

MINUTES  
BOARD OF SUPERVISORS  
COUNTY OF YORK

Adjourned Meeting  
March 31, 2015

6:00 p.m.

Meeting Convened. An Adjourned Meeting of the York County Board of Supervisors was called to order at 6:00 p.m., Tuesday, March 31, 2015, in the East Room, York Hall, by Chairman Thomas G. Shepperd, Jr.

Attendance. The following members of the Board of Supervisors were present: Walter C. Zarembo, Sheila S. Noll, Donald E. Wiggins, George S. Hrichak, and Thomas G. Shepperd, Jr.

Also in attendance were J. Mark Carter, Interim County Administrator; Vivian A. Calkins-McGettigan, Deputy County Administrator; and James E. Barnett, County Attorney.

**WORK SESSION**

JOINT MEETING WITH THE YORK COUNTY SCHOOL BOARD

School Board Members Present: Mark Medford, Chairman; Robert W. George, Vice Chairman; Barbara Haywood, Cindy Kirschke, and Page Minter.

Also present was Dr. Victor Shandor, Superintendent of Schools; Dr. Carl James, Chief Operations Officer; Dr. Stephanie Guy; Chief Academic Officer, Dennis Jarrett; Chief Financial Officer, and Mark Tschirhart; Associate Director for Capital Plans & Projects.

PROPOSED FISCAL YEAR 2016 BUDGET

Chairman Shepperd welcomed the members of the School Board to a third joint meeting. He noted the School Board had approved its budget yesterday, and tonight the School Board and Board of Supervisors would be addressing several items related to the School Board budget.

Mr. Carter stated Mr. Cross had been working with Dr. James and other school division staff concerning population projections, school enrollment projections, and timing as it related to the new elementary school. Mr. Cross would present the enrollment picture to both boards based on the joint collaboration with the School Division.

Mr. Tim Cross, Principal Planner, explained that in December staff had made a presentation concerning future housing developments in the Magruder Elementary and Yorktown Elementary school zones. Staff followed both Boards' direction, working together with the School Division to create a mutually agreeable timetable to build and open a new elementary school. Working with the elementary school staff, he indicated it allowed them to witness first-hand the challenges school employees had to work with on a daily basis. There were currently 1,554 approved future housing units in the Magruder and Yorktown school attendance zone. Another factor staff had to consider was the planned MCSF consolidation which would be located at the Naval Weapon Station, and which would stimulate housing activity from 2015 through 2018. Also, he noted births and sales of existing homes were expected to continue an upward trend, and continue to effect school enrollment. Mr. Cross stated the School Division could expect up to 200 additional students in the Magruder and Yorktown attendance zones over the next five years, and both schools were operating at full capacity at this time. Waller Mill and Seaford

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Elementary schools did not have enough capacity to handle additional students, and staff looked at ways new students could be accommodated. According to the Comprehensive Plan, when school overcrowding was to be addressed, staff looked first at shifting school zones or portable classrooms if either could provide a temporary solution. Mr. Cross provided capacity and enrollment figures for Magruder and Yorktown for 2015. By building a new school at a capacity of 500, which was currently proposed in the CIP, he stated it would allow 350 students to be shifted out of Magruder and Yorktown, which would address capacity levels for both schools while allowing for additional growth. The core facilities at the school would be designed for the maximum future capacity of 700, in the event the school had to be expanded for additional growth. Mr. Cross also stated that designing a new school did not mean the Board had to build right away. If the Marine consolidation was delayed or student growth fell short of the staff's projections, the school could be delayed. He suggested the Board look at the CIP and school projections next year to see if the target of September, 2019, would still be accurate for the school opening.

Mr. Wiggins asked how many students were accommodated with the recent construction of the new addition to Seaford Elementary School.

Mr. Cross stated six classrooms were added accommodating approximately 20-25 students per classroom.

Mr. Wiggins asked if Seaford Elementary School was crowded before the additional classrooms were added.

Mr. Cross stated it was crowded, but he was unsure if it was overcrowded.

Mr. Wiggins asked if any new students were moved to Seaford Elementary.

Mr. Cross stated the Pre-K students zoned for Seaford Elementary were currently at Dare Elementary School, and perhaps there was an opportunity to shift them back to Seaford. He noted Seaford had more capacity than actual students enrolled at this time.

Mr. Zaremba stated the School Division's cost proposal for the new school was \$23 million. He indicated he had been monitoring James City County's school growth over the last 5-7 years, and he felt the cost estimate was low, since James City County's recent school building was significantly above this amount. He asked if the estimate was accurate.

Mr. Cross stated \$23 million was the proposal submitted by the School Division. He noted that, historically, James City County's construction costs were higher than York County's school construction costs. He indicated he was unsure what the reason was and suggested perhaps one of the School Board members could explain the cost difference.

Mr. Zaremba asked what the average classroom sizes at the schools were, and if York was still at the goal.

Dr. Shandor stated traditionally the average number of students in a classroom was 19 for Kindergarten through second grade, and 23 to 24 for third through fifth grade.

Mr. Zaremba asked how many classrooms the new school would have.

Mrs. Haywood explained it would be three to four classrooms per grade, but it would not be less than two.

Mr. Hrichak asked if building a new elementary school would allow other elementary schools in the County to be drawn down and balanced accordingly, or would they primarily be focusing on Magruder and Yorktown.

Mr. Medford stated the “feeder” schools were limited to where the middle and high school attendance zone boundaries were. Shifting students could cause a split in where a student attends high school, but the School Division would be willing to look at options when the new school was opened.

Dr. George stated a committee met every other year to evaluate enrollment and boundaries, and he asked Dr. James if that was accurate.

Dr. James explained the schools monitor enrollment throughout the school year and look at potential growth at a school, and balance accordingly. He explained how the zones were determined.

Chairman Shepperd summarized how the new school would factor in to the budget process and the various steps in the planning process. He stated the school projections were fairly accurate, and he did not want to get caught behind the growth, causing students to be housed in trailers.

Chairman Medford asked the Board if the County growth sped up, could the new school be moved forward.

Chairman Shepperd stated the Board would consider the request should the growth occur, but these projections were for planning purposes only.

Mr. Zaremba stated the cost for the school was \$23 million, but he wanted to know what the operational costs would be for the school.

Mr. Jarrett explained there would be additional costs for teachers, librarian, school nurse, principal, and utility costs that go along with a building.

Mrs. Noll asked Mr. Jarrett if he had an estimate on how much it would cost to run a school.

Mr. Jarrett explained the operational costs could be \$1 million to \$1.2 million. He stated it would be hard to determine since no two schools were the same. Mr. Jarrett stated other factors would be equipment and maintenance costs, which varied per level.

Mrs. Noll asked if the \$23 million covered operating costs or the outfitting of the school.

Mr. Jarrett stated it did not cover the operating costs, but included furniture, and some computers. He indicated the School Division would continue to monitor and look at the estimate.

Chairman Shepperd stated that as the time approached to build the new school, better estimates would be available.

Mr. Carter provided an overview of the entire school CIP for FY2016. He stated staff proposed for FY2016 a rollup of the schools projects totaling \$8.2 million, and staff arrived at that amount by looking at total funding approved in the current CIP for FY16. He stated staff tried to develop a plan to stay within the threshold of \$8.8 million and proposed that some projects be shifted out to FY17. The School Division and County Staff met, and Dr. Shandor asked for an opportunity for his team to meet and shift around projects, and the proposal was mutually developed and supported. One of the projects the School Division wanted to advance was the Bethel Manor Elementary School 300/400 hall renovations with an estimated project cost for the renovation of \$2.9 million. To balance the change in the CIP, it was proposed that four projects be shifted from FY2016 to FY2017 which were: York High School roof repair phase I, kitchen equipment replacement at five schools, repainting of Tabb High School, and Tabb Elementary School roof replacement Phase I. Staff also proposed splitting the Yorktown Elementary roof replacement in two phases in FY2016 and FY2017. The radio upgrade funding proposal was to draw \$450,000 from the Impact Aid Stabilization Fund as a one-time expendi-

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ture, and the current balance of the Impact Aid Stabilization Fund was \$5.6 million, which would allow the radio system upgrade to be advanced without drawing the balance below its \$5 million target level. Mr. Carter provided additional information regarding the radio upgrade, stating the project would be managed by Terry Hall and School Division staff.

Chairman Shepperd stated he was unsure how the School Division held it together after looking at pictures of Big Bethel Elementary, which showed the condition well, and he understood how this would be a priority. He asked that the pictures of the school be forwarded to the other members of the Board.

Mr. Zaremba asked for clarification regarding the Bethel Manor renovation and the 300/400 halls.

Dr. James explained to the Board that when the addition to Bethel Manor was made several years ago, the remaining school was not redone, which was the 300/400 section of the school, built in the 1960s.

Chairman Shepperd asked for clarification on the radio project and the 800 MHz radio system, and he asked if the School Division intended to upgrade the high schools in phases or at the same time.

Dr. Shandor stated safety was the top priority for the School Division. He noted the radio system issues were brought to his attention during a meeting in September when he arrived. He stated the first step would be to assess the situation, coverage issues, and determine where the greatest need was in the schools. He then explained the urgent need for the radio system. He noted he had experienced the coverage issue first hand when a staff member had a medical emergency, and the radios were unable to communicate with other staff members for emergency services.

Mr. Zaremba asked how the communication system would integrate with the Sheriff's Office and Emergency Services, and where the communication center would be located. He also asked how the schools would ensure the radio system worked properly to provide coverage.

Mr. Carter stated the system would integrate completely with the County system. He noted Mr. Hall would work directly with the School Division and ensure the radio system worked properly and the coverage issues were resolved.

Mrs. Noll asked how excess funding came about in the impact aid fund, and how did it build up to the current amount.

Chairman Medford stated the School Division was very conservative with the fund because of the major hit impact aid took from Washington.

Discussion followed on the Impact Aid Revenue Stabilization Fund, how the amount was determined from the federal government, and how the County received impact aid.

Mr. Carter then provided the Boards with the FY2016 budget highlights. The proposed general fund budget was \$133.4 million, with no proposed tax rate increase. The major areas of the budget included funding for the school division, a 2 percent increase for employee compensation, funding programs, services, and capital project needs. The projected fiscal year 2016 budgeted revenue growth was \$950,000, with the schools receiving \$361,000, and the County utilizing \$589,000. Mr. Carter showed how the fund expenditures broke out by function in each category.

Mr. Zaremba asked Mr. Carter to explain to the Board what happened in 2008 through the present concerning employee pay raises, and the specific amounts given during that time.

Mr. Carter provided the Board a breakout of pay raises since fiscal year 2010 and explained

that a total of 5 percent had been given since FY2010 with no pay raises in FY10 to FY13. He noted a consultant firm had been hired, and he explained how important step increases were and that the step increases did not equal the same percentage every year.

Mrs. Noll asked if the County had kept up with the cost of living increases.

Chairman Shepperd stated he did not think so. He stated employees were a very important priority, and jobs were increasing; however, pay levels were not what they were previously.

Mr. Hrichak asked if the employees would be impacted by health insurance premium increases.

Mr. Carter confirmed the employees would see a health insurance premium increase of 2 percent.

Mrs. Noll asked if the School Division employees paid the same amount for health insurance as County employees.

Mr. Carter stated they did not; there were different levels of coverage for the school division.

Mrs. Noll felt that, since it was all paid by taxpayer money, everyone should be on the same plan. She stated it was time to look at something more equitable.

Mr. Carter stated it could be a topic of future discussion for the Supervisors.

Chairman Medford stated the School Division looked at the topic of health insurance differently. Since the School Division employees had not had a compensation increase in years, the School Board had done its best to protect health care. He stated the last decision the School Division would make would be to increase health insurance premiums for their employees.

Chairman Shepperd stated the Board was not trying to reduce the benefits of employees, but look at the issue in the upcoming year.

Dr. Shandor gave an overview of the School Division's budget which the School Board had adopted last night. He stated the County was currently under funding the School Division by \$630,000. He noted the School Division's areas of focus were: staff compensation, cost to restore a step for staff members who had lost five steps; transportation costs to replace buses; and technology refurbishments.

Mr. Carter then provided information on the Bus Replacement Fund that staff was recommending to be established in addition to the Technology Fund.

Mr. Hrichak asked if the School Division used dark fiber in their buildings.

Dr. James stated he did not have that information, but he would get it for the Board.

Mr. Carter explained what dark fiber was and how the County planned to use this technology in the future to increase band width and provide cost savings.

Chairman Shepperd asked Dr. Shandor whether the School Division utilized cloud storage, and whether the six-year replacement cycle for computers was still being used in the School Division.

Dr. Shandor stated he would have to check as to whether or not the schools used cloud storage. He verified that the schools were off of the six-year cycle.

Mr. Zaremba noted the School Division was projecting a 250 student increase, and he felt the number seemed large.

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Mr. Cross stated the projected increase was closer to 150 students for the current school year, from September to September.

Discussion followed on how the student enrollment numbers were calculated and the additional revenue the School Board received from the State. Also discussed was whether or not the School Division had to pay back revenue received if the student enrollment projection was incorrect.

Mr. Zaremba asked how the funding gap between the County and the School Division could be closed.

Chairman Medford stated the School Board would task the Superintendent to provide options to them, and they would proceed to review those options.

Dr. Shandor stated staff had spoken about what they could propose to close the funding gap. He stated they have thoughts and ideas, but they were not ready to discuss them at this meeting.

Mr. Zaremba asked if another work session between the School Board and Board of Supervisors would be needed. He felt it had been a beneficial meeting.

Chairman Medford stated the joint collaboration between the staff members had taken a positive approach to the budget process this year. He thanked the Board and stated if another joint meeting was needed, the Board should contact them.

Chairman Shepperd also commented on the positive approach of the School Division staff and County staff working together this year. He stated it was refreshing to see and hear the interchange taking place. He noted both Boards were taking care of the public and students in the School Division.

Meeting Recessed. At 7:04 p.m. Chairman Shepperd called a short recess so that the School Board could adjourn.

Meeting Reconvened. At 7:10 p.m. the meeting was reconvened in open session by order of the Chair.

Mr. Carter stated traditionally after the budget had been released, the Board identified further topics on which the staff could provide additional information on the proposed budget. He asked the Board for topics for future budget work sessions.

Mr. Wiggins stated he would like to discuss charitable contributions.

Mrs. Noll stated she would like to look closer at the CIP to review what needed to be done to enable the County to plan better.

Mr. Carter stated the CIP and charitable contributions could fill an entire work session and would be enough to work on for the next session.

Mr. Hrichak asked if the Constitutional Officers had any shortages the Board needed to hear about.

Mrs. Deborah Morris, Controller, stated the requested budgets of the Constitutional Officers had been fully funded in the proposed budget.

Chairman Shepperd stated he had received a phone call from Sheriff Diggs who was concerned

about the difference the County pays for health insurance versus what the School Division employees pay, noting County employees pay approximately \$1800 more on an annual basis than the School Division employees pay.

Mrs. Noll commented that was why the County and School Division needed to work together to find a common health insurance plan since it was all taxpayer dollars.

Mr. Zaremba asked why the costs were different for the County as compared to the School Division.

Mr. Carter stated the School Division had a different rate structure, and a different philosophy. He noted the health insurance rates would not be a quick fix but rather a long-term issue for the team that had been set up to talk about health insurance in general.

Mr. Zaremba stated the team also should look at step increases, which should be a goal for next year. The Board should hold early work sessions to understand the model and implications of the last eight years. If the intent was to reinstitute the step increase, Mr. Zaremba felt the Board would need a better understanding of the concept and how to go forward next fiscal year.

Mr. Carter stated the compensation study consultant would begin work next month, and it was anticipated the project would take about six months.

Mr. Wiggins suggested giving employees a 2.5 percent increase instead of a 2 percent increase, which could also be a work session topic.

Mrs. Noll agreed with that suggestion as long as the County was able. She felt it would be a good idea to discuss the topic. She noted she did not feel the Board would need all of the work session dates.

Chairman Shepperd stated if the members had something they would like to discuss, they were to contact Mr. Carter to have it added to the schedule.

Mr. Carter reminded the Board of upcoming work session dates.

Chairman Shepperd asked Mr. Carter to work with Dr. Shandor on how to address the budget gap at the School Division.

Mr. Carter stated the School Division would have to come up with proposals, and he felt Dr. Shandor had proposals he would be taking to the School Board. Mr. Carter indicated he would be keeping in contact with the School Division, and he felt the School Board was looking for assurance for the \$361,000 in funding, so they knew what they needed to do.

Chairman Shepperd commented how York County was consistently compared to James City County. He stated James City County had more space to grow, and generate more revenue, and that included a mix of businesses and homes. He stated he felt York County was a successful county based on what currently existed here.

Mr. Zaremba further commented on how a tax increase of 8 cents was proposed in James City County this year due to stormwater fees.

Chairman Shepperd stated stormwater fees were already addressed in the County budget.

Mr. Zaremba stated the County had an incredible budget staff and County Administrator.

Meeting Adjourned. At 7:27 p.m. Mrs. Noll moved that the meeting be adjourned to 8:30 a.m.,

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Friday, April 3, 2015, in the York County Administration Center, County Administration Conference Room, for the purpose of meeting in Closed Session to conduct interviews for the position of County Administrator.

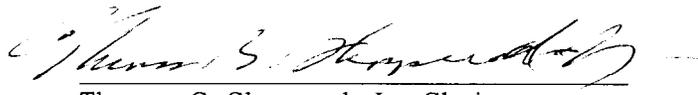
On roll call the vote was:

Yea: (5) Zaremba, Noll, Wiggins, Hrichak, Shepperd  
Nay: (0)



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J. Mark Carter  
Interim County Administrator



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Thomas G. Shepperd, Jr., Chairman  
York County Board of Supervisors