FY19-20 is one thousand eight hundred and seventy-six. It is a decrease from our current enrollment of one thousand nine hundred twenty-seven. To put it simply, losing sixty students across all four schools does not necessarily equate to reducing teachers or resources. As we

have done in previous years, when needed, teachers are shifted to accommodate the changes based on our enrollment numbers between grades or schools. If a teacher resigns or retires, we carefully consider filling the position based on need. We still have one thousand eight hundred and seventy-six students to support. The budget expenditures outside of compensation, including the operational, maintenance and capital costs of our facilities does not change. Our needs do not change. Our goal of providing THE BEST education we can offer our students does not change. We built this budget proposal on the essentials needed to continue service to our students, staff and community.

The School Board and Dr. Bishop value the partnership with the Board of Supervisors while working together to achieve our common goals of encouraging, inspiring and empowering our kids to be the best versions of themselves. Thank you - now I'll turn it over to Dr. Bishop.

- Superintendent Chuck Bishop provided a PowerPoint presentation titled *Clarke County School Board Adopted FY20 Budget March 4, 2019.*

Budget Development Factors

- Based on ADM of 1,876 students plus 45 PK students
 - CES- **468** BES- **257** JWMS- **476** CCHS- **675** PK- 45 (non-ADM)
- Local Composite Index is .5506
- All line items have been reviewed for accuracy in predicting FY20 expenses
- Central Administration received requests for **10** new, restored or upgraded positions from building and district level administrators

Budget Development Factors

- Conducted salary comparison between Winchester, Frederick and Clarke
- Budget recommendations are in alignment with both the Community Budget Survey and the current CCPS Strategic Plan
- School-based funding is allocated using a per school and/or per pupil basis
- Reviewed all of the items that were discussed by the School Board Finance Committee

Community Survey

262 Respondents

- | | |
|-------------------------------------|-----------------------|
| 1- Employee Compensation | 7- Fine Arts |
| 2- Employee Benefits | 8- Technology |
| 3- Adv. Academic Offerings | 9- PD for Staff |
| 4- CTE | 10- Remedial Programs |
| 5- Student/Teacher Ratios | 11- Athletics |
| 6- Instructional Materials/Supplies | 12- School Buses |

CCPS Strategic Plan

Five Primary Goals:

- We will continue to improve student achievement to prepare students for post-secondary education, career readiness, and opportunities to realize their fullest potential in life.
- We will enact a safe and nurturing climate for learning and working that maximizes student achievement and promotes human development.
- We will employ personnel who share the vision, mission and core values of the school division and demonstrate foundational skills in critical thinking, collaboration, creative thinking, communication and citizenship.
- We will increase the integration of technology use and application to enhance and transform the learning of all students and all personnel.
- We will implement effective and efficient operational practices throughout the school division.

Operating Budget Factors FY15-FY19

Fiscal Year	Salary Increase/ \$ Amount	Health Ins Increase/ \$ Amount	Cost of Salary and Health Insurance	Local Transfer Increase
FY19	2.5%/\$442,172	14% / \$224,710	\$668,882	\$690,018
FY18	3.0%/\$479,421	-3.0% /(\$57,723)	\$421,698	\$135,167
FY17	3.0% / \$395,763	8.1% / \$122,981	\$518,744	\$550,397
FY16	1.5% / \$237,679	10% / \$133,362	\$371,041	\$28,006
FY15	2.0% / \$300,000 (mid-year)	6.3% / \$127,008	\$427,008	\$811,681

Proposed Initiatives for FY20

- No new personnel requested in the FY20 budget
- Consolidation of DG Cooley Elementary- **(\$146,500)**
- Continue to facilitate the addition of Intensive Behavioral Support classrooms (J-WMS and BES)
- Support professional development opportunities for elementary teachers in reading and writing (SU)
- Continue to implement Profile of a Graduate requirements
- Begin an Agriculture Education program at J-WMS and Teachers for Tomorrow program at CCHS
- Add a stipend for Dual Enrollment teachers within existing stipend budget (\$750)
- Eliminate tuition for employees whose children attend CCPS **(\$25,470)**
 - Profile for graduate requirements to be implemented with the current ninth grade class.
 - Two master's stipends:
 - Dual enrollment: \$750
 - Master's degree: \$4,250 / \$6,563
 - Teachers could potentially receive two stipends
 - Will benefit approximately 12 teachers.
 - Tuition Elimination:
 - School Board felt strongly about eliminating tuition for out-of-county employees' children viewing this as an incentive for teacher attraction and retention.
 - Affects 18 teachers with 25 students at a loss of \$25,470.

Food Service Fund

- Stand alone account
- Line items have been adjusted to account for salaries and benefits
- Total Expenditures and revenue- \$811,452
 - Reduction of **\$33,321** from FY19

Capital Projects Fund

- Allows the school division to address both planned and unplanned capital expenses
- Over the past two years, the CCSB has “returned” approximately \$390,000 to the BOS
- For the second consecutive year, proposed reduction in capital request
- As of March 1, there are 40 buildings and grounds projects that are either scheduled or we are gathering quotes/bids. Total estimated \$702,478
- As of March 1, there are technology capital improvements scheduled for an estimated \$181,000
- Staff is preparing to spend \$19,327 from the Dorsch Will to equip the new middle school Ag program
 - CCPS has four employees with agriculture endorsements;
 - Dorsch Will:
 - High School agriculture teachers reviewing needs at Johnson Williams Middle School. Exploring
 - Addition of a smaller greenhouse
 - Equipment purchases of hand tools, etc.
 - Classroom retrofit.

Capital Projects Fund

Furniture	\$25,000	Capital Request-	\$676,750
Athletics	\$12,000	Capital Revenue-	(\$154,000)
Buses	\$160,000		
Fencing	\$15,000		
Playgrounds	\$30,000	Total Capital Request-	
HVAC	\$75,000		
Security	\$50,000		
Boyce	\$65,000		\$522,750
IT Food Service	\$12,750		
Technology	\$172,000		
Tech Infrastructure	\$60,000		
			(\$55,250) reduction over the funded request in FY19

- The state distributes VPSA bond revenue at \$50,000 for the School Division and \$26,000 per school.

- CCPS has a difficult time spending all the grant funds because it does not upgrade technology and infrastructure to support testing programs every year.
- Sometimes, add wireless access points or other types of infrastructure.
- Grant funds can be used on devices if used for testing.
- Athletics: Recently purchased new football helmets.
- Buses: Replacing two more buses as phase out buses with bad engines.
- HVAC: Maintenance Director requested funding for three watersource heat pumps at approximately \$75,000
- Security:
 - Continued implementation of key card access system
 - Boyce Elementary
 - Build vestibule
 - Handicap accessibility improvements
- IT Food Service: Point-of-sell devices
- Technology Infrastructure:
 - Replace classroom display devices
 - New servers
 - Technology upgrades at Cooley, Boyce, and Johnson Williams.
 - Internet accessibility coming to building is more than adequate but want to ensure that within the building signal issues are eliminated.
 - Overall \$-55,250 reduction from the funded request in FY2019.

Salary History

- FY13- 2% increase, but included another 5% VRS contribution
- CCSB contracted with Evergreen Solutions to conduct a classification and compensation study...report was issued on June 6, 2014
- FY14- No increase
- FY15- 2% increase @ mid-year
- FY16-
 - 1.5% increase
 - CCSB approved a reduction of the master's degree stipend for all new employees or newly earned master's degrees to \$4,250. Employees who earned a master's degree prior to FY16 receive \$6,563
 - Focus on competitiveness with Winchester and Frederick

No stipends for education levels above a master's degree

Salary History

- In FY17...
 - Improvements were made to address weak areas of the scale
 - Established a scale with 33 steps
 - New scale provided an average 3% increase
 - First step in establishing a consistent index in the scale
- FY18 a 3% across the board pay increase for all employees
- FY19 a 2.5% across the board pay increase for all employees

Commonwealth’s adopted budget calls for a 5% increase over the biennium

FY19 vs FY20 Comparison: Bachelor’s Scale

- Master’s Degree Stipend
 - WPS- \$4,230
 - FCPS- \$4,109
 - CCPS- \$4,250/\$6,563
- In FY19, 67% of CCPS teachers have an earned master’s degree.
- Each 1% increase costs the division \$171,026 at the current staffing levels
- FCPS has proposed a 4% increase
- WPS has proposed a cost of living and a cost of competing increase.

Years Exp	CCPS FY19	FCPS FY19	WPS FY19	Proposed FY20 CCPS 2/25/19
0	\$41,750	\$42,000	\$41,400	\$42,500
5	\$44,524	\$47,460	\$46,242	\$45,815
10	\$47,260	\$48,825	\$47,625	\$48,629
15	\$50,165	\$52,920	\$50,392	\$51,609
20	\$54,597	\$57,015	\$55,249	\$56,154
25	\$57,870	\$61,110	\$58,683	\$59,553
30	\$61,428	\$65,205	\$62,902	\$63,233
33	\$63,666	NA	\$64,464	\$65,504

- Employees paid on teacher scale: 173
- Master degrees: 115
- Percent receiving lower masters stipend: 44%
- Percent receiving higher masters stipend: 56%

4% for Teachers and Support Staff 3% for Administrators

Executive Summary

Fund	FY 19		%	FY 20
	Adopted	Variance		Proposed
<i>Expenditure</i>				
School Operating Fund	23,270,676	609,644	2.6%	23,880,320
Food Service Fund	844,773	(33,321)	-3.9%	811,452
Debt Service Fund	2,942,715	(423,083)	-14.4%	2,519,632
School Capital Fund	732,000	(55,250)	-7.5%	676,750
Total Expenditure	27,790,164	97,990	0.4%	27,888,154
<i>Revenue: State & Federal Transfers, Fees, & Other</i>				
School Operating Fund	10,131,054	347,641	3.4%	10,478,695
Food Service Fund	844,773	(33,321)	-3.9%	811,452
Debt Service Fund	221,027	(8,555)	-3.9%	212,472
School Capital Fund	154,000	-	0.0%	154,000
Total Transfers, Fees, & Proceeds	11,350,854	305,765	2.7%	11,656,619
<i>Revenue: Local Tax Funding</i>				
School Operating Fund	13,139,622	262,003	2.0%	13,401,625
Food Service Fund	-	-	0.0%	-
Debt Service Fund	2,721,688	(414,528)	-15.2%	2,307,160
School Capital Fund	578,000	(55,250)	-9.6%	522,750
Total Local Tax Funding	16,439,310	(207,775)	-1.3%	16,231,535

Other Budget Adjustments

- Reduction in revenue of **\$25,470** for loss of tuition
- Reduction of health insurance premium increase from 10% to 3.4% (**\$119,716**)
- Reduction of **\$46,846** of other expenses

Items Considered But Not Included

- Increase in percentage of health insurance paid by the division
- Advanced Course Fees
 - IB FY19- \$21,013
 - AP FY18- \$8,210 (FY19 registration pending)
 - DE FY19- \$66,000

Chuck Bishop, in response to Supervisor Daniel query, advised that Tom Judge had the School Board's actual full budget.

Vice Chair McKay stated that the Superintendent had answered all the questions in which he had an interest.

Chairman Weiss opined that the presentation was very thorough and Superintendent Bishop answered Board questions throughout. He expressed the Board's appreciation for the time and effort. He informed those present:

- Revenues are flat
- Current numbers show a sizeable deficit of roughly \$-400,000 with all the requests that have come before the Board of Supervisors Finance Committee for the FY2020 budget.
- Significant needs in Emergency Medical Services
- Significant activities in the County.

Chairman Weiss opined that it was not an easy year and, again, expressed appreciation for the School Board's deliberations. As for salary increases, he noted that neighboring jurisdictions have not finalized budgets; and, the Board of Supervisors would have to see what it could do for it is tasked with balancing it all. He reminded that the Supervisors also try to match raises for general government employees to the Schools' raises.

Supervisor Catlett thanked the Schools for all its hard work on the budget.

Chairman Weiss thanked those present. He opined that the boards did not have acrimony; and, while there may have differences or an inability to provide everything requested, the Boards work together, which the community appreciates.

3) Adjournment

Chairman Weiss adjourned the meeting at 7:44 pm.

Next Regular Meeting Date

The next regular meeting of the Board of Supervisors is set for Tuesday, March 19, 2019, at 1:00 p.m. in the Berryville Clarke County Government Center, Main Meeting Room, 101 Chalmers Court, Berryville, Virginia.

ATTEST: March 4, 2019

David S. Weiss, Chair

David L. Ash, County Administrator

Recorded and transcribed by Lora B. Walburn, Deputy Clerk to the Board of Supervisors