

The Rockbridge County School Board held a special meeting on Wednesday, November 10, 2021. The meeting was held at the Rockbridge County School Board Office.

Present: Chairman Wendy Lovell; Trustees Kathy Burant, Corey Berkstresser, Heather Hostetter, Neil Whitmore; Superintendent Phillip Thompson and Clerk Rhonda Humphries.

#### **CALL TO ORDER**

Chairman Lovell called the meeting to order at 4:33 p.m.

#### **BUDGET WORK SESSION**

Superintendent Thompson stated is the first budget work session for the new biennium. His goals for this meeting were:

- To bring the board up to speed with the available information concerning the FY23 budget process;
- To leave this meeting with priorities of the Rockbridge County School Board members would like to have set as priorities for FY23.

Mr. Jason Kirby, Chief Business Officer, provided an overview of the budget preparation for FY23. The following are presentation highlights:

#### **Budget Challenges**

- Health Insurance:
  - To keep employee rates for the High-Deductible health plan at current rates
  - To continue to offer an employee match
- Minimum Wage Increase
  - Currently, the Virginia Minimum Wage is scheduled to increase to \$15.00 per hour by January 1, 2026 following a schedule that has been developed by the state. This included estimates of costs to implement changes in Minimum Wage annually until 2026. For FY23, the state schedule would mandate that we ensure our minimum wage is set at \$12 per hour. In order to meet this mandate for FY23, the amount that the budget would increase for this is \$69,867.49. This increase will also flatten many of the existing classified scales meaning that in some cases a veteran employee may make the same or close to the same as a brand new employee.
- Employee Salaries
  - Teacher Salaries
    - Rockbridge County Public Schools have begun to fall behind the middle in comparison to both surrounding school divisions and localities with a similar composite index.
    - The ability to compete at the beginning steps where competition for early career teachers is challenging.
    - Local, state, and national shortages are only going to make this issue more difficult to address moving forward.
    - Mr. Kirby provided a current comparison of localities with similar composite indices as well as "adjacent" localities with whom we usually compete for our employees.
  - Chairman Lovell inquired if there are models to include step and longevity of working with the division.
    - Mr. Kirby stated that it will be difficult on the front end but that step scales may be possible. He stated that the school division is feeling it now in that it is tough to compete with other school divisions.
    - Chairman Lovell stated that given the challenges with hiring that it may need to be factored in, adding that the environment is more difficult. She also reflected that affordable housing is not readily available.
- Other Issues and Challenges
  - Temporary spike in ERIP costs due to the change in the program.
  - Costs of Goods and Services continue to rise due to inflation and the impact of the COVID-19 pandemic.
  - The shortage of substitutes.
  - Fuel costs are increasing.

#### **Budget Opportunities**

- VRS Decrease
  - The current VRS rate is projected to change from 16.62% to 14.76%. The Governor and General Assembly still must confirm these rates.
  - This change would result in a potential cost savings of \$320,000 depending on personnel and other factors.

- Consolidated/Eliminated Positions
  - Anticipated personnel changes
  - Budget review for savings
  - Review of programs (looking for redundancies and areas to consolidate)
- Trustee Burant inquired if fewer students are anticipated next year.
  - Mr. Kirby stated that as of the September 30 ADM the student number was 2,339; the budgeted base number was a student number of 2,398.
  - Superintendent Thompson stated that there may be more students who return to Rockbridge County Public Schools once the masking mandate goes away. Students, who have left because of social policy concerns may never return and we need to plan accordingly. The student enrollment was on a downward trend pre-COVID.
- Trustee Burant inquired if a student un-enrolls to attend a private school, if RCPS staff are notified.
  - Superintendent Thompson stated that it is not likely that administration is notified that the student has un-enrolled, as records are not always requested. Likewise, if a student leaves a private school to go to homeschooling situation, the public school administration is not notified. He stated that there are 130 new home instruction students for the 2021-2022 school year.

#### **Discussion / Priorities Moving Forward**

- Competitive Teacher Salaries
- Keep High Deductible Health Plan rates at current levels
- Minimum Wage Increase (Mandated)
- Chairman Lovell expressed her concern that some positions may not be able to be filled but does not want to see the positions cut.
  - Superintendent Thompson stated that the money may go to escrow but the positions will not be cut as long as enrollments dictate that we will need those positions.
- Chairman Lovell inquired if mentors will help the new teachers next year.
  - Mr. Timothy Martino, Assistant Superintendent, stated that recertification points are given to mentors. He noted that a teacher must achieve 270 points over 3 years. Each new teacher is assigned a Central Office administration staff person as well, which provides a direct contact to Central Office. Mentors and teachers meet weekly which is beneficial for the inter-working of a school. This program is valuable as it provides a time to sit down and discuss concerns.
  - Mr. Kirby added that the scenario was different a few years ago as the teachers would be brought in together for professional development training but this resulted in overload for the new teachers. The mentoring program provides support for new teachers.
- Chairman Lovell inquired if there will a budget line for substitutes.
  - Superintendent Thompson stated that based on trends, teachers feel overwhelmed when they are taken out of their classroom to cover another classroom. There needs to be more funds budgeted and determine what can be offered.
  - Mr. Kirby offered that there have been internal conversations that reflect a broad stipend issue, and when individuals are paid by the hour for additional coverage, it creates additional burden of completing a timesheet.
  - Trustee Hostetter stated that she would be in favor of a stipend. Her feeling is that some teachers may not say anything about having to provide additional coverage.
  - Superintendent Thompson stated that he is hopeful that a larger stipend may be given to all employees through the CARES Act money, if it can be used for this. The stipend must be justified by either individual time sheets or grants, which administration is currently researching. Tracy Hinty, Supervisor of Federal Programs, is researching grant wording for a stipend.
- Chairman Lovell stated that if the Board of Supervisors offer a bonus to their employees, she feels it is reasonable to offer a bonus to the Rockbridge County Public School employees.
  - Superintendent Thompson stated that there is a difference in the number of employees between the two organizations and it could likely cost the County of Rockbridge \$70,000 while it could cost RCPS half a million dollars to offer the same bonus; RCPS is the second largest employer in Rockbridge County.
  - Mr. David Daniels, Director of Financial Services, stated that federal money could be used for a stipend, which means there are rules, and regulations that must be followed regarding ESSER II funds.
    - Trustee Hostetter expressed her sentiment that if funds are available, to use it as it would not be using tax payer dollars for stipend.
    - Superintendent Thompson stated that Esser money cannot be used to supplant pay for guidance counselors (or any other position) and then place money back in operating budget for other uses.

- Mr. Daniels stated that federal monies dictate that all grant expenditures must be tracked by location; all justified by staffing needs, etc. He also stated that it may be December 15 or later before school divisions will get a first look at the Governor's budget.
- Superintendent Thompson stated that the federal rules are being tightened through the process with more restrictions added. He added that it is too early to determine a set raise for employees.
- Trustee Hostetter inquired how many buses were bought last year.
  - Superintendent Thompson stated that no buses were bought last year with one bus being bought this year. If there is hold harmless money for FY22, this will definitely allow for four buses to be bought this year and that this may help with the Capital Improvement Projects.
- Superintendent Thompson reiterated that the priorities for the Rockbridge County School Board remain with competitive teacher salaries, keeping the health care insurance plan as is, minimum wage increase, as mandated.

**ADJOURNMENT:**

Upon motion by Trustee Hostetter, seconded by Trustee Whitmore, and passed by 5-0 vote, the meeting was adjourned at 5:49 p.m.

  
Wendy W. Lovell, Chairman

  
Rhonda B. Humphries, Clerk of the Board