

**VIRGINIA:**

At a recessed joint meeting of the Washington County Board of Supervisors and Washington County School Board held Thursday, January 27, 2010, at 7:00 p.m., at the School Board Offices, 812 Thompson Drive, Abingdon, Virginia the following were present:

**PRESENT:**

**Board of Supervisors:**

Dulcie M. Mumpower, Chair  
Odell Owens, Vice Chair  
Phillip B. McCall  
Nicole M. Price  
Kenneth O. Reynolds  
Joseph C. Straten  
Thomas G. Taylor

Mark K. Reeter, County Administrator  
Christianne E. “Christy” Parker, Assistant County Administrator  
Mark W. Seamon, Accounting Manager

**School Board:**

Billy Brooks, Chair  
Dayton Owens, Vice Chair  
Buckey Boone  
J. Sanders Henderson III  
Elizabeth Lowe  
Tom Musick  
Herschel Stevens

Jim Sullivan, Superintendent  
Dr. Foney Mullins, Assistant Superintendent and Director of Academics  
Melissa Caudill, Director of Finances & Human Resources/  
Clerk to the Board

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**1. Call to Order**

**School Board:**

The School Board meeting was called to order by Mr. Billy Brooks, School Board Chair. Mr. Brooks welcomed the Board of Supervisors’ members.

**Board of Supervisors:**

The Board of Supervisors' recessed meeting was called to order by Ms. Dulcie Mumpower, Board of Supervisors' Chair. Ms. Mumpower expressed her appreciation to the School Board for hosting the meeting.

**2. Invocation and Pledge of Allegiance**

Mr. Jim R. Sullivan led the Pledge of Allegiance.

**3. Approval of Agenda**

**School Board:**

*On motion by Ms. Lowe, seconded by Mr. Henderson, the agenda was approved as amended.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. Boone</i>	<i>Aye</i>
<i>Mr. Brooks</i>	<i>Aye</i>
<i>Mr. Henderson</i>	<i>Aye</i>
<i>Ms. Lowe</i>	<i>Aye</i>
<i>Mr. Musick</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Stevens</i>	<i>Aye</i>

**Board of Supervisors:**

*On motion by Mr. McCall, seconded by Mr. Odell Owens, the agenda was approved as amended.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

**4. Opening Remarks**

Opening remarks were presented by Mr. Sullivan who said he was impressed that both boards were fully represented. The School Board members and staff have been diligently working on the

2011-2012 Budget, and the meeting tonight is a continuation of that effort. The Board of Supervisors members are key players, and he stated that he and the School Board appreciates the ongoing local funding effort from the Board of Supervisors.

## **5. Annual School Budget Presentation**

Ms. Melissa Caudill did a presentation and provided information on the 2011-2012 Budget as follows:

- General Fund - \$67,083,707: The General Fund is the source of ongoing operational activities for daily educational expenditures such as salaries/wages, supplies, utilities, transportation, technology, etc. Financing is provided by State, Federal and Local government contributions.
- Debt Service Fund - \$2,460,251: The Debt Service Fund segregates funds for servicing debt, specifically for Bonds (QSCBs) and State Literary Loans for major facility projects.
- Textbook Fund - \$2,261,988: The School Textbook Fund is maintained for the purpose of funding textbooks. This fund can “rollover” from year to year. Every fifth year, the school system has an “adoption year” in which system wide replacement of textbooks occurs.
- School Construction Fund - \$6,609,985: The School Construction Fund is the source of major building financing. Public bond proceeds for additions to and replacements of schools are maintained in this fund.
- Food Service Fund - \$4,022,814: The Food Service Fund is a propriety fund (can accumulate earnings at year end) used for student meal programs. The majority of these revenues are from sales (student purchases) and federal and state funding of school lunch programs.

### Revenues (General Operating Fund):

- Federal Revenue - \$5,643,858 (2011-2012 Budget)
- Local Revenue - \$22,346,469 (2011-2012 Budget)
- Miscellaneous Revenue - \$1,815,570 (2011-2012 Budget)
- State Revenue - \$36,383,810 (Based on 2010-2012 Governor’s introduced amendments – updated December 17, 2010)
- Reinsurance Subsidy Program - \$245,000 (Washington County Schools applied for participation and was accepted into a federal subsidy program for reimbursement relief of a portion of early retiree costs.)
- FY 2011 Stimulus Carryover – \$0 (Includes remaining stimulus funds of \$655,616 less \$431,676 to offset reductions to current FY 2011 amendments)
- 2011 State Fiscal Stabilization Fund - \$224,000 (Includes remaining stimulus funds of \$655,616 less \$431,676 to offset reductions to current FY 2011 amendments)
- Textbook Fund Transfers - \$0
- Federal Jobs Bill Funds Carryover - \$869,000
- Grand Total: \$67,527,707 (2011-2012 Budget)

### Expenditures (FY 2012 Projection):

- Capital Outlay - \$1,465,303 (Bus purchases eliminated in FY 2011 as a one-year reduction. Reinstated in the 2012 Budget)
- Employee Benefits - \$16,065,478 (Estimated 15% increase in health insurance; FY 2012 proposed VRS contribution rate increase from 9.81% to 13.04%)
- Liability/Other Insurance - \$584,500
- Other Charges - \$308,637
- Purchased Services - \$1,386,717
- Salaries/Wages - \$39,568,191 (Elimination of vacant position @ \$50,000, FY 2012 Supplemental Retiree Savings {\$383,000}, FY 2010 Early Retiree Replacements. Added back to the budget is the replacement of \$723k for 11 of the 32 employees currently in their retirement year at 80% reduced cost)
- Utilities/Fuel - \$3,508,246 (Estimated 14% increase in fuel, gas, coal, oil and electricity)
- Instructional/Technology Supplies - \$1,541,850 (Instructional supplies - \$420,000 eliminated in FY 2011 Budget as a planned one-year reduction. Due to FY 2012 projections, \$420,000 has not been reinstated.)
- Operational Materials/Supplies - \$936,104
- Fiscal Agency Operating Costs - \$1,627,103
- Federal Programs - \$3,346,399
- Total FY 2012 Projection - \$70,338,528

Total General Fund Net Change (Deficit):

- Projected Increase in Revenues - \$444,000
- Projected Increase in Expenditures - \$(3,258,200)
- FY 2012 Funding Deficit - \$2,814,200

*Scrivener's Note: The Budget Presentation referenced above is included as Minutes Exhibits Item 2011-01-27-a.*

**6. Discussion of the 2011-2012 Budget:**

- Mr. Sullivan said that the school system has approximately \$1.2 million in a capital reserve fund set aside by the Board of Supervisors, which may need to be used for roof replacements and a boiler replacement at Abingdon High School. He commented that the school system typically buys eight buses per year and would like to keep the bus purchases on schedule and in the budget. We continue to consider vacant positions to determine whether it is necessary to fill them.
- Mr. Sullivan's recommendation to the BOS is that the \$2,814,200 funding deficit be considered from local funds.
- Ms. Caudill said that \$475,000 could be subtracted from the \$2,814,200 (\$400 decrease in county funding for Debt Service and \$75,000 for the Textbook Fund, which is not required local match.)
- Mr. Brooks commented that the school system continues to be able to provide a quality education for students and maintain one of the best school systems in the state despite the fact that they have not received a pay increase going on three years and fifty-five positions have been lost. This is due to the staff's dedication and hard work.

- Ms. Mumpower expressed that the Board of Supervisors continue to be supportive of the schools and education. They take the budget process seriously; they will continue to look at the budget and provide as much funding as possible to the school division.
- Mr. Boone said that the state’s budget is now improving but the school systems are not seeing the benefit from the state level. Everyone needs to remind their legislators that when the state’s revenue improves we need help.
- Mr. Seamon complimented Ms. Caudill for the excellent presentation.
- Mr. Reeter echoed Mr. Seamon’s comment and said that they have been provided what they need get a picture of the school systems funding deficit.
- Mr. Henderson asked the Board of Supervisors to keep in mind that teachers have not had a raise in going on three years and AYP standards continue to raise. Funds for instructional supplies continue to decrease.
- Mr. Stevens said that employees are in jeopardy of losing their jobs, and if student enrollment numbers continue to increase, more teachers will be needed.
- Mr. Odell Owens said that he wrote legislators a letter to express his opinion on budget funding.
- Mr. Taylor said that last year the Board of Supervisors increased taxes to make up for loss of state funding. He said he would do his part in talking with members of the General Assembly, and his vote as a Board of Supervisors member would reflect his support the school system.

**7. Adjourn or Recess**

**School Board:**

*On motion of Mr. Henderson, seconded by Ms. Lowe the School Board meeting adjourned at 8:20 PM.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. Boone</i>	<i>Aye</i>
<i>Mr. Brooks</i>	<i>Aye</i>
<i>Mr. Henderson</i>	<i>Aye</i>
<i>Ms. Lowe</i>	<i>Aye</i>
<i>Mr. Musick</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Stevens</i>	<i>Aye</i>

**Board of Supervisors:**

*On motion of Mr. Odell Owens, seconded by Ms. Price the Board of Supervisors meeting adjourned at 8:20 p.m.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>

<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

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**Prepared by:**

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Naoma A Norris, Recording Clerk (from a transcript prepared by Nancy Morgan, Recording Clerk to the Washington County School Board)

**Approved by the Washington County Board of Supervisors:**

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Dulcie M. Mumpower, Chair