

The Rockbridge County School Board held a special meeting on Tuesday, October 29, 2019 at the County of Rockbridge Administration Building.

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

#### **CALL TO ORDER**

Chairman Lovell called the meeting to order at 4:17 p.m.

The purpose of the meeting was to conduct a Budget Work Session.

#### **BUDGET WORK SESSION**

Superintendent Thompson stated that the goal of the meeting is to gain priorities and direction from the board so administration can determine cost, where the money will come from, and if it will be within the budget, and if it will come from state or local funds.

- **New Biennium**  
Superintendent Thompson stated that this is the start of the new 2020-2022 biennium, noting that the budget process starts over.
- **Budgetary Considerations**
  - ❖ **VRS:** New rates greatly impact the budget; cautious hope of no increase. The rates will be received in December from the Board of Trustees and General Assembly.
  - ❖ **Health Insurance:** The RFP process has begun for a health insurance consultant. The purpose for the RFP is to show due diligence and to see if there is competition available. OneDigital has been utilized for the past several years. There were eleven responses to the RFP, noting that the intent is to narrow to the top three. It is anticipated that there will be presentations from the chosen three by the end of December 2019. Superintendent Thompson stated that health insurance was a main priority for FY19 to lessen the impact on employees. The plan appears to be working well for those employees with the current plan.
    - Trustee McDaniel expressed his sentiment that summer would be a better time to initiate the RFP process.
      - Superintendent Thompson stated that vendors will have access to last year's claims to make an analysis.
    - Superintendent Thompson stated that the Joint Meeting with the Rockbridge County Board of Supervisors will take place on Thursday, November 14, 2019 at 5:00 PM at the Rockbridge County School Board Office. He stated that there will be presentations from administrative staff of RCPS providing information on the educational happenings within the school system. Priorities can be shared if finalized by the meeting date.
    - Trustee McDaniel inquired if the County of Rockbridge is considering doing an RFP for a health insurance consultant also.
      - Superintendent Thompson stated that they are not generating an RFP at this time as they have been with OneDigital for less time than the school division.
    - Trustee McDaniel inquired if the school system will continue to differentiate the plans as was done last year.
      - Superintendent Thompson stated that it is possible to go from three plans to offer two plans.
      - Mr. David Daniels, Director of Finance, stated that there was large amount of employees who went to the HSA account.
      - Trustee Whitmore reiterated that the school system provided a match to the employee HSA up to \$500.
        - Superintendent Thompson confirmed that the match amount was \$504 per employee who contributed to their HSA account. There were only eight employees who did not opt to contribute to their HSA account and utilize the match. He will request that Jason Kirby communicate with the eight employees to ensure they realize the benefit available to them. The new plan has proven to be a morale booster by those who utilized it.
        - Trustee Hostetter expressed her sentiment that the employee education was on-point according to the statistics.
        - Chairman Lovell inquired if there is more room to grow with the new plan, referring to question if the school board should continue to encourage employees to change.

- Superintendent Thompson stated that he feels the money set for the match is appropriate. He stated that it is a year-to-year budget decision.
  - Trustee McDaniel expressed his sentiments that it would be well to have two health insurance plans to simplify and to continue the progression so that one plan stands out to employees.
    - Superintendent Thompson stated that it could drop to two plans in the future, addressing it more this year. Once a consultant is on board, discussions will continue.
- ❖ Property and Casualty Insurance: slight increase last year, anticipating a potential 6% increase this year.
- ❖ ADM – Average Daily Membership: ADM funding is based on the March 31 membership. Historically, the March 31 ADM for FY18 was 2574, which prompted questions why the division was budgeting at a lower number. The reason was that the division felt the number was higher than usual, which was considered more of a spike than a trend. The March 31 ADM for FY19 was 2567, which was reflective of a lower membership number. The current budget for FY20 was built on 2557, which was the state recommendation for budget purposes. ADM numbers are obtained three times a year: September, December, and March. The September 30, 2019 ADM came in at 2533, which was 24 students lower than what the budget was based on. The budgeted ADM number is based on what an estimation of the funding that will be the state; what is not obtained from the state will be requested from the locality. He stated that a child being present does count for ADM; an absent child does not count. Daily student attendance during the year makes a big difference in the ADM number. ADM will be obtained again on March 31, 2020, in hopes it is closer to the 2557, which is what the budget was built on.
  - Trustee McDaniel stated that it is a trend for the membership to begin the year high and then drop.
  - Trustee Berkstresser inquired if there are factors that contribute to the membership change.
    - Superintendent Thompson stated that last year there was a large senior class, a small junior class, and adjustments were made. The unknown factor was a small kindergarten class.
  - Superintendent Thompson expressed his sentiment that the school board budgets well and at the end of the year give some funding back to the locality. The worst-case scenario is that there is less to give back to put in the escrow account. The absolute worst-case scenario is that the school board has to potentially ask for more funding, while noting he does not anticipate that happening this year.
    - Trustee McDaniel stated that he would encourage asking for more funding reflecting that the Board of Supervisors have told the school board for the past couple of years, that if the school division runs out of money, to ask for additional funding and they will give it to the division. The Board of Supervisors requested the school division to budget at 2557 for FY20. The school division's initial budget was based on 2535 but was changed twice as requested by the Board of Supervisors. He expressed his sentiment that the higher ADM base could now result in the division being short \$150,000, of which he would request from the Board of Supervisors in May 2020.
    - Trustee Hostetter stated that the money that is given back to the Board of Supervisors is reflective of the school division being conservative to be fiscally responsible. She further stated her belief that the school division budget should never be cut to the bone.
      - Superintendent Thompson stated that the reason for being fiscally responsible, and budgeting somewhat conservatively is that numbers can fluctuate and impact the budget.
    - Chairman Lovell inquired if the Feasibility Study will reflect numbers to be used next year.
      - Dr. Thompson stated that the Feasibility Study may be reflective but likely will not contain a recommendation for an ADM number. The December ADM will be representative of a trend. He stated that the eighth grade classes at Maury River Middle School and Lylburn Downing Middle School are at a normal level of what membership has been in the past, at this point. This would allow a projection of close to one thousand students at RCHS for the 2020-2021 school year.

- Trustee Berkstresser stated that with the knowledge regarding membership numbers fluctuating, there may be more negotiation and compromise next year on what membership number to use as a base.
  - Trustee McDaniel stated that the school board has always been conservative with numbers. He stated that the membership number has historically been 20-25 less than state recommendation. If ADM comes in higher, which it has in the past, the money would be turned over to the county. The concept of getting more out of the state budget when it is not guaranteed helped the Board of Supervisors not to provide as much funding, which helped perception with taxpayers. The school board has tried to educate for a number of years the reason for this ADM calculation.
  - Trustee Berkstresser reflected that it had been a difficult for the Board of Supervisors recognizing that they had to ask questions and do all they can in order to save money, while noting that the school board was correct with their estimations.
    - Chairman Lovell reiterated that the ADM number the school board projected was well researched.
    - Superintendent Thompson stated it has always been built on history, being conservative. He also stated that in conversations with other school superintendents, he had been advised that the Rockbridge County School Board should be even more conservative in respect to the ADM number projection.
  - Trustee McDaniel conveyed his belief that items that are built into the current budget should be followed through and not cut. If more funds are needed, it should be requested from the Board of Supervisors.
- FY20 Priorities
    - Superintendent Thompson stated that health insurance met with success last year as a priority;
    - Superintendent Thompson stated that the goal has been to try to get teacher's salaries back to the middle in respect to comparisons of surrounding localities and similar composite indices; 5% increase two years ago and another 2% last year. The goal should be to maintain salaries at a competitive level. Superintendent Thompson anticipates that the Governor's budget will include a large packet for K-12 education, noting that it could be only SOQ positions and school divisions would have to provide the remaining funding.
      - Trustee McDaniel stated that local state incumbent politicians have referred to teachers getting a 5% pay raise last year. He suggested that as the school board continues to work with state representatives, he would like to see the school board continue to push for the number of SOQ funded positions to be increased.
      - Chairman Lovell expressed her sentiment that the community needs to understand that local funding is also needed.
        - Trustee McDaniel further explained that not all teaching positions are SOQ funded which adds to misunderstanding in the community and stated that there needs to be an explanation of SOQ positions.
    - Trustee Berkstresser inquired if the Sheriff's Department is budgeting for School Resource Officers next year.
      - Superintendent Thompson stated that it is not currently being budgeted by the school division. He also noted that the Rockbridge County Sherriff's Department will be applying for grants when they become available.
    - Trustee McDaniel inquired if the school division is researching the number of college students who have a teaching degree and what is the supply.
      - Superintendent Thompson responded that the number is not known but he estimates that the number of is not increasing. He further stated that the Virginia Department of Education is making it easier to obtain endorsements and this may offer support for more to enter the teaching field and current teachers to continue in their teaching career. He feels that young people are getting more excited about the teaching field and that it may help to lessen the teacher shortage.
      - Mr. Haywood Hand, Assistant Superintendent, stated that the bigger issue is to keep teachers once employed, beyond a three-year window. Once they gain employment and experience, they tend to move to school divisions with better salary package.
        - Chairman Lovell expressed her belief that it is a national issue not just a local issue.

- Superintendent Thompson stated that the LCI (Local Composite Index) for Rockbridge County reflects a middle rank, according to the state. In theory, the state feels that Rockbridge County has the ability to pay more for our education when compared to other localities. He also noted that Rockbridge County Public Schools salaries are still low when compared to other localities.
  - Trustee Berkstresser inquired as to what gives Bath County and Highland County high status in regards to LCI.
    - Superintendent Thompson stated that he understands there is a connection to the power company dam project. The money generated from the revenue of the power company dam project is a factor in the LCI. Property value is a factor for Highland County.
    - Trustee Hostetter stated that the tax revenue of the Homestead is a huge factor as well. She stated that Virginia Military Institute and Washington and Lee University bring in sales tax, as well as the horse center, colleges, hotels, restaurants, and tourism. Land use tax is also a factor. The money goes into the LCI calculation but is not considered a constant source for Rockbridge County.
- Superintendent Thompson stated that he recently attended the VASS Conference where Dr. Lane, State Superintendent, reported that he conveyed to the General Assembly to make the funding pool larger, not to just move money around.
  - Superintendent Thompson expressed his belief that there is a lack of economic development in Rockbridge County. Rockbridge County is a beautiful place to retire and retains a high property values. Rockbridge County is viewed as an expensive place to live. A cost of living comparison was generated two years and it reflected that Rockbridge County was high when compared to other localities. He will research to see if the data has been updated.
    - Trustee Whitmore stated that the cost of living came into discussion last year.
    - Trustee McDaniel suggested that discussion continue with state legislators to convey the need to include state poverty level criteria or pay-for-lunch criteria to make adjustments at the state level.
      - Superintendent Thompson stated that there has been discussion of an “at-risk” add-on to the LCI. This would not change the LCI but would be reflective of where the disadvantaged population is and if more funding can be given. Rockbridge County is part of the Small and Rural Schools Coalition that the school board adopted in 2017-2018 school year and progress is being made with the General Assembly.
      - Trustee Berkstresser stated that the free/reduced-cost lunch data is already available. He also stated that 1/3 of the weight of the LCI is population, noting that retirees are included in that number; 2/3 is ADM; added and multiplied by 45% for LCI but it does not clarify where the 45% is derived from.
- Superintendent Thompson summarized that he feels the school division has done a nice job in respect to employee salaries to continue to get them to the middle.
  - Chairman Lovell stated that some of the closet competition still has higher salaries.
  - Superintendent Thompson agreed that we need to improve teacher’s salaries.
- FY21 School Board Priorities
  - Superintendent Thompson stated that there are four positions to be filled, which have not been asked for in years past. The division has made concessions to make it work. In the past, when there has been a new position, it has been at the expense of another existing position.
    1. RCHS counselor position is a need, which will soon be a requirement. The current student to counselor ratio is 325 to 1. It is anticipated that it will soon be a requirement for a ratio of 250 to 1. If the student enrollment at Rockbridge County High School reaches 1,000 next year, an additional counselor may be a requirement. There has been ongoing discussion on the need for an alternative education setting, with an increase in students struggling with depression factors. Superintendent Thompson also noted that students are becoming more willing to discuss these ongoing issues and seek help. He feels that the school division needs to do a better job for social-emotional learning at the school level with a recommendation for the position of Rockbridge County High School counselor position. In the future, there will be a need to work towards obtaining a school psychologist or behavior specialist to work with students at the school level to

help manage their behaviors and emotions before being referred to the Discipline Committee, FAPT Team, CSA, day treatment, or a residential facility. He feels the school counselor position is heading toward the SOQ requirement and, most importantly, it is what is needed for our students. He noted that, from his perspective, social-emotional learning will be a division initiative next year. He suggested that discussion with state legislators about SOQ funded positions include the need for counselors, psychologists, or career coach and enforce the idea that school divisions know their needs.

- Trustee Berkstresser inquired if the school counselors all have the same duties.
    - Superintendent Thompson responded that it will soon be a requirement that 80% of their time be spent directly with students. There is a career coach at Rockbridge County High School. Testing duties will have to be pulled away from school counselors in order to allow them more time to spend directly with students. Students need more time with counselors whether it be to discuss career goals or for social-emotional issues to make sure those needs are being met.
  - Trustee Hostetter inquired if the school division chose to hire a mental health counselor, is it currently an SOQ position.
    - Superintendent Thompson responded that it would not meet the requirement of school counselor.
    - Trustee McDaniel inquired if it would be better to hire or to contract for psychologist services.
      - Superintendent Thompson responded that it would be better to hire and have a contract with an employee.
      - Trustee McDaniel inquired if there should be some cost-sharing with parents for services.
        - Trustee Berkstresser conveyed his belief that a parent of a student who needs services may not be able to bear the cost.
        - Trustee Hostetter stated that she is involved in work with other agencies who have found that it is difficult to hire a mental health counselor in this area and who have had to utilize Tele-Psych, which is a type of tele-conferencing. She emphasized that she did not know how effective this would be for a student. Without funding, it will limit the school division's access to services.
  - Trustee McDaniel stated that patrons have shared with him that students need to see counselors but are not able to get in to meet with them. If duties are removed from counselors, it would allow for more direct student time; would there still be a need for an additional counselor? He emphasized that he feels students should come first before other duties.
    - Superintendent Thompson responded that Melanie Falls has been assigned testing duties at both Maury River Middle School and Rockbridge County High School during the past year.
    - Trustee Berkstresser inquired if counselors will be required to spend 80% of their time directly with students, what the duties will be.
      - Superintendent Thompson stated that counselors may be involved with classroom instruction (i.e. lessons on college guidance, how to fill out forms, etc.) and being available in their office for private personal conversation).
      - Trustee Whitmore reiterated that counselors could be discussing quality of life issues and educational issues.
      - Superintendent Thompson interprets the goal of the Virginia Board of Education in trying to change that is to get counselors working with students more so than handing out SOL tests, but not to make it so limited that they cannot do an effective job. He feels there is a need to obtain data to reflect why students are seeing guidance counselors to aid the division to know where to direct resources. It may be as simple as developing a way for a student to sign in or a google doc to complete a form.
2. There will be a need for an elementary teacher, location unknown at this point.
  3. There is a need for an instructional coach during the paradigm shift. This position was trimmed from the 2008-2009 budget.
  4. There is a need for another technology assistant.

- Trustee Berkstresser inquired if there is a priority to the positions.
  - Superintendent Thompson stated that the order given is the priority list, as of now. The list is contingent upon need next year but the intent is to build into the budget.
- Trustee McDaniel inquired of the need for Art teacher positions that were requested for six years ago.
  - Superintendent Thompson provided a location summary for the current teachers, noting that there is not a full-time Art endorsed teacher at the elementary schools, but there is a teacher assistant who is available. A full-time Art teacher has not shown to be a priority for elementary principals.
  - Trustee Berkstresser inquired for confirmation of no Theater teacher at RCHS.
    - Superintendent Thompson confirmed that currently there is not a Theater teacher, but the search continues. There does not appear to be enough interest to split a teacher between Maury River Middle School and Rockbridge County High School at this time. There is currently an afterschool activity conducted by a career coach who has experience in drama and theater.
  - Chairman Lovell conveyed her thought that this position has been discussed for several years and even though it is not on the priority list, this may be a good time to have conversation with elementary principals if how a full-time Art-endorsed teacher would affect their school. She also conveyed her thought that there will not be interest at the middle and high school level if the interest is not nurtured at the elementary level.
  - Trustee McDaniel stated that sometimes you may be able to reach a student through a class other than math, etc.
    - Superintendent Thompson stated that there are offerings through STEM and other electives or explanatories but that he will be glad to have the discussion with elementary principals.
    - Trustee McDaniel reminded that a list of positions and needs was developed several years ago for the Board of Supervisors and state representatives. He conveyed that his thought that it may be well to keep a running list of desired positions much like the CIP list.
  - Trustee Hostetter inquired if one position could cover all Rockbridge County elementary schools.
    - Superintendent Thompson stated that he would need to have discussion with elementary principals, noting uncertainty of reaching students at each grade level at each school.
  - Chairman Lovell inquired how long it has been since there has been a certified art teacher at the elementary level. If it was a reality of being able to fund the position, there may be more feedback from principals.
  - Trustee Hostetter stated that she would need to see the benefit of certified art teacher versus what is provided now.
    - Superintendent Thompson stated that it would be difficult for a person in this position to travel among the four elementary schools with supplies. It would be ideal to have an art teacher at each school.
- Trustee McDaniel summarized that whatever the decision is on priorities, in regards to adding another school counselor, the focus needs to be on availability to all students not just for college-bound students. There are students who may need help with CTE certifications, military intentions.
  - Superintendent Thompson stated that Rockbridge County Public Schools does partner with Dabney S. Lancaster Community College for a career coach at Rockbridge County High School. He also stated that current school counselors do recognize that all students need their assistance, not just college-bound students and that the addition of another school counselor would provide more opportunities for all students.
  - Mr. Haywood Hand, Assistant Superintendent, stated that with an anticipated enrollment at RCHS in two years of 1,100 students, at which time there may be a mandate in place for ratio of 250 to 1 and there would have to be an additional school counselor. He feels it is time to make the decision now or wait until that time and the decision will be made via mandate.
- Trustee McDaniel inquired if virtual classes are being considered for individual study if there is not a large class. He stated that he feels it would be wise to research how school divisions are utilizing virtual classes. He also conveyed the need to consider the need of a class if there is no interest.

- Superintendent Thompson stated that it could be a potential option but the effectiveness would not be as great.
- Trustee Berkstresser expressed his sentiment that a virtual class may not be effective for some students.
- Superintendent Thompson requested board discussion and direction in regards to competitive pay, whether it be a percentage, flat percentage, or flat increase dollar amount; a percentage increase is typical.
  - Trustee Berkstresser agreed that there is a need to continue with a percentage while noting that insurance carries a lot of weight with the final decision.
  - Trustee McDaniel cautioned that the board should wait and see what the Governor's proposal will be and how much funding will be provided for the SOQ positions.
- Superintendent Thompson stated that the administrative staff will develop several scenarios and look at associated costs with close approximation.
  - Chairman Lovell stated that she wants teachers to know that the goal of getting teachers salaries to the middle will continue.
  - Trustee Hostetter stated that her intent that school division continue with the trend of salary increase. She also stated that she would like to see the cost of the four priority positions and see where they would fall in the budget, which will guide a salary increase.
  - Chairman Lovell expressed her sentiment that it may be time to include positions that have not been included in the ask of the board of supervisors in the past. She wants to continue the path with improving health care financially for all employees.
- Trustee Berkstresser inquired on status of coding classes in Rockbridge County. He referenced that there will be a need for those high paying jobs in the future.
  - Superintendent Thompson stated that the middle school has a coding class available as an exploratory class. He stated that another important job training area is Cyber Security and stated that Dabney S. Lancaster Community College is doing dual enrollment with Buena Vista Public Schools in regards to Cyber Security, which is of interest to Rockbridge County Public Schools. The program lends itself to help students reach their goals and possibly stay in the area, while realizing that most jobs may be in urban areas where digital centers are located. He also stated that as the infrastructure continues to expand in the Rockbridge County with internet capabilities, it is much more likely of those type of jobs being available locally.
    - Trustee Berkstresser stated that he is aware of programmers who work from their home and stay in the area.

**ADJOURNMENT**

Upon motion by Trustee Hostetter, seconded by Trustee Berkstresser, and passed by 5-0 vote, the meeting was adjourned at 5:58 p.m.

Wendy W. Lovell  
Wendy W. Lovell, Chairman

Rhonda B. Humphries  
Rhonda B. Humphries, Clerk of the Board