

**SPRINGS VALLEY COMMUNITY SCHOOLS
BOARD OF SCHOOL TRUSTEES
SPECIAL BOARD MEETING
MAY 2, 2013**

Regular Session

The Springs Valley School Board met in Regular Session at 5:05 PM in the Learning Center Board Room. The following were present: Mr. Ralph Purkhiser, Dr. Ryan Carnes, Mr. Kevin Allstott, Mrs. Linda Carnes, Mr. Tony Galloway, and Mr. Todd Pritchett. Mrs. Kathy Allstott and Mrs. Edith Pinnick were also present.

Mr. Purkhiser called the meeting to order, with the Pledge of Allegiance and a Moment of Silence.

Mr. Todd Pritchett announced that he has received a letter of retirement from Mrs. Donna Quinn. Mr. Galloway made a motion to accept Mrs. Quinn's retirement. Mr. Allstott seconded, and the motion was carried 5-0.

Board member Mr. Larry Kalb arrived.

Mr. Todd Pritchett stated that following the April 8th board meeting at which the sale of the 1994 Ford handicap bus was discussed, two individuals have expressed interest in purchasing the said bus. He advised that he will accept bids on the bus at a later date.

Board members were advised of the ISBA spring region meeting to be held on May 20th, and were asked to notify Mrs. Allstott if they plan to attend. The ISBA is also hosting a school law seminar on June 14th, and the summer board member academy will be held July 8-9 at French Lick Springs.

Mr. Todd Pritchett presented information on the General Fund revenue shortfall, and stated that although our corporation is not broke and there is no issue of total cash flow for all funds, the General Fund trending for decreased revenue is creating some issues. He provided details on actual revenue and expenditures for the school's General Fund for 2010, 2011, and 2012, and estimated revenue and expenditures for 2013 and 2014. It was estimated that the General Fund cash balance at the end of 2014 could be \$90,000 in the negative.

Methods for increasing the General Fund revenue were discussed, including increasing student enrollment, state increase for student support, and General Fund referendum. Methods of reducing expenditures, including state purchasing consortium, utilization of other funds as allowable by statute, reduction of employees through attrition or termination of contracts/employment, and pay reduction for employees, was also discussed. Actions that have already been implemented or are in progress which are resulting in savings to the General Fund include retiree savings, payment from other funds as allowable, staff reduction by attrition of elementary, science, and foreign language teachers and custodial/bus driver position, athletic director teaching classes, along with a potential transfer of custodial/bus driver staff to cafeteria. With those savings, and the projected 2014 revenue and expenditures, the 2014 General Fund deficit could be \$99,277 or possibly higher.

Options outside of the General Fund include utilizing the Rainy Day Fund, which has a current balance of \$1,425,445 with no recurring revenue, or the Casino Revenue Fund, which had a balance on March 31st, 2013 of \$623,549 with \$100,000 of that amount already encumbered. The Casino Revenue Fund has an annual estimated revenue of \$800,000, and has previously been used for one-time expenses such as technology, security systems, building improvements, and student programs. State funding comparisons from 2008 through 2013 were provided. Mr. Todd Pritchett also advised that enrollment estimates indicate that our corporation could lose approximately \$265,609 in tuition support over the next few years. Other discussion included the possibility of other retirements and use of Green Thumb workers, along with shifting of maintenance costs to Capital Projects, and grant funding for school resource officer.

Mr. Todd Pritchett asked for direction in preparing the 2014 budget, stating that in order to balance the General Fund budget, it would be important to have a reduction in force, or use other funds to offset the deficit. Mr. Kalb made the motion to use Rainy Day funds to

offset the General Fund deficit in preparing the 2014 budget. Mr. Galloway seconded the motion. With no further discussion, the motion passed 6-0.

Patron Mr. Justin Wininger questioned information provided on a Department of Education report detailing 2011-12 General Fund expenditures for the business category.

With no other business before the board, Mr. Kalb motioned to adjourn. Mr. Galloway seconded, and the meeting adjourned at 6:00 PM.

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