

SPECIAL SCHOOL BOARD MEETING

Wednesday, May 16, 2012

5:00 p.m.

PRESENT: Carl Jackson, Chairman
Charlie Collins, Vice-Chairman
Linda Cross
Linda Garrett
H. Thomas Griffith
Robert O. Hillman
Fayrene Plaster

Mr. Carl Jackson, Chairman, called the May 16, 2012, special board meeting to order at 5:00 p.m.

The Board took a recess in order to move the meeting from the School Board Office to the Russell County Career and Technology Center because of the crowd.

Ms. Katrina Peters, Finance Director, appeared before the Board to discuss the 2012-2013 budget. She listed various reasons why the budget is so far in the red. The reasons include VRS Retirement increases including Group Life Insurance and Retiree Health Insurance Credit, the increase in the Composite Index, decrease in federal funds, a decrease in Virginia Preschool Initiative funds, federal stimulus funds are gone, bus fuel has increased \$75,000, garage supplies has increased \$70,000, the annual payment on the lease/purchase of buses and other vehicles in the amount of \$105,000, increase in physical therapy costs of \$20,000, increase in speech contracted services in the amount of \$25,000, property and liability insurance increased by \$10,000, the cost of the retirement incentive program, and a 1% salary increase that has been mandated by the state to off set the amount employees will be required to pay for their retirement.

Mr. Jackson informed the audience that the Board has not discussed a salary cut and that the Board has no intention of cutting anyone's salary.

Mr. Griffith informed the audience that the school board's finance committee had recently met with the finance committee from the Board of Supervisors. He stated that salaries will not be cut. The committee members from the Board of Supervisors are committed to not cutting salaries and that they would do everything in their power to keep a salary cut from happening. Mr. Griffith also stated that the Board of Supervisors made a commitment to fund at least \$1 million of the amount needed to balance the school budget. It will be up to the School Board to find the additional \$743,000 that will be needed.

Mr. Jon Bowerbank, chairman of the Russell County Board of Supervisors, discussed the consequences of elections. Mr. Bowerbank stressed the importance of long term solutions so the two boards are not in the same position one year from now.

Ms. Shelly Yarber asked the Board where the \$743,000 would come from to balance the budget. Mr. Jackson suggested cutting travel costs, supplies, and possibly

closing schools would be necessary to try to make up the deficit. Ms. Yarber then asked if costs had been prepared to show the savings from closing the rumored three schools.

Ms. Peters presented the figures for possibly consolidating three schools. By closing three schools, there would still be a budget deficit of \$934,796.

Mr. Richard Hess thanked the Board for their commitment to not cutting salaries and for their commitment to developing a plan to increasing salaries.

The chairman adjourned the May 16, 2012, meeting.

Chairman

Clerk