

MINUTES

Fairfax County School Board

Jackson Middle School

Special Meeting No. 5/Superintendent's FY 2001 Proposed Budget

January 6, 2000

I. MEETING OPENING

Call to Order

At-large member Robert Frye convened the Board in public session at 7:35 p.m., with the following members present:

Catherine Belter (Springfield)	Ernestine Heastie (Providence)
Christian Braunlich (Lee)	Kaye Kory (Mason, arr. 7:38 p.m.)
Mychele Brickner (At Large)	Gary Reese (Sully)
Isis Castro (Mt. Vernon)	Jane Strauss (Dranesville)
Robert Frye (At Large)	Rita Thompson (At Large)
Stuart Gibson (Hunter Mill)	Tessie Wilson (Braddock)

Also present were Division Superintendent Daniel A. Domenech; Deputy Superintendent Alan E. Leis; Executive Assistant/Clerk of the Board Grace Winters; Deputy Clerk of the School Board Norma J. Bailey; Assistant Superintendent for Financial Services Charles Woodruff; and certain other members of staff.

II. PRESENTATION

Dr. Domenech presented his FY 2001 proposed budget to the Board. (See the attached slides, which include comments made by Dr. Domenech.) (Exhibit A)

Dr. Domenech then introduced Charles Woodruff, who presented a review of budget assumptions for FY 2001. (See the attached Fact Sheet and slides.) (Exhibits B and C)

The following additional points were made by Mr. Woodruff:

- Slide 2, "Beginning Balance FY 2000 vs. FY 2001"
 - Compensation adjustments from salary lapse shown for FY 2000 were originally estimated at 1%, but were actually 2.8%, resulting in \$18.8 million. The estimate for FY 2001 of \$7.0 million will probably increase.
 - Revenue in FY 2000 resulting from state lottery money does not carry over into FY 2001.
 - Additional funding from health insurance accrual (had been prepaying, no longer required, one-time windfall).
 - Utilities savings for FY 2000 resulted partly from the warm winter last year; however, the summer was hot, causing higher utility usage. Fuel prices have increased, so no savings are anticipated for FY 2001.
- Slides 4 and 5, "FY 2001 Assumptions"
 - The 2.1% salary lapse, or \$24.5 million, was due largely to the significant number of retiring employees.

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- A preliminary actuarial study indicated that the ERFC retirement fund was fully funded, allowing for a 1% reduction in contributions from the school system, or a savings of approximately \$7 million.
- An increase in the health insurance rate, effective January 1, 2001, was due to moving insurance coverage to a calendar year plan. This would accommodate employees whose spouses are federal employees, allowing them to change health plans more easily without having to pay double coverage for a period of several months.
- Staff from the Department of Financial Services to contact School Board members individually to discuss the budget.

III. ADJOURNMENT

The special meeting was adjourned at 8:25 p.m.