

RE: SPECIAL MEETING, WEDNESDAY, MARCH 6, 2013, 5:45 P.M.

The meeting was called to order by the Chairman.

PRESENT: Floyd H. Miles, Sr., Chairman  
William G. Coad, Vice Chair  
Gilbert A. Smith, Member

RE: CLOSED SESSION

Motion was made by William G. Coad to go into closed session to discuss personnel matters under Section 2.2-3711(A)(1) of the 1950 Code of Virginia, as amended. The motion passed unanimously.

Motion was made by William G. Coad to return to regular session. The motion passed unanimously.

Motion was made by Floyd H. Miles, Sr. that the Board of Supervisors discussed only public business matters lawfully exempted from statutory open meeting requirements and public business identified in the motion to convene the closed session. The motion passed unanimously.

There being no further business before the Board it hereby recessed to meet again **March 6, 2013** at 6:00 p.m. for a recessed meeting of the Board of Supervisors.

RE: RECESSED MEETING, WEDNESDAY, MARCH 6, 2013, 6:00 P.M.

The meeting was called to order by the Chairman.

PRESENT: Floyd H. Miles, Sr., Chairman  
William G. Coad, Vice Chair  
Gilbert A. Smith, Member

RE: ADOPTION OF AGENDA

Motion was made by William G. Coad to adopt the agenda as presented. The motion passed unanimously.

RE: SCHOOL BOARD FY2014 BUDGET PRELIMINARY

Mrs. Barbara Crawley, School Board Chair, provided an overview of the Schools' current budget preparation for FY2014:

Current year's (FY2013) budget total - \$10,059,594

Superintendent's First FY2014 Budget Proposal:

Our initial FY2014 budget proposal was	-	\$11,641,162
<u>Our initial FY2014 revenue projection was</u>	-	<u>\$10,653,460</u>
Shortfall	-	(\$987,702)

This amount included a shortfall of \$848,390 in the Regular Fund and \$139,312 in the Textbook Fund. A first round of adjustments in both revenues and expenditures was able to bring the shortfall to \$394,869 in the Regular Fund and \$90,172 in the Textbook Fund. Most of the items that had to be cut are continual school needs that have been typically taken care of out of year-end remaining revenues. Because year-end revenues have dried up, such items now need to become a main staple

RE: SCHOOL BOARD FY2014 BUDGET PRELIMINARY (CONTD)

of each year's regular budget. Therefore, not having the revenue to fund such needs, the budget eliminated most of these needs with the exception of new textbook funding, employee 2% pay increase funding, and funding to address rising costs associated with technology maintenance. Therefore, the Superintendent's Revised FY2014 budget proposal stands as follows:

Revised FY2014 budget proposal	-	\$11,210,833
<u>Revised FY2014 revenue projection</u>	-	<u>\$10,725,792</u>
Revised Shortfall	-	(\$485,041)

Mrs. Crawley stressed that if the County cannot provide the full amount of the shortfall, the School Board hopes the County can provide a portion of it. At the least, provide the funding to purchase new textbooks and a 2% employee pay increase to the FY2014 School Budget.

Funding in the amount of \$90,172.00 was requested to purchase new textbooks. This request covers the costs of new textbooks for grades K-12 for the subjects of mathematics, science, and English/Reading. The Virginia Department of Education has implemented new SOLs in these subjects, and it would be beneficial to our students and teachers to have textbooks that are correlated to the new SOLs.

A \$2% pay increase is requested for employees. This compensation initiative comes at a total cost of \$117,702.00, of which \$50,158.00 would be state revenue. The local share to cover the proposed pay increase would be \$67,544.

The FY2014 state revenue reduction for Charles City County Schools, exclusive of the Compensation Initiative, is -\$72,165.00. This projection is based on staff utilization of an FY2014 student enrollment of 714 as compared to an FY2013 enrollment of 732. This is a projected enrollment decrease of 18 students across grades K-12.

To accommodate the shortfall of \$485,041.00 in revenue, further reductions will have to be found among positions, programs, and/or materials and supplies. Such reductions to be considered more specifically would be as follows:

- \* Eliminating the proposed 2% pay increase
- \* Reducing staff
- \* Eliminating programming costs that support student SOL enhancement
- \* Eliminating funding to support additional slots to Governor's Schools
- \* Revisiting the instructional programs saved during the FY2013 budgeting process
- \* Further reducing operations and transportation costs
- \* Postponing purchase of new textbooks

If consideration is given to providing new funding for textbooks and a 2% employee pay increase only, we will still have to reduce the budget by \$327,325.00. Areas that will have to be considered in the deliberation process will include the following:

- \* Reducing staff
- \* Eliminating programming costs that support student SOL enhancement
- \* Eliminating funding to support additional slots to Governor's Schools
- \* Revisiting the instructional programs saved during the FY2013 budgeting process
- \* Further reducing operations and transportation costs

RE: SCHOOL BOARD FY2014 BUDGET PRELIMINARY (CONTD)

Capital Improvement Projects:

Secondly, the School Board requested that consideration be given to the immediate funding of the first three items on the School Board's Capital Improvement Plan:

- \* Replacement of HVAC Units for the HS/MS Cafeteria, Gymnasium & Vocational/Technical Buildings
- \* Replacement of the Cooling Towers at All Three Schools
- \* Replacement of the Boilers at all three schools and in the HS/MS Gymnasium

Building maintenance in the past has occurred as a result of spending year-end revenue to purchase needed equipment and materials. That method of funding projects no longer exists for us. Tonight, we are here to request that funding be found to address these projects before they become nightmares. These are projects which require installation during times when schools are not in session. Should the School Board, for example, have a failure of the HS/MS cafeteria HVAC Unit during the regular school session, the two schools will have to be closed for several weeks? This is not a scare tactic, it is a reality.

Mr. William Coada asked if the revenue shortfall being shown in the budget is due to the school revenue bond being satisfied. The answer was no, that is not the source of the shortfall.

Mr. Floyd Miles, Sr. expressed concern that School staff is using enrollment projections that do not agree with what will likely be used for State funding. Staff is projecting an ADM of 714 and the State is projecting 698. Mr. Miles agreed that projections often change from what the State forecasts for enrollment, but projecting a higher enrollment is taking risk of receiving less funding if the State is correct.

Mr. Miles inquired about the 2% increase requested for employee raises of which the State would fund \$50,518 and the County would be required to fund \$67,544. It was stated that if the County did not meet that share of the costs, the State money would revert back to the State.

Mr. Miles inquired about why there were only three capital projects listed and was advised that these are projects that the Schools believe cannot wait any longer to have completed.

School Board Member Martha Harris spoke to the Board about the fact that textbooks were now 10 years old and this is a need that can no longer be delayed without great harm to student achievement.

RE: LIBRARY CAMPAIGN COMMITTEE PRESENTATION

Dr. Alton Washington, Library Campaign Vice Chairman & Heritage Public Library Trustee, presented the following motions to the Board for consideration:

1. *Upon a motion duly made, seconded and passed the Library Campaign requests the Charles City Board of Supervisors to pass a resolution calling for an election as provided in Va. Code section 15.2-2638 to authorize the county to borrow \$2,500,000 in 2014 to finance construction of a facility to house the Center for Local History and the public library branch.*
2. *Upon motion duly made, seconded and passed the Library Campaign requests the Charles City Board of Supervisors to appropriate such funds as may be needed to study whether fully suitable alternatives are available to house the Center for Local History and public library branch.*

RE: LIBRARY CAMPAIGN COMMITTEE PRESENTATION (CONTD)

Mr. William Coado inquired if the Committee would consider *moving* the library to where the Charles City School Administration is currently housed if it were to move. Dr. Washington stated that he could not support such a plan.

Mrs. Julie Boyd stated that the library, History Center, and a community center had always been part of the planning, design, and fundraising, so the Committee could not support having them be separated at this point.

The Board members agreed that they appreciated the presentation of the motions that were presented by the Committee, but would need time to consider them.

RE: CLOSED SESSION

Motion was made by William G. Coado to go into closed session to discuss personnel matters under Section 2.2-3711(A)(1); and a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community under Section 2.2-3711(A)(5) of the 1950 Code of Virginia, as amended. Motion passed unanimously.

Motion was made by William G. Coado to return to regular session. Motion passed unanimously.

Motion was made by Floyd H. Miles, Sr. that the Board of Supervisors discussed only public business matters lawfully exempted from statutory open meeting requirements and public business identified in the motion to convene the closed session. Motion passed unanimously.

There being no further business before the Board it hereby recessed to meet again on Wednesday, **March 13, 2013** at 6:00 p.m. for a joint work session of the Board of Supervisors and the School Board.