

MINUTES
Murfreesboro City School Board
Special Called Budget Meeting
11:30 a.m., Wednesday, April 9, 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

Council Liaison: Ron Washington

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

I. CALL TO ORDER

Chair Wade called the meeting to order at noon.

II. BY '15 BUDGET REVIEW

Dr. Gilbert opened with a salary report. Dr. Gilbert stated the two percent raise that was going to be given by the governor for teachers would not have covered the step raises, and the move to differentiated pay is too volatile. Mr. Anderson added that also two percent (2%) to the state is not two percent (2%) to the District.

An additional special education (SPED) pre-K teacher has been requested but that is on hold to see how many students are actually enrolled. In addition, she is not recommending the purchase of social studies textbooks. Ms. Phillips said she was concerned about not adopting social studies textbooks because of the impact that might have on test scores. Dr. Gilbert explained that social study test scores have been fine and the principals and teachers have indicated that they can do without the purchase of social studies textbooks at this time.

Dr. Gilbert said the responsibilities are there to justify a full time assistant principal at each school. She would like to have someone help Lea Bartz with the gifted program but the money is not there. Dr. Gilbert said one central office person would be moving back to the classroom, one other district person will be moving, and one extended school program (ESP) person will be moving to the classroom. Dr. Gilbert said she has spoken to City Manager Rob Lyons and let him know that the District would probably come to him for help with schools. The library books at Bellwood will be dispensed to teachers' classrooms.

Mr. Anderson said there is a five percent (5%) increase in health insurance and the governor did not pass that down to districts. While Mr. Anderson expects career ladder to be diminished, Dr. Gilbert said that superintendents have not heard anything about the career ladder at all. MCS uses career ladder for after school tutoring.

Ms. Phillips clarified that with step increases, some teachers get way more than one percent (1%) while some who have been here 15 years may not get anything. She would like to see what the one percent (1%) step raises would be on steps between the 15 and 20 mark and non-licensed personnel. Ms. Rainier said it was very discouraging knowing when you hit 15 years, you get nothing for the next five years; and if credit for degrees were gone, she believes some teachers would leave the system.

Ms. Smith asked how principal salaries are determined. Mr. Anderson directed the Board to the section that shows how salaries are calculated. Mr. Anderson stated that for teachers, you are on a 15-step chart plus two other increments. The second page of the report is the support staff people who max out at seven years. If support staff gets extra degrees they do not always get compensation for that. The last grouping is principals and they are on a different schedule altogether. Ms. Smith asked if the experience listed for principals is teaching experience or principal experience. Mr. Anderson responded that it is principal experience.

Chair Wade asked if job functions have changed or been evaluated. Dr. Gilbert explained that functions change or evolve. Each person has their own specialty but they adjust to what is needed. Ms. Phillips asked if the salary ranges are adjusted for inflation. Mr. Anderson replied that they are. Ms. Rainier asked if all the positions listed are filled. Dr. Gilbert responded that they are not. Ms. Smith stated she does not think the Communication Coordinator salary is consistent with what other salaries and roles are.

Mr. Anderson said the other thing that is a big hit to the budget is the \$2.6 million to fund the operating budget this coming year that is being taken out of the fund balance. All revenues are estimates at this point and we will keep refining the budget as we get more accurate estimates of projected revenues. City revenues are projected at the same amount we have received for the last 11 years. There is a five percent (5%) annualized increase in health insurance premiums but we intend to offset that by a different format of individual coverage. An increased pupil/teacher ratio in grades 4-6 will help us with the overall number of teachers, but we are opening two brand new schools. We need updated software to meet technology plans. The education system ratio is 75 students to every Education Assistant (EA) but is being raised to 80:1. We do use some Title funds in that area as well. SPED had the biggest increase in personnel.

Mr. Anderson said that under Health Services, two nurses have been added. When we hire subs from nursing services, it costs over \$50 an hour; however, field trips require a nurse. Per State law, we have two registered nurses to supervise LPN's. Mr. Anderson said that a guidance person has been added for the new school.

Mr. Anderson said that if we totally contract our custodial services, it would save money for the District. He further reported that the natural gas budget increased due to a bad winter, and \$25,000 has been added to the budget for maintenance and repairs. Several part-time drivers have moved to full-time to get benefits. Community Service is transferring one person to transportation, and there is a new tech in Technology. Early Childhood eliminated the cost of operating special pre-K building, which is a significant reduction. School lunches have to go up a quarter as mandated by USDA.

Dr. Brown asked why funding from the City is not going up since everything else is. Mr. Anderson said that they have put extra money this year into capital. Dr. Gilbert said the City was

aware and somewhat surprised at our ability to balance the budget while essentially opening three new schools. Dr. Brown expressed concern over the fund balance and Mr. Anderson said the State's requirement is that three percent (3%) of expenditures have to be reserved. Dr. Gilbert said the next cut would be music teachers, art, and physical education. Ms. Phillips said she would hate to lose those arts enrichments.

Dr. Brown said that nurses average \$27/28 hour and he would look into other supply sources to help with what we are currently paying--\$55 an hour. Dr. Gilbert said the District is adding resource classrooms previously mentioned and that if you look at the SPED budget (P. 15), we are adding one and one-half teachers to speech language. Joe Marlin is working hard with resource teachers. He is not looking at total inclusion but you will see an increase of quality in the resource classes. One of the reasons we are adding resource positions is to get the pupil/teacher (P/T) ratio in line. We are seeing more students in SPED, and our resource teachers need really strong professional development. Dr. Brown said he believes we are on the right path with looking at special education and expressed that he is glad Joe Marlin is here.

Ms. Phillips said the City contribution has not increased in 11 years. She believes that an ongoing review of our needs should occur instead of just approaching them in times of emergency. Dr. Gilbert said she has not really looked at the EA's but there are a few that probably will not be rehired per principals.

Mr. Anderson said that everyone except Mitchell-Neilson Primary has a custodial person, and that, when outsourced, it would be in the contract that GCA has to hire the current MCS custodians.

Ms. Phillips stated her concern about the fund balance getting this low, and that if we had been planning and adding to our technology budget, this \$400,000 would not have hit so hard. She said technology always has to be updated, and we have to do a better job planning for the future economics of our system.

Mr. Campbell asked about insurance. Mr. Anderson said we are going to a limited PPO plus gap insurance and the District is covering that for the individual employee—instead of different amounts being paid by the district for individual coverage. Mr. Campbell said, for clarification, that we have had three plans and an employee could take any of those they wanted to. We are paying for the individual plan but if they want family coverage they pay the difference.

Mr. Barrett said he agrees that the City should be paying more. Mr. Barrett said that it is going to be a huge expense going forward. Mr. Barrett asked if there are buyouts for early retirement, and Dr. Brown said he would have concerns about getting rid of experienced teachers. Mr. Barrett asked about the possibility of getting volunteers to help with the school moves, but Mr. Anderson said there are liability issues.

Ms. Phillips said there are two positions previously funded by Race To The Top but are now funded by regular instruction. Dr. Gilbert said those are Caresa Brooks and Sheri Arnette. April Hall also handles data so we charged part of her salary to Race To The Top.

Ms. Smith said in regards to conversation with City Council, we should just ask for more each year and that 11 years is long enough to be getting \$4.8 million; we should go to a new level for

example \$5.5 million. Ms. Smith said she would like to have assistant principals across the board but understands why we do not have that yet. Dr. Gilbert explained that right now we have assistant principals in the budget as well as music twice a week, art once a week, P.E. twice a week.

Dr. Brown asked Mr. Anderson to go through the capital expenses. Mr. Anderson explained that principals turn in critical items when developing the capital outlay budget. We are giving Discovery the equivalent of a smart board in each classroom; they have opted to upgrade and they are going to pay the difference. Ms. Smith confirmed with Mr. Anderson that the smart board costs \$104,000. Mr. Anderson said that is not just the smart board that costs; it is the Elmo, projector, and all the things that go with it. The next item in capital outlay is John Pittard's VoIP phone system which is what we want the whole system to go to. When we get a new tech, we purchase a used van; site development is playground mulch--we have to redo the playground mulch every year. Window replacements--thermal panes are breaking down so we are looking to replace those. The library at Discovery will have to be redone, and Overall Creek will have to have a library. The District has requested two new buses and the security system that goes in the buses since we will have more students.

Mr. Barrett asked how much it would cost to make all assistant principals full time. Mr. Anderson responded that each assistant principal is about \$60,000. Dr. Gilbert said with some of our schools there are special circumstances such as Bradley with only a half-time assistant principal, but there is a greater need during testing. Mr. Barrett asked about getting library books donated.

Mr. Campbell noted there is nothing about tennis courts in capital outlay. Dr. Gilbert said that the Murfreesboro Parks and Recreation Department is responsible for the tennis courts. She said Reeves Rogers and Mitchell-Nelson are probably beyond repair but are looking at under \$30,000 for all other repairs.

Ms. Rainier said there are two buses in capital outlay and discussion was had about this in retreat asking if those are being purchased from contracts awarded by another school district or were new bids taken. Mr. Anderson said they are purchased from contracts awarded by another school district.

Mr. Anderson said the Bellwood playground equipment is certified ages 5-12. Mr. Anderson said Discovery students are going to have more equipment where they are going than they have now, and Dr. Clark has looked at the playground equipment and is okay with not changing the playground. Ms. Smith said not purchasing new equipment is going to be a problem with Discovery parents. Mr. Anderson said they will have new furniture and new paint, adding the focus was going to be on academics first. Ms. Smith said that was not the conversation that was had with parents.

Chair Wade asked what the administrative technician position does. Mr. Anderson said she handles everything in Skyward including report cards, human resource functions, transportation, and is a very key support person. Mr. Anderson said that position is critical to the District.

Chair Wade stated that one day we are going to have to look at salaries. Mr. Campbell asked Mr. Anderson to tell how a principal's salary is determined. Principals who work 11 months make

more than some of our coordinators working 12 months. Mr. Anderson directed the Board to the last page of the Salary Chart, the salary schedule section.

Ms. Phillips said she wants to thank Mary for having the courage to take up the topic that is the elephant in the room that nobody wants to talk about. Ms. Phillips recommended having a consultant come in and evaluate salaries and asked how the City does it. Ms. Rainier said she would hate to lower salaries but she thinks some are really high in comparison to Dr. Gilbert, adding that teachers think we are top heavy. Dr. Gilbert said the responsibility that the principal has is really worth that extra salary. Dr. Gilbert said she could not replace the district instruction staff. They have a great team and are a model for administration. Dr. Gilbert said she understands these salaries look high but when you look at what they are asked to do, the salaries are not too high. She also noted that teachers are on 10 months, principals on 11, and district staff on 12; when you compare the salaries of principals and district staff to the salaries of some of our teachers, she does not think they are out of line.

Mr. Campbell suggested that since the Board will reconvene on Monday, they go through the budget page by page adding that today's discussion was great. Dr. Gilbert said she would like to get with Gary and come back and be able to say here is what we want to ask the City Council for.

Ms. Phillips asked about the pupil/teacher ratio, and Dr. Gilbert said she is very sensitive to pupil/teacher ratio. Dr. Brown said that it is not just a science but there is some art to the placement of teachers to student numbers and needs.

Mr. Anderson reported that the District is looking at outsourcing the custodial services. The service would then hire the District's existing custodians. Custodians would still have benefits including a matching 401(k), which would replace the state retirement plan and that some of the custodians would be able to retire from the City and be hired by the company.

Chair Wade asked Board members to review the budget notebook and send as many questions as possible in advance in case more paperwork needs to be gathered for the next budget session.

III. ADJOURNMENT

The Budget Session adjourned at 3:08 p.m.

Director of Schools