

**MINUTES OF THE CALLED MEETING OF THE
JEFFERSON COUNTY BOARD OF SCHOOL COMMISSIONERS
MAY 14, 2015 – 6:30 P.M.
PATRIOT ACADEMY**

CALL TO ORDER

The meeting was called to order by Chairman Bill Jarnigan who then asked everyone to stand for a moment of silence. He asked that everyone remember the son of Judge Ben Strand who had been injured in a car accident. Board members present were Chairman Jarnigan, Vice Chairman Jim Vines, Randall Bradley, Ralph Lowery, Judy Cavanah and Anne Marie Pott. Board member Jonathan Rogers was absent from the meeting. Dr. Charles Edmonds, Director of Schools and Secretary to the Board, was also present.

PLEDGE OF ALLEGIANCE

Chairman Jarnigan led the audience in the Pledge of Allegiance.

NEW BUSINESS

Chairman Jarnigan asked that Budget Amendments be moved to the first item under new business.

1. Approval – Budget Amendments

Federal Purpose Fund 142 Budget Amendment #15

Upon motion by Judy Cavanah and second by Anne Marie Potts, the board voted 6-0 to approve Federal Purpose Fund 142 Budget Amendment #15 as submitted. (see attached)

Food Service Fund 143 Budget Amendment #5

Upon motion by Jim Vines and second by Ralph Lowery, the board voted 6-0 to approve Food Service Fund 143 Budget Amendment #5 as submitted. (see attached)

2. Consideration of the 2015-2016 School Budget

Chairman Jarnigan requested that board member Bradley give an update on the board ad hoc budget committee meeting held on May 12, 2015 at the County Finance Office.

Board member Bradley asked the board members to refer to the copy of the minutes of April 21, 2015 meeting where board member Potts made the motion that the budget revenues and expenses equal each other (zero balance) and that non-classified personnel receive the

New Business – 2015-2016 School Budget - continued

same percentage raise as the teachers. Board member Bradley seconded the motion and the motion passed 6-0.

Mr. Bradley stated that he, board member Cavanah, Mr. Potts, County Finance Director and Dr. Edmonds had met on May 7, 2015 in order to discuss and make suggestions on how the budget deficit in the draft budget document of May 5, 2015 could be reduced down from \$917,766. After additional reductions were made the deficit amount was reduced down to -\$451,608.00. The committee met again on May 12, 2015 and it was agreed by the committee that cuts totaling \$225,000.00 would be identified and reduced from the -\$451,608.00 deficit. Mr. Bradley stated that after the cuts were made the deficit was cut to -\$226,608.00. Mr. Bradley pointed out that at the end of that meeting the total amount for the uplift of the hourly wage for low paid classified employees was not included in the -\$226,608.00. He stated that the amount for the uplift totaled \$87,006.71 which was then added to the -\$226,608.00 making the deficit -\$313,614.71. Mr. Bradley pointed out that the board still had a motion that had been approved regarding a zero balanced budget to deal with.

Board member Bradley commented that the two meetings went very well and that he had learned more about the BEP and other aspects of the budget. He pointed out that the -\$313,614.71 was a non-binding number.

Dr. Edmonds stated that he was still not sure about the BEP funding. He commented that he should be getting a report from the state on May 19, 2015. He pointed out that Tammy Smith, county-wide attendance clerk and other employees had worked hard to clarify every student in every school. He further stated the Aspen Company as well as state department personnel had also been helpful in the process. He pointed out that the County Commission Budget Committee would be meeting on May 19th to review the school system budget if the board moved to send this budget forward. Dr. Edmonds commented that he was optimistic that there would be more revenue from the state but at this time he did not know what that amount would be. Dr. Edmonds commented that he appreciated all the work and help from the finance department.

Board member Potts questioned the reduction in four teacher units and whether or not that was a complete elimination of those positions. Dr. Edmonds responded that those were positions that currently did not have to be filled due to attrition. Ms. Potts wanted to know if that meant that those positions had been eliminated. If so, the board would have to approve them as new positions if they were to be filled again. Dr. Edmonds stated that he didn't think that would be necessary since additional teachers often had to be hired in the fall when school

New Business – Budget - continued

started and accurate enrollment numbers were determined. He pointed out that if funding was not allocated the board would have to go back to county commission and get money back from fund balance or hope that at the end of the year the float in money would be enough to pay for those positions. He pointed out that they were required to meet the BEP pupil/teacher ratio requirement and commented that he hoped they would not have to have additional teaching units in the fall. He stated that if they did those positions would have to be authorized unless empty positions were retained. Ms. Potts wanted to know if the units were reduced, did that completely eliminate that unit. She pointed out that if it did, board policy states that the board has to approve all new positions. Dr. Edmonds stated that the teacher needs could be determined immediately when school opens in the fall. He commented that he would do whatever the board directed him to do but pointed out that he needed the flexibility to hire teachers quickly when the need arose.

Langdon Potts, County Finance Director, went over the 2015-2016 draft budget document dated May 14, 2015 with an anticipated deficit of -\$313,614 and answered any questions from the board. Mr. Potts went over the revenue page of the budget which compared last year's budget with this year's budget. He pointed out that there was \$349,000 more to work with in this year's budget than last year's budget which was a plus. He pointed out that the minus side was the .5 cent property tax that was appropriated last year for one year and half of the hospital funds. Mr. Potts stated that both of these totaled approximately \$425,000. Mr. Potts then went over the expense side of the budget. He pointed out that it was up by \$662,880.

Board member Bradley was concerned over sending a budget to the county commission with a \$313,614 deficit. He stated that it had been a tough year for the county commission and he would like to help them out as much as possible.

Chairman Jarnigan commented that he had no problem sending the budget with a deficit. Board member Potts commented that the motion approved by the board on April 21, 2015 for a zero balanced budget still stood. She felt, in her opinion, the motion needed to be rescinded before they could move ahead. Board member Bradley commented that Dr. Edmonds would be obligated by the motion to reduce the budget by \$313,614 if the motion was left in place, the board could rescind the motion, or the motion could be amended. He stated that Dr. Edmonds and his administration had made a lot of adjustments in a short period of time.

Dr. Edmonds commented that if he is directed to go back and make more cuts than that is what he would do. He stated that he did not know what the priorities of the board were in

New Business – Budget – continued

cutting the budget. He asked for the board's direction in cutting the \$313,614. Dr. Edmonds stated that there would have to be severe cuts in the departments.

Board member Potts asked the county finance director when the budget was due to the county budget committee. Mr. Potts responded that the first pass was next Tuesday, May 19th. Board member Potts commented that there was not enough time to send the budget back to Dr. Edmonds and his staff in order to make cuts. She stated that it was the board's responsibility to come up with a budget, therefore, the board can give the direction and make cuts at this time. She commented that she was concerned that a motion had been made for a zero balanced budget and the board should stick with the motion. Ms. Potts suggested making the cuts totaling \$313,614 in order to achieve a zero balanced budget, take it to the budget committee and then see what happens.

There was some discussion regarding the vote for rescinding a motion. Vice Chairman Vines commented that he had recalled in past meetings that the board had rescinded a motion without a 2/3's vote. Board member Bradley then read from Robert's Rules of Order stating, "If no previous notice is given either a 2/3's vote or a majority of the entire membership is needed whichever is more practical to obtain. If no previous notice is given the motion requires a majority vote to adopt."

Board member Bradley commented that he knew that Dr. Edmonds and his staff had put in a lot of time trying to prepare the budget. He agreed with Board member Potts that the board needed to try to do something now.

Board member Potts asked the county finance director if he knew by account the increases and decreases in the various accounts across the budget. Mr. Potts commented that he had a schedule that showed that. Board member Potts commented that she did not want to see teachers' get cut or technology equipment. She suggested looking at principals, assistant principals and supervisors.

Vice Chairman Vines made the motion to rescind the motion that the budget revenues and expenses equal each other (zero balance) and that non-classified personnel receive the same percentage raise as teachers. Board member Cavanah seconded the motion so they could have discussion.

Chairman Jarnigan opened the floor for discussion.

New Business – Budget - continued

Board member Cavanah commented that she thought the \$225,000 in cuts included the raise for non-instructional personnel. Dr. Edmonds pointed out that it did include the 2% raise but did not include the adjustment of the hourly wage rate for the first four pay cells in the classified schedule. Board member Bradley commented that he thought they had asked that the adjustment be included. Board member Cavanah agreed. She commented that she was shocked when she found out that \$80,000 plus had been added to the deficit. Dr. Edmonds commented that they did not know what the figures were for that item at that time. Vice Chairman Vines asked Dr. Edmonds if he had any idea as to what the new BEP figures would be. Dr. Edmonds responded that he did not.

Board member Potts commented that she would rather stay with the original motion, look at some changes in accounts, make cuts and if the BEP comes in higher they could go back and make amendments.

The motion to rescind the motion for a zero balanced budget failed 4-2. Board members Jarnigan, Potts, Cavanah and Lowery voted against the motion. Board members Bradley and Vines voted for the motion.

At this time, board member Bradley made a motion to recess for 5 minutes.

RECESS

RECONVENE

At this time, the meeting reconvened.

Board member Potts suggested looking at some accounts to see what they could come up with.

Vice Chairman Vines asked if the Act of 81 allowed the board to make the budget. Dr. Edmonds responded that the law states that the director of schools along with the Executive Committee which would be the chairman of the board are to submit a budget to the board of education for consideration and then it would be forwarded to the legislative body. He pointed out that it had never been clarified in board policy as to what effect the Act of 81 had on it but the law required that the director of schools present a budget to the board of education with the assistance of the board chairman.

New Business – Budget - continued

Board member Bradley commented that he did not like seeing some people get an increase in pay and some not when discussion was brought up regarding principals, assistant principals and supervisors pay being frozen.

Chairman Jarnigan commented that he felt the hourly wage increase of \$87,000 for non-instructional personnel should be cut because they were already receiving a 2% raise.

After discussion and suggestions, board member Potts made the motion that the board not increase the line items listed below from the 2014-2015 budget, technology equipment be reduced by \$63,000 and line item 189 – Other Salaries and Wages be reduced by \$35,684 with related benefits for a total amount of approximately \$313,553 with the understanding that if the BEP comes in at a higher amount, the board will re-evaluate that at Tuesday's called meeting. Board member Cavanah seconded the motion.

List of Line Items Not to Increase from 2014-2015 Budget

- 104 – Principals
- 105 – Supervisor/Director
- 132 – Materials Supervisor
- 139 – Assistant Principals
- 499 – Other Supplies and Materials
- 599 – Other Charges
- 524 – Staff Development
- 338 – Maintenance and Repair Services-Vehicles
- 410 – Custodial Supplies

Dr. Edmonds thanked the board for their suggestions and recommendations.

The motion as stated above passed 4-2. Board members Bradley and Vines voted against the motion.

Board member Lowery made the motion that the board meet in a called meeting on Tuesday, May 19, 2015 at 4:00 p.m. at the central office in order to review the changes made to the budget. Vice Chairman Vines seconded the motion and the motion passed 6-0.

JCBSC
May 14, 2015
Page Seven

ADJOURN

With no further business, the meeting was adjourned at 8:20 p.m.

Bill Jarnigan, Chairman

Dr. Charles Edmonds, Director of Schools &
Secretary to the Board

Date

Date