

May 26, 2017

The Johnson City Board of Education met in special session on Friday, May 26, 2017, at 12:00 p.m., in the Maple Room at the Central Office. The following members were in attendance:

Mr. Timothy Belisle, Chair
Mrs. Kathy Hall, Vice Chair
Mr. Thomas Hager, Jr., Secretary
Mr. John Hunter, II
Mr. Jonathan Kinnick
Dr. Richard Manahan
Mrs. Stacie Torbett
Dr. Richard Bales, Superintendent of Schools

1. CALL TO ORDER AND OPENING

- A. Bales called the meeting to order and welcomed those in attendance.
- B. The purpose of the meeting was to discuss the 2017-2018 budget.
- C. Dr. Steve Barnett reported that he, Dr. Bales, and Pam Cox had spent quite a bit of time revising the budget since the last meeting keeping in mind that they want to be fiscally responsible and good stewards of the funds available. He stated the JCEA had requested a two percent salary increase and that they had met in the middle with a proposal of 1.5 percent plus step increases. He stated the hope of all concerned is to have the financials in good order for the new Finance Director.
- D. Cox updated the Board on changes and revisions that had taken place since the last meeting.

2. UPDATED BUDGET INFORMATION

Cox presented the following information that had changed from the last meeting:

- Updated Budget Recap – The following changes/recommendations were made to help balance the budget:
 - Increased raise from 1% to 1.5% and balanced budget by taking \$130,000 of SHHS athletic travel and non-revenue producing sports/arts money out of fund balance
 - Instead of cutting a supervisor position to hire the communications specialist, left in a lower credentialed supervisor and increased a secretarial position to the communication specialist position
 - Added use of fund balance for Phase 2 Tech Teacher Leader Academy (as directed by BOE at last meeting)
 - Decreased the electricity line item by an additional \$184,965 to cover increased ESG debt costs (as per City/ESG savings analysis)
 - Added an additional \$70,000 to Trustee Commission line-item
 - Added recurring \$4,000 to nursing supplies
 - Added recurring \$12,000 to communications
 - Moved \$700,000 from Textbooks (Science) to Technology

3. BOARD DISCUSSION AND ACTION

- **Amount Paid to Trustee's Commission** – It was the opinion of several board members that the public needs to be aware that the school system is charged over \$410,000 per year by the Trustee's Commission and funds that are due to the school system that flow through the Trustee's Commission are currently running a month behind. Cox noted that part of the problem may be that the Trustee's Commission has recently updated their computer system. The Board asked that a letter be drafted from the Board (not staff) asking Mitch Meredith or someone from the Trustee's Commission for a written explanation of what types of problems are being encountered that holds up disbursements to the school system.

- **Additional .5% for Salary**

Manahan made a motion to use fund balance monies to fund some one-time items (as identified by Pam Cox) and offer a 2% raise to all staff instead of 1.5%.

Hunter made a motion to amend the main motion to add up to \$110,000 to increase the supplement pay schedule. Torbett seconded the amendment. Discussion ensued regarding keeping the salary increase and supplement pay schedule increase in separate motions. Hunter noted he had been told the supplements had not been increased in the last 15 years. Belisle asked where the information came from and Hunter responded it had come from Keith Turner, Athletic Director. Belisle asked if the request for that information had gone through Dr. Bales Amendment failed on a roll call vote of 5-2 (Hager, Hall, Kinnick, Manahan, and Belisle voted "no" and Hunter and Torbett voted "yes").

Main motion to increase the raise from 1.5% to 2% (funding some one-time items out of the fund balance) passed on a 4-3 roll call vote (Hunter, Torbett, and Belisle voted "no" and Hager, Hall, Kinnick, and Manahan voted "yes").

- **Increase to Supplement Pay Schedule**

Hunter made a motion to add up to \$108,000 to increase the supplement pay schedule for all extra-curricular current supplements. Kinnick seconded the motion. Manahan made a motion to amend the main motion to increase the supplement pay schedule by \$27,000 for the next four years and continue to look at the schedule each year. Kinnick seconded the amendment. Discussion ensued. After discussion, Manahan and Kinnick withdrew their amendment and second. Main motion passed on a roll call vote of 5-2 (Manahan and Belisle voted "no" and Hager, Hall, Hunter Kinnick, and Torbett voted "yes").

- **Priority 1 Items**

The Board decided to hold off on funding any items currently listed on the Priority 1 list.

- **Vote on Budget**

On recommendation by Bales and on motion by Manahan, seconded by Hall, and unanimously passed on a 7-0 roll call vote, the Board approved all revisions to the proposed budget.

The BOE will present a balanced budget to the City Commission on June 1, 2017, during the Commission's regular session at City Hall. The Board is hoping to get some positive press for presenting a balanced budget.

The balanced budget with the revisions made by the Board at this meeting will be included on the June 5, 2017, board meeting agenda for formal BOE action.

4. **ADJOURNMENT**

The meeting was adjourned at 1:20 p.m.

Chairman

Secretary

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