

VIRGINIA:

A Joint FY 21 Budget Work Session of the Lancaster County Board of Supervisors and the Lancaster County School Board was held in the Board/Commission Meeting Room of the County Administrative Building on Thursday, February 27, 2020.

Board of
Supervisors

Members Present:

Jason D. Bellows, Chair

Ernest W. Palin, Jr., Vice Chair

Jack D. Larson, Board Member

William R. Lee, Board Member

Robert S. Westbrook, Board Member

School Board

Members Present:

Joan Gravatt, Chair

Carolyn Young, Board Member

Cindy Clarke, Board Member

Katherine Keith, Board Member

Member Absent:

Kenya Moody, Vice Chair

Staff Present:

Don G. Gill, County Administrator

Crystal Whay, Clerk to the Board and Building/Land Use
Assistant

Mr. Bellows and Mrs. Gravatt called the meeting to order at 5:00 p.m.

Lancaster County Public Schools FY 21 Budget Presentation

Mr. Bellows asked Dan Russell, School Superintendent, to present the school budget.

Mr. Russell stated that the Code of Virginia requires the superintendent to prepare, with the approval of the School Board and submit to the governing body the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division.

Mr. Russell stated that the proposed FY 21 school budget shows an increase of \$11,216.00 in state funds, an increase of \$7,539.00 in federal funds, an increase of \$15,250 in

other funds and level local funds of \$11,724,057.00. He stated that the total proposed FY 21 school budget amount is \$16,948,297.00. He stated that their projected ADM is 976.

Mr. Bellows asked what was the current ADM.

Whitney Barrack, Lancaster County Schools Director of Finance, stated that the current ADM was 1003.

Mr. Russell referred to expenditure assumptions and stated that they have proposed a three percent salary increase for all employees. He stated that teachers will get a 1.5 percent increase, plus a step, for a total of three percent. He stated that the starting teacher salary for FY 21 will be \$41,600.00 and their five-year goal is to get the starting salary to \$45,000.00.

Mr. Lee asked how Lancaster County compared to neighboring counties in regards to the starting salary.

Mrs. Barrack replied that, compared to the neighboring counties, Lancaster is tied with Westmoreland for the number one slot in salaries after step 3. She stated that, for the first couple of steps, Lancaster is third.

Mr. Bellows asked what would be the cost, in budget numbers, for the raises.

Mr. Russell replied that a one percent increase equals approximately \$126,000.00.

Mr. Russell referred to health insurance and stated that they are assuming the rates will stay the same. He stated that if insurance costs increase, they plan on looking for any efficiencies that they can find because they don't want any raises to be offset with insurance increases. He stated that they plan on using regional SPED carryover funds to help with this budget and that is in the amount of \$125,000.00.

Mr. Russell stated that this budget also includes a one plus percent increase in VRS.

Mr. Russell referred to expenditure trends and stated that they spend most of the money on instruction. He stated that there is an increase in administration costs and some of that has to do with how his previous jobs have been divided and reporting requirements.

Dr. Westbrook referred to a decrease in the transportation category and asked if that was because they are more efficient with bus routes.

John Mann, Schools Director of Operations and Transportation, replied that the decrease was due to route efficiency and lower fuel prices.

Mr. Bellows asked if any inquiries had been made to investigate electric bus grants. Mr. Russell replied not at this point, but he is planning on making inquiries soon.

Mr. Russell stated that he would like to mention some highlights and successes related to the schools. He stated that all three schools are accredited. He stated that Lancaster Primary School and Lancaster Middle School are both fully accredited. He stated that Lancaster High School is accredited with conditions. He stated that they are continuing the tutoring program and they have started a new mentoring program. He stated that the schools intend, for multiple reasons, to partner with the YMCA to ensure equitable access to quality instruction for children. He stated that this partnership will allow them to serve more students. He stated that the school system continues its partnership with the College of William and Mary for curriculum development and project-based learning. He stated that they have also enhanced the alternative education program, so students can continue to learn and not be counted absent, even in cases of suspension.

Katherine Keith, District 1 School Board member, stated that she thought it was important to mention the reduction of absenteeism this year.

Mr. Russell stated that they have had some increase in absenteeism since the December update, but they are seeing a reduction in absenteeism at all three schools. He stated that this is a part of the ADM, so having more students present could help them with funding.

Joan Gravatt, School Board Chair, stated that many hours have been spent in the budget process and they have tried to be conscious of the County's funding. She stated that she thought Mr. Russell and Mrs. Barrack had done a good job in finding areas to cut. She stated that she wanted the Board of Supervisors to know that Mr. Russell is not taking the three percent increase. She stated that Mrs. Barrack is beginning to do grant writing and research as part of her job and associated salary. She stated that she thought it was a good budget and hoped that the Board of Supervisors will consider it.

Mr. Bellows asked if any of his fellow board members had questions or comments.

Mr. Lee stated that he had spoken to Mr. Russell about his questions on the salary increases and those questions have been answered. He stated that his only other question is if VRS benefits are extended to bus drivers and cafeteria staff.

Mrs. Barrack replied yes and that all full-time employees receive VRS benefits.

Mr. Lee stated that the bus driver benefits vary from county to county.

Mrs. Barrack stated that was correct.

Mr. Palin stated that a former School Board member had advocated for retirement benefits for the bus drivers some years ago. He stated that was not the case for every school division. He stated that he was pleased with the school budget that had just been presented.

Mr. Bellows stated that he would like to commend Mr. Russell, Mrs. Barrack and the School Board on the work that has been put into the budget preparation. He stated that, overall, it

looks good to him. He stated that he still thought that they needed to continue to push forward on salaries to get the best staff that they can.

Dr. Westbrook stated that he was pleased with the school budget. He asked about the decreased instructional categories' totals and assumed it was because of fewer teachers.

Mr. Russell replied that every year they review the numbers of students in each grade level because of the declining enrollment and what they try to do is have a reasonable class size with the proper amount of teaching staff. He stated that this does not mean that they cut someone's job, but have been able to do this through attrition.

Mr. Larson stated that he could not support the school budget. He stated that he did not believe a three percent increase across the board is something that the County can support. He stated that the County Administrator is going to ask for a three percent increase for his employees as well and that would only be reasonable and expected. He stated that, additionally, there is a situation where the deputies, who are paid under the Compensation Board, have been informed that the Compensation Board will not have the funds for an increase for them this year. He stated that it is a political game, but nevertheless, they cannot ignore the Sheriff and his deputies and will need to consider giving them some kind of cost of living allowance. He stated that he could support a three percent increase for the teachers, but not for the others. He stated that he did want to point out the fiscal services cost in the school budget. He stated that the school system administers a \$16 million dollar budget and the County administers a \$32 million dollar budget, but in fairness, \$10 million of that is simply a pass over of funds to the schools. He stated that what the County manages in terms of payroll and payables and associated work is around \$22 million dollars. He stated that is \$16 million versus \$22 million, but the school's fiscal services cost is \$217,000.00 and the County's cost is approximately \$70,000.00. He stated that what one can take from that is that either the County is not spending enough or the schools are spending too much. He stated that the amount of money that the school system is spending in this area is a concern for him and he would ask that it be looked at.

Mr. Larson stated that he knew that they had worked hard on this year's school budget. He stated that he did not want to take away from the things that have been accomplished in what has been a difficult year. He stated that he has felt some frustration because he has talked about only having two schools and not waiting until they build or renovate. He stated that there have also been discussions about renovating the Annex Building and he would like to see that happen. He stated that he thought they were heading in a positive direction.

Mr. Russell thanked Mr. Larson for his comments and candor. He stated that he has received compliments about the budget, but he wanted to recognize Mrs. Barrack for all of her hard work.

Mr. Gill stated that Mr. Larson had mentioned the Annex Building and he wanted him to know that those renovations have been proposed in this year's Capital Improvement Budget. He stated that the request is for \$500,000.00 to renovate the building for the Early Childhood Education Program. He stated that the Planning Commission will hold a public hearing on March 19th for the Capital Improvement Budget. He stated that the Planning Commission will make its

recommendation to the Board of Supervisors and the Capital Improvement Budget will become part of the County's overall budget. He also stated that the School Board will hold a public hearing on March 3rd on its budget and then will consider adoption on March 10th. He stated that after that, he would incorporate whatever school budget is adopted into the County's budget and the budget books will be ready for the Board of Supervisors' first budget work session on March 12th. He stated that there will be two work sessions on March 24th and March 26th and he has already received numerous requests from organizations that want to speak to the Board of Supervisors on those dates. He stated that both non-governmental organizations and department heads will be speaking on those days. He stated that, according to the schedule, he has the Board of Supervisors holding a public hearing on the school budget on April 2nd and then considering adoption on April 9th.

Mr. Russell stated that they are visiting 12 locations for recruiting purposes this year and wanted to have some assurance about the school budget's instructional portion being approved as in years past.

Dr. Westbrook stated that no one objects to the teachers' salaries, even Mr. Larson, so he wondered why they would have to wait to give that assurance.

Mr. Gill stated that decision was up to the Board. He stated that, previously, the Board has not done it formally, but it has been a consensus that the Board was okay with the school budget's instructional category.

There was a consensus of the Board of Supervisors that the school budget's instructional category will be approved.

Mr. Larson stated that, if the school system had a hard time keeping teachers beyond one year and if they can legally give bonuses, he would consider that, as long as the bonus was tightly tied to having that teacher obligated to staying with the County for a certain amount of time. He stated that he hoped that helped to make the point that he wanted to see more emphasis on instruction and less on administration.

Mr. Russell stated that he would research that.

Mr. Bellows stated that he thought the school system had done an excellent job at keeping administrative costs down.

Mr. Palin stated that administrators put in a lot of extra hours and it was definitely not an 8-hour a day job.

Mr. Bellows stated that this process with the two Boards working together has been a refreshing environment to work in and it has gone so much smoother than in years past.

Mrs. Gravatt agreed.

Adjournment

Mr. Bellows made a motion to adjourn the Board of Supervisors' meeting until 7:00 p.m.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye

Mrs. Gravatt made a motion to adjourn the School Board meeting.

VOTE:	Joan Gravatt	Aye
	Katherine Keith	Aye
	Cindy Clarke	Aye
	Carolyn Young	Aye