



MINUTES

Charlottesville City School Board/City Council Joint Budget Work Session

February 10, 2025 (5:00 p.m.)

Walker Upper Elementary School Cafeteria

1564 Dairy Road, Charlottesville, VA

1.1 Call to Order: School Board Chair Emily Dooley and Mayor Juandiego Wade called the meeting to order at 5:00 p.m.

2.1 Roll Call:

The following School Board Members were present:

Ms. Amanda Burns	Ms. Shymora Cooper
Ms. Emily Dooley	Mr. Dom Morse
Mr. Chris Meyer	Ms. Nicole Richardson
Ms. Lisa Torres	

The following School Staff Members were present:

Dr. Royal Gurley	Dr. Katina Otey
Ms. T. Denise Johnson	Ms. Renee Hoover
Ms. Maria Lewis	Ms. Rachel Rasnake
Ms. Beth Cheuk	Ms. Carolyn Swift
Ms. Leslie Thacker	

The following City Council Members were present:

Mayor Juandiego Wade	Mr. Lloyd Snook
Vice Mayor Brian Pinkston	Mr. Michael Payne (not present or officially in attendance. Made an unsuccessful effort to participate via Zoom)
Ms. Natalie Oschrin	

The following City Staff Members were present:

Mr. Riaan Anthony	Mr. Garland Williams
Mr. Mike Goddard	Ms. Kyna Thomas
Mr. Jacob Stroman	Ms. Krisy Hammill
Mr. Sam Sanders	Mr. Eden Ratliff
Ms. Afton Schneider	Mr. Remy Trail

3.1 Approval of Proposed Agenda: After confirming quorums for both bodies, a discussion arose regarding the authorization of virtual participation for Michael Payne, specifically regarding the need for confirmed audio and visual connection. A formal vote on this authorization was deferred until proper connectivity could be established. The board did not formally approve the agenda. Subsequently, Ms. Dooley introduced Dr. Gurley to present the Charlottesville City Schools budget, noting audio feedback issues.

4.1 [Joint Budget Work Session: Presentation of FY 2026 Budget to City Council](#): Dr. Royal A. Gurley, Jr., Division Superintendent, presented the Proposed FY 2026 Budget to the City Council for informational purposes. The presentation highlighted key changes to the school operating budget identified to address and support student needs for the 2025-26 school year.

Information presented included:

- Budget Priorities and Goals
 - The budget is designed to:
 - Increase academic achievement for all learners.
 - Provide a culture of safety, wellness, and belonging.
 - Support staff.
 - Ensure effective and efficient operations.
 - Specific strategies to achieve these priorities include:
 - Improving student outcomes in core subjects.
 - Ensuring small class sizes.
 - Sustaining fine arts funding.
 - Enhancing student achievement and equity.
 - Improving student attendance.
 - Ensuring competitive pay and benefits.
 - Attracting and retaining high-quality teachers and staff.
 - Modernizing school facilities, including safety recommendations.
 - Investing in sustainability and energy efficiency.
- Revenue Sources (FY 2025 Budget)
 - The budget relies on several revenue sources:
 - City Appropriation: 62.4%
 - State: 21.2%
 - Federal: 6.8%
 - Local: 5.2%
 - Fund Balance: 4.5%
- Trends in Revenue
 - State Revenues:
 - There's an upward trend in state revenues from 2019 to 2025.
 - Total revenue increase: \$538,553
 - Funding areas with increases include:
 - Compensation Supplement for teacher and staff raises.
 - At-risk funding adjustments.
 - English as a Second Language (ESL) funding changes.
 - City Revenues:
 - City revenue also shows an upward trend from 2019 to 2025.
- Expenditures (FY 2025 Budget)
 - Expenditures are divided into the following categories:
 - Salaries & Wages: 52.6%
 - Benefits: 21.6%
 - Contract Services: 11.9%
 - Materials & Supplies: 6.4%
 - Other Uses of Funds: 4.5%
 - Capital Outlay: 1.2%
 - Tuition Payment to: 0.9%
- Staffing and Salaries
 - Staff Salaries & Benefits:
 - Collective Bargaining:
 - Revise the Teacher's Pay Scale: \$2,216,615
 - Annual 5.5% salary increase: \$2,595,480

- Administrative and General Staff: 3% salary increase: \$677,799
- Health Insurance: 6% increase: \$585,248
- Savings: Vacancy and Virginia Retirement System (VRS) Hybrid Rate Separation: (\$2,500,000)
- Total Increase in Personnel Cost: \$3,575,142
- Non-Discretionary:
 - City Maintenance Contract: 8.94% increase: \$434,525
 - CATEC: Increase: \$207,353
 - Total Increase in Non-Discretionary: \$641,878
- English Learners (ESL) Staffing
 - Additional State Funding: \$159,382 for SOQ teacher-student ratios
 - Additional Staffing Needed:
 - 2 FTEs to meet SOQ requirements
 - 1 FTE anticipated for enrollment growth
 - Cost of a Teacher: \$94,882 per FTE
 - Total Cost for 3 FTEs: \$284,646
- Additional Positions and Costs
 - Additional Positions: FTE Cost
 - Teachers: ESL: 3.0 \$284,646
 - ESL: Family Engagement Liaison: 1.0 \$74,995
 - Teacher: Reading & Math Specialists: 2.0 \$189,764
 - Teacher: Health & Medical Sciences (CHS): .5 \$59,260
 - Human Resource: Recruiting Specialist: 1.0 \$103,343
 - Transportation: Coordinator: 1.0 \$125,206
 - Clinical Social Workers: \$239,207
 - One-Time Walker Retention Bonus: \$179,500
 - Total Additional Support Student Needs: 8.5 \$1,255,921
- Budget Changes Summary (FY 26)
 - Expenditure Summary
 - Salary and Benefits: \$3,575,142
 - Non-Discretionary: \$641,878
 - Students Needs/Improvements: \$1,255,921
 - Total Expenditure Increases: \$5,472,941
 - State Revenue Increase: \$538,553
 - Net City Request: \$4,934,388
- Budget Summary - ALL Funds

Funds	FY 2024-25 Budget	Proposed FY 2025-26 Budget	Amount Change from 2025 to 2026 Budget	Percentage Change from 2025 to 2026 Budget
General (Operating)	\$ 94,115,547	\$102,776,598	\$8,661,051	9.14%
Special Revenue	24,678,680	22,139,692	(2,538,988)	(10.29%)
Total Funds	\$ 118,794,227	\$124,916,290	\$6,122,063	5.13%

- School Capital Projects
 - Capital projects are funded separately from the City & School's operating budgets.
 - The Capital Improvement Plan (CIP) is part of the city's financial resource allocation decision-making.
 - Modernization efforts are needed to bring older school facilities up to current standards.
 - Adjust City's CIP Budget:

- The current allocation of \$1,250,000 for School Priority Improvement Projects is insufficient due to construction inflation.
 - Construction inflation in 2021 was approximately 19.6%.
 - A 20% increase (\$250,000) is requested to adjust for rising costs, bringing the total CIP budget line to \$1.5 million.
 - This adjustment will support critical school improvement projects like restroom renovations, ceiling replacements, daylighting enhancements, and security vestibule installations.
 - Strategic Use of Fund Balance for Capital Needs:
 - The School Board has allocated fund balance towards:
 - Lighting for CHS Track & Field Facility: \$350,000
 - Furniture for 5th Grade Transition: \$379,150
 - Addressing Critical School Safety & Facility Improvements:
 - Charlottesville High School (CHS): Over \$250,000 in door replacements were identified before the fall safety audit.
 - Over \$1 million could be allocated to address deferred maintenance and Safety & Security projects.
 - Priority projects include improved lighting and fencing, upgraded markings for parking lots and fire lanes, repairs to exterior stairs and sidewalks, expansion of CCTV and security cameras, and installation of security vestibules.
 - A dedicated project manager is needed to oversee school construction projects.
- Budget Key Dates
 - Budget Work Session: School Board: February 13, 2025
 - Special School Board Meeting: Approval of Superintendent's Proposed Budget: February 20, 2025
 - School's Presentation FY 2025-26 Approved Budget to City Council: March 4, 2025
- Explanation for Changes in ALL Funds Summary
 - The FY 26 Budget Revenue and Expenditures do not align with the changes in the ALL Funds Summary due to:
 - Change in the FY 2024 Fiscal Year End Close: \$3,766,745
 - Decrease: Special Revenue - State Revenue: (\$815,294)
 - Decrease: Special Revenue - Federal Revenue: (\$2,302,329)
 - Total Changes: \$649,122
 - The FY 26 Budget Revenue and Expenditures do not account for increases from the 2024 fiscal year-end close or reductions in "one-time" grant funding, such as ESSER and ALL IN, within the Special Revenue Funds.

Discussion/Questions:

- Mr. Pinkston inquired about the \$207,000 CATEC expenditure, questioning if it would be an ongoing expense. Mr. Cuomo clarified that approximately \$65,000 of that cost is related to technology, with potential future hardware costs. It was further clarified that the \$207,000 figure primarily represents a loss of student tuition. Dr. Gurley explained that the tuition loss was due to Albemarle County opening new CATEC programs, which caused a temporary decrease in Charlottesville's student enrollment in certain existing programs. Dr. Gurley stated that he anticipated that student enrollment numbers should stabilize the following year, preventing significant further decreases in tuition revenue.
- Ms. Oshrin inquired about "intervention spaces" and "daylighting enhancements." Dr. Gurley clarified that intervention spaces are currently overcrowded and noisy, hindering effective support for vulnerable learners. The proposed solution involves dividing these spaces into smaller, private areas, akin to "kid-size conference rooms," to facilitate focused instruction for small groups of students. Regarding "daylighting enhancements," Dr. Gurley confirmed this refers to window improvements, specifically the ongoing replacement of outdated windows at Summit Elementary to increase natural light in the building.

- Mr. Snook sought and received clarification on the track field lighting finances, with Ms. Burns reporting that the Black Knight Athletic Club, in conjunction with the Perry Foundation, Flow Automotive, and the Cville Track Club, raised \$78,575 towards the \$350,000 project, while Mr. Meyer clarified the school board was using its fund balance, not city CIP funds, and suggested city funding would be preferable to preserve school reserves. Ms. Burns also emphasized that project delays would likely increase costs by \$50,000. Additionally, Ms. Burns raised concerns regarding the fifth-grade furniture, funded by the school's surplus to secure early-order savings, and advocated for continued discussion on whether alternative funding sources, such as small capital funds, could be utilized, highlighting ongoing questions about fund allocation.
- Mr. Pinkston questioned whether the priority projects, specifically lighting, were already included in a Capital Improvement Program (CIP) list. Dr. Gurley clarified that projects originating from the recently completed safety audit, reviewed by the board in October, were not currently on any CIP list.
- Mr. Pinkston initiated a discussion regarding the outcome of the recent collective bargaining process, expressing his observation of its apparent success. Dr. Gurley confirmed this assessment, noting that the negotiated results, reflected in the presented data, were largely positive. He acknowledged a minor issue concerning the city school side but conveyed strong confidence in the ability of all parties to quickly resolve the matter through continued collaboration. Dr. Gurley emphasized that the process was productive, ensuring all perspectives were heard and that the final agreement adequately addressed the key demands, as evidenced by the presence and implied approval of the CEA president.
- Ms. Oshrin raised concerns regarding the ongoing impact of the 2021 state revenue calculations on the district's funding, recalling previous discussions about its inaccuracy. Dr. Gurley confirmed that the district continues to be affected by these numbers, specifically referencing the local Composite Index, which remains unfavorable. Ms. Oshrin inquired about the timeline for resolution, and Dr. Gurley clarified that a recalculation and re-benchmarking are scheduled for 2026, with the results expected in the fall of the next budget cycle. The outcome of this recalculation, and its potential impact on the district, remains uncertain.

City Manager Presentation: Sam Sanders, Charlottesville City Manager, presented a three-year review of the school system's budget-to-actual performance in transportation and facilities, highlighting a total surplus of \$98,000. However, he emphasized that this number requires context, as it doesn't account for additional expenses, such as the \$332,000 spent on bus driver incentives. He raised concerns about the discrepancy between the established 40% funding formula based on property tax increases and the actual allocation of funds, questioning the formula's relevance.

Furthermore, Mr. Sanders pointed out inconsistencies in the city-school agreements, noting that only two of the four identified agreement areas are currently active. He stressed the need for clear and comprehensive agreements, especially regarding shared responsibilities, citing snow removal as an example. He also addressed significant expenditures by the Parks and Recreation Department on school grounds, which are not included in shared expenses.

Finally, Mr. Sanders discussed the critical need for long-term capital planning for school facilities, acknowledging the age and inadequacy of some buildings. He suggested exploring options such as building renovations or replacements, emphasizing the importance of addressing these issues despite potential challenges. He then introduced Miss Hamill to further elaborate on the discrepancies regarding the 40% formula, and the overall financial relationship between the city and school division.

Ms. Krisy Hammill, Director of Budget and Performance Measurement for the City of Charlottesville, presented data on the city's funding formula for schools, which allocates 40% of budgeted real estate and personal property revenue growth to the school system. She highlighted that, in most years, the schools received more funding than the formula dictated, due to the city's contribution exceeding the calculated amount. However, when comparing funding based on budgeted versus actual revenues, the schools benefited more from the

budgeted figures, despite some years where actual revenues would have yielded higher amounts. She also clarified that tax increases in certain years were intentionally excluded from the formula calculation.

Mr. Sanders expressed concern over the lack of a formal, written agreement for the funding formula, noting it operates as a "practice." He emphasized the need for clarity and formalization, especially regarding the allocation of year-end surpluses and the reconciliation of budgeted versus actual revenues. He also acknowledged the city's current budget challenges and the effort to close a budget gap, while stressing the importance of open communication and collaboration between the city and school board.

Discussion/Questions:

- Discussion shifted to the recently completed safety audit and its impact on the Capital Improvement Program (CIP). Mr. Pinkston inquired if the audit's priority projects were included in the CIP. Dr. Gurley confirmed they were not. Mr. Sanders acknowledged the need to address the audit's findings, prioritizing critical items, but noted that incorporating these projects would further strain the city's budget.
- Mr. Goddard clarified that some audit findings were related to existing maintenance needs or evolving safety standards, like vestibule construction, which were not initially part of school designs. He stressed that while the city aims to address all needs, prioritization is necessary.
- Ms. Dooley expressed concern that safety audit items were not already budgeted, as she believed the city should have been proactively addressing these issues. She emphasized the importance of a collective approach to school safety, highlighting the increased demands on schools post-COVID.
- Mr. Wade stressed the importance of immediately addressing critical safety audit findings, regardless of budget constraints.
- Mr. Wade inquired about the proposed \$125,000 position to manage facilities projects. Dr. Gurley advocated for the position, citing efficiency gains similar to those seen in transportation. Mr. Wade questioned the position's impact on the city's existing facilities agreement.
- Ms. Dooley stated that the school system presented a needs-based budget, and if there was extra funding additional interventionists would be hired.
- Ms. Torres expressed gratitude to Mr. Sanders for fostering a collaborative tone and opening a dialogue for change, acknowledging the shared effort between the council and school board to balance budgetary needs. She emphasized the importance of addressing critical safety items from the recent audit, suggesting an on-site liaison to prevent future similar issues and noting the potential impact of COVID-19 on facility maintenance. She inquired about the \$98,000 revenue discrepancy highlighted by Mr. Sanders, speculating on its potential impact on school projects. Finally, she reiterated the crucial need for intervention support for students, especially considering the changing state accreditation model, and thanked Mr. Sanders for his contribution to the productive discussion.
- Mr. Pinkston emphasized the importance of a formal discussion regarding the critical items identified in the security audit. He acknowledged his lack of expertise in the area but stressed the need for a prioritized assessment and a timeline for addressing the identified issues, both for the council's and the public's understanding. He also noted the potential use of CIP contingency funds for truly emergent needs, though he refrained from stating whether the audit items qualified.
- Ms. Dooley inquired about streamlining the city and school board's multiple agreements. In response, Mr. Sanders proposed forming an internal team to review and clarify these agreements, suggesting a future joint work session for collaborative input. He also addressed the city's ongoing budget deficit, emphasizing his commitment to balancing the budget despite additional funding requests. Mr. Wade stressed the importance of carefully revising the agreements, prioritizing accuracy over speed due to their long-term impact and the city's financial constraints. Mr. Meyer suggested leveraging existing joint committees to address safety audit priorities and revise the school funding formula. He advocated for a more holistic funding approach that considers student demographics and needs, moving beyond a sole reliance on property taxes, and urged finalizing a revised formula before the next budget cycle.

5.1 Comments from Members of the Community:

- Mr. Alan Wong submitted a written letter to the Board expressing strong support for continued or increased funding for Charlottesville City Schools' music program (elementary through high school). In his letter, Wong, a parent of a CHS student and graduate, highlighted the program's positive impact on students, fostering musical excellence, community, and belonging. He cited the recent District 13 VBODA All-District Bands concert, noting CHS's significant representation (approximately 20%) and the high caliber of student musicians. Wong emphasized the program's structured, high-quality music education, spanning from elementary through high school, and the dedication of the educators involved. He argued against viewing music education as an "extra," instead positioning it as a core component cultivating discipline, collaboration, and excellence. Wong stressed the program's positive reputation and its benefits beyond music, including fostering inclusion, teamwork, and mental well-being. He urged the Board and Council to fully fund the program, emphasizing its existing infrastructure and potential for continued success in strengthening community engagement, supporting student mental health, and preparing future citizens and leaders.
- Peter Davis, a teacher at Charlottesville High School (CHS), expressed his appreciation for the budget process while emphasizing the need for a more comprehensive approach to school modernization. He argued that many school facilities, particularly CHS, are outdated, resembling conditions from the 1970s and 80s, and need significant upgrades before considering them truly "modern." He cited specific issues at CHS, including peeling paint, windowless rooms, poor ceilings, outdated bathrooms, and inadequate lighting, all of which negatively impact the learning and working environment. He urged decision-makers to experience these conditions firsthand and advocated for increased funding for Capital Improvements to address these issues promptly. He stressed that delays result in higher costs and contribute to a detrimental cycle. Davis offered his assistance, along with other teachers, in identifying and prioritizing facility needs. He challenged the definition of "needs-based budget," suggesting a broader interpretation of "needs" to encompass significant facility improvements.

6.1 Upcoming School Board Meetings: Ms. Dooley read the upcoming meetings.

7.1 Adjourn: The meeting was adjourned at 6:26 p.m.

A video of the February 10, 2025 meeting can be located at:

https://drive.google.com/file/d/1UXy9HX-8R69fuZvWNmAk5thDKkUUjmAR/view?usp=drive_link

Emily Dooley, School Board Chair

Leslie Thacker, School Board Clerk