

The Finance Committee of Franklin City Schools met at the Hampton Bennett Building in the Board Conference Room on Tuesday, April 8, 2008, at 6:00 p.m.

Roll By Sign-In

Present: Board Co-Chairs: Mr. Chris Sizemore, Mrs. Lori Raleigh
Mr. Doug Lantz, Superintendent and Mrs. Jana Bellamy, Treasurer
Mrs. Amy Creech, Mr. Cicero Feltner

Absent: Mr. Denny Centers, Mr. Paul Hillard, Mr. Ivan Madden, Mr. Gary Myers,
Mr. Ron Ruppert

Staff: Mrs. Jean Creech, Technology Director

Guest: Mrs. JoAnn Feltner

Discussion Items:

I. School Fees

Mrs. Bellamy provided fee comparison data for all the districts in Warren County and surrounding districts. The following chart was reviewed:

2007/2008 Student Fees Comparison							
	<u>K</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
Carlisle	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Franklin	32.00	41.00	41.00	67.00	54.00	55.00	52.00
Kings	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Lebanon	15.00	30.00	30.00	30.00	30.00	30.00	30.00
Little Miami	25.00	45.00	45.00	45.00	45.00	45.00	45.00
Mason	31.00	45.00	36.00	36.00	23.00	28.00	28.50
Springboro	44.50	69.50	72.35	65.55	65.45	57.05	45.00
Waynesville	30.00	63.00	64.00	46.00	46.00	46.00	41.00
AVG Warren County	33.44	47.94	47.29	47.44	44.18	43.88	41.44
Our Fees +/- AVG.	(1.44)	(6.94)	(6.29)	19.56	9.82	11.12	10.56
Clinton-Massie	45.50	62.50	50.50	48.50	53.50	53.50	55.00
Miamisburg	15.00	45.00	45.00	30.00	30.00	30.00	30.00
Middletown	25.50	40.00	35.00	35.00	31.00	31.00	40.00

Our 2007/2008 fees are lower than the county average for grades K – 2; however, they are higher for grades 3 – 6. It was noted that in the first year of adoption, workbooks are provided in the initial adoption. In the following years, this is an additional expense to provide workbooks for students. Once a student uses a workbook, it may no longer be used for another student.

Fee Adoption Process

Mrs. Bellamy said each year a committee of elementary principals and Dr. Buerschen met to determine the consumable supply needs in each elementary grade level. Since 2005, the committee has recommended has recommended fees to the Board, which are very close to the actual consumable supply costs.

The “elementary fee committee” has met to determine the consumable supply costs and the Board of Education has asked the Finance Committee to review our fee structure and to provide an offset of any additional expense, which would result from the elimination or reduction of fees.

The “elementary fee committee” has provided the following 2008/2009 consumable supply costs by grade level:

<u>Item</u>	<u>K</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
Scott-Foresman Reading	14	15	16	16	11		
Houghton Mifflin English				9	9	9	9
Scott Foresman Math	25	33	33				
		7	7	7	7	7	7
OAT Prep Materials				12	12	18	18
Science Supplies and Materials	5	5	5	5	5	5	5
D'Nealian Handwriting	13	13	13	13			
Student Individual Planners				5	5	5	5
Scholastic News/Weekly Readers	5	5	5	5	5	5	5
Writing Paper		2	2	2			
Art Supplies		4	4	4	4	4	4
5th/6th Grade Novel						6	6
TOTAL for 08/09	62	84	85	78	58	59	59
08/09 Projected Enrollment	225	223	233	253	235	222	207
08/09 Total Projected Fees	13,950	18,732	19,805	19,734	13,630	13,098	12,213 = \$111,162
First Grade - * Cost for all 6 workbooks would be \$41, 1.1 - 1.6. We have been charging for only two, 1.1 and 1.2.							
Houghton Mifflin Social Studies No charge for consumables in first year of adoption. These materials were free with the purchase of textbooks.							

The 2008/2009 consumable supply cost for grade k – 6 is estimated to be \$111,162. The high school and middle school cost is more difficult to estimate because it is dependent upon the number of students who choose to enroll in the particular courses.

The committee estimated that fees collected are approximately 50 – 60%, which allows for fee waivers and non-collections.

If the actual costs listed above would become the established 2008/2009 fees, the chart below provides the percentage increase by grade level:

PRIMARY GRADES K - 6 STUDENT FEES FY05-FY09 PROPOSED/COST									
Grade	04/05	05/06	06/07	07/08	2008/2009		Costs	-	-
-	\$	\$	\$	\$	-	\$	-	\$	-
K	47.00	63.00	34%	49.00	22%	32.00	35%	\$ 62.00	94%
	\$	\$		\$		\$			
1	82.00	78.00	-5%	77.00	-1%	41.00	47%	\$ 84.00	105%
	\$	\$		\$		\$			
2	80.00	81.00	1%	77.00	-5%	41.00	47%	\$ 85.00	107%
	\$	\$		\$		\$			
3	55.00	78.00	42%	69.00	12%	67.00	-3%	\$ 78.00	16%
	\$	\$		\$		\$			
4	49.00	63.00	29%	56.00	11%	54.00	-4%	\$ 58.00	7%
	\$	\$		\$		\$			
5	36.00	61.00	69%	55.00	10%	55.00	0%	\$ 59.00	7%
	\$	\$		\$		\$			
6	38.00	66.00	74%	52.00	21%	52.00	0%	\$ 59.00	13%

The committee acknowledged that our fees do seem to be higher than the average and the consensus was the actual cost increase could be an unexpected burden on some of our parents.

The committee discussed the option of eliminating the fees all together; however, there were many concerns regarding this approach. The concerns included:

1. One member mentioned that at one time her child was enrolled at John XXIII. Not only do the parents pay tuition, but they also need so many fundraising credits. The fundraising credits were a cost of approximately \$300. My child is not back at Franklin and I, personally, do not feel the fees have been extremely high.
2. One member mentioned the perception of taxpayers who do not currently have children enrolled in the District. Grandparents remember paying fees for their children and if fees were eliminated, they would feel the burden for consumable supplies would be returned to them in the form of additional taxes.
3. If fees were eliminated, how would we possibly ever reinstitute them in a difficult financial condition?
4. It was noted that the elementary secretaries work with parents to provide payment plans and any family with a medical card or free &/or reduced lunch has a fee waiver.
5. It was noted that consumable supply fees should be only those items that are “used up” and sent home with students.

The committee agreed that it would be impractical to eliminate fees all together. Therefore, the meeting proceeded to a discussion of several different fee options. The goals were to establish fees that are (1) affordable, (2) reasonable, and (3) better grade level consistencies.

After much discussion, the committee was in agreement with the following 2008/2009 elementary school fees:

Item	K	1	2	3	4	5	6	
Scott-Foresman Reading	14	15	16	16	11			
Houghton Mifflin English				9	9	9	9	
Scott Foresman Math	3	10	9					
		7	7	7	7	7	7	
OAT Prep Materials				12	12	18	18	
Science Supplies and Materials					5	5	5	
D'Nealian Handwriting	13	13	13	1				
Great Source Spelling								
Student Individual Planners								
Scholastic News/Weekly Readers	5	5	5	5	5	5	5	
Writing Paper								
Art Supplies					1			
5th/6th Grade Novel						6	6	
TOTAL for 08/09	35	50	50	50	50	50	50	
08/09 Projected Enrollment	225	223	233	253	235	222	207	
08/09 Total Projected Fees	7,875	11,150	11,650	12,650	11,750	11,100	10,350 = \$76,525	
							Cost of Proposed Fee Reduction	\$34,637

The above structure would allow the ECC to collect a kindergarten fee of \$35 per student and the elementary buildings would have a set fee of \$50 per student. If there were no fee waivers, the elementary fee revenue would be \$76,525 based on the above enrollment projections. The actual consumable supply costs based on the same enrollment data is estimated to be \$111,162; therefore, the estimate cost of this fee proposal is \$34,637.

Cost Off-Set

The committee began the discussion of how to offset the additional \$34,637.

Mr. Sizemore summarized the presentation provided at the board meeting; whereby the business manager functions would be realigned to accomplish an offset.

Mr. Lantz said the District can not guarantee on-going master facility plans, transportation, maintenance, food service and classified staff supervision without maintaining the business office functions. However, there is an offset without re-tasking the business function.

Mr. Lantz said I expect the 2008/2009 Behavior Intervention Program (BIP) costs to be reduced by approximately \$50,000 for next school year. This should sufficiently cover the offset of the fee reduction.

Mrs. Raleigh asked if the contracted services costs normally increase each year.

Mr. Lantz said normally, special education costs do go up. However, the BIP program costs are expected to decrease because we intend to use different staff members due to the re-location to the high school. The teachers will be able to provide instructional support on site, while a degreed individual is assigned as the student supervisor.

Mrs. Raleigh asked Mr. Lantz to provide details of the plan so everyone could match the offset dollar to dollar.

Mr. Lantz agreed.

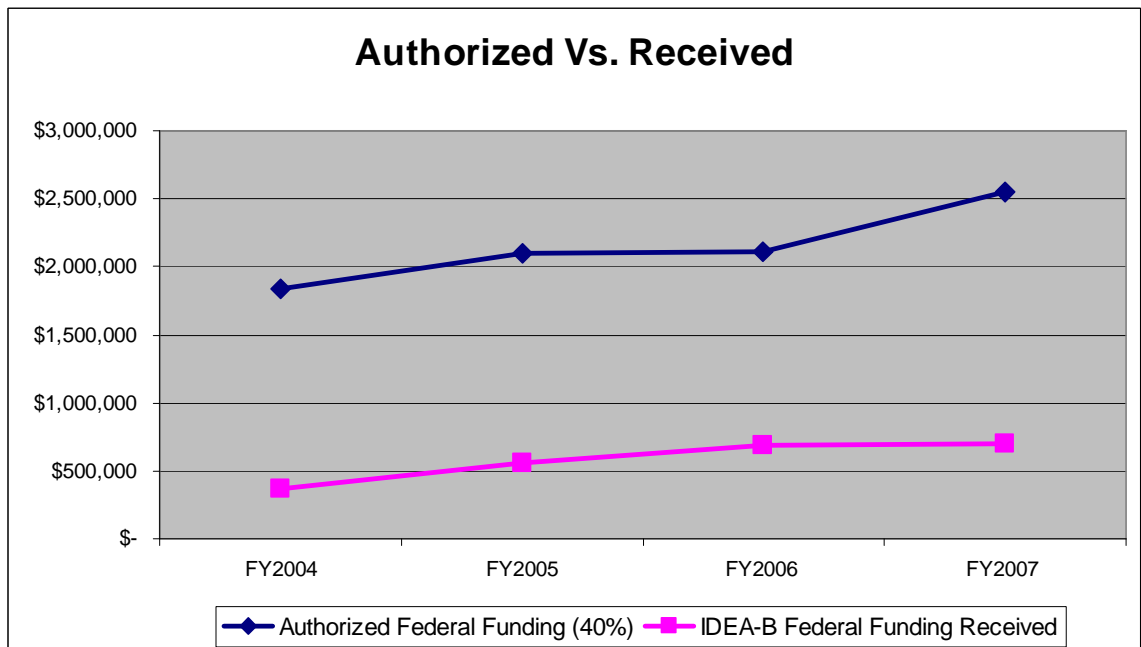
II. Special Education Costs & Funding Shortfalls

Mrs. Feltner provided information regarding Title I and IDEA funding.

In 1975, the Education for All Handicapped Children Act (now know as the Individuals with Disabilities Education ACT – IDEA) was passed. This legislation was to assure all children with disabilities receive a free, appropriate public education. With its passage, legislators promised funding at 40% of total cost of us doing business for our special education students. We are now only funded at 17%.

Mrs. Feltner said from 2004 through 2007, our district has lost \$4,941,333 in IDEA funding. Would we reduce the tax burden on our citizens by \$2,000,000 if we could do that? I believe we would all answer, yes.

Mrs. Feltner reviewed the following graphic, which illustrates the authorized federal funding in comparison with the funding actually received by our district.



During fiscal year 2007, our funding shortfall (promised versus actual funding) was \$1,856,731.

Mrs. Feltner said she has contacted Representative Mike Turner to request his support of HB648. This bill can be grouped into three priority areas of concern: Assessments, Adequate Yearly Progress (AYP) Measurement and Sanctions. Mrs. Feltner discussed some of the top priority operational changes that local school boards should be made to the current NCLB law. It is noted that NSBA is not proposing mandates for the states, but that NCLB give states the option to implement provisions in their state plan.

For a complete listing of the provisions and rationale, view “A Quick Reference Guide to H.R. 648, Improving the No Child Left Behind Act” on the NSBA website at www.nsba.org/nclbcampaign.

Mrs. Feltner encouraged the finance committee and board members to get involved and to make sure our congress knows the current funding is unacceptable.

On April 23, 2008, a “Day at Legislature” is planned, where Ms. Shannon Jones could be asked for her support to Representative Turner. Furthermore, we could ask for assistance in the county sales tax availability.

Mrs. Feltner asked everyone to send a letter to Representative Turner requesting full federal funding, as promised with the passage of the legislation. We are under funded in the following federal programs: NCLB, IDEA and Title funding.

Mrs. Raleigh suggested that this topic be our next communiqué to the community.

The committee concurred with the suggestion.

Mrs. Feltner acknowledged and suggested the board pass a resolution to send to Representative Turner asking him to support HB648.

The committee agreed that everyone’s increased involvement could not hurt and acknowledged that it could only help the burden shifted upon local taxpayers.

Thank you to all participants.

Adjournment

The Finance Committee adjourned at 7:20 p.m.