

VIRGINIA:

At a recessed meeting of the Board of Supervisors of the County of Northampton, Virginia, held at the Board Room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia, on the 19th day of April, 2016, at 5:00 p.m.

Present:

H. Spencer Murray, Chairman

Granville F. Hogg, Jr.

Larry LeMond, Vice Chairman

Robert G. Duer

Oliver H. Bennett

The meeting was called to order by the Chairman.

With reference to the announcement at the last meeting relative to the retirement of the Public Works Director, the Chairman said that on behalf of the Board, he hoped that the County Administrator would make all efforts to fill the position locally.

County Administrator's Report: FY 17 Budget

Ms. Karen Merritt, Clerk of the General District Court, said that a tremendous amount of traffic citations are issued by the County; in fact, our locality is at the top of the state for this volume. That is the basis for her request for one additional part-time position. She distributed relevant statistics. The Chairman commented that this position, in essence, is needed because we are generating additional revenue.

Ms. Charlene Gray, Commissioner of the Revenue, said that she was requesting an additional full-time real estate appraiser as well as three field workers (listers) to more efficiently handle not only the reassessment process but the need for timely picking up new construction. The County Administrator said that additional funding assistance is being provided to the

Commissioner's office during FY 16 amounting to \$36,000 for hourly assistance to complete the reassessment.

Sheriff David Doughty said that he was requesting three new full-time positions: an additional Animal Control Officer, an additional School Resource Officer (SRO), and a Code Enforcement Officer. He has submitted a grant application for partial two-year funding of the SRO. The funding request for the Code Enforcement Officer also provides for \$89,000 to cover resolution of overgrown grass violations as well as dangerous structure demolitions.

Supervisor Murray said that he was concerned with the projected 6% loss in traffic fine revenues. Mr. Duer said that Exmore's traffic revenues are part of the Town's General Fund and are used to support the entire budget. Mr. Hogg said that in the past, it was his opinion that traffic fine revenue should not be a part of the General Fund and questioned the net result after the salary costs of the Traffic Enforcement Officers are deducted from the total fines received.

The Sheriff also said that he was requesting a \$75/day stipend for his on-call staff, a \$2/hour stipend for his in-house instructors and a 1%-2% bonus for all of his staff. He further stated his support for the proposal to provide hazardous duty retirement benefits for EMS staff and asked the Board to consider the 1.85% multiplier for this benefit for not only the EMS staff but his staff (which are currently provided the benefit at 1.7%) as well.

Superintendent Eddie Lawrence and Finance Director Brook Thomas of the Northampton County School System shared with the Board the following powerpoint presentation:



Northampton County Public Schools

Budget Overview

Proposed 2016-2017 Operating Budget

April 19, 2016

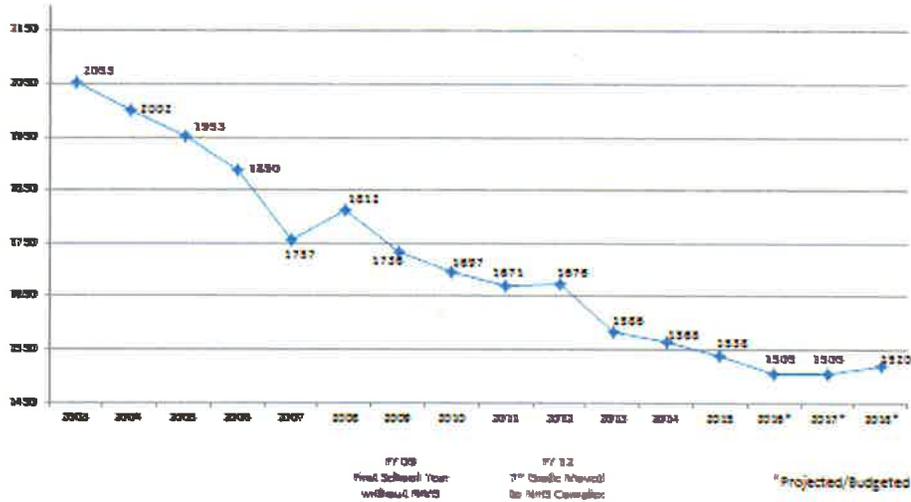
Our Mission and Vision



- 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 has been developed using an estimated ADM of 1505.



Indications of ADM Stability & Potential Growth

	FY 14	FY15	FY16
• YTD @ September 30	1594	1566	1601
• YTD @ January 31	1580	1546	1568
• YTD @ March 31	1565	1538	TBD

Our Local Composite Index

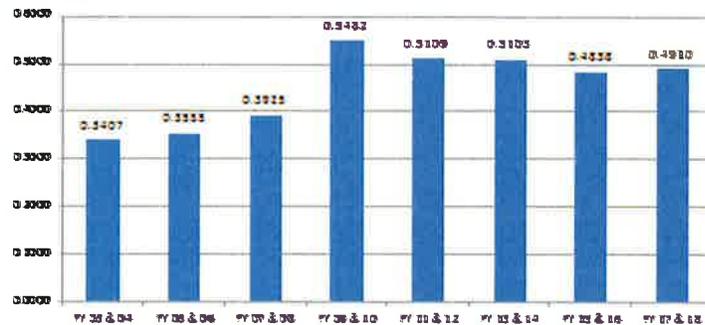
•This is the most significant factor in determining NCPS' share of State funding.

•Formula is based on the following factors from a "base year" (FY2013 for FY17&18):

•True Value of Real Property (50%), Adjusted Gross Income (40%), Taxable Retail Sales (10%)

•Locality's population, State's population, NCPS ADM, and Statewide ADM are also factors.

•For the 2017 & 2018 biennium, the LCI increased from the previous biennium, representing a shift of funding responsibility from the State back to the Locality.



Virginia's Support for K-12 (ranking out of 50 states)

	2012	2015
• Per Capita Income	8th	10th
• State and Local Taxes	43rd	45th
• State Taxes	34th	36th
• Local Taxes	13th	15th
• State Budget % K-12	17th	26th
• State Per Pupil Funding	35th	41st

Virginia School Boards Association (VSBA), Virginia Association of School Superintendents (VASS), and the Joint Legislative Audit and Review Commission (JLARC) estimate that Virginia's support for K-12 Education is underfunded by an amount between \$800 million and \$1 billion.

Budget Development To Date

- Meetings with Administrators to discuss the budgetary process
- School-level leadership/faculty meetings with staff to request input
- One-on-one meetings with each Building & School level Administrator to discuss requests
- Executive-level discussions to prioritize
- School Board Work Sessions to develop draft
- Public Hearing to inform & solicit input from citizens

Included in this budget...

Revenues:	<u>Original</u>	<u>Revised</u>
Additional State Funding, per DOE Calculation Tool, excluding Add'l Inst. Positions & Lottery (shown below)	\$158,674.00	\$119,522.00
Lottery Per-Pupil Funding	\$0.00	\$40,132.00
Compensation Supplement	\$0.00	\$62,050.00
State Funding for Add'l Inst. Positions	\$64,958.00	\$0.00
VPSA Supplemental eBackpack funding for 1:1 device initiative (State Funding)	(\$1,600.00)	(\$1,600.00)
Total Increase in Revenues	\$222,032.00	\$220,104.00
	Decrease of \$1,928.00	

Included in this budget, cont...

Expenditure Increases

One-Step Pay Increase (approx. 1.5%) for contract & work agreement employees	\$210,330.00
Additional ½% Pay Increase to total 2%	\$67,986.00
One Kindergarten Teacher and Instructional Assistant (Necessary for compliance with Class Size Reduction Initiative)	\$69,068.00
Two One elementary instructional positions (necessary to claim Add'l State Inst. Pos. funding)	\$109,738.00 (\$54,869.00)
Add one Division-Wide School Psychologist	\$76,636.00
Add one Behavioral Support Aide (IEP Required)	\$20,951.00
Half-time position for NHS Journalism (will combine with existing NMS Media for full-time position)	\$26,030.68

Included in this budget, cont...

Expenditure Increases, cont.

Add 1 Maintenance Worker Position (Division-wide) (Removed to balance revised request to original)	\$47,971.00 (\$47,971.00)
Additional Stipends (NMS Cheerleading, NHS Theater) (Modified Cheerleading Stipend)	\$1,292.00 (\$215.30)
Additional Supplements, National Board Certified Teachers	\$2,367.00
Total cost of VRS & VRS-Related Rate Changes, Teacher Group (GL rate changed again by .05%)	\$60,121.00 \$4,747.00
Local absorption of salaries/benefits no longer funded by Federal Grants (Title I-A & Title II-A)	\$35,143.00
Reinstate School Board Subsidy for Dual Enrollment	\$45,000.00

Included in this budget, cont...

Expenditure Increases, cont.

Increase in Telecommunications costs due to reductions in e-Rate program reimbursement structure	\$30,556.55
Utility Cost Increases (Electricity, Water & Sewer)	\$45,580.00
Retiree Health Insurance Benefit Cost - enrollment update (projecting 32 eligible retirees)	\$2,670.00
Add'l Instructional & Testing Prof. Development	\$3,610.00
Fiscal Services Contractual & Accounting Rate/Contract Increases	\$750.00
Instructional Contractual Service & Dues Rate Increases	\$4,438.84

Included in this budget, cont...

Expenditure Increases, cont.

Division-Wide General Liability & Student Insurance - 5% estimated increase	\$5,026.00
Increase Funding for Janitorial Supplies	\$7,000.00
Increase Funding for Building/Grounds Contractual Services	\$6,000.00
Additional Material & Supply Funding for all Schools - \$2/student General, \$1/student Media	\$5,425.00
Total Other Increases, net	\$3,968.56
Total Increase in Expenditures	\$819,673
Total Changes	(\$10,257)
Revised Total Increase in Expenditures	\$809,962

Included in this budget, cont...

Expenditure Decreases, cont.

Savings from VRS Nonprofessional Group Rate Changes (actuarially set)	\$(45,228.00)
Unemployment Rate Decrease (1.99 to 1.37)	\$(14,063.00)
Reallocate Heating & Transportation Fuel Budget to offset Electricity & Operations Increases	\$(54,541.00)
Eliminate one vacant bus driver position	\$(15,895.00)
Savings from Technology Lease resulting from skipped lease in FY16 (USDA-related)	\$(46,056.00)
Attrition Savings, Technology Resource Teacher	\$(18,906.00)

Included in this budget, cont...

Expenditure Decreases, cont.

Reduced cost of eLearning Backpack Initiative	\$(1,600.00)
Savings from one-time project implementation	\$(8,100.00)
Contractual, Supply and Travel reductions to offset Other Administrative Increases above	\$(1,472.00)
Total of Expenditure Decreases (repurposing existing funds)	\$(205,861)
Savings from School Bus Lease resulting from skipped lease in FY16 (USDA-related)	\$(34,394.00)

Budget Summary (Original)

- Total of Revenue Increases \$222,032
- Total of Expenditure Increases \$819,673
- Total of Operating Exp. Decreases (\$205,861)
- Additional Operational Funding
from Northampton County \$391,780
- Bus Lease Savings (\$34,394)

Budget Summary (Revised)

- Total of Revenue Increases (\$1,928) \$220,104
- Total of Expenditure Increases (\$10,257) \$809,416
- Total of Operating Exp. Decreases (\$205,861)
- Additional Operational Funding
from Northampton County (\$8,329) \$383,451
- Bus Lease Savings (\$34,394)

\$383,451 represents an increase of
2.2% over the current
School Operating Fund Budget*.

*excluding one-time funds received in FY16 for USDA
equipment purchase

Not included in this budget...

A. Current Instructional Program

1. Expand staffing at the TECH Center to include more teacher-based learning rather than virtual instruction	\$54,545
2. Add a Reading Teacher to be split between NHS & NMS	\$54,545
3. Add a 6th Grade Science Teacher so that KES and OES each have a full-time teacher	\$54,545
4. Add a K-3 Gifted teacher so that KES and OES each have a full-time teacher, includes travel & supplies	\$58,505
5. Add funding for compensatory education for students receiving Special Education services	\$3,750
6. Provide add'l Material & Supply funding to each school specifically for Art, Atlases, & Bio Supplies	\$4,158
7. Increase NMS/NHS Postal Budget	\$3,400
8. Add'l Material & Supply funding for the Music program at each school to purchase and repair instruments	\$11,250
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	\$244,698

Not included in this budget...

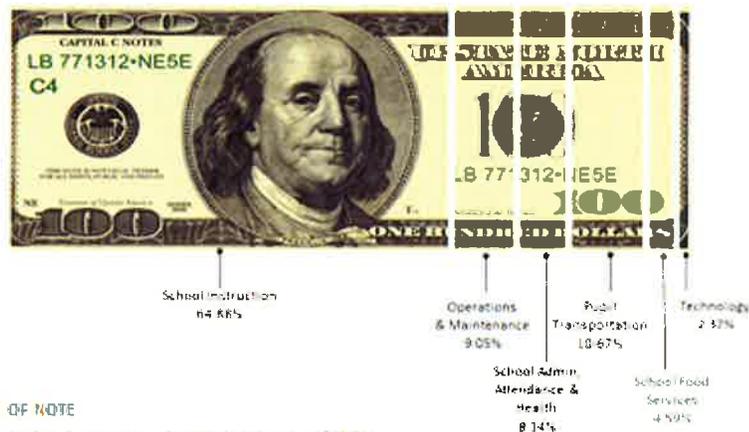
B. Non-Instructional Program Changes

1. Add funding for one additional week of Summer Athletic Transportation (now permitted by VHSL)	\$1,500
2. Increase part-time Secretary to Full-time status	\$30,281
3. Add Non-Athletic Stipends for PBIS Coordinator & Activities Coordinator	\$4,200
4. Add NMS Position: 1/2 Time Teacher, 1/2 Time Assistant Principal	\$70,989
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	\$106,970

Not included in this budget...

C. Repair, Maintenance, and Replacement Program	
1. Increase budget for Building Services Materials & Supplies which is currently underfunded	\$9,500
2. Add an additional Maintenance Worker to assist with routine maintenance of equipment & facilities	\$47,711
3. Add funding for Toner usage & additional Microsoft Licenses	\$5,910
4. Add a Technology Specialist to work with 1:1 Initiative deployment & troubleshooting	\$46,668
5. Add funding for part-time seasonal staffing in Human Resources	\$1,193
6. Add funding for Division-Paid Insurance on 1:1 devices	\$9,726
7. Repair/Refinish HS Stage & Steps	\$6,500
8. Add an additional Custodian at NHS	\$31,700
	\$158,908
 TOTAL OF ALL REQUESTS NOT INCLUDED IN THE 2016-2017 PROPOSED BUDGET:	
	\$510,576

District-Wide Operating Budget by Category

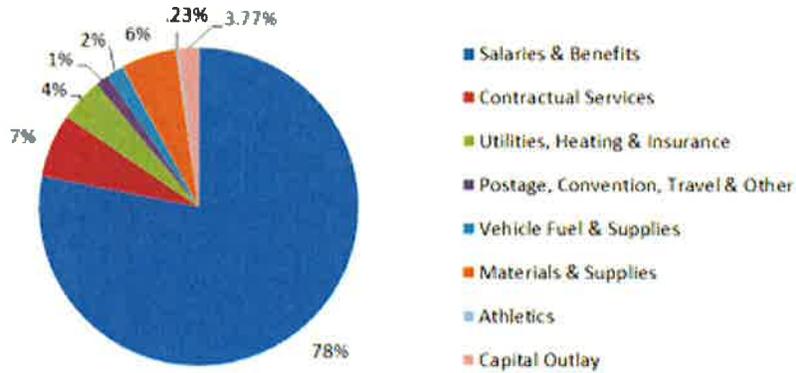


POINTS OF NOTE

- Instructional percentage is 1.76% higher than in FY16
- Admin, Attendance & Health percentage is 1.26% lower than in FY16

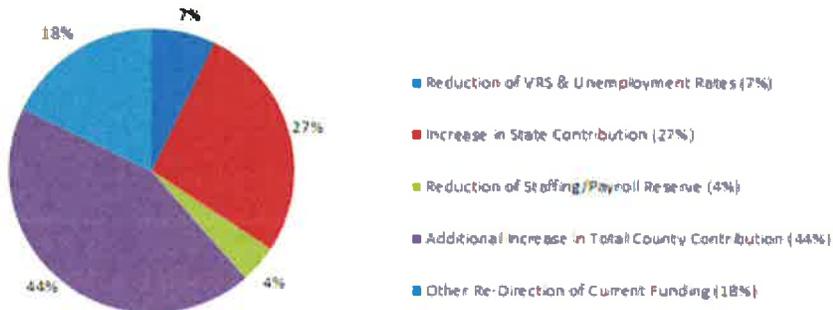
Based on proposed budget

Graphic Display by Object



Based on proposed budget

Sources of Funding for Additional Budgetary Needs



Based on proposed budget

Bus Lease Funding Adjustment

DETAIL OF BUS FLEET SIZE

- 34 - Regular School Bus Routes (31 Regular, 3 Handicapped-accessible)
- 6 - Allowance for Extracurricular, Athletics, and Field Trips that conflict with the regular school day
- 6 - Garage Spares (5 Regular, 1 Handicapped-accessible) in the event of breakdowns/extended repairs
- 3 - Spares (one at each school) for substitute drivers
- 48 - Buses to include in the replacement cycle

RECONCILIATION OF COUNTY BUS LEASE FUNDING REDUCTION

Bus Replacement Appropriation Summary			
FY 16 Funding	FY 17 Funding		
FY 12 Issuance	-	Actual Cost of Leases, FY 16	\$ 273,442.32
FY 13 Issuance	FY 13 Issuance	Less Lease 4 - Final Payment is in FY 16	\$ (99,130.53)
FY 14 Issuance	FY 14 Issuance	Plus Anticipated New FY 17 Lease Payment	\$ 68,412.66
FY 15 Issuance	FY 15 Issuance	Bus Lease Funding Needed for FY 17	\$ 282,724.43
FY 16 Issuance	-		
	FY 17 Issuance	Recurring Bus Lease Funding Provided in FY 16	\$ 317,118.88
(5 leases)	(4 leases)	Decrease to Bus Lease Funding per Budget Request	\$ (84,394.43)

Fund Balance Update

Sick Leave Payout Fund Balance

Historically, NCPB employees were paid for accumulated sick leave upon retirement. At the end of 2008, the School Board voted to discontinue the benefit, but "grandfathered" the benefit for employees who had been with NCPB 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.

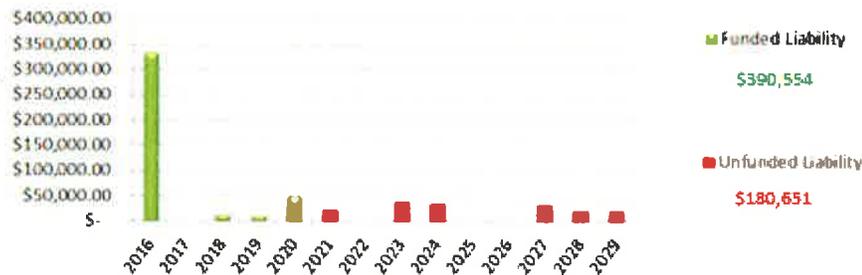
	Contributions (Payments)	Running Balance
Fund Balance Reserved from FY08 Carryforward Funds		\$203,000
Transfer from FY11 Surplus (CIP Fund)	\$127,633	\$330,633
FY 2012 Usage for Leave Payouts	\$0	\$330,633 <i>Note 1</i>
FY 2013 Contributions	\$0	\$330,633
FY 13 Contribution	\$59,921	\$390,554 <i>Note 2, 3</i>
Potential Future Payouts - FY2016 & FY2017	-\$335,490	\$55,064
Future Contributions Required to meet entire remaining liability	\$180,650	\$257,714
Potential Future Payouts - FY2018 through FY2028	-\$237,714	\$0

Note 1: Sufficient payroll line item balances remained within the FY12 budget to fund all sick leave payouts for FY12 retirees. After these payments, no additional payroll line item balances remained, so this fund balance did not change in FY 2012.

Note 2: At FY 13 year-end, the potential sick leave liability including FY16 eligible employees exceeded the fund balance reserved for payment of the liability by \$39,921. To allow for funding to meet this liability, the School Board requested that the budget resolution for FY16 include language to allow any unspent appropriations in the School Operating Fund for FY15 to be recorded as reserved fund balance within that fund for the purpose of funding the projected sick leave liability for FY16 and for any remaining funds once that obligation is met to be transferred into the School Capital Fund (Fund 205) to be utilized for funding projects in the School's adopted Capital Improvement Plan. This request was approved by the Board of Supervisors.

Note 3: Notes that the current balance in the Sick Leave Payout reserve will fund 69% of the total estimated future liability. The current balance is sufficient to fund estimated payouts in full through Fiscal Year 2018 and the majority of estimated payouts in Fiscal Year 2020.

Funding Status of Sick Leave Payout Reserve



Budget Next Steps

- A final State budget is pending the veto session scheduled to begin on April 20, 2016.
- Staff is working on developing the Categorical breakdown of the changes presented tonight and will provide those to County staff once finalized.

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

Supervisor Bennett questioned the status of the Selma lots located adjacent to the high school, which have been transferred to the School from the County. Mr. Chris Trucker, Director of Operations, noted that the lots are in the process of being graded and seeded. Mr. Bennett then asked about the proposal to initiate random drug testing for all staff, including teachers. Mr. Lawrence noted that as per advice from legal counsel, teachers are not "safety" related and therefore, testing of that staff was not legally advised.

It was suggested that a joint meeting between the School Board and the Board of Supervisors be scheduled following completion of the budget process to meet with the School's engineer with regard to his latest findings.

Supervisor Hogg asked about efforts to establish an EMT education program. The Superintendent responded that the system is looking at multiple health-care related courses. Mr. Hogg then asked about the request for an additional psychologist, wondering if it was a state requirement. Mr. Lawrence replied that it was not a state requirement but one that he was highly supportive of, noting that he would love to start conflict mediation at the elementary level.

Ms. Cara Burton, Director of the Eastern Shore Public Library, explained her recent efforts at cost reduction, some new fees she has implemented, and grant applications.

Mr. Kent Sudman, a member of the Board of Directors of the Eastern Shore Coalition Against Domestic Violence, said that the group was continuing to search for office space for its personnel and appreciated the Board's proposal to level-fund the agency for FY 17.

Mr. Edwin Long of the Eastern Shore RC&D Council, referenced two grants recently received by that agency: a hoop-house construction at Treherneville and an Earth Day event in Exmore.

Ms. Carmie Savage of the Eastern Shore Soil & Water Conservation District, noted several benefits which are provided to the County's citizens as a result of funding including oversight of the Best Management Practices Program and several education initiatives.

Supervisor Hogg urged the Board to "make a decision on the EMS staffing matter" as soon as possible.

Based on a request from the Chairman, it was the consensus of the Board to agree to a 4:00 p.m. closed session at its next regular meeting, May 10th, for discussion related to

personnel, with no staff or attorney to be present.

Action Items:

Consider waiving of tipping fees for two Nature Conservancy clean-up events: April 22 (Hog Island) and June 4 (Oyster Harbor).

Motion was made by Mr. LeMond, seconded by Mr. Bennett, that the Board waive the tipping fees associated with the two Nature Conservancy clean-up events as noted. All members were present and voted “yes.” The motion was unanimously passed.

Recess

Motion was made by Mr. Bennett, seconded by Mr. LeMond, that the meeting be recessed. All members were present and voted “yes.” The motion was unanimously passed.

The meeting was recessed.

_____ CHAIRMAN

_____ COUNTY ADMINISTRATOR