A Special Meeting of the Albemarle County School Board was held on May 7, 2012 at 6:30 p.m., Room 241, Albemarle County Office Building, 401 McIntire Road, Charlottesville, Virginia 22902.

PRESENT: Mr. Jason Buyaki; Mrs. Pamela Moynihan; Mr. Stephen Koleszar; Mrs. Barbara Massie Mouly; Mrs. Diantha McKeel; Mr. Eric Strucko; and Mr. Ned Gallaway.

ABSENT: None.

STAFF PRESENT: Dr. Billy Haun, Assistant Superintendent for Student Learning; Dr. Matt Haas, Executive Director; Mr. Josh Davis, Chief Operating Officer; Mr. Vince Scheivert, Chief Information Officer; Ms. Lorna Gerome, Director of Human Resources; Mr. Chris Brown, Senior Assistant County Attorney; and Mrs. Jennifer Johnston, Clerk.

Agenda Item No. 1.1. Call to Order

At 6:30 p.m., Mr. Koleszar called the meeting to order.

Pledge of Allegiance.
Moment of Silence.

Agenda Item. No. 2.1. Approval of Agenda.

Mrs. McKeel offered a **motion** to approve the agenda. Mrs. Mouly **seconded** the motion, **and the motion passed.**

Agenda Items No. 3.1. VRS Implementation

Mr. Davis and Ms. Gerome provided the Board with an overview of the VRS reform information and options available for the division. The presentation included information on VRS reform legislation, VRS implementation recommendations, information on a 1% phase-in and a 5% phase-in, the VRS impact of a one percent phase-in versus a 5% phase-in, the VRS impact on Albemarle County, the cost to Albemarle County, and funding options for implementation.

Board members noted or asked the following: 1) how the employee contribution impacts pay for employees, 2) clarification on the overall change for employee and employer, 3) does increasing by 5% actually make the salary increase a 6% increase, 4) the one percent increase was meant to increase the pay of the employee and the 5% increase would help minimize the impact on the employee’s pay, and 5) will any employee see a reduction in take home pay.

Mrs. McKeel offered a **motion** for the School Board to adopt a 5% full implementation in addition to the 1% joint-board approved salary increase. Mr. Strucko **seconded** the motion. Mr. Koleszar asked for discussion. Mr. Gallaway said that his issue with the recommendation is not address the safe pay or make whole option. We are in this position because the State did not fund something that they said that they were going to fund. The one percent salary increase intent was to increase people’s take home pay. To now use it as a hold harmless piece seems to go against the Board’s intention. He would have liked to have seen the Board have more discussion around how to hold employees harmless. He is not in favor of the staff recommendation. Mr. Koleszar reiterated the cost of the change that Mr. Gallaway is suggesting. Mr. Buyaki said it is a short term decrease for a long-term gain. Mr. Strucko asked where the funds would come from to cover the cost. Mr. Gallaway said that there are a number of areas that he would consider to fund to proposal. Mr. Strucko said that if the Board can afford it then he would support it. Mr. Koleszar said that the compensation strategy is market based. Mrs. Moynihan said that she does not think we expected to adopt a full 5% raise to address the VRS implementation. In the long run the employees will get the money back in their retirement. She supports implementing the full 5% and the 1% increase. Mrs. Mouly said that there is a tradeoff and the employees will see the money in the long run. **Roll was called, and the motion passed by the following recorded votes:**

AYES: Mrs. Moynihan, Mr. Buyaki, Mr. Strucko, Mr. Koleszar, Mrs. McKeel, and Mrs. Mouly.
NAYS: Mr. Gallaway

The motion carried by a 6:1 vote.

Agenda Item No. 2.2. CIP Fund Balance.

Mr. Davis provided a presentation on the CIP and School Division Fund Balance. The presentation covered the following topics: 1) assumptions about the CIP and the school division fund balance, 2) contributions to the CIP, 3) a proposed formula for contributing fund balance to the CIP, 4) the school division fund balance history, and 5) examples of potential contributions to the CIP using the formula on the fund balance from the last several years.

Board members asked or noted the following: 1) what are the potential advantages of adding fund balance to the CIP, 2) when would the formula be applied, 3) has there been discussion between fiscal services staff and local government budget staff regarding this idea, and 4) is there an "escape" clause in the formula/policy.

There was Board consensus for staff to develop a policy around the proposed formula.

Agenda Item No. 2.3. Budget Discussion. 8:03:03

Mr. Davis provided a presentation on the budget. The presentation included 1) current funding gap, 2) considerations for reduction, 3) fund balance information, and 4) staff recommendations to address the current funding gap.

Board members noted or asked: 1) if we were to keep 2% of the budget in fund balance, what is the amount to be in fund balance; 2) is there consensus to deduct the Tier II initiatives and leave the Tier I initiatives in the budget; 3) the need for additional information on the administrative assistant at Murray High School; 4) the need for additional information on the staffing standard initiative; and 5) what does the RTI funding cover.

Mrs. McKeel offered a **motion** to fund the 5% VRS implementation out of fund balance. Mr. Buyaki **seconded** the motion, **and the motion passed.**

There was Board consensus to reduce the budget by the Tier II initiatives.

Agenda Item No. 3.1. Other Business by Board Members/Superintendent. None.

Agenda Item No. 3.2. Closed Meeting.

At 8:30 p.m., Mrs. McKeel offered a **motion** that the School Board go into a closed meeting as authorized by the Virginia Freedom of Information Act, section 2.2-3711(A) of the Code of Virginia under subsection 1 for the following purposes: 1. To discuss the appointment of a specific person as Principal of Monticello High School; and 2. To receive an update on the hiring of an H.R. Assistant Director for Education Quality. Mr. Buyaki **seconded** the motion, **and the motion passed.**

Agenda Item No. 3.3. Certify Closed Meeting.

At 8:40 p.m., Mr. Buyaki offered a **motion** that the Board certify by recorded vote that to the best of each Board member's knowledge, only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the motion authorizing the Closed Meeting were heard, discussed or considered in the Closed Meeting. Mrs. McKeel **seconded** the motion. **Roll was called, and the motion passed by the following recorded votes:**

AYES: Mrs. Moynihan, Mrs. Mouly, Mr. Buyaki, Mr. Gallaway, Mrs. McKeel, Mr. Strucko, and Mr. Koleszar.

NAYS: None.

Motion carried by a 7:0 vote.

Mrs. McKeel offered a **motion** to appoint Jesse Turner as the Principal of Monticello High School. Mr. Strucko **seconded** the motion, and the motion passed.

Agenda Item No. 4.1. Adjournment.

At 8:41 p.m., hearing no objections, Mr. Koleszar adjourned the meeting of the Albemarle County School Board.

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Chairman

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Clerk