

AT A CONTINUED MEETING OF THE BOARD OF SUPERVISORS OF ROCKBRIDGE COUNTY VIRGINIA, HELD AT ROCKBRIDGE COUNTY PUBLIC SCHOOL SYSTEM'S CENTRAL OFFICE, LEXINGTON VIRGINIA ON THURSDAY, MARCH 15, 2018 AT 5:00 P.M.

**PRESENT:** CHAIRMAN D. W. HINTY, JR.  
**MEMBERS:** R.R. CAMPBELL, J.M. HIGGINS, A.J. "JAY" LEWIS, II, D.E. LYONS

**COUNTY ADMINISTRATOR AND CLERK TO BOARD:** SPENCER H. SUTER  
**FISCAL SERVICES DIRECTOR:** STEVEN J. BOLSTER

**SCHOOL BOARD MEMBERS:** CHAIRMAN DAVID MCDANIEL, COREY BERKSTRESSER, HEATHER HOSTETTER, WENDY LOVELL, NEIL WHITMORE

**SCHOOL STAFF:** PHILLIP THOMPSON, HAYWOOD HAND; MATT CROSSMAN, RANDY WALTERS

**Call to Order:**

Chairman Hinty and Chairman McDaniel opened the meeting at 5:00 PM and welcomed all present.

**Discussion:**

**Health Benefits:**

Jim Gordon with OneDigital Benefits Plan Advisors provided an overview of his company's findings resulting from a joint request for proposals for health benefits. He noted that the County had received a flat quote (no increase) from its current provider, The Local Choice. He then shared that no providers had submitted proposals, noting that it is not a favorable year for market competition in our geographic area. He then noted that One Digital had, as requested, sought a quote for combining coverage with the County and School Division from The Local Choice and that the result was more expensive for both entities than our current situations. He then provided a high-level overview of options specific to the County, including the fact that the County provides a rich plan for the employee-only plan and an expensive option for coverage of dependents (i.e., plus-one and family). He shared that the County was over insuring their employees at with the \$500 deductible tier, stating that on average, 93% of employees did not meet this deductible threshold in FY 2017. He recommended considering, at a minimum, moving to a \$1,000 deductible plan as a base, with an employee option to select the available High Deductible Health Plan.

It was determined by the Board to invite Mr. Gordon back to the Board's regular, March 26 work session to discuss the health-coverage options in more detail.

#### Budget Calendar:

Mr. Suter then reviewed the proposed FY 2019 budget calendar, noting that the State had not produced a budget as expected. He noted that, should the School Division not be able to provide an estimate of need by March 21, the Board may have to consider amending the budget calendar, reducing the number of days that residents would have to remit payment after receiving the first-half real estate tax bill. He explained that one option the Board could take: extending the due date for payments from June 5 to later in the month, but that this would require a 30-day advance advertisement as opposed to the standard 14-day requirement. Supervisor Lyons observed that this would at least give taxpayers more time to remit payment.

#### Budget Overview:

Chairman McDaniel provided a brief overview of the School Division operational budget request, noting that it had changed only slightly since the last joint meeting, up approximately \$3,000 to \$490,407. Supervisor Lyons asked how current-year revenues and expenditures were tracking. Dr. Thompson noted that both were tracking generally as expected but that there appeared to be need for about \$90,000 in the transportation line. Supervisor Higgins asked if there were any more unanticipated revenues in FY2018. Chairman McDaniel noted that we could probably expect around \$150,000. Dr. Thompson noted that there is also approximately \$300,000 in grant revenues that were linked to FY2017 expenditures. Chairman McDaniel explained that the funding came in late (after July 1) last year and that the School Division had been able to fund the linked expenditures in FY2017 from other sources, leaving a surplus of that amount in FY2018.

Dr. Thompson then explained that he and the Chairmen had met, and were recommending using that grant-related surplus to fund some end-of-year capital projects, as well as some CIP projects planned for FY2019.

There was a brief discussion about timing of purchases during the fiscal year. Dr. Thompson noted that some items are purchased late in the year so that the Division can ensure that there is enough funding to get through the end of the fiscal year. He noted that typically, four buses are procured each year. Three are bought in the fall while one is

bought later the following Spring. Also, textbooks are bought in the Spring. Supervisor Lyons observed that textbooks should be considered a primary purchase and should be made in the fall.

Mr. Suter then listed the CIP projects to be funding by the \$300,000 in unanticipated revenue. The projects totaled \$208,000 and result in removal of all CIP projects in the FY2019 budget. Chairman McDaniel reminded all that in future years the Board would need to fund HVAC projects at Fairfield and Central Elementary schools. Mr. Suter noted that there are other projects in the mid and long-range plan, including an estimated \$325,000 in roof repairs at RCHS. He stressed that there is currently no fund source for these projects. Chairman McDaniel asked about the County's debt scheduled and Mr. Suter noted that there is no significant debt coming off the County's schedule in the near future. Mr. Bolster clarified that there would be a significant reduction in the overall school debt totals in FY 2023 .

Supervisor Hinty noted that he thinks the school administration is doing a great job transitioning into their roles.

Mr. Suter then provided an overview of the overall County budget, noting that County departmental budgets are largely flat, and that most of the budgetary increases are from external agencies/groups and debt service. He noted that the current gap between anticipated revenues and expenditures exceeds one million dollars.

Chairman Hinty asked the Board if they had any comments. There were none.

Chairman McDaniel noted that the School Board would hold a budget meeting on March 21 in an effort to provide the Board of Supervisors with an estimate of need.

Supervisor Higgins asked for clarification that the School Division's first priority was teacher salaries. Chairman McDaniel affirmed.

On a motion by Supervisor Lewis, seconded by Supervisor Higgins, the meeting was adjourned by unanimous vote at approximately 6:00 PM.