

The Board of School Trustees of Madison Consolidated Schools conducted a Work Session on Wednesday, February 15, 2012, at Madison Consolidated High School, 743 Clifty Drive, Madison, Indiana, at 9:00 a.m.

The following attended the Work Session:

Mr. R. Stephen Gookins	Mrs. Shelli Reetz
Mr. Michael Robinson	Mr. Kevin Yancey
Mr. Darrell Auxier	Mrs. Karen Sindere
Mrs. Kathy May	Mr. Jim Singer
Mr. Carl Schaum	Mrs. LuCinda Dunagan
Mr. Todd Bass	Mrs. Lisa Cutshall
Mr. Carl Glesing	Ms. Erin Mitchell
Mr. Greg Bentz	

The following topic(s) were discussed:

1. **Withdraw from Advanced Ed Accreditation**

Mr. Gookins presented the Board with a letter of request of withdrawal from Advanced Ed Accreditation from the Junior High and High School.

Mr. Yancey said accreditation from the State of Indiana meets the requirements by law for our schools. Mrs. Sindere said the savings would be \$1,250.00 per year.

Mr. Schaum asked if the State does site visits. Mr. Yancey said the State looks at school improvement plans and graduation rates. He said the State scrutinizes more.

Mr. Gookins said this item could be voted on at the March board meeting on whether or not we want to remain in Advanced Ed or are willing to go with the administrators recommendations. Mr. Schaum said to bring it to the March board meeting. Mr. Gookins said this is a duplication of the process. Mr. Bass asked why all schools didn't withdraw when the elementaries withdrew. Mr. Robinson said at that time it meant something to say you were accredited by North Central. Mr. Robinson said site visits are costly as well. Mr. Schaum said it used to be prestigious but now is a mute point. Mr. Glesing said it was a smart move.

Mr. Gookins said Indiana is a leader in education reform.

2. **Budget Review**

	<u>Property Tax Collections for the Past 5 Years</u> <u>%Collected</u>
2007 Budget	98.2% of Approved Levy
2008 Budget	101.3% of Approved Levy (Excess over 100% moved to Levy Excess Fund)
2009 Budget	98.4% of Approved Levy
2010 Budget	98.0% of Approved Levy

2011 Budget 95.3% of Approved Levy

Mr. Gookins explained property tax affects all budgets except General Fund.

Mr. Gookins said delinquent tax dollars will be collected.

Mr. Gookins distributed and explained the following:

- 1) 2011 Basic Grant Monthly Distribution – December 15, 2011 - \$20,004,289.00
- 2) 2012 Basic Grant Monthly Distribution – January 17, 2012 - \$19,768,643.00 (not final)

Mr. Gookins distributed the Funding Comparison which projects MCS will lose \$475,783.00 from last school year. (2011 vs. 2012)

Mr. Gookins distributed a Demographic Study. He said the last seven years MCS has lost 300 students. Mr. Gookins said under the new formula we would have lost 1.5 million dollars in revenue. Mr. Gookins said if this trend continues our corporation could lose 1.8 million dollars in revenue as the money now follows the child. Mr. Gookins said he believes in CY 2014 the State will have an infusion of money. Mr. Gookins said enrollment is declining in a lot of school corporations.

Mr. Bass said we need to continue offering advanced courses or students will leave. He asked if buildings are closed how many teachers will lose their job? Mr. Gookins said he is working on numbers.

Mr. Gookins said we are competing against Shawe and Southwestern. He said South Ripley, Milan, Jac-Cen-Del, Switzerland County and Scott County 1 & 2 have declining enrollments.

Mr. Gookins said we need a partner. He said you would compliment each other and it would be good for students and taxpayers. Mr. Bass said this was rejected. He said Southwestern won't talk to us. He said they aren't thinking about what is best for the student. Mr. Gookins said our corporation is dying a slower death. He said we have more areas to cut until we are at a minimum but this will hurt students. Mr. Gookins said we need to explain to the public and staff that MCS can't survive with the economics as is. Mr. Gookins said to lobby the legislators. He said to tell legislators not to worry about the next election. Mr. Gookins said in the past he has heard board members say they won't merge until the State says to.

Mr. Gookins discussed the Distress School Fund. Mr. Bass said if drastic cuts aren't made our corporation will be there. Mr. Bass said the question is, do we make cuts now or wait. Mr. Gookins said that is a board decision.

Mr. Gookins discussed the following funding problems:

Funding Comparison -	-\$476,000.00
Charter School – goal is 100 students -	-\$540,000.00
Stimulus Funds -	<u>-\$674,678.00</u>
	-1,690,678.00

Mr. Gookins said MCS has some cash but if things don't change MCS will be broke in 18 months.

Mr. Gookins said our Rainy Day Fund has \$178,000.00.

Mr. Gookins said the Board has tough decisions to make.

Mr. Gookins informed the Board the principals are working on several scenarios.

Mr. Gookins said as Superintendent he wouldn't want to go in the hole financially every year.

Mr. Gookins said he has told the principals and board to keep emotions out of this. He said everyone wants to protect their turf. Mr. Gookins said the Board has to look at everything for the corporation.

Mr. Gookins said we have the facts. Mr. Glesing said the Board knew about this a year ago. Mr. Bass said the Stimulus money was a band aid.

Mr. Gookins explained the 1782 Notice is Preliminary to the Budget Order. He said there is a problem with Capital Projects but he can't get DLGF to respond.

Mr. Gookins reported \$4,503,628.00 was advertised in Capital Projects but receiving \$2,414,785.00. He explained the need to remain tax neutral due to the Pension Bond.

Mr. Gookins said Capital Projects and Bus Replacement Funds are hurting. He said there is a Bill to restore bus replacement funds. He said Capital Projects lost 1 million dollars. He said this will affect building repairs and technology. Mr. Gookins said there is \$150,000.00 in emergency funds in Capital Projects. He said this could affect the HVAC project at E.O. Muncie.

3. **RIF Policy**

Mr. Gookins said this is a discussable item. He said he informed the Discussions Committee RIF is on the horizon. Mr. Gookins said he offered to have a work session for the discussions committee on budget. Mr. Gookins said Mr. Auxier and Mrs. Reetz deserve a lot of credit for this proposed policy.

Mr. Gookins said he would be recommending our corporation adopt the RISE evaluation tool at the March board meeting.

Mr. Gookins said our teacher contract was adopted after July 1, therefore there is no RIF language or recall language in the contract. Mr. Gookins said it is the opinion of ISBA, IDOE and Mr. Auxier if a corporation doesn't have a policy you would revert back to past practice. He added old dates don't apply. Mr. Auxier said the area is gray. Mr. Gookins said under the new law notification will be made by the building principal must notify of teacher if they are being rified May 1 – June 30. Mr. Gookins said after July 1 no RIF can be based on seniority. He said if the RIF is due to a justifiable decrease in staff, all positions are open to RIF. Mr. Gookins said nothing will probably be done until June. He said the more data we have the better off we are. Mr. Auxier said there is no perfect way to do a RIF. He said we need to establish general factors to consider. Mrs. Reetz said the process needs to be fair and equitable across the corporation. Mr. Bass said a RIF is necessary. Mr. Auxier said under the new law the initial determination of RIF is made by the building principal. Mr. Gookins said this policy could be used forever. He said under the new law it is clear you can't go by seniority.

Mr. Gookins said he informed the principals everyone needs to share in the justifiable decrease. He said the average teacher makes \$65,000.00 - \$70,000.00 including wages and benefits.

Mr. Gookins said he is looking at other ways to save money, i.e. natural gas consortium, health insurance

group. He said every dollar counts.

Mr. Bass said he would like to see the data if 1%, 2%, 3%, cuts were made across the board. He said this affects the entire corporation.

Mr. Gookins said included in the **draft** RIF policy: "The following factors could be considered in determining which employees shall be included in the reduction in force:

- 1) Work performance
- 2) Length of service in the school system
- 3) Service in extra duty positions and ability to fill such positions
- 4) Other beneficial services provided to the school system
- 5) Recommendations and advice from the Superintendent, the Superintendent's designee(s), and principals

Mr. Gookins said these are not set in stone. He said he wants input from the principals, board and teachers.

4. **At Will Employment**

Mr. Gookins informed the Board the Hourly Handbook states: "*The Madison Consolidated Schools is an at-will employer, and employment may be terminated with or without notice at any time at the option of the Madison Consolidated Schools or by the employee, notwithstanding any oral or written statement by the Corporation representative or employee prior to, or following the date of employment.*" He said the Contracted Services Contract contradicts this. He said the language needs to be changed on the contract. Mr. Auxier said this contract is used for lay coaches and one high school assistant band director. Mr. Bass said the building principal or athletic director should have the opportunity to terminate an at-will employee. Mr. Gookins asked why give contracts to lay coaches? He said all at-will personnel require board approval. Mrs. May said lay coaches aren't paid through payroll but are given a vendor number and if paid over \$600.00 are given a 1099 to complete.

Mr. Gookins reminded the Board of the Executive Session scheduled for Monday, February 20th, at 1:00 p.m.

Mr. Gookins said items discussed today would be discussed at future work sessions.

Mr. Bass said the deadline for receiving Superintendent applications is Friday, February 17th.

Mr. Bass moved to adjourn the Work Session, seconded by Mr. Glesing, the Board voted, 4-0, and the meeting was adjourned.

Secretary
BY: ps

ATTEST:
