



elimination of six administrative positions, no salary increases for three years, etc., as well as school carry-over funds each year. She opined that the School Board had exhibited good stewardship. Mrs. Lee noted that this would be the fourth year at zero salary increase for school employees and proposed using FY2009 carry over to fund a one-time bonus. She mentioned increased special education program student enrollment necessitating the hire of more teachers, also the need to increase capital funding for technology and transportation. In conclusion, Chair Lee put forth that the School Board had fulfilled its duty to the students and parents and was presenting a budget that protected core academics.

Superintendent Dr. Michael Murphy presented the Clarke County School Board's Approved FY11 Budget. Highlights of his presentation include:

- Difficult to project enrollment.
  - 66 children left this year with the bulk of those transferring to neighboring jurisdictions.
  - 134 students moved into the division since the beginning of the year.
  - Budget projections down 140 over 18 months.
- Reduced enrollment does not change the need for building maintenance and repair; bus replacement, etc.
- Building needs increased \$50,000
- Special needs programs – per pupil expenditure is not much higher and enrollment is increasing.
- Hired 5 new special ed instructors
- The 8.1 RIF of teachers was offset with increase and maximization of staff in other areas.
- Working toward systemic improvement – systems cannot be person dependent.
- Technology, textbook replacement and testing are going to be very important with testing moving toward the individual level.
- State funding for textbooks was lost and this item will become a local contribution.
- Staff development is a priority in future.
- Focused on re-purposing staff. Looking differently on programs, facilities and services – thoughtful and careful consideration of those staff that can do something else
- Testing and measurement will be critical moving forward.
- Unfunded mandates will be a focus – some one has to pay – state, locality or staff eliminations.
- Has conducted conversations with School staff about the budget and has requested community input.
- Still waiting on information from the Commonwealth.
- Food service is revenue neutral.

- Custodial and food service evaluations scheduled for this year.
- 1% increase in school operating fund
- High school is ahead of budget and on schedule.
- Debt service and school capital are the big increases.
- Is prepared to do all he can to help employees in this difficult and challenging time. School employees are hard working, dedicated and take good care of the children of the county.
- Has been a trying process.

Highlights of comments and questions posed by Supervisor John Staelin include:

- Tom Judge will follow up on Cost to Compete basic aid numbers.
- Large drop in high school enrollment putting the estimated number of students to 675 reinforces the decision to build the new high school for 800.
- Per Tom Judge, it is trending toward larger student population in higher grades than lower grades coming in.
- Dr. Murphy expressed shock regarding the Kindergarten enrollment and will be reducing two teachers at the elementary level. He noted that there is an ebb and flow with enrollment that they try to match with teachers keeping class sizes between 18 to 24
- Per pupil spending projection is \$12,394 – a sizeable amount of money and local contribution will be up to 13%, mostly driven by debt service but is also affected by the shrinking enrollment.
- Expenditure detail for capital does not show conversion of HS to elementary
- Dr. Murphy advised that the Schools were working with a consultant from UVA on scheduling and guidance on structuring K5 to maximize facility usage. Will be talking very soon about phase in approach and the need to get the campuses together.
- Dr. Murphy advised that instructor IB training has been funded through the Education Foundation and Clarke County Concerned Citizens group.
- Actual dollar amount of the proposed bonus issue was unknown at the meeting. However, such an offering to School employees will place pressure on the Supervisors to do something for the rest of the County staff that have also gone without raises for the same length of time.
- Dr. Murphy put forth that state employees were getting pay raises this year and he understood the difficulty and the need for equity on this issue.

Highlights of comments and questions posed by Chairman J. Michael Hobert include:

- Salary expenses shown are flat lined.

- Requested an update on sales tax number when available.
- Requested total amount being proposed for the school employee bonus.
- The proposed bonus is not budgeted and would come from either the \$100,00 from carry over or any savings that come down to the district from General Assembly actions.
- Elimination of eight positions and addition of 4 higher paid positions resulted in a net savings of \$40,000, which is significantly less in savings than anticipated.
- Dr. Murphy explained that what he was proposing is that the Schools determine what the state is going to do; and then, he would work with School Board to determine how to fund a 1% raise that would be approximately \$130,000. In further justification, he reminded the Board that employees' flex spending benefit had been previously eliminated.
- Tom Judge clarified that this was a bonus not a salary increase.
- Chairman Hobert and Supervisor Staelin noted that the budget reflected a significant increase in local funding, an increase of 6.9% over FY2011.
- Dr. Murphy advised that he was doing his budgeting in the same way as the other Superintendents in the region and many cuts could be made necessary in the coming year. Whether staffing levels were further reduced, class sizes increased, band and football eliminated was all about choices; and with the state thrusting unfunded mandates on the schools, the focus had to be on what can be done today to serve the children today.

Vice Chairman David Weiss added that he understood the sentiment regarding the proposed bonus opining that it was reasonable and the employees deserving; however, he noted that general government employees had also not had raises for during the same time period. He opined that government should not be giving raises to its employees when the private sector cannot give them to their employees. Mr. Weiss noted the long list of needs and expressed appreciation for the hard decisions and the difficult cuts.

Tom Judge provided additional summarization of the proposed School budget.

Supervisor Staelin commented that next budget year would be as bad if not worse than this year. He also noted that there is a huge lag in recovery from the standpoint of real estate,

Dr. Murphy assured that the Schools had not committed to an employee bonus only a conversation. He also noted that the Schools were down about 15 to 16 people with annual cuts in staffing and that such naturally follow a decline in student enrollment. Next school year, hew will begin analyzing outsourcing custodians and technology support.

Supervisor Staelin noted that sharing the Maintenance, Joint Administrative Services, and GIS/IT Technology Departments has resulted in cost savings.

## Adjournment

There being no further business to be brought before the Boards at 7:56 pm Chairman Hobert adjourned the Board of Supervisors meeting.

## Next Regular Meeting Date

The next regular meeting of the Board of Supervisors is set for Tuesday, March 15, 2011 at 1:00 p.m. in the Main Meeting Room, 101 Chalmers Court, 2<sup>nd</sup> Floor, Berryville, Virginia.

ATTEST: March 1, 2011

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J. Michael Hobert, Chair

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David L. Ash, County Administrator

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Minutes Recorded and Transcribed by:  
Lora B. Walburn  
Deputy Clerk, Board of Supervisors