

At a joint meeting with the Giles County Board of Supervisors and the Giles County School Board held on Wednesday, May 4, 2016, at 5:00 PM, in the Giles County Administration Office, 315 North Main Street, Pearisburg, the following were present:

BOARD OF SUPERVISORS

Richard McCoy	Chair (At-Large Supervisor)
Larry Jay Williams	Vice-Chair (Eastern District)
Jeff Morris	Central District
Gary Eaton	Western District
Paul "Chappy" Baker	At-Large Supervisor
Chris McKlarny	County Administrator
Jenny Clay McCoy	Executive Assistant/Board Secretary
Rhonda Tickle	Finance Director

GILES COUNTY SCHOOL BOARD

Drema McMahan	Chair (At-Large)
Stephen Steele	Vice-Chair (Eastern District)
Eric Gentry	At-Large
Mark Wilburn	Central District
Marion Ballard	Western District
Dr. Terry Arbogast, II	Superintendent
Amanda Tickle	Executive Secretary/Board Clerk

CALL TO ORDER

Mr. McCoy called the joint meeting to order.

BUDGET PRESENTATION-DR. ARBOGAST

Dr. Arbogast discussed the school's budget proposal and highlighted the following areas:

- Teachers: Increasing starting salary from \$34,237 to \$34,310. Increasing the step difference from Step 0 to Step 1. The average increase for teachers would be 2.04%
- Administrators: A 2% salary increase is proposed. This would include a "new" position, Director of CTE/Principal at the Giles Tech Center for school year 2016-17 to work with Mr. Fowler during next year to transition
- Secretaries/Bookkeepers: A 2% salary increase is proposed.
- Teacher Assistants: Teacher Assistants have been placed on a salary scale; starting pay was moved to \$13,500 for a 6 hour/day position. There have been salary adjustments within the various Classes: the Class 1 to 4 classifications (from Class 1 to 2 - \$750; from Class 2 to 3 - \$1500; from Class 3 to 4 - \$2300). Dr. Arbogast stated that several people will not gain an increase under this salary scale proposal (23) and several will get a large increase (some over \$1,000). He has adjusted three (3) Teacher Assistants' hours from 6 to 6.5 (computer lab monitors). They had previously been at four (4) hours, but have since moved back. There were three (3) new Teacher Assistant positions proposed in the budget, but at least two (2) have been removed for now (the proposed \$299,000 proposal to the BOS is without two assistants). The average salary increase proposed is about 2.3%

- Bus Drivers: There is a proposed salary increase to \$11,740.00. As previously stated, some would not get an increase and some would get over a 3% increase.
- Nurses: Nurses have been placed on a salary scale. Dr. Arbogast noted that Mrs. McMahon gathered information from the hospital regarding nurse's salaries. These salaries were used to compute the new salary scale. Previously, nurses had been paid under the Teacher Assistant scale. An additional nursing position is included within the proposed budget. By adding this position, Mary Henderson would be able to utilize it where needed throughout the schools.
- Benefit Rates: VRS – increased from 14.06% to 14.66%; with the likelihood that it will increase again next year to 16.32%. Retiree Health Care Credit – increased to 1.11%. Group Life Insurance – increased to 1.31%.
- Other items included within the proposed budget: High School Department Heads - \$5,000. Elementary/Middle Yearbook (\$250 x 3) - \$750. Junior Class Sponsor (2) - \$528 – total \$1,056. Athletic Trainer funding increased by \$7,500 to cover salary increases for the trainers and to ensure there is enough budgeted; there is a trainer at each high school. Amount for substitutes is increased by \$67,732 to better align with what was spent last year. Field Trip funding was increased by \$8,000 to cover what is proposed. The amount reimbursed to the county for salaries to business department is proposed to increase \$10,000. Instructional items included within the budget: \$15,000 included for 2nd year of IXL math and English program, English was previously covered by E-rate and Math was paid at end of last year. \$10,000 was included to cover Preschool IDEA coverage. \$1,800/year additional is proposed for additional copier costs for SBO. \$7,944 additional included for GTC FTE fund request for needs above the 2015-16 school year. The Tech Center splits up between programs to have materials to run their programs. \$11,000 is added as match for a Department of Education grant that Giles High School is eligible for. The eLearning Backpack Initiative is proposed at \$54,400 grant, plus 20% local match. This is a grant for schools that administer SOL tests and aren't fully accredited for the second consecutive year, based on school accreditation ratings in effect for fiscal year 2016 and 2017. The school will continue to receive this grant for the number of subsequent years equaling the number of grades 9 through 12 in the qualifying school up to a maximum of 4 years

Dr. Arbogast stated that there is a detailed expenditure list to go along with what he has discussed. Mr. Eaton asked about the \$15,000 for the IXL Math and English programs. He inquired if new instructional material would be purchased and asked if it is required to buy new textbooks. Dr. Arbogast stated that the schools are required by DOE to get new textbooks. Mr. Eaton questioned whether the textbooks are actually used and explained he sees a lot of textbooks not being used. Mr. Williams inquired about cafeteria employees and Dr. Arbogast explained the School Board is currently discussing options for cafeteria employees. Mr. Williams stated that there is a lot of good cafeteria employees that are underpaid. Dr. Arbogast stated many of them wish to extend their hours.

Mr. Williams explained that increasing teacher salary scales should be explored in an effort to attract quality teachers. A discussion was held on the teacher salary scale and how it ranks in Virginia. Mr. Morris asked about the driver's education funding, Dr. Arbogast stated that the driver's education funding was requested from both high schools. This funding is from students paying the fee to receive behind the wheel. Dr. Arbogast reminded that this was a one-time revenue option, as well as the forestry funding. Ms. Tickle stated that the Governor declared additional sales tax revenue in the amount of \$63,000. However, if this revenue is not received, this will cause the budget to be short as well. Mr. McCoy asked about administrative vacancies and what savings may occur. Dr. Arbogast stated he does envision a savings from these positions, but the amount is uncertain.

Dr. Arbogast discussed the three-year projection and expenditure plan which projects a 2% salary increase for all employees, as well as the increase in benefits over the next three (3) years. This includes an anticipated three year increase for health insurance. Dr. Arbogast added that there will be some transportation needs with buses and school vehicles.

Dr. Arbogast stated that this was the first year for the VPI+ classroom grant and explained that there is a second and third year of funding with a decreased amount. He explained that after the third year the grant could be unavailable; and although the materials are already on hand for the fourth year, there is a need to figure out monies for the salaries to continue. Mr. Gentry stated that the proposed, additional Teacher Assistants compliment this program because there is also a need for them in kindergarten, to continue mimic the preschool setting.

Dr. Arbogast discussed needed wireless upgrades at a cost of \$125,000.00 over (3) three years. He stated that Giles High School qualifies for the eBackpack program through DOE, which is a grant for schools that administer SOL tests and that are not fully accredited for the second consecutive year. Dr. Arbogast presented a capital improvements document which he has discussed with Mr. John Mills. Mr. Williams inquired about school generators, and also stated there is a need for another bathroom at Giles High School near the soccer fields.

A discussion was held regarding buses and possible financing and RFP options. Mr. Steele asked to discuss the Teacher Assistants further. He stated that the \$299,000 that is being requested by the School Board eliminated two (2) Teacher Assistants. The kindergarten teachers have expressed a need for additional assistants. Mr. McCoy suggested that the School Board wait until December to start the raises instead of July, freeing up some additional monies.

Mr. Williams stated that with the increases funded last year, the county's general fund balance has dropped to 1.9 million. He explained that during the last several years the Board has given all they have towards the School Board. Mr. Baker stated that \$440,000 in tax revenue had been lost due to AEP's closure. Mr. Williams discussed an overall deficit in the county budget of \$519,000, including the \$299,000 requested by the School Board. He discussed waiting until January to start the raises and concerns at the garage. Mr. Williams would like to have a person in the garage to answer the phones, lay out orders, and order parts. Mr. Gentry stated that Mr. Fisher would like more of a role in the garage. Mr. McCoy feels that Dr. Arbogast and Mr. McKlarney could work together on several personnel positions.

There was a discussion regarding custodians, with Mr. Wilburn stating that it seems as if they get moved around a lot. Mr. Gentry stated he feels it would be beneficial if janitors could remain at the same location. Mr. Ballard stated that he has received some feedback at Narrows Elementary regarding the new cleaning products and it appears some of the products are not cleaning as well. Mr. Ballard added that the School Board has not signed off yet on the joint services agreement, and he is concerned about the implications that joint services has on the liability insurance. Ms. Tickle explained that everyone has the same insurance and there would be no issue.

There was a discussion regarding the time frames for completion of the budgets. Mr. McCoy stated that decisions would need to take place quickly, indicating that public hearings will need to be advertised. Dr. Arbogast stated that the proposed budget would reflect several personnel decisions. Mr. Baker reiterated that he does not support raises beginning in July versus December. Mr. Steele indicated that he had spoken with several citizens who do not mind paying additional tax dollars money for teachers to receive appropriate wages. Mr. Gentry asked when the county expects to see returns on the new gas lines. Mr. McKlarney stated that if the gas line project occurs, it would not be completed until 2018, with returns realized in 2019.

Mr. Steele stated that as a citizen of the county, he is embarrassed at the teacher's salaries; and feels that many will have no choice but to relocate. Mr. Baker reiterated that he feels the raises should follow the state and not be issued until December. Mr. Steele asked what the actual savings would be if the raises were not issued until December; Mr. McKlarney advised that there would be a combined savings of \$150,000. Mr. McCoy feels the county and the school system should shadow one another on the raises.

Mr. Gentry asked the Board about their stance regarding capital improvement funds and if it would be more beneficial to approach the Board when there is an actual need versus including it in the current budget. Mr. McCoy feels it is best to know up front what improvements may be required; and stated although financing may be required, there is still a need to budget for that financing. There was further discussion regarding when the 2% increase should be issued. There was a discussion regarding the student enrollment decrease and what could be causing this issue.

Mr. Steele stated that the School Board is planning to hold another work session next week and asked the Board if they require anything further from them in order to make a better decision. Mr. Morris asked if the Teacher Assistant positions is the only area in which changes could be made. Dr. Arbogast explained other areas will be reviewed, but it is difficult at this time because contracts are still pending.

RECESS

Mr. McCoy concluded the work session with the School Board and explained that the Board will review the requests and provide an answer as quickly as possible.

SCHOOL BOARD ALLOCATIONS

The Board further discussed the budget and the requests from the School Board. Mr. McCoy feels the School Board has worked hard on their numbers; Mr. Williams agrees, but still feels the raises should be held until December which will result in additional savings. Mr. Williams feels they still need to make some adjustments and changes.

Mr. Williams motioned to approve \$150,000 of additional funding to the Giles County School Board, and Mr. Morris seconded the motion.

Discussion: Mr. McKlarney suggested adding funding into to the motion to cover bus replacements. There was a discussion regarding if the bus funding should be considered now or financed at a later date. Mr. McKlarney feels that the \$150,000 is not going to allow for the Teacher Assistants that are requested, Mr. McCoy concurred. Ms. Tickle feels it is going to be difficult to find the \$150,000. With no further discussion,

The motion was approved 3-2 as follows:

Voting Yes: Mr. Baker, Mr. Morris, Mr. Williams

Voting No: Mr. Eaton, Mr. McCoy

TAX INCREASE

There was a discussion regarding the need for a 2¢ tax increase. The Board believes that a tax increase will be necessary for real estate, personal property, and machinery and tools.

Mr. Eaton motioned to hold a public hearing advertising a 2¢ tax increase on real estate taxes, personal property taxes, and machinery and tools. Mr. Baker seconded the motion. The motion was approved 5-0 as follows:

Voting Yes: Mr. Baker, Mr. Eaton, Mr. McCoy, Mr. Morris, and Mr. Williams

WATER AND SEWER RATE INCREASE

There was discussion regarding the current water and sewer rates, and the possible need to increase. Mr. McCoy stated that the towns and the PSA had increases; however, the county has not increased rates.

Mr. Williams motioned to hold a public hearing advertising for a rate increase not to exceed 10% of the current amount for water and sewer. Mr. Baker seconded the motion. The motion was approved 5-0 as follows:

Voting Yes: Mr. Baker, Mr. Eaton, Mr. McCoy, Mr. Morris, and Mr. Williams

CASTLE ROCK RIGHT AWAY

Mr. McKlarney discussed the need to purchase a right away adjoining Castle Rock Golf Course.

Mr. Morris motioned to allow Mr. McKlarney to obtain the needed right of way at Castle Rock Golf Course for no more than \$2,500. Mr. Baker seconded the motion. The motion was approved 5-0 as follows:

Voting Yes: Mr. Baker, Mr. Eaton, Mr. McCoy, Mr. Morris, and Mr. Williams

ADJOURN

Mr. Baker motioned to adjourn the meeting and Mr. Morris seconded the motion. The motion was approved 5-0 as follows:

Voting Yes: Mr. Baker, Mr. Eaton, Mr. McCoy, Mr. Morris, and Mr. Williams

The next meeting will be held on Thursday, May 19, 2016, at 6:30 PM. Public hearings will be held at 7:00 PM. The meeting will be held at the Giles County Administration Office located at 315 North Main Street, Pearisburg.

APPROVED:

Chair

ATTEST:

Clerk