

**MINUTES OF MEETING OF BOARD OF TRUSTEES
OF
CLAY COMMUNITY SCHOOLS**

A Regular Session of the Clay Community Schools Board of Trustees was held at North Clay Middle School, 3 West Knight Drive, Brazil, IN 47834, on Thursday, May 21, 2009. Forrest Buell, Tina Heffner, Dottie King, Brian Atkinson, Terry Barr, and Ted Jackson were present. Jennifer Kaelber was absent.

I. Call to Order

Mr. Atkinson, President of the Board, called the meeting to order at 7:32 pm. Mr. Atkinson led the Pledge of Allegiance and Mr. Jackson offered the prayer.

Item **VII. J Donation to Drug Dogs** was moved up on the agenda in order to allow the officers to return to their duties. In the past few years, \$2,000 has been donated to the Clay County Sheriff's Department and \$1,000 has been donated to the Brazil City Police Department to help them pay for the upkeep of their drug dogs. Dr. Schroeder recommended these donations be made again, to be paid out of the Drug Free Schools Grant.

Mrs. Heffner moved to approve the donations and Mrs. Barr seconded. The motion was approved by a 5-0-1 vote with Dr. Buell abstaining.

II. Consent Agenda

A. Claims

B. Board Meetings

Regular Session Minutes for April 9, 2009

Executive Session Certification for April 9, 2009

C. Field Trips

None at this meeting

Mrs. Barr moved to approve the Consent Agenda as presented and Mr. Jackson seconded. The motion was approved by a 6-0 vote.

III. Comments from Patrons

Item K. Clay School Building Corporation was addressed when patrons **Bert Geswein** and **Tom Ames**, representing the Clay School Building Corporation, presented the deeds to Northview High School and Clay City Jr/Sr High School. A brochure describing the details that were important to the project was presented to all in attendance, and Mr. Ames reviewed highlights of the information in the brochure.

Jenny Moore spoke about early bird classes and the removal of another teacher-led class during the school day, which she views as removing an opportunity for student learning. While she acknowledged that a computer class could be useful as a tool for credit recovery, she is concerned that a student cannot now spend any more than 6 periods a day with a teacher who can stimulate discourse and a thinking environment. Mrs. Moore stated that not until other options have been explored, such as adjusting

school boundaries and the possible closing of a city elementary school, will she accept that implementing a trimester system in Clay County is impossible due to limitations in funding. It is Mrs. Moore's opinion that shifting populations between the schools would allow legitimate class size numbers that would not constantly waiver between two and three sections per class in the elementary levels. In addition to ridding the corporation of unnecessary physical plants and the staffing to administer and maintain them, it would aid in providing funds to put more teachers into more classrooms at all age levels. She believes it may also allow Clay City High School to have some of the course selections that were discontinued due to its lesser enrollment size. Mrs. Moore concluded her comments by stating that she blames much of the poverty in this county on the poor decisions of the patrons who may not be aware of what is going on outside this county and do not realize there is an integral connection between this community and the world. She blames the school administration and the board a whole lot more because they should know better than to continue to trade this community's citizens and their future for popularity and inanimate bricks and mortar. As Mrs. Moore sees it, the county is one of the poorest in the state due to past bad educational decisions, and the title will be retained if the board does not make the trade-offs necessary to keep those teachers in the classrooms and improve the student/teacher ratios down to better inspire true learning.

John Bradshaw presented a handout with revisions to a document associated with the building projects to the board members. He spoke because of his conscience, because of the way the project is being accomplished and because of the students. He addressed his concerns with the economy and the way that the projects are being done, which he considers one of the most expensive ways. He believes that the projects could be done one segment at a time with very little financing. He is not particularly opposed to any part of the project; he opposes the way that it is being carried out and the tax burden that it will put in some areas, mainly the Clay City area. As Mr. Bradshaw sees it, the annual payment for the entire project would come close to paying for one segment per year. He, along with others, would be glad to meet with the board members to explain his numbers and give his rationale.

IV. Old Business

A. Board Meetings at Elementary Schools

In response to a request to explore whether or not the elementary schools could be used for board meetings, Dr. Schroeder found that they can. However, the acoustics are not that great in many of the buildings, patrons would have to sit on bleachers in some buildings, and chairs would have to be moved and tarps would have to be put over the floors for protection in others. The majority recommendation would be to wait until the building projects are completed, but they will do whatever the board desires.

Mrs. Heffner asked specifically about Jackson Township, and Dr. Schroeder explained that bleachers would have to be pulled out and a tarp put down so that the wood floor didn't get scratched. If they would be willing to do that, she would still like to have at least one board meeting at Jackson Township in the next few months.

Mrs. Barr interjected that it was her understanding that the purpose of holding meetings at the elementary schools was to allow patrons to walk to the board meetings.

Mr. Atkinson suggested looking into what it would take to hold a meeting at Meridian or East Side. Dr. King added that it would illustrate what the corporation is trying to accomplish, in a big way. Mrs. Heffner suggested the possibility of holding a meeting at Jackson Township to show what the buildings would offer after renovations.

Mr. Atkinson asked Dr. Schroeder to look into the possibility of holding the September meeting at East Side.

V. Superintendent's Report

Dr. Schroeder noted the following:

- Graduations are scheduled for Northview High School on May 29 at 8 p.m., Cumberland Academy on May 30 at 11 a.m., and Clay City Jr/Sr High School on May 31 at 4 p.m.
- Indiana Association of French competition was held at Center Grove High School. Elizabeth Maurey finished first, Jessamyn Moore finished third, and Hannah Stewart also finished third.
- Social Studies Quiz Bowl was won by Devin Ahern followed by Evan Deal in second place and Leah Garvin in third place.
- Transportation Department had a spot inspection and all eleven buses that were inspected passed.
- Nellie McFarland was named the HI-99 "School Bus Driver of the Year".
- A tentative budget timeline for the 2010 budget was included in the board packet; however, it may need to be changed after the legislature meets in mid-June and the Department of Education and Department of Local Government Finance meet four to six weeks after that. It has been rumored that the first budget advertisement has to be in by August 2, which is a Sunday, so it would be August 3. This is earlier than normal.
- School calendar for 2009-2010: State Superintendent of Public Instruction Dr. Bennett has stated that snow days will no longer be waived, bank time will not be allowed, and students must attend full days on parent/teacher conference days. The 2009-2010 school calendar had already been negotiated with the Clay Community Classroom Teachers Association and approved by the board. On that calendar, October 8 and 9 were listed as Elementary Parent/Teacher Conference days with elementary students attending in the a.m. only. Partial days of parent-teacher conferences are no longer allowed, based on the dictates of Dr. Bennett. At this point, those days will be full days and no parent/teacher conferences will be scheduled. A new calendar will come out to reflect that change.
- Federal Stimulus Money: The corporation will receive a little over \$300,000 in Title I funding, a little over \$1 million in IDEA Part B Special Ed funding, and a little over \$30,000 in Special Ed Pre-School. There are a lot of stipulations as to how the money can be spent. The corporation must be careful to use the funds

on one-time expenditures and not on recurring expenses such as salary and fringe benefit costs.

VI. Board Member Comments

Dr. Buell stated that he had a productive public meeting last Sunday in Clay City. Two board members, Mrs. Heffner and Mr. Jackson, attended the meeting. Mr. Jackson was quoted in the newspaper as saying that he was glad that Dr. Buell finally stated that he wants to split the corporation. Dr. Buell believes that this was a unique statement. Dr. Buell asserted that Clay City schools were split from the northern schools by state department officials in 1982 when that school board applied for approval for Northview. That school board was told to include the Clay City School plans which already had been fully approved by the state in 1978. Most of his thinking and actions as a board member have been towards making this two-school situation work for the past thirty years. Recently, from several events, he has had to begin thinking of salvaging Clay City schools in the manner that had been approved by state departments. He believes that Clay City students have justified the 1978 and 1982 state approval. According to Dr. Buell, these recent events, and some not so recent, include our superintendent denying our Clay City Elementary principal to transfer an in-school kindergarten teacher to an overcrowded kindergarten grade level and also denying the hiring of a third kindergarten teacher. Dr. Buell referenced the North Central Association evaluation, in which he claimed it was reported that low student morale was found in a recent study at Clay City. He also referred to replacement of classroom and restroom equipment and fixtures: Dr. Buell has been led to believe this is a result of getting new ones for northern schools and the old northern units being installed at Clay City, which he finds demoralizing and degrading. In the current elementary school building project, Dr. Buell claimed that Clay City taxpayers are paying \$7 million for the total project and receiving \$1 million in benefits. Dr. Buell professed that school board members are transferring their own children to other schools rather than identifying and correcting the cause. For the above reasons, his thinking that Clay City schools could operate more efficiently by administrating their financial and educational needs in the Clay City school district only became a reality within the past few months. It has not been a longstanding thing. Most of his experiences in the last thirty years have been directed towards all students and all schools. He declared that with our school board and our current superintendent downgrading Clay City schools' education together, they could apply this to any school renovation in our corporation. Dr. Buell is sorry to eliminate Mr. Jackson's gladness, but it is not he who has produced the corporation splitting. The corporation-splitting began when Dr. Buell became fully aware of the board and superintendent's destructive educational action in Northview planning. Since the state department insisted on split schools for the corporation in 1982, Dr. Buell has worked for all schools and all students. The actions recently of the school board and superintendent have produced this need for a more decisive splitting.

Dr. King commended Frank Misner for what he does and the conditions under which he does it. She also offered congratulations to Nellie McFarland. She congratulated all of the young people and adults that will be graduating with diplomas and getting GED's. Dr. King is really pleased that the corporation reaches out to students of all ages in this county and she congratulated them for all of their hard work.

Mrs. Heffner stated that she enjoyed the Employee Recognition Dinner. She was able to visit with a lot of staff members that she doesn't normally get to see. She was very impressed with the two women that have been with the corporation for 40 years. She commented on the good things that are going on in Clay City Jr/Sr High School and Northview High School as well as the good reports that she is hearing from the elementary schools. She believes there is more good than bad in the corporation, and for that she is thankful.

Mr. Jackson shared that he was able to attend the "Blue Man" event at Northview High School, which was pretty awesome and very creative. He went to the Clay City High School talent show for grades 9-12, and it was very entertaining. He too attended the recognition dinner, and he stated that it was an honor to be there. He estimated that there was close to 2,000 years of experience in the room. He is glad that the corporation holds this event. There were over 90 people recognized for their years of service and retirement. Most of the buildings were represented and he appreciates the principals and other administrative staff that came out. The food was great and the entertainment was nice. He publicly congratulated all those that were honored.

Mrs. Barr added her congratulations to everyone. She received an e-mail from Mr. Rayle that listed some of the accomplishments of the students and faculty at Northview High School. She noted that if the board received e-mails from all of the principals, they would be just as impressed about the individual accomplishments and the accomplishments in all of the schools. She stated that there is a lot that goes on in the schools that has no name or title. There are also a lot of children that have lifestyles that are hard to imagine. Educators are dealing with so many more problems than they can reach with educating the child. A lot of people in the community contribute to the schools and support the staff. All of those people coming together make a difference to a lot of children. She believes that sometimes we get so caught up with the differences and the conflicts and the negative that goes on that we lose sight of the individual children and what it takes to support them. Her experience has been that this is a giving county and the people do band together and help the children. Mrs. Barr stated that sometimes she gets very weary of all the dissension when it seems that we should be focusing on those things that can bring us together and help us move forward and help the children.

Mr. Jackson concluded Board Member Comments by stating that he was in the last class to graduate from Clay City Jr/Sr High School in the building that is now the elementary school. Leading up to that time when the consolidation of the north schools occurred, he can remember when Northview's student council and Clay City's student council spent a day with each other. When he ran for school board, one of the things that he said was that as an at-large representative he could best represent the entire county: He had a Cory phone number, a Brazil address, and he went to Clay City. There are always decisions to make and some are easier than others. There are always right ways to do things and sometimes those are found right off the bat and sometimes they are not. He, like Mrs. Barr, is proud of this community and he is glad to be a part of it.

VII. New Business

A. Climate/Culture Surveys

Dr. Schroeder introduced Dr. Steve Gruenert by explaining that he had conducted surveys of parents, teachers, other employees and students. The surveys took place in November and December. He came back this spring and did some focus group work, talking to community individuals, employees and parents.

Dr. Gruenert prefaced his presentation by noting that he had been studying the topics of organizational culture and climate for about ten years. He has been published probably ten times regarding that in professional journals and he has made probably a dozen presentations at national or state conferences. He has probably been in over 100 schools in Indiana in the past five years doing research, and he just finished looking at Clay Community Schools this past month. He stated that 9,000 surveys had been sent out last November and 2,000 came back. He spent most of this past month in the schools, walking around, making observations, talking with teachers, talking with support staff, and talking with parents. He believes that the corporation has some pretty good schools compared to what he has been doing all of his life, what he has been reading, and across the state, so whatever the corporation is doing, it seems to be working.

Dr. Gruenert explained the difference between culture and climate. Climate is the difference you feel between Mondays and Fridays, or a certain attitude. The climate of the building can be changed. Culture is more about values and beliefs and evolves over several years. It can be compared to a personality. He added that climate and culture are both in your head.

Dr. Gruenert next presented his survey findings. He compared the survey information to his observations and the interviews that he conducted. In a nutshell, Dr. Gruenert stated that Clay Community Schools has some really good schools. There are some really good people running the schools, there are really strong teachers teaching the kids, and the kids like to be there. The parents and the community members are very proud of their schools. Everybody seems very happy and pleased. It is his opinion that there is no organizational climate issue at any one building that is finding its way into the classroom to where a teacher is behaving differently by virtue of the school climate. He did not reveal anything that would suggest that the kids' learning is being impacted by any kind of negative school climate.

Dr. Gruenert noted that there might be some corporation cultural issues which seem to have evolved over 30 or 40 years. It seems as though teamwork is needed from the top down. Every one of the school buildings has a family feeling, and sometimes that can characterize into silos or tribes to where a building doesn't need anybody else to be successful and becomes very self-reliant. His suggestion to create the optimal learning environment would be more of a team approach where all of the buildings can be brought together and involve the school board just a little bit more in those activities. He echoed Mrs. Barr's earlier comments. He encouraged board members to go to the

schools when school is in session and when they are not expected to see how they work. He believes the board members would be very proud.

Under discussion, Dr. Schroeder pointed out that he had asked Dr. Gruenert to put together questions specifically about the middle school students, especially the sixth grade going back to the elementary schools. Dr. Gruenert stated that the surveys revealed that those students anticipating going into the middle school were looking forward to it. The seventh and eighth graders also concurred with the fact that it had been a pleasant experience. After looking at the data, Dr. Gruenert concluded that the middle school philosophy seems to be working as it should be and it's doing the community a service as opposed to a junior high. When Dr. Gruenert did his observations and interviews, a stronger group of people against the middle school emerged. Most of the people that did not care for the middle school have never been to the middle school and have not seen what's going on. They are basing a lot of their information on stories that they have heard. In order to continue the middle school philosophy, he would encourage the good stories. There are some negative stories out there, not a lot, but enough. The stories are third and fourth person, and that seems to be the currency of some people that thrive on negativity. He would encourage principals to be advocates for their buildings and present to the public the good things that they are doing, if anything to counteract the inaccurate information about the negativity. He is of the opinion that the community is split about 60/40 in favor of the middle school. It would probably be a stronger support if people could come to the middle school and see it.

Dr. Buell asked if Dr. Gruenert found anything to account for the high dropout rate and the low graduation rate. Dr. Gruenert replied that he did not come across anything like that at all. Of the parents that he interviewed, it was a great random sample. He talked to many that were very professional in their dealings and some that were maybe less professional. However, they were upfront; some had students in special education, some had students that had dropped out, some had children that were in prison or had been kicked out of school. Given all that information, they were still pleased with the performance of the school and the teachers. To address further, he did spend time at Cumberland and that was the only school where he actually got to interview students. He described the students as some of the most pleasant and respectful students that he had talked to. They felt that the Cumberland setting was what had saved them from dropping out. As Dr. Gruenert sees it, whatever successes the students at Cumberland are having, maybe people at other sites can learn from those particular behaviors. He was very impressed with Cumberland. In response to Dr. Buell's comment that he feels that dropout students are being swept under the rug and there is something wrong with the environment in the schools, Dr. Gruenert stated that it was something that his research didn't capture. Dr. Schroeder pointed out that although one dropout is too many, the corporation's graduation rate has been increasing and is above the state average. There is no epidemic of people dropping out. One thing that people don't understand is that a change was made three years ago to a cohort statistical analysis of people starting as a freshman and ending up in their senior year. Across Indiana when that happened, graduation rates were lowered because that cohort analysis is more

stringent on how a graduate is counted versus someone who has dropped out. For example, if a student gets a GED, he/she doesn't count. Special ed students can go to school until age 22, but if they do, that counts against the cohort rate. There are a lot of activities in motion that affect that rate. When looking at the socio-economic level, statistics will show that many communities that have a higher percentage of free/reduced lunch or low per capita income or a high number of special ed students have lower graduation rates than many communities. Our community displays those socio-economic factors to a greater extent than many communities, but our graduation rate is not lower than the State of Indiana.

Dr. Buell questioned whether Dr. Gruenert's services might have been more useful in the early stages of planning the building renovation projects. Dr. Gruenert doesn't know how much he could have contributed in that regard.

Mrs. Barr asked how much Dr. Gruenert believes the physical building and safety and security and having adequate space contribute to the climate and culture of the school. Dr. Gruenert replied that all of the buildings were maintained very well and were very clean. He felt that everything was very appropriate. Although there is a disparity among the schools, people are adapting and doing well and it is not finding its way into the classroom as a frustration.

Mrs. Heffner commented on implementing teamwork and reassurance from the top down. She believes those could help immensely if implemented in the correct way. She appreciated Dr. Gruenert's suggestion to visit schools while they are in session and she plans to do so in the fall. Dr. Gruenert stated that people are comfortable in how things are now, and to improve, there might be a moment of discontentment.

A copy of the survey results will become a part of the official minutes.

B. Design Development

Mr. Tom Neff of Schmidt Associates presented information in 3-D format regarding the plans for East Side Elementary, Meridian Elementary, and Staunton Elementary. Mr. Neff noted that all of the office areas will be virtually the same, which will provide for continuity in building materials and systems. All three gyms will have wood floors. A link to the Schmidt web site is being established that will allow the public to access snapshot pictures of updates on the projects.

Under discussion, Mr. Jackson noted that it will be wonderful to get rid of the modular units, some of which have been in use for nearly 25 years. On the web link, he would like to have a simple explanation of what is being gained in each building.

Mrs. Barr asked how long it would take to complete all of the projects. Mr. Victor Landfair replied that, although they are still working on the process, in general, they are trying to get everything completed in the 15-18 month range. Mrs. Barr then asked how this would compare to the Jackson Township renovation. Mr. Reberger stated that it

would be very similar. There are a lot of logistics and a lot of people involved, but it is going to be worth the effort.

Mr. Landfair elaborated on the cost analysis process and the fact that the projects are in a very important stage. They feel very good about the level of information that they have, and the numbers are starting to truly reflect what they anticipate from a bidding standpoint. He noted that the scope of the projects is complicated and it is interactive between all three of the buildings. The documents reflect that the projects are on budget. Some of the numbers have shifted, which is strictly a result of better information. He also pointed out that they are now developing a list of alternates. He believes that they are positioning the corporation to bring this project in on budget, and they want to maximize the opportunities to make improvements, both in terms of quality and longevity as well as to address some areas that are on the bubble as far as need. The plan in terms of schedule is that the same number of projects will be brought back in approximately a month for approval of final design to go out to bid.

Mr. Jackson moved to accept the designs as shown tonight. Mr. Atkinson seconded, and the motion was approved by a 5-1 vote with Dr. Buell opposed.

C. Construction Security Project

Mr. Landfair referred to the three security projects to be completed at North Clay Middle School, Northview High School, and Clay City Jr/Sr High School. These projects had been packaged together for bid, which came in very close to the costs that came in before. Hannig Construction of Terre Haute was the low bidder. A meeting was held with them to review the scope of the work. They brought all of their subcontractors. They clearly have an understanding of the scope of the work and have the ability to complete that within schedule. There would have been a \$25,000 savings if the doors had been reused; however, in further discussion, it was determined that it would not be prudent to put new hardware on used doors. It is recommended that Hannig Construction be approved with a bid in the amount of \$207,872.

Mrs. Heffner moved to approve Hannig Construction for the security projects at North Clay Middle School, Northview High School, and Clay City Jr/Sr High School. Dr. King seconded, and the motion was approved by a 5-0-1 vote with Dr. Buell abstaining.

D. Additional Appropriations

Dr. Schroeder stated that permission is being requested to advertise for the Rainy Day Fund. It doesn't mean that the money will be spent, but in the event that it would be needed for the bus garage, it needs to be in the Rainy Day Fund. Right now there is a \$2.5 million balance in the Rainy Day Fund.

Under discussion, Mrs. Barr asked to clarify that this would not be a part of the money that has been set aside for teacher retirement but rather is over and above that. Dr. Schroeder confirmed that and stated that if everything goes as planned another \$500,000 from various funds can be moved into the Rainy Day Fund. Then, if the

corporation buys some property, appropriations will be available. The money for the teacher retirement would not be touched.

Dr. Buell moved to grant permission to advertise for additional appropriations in the Rainy Day Fund. Dr. King seconded, and the motion was approved by a 5-1 vote with Mrs. Heffner opposed.

E. ECA Purchase

One request is from Northview High School's Student Council to purchase a cotton candy machine for \$1095 from Student Council Funds. Also, Mr. Rayle is requesting approval of purchase of student incentive items in the amount of \$3,136 out of Pepsi commission sales.

Under discussion, Mrs. Barr asked if the rewards program works. Mr. Rayle replied that it did, with 50 students having perfect attendance this year. That is an increase of 7 students over last year.

Mrs. Barr moved to approve the ECA purchases. Mr. Atkinson seconded, and the motion was approved by a 6-0 vote.

F. School Board Retreat

Dr. Schroeder called the Indiana School Boards Association. They would have a representative that is willing to come down and they would not charge for their services. The individual that would come is the same person that worked with establishing the Goals, Strategies and Activities plan a couple of years ago.

Under discussion, Mrs. Barr asked exactly what this individual would do. Dr. Schroeder explained that the individual would go over some legalities. He would talk about common courtesy of board members, how to interface with the administration and what the true role of school boards is. He would also talk about what kinds of things board members do for each other to be more cohesive.

Dr. King moved to set up a school board retreat with the ISBA representative. Mr. Jackson seconded, and the motion was approved by a 6-0 vote.

G. Maintenance Building and EPA

Dr. Schroeder noted that this issue had been talked about by a patron the last few board meetings. There is information in the board packet that states that in order to begin a Phase I environmental study, it must be determined that a need for a study exists. Although no need was established, it was determined that, since it had been brought up, for the benefit of employees in the future and to allay any fears, a Phase I study would be completed.

Under discussion, Mrs. Barr asked how much the study cost and what the results were. Mr. Reberger stated that it cost \$1,200. The standard fee is \$1,500; however, the firm that did the report had just completed the corporation's three-year asbestos

management evaluation, so they discounted the report. The bottom line: There is nothing wrong with the property at the Phase I level. A copy of the Phase I inspection was presented to each board member.

H. Review Financial Report

Dr. Schroeder stated that information that had been compiled by John Bradshaw had been presented at the last board meeting by Dr. Buell. Dr. Schroeder and Mr. Fowler had looked at the information and were a little bit concerned. He clarified that property taxes are only one portion of the budget. Over half of the budget, especially in the General Fund, comes from the State of Indiana. Plus, there are other miscellaneous revenue sources and federal sources that Mr. Bradshaw's study failed to take into account. Mr. Fowler and Dr. Schroeder worked together to compile data that shows that it is beneficial for both sides of the county to be one school corporation. It is beneficial on a construction/transportation basis with money flowing from the south to the north. From an instructional standpoint, there is no way that Clay City could offer the amount of instructional programs that they have without the money that flows southward from the Brazil area to Clay City. The information that was presented was, in the opinion of Dr. Schroeder and Mr. Fowler, one-sided: it only dealt with property taxes.

Mr. Fowler presented facts and figures related to this issue. He began his presentation by noting that he went into this approach with no preconceived bias. He just went where the facts led him.

Mr. Fowler did property taxes by township and looked at the four townships in the south and where their property taxes went. The next thing that he looked at was the state basic grant which is the overwhelming majority of the money that the school corporation uses for teacher salaries and for educational programs. He then revised the formula based upon the features that the north has and the features that the south has. The third thing that he looked at was Special Education funding, which is about \$2 million in the General Fund. He looked at the revenues that the south brings in and the expenditures that the south spends. For 2008 pay 2009 property taxes, Mr. Fowler found that for the Clay City townships (Washington, Sugar Ridge, Perry and Harrison) they will pay \$2,258,865. In relation to the claim that Clay City overpaid by \$3.5 million or \$6 million, they would be overpaying by an amount that is significantly more than they put in. Mr. Fowler pointed out that the grand total for property taxes in Clay Community Schools is \$8,373,678. Last year the corporation spent a little over \$42 million. Only 20% of the total expenditures in Clay Community Schools comes from property taxes. The other 80% comes from the state, federal or some other source that is not a tax that is levied on property.

Focusing on the \$2,258,865 that is generated from property taxes in Clay City townships, Mr. Fowler broke it down into the five funds, based upon actual expenditures in 2008. In the Transportation Fund last year, the corporation spent \$2,200,732. 12 of the 56 routes (21.43%) are in Clay City, so Mr. Fowler figured 21.43% of the \$2,200,732 in total expenditures, which resulted in \$471,617 being attributable to Clay City routes.

For Bus Replacement, Mr. Fowler applied the same 21.43% to the 2008 total Bus Replacement revenue of \$949,132, which showed \$203,399 being attributable to Clay City. In Capital Projects, everything is broken down by building. So by looking at Cost Center 1 (Clay City Elementary) and Cost Center 10 (Clay City Jr/Sr High School), he found that \$859,068 went from CPF. In the Severance Bond Fund, Mr. Fowler figured the amount based on 53 out of 299 Certified Teachers being employed in the Clay City Schools and came up with \$62,543. For the Debt Service Fund, Mr. Fowler did exactly what the building project is: \$1,025,511 of a \$26,285,000 project. He also figured 27% of \$455,000 in interest on temporary loans (necessary due to tax delay), which totaled \$242,841. The total expenditures attributable to Clay City are \$1,839,469. When this amount is subtracted from \$2,258,865, the result is \$419,397.

Mr. Fowler then looked at the other 80% of revenue that is not property taxes. Within the basic grant there are a variety of factors that determine funding including the number of students, the complexity index (students that have free/reduced lunch status), and the number of special education students. Mr. Fowler figured the complexity index in three ways: the current formula (0.4190), a formula based on Clay City's numbers (0.3897), and a formula based on the North's numbers (0.4786). When changed to Clay City's complexity index, funding received from the state would drop by \$179,487. When changed to the North's complexity index, funding from the state would increase by \$364,672.

Regarding special education funding, Mr. Fowler received information from the special education department. He found that for each Group 1 student, the corporation receives \$8,350 from the state. Clay City has 3, so their total funding in that category is \$25,050. For Group 2, the corporation receives \$2,265 per student. Clay City has 92, so their total funding is \$208,380. For Group 3, the corporation receives \$533 per student. Clay City has 58, so their total funding is \$30,914. The total special education revenue generated by Clay City schools is \$264,344. Mr. Fowler then looked at teachers, instructional assistants, and speech/hearing/OT/PT/Psych. Clay City generates \$264,344, but spends at least \$404,041, so for Clay City to maintain the same level of opportunity for special education students on their own, they would need to cut \$139,697.

A summary of Mr. Fowler's analysis:

- In 2008, the South contributed \$419,397 to the North for Buildings/Transportation/Debt.
- For 2009, the North will contribute \$319,184 to the South for Educational Programs.
- The North has better buildings due to the relationship with the South.
- The South has better educational programs due to the relationship with the North.
- In CPF, Clay City received \$859,068 worth of value for the \$696,527 in property taxes paid.

- This analysis does not include the additional costs of a new Board, Superintendent, Central Office, Transportation, etc., that would need to be created at Clay City.

For illustrative purposes, Mr. Fowler compared teacher pay for Clay Community Schools with top of teacher pay for five school corporations that would be comparable in size to a school corporation for Clay City students. He found that there is a \$3,000-\$7,000 decrease in pay for the smaller school corporations. Regarding state support per ADM, Clay Community Schools' amount is \$4,491. The same five smaller corporations have amounts that range from \$2,812 to \$6,047. The worst-case scenario should the south split from the north would be that a teacher would have to take a \$7,000 pay cut to survive.

From a State perspective, the movement at the state level is to consolidate taxing units, not to create more bureaucracy. State funding is based on a "share the wealth" approach. The State wants to provide an equal opportunity to obtain a quality education throughout the state. Dollars from "richer" places come to Clay Community Schools. State funding is unknown should the south separate from the north.

Mr. Fowler's conclusions:

- For 2008, there appeared to be a \$100,213 difference between value contributed and value received at Clay City. This amounts to .22% of total 2008 expenditures. This number varies year to year. Clay City could receive more value than they contribute depending on the year.
- There is significant unknown educational risk in dividing into two corporations.
- It appears that, by remaining combined, both sides of the county receive benefits from the other side of the county.

Dr. Schroeder added the comment that Clay City may generate more property taxes, but it doesn't necessarily follow the General Fund through the basic grant if they were to be separated because the new basic grant formula will need to be drawn up and it will depend on a whole host of factors, not property taxes. So, if Clay City is thinking that they may have more property taxes available, they may sit on those property taxes because the state may not let them generate that money and pour it into the basic grant. If that division were ever to be achieved, Dr. Schroeder thinks that some of the folks down there better look very seriously at what they are doing before they jump into the water, so to speak, because they haven't explored all avenues. They left out the whole instructional angle of it.

Mrs. Heffner commented that at the meeting on Sunday that is something that she had mentioned. She added that there weren't a large number of people present, and she has not heard from anyone that wants to do this. Mr. Jackson also commented on the Sunday meeting, noting that it was intended to be informational, and it was. He asked if the annual report had total costs per school. Mr. Fowler replied that it does, based upon salaries. It really doesn't break out social security or health benefits. It is realistically impossible to generate something from a true value perspective on each school

because he would have to break several HIPPA laws and figure out how much teachers and staff spend for health insurance.

Dr. King shared her opinion that the value to one another is way more than can be put on paper. With our students, parents, and teachers, we are more to each other than we can represent, and we are better together than we are apart. She offered her thanks to Mr. Fowler for putting the information in a way that can be understood, and it makes sense. It is fair and even-handed and shows both sides.

Dr. Buell stated that he appreciated Mr. Fowler's input. He does not think that Clay City is ready for a charter school. But he believes that Clay City people are not happy with what is going on in their school. He commented that he was surprised in 1982 when the state allowed the Clay City project to go ahead with Northview. But once it happened, he thinks Clay City has proved its worth in education for Clay City students as a whole versus the north.

I. Coaches, Athletes and Parents Handbook Changes: First Reading

No vote needs to be taken. If there are any changes to be made, let Dr. Schroeder know before the next meeting.

J. Donations to Drug Dogs

This item was moved to the beginning of the meeting.

K. Clay School Building Corporation

This item was discussed during Patron Comments.

L. Even Start Family Literacy Grant

This is a grant that Mary Yelton wants to apply for, and Dr. Schroeder recommends that she be allowed to do so.

Mrs. Heffner moved to grant permission to apply for the Even Start Family Literacy Grant. Mr. Jackson seconded, and the motion was approved by a 6-0 vote.

VIII. Personnel

A. Leaves of Absence

1. Certified

a. Family Medical Leave

ME

Donna Kaufman

2. Non-Certified

a. Medical Leave

TRANS

Kathie Leann Rhodes

B. Retirements

1. Certified

None

2. Non-Certified

None

3. Place on Retirement Index

a. Teacher – Art

SE/CCE

Rhea Hood

(Retire end of 2009-2010)

C.	Resignations		
	1. Certified	None	
	2. Non-Certified		
	a. Instructional Assistant	NHS	Karen Allen
	b. Bus Driver	TRANS	Gordon Nelson
	3. ECA Resignations		
	a. Basketball – Head Boys	CCHS	Grant McVay
	b. Basketball – Boys Varsity Asst	CCHS	Keith Jones
	c. Cross Country – Varsity Asst	CCHS	Benjamin Thomas
D.	Transfers		
	1. Certified	None	
	2. Non-Certified	None	
E.	Employment		
	1. Certified	None	
	2. Non-Certified	None	
	3. Extra-Curricular Certified		
	a. Track – Head Jr High Boys	CCHS	Scott Stucky
	4. Extra-Curricular Non-Certified		
	a. Percussion Specialist	CCHS	Kirk Ethridge
	b. Summer Band – Asst	CCHS	Ryan Weber
	5. Extra-Curricular Lay Coach/Lay Sponsor	None	
	6. Volunteer		
	a. Extra-curricular	NHS	Tony Alstott
	b. Extra-curricular	NHS	Garth Woodcox
	c. Extra-curricular	NHS	Ahyna Alstott
	d. Extra-curricular	NHS	Bob Treash
	e. Extra-curricular	NHS	Heather Keller
	f. Extra-curricular	NHS	Shane Chesshir
	g. Extra-curricular	NHS	Michael Medearis
	h. Extra-curricular	NHS	Bradi Oberholtzer
	i. Extra-curricular	NHS	Dennis Leek
	j. Extra-curricular	NHS	Alan Buell
	k. Extra-curricular	NHS	Melissa Griese
	l. Extra-curricular	NHS	Tony McCarter
	m. Extra-curricular	NHS	Alan Goff
	n. Extra-curricular	NHS	Chelsea Mershon
	o. Extra-curricular	NHS	Dan Mikesell
	p. Extra-curricular	NHS	John Andrews
	q. Extra-curricular	NHS	Chris DeHart
	r. Extra-curricular	NHS	Amos Wegner
	s. Extra-curricular	NHS	Neil Vanatti
	t. Extra-curricular	NHS	Nick Lancaster

F. Changes

1. Certified

a. Change in contract of Tim Rayle for 2009-2010 to work on Ph.D. degree at Indiana State University.

2. Non-Certified

None

G. Termination

1. Certified

None

2. Non-Certified

None

H. Information Only

1. Colleen Williams will be working at the LEAAP Center through AARP. She will be cataloguing books for a check-out library for the children. Also, Barbara Richard and Patricia Whistler will be working at the LEAAP Center through AARP.

I. Classroom Volunteers

LEAAP Center

Maranda Kelly

Angela Morehouse

Colleen Williams

Van Buren Elementary

Letitia Grose

Northview High School

Wayne Jenkins

Forest Park (Kids Hope USA)

Julia Brown

Justin Clark

Nancy Everhart

Ryan Freeman

Sharon K. Girton

Heidi Johnson

Kaylee McCollum

Heather Mullenix

Jeannie Price

Molly Schopmeyer

Corinna Stewart

Dean Treash

Susie Treash

Karen Trout

Elliot Voris

Mr. Atkinson moved to approve the personnel items. Mrs. Heffner seconded, and the motion was approved by a 6-0 vote.

IX. Future Agenda Items

None at this meeting.

X. Adjournment

Mr. Jackson made a motion to adjourn and Mrs. Barr seconded. With a 6-0 vote, the meeting was adjourned at 10:20 pm.

The meeting was audio and video recorded and copies may be requested by contacting the Central Administration Office.