

April 22, 2019

The Board of Education of the County of Kanawha met in Statutory Session on Monday, April 22, 2019 at the Board of Education Building, Charleston, West Virginia. The meeting was called to order by Board President Ryan White at 6:00 p.m.

PRESENT

Ryan White, President
Ric Cavender, President Pro Tem
Jim J. Crawford, Sr.
Becky J. Jordon
Tracy White
Ronald E. Duerring, Secretary

Debra J. Lewis, Recording Secretary

ADMINISTRATIVE STAFF

Tom Williams, Deputy Superintendent
Briana Warner, Communications Director
Lisa Wilcox, Treasurer, Budget & Finance
Melanie Meadows, Director, Accounting, Reporting & Compliance
Alan Cummings, Director, Purchasing & Supply Management
Terry Hollandsworth, Executive Director, Maintenance & Energy Management

NEW BUSINESS

A. Public Hearing on Preliminary Operating Budgets for Fiscal Year 2019-20.

Lisa Wilcox-Our preliminary budget is \$256,401,127. That's different from the budget presentation in March by about \$460,000 and that difference is predominately an increase in retirement revenue and retirement expense due to the projected raise. We have not yet received final comps from the WVDE Office of School Finance. A special legislative session is expected to be held in May and that could have significant impact on funding for county boards of education. Finals comps will not be released until the special session concludes. The finals comps might differ from the second set of preliminary comps depending on the outcome of the special legislative session. Budgets are due to WVDE for review and approval no later than May 30, 2019. Because the final comps will most likely not be available in time to meet the May 30, 2019 deadline, the WVDE Office of School Finance recommends that budgets submitted for approval be prepared based on the second set of preliminary comps. WVDE guidance also suggests building the proposed state pay raise into the FY20 budget at this time to ensure that allocations are adequate to fund the raise. KCS has estimated the cost and additional revenues associated with the projected raise per WVDE guidance. Those estimates are included in the preliminary budget presented today. Due to the May 30, 2019 deadline, WVDE Office of School Finance will not expect county boards of education to make last minute changes to the budgets. Rather, we will make budget revisions based on final comps after July 1, 2019 through our normal process of ongoing budget supplements and transfers. This budget does include \$1,492,610 toward unfunded state mandated textbook adoptions and yearly textbook costs. It does not include an estimated \$1,000,000 to provide for the Wellness, Art and Driver's Ed textbook adoption that we will purchase in FY 20 and implement in FY 21. We expect to be able to provide for that through the carryover. The three major differences between this budget and the FY 19 budget are a loss of 544 students and the estimated cost on that is a reduction of \$4.2 million. The second change is the implementation of a new excess levy beginning in FY 20 that will result in a net increase of \$20.9 million over the levy that we have in effect for FY 19. The third change is the implementation of the projected 5% pay raise which will result in a \$7.5 million increase in revenue. The net change to our budget based on those three major factors is \$24.2 million and that's an increase. Our personnel expense is a total of a little over \$200,000,000 out of our budget which is about 78% of this budget. We have no change to our vehicle supply budget this year. One of the major changes in contracted services is the increase to the fingerprinting that is required. Our total utility budget is increasing by \$250,000. We've had an increase in our flood insurance because of the flood event of FY 16.

NEW BUSINESS (continued)

Mr. White-There's an increase even though those facilities are no longer operational?

Lisa Wilcox-There's an increase and part of that is because of the flood plain change definitions which has caused us to have to insure property that wasn't insured previously.

Lisa Wilcox-We have had an overall decrease in the amount of \$140,000 in our supply budget and part of that is due to the loss of enrollment and also due to the move toward different technologies. Our equipment budget has not changed in FY 20, however in FY 19 we have been able to purchase some replacement vehicles as needed. We've purchased some for maintenance, one for child nutrition and one for transportation. We've had to add a line item for the virtual tuition budget. Also you will see that one of our HVAC Management Contracts has decreased by \$4.4 million, we have one final payment to make for that and that will finish that up. We've had a few changes to our travel budget. We've added some monies for personnel recruiting. We've also added a travel line item for virtual school. Our travel budget is less than 1/8th of 1% of our total budget.

Mr. White-Is this budget subject to changes? Lisa Wilcox-Yes we don't have final comps yet. It's unusual for our General Fund to be this preliminary at this point in the year.

QUESTIONS/ANSWERS

Mrs. Jordon-Years ago we used to get a Matrix of employees applying for administrative positions with their attendance. Do you think that's not needed anymore since we haven't been getting it? It's up to you if you feel like it's not an issue that's okay. Dr. Duerring-It hasn't been an issue for the most part. Mrs. Jordon-It's going around on social media about school districts sending home food from their cafeterias. Can we do that? Dr. Duerring-We met with Ms. Martinez and Diane Miller and discussed this. The difference between that one you saw and ours is that they have a central food system where everything is prepared in one building and sent out to all of the schools. Diane has worked very closely with our cooks so that we can keep our child nutrition program within budget so there is very little food left in our cafeterias. We are looking at the situation to see if there is enough food left over at each school and the machines that package the food. Schools watch very carefully those kids that they know are hungry and they take care of them.

ESTABLISHMENT OF MEETING DATES

- A. Monday, April 22, 2019, 6:00 p.m.-Statutory Session (Public Hearing on Proposed Budget)
- B. Thursday, April 25, 2019, 6:00 p.m.-Regular Session
- C. Monday, May 6, 2019, 4:00 p.m.-Special Session
- D. Thursday, May 16, 2019, 6:00 p.m.-Regular Session
- E. Tuesday, May 21, 2019, 12:00 Noon-Statutory Session (Approval of the Proposed Budget)
- F. Monday, June 3, 2019, 4:00 p.m.-Special Session
- G. Thursday, June 13, 2019, 6:00 p.m.-Regular Session

NOTE; The above meetings of the Kanawha County Board of Education, unless otherwise indicated, will be held in the Board of Education Building, 200 Elizabeth Street, Charleston, WV.

ADJOURNMENT

Mr. Ric Cavender moved: That the Statutory Session of the Board be adjourned. Motion was seconded by Mrs. Tracy White and unanimously carried. The Statutory Session was declared adjourned by Board President Ryan White at 6:23 p.m.

President

Secretary

djl

4/26/2019