

TRANSCRIPT OF MEETING

OAK RIDGE SCHOOLS - OAK RIDGE BOARD OF EDUCATION

SPECIAL CALLED MEETING

SCHOOL ADMINISTRATION BUILDING BOARD ROOM

TUESDAY - MAY 14, 2013

5:30 p.m.

BOARD MEMBERS

MR. W. KEYS FILLAUER, CHAIRMAN

MS. ANGI AGLE

MR. DAN DIGREGORIO

MR. ROBERT EBY

MS. JENNIFER RICHTER

ALSO PRESENT:

DR. BOB SMALLRIDGE, INTERIM SUPERINTENDENT OF
SCHOOLS

DR. LARISSA HENDERSON, INTERIM ASSISTANT
SUPERINTENDENT

MS. KAREN GAGLIANO, DIRECTOR OF BUSINESS & SUPPORT
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1 CHAIRMAN FILLAUER: I'd like to
2 call to order a special-called meeting of the Oak
3 Ridge Board of Education Tuesday, May 14th.
4 The primary purpose of this
5 meeting is to review our budget expenditures line
6 item by line item, to answer and ask questions as
7 need be.
8 We left last night and Board
9 members had asked for some additional information.
10 I know some of those questions have been answered
11 through e-mail. Is there any Board member that has
12 a question from last night that they need
13 clarification on? There will probably be questions,
14 I'm sure, as we go through this budget. But are
15 there any as we start out that anybody needs to ask?
16 It seems like when we ask questions it's more bad
17 news instead of good news, unfortunately. So we
18 will proceed on then and move as best we can.
19 I'm on page 33 of the budget for
20 those at home that would like to get their budgets
21 out and follow along.
22 We are in 71100. If I don't
23 provide enough detail, I know you have your budgets
24 --

1 MR. EBY: Mr. Chairman, I do have
2 one question.
3 CHAIRMAN FILLAUER: Okay.
4 MR. EBY: I want to be sure I
5 understand. On the fund balance which is supposed
6 to be 3% of your operating budget, that is going to
7 be nominally a million and a half dollars, is that
8 right? Okay, yeah, so somewhere when we get down to
9 it, it looked like to me that we were dipping below
10 that. Maybe I saw something wrong.
11 MS. GAGLIANO: The information I
12 gave you on fund balance in the progression I
13 subtracted the 3% out.
14 MR. EBY: Oh, okay.
15 MS. GAGLIANO: So when you got to
16 the bottom and it was like .1, the 3% was still
17 there.
18 MR. EBY: Got it.
19 CHAIRMAN FILLAUER: Okay, 71100
20 teachers. This category includes salaries for
21 regular teachers, ELL teachers, advanced degrees and
22 intermediate steps and supplements. The first item,
23 coaching and band supplements, this is a salary
24 schedule that we have for those supplements there is

2 1 a change of an additional \$46,825. Career ladder
2 program; there is a change, decrease of \$16,764.
3 Career ladder extended contracts program; there is a
4 change, a decrease of \$73,299. Homebound
5 instruction; there is an increase of \$1,000.
6 Educational assistants; there is an increase of
7 \$1,955. Other wages and salaries; there is an
8 increase of \$4,514. Substitute teachers in the
9 amount of \$197,472 is no change. Benefit package;
10 there's an increase in benefits. I'm not going to
11 read this every time but for the record this
12 includes Social Security, state retirement, life
13 insurance, medical insurance, dental insurance,
14 medicare and vision insurance. There's a change, an
15 increase of \$139,643. Other contracted services is
16 \$3,000, that's an expense with the Oak Ridge
17 Children's Museum and there's no change.
18 Instructional supplies and materials. There is a
19 change, a decrease of \$201 and you can see the
20 comparison of per pupil rates in elementary, middle
21 school and high school from FY'13 to FY'14.
22 Textbooks; there's a decrease of \$35,408. Other
23 supplies and materials; 13,820, no change. Other
24 charges; this would include expenditures for the

3 1 summer band program, \$10,120, no change.
2 Instructional equipment and furniture in the
3 buildings; a decrease of \$10,000. Regular
4 instructional technology system-wide; a decrease of
5 \$509,145 for a total of regular instruction, the
6 change is \$450,880 for minus 1.84%.
7 I'll pause to see if there are any
8 questions or comments in this category. Mr. Eby.
9 MR. EBY: Yes, Mr. Chairman, I
10 want to go back to the very first line item which is
11 teachers elementary and secondary. And it says
12 there is a 6.2 FTE teaching positions were reduced.
13 And I'm not on this sheet which I think shows
14 basically where those reductions are coming from, if
15 I read the sheet correctly. Is that correct, Dr.
16 Smallridge?
17 DR. SMALLRIDGE: Yes, that's one
18 of the sheets. You should have another one that
19 shows...I think we sent this e-mail.
20 MR. EBY: Just a question like
21 Woodland minus two elementary teachers, Linden is
22 minus one. How did you go about the process of
23 deciding which positions would be reduced?
24 DR. SMALLRIDGE: I met with each

1 principal, we looked at the class projected class
2 size, the pupil-teacher ratios and talked and
3 discussed where we felt we could make a reduction
4 without have -- still having a good pupil-teacher
5 ratio. And we sat down and talked with each
6 principal about that before I made a decision.

7 MR. EBY: So you did that in all
8 these where you are showing reductions?

9 DR. SMALLRIDGE: Yes, all of the
10 teaching reductions. In some cases in the other
11 areas, maybe with instructional assistants, the
12 central office people that are responsible for those
13 like special education and some others, that was
14 handled through them to the supervisors or
15 directors.

16 CHAIRMAN FILLAUER: Any other
17 questions in this category?

18 I think it's important to point
19 out that in several of those line items there is an
20 amount of money, we talked about this last night,
21 and it's important that we stay focused on this as a
22 Board and that's money being used to fund a
23 particular line item that's non recurring, we are
24 using non recurring dollars to do that.

1 MR. EBY: Another question please.
2 I'll go back to your comment when you said that you
3 looked at pupil-teacher ratios and were fairly good.
4 I remember back when I was on the Board before we
5 actually set some guidelines for pupil-teacher
6 ratios which were a little bit lower than what the
7 state guidelines were. Are we still striving for
8 those or are we now just looking at the state
9 guidelines?

10 DR. SMALLRIDGE: We look at state
11 guidelines but I think in most cases we are lower
12 than the state guidelines.

13 MR. EBY: Thank you.

14 CHAIRMAN FILLAUER: Ms. Richter.

15 MS. RICHTER: I do have a
16 question. Karen, the line amount is fairly similar
17 to last year's approved budget. Do we have the step
18 increases embedded in that total and we've backed
19 out the anticipated retirements or something to come
20 up with a number that's so similar?

21 MS. GAGLIANO: We have, that's
22 correct. We have the steps in there and then we
23 backed out the positions.

24 MS. RICHTER: Thanks.

1 CHAIRMAN FILLAUER: The next
2 section is the alternative school, 71150.

3 First line item in that category
4 is teachers, the change is a decrease of \$41,356.
5 Career ladder program; an increase of \$150.
6 Secretary; and this one just is amazing. There is a
7 change, \$1. So it's less than a dollar. Next
8 educational assistants; a decrease of \$1,228.
9 Substitute teachers; no change, \$2,800. The next is
10 the benefit box; change, a decrease of \$5,727.
11 Travel; no change, \$2,000. Other contracted
12 services; this line item supported the cost of the
13 copier rental for the secondary alternative program.
14 In FY'12 these funds were moved to account number
15 72210-199 to be consolidated with the district
16 copying and printed contract. The next one is
17 instructional supplies and materials; no change,
18 \$6,050. Alternative schools equipment; \$5,850, no
19 change. Total for the alternative schools is a
20 change, a decrease of \$48,160 or a decrease of 11%.
21 I think I may ask this question every year and maybe
22 I'll remember it eventually. On the one I read
23 about other contracted services that has been moved
24 to copier rental, since that's been moved to another

1 line item, how long do we have to carry that on that
2 line?

3 MS. GAGLIANO: Normally we would
4 carry it until it was zeros on all three of the
5 columns, which it is this time. But I've left it
6 because it's much more difficult to add it back if
7 we ever decide to because it's linked to many, many
8 pages and so I thought I would just leave it in case
9 we decide to do something different with copying.

10 CHAIRMAN FILLAUER: I think that's
11 what you told me last year too. I'm going to try to
12 remember it.

13 Any questions? Mr. Eby.

14 MR. EBY: On the career ladder
15 it's only \$150 but last night you said career ladder
16 would be going down and this one is going up. I
17 assume that's because somebody maybe who was on the
18 career ladder has moved into the alternative program
19 higher than the person that moved out.

20 CHAIRMAN FILLAUER: Anyone else?
21 Next category special education.

22 First category is teachers; a change, a decrease of
23 \$241,139. Career ladder program; a change of an
24 increase of \$275. Homebound teachers; no change,

1 \$7,000. Educational assistants; a decrease of
2 \$7,008. Speech pathologists; a decrease of \$27,310.
3 Other salaries and wages; a decrease of \$6,062.
4 Substitute teachers; no change, \$15,000. Benefit
5 box; an increase of \$29,390. Contracts with private
6 agencies; an increase of \$25,000. Other contracted
7 services; a change, decrease \$30,705. Instructional
8 supplies and materials; no change, \$9,858. Special
9 education equipment; a change, increase of \$10,000.
10 Total for special education a decrease of \$247,558
11 or a negative 5.79%.

12 I have a question on the line item
13 contracts with private agencies. Is that increase
14 based on the fact that we know of students already
15 that are going to be receiving that service? Does
16 that amount of \$100,000 cover everybody we know or
17 is there any contingency in there if we might get
18 someone that we don't know about that needs to use
19 those services?

20 DR. JERNIGAN: That figure is
21 always an estimate. At this point that line item is
22 covering students who are placed at Kingston
23 Academy, seriously emotionally disturbed students
24 and we feel like they need that degree of day

1 treatment program. It should be enough. We have
2 three students there right now. We will start the
3 year with two. One of the current students will
4 graduate. It's a comfortable figure. We hope
5 that's enough. We really did not want to reduce it
6 because at times we've had as many as five students
7 there, it kind of varies. We started the year off
8 this year with five students and very quickly three
9 of them moved out of the district. So that was one
10 area that I really wanted to keep and not see a
11 decrease in.

12 CHAIRMAN FILLAUER: I think it's
13 important to point this out; if a student needs this
14 service this is not an option.

15 DR. JERNIGAN: That's correct.

16 CHAIRMAN FILLAUER: And if the
17 service is needed to be provided we've got to fund
18 it.

19 DR. JERNIGAN: Right. And one of
20 the concerns I had if we had to tap into fund
21 balance was to try to fund something like that then
22 we would need to come to you, there would be a
23 couple months delay in trying to do that. And we
24 wanted to make sure we had a cushion there. It

10

1 should be enough but I wouldn't be surprised if we
2 spent it all.

3 CHAIRMAN FILLAUER: Thank you.
4 Ms. Agle.

5 MS. AGLE: Well, my primary
6 question was how many students does that serve and
7 you've answered it for me. So when people talk
8 about our per pupil expenditures being so high there
9 are three students that are at 33,000 plus apiece
10 because we are budgeting \$100,000 for three kids.
11 We don't have a choice. That decreases what we are
12 spending per pupil on everybody else.

13 CHAIRMAN FILLAUER: Mr. Eby was
14 next.

15 MR. EBY: I'll go back to the very
16 first item on teachers and this is where you took
17 the .8 FTE gifted position was reduced. I think
18 it's important and probably most of the Board
19 members or maybe all the Board members have been
20 getting several e-mails today associated with the
21 gifted program. I want people to understand, and
22 correct me if I'm wrong, Dr. Smallridge, but I
23 believe this is a direct result of the way the state
24 and the federal have said that the gifted program is

12

11

1 no longer a part of special education so those are
2 maintenance of funds we are not going to have. I
3 think that was why the reduction was made. Right?
4 And it is not the program that is being -- some
5 people thought the program was being eliminated.
6 The program is not being eliminated.

7 DR. JERNIGAN: It's definitely not
8 the program that's being eliminated. Some of the
9 history that has gone into that recommendation, we
10 started the year off this year with very few
11 students identified at Linden Elementary. In fact,
12 we started the year off with one student identified
13 as intellectually gifted at Linden. That was not --
14 did not set with reality with me that we would be
15 that discrepant especially between Linden and
16 Woodland. We have a new teacher who has been a
17 teacher of the gifted at Linden. One of the charges
18 she had was to try to see whether we could get that
19 figure more realistic this year. The numbers at
20 Linden have risen finishing the year with 19
21 students identified. Some of them are fourth
22 graders, they will lose some of those to start the
23 year off with about 11. But anyway we started the
24 year off with a major discrepancy between the number

13

1 of kids who were identified at our two largest
2 schools, Woodland and Linden, we're ending the year
3 with them much more similar. Linden, as I said,
4 will start the year off with 11 students. When I
5 looked at it this afternoon Woodland will start the
6 year with 16 students identified. So we really were
7 reassigning staff and trying to cover those students
8 with basically equivalent service. It will be the
9 same degree of service at Linden as at Woodland to
10 start the year off. And I've shuffled some other
11 teachers to try to cover the other schools.

12 MR. EBY: And maybe it's not in
13 the budget process to do it but I guess I would like
14 to understand how we had such a discrepancy between
15 the two schools.

16 DR. JERNIGAN: I think it was a
17 surprise to everyone when we had a change in staff
18 and there were some students that were served at
19 Linden that hadn't been fully identified. And we
20 made sure when the new staff came in that we did
21 have those students appropriately identified and we
22 get them on the roll so that we would generate some
23 funds for them.

24 CHAIRMAN FILLAUER: Ms. Richter.

1 MS. RICHTER: I just wanted to
2 note and make sure I understand correctly that the
3 \$10,000 equipment expense is from non recurring
4 funds so that's coming from the fund balance, it's
5 725, special education equipment. Okay.

6 CHAIRMAN FILLAUER: Mr.
7 DiGregorio.

8 MR. DIGREGORIO: Hal, don't go
9 away. Slow learner here. The special ed, this
10 section right here includes the gifted children as
11 well, right?

12 DR. JERNIGAN: Yes.

13 MR. DIGREGORIO: So it's all under
14 that umbrella. Last night we went through something
15 that we could no longer include them -- refresh my
16 memory on this.

17 DR. SMALLRIDGE: Special ed. We
18 could no longer include them in special ed.

19 DR. JERNIGAN: We can no longer
20 include the funds that we are spending for educating
21 gifted students within the funds that we count as
22 special education funds in order to meet what is
23 called maintenance of effort. We have to
24 demonstrate to the state each year that we have

1 spent the same amount of money this year that we
2 spent last year. We can't go down. We have to
3 maintain that level of effort. If they see that
4 going down they would interpret that that we are
5 supplanting local funds with special ed funds. So
6 at the very end of this year that memo that I gave
7 you last night we had a change in the state's
8 interpretation of how we can count gifted education
9 within that maintenance of effort formula. So it
10 will make it very hard for us to meet maintenance of
11 effort pulling those monies out. The state did tell
12 us that they would give us some flexibility this
13 year in trying to account for the funding that we've
14 already -- that's already occurred but it's very
15 late in the year to be making a change like that.

16 MR. DIGREGORIO: Does this bottom
17 line dollar amount cover that? Is that going to
18 meet all the criteria?

19 DR. JERNIGAN: The funds that we
20 have in here in terms of positions essentially that
21 under teachers we've already pulled out the gifted
22 staff and moved them into regular ed so those funds
23 aren't reflected at this point on this line item.
24 They've been transferred over to the regular line --

1 MR. EBY: Minus the .8 position?
2 DR. JERNIGAN: Minus the .8
3 position, yes.

4 MR. DIGREGORIO: So this bottom
5 line number is four million plus, what all does that
6 represent? That does not include the money for the
7 gifted students?

8 DR. JERNIGAN: That does not
9 include the money for the teachers of those
10 children.

11 MR. DIGREGORIO: For the teachers
12 for the gifted students. But does it include the
13 amount of money appropriated for the gifted
14 students?

15 DR. JERNIGAN: The money for the
16 teachers is now being reflected within regular
17 teacher line item so it's still there.

18 MR. DIGREGORIO: I'm probably
19 going to have to have a tutoring session.

20 CHAIRMAN FILLAUER: Any other
21 questions in this category? Thank you.

22 Next is technology career program;
23 teachers, increase of \$6,909. Career ladder program
24 increase of \$600. Substitute teachers, no change,

1 \$12,000. Benefit box; increase \$9,679. Travel;
2 decrease of \$200. Instructional supplies and
3 materials; an increase of \$200. Equipment is a
4 zero. This is one of those, well, in this line item
5 support expenditures for equipment for the health
6 science academy and these expenses are now charged
7 to the federal grant. Total for technology career;
8 1,015,329, an increase of \$17,188 or up 1.72%. Any
9 questions in this category?

10 Next is instructional contingency,
11 71900. The amount is \$387,805 proposed, an increase
12 of \$304,601. And that's the total for that
13 instructional contingency. Any questions here? Mr.
14 Eby.

15 MR. EBY: This 300,000 placeholder
16 for instructional contingency, do you have thoughts
17 and ideas of what that's going to be, where that
18 would be going, is that school resource officers, is
19 it -- it's not that?

20 MS. GAGLIANO: No, this represents
21 the expenditure side of the 300,000 and then on the
22 revenue side we have a placeholder too. And what
23 this is used for is as the year progresses and we
24 receive grants that we weren't aware of then we add

1 the grants and lower this number.

2 MR. EBY: Right, and I understand
3 what you are putting in here is a placeholder for
4 like \$300,000 worth of grants. And there was some
5 discussion that the state might fund a grant for
6 school resource officers. This is just general
7 grants, I mean...?

8 MS. GAGLIANO: It could include
9 that but it's general.

10 MR. EBY: Do we know, how soon in
11 advance are these grants advertised, how long does
12 it take us to get them and what is our percent
13 success rate on those, do we know?

14 MS. GAGLIANO: There is quite a
15 wide variety out there.

16 DR. HENDERSON: There's a bunch of
17 different grants that will probably fall under this.
18 That information is made available to all the LEAs
19 once it comes out and they give us the time period
20 to submit our proposal. They may fund everything
21 that we ask for and they may not fund it. So it
22 just depends on who else goes after the grant and
23 how much money is there for us to get.

24 MR. EBY: Is \$300,000 a reasonable

1 number of what we average a year in grants? Are we
2 expecting that we are going to have to have more
3 grants the coming year? I'm just curious how we got
4 \$300,000.

5 MS. GAGLIANO: The previous year
6 we had actually 200,000 in there and in speaking
7 with our accounting department they said we used
8 every bit of it so that is why I upped it so we
9 would have the space. By doing this it adds to our
10 bottom line so that we don't have to go through city
11 council approval and all that once we get the grant.
12 So it's just to give us some flexibility.

13 CHAIRMAN FILLAUER: Dr.
14 Smallridge.

15 DR. SMALLRIDGE: I just wanted to
16 say that we have had some discussion about the
17 feasibility of having a person who is paid a
18 percentage of the grant based on the number of
19 grants that they obtain. Some systems have been
20 very successful in doing that, somebody that is very
21 adept at writing grants. And then whatever
22 percentage they are paid based on the grants and the
23 percent that they are awarded for each grant. So
24 that's something we might want to look at in the

1 future very seriously. I think we are going to need
2 any source of revenue we can get.

3 CHAIRMAN FILLAUER: I was about to
4 ask a question related to what Dr. Smallridge just
5 said. So based on what you just said, the potential
6 does exist within our school system to increase this
7 number to a much higher level if we had someone in
8 that position. Would that be a fair assumption?

9 DR. SMALLRIDGE: Yeah, depending
10 on how much you are talking about. We might have to
11 go back to council and say we've got this grant for
12 \$500,000 and we need an increase in the budget. I
13 don't think there would be any problem doing that.
14 It might take some time. But if it exceeded the
15 amount that we have in the budget. We have some
16 other places where we have some placeholder money
17 also.

18 CHAIRMAN FILLAUER: If we had a
19 person doing this, I guess my question is, the
20 chances could go up?

21 MR. EBY: Question. How do we
22 identify potential grants? I mean, is that done at
23 the building level, is that done -- and I'm going
24 back to this whole concept of having a grant writer

1 that would be paid a percentage of what we get.

2 DR. HENDERSON: I think some are
3 identified at the building level because information
4 comes out to the building level principals. Some
5 come district-wide. Some we will get at meetings we
6 go to. Conferences, and they say there is some
7 grant money that you can go after. I know that
8 Blair King, when he was working with Coordinated
9 School Health, worked with Gary Gluch and there was
10 some grant money that they got for some of those
11 programs that they put into the schools. So it
12 comes in different forms. We do have a process that
13 once the schools do decide they are going to write a
14 grant it goes through several steps and they have to
15 send information to Donna Farmer and Donna will send
16 it to me. So if it's impacting somebody, our
17 department or the district it has to go through
18 several steps for approval with the business office
19 being there as well because that's where the money
20 is going to be handled before we get the final
21 approval on it.

22 CHAIRMAN FILLAUER: Not to drag
23 this out but I think as we move forward into the
24 future this is something this Board and staff really

1 needs to take a look at. Because as we look to find
2 places to bring in additional funds, to me, there is
3 money out there if we have somebody specifically
4 directed to go find it.

5 DR. HENDERSON: And I will add,
6 too, we haven't had that many grants in the past as
7 far as the district because they look at your free
8 and reduced lunch population percentage but that is
9 changing. Ours is going up so that makes us more
10 viable to go after some of that grant money.

11 MR. DIGREGORIO: Suffer me this
12 question here. This item is called instructional
13 contingency. This is not money that is used just in
14 case you have to hire a new teacher because we've
15 gone past the pupil-teacher ratio at the elementary
16 level?

17 MS. GAGLIANO: There is an
18 allotment for one position. It's in here detailed
19 at \$70,300 budgeted to cover in the event that the
20 pupil-teacher ratio exceeds our guidelines.

21 MR. DIGREGORIO: So that's
22 included in this?

23 MS. GAGLIANO: Yes.

24 MR. EBY: One more comment.

1 CHAIRMAN FILLAUER: Mr. Eby.
2 MR. EBY: So as instructional
3 contingency \$70,000 out of a fifty million dollar
4 budget is a tenth of a percent or something like
5 that. I don't know of any business or company that
6 operates on less than, I mean, a five percent
7 contingency is considered extremely low, small.
8 Ten, twenty makes more sense. But .1, .2%.

9 DR. SMALLRIDGE: I think we do
10 rely on fund balance to some degree.

11 CHAIRMAN FILLAUER: Next category
12 is health services, 72120, medical personnel, an
13 increase of \$9,466. Substitutes for nurses, no
14 change, 5,000. Benefit box; increase of \$16,656.
15 Travel; no change, 1,400. Other contracted
16 services; no change, 4,500. Other supplies and
17 materials; no change, \$3,642. Total for health
18 services; \$411,634, an increase of \$26,709 or an
19 increase of 6.94%. Questions?

20 Next category; other student
21 support, 71230, career ladder program, decrease of
22 \$1,000. Guidance personnel; an increase of \$9,458.
23 Career ladder extended contract program, decrease of
24 \$1,000. Other salaries and wages; an increase of

1 \$4,579. Benefit package; an increase of \$16,210.
2 Evaluation and testing; no change, \$37,500. Travel;
3 no change, \$635. Materials and supplies; this item
4 provides materials and supplies for the Coordinated
5 School Health Program. There is no money in this,
6 I'll come back to that. Other supplies and
7 materials; a decrease of \$10,000. Other charges;
8 this would be the Sister City Program, \$4,000, a
9 decrease of \$71,329. Total for other student
10 support; \$1,280,138, decrease of \$53,082 or minus
11 3.98%. Two questions; on the 72130 where did the
12 \$71,000 -- I know we weren't putting that much money
13 into the Sister City Program.

14 MS. GAGLIANO: There were other
15 items in that line and I'll have to check and see
16 what they were. But the only thing included there
17 now is the Sister City and it's been a consistent
18 4,000.

19 CHAIRMAN FILLAUER: And then back
20 up to 72130; materials and supplies for the
21 Coordinated School Health Program, there is no money
22 in that and hasn't been. We still have that so they
23 get no materials and supplies?

24 DR. HENDERSON: They do get

1 materials and supplies but it's in kind. Those are
2 things through pupil services that we, because
3 that's where that person is located so if there is
4 anything that needs to be printed or run off it
5 comes through that because there is no money in that
6 grant to cover that.

7 CHAIRMAN FILLAUER: I see. Mr.
8 Eby.

9 MR. EBY: I think I ask this every
10 year. On the athletic trainer, that person
11 actually, I recall, works like five times more than
12 what they are paid for. But the one FTE wellness
13 coordinator position, does that person do any
14 teaching whatsoever or...?

15 DR. SMALLRIDGE: That's the person
16 in this building that we are talking about and, no,
17 he does not teach.

18 CHAIRMAN FILLAUER: Other
19 questions?

20 Next is instructional staff
21 support. Supervisor and director, no change,
22 \$212,301. This salary includes, I don't want people
23 to think we are paying this one person \$212,301,
24 this includes the salaries of the assistant

1 superintendent of schools and director of pupil
2 services based on our salary schedule, no change.
3 Career ladder program; increase of \$1,500. Career
4 ladder extended contract program; decrease of 4,000.
5 Librarians; increase of \$6,247. Curriculum and
6 technology integration facilitators; an increase of
7 \$941. Secretary or secretaries; a decrease, I want
8 to see how this balances out, a decrease of a
9 dollar. Other salaries and wages; a decrease of
10 \$75,550. Inservice training curriculum development;
11 you will see listed all of the schools in our
12 district plus technology, career tech, math, reading
13 and teacher center systemwide initiatives writing
14 and training. In comparison of the FY'13 and FY'14
15 proposed, an increase of \$6,768. Benefits package;
16 a decrease of \$19,828. Consultants; an increase of
17 \$2,000. Travel; a decrease of 2,000. Curriculum
18 materials; a decrease of \$7,591. Library books and
19 related materials; you can see the chart that has
20 elementary, middle school and high school amounts
21 per pupil, a decrease of \$65. Periodicals; an
22 increase of \$5. Also a chart listed there comparing
23 FY'13, FY'14 in elementary, middle and high school
24 per pupil. Other supplies and materials; an

1 increase of \$322. Other charges; no change, \$19,183
2 for a total of \$2,107,930, a decrease of \$91,252 or
3 a negative 4.15%. Questions or comments? Ms. Agle.
4 MS. AGLE: On the decreased one
5 curriculum coordinator position, can you tell me
6 what subject that is?

7 DR. SMALLRIDGE: It's one of the
8 coordinators that...I'm not even sure what her area
9 is, I know that we kind of did some restructuring as
10 we looked at this reduction and people picking up
11 different responsibilities. And then we have made a
12 transfer of a person into the supervisor position
13 because we have a retirement so those folks are...we
14 are going to have to relook at how we distribute the
15 responsibilities for those positions. And also
16 involve the assistant superintendent for curriculum
17 and instruction.

18 CHAIRMAN FILLAUER: Ms. Richter.

19 MS. RICHTER: I have more of a
20 comment and that is that when you look at our
21 library books and related media materials and
22 periodicals, those of us who have been on the Board
23 for awhile know that we have not increased those
24 numbers for years and years and years. We all

1 received, I thought, a well-written e-mail from one
2 of our librarians who pointed out that while we've
3 maintained those amounts per pupil expenditures that
4 everything has gone up in price. And we all know
5 that from our own personal experiences.
6 Subscriptions, periodicals, online subscriptions,
7 those all amount to significant costs now. Having
8 more materials online really is not cheaper. It's
9 very expensive and that's certainly an area where we
10 can point to the public and I thought that the
11 librarian pointed out well where our programs are
12 suffering when we do not go forward and ask for more
13 money for the programs that we need to serve our
14 students. I just wanted to make that comment.

15 CHAIRMAN FILLAUER: Any other
16 questions in this category? I apologize for backing
17 up. This kind of caught my attention when it was
18 asked. I want to back up for just a second to the
19 1.0 wellness coordinator. Is that the same position
20 as the coordinated health person?

21 (No audible response)

22 CHAIRMAN FILLAUER: And that
23 position is required by the state of Tennessee, is
24 that correct?

1 MR. EBY: Let me ask a question on
2 that. The position is required by the state. Is
3 there a specific job description that's associated
4 with that position that delineates its total
5 responsibilities?

6 DR. HENDERSON: Yes. There is.
7 They have certain criteria and guidelines that they
8 want that person to do. Working with the schools on
9 healthy teams, looking at different things across
10 the district. They have state meetings and
11 different things for initiatives coming out. But
12 the state has outlined the criteria.

13 MR. EBY: I'm just again thinking
14 about how you can consolidate activities and get the
15 most you can when losing six teaching positions
16 really bothers me. Is that person prevented from
17 doing any teaching in health or anything like that?
18 Could that person also be a part time health teacher
19 while they are doing this position?

20 DR. HENDERSON: We are looking at
21 restructuring that. Right now with the person that
22 has been in that position in the one now there was
23 no teaching, there was never any teaching put into
24 the criteria by the state. They were, more or less,

1 trying to get a look at healthy traits, healthy
2 habits and those kinds of things. We've done a good
3 job doing that and changing some policies and
4 getting that in place. But that's one of the areas
5 I talked to Dr. Lee and also to executive committee
6 because we have a person in that position that may
7 not be there next year. So as we get new people in,
8 we are looking at restructuring that position.

9 MR. EBY: Good, thank you.

10 CHAIRMAN FILLAUER: Next category
11 is special education support director, no change,
12 \$96,409. Career ladder program; increase of \$250.
13 Psychological personnel, an increase of \$1,089.
14 Secretary or secretaries; a decrease of \$7,670.
15 Other salaries, a change of \$1. Benefit package;
16 increase, that was a decrease of \$1. Change to
17 benefit package; increase of \$9,936. Consultants,
18 this item provided funds for consultants for special
19 education workshops and conferences. Funds were
20 also included to provide specialized consultants to
21 assist teachers with the development of
22 individualized programs for students with multiple
23 disabilities. There is no money in this line item.
24 Travel; no change, \$18,553. Other supplies and

1 materials; supplies and materials for special
2 education are also budgeted in line item 71200 so
3 there is no money in this line item. And other
4 charges; \$500, no change. Total for special
5 education support; \$684,913. An increase of \$3,604
6 or .53%. Questions?

7 Next category technology career
8 support, 72230, supervisor director; a decrease of
9 \$42,765. That means there is no money in the 2013
10 proposed budget for this position. Career ladder
11 program, no change, \$3,000. Secretary/secretaries;
12 increase of \$141. Benefit package; a decrease of
13 \$7,044. Travel; no change, \$3,000. Instructional
14 supplies; no change, \$1,000. Other supplies and
15 material; no change, \$4,527. Other charges; no
16 change, \$6,830. That line item provides funds for
17 Oak Ridge High School TV studio equipment and
18 supplies so that we can all be seen live on
19 television for our Board of Education meetings and
20 other things as well, obviously. Total technology
21 career support; \$38,527, a decrease of \$49,668 for a
22 decrease of 56.32%. Questions or comments?

23 Next category Board of Education,
24 72310, other salaries and wages; no change, \$10,200.

1 Benefit package; a decrease of \$25,000. Audit
2 services; increase of \$5,000. Dues and memberships;
3 no change, \$15,200. Legal services; no change,
4 \$70,000. Travel; no change, \$12,000. Other
5 contracted services; decrease of \$30,325. And this
6 line item was used to provide for the services of
7 the clerk to the Board of Education and FY'13
8 expenses for the superintendent search were charged
9 here. General liability insurance; increase of
10 \$4,166. Premium on corporate surety bonds; increase
11 of \$624. This is the one that always...I don't even
12 like reading this one. The trustee commission; no
13 change, \$229,000. Workers compensation insurance;
14 \$314,401, a change of \$40,125. Total for the Board
15 of Education \$919,695, a decrease of \$5,409 or .58%.
16 Ms. Agle.

17 MS. AGLE: Karen, can you tell me
18 what we have used for Board travel this year? How
19 much of the budgeted line item we have gone through?

20 MS. GAGLIANO: I would have to get
21 a report for that for you but I can.

22 MS. AGLE: Trustee commission;
23 since it certainly appears that the number of
24 dollars we are getting through the trustee's office

1 from local taxes is decreasing, shouldn't that
2 commission also decrease?

3 MS. GAGLIANO: Yes, it could. I
4 based it on the actual for FY'12 so we could
5 probably see it going down. I'm just not sure at
6 this point, that's why I left it the same, it could
7 be a few thousand less.

8 CHAIRMAN FILLAUER: Ms. Richter.

9 MS. RICHTER: I have a question
10 about the workers comp increase. Is that an
11 increase in rates or are our rates going up because
12 we have more issues that are coming through, claims?

13 MS. GAGLIANO: It's a combination
14 of both. The rate increases we are looking at
15 around 10%. And the overall rate increase, it's a
16 pool, so it's looking at the experience looking at
17 the number of accidents and amounts paid out. We
18 also added a little extra there for the post offer
19 physicals. We really feel those are important. And
20 we have historically actually charged more to this
21 line item for the post offer physicals than we had
22 budgeted so I believe, if I remember correctly, I
23 upped it a thousand or so to accommodate that.

24 CHAIRMAN FILLAUER: Moving to the

1 next category. Office of the superintendent of
2 schools. Superintendent; an increase of \$29,375.
3 Secretary/secretaries; no change, \$42,606. Other
4 salaries and wages; \$3,000, no change. Benefit
5 package; increase of \$10,136. Dues and memberships;
6 \$4,000, no change. Postal charges; \$15,950, no
7 change. Travel; \$7,000, no change. Office
8 supplies; \$5,200, no change. Other charges; \$6,000,
9 no change. Administration equipment; no change,
10 \$2,500. Total for the office of superintendent;
11 \$321,454, an increase of \$39,511 or 14.01%. Any
12 questions or comments?

13 Office of the
14 principal/principals; 72410, an increase of \$17,042.
15 Career ladder program; \$475. Career ladder extended
16 contract; a decrease of \$4,000. Bookkeepers; an
17 increase of \$5,632. Assistant principals; an
18 increase of \$12,278. Secretaries; a decrease of
19 \$27,155. Clerical personnel; increase of \$31,445.
20 Benefit package; an increase of \$30,643.
21 Communications; this line item previously covered
22 the cost of telephone services for the schools.
23 Budget was eliminated in FY'12 and use of funds went
24 toward a lease purchase of teacher computer

1 replacements under the debt service function on page
2 74, so there is no money in this line item. Travel;
3 \$15,000, no change. Other supplies and materials;
4 decrease of \$2,500 in one. Administration
5 equipment; a decrease of \$3,300. Total for the
6 office of the principal; \$2,902,992, an increase of
7 \$60,559 or 2.13%. Questions or comments? Mr. Eby.

8 MR. EBY: Could you please go
9 back, Dr. Smallridge, and remind me of the four vice
10 principals at Oak Ridge High School, the titles of
11 each one of those or what their responsibilities
12 are?

13 DR. SMALLRIDGE: Dr. Goins is not
14 here? Let me get that information and get that to
15 you.

16 MR. EBY: Okay.

17 CHAIRMAN FILLAUER: Other
18 questions or comments?

19 Next category is fiscal services,
20 72510, director and supervisor; a decrease of
21 \$4,018. Accountants; a decrease of \$5,302.
22 Purchasing personnel; no change, \$36,316.
23 Secretaries; no change, \$38,350. Clerical
24 personnel; increase of \$280. Other salaries and

1 wages; no change, \$52,423. Benefit package; an
2 increase of \$16,764. Data processing services; a
3 decrease of \$1,500. Travel; an increase of \$1,000.
4 Other contracted services; an increase of \$250.
5 Other supplies and materials; a decrease of \$1,000.
6 Other charges; no change, \$1,500. Administration
7 equipment; a decrease of \$500. Total fiscal
8 expenditures; \$693,625, an increase of \$5,974 or
9 .87%. Questions or comments?

10 Human resources, director
11 supervisor; no change, \$101,381. Secretaries; no
12 change, \$38,350. Clerical personnel; decrease
13 \$7,731. Other salaries and wages; no change,
14 \$9,515. Benefit package; increase \$4,926.
15 Advertising; increase of \$1,100. Data processing
16 services; no change, \$12,500. Travel; decrease of
17 \$900. Other contracted services; no change,
18 \$12,000. Office supplies; no change, \$5,000. Other
19 charges; no change, \$2,000. Administrative
20 technology equipment; no change, \$1,500. For a
21 total for human resources \$261,979, a decrease of
22 \$2,605 or a negative .98%. Questions or comments?
23 Mr. Eby.

24 MR. EBY: The advertising in

1 2011-12 was at 8,000 and went up to 16,400 in
2 2012-13 and maybe I'm wrong but I didn't know if
3 that was for searching for the superintendent's
4 position, advertising for the superintendent's
5 position... No, it wasn't that? Can you tell me
6 what that was and it's jumping up again, how much
7 additional benefit, I mean, what benefit did we get
8 out of that increase from eight to sixteen thousand
9 dollars?

10 DR. SMALLRIDGE: I know we did
11 have a number of positions advertised this year.
12 I'm sure that related to some of it.

13 DR. LEE: I would have to do an
14 analysis to give you exact details but it's very
15 volatile depending on the number of positions that
16 we have to search for each year. And sometimes we
17 have to move money within our account for other
18 purposes too so I would have to, I can't stand up
19 here and give you exact details but I can get it.

20 MR. EBY: Sure. I know if it was
21 advertising for teaching positions that we had lost
22 last year, we had a very large group that retired
23 and if we are not having that large a group this
24 year, I don't know if we are or not. Do we need

1 \$17,500 in that is my question.

2 DR. LEE: It's always very
3 difficult, it's sort of like professional services
4 to predict when we will have to use it and print
5 advertising, when we have to use it, is very
6 expensive. We will get the details for you.

7 MR. EBY: Thank you.

8 CHAIRMAN FILLAUER: Moving on.
9 Operation of plant; 72610, supervisor, no change,
10 \$79,468. Secretary; no change, \$34,280. Custodial
11 personnel; a decrease of \$84,171. Benefit package;
12 an increase of \$25,432. Communication; this item
13 provides for payment of telephone and communication
14 costs associated with dedicated telephone lines for
15 fire alarms and elevators. In FY'14 the budget for
16 this line item was transferred to 14172810307 for
17 central consolidation, therefore, there is no money
18 in this line item and that was a decrease or a
19 transfer of \$5,307. Travel; no change, \$1,500.
20 Other contracted services; an increase of \$6,000.
21 Custodial supplies; an increase of \$5,000.
22 Electricity; an increase of \$51,800. Fuel; \$4,000.
23 And this is a new line item, I assume, right here
24 since there was nothing in it before and this item

1 provides payments for fuel oil use for backup
2 generators for an alternate source of power for the
3 data center and emergency lighting at the high
4 school. Natural gas; a decrease of \$25,000. Water
5 and sewer; an increase of \$67,127. Other supplies
6 and materials; an increase of \$2,680. Boiler
7 insurance; an increase of \$684. Building and
8 content insurance; an increase of \$13,795. Other
9 charges; no change, \$32,500. Plant operation
10 equipment; no change, \$17,500. Total operation
11 expenditures; \$4,744,738, an increase of \$62,040 or
12 1.32%. Questions or comments?

13 Maintenance of plant; 72620,
14 supervisor, a supervisor increase of \$1. Secretary;
15 no change, \$36,316. Maintenance personnel; an
16 increase of \$330. Benefit package; \$7,283.
17 Communication; a decrease of \$5,307. Maintenance
18 and repair services building; an increase of 5,000.
19 Maintenance and repair services equipment; an
20 increase of \$5,358. Travel; no increase, \$2,000.
21 Other contracted services; an increase of \$2,521.
22 Other supplies and materials; an increase of 5,000.
23 Administrative equipment for safety and training; no
24 change, \$12,500. Maintenance equipment; no change,

1 \$10,000. Total maintenance expenditures;
2 \$1,360,177, an increase of \$20,186 or 1.51%.
3 Questions or comments?

4 Transportation, 72710, contracts
5 with other agencies; a decrease of \$79,293. Fuel;
6 no change, \$224,341. Vehicle and equipment
7 insurance; an increase of \$2,507. Transportation
8 equipment; no change, \$15,000. Total
9 transportation; \$1,347,485, a decrease of \$76,787 or
10 a negative 5.39%. Questions or comments?

11 Central and other services, 72810,
12 director supervisor; an increase \$1. Technology
13 personnel; decrease of \$43,215. Benefit package; an
14 increase of \$1,147. Communication; an increase of
15 \$130,600. Consultants; an increase of \$1,998. Data
16 processing services; no change, \$12,000. Operating
17 lease payments; this account was transferred, this
18 line item was transferred to account number
19 72210-499 for consolidation into the district copier
20 and printing contract. Travel; a decrease of \$700.
21 Other contracted services; there is no money in this
22 line item. Data processing supplies, no change,
23 \$3,107. Office supplies; no change, \$3,000.
24 Administrative technology; no change, \$72,000.

1 Total for central services; \$989,642, an increase of
 2 \$89,831 or 9.98%. Questions or comments? Mr. Eby.
 3 MR. EBY: Communications increase
 4 of \$130,600, it says 63,000 has been added here to
 5 cover Metro E Services in the event that the fiber
 6 project is not completed on schedule and 62,000 for
 7 egress costs. Can you help me out with that? I
 8 know we are getting the fiber and all and I thought
 9 maybe it was paying for that but saying in the event
 10 somebody doesn't get done on time, does that mean
 11 that if they get done on time this is money we will
 12 have or what is going on here?
 13 MR. COFER: Yes, we have to put
 14 metro in for the bandwidth (indiscernible) for the
 15 use of next year. So the fiber project will be
 16 happening over the next school year and we are
 17 predicting it will be done about this time next year
 18 and all buildings will be connected at that point.
 19 We are also predicting that Robertsville and Willow
 20 Brook will be up and running. Our normal cost for
 21 running metro E yearly for bandwidth just to connect
 22 the buildings will be \$95,000. So I've already
 23 subtracted Robertsville and Willow Brook hoping that
 24 we could connect them by fiber before school starts

1 next year. So we have to run metro E until the
 2 fiber comes up.
 3 MR. EBY: So it's an ongoing cost
 4 that we have going on right now. We expect that by
 5 having the fiber there then we wouldn't have to pay
 6 for that ongoing cost.
 7 MR. COFER: That is correct. A
 8 better way to explain it is the state is allowing
 9 \$240,000 for technology in the district.
 10 MR. EBY: Right.
 11 MR. COFER: We are using that to
 12 pay for one time cost. Our land costs for the
 13 district was approximately \$48,000, you've heard
 14 that before. When we get done with this, our land
 15 costs will be \$48,000 and that's the increased
 16 Internet included. So we are getting rid of our
 17 land costs and we are putting the cost toward more
 18 bandwidth to the Internet so it will be a
 19 significant increase.
 20 MR. EBY: So to be sure that these
 21 people finish on time it saves us a lot of money --
 22 MR. COFER: It can save \$63,000.
 23 MR. EBY: \$63,000. Is this
 24 something that we need to do something with the city

1 about or is it totally in our control or what do we
 2 do?
 3 MR. COFER: It is a partnership.
 4 We are working with Jack Suggs to work out the MOU,
 5 Memorandum of Understanding, we can expect the first
 6 draft this week on that. I heard from Gary Blanton
 7 and he was working or has crews working on
 8 make-ready work and we are working with the fiber
 9 planner person that put all the plan together and
 10 they expect to have a cable and hardware bid to put
 11 in front of the Board, hopefully, within this week
 12 as well. But we won't be in front of the Board but
 13 we will have the documentation to go in front of the
 14 Board.
 15 MR. EBY: Seems like it would have
 16 to be something that you could give a performance
 17 payment if people got done in time, you know,
 18 incentive for them to get done.
 19 MR. COFER: Well, we are kind of
 20 doing that. We are the working money in the project
 21 to get the project rolling. It will have a
 22 five-year return on investment considering that
 23 against the metro E.
 24 CHAIRMAN FILLAUER: Ms. Agle.

1 MS. AGLE: What are egress costs?
 2 MR. COFER: The egress costs have
 3 went up to 62,000. The state allows us 14,000
 4 against that so it's 48,000.
 5 MS. AGLE: Egress to me means
 6 going out?
 7 MR. COFER: Yes, it's the
 8 bandwidth we are buying, I'm sorry.
 9 CHAIRMAN FILLAUER: Thank you.
 10 Next category is lottery for
 11 education after school programs, 73300, other
 12 salaries and wages; a decrease of \$3,002. Benefit
 13 package; an increase of \$2,979. Contracts with
 14 private agencies; no money in this line item.
 15 Printing and stationary forms; no money here. Other
 16 contracted services; no change, \$12,000. Food
 17 supplies; no money in this line item. Other
 18 supplies and materials; an increase of \$23.
 19 Inservice and staff development; no change, \$23,000.
 20 Instructional equipment; no money in this line item.
 21 Total for the LEAPS Program; \$179,724, no change.
 22 Questions or comments?
 23 Preschool program, 73400,
 24 teachers; an increase of \$5,819. Educational

1 assistants; a decrease of \$5,522. Other salaries
 2 and wages; no money in this line item. Substitutes;
 3 no money in this line item. Benefit package; an
 4 increase of \$7,030. Communication; no money in this
 5 line item. Postal charges; no money. Printing
 6 stationery; no money. Other contracted services;
 7 there was no money in FY'13, there will be an
 8 increase of \$568 and that's the amount for FY'14.
 9 Instructional supplies and materials; a decrease of
 10 \$8,395. Other supplies and materials; zero.
 11 Inservice staff development; there was no money in
 12 FY'13, this year there is \$500. Regular
 13 instructional equipment; no money in that line item.
 14 Total for the preschool program; \$450,079, no
 15 change. Comments or questions? Ms. Agle.
 16 MS. AGLE: There is nothing
 17 budgeted for substitutes. What happens when a
 18 teacher is absent?
 19 MS. WHITE: That particular grant
 20 you are looking at is a state-funded grant through
 21 the governor's pre-K, which is just a portion of the
 22 grants that pay for the school, so we have
 23 substitutes in another line item in another funding
 24 source.

1 CHAIRMAN FILLAUER: So it's
 2 important to point out this funding source is the
 3 Oak Ridge, let me say this so it makes sense, this
 4 funding source is the Oak Ridge Schools budget
 5 funding source, not the funding source that comes
 6 from other funding sources?
 7 MS. WHITE: It's actually the
 8 budget the funding source that comes through the
 9 governor's voluntary pre-K, which is funneled
 10 through Oak Ridge Schools but it is not part of Oak
 11 Ridge Schools budget.
 12 CHAIRMAN FILLAUER: That's what I
 13 was trying to say. Thank you.
 14 MS. WHITE: Yeah, it goes in and
 15 out.
 16 CHAIRMAN FILLAUER: Other
 17 questions? Mr. Eby.
 18 MR. EBY: So I can assume then
 19 that instructional supplies and materials which is
 20 decreased by like 90% in this budget is coming
 21 through the other source of funds? Or it's going to
 22 be costed --
 23 MS. WHITE: Yeah, some of it, yes.
 24 MR. EBY: You are not losing 90%

1 of your instructional materials and supplies, are
 2 you?
 3 MS. WHITE: No.
 4 CHAIRMAN FILLAUER: Thank you.
 5 MS. GAGLIANO: I just wanted to
 6 point out with this budget because it is a grant,
 7 like she's spoke about coming through the state,
 8 what happens is it's a fixed amount so as the salary
 9 and benefit line items are adjusted for staff or for
 10 medical insurance, whatever, then she has to take
 11 from her other line items to make up for that to
 12 keep the bottom line the same. So that's what you
 13 are seeing. And then she's got costs shifting for
 14 those other materials and things in her other
 15 budgets.
 16 CHAIRMAN FILLAUER: Next category
 17 is capital outlay, 76100, consultants; no change,
 18 3,000. Engineering services; no change, 5,000.
 19 Building Improvements; and those are listed there
 20 and we have seen these yesterday, last night, that
 21 total is \$550,276. It's important to point out that
 22 would be a decrease of \$590,349. Site development;
 23 an increase of \$10,000. Total for capital outlay;
 24 \$583,276, a decrease of \$938,349 or negative 61.67%.

1 Questions or comments?
 2 Debt service is the next category.
 3 82130610, debt service principal is a decrease of
 4 \$1,749. Debt service interest is an increase of
 5 620. Total for debt service is \$425,569, a decrease
 6 of \$1,129 or .26%. Questions?
 7 The final category is operating
 8 transfers, 99100, this is equipment rental and
 9 replacement fund. This also deals with the Family
 10 Resource Center. There is no transfer of other
 11 funds in the equipment rental and replacement fund
 12 for the proposed 2013-14 budget. Transfer to the
 13 Family Resource Center; \$48,055. And that's the
 14 total of the operating transfers, a decrease of
 15 \$26,427 or 35.48%.
 16 And that brings us to the end of
 17 going line item by line item of our expenditures.
 18 Are there questions or comments or direction from
 19 the Board members at this time?
 20 MS. AGLE: I wanted to point out a
 21 couple things because we didn't go through the
 22 revenues and I was a little confused looking at the
 23 local option sales tax.
 24 CHAIRMAN FILLAUER: What page are

1 you on?
 2 MS. AGLE: On page four. Because
 3 if you look at the appropriation it looks like a
 4 9.8% decrease and even if you take where we are with
 5 respect because if you look at the financial report
 6 that we got in last month's packet dated March 31st,
 7 it says we are 74.2% collections as of 75% of the
 8 budget year which sounded to me like our sales tax
 9 collections are on pace. Right? But if you all may
 10 remember in March we made some budget amendments and
 11 revised the sales tax number upward to account for
 12 the sales taxes that had always been allocated to
 13 education but we've been keeping those off the books
 14 and giving that to the city for debt service so that
 15 caused that number to go up and makes it look like a
 16 bigger decrease than it really is. The other thing
 17 that caused me some confusion this afternoon was
 18 again looking at the financial report we still had
 19 \$14,629,302 as the city's general fund transfer and
 20 it has been reduced to \$13,862,832, which is what
 21 shows up on page five. So I think the fact that
 22 some of the numbers have changed and some of them
 23 hadn't caused me some confusion. And I was thinking
 24 surely we can budget for more sales tax revenue than

1 an almost 10% reduction but that's not really what
 2 it is.
 3 CHAIRMAN FILLAUER: Speaking of
 4 that, I'll just share some information as
 5 information continues to evolve around this process
 6 the subject was county revenue update that Karen
 7 sent us this information. As of today county
 8 revenue with the latest receipts has been updated.
 9 The property tax increase last month was not
 10 lasting. This month's collections reflect the
 11 previous trend downward and sales tax lost some
 12 ground as well. For property tax, rather than a
 13 positive \$78,266 in property tax we are now looking
 14 at a negative \$177,205, which equals a net impact of
 15 a negative \$255,471 less to work with. For sales
 16 tax, rather than a negative \$455,988, we are looking
 17 at a negative \$461,570 for a net impact of negative
 18 \$5,582 less to work with. These two totalled equal
 19 a negative of \$261,053. Ms. Agle.
 20 MS. AGLE: So do we account in the
 21 budget anywhere for the money that we refunded the
 22 city to pay for debt service or is that just off the
 23 books and we're not trading money anymore?
 24 MS. GAGLIANO: This is a

1 complicated answer. For last fiscal year you
 2 previously made the budget amendment to take a
 3 liability amount that you had been holding off the
 4 books, you made an amendment to, as you indicated,
 5 increase the budget to reflect actually counting
 6 that money as a revenue for the year we are in. So
 7 that money, I could not count that as happening
 8 again for the next year because it was a one-time
 9 thing from the last year. Then at the same time the
 10 allocation from the city at the beginning of the
 11 year was reduced by \$766,000. So there again in the
 12 last budget amendment that line item was reduced to
 13 reflect that number. That 766,000 was an arbitrary
 14 figure selected by the city at the time of our
 15 budget development based on the sales tax
 16 collections from the prior year and what the
 17 application of their formula to that total
 18 collection would have generated, in their opinion,
 19 for the high school debt. If you remember when that
 20 action was taken the 766 was again based on the
 21 previous year and there was a comment made that at
 22 the end of this fiscal year there would be a
 23 reconciliation to actually check and see how much we
 24 did collect and how much applying the formula to the

1 actual collections would generate and what the
 2 difference that would be, what would that be between
 3 what was actually taken off the top 766,000 and what
 4 should have been put toward the high school debt.
 5 So we are working with those two line items. The
 6 sales tax line item originally when we budgeted it
 7 we budgeted of the 766, and I'm going to round these
 8 off, I'm going to round it to 800,000, we budgeted
 9 to send 500,000 to the city for the debt and to keep
 10 300,000 in the line for a total of eight. And when
 11 they arbitrarily took the eight, I'm going to call
 12 it, out of your other line item then we were still
 13 300,000 short. So that's also sort of being
 14 reflected in that line item before we do the
 15 one-time FY'12 move that you just did in the
 16 amendment, before that's added in, we are down by
 17 the 300,000 because it was never intended in that
 18 line item. So I don't know if I answered your
 19 question. It's very, very confusing.
 20 MS. AGLE: Well, that gets to the
 21 part that I'm trying to figure out is the source of
 22 the disagreement was the 800,000 is the half-cent
 23 collected all over Anderson County and we had
 24 agreed, as a Board, to contribute the part collected

1 in the city of Oak Ridge to the city for debt
2 service. But the 800,000 that they yanked out of
3 their appropriations counted that also so we should
4 not send them any piece of that half-cent.

5 MS. GAGLIANO: No, we are not
6 sending any more anything because it was taken off
7 the top. And my point in my long explanation was
8 that we need to make sure there is a reconciliation
9 at the end of this year because that can very much
10 impact this budget and the actual for this year.

11 CHAIRMAN FILLAUER: Mr. Eby.

12 MR. EBY: Going back to page 4 on
13 the revenues 2012, this is on contributions and
14 gifts, 141,000 and that drops to 40,000 which is
15 consistent with 2011. What was that increase of
16 100,000 this past year in contributions and gifts?
17 Let's find that person again.

18 MS. GAGLIANO: Typically
19 historically this line item has produced between 40
20 and 50,000. And the past year there were a number
21 of grants from the foundation and other areas that
22 were accounted for here. And I can give you more
23 detail on that if you'd like.

24 MR. EBY: If that includes the

1 foundation I think they were \$83,000 or something
2 like that. I was just trying to understand what
3 that was.

4 CHAIRMAN FILLAUER: Other
5 questions or comments?

6 Our schedule; we have several
7 options. We have scheduled a work session Thursday,
8 if needed. I would point out that Ms. Richter is
9 going to have to leave us at about 6:30, about 6:00
10 on that day. Following that on the 21st which is
11 Tuesday at 7:00 p.m. is the public hearing and first
12 reading followed by Wednesday the 22nd a work
13 session, if needed, at 5:30. And then on the 23rd a
14 special-called meeting for adoption of the budget
15 second reading. What would be this Board's pleasure
16 as we attempt to move forward? Ms. Richter.

17 MS. RICHTER: Can you remind me of
18 when you would first like us to put any proposals
19 that we have on the table?

20 CHAIRMAN FILLAUER: We can do that
21 right now would be good. If any Board member has
22 proposals, now would be a good time to do that,
23 which would give whomever, probably Karen, an
24 opportunity to, if she hasn't already, see how this

1 would reflect in our budget and get information back
2 to us. And then I guess once we give everyone an
3 opportunity to do that, if there are those who want
4 to do that, we need to decide do we go ahead and
5 meet Thursday or do we deal with whatever issues we
6 need to on the 21st. So Ms. Richter, I'll go to
7 you.

8 MS. RICHTER: I have an item that
9 I'd like to bring up and let everybody sort of think
10 about. We know from our last meeting that none of
11 us are happy about where we are right now with
12 salaries for our faculty and staff. And we also
13 know and appreciate the salary schedule that we
14 have. Where we have the increments and how messy it
15 becomes if we try to mess with that salary schedule.
16 In fact, we may have Dr. Smallridge to thank for
17 that salary schedule with its step increases
18 appropriately weighted towards the bottom of
19 someone's career. But what it means is that we so
20 often run into the situation where we have very good
21 teachers and staff members who have served us well
22 with their dedication in our system and their
23 longevity and I think we all not only value that but
24 we want to do more than just say we value it. So

1 the idea I think for all of us, and I don't mean to
2 speak for everybody here, but I think the idea of
3 not giving any raise to those who do not receive a
4 step is just pretty abhorrent. I asked Karen to
5 send us all some information and I believe she
6 probably did it with human resources' help today.
7 And I'd like everyone to think about this
8 possibility because I think it doesn't mess with our
9 salary schedule but it still provides some benefit
10 to those who have topped out of the steps. If we
11 considered giving a \$500 bonus to anyone who would
12 not qualify for a step, in other words, this would
13 not go to those who are receiving steps but for
14 those who are topped out and that amounts to
15 about...what is the percentage, let's see, if I'm
16 correct, about 64% of our staff do receive a step.
17 So we have a significant number who do not. If we
18 consider giving them a one-time bonus, I realize it
19 doesn't help you next year, I realize it would not
20 come from recurring funding but that's part of the
21 point. I'd like the Board to consider a \$500 bonus
22 for staff who have topped out steps which would
23 amount to approximately \$126,360. And we would take
24 that from non recurring funds. It does not add to

1 our recurring costs and I would like us to think
2 about that.

3 CHAIRMAN FILLAUER: So you are not
4 making a motion one way or the other at this time to
5 do that?

6 MS. RICHTER: No, because there
7 may be things I'm not thinking about. And surely
8 all the minds in here can think of the things that
9 I'm not so it's something that I think we need to
10 think about.

11 CHAIRMAN FILLAUER: Ms. Agle.

12 MS. AGLE: I also have one that
13 I'm not ready to make a motion on it, I thought it
14 was and then we got Karen's most recent information
15 and that kind of poked a hole in my idea. But we
16 know that we've gotten almost where we need to be to
17 be ready for our online testing this year. We are
18 missing two pieces, the 22,600 for wireless
19 management software that allows our technical staff
20 to see when it's working and when it's not and
21 troubleshoot it quickly. The other part is we do
22 need 45,000 for 150 additional computers for the
23 middle school labs to be able to test all the
24 students at one time. I don't know how many of you

1 all were still there when we visited technology a
2 week or so ago and I had asked even, gosh, do we ask
3 the kids to bring in their own computers from home
4 for testing, which I can promise you would be a
5 technical nightmare. You have no idea how hard that
6 would be with different operating systems, different
7 software, different kids. So at 67,000 that doesn't
8 seem like an insurmountable number to get us where
9 we need to be to be able to do the online testing
10 this year when we have to do it.

11 CHAIRMAN FILLAUER: I guess my
12 first question, as Ms. Richter pointed out in her
13 proposal to think about she recommended that would
14 be non recurring funds, this would also be non
15 recurring funds. And are both of you indicating
16 that this money would come from fund balance?

17 MS. RICHTER: Yes.

18 MS. AGLE: My original thought was
19 to take it from the 120 some thousand that we saved
20 that was a miscalculation in the health insurance
21 and that's where I thought the money would come from
22 until I was ready to leave the house and come here
23 and saw, no, that's already been reappropriated.

24 CHAIRMAN FILLAUER: So for

1 discussion purposes, I'm going to indicate in my
2 notes here that would be, at this point in time
3 anyway, from fund balance as well. Okay.

4 MS. GAGLIANO: I need to make one
5 addition. The cost for the \$500 bonus I did not add
6 the benefits in there, social security, medicare and
7 retirement. And when I do that it brings it up to
8 about 149.

9 MS. RICHTER: And that's required
10 even of bonuses?

11 CHAIRMAN FILLAUER: I learned a
12 very valuable lesson my first year on the Board when
13 I came in kind of at this point and I had what I
14 thought were good ideas and I said, we need to do
15 this and this and this and it's going to cost this
16 much. And Karen looked at me and said, where is
17 that money coming from. I never thought of that. I
18 just thought it would come from somewhere and that
19 we could do these so there went my good ideas along
20 the way. My point is as we look at these things,
21 obviously, we have got to have a revenue source to
22 support them.

23 Anyone else? Mr. Eby.

24 MR. EBY: I don't have any

1 recommendation for changes right now but I certainly
2 want to think about what's been presented here.
3 First let me say that I think Dr. Smallridge, Karen
4 and staff have all done an excellent job presenting
5 this budget with what we have. And I don't want
6 people to take things personally if we make changes
7 one way or the other. Our responsibility,
8 obviously, is to take what you have and if we see
9 from our independent view something that needs to be
10 tweaked or whatever, that's what we are going to be
11 doing. So I want to think about and I certainly
12 appreciate Jenny's recommendation. I, too, believe
13 when we are asking people to continue year after
14 year after year to get no raises and yet their
15 health insurance costs go up, other costs go up, I
16 think we need to think about that. We want to
17 encourage people to go into the education field. We
18 want quality teachers. That's what makes all the
19 difference in the world to our students are the
20 teachers. And year after year after year we are not
21 providing them impetus again. The only reason they
22 teach is for the kids and for their own personal
23 satisfaction. And we need to reward that in any way
24 that we can. Also agree with what Angi suggested on

1 technology. That's the wave of the future. That's
2 how we are going to be more efficient and more
3 effective in how we teach students. I would like to
4 meet again Thursday, or whenever, I mean, I don't
5 want to close off whatever it is that we need to do.
6 I want to think about what's the right thing to do
7 that we can get the most out of this budget. And I,
8 unfortunately, was not at the city council meeting
9 last night but I assume from what I've heard there
10 is nothing coming from them as far as any increase
11 in funds and that's a shame. But we do with what we
12 have.

13 CHAIRMAN FILLAUER: I want to add
14 to your comment and it might have been Ms. Richter
15 that said this last night. If it was not, you can
16 take credit for it, if it's good. As we look at our
17 teaching staff and as you so appropriately pointed
18 out what we are beginning to face is if we want to
19 attract the best teachers to come to Oak Ridge we
20 are almost, and we may be there, at a point where if
21 they are trying to decide, well, I'm not sure I want
22 to be living in Oak Ridge or even drive here anymore
23 when I can maybe live in Knox County or Blount
24 County or somewhere where I've kind of got my roots

1 down already and be equally or better compensated
2 than what we are able to do. And we are losing good
3 teachers that probably are not applying here for
4 that very reason. And I think that's what you were
5 talking about last night. And that's happening,
6 that's going to happen. So whatever we can do. Ms.
7 Agle.

8 MS. AGLE: Well, you know, when we
9 are talking about these teachers we would like to
10 attract, I'm sure those folks read newspapers, they
11 are the kind of people who read newspapers and
12 anybody who reads the newspapers knows that in Knox
13 County they had a no-tax-increase budget but funded
14 the schools' request. 3% increase. Knox County is
15 going to do some really neat things with that. Oak
16 Ridge has a no-tax-increase budget. The schools get
17 nothing.

18 MR. EBY: Let me add onto that.
19 Ms. Agle and I had the opportunity last week to
20 visit the Clinton City School Board of Education
21 meeting as an observer and evaluator. They passed
22 their budget that night. Their budget includes a 5
23 1/2% increase as well as it includes 1 1/2 for their
24 teachers, they are going to have a 5 1/2% increase

1 in their budget.

2 MR. DIGREGORIO: Question, if it's
3 my turn. And somebody can answer this, I know.
4 Where does Oak Ridge Schools rank in the state for
5 their benefits package?

6 CHAIRMAN FILLAUER: I think that
7 was in the packet. Was that, Steve, not in the
8 packet that when they made their presentation.

9 MR. DIGREGORIO: I put it in a
10 safe place, Steve.

11 MS. GAGLIANO: I want to say in
12 the recent past it was like 67 or something.

13 MR. DIGREGORIO: Out of how many
14 systems?

15 MS. GAGLIANO: Out of 132 or...

16 MR. DIGREGORIO: We are halfway
17 down the list. That's not very good. That's money.

18 MR. EBY: I mean, the city has got
19 to put its funds where the priorities are.

20 CHAIRMAN FILLAUER: Okay, we need
21 to decide where we go from here as far as when we
22 are going to meet again. What's the Board's
23 pleasure? Do we go for Thursday and get Jenny for a
24 very short period of time or do we wait and go on

1 Tuesday?

2 MS. RICHTER: I can be here and I
3 would be happy to make my motion first. I hate to
4 miss anything after that but I can be here until
5 six.

6 CHAIRMAN FILLAUER: On the 21st
7 we've got public hearing. I don't anticipate that
8 being a very long portion of that meeting on
9 Tuesday. Then we've got first reading which is
10 where we can make these motions to put into the
11 budget which gives Karen time, at least a day, to
12 rectify what we might need to rectify if we pass and
13 take a look at it. I'll say this, I'd rather have
14 Jenny here.

15 MS. RICHTER: That's fine with me.
16 If we think we can do it that 21st, that's fine with
17 me.

18 CHAIRMAN FILLAUER: We might have
19 to stay a little longer.

20 MR. EBY: Can we start earlier on
21 Tuesday?

22 CHAIRMAN FILLAUER: Well, that's
23 already gone out to the press that that's when we
24 are starting. We've got 24 hours.

1 MR. EBY: The press also said we
2 are meeting tomorrow night on Wednesday too.

3 MR. DIGREGORIO: The press are
4 here.

5 CHAIRMAN FILLAUER: Well, some.
6 Do you all want to change that time then? Do you
7 want to start at six?

8 MR. EBY: Since we are going to go
9 late, we probably ought to have time to eat
10 something but, yeah, I think six or 6:30 for sure.
11 Jenny, it's your schedule.

12 MS. RICHTER: That's fine.

13 MS. GAGLIANO: One thing that
14 would help me and probably progress us along for
15 that meeting is if between now and then if you have
16 some ideas that you'd like to share with me and I'll
17 cost them out so that when we get to the table we
18 don't have to wait for that.

19 CHAIRMAN FILLAUER: Six o'clock.

20 MR. DIGREGORIO: Somebody tell me
21 what we are doing.

22 CHAIRMAN FILLAUER: We are not
23 meeting on Thursday, no meeting the 16th. Our next
24 meeting will be Tuesday the 21st at 6:00 p.m. for

1 public hearing and first reading. Dr. Smallridge,
2 will you make sure that Lynne knows that and that
3 she contacts the appropriate people?

4 DR. SMALLRIDGE: Yes.

5 CHAIRMAN FILLAUER: Staff and
6 administrative people, thank you all for coming. I
7 wish we had better news but we will come up with
8 some plan.

9 We are adjourned.

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W. Fillauer

Oak Ridge Board of Education

W. Keys Fillauer, Chairman

Dr. Bob Smallridge (by Dr. Bruce Baker)

Interim Superintendent, Oak Ridge Schools

Dr. Bob Smallridge, Ed.D.

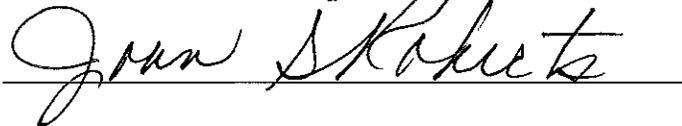
6/24/13

Date Approved

C E R T I F I C A T E

I, Joan S. Roberts, Notary Public at Large
for the State of Tennessee, and Licensed Court
Reporter do hereby acknowledge that the foregoing
68 pages are a true and correct transcript of the
proceedings taken by me in this cause on the 14th
day of May, 2013.

This the 5th day of June, 2013.

A handwritten signature in cursive script, reading "Joan S. Roberts", is written over a horizontal line.

Joan S. Roberts, Court Reporter