

**March 27, 2017**

A special convened meeting of the Giles County School Board was held at 3:30 PM on March 27<sup>th</sup>, 2017 in the School Administration Office Building. Persons present were:

Marion C. Ballard  
Eric G. Gentry  
Drema K. McMahan  
Stephen M. Steele  
Mark A. Wilburn

Dr. Terry E. Arbogast II, Superintendent  
Amanda J. Tickle, Clerk  
Rhonda Tickle, Finance Director  
Samantha Montgomery, Finance Director  
Chris McKlarney, County Administrator

The meeting was called to order by the Chairman.

The purpose of the meeting was to discuss the budget for the 2017-2018 school year.

Mr. McKlarney attended to discuss a potential sliding insurance scale and discuss where things stand with the county. He stated that the current school budget is approximately 52% of the county's budget, so he felt like school board members should be involved. His board has asked him to develop a sliding scale for health insurance to allow for no one to take home less money. The scale is based on a 1000 deductible and the insurance increase is \$1056 per employee, per year (single plan). The increase in insurance premiums is 15.9%. The school board has proposed pay increases that are not exactly 2%, so a giant spreadsheet was created to review all classification of employees. For teachers, there was a flat rate increase for years of experience. Current teachers won't be on the salary scale now; however, new hires will be hired and placed on a salary scale. He had two different scenarios as to whether the increases would start in July or in February. Right now, we pay \$521 per employee for insurance and the proposed sliding scale keeps it as \$521. Mr. McKlarney explained the different deductibles and stated that the \$1000 deductible is more feasible as far as money. With the sliding scale, the appropriate categories would get their appropriate raise, and the board would supplement the difference in health insurance so no one takes home less money. The state is mandating raises to start in February; however, the School Board would like for the increase to start in July. Mr. Steele asked Mr. McKlarney if they were going to do a tax increase and Mr. McKlarney stated that they have not made a decision on that yet. Mr. McKlarney discussed tax information from the last few years and stated that the state and federal levels need to do more with funding. Mr. Steele discussed ways to inform the public about a possible tax increase to help fund education. There was further discussion on the sliding insurance scale and how it would affect all employees. Board members were concerned about the individuals who made more than \$52,800 because their raise would be more than the cost of the health insurance increase, so they would not receive a health insurance supplement. Mr. Gentry stated that without help from the state, there really is not a better picture. School Board members would like to be able to count preschool kids as part of their ADM number. Mr. Steele really wants to get an article in the Virginian Leader to get their thoughts on a tax increase to provide more funding for our kids and teachers.

Mr. McKlarney stated that since 2010, they have spent down \$3million in reserves and that trend cannot continue. He discussed in great lengths the financial position of the county. If we continue to not get enough funding from the state and federal levels, the county will have to continue to dip into the reserves. Mr. Gentry stated that Mr. McKlarney and his board have put together the sliding scale to help our employees not have to go home with less money. He stated that now the School Board has to look at this and decide what they want to do. Dr. Arbogast stated that if we are going to begin considering to cut things, we would have to cut programs/people. Mrs. McMahan stated that we need to go to the schools and explain to the staff the concept of this scale. Mr. Wilburn stated that he agreed with Mr. Steele that we should entertain the idea of doing a tax increase. There was a discussion on retirement incentives. The School Board has shared this information with Mr. McKlarney and he will discuss this with the Board of Supervisors to see if they want to fund this. Mr. Gentry stated that if we have individuals to retire, we need to look at the list to see if there is anyone that doesn't have to be replaced. Mrs. McMahan stated that when looking at it, everyone needs to be replaced.

Dr. Arbogast stated that the current budget includes appropriate raises for teachers, depending on their years of experience, teacher assistants and bus drivers back on the salary scale, bookkeepers and secretaries on a new salary scale, nurses back on a salary scale, school board office personnel and administrators a 1.5% increase, network administrator replacement, librarians going to 10.5 month, STEM coordinator going to 11 months and a nursing instructor at the Tech center going to 11 months.

School Board members discussed the insurance cap of either \$521 or \$560. The insurance sliding scale that was proposed by Mr. McKlarney had \$521 used as the cap. Mr. Wilburn stated that he doesn't mind the insurance scale; however, he feels our veteran teachers should be getting more. Mrs. R. Tickle stated that they are still getting their pay increase.

The School Board, on motion of Mr. Wilburn, with second by Mr. Steele and unanimous voting, adjourned the meeting.

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Chairman

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Clerk