

**Lynchburg City School Board
Regular Meeting
July 19, 2013**

**BOARD
MEMBERS
PRESENT:**

Regina T. Dolan-Sewell, Chairman
Trenay L. Tweedy, Vice Chairman
Mary Ann Hoss
Michael T. Nilles
Jennifer R. Poore
Katie K. Snyder
J. Marie Waller
Thomas H. Webb
Charles B. White

**BOARD
MEMBERS
ABSENT:**

None

**ADMINISTRATION
PRESENT:**

Scott S. Brabrand, Superintendent
William A. Coleman, Jr., Assistant Superintendent of Curriculum and Instruction
Ben W. Copeland, Assistant Superintendent of Operations and Administration
Anthony E. Beckles, Sr., Chief Financial Officer
April M. Bruce, Director of Testing, Gifted, and Guidance
Steven L. Gatzke, Director of Facilities
Marie F. Gee, Director of Personnel
Gloria C. Preston, Director of Student Services
Michael K. Rudder, Director of School Improvement
Wyllys D. VanDerwerker, Director of Special Education
Wendie L. Sullivan, Clerk/Recording Secretary

**MEDIA
PRESENT:**

Jessie Pounds, *The News & Advance*

**Agenda
Items:**

- A. Call to Order
- B-1. Finance Report
- C. Consent Agenda
- D-1. Capital Improvement Plan: Heritage High School
- E-1. Virginia Retirement System: Resolution
- F. Board Comments
- G. Adjournment

The Lynchburg City School Board met for its regular meeting at 8:05 a.m. in SCH231 Faculty Conference Room in the Elliot and Rosel Schewel Lecture Hall at Lynchburg College. Dr. Dolan-Sewell called the meeting to order.

Upon MOTION by Mr. Webb, SECONDED by Ms. Waller, the school board added an addendum to the personnel report and added item F. Board Comments to its meeting agenda.

Yes Votes: Dr. Dolan-Sewell, Mrs. Tweedy, Mr. Hoss, Dr. Nilles Ms. Poore, Ms. Snyder, Ms. Waller, Mr. Webb, Mr. White

No Votes: None

Abstentions: None

B-1. Finance Report

The school administration, in accordance with the 2012-13 school operating budget, authorized, approved, and processed the necessary payments through June 30, 2013 (unaudited). The school administration certifies that the amounts approved are within budgetary limits and revenue.

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The operating fund expenditure report summarized the payments made through June 30, 2013, for the operating fund.

Total Operating Fund Budget \$ 82,002,953.95

Through June 30, 2013

Actual Revenue Received	\$ 81,153,971.13
Actual Expenditures	\$ 81,635,747.54
Actual Encumbered	\$ 177,043.87

Percent of Budget Received	98.96%
Percent of Budget Used, excluding encumbrances	99.77%

As of 6/30/13 – 12 months	100.00%
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The revenue and expenditure reports detailed the transactions recorded through June 30, 2013. All reports appeared as attachments to the agenda report.

Please note these are preliminary numbers only and do not reflect final year-end amounts. At this time, total revenue is not reflected. The expenditure total is not finalized at this time as there are pending adjustments to be entered, such as the June purchasing card expenses, the adjustment to the health insurance expense (projected to be a decrease), adjusting for prepaid expenses, the recording of transactions between the city and schools and year-end accruals.

(SEE SCHOOL BOARD DOCUMENT FILE, MEETING OF JULY 19, 2013, EXHIBIT "A," FOR A COPY OF THE FINANCE REPORT.)

C. Consent Agenda

Dr. Dolan-Sewell noted a change in the title for the school board meeting minutes for July 2, 2013, from Regular Meeting to Annual Reorganizational Meeting.

Upon MOTION by Mr. Webb, SECONDED by Ms. Waller, the school board approved the school board meeting minutes for July 2, 2013 (Annual Reorganizational Meeting) and the personnel report and addendum for the period July 2 – 19, 2013.

Yes Votes: Dr. Dolan-Sewell, Mrs. Tweedy, Mr. Hoss, Dr. Nilles Ms. Poore, Ms. Snyder, Ms. Waller, Mr. Webb, Mr. White

No Votes: None

Abstentions: None

(SEE SCHOOL BOARD DOCUMENT FILE, MEETING OF JULY 19, 2013, EXHIBIT "B," FOR A COPY OF THE CONSENT AGENDA ITEMS.)

D-1. Capital Improvement Plan: Heritage High School

Lynchburg City Schools received a total of nine proposals to a Request for Proposals for cost estimating and value engineering for the Heritage High School capital improvement project. The firms were scored using the published evaluation criteria. The top two firms for this project were Downey & Scott, LLC and Skanska, and both were invited to make a presentation to the selection committee.

The school administration recommends Downey & Scott, LLC as the most qualified firm.

The contract stipulates that the cost estimating will take 482 hours, and the value engineering will take 246 hours all at a cost not to exceed \$78, 000. Mr. Copeland noted that due to the timing of the project, the school administration asks that the school board approve this contract at this time.

Upon MOTION by Ms. Hoss, SECONDED by Mr. Webb, the school board approved a contract with Downey & Scott, LLC and authorized the superintendent to sign that contract.

Yes Votes: Dr. Dolan-Sewell, Mrs. Tweedy, Mr. Hoss, Dr. Nilles Ms. Poore, Ms. Snyder, Ms. Waller, Mr. Webb, Mr. White

No Votes: None

Abstentions: None

E-1. Virginia Retirement System Hybrid Plan and Virginia Local Disability Program

Recent legislation created the Virginia Local Disability Program (VLDP), a disability benefit for political subdivision and school division employees who will be covered under the VRS Hybrid Retirement Plan effective January 1, 2014. The Hybrid Retirement Plan will apply to most new employees hired on or after January 1, 2014, and current employees who opt to switch to the Hybrid Retirement Plan.

Coverage for employees is automatic under VLDP unless your governing body elects to opt out by September 1, 2013, and provides a comparable employer-paid program. The comparable program does not require long-term care coverage even though this coverage is included in VLDP. The decision to participate or opt out is irrevocable.

Ms. Margaret Schmitt, director of human services for the City of Lynchburg, provided additional information to school board members during this presentation. She explained that the new VRS Hybrid Pension Plan has a defined benefit component and a defined contribution component. Employees hired on or after January 1, 2014, will be under this plan unless they are a deferred VRS member. Plan 1 and Plan 2 members may opt in to this program between January 1 and April 30, 2014. VRS will set one contribution rate each biennium for the city that blends costs of Plan 1, Plan 2, and the Hybrid Plan.

The defined benefit component uses Plan 2 rules except for multiplier and contribution which are the average final compensation based on the high 60 consecutive months of salary and unreduced retirement based on service and age equal to 90. There is a one percent multiplier, and employees must contribute four percent. The benefit is based on market gains and managed by ICMA-RC. Employees may contribute an additional four percent, and LCS will match the employee contribution according to formula.

For the VLDP, localities must choose the VRS program or implement a comparable program. Localities are not required to include a long-term care benefit. This program, which mirrors the state's sickness and disability program, replaces the VRS disability retirement benefit with short and long-term disability. This program will cover employees for work-related disability from the first day of employment and non-work related disability after one year. This program is managed by UNUM.

The school division will manage three retirement programs and will manage two different VRS rates if the school board decides to opt in to the VRS disability program. It is expected that the rates will be more volatile due to the flexibility allowed in the defined contribution component.

The school board must decide to opt in or out of the disability program by August 31, 2013. The decision that is made will be final. The city and schools staff have been seeking options to the VRS program and hope to make a joint decision.

This item will be considered for action at the August 6, 2013, school board meeting.

(SEE SCHOOL BOARD DOCUMENT FILE, MEETING OF JULY 19, 2013, EXHIBIT "C," FOR A COPY OF THE RESOLUTION OF IRREVOCABLE ELECTION NOT TO PARTICIPATE IN VIRGINIA LOCAL DISABILITY PROGRAM.)

F. Board Comments

Ms. Hoss announced that there are seven Lynchburg City Schools students who will attend the XLR8 Regional Governor's STEM Academy. The Academy will conduct a ribbon cutting ceremony on August 12, 2013, at 10:00 a.m. at the AREVA Technical Building at Central Virginia Community College.

Dr. Nilles stated that he had met with the city attorney for his orientation, and that the retreat had provided him with a good introduction to being on the school board and the inner workings of the school division.

G. Adjournment

The meeting adjourned at 9:08 a.m.

Regina T. Dolan-Sewell, Chairman

Wendie L. Sullivan, Clerk

(SCHOOL BOARD DOCUMENT FILES ARE LOCATED IN THE DEPARTMENT FOR FINANCE AT THE SCHOOL ADMINISTRATION BUILDING.)