Note: A full recording of the meeting is on file in the Clerk's Office and on the School Division website.

A Budget Work Session of the Albemarle County School Board was held on February 3, 2009 at 6:30 p.m., Room 241, County Office Building, 401 McIntire Road, Charlottesville, Virginia 22902.

PRESENT: Mr. Stephen Koleszar; Mrs. Diantha McKeel; Mr. Brian Wheeler; Mr. Jon Stokes (arrived at 6:57 p.m.); and Mr. Ronnie Price.

ABSENT: Mrs. Barbara Mouly and Mrs. Pamela Moynihan.

STAFF PRESENT: Dr. Pam Moran, Superintendent**;** Dr. Bruce Benson, Assistant Superintendent for Student Learning; Mr. Jackson Zimmermann, Executive Director of Fiscal Services; Mr. Tom Nash, Executive Director of Intervention and Prevention Services; Dr. Bernard Hairston, Executive Director of Community Engagement/Strategic Planning; Ms. Lorna Gerome, Assistant Director of Human Resources; Ms. Annie Kim, Senior Assistant County Attorney; and Mrs. Jennifer Johnston, Clerk.

Agenda Item No. 1. Call Order.

At 6:30 p.m., Mr. Wheeler called the Albemarle County School Board meeting to order.

Agenda Item No. 2. Agenda.

Mr. Koleszar offered a **motion** to approve the agenda. Mrs. McKeel **seconded** the motion, **and the motion passed with Mr. Stokes, Mrs. Mouly and Mrs. Moynihan absent.**

Agenda Item No. 3. Budget Work Session.

Dr. Moran and Mr. Zimmermann provided updated information on revenue.

Mr. Price asked what the Board of Supervisors is going to do with the tax rate. Mr. Zimmermann said that they are building a request based on a seventy seven cents effective tax rate which would result in a seventy four and a half cents devoted to school operations and a portion of that will be devoted to a lock box. Mrs. McKeel stated that the Board of Supervisors has not started their discussions. Mr. Zimmermann said that their discussions will begin, to some degree, next week and have more serious discussions toward the later part of February. All of the projections that have been provided to the school division by local government have been based on that assumption and staff is moving forward with that assumption.

Mr. Wheeler asked if there is any other information for the Board to consider. Mr. Zimmermann responded, not at this time.

Mr. Wheeler spoke of his visit to Capitol Hill with the National School Boards Association's (NSBA) conference on the Federal Relations Network (FRN). He said they met with Senator Webb and the Senator said that a lot of senators are trying to add to the stimulus package. He is in a group of senators that are trying to pare it back to have it focused on three priorities to be identified. Mr. Wheeler noted that the Virginia delegation was the third largest of the conference with over thirty school board members and staff in attendance.

Mrs. McKeel said that in her visit with Congressman Tom Perriello at Greer Elementary, he indicated that he would like to see the No Child Left Behind (NCLB) resolution and the legislative packet that the Albemarle County School Board voted on and asked that the Board send him information on what the Board supported.

Mr. Wheeler stated that unless there are additional questions or motions the School Board needs to make motions if there are adjustments to be made with the Superintendent's Funding Request.

Mrs. McKeel asked for discussion on the elimination of Central Office staff. She expressed concern with how the work of the staff members being eliminated is going to be covered. Dr. Benson said that one of the challenges moving forward with implementing the Instructional Coaching Model is that staff is going to have to look at a variety of functions across Central Office and make sure the core functions are preserved. The Division is moving to a model that is going to move the work of the organization further along in terms of improving teaching and learning in classrooms across the Division. He said that it has to be structured in such a way to maintain the central coordination; some of that will be assumed by staff in the lead coaching positions which are being described as a position that would be, along with the principal, supervising and leading the work of the instructional coaching team and they would also have connection to division level responsibilities. It will also mean, staff in administrative positions at Central Office, are going to have a set of responsibilities that will have significant administrative connections to preserve the work. Staff needs to go through the process of advertising and filling those positions making sure that there is expertise spread across the positions in order that the core functionality of services is not lost. He said there has been discussion with principals on how the important work gets done at the schools.

Dr. Moran said the role of the literacy specialists implements the unfunded mandates of the Standards of Learning Assessment (SOL) and NCLB programs. In talking about the costs of the implementation of NCLB, one of the ways it is playing out in the schools is the literacy specialists becoming clerical support and this is not work that is affecting improvement in the classrooms. She said that the Division is not going to be able to continue doing everything that has been done for the community and support the young people; looking at the information presented to the Board, the Division may have to subtract another $1,000,000 from the budget.

Mrs. McKeel expressed concern with some of the work that has been described as work that takes place among the community who is not vocal. Dr. Moran said that it would be disingenuous to say that five people can do the work that thirteen people have been doing. The Division needs to find out what the priorities are of the work that needs to be preserved. Mrs. McKeel said that it is important that the Board is clear about the distinctions and it is clarified to the community. Dr. Moran said that she was hoping to hear from the Board the things that they see as important in terms of maintaining the functionality of the work.

Mrs. McKeel asked who is going to do the testing in the schools. Dr. Benson said as demands for testing has increased in the Division the school staff has leveraged any support they could to help move it along. Principals have shared a variety of approaches, and they are thinking of providing support for essential work that needs to be done in the schools. Dr. Moran added that as the principals were sharing their information with each other they learned what they could do to be more efficient.

Mr. Koleszar said there is going to be a tremendous loss with the ten positions being eliminated; while it is going to be a step forward with the new coaching model, the other functions that staff in the buildings was doing still needs to be done. He added that the loss of staff in central office and the things done as a division will not be able to be sustained. He suggested the division make the adjustment as the division is currently behind in market. He will not support the budget as it is presented. Mrs. McKeel asked for clarification on what should be done in making the adjustment in the market. Mr. Koleszar suggested that there be raises to bring the division to market in the funding request. He said it would be approximately $400,000. Mr. Wheeler stated that it would be $290, 000 for teaching positions and $245,000 for classified positions.

Mr. Price commended staff for the coaching model and said that he does have concerns with the cuts in Community Engagement and the need for a sound plan to address all that occurs in that department. Dr. Moran stated that there is one position that has a role of community engagement that is beyond what was in place before 2000 which resulted in obliterating the department. Mr. Price said that in the salary perspective the division needs to be prudent and have sound judgment with recommendations.

Mr. Stokes asked if the bus run between Monticello High School and Walton Middle School has been discussed. Mr. Wheeler responded that it was discussed briefly to clarify that if it is implemented it would be a savings of $250,000. Dr. Benson said that it would require adjustments in schedules for both schools and would create a parody with the other three feeder patterns in the county. He said there has been a request for additional information. Dr. Moran stated that staff has talked to the principals to let them know that it is something that could be on the table. Mr. Stokes asked what the principal's thoughts were and what the time adjustments would be. Dr. Benson said that it means small numbers of minutes in terms of time adjustments but there is more concern at the high school level than the middle school level in terms of potential impact. He suggested that Mr. Haun provide addition information. Dr. Moran stated that it is under the additional reductions that were considered but not included in the current budget request. Mr. Koleszar said that the adjustment in time would mean giving Walton more time and Monticello would not lose time if the time was increased at Walton. Dr. Moran said that the other piece that plays into it is the CATEC schedule as it would affect students getting to CATEC; another problem is because of the size of the southern feeder pattern. Mrs. McKeel asked if staff had any further information on the issue. Dr. Benson responded that because of not having conversation with Mr. Haun, there is no further information. Dr. Moran said that both principals have been in conversation with Transportation.

Mr. Wheeler followed up with Mr. Koleszar and asked him if he would like his concerns previously mentioned monitored for the next couple of months. Mr. Koleszar said that the deal breaker with this budget is that the Division is giving up too many functions.

Mr. Wheeler said that the Board received compelling presentations from the principals saying that they are going to be able to make the coaching model work. Mr. Koleszar said that the coaching model is great but there has to be additional resources at the school level to make up for the work that is going to be cut and the cuts at Central Office are too deep. Mr. Stokes asked how more resources could be added. Mr. Koleszar suggested putting a placeholder for additional school support. He is thinking additional Teacher Assistants (TA) or additional stipends; the principals can decide on how to use the additional resource. Mr. Wheeler said there is not concern at the school level. Mr. Koleszar said that he is hearing feedback from staff. Mr. Wheeler's concern with that is staff is being taken off the hook in being creative and innovative in implementing the coaching model. He added that staff has been in front of the Board showing their enthusiasm with the new model. Dr. Moran noted that after the analysis work in the spring, staff could come back to the Board to look at one time monies to use as a bridge, but right now the principals need to work the work and figure out where they are in some of the gaps.

Mrs. McKeel stated that she is more concerned with the work at Central Office which includes Community Engagement. She does not see the principals and coordinators being able to pick up the work that comes from Central Office. Dr. Moran reminded the Board of the AVID program being taken over by a school principal. She said that assistant and associate principals could get cross-functional experience working on an initiative from division-wide work. Mrs. McKeel asked for staff to take a look at some of the positions and see where the work can be done and provide that information to the Board.

Mr. Price said that the coaching model is going to help the Division with Goal 2 and there is going to be a cost; the cost and the benefit of solving Goal 2 make it more palpable.

Mr. Stokes said that he is not comfortable with sending a budget to the Board of Supervisors with a placeholder which makes it over revenue. Mr. Koleszar said the revenue number is irrelevant to a certain extent because what is charged by the Constitution of Virginia is that the division needs to provide a budget of what is needed to effectively run the school division to the Board of Supervisors. He then added that because of the deep cuts that the Division has made, the school division is not going to be able to run effectively. Mr. Wheeler said that the placeholder would be a Board placeholder and not Dr. Moran's placeholder.

Mr. Wheeler asked for clarification on how the Central Office restructuring aligns with the Resource Utilization Study (RUS). Dr. Moran said that the RUS stated that the Division had a Central Office that was skinny at the top, heavy in the middle, and skinny at the bottom. She said that the Division has addressed that by using positions effectively. Mrs. McKeel said there is work in Central Office that is important to the twenty six schools and suggested that staff come back to the Board and tell them how that work will be handled. Mr. Koleszar noted that in the early 1990's Central Office was gutted and the Division spun out of control. One of the things that makes Albemarle County Schools uniquely powerful is the ability to perform on the cutting edge. Dr. Benson said that the things that are coming out of the new coaching model is core functions are being preserved at the division level and are being assumed by the lead coaches. Also the improvement of consistent implementation of the Framework for Quality Learning, Teacher Performance Appraisal, and quality work during the professional learning community time will come from the coaching model. He said that presently there is no information on how the work in Central Office is going to handle; it will be determined within the next few weeks. Dr. Moran added that the positions in question cannot be cut without a plan to maintain the functionality and support to the schools; the coaching model is the best blend for both of those.

Mr. Price offered a **motion** to adopt the funding request of $166,020,435 which includes a regular school fund request of $149,071,850 and a self-sustaining fund request of $16,948,585. Mrs. McKeel **seconded** the motion. Mr. Wheeler asked for discussion. Mr. Koleszar asked that the vote be a roll call vote. Mr. Wheeler then suggested that the five year projections be examined as the process is continued. If you look five years out the deficit we are projecting is $9.7 million, and last year we projected that it would be $8.1 million. We need to make sure our five year plans are in sync. If we have this type of deficit five years out, it is telling him that the local, state and federal revenues are not there to do what needs to be done. He commended staff's work on bringing the coaching model and instructional leadership forward and said that the proposed restructuring of Central Office needs to move forward. He has the same questions but thinks that the Board has good advice that we can do it as an organization. He is confident that the team can figure it out. The focus of the funding request is to protect the classroom and he thinks that this has been accomplished. He also thinks that the Resource Utilization Study recommendations were followed up on. Mr. Wheeler said that he cannot see himself, unless the revenue picture changes, making market adjustments for the current differential.

Mr. Koleszar said that when times are tough, you decide what your real priorities are. He thinks we have been through 28 years of government is the problem and cutting services and this country is really paying for it. Other school divisions across the country should be as good as we are. He thinks that the Board of Supervisors and state legislators need to step up and say that in this climate cutting a budget is the wrong thing to do. Government is the thing that can start rebuilding this country. He cannot support the budget.

Mr. Wheeler agreed that there are problems at the state level and the federal level that is forcing us to have these difficult conversations. We are different from a lot of other school divisions in Virginia because they are laying off employees in sizable numbers from the classroom. There is a lot for the division to celebrate in terms of how fiscally responsible we have been dealing with the challenges described.

Mr. Koleszar said that he is voting against the budget not because he has a problem with the work that Dr. Moran and Dr. Benson have done; they have done an excellent job with the resources that they are allocated based on the best guess of what revenues come in, and he feels that we are not giving them enough resources to continue to make progress as fast as it should be done.

Mr. Stokes said that when times are tough you focus on what is important, and we have focused on what is important – the classroom. He thinks that next year if there continues to be a deficit, then we will probably end up touching the classroom. Next year will be a whole different story.

Mr. Koleszar said that the state legislators need to do what is right for Virginia, which means that they need to provide more revenue for schools, for roads, for social services, etc.

Mr. Price said that there are a group of citizens who are saying that he must be out of his mind talking about raising taxes. He does not think that raising taxes is the answer. Eventually we may have to go there.

Mr. Koleszar said that raising taxes and spending more on local government is very stimulative to the economy. Cutting back or lowering taxes is the opposite. Mr. Price said that it only works if you are in a growing economy.

Dr. Hairston clarified that he stated that the quality of services would not be the same with the cuts occurring in Community Engagement. Dr. Moran said that she thinks he is trying to say that we know we are losing the positions and it is going to be tough to get the work done.

Roll was called, and the motion passed by the following recorded votes:

AYES: Mr. Wheeler; Mrs. McKeel; Mr. Price; and Mr. Stokes.
NAYS: Mr. Koleszar.
ABSENT: Mrs. Mouly and Mrs. Moynihan.

Motion carried by a 4:1:2 vote.

Administrator Searches: Dr. Moran said that staff is coming to closure with the application process for the Western Albemarle High School principalship, Assistant Superintendent for Student Learning, and the secondary education director. She noted that the advertisement in *Education Week* has been provided to the Board.

Virginia Retirement System: Dr. Moran noted that there is a communication that the General Assembly is considering a VRS buyout plan as another measure to help school divisions reduce overhead for compensation.

World at Work: Dr. Moran stated that World-at-Work is still projecting a 3% increase based on private sector and government data. Mrs. McKeel asked for clarification of the 3% since the federal government is at 5%. Ms. Gerome said that the group that responded is smaller than the survey that is done in the spring and did not differentiate in terms of the southern region.

Budget Items: Mr. Wheeler stated that he will work with staff to draft the funding request transmittal letter that will be submitted to the Board of Supervisors. If Board members feel that there has to be adjustments made to the budget book, they need to volunteer. Dr. Moran said that adjustments will be made on items already discussed. Mr. Wheeler suggested that the changes be made and wait until next year to do anything more substantial.

Agenda Item No. 4. Other Business by Board Members/Superintendent.

Mr. Stokes suggested following up with the Monticello High School and Walton Middle School transportation item offered as a potential reduction in the Funding Request. Dr. Benson said that he is following up with Mr. Haun and will provide additional information to the Board.

Dr. Moran noted that an issue that emerged at the public hearing was parents wanting more information on the Instructional Coaching Model and said that Ms. Debbie Collins attended the Parent Council to discuss the topic. She provided Parent Council members information on the coaching model to share through their networking systems across the division.

Mr. Wheeler stated that the Board has an opportunity to appear on WINA February 19th and asked for a Board member to volunteer. Mrs. McKeel volunteered to appear on the show.

Agenda Item No. 14. Adjournment.

At 8:02 p.m., Mr. Price offered a **motion** to adjourn the meeting of the Albemarle County School Board. Mr. Koleszar **seconded** the motion, **and the motion passed with Mrs. Mouly and Mrs. Moynihan absent.**

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Chairman

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Clerk