


April 17, 2017 Budget Work Session

A special meeting of the Council of the City of Martinsville, Virginia, was held on April 17, 2017, in Council Chambers, Municipal Building, at 6:00PM, to conduct a budget work session with Mayor Gene Teague presiding. Council Members present included: Mayor Teague, Vice Mayor Chad Martin, Council Member Kathy Lawson, Council Member Jennifer Bowles and Council Member Sharon Brooks Hodge. Staff present included: City Manager Leon Towarnicki, Clerk of Council Karen Roberts, Assistant City Manager Wayne Knox, City Attorney Eric Monday, and Finance Director Linda Conover. School Board members included Donna Dillard, Eric Hruza, and Joan Montgomery. Additional school personnel included School Superintendent Zebedee Talley, Executive Director of Administrative Services Travis Clemons, Assistant Superintendent of Instruction Angilee Downing, and Clerk of Board Janie Fulcher

Mayor Teague opened the meeting.

Dr. Talley shared a power point explaining the school board's vision statement, four division goals, general fund revenue and expenditure estimates, average student membership – down from 130 to 7 students below the goal, local funding history, general fund expenses, function summary, cost center summary, school budget request for FY18, primary expenditure adjustments, remaining budget deficit, and Community Eligibility Provision Program. The school board requests a \$380,734 budget increase plus \$135,000 in expected fund balance.



Martinsville City Public Schools

**"An Investment in Our Children -
An Investment in the Future of Martinsville City"**

Proposed Budget
FY 2017-2018

**"Where Learning Has No Limits and Academic
Excellence is Measured One Child at a Time"**

Presented by Dr. Zebedee Talley Jr.
April 17, 2017

1

**Martinsville City Public Schools
Vision Statement**

Martinsville City Public Schools are designed to help all students obtain the knowledge and skills necessary to be "college, career, and citizenship ready" upon high school graduation. Our programs and services we provide are carefully designed and implemented by staff to meet the ever-changing needs of our students.

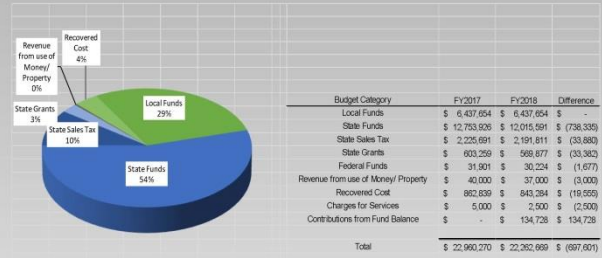
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Division Goals

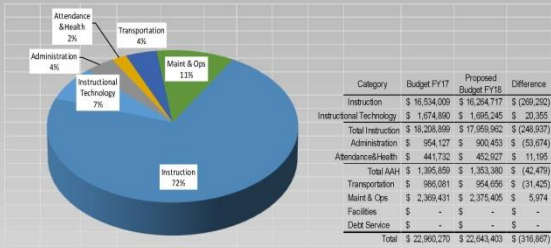
- To ensure student achievement and continuous growth for all students.
- To promote a safe and secure learning environment.
- To achieve and maintain a high level of communication with the staff and community.
- To recruit, hire, retain, and support a highly qualified teaching staff.

General Fund Revenue Estimates

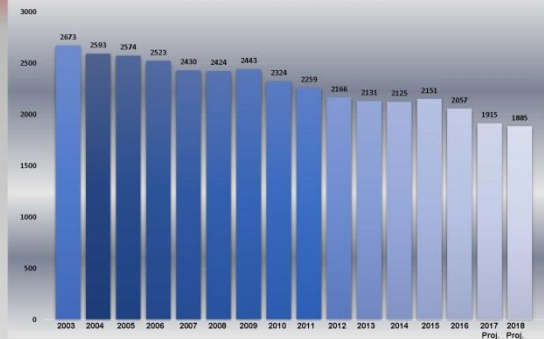
Conference Budget - February 25, 2017



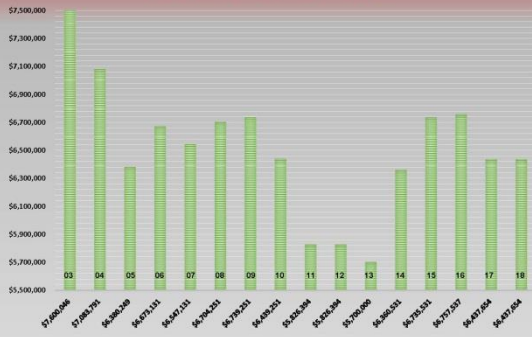
General Fund Expenditure Estimates



Average Daily Membership 2003-2018



LOCAL FUNDING HISTORY 03-18



General Fund Expenses

General Fund	FY17 Original	FY18 Projected	Variance	FY17 % of Budg	FY18 % of Exp
State Categories					
Instruction	\$ 16,534,009	\$ 16,264,717	\$(269,292)	72.01%	71.83%
Technology	\$ 1,674,890	\$ 1,695,245	\$ 20,355	7.29%	7.49%
Total Instruction	\$ 18,208,899	\$ 17,959,962	\$(248,937)	79.31%	79.32%
Administration	\$ 954,127	\$ 900,453	\$ (53,674)	4.16%	3.98%
Attendance & Health	\$ 441,732	\$ 452,927	\$ 11,195	1.92%	2.00%
Total AAH	\$ 1,395,859	\$ 1,353,380	\$(42,479)	6.08%	5.98%
Transportation	\$ 986,081	\$ 954,656	\$ (31,425)	4.29%	4.22%
Maint. & Ops.	\$ 2,369,431	\$ 2,375,405	\$ 5,974	10.32%	10.49%
Facilities	\$ -	\$ -	\$ -	0.00%	0.00%
Debt Service	\$ -	\$ -	\$ -	0.00%	0.00%
Total Regular Fund	\$ 22,960,270	\$ 22,643,403	\$(316,867)	100.00%	100.00%
			-1.38%		

Function Summary

Instruction	Technology	Administration
Classroom Payroll & Expenses	Hardware	School Board Expenses
Regular Classroom	Infrastructure	Superintendents Office Payroll & Expenses
Special Education	Replacement and Repair	Finance Office Payroll and Expenses
Alternative Education	Software	HR Payroll and Expenses
LEP Education	Purchased Services	
Vocational	Payroll	
Gifted	IT/ITL	
Summer Programming		
Enrichment Programming		
Remedial Programming		
Instructional Support Payroll and Expenses		
Other Programming (Drivers Ed; Adult Ed; SEMAA; Robotics; STEM; AVID; PBIS; ISAFP...)		
Guidance		
Media		
School based instructional admin		
Attendance & Health	Transportation	Maintenance & Operations
Payroll	Staff Payroll	Maintenance & Custodial Payroll
Materials & Supplies	Fuel	School Based Maintenance & Repairs
	Maintenance	Maintenance Fleet & Equipment Upkeep
	Compliance	Supplies Divisionwide
	Materials	Utilities Divisionwide
		Repairs Divisionwide
		Small Capital Projects Divisionwide
		Safety Payroll Divisionwide
		Safety Equipment Divisionwide
		SRO Payroll Divisionwide

Cost Center Summary

Cost Center	FY17 Original	FY18 Projected	Variance
Albert Harris	\$ 2,706,330	\$ 2,585,432	\$ (120,898)
Clearview	\$ 809,949	\$ 818,707	\$ 8,758
Patrick Henry	\$ 2,065,624	\$ 2,134,839	\$ 69,214
Middle School	\$ 3,963,012	\$ 3,801,241	\$ (161,771)
High School	\$ 5,216,462	\$ 5,165,015	\$ (51,448)
Administration	\$ 954,127	\$ 900,453	\$ (53,674)
Attendance and Health	\$ 441,732	\$ 452,927	\$ 11,195
Transportation	\$ 986,081	\$ 954,656	\$ (31,425)
Maintenance and Operations	\$ 1,178,969	\$ 1,184,943	\$ 5,974
Technology	\$ 1,674,890	\$ 1,695,245	\$ 20,355
Instructional Support	\$ 2,861,315	\$ 2,847,808	\$ (13,507)
Adult Education	\$ 101,779	\$ 102,137	\$ 359
	\$22,960,270	\$ 22,643,403	\$ (316,867)

School Budget Requests for FY18

<ul style="list-style-type: none"> Clearview Early Childhood Center <ol style="list-style-type: none"> One additional four-year old class (1 teacher and 1 paraprofessional) 90,000 One additional three-year old class (1 teacher and 1 paraprofessional) 90,000 		
<ul style="list-style-type: none"> Albert Harris Elementary School <ol style="list-style-type: none"> Additional Reading Specialist/Tutor (K-1, 2-3, 4-5) 65,000 Gifted Teacher 65,000 Music Teacher full time (Grades K-5) 65,000 Additional Guidance Counselor 65,000 Full time night custodian 25,000 		
<ul style="list-style-type: none"> Patrick Henry Elementary School <ol style="list-style-type: none"> Additional Guidance Counselor 65,000 Additional Paraprofessional to support instruction 25,000 Music/band teacher 65,000 Part time computer lab teacher 25,000 		
<ul style="list-style-type: none"> Martinsville Middle School <ol style="list-style-type: none"> Assistant Principal 90,000 Reading Coach 65,000 		<ul style="list-style-type: none"> Martinsville High School <ol style="list-style-type: none"> Choir Teacher 65,000 Cosmetology Teacher 65,000 Drama Teacher 65,000
<hr/> \$995,000		

Primary Expenditure Adjustments

Includes Carry Forward Reductions from FY2017

Two items added significantly to the expense side of the budget:

- Assistant Principals ≈\$245,000
- VRS and RHCC Increase of 1.78% ≈\$200,000

≈\$445,000

In attempt to balance the budget, the following items have been cut:

Personnel

- 5 Teaching Positions 260,000
- 3 Instructional Coordinators 155,000
- 2 Instructional Support Positions 75,000
- 2 Central Office Staff: Merged Information Services with Human Resources 50,000
- SRO 25,000
- Part Time Purchasing 25,000
- Part Time Maintenance 15,000
- Superintendent Contractual Variance 40,000
- Special Education 40,000
- Choir Teacher 10,000
- Adult Education -695,000

Non-Personnel

- 70,000
- 765,000

Remaining Budget Deficit

Revenue Estimate: \$22,262,669
Expense Estimate: \$22,643,403
\$-380,734

13

Community Eligibility Provision Program

Martinsville City Public Schools participates in the Community Eligibility Provision (CEP), available through the USDA, to offer free breakfast and lunch to all elementary, prep-Academy, and Middle school students. MHS does not currently qualify to participate in the CEP program.

Our current student enrollment is 2,041 (February, 2017 Principal's Report)
Percentage breakdown for Free/Reduced Price Eligibility for MCPS:

MHS—66.55%
MMS/Prep-Academy—98.93%
AHES—99%
PHES—99%
CECC—99%

Division percentage—89.61% Eligible Free/Reduce Price Eligibility Data

14

Conclusion

An investment in our children is an investment in the future of our community. How is that an investment in our future? In a 2016 Martinsville Bulletin article, 1,400 jobs available/unfilled in our area, Leon Towarnicki was quoted as stating to the council, "We don't have an employment problem. We have a participation problem."

Businesses will go where there is a skilled workforce. If we don't have a skilled workforce, we will neither maintain our current industries nor will we attract new ones.

We are requesting an additional investment of \$380,734 plus \$135,000 in expected fund balance to maintain current academic programming, class sizes, preschool, and extracurricular programs such as athletics, band, and robotics. Programs valued by our families and community.

Currently, Martinsville ranks 10th out of 12 of the Virginia First Cities for local funds allocated on a per pupil basis. Martinsville ranks 28th out of 36 of all Virginia cities for local Per Pupil Expenditure. If this additional investment is not made in our schools, then the only thing left to cut are programs that benefit the children of Martinsville as well as the community of Martinsville.

15

City Manager Towarnicki and Finance Director Linda Conover went over a summary of budget fund balance highlights and answered Council's questions. Towarnicki clarified the position cut recommendation for the Police Department and explained that there would not be a reduction of police staff according to the current roster of 50 employees (45 officers and 5 staff), but would not allow funding of the 6 positions unfilled since 2011. Towarnicki explained that he is waiting for the Police Department to get back to him on this reduced budget cut request.

City Manager Towarnicki shared additional budget reductions that would total \$106,458 that could be plugged back in as a reduction of expenses.

Council Member Hodge made a motion to remove the proposed real estate increase. Vice Mayor Martin seconded the motion with all council voting in favor.

Council Member Bowles made a motion to pull funds from the utilities cash reserve to allow level funding for the schools, level funding for the Police Department and level funding for the Fire Department, deviating from the Council's policy. Council Member Hodge seconded the motion. Mayor Teague requested Towarnicki research and present projections on what that would do to the future budget and requested the

motion be held until the public hearing to allow additional information be presented. Bowles stated that she stands firm on her decision but is willing to table the motion until additional information can be presented. Bowles requested that the original motion be tabled; Hodge retracted her second. Bowles made a motion requesting City Manager Towarnicki to research the utilities cash reserve request to provide level funding for those departments; Council Member Lawson seconded the motion with all Members in favor.

Council Member Hodge made a motion for level funding for Social Services instead of the requested increase; Council Member Bowles seconded the motion with all Council Members voting in favor.

Council Member Lawson, having looked over the Henry County contributions to outside agencies, pointed out that Piedmont Arts receives \$19,240 from the City while Henry County gives them \$8,500. Council Member Lawson made a motion to drop funding for Piedmont Arts to \$8,500 to match Henry County's contribution. Council Member Hodge seconded the motion. All Council Members voted in favor of the motion with the exception of Council Member Bowles who voted against it.

Council Member Lawson made a motion to drop funding for Longwood Business Development from \$8,550 to \$4,513 to match what Henry County contributes. Council Member Hodge seconded the motion with all Council voting in favor.

City Attorney said the parking lots have been subleased to other agencies. Finance Director Conover says the only payment received for lot usage is from the phone company. Mayor Teague asked to revisit the parking lot option to see which ones the City can eliminate and which we are under contract for.

Mayor Teague confirmed that the Senior Program would not be cut. He asked Towarnicki to recap approved motions.

There being no further business, Council Member Hodge made a motion to adjourn the meeting, Vice Mayor Martin seconded the motion with all Council Members in favor. The meeting adjourned at 8:39pm.