

The McCreary County Board of Education met in Special Session on March 30, 2015 at 6:30 PM at the Board of Education Central Office. Chairman Kidd welcomed everyone then called the meeting to order and asked for a roll call. Present were: Brandon Kidd, Deborah Gibson, Rhonda Armijo, Nelda Gilreath and Superintendent, Arthur Wright. Absent from the meeting were: Roxanne Shook. Also present were the media, school system staff and interested parties.

APPROVE AGENDA - #9603

A motion was made by Mrs. Nelda Gilreath and a second by Ms. Deborah Gibson to approve the agenda as presented. Members voted as follows:

Shook – Absent, Gilreath – AYE; Armijo – AYE; Gibson – AYE; Kidd - AYE

APPROVE ACTIONS BY CONSENT - #9604

A motion was made by Mrs. Nelda Gilreath and a second by Mr. Brandon Kidd to approve the actions by consent as presented. Members voted as follows:

Shook – Absent, Gilreath – AYE; Armijo – AYE; Gibson – AYE; Kidd - AYE

A. Approve Field Trips

1. McCreary Central High School

HOSA - April 7th and May 8th - Pine Knot (McCreary Health and Rehabilitation Center-to gain leadership skills through community service)

2. Pine Knot Primary School

1st Grade - One Day (May 1st thru 15th) - Knoxville, TN (Knoxville Zoo-animal characteristics, life cycles, Science Standard 1:LS-1, 1:LS-2, 1:LS:3)

DISCUSSION WITH ROSSTARRANT AND THE SCHOOL'S DISTRICT FACILITIES PLAN - #9605

At this time, Chairman Kidd introduced Melinda Joseph-Dezarn, Project Manager with RossTarrant Architects. Ms. Joseph-Dezarn referred the Board to the April 25, 2013 District Facility Plan. She asked the Board to review the Capital Construction Priorities (Schedule after the 2014 Biennium) section. These projects are the ones that need priority attention. Ms. Joseph-Dezarn reviewed the needs at Pine Knot Intermediate School. She also shared with the Board she would need a Soil Conservationist to take samples at McCreary County Middle School in order to come back with a cost estimate for the middle school's foundation needs. She did share with the Board that both of these projects are critical. The Board asked Mrs. Kristi Curry, Finance Officer, about the district's bonding potential. Mrs. Curry shared with the Board, Ross, Sinclair & Associates, LLC, Plan of Financing for the District's bonding potential. The district has a current bonding potential of \$4,105, 000. The Board asked if several of these priority

needs could be combined under one bonding project, therefore one bond payment. Mrs. Curry said that this would be possible. The board is looking at the roof replacement at Pine Knot Intermediate School and the foundation needs at McCreary County Middle School as the first two priorities. They are also looking at the Preschool needs which has been marked as a transitional school and the transition of moving two classes to each Whitley City Elementary School and Pine Knot Primary School as a third option. Then there is the Title IX priority of building locker rooms and restrooms for the softball field as the fourth option. Each project would need to have a separate BG-1 presented for approval and then combine the BG-1's for bonding.

APPROVE HIRE ROSS TARRANT AS THE ARCHITECT FOR THE PINE KNOT INTERMEDIATE SCHOOL ROOF REPLACEMENT PROJECT - #9606

A motion was made by Ms. Deborah Gibson and a second by Ms. Rhonda Armijo to approve hiring Ross Tarrant as the Architect for the Pine Knot Intermediate School Roof Replacement Project. Members voted as follows:

Shook – Absent; Gilreath – AYE; Armijo – AYE; Gibson – AYE; Kidd - AYE

BUDGET 2015-2016- #9607

At this time, Chairman Kidd, turned the meeting over to Mrs. Kristi Curry, to report on the tentative budget for the 2015-2016 school year. Ms. Gibson asked Mrs. Curry if the way the Board decided to combine the first four facility projects together was the best plan and Mrs. Curry agreed this is the way it should've been handled in the past. Mrs. Curry shared with the Board the State has decided to fund the \$10,000,000 back to the schools that was going to create a shortfall for our district of approximately \$57,000 that she reported to the Board in the Draft Budget at January 20th's board meeting. She also shared with the Board the forecast from Kentucky Department of Education updates. The ADA count for Exceptional Child, Preschool through Third grade exceptional child, ADA cannot be counted. The Districts are still responsible for providing service to these students. Mrs. Curry reviewed with the Board the draft budget report starting with the revenue's. She said the beginning balance would still start at \$1,000,000. There were no changes in revenue tax receipts (based on the compensating rate) and interest income. The SEEK funding is where the district will see changes. The board asked Mrs. Curry about the nickel tax, is this something the Board can approve and what is the process to have a nickel tax. Mrs. Curry shared that the Board would have to have a public meeting and get their feedback and response. This would be the Board's opportunity to explain what the nickel tax was for and the Board can restrict the use of this fund. Mrs. Curry shared with the Board that the Fund Transfers of \$174,017 that was reported on the Draft Budget from the district's capital funds could not be transferred to the 2015-2016 tentative budget because this fund is where the bond payment will be made from for the district's facility plan projects that the Board discussed earlier in the meeting. She explained that this

amount would have to be taken back out of the General Fund and put back into the Capital Outlay fund. She explained that when the Board did this it would increase the Board's deficit budget. The board asked if the staffing allocations is the guideline that they needed to use when reviewing the budget. Mrs. Curry explained that yes the staffing allocation is what is needed to review the budget and the salary schedule for the tentative budget. The Board asked about the Extended Days and how this was calculated. Mrs. Curry explained to the Board the number of days for the base pay of certified staff and then any extended days was added to this number of days in order for staff to complete paper work before and after school was out. Chairman Kidd asked if the Board was going to receive budget proposals like they had received in the past. Superintendent Wright said that he would be happy to present any specific reduction item to the Board. Chairman Kidd told Superintendent Wright that he would like to see the district's proposals (for the budget reduction) like the ones presented to the Board in the past. Mrs. Curry told the Board that they would start working on these proposals if that is what they decide to do. Mrs. Curry shared with the Board that they need to look at the 2014-2015 approved salary schedule for any possible reductions. The Board feels like the extended service percentages needs to be reduced first. Mrs. Curry explained the process of Site Base allocations and how the Site Based Decision Making Council can decide how those funds are allocated. The Board discussed the possibility of moving the preschool to Whitley City Elementary School and Pine Knot Primary School and the savings of the utilities and the Coordinator stipend this move would generate. Chairman Kidd asked Mrs. Curry how much time would be needed in order to have a couple of budget proposals ready for the Board to review. Mrs. Curry said she would need a good week and explained the process the staff have to go through when verify years of service and tenure and how one move will affect another. At this time, Superintendent Wright explained that Site Base decisions will play a part in hiring/transferring staff into positions at their schools and if they will hire someone in that spot. He asked the Board if there were any programs that was off the list when working on these budget reduction proposals. The Board said that there was nothing off the list and that everything needed to be considered. The Board asked Assistant Superintendent, Aaron Anderson, if he would review moving the preschool and bring numbers and information back to them for consideration. Mr. Anderson said that he would work on the preschool move. Mrs. Curry shared with the Board to keep in mind, when working on the budget, that Mrs. Sharon Privett, Principal at McCreary Central High School, is requesting the Board to assist them with the \$32,000 for textbooks (difference of what was requested at December 18, 2014, board meeting and the amount received). The Board decided on a tentative date for the next special called meeting, tentatively Monday, April 13, 2015, at 6:30 p.m. Chairman Kidd asked Mrs. Curry to do a report on a possible reduction in extended service percentage, cutting 5 percent for everyone who gets extended service, then they would look at cutting days. The Board asked about Grant writing and if someone volunteered to write grants for the district, could they. It was explained that the person would have to go through the proper background checks. The Board discussed the District's insurance coverage and the next step they need to take to look for the next school year's insurance coverage for property and liability and worker's compensation. At this time, Superintendent Wright asked the Board again if they wanted the Leadership Team to come up with a couple of proposals for the Board to review. The Board said they wanted the proposals brought to them to review and help them decide

which reductions were needed. Mrs. Curry also shared with the Board that they need to present the budget proposals to the Board Attorney to make sure that there aren't any cuts that would violate any statutes. She also shared with the Board that the key to their funding was the average daily attendance, right now the district was looking at 92% average daily attendance which means we are losing 8% out of the 100% average daily attendance funding. The Board discussed attendance incentives (Mrs. Curry explained that the Red Book states they have to be instructional incentives) and engaging the classroom to motivate the students to come to class every day.

APPROVE ADJOURN - #9608

A motion was made by Ms. Deborah Gibson and a second by Ms. Rhonda Armijo to approve adjourning the meeting. Members voted as follows:

Shook – Absent; Gilreath – AYE; Armijo – AYE; Gibson – AYE; Kidd - AYE

Chairperson

Secretary