

**School Liaison Committee  
Minutes  
December 4, 2013**

**Members present:** Commissioners James Brummett, Carolyn Granger and Ron Berry, School Board Members Rob Jago, Wade McCullough, Everett Massengill and Drack Langley

**Members absent:** School Board Member Sam Cox

**Others present:** County Executive Ron Woody, Director of Schools Gary Aytes, Commissioner Chris Johnson, Director of Accounts and Budgets Kaley Walker, State Senator Ken Yager, State Representative Kent Calfee

**Call to Order:** Chairman James Brummett called meeting to order at 5:30 p.m.

**Purpose of Meeting:** see Attached Agenda

**Welcome:** Commissioner Brummett welcomed Senator Yager and Representative Calfee. It was noted that Representative Ron Travis was unable to attend due to scheduling conflict.

**Distribution of Workbooks:** All members received his/her workbook which houses studies and reports.

**Report/ Discussion Topics:**

Executive Woody then lead a review and discussion of items C.1.- C.4. of the agenda.

Points of Interest were:

**Formulas:**

An important goal is gaining an understanding of two basic formulas. One, the **BEP** funding formula is a cost model which is in of itself a good acceptable model. Two, the **fiscal capacity formula** is the area that most concerns the county and other local school systems.

**BEP-** cost model is thought to be equitable to all systems. This formula may not fund adequate programs such as earning enough nurse positions, providing adequate funds for property and liability insurance or funding only 10 months of the 12 months health insurance, but most systems agree and can lobby to make improvements in funding components. BEP cost model is not the primary formula issue.

**Fiscal Capacity** is the issue which is of utmost concern. Early in the Education Improvement Act of 1992, the Tennessee Advisory Commission on Intergovernmental Affairs (**TACIR**) developed a fiscal capacity formula which reflected that wealthier counties would pay more for education funding at the local level by way of receiving less state funding. Systems which are poorest in fiscal capacity would in turn receive more state funding.

In about 2008-09, the **TACIR fiscal capacity** was shifted to a fiscal capacity formula developed by the University of Tennessee Center for Business and Economic Research, specifically Dr. Bill Fox. This new fiscal capacity formula is known as the **CBER or Fox Model**.

Note: After the meeting, research noted TCA§49-3-307 which changed the fiscal capacity formula.

The **CBER/Fox model** would reflect that Roane County was wealthier than the **TACIR** model, thereby, causing Roane County to lose potential millions in state funding.

The state started the processes of migrating to the **CBER/Fox** model and is at 50% TACIR and 50% CBER which is costing Roane County an estimated \$1,000,000.

The **committee charged** the **Legislators** to do whatever possible to prohibit any more migration to the **CBER** model and try and revert back to the **TACIR** model. Senator Yager indicated that he would be filing legislation to use the **TACIR** model.

The committee further discussed that under both **TACIR** and **CBER** models Roane County ranks higher than we would have anticipated in wealth. The committee would like to have **TACIR** help us understand how Roane County could be ranked so high under the TACIR model and have CBER explain their model for fiscal capacity.

The committee discussed a third formula of the **Cost Differential Factor (CDF)** which rewarded systems in high wage areas. Roane County used to rank the highest in the state at over 116% and now no ranking at all. More money is received if a system is over 100% and all systems are ranked at a minimum 100%. The **Legislators were charged** to help the committee understand Roane County not ranking in the CDF.

Senator Yager and Representative Calfee indicated they would set up a meeting in early January with **TACIR** and Department of Education officials.

### **Other Items of Interest**

The committee noted Executive Woody's recent letters which are included in the notebooks. A number of items in the letters were discussed. Specifically, the **State Report Card** reflects data that is hard to tie back to reported numbers.

The committee discussed with the legislators about the Governor's plan of either grant teacher salary raises or equalization of teacher pay across the state.

The **commission asked the Legislators** to keep us informed of this raise and funding issue. The committee also discussed with the Legislators their opposition of the voucher system. The committee and Legislators agreed that the voucher system harms public education. Neither group supports the use of public dollars for a private institution.

Aytes distributed to the committee a report/study on the Roane County School teacher salaries, "**Roane County Schools Salary Data 2012/2013 Executive Summary.**" The Roane County school system's goal is

to have teacher pay in the top 25 percentile which allows Roane County to be competitive with surrounding county systems of Loudon, Anderson, Knox and Blount.

The committee discussed whether there was an **optimal school size**. The answer was “maybe” based on various challenges and goals. High Schools of 1000-1200 students allow for a broader curriculum especially for Advanced Placement classes; however, challenges of security and personnel not having knowledge of students would exist in these large facilities. Other hidden costs also exist in large schools. Middle Schools of 500-600 students and Elementary Schools of 500-600 students are considered optimal by the research.

**Adjournment:** Committee adjourned at 7:00 p.m.

Minutes submitted by Ron Woody, County Executive