

**CLEAR FORK VALLEY LOCAL BOARD OF EDUCATION
WORK SESSION
CLEAR FORK HIGH SCHOOL MEDIA CENTER
5:00 P.M.**

District Mission Statement:

We care for our students by modeling our community's heritage and tradition of excellence to increase student achievement.

The Work Session of the Clear Fork Valley Local School board was called to order at 5:00 PM by Board President Mr. Jim DeSanto.

Roll call was taken and the following members were present: Mr. Jim DeSanto, Mr. Jim Klenk, Mr. Dan Freund, and Mr. Carl Gonzalez and Mr. Jason Snyder.

INFORMATION AND PROPOSALS

The purpose of the work session was a follow up to the five year forecast that was presented at the October Board meeting to review the district's revenues and expenditures and to meet with district administration to discuss and obtain some thoughts on getting the revenues and expenditures back into balance.

Ms. Wyckoff started the work session by reviewing the budgeting proposal for spending reductions over the next three years because the expenses are expected to exceed the revenues starting in FY16 causing the general fund balance to decline. The proposal was provided as a springboard for discussion of what and where reductions in expenditures could be made.

The first part of the discussion was on the long range accuracy of the five year forecast and the external factors that impact the district's revenues that are beyond the control of the district and the administration. It was explained that the State of Ohio only budgets on a biannual basis, therefore the actual budget only extends out two years at a time, anything beyond two years becomes somewhat of a projection guessing game, but still should create some level of hesitance to over spending in years three through five.

That explanation was followed by a summation of the current district financial outlook based on the financial forecast: The forecast gives the impression as though the district is currently in negative spending for FY 17, but five million dollars was moved out of the general fund for the building project. The district should end FY17 bring in \$625,000 more than the district will spend. Next year the district is projected to spend approximately \$720,000 more than the district will bring in during FY18. If one million dollars in spending from the General Fund is reduced by the middle or end of FY19 and expenditures are kept to a minimum the district should stabilize financially.

The plan to obtain a one million dollar reduction in general fund expenditures over the next three to four years was presented to the board in a pseudo-doughnut chart. The chart's center represented the focus of the district, which is education surrounded by circles representing the various necessary areas needed to create a well-rounded education for all

students. Within the surrounding circles were dollar the amounts equivalent to that area's expenditures from the General Fund.

Mr. DeSanto inquired why the amounts didn't add up to the total overall annual budget amount. It was explained that around 73% of our budget is in personnel and the chart focused on non-personnel areas that could be reduced with the least invasive impact on the education that is provided to students and would not reduce personnel. Mr. Klenk asked about the percentage spend on personnel because most districts are at 80% or above, inquiring if the aids were included in the personnel expenditures. It was explained that all of the one-on-one aids are a purchased service (approximately \$150,000 annually) and are not included in the personnel expenditures percentage.

Ms. Wyckoff explained that by reducing each of the budgeted areas by five percent (5%) the yearly reduction in spending from the General Fund would be approximately \$233,776.21, which would result in a three-year reduction of \$701,328.63 in expenditures. Ms. Wyckoff explained that she had solicited ideas from the administrative team as to where and how this reduction could take place within the area that they were responsible for. In addition to the five percent (5%) reduction, an alteration in the bus purchasing schedule was presented. It was explained that if the district buys one new bus every other year instead of buying two buses every year, the district would realize a savings of \$274,851 over a two-year period. (A single bus purchased during FY16 was \$91,617).

Next, Ms. Wyckoff discussed the analysis that was done to see how retirements could potentially impact the expenditures. General Fund expenditure can also be reduced through attrition over the next five years by around \$670,847 if some certified and some classified positions were not filled after retirement of current staff.

To further the discussion of reduction through attrition Ms. Wyckoff suggested possibly changing Board Policy JECBB_R Admission of Inter-district Transfer Students would help solidify the reduction of expenditures through attrition because the policy dictates the student/teacher ratios for the district.

Mr. Klenk asked when that policy was adopted because the current sophomore class does not represent the class sizes that are a defined within that policy, inquiring if those numbers are a guideline or if they are definitive. He knows of certain classes where than student to teacher ratio was not followed. Ms. Wyckoff explained that the district currently does not have any class size over 23 and in K-1 that 20. Mr. Snyder asked Mr. Bloir if there was a class that was over 23 a few years ago because he remembered a specific class having more students than normal. Ms. Wyckoff explained that the ratios that are in that board policy are what we start the school year out with and when students move in we cannot suddenly add a teacher therefore sometimes those ratios are not able to be continued. Mr. Klenk added that that he thought that particular board policy was for intra-district open enrollment students allowing administration the ability to move open enrollment students between buildings based on class size. Ms. Wyckoff affirmed that Mr. Klenk was correct but the district does not transfer students in the middle of the year so their education is not disrupted. Mr. DeSanto asked if the administration had the option to move open enrollment students to the other facility and asked how many families live within the district choose to send their children to the facility that is not where they would normally attend, the answer to which was between six and nine. Ms. Wyckoff explained that she had included that board policy in the suggestions of possible changes because the assumption by the public is that the district will maintain those ratios. She explained that if the ratio was raised to 25 then reduction through attrition could be 8-10 staff members in the elementary. Mr. Klenk

pointed out that the ratios that are in that board policy are only on intra-district enrollment and he did not see any need for another board policy as intra-district enrollment and enrollment are two different things and there is currently no board policy on class ratios. He feels that an additional board policy with class ratios could potentially cause issues with something else.

Mr. DeSanto interjected that this was a work session simply to explore ideas about potential ways to reduce expenditures.

Mr. Freund added that the reductions that were proposed were extremely manageable and that if the 5% reduction annually could be obtained it would not be detrimental or hurtful to education. He said that 20% would be felt and harder to obtain but 5% over 5 years is obtainable. Mr. Klenk added that he had to cut \$1 million in a year and that wasn't easy.

Mr. DeSanto said that he would like to see that open enrollment doesn't create a situation where the district is not able to manage our staff and student to teacher ratios and we are increasing our personnel costs. He stated that where we are now is early enough in the process that with management these reductions are manageable, they are not million dollar one year or 20% cuts, this isn't even a personnel cut. He feels that the suggestions were obtainable and the district could and should still maintain replacing the outdated curriculum and old busses.

Mr. Klenk said that his concern is that 6-8 years from now we cannot go back to the voters if we run out of money because the income tax was originally passed for operating expenses and now we are using it for both operating and to build buildings. We originally passed the 1% for operating and that lead to an excess so now we are building buildings so we have to be very careful where we make cuts. He pointed out that there are a lot of issues in the future that will occur and we need a long term plan to prepare for them. He used the example that right now fuel is cheaper than it was sever years ago and if fuel process increase \$1/gallon then transportation expenses are going to increase. He also pointed out that if we don't continue to replace busses at the rate we are then as the fleet gets older then maintenance costs are going to increase.

Mr. Snyder asked to explain the numbers that are in the chart and how we came up with them. Ms. Wyckoff explained that we took current general fund expenditures in those areas and then took 5% to get that total amount to arrive at the amount that we would try to reduce. She added that she would rely on her administrative team to come up with how those reductions should occur in the area they were in control over rather than making specific recommendations to them.

Mr. Snyder asked specifically about the possible reductions in transportation, what are some of the things that could occur and is it even feasible. Ms. Lisa Yarger, the transportation coordinator spoke about how it could be done and how those reductions would affect the transportation department. For example not replacing busses at the current rate would cause the overall age of the fleet to be older resulting in higher repair costs. She explained that if we could replace busses on a 7 year cycle we would receive close to \$30,000 trade in rather than the \$2,000- \$3,000 trade in we receive for them now because when we are finished with them they are so old and have so many miles they are basically scrap. She said we currently have 2 busses that are 22 years old, and 10 busses that are 10 years old or older and those busses require more maintenance. She explained that the district had to spend \$7,000 in bodywork this year on two of the busses that are about 10 years old.

Ms. Wyckoff explained that this was only introduced to her administrative team recently and she did not ask for any decisions by the board meeting. She expressed that she felt this discussion was ongoing and that the work session was for a springboard to start a discussion and explore ideas and options. Mr. Klenk agreed that it was ongoing and the asked about the extracurricular expenditure reductions because the athletic budget is not general fund. Mr. DeSanto pointed out that they are the transfers into the athletic fund. Mr. Stevens, the treasurer explained that it is not only coaches and their budgets but the expenditures in that segment also included all the organizations and club activities. Mr. Klenk said that he felt that those cuts would hurt the students. Ms. Wyckoff added that extracurricular and co-curricular activities are above and beyond regular school operations.

Mr. Gonzalez added that when he visited other district he asked the teachers in those districts what their student to teacher ratios were and he said all of them were above a 23 to 1 ratio, some were even at 25 or 27. He said that he didn't find any schools that had a low ratio like Clear Forks and he asked the teacher in those other schools if those were comfortable ratios to teach and they all replied that they were very comfortable.

Mr. DeSanto added that it would be helpful to have up to date enrollment numbers aggregated by grade and separated out by buildings so the board can see where the district is currently. Mr. Klenk added that enrollment has dropped but the staff count has increased since he has been in the district. Mr. Freund replied that ODE mandates, curriculum accountability, and special education requirements are staff intense and result in more staff per student ratios.

Ms. Kirsten DeVito, the Bellville Elementary Principal added in that small class size does not improve instruction, what changes with smaller class size are the instructional practices of the teachers in order to meet the needs of individual students and providing additional support. She said that research shows lower class sizes do not improve student performance, the changes in instructional practices that result from lower class sizes are what improve student performance. She said that best practice is not 23:1 in a kindergarten or 1st grade class room but in intermediate grades like 4th and 5th that is more feasible. She said that the district currently has "bubble" teachers that move with the students from one grade to the next to reduce the class sizes in the grades with larger enrollment.

Mr. DeSanto added that we are spending 10% more on personnel than we were three years ago but the district's revenues have not increased by that much in three years. He wanted the work session to discuss the management of the district's expenditures to match the revenues. Ms. Wyckoff added that there was a negotiation in that period of time which adds to the increase.

Mr. Doug DeVito, the Special Education Director added that changes in laws now require the district to diagnose conditions that used to require a medical diagnosis. That causes the expenses of the district to increase.

Mr. Freund added that the district has 15% of discretionary spending that we could make changes without ever touching personnel. Mr. Klenk replied that this is a discussion to bring awareness to the expenditures.

Mr. Snyder said he would be very interested to hear for the administration what a reduction would do to their department and how would it affect the kids in that area.

Mr. Snyder departed the work session prior to adjournment at 5:55 PM.

Mr. DeVito answered that it is a lot less expensive to service special education students than it is to pay for those services so if we could bring students back to the district it would save the district money. He said that one student graduating can reduce the expenditures by \$80,000.

Mr. DeSanto again reintegrated that this is a work session to discuss changes in the way that education is delivered and the board is not interested in broad cuts. He said we are on the cusp of making changes on how we deliver education with respect to technology, better services and better offerings to the kids. The said point is we have defined revenues, we recognize that financially the district is going in a direction that requires an adjustment to get back on track, and we still want to do the really cool things that the administration has been working on. The board is trusting that the administration can figure out the best way to do accomplish everything the board wants to occur without overspending. We are in the area with respect to the projections of the forecast where we need to be talking about how to reduce expenditures.

Mr. Freund added that shared services between districts is a way the district could either increase revenue by providing our services to other districts or decrease expenses by splitting the cost of services with other districts.

Ms. Wyckoff added that the district's food service director provides a service that could be shared with other districts. Mr. Klenk added that he felt that it was a good discussion and he said that the district needed to make sure they are watching the public's money and are very careful. We can't go back to the public for any more money and Mr. DeSanto agreed. Mr. Klenk said that right now we are very fortunate and the bottom could drop out so we need to be very careful.

Mr. Klenk requested that a district calendar be created so there is not multiple events occurring on the same night. Mr. DeSanto added that it needs to be added to the district website. Mr. Klenk said that booking several things at the same time is the biggest complaint that he receives.

Mr. Gonzales said that he has spoken with the High School Principal and the Activities Director and they are working on solving issues with parking and lighting during the athletic events. Mr. Brian Brown added that he has a plan for next year adding lights and making sure that traffic directing is placed into the sheriff's contract after the games. Mr. Kevin Carr spoke about contacting Kokosing Construction to rent a large portable light plant to help illuminate the parking and the State Route 97 crossing. Mr. DeSanto said that he thought it is a manageable situation. Mr. Gonzalez asked about adding a security light at the corner of Dill Road and State Route 97 and Mr. Carr was directed to see if the state would add a street light at that intersection without charge.

Mr. Klenk asked about the athletic fields at Butler and the parking for the fields, and both Ms. Wyckoff and Mr. Carr answered with what they are talking about and working on. Mr. Klenk asked about any additional tennis courts. Ms. Wyckoff explained that no one has approached her to discuss tennis courts. Mr. Klenk asked if we had a long term plan and Ms. Wyckoff explained that we did have a long term plan for athletic planning.

The board informally adjourned at 6:12 PM

