

VIRGINIA: A CONTINUED MEETING OF THE SURRY COUNTY BOARD OF SUPERVISORS HELD JOINTLY WITH THE SURRY COUNTY SCHOOL BOARD AT THE SURRY COUNTY HIGH SCHOOL ON JANUARY 31, 2019 AT 6:00 P.M.

PRESENT: SUPERVISOR MICHAEL H. DREWRY, CHAIR  
SUPERVISOR JUDY S. LYTTLE, VICE-CHAIR  
SUPERVISOR KENNETH R. HOLMES  
SUPERVISOR GIRON R. WOODEN, SR.

ABSENT: SUPERVISOR, JOHN M. SEWARD

ALSO

PRESENT: MR. SANFORD B. WANNER, INTERIM COUNTY ADMINISTRATOR & CLERK OF THE BOARD  
MRS. MELISSA ROLLINS, ASSISTANT COUNTY ADMINISTRATOR

PRESENT: MS. ELSIE M. DENNIS, BOARD CHAIR  
MS. LAURA P. RUFFIN, VICE-CHAIR  
MRS. AUDREY L. BYRD  
MR. HAROLD L. JONES  
DR. MARION H. WILKINS

ALSO

PRESENT: DR. MICHAEL E THORNTON, SUPERINTENDENT, SCPS  
DR. SERBRENIA J. SIMS, ASSISTANT SUPERINTENDENT, SCPS  
MRS. MELISSA HARVEY, DIRECTOR OF FINANCE, SCPS  
MR. GIRON R. WOODEN, JR., PRINCIPAL, SURRY COUNTY HIGH SCHOOL  
MR. RUFFIN H. SAVEDGE, III, MAINTENANCE SUPERVISOR, SCPS  
MR. DAVID TROMBLEY, DIRECTOR OF OPERATIONS PROCUREMENT TECHNOLOGY, SCPS

#### **CALL TO ORDER**

The meeting was called to order by Ms. Elsie Dennis, Chairman of the Surry County School Board. Supervisor Drewry called the meeting of the Surry County Board of Supervisors to order.

#### **WORKSESSION:**

Board Chair, Elsie Dennis, welcomed everyone to the meeting and led the introduction of those in attendance.

Dr. Thornton welcomed everyone to the meeting and shared the purpose of the joint meeting. (see detailed meeting agenda attached).

Dr. Thornton made a presentation that included the following items: recent division accomplishments and highlights, student enrollment trends, and an update on the division's FY2019-2020 budget development process.

Dr. Thornton provided a brief overview of the school division's five-year capital improvement plan. He then introduced Mr. Mike Resch, Registered Roofing Consultant, with Tremco Roofing. Mr. Resch provided a detailed presentation on the condition of

the roof at Surry County High School. Mr. Resch also presented a number of options to address roof leaks experienced at the school. Among these options was restoration of the existing roof or a complete replacement of the roof. He also provided general cost estimates for each option.

Dr. Thornton invited Mr. Mike Resch of Tremco Roofing to present his findings for the roof at the high school. Mr. Resch answered questions as it pertained to the PowerPoint (various photos of the roof along with the cost variations for the roof to be repaired or replaced).

Each member present for the Board of Supervisors asked their respective questions. Mr. Resch responded with information relative to the roofs at the high school.

#### **ADJOURNMENT**

There being no further business before the Board, Supervisor Lyttle made a motion to adjourn until the board meeting on February 7, 2019 at 7:00 p.m. The motion was seconded by Supervisor Wooden and all present voted affirmatively.

Mr. Harold Jones made a motion to adjourn the meeting of the School Board. The motion was seconded by Ms. Laura Ruffin and all present voted affirmatively.

**FY2019-2020 Budget Planning**

①

***JOINT BOARD MEETING***

**Surry County School Board  
&  
Surry County Board of Supervisors**

**January 31, 2019**

**AGENDA**

②

- I. Welcome & Opening Remarks –School Board Chair
- II. Dinner
- III. Division/School Board Vision, Theme & Goals
- IV. School Division Highlights & Accomplishments
- V. Overview of FY2018-2019 Approved Budget
- VI. Recent & Projected Student Enrollment Trends
- VII. FY2019-2020 State Revenue Outlook
- VIII. FY2019-2020 Expenditure Considerations
- IX. Discussion of Major Capital/Facility Needs
- X. Next Steps in FY2019-2020 Budget Process
- XI. Questions & Discussion
- XII. Closing Remarks

## Vision & Theme

3

### Vision

*Surry County Public Schools' vision is to provide a safe, healthy learning environment that prepares all student to be competitive and productive citizens in a highly technical and global society.*

### Theme

*Building Excellence, One Student At A Time*

## School Board Goals

4

**Goal 1:** The Board will continue to provide for and promote **high student achievement for all students** while meeting and exceeding state accreditation requirements for each school.

**Goal 2:** The Board will continue to support and maintain a **positive school climate** which provides for the safety, health, and well-being of each student.

**Goal 3:** The Board will continue to provide for and support efforts to attract, develop, and retain **highly qualified and effective employees**.

**Goal 4:** The Board will ensure that policies and practices are implemented that promote **sound fiscal stewardship and transparency**.

**Goal 5:** The Board will continue to assert its role in the community as the **educational policy leader** and govern the school division fairly and openly, while seeking the engagement of school community stakeholders in Surry County.

## FY2019-2020 Budget Planning

5

### **Budget Priorities**

- Competitive Compensation Adjustment for Division Staff
- Balancing Needs with Available Resources
  - Identify & Implement Strategic Expenditure Reductions
  - Adjust/Realign Staffing with Recent Enrollment Decline
  - Seek Additional Local Funding Support
  - Address Ongoing Facility Needs

## FY2019-2020 Budget Planning

6

### **Surry County Public Schools:**

*A Proven Return on the Community's Investment*

## Performance & Accomplishments

7

- All Surry County Schools are **Fully Accredited** for the 3<sup>rd</sup> Consecutive Year
- SCHS On-time Graduation rate of **93.8% for 2018 exceeded** the statewide average rate of 91.6%.
- Surry County students **outperformed** the State on Reading and Science SOL assessments in 2017-2018.
- Surry County Schools demonstrated **growth/improvement** in all subjects tested in 2017-2018.
- SCPS students earn **600-700 Dual Enrollment college credits** on an annual basis, representing tuition savings of approximately \$400,000.
- The SCHS Class of 2018 was awarded nearly **\$2.0 million** in scholarship offers.
- SCPS provides a **personal computing device** (iPad, Laptop or Chromebook) to every pre-kindergarten through grade 8 student.
- SCHS was awarded a \$37,500 grant to procure and integrate **drone technology** into its agriculture and technology course offerings.
- **60%** of our teachers hold **advanced degrees**.
- SCPS **partners with Head Start** to provide classroom space for pre-kindergarten at Surry Elementary School.

## FY2019-2020 Budget Planning

8

FY2018-2019 Approved Budget

### Revenues:

Local	\$12,240,000
State	2,513,619
Federal (Including Grants)	803,432
Other	32,132
Food Services	502,000
<b>Total Operating Revenue</b>	<b>\$16,091,183</b>

### Expenditures:

Instruction	\$10,947,315
Administration & Health	975,932
Pupil Transportation	958,989
Operations & Maintenance	1,940,114
Technology	766,833
Food Services	502,000
<b>Total Operating Expenditures</b>	<b>\$16,091,183</b>

## FY 2019 – 2020 Budget Planning

9

### **Update on Governor Northam's Introduced Amendments to the 2018-2020 Biennium Budget**

## Governor's Introduced Amendments

10

- Governor Northam's proposed amendments to the current 2018-2020 biennial budget were presented on December 18, 2018 to the money committees of the Senate and House of Delegates.
- The Governor's proposed amendments will be considered by the 2019 Session of the General Assembly, which is scheduled to convene on January 9, 2019.
- The Governor's proposed amendments adjust funding for fiscal year 2019 (current year) and fiscal year 2020. Fiscal year 2019 began on July 1, 2018, and ends June 30, 2019. Fiscal year 2020 begins July 1, 2019, and ends June 30, 2020.
- The introduced budget bill containing Governor Northam's proposed amendments is House Bill 1700/Senate Bill 1100.

## Governor's Introduced Amendments

11

### Key Recommendations Impacting Public Education:

- Updating the Direct Aid accounts for enrollment changes, program participation, and other technical changes in fiscal years 2019 and 2020, and;
- New Sales Tax and Lottery revenue estimates dedicated to public education for fiscal years 2019 and 2020;
- Increasing the state share of the Compensation Supplement effective July 1, 2019, in Chapter 2 from 3% to 5%;
  - Note: The estimated cost of providing a 5% compensation increase for state-funded SOQ instructional and support positions in Surry is \$400,000.
  - Note: The estimated cost of providing a 5% compensation increase for all other positions totals \$150,000.
- Increasing SOQ funding to reduce staffing ratios for school counselors;

FY18  
1% / 4%  
FY19  
= 5%

## FY 2019 – 2020 Budget Planning

12

- Providing additional funding for At-Risk *Add-on* in fiscal years 2019 and 2020;
- Increasing the Supplemental Lottery Per Pupil Amount in fiscal years 2019 and 2020;
- ~~Eliminates funding for small school divisions that have experienced enrollment loss.~~

↓ 10,000



## Recent & Projected Student Enrollment Trends

13

School & Grade	Historical/Actual Enrollment # September 30				Projected Enrollment 2019-20	1-Year Change: 2018-19 v. 2019-20		5-Year Change: 2015-16 v. 2019-20	
	2015-16	2016-17	2017-18	2018-19		#	%	#	%
Total - Surry Elementary	289	276	265	262	245	-17	-6.5%	-43	-14.9%
Total - LPJ Middle School	229	230	222	221	216	-5	-2.3%	-13	-5.7%
Total - Surry High School	274	261	249	235	228	-7	-3.0%	-46	-16.8%
<b>Summary:</b>									
Total - K through 12	791	767	736	718	689	-29	-4.0%	-102	-12.9%
Pre-Kindergarten	46	59	56	39	40	1	2.2%	-6	-13.4%
Total - PreK through 12	837	826	792	757	729	-28	-3.7%	-108	-12.9%

Surry  
Live births ↓

## Governor's Introduced Amendments

14

### Major Variables Impacting State Funding for SCPS:

#### Loss Funding due to Student Enrollment Decline:

28 students @\$2,000 per student

#### Elimination of One-time Enrollment Loss Funding:

-\$75,000

*Note: The impact of these variables and others on the FY2019-20 budget is currently being analyzed by staff. More detailed impact statements will be provided during the formal presentation of the Superintendent's Proposed Budget.*

80-00 Compliance  
k/b

## FY2019 – 2020 Budget Planning

15

### Summary of Estimated State Revenue: FY2019-20 *The Bottom Line ...*

Description	FY2018-19 Approved	FY2019-20	Change (\$)	Change (%)
		Governor's Proposed (12-18-2018)		
Standards of Quality (SOQ)	\$ 2,069,544	\$ 2,065,455	\$ (4,089)	-0.20%
Incentive & Categorical	204,552	150,323	(24,229)	-11.84%
Lottery-Funded Programs	259,374	254,723	(4,651)	-1.79%
<b>Total - State Revenue</b>	<b>\$ 2,533,470</b>	<b>\$ 2,500,501</b>	<b>\$ (32,969)</b>	<b>-1.30%</b>

## FY 2019 – 2020 Budget Planning

16

### FY2019-2020 Expenditure Considerations:

- Estimated Cost of a 1% Salary Increase for all staff: \$110,000
- Estimated Cost of Absorbing a 10% Increase in Employee Health Insurance Rate Increase: \$175,000\*
- Re-allocation/re-programming of existing resources (*Fiscal & Human*)
- Adjustment/Reduction of existing staffing levels in response to enrollment decline
- Ongoing Facility Maintenance and Repair
- Ongoing Capital Improvement needs

**\*The actual amount of the increase in health insurance premium costs to be absorbed by the school division is to be determined.**

## FY2019 – 2020 Budget Planning

17

*Recent Budget Reduction Measures Taken in Response to Enrollment and Revenue Decline*

### FY2018-19 Budget Reduction Measures: \$378,035

- Eliminated five (5) positions valued at \$245,000 *Return marks / Attrition / For*
- Turnover/Attritions savings of \$84,740
- VRS costs savings of \$48,295

### FY2019-20 Budget Reduction Measures: \$ TBD

- Realignment/Reduction of Administrative Positions
- Reduction in Instructional Staff due to Enrollment Decline
- Reduction in non-personnel spending

*Mr. Holmes  
Utility Costs  
Children*

## Five-Year Capital Improvement Plan

18

*Summary of All Projects by Fiscal Year*

	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2023-24	Total
Total of All Projects by Year	\$ 2,550,000	\$ 535,000	\$ 1,400,000	\$ 350,000	\$ 100,000	\$ 4,935,000

*Summary of All Projects by Location*

Location	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2023-24	Total
Surry Elementary School	\$ 290,000	-	\$ 1,200,000	\$ 250,000	-	\$ 1,740,000
Luther Porter Jackson Middle	35,000	150,000	-	-	-	185,000
Surry County High School	2,125,000	235,000	-	-	-	2,360,000
Transportation & Maintenance	100,000	150,000	200,000	100,000	100,000	650,000
<b>Total Projects by Location</b>	<b>\$ 2,550,000</b>	<b>\$ 535,000</b>	<b>\$ 1,400,000</b>	<b>\$ 350,000</b>	<b>\$ 100,000</b>	<b>\$ 4,935,000</b>

*Summary by Project Type and Fiscal Year*

Project Type	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2023-24	Total
HVAC Replacement	\$ 345,000	-	\$ 650,000	-	-	\$ 995,000
Roof Replacement	1,700,000	-	500,000	-	-	2,200,000
Electrical System Upgrades	220,000	-	-	-	-	220,000
Plumbing	50,000	-	50,000	-	-	100,000
Fire Suppression System	35,000	150,000	-	-	-	185,000
Interior Reimbursements	-	-	-	250,000	-	250,000
Security	75,000	-	-	-	-	75,000
Athletics	25,000	235,000	-	-	-	260,000
Transportation & Maintenance	100,000	150,000	200,000	100,000	100,000	650,000
<b>Total by Project Type &amp; Year</b>	<b>\$ 2,550,000</b>	<b>\$ 535,000</b>	<b>\$ 1,400,000</b>	<b>\$ 350,000</b>	<b>\$ 100,000</b>	<b>\$ 4,935,000</b>

## Recently Completed Capital/Facility Projects

19

Description	Project Type	Location/Site	Amount	Year Completed	Funding Source
Replaced HVAC Replacement	HVAC	19775	\$ 278,000	2017-17	Facility Rep/Inst. Capital
<b>Subtotal - HVAC Replacement</b>			<b>278,000</b>		
Repaired and replaced sidewalks and curbs	Paving lots	EP, EP, 19, 504	138,500	2017-18	Fac. Rep/Inst. Capital
<b>Subtotal - Parking Lot Improvements</b>			<b>138,500</b>		
Repaired and replaced HVAC Replacement	HVAC	1975	287,000	2017-18	Fac. Rep/Inst. Capital
<b>Subtotal - HVAC Replacement</b>			<b>287,000</b>		
HVAC Repair - Repair & Maintenance	HVAC	1975	78,700	2017-18	Fac. Operating Budget
HVAC Repair - Maintenance Agreement	HVAC	1975 & 1976	21,191	2017-18	Fac. Operating Budget
HVAC Preventive Maintenance Agreement	HVAC	1975	11,111	2017-18	Fac. Operating Budget
HVAC Repair - Repair & Maintenance	HVAC	1975 & 1976	21,994	2017-18	Fac. Operating Budget
<b>Subtotal - HVAC Repair &amp; Maintenance</b>			<b>158,796</b>		
School Bus Replacement	Facility Rep/Inst.	1975	200,000	2017-18	Capital P.
School Bus Replacement	Facility Rep/Inst.	1975	200,000	2018-18	Capital P.
<b>Subtotal - School Bus Replacement</b>			<b>200,000</b>		
<b>Total</b>			<b>\$ 1,062,596</b>		

## Capital/Facility Improvement

20

### Presentation on Surry County High School Roof

## FY 2019 – 2020 Budget Planning

21

### *What's Next ...*

- Superintendent's Proposed Budget Presentation – Feb. 12th
- Public Hearing on Proposed Budget – Feb. 19<sup>th</sup>
- General Assembly Scheduled Adjournment – Feb. 23<sup>rd</sup>
- School Board Budget Work Session – March 5th
- School Board Approval of Proposed Budget – March 12<sup>th</sup>
- School Board's Proposed Budget Submitted to County Administrator – March 15th

## FY2019-2020 Budget Planning

22

### *Questions & Discussion*