

**MINUTES
WILLIAMSBURG-JAMES CITY COUNTY SCHOOL BOARD
JOINT BUDGET MEETING**

**Meeting Room 127 in the Stryker Center
412 N. Boundary Street, Williamsburg, VA 23185
April 22, 2016
9:00 AM**

ADOPTED

MAY 10 2016

**Board of Supervisors
James City County, VA**

1. JOINT BUDGET MEETING AT 9 A.M.

1.01 Call to Order/Roll Call

Mr. Haulman called City Council members to order at 9 a.m. Present were Ms. Judith Knudson, Mr. Douglas Pons, Mr. Scott Foster, Mr. Clyde Haulman (Mayor), and Mr. Paul Freiling. Also present was Mr. Marvin Collins, City Manager.

Mr. Hipple called the Board of Supervisors to order at 9 a.m. Present were Mr. Kevin Onizuk, Ms. Ruth Larson, Mr. John McGlennon, Ms. Sue Sadler and Mr. Michael Hipple (Chair). Also present was Mr. Bryan Hill, County Administrator.

Mr. Kelly called the School Board to order at 9 a.m. Present were Dr. James Beers, Ms. Kyra Cook, Ms. Julie Hummel, Mr. Jim Kelly (Chair), Ms. Mary Minor, Mrs. Holly Taylor and Mrs. Sandra Young. Also present were Dr. Steven Constantino, Superintendent; Ms. Janet Cerza, Clerk of the Board; staff, press and the public.

Mayor Haulman stated the Stryker Center was designed for the public and interaction with the public. The elected officials set policy and the administrators run the governments and schools.

2. JOINT BUDGET MEETING AGENDA ITEMS

2.01 School Board presents FY2017 Operating Budget and 2017 Capital Improvement Plan (CIP)

Mr. Kelly acknowledged that as a member of the School Board of Williamsburg-James City County, he has an interest in the FY2016-2017 School Budget because his wife is an employee of Williamsburg-James City County Schools (WJCC Schools); however, he believes he is able to participate in the consideration of and vote on the budget fairly.

Ms. Cook stated that as a member of the School Board of Williamsburg-James City County, she has an interest in the FY2016-2017 School Budget because she is an employee of the Williamsburg Health Foundation; however, she believes she is able to participate in the consideration of and vote on the budget fairly.

Ms. Christina Berta, Chief Financial Officer for WJCC, gave a brief presentation on the School Board approved Operating Budget and CIP for FY2017 (see attachment).

WJCC School Board Approved FY2017 Operating Budget:

Mr. Haulman confirmed that the attrition savings definition was based on the people currently employed in the division – teachers and staff leave with salaries at higher pay than those replacing them, thus there are savings. He also noted that while most have seen a decrease in the Virginia Retirement System (VRS) rate, the schools have received an increase. Ms. Berta

explained that this was due to the general assembly making actuary adjustments that require school divisions to pay 100%. Next year there will be an additional 2.5% in the second year of the biennium to fully fund the school level, shifting the burden to the localities.

Mr. Freiling asked if the \$300,000 reduction in bus funding will cause the division to fall further behind or will they not catch up as quickly. Ms. Berta said per the evaluation of the bus fleet, based on the 15 year recommended replacement cycle, there will be 13 buses coming due in FY2017. However, there are no buses due in FY2018. To balance the budget, they are pushing the replacement one year rather than ask for an extra \$1 million to replace those 10 buses.

There was discussion on the federal funded grants, duties of the general education teacher, projected growth in student enrollment (Ms. Larson asked for an estimate on how many new students would require special education) and if the school division was continuing with efficiency reviews and seeing savings (yes).

Mr. Hipple said that there would be a VRS increase next year, as well as bus replacement (13 buses), in the amount of \$1.3 million for the buses, plus the VRS amount in the same year. Ms. Berta said the school division has a smooth replacement plan and anticipates requesting 10 replacement buses to make the amount equitable each year. She did not know if the governor would sign the VRS request for the second year.

Capital Improvement Plan:

The School Board developed a 10-Year CIP based on the findings in the Report of Facilities Condition and Educational Adequacy Assessment by Faithful + Gould, staff recommendations and community input.

There was discussion on the Lafayette High School CIP request for an auxiliary gym (auxiliary gym has been on the CIP for years – previous to Dr. Constantino's arrival); many CIP projects were pushed back because of the recession; what the school district's plan was to find another location for athletes when the gym at James Blair was no longer available; the use of Building 900 by outside agencies; if the Norge HVAC project could be pushed back another year to move the auxiliary gym at Lafayette up to next year; and what happens if there is a failure of Norge HVAC (technicians believe system will operate for another year).

There was discussion about the consequences of pushing Norge back one year (would put the County into a deficit in the out years). Mr. Onizuk stated there needed to be an understanding about available funds and CIP projects. If a new project is added, then current projects could go out further than one year. Mr. Haulman said the City is ready to do what's necessary and best for the children. The schools are recommending putting the Lafayette High School gym in this CIP and moving Norge HVAC to later. It's a School Board and County funding decision. Dr. Constantino responded that prior to this year the school system had not conducted a thorough 10-year analysis of facilities. The report from Faithful + Gould changed the CIP. There is now factual facilities information to make sure the infrastructure stays intact.

Mr. Kelly noted there are many capital needs and the schools could put together a CIP for more than this to meet all the school needs. The Board understands the relationship and thinks the auxiliary gym at Lafayette High School is a higher priority than Norge HVAC.

Discussion followed on Lafayette High School's athletes' safety in traveling to practice fields; the type of facility that could be placed at Lafayette High School (full-size gym or smaller); contingency plans; and costs in this year's budget for \$2.5 million for an auxiliary gym. When asked if \$2.5 million was a realistic number, Dr. Constantino said the old design is a box and

could be an auxiliary gym – it is an idea, not a site drawing. Mr. Kelly said they were as comfortable as they could be without drawings. If begun next fiscal year, the facility could be ready for a winter season opening in 2017-2018. It was also noted that all schools practice at Williamsburg Indoor Sports Complex and other community facilities.

Mr. Hill said there were facility needs throughout the schools, County and City. He is doing a Strategic Plan from the CIP. If an unplanned project is added, then a planned project will have to be removed/delayed.

Ms. Minor stated she has been a longtime advocate for comprehensive plan for future schools, with triggers to find land for schools and other facilities. The addition of the auxiliary gym at Lafayette High School corrects a mistake elected bodies made. Lights on the fields at Lafayette High School would make things less problematic. Ms. Larson said that Building 900 was used for an auto shop before it was leased to Child Development Resources (CDR). Could Building 900 be converted to an auxiliary gym? What about the site plans for a gym that was supposed to be shared between Warhill and Lafayette High Schools? She also noted that buses are available for transporting student athletes off campus for practice (student athletes staying after school for academics miss the bus). They have no control over children getting into each other's cars. She would like to see a spreadsheet of where the students are going for athletic practices. Mr. Freiling said there were no buses for practice before school.

Mr. Onizuk said they need a realistic five-year CIP plan of what they can accomplish with the School Board's priorities. Lafayette High School has a long history of athletic facility challenges. Non-core items are onsite at Lafayette High School in Building 900. Is it possible to get the space back for school use? Mr. Haulman said that was a question the School Board and administration need to answer.

Mayor Haulman said they need to reestablish the School Liaison Committee so these things can be put on the table and discussed. It could be useful process for City Council and Board of Supervisors to meet with their School Board Representative. Communication needs to be kept open.

Ms. Hummel felt it was an equity issue that should have been corrected a long time ago. If approved this year, when could students use the auxiliary gym (would need architect's opinion, but minimum of 18 months)? She urged the Board of Supervisors and City Council to correct this now and not put it off again.

Others agreed the School Liaison Committee should be brought back. It was noted that CDR is a community partner that serves students prior to them coming to Bright Beginnings and kindergarten.

Mr. Pons asked where they were with planning for the future needs – land acquisition for future schools, funding future schools and long-term strategy for future land use.

Ms. Knudson stated that the need for a gym at Lafayette High School was first and Norge clearly needed a lot of work. She was in favor of doing both projects this year, nothing gets cheaper.

Mr. Hipple said they were looking at three potential sites for schools (land banking), but you can't change the past – only the future. The budget requests affects the County's budget much more than the City's budget. They need to have a Strategic Plan in place. The Mayors and Chairs need to meet frequently and the Liaison Committee is needed. They also need to look at the capital improvements for the schools in the next 10 years.

The need for more communication was discussed and it was suggested the localities and schools ask Richmond to pay more of their share (unfunded mandates). The boards need to meet and work together before the general assembly starts; the Urban Crescent needs to continue; and the reduction in state funds due to the Composite Index needed to be addressed.

Mr. McGlennon said there was a proposed facility to be shared between Lafayette and Warhill High Schools on a community field in the Warhill tract and it is still under consideration. It was not considered a substitute for what we are talking about today (auxiliary gym). There has been a reduction in state funding for K-12 education for WJCC Schools. He also suggested the School Liaison Committee be represented by the chairs and mayors and the responsibilities should be shared and rotated for posting and production of the agenda.

Dr. Constantino said the School Board has never complained about the level of local support. The state hasn't been financially supportive, but the localities have. He appreciated being involved in the County's Strategic Plan. He encouraged strategic thinking about facilities for the schools, county and city.

Ms. Cook noted that childhood poverty is increasing and education costs more. There are many social challenges in the schools and they are not going away.

Ms. Larson recognized the work and service of Mr. Haulman and Ms. Knudson (terms are ending).

Mr. Haulman summarized the following framework for communication to move forward: the School Liaison Committee will be reestablished; there will be regular meetings between the two Chairs and Mayor; encouraged regular meetings between the Board of Supervisors members and their respective School Board member; and, City Council and their School Board Representatives.

3. **ADJOURNMENT**

Mr. Haulman adjourned the City Council at 10:28 a.m.

Mr. Hipple adjourned the Board of Supervisors until their 4 p.m. work session at 10:28 a.m.

Mr. Kelly adjourned the School Board at 10:28 a.m.



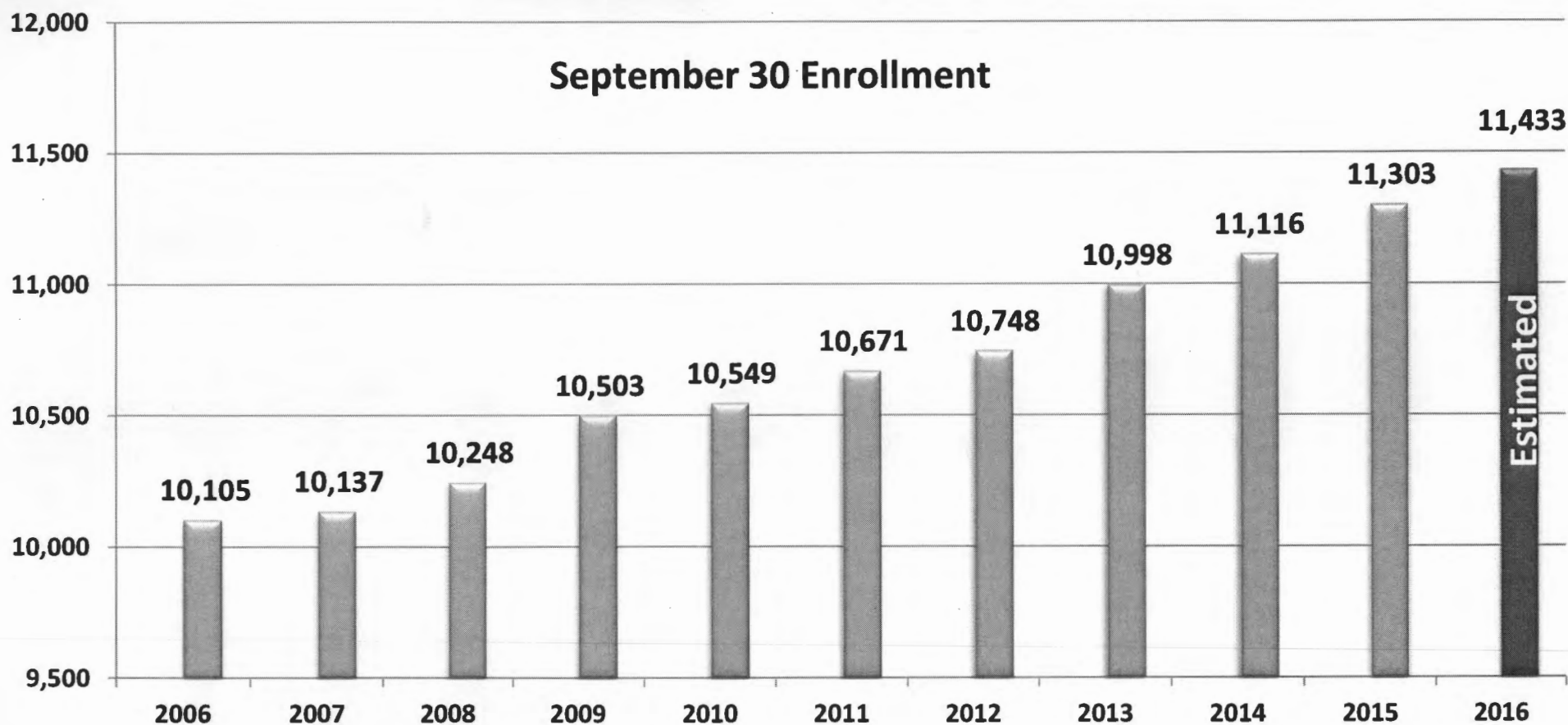
Bryan Hill
County Administrator

WJCC School Board Approved FY2017 Operating & CIP Budgets

April 22, 2016

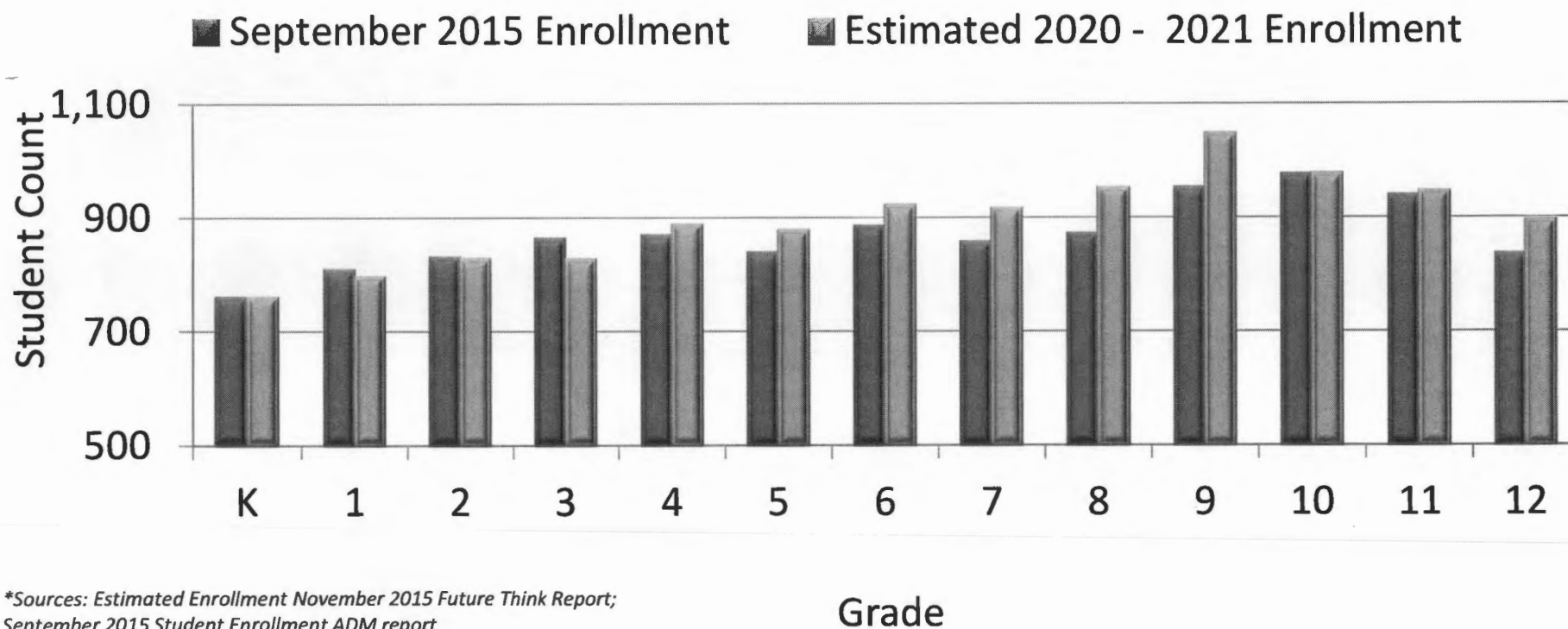


Enrollment History Summary



Enrollment Projections

Enrollment September 30, 2015 vs. 2020-2021 Enrollment Projections



FY 2017 School Board Approved Operating Budget

Description	FY 2016 Budget	FY 2017 Estimated	Change	Change (%)
Enrollment	11,303*	11,433	130	1.2%
FTEs	1,601	1,633	32	2.0%
Operating Budget	\$124,259,156	\$128,296,495	\$4,037,339	3.2%
Per Pupil Cost	\$10,645.69	\$10,859.54	\$213.85	2.0%

**FY 2016 enrollment is actual September 30, 2015, data*

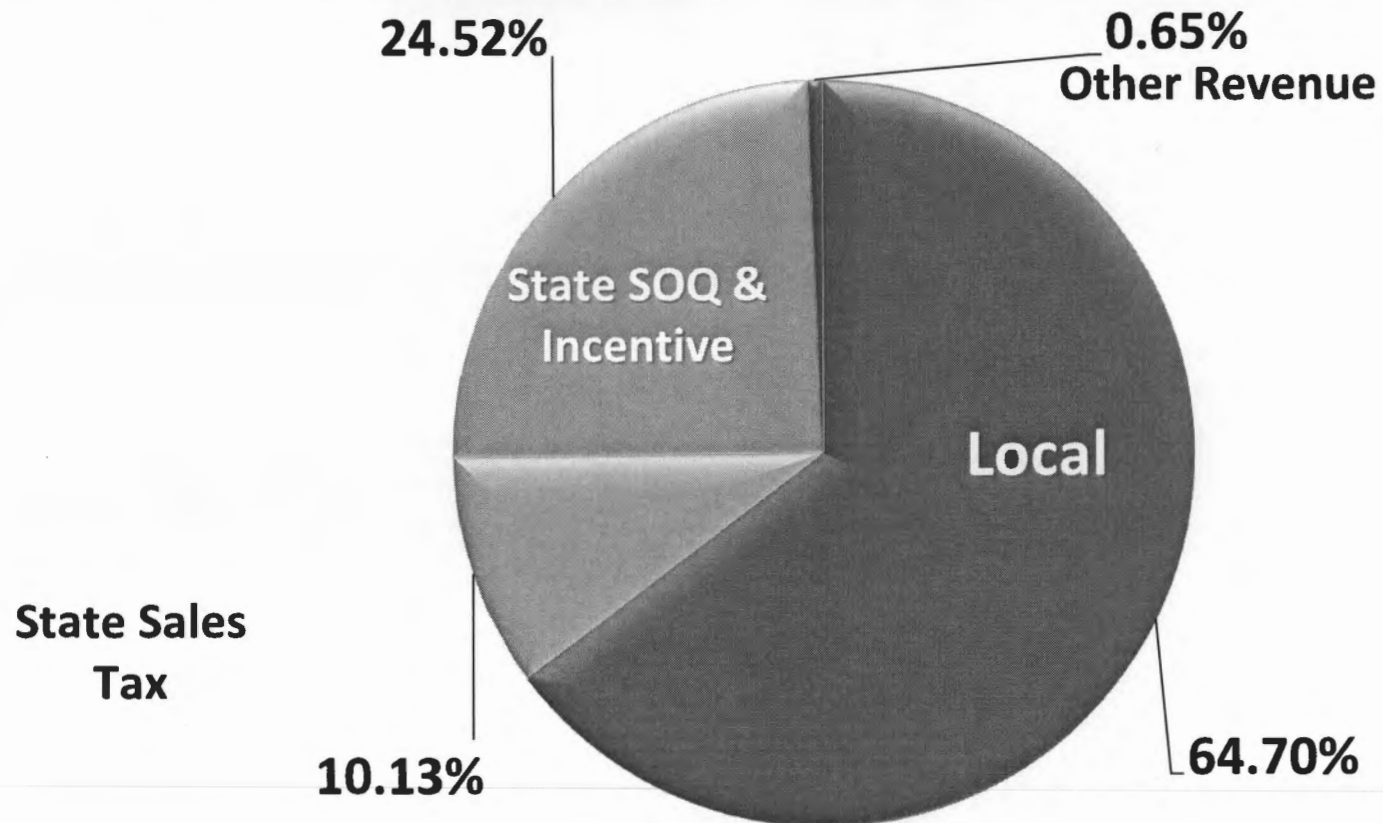
Governor's Proposed Budget

	FY 2016 Budget	FY 2017 Estimated	Change (\$)	Change (%)
Revenues				
State Sales Tax - Local	12,215,480	12,991,146	775,666	6.7%
State Revenue				
Standards of Quality (SOQ)	30,221,970	29,733,340	(488,630)	(1.6%)
Categorical/Incentive	1,612,421	1,726,039	113,618	7.0%
Total State Revenue	31,834,391	31,459,379	(375,012)	(1.2%)
Grand Total	44,049,871	44,450,525	400,654	0.9%

Operating Revenue Overview

- **Local revenue appropriation request: increase of 4.5% (\$3.6 million)**
- **State Sales Tax appropriation: increase of 6.7% (\$775,666)**
- **State revenue (SOQ & Categorical/Incentive Funding): decrease of 1.2%, excluding State Sales Tax (\$375,012)**
- **Other revenue: increase of \$31,000 or 4.5%**

Operating Revenue Summary



Operating Expenditures – Decreases

- **Base Budget reductions & efficiencies, including attrition savings – \$1,592,585**
- **Reduction of Fuel Budget – \$250,000**
- **Reduction in Bus Replacement Funding – \$300,000**

Operating Expenditures – Increases

- **Virginia Retirement System (VRS) employer rate from 14.06% to 14.66% – \$715,315**
- **Adjustments to salary scale: Step 0 on scale adjusted to remain competitive and eliminate compression, step increase for teachers & 1.5% salary increase for all other staff – \$2,444,217**
- **Increased school operating allocation due to increased enrollment – \$46,618**
- **Health insurance rate increase – 2% (\$318,775)**

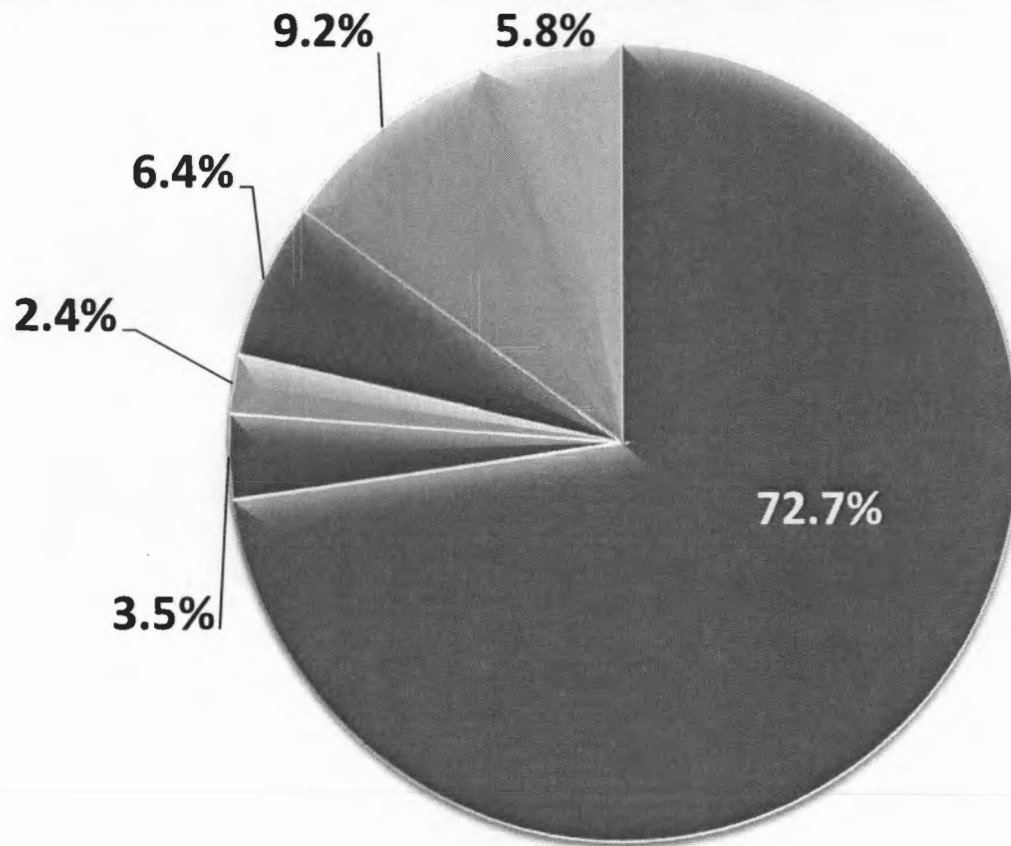
Operating Expenditures – Increases

- **1 additional Special Education Teacher – \$75,000**
- **4 additional Special Education Teacher Assistants – \$140,000**
- **2 additional Learning Lab Teachers – \$35,000**
- **1 additional Technology Technician – \$85,000**
- **2 additional Operations & Maintenance Staff – \$165,000**
- **3 additional bus drivers & 2 bus assistants – \$165,000**
- **Increase in Technology Cost Center to support dual platform during transition to new Financial, HR and Payroll system – \$290,000**

Operating Expenditures – Increases

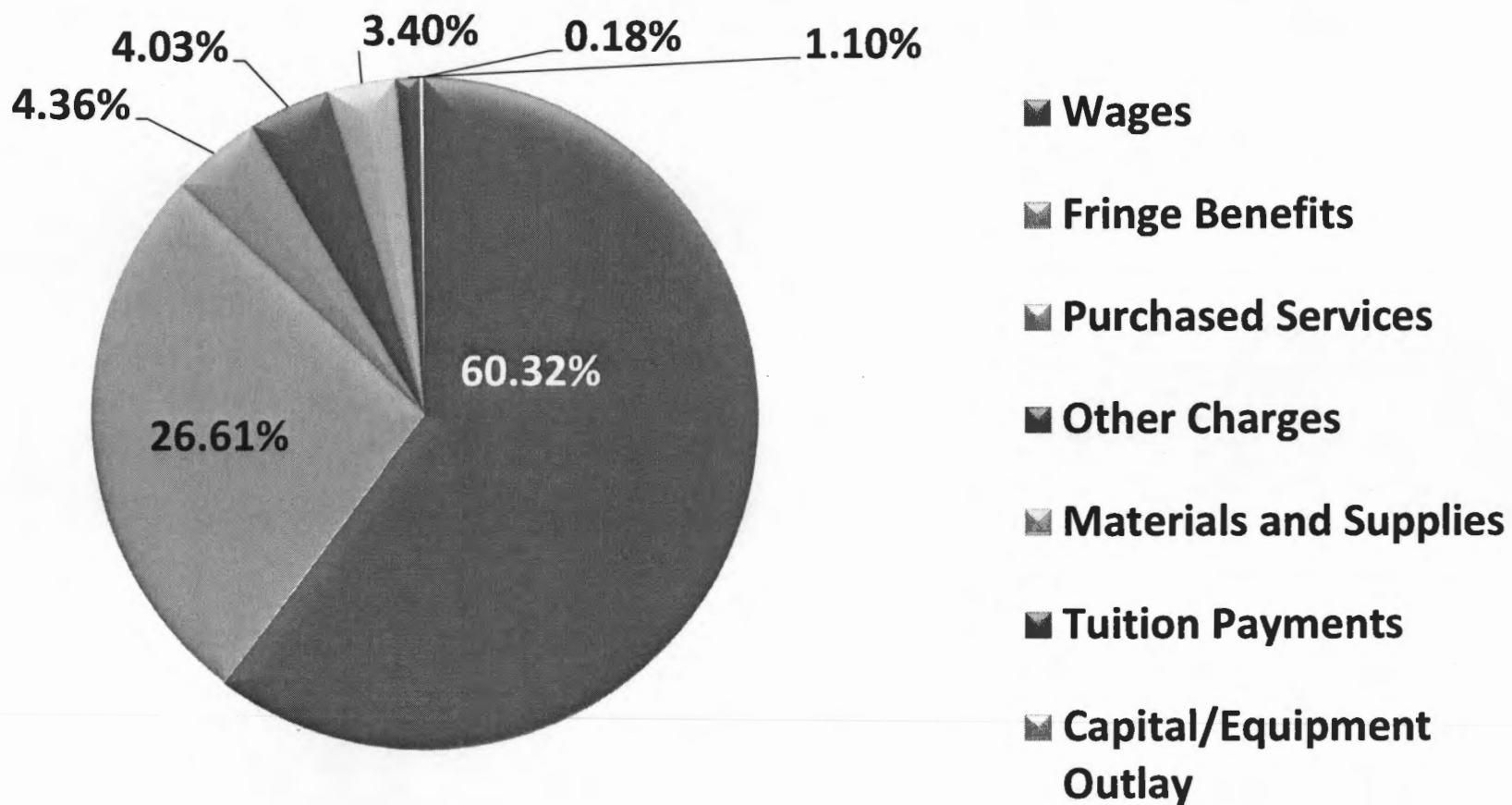
- **Technology refresh & continuation of personalized learning middle school pilot – \$880,000**
- **1 additional English as a Second Language (ESL) Teacher – \$75,000**
- **2 additional Teacher Support positions (Reading and Math targeted assistance) – \$150,000**
- **Restoration of 1 Pre-School General Education Teacher & 1 Pre-School Teacher Assistant – \$110,000**
- **1 additional Special Education Pre-School Teacher & 1 additional Special Education Pre-School Teacher Assistant – \$110,000**

Operating Expenditures by Function



- Instruction
- Student Attendance & Health
- Administration
- Pupil Transportation
- Operation & Maintenance Services
- Technology

Operating Expenditures by Object



FY 2017 – All Funds

Fund	FY 2016 Budget	FY 2017 Estimated	Change (\$)	Change (%)
Operating	\$ 124,259,156	\$128,296,495	\$4,037,339	3.2%
Grants	\$5,125,293	\$5,271,348	\$146,055	2.8%
State Operated	\$1,060,436	\$1,081,883	\$21,447	2.0%
Child Nutrition Services	\$4,075,300	\$4,086,586	\$11,286	.28%
Grand Total	\$134,520,185	\$138,736,312	\$4,216,127	3.1%

WJCC School Board Approved FY2017- FY2026 Capital Improvement Plan

April 22, 2016



Capital Improvement Plan (CIP)

- **School Board developed 10-Year CIP**
- **Placement of projects based on findings from Facility Condition Index (FCI), staff recommendations and community input**

FY 2017 – Specific Projects

Description	FY 2017 Budget
D.J. Montague: Replacement of cafeteria flooring	\$65,000
Norge Elementary: Roof & Window replacements	\$708,200
Stonehouse Elementary: Chiller replacement & bus loop canopy	\$408,000
Lafayette High: Replace walk-in refrigerator/freezer & Auxiliary gym	\$2,500,679
Jamestown High: EIFS repair	\$63,500
Cooley Field: Updates & Renovations	\$460,068
Division Wide: Other Miscellaneous Projects	\$599,550
Grand Total	\$4,804,997

WJCC School Board Approved FY2017 Operating & CIP Budgets

April 22, 2016

