

March 4, 2009

The Johnson City Board of Education met in special session on Wednesday, March 4, 2009, at 4:00 p.m., in the Board Room at the Columbus Powell Center. The following members were in attendance:

Mrs. Kathy B. Hall, Chair
Mrs. Sheila B. Cox, Vice-Chair
Mrs. Jenny L. Brock, Secretary
Mr. Timothy S. Belisle
Mr. Thomas B. Hager, Jr.
Dr. Ralph J. Van Brocklin
Dr. Richard Bales, Director of Schools

I. CALL TO ORDER AND PURPOSE OF MEETING

Hall called the meeting to order and welcomed those in attendance. The purpose of the meeting was to begin initial discussions regarding the 2009-2010 SY budget and to take any necessary action as needed.

II. DISCUSSION REGARDING THE 2009-2010 SY BUDGET – Hall recognized Pam Cox, Budget Director. Cox noted the following are important points to consider as we begin the budget process:

- Last year we received \$393,000 from the City as one-time money. She has included that figure in these numbers as a discussion point.
- No raise is included in this budget.
- Insurance is a driving force in this budget.
- We are still very unsure about funds from the State and the economic stimulus package.

Cox reported the following needs for the 2009-2010 General Purpose School Fund:

• Step increase	\$250,000
• Insurance increase 20% for 724 employees (\$5,163 to \$6,196)	750,000
• Dental increase	25,000
• Utilities	300,000
• Increase sub pay \$5 each to \$55 and \$60 due to minimum wage increase	35,000
• Summer youth increase due to minimum wage increase	6,000
• Extended contract funding – all for remediation	190,000
• Site-based budgets	30,000
• Non-revenue producing sports	40,000
• Athletic insurance	4,500
• Athletic clinics	10,000
• Increase to tech assistant salaries to pay scale 5	25,200
• Audit services	3,600
• Trustee's Commission	20,000
• E-meeting	1,500
• Raise (cost of 1% raise would cost approximately \$400,000)	0
• City of Johnson City prior year one-time funding	<u>393,000</u>
TOTAL NEEDS	\$2,083,800

P. Cox reported the following changes to revenue for the 2009-2010 General Purpose School Fund:

• BEP growth (08-09)	\$425,000
• Loss of interest earnings	(250,000)
• Local option sales tax	0
• Loss of PEP – Mountain View dollars	(44,000)
• Property taxes – Washington County	0
• City of Johnson City	0
NET CHANGE TO REVENUE	\$131,000

TOTAL NEEDED TO BALANCE BUDGET **\$1,952,800**

Cut out discount for city property tax or business tax on tuition	~20,000
Increase tuition rates (1,200 and 1,700 now by increased \$100 and \$150)	~30,000

One-Time City Funding:

Building Improvements	\$106,000
Furniture	42,000
Plant Maintenance Equipment	79,000
Technology	<u>166,000</u>
Total	\$393,000

Bales presented the following possible positions/areas to cut:

• Local pre-school teacher	\$55,000
• Local pre-school assistant	25,000
• Cut Class Size reduction teachers and fund one literacy position and math coach out of Title II	110,000
• WL/LR assistant principal	55,000
• Plato Lab assistant (Scott Smith would assume resp)	25,000
• Technology dollars	300,000
• Staff development	56,000
• 4-year transition plan	15,000
• Cut 2 assistant principals at SHHS to 11 months	17,000
• Cut Adult Ed Supv. to part-time	55,500
• Cut graduation coach to 11 months	6,000
• Cut ROTC 1 month (both currently 11 months)	6,500
• Cut 30 minutes from each classified position	100,000
• Discounts to LMB	13,000
• Possible cuts to 8 th grade	100,000
• Tech coach	60,000
• Literacy teacher	55,000
• LMB coach	66,000
• NS signature teacher	55,000

• Even Start coordinator	55,000
• Assistant maintenance supervisor	55,000
• Cut one band director	50,000
• Cut band director to 11 months	10,000
• Cut football coach to 11 months	6,000
• Cut summer youth program	45,000
• Cut c.o. receptionist to 2 part-time positions	10,000
• Cut drug testing	16,000
• Operating transfers	11,000
• Cut student body programs	1,500
• Legal services – cut budget in half	2,500
• Dues and memberships (BOE)	5,000
• Non-revenue producing sports/arts funding	50,000
• Additional non-revenue sports funding	54,500
• Additional summer youth funding (min. wage)	6,000
• Tech assistants to pay scale 5	25,200
• Textbooks	<u>220,000</u>
Total Possible Cuts	\$1,797,700

It was pointed out that the Board should make decisions with regard to personnel cuts as early as possible so that anyone who may be affected by cuts has adequate notice.

P. Cox shared the 2009-2010 story:

- cost of a 1% certified raise (benefits included) = \$340,400; and the cost of a 1% classified raise (benefits included) = \$59,600 for a grand total of \$400,000 to fund a 1 % raise (benefits included)
- cost to fund a step increase = \$441,000
- Medical dollars budgeted per person (need to increase 20% over current rate of \$5,163 = \$6,196; dental dollars budgeted per person = \$160; life insurance (1*salary if < 2years of service, 2*salary if > 2 years of service) = 10.5 cents per \$1,000; certified retirement = 6.42% and classified retirement = 18.35%
- Tuition for 08-09 inside Washington Count rate = \$1,200 and for 08-09 outside Washington County = \$1,700

P. Cox shared the funding history for the major revenue sources for the past seven years:

- City of Johnson City, average increase = 1.39%
- BEP, average increase = 6.60%
- Sales tax, average increase = 4.26%
- Washington County property tax, average increase = 7.34%

Melony Higgins, Technology Coordinator, updated the Board on leasing Dell computers. Assuming we would do one-quarter of the number of computers we currently have, at the end of the four-year period, the total lease payments would total \$535,529.68 annually. The current budget for technology is \$400,000.00 and is subject to being cut. The money currently budgeted for technology goes for computers, software, projectors, printers, etc. If we did a lease for all the computers, we could not do anything else without additional funding. Van Brocklin asked Higgins to get a figure for the Board regarding a realistic estimate of the amount of funding needed to take care of technology (over and above the amount needed for leasing of all computers).

Bales reported he would share with the Board any information he receives with regard to the stimulus package.

III. NEXT MEETING

The Board agreed to meet on March 24, 2009, at 5:30 p.m. with the Insurance Task Force.

IV. ADJOURNMENT

The meeting was adjourned at 5:15p.m.

Chairman

Secretary

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