

Augusta Independent Board of Education

May 19, 2016 5:00 PM

207 Bracken Street

Augusta, KY

Attendance Taken at 5:00 PM:

Present Board Members:

Mrs. Laura Bach

Gene Groves

Ms. Jacqueline Hopkins

Mrs. Dionne Laycock

Mrs. Chasity Saunders

1. Call to Order

Rationale:

Get Well Soon #33 Jared Shoemaker and Gene Groves!

1.1. Roll Call

1.2. Pledge of Allegiance

1.3. Mission Statement

Rationale:

The mission of Augusta Independent School is to ensure all students achieve high levels of learning in a nurturing climate, empowering them to be responsible and productive citizens of a global community.

1.4. Approval of Agenda

Order #16-281 - Motion Passed: Approval of the agenda as presented. Passed with a motion by Ms. Jacqueline Hopkins and a second by Gene Groves.

Mrs. Laura Bach Yes

Gene Groves Yes

Ms. Jacqueline Hopkins Yes

Mrs. Dionne Laycock Yes

Mrs. Chasity Saunders Yes

2. Student Recognition

Rationale:

Congratulations to our Academic and Athletic Achievers!

Film Festival Winners: Noah Rayburn & Keadyn Tharp

Athletic Achievement: Owens Crawford (KCU), Connor Maddox (Asbury), Camryn Snapp (Campbellsville)

2.1. *BREAK

3. Round Table Discussion

3.1. Approve 2016-2017 Tentative Budget & Salary Schedules

Rationale:

Kelley Gamble, part-time finance officer stated the Tentative Budget is the first projection for the upcoming fiscal year with significant and known conditions. SEEK funding has been established, as well as salary increases. Other planned activities are finalized as the clarity of the budget situation has improved.

The General Fund revenues beginning balance for next year is projected to be \$302,623, higher than the current budget projection of \$244,544. There are several contributing factors to this positive outlook. Building maintenance costs are \$20,000 below budget, barring any major incidents through the end of

the fiscal year. Administrative costs of \$8000 were able to be charged to the RTA grant and classroom teacher salaries are under budget by about \$10,000, and school expenditures are expected to be \$10,000+ below budget. In addition, outside services for Special Education look to be \$3,000-\$4,000 below budgeted levels. Local revenue is budgeted with the expectation of taking a 4% increase. Although projected ADA is expected to decrease further to 243, SEEK funding is actually expected to increase \$13,197. This is due to several factors. One is that there was a SEEK cut this year, but the most significant contributor to maintaining and actually increasing SEEK funding is the allocation for Exceptional Child funding, an increase of \$27,000. Another factor is the increase of the state equalization level from \$749,000 to \$783,000, a 4.5% increase. This advantage will dissipate in the second year of the biennium since the state equalization level is constant for the biennium. The transfer from Capital Outlay is reduced by \$17,000 to allow for debt service on the latest construction project. Total current budgeted receipts are \$2,312,129 a decrease of \$729 from the current year.

The General Fund expenditures for salaries are only being increased for experience and rank changes. No additional staff is anticipated. Salaries are budgeted at \$1,397,600, 37,500 more than the current fiscal year. This is a 2.75% increase. Employer matching costs are expected to increase minimally since unemployment rates are decreasing significantly and current year costs will be under budget by \$6,000 to \$7,000. Total budgeted employer match costs are \$121,759 while last year's cost was \$113,300. CERS rates are increasing as well as FICA and Medicare rates due to IRS/Commonwealth of Kentucky agreements. The school's instructional budget has been reduced to \$19,850, a reduction \$19,850 from the current fiscal year. There is \$7,000 budgeted for the purchase of vehicles. Other operational costs such as utilities, maintenance, fuel, insurance, etc. were individually budgeted based on current and historical amounts. KISTA lease payments are not required, so that is a savings of \$6,359 from the current year. KETS match for technology is budgeted. Non-Personnel expenditures are decreased \$18,075 for next year to \$377,933. Total budgeted current expenditures are \$2,371,454 compared to this year's 2,357,386. Budgeted expenditures exceed Budgeted receipts by \$59,325 with a projected ending fund balance of \$243,298, equivalent to 9.3 % of General Fund expenditures.

The budgets in the Special Revenue Fund are dictated by state and federal grant awards. Some grant allocations are available but many program awards have not been finalized. For those that we do not have the allocation, we are using last year's award. The personnel that are paid from these grants have been budgeted using the new salary and benefit levels. Title 1, Gifted, Community Education, and Extended Schools Services will require funds from General Fund to pay the personnel budgeted in these grants. The grant awards are either staying the same or decreasing and personnel costs naturally rise, even though at a very slow rate. Total General Fund contribution is estimated at \$16,400. Total grant awards are budgeted at \$468,305.

Revenue of \$24,335 is budgeted in Capital Outlay, reflecting an expected Average Daily Attendance of 243.35. Of this amount, \$2096 will be transferred to General Fund for current operating expense, compared to the \$19014 budgeted this year. This is a \$17,000 reduction in revenue to General Fund. The remaining \$22,239 will transferred to pay district debt service. Building Fund revenue of \$95,271 (\$67,019 state/\$28,252 local) is budgeted for next year. It will be used to retire debt. This is a slight increase from 15-16, (\$2,769), due to expected increase in local assessment and the increase in state equalization level from \$749,000 to \$783,000.

The Debt Service Fund is a transfer fund to record debt payments by the district and debt service made by the state on behalf of the district. Local district debt service requirements are \$117,511 next year compared to \$98,188 this year, an increase of \$19,323.

The Construction Fund remaining \$220,270 is budgeted to finish out the current project.

The Food Service Fund expected to finish with a small balance at the end of this year. The fund began the year with a \$17,000 balance. Budgeted contingency for 2016-17 is \$999. Reimbursement rates will increase and food labor costs can be reduced some. Although expenses have not even increased this year, revenues are currently \$25,000 below last year's levels.

In summary, although ADA is expected to decrease next year, special education numbers and the increase in state equalization level will increase SEEK by about \$13,200. This increase paired with the local 4% increase will balance losses in tuition revenue and the decreased capital transfer from the Capital Outlay Fund. Revenues are budgeted at \$729 less than this year. Expenses are budgeted at only \$12,822 more than the current year. The adjustments made in prior years and the 4% property tax increase are allowing the district to maintain a balance of revenues and expenditures. However, there are issues that will need addressing in the coming budget year. The Food Service Fund needs to be stabilized to avoid costing the General Fund as well as paying a portion of the administrative cost that is being devoted to it. The increasing costs incurred in some grants are slowly catching up with the lack of and decreasing revenue in these grants. And most importantly, district's budget problems can be solved by stopping the loss in ADA. ADA has dropped for three consecutive years and the loss in revenue is staggering relative to the district's size. An increase of 10 in ADA would mean an additional \$53,000 in annual revenue at a minimum.

Order #16-282 - Motion Passed: Approve 2016-2017 Tentative Budget & Salary Schedules passed with a motion by Mrs. Dionne Laycock and a second by Mrs. Chasity Saunders.

Mrs. Laura Bach	Yes
Gene Groves	Yes
Ms. Jacqueline Hopkins	Yes
Mrs. Dionne Laycock	Yes
Mrs. Chasity Saunders	Yes

3.2. Principal's Report/Student Achievement

Rationale:

Principal, Robin Kelsch reported 24 seniors met the requirements to graduate on May 27th. Furthermore, he informed the board plans to expand technical center scheduling in the afternoons for juniors and seniors next school year. Mr. Kelsch explained first year juniors are in the mornings and typically the second year students are in the afternoons. However, because of scheduling conflicts, MCATC always accommodated our students. Due to next year's high number of seniors planning to attend MCATC, planning is underway to accommodate afternoon programming.

3.3. Approve Monthly Budget Report

Rationale:

Finance Officer, Tim Litteral reported revenue receipts through April total 1,452,000. \$218,500 has been received in property taxes, with a budgeted amount of \$220,000. Utility taxes have generated \$103,000. Over \$21,200 has been collected in motor vehicle taxes and \$2,700 in delinquent property taxes. \$12,900 has been received in Medicaid reimbursement (\$8,500 budgeted), while \$10,900 has been collected for tuition through April. Over \$1,046,000 has been received in SEEK funding. Bus rental (Athletic Dept. reimbursement) and miscellaneous revenue have each generated \$6,200. The fitness center has collected \$1,600 for the year. Expenditures through the month of April were approximately \$1,356,000, about \$18,000 less than through the same period last year. Receipts exceed expenditures by approximately \$96,000 through April. The school budget indicates approximately \$22,200 has been expended, with two months remaining in the year. Copy machine and printing costs account for \$7,500. General supply expenses total \$5,000. The school has expended \$3,000

on professional services, \$2,300 in furniture and fixtures, \$2,100 in dues and fees, and \$950 on technology equipment.

The maintenance budget expenses totaled \$178,000 through April. Expenses include \$64,500 in utility and service expenses, \$62,500 for salaries and benefits, \$28,000 for property insurance, \$9,500 in general supplies, \$5,300 in maintenance repairs, \$4,000 in professional services, \$3,300 on machinery/furniture, and \$810 on snow removal. 73% of the maintenance budget has been expended.

The transportation budget through April, costs are at \$64,500. \$37,400 has been expended on salaries and benefits, \$7,100 has been spent on diesel fuel, \$7,000 on two buses, \$6,500 on repair parts and maintenance, \$5,200 on fleet insurance, and \$1,100 on professional services/drug testing/rental fees. 61% of the transportation budget has been utilized.

Special Revenue Grant funding is on target with regards to the budget. K-12 will not see cuts in the current fiscal year, and we will be receiving our full 3rd and 4th quarter payments for our state grants.

Food service receipts total \$138,000 through April. \$22,000 was generated locally, \$2,200 was received from state funding sources, while nearly \$114,000 has been received from the NSLP. Receipts are down \$25,000 from the same period last year. Expenditures YTD total \$142,000, with \$53,500 towards salaries and benefits and \$88,600 on supplies and services. Expenditures are nearly equal through the same period last year, but expenditures currently exceed revenues for the year by \$4,000. The current food service balance continued to improve in April and has a cash balance of \$11,277, another increase of \$2,500 from last month.

Order #16-283 - Motion Passed: Approve Monthly Budget Report passed with a motion by Ms. Jacqueline Hopkins and a second by Mrs. Dionne Laycock.

Mrs. Laura Bach	Yes
Gene Groves	Yes
Ms. Jacqueline Hopkins	Yes
Mrs. Dionne Laycock	Yes
Mrs. Chasity Saunders	Yes

3.4. Approve Facilities Report

Rationale:

The Energy Management Report compares the current monthly usage to the 3-year historical average baseline usage for the same month. During March, the district had a reduction in energy consumption of 52,975 kBTU (21.1%) and avoided approximately \$1,071 energy charges. Through the 3rd Quarter-YTD, the district has reduced energy consumption by 465,384 kBTU (17.3%), avoiding approximately \$8,276 in energy charges. So far through the 3rd Quarter-YTD, the district has used 69,204 (\$6,159) fewer kilowatt-hours (kWh) and 2,228 (\$2,117) fewer hundreds of cubic feet (CCF) of natural gas, as compared to our historical averages.

The Bracken County weather data helps explain why utility bills are higher or lower in some months as compared to the same months in previous years.

Monthly Maintenance:

- Band room roof repaired
- Weed eater repaired
- Waxed floor in old computer lab
- Night lights installed in gym
- Belts and filters changed on A/C units
- Repaired air conditioner in old computer lab
- New fire monitoring system installed
- Repaired cafeteria A/C

- Repaired steam pipes for asbestos

Construction Renovation Update:

The architect approved the front porch mock-up and progress is being made on both the front porch and bell tower. The new interior door installation work will begin the first week in June by Trace Creek Construction.

Order #16-284 - Motion Passed: Approve Facilities Update passed with a motion by Mrs. Chasity Saunders and a second by Mrs. Dionne Laycock.

Mrs. Laura Bach	Yes
Gene Groves	Yes
Ms. Jacqueline Hopkins	Yes
Mrs. Dionne Laycock	Yes
Mrs. Chasity Saunders	Yes

3.5. Approve Auditor's Contract 2016-2017

Rationale:

Superintendent McCane recommended the board approve Kelley, Galloway, Smith and Goolsby, PSC to perform the 2016-2017 annual financial audit. The cost will remain \$13,000.

Order #16-285 - Motion Passed: Approve Auditor's Contract 2016-2017 passed with a motion by Gene Groves and a second by Mrs. Chasity Saunders.

Mrs. Laura Bach	Yes
Gene Groves	Yes
Ms. Jacqueline Hopkins	Yes
Mrs. Dionne Laycock	Yes
Mrs. Chasity Saunders	Yes

3.6. Approve KEDC 2016-2017 Cooperative Membership Agreement

Rationale:

Superintendent McCane recommended the board approve the 2016-2017 KEDC Cooperative Membership Agreement. Membership fees are \$1,205.05.

Order #16-286 - Motion Passed: Approve KEDC 2016-2017 Cooperative Membership Agreement passed with a motion by Mrs. Dionne Laycock and a second by Gene Groves.

Mrs. Laura Bach	Yes
Gene Groves	Yes
Ms. Jacqueline Hopkins	Yes
Mrs. Dionne Laycock	Yes
Mrs. Chasity Saunders	Yes

3.7. Clock Restoration Project

Rationale:

Board Member, Jacqueline Hopkins informed board members the Augusta Rotary Club's interest in restoring the bell tower clocks. She stated the Rotary Club would enlist assistance of Rotary members' Tom Burke and Taylor Kelsch to perform the installation and maintenance, as needed. The Augusta Rotary Club will be responsible for all equipment and installation costs to restore the functionality of the bell tower clocks.

Order #16-287 - Motion Passed: Passed with a motion by Mrs. Chasity Saunders and a second by Mrs. Dionne Laycock.

Mrs. Laura Bach	Yes
Gene Groves	Yes
Ms. Jacqueline Hopkins	Yes
Mrs. Dionne Laycock	Yes
Mrs. Chasity Saunders	Yes

3.8. Tuition Rates 2016-2017

Rationale:

Superintendent McCane stated she has a meeting scheduled with Bracken County officials to discuss the student contract for next year. The board tabled discussion of the 2016-2017 tuition rates until the June board meeting.

Order #16-288 - Motion Passed: Approve to Table Tuition Rate Discussion until June passed with a motion by Gene Groves and a second by Ms. Jacqueline Hopkins.

Mrs. Laura Bach	Yes
Gene Groves	Yes
Ms. Jacqueline Hopkins	Yes
Mrs. Dionne Laycock	Yes
Mrs. Chasity Saunders	Yes

4. Communications

4.1. Superintendent's Report

Rationale:

Superintendent, Lisa McCane informed the board members the Priority Needs established by the Augusta Independent Educational Foundation, Inc., and district's decision not to seed was in the best interests of a small school and our students.

Attendance: 94.68% and Enrollment P-12: 281 and K-12: 266

4.2. Citizens

4.3. Board Members

5. Business and Consent

Order #16-289 - Motion Passed: Approval of the Business and Consent items as presented passed with a motion by Ms. Jacqueline Hopkins and a second by Mrs. Dionne Laycock.

Mrs. Laura Bach	Yes
Gene Groves	Yes
Ms. Jacqueline Hopkins	Yes
Mrs. Dionne Laycock	Yes
Mrs. Chasity Saunders	Yes

5.1. Approve Previous Meeting Minutes

5.2. Approve Technology Surplus Items

Rationale:

May 2016 Technology Surplus Items:

10457 - PC
11300 - PC
10640 - PC
10529 - PC
10750 - PC
10669 - PC
10641 - PC
10540 - PC

10163 - Networking Equipment
10428 - Server
10074 - Server
10126 - Server
Unmarked - Server
Unmarked - 30 CRT Computer Monitors
Unmarked - 1 Flat Screen Computer Monitor

5.3. Approve Bills

5.4. Approve Treasurer's Report

6. Approve Meeting Adjournment

Rationale:

May 19th: Senior Awards Night 6:30 p.m.

May 20th: Elementary Beach Day

May 22nd: Baccalaureate Service/Augusta Christian Church 2:00 p.m.

May 23rd: Elementary Awards 8:30 a.m. and MS/HS Awards 10:00 a.m.

May 24th: Kindergarten Graduation 6:00 p.m.

May 25th: LAST DAY OF SCHOOL/Talent Show 8:30 a.m./Dismissal 11:30 a.m.

May 27th: Graduation 7:00 p.m.

June 9th: Board Meeting 6:00 p.m.

Order #16-290 - Motion Passed: Approve Meeting Adjournment passed with a motion by Gene Groves and a second by Mrs. Chasity Saunders.

Mrs. Laura Bach	Yes
Gene Groves	Yes
Ms. Jacqueline Hopkins	Yes
Mrs. Dionne Laycock	Yes
Mrs. Chasity Saunders	Yes

Laura Bach, Chairperson

Lisa McCane, Superintendent