

VIRGINIA:

At a recessed meeting of the Board of Supervisors of the County of Northampton, Virginia, held in the Board Chambers of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia, on the 6th day of March, 2014, at 3:00 p.m.

Present:

Larry LeMond, Chairman

Richard L. Hubbard, Vice Chairman

Oliver H. Bennett

Laurence J. Trala

Granville F. Hogg, Jr.

The meeting was called to order by the Chairman. The Northampton County School Board was also present and in session.

The Chairman noted that the purpose of this meeting was the presentation of the School Board's FY 2015 County Budget Request and discussion relative to the Capital Improvement Plan.

Dr. Walter Clemons, Superintendent, and Ms. Brook Thomas, Director of Finance, presented the following powerpoint presentation:



Northampton County Public Schools

Proposed 2014-2015 Operating Budget
and Report of Capital Needs

March 6, 2014

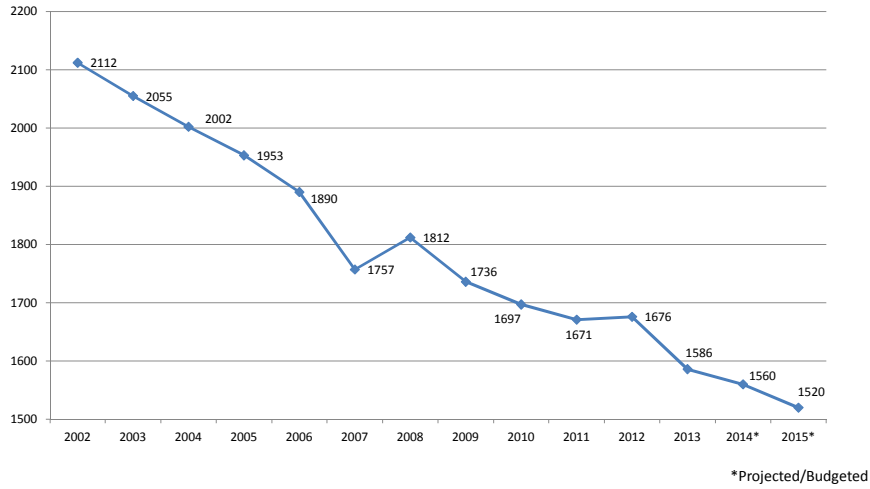
Our Mission and Vision



- Northampton County Public Schools, in partnership with the entire community, will create a safe and nurturing environment for all students, regardless of gender, ethnicity, socio-economic status, language or disability. NCPS will encourage and empower all students to meet high academic standards, demonstrate responsible citizenship, and graduate with the knowledge, skills and abilities necessary to compete in a global economy.

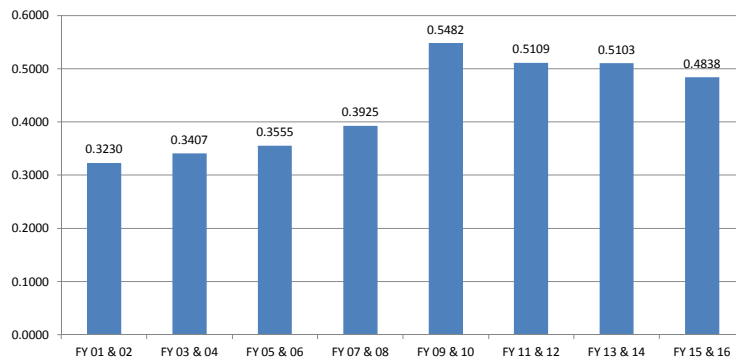
Our Average Daily Membership

•The budget was developed using an estimated ADM of 1520.



Our Local Composite Index

- This is the most significant factor in determining NCPS' share of State funding.
- For the 2015 & 2016 biennium, the LCI decreased by 2.65%, representing a shift of funding responsibility from the Locality back to the State.



Our Fiscal 2015 Budget

- State Funds (43%) \$ 8,759,543.00
- Local Contribution (42.7%) \$ 8,698,290.00
- Other Funds (2.1%) \$ 432,652.00
- Food Service (4.5%) \$ 907,175.00
- Federal Grants (7.7%) \$ 1,557,216.00

- **TOTAL OPERATING BUDGET** \$ 20,354,876.00

(excludes Lease Issuance and Capital spending)

Request for Additional County Funding

Contributions for Operations & Bus Replacement

2013-14 Current

\$8,108,243

2014-15 Request

\$8,698,290

This represents an increase of \$590,047.

Included in this budget...

Total Increase in State Revenue per Calculation Template	\$ 236,269
Decrease in anticipated Medicaid Revenue	\$ (5,986)
Decrease in ESCC reimbursements for Dual Enrollment	\$ (7,886)
Virginia eBackpack Initiative Funding - VPSA	\$ 50,000
Increase in eRate funding for VoIP Project	\$ 65,704
Net Increase in Revenues	\$ 338,101

Included in this budget, cont...

Total cost of VRS Rate Increases	\$ 281,163
Total cost of 2 steps for Teachers & Classified Employees	\$ 342,774
Total cost of Broadband capacity upgrade	\$ 13,246
Total cost of eBackpack initiative (base grant + local match)	\$ 53,775
Total cost of absorbing positions formerly funded through SIG	\$ 55,815
Total Salary & Benefit Increases (newly created positions)	\$ 302,703
Total Salary & Benefit Increases (attrition & other)	\$ 57,436
Total cost of Health Insurance for Behavioral Support Aides	\$ 28,800
Total increases for stipends & extracurricular activities	\$ 7,482
Total increases for NATEF Auto Mechanics Certification	\$ 5,000
Total Personnel Services advertising increases	\$ 3,000
Total increases for Material & Supply funding	\$ 16,500
Total cost of additional NMS Administrative budget items	\$ 2,307
Total cost of additional Promethean Lease	\$ 21,827
Total cost of VoIP Telecommunications Project (offset by eRate)	\$ 76,400
Total Other Increases	\$ 9,577
Total of Expenditure Increases	\$ 1,277,806

Included in this budget, cont...

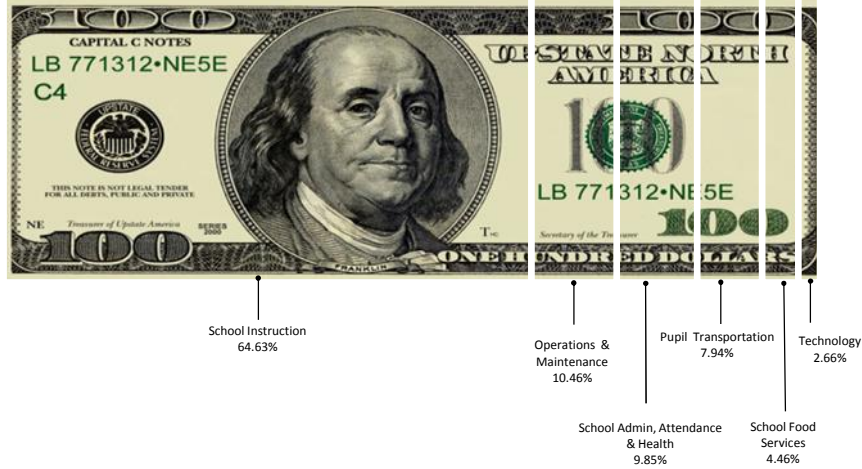
Total Adjustments to Retiree Benefits	\$	(6,628)
Total Savings from Unemployment Rate Decrease	\$	(3,771)
Total Utility Savings	\$	(70,494)
Total Reduction in Transportation Fuel Budget	\$	(8,625)
Savings from Eliminating 2 Bus Routes	\$	(20,172)
Total Reduction of Teaching Staff due to declining enrollment	\$	(105,144)
Savings from releasing one-time project funding	\$	(43,345)
Total of Expenditure Decreases	\$	(258,180)
Additional Request of County Contributions for Operations	\$	681,525
Reduction of County Contributions for Bus Replacement	\$	(91,478)
Total Additional Funding Requested from County	\$	590,047

Not included in this budget...

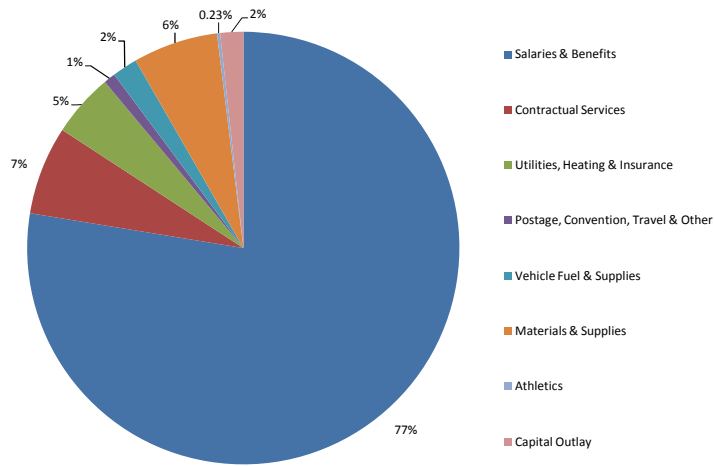
Approximately \$660,000 of additional requests, such as:

- Health Insurance benefits for Bus Drivers & Cafeteria Workers
- 2nd Elementary Gifted Teacher
- 2nd Instructional Technology Resource Teacher
- Additional Maintenance Worker
- Tablet lease to expand eBackpack Initiative into 7th & 8th grades
- SpEd Resource Teacher at OES
- Athletic uniform/supply budget increases
- Numerous instructional supply increases

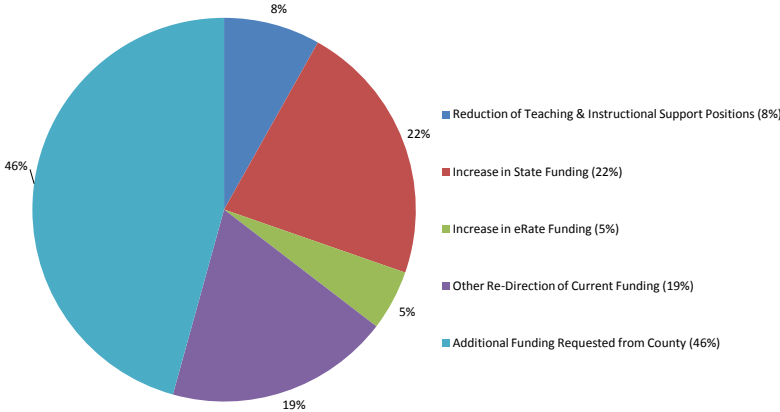
District-Wide Operating Budget by Category



Graphic Display by Object



Sources of Funding for Increased Budgetary Needs



Bus Lease Funding Adjustment

DETAIL OF BUS FLEET SIZE	
35	- Regular School Bus Routes (32 Regular, 3 Handicapped-accessible)
6	- Allowance for Extracurricular, Athletics, and Field Trips that conflict with the regular school day
3	- Garage Spares (2 Regular, 1 Handicapped-accessible) in the event of breakdowns/extended repairs
3	- Spares (one at each school) for substitute drivers
47	- Buses to include in the replacement cycle

RECONCILIATION OF COUNTY BUS LEASE FUNDING REDUCTION	
Actual Cost of Leases, FY 14	\$ 412,927.69
Less Lease 2 - Final Payment is in FY 14	\$ (102,934.00)
Less Lease 3 - Final Payment is in FY 14	\$ (57,880.27)
Plus Anticipated New FY 15 Lease Payment	\$ 65,005.46 Note 1
Bus Lease Funding Needed for FY 15	\$ 317,118.88
Recurring Bus Lease Funding Provided in FY 14	\$ 408,596.56
Reduction to Bus Lease Funding per Budget Request	\$ (91,477.68)
Note 1. This estimated payment amount is based on a total purchase price of \$284,466 over ten semi-annual payments (five years) at 5%.	

Sick Leave Payout Fund Balance Update

Sick Leave Payout Fund Balance		
Historically, NCPS employees were paid for accumulated sick leave upon retirement. At the end of 2009, the School Board voted to discontinue this benefit, but 'grandfathered' the benefit for employees who had been with NCPS for at least 10 years and had not less than 90 days of sick leave. Payouts to this group are now capped at 110 days, to be paid at the employees' rate of pay on June 30, 2009.		
	Contributions (Payments)	Running Balance
Fund Balance Reserved from FY09 Carryforward Funds		\$203,000
Transfer from FY11 Surplus (CIP Fund)	\$127,633	\$330,633
FY 2012 Usage for Leave Payouts	\$0	\$330,633 Note 2.
FY 2013 Usage for Leave Payouts	\$0	\$330,633 Note 3.
Potential Future Payments - FY2014 & FY 2015	-\$315,156	\$ 15,478 Note 4.
Future Contributions Required - FY2014 through 2029	\$361,379	\$376,857
Potential Future Payments - FY2014 through FY2029	-\$376,857	\$0

Note 2: Sufficient payroll line item balances remained within the FY12 budget to fund all sick leave payouts for retirees. After these payments, no additional payroll line item balances remained, so this fund balance did not change in FY 2012.

Note 3: Sufficient payroll line item balances remained within the FY13 budget to fund all sick leave payouts for retirees. Remaining balances in payroll line items were transferred into the School Capital Improvement Fund, so this fund balance did not change in FY 2013.

Note 4: The current fund balance, without any additional contributions, would be sufficient to fund the projected payouts to fully-eligible retirees (those with 30 years of educational service) through Fiscal Year 2015.



Report of FY 2015 Capital Needs

Capital Fund Balance Update

School Operating Fund Balance Reserved for Capital Improvements					
This fund balance reserve was created with funds remaining in the School Operating fund at the end of Fiscal Year 2009. Contributions were also made at the end of Fiscal Year 2011.					
	Currently Appropriated?	Fiscal Year	Project Cost	Running Balance	
Initial Balance, FY2009 Year-End				\$604,494	
Transfer to CIP Fund, FY 2011 Projects	Y		-\$436,301	\$168,193	
Contribution, Fiscal Year 2011 Surplus	Y	2012	\$293,170	\$461,363	
Sick Leave Payout Reserve Transfer (2011 surplus)	Y	2012	-\$127,633	\$333,730	
Transfer to CIP Fund, FY 2012 Projects	Y	2012	\$0	\$333,730	Note 1.
Appropriated Transfer to CIP Fund, FY 2013 Projects	Y	2013	-\$164,252	\$169,477	
Appropriation Transfer to CIP Fund (for Security)	N	2013	-\$20,000	\$149,477	
Fund Balance Transfer to CIP Fund	N	2013	-\$149,477	\$0	

Note 1: Sufficient funds remained within the FY12 budget to fund all transfers to the CIP Fund for FY12 projects. No fund balance was used.

Capital Fund Balance Update, cont.

Capital Improvement Fund				
The Capital Improvement Fund is used to track spending on capital projects, as outlined in the NCPS Capital Improvement Plan. Contributions were received from the School Operating Fund (Reserved Fund Balance) in 2011 and 2012 and from the County's General Fund in 2012 (FY10 Carryforward funds). At the end of FY, all Capital-Related Fund Balances were transferred into this Fund, where they will be maintained in the future.				
	Currently Appropriated?	Fiscal Year	Project Cost	Unappropriated Balance
FY 2011 Transfer In from School Operating Fund			\$436,301	\$436,301
FY 2011 Appropriation for Capital Projects (9)	Y	2011	-\$436,301	\$0
FY 2012 Transfer In from School Operating Fund	Y	2012	\$166,459	\$166,459
FY 2012 Transfer In from General Fund	Y	2012	\$232,601	\$399,060
FY 2012 Appropriation for Capital Projects (7)	Y	2012	-\$399,060	\$0
Transfer In - FY 2012 School Operating Fund Surplus	Y	2012	\$119,869	\$119,869
FY 2013 Transfer In from School Operating Fund	Y	2012	\$333,730	\$453,599
FY 2013 Appropriation for Capital Projects (7)	Y	2013	-\$184,252	\$269,347
<u>Transfer In - FY 2013 School Operating Fund Surplus</u>	<u>Y</u>	<u>2013</u>	<u>\$432,783</u>	<u>\$702,130</u>
FY 14 Appropriation for Capital Projects (12)	Y	2014	-\$245,856	\$456,274

Fiscal Year 2015 Capital Needs

KIPTOPEKE		
Schoolwide Surge Suppression & Electrical Improvements	\$	10,000.00
Roofing - Replace asphalt shingles and plywood	\$	203,300.00
Replace carpet in media center	\$	10,500.00
Generator for Cafeteria/Auditorium	\$	50,000.00
Overlay asphalt surface of parking lot	\$	102,750.00
Routine Replacement of playground eqpt/mulch	\$	13,333.00
Replace teacher/student desks	\$	66,000.00
	\$	455,883.00
OCCOHANNOCK		
Schoolwide Surge Suppression & Electrical Improvements	\$	10,000.00
Roofing - Replace asphalt shingles and plywood	\$	203,300.00
Replace carpet in media center	\$	10,500.00
Generator for Cafeteria/Auditorium	\$	50,000.00
Overlay asphalt surface of parking lot	\$	80,900.00
Routine Replacement of playground eqpt/mulch	\$	13,333.00
Replace teacher/student desks	\$	66,000.00
	\$	434,033.00

FY15 Capital Needs cont...

NORTHAMPTON HIGH/MIDDLE SCHOOL		
Level 1 (necessary regardless of decision about facility upgrades)		
Seal Parking Lots	\$	16,400.00
Resurface tennis courts	\$	30,000.00
Install High Jump Pit	\$	7,500.00
Install Soccer Field on lots by tower	\$	10,000.00
	\$	63,900.00
SCHOOL ADMINISTRATION BUILDING		
Roof Repairs - seal for energy efficiency and add drainage	\$	79,180.00
New Boiler - efficiency/life cycle	\$	25,000.00
Add HVAC to District Software Controls	\$	14,000.00
Repairs/Upgrades - replace windows (loose and ineffective)	\$	34,000.00
	\$	152,180.00
OPERATIONS/BUS GARAGE		
Relocate electricity supply from old school	\$	50,000.00
Replace undependable vehicles/expand fleet	\$	20,000.00
	\$	70,000.00
SUBTOTAL OF CONFIRMED CAPITAL NEEDS - FY 15 PROJECTS ONLY	\$	1,175,996.00

FY15 Capital Needs cont...

NORTHAMPTON HIGH/MIDDLE SCHOOL		
Level 2 (pending decision about facility upgrade project)		
Roof Replacement, Sections A-F and N		\$ 695,301.00
Replace worn CTE Bldg Exterior Panels		\$ 115,380.00
		\$ 810,681.00
TOTAL ESTIMATED CAPITAL NEEDS (Level 1 & 2) FOR FY 15 PROJECTS ONLY		\$ 1,986,677.00
UNAPPROPRIATED CIP FUND BALANCE		\$ 456,274.00
DEFICIT OF FUNDS REQUIRED TO PERFORM CIP PROJECTS SHOWN ABOVE		\$ (1,530,403.00)

In the End...

- It is about improving our students' academic success
"Inspiring learners for life through achievement and success"
- It is about enhancing the quality of our teachers, administrators, and staff
- It is about accomplishing the common goals of the School Board, the Board of Supervisors, the Superintendent, the Staff, and the Community

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Mr. Hubbard questioned the difference in projected heating costs savings between Kiptopeke & Occohannock Elementary Schools. He also requested a comparative analysis of cost-per-student for top level administration with surrounding localities. Dr. Clemons responded that he believed that building-level administrative salaries are comparable with local localities.

Mr. Bennett questioned the status of the boiler replacement at the high school. Ms. Thomas responded that they are still trying to locate the appropriate equipment. Mr. Bennett stated that when the Board approves funding for equipment, and it is not installed in a timely manner, he has a problem with that. Mr. Bennett also asked about stipends for coaching staff and whether that would be handled in a fair manner. Dr. Clemons responded that stipends have always been handled in a fair manner with a regional analysis being completed. Mr. Bennett said that “coaching is not about the money – it is about the students.”

Mr. Hogg asked about declining enrollment figures. Dr. Clemons responded that there were various factors and that there were actually gains of students each year but that was outweighed by exiting students. Mr. Hogg asked if interviews were conducted with departing students and Dr. Clemons said “no.” Mr. Hogg asked if Dr. Clemons anticipated any additional federal funds being received and the Superintendent indicated that he was unsure at this time.

When responding to a question from Mr. Hogg, Dr. Clemons said that 4-6 new positions are being requested in the FY 2015 budget including math coach, graduation coach and behavioral support staff. The coaching positions were previously funded through the School Improvement Grant (SIG) funding. Dr. Clemons continued his comments by indicating that curriculum development, direct reading and math assistance to staff and students, and improved SOL scores were all indicators of improvements garnered through the SIG funding.

Mr. Hogg asked if the recent inclement weather would have an effect on testing. Dr. Clemons responded that there is a three-week window for testing and that no information has been received from the state relative to any extension.

When questioned by Mr. Hogg, Dr. Clemons said that the best service and success has been received this year from Edison Learning and that he would encourage the School Board to pursue this again should funding become available.

Dr. Clemons noted that, in response to another question from Mr. Hogg, that working in collaboration with staff can ease turn-over trends but that some attrition will always occur.

In response to a question from Mr. Hubbard, Ms. Thomas indicated that there were a total of 91 students in the pre-k program with one classroom classified as “universal” pre-k (11 students).

Mr. Hogg asked about Goal 2 under the School Board’s Comprehensive Plan (increase community and parental involvement) and Dr. Clemons responded that this is always an area that can be improved, noting that the School Board has initiated informal “chat” sessions with the public.

In response to Mr. Hogg, Dr. Clemons said that the Tech Center’s on-line programs were effective in giving students more offerings and that the curriculum needs to be reviewed annually.

Mr. Hogg questioned the multiple-choice menu options and Dr. Clemons responded that the schools were bound by certain guidelines and that he did not believe that the cafeteria workers were over-burdened with providing these options.

The County Administrator asked about the e-backpack initiative and was told that the State will fund \$400 towards the cost of a tablet for every ninth grader.

Ms. Nunez also asked what bonuses were provided in FY 2014. Ms. Thomas replied that a one-half percent bonus was provided at the end of FY 2013 (above the required 5% salary adjustment) and that a one-percent bonus was provided in FY 2012. When questioned by the County Administrator relative to any planned bonuses to be provided at the end of FY 14, Dr. Clemons responded that no discussions have been held yet.

The County Administrator indicated that she believed that 15 years (instead of 12) is a reasonable useful life for a school bus and that the bus replacement schedule should be focused on the 35 school buses in daily use and not the total (47) in the fleet.

Ms. Nunez also requested to be provided with figures of actual sick-leave payouts each year and Ms. Thomas indicated that this could easily be provided.

The governing bodies recessed for five minutes. Following the break, the meeting was reconvened.

At this point, the Board discussed the Report of Capital Needs as well as a handout provided by Ms. Thomas which illustrated the status of current capital projects as of February 27, 2014. Numerous questions were asked by the Board with responses provided by Dr. Clemons and Ms. Thomas.

Adjourn

Motion was made by Mr. Trala, seconded by Mr. Hubbard, that the meeting be adjourned. All members were present and voted "yes." The motion was unanimously passed.

The meeting was adjourned.

_____CHAIRMAN

_____ COUNTY ADMINISTRATOR