MINUTES OF THE MAY 11, 2026 CITY COUNCIL SPECIAL MEETING

A SPECIAL meeting of the Hopewell Council was held on Monday, May 11, 2026, at 5:00 p.m.

PRESENT: (Council)

John B. Partin, Mayor
Rita Joyner, Vice Mayor
Michael Harris, Councilor
Susan Daye, Councilor
Malik Wheat, Councilor
Lovena Rapole, Councilor

(School Board)
John Griffin, Board Chair
Chris Reber, Vice Chair
Ruth Johnson, Member
Heather Bennett, Member
Patience Bennett, Member (arrived at 5:39 p.m.)

Vice Mayor Joyner makes a motion to allow Councilor Harris to participate remotely. Councilor Daye seconds the motion.

ROLL CALL

Vice Mayor Joyner-	Yes
Councilor Harris -	Abstain
Mayor Partin-	Yes
Councilor Daye-	Yes
Councilor Wheat-	Yes
Councilor Rapole-	Yes

Motion Passes 5-0

Vice Mayor Joyner makes a motion to amend the agenda to include a R-6 item for recognition of City employees. Councilor Wheat seconds the motion.

John Griffin stated that he always looks forward to the annual work session, noting that it serves as an important opportunity to move the school year forward as the spring season begins. He emphasized that the primary focus of the work session is ensuring that Hopewell's students receive the quality educational services and support they need to succeed. Mr. Griffin expressed confidence that a strong agenda had been prepared for the meeting to facilitate productive discussions and planning. He then concluded his remarks by turning the presentation over to Dr. Hackney to continue the work session.

Dr. Melody Hackney explained that Hopewell City Public Schools remained in a difficult position due to the uncertainty surrounding the Virginia state budget. She said the division had considered delaying the annual budget work session because they lacked the critical information typically needed to make informed financial decisions, specifically the finalized General Assembly budget. Dr. Hackney shared that she had recently spoken with Delegate Carrie Coyner Daugherty during the Teacher Appreciation Banquet, where she was informed that the earliest a state budget might be approved would be the end of May, although a more realistic timeline appeared to be mid-to-late June. She noted that this delay created challenges for the school division's budget planning but acknowledged that neither local officials nor individual legislators had control over the timing.

Despite the uncertainty, Dr. Hackney said the purpose of the work session remained the same as in previous years: to provide City Council with an overview of the school division's financial needs and budget priorities. She explained that the presentation would follow the customary format by identifying new funding needs for the upcoming fiscal year. Historically, the division has relied on anticipated state funding to support these budget additions; however, because the state budget had not been finalized, it was impossible to determine whether those resources would be available. Dr. Hackney advised that the division would instead base its planning on the three existing state budget proposals—the House, Senate, and Governor's proposed budgets. She noted that while it was unlikely any single proposal would be adopted in its entirety, the final state budget would likely include elements from all three. To assist Council in understanding the potential financial impact, the school division prepared budget scenarios illustrating its funding needs under each of the three proposed state budget versions. She concluded by stating that Janelle would provide a brief overview of the bottom-line figures associated with each proposal.

Chris Reber makes a motion to adopt the agenda. Ruth Johnson seconds the motion.

ROLL CALL

Ruth Johnson-	Yes
Chris Reber-	Yes
John Griffin-	Yes
Heather Bennett-	Yes

<u>Motion Passes 4-0</u>

Joint Budget Work Session – Hopewell City Public Schools Budget Discussion

Dr. Melody Hackney reviewed the school division's staffing requests for the upcoming fiscal year, explaining that the requests had been divided into two categories: the continuation of positions currently funded through one-time carryover savings and requests for new or expanded positions. She reminded Council that, during the previous budget cycle, the City had allowed the school division to use year-end carryover funds to retain essential positions totaling approximately $1.1 million. Dr. Hackney expressed her appreciation for Council's support but explained that relying on one-time savings creates an ongoing structural deficit because those funds are not recurring. She emphasized that these positions had already been presented to and approved by Council during the prior budget process and now required permanent funding.

Dr. Hackney stated that the new staffing requests totaled approximately $233,000 and primarily consisted of expanding or enhancing existing positions to meet operational and student needs.

She explained that the transportation coordinator position required additional funding so it could be reclassified as exempt under the Fair Labor Standards Act, allowing the employee to work the extended hours necessary to oversee transportation operations throughout the day. She also noted that the division needed to convert an existing part-time social worker position to full-time due to increasing student needs. Additionally, the transition coordinator position, previously classified as a teacher assistant role, required expansion to better support special education services.

Dr. Hackney further explained that the division was requesting additional van drivers and transportation aides because of the growing number of students requiring individualized transportation services. She also highlighted the proposed TEAM Program, an intensive behavioral support program designed for elementary students experiencing significant behavioral and adjustment challenges. She noted that many of these students were "COVID babies" whose early childhood experiences had affected their ability to adapt to the routines and expectations of elementary school. The proposed funding of approximately $110,000 would support one teacher and one teacher assistant to operate a consolidated behavioral program serving students from Dupont and Patrick Copeland Elementary Schools. Altogether, the continuation of previously funded positions and the new staffing requests totaled approximately $1.3 million.

During Council discussion, Dr. Hackney responded to questions regarding the Pathways Program. She explained that the program had been established in partnership with City Council to provide an alternative educational setting for approximately 60 to 80 Hopewell High School students who were legally required to attend school but were not engaged academically and were frequently disruptive in the traditional school environment. She reported that the program had been highly successful, noting that participating students were now performing well while Hopewell High School had become a more orderly learning environment. She added that the students with the greatest needs now receive services through a separate program located at the School Board Office.

Council also asked whether the staffing requests were listed in order of priority. Dr. Hackney clarified that the list was not prioritized but explained that, if ranked, the highest priorities would be the additional van drivers and transportation aides, followed by the TEAM behavioral program, and then the remaining expanded positions. She noted that this staffing proposal had undergone four separate rounds of internal review and represented only those positions the administration considered essential to maintaining effective school operations.

Dr. Melody Hackney presented the second budget handout, which outlined the school division's non-personnel funding requests for the upcoming fiscal year. She explained that while the first column reflected the staffing requests previously discussed, the remaining items represented essential operational costs unrelated to personnel. Dr. Hackney emphasized that these requests were necessary to maintain the division's operations and services during the coming school year. She began by addressing the significant increase in employee health insurance costs, explaining that the division initially faced a 39 percent premium increase. By transitioning to the Local Choice health insurance program, the increase was reduced to 26 percent. Although the division had traditionally covered the full cost of employee-only health insurance premiums as a competitive recruitment and retention benefit, Dr. Hackney stated that the magnitude of the increase made that practice financially unsustainable. As a result, the proposed budget assumed

employees would absorb 25 percent of the premium increase, with the remaining cost reflected in the division's budget request.
Dr. Hackney next discussed a modest tuition increase for the Governor's School and highlighted the need to begin a structured replacement cycle for student Chromebooks and laptops. She explained that the division had reached the point where all devices required replacement and recommended budgeting for approximately 20 percent of the inventory each year, allowing all devices to be refreshed over a five-year cycle while avoiding large one-time expenditures.
She also reviewed the proposed employee salary increases reflected in the Governor's, House, and Senate budget proposals. Both the Governor's and House budgets included funding for a 2 percent salary increase, while the Senate proposal provided funding for a 3 percent increase. Because the final state budget remained uncertain, the school division incorporated each proposal into its planning to illustrate the potential financial impact under each scenario.

Dr. Hackney highlighted funding for the ITeach program, Virginia's teacher licensure initiative, explaining that it had successfully helped provisionally licensed and unlicensed educators earn full teaching credentials. She stated that the division had seen excellent results from the program and estimated approximately $50,000 would be needed to continue supporting participants during the upcoming year.

She also emphasized the ongoing need for maintenance funding to preserve school facilities and infrastructure, noting that continued investment was critical while expressing appreciation for City Council's support of capital improvement efforts through borrowing initiatives. Finally, she discussed funding needed to continue the services of financial consultants assisting with the implementation of the Munis financial management system, explaining that these contractual services remained necessary as implementation continued.

Dr. Hackney concluded by noting that the staffing requests previously discussed, combined with these additional non-personnel needs, represented the school division's projected funding requirements before accounting for anticipated state revenues. During Council discussion, a member asked whether the financial consultant funding related to preparation for the FY2026 audit. Dr. Hackney confirmed that it did, and another Council member clarified that the funding specifically pertained to the consultants assisting with the Munis implementation project.

Janel English presented a financial analysis comparing the school division's current budget with the Governor's, House, and Senate proposed state budgets to illustrate how each funding scenario would impact the division's ability to meet its projected needs. She explained that the first column reflected the division's current budget, while the shaded columns represented each of the proposed state budgets. Under the Governor's proposal, the division would receive approximately $2.6 million in additional state funding. However, after subtracting the estimated district needs of nearly $4.5 million, the division would still face a deficit of approximately $1.9 million. Even if the division carried forward an anticipated year-end surplus of approximately $940,000, the remaining shortfall would still total roughly $950,000. Ms. English noted that the Governor's proposal appeared to be the least likely scenario since a new administration would be preparing its own budget.

Ms. English explained that the House budget proposal represented the most favorable financial scenario. Under that proposal, total state funding would increase to approximately $50.6 million, representing nearly $5 million in additional revenue over the current budget. After accounting for the division's estimated $4.5 million in needs, the school division would realize a surplus of approximately $488,000. Combined with the anticipated $940,000 carryover balance, those funds could potentially be dedicated to the school division's building maintenance and bus replacement reserves to address future capital needs.

She then reviewed the Senate proposal, which would provide approximately $3.6 million in additional state funding. Ms. English explained that because the Senate budget included a proposed 3 percent employee salary increase instead of the 2 percent increase included in the Governor's and House proposals, the school division's projected expenses would rise to approximately $5 million under that scenario. After subtracting those costs from the additional state revenue, the division would face a deficit of approximately $1.5 million. Applying the anticipated $940,000 carryover would still leave an estimated funding gap of approximately $518,000. Ms. English emphasized that these projections were simply planning scenarios based on the limited information currently available, as the General Assembly had not yet adopted a final state budget.

During Council discussion, members requested additional financial detail beyond the summary information presented. One Council member asked whether staff could provide a line-by-line breakdown of expenditures to better understand how the summarized budget figures were developed. Ms. English responded that the division could provide any level of detail requested and would work with the City's Finance Department to supply the information. Another Council member requested historical comparisons and trend data showing where the division had been financially, its current position, projected future spending, and the specific factors driving cost increases. The member also acknowledged that previous questions regarding the use of carryover funds had been answered and recognized that those funds had been used to address operating deficits rather than being reserved for capital projects.

In response to questions regarding capital planning, Dr. Melody Hackney explained that the school division had recently received a Virginia Department of Education grant to complete a comprehensive third-party facilities condition assessment for Woodlawn and Carter G. Woodson schools, which currently have some of the division's greatest facility needs beyond HVAC improvements. She stated that the assessment would identify the most critical infrastructure needs, prioritize projects, and provide cost estimates to guide future capital planning. Dr. Hackney noted that the division hoped to eventually complete similar assessments for every school, although each assessment costs approximately $48,000. She emphasized that the reports would help ensure capital funds are invested in the appropriate projects and in the proper order. Council members discussed how the information could also assist future operational assessments by identifying opportunities for cost savings and refining project scopes.

Council also discussed the proposed $15 million general obligation bond for HVAC improvements. Vice Mayor Joyner asked whether multiple estimates had been obtained for the HVAC replacement project. Burlin Gregory explained that the division utilized an existing state cooperative contract rather than issuing a separate request for proposals. He stated that the

division had obtained a proposal from the equipment manufacturer, but it was approximately $5 million higher than the selected proposal, largely because of labor costs, while providing essentially the same equipment.
Council then asked about student enrollment trends and whether enrollment was expected to increase or decrease. Mr. Gregory responded that declining enrollment is a statewide issue affecting approximately 122 of Virginia's 134 school divisions. He noted that the Virginia Department of Education develops enrollment projections that are incorporated into school funding formulas and confirmed that Hopewell's enrollment is also projected to continue declining. When asked whether private schools were drawing students away from public schools, Mr. Gregory stated that West End Christian School was the primary private school serving Hopewell students and that the division could analyze those trends if requested. However, he explained that the division has historically attributed much of its enrollment fluctuation to the transient nature of the local population, particularly because of Fort Lee, as well as broader statewide trends such as declining birth rates. He offered to provide Council with research and literature documenting the statewide decline in public school enrollment.

The discussion concluded with council asking why the school division continued to submit budget requests for additional positions and funding despite being advised that the City expected level funding. Mr. Gregory explained that state law requires school divisions to present the funding necessary to meet the educational needs of students rather than limiting requests to what the locality may be able to afford. He acknowledged that the division has consistently been conservative in its requests but noted that the schools have experienced level or reduced local funding for many years. As a result, the division has eliminated approximately 200 positions over the past decade to balance its budget. He stated that these reductions have increased staff-to-student ratios and affected class sizes, emphasizing that while the division ultimately operates within available funding, it has a responsibility to communicate the resources required to adequately serve students.

Mayor John Partin acknowledged the discussion regarding the school division's budget development process and stated that it was similar to the approach used by other City departments. Drawing on his experience serving on the wastewater commission, he explained that each department is responsible for preparing a budget that reflects the resources it believes are necessary to accomplish its mission. He noted that the School Board must then evaluate and refine those requests before presenting them to City Council, just as the City does when balancing the needs of its own departments against available funding.

Mayor Partin emphasized that City Council must weigh numerous competing priorities when making budget decisions. As an example, he referenced the City's ongoing obligations under the Virginia Department of Environmental Quality (DEQ) consent order governing the wastewater treatment system. He stressed that ensuring compliance with the consent order remains a critical financial priority because failing to meet DEQ's requirements would result in costly penalties and fees, diverting resources away from other important community needs. He noted that Council must carefully balance these mandatory infrastructure obligations alongside requests from the school division and other City departments when developing the City's overall budget.

Vice Mayor Jackie Sherry Joyner discussed the school division's annual budget process, noting that this collaborative approach has been followed for many years and would continue. She stated that no one had instructed the school division to prepare a level-funded budget, explaining that such direction is not typically provided. However, she acknowledged that once City Council determines the amount of local funding it can provide, the school division must then adjust its budget accordingly, as it has successfully done in previous years. Vice Mayor Joyner recognized that balancing available funding with operational needs is a recurring part of the budget process and expressed confidence that the school division would continue working collaboratively with the city to address any funding constraints.

Vice Mayor Joyner also expressed optimism about the upcoming operational assessment of the school division. She stated that the assessment, to be conducted by the A&M consulting team and its contractors, would help identify additional efficiencies and potential funding opportunities. She said the findings would provide valuable guidance for maximizing available resources and help both the city and the school division implement needed improvements as quickly and effectively as possible.

Stacey Jordan asked the school division about its current staffing vacancies. Dr. Melody Hackney responded that she did not have the exact number of vacant positions available but reported that the division's overall vacancy rate was approximately 3.5 percent based on the most recent data she had received that morning. She also stated that the school division employs approximately 800 employees.

Ms. Jordan then asked whether the personnel cost estimates included in the staffing request reflected employee benefits in addition to salaries. Dr. Hackney confirmed that the figures presented in the budget request included both salaries and associated employee benefits.

Interim City Manager Michael Rogers asked whether the approximately $1 million in carryover funds referenced by the school division was primarily the result of personnel vacancies during the fiscal year. Dr. Melody Hackney confirmed that it was, explaining that the carryover balance was derived primarily from salary and benefit savings generated by vacant positions that had remained unfilled.

Stacey Jordan asked whether a portion of the anticipated $940,000 carryover could be used to fund the operational assessment, with the remaining funds directed toward capital needs since the money was still available in the current fiscal year. Dr. Melody Hackney responded that it would be possible, but cautioned that using the carryover in that way would come at the expense of other identified needs, including the positions and staffing costs already discussed.

Ms. Jordan also asked whether the estimated $1.2 million for employee raises applied across the board to all school employees or only to Standards of Quality-funded positions. Dr. Hackney clarified that the raise amount applied to all employees. Ms. Jordan then asked for a breakdown showing the portion of the raise costs covered by the state compared with the amount the school division would still be responsible for funding locally, including central office employees. Dr. Hackney agreed to provide that information and noted that the state revenue was already built into the budget projections.

Mayor John Partin asked how the proposed general obligation bond funding for school capital projects would affect the school division's proposed capital budget. He wanted to know whether projects included in the current budget would be funded through the bond proceeds, thereby freeing operating funds for other priorities.

Mr. Gregory explained that the school division had previously provided Finance Director Stacey Jordan and Mayor Partin with a detailed list identifying how the proposed $15 million in bond funding would be allocated. He clarified that the approximately $400,000 in maintenance funding included in the proposed operating budget was intended for deferred maintenance and routine facility needs and was not part of the projects to be financed through the bond proceeds. Instead, the bond funding was intended for larger capital investments, including school bus replacements, HVAC system improvements, and other major facility projects. He also noted that the school division planned to apply again for the School Construction Assistance Program (SCAP) grant, which could provide up to 30 percent of eligible project costs, while identifying an additional approximately $1 million roof replacement at Carter G. Woodson School as another significant capital need. Mr. Gregory emphasized that these larger projects fell outside the operating budget currently under discussion.

Mayor Partin then asked whether any of those major capital projects were reflected in the budget being presented that evening. Mr. Gregory responded that they were not, explaining that the only capital-related funding included in the proposed budget was the required local matching funds should the school division receive a SCAP grant. The larger capital projects proposed to be financed through the general obligation bonds were budgeted separately from the operating budget.

Stacey Jordan asked where the proposed capital projects could be found within the budget documents, noting that they did not appear to be listed in the materials presented. Vice Mayor Joyner confirmed that the capital projects were not included in the operating budget handout being reviewed.

Mayor John Partin acknowledged that there appeared to be some confusion regarding the information Council had requested about the school division's capital projects. He suggested that Stacey Jordan and Mr. Gregory had likely been referring to information that had already been distributed by email and indicated that there may have been a misunderstanding about the specific documents or details Council was requesting. Mayor Partin emphasized the need to clarify the request so that Council members would receive the appropriate capital project information needed for their budget review.

Stacey Jordan asked whether the school division would consider using a portion of its anticipated $940,000 year-end carryover to fund an operational assessment and facilities needs assessment, with any remaining balance applied toward the debt service associated with the City's planned general obligation bonds for school capital improvements. She referenced a recent email exchange in which she had advised the school division that additional local funding was unlikely to be available and suggested that it might be appropriate for City and school staff to jointly review the school budget line by line to identify opportunities for savings and prioritize expenditures.

Ms. Jordan explained that the City already provides approximately $13.5 million annually in local operating support to the school division, in addition to paying approximately $1.6 million in debt service, resulting in a total annual local commitment of more than $15 million. She noted that the City was preparing to assume additional debt to finance major school capital projects through the proposed general obligation bonds and emphasized the importance of planning ahead for those future financial obligations. Ms. Jordan suggested that allocating a portion of the carryover funds toward the operational assessment and future debt payments could help position both the City and the school division more favorably in the years ahead.

Dr. Melody Hackney responded that such an approach was certainly possible but reiterated that using the carryover funds for those purposes would come at the expense of other operational priorities previously identified by the school division, including essential staffing and program needs. Ms. Jordan acknowledged that concern and explained that her intent was to be proactive in addressing the City's long-term financial responsibilities. She emphasized that, while the additional debt payments for the bonds would not begin until the following fiscal year, the City also faced future financial commitments, including the upcoming real estate reassessment and other capital priorities, making long-range planning essential for both the City and the school division.

During the discussion, Dr. Melody Hackney explained that the school division had not included funding for an operational assessment in its proposed budget because the administration had been led to believe that City Council would fund the assessment separately. She stated that she personally supported conducting an operational assessment and had communicated that support to Mayor Partin months earlier. Dr. Hackney added that, from the school division's perspective, the only way it could fund the assessment internally would be to use money already allocated for other school operations and priorities.

Finance Director Stacey Jordan clarified that if the City were to fund the operational assessment, the funding would have to come from the City's existing financial resources, including the local funds already provided to the school division. She acknowledged that this had not been clearly communicated to school officials. Ms. Jordan explained that the City was simultaneously addressing numerous competing priorities, including investments in economic development initiatives intended to generate additional future revenue and significant infrastructure improvements needed throughout the community. She emphasized that without increasing the City's revenue base and maintaining critical infrastructure, the City would be unable to provide additional financial support to the schools. Ms. Jordan concluded by stating that her goal was to identify collaborative solutions and alternative funding strategies that would allow both the City and the school division to meet their respective needs while working together toward their shared objectives.

Mayor John Partin acknowledged that his original intention had been for the City to fund operational assessments for both the Housing Authority and Hopewell City Public Schools simultaneously. He explained that completing both assessments at the same time would have created opportunities for cost savings and improved efficiency. However, he noted that the City had since encountered several unforeseen issues that required immediate attention. Mayor Partin stated that these emerging infrastructure concerns had to be addressed promptly to prevent them from developing into much larger and more costly projects if left unresolved for several more years.

Mayor Partin explained that, because of these unexpected financial pressures, the City was now exploring every available option to complete the operational assessments. He emphasized that obtaining comprehensive assessments remained an important priority because they would provide valuable documentation when the City met with bond rating agencies, demonstrating that both the City and the school division were proactively evaluating operations and pursuing efficiencies. He further stated that the completed assessments would establish a clear roadmap for both organizations by identifying and prioritizing their most critical operational and capital needs, allowing future investments to be made strategically and efficiently.

Councilor Daye asked whether conducting the proposed operational (turnaround) assessment would have a positive impact on the City's bond rating. Specifically, she questioned whether demonstrating that the City and the school division were proactively evaluating school operations and bringing in an independent third party to review efficiencies and organizational performance would strengthen the City's financial position and be viewed favorably by bond rating agencies.

In response to Councilor Daye's question, Stacey Jordan stated that she believed the proposed operational assessment could have an influence on the City's bond rating but said she would confirm that with the City's financial advisor, Jimmy Sanderson. She explained that she had already forwarded the City's presentation, which was being prepared for the bond rating agencies, to Mr. Sanderson for review. Ms. Jordan indicated that she would seek his guidance regarding the extent to which completing an operational assessment of the school division would strengthen the City's presentation and positively impact the bond rating process.

School Board Member Patience Bennett asked whether the City and Hopewell City Public Schools had a Memorandum of Understanding (MOU) governing the relationship between the two organizations. She explained that she had searched online for the document but had been unable to locate it, although she recalled seeing one during her previous service on City Council.

In response, Ms. Jordan indicated that they would need to verify whether such an agreement existed by checking with the City Attorney's Office. During the discussion, clarification was sought as to whether Ms. Bennett was referring to an agreement concerning the use of rollover funds. Ms. Bennett clarified that she was referring to a broader Memorandum of Understanding outlining the relationship between the City and the School Board, including matters such as financial support, capital improvements, responsibilities of each entity, and possibly funding percentages or other shared obligations. Ms. Bennett reiterated that she distinctly remembered a Memorandum of Understanding from her time on Council, although she could not locate it. The discussion concluded with a commitment to consult the City Attorney's Office to determine whether an existing MOU could be located and provided.

Vice Mayor Joyner asked whether it is standard practice for local governments and school divisions to have a Memorandum of Understanding (MOU) governing their relationship. She questioned whether such agreements are commonly used in other communities.

Chris Reber responded that the use of MOUs varies by locality. He explained that the only MOU he was aware of in Hopewell was an agreement that had been in place for approximately 20 years concerning the handling of additional surplus funds, which required those funds to be returned. He noted that the agreement eventually expired, leaving the City and School Board without that arrangement. Vice Mayor Joyner then asked whether the MOU pertained specifically to the bus replacement fund, and Mr. Reber confirmed that it did. Vice Mayor Joyner acknowledged the clarification before the discussion moved on.

Patience Bennett clarified that her earlier question was not specifically about the former bus replacement fund agreement. Instead, she explained that she was interested in whether there was a broader Memorandum of Understanding (MOU) outlining the budgetary relationship and responsibilities between the School Board and the City. She stated that such an agreement could clearly define the schools' obligations to the City, establish expectations for transparency and communication during the budget process, and provide a strong framework for collaboration. Ms. Bennett noted that having an MOU would allow both organizations to review their respective responsibilities, ensure compliance with agreed-upon practices, and strengthen the working relationship between the City and the School Board. She concluded by thanking everyone for the discussion.

Vice Mayor Joyner stated that, based on the discussion, it appeared that a joint meeting to review the school division's budget line by line would be beneficial.

Finance Director Stacey Jordan expressed a desire to work more closely with the school division during the budget development process. She stated that she believed there were opportunities to assist the school division in streamlining its budget and identifying potential savings, emphasizing that her goal was not necessarily to reduce funding or cut programs but rather to find efficiencies and savings opportunities that could better position the division financially.

Ms. Jordan explained that the summary-level budget information currently being presented limited her ability to provide meaningful assistance. She suggested that meeting with school staff to review the budget line by line would allow her office to offer additional support, identify possible efficiencies, and explore alternative funding opportunities or other strategies that could help address the school division's financial needs while maximizing available resources.

Interim City Manager Michael Rogers sought clarification regarding the proposed $15 million general obligation bond for school capital improvements. He asked whether the planned HVAC replacement project would be funded through the bond proceeds. School officials confirmed that the HVAC project would be covered by the bond funding, noting that while the HVAC work would require less than the full $15 million, it represented the primary purpose of the bond issuance.

Mr. Rogers further recalled that the original HVAC project had an estimated cost of approximately $11 million, leaving a funding gap that contributed to the decision to pursue a $15 million bond. He asked whether the remaining bond proceeds would be used for other capital priorities. School officials confirmed that any remaining funds would be allocated toward other previously identified capital improvement projects and noted that those priorities had already been shared with Mayor Partin for review.

Dr. Melody Hackney suggested that, in light of the delay in the state budget and the additional time before the City's public hearing on the school budget, the school division work closely with Finance Director Stacey Jordan to provide more detailed budget information. She proposed scheduling another joint work session with City Council to review the budget in greater depth, allowing Council members the opportunity to examine the school division's finances more thoroughly and discuss potential efficiencies and funding options.

Council members agreed that another joint meeting would be beneficial. After reviewing calendars, several possible dates were discussed. The May 27 date was ruled out due to a retirement celebration, and May 28 was determined to be unavailable for some participants. The group then agreed to hold the joint budget work session on May 21 at 5:30 p.m. Dr. Hackney also agreed to provide the requested budget information to Council members before the meeting, enabling them to review the materials in advance and facilitate a more productive discussion during the work session.

Councilor Daye questioned why the school division's expenditures continued to increase despite declining student enrollment. She commented that it would seem logical for fewer students to result in reduced staffing levels and lower operating costs, and asked for an explanation of how the division manages those changes.

Dr. Melody Hackney explained that the school division evaluates staffing levels every year and continually looks for opportunities to reduce positions where possible. She stated that the division "squeezes" staffing and other expenditures whenever enrollment trends allow. However, she noted that enrollment declines rarely occur in a way that directly eliminates the need for an entire teaching position. For example, a loss of 20 students may be spread across multiple grade levels or subject areas rather than occurring within a single classroom, making it impossible to simply reduce one teacher. Dr. Hackney explained that the division adjusts staffing by evaluating enrollment at each grade level and in each instructional area, reducing positions where class sizes and student distribution permit. She added that the administration could provide Council with additional information demonstrating how those staffing decisions are made and emphasized that there is a logical process behind the reductions, even though declining enrollment does not always produce proportional decreases in staffing or expenditures.

Vice Mayor Joyner requested that the school division provide Council members with the detailed budget information in advance of the planned follow-up work session. She explained that receiving the supporting materials ahead of time would allow Council members to review the information thoroughly, become more informed before the meeting, and better understand how the detailed budget data supports the summarized figures presented in the budget documents. Vice Mayor Joyner stated that having the opportunity to examine the underlying details beforehand would help facilitate a more productive and informed discussion during the joint budget work

ADJOURNMENT

Respectfully Submitted,

Sade' Allen

Sade' Allen, City Clerk

Johnny Partin, Mayor