

MINUTES
Murfreesboro City School Board
Special Called Budget Meeting
3 p.m., Monday, April 21, 2014
Central Administration Office

ATTENDANCE:

Board: Chair Mary Wade, Nancy Phillips, Butch Campbell, Andy Brown, Collier Smith, Jared Barrett, and Nancy Rainier

City Attorney: Kelley Baker

Staff: Dr. Linda Gilbert, Gary Anderson, and Beth Prater

I. CALL TO ORDER

Chair Wade called the meeting to order at 3:00 p.m.

II. BY '15 BUDGET REVIEW

Mr. Anderson began by saying he had tried to answer by email all the questions that had been sent to him. The Board began going through the budget, line by line.

Mr. Campbell noted that to balance the budget for 2013-14, we used approximately \$1.6 million from the Fund Balance and to balance the budget for 2014-15 school year, we would have to use \$2.16 million from the Fund Balance. This would leave only a few hundred thousand above what is required to have in Fund Balance by the state.

Mr. Campbell, Ms. Phillips, Ms. Smith, Ms. Wade, and Ms. Rainier asked about the plan to have GCA take over all custodians. All expressed concerns about their retirement, insurance, etc. Per Mr. Anderson, when Metro changed to GCA, they kept their current custodians. Currently, we hire the day custodians and use GCA for the night shift. Mr. Anderson gave a list of employees and wages to everyone in attendance. The cost for custodians and equipment for just Overall Creek would be \$144,000 but GCA will provide the service for \$99,071 if they handle the day and night services. The across-the-board savings to the district would be about \$150,000 to go to GCA.

Ms. Phillips asked about the cost of a one percent (1%) across-the-board raise and also the cost of a one percent (1%) raise for those below \$60,000 annually. Mr. Anderson responded that the cost would be \$333,815 for all licensed personnel (including benefits). He explained that the cost of a one percent (1%) raise for licensed personnel with 15+ years experience would be \$95,893. For non-licensed personnel, the cost of a one percent (1%) raise would be \$92,377 (including benefits). For teacher step increases only, the cost to the district would be \$538,028.42.

MISSION STATEMENT: To assure academic and personal success for each child.

Ms. Phillips also asked how many employees make \$60,000 or above annually and what the cost would be for a one percent (1%) across-the-board raise, before step increases, for everyone below \$60,000 annually. There are 100 employees who make over \$60,000: 63 teachers, 11 principals, 10 assistant principals, 15 district employees, and Linda Gilbert. For licensed staff, the cost would be \$266,783, for non-licensed, \$78,417, with a total of \$345,200. In addition, a question was asked about the cost for the assistant principal position. The cost is \$82,222 including insurance and benefits.

Ms. Smith felt we were technology staff heavy and asked about the possibility of out-sourcing some of the services. A question was asked about the stipends paid to some of the technology staff. Mr. Anderson explained that those were paid by ESP and Food Service for work done for those departments. Ms. Smith asked of the ten people in technology, how many were in the schools. Mr. Anderson explained that the tech folks covered approximately two schools each; tech will also pick up VOIP responsibilities as well as Overall Creek and Discovery (which as Bellwood, who had minimal technology needs). Ms. Rainier said she felt the instructional technology personnel were very effective.

Ms. Rainier asked about the need for an Assistant Supervisor of Maintenance. Mr. Anderson explained this is not a new position; we have had the position for three years. Among other responsibilities, he manages our Energy Efficiency Bids and supports Larry Willeford. The maintenance department has ten people, two are carpenters, and we added two painters, in full-time positions, last year.

Ms. Rainier asked about Maintenance of Plant, line 599, Other Charges. Mr. Anderson responded that the \$15,000 included office supplies and contingency if something breaks down. The question was asked if all buses have aides and how effective they are. Mr. Anderson noted that bus aides can become bus drivers. Ms. Baker mentioned that bus assistants also help manage the students on the bus and remove that responsibility from the driver so the driver can focus on operating the bus.

Ms. Rainier noted that in Pupil Transportation, line 314 has been taken out. Mr. Anderson explained that we would be asking schools to raise their own money for LBL. She also asked about lines 338 and 142. Mr. Anderson said that the reason 338 is there, even with our two mechanics, is in case a diesel motor goes out. Ms. Phillips said that she doesn't think all schools have the capability to raise funds, and she does not want a child not to be able to attend LBL if they cannot afford it.

Ms. Smith asked about the job responsibilities for Lisa Trail, Leslie Eatherly, and Greg Lyles. Dr. Gilbert responded that Ms. Trail acts as a liaison between the schools and media, takes care of Teacher Appreciation Day, press releases, the Foundation, etc. She also works with Coordinated School Health and Greg Lyles. Per Dr. Gilbert, Ms. Eatherly covers things that Ms. Trail cannot. Ms. Phillips asked if we could cover Ms. Trail's salary through Coordinated School Health or a grant. Ms. Smith noted that the Foundation should only be a tenth of Ms. Trail's job description. Dr. Gilbert expressed that the community has a lot of respect for Mr. Lyles as well as his being involved at the state level. Mr. Lyles handles homebound, the backpack program,

community gardening, and home school. He is reaching people that were not partners before, and has a great relationship with Dr. Sidney McPhee and MTSU.

Ms. Rainier noted that Amanda Parks and ESP put pictures on Twitter all the time. Ms. Phillips felt that our story is not being told for the schools. It was asked who did Ms. Eatherly's job before she came. Dr. Gilbert stated that Daphna Hayes did this job. Mr. Barrett said that he does see things on Twitter for our schools. Ms. Phillips reiterated that we must tell our story better and work more openly with the community.

Dr. Brown asked what Community Service line 599 is used for. Dr. Gilbert explained that it was for trips to MTSU, new school open house, awards, etc. Ms. Rainier expressed that Greg Lyles, Candy Clifford are doing a good job. Dr. Gilbert explained that Ms. Trail's job also includes handling when something happens at a school; she is there. If a child brings something to school they should not have, when a child hurts another child, if a police report is filed—she handles anything that is media related.

Board members discussed basketball and cheerleading costs (73300-189). According to Mr. Anderson, now, the schools will reimburse the district for \$36,000. Each coach is paid \$1,000 for boys and girls basketball. Each assistant coach is paid \$500 and cheerleading coach is also paid \$500. Mr. Campbell asked if all coaches are employees of MCS. Mr. Ringstaff explained that all are considered employees of the district, but not all are certified staff. Mr. Anderson stated that there are no expenses to MCS. Mr. Campbell asked why there are additional decreases in line 189. Mr. Anderson answered the reason for this is that one employee will be moved from her current position into the Maintenance clerical position.

Chair Wade asked about page 31, line 399 under contracted services. Dr. Gilbert said that was for early childhood consultant Cheryl Schmidt. She will work with every school to ensure rules and regulations are met. Dr. Gilbert explained that there is not a full-time position needed to coordinate Pre-K.

Capital outlay: Mr. Barrett noted that the law regarding buses has been changed. Capital outlay includes one new bus and a new phone system for John Pittard. Mr. Barrett talked to Dr. Gilbert and we do not need to delay the new phone system at John Pittard. They are having serious problems with the phone system there. Ms. Rainier concurred that we need to fix this.

A question was asked about the Siegel playground. Mr. Anderson has sent a copy to Ms. Baker for bid for playground. We will hire an outside contractor for the playground. Ms. Rainier requested that playground repairs not be done in April or May. Mr. Anderson indicated that contracting out the door replacements at MNE & MNP was considered, but the price was too much. We will replace the doors in the summer.

Ms. Smith asked about Discovery School classroom furniture. Mr. Anderson responded that we could move some from Discovery to Bellwood building, but there is \$100,000 in the budget for all new furniture.

Mr. Campbell asked if we have an answer about the tennis courts. Dr. Gilbert responded that Ms. Trail has met with Parks and Recreation Department and acquired a price. Board members will contact the City about repairs.

Mr. Barrett recommended that we rent a skid loader instead of buying it. He also asked if we could get donations for \$125,000 in books. Dr. Brown asked about the possibility of needing the \$250,000 to match e-Rate funds. Mr. Anderson believes that we will have a better chance this year of receiving the funds.

Chair Wade asked about Staffing Standards, and Mr. Anderson suggested that we go line by line. Mr. Anderson explained that we will lose funding for an Assistant Principal position if we are under 1,000 students in any school. The four locally funded Pre-K classrooms were dropped due to budget concerns.

Ms. Rainier asked where the nine teaching positions were being eliminated. Dr. Gilbert said some people were moving, some will be non-renewed, and we will have some retirees.

Dr. Gilbert said she would like to offer Pre-K services for our employees; however, if we have a certified teacher, it would be difficult to break even. She has talked with Joe Marlin about having typically developing peers with the CDC Pre-K students; however, to do an effective job it would take more planning time than was had this year.

The Board reviewed all special area personnel. Mr. Anderson explained that there are enough music, physical education, and art teachers for music two times per week, physical education two times per week, and art one time per week.

Ms. Phillips stated that we have looked at budget again and again, and is concerned that we are drawing down our Fund Balance. We cannot sustain this budget next year. What this says is an increase of 1.5% and we drew down on our Fund Balance. She asked for Fund Balances over the years from Mr. Anderson. Mr. Anderson stated that \$96,000 for the bus we do not buy could go in the Fund Balance. If we are good stewards of our money, we should be okay.

Mr. Barrett said that we need to cut this year or next year. Mr. Barrett asked if we could get more money locally. Mr. Anderson said that at the state level, the sales tax is lower, the business tax collection is lower, and so we are losing revenue.

Board members began suggesting cuts that might be possible. Ms. Rainier asked about insurance. The change to insurance will start in January 2015 and according to Ralph Ringstaff, our insurance will increase two and one-half percent (2½ %) in January. Mr. Ringstaff said that we would save some money changing our Standard and Partnership PPO. The cost is \$565-585 per month. The new limited PPO has higher co-pays and deductible and out-of-pocket rates were lower; however the gap insurance will help provide additional payments for medical needs. Changing the insurance will save us \$700,000.

Mr. Ringstaff explained the differences between the insurance rates for the various plans. Mr. Ringstaff said there were 894 employees on our plan, with 90 people having employee and children; employee and spouse is 38 people; and 80 people have family coverage.

Ms. Phillips asked if there would be any penalty for pre-existing conditions. Ms. Rainier asked how the district would distribute information about the plan, noting that some teachers know about the change already.

Ms. Phillips asked about Individuals with Disabilities Education Act (IDEA) and Coordinated School Health (CSH). Ms. Phillips asked Dr. Gilbert if she recommend approving this budget. Next year, we will make cuts and we could make some cuts this year, so it is not so bad next year. Dr. Gilbert responded that she does recommend the budget; the positions there are needed to make sure our students are getting the personnel they need for success.

Dr. Brown stated that he sees the budget at \$1 million to fund a new school and is concerned about taking the Fund Balance that low. I support a fair market evaluation study to help next year salaries are not out of range. Three areas of possible cuts are: Step Increase, Custodial and EA's. The playground at Bellwood should be equivalent to DSRR. Phone bill charges are \$112,000 and we need to look for a change in this. We need to make some cuts this year, and we will have to make additional cuts next year.

Mr. Campbell suggested that if we are not going to give everyone a raise, we need to leave the step increase. At the end of the day a classroom teacher is responsible for students, and they are afraid that they may lose their jobs because of test scores. Across the board step increases range from 2.01 and 1.79 of a raise. Ms. Phillips felt that it was important that everybody gets one or one percent (1%) with no step increase. Ms. Rainier suggested lowering sub pay to \$70.00 per day. There was also a discussion about lowering the substitute hours, travel expenses, and maintenance costs of buses.

It was noted that the Discovery parents had invested \$50,000 for playground equipment. Dr. Brown suggested that we leave \$100,000 in budget for now for Discovery. Ms. Rainier also suggested to leave in the \$100,000 and let Discovery decide where to spend it.

Chair Wade asked about the remodeling at Bellwood. Mr. Campbell noted that we need to invest in smart boards and playground equipment for Discovery. Ms. Smith suggested not adding a new technology person. She also suggested that Race To The Top positions take a salary reduction. Ms. Rainier suggested keeping salary schedules and a possible bonus instead of one percent (1%) increase. Other suggestions related to cell phone services and e-rate funds.

Ms. Smith asked about sub nurses. Dr. Brown will contact MMC about sub nurses. However, there would not be a guarantee that their nurses could be here when we need them. Ms. Smith asked about \$7,500 for drug and medical supplies. Mr. Anderson said that they included corporate sized medical kits and hepatitis shots. Ms. Smith will check on getting those donated by Reeves-Sain.

Dr. Brown moved to remove one bus and the skid loader from the budget for a savings of \$102,300. Mr. Barrett seconded the motion. The motion carried.

Mr. Barrett asked if we have to have so many books to open a school. Yes, but there are guidelines that we must follow. Ms. Rainier noted successful donations from the book fair. The more books they sell the more they can get reduced price or free books. Dr. Brown suggested that we contact our corporate sponsors for books.

Suggestions for cuts were written on the board. Dr. Brown suggested that we take the easier ones first.

Substitute Pay - Ralph Ringstaff addressed the suggestion to lower pay for substitutes. We are paying \$75.00/day now. Change to \$75.00/day for four-year degree, \$72.00/day for two-year degree, \$68.00 day/high school diploma. This would be a 3-tier pay schedule. Most of our subs do have a college degree. How much will that save yearly? Mr. Ringstaff stated such a change would save approximately \$30,000 yearly. Suggestion to pay high school subs at \$68.00/day and all others \$70.00/day. Dr. Brown suggested that we pay advanced degree subs at \$70.00/day. Motion from Dr. Brown to pay substitutes \$65/\$68/\$70 and this sub pay will have savings of \$30,000 year. Mr. Campbell seconded the motion. Motion passed.

Travel –Mr. Anderson stated that we have paid \$13,404.00 so far this year for travel, not including teachers. Dr. Brown made a motion to cut mileage from .55 ½ to .45 per mile for inside district travel and decrease the outside district travel budget by 10%. Budget for travel out of city decrease by 10%. Mr. Barrett seconded the motion. Mr. Anderson stated that the approximate savings would be \$4,000.00. The motion passed.

Mileage:	4 yes 3 no
Mr. Barrett	Y
Ms. Smith	Y
Ms. Rainier	N
Dr. Brown	N
Mr. Campbell	Y
Chair Wade	Y
Ms. Phillips	N

Step Increases - Mr. Campbell stated that he was in favor of step increases; however the one percent (1%) is not built in and we need to try to give classified employees a one percent (1%) raise. Mr. Barrett noted that he was in favor of the step increase but not in favor of the one percent (1%) raise. Ms. Rainier said she was in favor of step increases. Ms. Smith said teachers expect the step increase and suggested a \$500 bonus for Teachers in the gap years (15-20 years of service).

Ms. Rainier remarked that the City of Murfreesboro has not increased its funding for Murfreesboro City Schools for a number of years. The public expects more and more but they do not want to pay more taxes. Could we make someone more aware at the City of

Murfreesboro? Teachers do expect a step increase. Mr. Campbell noted that others departments will ask for more money from the City. Mr. Campbell made a motion that we give certified people and classified non-licensed a one percent (1%) raise. Also, gap teachers would not get an increase. Leave it as is for right now. No second motion so motion failed.

Ms. Rainier moved to maintain the step increase; give a one percent (1%) raise to the classified (non-licensed) employees and give a \$500 bonus for the teachers in the gap area between years 15 and 20 on the salary schedule. Mr. Campbell seconded the motion. Motion failed.

Mr. Barrett made a motion to give the step increases as is currently set forth in the budget. Ms. Smith seconded the motion. The motion passed.

Mr. Campbell made a motion to give all non-licensed employees a 1% raise. This motion died for lack of a second.

Custodial Changes. Mr. Barrett made a motion to keep the custodial changes as reflected in the budget. Seconded motion by Ms. Smith, as is in the budget. The motion carried.

Barrett	Y
Smith	Y
Rainier	Y
Brown	Y
Campbell	N
Wade	N
Phillips	N

Substitute Pay to reduce hours. Ms. Smith made a motion to reduce the substitute line item to \$400,000. Seconded by Mr. Barrett. The motion carried.

Barrett	Y
Smith	Y
Rainier	Y
Brown	Y
Campbell	Y
Wade	Y
Phillips	Y

Ms. Rainier made a motion to have an Assistant Principal in every school. Ms. Smith seconded motion by Ms. Rainier. Ms. Phillips thought it was a great idea but thought we should wait another year due to budget concerns. The motion carried.

Barrett	Y
Smith	Y
Rainier	Y
Brown	Y

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Campbell Y
Wade Y
Phillips N

Communications. Dr. Brown made a motion to remove the second person from the Communications Department and let one person handle the Communication Department. This motion was seconded by Ms. Phillips. Mr. Campbell asked if this individual could be moved to another position or be put at a secretarial salary or placed at the new school. The motion carried.

Barrett Y
Smith Y
Rainier Y
Brown Y
Campbell Y
Wade Y
Phillips Y

Ms. Smith stated that after having a conversation in the schools, the Race To The Top positions are important. They all credited these people for improvement in our District. Dr. Brown made a motion to absorb the salaries of these two individuals into the budget of the Instruction Department. Mr. Barrett seconded the motion. The motion carried.

Discussion of the additional technology position began with Ms. Smith stating she felt they should not hire another person. A motion was made by Ms. Smith and seconded by Ms. Rainier not to hire a new position in the technology department. The motion carried.

Insurance: Ralph Ringstaff indicated that it is the will of the Board about insurance. Ms. Rainier stated that this is saving the system money at the others expense. Ms. Phillips stated that she was concerned about the impact on the lower paid employees. We will feel the effects of the insurance plan. The change in the insurance results in a savings of \$700,000 yearly and we have to save money.

Mr. Barrett made a motion to leave the insurance plan as it is proposed in the budget and Ms. Phillips seconded the motion. The motion carried.

Barrett Y
Smith Y
Rainier N
Brown Abstain (Due to conflict of interest)
Campbell N
Wade Y
Phillips Y

Educational Assistants: Some may be non-renewed. Special Education Department is up six people so some educational assistants may be absorbed there. Dr. Brown made the motion to

keep Educational Assistants as presented in the budget. Ms. Smith seconded motion. The motion carried.

Barrett	Y
Smith	Y
Rainier	Y
Brown	Y
Campbell	Y
Wade	Y
Phillips	Y

Dr. Brown indicated that the Board had now reached a savings of \$362,000. Also the phone service could be a savings. Ms. Phillips suggested an outsider to do a salary study.

Mr. Anderson will get new budget pages adjusted from what was done tonight and give to the Board. Mr. Campbell asked if there was any way that Mr. Anderson could get the revisions to the Board before April 28. Mr. Anderson will highlight what was changed before it is delivered to the Board.

Discussion ensued about non-licensed employees' not receiving a raise. Ms. Rainier made a motion to give licensed employees one-half percent increase and one percent (1%) increase to non-licensed employees at a cost of \$259,284.50. Motion failed for lack of a second.

Ms. Phillips made a motion to give a one percent (1%) raise to non-certified employees and Mr. Campbell seconded the motion. The motion failed.

Barrett	N
Smith	N
Rainier	N
Brown	N
Campbell	Y
Wade	N
Phillips	Y

Ms. Smith made a motion to give non-licensed employees a one-half percent raise at a cost of \$46,188.50. Ms. Phillips seconded the motion. The motion failed.

Barrett	N
Smith	Y
Rainier	N
Brown	N
Campbell	N
Wade	N
Phillips	Y

There are 142 Teachers in the Gap meaning between fifteen years and twenty years of service. Mr. Campbell made a motion to give non-licensed employees a one percent (1%) raise and teachers in the Gap a one percent (1%) raise. The motion was seconded by Ms. Rainier. The motion failed.

Barrett	N
Smith	N
Rainier	Y
Brown	N
Campbell	Y
Wade	Y
Phillips	N

Ms. Phillips made a motion to request more funding from the City Council and this motion was seconded by Mr. Barrett. Barrett, Smith, Rainier, Brown, Campbell, Wade, Phillips (no opposed). The motion passed. Mr. Anderson noted that it has been 11 years since they have increased our funding.

The next meeting will be on Monday April 28 at 3:00 p.m.

Director of Schools