

**May 3, 2018**

The Johnson City Board of Education met in special session on Thursday, May 3, 2018, at 8:00 a.m., in the Maple Room at the Central Office. The following members were in attendance:

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

**1. CALL TO ORDER AND OPENING**

- A. Kinnick called the meeting to order and welcomed those in attendance.
- B. The purpose of the meeting was to discuss the 2018-2019 budget.

**2. BUDGET INFORMATION**

Valley presented the following information:

2018-19 Story/Information

- Cost of a 1% raise with benefits \$500,000 for each percentage. for certified staff (\$428,000) and classified staff (\$72,000)
- Cost of step increase \$574,000: certified \$520,000 [58% certified will step (372) 42% will not step( 270)] (classified \$54,000 ) [84% will step (218) 16% will not step (40)]
- Medical insurance will not increase. Dental insurance will increase by 5%, but costs will not be passed on to employees.
- Certified retirement on the Legacy Plan will increase from 9.08% to 10.46% = \$429,000
- Per pupil expenditure = \$9,958 per student per the 2016-17 State Report Card
- Budget Recap (increase/decrease) – Details of revenue projections provided

Funding Sources

- BEP estimate \$1,468,000.00
- Sales Tax – estimate 2% Increase
- Property Tax – estimate 1.6% Increase
- Tuition – estimated Increase \$11,450.00
- ROTC Reimbursement - decrease \$18,000
- Loss of E-Rate Funding – decrease \$17,654.00
- Loss of ConnectTN Funds – decrease \$7,500.00
- Loss of Mixed Drink Tax – decrease \$3,000.00

Total: \$1,856,332.00

- New Needs
  - 1% Raise = \$500,000.00
  - Step Increase = \$574,000.00
  - Legacy Retirement Increase 1.38% Teachers = \$429,000.00
  - Dental Insurance Increase 5% = \$28,000.00
  - Middle School Assts to 12 months = \$24,000.00
  - Middle & HS Tech Assts 12 months = \$18,070.00
  - Elementary Tech Assts 11 months = \$37,811.00
  - IDEA Grant Funding Shortage = \$90,000
  - Worker's Comp Ins Increase = \$17,290.00
  - Liability Insurance Increase = \$6,877.00
  - PEP Quarter Cent – Increase = \$23,438.00
  - ESG Principal Payment = \$18,000.00
  - New ESG Principal Payment = \$10,000.00
  - New ESG Interest Payment = \$11,800.00
  - Trustee's Commission = \$10,000.00
  - Utilities = no estimate at this time
  - Possible Position savings = \$167,000.00
  - ESG M&V Services = \$11,067.00
  - Other Savings = \$26,438.00
  
- Budgeted From Fund Balance FY18: \$514,500.00  
(\$358,500 Tech Plan, \$130,000 Athletic/Band Travel & NonRevenue Sports, \$26,000 Phase 2 Tech Leaders)
  
- Amount Needed to Balance: \$228,389.00
- Amount Needed to Balance including Priority 1: \$827,808.00
- Amount Needed to Balance including Priority 2: \$1,382,608.00
- Amount Needed to Balance including Priority 3: \$1,582,145.00
  
- Revenue Projections -Estimated Total FY18: \$13,807,854.00
  - Total to Budget for FY19: \$14,042,637.00
  
- Revenue History
  - Info provided from 2001 to 2018
  
- Raise History
  - Info provided from 1999 – 2018
  
- Site-Based Requests, Capital Outlay, Personnel Requests
  - Budget Requests were sorted by priority and presented for board review

### 3. BOARD DISCUSSION AND ACTION

- **Budget Request Recommendation for 2017-2018**

On recommendation by Barnett and on motion by Hunter, seconded by Hall, and unanimously passed on a 6-0 vote, the Board approved to purchase items in the 2018-2019 budget requests from the 2017-2018 Budget.

- Towne Acres Bathroom Renovation
- 2 Activity Busses
- Science Probe Ware – SHHS
- 30 Desk Chairs for Computer Lab at SHHS
- Science Equipment – District Wide
- Install Emergency Buttons in System
- Keycard Entry to Central Office
- Concrete Pad for ROTC
- Little Theater Improvements – MV
- STEAM Bus Support
- Non-fiction K-8 Library Books

Total: \$278,619

- **Budget Requests for the City**

On recommendation by Barnett and on motion by Hall, seconded by Manahan, and unanimously passed on a 6-0 vote, the Board approved the Budget Requests below for the City.

- **Safety (Recurring)**

- Additional Position provided by Frontier Health: \$40,000.00
- 2 Additional SRO for SHHS: \$100,000.00
- Full-time SRO for South Side Elementary: \$50,000.00
- Full-time SRO for Lake Ridge Elementary: \$50,000.00

Total: \$ 240,000.00

- **Capital (One Time)**

- Replacement of floor in old gym at SHHS: \$110,000.00
- Replacement of bleachers in old gym at SHHS: \$200,000.00
- Topper Academy gym
- Activity Van: \$55,000.00
- Liberty Bell cafeteria and gym: \$800,000.00

- **Additional 3% for Salary and Step**

On recommendation by Barnett and Hall made a motion, seconded by Manahan, to ask the City for an additional 3% raise plus the Step, passed on a 5-1 roll call vote (Hunter voted “no” and Hager, Hall, Kinnick, Manahan and Torbett voted “yes”).

- Barnett noted that hidden costs are associated with Special Ed and Title 1 programs, increased raises and benefits are budgeted in advance and additional costs may require some schools to scale back services.

- **Priority 3 Items**

The Board decided to hold off on funding any items currently listed on the Priority 3 list.

- The BOE will present budget requests to the City Commission on May 8, 2018 at City Hall.

4. **ADJOURNMENT**

The meeting was adjourned at 9:45 a.m.

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Chairman

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Secretary

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