

The McCreary County Board of Education met in Special Session on April 08, 2015 at 7:00 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: Nelda Gilreath, Brandon Kidd, Roxanne Shook, and Deborah Gibson. Absent from the meeting were: Rhonda Armijo. Also present were: the media, school system staff and interested parties.

APPROVE AGENDA - #9609

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

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

APPROVE PINE KNOT PRIMARY SCHOOL INTERIM PRINCIPAL'S 25 EXTENDED DAYS - #9610

A motion was made by Ms. Deborah Gibson and a second by Mrs. Nelda Gilreath to approve Pine Knot Primary School Interim Principal's 25 extended days, not to exceed the extended day contract of a full-time Principal. Members voted as follows:

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

APPROVE AMEND WAIVER REQUEST FOR EMERGENCY DAYS/HOURS FOR SCHOOL CALENDAR - #9611

A motion was made by Mrs. Nelda Gilreath and a second by Mr. Brandon Kidd to approve amending the waiver request for Whitley City Elementary School for 7 hours needed to fulfill the 1062 hour requirement instead of the 5 day request submitted. Members voted as follows:

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

TENTATIVE BUDGET 2015-2016 - #9612

Discussion-No Action Taken

At this time, Chairman Kidd shared with everyone that the Board requested a proposal from the Superintendent on how to reach a balanced budget. Superintendent Wright shared that he was asked at the last meeting to include any overages at our schools that were up and above the staffing allocation. The first thing Superintendent Wright shared

with the Board was what created the deficit budget of **(\$346,406)** which includes: reduction in SEEK funding due to reduction in AADA, 2% mandatory salary increase for Certified and Classified full-time Employees, KSBIT bond payments, KISTA bus purchase bond payments, telephone expenses increased due to reduction in E-rate funding and Kentucky Utility Commission electricity expenses increase. The second item Superintendent Wright shared with the Board was an additional **(\$174,017)** in the Capital Outlay fund. This was going to be transferred to the General Fund, but the Board decided to use this for future construction costs for the 2015-2016 school year. Therefore the Board is looking at a grand total deficit budget for the 2015-2016 school year of **(\$520,423)**. Superintendent Wright shared that the Leadership Team started looking at what was provided at our schools that was up and above the staffing allocation which the Board asked him to identify in those areas. He then shared with the Board the overages at each school, Pine Knot Career Institute and Central Office which came to \$560,970. With these overages, the 2015-2016 budget would be balanced including the mandatory 2% contingency with \$40,547 to the good. Superintendent Wright shared additional budget reduction options with the Board. The Board asked Mr. Wright to include a 5% reduction on supervision pay which totals \$65,196 (this is Administration extra service percentage by 5%). The 5% reduction would eliminate the Assistant Principal's extra service pay. The Assistant Principals receive 4% for extra duty service according to the 2014-2015 salary schedule. Ms. Gibson asked if there were cuts made, would it have to be across the board and Chairman Kidd told her no. Finance Officer, Kristi Curry, advised Ms. Gibson that this was something that the Board Attorney would need to advise them on. Chairman Kidd said that he asked the Board Attorney, Mr. Jeff Hoover, if the cuts would have to be across the board and Mr. Hoover shared with him that no it could be for example: Central Office cuts, but not single out one person. There was discussion on the Principal's 50 extended days if that many days were necessary or if the Principal could get by with less days. There was discussion on the cuts over the past several years. Mrs. Curry, Finance Officer, shared with the Board that one of the things that played a part in the reductions made in the past was the ARRA funds. The school districts were instructed to spend these funds by hiring staff. Some employees gained tenure or continuous active service while employed using the ARRA funds. The loss of these funds cut our revenue but didn't cut our expenses from the budget which caused a \$500,000 general fund balance, almost cutting into the contingency balance at that time. The staffing guidelines for Pine Knot Primary and Pine Knot Intermediate Schools need to be revised to reflect current student enrollment to allocate 2 Teachers (1-Music and 1-Physical Education). The current staffing guidelines is based on a student ratio of 650 students. As of the 5th month enrollment, these two schools do not meet this requirement. If the Board decides to revise the Staffing Guidelines to reflect a new student ratio of 400 students, then each school can keep 2 Teachers (1-Music and 1-Physical Education). There will be no savings for the budget, but there will be no non-renewals (keep 4 Teachers) for those positions at both locations.

There was discussion regarding the Preschool. Chairman Kidd shared with the Board that he would like to see the Preschool number go up and every student that wanted to attend Preschool could attend, (not be turned away because a child doesn't qualify for the program). He realizes this would cause the deficit to increase, but something he would

like to see happen. There was discussion on the Preschool being split between Pine Knot Primary School and Whitley City Elementary School. The buildings have been toured to see if they have classrooms available and what the cost of upgrading the classrooms and playground would include. A parent shared that she would like to see the preschool stay together, that the children do better among others their own age. There was discussion on looking at building or purchasing a building that would house the Preschool and accommodate every regulation the Preschool would have to meet. There was discussion of the buildings in the school district and the needed repairs and construction costs that are needed to follow the district facility plan.

APPROVE ADJOURN - #9613

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

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

Chairperson

Secretary