

**RECORD OF BOARD PROCEEDINGS
MINUTES FROM THE MEETING
Ludlow, Kentucky, May 19, 2014**

The Ludlow Independent Board of Education met at the Ludlow Board of Education Conference Room, 525 Elm Street, Ludlow, KY 41016 at 7:00 PM, on May 19, 2014, with the following members present:

Attendance Taken at 7:00 PM:

Present Board Members:

Mr. Stephen Chapman
Ms. Amy Hayden
Mr. William McMillen
Ms. Cindy Powell

Absent Board Members:

Ms. Kymberly King

1. Call to Order

1.1. Call to Order by Mr. McMillen

Discussion:

Others Present at the Meeting: Mr. Mike Borchers, Superintendent; Ms. Jenny McMillen, Board Secretary & CCR Coordinator; Mr. Rick Smith, Director of Special Education; Ms. Vikki Wofford, Board Treasurer & Financial Analyst; Mr. Travis Caudill, Incoming High School Principal; Mr. Jason Steffen, Elementary Principal; and Mr. Ehmet Hayes, Architect

1.2. Pledge of Allegiance by Ms. Powell

Rationale:

Ms. Cindy Powell led the Pledge of Allegiance.

2. Approval of Agenda

Rationale:

It was recommended that the board approve the Agenda.

Order #77 - Motion Passed: Approval of the agenda passed with a motion by Mr. Stephen Chapman and a second by Ms. Cindy Powell.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

3. Recognition and Information Agenda

Rationale:

These items were presented for recognition and information.

3.1. Monthly Reports

Rationale:

These items are presented for information.

Discussion:

The monthly reports were reviewed. Our enrollment is up overall about 5-6 students compared to last year. Attendance is holding strong for the year.

Ms. Powell asked about the Travel Club account in the high school financial report. The account remains inactive. Mr. Borchers said he will work with the incoming Principal, Mr. Travis Caudill, to make a plan to use the funds.

3.2. Personnel

Rationale:

These items were presented for information.

Discussion:

Mr. Borchers reviewed the personnel items listed. The schools are working to fill all current openings.

3.3. Monthly Activities

Rationale:

These items were presented for information.

Discussion:

Mr. Borchers reviewed the summer activities, including both grant's activities, as well as the summer feeding program.

3.4. Spotlight Items

Rationale:

These items were presented for information.

Discussion:

Mr. Borchers reviewed the awards listed in the Spotlight Items, as well as the latest inductees into the National Honor Society.

4. Consent Agenda

Rationale:

It was recommended that the board approve the Consent Agenda.

Order #78 - Motion Passed: Approval of the Consent Agenda passed with a motion by Ms. Cindy Powell and a second by Ms. Amy Hayden.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

4.1. Approval of Minutes

Rationale:

It was recommended that the board approve the minutes of the April Regular Meeting.

4.2. Monthly Bills

Rationale:

It was recommended that the board approve payment of the monthly bills.

Discussion:

The monthly bills were reviewed by Mr. Borchers and Ms. Wofford.

4.3. Facility and Fundraising Requests

Rationale:

It was recommended that the board approve the Facility and Fundraising Requests.

Discussion:

Mr. Borchers reviewed the fundraising requests that were turned in for approval.

5. Discussion and Action Agenda

5.1. MEP Project

Rationale:

Mr. Ehmet Hayes attended the meeting to discuss the progress of the MEP Project.

This item was presented for discussion.

Discussion:

Mr. Hayes presented updates on the MEP Project. He explained that he certifies all payments related to the construction projects. Anything paid is for materials or work that has already been received/completed. Mr. Hayes explained the asbestos process, stating that only trace amounts were found in the elementary gym/auditorium area. The abatement process was followed as needed, which increased the amount charged to the district. All asbestos policies and procedures were and are being handled according to the appropriate guidelines and recommendations.

5.2. Stadium Project

Rationale:

Mr. Ehmet Hayes attended the meeting to discuss the progress of the Stadium Project.

This item was presented for discussion.

Discussion:

Mr. Hayes presented the color schemes selected for the stadium project and gave an update on the timeline for completion. He discussed possible fencing options for the stadium, but will continue to research more.

5.3. Environmental Demolition Contract

Rationale:

It was recommended that the board approve the Environmental Demolition Contract.

Discussion:

This contract was discussed, and Mr. Borchers and Mr. Hayes clarified any questions.

Order #79 - Motion Passed: Approval of the Environmental Demolition Contract passed with a motion by Ms. Amy Hayden and a second by Mr. Stephen Chapman.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

5.4. Extra Service Salary Schedule

Rationale:

It was recommended that the board approve the 2014-2015 Extra Service Salary Schedule.

Discussion:

Mr. Borchers pointed out a few of the changes made to this list and gave the reasons for these changes.

Order #80 - Motion Passed: Approval of the Extra Service Salary Schedule passed with a motion by Mr. Stephen Chapman and a second by Ms. Amy Hayden.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

5.5. 2014-2015 Tentative Budget

Rationale:

2014-2015 Tentative Budget

A first draft of the 2014-2015 budget was presented at the regular January meeting of the Board of Education. The next step in the budget development process is the Tentative Budget. The budget is required to be submitted to the Kentucky Department of Education on or before May 31, 2014 for their review.

The Tentative Budget provides a more refined picture of estimated revenues and expenditures compared to the draft budget. Since the draft budget was presented, organizational adjustments have been processed and more data is available for analysis. The Working Budget will be presented for approval in September reflecting a detailed analysis of revenue and expenditure allocations including tax rate and final staffing adjustments.

Fund Reviews

General Fund (Fund 1)

Revenue Notes:

The district has received SEEK funding information from the Kentucky Department of Education. Unlike years past the data contained in these reports seems to be more reliable. We are still being conservative as a district with our General Fund SEEK due to the unknown final student ADA. As 2013 fiscal year SEEK levels increased mid-year, we were able to increase our carry forward. With the increase, we are able to predict our General Fund beginning balance for the 2015 fiscal year. It is our intention as the 2014 fiscal year comes to a close we will continue our analysis of the carry-forward balance. Revenues projected at this time represent \$6,210,439 in the General Fund. This represents all local, state, and federal revenues for the general fund.

Special Revenue Fund (Fund 2)

Actual allocations have not been distributed to any district in the Commonwealth at this time. Final Grant awards will be included in the Working Budget, during the September board meeting.

Capital Outlay (Fund 310)

The district receives \$100 per student in Average Daily Attendance (ADA) for Capital Outlay. For fiscal year 2015, we have looked into the different possible uses of capital outlay funds for regular maintenance expenditures.

Building Fund (Fund 320)

The entire amount of principal and interest due for 2014-2015 to be paid during the 2015 fiscal year is \$192,217.00. This entire amount will be transferred to and paid from the Debt Service Fund due to new KDE requirements. As is the case in the Capital Outlay Fund, the Building Fund will also have a surplus in fiscal year 2015. It is our intention to use these funds for renovations that otherwise would not be able to be completed.

Debt Service Fund (Fund 400)

The remaining debt principal and interest due for 2014-2015 is budgeted to be paid from the Debt Service Fund. The entire amount of principal and interest to be paid during the 2015 fiscal year is \$192,217.00.

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Food Service Fund (Fund 51)

The Food Service Program continues to operate with a carryover balance as required by Administrative Regulation (2 months of average expenditures). Enhancements to the program will continue as revenue permits.

Summary Table of Data All Funds

Funds	Total Revenue/Expenditure	Percent of the Total
General Fund (1)	\$6,210,439	89%
Special Rev (2)	Full Data not available	
Capital Outlay (310)	\$76,500	1%
Building Fund (320)	\$192,217	3%
Food Service (51)	\$498,750	7%
Totals	\$6,977,906	100%

It was recommended that the board approve the 2014-2015 Tentative Budget.

Discussion:

Prior to this meeting, Mr. Borchers reviewed each line item of the tentative budget in detail with all school board members. At tonight's meeting each component was reviewed. Mr. Borchers pointed out some of the larger differences from last year's budget, and the reasons for making these changes.

Order #81 - Motion Passed: The 2014-2015 tentative budget passed with a motion by Mr. Stephen Chapman and a second by Ms. Amy Hayden.

Mr. Stephen Chapman Yes
Ms. Amy Hayden Yes
Ms. Kymberly King Absent
Mr. William McMillen Yes
Ms. Cindy Powell Yes

5.6. Student Accident Insurance

Rationale:

During the budgeting process in May, our student accident insurance quote for 2014-2015 from Scholastic Insurors was \$14,272.00. This is an increase of \$2,078 from the previous school year's premium, partially due to a rate increase and partially due to our increasing student numbers.

It was recommended that the board approve the Student Accident Insurance as presented.

Discussion:

The need to maintain student accident insurance was explained by Mr. Borchers and Ms. Wofford, noting the differences from last year's policy.

Order #82 - Motion Passed: The Student Accident Insurance policy passed with a motion by Ms. Cindy Powell and a second by Mr. Stephen Chapman.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

5.7. Liability Insurance Rates

Rationale:

Crawford Insurance has provided comprehensive coverage for our school district and employees for the last seven years. The district submitted a Request for Services seven years ago and selected Crawford Insurance. The relationship established between the school district and company continues to be very positive.

Rates for the upcoming school year, July 1, 2014 - June 30, 2015, are included for your review. The package rates include our property and general liability packages. The general liability rate will increase \$2,205, mainly due to the \$827,047 increase in the statement of values released by KDE. Our workers' compensation, however, shows a decrease in the rate of \$6,251, due to no claims being filed within the district. This is a decrease in our overall rate of \$4,046.

It was recommended that the board approve the insurance rates with Crawford Insurance for 2014-2015 as presented.

Discussion:

Mr. Borchers and Ms. Wofford explained the liability insurance policy for the coming year.

Order #83 - Motion Passed: The 2014-2015 liability insurance policy through Crawford Insurance passed with a motion by Ms. Amy Hayden and a second by Mr. Stephen Chapman.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

5.8. Bank Bids

Rationale:

Banking services for the time period of July 1, 2014 to June 30, 2016 were bid out with one financial institution responding, The Bank of Kentucky. The bid included measurable criteria. Our current financial institution, The Bank of Kentucky, has again scored the highest based on the points required in the bid. It is our recommendation that we keep The Bank of Kentucky as the provider of banking services for the two year bid period.

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It was recommended that the board approve staying with The Bank of Kentucky for banking services.

Discussion:

Mr. Borchers and Ms. Wofford explained the bid process for banking services. The Bank of Kentucky was the only bank to submit a bid this year.

Order #84 - Motion Passed: Approval to continue banking services with the Bank of Kentucky passed with a motion by Mr. Stephen Chapman and a second by Ms. Cindy Powell.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

5.9. Classified Retirement Policy #03.273

Rationale:

This item was presented for discussion and first reading.

Discussion:

Mr. Borchers reviewed this first reading of the Classified Retirement Policy #03.273. He reviewed the changes that would be made, should the policy change be approved.

5.10. NorthKey Contract

Rationale:

The District has contracted with NorthKey this past year for mental health services. The proposed contract includes additional services for our students at the same cost as the past year.

It was recommended that the board approve the NorthKey contract for 2014-2015.

Discussion:

A discussion was held regarding the new NorthKey contract. Mr. Chapman noted he had an issue with the second bulleted item, about the board picking up the expense if a student's insurance does not cover services. Mr. Borchers explained that our past contracts have been written the same way. Mr. Smith, Ms. Wofford, Ms. McMillen, and Ms. Powell commented on the positive impact the counseling program has on students.

Order #85 - Motion Passed: Approval of the 2014-2015 NorthKey contract passed with a motion by Ms. Cindy Powell and a second by Ms. Amy Hayden.

Mr. Stephen Chapman	No
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

5.11. PRN Services Contract

Rationale:

The District contracted our nursing services with PRN Services during the 2013-2014 school year. PRN Services has agreed to contract at the same rate as the previous year with our current nurse.

It was recommended that the board approve the PRN Services contract for the 2014-2015 school year.

Discussion:

The contract was reviewed by Mr. Borchers, who noted that the program worked well this year.

Order #86 - Motion Passed: Approval of the 2014-2015 PRN Services contract passed with a motion by Ms. Amy Hayden and a second by Mr. Stephen Chapman.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

5.12. Invo HealthCare Associates Contract

Rationale:

Currently we contract our occupational and physical therapy services through the Northern Kentucky Cooperative Educational Services (NKCES). NKCES will no longer be offering these services, so we will be contracting directly with Invo HealthCare for the same services at a reduced cost.

It was recommended that the board approve the contract with Invo HealthCare for occupational and physical therapy for the 2014-2015 school year.

Discussion:

Mr. Borchers and Mr. Smith explained the benefits of making a change this year to utilize the services of Invo HealthCare for occupational and physical therapy for the 2014-2015 school year.

Order #87 - Motion Passed: Approval of the 2014-2015 contract with Invo HealthCare for occupational and physical therapy passed with a motion by Mr. Stephen Chapman and a second by Ms. Amy Hayden.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

5.13. School Resource Officer Contract

Rationale:

The School Resource Officer contract is the same as this past year. Chief Jarvis has reviewed the contract and has agreed to the conditions and cost.

It was recommended that the board approve the 2014-2015 School Resource Officer contract.

Discussion:

Mr. Borchers reviewed the SRO contract for 2014-2015 and noted the changes in office location for next year's SRO. For safety purposes, the SRO will maintain an office with easier access to both the high school and elementary offices.

Order #88 - Motion Passed: Approval of the 2014-2015 School Resource Officer contract passed with a motion by Ms. Cindy Powell and a second by Mr. Stephen Chapman.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

5.14. Certified Evaluation Plan

Rationale:

It was recommended that the board approve the Certified Evaluation Plan.

Discussion:

Mr. Borchers explained the process we've taken with the new PGES system. Our 50/50 Committee met several times to make decisions regarding the 2014-2015 certified evaluation plan. With tonight's approval, the plan can now be submitted to the state level for review, and then it will be returned for a final approval from the board of education.

Order #89 - Motion Passed: Approval to submit to the state the Ludlow Independent Schools Certified Evaluation Plan passed with a motion by Ms. Amy Hayden and a second by Mr. Stephen Chapman.

Mr. Stephen Chapman	Yes
Ms. Amy Hayden	Yes
Ms. Kymberly King	Absent
Mr. William McMillen	Yes
Ms. Cindy Powell	Yes

6. Other Business

Rationale:

Is there any other business to be brought before the board?

6.1. Board

Discussion:

Mr. Chapman made positive comments regarding the 2nd grade's recent performance.

6.2. Staff

Discussion:

No items.

6.3. Teachers

Discussion:

No items.

6.4. Public

Discussion:

No items.

7. Adjourn

Rationale:

It was recommended that the board adjourn the meeting.

Order #90 - Motion Passed: Approval to adjourn the meeting at 8:25 PM passed with a motion by Ms. Cindy Powell and a second by Ms. Amy Hayden.

Mr. Stephen Chapman Yes

Ms. Amy Hayden Yes

Ms. Kymberly King Absent

Mr. William McMillen Yes

Ms. Cindy Powell Yes

PRESIDENT

SECRETARY

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