

SWITZERLAND COUNTY SCHOOL CORPORATION
Minutes of the
REDUCTION IN FORCE HEARING
April 13, 2009
10:00 A.M

A special meeting was held at the Switzerland County High School Library on Monday, April 13, 2009, for the purpose of conducting a hearing in consideration of the cancellation of the contracts of Denise Loaring and Tammy Martin at the end of the 2008-2009 school year, based upon (1) a justifiable decrease in the number of teaching positions; (2) good and just cause; and (3) the best interests of the school corporation.

CALL TO ORDER:

Mr. Phipps called the meeting to order and led those in attendance in an oath of truth.

ATTENDANCE:

The board members present were Mr. Phipps, Mr. Roberts, Mr. Daugherty, Mr. McKay, Mrs. Moore, Mr. Truitt and Mr. Waltz.

Others present were Superintendent, Dr. Elizabeth T. Jones and Corporation Treasurer, Wilma Swango, School Board Attorney, Ron Hocker, Secretary, Mona L. Crabtree, Daryl Auxier, James Singer, Tammy Martin, Travis Martin, Denise Loaring, Michael Jones, Garry Jessup, Janet Bowling, Jim Allison, Ginny Reeves, Michael Loaring, Emily Lanman, Ashley Bovard, Ashley Poling, Kayla Nay, Storm Hinman, Evan Graham, Angela Swanson, Tabitha Arnoldy, Anthony Williams, Jolie McClurg, Stevie Fuerst, Joey Richards, Trent Ford, Andrew Banta, Jeri Kalberer, Jacob Messang, Randy Johnson, Niki Courter, Katie Rayls, Travis Savage, Maggie Devers, Amber Meli, Phillip Bentle, Brandon Arnoldy, Candy Haskell, Patrick Lanman.

School Superintendent Representative, Mr. Auxier, explained that the reasons for terminating the contracts of Mrs. Loaring and Mrs. Martin were limited to financial reasons and did not have any basis on their individual job performances.

ISTA Representative, Mr. Singer, said that the cash balances for the corporation appeared healthy. He stated that Mrs. Loaring had been an employee for twelve years, and that Mrs. Martin had been employed for six years.

Mr. Auxier stated that Educational Services had advised the corporation to cut the budget by \$1 million a year.

Mr. Auxier asked the Superintendent what had been done to try to cut the budget. Dr. Jones reported that she had moved the Assistant Superintendent to the position of Elementary School Principal and the position of Assistant Superintendent would be

eliminated at the end of the present school year. She said that she did not refill the Director of Maintenance position when the person formerly holding that position resigned. She said that a Data Analyst was needed, but they would combine those duties with a Student Management position. Lastly, Dr. Jones said that no teacher had received supply monies this year.

Mr. Auxier then asked if the general fund balances had been reviewed and monitored on a regular basis. Board President, Jim Phipps, said that they had.

Mr. Singer questioned the funding of the corporation's general fund. He asked if the school corporation would lose students this next school year, would it necessarily receive less funding. He also asked if the enrollment stayed the same, would a modest increase in funding be expected.

Mr. Auxier asked Mrs. Swango if the monies the corporation receives are tied to actual number of students. Mrs. Swango said that they were. She went on to say that in the past there has been a safety net from a reserve fund established at the state level. She said the concern now is that the corporation can expect to receive less money than the state says they will get. She said that according to the Deghoster formula, it was projected that the corporation would lose 107 students, but that no expenses would lessen. She said that due to declining enrollments, in 2012, the corporation could feel an immediate impact of the loss of funds. Mrs. Swango said that it was reported at a recent IASBO meeting that state revenues, in March, fell 15%.

Mr. Auxier asked Mrs. Swango if the drop in sales tax concerned her. She said that she felt less confident that the corporation would receive enough funds to operate the General Fund. Mrs. Swango stated that 87 to 89% of the General Fund is staff related. She said that currently, a portion of the Capital Projects funds is used to pay utilities but may have to be taken from the General Fund, depending upon the new state budget.

Mr. Singer asked if the corporation decided that the Education Services report was accurate, can the CFO get more money for the General Fund from other sources than the state.

Mrs. Swango said that she could not.

Mrs. Singer then asked if the corporation would rather use Rainy Day Fund monies for building, etc., than keep teacher positions.

Mrs. Swango said that she had no authority to pay teachers from the Rainy Day Funds. She said that the transportation department required one half million and that remodeling funds would be used for the Jefferson Craig Elementary School and that construction funds would be used for the Administration Building.

Mr. Singer mentioned Stimulus Funds and IDEA funds as possible sources of obtaining more funds.

Mr. Auxier asked Mrs. Swango if these were feasible sources of funding. Mrs. Swango said that the Stimulus Funds, (\$257,481.55), could not be relied upon to sustain teacher salaries. She said that Special Services would receive the majority of the IDEA funds to be used for improvement of educational programs and that 25% of the Title 1 funds are used for professional development.

Mr. Singer questioned many fellow employees of Mrs. Loaring and Mrs. Martin who gave statements regarding their upstanding characters and good work ethics. Mrs. Loaring and Mrs. Martin also gave statements as to their educational duties and accomplishments and their positive job evaluations.

In a closing statement, Mr. Auxier reminded those present that the reasons for the consideration of the cancellation of the contracts of Mrs. Loaring and Mrs. Martin were not based on job performance. He said the corporation had nothing personal against either of the employees. He said that no one likes a RIF. Mr. Auxier went on to say that the corporation has a good cash balance at present and will end up in 2009 with a good cash balance. In 2012, there will not be that balance. Utilities and property insurance may not be able to be paid from the General Fund. He went on to say that the Rainy Day Funds have been ear-marked for other financial needs and that using Stimulus Funds would be a short term solution for a long term problem.

Mr. Singer, in his closing statements, said that the consideration of the cancellation of the contracts of Mrs. Loaring and Mrs. Martin was not about funding. He said that, as reported by Educational Services, there was no financial crisis. He said that the State will be funding an increase in 2010 and 2011.

ADJOURNMENT:

Mr. Roberts moved to adjourn the hearing. Mr. Truitt seconded and the vote was unanimous. The hearing was so adjourned.

James Phipps, President

Wayne Daugherty, Vice President

William Roberts, Secretary

Virgil Mckay, Member

Tonya Moore, Member

Andy Truitt, Member

Vernon Waltz, Member