

May 5, 2015
Regular Meeting

MINUTES OF THE SPECIAL MEETING OF THE HOPEWELL CITY COUNCIL

A Special Budget Meeting of the City Council of the City of Hopewell, Virginia, was held Tuesday, May 5th, 2015, at 5:30 p.m. in the City Council Chambers, Municipal Building, 300 North Main Street, Hopewell, Virginia.

PRESENT: Brenda S. Pelham, Mayor
Christina J. Luman-Bailey, Vice Mayor
Arlene Holloway, Councilor
Anthony J. Zevgolis, Councilor
Jasmine E. Gore, Councilor
K. Wayne Walton, Councilor
Jackie M. Shornak, Councilor

Mark A. Haley, City Manager
Cynthia Y Ames, City Clerk

ROLL CALL

Mayor Pelham opened the meeting at 5:30 p.m. Before, we will not be coming out of closed session. We'll be going back in at the end of this meeting. So I will not call for that question. However, I do like to invite again, welcome all the visitors and citizens in the audience tonight. Roll call was taken as follows:

Mayor Pelham	-	present
Vice Mayor Luman-Bailey	-	absent (arrived @ 6:46 p.m.)
Councilor Holloway	-	present
Councilor Zevgolis	-	absent (arrived @ 6:46 p.m.)
Councilor Gore	-	present
Councilor Walton	-	present
Councilor Shornak	-	absent (arrived @ 6:30 p.m.)

CLOSED MEETING

Motion was made by Councilor Walton, and seconded by Councilor Gore, to resolve to convene into closed session for discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body (City Council appointees) and discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held property, where the discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body (acquisition of real property), according to Virginia Code Section 2.2-3711(A)(1) and (3).

Upon the roll call, the vote resulted:

Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Holloway	-	yes
Councilor Gore	-	yes

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REGULAR MEETING

Mayor Pelham opened the regular meeting at 7:30 p.m. Roll call was take as follows:

Mayor Pelham	-	present
Vice Mayor Luman-Bailey	-	present
Councilor Holloway	-	present
Councilor Zevgolis	-	present
Councilor Gore	-	present
Councilor Walton	-	present
Councilor Shornak	-	present

PRAYER AND PLEDGE OF ALLEGIANCE TO THE UNITED STATES OF AMERICA

Prayer was given by Charles Dane, Assistant City Manager, followed by the Pledge of Allegiance to the Flag of the United States of America.

Welcome everyone here tonight. Before, we will not be coming out of closed session. We'll be going back in at the end of this meeting. So I will not call for that question.

WORK SESSION

WS-1. Work Session- Fiscal Year 2015-2016 City of Hopewell Budget

MR. HALEY: Thank you Madam Mayer, Madam Vice Mayor and members of Council. We're close. We think that tonight we may be in a position to pass a resolution for your next fiscal year's budget. There's a couple things we need to go over with you that are incomplete. The most significant of those I think would be the healthcare for retirees going forward. You know, after hearing comments from counsel and retirees, well we made some changes. We submitted to you the current plan, the first proposal and the revised proposal and it's a lot of information to digest so we don't think it's fair to Council or to the retirees to embody it into the budget resolution. So section 26, we are purposely pulling out of the budget resolution to allow Council time to study on it as to where we are now and also allow staff time to the present it to the retirees. The long and short of it is, is it will basically extend any implementation of any changes until July of 2016, fourteen months from now. So any implementation will go forward in fourteen months. And we'll explain the changes that we're proposing and that we've run by you before but we'll, Ms. Vance will get up here in a second. But before we do that, we also received a lot of comment from Council over the last week with some things coming in as late as Friday which had Jerry burning up the copy machine for a few minutes to get all the changes before you tonight into the document and then also present to you two other documents on the budget approach and a budget resolution. Those documents are largely narrative in nature but we will highlight the budget numbers now and I guess I'll call Mr. Whitaker to the podium.

MR. WHITAKER: Good evening Mayor Pelham, Vice Mayor Luman-Bailey and members of Council. At your station just a few minutes ago, I passed out some documents. There are four documents that are included. The first one is the budget approach, which is a part of the budget plan that you normally receive in the blue book and the last item in the packet is actually the budget resolution itself, what Council normally passes as it relates to the budget. Also included in the document this evening is a new version of the expenditure comparison report. And what this report gives us is the finance director's version of the budget, the city manager's version of the budget and now the Council's version of the budget. And the Council's version includes all of the changes that were submitted, or some of the changes that were submitted by Friday of last week and even over the weekend. So just to kind of highlight some of the items in the budget itself and I'm referring to the MUNIS report that actually is line by line for the budget itself.

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On the first page under City Council's budget, the very last line of miscellaneous expenditures, you can see in the City Manager's budget it was \$11,000 and Council's version of the budget is \$41,000. And this is moving the \$30,000 from John Randolph Foundation over to Council for the youth program. So instead of showing it as an item going to John Randolph is in the City Council's budget for City Council to make a decision on a later date. So the monies are there and it's there if Council wants to use them. If Council doesn't want to use them for that particular purpose, they would just roll into fund balance at the end of the year. The next section that I want to bring your attention to in here is towards the back of the report. And we received comments from Council as it relates to contributions to colleges and universities. And this can be found on page number 33. Council wanted to keep flat the contributions to John Tyler Community College, Richard Bland and Virginia State University. And if you look in the Council's column, you will see all of those are funded at \$1,000. The next item that just is a summary to bring your attention to is on the same page. And this is the contributions from the general fund to schools. And this will be about the fifth line from the bottom of the report. Support of schools, the finance director's budget had \$13,100,000. The City Manager's version you had an additional \$176,000 for the positions. And at the meeting with the school system, it was decided that Council would fill their budget gap by providing an additional \$49,500. So the difference between the finance director's version of the budget of \$13,100,000 and the Council's version of the budget at \$13,549,500 is the filling of that gap of \$449,500. There were a few other changes that were made, minimum changes throughout the budget but I'm not going to go over those this evening. But those are the major changes. And just to talk a little bit about capital projects, which was the third item in your packet. There was a movement of additional one-time dollars from the fund balance to fund a dump truck, so that is a new item that's on your capital projects list. This will be the third packet in the budget. And this is just to, again, it's just a summarization of the capital projects. And the only change in this particular document from our last meeting was the actual adding of the dump truck for the capital project list and that will come out of one-time funding. So as it relates to all of the documents, how they tie together, it's the detail line item that you are provided for the MUNIS report ties into the budget approach, which ties into the budget resolution. So all three of these documents tie together and if you're looking for details, of course, you'll find it in the MUNIS report. And again, I've just kind of went over the summary items that were changed from our last meeting to this particular point in time. And I or the City Manager will be happy to answer any questions at this point.

COUNCILOR WALTON: So, going back to the schools, our support does not include any of the reading specialists?

MR. WHITAKER: That is correct, not at this time. Based on the Thursday night meeting, the joint meeting with schools, what they were asking for at that particular point in time was to fill the gap of their budget for this year compared to the coming year. And that gap as identified by schools was \$449,500.

COUNCILOR WALTON: That was the original gap?

MR. WHITAKER: That is –

MR. HALEY: The gap did come down a little bit from Dr. Fahey's original presentation. But in that Thursday night meeting the \$449 was what the need was to fund everything so that there would be no cuts to athletics, band, governor's school, et cetera. And that was going to require an additional \$60,000 beyond what Council had tentatively pledged through the tax rate that you set.

COUNCILOR WALTON: So I guess the question, you know, of Council and us is are we going to fund any of those reading specialists that seem to be the crux of the whole deal there or as the head of the schools especially elementary schools.

VICE MAYOR LUMAN-BAILEY: Thank you. I just also wanted to make sure everyone understood that first of all the shortfall had nothing to do with the City. I mean we were already fully funding the schools as it was. And I think the thought was that the original \$176,000 increase would go toward reading specialists. Yes. And I guess there was a decision on the part of the schools that they preferred money to use for the shortfall, which was created from a combination, I guess, of state and federal cuts.

MR. WHITAKER: That's correct. And I believe it was actually just the federal cuts. I believe they actually did receive a small increase in state funding. VICE MAYOR LUMAN-BAILEY: In state, so it was completely federal. But so, just going back to the, if the schools chose to do so, they could certainly use

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the increase, which is now at \$449,500 to fund whatever they wanted. If they wanted to use it to hire new teachers then that, we're not the ones making that decision. MR. HALEY: That's correct.

VICE MAYOR LUMAN-BAILEY: I just wanted to make sure that was clear to everyone. And I think we all thought that originally that the increase that we were providing was going to go toward hiring the new reading specialists but if they're choosing to use it to make up for the federal shortfall, then that's the decision that they have made. But we don't have any control over what they do with the money, with the increase that we're providing to them. Right?

MR. WHITAKER: That is correct.

VICE MAYOR LUMAN-BAILEY: So I guess I mean I don't know what, I don't think we can come up with a solution on our own as far as the reading specialists are concerned when we originally thought that that's what the money was going towards. So I just wanted to remind Council and everyone else of that, thanks.

COUNCILOR SHORNAK: I really don't think that we're actually funding the school systems when they're being cut not by their choice and not by anything they've done, the feds did it. And yes, we need to fill that gap but we haven't really addressed the issue about the kids and the reading. That's the number priority I see. We absolutely need to get reading specialists in the school. We need to get, give them the resources that they need to get these kids who are in elementary school up to the reading and so that they can advance further. But if they don't get those reading fundamentals in those crucial times when they're young, they're going to be dropouts before they even get to high school. I just don't feel that \$449,500 is enough. Yes, they won't have to cut the sports but I think education is important. And I know all of Council feels that it's important but if you're not getting ready to give up on the money, then what does that send out to the rest of the citizens in Hopewell. We have got to find some of these reading specialists because the problem is not going away. It's only going to get worse for next year. So my take on it is I think you need to go ahead and fund as many positions of reading specialists as we possibly can. And yeah, I know it's hard to find that money but I'm willing to go in the reserves and get it if we have to and worry about it later. I know that's not the right thing that Jerry, words to his years. But this is crucial. And I mean if the school board wants to say anything more to plead their case, I would welcome that, but I don't think the problem is going to go away. It's only going to continue to bring our kids down. And top priority is the kids. It's all about the kids.

COUNCILOR GORE: I understand this whole budget process for all of us has been a little bit of a rocky road since we've been doing it. Just to say it. So, I mean, we're at a point now we have fulfilled, we are going to fulfill the shortfall with the school's budget. We all can attest that that was not something that Council did; that's something with the other monies. We understand that. So moving forward, we still have an additional \$2.4 million request approximately or maybe a little bit less than that because the numbers have tweaked a little bit that we have to look at if we're looking at what the school is requesting. And if we were to look at that request, it's made up of different things. About twenty positions, I think that's like \$2.1 million. The positions itself is twenty positions. We're looking at supplementing their healthcare increase. And we're looking at helping to provide raises for the some of the teachers in schools. So we have a lot of different things that make up that difference. So if Council chooses to look at the positions that they're requesting and look at their top priorities, which they have given us a report with the rationale. I understand that. But for me, and I talked about this at my Ward, I had two Ward meetings in response to that both Tuesday's and Thursday's public hearing regarding the schools. For me, I look at the fact that when we walked away from that meeting on Thursday, it was clear there was going to be a shortfall. But we also asked for the schools to come to us with information. We also asked for some, was it benchmark assessments? I think Councilor Walton brought that up. Vice Mayor Luman-Bailey asked for us to look at that list of cuts they were proposing to see which ones that we could find at one-time cost that would not affect people per se, like students or teachers. Like it was ten percent paper cut, membership dues, other things like that that could have been cut. And she asked for that list to be given to us. So here we are now and we still have questions about what the compromise is on both sides. I feel like the City has come to the table with the situation. We postponed our budget process many times to help find a resolution. We have committed to filling their shortfall. I think we've done our part. And I feel like we'll continue to do our

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part. But for me, I feel that moving forward, we need to see what the schools are going to propose to officially cut. Are they going to help find some additional monies for these other teachers? If they do, how much is that money and what else do we need to give them to supplement to help give them whatever else they need. Because right now to me you're saying we're still giving more money but we really don't know what the difference is that's needed. We don't know the assessments that was requested to see how that money is going to be applied and how we can get our best bang for our buck for those teachers.

So for me, I think meeting the shortfall in the budget is fair. I believe it's the right thing to do. But moving forward, we can always amend our agenda to give them additional monies for these teachers. We can always come back and revisit this topic to finish this out. I think the conversation of where we are with the schools still needs to be vetted and we still need to have more conversation between the groups to see what we need to do. And that's just my personal opinion. I hope anybody doesn't think I don't care about the schools, I don't care about the children. I do. But moving forward, you know, and I looked at, I've been reading over the education plan for the schools. I've done my due diligence by visiting schools and I'm going to continue to go back. But for me, moving forward, I feel that there needs to be more conversation had about exactly what can be done. And my last point will be made is on Thursday, I personally brought up in addition to their remarks using the school's public education foundation or I should say the school's foundation to help solicit monies to supplement these costs that, and I highlight Chesterfield County does the same thing and to research how we can change the mission or do whatever we have to do to utilize other sources. We haven't revisited that. So there's other things that we can do instead of just saying this is the end all to be all. This is just my opinion.

COUNCILOR WALTON: You know, we have probably talked more about this budget than any other budget since I've been on Council anyway. And the more feedback, the more detail getting into the weeds of it does get to be kind of confusing and all that. I think from my perspective, you know, I know the whole way this thing was handled with the school was probably a different kind of more than we've done before. I think that, but what I did hear from whatever reason, you know, the phone calls to get people out and all. But I did hear the parents. I did hear the kids. I heard a lot from the teachers that didn't have the tools. And you certainly have to feel sorry for some of those that use their money and do their own things to help out with the kids and all that. So, if I'm electing a board or appointing a board, if I'm putting people in place to make decisions based on some of that stuff, at some point you have to listen to them, you know, or why do we do that. I don't think we, we're the bottom line, I guess, at the end of the day. But for you know, I look at what we put in the last two years with the Beacon, with the marina, with the police station, with the fire station. Education should like somebody said before, learn well is the first thing on the list there. With a population of \$19,000 for a single family is pretty bad. With only one hundred and some kids out of the projects they say only 100 out of 1200 that shows you the whole town is basically poor. So what we need to do is try to help these single parents and try to get, we feed them 85% meal programs in some of the schools. So I think we need to go that extra mile to get these kids learning to read. Good gracious, everybody talks about third grade, you know, they build prisons because they can't read by the third grade. But if we could take \$400,000 and hire six of them or if you take \$200 and hire three of them, what is the big deal? You've got \$2.1 million in the fund if you use it. And next year, I'm positive we're going to make more money. So using a little bit of money out of our reserves and we have used it for a lot of economic development and things which is needed but, you know, you look in the paper, Beacon lost \$500,000 and that's going to be great in the future; we're going to do it. But I don't think people are going to sit there and look at that, wait a minute, what about our kids. So I am all for adding at least three of those reading specialists right now and moving forward. Thank you.

COUNCILOR ZEVGOLIS: Mr. Finance Director for your presentation. My position is that we were, you know, this City Council never proposed any cuts in the school budget nor any of the academic, sports or other programs as the citizens and the teachers and students had been led to believe. All cuts in academics, sports and other programs were proposed by the school system as a counteraction by the schools if they did not receive \$2.8 million of new funding request. Now, at our last meeting with the school board up at the high school, I left there and I think the rest of Council did that we asked what we can work something, you know, we're willing to, you know, go with the two cent tax increase, which really equated to three pennies

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more per hundred and take some money out at one time, \$60,000 out of the reserve fund to make up the shortfall that the federal government had taken away from you. We all know it's the federal government that's doing this in their sequestering program. And so we were willing to come and do a partial funding. And I was of the opinion that the school board was going to come down and give us some information about what programs they would cut other than sports or arts or the Governor's school because that's not going to happen. We know that the school board is not going to let that happen and we know that this Council is not going to let that happen. As I told the kids, you're going to always have a sports program when they were here the last time and we will. But I would like to know what it is that the school board is willing to cut if they got no more additional funding. And then I would be more inclined to make up that difference or to help make up that difference. But I don't believe in the tail wagging the dog and that's exactly what the school board is doing to us. That's the way I feel about it. You know, we're the, you know, the dog wags the tail, the employee doesn't tell his employer that he needs so much funds or he needs to have a raise for maybe work performance that he's not doing. And again, I thought that we would be hearing something from the school board as to what positions they would cut. And maybe some of those I would be totally opposed to and would look at funding out of our reserve fund as Mr. Walton is suggesting, just the one thing. But anything we take out of that reserve fund does hurt our bond ratings and it does hurt some economic developments that we've got going on and that we have. And I don't want to do anything to take away from the economic development fund that would hamper our ability to get additional revenues in the City of Hopewell that will help us. So again, as I told the school board one time before. You all got a couple of balls to juggle but up here we've got four or five because we've got senior citizens. And I regret that I didn't make a motion to raise the taxes by a full 22 cents per hundred on that first hearing that we had to incite the property owners and the senior citizens and widows and widowers that are living in homes that just recently got higher assessments and they're getting hit with a two cent tax increase and they're calling me and I've had dozens of those calls. And I have begged them to come down and speak and they said we couldn't even get into the auditorium because it was packed with schoolchildren and families and teachers and everybody else that was involved. And then when I tried to encourage them to come to the hospital, the high school not the hospital but to the high school, I couldn't even do that. I said, you know, they need to hear from you. And I just wish the Hopewell News would have printed top headlines, hey, Hopewell Council is going to raise your taxes by 22 cents a hundred. Maybe that would have got a lot more people involved and we could have had some better dialog. But instead they got scared to death. But anyway, I'm not adding any more funding other than what the City Manager has recommended until I hear, you know, from what the school board is willing to do. And I can't, I was looking at you Mr. Reber because you are the vice chair of the school board but I'm not asking you to come up and speak. That's up to the Mayor whenever your time will come. Thank you.

COUNCILOR SHORNAK: Well, I think we do need to give the school board a chance to talk. I mean this is really serious and for them not to be able to come and maybe enlighten us on some things. I think they do deserve a chance to talk, to answer any of our questions. We've gone over this and over this and over this. And, you know, I know there's a deadline coming up that they have to get these teachers out applications in order to hire. But we're continuing to drag it out even longer. At some point, something, we have to come to the middle and decide what we're going to do. So, I'm welcoming the school anybody at the school to come up and you know answer some of these Councilors' requests. But I think it's imperative that we need to get these things straight. We can't keep dragging this out any longer. So I welcome you to come up to the podium and if it's okay with Council?

VICE MAYOR LUMAN-BAILEY: Going back to what Councilor Gore was saying earlier, we do need to, we can make amendments as we go along and hopefully and I know that they need to get out applications if they're going to hire new reading specialists. At the same time, there has been an incredible amount of time spent and a lot of misunderstandings and Council thinking that they were allocating funds for those reading specialists and then it turns out that no, the funds are going to go toward the approximately half a million shortfall that was created by the federal government. It certainly had nothing to do with, we were already increasing the budget to include the debt service by over \$600,000 just with the \$176,000 that the City Manager had put in. And now it's more like with the additional \$400 or so, so we're up to, the increase

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if you include the debt service is actually around a million that we are actually increasing the recurring funding that we're giving to the schools. I'm not saying, I mean, I agree that we need to talk more about what we can do about the need for reading specialists. However, we can, we need to move forward with this budget. So if we could pass the budget and then get together with the schools more to discuss this.

But we haven't even really heard from any of the departments. And we've got this whole budget that we need to move on. I just I think we need to be aware of the time that's going by and the fact that some of these department heads have not really had much of a chance to discuss with us how they feel about the budget and how it's going to affect their department, et cetera, et cetera. If they want to have them. So we just keep going round and round and round. So if we could just move forward, taking care of the shortfall which I think all of Council went away from that meeting Thursday the 23rd of April, I think all of Council felt that we had reached a compromise and we could move forward with the budget. And now it feels like we're back to square one. And so I just, I think we need to move forward and then if we need to make an amendment, we can do that. We've done it before. We did it with the increase, the \$1.6 million over the past three years has each time I believe been an amendment to the budget. Each one of those increases ended up being an amendment to the budget. So, we can do that. I just, we just definitely need to move forward.

COUNCILOR GORE: I'm just going to say this last thing. When I talked at my Ward meeting, many of them were asking the questions I'm asking now. So it's not that I don't support the school system, not that I don't understand the need. It's not that I don't get it. It's not that I don't want it. The fact is, I am obligated to speak on behalf of residents in Ward 4 and those people are asking me to ask certain questions in which I am doing. So, again, if people want to recap the chain of events, pretty much that infamous Tuesday meeting. It was like Armageddon hit and the schools, the students can't read and we have a literacy problem in Hopewell, we need money to fix this problem. So when I had my Ward meeting all people were saying is, oh, my goodness, the kids can't read in Hopewell, what is going on. Why aren't you funding the schools? Why aren't you doing this? Why aren't you doing that? You had to explain the whole budget process. You had to explain that we did not propose any cuts. We actually increased them like everybody's been saying here. And then you have to go through the plan that they have, go through the needs and almost everybody asked for me to ask, well what are the benchmarks are you going to put in place for giving this extra money? What are the measuring, what do you expect of schools, what are your expectations in addition to what they've already done that you're asking for them to have? In 2008 through 2009, the only school that wasn't accredited fully was Carter G. Woodson. It was accredited with warning for math. 2009 through 2013, all the schools were accredited except for Hopewell High School and that was accredited with warning. I'm looking at the plan. 2013/2014 we have three schools that are accredited with warning. So, some people in my Ward are asking what's the big thing, what happened, what's the difference. And I tried to say from what I understand this is a problem that's been coming and the schools have been trying to deal with it with the resources that they have but that we have a bigger issue that we need to deal with. And if that's the case, yes we can give additional money. We can do all these things, that's fine. But moving forward, what are we going to do? We have to have some type of plan to continue to deal with this pile. If it really is Armageddon with literacy in Hopewell, what are we going to do outside of doing this budget that we're going to come as a team to try to fix it? We're not talking about that. And that's what I'm trying to say. Pump the brakes. We've met the literal budget shortfall. They're going to be operating at the same level they were last year. What are we going to do moving forward with these additional requests for teachers, how they can be phased in possibly. Where are the expectations? Where are the benchmarks? Is there something that we can do outside of funding? Is there other resource that we can do? All these things that we've been talking about over this time that are still falling through the cracks and we haven't decided on. And again, just for residents to know, Vice Mayor Luman-Bailey is correct, we really have not dealt with the City's actual budget in terms of our departments and our needs. And staff, I'm sorry that we still have yet to really address you all. And the schools are important. I'm not saying they're not important either but a lot of our time has been spent dealing with this issue. And yes, we have been going around the bush. But keep in mind, every time we come back to the table, there's always a different amount of money, there's always something new. First it was \$176, then it turned to \$390, then it turned to \$449, then turned

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to one point, I mean, it's all over the place. And that's what I'm saying. And I'll say this last thing. Since January before we even got to this point, before we even had the Armageddon come through that the only time that we really speak with the schools as a Council is when they submit a report to us and when it's budget time. That's true. You can go on record and ask, you can go through public record to see how many joint meetings we've had with schools. We haven't. And that's our part. I mean it's everyone's fault here. So since we have to deal with this issue, what are we going to do moving forward to continue the dialog and create a long term plan to deal with this literacy problem? And that's all I'm saying. And so it's no attack to the schools, it's everyone share, it's all a part of the big pot and I just don't want us to say okay, we're throwing more money at something. What else can we do and what are we going to do long term to continue to talk about this and create a plan that we can say the City of Hopewell is focusing on our literacy problem. That's what I'm saying.

VICE MAYOR LUMAN-BAILEY: I wanted to, the \$1.6 million that I mentioned the increase of recurring funding that was given over the past three years and I mentioned the fact that it was an amendment every time. I'm just going to suggest that in order to move on what we could do is, you know totaled at least \$1.6 or more. What we could do is suggest that if it's a rush to get applications out and hire teachers then the additional funding that's being given can be used for that and then as far as because in the past that \$1.6 million went towards salaries and benefits. And that's where I believe the shortfall is hitting the schools is benefits. So, potentially the amendment if we need to do an amendment it could be toward that once we get a better grasp on all this other conversation. So if we, yeah, it's been a total of \$2.8, okay. Thanks.

COUNCILOR HOLLOWAY: Good evening everyone. We all know that reading is fundamental. And we do have a budget here but we would like to see that reading go forward with our kids, with our children because it's very important that they're educated. If you can't read, you can't function; you can't go forward. So I would like to see some of the specialist positions approved with the budget.

Motion was made by Councilor Shornak, and seconded by Councilor Walton, to amend the agenda to to allow someone from the Hopewell School System to make comments. Upon the roll call, the vote resulted:

Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes

MR. REBER: Good evening. Thank you so much for allowing us the opportunity to talk to you for a moment. Thank you for affording us a few minutes of your time. First of all, I think it's important to acknowledge what you've done. The half million dollars in shortfall each one of you has said was not a product of your doing. And you are absolutely correct. The issues that we are facing as a school board and a shortfall had nothing to do with you. But I would also proffer from a school board, you're the only outlet that we can look to for help and support. And your action is very important that we can be whole. We're starting where we were last year in recognition that there are significant issues. We provided our budget to you in February and you know, I'm sorry that our dialog is not sufficient to what your expectations are. As a board, we are committed to do whatever is needed to address your concerns.

I hear as a parent and if you don't understand where we are, it's very important that you do. Absent us addressing these reading specialists and the top nine positions, I'm here to tell you we're going to make cuts to do this. This is not a let's look at this next year, let's look at it some other time. We don't have time. And I'm not creating drama. I'm not creating a problem. We have an issue that's been there and we've been trying to address it. We have three years to address that. And we find ourselves that this problem is not going away. If the federal government suggests that you have half a million dollars less to do what you need to do, please tell me what we're supposed to do. The reality is if you all don't provide

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some additional funding, I commit to you today we will make the cuts to make those top priorities happen. It will not be pretty. I will be taking something from something else to make that happen because we will not be accredited without those resources. And the reality is and I'm sorry to tell you the brutal truth, we won't be accredited with those resources likely. I'm not sure that that's clear and I'm happy to answer that in a different way or say it in a different way. But we need these specialty teaching positions to address the needs within our children.

MS. HYSLOP: I can't very well say. I've been on the board since July 1 and I'm very involved in learning because certainly it's different standing on this side of education than when I was standing as an administrator working with the finance director trying to get all those things that we need.

I know it is critical these last few years, the last three years, the changes in the tests. It's been national news in Washington D.C. the reading, the math. And getting acquainted with that, new teachers yes but also to make doubly sure that the classroom teacher who is the primary reading teacher, the primary math teacher in elementary, has all the skills to work and be able to do what they need to do. I agree with Councilman Gore we need to meet. We need to keep you abreast of where we are and where we're heading and I will promote that at the school board. But working to get, we will be cutting. We are looking already. Ms. Barnes has started looking at the budget where we can cut so that we can provide. I've been working on trying, Saturday night I went to the Carpenter Center in Richmond and saw all three of our schools, fourth grade students performing at Minds and Motions. Now, yes, it's the arts. I'm an art major. So I'm very excited about that. But that kind of delightful to see those parents there, to see administrators and teachers there caring about the kids. And that boils down to going back, yes, we teach but we also care. So, we will work with our budget, looking to see how we can enhance and make better. If it's adding positions, that's true. Yes, I know the Spanish situation is getting larger and larger. And you also I had asked to look at how many students we have transferring in and out. When I retired in 2010, we had several students, approximately 100 who had been to all three elementary schools in one year, transferring because of housing and things of that sort. I remember in this was approximately fifteen years ago, we had established a new program, reading, writing program. We were trying it out at Patrick Copeland; started in first grade and we worked with it in first grade. Four years later, I asked the principal Sue Jones, let's look at the kids that took that program and how they are doing in the fifth grade. 132 students took that program in first grade. Of the fifth graders there were only 25 still at Patrick Copeland. So, we're dealing with a lot of issues. We're dealing with children that we must work for and care for. Yes, and teach them reading.

COUNCILOR ZEYGOLIS: I've just been handed a piece of paper here. Is this the cuts that they're proposing in that order? Is that the cuts? Which I never got, see I kept hearing when you were up here Mr. Reber, you were talking about we're going to cut cuts. But I never heard from anyone what those cuts were going to be. And I'd raise another question. I have been told by a very, a person in the school system about other school systems as having as many as one administrator with 6500 kids in school and we've got four thousand. And it's my understanding that you have a principal and three assistant principals in every school. And you know, and I don't, so that would leave, you know, hearing that, that leads me to believe now maybe we're a little bit too top heavy. And we eliminated some of those positions, which ones are more important to have the twenty reading specialists and math specialists or the administrative.

MAYOR PELHAM: Mr. Zevgolis, in public schools there's only, its one principal and one assistant at three elementary schools. There's a principal at the preschool and it has the art director. And then there is a principal at the middle and high and three assistant principals at each. So it's four at the middle and high and then two basically at every other school.

MS. HYSLOP: Well, I was just going to add that it's customary that the governing body just advises you what they can fund and then we go through and we make it work.

MR. REBER: The reality is, if we're short \$400,000 to do these positions, we will cut \$400,000 to do this. We need this for accreditation, whether it comes from the top of the list or the bottom of the list, we will cut \$400,000 to do this. And this will take something from these are not, this is not a situation where we might do this, we may need to do this. Our City's future is at risk, accreditation, and our property values. economic development, property values, all ride on accreditation. You know, this is not a surrender, you

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know. There's no choice but to put all hands on deck to make this happen. From a board perspective, with Council's support in some measure, without Council's support, we have to do this.

MAYOR PELHAM: I am, I'm sorry. So let's come out of work session. So being, is there a motion to, do you have to have a motion for that, too? All right, so now we're going to regular business.

UNIDENTIFIED MALE: The law doesn't know the difference between work sessions and regular business.

MAYOR PELHAM: Regular business is R1, Mr. City Manager.

MR. HALEY: We presented the budget, I believe this is the 12th Tuesday in a row you've met regarding mostly the budget. I won't say every meeting was totally consumed with it but I believe you adequately addressed all your concerns and all recommendations contained in the resolution. We'd ask for a favorable passage of the budget resolution with the one caveat of sections 26 and 27, which are not complete because we have not vetted that with the retirees yet. So we didn't want you approving something that we haven't even shown to them. But we can amend that later. You can approve the numbers without that one item in there.

MAYOR PELHAM: Can I entertain a motion to accept the resolution for fiscal year 2015/16 for the City of Hopewell budget with the caveat number one that we exclude sections 26 and 27 and the City Manager will bring those items back to us at our next meeting time and also to approve three teachers for the Hopewell City school system at – COUNCILOR GORE: \$200,000. MAYOR PELHAM: \$200,000.

Motion was made by Councilor Walton and seconded by Councilor Gore, to accept the resolution for fiscal year 2015-16 for the City of Hopewell budget with the caveat number one that we exclude sections 26 and 27 and the City Manager will bring those items back to us at our next meeting time and also to approve three teachers for the Hopewell City school. Upon the roll call, the vote resulted:

Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	no
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes

R-2. Regular Business- Council member appointment to Virginia First Cities (Policy Committee)

MR. HALEY: Well, the Virginia First Cities of which we're a loyal member always requests that one Council member from the locale sit on the policy committee. The former Mayor Bujakowski was your representative in the past so you now have a vacancy as to choose one of your own members to be on that policy committee with VFC.

Motion was made by Councilor Gore and seconded by Councilor Holloway, to appoint Councilor Zevgolis to serve on Virginia First Cities Council Committee. Upon the roll call, the vote resulted:

Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes

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Motion was made by Vice Mayor Luman-Bailey and seconded by Councilor Walton, to amend the agenda to vote on the Interim Clerk for the City of Hopewell. Upon the roll call, the vote resulted:

Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes

Motion was made by Vice Mayor Luman-Bailey and seconded by Councilor Holloway, to approve an interim clerk, Ms. Ann Romano to serve the City for an unlimited time until we appoint another clerk for the amount or revenue up to \$390 per week. Upon the roll call, the vote resulted:

Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes

MAYOR PELHAM: With that, we'll have to back into closed session for a few minutes. Hopefully, ten or fifteen minutes and then we'll come back out and adjourn. Thank you

OPEN SESSION

Council convened into Open Session. Councilors responded to the question: "Were the only matters discussed in the Closed Meeting public business matters lawfully exempted from open meeting requirements; and public business matters identified in the motion to convene into Closed Session?" Upon the roll call, the vote resulted:

Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes

ADJOURN

At 10:03 p.m., motion was made by Councilor Walton, and seconded by Councilor Shornak. Upon the roll call, the vote resulted:

Councilor Walton	-	yes
Mayor Pelham	-	yes

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Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes

/s/ Brenda S. Pelham
Brenda S. Pelham, Mayor

Cynthia Ames, City Clerk