BOARD OF SUPERVISORS
STAFFORD, VIRGINIA
MINUTES
JOINT BOARD OF SUPERVISORS AND SCHOOL BOARD BUDGET WORK SESSION
FEBRUARY 23, 2022

CALL TO ORDER – A work session of the Stafford County Board of Supervisors was called to order by Crystal Vanuch, Chairman, at 5:00 p.m. on Wednesday, February 23, 2022, in Meeting Room ABC, George L. Gordon, Jr. Government Center, 1300 Courthouse Road, Stafford VA.

ROLL CALL – The following members were present: Crystal Vanuch, Chairman; Pamela Yeung, Vice Chairman; Tinesha Allen; Meg Bohmke; Thomas C. Coen; Darrell English; Monica Gary.

SCHOOL BOARD MEMBERS – Patricia Healy, Chairman; Susan Randall, Vice Chairman; Maya Guy (Arrived at 5:12 p.m.); Alyssa Halstead; Patricia Healy; Maureen Siegmund; Dr. Elizabeth Warner.

SCHOOL REPRESENTATIVES – Dr. Thomas Taylor, Superintendent; Dr. Stanley Jones, Associate Superintendent of Instruction; Chris Fulmer, Assistant Superintendent of Finance and Administration; John Anderson, Executive Director of Facilities and Maintenance; Lionel White, Director of Facilities Planning and GIS; Jeffery Jeter, Director of Fleet Services.

Also in attendance were Frederick J. Presley, County Administrator; Rysheda McClendon, County Attorney; Julia Homes, Cheryl Giles, Deputy Clerk; Assistant Deputy Clerk; various staff members; and other interested parties.

1. UPDATE ON THE JOINT REQUEST FOR PROPOSAL (RFP) ON HEALTH INSURANCE FOR COUNTY AND SCHOOLS' EMPLOYEES.

Director of Human Resources Shannon Wagner stated that they were convening to discuss the RFP for both County and school employees, an item that is considered to be new business and information to hear the results of the process. She said they would then go back to the individual boards for the opportunity to officially award the contract. Ms. Wagner said that Brian Glaser with Aon was the consultant who helped the County through this process, and he would present the summary of the RFP process and the final results.

Mr. Brian Glaser said that Aon was selected to advise local government and schools in this RFP process for all lines of business: medical, vision, EAP, stop loss, dental, and prescription drug. He said that they worked in tandem with the procurement departments for both organizations to put out an RFP based on their standard processes for public entities, and he referenced a slide showing the bidders for each aspect of the RFP, which were separated out for bid in consult with the HR departments. He noted that this is a joint decision for schools and local government, and they looked at how these would affect both sets of employees, and plan designs reflect the appropriateness of the services proposed.

Mr. Glaser presented information on the current plans: Premium PPO, Core PPO, and HDHP with HSA. He stated that these were not necessarily the plan designs they had to use for the next plan year, but they were the ones issued for the RFP process so that bidders would understand programs, the services they would have to do, and to price them accordingly. He noted that Blue Cross Blue Shield was the current provider of all services.

Mr. Glaser said that in consult with HR departments, they focused on several key areas, and the scoring of the RFP ensured that they prioritize those areas. He stated that the tools and resources available to employees focus especially on wellness and mental health, and they wanted to find programs that could help provide the best quality of care for members. He said that costs weren't just about getting the lowest cost at a provider's office or hospital—it's ensuring that all employees have the best-quality care so they won't have to get ongoing care if possible. He added that another factor is access to network providers so that employees have the ability to stay in network and have those discounts available.

Mr. Glaser stated that clinical management programs are important, and they wanted to make sure that people who are emerging into a health condition, have a condition, or are high-cost claimants have programs that are available to them to manage their conditions and prevent further episodes of care. He stated that they wanted in the RFP to make sure they have long-term cost improvements, plus three potential option years, to get the best possible price in the marketplace and the appropriate administrative services for their plans.

Mr. Glaser stated that the selection committee has recommended that Anthem Blue Cross Blue Shield remain administrator of all three programs—and that was through extensive negotiation from multiple offers and making sure they got the best deal on concessions. He presented a comparison of costs between the current and next plan years, noting the potential for minimal to negative cost increases with this plan through the RFP process getting better prices over the long term. He noted that there is also a line item for medical that reflects additional savings through a program called "Prudent Rx," through the Anthem pharmacy benefit with IngenioRx, an optional program to take advantage of copay assistance cards.

Mr. Glaser reported that there are no needed changes to any of the plan designs, and the structures of deductibles and copayments can stay the same with no cost increases to employees for next year. He said they also looked at ensuring that the long-term administrative costs were maintained, and they were able to leverage concessions on admin fees and a guarantee on discount savings on the medical programs, with $200K at risk (performance guarantees) from Anthem if they don't meet the discounts and providers.

Mr. Glaser stated that they also negotiated through this process, in concert with the HR departments, additional programs for no extra costs. He said that with prescription drugs, significant discounts and rebate guarantees were taken into account through the negotiation process—with a three-year pricing guarantee on prescription drugs and significantly more rebates coming from pharmaceutical manufacturers through the contract period. He stated that they also worked with Anthem to secure guaranteed administrative dental fee rates for six years.

Mr. Glaser stated that Anthem has provided at no additional cost through this process a program called Total Health-Total You, an integrated advocacy and predictive analytics program to help identify members who have an emerging or existing health condition and get them connected to different resources and provides. He noted that the program also offers additional advocacy for employees who call into Anthem—such as proactive communications from call representatives to help set up appointments for members or encourage participation in preventive programs for conditions such as prediabetes.

Mr. Glaser described Prudent Rx as an optional program with no additional charge that offers potential savings for employees and members who are on high-cost specialty drugs. He explained that pharmaceutical manufacturers provide copay assistance to people on those drugs, and the program means the member can pay nothing for the drug, with the plan paying the remainder. He stated that the copay assistance from manufacturers can provide much more assistance than the plan can take advantage of, and Prudent Rx works within the plan to maximize that assistance—so the coinsurance will increase to 30%, but the member will still pay zero under that program. He noted that the program is being considered at this point and is not in place yet.

Mr. Glaser mentioned that there are dental enhancements with Anthem for the upcoming year; Whole Health Connection takes into account all claims information and data from medical and pharmacy to identify additional needs for members, and tele-dentistry to provide advocacy and informational services for dental issues, such as an "Ask a Hygienist" email platform.

Mr. English asked how many employees are in the program now.

Mr. Glaser responded that there is a total of about 4,000 eligible in both schools and local government. He explained that the programs are self-insured, so the government and school systems pay just the claims that are actually paid, outside of the vision program that is fully insured, for those coverages. He said that if enrollment goes down and subsequently claims go down, the

County's costs go down commensurate with that decline. He noted that the fees they have negotiated through the RFP process will stay the same.

Mr. English said that his understanding is there would not be a check giving the County money back if there is an underestimation.

Mr. Glaser confirmed that is the case, because the County is paying the claims directly—but it could be underbudgeted for what is budgeted.

Dr. Warner asked if the additional pharmacy benefits plan would make any substations for medications.

Mr. Glaser responded that they would be just as prescribed because the program is for certain high-cost specialty medications—not for all drugs.

Ms. Yeung asked if they made any provisions for how care is being administered since COVID, such as telehealth (which is less expensive), as well as the mental health services costs.

Mr. Glaser responded that virtual care has been in place and would continue to be available through Anthem's program, utilized for basic telehealth-eligible conditions; Anthem is working to expand that, as are providers on a doctor and hospital basis. He stated that those dynamics were all factored in to ensure the right program for the County. He said that for mental and behavioral health, that was specifically designated through access to care and providers and ensuring there was proper access; Anthem is moving on mental health care and should have it available in the near future.

Ms. Allen asked how robust the options were for mental health, because a lot of providers don't fall within those networks, and she asked if Anthem were going to accommodate that by trying to include more.

Mr. Glaser replied that it's an issue across the board, and Aon is working with Anthem and all major carriers to push that issue—the problem is that there aren't enough providers opening up to the marketplace to meet the demand. He said that they tried in this analysis to pursue something better than market, and they do feel that Anthem is offering that, but they also feel that virtual mental health care and other programs would enhance the options, although that's not solved within this RFP.

Ms. Gary asked if Anthem provided gap coverage if there are providers that members are already seeing.

Mr. Glaser said that anything currently offered through Anthem is in place or enhanced, and he would describe what she's asking as transition of care.

Ms. Gary clarified that she was referring to out-of-network provisions or "gaps" that cover someone for a time if they are seeing a specialist who's not in the network, and if they have the ability to apply to see those providers.

Mr. Glaser stated that this would apply with Anthem.

Ms. Vanuch asked if they had run an analysis of prescription drugs currently being utilized by those enrolled in the plan, in terms of formulary and tier status on the new plan.

Mr. Glaser responded that they did, and Anthem's formulary is staying the same; they did a tiered structure and provided a detailed analysis in what they provided to HR that goes through tier structure—and all those drugs move up or down a tier based on the second offer provided in their bids.

Ms. Vanuch asked what the outcome was and what people might expect in difference, because a Tier 2 to a Tier 5 can be a huge difference, and she wondered what the limitations were on those out-of-pocket costs or if it moves into coinsurance.

Mr. Glaser said that the great news with selecting Anthem is that no one will be moving tiers through this process, so the formulary stays the same through the next plan year, and any changes will just be their normal ones in the course of business—not because of the new contract.

Ms. Vanuch stated that anything over $1,500 is classified as a specialty tier drug and would be subject to a 30% out-of-pocket coinsurance, but he also touted some copay assistance programs for pharmaceutical manufacturers. She also asked what the criteria was to enroll, as a lot of them have income restrictions or insurance caps and would not allow participation.

Mr. Glaser explained that anyone in those specialty drugs where the coinsurances go to 30% and cannot get copy assistance would still have a zero cost through Prudent Rx.

Ms. Vanuch said that this is a huge benefit that not another localities or companies have.

Mr. Glaser stated that anyone enrolled in Prudent Rx and has the coinsurance increase to 30%, if they cannot get copay assistance, Prudent Rx has a member cost-share of zero dollars. He reiterated that there would be no impact to the member, only to the plan.

Ms. Vanuch provided a hypothetical situation of someone with cancer who had chemotherapy and medications and had bills of hundreds of thousands of dollars and asked if they would pay zero dollars if they were in the specialty tier.

Mr. Glaser explained that it's not all drugs in the specialty tier—it's select drugs that Prudent Rx has identified having copay assistance programs available to them, so it is very specified. He said that the specialty drug cost-share doesn't change for every specialty drug, only for very specific drugs that are covered in the program.

Ms. Vanuch asked what the classes of those drugs were.

Mr. Glaser responded that he did not know.

Ms. Vanuch said that would be really nice to know, especially for conditions like diabetes and the most common insulin, which is Humalog. She noted that she's heard that some people on previous plans have paid $40K a year in out-of-pocket costs for insulin.

Mr. Glaser stated that he can get that listing through Anthem and Prudent Rx.

Ms. Vanuch asked when they needed a decision from the County.

Mr. English said that the RFP shows five proposals for dental, two for pharmacy, but only one for medical; he commented that it was hard to believe no one else bid on the medical.

Mr. Glaser responded that they did not get any other proposals for medical.

Ms. Vanuch pointed out that the Board last year gave really specific guidance on the goal of minimizing out-of-pocket costs for employees, and they wanted to not have to rely on specialty coinsurances and high out-of-pocket costs on commonly used drugs. She said that she was very happy that they found offerors within those parameters.

Mr. English asked if there were a rider to get onto the Prudent Rx program for other drugs.

Mr. Glaser responded that the drugs would be by class and not individual medicines, but if someone were taking a specialty drug not on the list, they would have a separate copay that doesn't change the 30%, and they would stay on that program. He noted that they would not have the ability to just add a drug to the program.

2. SCHOOL BOARD AND SUPERINTENDENT PRESENTATION

Superintendent Thomas Taylor addressed the boards, stating that it is an honor to be the new superintendent and to be presenting the FY23 school budget request. Dr. Taylor spoke about the meeting being opportunity for the Board to get to know him better.

Dr. Taylor stated that students are the lifeblood of the community and become its residents, taxpayers, and economic drivers locally and beyond—but what happens when there is a crisis? He said that the Board has a lot of things to weigh in terms of requests that come before them, but he would ask that they consider the harvest when they do the planting, not the reaping, and think about the actions when they want to grow great adults they want to have as next-door neighbors. He stated that this was one of their goals, and he would say that a performance measurement is to graduate children in 13 years, K-12, and make sure that all graduates are either enrolled, employed, or enlisted. He also said that he wants to make sure the kids grow up to be the kinds of adults that help their neighbors and communities and are essentially good people; it is important to him that they live in a community that supports that.

Dr. Taylor said that to that end, he would want to make sure that should he ever find himself in a catastrophic event or terrible situation that when someone comes to help him, he could ask if the responder graduated from Brooke Point or Stafford from the EMT program. He emphasized that they have well-trained students who are ready for the workforce and ready for enrollment, and ready to be enlisted. He said that he hoped that was the hallmark of the school system and what they bring to the table, and that they add value to the community in a meaningful way.

Dr. Taylor said that he brought a theme forward in his budget proposal, which is now part of the School Board's budget proposal, and that is to bring the Board of Supervisors responsible solutions—not wild and crazy ideas with lots of huge numbers that don't make a lot of sense, but things that are reigned in and focused on the things that matter and are really important. He stated that the schools are facing several challenges that he would touch on, one of which was recruiting and retaining great people, managing growth, and getting children to and from school on time.

Dr. Taylor reported that there is a list in their packets and materials that reflects a list of things they should be proud of. He said that they serve over 30,000 students in Stafford County Public Schools and offer a wide variety of services, but they also serve over two million meals and drive over 1.5 million miles per year. He stated that he never thought he would be running the county's largest restaurant chain, and the food is much better than when he was going through school. He stated that the schools are also one of the County's largest employers, with 4,200 faculty and staff, and more than that when counting contract staff. He said that Stafford has one of the highest on-time graduation rates in the state, which he thinks could be even better; they have student groups that have excelled in a number of fields that were deep and wide. He commented that something important in their business was lighting the fire that became someone's passion and eventually inspires them to be great adults.

Dr. Taylor stated that he is reticent to stand before them and highlight some of the not-so-great parts, but he would start with performance. He said that he is not a huge fan of SOL testing, but every realtor is—and even though it's just one snapshot, it tends to be a pretty important one. He said that in comparing performance with other localities, Arlington is the closest in size in the state and in performance; they have a high-performing, medium-size school district just like Stafford County. He explained that Stafford was performing pretty well and getting a good return on investment pre-pandemic, but the five preceding years there had been a slow drop in performance. He said that a one-point drop is no big deal in a year, but losing a point every year for five years and no one's paying attention, that's a big deal. He added that they were no longer leading in literacy performance, they were following.

Dr. Taylor stated that in the pandemic, Stafford's performance tanked—and so did everyone else's—but the challenge, and what concerns him greatly, is that Stafford went from being at the top to being at the bottom. He noted that this means their relative performance went down, not just their actual performance, and this is a very serious problem.

Ms. Bohmke commented that she tries not to compare anyone to Arlington, because they pay more per pupil than any other locality in the state by a huge amount, and their tax base is very different. She said that setting that issue aside, she wondered how many school divisions were open during that time and if there is a comparison there.

Dr. Taylor responded that they did, and each had a spotty open rate just like Stafford did, and Arlington was closed for the majority of the time; but each opened at a different time, with different expectations. He said the only outlier was the city of Fredericksburg, which was a very different school district than the other comparative localities, and he did not like the fact they were crowded at the bottom versus being isolated at the top. He added that this creates both urgency and opportunity. He commented that he would never recommend an Arlington per-pupil expenditure because he didn't feel they spent their money very well, and it was almost as though they had so much money they didn't know what to do with it all.

Ms. Vanuch asked if the capital improvement that they put into the schools was calculated into the per-pupil expenditure.

Dr. Taylor responded that this was an apples-to-apples comparison just because school districts do this differently, and he wanted to make sure they had an appropriate comparison. He said that what was more important to him was how they spent their money, not their top-line revenue. He added that the comparison has some issues such as a correlation in terms of performance norms, but that's not the end of the day. He said that he would make the argument that Arlington doesn't get a great return on investment, and what they expend versus what they get is not particularly strong, so what Stafford is challenged with is where the sweet spot is and how they leverage resources to get the best bang for their buck.

Dr. Taylor stated that if they were funded at the same per-pupil level as Spotsylvania, they would have $20 million more in the bank; Prince William would be $45 million; Fauquier would be close to $82 million; and Arlington would be $300 million. He emphasized that there is a middle ground of where they should be focused and targeted for top-line revenue that makes more sense. He also pointed out that Stafford is exceptional in that the County is growing and people want to be here, and they are expecting about 600 new students to join them in the coming year—and they show up in various places throughout the County, which is both an advantage and disadvantage.

Dr. Taylor said that he would now talk about school priorities, noting that this community has high expectations and they want and expect a great school system. He stated that teacher quality matters, and any parent will say with strong confidence is that they want to have a great teacher in the classroom—and research bears that the school will improve with a great teacher in the classroom, which was also the case if you have great leadership in the principal's office.

Dr. Taylor stated that first-year teachers make about $48,000 a year and about $61,000 after 20 years. He reported that another challenge is that there is a huge attrition problem with licensed staff; the target is about 10%. He said that of the people leaving, about 16% of them are retiring. He presented turnover percentages for licensed staff, noting that it was 18.2% in 2021 and stating that the number one reason that people leave (by a margin of 8 to 2) is pay. He said the number two reason is workload, and the pandemic didn't help with that, and it's a complex time to be a teacher. He stated that the third reason is that they don't like their bosses/supervisors.

Dr. Taylor said that they are also challenged in finding adequate substitute teachers to cover classrooms, and Stafford schools have done some creative things to address this. He stated that pre-pandemic, they had a substitute fill rate of 93%, but they are down to 83% now—which means that 30-40 classrooms go uncovered every day, which the principal must figure out. He noted that this averages out to one classroom in every school in the district going uncovered every day, so another position has to take on that responsibility and fill that void. He said that the highest absence day has been Fridays, so they created a premium pay system for that day, and this has increased their substitute fill rate in the short time they have been doing it (two Fridays).

Dr. Taylor said that support for support staff would continue to be an ongoing dialogue, and they didn't put a lot into this budget because they wanted to focus on supporting licensed-scale positions better this year, then focus on the other group next year in greater detail. He noted that they can't get everything at one time and wouldn't ask for everything at once.

Dr. Taylor said that 70% of school staff are residents of Stafford County, so they are committed to the community and are taxpayers and constituents, and this rate is higher than that in comparative communities.

Dr. Taylor stated that other priorities include improvements to transportation, aging infrastructure, and issues related to growth.

Dr. Taylor reported that the revenue forecast in the budget adopted last night by the School Board reflected a budget that is reasonable in their view, and they are bringing in about $20.5 million in state basic aid, $3.9 million in state sales tax from local purchases, and $8 million on the County Administrator's budget side. He stated that this frees them up to do a lot, and they strategically focused on a handful of things rather than a laundry list of items. He emphasized that he wanted to home in and focus on those initiatives with the best return on investment.

Dr. Taylor reported that the school spend about 86% on staff and 14% on operations, which is one of the best ratios in the state. He referenced materials in the Board's packets and said the first section was revenue, noting that they would look at the base budget seriously and assess what they've spent in previous years and how to make that a bit tighter. He said that the next information showed non-discretionary funds, and all of these expenditures were about keeping the lights on, but with 600 more kids. He stated that the cost to keep everything level with what was provided this year, but with those additional students, would be $12 million. He noted that this includes healthcare, fuel, fleet services, workman's comp, and replacement of assets.

Dr. Taylor stated that the smallest portion of the budget was discretionary funds, and what they have with funds left over that would put them in a strategic advantage and give them a competitive edge in accomplishing goals. He said that licensed staff compensation was mostly teacher salaries, $20.6; non-licensed compensation was support staff such as bus drivers, principals, support and central office staff, $3.8 million; substitute compensation, $500K; transportation improvements, $683K (15 bus drivers); school-based differentiated funding, which provides supplies to classrooms, $1.35 million; and pay-as-you-go major maintenance (3R) projects, $2 million. He noted that they should be financing major maintenance projects at 2-2.5% of the asset value every year for major maintenance, and that would translate to $15-20 million a year, and that's about what the CIP projects total. He commented that they are currently not financing that, they're taking it out of debt service, so he suggests putting that into the operating fund over time and letting it grow slowly over time.

Dr. Taylor presented a slide on teacher salary scale, which shows the salary structure for Prince William County Public Schools, and he noted that Stafford would never compete with them on price—but perhaps shouldn't, because Prince William caps at 15 years of service. Dr. Taylor said they need to be competitive at the up-to-15 range, because beyond that, you can't break into the system. He commented that Spotsylvania was having teacher challenges at the moment, and now might be a good time to get some highly qualified educators to come to Stafford. He noted that his proposed competitive teacher pay scale took what the County had done for public safety a few years ago and mirrored that but scaled it back a bit; instead of going with 3% for the first half of the scale, they would do that iteratively over the next few years, with perhaps a five-year timeline for accomplishing that. He noted that he was proposing 3% for years 1-5, then a 1.5% slope thereafter, etc. He emphasized that this would put them in a competitive position compared to neighboring localities and would put teachers in a better place by decompressing salary scales.

Dr. Taylor concluded his presentation by stating that it was important that they receive a five-year operating budget from the schools every year, not just a single one-year budget, as that doesn't capture all of the ideas on how to improve. He said that the school system is in desperate need of consisting staffing standards, and they should look at salary improvements in a strategic fashion and not all at one time. He said that the booklets provided to the Board include budget requests from various departments and schools; some are great ideas, some are good ideas, and some are not compelling. He said that in a five-year budget, they might see some appear, but not all will make it in. He stated that the reason they are provided is to imagine what the school system could look like down the road, and to spend some time talking about things that excite them and how they can better serve constituents in a more meaningful way.

Ms. Allen asked if the School Board and administration would be asking for the funding in every budget to address the per-pupil expenditure gap over the last five years, so that gap doesn't widen.

Dr. Taylor said as important as he thinks it is to find the right per-pupil expenditure, he was more interested in the Board getting excited about what they were spending the money on and finding value in that—rather than picking an arbitrary top-line revenue. He said he would like to know what they wanted to spend it on and why and give them a compelling reason and list of needs that would align with the per-pupil expenditure. He commented that they should almost start from where the needs are and build up to that, rather than just saying they needed more money.

Dr. Taylor stated that he has grave concerns about what the staffing is looking like, relative to filling some of those positions and ensuring they can keep the people they have. He noted that about half of school employees have less than five years of experience, and teachers in the past were typically older—but today, the average age of a teacher is 27. He also pointed out that younger teachers tend to have a different classroom management style, and he's not saying that the value of those teachers is any less, but it is a very different experience and value in having a practiced hand, and in having people stay in the industry and with the school system a bit longer, as the impact can be more significant when they figure out how to manage a classroom.

Ms. Allen asked if the salary scale would hedge the cost of living, because once they established that, they would want to make sure that the raises they were asking for had that component.

Dr. Taylor responded that once they get the salary scale in a mutually happy place, the only number they have to tweak from thereon is the starting rate, because everything cascades upward after that. He encouraged narrowing their discussion point to just one number, because having to discuss the starting salary, the distance between each step, the slope of the curve, and other factors that could be negotiating discussion points could distract from the importance of having a system that generates the focal point of having an attractive starting salary.

Ms. Allen asked how they would deal with the great resignation, stating that she was married to a teacher who's been teaching since he was 22. She said that he quit two weeks ago because he had had enough—and in his grade (3rd) at his school alone, five teachers quit between August 2021 and January 2022. She commented that while he said not to be concerned about Prince William, D.C. schools are offering much higher wages, and there is a trickle-down effect whereby all the counties to the north are peeling teachers away. She asked how they would make sure that Stafford County can remain competitive.

Dr. Taylor stated that the advantage in Stafford is that this is a great place to live, work, and learn—and their value proposition is different than Prince William's. He said that Stafford takes its teachers and their work environment very seriously, treat them like professionals, and come up with a system that compensates fairly and has a reasonable projection year over year. He noted that one of the pain points people have been struggling with is that with the salary compression over the last 15 years, at the same time as the housing market bubble and the Affordable Care Act (ACA)—which led to frozen teacher salaries and increased health insurance costs. He said that Stafford County has been leading the way in trying to protect employee take-home pay, but that's not how it was at the onset. He added that they've never quite recovered from that, so now they are challenged with coming up with a system that gives people hope and a logical future they can aspire to, and something visible they can latch onto.

Dr. Taylor emphasized that they are not going to be able to right the ship all in one day, but they are trying to put the blocks in place so they can build on it over time.

Ms. Bohmke thanked Dr. Taylor for being here and said that she hoped he carried out the five-year budget plan, as she said it was phenomenal and mirrored what they'd been doing in local government when Tom Foley was County Administrator. She said that she also liked his analytical approach to the budget and how he views what's going on in the school division. She added that Dr. Chase was not present because she was teaching a class.

Ms. Bohmke said she had questions under "Compensation – Healthcare Increase" at just over $1 million and an annual projected increase of 13.9%, increase in employer share to eliminate impact on employees: What was that before, and do they have a marketing plan to let employees know that when they are comparing compensation, that can be a game-changer.

Mr. Chris Fulmer stated that they built their health benefits budget weeks or months ago, before they had their final results back from Aon, and they lined up fairly closely. He said they had seen increases in the last couple years, even after several years of fairly consistent healthcare expenditures, but they really needed to wait until they'd selected Anthem or were moving in that direction. He noted that Anthem would come up with a new actuarial projection after what Aon presented, and their total expenditures currently include this increase—so there still might be some adjustments to that, although probably not very large.

Ms. Bohmke asked if the school employee would see an increase or decrease.

Mr. Fulmer responded that school employee premiums were staying flat.

Ms. Bohmke said that under "Compensation – Licensed Scale" to move teachers up the scale, under discretionary expenditures, it says, "corrections to the salary scale, ranging between 5% and 19% increases, representing 2,200 employees." She asked what the correction was and how it occurred, as she recalled seeing a sheet that Dr. Chase had shared with her a few years ago, and she would want to see a spreadsheet as to what's mechanically happening to these 2,200 employees.

Dr. Taylor explained that the bottom red line is the current salary structure; the top line is what's proposed; and the distance between zero years of experience and one year of experience on this credited scale is 5%. He said that it's effectively a 2% increase plus a 3% step, and once they get to step five, they change the slope and flatten it back out again to 1.5%. He noted that there was currently no slope in their salary structure, so it's relatively flat and sags in the middle. He stated that the vast majority of employees are in the first chunk, and almost half of teacher employees are between step 0 and step 5, but those who would recognize the most significant percentage increase are around step 14, 15, and 16—which is not a huge number but snaps them back to that line, and the percentage starts to converge a bit and tighten at the top.

Ms. Bohmke asked if they had compressed the time period and what these projections covered.

Dr. Taylor responded that Stafford has circumstances that provide an opportunity to do things differently, and he would look at this as step one of restarting a five-year timeline. He said that one of the challenges is that adding percentages just exacerbates the problem, and one of the issues with previous recommendations to the Board was that they were making the problem worse over time by adding percentages. He stated that when he uses the word "correction," they are literally trying to correct a problem, and this is the most significant bite to take out of that because they are doing the first bump, which has a cascading effect over time. He added that any future changes would have to be smaller corrections to the slope that would be much less significant salary increases over time.

Mr. English asked how long the average teacher stays in the school system.

Dr. Taylor responded that it was about 4.5 to 5 years.

Mr. English asked how long it would take to top out on the new scale.

Dr. Taylor said it would be 35 years.

Mr. English asked how much substitute teachers were paid.

Mr. Fulmer stated that the daily substitute rate has been around $120-130 per day, but they have bumped it up for Fridays, and he thinks that it is about $190.

Mr. English asked if the school had ever had leftover monies at the end of the year, and if so, how much it was.

Dr. Taylor responded that what would be considered responsible in a budget this size should have at least 1/2% up to 3% of the budget in annual savings—everything from salary savings to unfilled positions to small line items.

Mr. Fulmer said that last year, they had a little over 1%.

Mr. English asked if they gave that money back to the County.

Dr. Taylor said that they did.

Ms. Bohmke noted that the County reappropriates it.

Ms. Yeung stated that giving teachers what they deserve is not a problem, it is an honor to meet some of these teachers and staff, who are their neighbors and constituents. She said that in speaking about previous superintendents and the slope scale, he had changed the approach—and she wondered if this was the best way to retain them, as they seem to be staying just to get their experience.

Dr. Taylor said that was a great question, and the right place to start is where they can create a foundation but also incentivize the group that probably needs the most encouragement to stay, which would probably be that first chunk. He stated that they added by making a steeper incline at the very beginning and add to that over time, almost like creating a cohort of employees they were hoping to carry through over time. He said that realistically, they are making everyone far more competitive by this proposed scale, but they were also making the first group that has the propensity to leave way more competitive. He emphasized that they are competing for that first group, and next year he would make the recommendation for the slope to be increased for the next several steps beyond that, so they are tracking this over time and building a foundation—almost identical to public safety.

Ms. Yeung stated that he had said money isn't the only reason for them staying or leaving, as some may be leaving because of politics, and she asked what the strategy was for teacher retention.

Dr. Taylor explained that retention has to do with two major factors—the work environment and compensation—and this takes a giant stab at compensation. He said they are looking to tackle work environment in several different ways, through a more endemic structure to COVID-19, which will help tremendously. He said that alone would yield significant improvement, and making sure teachers have a substitute when they need one is a huge benefit and one of the top complaints teachers have.

Dr. Taylor also explained the term "concurrent teaching," which means when there is a child who is ill or quarantined, or on a voluntary virtual status, they are at home and are learning from their computer and seeing the teacher in class while the teacher is teaching in the classroom. He said this is a tremendous strain on teachers and the work environment, and it needs to be a thing of the past. He emphasized that this would be a huge improvement to the workplace that they can provide, and he hopes they come out of the pandemic a lot smarter and better off than they were before. He noted that a lesson learned would be that concurrent teaching is not something that makes sense and gives a higher return on investment, and this is something that they can easily commit to taking off of teachers' plates. He said that another measure is doubling down on their substitute strategy and making them available so that teachers can take off time and have a qualified person in the room to support them. He added that the pay scale measure previously discussed is another strategy toward retention.

Dr. Taylor stated that with recruitment, Stafford does have some advantages, and in looking to the south, they are making pay-scale improvements—and if Stafford can be competitive with that, they also have more in terms of services to offer. He said that Stafford also offers a very different work environment than just being another number in Fairfax or Loudoun or Prince William, as Stafford is "a home" where people can learn and grow, and where they can commit to fostering teachers as professionals.

Ms. Yeung asked if the plan for virtual and ongoing instruction was going to be a thing of the past, but there would be parents who were looking for it—especially for students who are sick that day but can still get some work done. She said that she hoped things like internet cafés would continue.

Ms. Yeung asked if the $12 million as base included where they were pre-COVID, or if they were looking at that right now.

Dr. Taylor responded that it would be an ongoing expense, such as adding the 600 students and what it would take to keep the schools effectively running and doing the same things they are doing now. He said they would need more fuel, more buses, utility costs, etc.

Ms. Yeung asked if the three tiers included changing the bell time.

Dr. Taylor replied that the School Board is currently contemplating changing the instructional schedule, and going to three tiers would allow for an adequate amount of time in between each bell. He noted that they had 45-minute bus routes that were only given 35 minutes to complete, so they were setting themselves up to not be on time. He said that having an adequate amount of time in between elementary, middle, and high schools does make a significant difference and allows for that turnaround time; if there were longer routes, they would just not follow that to the next tier and would skip a tier and go to the third.

Mr. Coen commented that the daily substitute rate is $120, long-term is $146, and the Friday bonus is $146. He said that they tried to bump the pay up for new teachers, but a lot of veteran teachers like himself said that wouldn't work—and none of those who got the extra pay are in his building anymore. He stated that people who have been here at 15-30 years in the system are getting pay that's well below Prince William, but the newbies can get the bonuses and all leave.

Dr. Taylor said that he wasn't a huge fan of bonuses, but he does feel they should invest and get a return for that investment, and the strength in what he is proposing is that it has a cascading effect down the road.

Mr. Fulmer noted that the revised scale presented is the result of conversation with teachers like Mr. Coen.

Ms. Gary stated that she has seven children and five of them are still in schools, and they have dealt with both transportation and classroom turnover issues—including a daughter who had five different teachers in the same first grade year. She said that last year, she tried to have conversations with School Board members and candidates, and teachers in the community, and something that kept coming up was the inability of teachers to be able to express themselves to their superiors and get things dealt with. She asked if they had considered third-party assessments wherein teachers can express themselves and have those concerns addressed, because they are not feeling heard, and quality of work life is important to retention. She said she thinks this is something worthy of investment to better impact retention, rather than just throwing money at people.

Dr. Taylor stated that it is not a budget ask and is something they are implementing immediately. He said that was an astute observation that reflects one of the reasons employees leave, and when administration and officials visit schools, they don't always get the whole picture. He said they are doing a climate survey that's going to employees and are contemplating having one for secondary students. He noted that they did a transportation survey and bell schedule survey, and they received about 10,000 responses from parents, 2,000 from employees, and 5,000 from students. He commented that the student responses were great and told the schools a lot. He stated that there are also off-ramps for people to make direct conversation that is productive and leads to tangible outcomes.

Ms. Vanuch asked him to email the Board how they developed the per-pupil expenditure, including the equation and any growth numbers they used. She also stated that she broke down the per-pupil expenditure for the additional 600 students, and that came to about $20K each—so she wondered how that figure was developed, versus the $10,373.

Dr. Taylor responded that not all of that was encompassing just the 600 students and some of it was district-wide expenditure; but for 600 students, they are looking at about 60 personnel to cover that—everything from special education to ESOL to general ed to a host of other things. He said that the tough part was when you add kids to more than one location, you don't get to capitalize on any economies of scale because they are scoped out all over the place and may kick over a class size or caseload that triggers a new FTE.

Ms. Vanuch asked if he could also share those details with the Board.

Dr. Taylor responded that some of that would depend largely on when and where the kids actually show up, and something that concerns him is that he is very confused about their staffing standards, as he sees inequities between schools. He said that he owes it to them to do a deeper dive on that before he comes to them with requests.

Ms. Vanuch stated that something else they've heard a lot about is "uniform disciplinary actions," as different schools will discipline students differently, and she asked if he had addressed that with the School Board. She commented that this has been very demoralizing ot bus drivers and to educators.

Dr. Taylor said he had not discussed it with the School Board directly but acknowledged that there was a lot to work on in that space. He stated that he has one-off conversations with School Board members about this topic, and it kind of goes back to what their teacher composition is—with a lot of different skill sets than they've had before in terms of how they utilize data and information and how they differentiate instruction, but not great at classroom management. He stated that this is a huge area needing improvement, and kids need a lot of work after coming off of a year or more of virtual learning. He added that the teacher relationship with parents and having that bridge must be more solid than it has been in recent years, so both students and parents are on the same page with what's going on in the classroom, as well as the associated consequences need to be when something doesn't go according to plan.

Ms. Vanuch stated that he had made the comment earlier about building trust between the boards, and that is one of the most important things he can do: building trust between the parent and student first, then the trust between the boards will happen.

Ms. Bohmke said that she is sure he knows that getting a climate survey with accurate results is having it go back to a consultant—not to an HR online address.

Dr. Taylor agreed.

School Board's Capital Needs

Director of Facilities Planning and GIS Lionel White addressed the Board and introduced Executive Director of Facilities John Anderson, and he said the planning team would present the School Board's capital needs. He said that they would first share background information on enrollment projections, active residential developments, and projected growth.

Mr. White presented a chart showing past, present, and future enrollment; the gray bars show past enrollment growth over the last decade, which has been an increase of over 3,100 students. He said between 2020 and 2021, there was an increase because of the bounce-back from the COVID year, which was a loss of students initially but a gain of 1,000 year over year, so they are back to where the were before. He said that the blue bars show 10-year projections, which suggest growth of 5,800 students over the next decade.

Mr. White stated that a factor in growth besides migration is active residential developments, and as of February 1, 2021, the growth is spread all over the County and isn't concentrated in one area. He said that a key statistic with this is 85 active developments since that date, with 5,700+ vacant lots; the other key statistic is that 93% of those lots are zoned for single family, which gives the highest student yield. He presented a map that showed areas in green that represent enough elementary classroom seats; orange means they need to be cautious; and red means they are crowded. He said that in 5 years and then 10, the red is predominant—meaning they are growing all over the County, both north and south, with needs for more seats.

Ms. Vanuch said that in the past, they had a lot of by-right development in the western parts of the County, then they did downzoning. She asked how they were calculating the growth when they looked 10 years out and whether they were using an average based on previous activity, or if they were looking at where residential subdivisions are in planning and zoning, and where applications were prepared.

Mr. White responded that they are looking at active residential development, so they work closely with the County's GIS department for informative data on how many lots are available and the status of those lots; they also work closely with the permits department to get information on occupancy permits and whether a building permit is issued. He stated that the data they use is a snapshot in time from when the projections were prepared, and if developments come after they did the projections, it would be reflected in the following year's projections. He said they are updating it every year to have the most accurate information possible. He said that housing is a primary factor, and they look at student yields based on history to project forward.

Ms. Vanuch stated that it's based on history, but the County cut rural development by more than 60% when they did the downzoning, so that will have applicability to how this is drawn out.

Mr. Presley said that Mr. White also meets with the planning department, and the "active developments" mentioned are all platted and are pre-downzoned, and most of them are by-right but several are through zoning changes that happened years ago. He noted that they are pre-platted so they can't go back on those; they then do projections based on current zoning and what the likely by-right development would be from that point on—but it doesn't account for any future development proposals that might come forward. He emphasized that it's a pretty accurate number based on those that have already been platted and approved and just haven't been built yet.

Ms. Vanuch asked if they could confirm that the downzoning factor was done through Planning and Zoning.

Mr. Presley agreed.

Mr. White said that with middle schools, there is only one school projected to be crowded next year; five years out, there is one north and one south that are crowded; 10 years out, there are four middle schools—two north and two south. With high schools, there are two next year that are orange; five years out, there is a lot of red; 10 years out, there is a whole lot of red both north and south.

Mr. John Anderson presented a slide showing School Board-adopted CIP priorities, noting what is included in the County-approved CIP; they also have a column for seats added, which is important when talking about enrollment growth. He noted that the complexity of the CIP is also due to aging facilities, which they would also discuss. He stated that they are already working on the CIP update and had a School Board work session in January, as well as discussing it at their meeting the previous evening, so they are continuously updating the plan and talking about what they need to improve on. He said they have done engineering assessments for Drew and Hartwood, and the recommendation came back that replacements would be more affordable in the long run—as renovations of older facilities were very complicated projects with multiple phases, and there would still be long-term additional costs with the older facilities.

Mr. Anderson stated that High School #6 continues to be a top priority, and he would present a breakdown of that proposed budget. He said that Drew Middle School replacement was also a very high priority because of the issues and conditions of that facility, and it's one of the topics that arises most often. He noted that they took the Technical Review Committee to see what the situation was there. He said they have a series of priority three items because there is an opportunity to bundle the elementary school projects and possibly build those within the same general timeframe; there were some cost efficiencies that could be gained from that, especially when considering an elementary school model and economies of scale in building those schools in the same general timeframe. He said that Elementary School #18, Hartwood Elementary School replacement, and a Rising Star replacement were included in the updated CIP, as well as consideration of Elementary School #19.

Mr. Anderson reported that new projects under consideration were an additional fleet services facility, which Jeff Jeter had been discussing with them regarding the school fleet needs and servicing the County fleet as well. He said that North Stafford High School fine arts wing renovation was a project that has remained on the list, as well as the possibility of Mary Washington University acquisition and renovation. He stated that with the seats added in the Drew replacement, they are able to push out Middle School #9 into the FY35 timeframe, so it would be out of the 10-year window for completion. He said they have also removed that renovation from the CIP in this update, as well as the High School #7. He said that a sidenote with the replacements will be a reduction in the 3R projects previously associated with Drew, Hartwood, and Rising Star (Melchers complex).

Mr. Anderson said that for High School #6, they looked at cost comparables within the state for high schools being built, and this was presented to the joint boards workshop last February. He stated that they were at $266/SF building costs, and that is actually lower than other high schools in the area; they had two professional estimates done, and they went with the lower one, so architects are working with that now and are looking at cost efficiencies and trying to do the most practical cost-effective high school they can do but still build a comprehensive high school. He presented a breakdown of construction costs, stating that the building-only cost has escalated up to $93 million over time, and on top of that there was site work and other soft costs, and it includes offsite costs they have been discussing with the County as they pursue land acquisition.

Mr. Anderson said that the 3R project summaries include some of the major maintenance projects that Dr. Taylor mentioned, which were important for minimizing disruptions in schools and minimizing the risks and emergency costs. He referenced a summary of the 3R funding, with the "unfunded" category representing about 41% of the total, and that would continue to grow as the buildings get older and items are added to the list. He noted that they would be doing 14 facility condition assessments this year, which would lead to some revisions and updates of the 3R list when they submit it to the Board in September.

Mr. Anderson presented several key takeaways: continued growth with about 5,800+ students over the next decade; capital needs including new schools, land, and much-needed renovations and replacements; about 63% of SCPS schools are over 20 years old; 3R projects to address deficiencies, enhance school safety, and minimize service disruptions; and a new funding approach needed to address unfunded CIP projects.

Mr. English said he had some questions about the bus garage. He asked how old the garage is.

Mr. Jeff Jeter responded that the bus garage was built in 1979, and they moved in 1980.

Mr. English asked what they repair besides school buses.

Mr. Jeter said they do the school buses on one side, the white fleet (cars, pickups, and vans), and County vehicles such as those for law enforcement.

Mr. English asked if he was out of room.

Mr. Jeter responded that he has four bays to work on anything under one ton on both the school side and County, and five bays to work on school buses. He said when the garage was built, there were 112 school buses in the fleet; they currently have about 300, serviced in the same building.

Mr. English asked about adding onto that building.

Mr. Jeter responded that prior to him coming to Stafford, they looked at expanding that building—and while that would help him with fleet services, transportation would be hurt because they would be taking more of the parking lot where they park the buses.

Mr. English asked if the white fleet could be serviced on a separate lot and use his garage just for school buses.

Mr. Jeter responded that they were looking at $9-11 million for the garage, if they have the land.

Mr. English clarified that he was suggesting having a satellite facility.

Dr. Warner stated that one of the issues is that the buses have grown bigger, so the garages aren't adequate, and it's actually a safety hazard.

Mr. English said they could use the current garage for the white vehicles and put a new garage for the buses, and he asked if that would help costs.

Mr. Anderson stated that they are looking at this and have discussed it a lot, which is why they are proposing an additional fleet services facility, as they want to be able to expand services but also take care of their most pressing needs. He said that he has been onsite, and the buses are longer and don't really fit, which is one of the problems they would address with the additional bays.

Mr. English asked if it was a safety issue.

Mr. Jeter responded that it was.

Mr. English stated that this should be a top priority under HS #6.

Mr. Anderson said that things like crowded schools can also be a safety issue eventually, adding that Mr. Jeter would make it work—but it is cumbersome and can be a safety issue.

Ms. Healy commented that it is a living document and they discussed it last night, focusing on the student growth and the painful redistricting process. She said they are trying to fit the kids in the schools, but fleet services is a high priority and could be addressed later on. She stated that the list is always subject to change, and if you look at the adopted versus the one they're discussing now, they are changes in priorities; and more information about fleet services might impact that order.

Mr. English commented that buses and transportation were a big issue last year.

Mr. Anderson said that it's a problem with having many high priorities, but they need to come back with more information about fleet services.

Ms. Vanuch asked how many acres would be needed for a new site.

Mr. Anderson responded that they are looking at several sites, and it would likely need to be about 10 acres.

Mr. Jeter confirmed that they would need no less than 10, and he built Spotsylvania's on 20 acres.

Ms. Allen asked if it would be possible to get the debt service for elementary schools right after HS #6, because they were talking about concurrent elementary schools being built after the high school opens. She also asked what percent of the tax rate the school CIP would take up this year, based on the schools' request. She asked why a high school wasn't being considered for the north, given the growth projections shown.

Mr. Anderson said there were meetings on that more than a year ago.

Ms. Allen clarified that even if HS #6 is built, she didn't see anything that tells her the northern situation would be remedied—and if anything, it shows that north will have more students than the south within the 10-year projections.

Mr. Fulmer stated that all of the high schools are currently north and central, other than Stafford High School, so there is a huge gap down in the southwest quadrant, and they have bus rides and car rides that are over 30 minutes.

Ms. Allen said that Griffis-Widewater students will ride almost 45 minutes to get to Brooke Point.

Dr. Warner stated that putting the high school in the southwest corner does a few things. She explained that the high school routes are their least efficient routes; it tightens up all the attendance zones around Brooke Point so it will adjust those student populations; by putting it in the southwest, it did fix the attendance zones around the other high schools and helped with the transportation problem too.

Ms. Randall stated that they currently have students that drive from the Hartwood District and pass over students to go to Colonial Forge; they pass Stafford High School to go to Colonial Forge; the Mountain View students meet at a stop sign with the Forge students. She said that Hartwood is a large growth area, and if they move the high school to the southwest, those students are not on the backroads crisscrossing over each other; they go to a high school. She said where they have the crowding in the north, you pull out those southwest students and have room in the north.

Ms. Allen said it doesn't change Widewater's dynamics, because the only high school they go too is Brooke Point, so they would still sit for 45 minutes regardless.

Ms. Randall stated that she was only addressing the crowding.

Dr. Warner offered to sit down with Mr. White and Ms. Allen to show how those attendance zones would change, but it wouldn't fix the problem with Widewater—which is a unique problem, because it's 11 miles just to get off the peninsula.

Ms. Allen said if there's growth coming, they have to be able to meet those needs.

Mr. White stated that in the School Board's adopted CIP priorities, there is also a High School #7 and a school identified in the north and one also in the south.

Ms. Allen asked if reimagining what a school looks like might impact costs, noting that she went to school in NYC and it didn't mean they had the identical building, but perhaps they offered programs versus another school to help address the equity issue. She asked if they would oscillate between program design and capacity, because if they are asking for two schools after the high school, that debt service is going to look awful.

Dr. Taylor responded that the growth is looking awful to them too in some regard, but it's also an opportunity—with tremendous possibility and an underutilized Mary Washington campus and some programmatic opportunities for younger and secondary students that would look nothing like what they have right now. He said there are some exciting chances for them to reimagine what a secondary experience would look like, where some of the day they are spending time in a brick-and-mortar spending, and some of the day they're spending time out in the field.

Ms. Allen asked how they get that started so their wallets aren't being squeezed.

Dr. Taylor stated that it's important for them to address the big needs in general right now, because at the very soonest, if they were to decide at this moment that they wanted to see projects happen and directed Mr. Presley to move toward financing and referendum, they were still two years away from opening the doors of a new building. He said that at the very least, they need to look at this at the 30,000-foot view before they start picking apart where they can put seats. He said they can begin to explore what that could look like, and the schools have endorsed looking at the Mary Washington property for that exact reason. He noted that the location may or may not be convenient, depending on the programs and partnerships, but these are exciting things to look at. He added that they need to start planning ahead for the big brick and mortar needs, and they need to be more deliberate in the steps they take.

Mr. Coen stated that the elementary school overcrowding is at Rocky Run and Hartwood, so there are other options that can be done that could open something up sooner than the timeframe on here for the renovations or building of brand-new schools. He also said that he likes the idea of reimagining things, but sometimes it doesn't make sense to proceed with 1950s thinking until they can imagine they're going to be in the middle of the 21st century. He stated that the renovation of North Stafford High School has no seat capacity, but it would be opening in FY27, but the red happens earlier than that—so they could do a renovation with seat capacity. He said that he loves the idea of thinking outside the box, and they could not do some of the high school planning on the maps because of redistricting that would make Colonial Forge non-contiguous.

Ms. Bohmke stated that the fleet maintenance facility has been on the CIP since she was on the School Board in 2007, 08, and 09. She said that there were some OSHA issues back then, and she can't imagine what they are now. Ms. Bohmke said that the school division had leftover money from FY21, and they spent $1.5 million of that money on bus drivers and $1.8 million for new buses; she asked if that had already been allocated or if they anticipated allocating the leftover funding for anything else.

Mr. Fulmer explained that some of the funds have been allocated for capital project needs at the Board of Supervisors' direction to County staff; currently, there were no other direct needs they were requesting for that, so there are still a few million dollars left over and above what the Board of Supervisors had directed staff to set aside for capital projects in HS #6.

Ms. Bohmke said the Board of Supervisors can have that conversation, and it was an important one to have, as there are two turf fields that need to be built. She stated that each activity is as important as the other, and they are impacting students and their ability to get sports scholarships because they can't compete at the same level. She stated that the Board needs to work with the school division and colleagues on how to make that happen. She said that financing one field over

15 years is $144,000 a year, which isn't a whole lot of money. She noted that neither school is in her district, but it was something she really cared about.

Ms. Bohmke stated that they had $14 million left over after redoing their budgets, and they had talked about bringing some of that money over for HS #6, and again, the Board needed to dive into this during the budget process this year.

Ms. Bohmke also said that when looking at building a $150 million high school for 2,100 students, that was $69,000 per student; about the same numbers for replacing Drew Middle and Hartwood Elementary; and Rising Star was $54 million for 80 students, which is $675K per student.

Dr. Taylor clarified that it would be 80 additional students.

Mr. Fulmer said it was to replace the existing student capacity and add the 80 students who were in the previous additional capacity project in the approved CIP, so an additional net gain of 80.

Ms. Bohmke said they were basically tearing down old Gayle Middle School, or Melchers.

Ms. Yeung commented that turf fields are part of equity, but they also needed to talk about north and not take away something they already decided. She said that Brooke Point, Colonial Forge, and Mountain View got wings when they didn't even ask for it; yet she had begged for North Stafford to have a wing for equity reasons, and she didn't want things taken off the table—be it a turf field or a wing. She emphasized that these are people's kids.

Ms. Yeung stated that Park Ridge is crowded and there needs to be a school there, and she asked that those students not be moved over and over again; they have land, and the kids are stable there, with schools open that have seats. She said that they needed to take care of the students and not appease people who are the loudest and meetings and the most organized. She said that she has been in Drew Middle School, and those students also need to be taken care of.

Ms. Healy stated that they moved Drew up to #2 at their meeting last night, with an additional 340 students.

Ms. Gary stated that once they stop the hemorrhaging for the current projects, she wanted to know what they were looking at in terms of proactive funding mechanisms for the unfunded projects and additional schools in the future.

Dr. Taylor said that for large capital needs such as buildings and replacement facilities, they should look to debt service and funding options such as bond referendums through VPSA. He said that ongoing major maintenance should not be debt financed, and it was a bold step for the School Board to start building a fund that gets added to the base. He stated that currently, the contribution from the County to the 3R fund covers a lot of the heavy work, and that should be part of the operating budget—because asking for chunks over the next several years to build into a fund that is their base budget really does make sense. He said that this also prevents it from being a bone of contention in the future: They are just taking care of the resources they have.

Ms. Gary asked if the 3R fund was addressing that.

Dr. Taylor responded that there is 41% of the 3R that never gets funded, so that can gets kicked down the road every year; he suggests setting extra money every year to start building that fund up every year so there is enough money to cover that in full. He said that the real issue is so they don't have to replace buildings every 40 or 50 years, they replace them every 60 years.

Ms. Healy commented that they should continue their joint dialogue. She stated that the School Board was constantly looking at these priorities, and it would be helpful for them to discuss with the Board the potential bundling of the elementary schools. She said that Dr. Taylor has significant experience with financing, and they could possibly realize significant savings if they looked at more than one contract at a time.

ADJOURNMENT

At 7:25 p.m., Chairman Vanuch adjourned the February 23, 2022 Joint Budget Work Session of the School Board and the Stafford County Board of Supervisors.

Frederick J. Presley
County Administrator

Crystal Vanuch
Chairman