

Board of Education Budget Discussions

April 19, 2022 4:00 PM

MCS Administrative Offices

<p>I. CALL TO ORDER Procedural Item In attendance: Chair Butch Campbell, Vice Chair David Settles, Wes Ballard, Becky Goff, Amanda Moore, Roseann Barton, and Jimmy Richardson</p> <p>Staff: Dr. Trey Duke, Greg Lyles, Maryam Hill, Cathy Pressnell, Kim Fischer, Beth Prater, Angela Fairchild, April Zavis, Sara Walker, Sandy Scheele, Lisa Trail, Joe Marlin, Ralph Ringstaff, Kim Williams, and Sheri Arnette</p> <p>Assistant City Attorney Elizabeth Taylor. City Liaison Bill Shacklett was absent.</p>	<p>Chair Butch Campbell</p>
<p>II. 2022-2023 BUDGET DISCUSSIONS Information Item</p>	<p>Chair Butch Campbell</p>
<p>A. Updates from April 12 Meeting Information Item Dr. Duke began the meeting by addressing questions that he had received from the Board after last week's meeting.</p> <p>Dr. Duke also informed the Board that he would not be presenting the ESSER and Capital Improvement budget next week for approval. He said that he still had to time to finalize those budgets.</p> <p>Dr. Duke also wanted to clarify that he did not mention the raise for MDA's at last week's meeting. He plans to move their pay to \$13.00 per hour. He also plans to raise bus assistant's hourly pay by 5%.</p> <p>He also told the board that school nutrition would have an addition of a retention bonus to match similar bonuses in transportation and ESP.</p> <p>Dr. Duke reviewed the changes by line item and explained those changes to the board.</p>	<p>Dr. Trey Duke</p>
<p>B. 2022-2023 General Purpose Budget Information Item Dr. Duke reviewed the highlights of the budget with the board. He stated that the revenue numbers are still estimates because we are waiting on the BEP allocation from the State along with our portion of the county shared funds.</p> <p>He said that next year we are expecting an increase in BEP funds because of an increase in enrollment. He also told the board that sales and property tax is up in Rutherford County.</p> <p>He reviewed the increase in expenditures, which includes a 3% raise built in the budget, 5% medical/dental insurance increase, hourly increases for bus drivers, custodians, cafeteria staff, attendance secretaries, and</p>	<p>Dr. Trey Duke</p>

<p>MDA's. There are also additional positions that will be included that were discussed at the last budget meeting, and the movement of ESSER funded positions into our GP budget.</p> <p>Dr. Duke reviewed student projections with the board and told them that the anticipated increase for next year in grades K-6 is 111 students. That would give us a total enrollment of 9545 students.</p> <p>Dr. Duke said that there are unknowns with the impact of rezoning and waivers.</p> <p>He talked about the increased positions due to growth which includes four classroom teachers, two special education teachers, one ESL teacher, and 3.5 special area teachers.</p> <p>Dr. Duke asked Angela Fairchild to talk about the number of Tier 5 6th grade students that we are losing along with the number of CDC students that we will be gaining. Mrs. Fairchild said that the number of 6th grade students that we are losing is not many, but the number of CDC students that we are gaining at each school is about ten to eleven per school.</p> <p>Jimmy Richardson asked if we need to re-evaluate our five-year plan because of the trend in increasing our most severe students. Dr. Duke said that he would continue to watch this trend of influx of CDC students, and adjust the plan accordingly.</p> <p>Dr. Duke said that he was proposing a 3% increase to all staff. He said that the average step raise is 1.25%, therefore, certified staff could receive as much as a 4.25% increase in pay.</p> <p>Dr. Duke said that our hope is that next year we have the second-highest starting pay for certified staff.</p>	
<p>i. Revenues Information Item</p> <p>Dr. Duke explained that he included all positions and changes that were discussed last week except the \$1000 retention bonus for all certified staff. He also talked about the state salary schedule and how our salary schedule compares.</p> <p>Chair Butch Campbell asked Dr. Duke that if we estimate our budget but then receive more money, where does that go? Dr. Duke told him that it goes into fund balance.</p> <p>Dr. Duke explained the changes in the revenue portion of the budget and a how he plans to move the indigent children's fund budget into the general purpose fund. He said that on average we have about \$700.00 in that account at any given time, but right now, we have about \$4000.00. We are not expecting any more money from United Way.</p> <p>Dr. Duke ended this portion with a revenue summary stating that we</p>	<p>Dr. Trey Duke</p>

<p>will receive an increase in State BEP funds, an increase in local sales and property tax collection, with a 3.45% total increase in projected revenues.</p>	
<p>ii. Expenditures Information Item Dr. Duke talked about the major changes in the expenditure portion of the budget. He said that the major changes would be salary and hourly increases, new positions that we discussed last week, and growth positions to address unexpected new students, medical insurance increases, an increase in the mileage rate, and a decrease in retirement rates, which Ms. Kim Williams explained in a little more detail.</p> <p>There was more conversation around nurses' salaries. Mr. Ballard asked the number of students per nurse, and Dr. Duke said that he would get him that number.</p> <p>April Zavis covered the technology budget and changes in that.</p> <p>Dr. Duke said kudos to Mrs. Zavis for saving money in several areas in technology.</p> <p>Dr. Duke told the board that there would be a budget amendment coming over the next few weeks showing where our payroll administrator resigned, along with an adjustment in the assistant payroll clerk's salary.</p> <p>Dr. Duke said that there were no changes to the maintenance budget</p> <p>Dr. Duke explained the following information regarding fund balance to the board: Current fund balance is \$11,810,678.00 Minus \$863,138.00 for one-time bonus Adjusted fund balance is \$10,947,540.00</p> <p>Adjusted fund balance: \$10,947,540.00 3% of expenditures: \$2,900,749.00 7% of expenditures: \$6,768,413.00</p> <p>Dr. Duke explained that If we use projected reserves, our new fund balance will be \$8,058,304.00 which is 8.3% of expenditures</p> <p>Chair Campbell asked the process for approval of the budget. Dr. Duke said that it would be presented to Mr. Craig Tindall and Erin Tucker after our board's approval, and then it will go to city council for approval.</p> <p>Amanda Moore asked Dr. Duke about replacing technology equipment. Dr. Duke said that we will use ESSER funding for those items until we build our fund balance, and then we should be set each year after. Also when we get TISA funding, if approved, that should help tremendously.</p>	<p>Dr. Trey Duke</p>

Dr. Duke said that his goal is to present a zero balance budget with TISA next year.

Dr. Duke said that he is being very conservative. Jimmy Richardson and Amanda Moore said that they appreciate that.

Amanda Moore thanked Dr. Duke for all of this detail in explaining the budget. She said that she had heard from a lot of people, and she felt that Dr. Duke had covered everything. The only concern she had was with ESL and not seeing a lot of additions in that area. She asked what our pupil teacher ratio would be after the new position is in place.

Dr. Duke asked Sheri Arnette to talk about the increase in the ESL population. Mrs. Arnette said that increase was about 22% this year. She said that the hiring of an ESL coach had helped. Ms. Mosely has done a great job to make sure that all ESL teachers have a voice. With that, she said that we keep a close eye on numbers and have had to shift to make up for the growth. We now have good professional development and great training for administrators and coaches so that everyone is doing the same things. Mrs. Arnette also said that adding the SIOP training has been a big help.

Mrs. Moore said that her concern was that if we did not add staff in ESL this year, there might be a chance that in the middle of next year we would have to make adjustments.

Dr. Duke explained that the one position being added to ESL would be split between Scales and Overall Creek.

Becky Goff also stated that the person in the community that contacted her was also concerned about ESL and would like to see added positions.

Dr. Duke said that if our enrollment goes up, we will have to address this issue. Mrs. Moore said that she felt that maybe not in this budget year, but probably in the next, that we would have to address this issue to be proactive.

Dr. Duke said that he and Mrs. Arnette would go back and have a conversation this week and if he feels like we can add some positions even if we don't hire them immediately, we will do that to be more proactive.

Mrs. Arnette said that there is also a possibility of a lot of students exiting the program.

Dr. Duke said that he will look at this and get back to the board before the budget is presented. The entire board supported hiring additional ESL staff.

<p>C. 2022-2023 Federal Consolidated Budgets Information Item</p> <p>Dr. Duke said that Federal funds are allocated directly to the school. He told the board that Dr. Maryam Hill works with those schools on Federal budgets, which include Title I, Title II, Title III, and IDEA.</p> <p>Dr. Duke explained that he plans to move Cindy Cliche to another fund (ESSER Surplus) so that would leave us about \$85,000 (Title II) because they are cutting us \$74,308.</p> <p>Dr. Duke asked how many private schools are requesting money? According to Dr. Hill, there are five. They request it and most of the schools are faith based and there are specifics regarding allocating funds for PD. She explained that we cannot allocate funds for PD for secular schools.</p> <p>Dr. Duke explained that Title III mainly deals with ESL</p> <p>He said that IDEA is Federal Special Education Money and there are no changes to this from previous years.</p>	<p>Dr. Trey Duke</p>
<p>D. 2022-2023 Federal ESSER Budget Information Item</p> <p>Dr. Duke explained to the Board that this is where he has placed Mrs. Cindy Cliche. He told the board that when the ESSER budget was created, the thought was that we would have to supplement the summer school budget, but we did not, therefore, the ESSER 2 funds will be re-budgeted.</p> <p>Dr. Duke explained that the funds must be expended by June 30, 2023. We now have \$600,000.00. When this money is re-budgeted, Dr. Duke will refer back to the feedback from last year's meetings.</p> <p>Dr. Duke said that there are very few changes in ESSER 3. These funds will be allocated to capital outlay projects such as HVAC projects and the Reeves Rogers project, and will have to be expended by June 30, 2024. Since the bids for these projects are now coming in higher than expected, if we have to prioritize and only choose one, the HVAC is more of a priority. The transfer of \$1,125,000.00 will provide relief for one but not both projects.</p>	<p>Dr. Trey Duke</p>

<p>E. 2022-2023 Capital Improvement Information Item</p> <p>Dr. Duke told the board that progress has been made on facility needs this year despite supply chain issues, increased costs, and significant lag time.</p> <p>Prices are coming in much higher than anticipated and higher than in years past.</p> <p>The staff is moving forward on getting new quotes for upcoming projects, and will then re-prioritize.</p> <p>Chair Campbell said that everyone has done a wonderful job planning this budget. He said that it has been the most enjoyable budget discussions that we have been through.</p>	<p>Dr. Trey Duke</p>
<p>III. ADJOURNMENT Action Item The meeting adjourned at 7:16 p.m.</p>	<p>Chair Butch Campbell</p>