

Washington County/Johnson City School Consolidation Study



*Prepared by consultants from the University of
Tennessee's County Technical Assistance Service and
Municipal Technical Advisory Service*

12/93

Knoxville, TN

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BACKGROUND

In May of 1993, Jonesboro Mayor Kevin McKinney, serving as chairman of the City/County Liaison Board and on behalf of the Board, asked consultants from *The University of Tennessee's Municipal Technical Advisory Service (MTAS)* and *County Technical Assistance Service (CTAS)* to examine the feasibility of consolidating the Washington County and Johnson City schools.

The project team consisted of: Patrick Hardy, *MTAS Municipal Management Consultant*; Mike Garland, *CTAS County Government Consultant*; Johnny Headrick, *CTAS County Government Consultant*; and Ken Joines, *MTAS Senior Finance Consultant*. These individuals were aided in their effort by a number of folks from both the Washington County and Johnson City systems, but most notably Brad Moffitt, *Johnson City Schools Budget Director*, and Beverly Thomas, *Washington County Schools Director of Finance*.

The project team was specifically asked to:

1. examine the conclusions reached in two previous consolidation studies;
2. provide additional information which may help decision-makers understand the probable consequences of consolidation and which may help guide future consolidation efforts;
3. make recommendations concerning the feasibility of establishing a formal consolidation "planning commission".

This Report will begin by providing a discussion of the legal framework under which consolidation must take place. This will be followed by a general discussion of consolidation and identification of key terms used in this Report.

The Report will then discuss earlier Washington County/Johnson City consolidation studies and provide new information which may help assess the probable effects of consolidation. Finally, brief recommendations will be made regarding future consolidation studies in Washington County/Johnson City and specific areas which will need to be examined in greater detail.

THE LEGAL FRAMEWORK FOR CONSOLIDATION

Basic Consolidation Statute

The basic consolidation statute is found in TCA 49-2-1201-1208. It provides the following:

- Establishes a "planning commission" to "study the need for and problems in conjunction with the consolidation of all public schools within the county into a unified school system, and to make and file a written report..."
- The planning commission is composed of 5 citizens appointed by the mayor of each municipality operating a school system, 5 appointed by the county executive, and 5 appointed by the chairman of the board of education of each special school district. These officials are also members of the commission.
- Members are entitled to reimbursement for necessary expenses incurred during their service. These and other expenses must be paid by the county. Cities are authorized to contribute.
- The study must be completed and the written report filed within one year after the first meeting of the commission.
- The commission must either study or "cause to be studied" consolidation. The study must be comprehensive. They can authorize others to conduct the study or can use the contents of previous studies.
- The commission must hold a public hearing and must submit their report to the department of education for appraisal.
- In the plan, the commission must provide for, among other things:
 1. Administrative organization of the new system.
 2. No diminution in the level of educational service.
 3. Transfer of the liabilities and assets of municipal systems.
 4. A plan for disposition of bonded debt.
 5. Preservation of pension rights of personnel.

6. Preservation of tenure, sick leave, and salary schedule rights for personnel. No salary schedule can be lower than it was before consolidation and the new salary schedule must be in place within 3 years after the new system is established.
 7. Plans for contributions by municipalities or special districts to the county for operation of the unified system during the period of transition (3 years).
 8. Plans for reapportionment for election of school board members.
- The commission must choose among three alternatives for establishing the new school board. The new board shall have all the powers and duties conferred by general law upon county or city school boards of education.
 - The consolidation plan must provide for appointment of a superintendent, who is called the "director of consolidated schools".
 - After receiving the commission's plan for consolidation, each governing body (county and city) must hold a public hearing and then either approve the plan and recommend its adoption by the voters, or disapprove the plan and recommend its rejection by the voters.

If all governing bodies disapprove the plan, it is considered disposed of, unless a referendum is called by petition (signed by at least 10% of the total votes cast in the county for governor at the last election).

If the plan is approved by the governing bodies, a referendum shall be held. The plan is considered adopted if a majority of those voting in each jurisdiction with a school system approves the plan.

Other Consolidation or Joint Operations Statutes

TCA 49-2-1001 authorizes contracts between the city and county for operation of schools under the county superintendent of education. Distribution of state and county schools funds are not affected, they are still governed by average daily attendance.

TCA 49-2-1002 permits the city to transfer the administration of the city system to the county board of education and superintendent (note: this is the statute under which Knoxville/Knox County currently operate). The transfer must

be approved by referendum. City school funds remain with city schools unless otherwise provided, and bonded debt remains an obligation of the city, also unless otherwise provided. This statute provides for a complicated transfer of pension rights.

TCA 49-2-1101-1104 permits the joint operation of school systems through contracts between city and county boards of education. The administration of the system can be placed under the control of either the city or county board of education or under a newly established board of education.

TCA 49-2-1251-1264 is the *Education Improvement Act of 1991* and allows for multi-county consolidation. These statutes are similar to TCA 49-2-1201 *et seq.*

Additional Considerations When Examining Consolidation

It is unclear what occurs under TCA 49-2-1201-1208 if one jurisdiction's board disapproves the consolidation plan and the other approves the plan. Attorneys from the *State of Tennessee Department of Education* indicate that an Attorney General's opinion should be solicited in order to answer this question.

In general, when examining consolidation a number of areas of concern typically arise. Each of these must be considered in order to produce a consolidated system which improves the quality of education or which decreases the cost to provide a given level of education. These areas are:

1. Cost, including both expenditures and revenue sources.
2. The transportation system.
3. The curriculum (including types of courses offered and access to those courses).
4. The educational service level (including the teacher/student ratio, textbook allocations, and allocations for supplies).

This report will examine each of these areas, and some of the information thus provided will come from earlier studies. That is where we will now turn.

It should be first noted however, that consolidation will nearly always result in additional expenditures. This is because state law requires that services and personnel-related expenditures be equalized upward. Thus, if the City system contributes any dollars to schools, they will always generate more revenues than the county system, since county revenues must be shared on a proportionate (ADA) basis with the city system.

EARLIER WASHINGTON COUNTY/JOHNSON CITY CONSOLIDATION STUDIES

Two study groups have previously looked at a consolidation of the Washington County and Johnson City school systems. Neither of these were formal "planning commissions" as provided in TCA 49-2-1201.

The first of these occurred approximately ten years ago. Due primarily to the lack of information relating to the study, this project team did not look at the first study in detail. In addition, the changing nature of education in Tennessee means that information concerning consolidation quickly becomes outdated. Thus, we have chosen to focus our attention on the second, more recent study.

The second study occurred in 1989 and was never formally presented to decision-makers. In part, this has resulted in a simplistic view of conclusions reached by the study. In addition, assumptions have been made, based on the study which cannot be verified empirically. We will discuss these conclusions and assumptions below. However, it is first worthwhile to look at a number of areas which were studied and for which valuable analysis was provided.

The 1989 study was conducted by four committees, each examining one of four areas: transportation, curriculum, personnel, and finance.

Transportation

The report of the 1989 Transportation Committee is presented in Appendix A. In general, the committee examined the administration of the transportation program in both systems - including number of students transported, number of miles traveled, policies regarding transportation, and the cost of providing transportation. The details of this analysis can be used with great benefit in any formal consolidation study which may be commissioned in the future.

For our purposes here, a two key findings are worth mentioning:

- During mild winters, the number of days missed due to inclement weather is about the same in both systems. During severe winters, the County misses slightly more days than the city.
- Due the jagged boundaries of Johnson City there is overlap of routing. County buses must travel at certain points through the City and City buses must travel at certain points through the County.

Curriculum

Much of the Curriculum committee report is out of date at this time. Data included in the report, from sources such as the *Commissioner's Report Card*, were for the years 1987-88.

However, a comparative analysis of the elementary, middle, high school, at-risk students, and special education curricula was conducted and is included in *Appendix A*. In addition, comparative grading scales from 1989 are provided.

Personnel

Much of the information contained in the Personnel Committee report is also out of date, having been collected for the 1988-1989 school year. However, for our purposes here certain findings should be mentioned:

- The committee reports that "The systems are much closer together than the members of this subcommittee ever imagined them to be." And, "... there are no widely divergent personnel differences (outside of the superintendent selection process) that could not be resolved by some negotiations".
- Turnover rates were similar for both systems.

The report of the Personnel Committee is presented in *Appendix A*.

Finance

The 1989 Finance Committee report is also provided in *Appendix A*. Key findings worthy of note for our purposes are:

- The 1989 City system provided higher average salaries and benefits for teachers than did the County system.
- In all categories of expenditures except vocational, the 1989 City system spent more per pupil than did the County system.

Summary of the 1989 Study

The 1989 study promulgated a number of assumptions regarding consolidation. In general, two critical assumptions have been "read between the lines" of the study:

1. The City system provides a better level of service, a lower teacher/pupil ratio, higher per pupil expenditures, and a more diverse curriculum.

2. City residents will pay substantially more for consolidation and will not receive a commensurate increase in educational benefits for their students.

This logic proceeds as follows - the difference between the two systems is approximately \$10 million dollars (a \$1,000 higher per pupil expenditure in Johnson City multiplied by about 9,000 County students), the cost of which must be shared between residents of the city and county.

Based on these assumptions, the study implied that further consolidation efforts should not proceed.

The work of the current project team began with an examination of these assumptions - and then proceeded to verify the data on which they were based. These findings are presented in the next section.

THE FINDINGS OF THIS REPORT

Methodology

The project team chose to document the current revenues and expenditures of both systems in an effort to develop an "apples to apples" format for comparative purposes. A pro-forma consolidated budget was then developed based on certain assumptions (identified below) and using a number of adjustments (also identified below). In this way we are able to see where current dollars come from, where they are spent, and where dollars funding a consolidated system would come from, and where they would be spent.

The foundation of this methodology is a belief that the delivery of components critical to the educational program can be documented and provided through the budgetary process. In short, it's assumed the various budgets are an effective means of translating policy and program activities into operational terms. This is consistent with current practices in both systems.

This section will first provide an overview of both systems and will then proceed through an examination of current expenditures and revenues, and consolidated (projected) expenditures and revenues. The project team was assisted in these examinations by Brad Moffitt, *Johnson City Schools Budget Director*, and Beverly Thomas, *Washington County Schools Director of Finance*.

Overview of Students

Number of students:

Average Daily Attendance (ADA) - ADA is the total number of student-days present divided by the number of days schools were in session. ADA is the figure normally used by the *State of Tennessee* to calculate school statistics. Though we understand this will change to Average Daily Membership, or ADM (which is the total number of days present plus the total number of days absent divided by the number of days schools were in session), we have used 1993-94 First Month Reported ADA figures throughout this report, based on suggestions from the *State of Tennessee Department of Education*.

Johnson City 1992-93 Year End ADA - 5,669
Washington County 1992-93 Year End ADA - 7,690

Johnson City 1993-94 First Month Reported ADA - 5,969
Washington County 1993-94 First Month Reported ADA - 7,930

Total Number of Students First Month Reported ADA - 13,899

Current Expenditures

Current expenditures were examined by establishing an "apples to apples" budget for each school system (city and county), using account codes established by the State of Tennessee Department of Education. Federal programs are not included.

In doing so, actual 1993-94 budgeted figures were used. Though these are not audited figures, it was necessary to use them in order to have current salary schedules on which to later base adjustments when developing a consolidated budget. Though these budgets may require adjustment through the year, the largest part, personnel expenditures, will not. Thus, it's believed these budgeted figures will be very close to year-end actual figures. In addition, it's assumed that adjustments will be approximately the same for both systems, and since we are establishing a comparative format, adjustments from one system should cancel out adjustments from the other.

The budgets presented on the next page show the results of this analysis. When examining these, the following should be noted:

1. The City of Johnson City provides a transportation supplement for the city schools at a cost of \$593,800. This expenditure is not normally included in the school budget, but instead appears in the City budget. However, we've included it here since it represents an expenditure for the city system. Thus, the figure of \$662,031 in the *Transportation* line item for the Johnson City Schools includes the \$593,800 supplement.
2. Both the Johnson City and Washington County schools do not include debt service in their respective budgets. However, we've included these figures here since they represent expenditures for schools in both systems. The Washington County amount is \$2,035,620 and the Johnson City amount is \$3,010,800.
3. The City of Johnson City provides financial services support and accounting (including payroll) services for the city school system. The school system itself also provides these services. Thus, there is much duplication of effort in this area. However, we have not shown on the city schools budget the additional expenditures related to the duplication of these services.

As the reader will note on page 11, total expenditures for

WASHINGTON COUNTY-JOHNSON CITY SCHOOL CONSOLIDATION STUDY

CURRENT EXPENDITURES

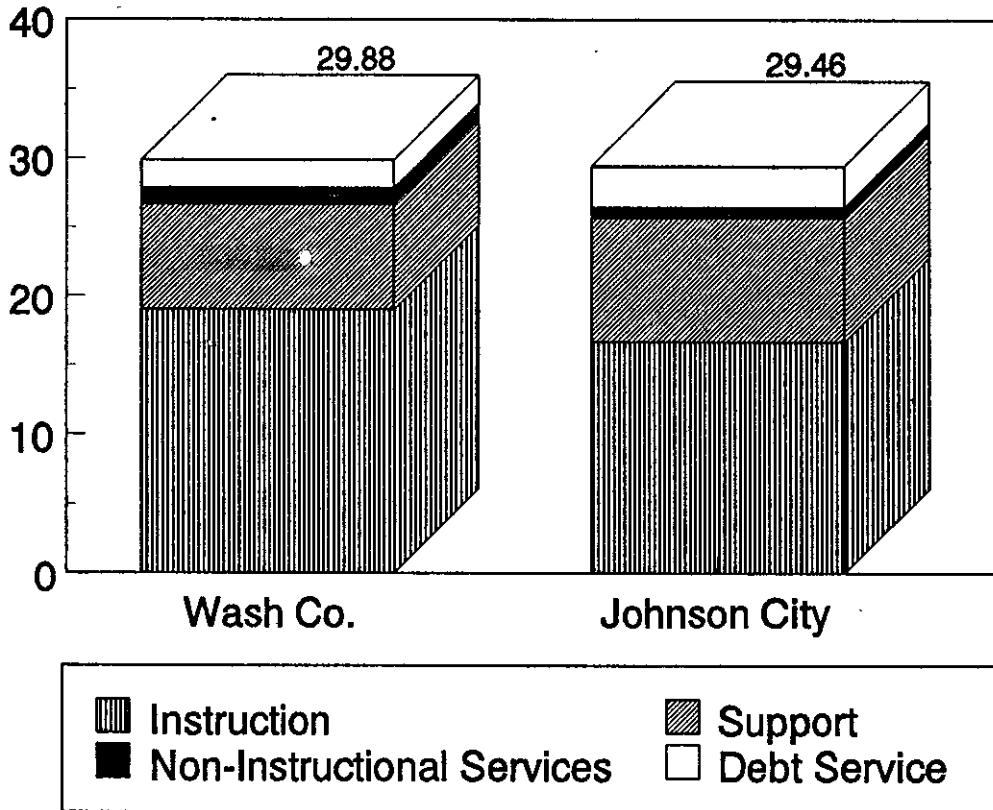
BASED ON FY 93-94 ACTUAL BUDGETED
(DOES NOT INCLUDE FEDERAL PROGRAMS)

ACCOUNT	COUNTY ACTUAL	CITY SCHOOL ACTUAL
7100		
INSTRUCTION	\$16,221,835	\$13,609,476
SPECIAL ED INST	1,753,633	1,786,227
VOCATIONAL INST	1,063,369	696,287
STUDENT BODY (ALT PROG)	0	468,369
ADULT ED	15,000	111,975
7200		
ATTENDANCE	102,075	58,537
HEALTH SVCS	48,597	150,383
GUIDANCE	495,470	673,838
CURRICULUM DEPT	821,811	1,472,376
SPEC ED ADMIN	95,950	187,167
VOCATIONAL ADMIN	94,639	93,036
ADULT ED ADMIN	56,948	26,299
BOARD OF EDUCATION	587,410	383,806
OFFICE OF SUPT	269,918	343,816
PRINCIPAL'S OFFICE	1,275,288	1,600,967
BUSINESS ADMIN	78,754	219,490
OPERATION OF PLANT	1,828,090	2,114,962
MAINTENANCE OF PLANT	639,694	718,229
TRANSPORTATION	1,156,898	662,031
DATA PROCESSING	16,000	293,546
7300		
FOOD SERVICE	921,200	627,500
COMMUNITY SERVICES	133,990	10,000
7600		
CAPITAL IMPROVEMENT	114,494	123,107
8130		
DEBT SERVICE	2,035,620	3,010,800
=====		
TOTAL EXPENDITURES	\$29,826,683	\$29,442,224
=====		

both systems are nearly the same. Recall however, that Washington County has approximately 1,961 more students than does Johnson City.

Total Expenditures

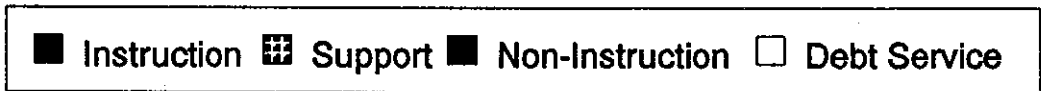
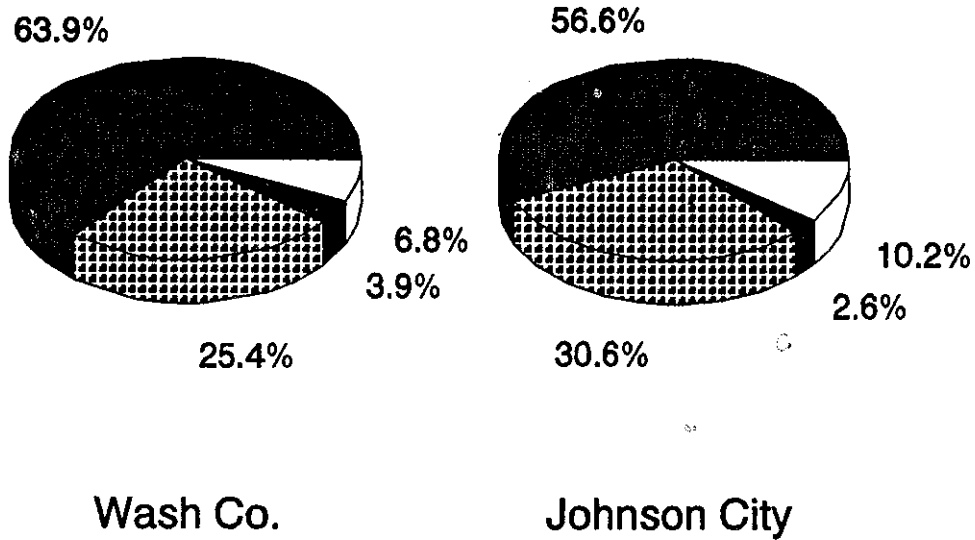
In \$ Millions



In order to more closely compare the two budgets, it is therefore necessary to look at expenditures on a per pupil basis, thus controlling for the effects of size. When doing so, the 1993-94 First Month Reported ADA figures will be used to calculate per pupil expenditures.

As the chart on the next page shows, Washington County spends a slightly greater proportion of their budget (7.3% greater) per pupil on **Instruction** than does Johnson City. In contrast, Johnson City spends a greater proportion (5.2% greater) on **Support Services** (which includes administration, health services, guidance, transportation, etc.).

Per Pupil Expenditure Distribution



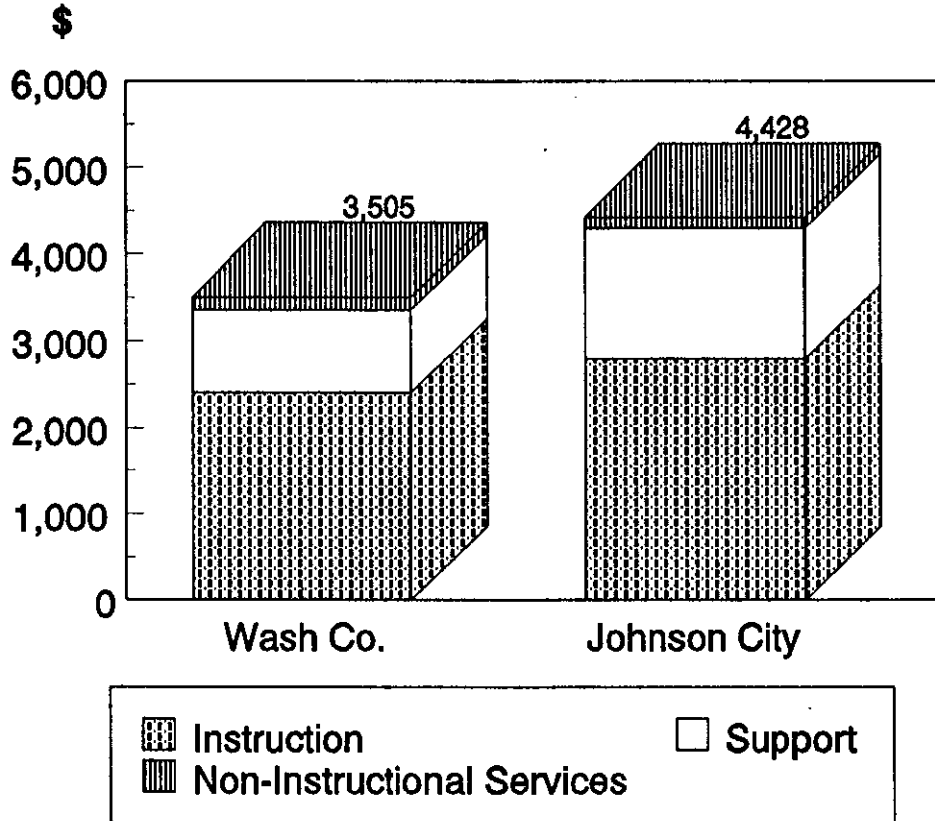
As shown on the next page, the Johnson City system spends a total of \$923 more per pupil than does the Washington County system (excluding debt service). This is a 21% difference between the systems. This difference can be explained as follows (City vs County):

- \$390 or 8% greater **Instruction** expenditures
- \$554 or 13% greater **Support** expenditures

- \$(21) or (.5%) lessor **Non-Instructional** expenditures

Per Pupil Expenditures

(does not include debt service)



Current Revenues

Current expenditures were also examined by establishing an "apples to apples" budget for each school system. In doing so, actual 1993-94 budgeted figures were used. Federal programs were not included.

When comparing revenues, each budget contains a line item for Debt Service, though these figures are not normally included. This is because the City and County provide these funds in separate budgets. This is also the case for the \$593,800 (rounded in the budget to \$594,000) provided by Johnson City to supplement transportation for the City system.

The budgets on the next page show these and other currently budgeted revenues. In particular, note the transfer of

WASHINGTON COUNTY - JOHNSON CITY SCHOOL CONSOLIDATION STUDY

CURRENT REVENUES

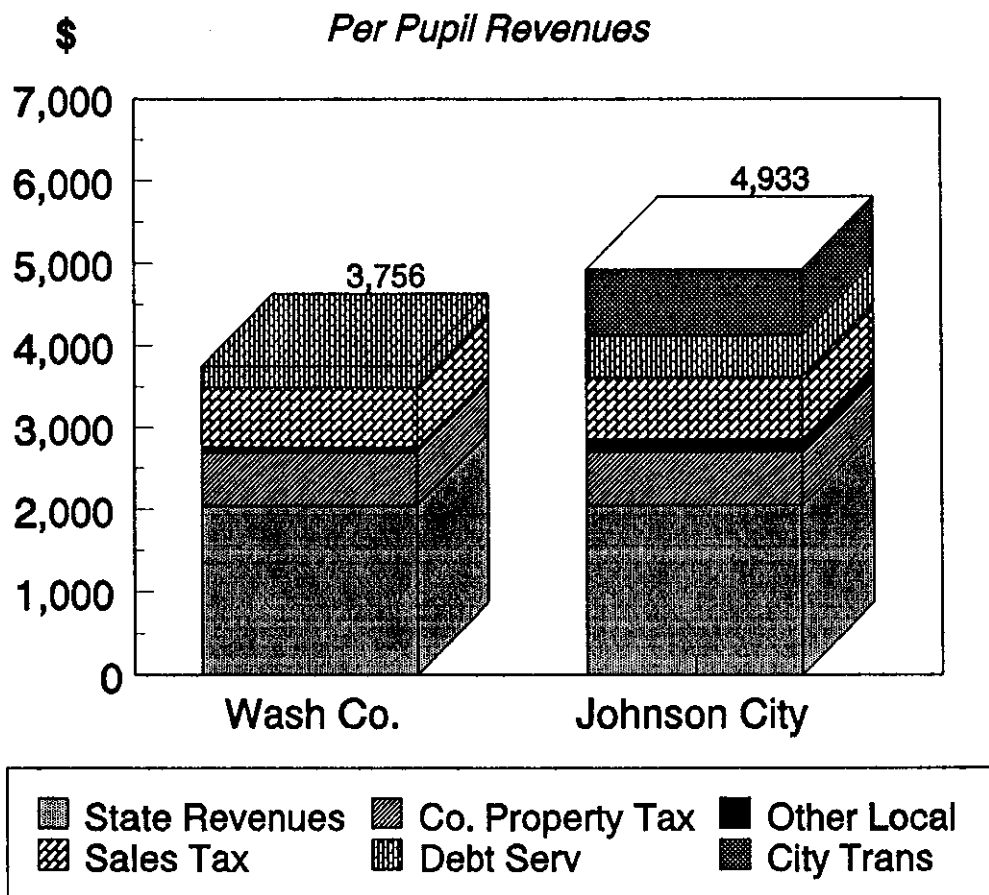
BASED ON FY 93-94 ACTUAL BUDGETED
(DOES NOT INCLUDE FEDERAL PROGRAMS)

------(IN \$1,000'S - ROUNDED TO NEAREST 000)-----

	COUNTY ACTUAL	CITY SCHOOL ACTUAL
REVENUE- LOCAL		
COUNTY PROPERTY TAX	\$5,161	\$3,917
LOCAL SALES TAX	5,824	4,498
BUSINESS TAX	132	104
OTHER LOCAL TAX	15	2
TUITION-REGULAR	135	67
OTHER SERVICE CHARGES	46	48
INTEREST & RENTALS	153	25
MISCEL	18	7
NON REOCCURING	0	115
CITY TRANSF	0	4,848
CITY TRANSPORTATION	0	594
CITY OR CO DEBT SERV OBLIGATION	2,035	3,010
TOTAL LOCAL	\$13,519	\$17,235
REVENUE- STATE		
BASIC ED PROGRAM	\$13,742	\$10,223
FOOD SRC (ST MTCH)	42	28
DRIVER ED	26	18
OTHER ST ED FDS	409	316
CAREER LADDER	647	465
CAREER LADDER-EXT. CONT	269	164
VOCATIONAL W/S	3	0
WORKSTUDY	0	4
MIXED DRINK TAX	0	64
JTPA	0	13
TVA REVENUE-STATE	175	0
FEDERAL FOOD SERV	804	600
OTHER FED THRU ST	81	50
INDIR COST TRANSF.	0	262
TOTAL STATE	\$16,198	\$12,207
TOTAL REVENUE	\$29,717	\$29,442

approximately \$4,848,000 from Johnson City to the City school system. With this transfer, revenues for both systems are nearly equal even though the County has more students. Thus it is instructive to examine revenues on a per pupil basis, in order to control for the effects of size.

Current state law requires that property and sales taxes (50%) levied by the County be shared on a proportionate basis with the City school system. This proportion is calculated using ADA figures. Thus, as the chart below shows, per pupil revenues from property and sales taxes are virtually the same for both systems.



However, the Johnson City transfer of approximately \$4,848,000 increases their per pupil revenues by approximately

\$812 per student.

Through an examination of revenues, we can calculate the educational costs for both city and county residents. This is important since it will allow us to compare the cost distribution for schools in the current system with the cost distribution in a consolidated system. For now, we'll look at the distribution of costs under the current system.

The **Total Assessed Value** of property in Washington County (1993) is **\$821,478,147**. The **Total Assessed Value** of property in Johnson City is **\$509,476,888**, or 62% of the **Total Assessed Value** in Washington County. Thus, City residents pay 62% of all property taxes levied in Washington County, and county residents pay 38%.

The current distribution of school costs is as follows:

City Property Owners Pay:

\$6,890,060 (62% of \$11,113,000, which is the sum of the County Property Tax of \$2,035,000 for debt service, \$5,161,000 for county schools and \$3,917,000 for city schools)

\$5,442,000 (which is the sum of 100% of the \$4,848,000 general transfer to the city schools and \$594,000 supplement provided for transportation)

\$3,010,000 (which is 100% of the debt service cost for schools paid by Johnson City)

\$15,342,060 (which is the total cost paid by city property owners for school services in both the city and county).

County Property Owners Pay:

\$4,222,940 (38% of \$11,113,000, which is the sum of the County Property Tax of \$2,035,000 for debt service, \$5,161,000 for county schools and \$3,917,000 for city schools)

\$4,222,940 (which is the total cost paid by county property owners for school services in both the city and county).

Thus, city property owners currently subsidize the county school system by approximately \$3 million dollars per year (\$5,161,000 county taxes for county schools plus \$2,035,000 county schools debt service minus \$4,222,940 property taxes share paid by county property owners). This is approximately 22% of the local-source revenues generated by the Washington County schools.

Consolidated (projected) Expenditures

A pro-forma budget was developed in order to project expenditures in a consolidated system.

Current state laws requires that salaries and benefits, as well as educational services, be equalized in a consolidated system. Based on these statutes, the pro-forma budget provides for a number of "adjustments" designed to provide this equalization. The consolidated budget is presented on the next page.

Since the Johnson City system currently provides slightly higher wages and benefits than the county system, the county's personnel schedule, including number of years service and degree of education attained, was entered into the computer using the Johnson City Schools salary scale. Following this, an adjustment was made to equalize benefits, since the city system provides a greater health coverage benefit (lower deductible). Retirement benefits are currently the same in both systems.

The resulting figures are provided under the column titled "**Adjustments**". These adjustments resulted in an additional \$3,078,841 which will be needed in a consolidated system in order to equalize salaries and benefits. The column titled "**Consolidated Minimum Budget**" is the sum of the "**Combined Actual**" (which is simply the sum of the two current budgets) and the "**Adjustments**" column.

The column titled "**Equalization Adjustment**" provides additional adjustments needed to equalize services. Though this is somewhat subjective, this analysis is conservative and assumes that expenditures in the Johnson City system currently provided for services are at a per pupil level needed as well in a consolidated system. This may not be the case, and a much closer study of these adjustments should be made in an in-depth consolidation study.

"**Equalization Adjustments**" were first made in the line item titled "**Instruction**". This was done in order to equalize the curriculum in the new system. Here, a total of 45 new teachers have been added to the consolidated system in order to bring the teacher-pupil ratio to the higher level, generally that of the city. An average salary and benefits package of \$35,000 was used to calculate the cost of these additional personnel. In short

**WASHINGTON COUNTY-JOHNSON CITY
SCHOOL CONSOLIDATION STUDY**

PROJECTED EXPENDITURES

(DOES NOT INCLUDE FEDERAL PROGRAMS)

ACCOUNT	COMBINED ACTUAL	ADJUSTMENTS	CONSOLIDATED MINIMUM BUDGET	EQUILIZATION ADJUSTMENT *	CONSOLIDATED BUDGET
7100					
INSTRUCTION	\$29,831,311	\$1,750,107	\$31,581,418	\$1,626,700	\$33,208,118
SPECIAL ED INST	3,539,860	197,741	3,737,601		3,737,601
VOCATIONAL INST	1,759,656	81,652	1,841,308		1,841,308
STUDENT BODY (ALT PROG)	468,369	0	468,369		468,369
ADULT ED	126,975	0	126,975		126,975
7200					
ATTENDANCE	160,612	28,346	188,958		188,958
HEALTH SVCS	198,980	2,768	201,748	35,000	236,748
GUIDANCE	1,169,308	62,455	1,231,763	105,000	1,336,763
CURRICULUM DEPT	2,294,187	81,085	2,375,272		2,375,272
SPEC ED ADMIN	283,117	8,215	291,332		291,332
VOCATIONAL ADMIN	187,675	12,968	200,643		200,643
ADULT ED ADMIN	83,247	7,756	91,003		91,003
BOARD OF EDUCATION	971,216	0	971,216		971,216
OFFICE OF SUPT	613,734	27,839	641,573	(100,000)	541,573
PRINCIPAL'S OFFICE	2,876,255	423,519	3,299,774	44,000	3,343,774
BUSINESS ADMIN	298,244	13,731	311,975		311,975
OPERATION OF PLANT	3,943,052	180,146	4,123,198		4,123,198
MAINTENANCE OF PLANT	1,357,923	49,682	1,407,605		1,407,605
TRANSPORTATION	1,818,929	150,831	1,969,760	(175,070)	1,794,690
DATA PROCESSING	309,546	0	309,546		309,546
7300					
FOOD SERVICE	1,548,700	0	1,548,700		1,548,700
COMMUNITY SERVICES	143,990	0	143,990		143,990
7600					
CAPITAL IMPROVEMENT	237,601	0	237,601		237,601
8130					
DEBT SERVICE	5,046,420	0	5,046,420		5,046,420

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TOTAL EXPENDITURES	\$59,268,907	\$3,078,841	\$62,347,748	\$1,535,630	\$63,883,378
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TOTAL WITH 3% ECONOMY OF SCALE **\$62,118,270**
(APPLIES TO OPERATIONS ONLY)

=====

** Equilization Adjustments Include:*

Instruction - 45 new teachers to equalize the per pupil ratio; adds a per pupil textbook and supplies allocation to equalize these services.

Health Services - Adds one nurse.

Guidance - Adds 3 guidance.

Office of Super. - Eliminates one superintendent.

Principal's Office - Adds one athletic director.

Transportation - Includes a 10% savings.

then, resources have been provided in the pro-forma budget to equalize the curriculum, but specific distributions related to curriculum have not been determined.

Second, a per pupil adjustment was made for textbooks and supplies. The city currently spends more per pupil on these items than does the county. \$51,700 was added to equalize these expenditures. Thus, the "**Equalization Adjustments**" in the line item titled **Instruction** amount to an additional \$1,626,700.

An adjustment of \$35,000 was added under the **Health Services** line item for an additional Nurse. \$105,000 was added under the **Guidance** line item for 3 Guidance Counselors. \$100,000 was subtracted under the **Office of Superintendent** line item due to the elimination of one superintendent office under a consolidated system. \$44,000 was added under the **Principal's Office** line item for an Athletic Director. And finally, \$175,000 was subtracted under the **Transportation** line item. This represents an estimated savings of approximately 10% under a consolidated system due to new and more efficient routing of buses.

In summary, an additional \$1,535,630 will be needed in a consolidated system in order to equalize services. In total then, an additional \$4,614,471 will be needed to fund a consolidated system, resulting in a total projected expenditure of \$63,883,378.

The pro-forma budget also calculates a **Total** with a 3% economy of scale savings (calculated on operations expenditures only, not including debt service). This amounts to a \$1,765,108 savings, resulting in a **Total** of \$62,118,270. We believe these savings can be achieved due to potential economies in a number of areas. For example, items such as Data Processing, Curriculum Department, or Board of Education have not been reduced but instead have been simply combined. When a full consolidation study occurs, these and all other line items should be examined in great detail with an eye toward economy of scale savings.

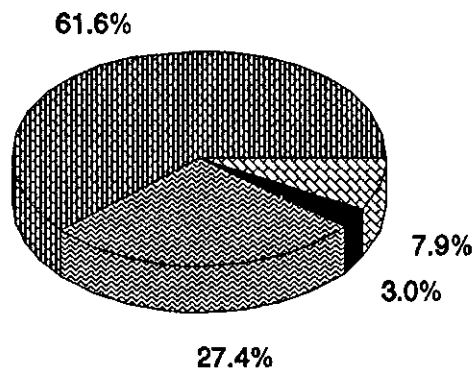
It is worthwhile to examine the expenditures of a consolidated system from a per pupil level as well. In doing so, first month 1993-94 ADA figures will be used. There will be a total of 13,899 students in the consolidated system. Based on these figures, per pupil expenditures will be (excluding debt service) \$4,233 without an economy of scale savings and \$4,106 with a 3% economy of scale savings.

Using the economy of scale figure, this is a \$322 or 7% reduction in the per pupil expenditures in the consolidated system when compared to current Johnson City Schools expenditures, and a \$601 or a 17% increase from the current Washington County level.

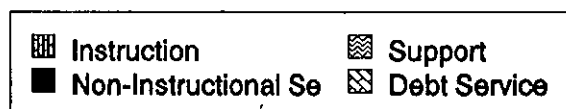
In an "equalized" system, one would think per pupil expenditures should be equal to the per pupil expenditures of the current higher system (in this case Johnson City). This is not the case. Recall that adjustments in expenditures were made for all **Instruction** line items and most **Support Services** line items. However, certain line items such as **Food Service**, **Data Processing**, and **Community Services** have not been adjusted upward. This is because these items are either unaffected by consolidation (are already at an economy of scale), are currently equal, or are "flow-through" accounts (such as **Food Processing**). In addition, recall that other items such as **Transportation** or **Office of Superintendent** have been reduced as a result of consolidation.

If calculations are made using only Instruction line items, the per pupil expenditures rise for both systems under a consolidated jurisdiction. For Johnson City - from \$2,793 per pupil to \$2,833 per pupil. For Washington County - from \$2,403 per pupil to \$2,833 per pupil. In short, under a consolidated system, a greater percentage of expenditures will be made in the line items under **Instruction** when comparing the current Johnson City levels to levels under a consolidated system. The opposite is true in the case of Washington County, where a slightly lesser percentage of expenditures will be made in items under **Instruction**. This is graphically depicted below.

Per Pupil Expenditure Distribution



Consolidated Schools



Consolidated (projected) Revenues

A pro-forma budget was developed in order to project revenues in a consolidated system.

The budget on the next page shows these projections. It has been assumed that current state revenues for both systems will not change under a consolidated system.

With regard to local source revenues, those such as local sales and business taxes will remain the same. However, a downward adjustment has been made in the revenue line item titled **Tuition** since students will no longer tuition from the county to the city. In addition, the \$4,848,000 (general transfer), \$594,000 (transportation supplement) and \$3,010,000 (debt service) payments from the city have been eliminated. It is assumed that though debt service will remain an obligation of the City of Johnson City, the new consolidated system will provide funds to the City necessary to meet these payments.

The county debt service payment of \$2,035,000 has also been eliminated, since it will now become an obligation of the consolidated system, though backed by the full faith and credit of the County. In short, the debt service payments of both the city and county will be made through property taxes levied on behalf of the consolidated school system.

Finally then, the **County Property Tax** line item has been adjusted to meet projected expenditures. This figure has been determined by taking the **Total (Expenditures) With 3% Economy of Scale** of \$62,118,270 and subtracting the sum of projected **State Revenue** of \$28,405,000 and **Local Revenue** other than property tax (which amounts to \$11,122,000). The result is a projected **County Property Tax** of \$22,591,000 under the consolidated system.

This will change the distribution of revenue sources. As previously noted, city property owners now pay \$15,342,060 for education in both the city and county. County property owners pay \$4,22,940. Under a consolidated system the distribution will be as follows:

City Property Owners Will Pay:

\$14,006,420 (which is 62% of the \$22,591,000 needed).

This is an 8% reduction in their share of the costs of education for both city and county students.

County Property Owners Will Pay:

\$8,584,589 (which is 38% of the \$22,591,000 needed).

WASHINGTON COUNTY - JOHNSON CITY SCHOOL CONSOLIDATION STUDY

(DOES NOT INCLUDE FEDERAL PROGRAMS)

	COMBINED ACTUAL	CONSOLIDATED EQUALIZED SERVICE
REVENUE- LOCAL		
COUNTY PROPERTY TAX	\$9,078	\$22,591
LOCAL SALES TAX	10,322	10,322
BUSINESS TAX	236	236
OTHER LOCAL TAX	17	17
TUITION-REGULAR	202	135
OTHER SERVICE CHARGES	94	94
INTEREST & RENTALS	178	178
MISCEL	25	25
NON REOCCURING	115	115
CITY TRANSF	4,848	0
CITY TRANSPORTATION	594	0
CITY OR CO DEBT SERV OBLIGATION	5,045	0

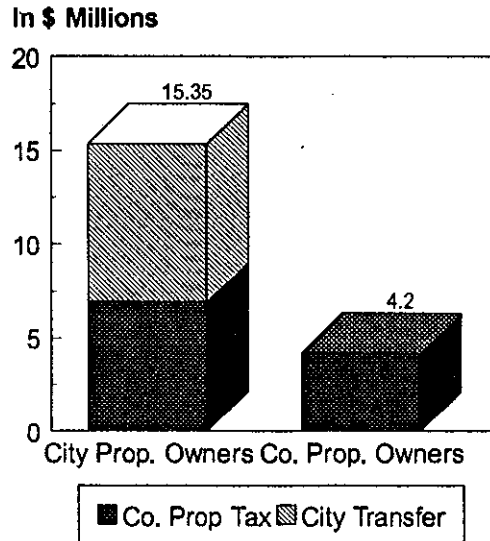
TOTAL LOCAL	\$30,754	\$33,713
 REVENUE- STATE		
BASIC ED PROGRAM	\$23,965	\$23,965
FOOD SRC (ST MTCH)	70	70
DRIVER ED	44	44
OTHER ST ED FDS	725	725
CAREER LADDER	1,112	1,112
CAREER LADDER-EXT. CONT	433	433
VOCATIONAL W/S	3	3
WORKSTUDY	4	4
MIXED DRINK TAX	64	64
JTPA	13	13
TVA REVENUE-STATE	175	175
FEDERAL FOOD SERV	1,404	1,404
OTHER FED THRU ST	131	131
INDIR COST TRANSF.	262	262

TOTAL STATE	\$28,405	\$28,405
 TOTAL REVENUE		
	-----	-----
	\$59,159	\$62,118
	=====	

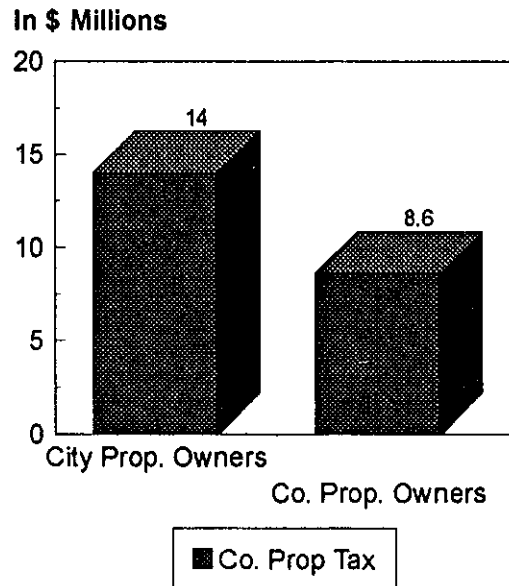
This is nearly double their current share of the costs of education for both city and county residents.

The shift in the property tax share for both city and county property owners is depicted on the chart below.

Current Cost Distribution



Consolidated Cost Distribution



SUMMARY OF THE FINDINGS IN THIS REPORT

In summary, this report finds consolidation to be a viable option for Washington County and Johnson City. It appears as though consolidation is a "win-win" proposition for both jurisdictions.

County property owners will pay more for schools, but will receive a higher level of service, including a lower teacher/pupil ratio, a greater textbook and supplies allocation per pupil, and a more diverse curriculum.

City property owners will pay less for education and students will receive a higher expenditure per pupil in areas related to instruction.

Finally, residents in both systems will benefit from economies of scale which will result from a consolidated system.

RECOMMENDATIONS

Based on this report, the following recommendations are made:

1. Decision-makers should seriously consider establishing a planning commission as defined in TCA 49-2-1201-1208.
2. Decision-makers should consider a joint workshop to debate the political and operational ramifications of consolidation.
3. Additional study must be done in a number of areas:
 - A. Facilities - This study did not examine potential savings due to facilities management. For example, Johnson City is currently considering the construction of new facilities. However, it may be that current facilities are adequate, or nearly so, but due to jurisdictional boundaries the distribution of students is skewed.
 - B. Economies of Scale - Additional study must be done, utilizing the expertise of those in the field, to pinpoint in detail those economies of scale which can be realized under a consolidated system. This should include all expenditure line items.
 - C. Curriculum and Service Equalization - Study must be done to determine the best curriculum to provide (above the *Basic Education Program*) and the level of service which will be offered for students. It must be asked, "What will be get for \$X per pupil expenditure, and what will we get for \$Y?"
 - D. Transition Period - State law provides a three-year "transition period" when moving toward consolidation. During this time, cities are authorized to contribute to the system, and salaries and benefits increases can be gradually implemented. These and other transitional items must be determined.
4. Decision-makers must seek to understand consolidation from a factual, rather than political, standpoint. Each must learn to articulate the issues with accuracy and to solicit quality information on which to develop both personal and public opinion.

APPENDIX A

1989 STUDY RESULTS

Johnson City/Washington County Joint Study

Transportation Subcommittee Report

February 21, 1989

Subcommittee Members:

Betty Staten, Chairperson

Dr. Chris Ejlali *Asst Secy. W Co.*

Vickie McGowan

Kyle Shell

REPORT OF TRANSPORTATION SUB-COMMITTEE

The transportation sub-committee has met four times since the orientation session for the committee to study Johnson City/Washington County Schools. The goal as defined by Committee Chairperson Charles Humpston (to define the situation in regard to transportation as it exists in the city and county school systems) was accepted and the members of the committee have worked diligently to represent the two transportation systems as they operate separately at the present time. It appears from statistical data gathered and attached to this report that the combined costs for transportation services for both school systems at the present time is around \$1,403,517. ~~The breakdown for city and county respectively is \$401,800 and \$1,001,717.~~ As would be expected, the major part of this cost is for salaries (\$837,663) and fringe benefits (\$171,335) for a total of \$1,008,998. The rest of the cost is for maintenance for and insurance on vehicles (\$394,519). The cost of annual planned bus replacement has not been included in these cost estimates. Based upon past replacement schedules, this would require purchase of thirteen (13) buses per year to meet State Department of Education/ State Department of Safety regulations.

The two systems together operate 136 buses on a.m. runs and 137 on p.m. runs. Both transportation systems are accommodated by staggered beginning and closing schedules in the schools. In the city, this

is done by grade level with elementary schools beginning one-half hour later than the middle and high schools. In the county, schedules are staggered by schools regardless of grade designations. Buses now run an estimated 8,305 miles per day with an average of 50 to 60 miles per bus. Average miles per day per bus in the city (41.36) is less than in the county (66.7). The county transports 7,800 students daily out of an average daily membership of 8666 or 90% of its students. The city transports 3663 students daily out of an average daily membership of 5413.10 or 68% of its students.

Open enrollment policy in the county at present results in slightly fewer students being transported since parents must transport their own children if they attend the school of their choice out of their district. Zoning is enforced in the city although the transfer for approved reasons on a space available basis allowed by policy does require such parents to provide transportation and reduces transportation only slightly. In addition, county students attending city schools by payment of tuition are not provided transportation services. City students attending county schools are transported by the county only if they come to a designated county bus stop outside the city. Eligibility for transportation in the county is determined by distance from the school to which the student is assigned while in the city, it is determined by distance of the resident from any school with elementary schools being designated as pick up points for middle and high school students.

Some difference exists in responses of the two school systems to inclement weather. City schools run buses on emergency routes when snow or ice makes it necessary to do so but schools, if open, always begin at the regularly established time. The county sometimes operates on a delayed opening schedule (one hour later) when inclement weather conditions exist.

For the last two school years because of mild winters it appears the number of days missed in the two systems because of weather has been about the same. Historically, however, the county has missed more days than the city. For example, this year (1988-89) to date the county has missed three days while the city has missed none.

The type of buses used by each system varies and this has an effect on the number of buses used and the length of time they may remain in service. Washington County buses will serve 66 students and may remain in service for twelve (12) years. Johnson City buses have a capacity of 72 elementary students or 56 secondary students and may remain in service for fifteen (15) years. Both the county and the city rotate the buses to make wear on them more equitable based upon the nature and distance of the routes.

Bus drivers in the county take buses home to accommodate efficiency

of the transportation system. Buses in the city are parked on school property (Science Hill or Liberty Bell) or at the municipal building when not in use.

A brief overview of bus routes and city/county boundaries shows that city annexation has created isolated pockets surrounded by the city but being served by the county. It is necessary for the county to run buses through the city to reach students residing in these areas. A listing of these areas is attached to this report. The city in a few instances is sending buses through areas served by the county to pick up students in newly annexed areas on the outer fringes of the city. A list of these areas accompanies this report.

Appendix

I. Isolated areas of the county which are surrounded by the city:

- A. Portion of Washington County not in the city located on the northeast of the city and going to the Carter County line

Furnace Road
Red Row
North Road
Woodlyn Road
Weaver Hollow
Pinewood Road
Dalewood Drive
Fullers Chapel Road
Roweland Drive
Hughes Street
Fairhaven Drive

- B. Portion of Washington County not in the city located to the north of the city and going to Carter County and Sullivan County lines

Cash Hollow Road
Mosier Road
McQueen Road
Miller Road
Austin Springs Road
Knob Creek Road
Pickle Road
Candle Knob Road
Riverview Drive
Heath Lane
Hamblen Lane
Lambert Road
Devault Drive
Watauga Flats Road
Cemetery Road
Hodge Road
Gibson Road

- C. Portion of Washington County outside the city located northwest of Johnson City between Highway 36 and US181

Boone Trail Subdivision
Bart Green Road
Carroll Creek Road

- D. Portion of Washington County outside the city and located southwest of the city between Cherokee school zone and the Unicoi County line

Dave Miller Road
Tom Pate Road
Shadybrook Drive
Pleasantview Drive

- E. Others

Portion of Timberlake Road
Portion of West Market Street
Portion of McKinley Road

- II. Areas where the city must go through the county service areas to pick up city students

Summerfield Subdivision
Clarke Annexation
Hale Meade Subdivision
Bowman Annexation
Daniel Boone Subdivision, Section 3
Taylor Annexation
Stuart Wood Annexation
Shearbrook Subdivision
Englewood/Ranch Road
Indian Point
Watauga Road
Steam Plant Road

Transportation Data

	<u>Washington County</u>	<u>City of Johnson City</u>	<u>Johnson City Schools</u>	<u>Total</u>
I. General Data				
A. Number of Buses				
Regular	99	23		122
Mini	12		10	22
Total	104	23	10	144
B. Daily Operation				
Number run	104 (a.m.) 104 (p.m.)	22 (a.m.) 23 (p.m.)	10 (a.m.) 10 (p.m.)	136 137
Miles run daily	6,940	850	515	8,302
Average miles/bus	66.7	37.7	52	50 to 60
Number of runs daily	164 (a.m.) 164 (p.m.)	42 (a.m.) 43 (p.m.)		
Number of students transported daily	7,800	3,500	163	11,463
Average daily membership	8,666	5,413	101.35	
% students transported	90%	67.8%		
Annual planned bus replacement	10	2 (estimated)	1	13

	<u>Washington County</u>	<u>City of Johnson City</u>	<u>Johnson City Schools</u>	<u>Total</u>
II. Salaries				
A. Average annual				
Bus Drivers				
regular	4791.36 (92)	7,569 (23)		(NA)
special ed.	5025.82 (12)		5,096.75 (10)	(NA)
Total	(104)	(23)	(10)	137
B. Payment schedule				
	\$25 per day /code 1	\$7.63-\$11.20 per hr.	\$4.45-\$5.45 per hr.	
	\$27.17 per day /code 2			
C. Total annual				
Bus Drivers	501,114	174,102	50,968	726,184
Supervisor	23,309	-0-	-0-	23,309
Mechanics	88,170	-0-	-0-	88,170
Total	612,593	174,102	50,968	837,663
III. Fringe Benefits				
A. Average Annual				
Drivers				
Regular	903	2,055.70		
special ed.	776		1,292.80	
Mechanics	2,481.71			
Supervisor	3,812.54			
B. Total Annual				
Drivers	92,421	47,283	12,928	156,632
Supervisor	3,813	-0-	-0-	3,813
Mechanics	14,889	-0-	-0-	14,889
Total	111,123	47,283	12,928	171,334
IV. Grand Total				
Personnel	612,593	174,102	50,968	726,184
Fringe Benefits	111,123	47,283	12,928	171,334
TOTAL	723,716	221,385	63,896	1,008,997

	<u>Washington County</u>	<u>City of Johnson City</u>	<u>Johnson City Schools</u>	<u>Total</u>
III. Maintenance				
A. Repair/Maintenance	1,000	62,444	4,000	67,444
B. Tires/Tubes	25,000		3,500	28,500
C. Repair parts	55,000		5,600	60,600
D. Other Supplies	2,000			2,000
E. Gasoline/Lubricants	125,000	18,975	22,000	165,975
TOTAL	208,000	81,419	35,100	324,519
IV. Other				
A. Insurance	70,000	na	na	70,000
B. Training	1,000			1,000
TOTAL	279,000	81,419	35,100	394,519
OPERATIONAL COST				
Personnel	723,716	221,385	63,896	1,008,997
Maintenance	279,000	81,419	35,100	394,519
GRAND TOTAL	1,002,716	302,804	98,996	1,404,516

Procedural Issues

Washington County

1. School Closing
in clement weather

a. Decision

Made by Superintendent after conferring with Transportation Supervisor, Highway Patrol and visually assessing the roads.

b. Operation

Schools may be on a snow schedule- one hour delay opening of school.

c. Notification

Local television and radio stations

d. Student Stops

Bus stops at specific locations, if weather prohibits transporting on ice or snow covered roads.

2. Daily Operation

a. School assignment

Bus will pick up students on their route in the assigned school zone. Open enrollment permits parents to enroll their children in another school if they provide transportation to the school or a stop in the assigned school's zone.

b. Time and Location

Driver will pick up students at an identified stop on the route which will serve the majority of the students in that area/neighborhood. The time is specified and adhered to.

c. Eligibility

Student must reside in the county and live 1 1/2 miles or more from the school. City residents attending county schools must walk to the county bus stop in their zone.

Johnson City Schools

Made by Superintendent after conferring with City Transportation director.

Schools are opened or closed - no one hour delays.

Local television and radio stations

Bus stops at specific locations, if weather prohibits transporting on ice or snow covered roads.

Bus will pick up students at specific bus stops in their assigned school zone. Middle and secondary Students living within 1 an 1/2 miles of an elementary school must walk to the school to receive transportation. Students must attend the school in their zone unless given permission by the school board/Superintendent to do otherwise.

Driver will pick up students at an identified stop at a specific time.

Student must live in the city and reside 1 1/2 miles or more from the school.

Washington County

3. Student Trips
a. Procedures

Approved trip request form must be submitted by the principal to the superintendent with adequate time allowed for consideration and approval. (7 days)

Local trips: Superintendent/ Board approval
Overnight: Superintendent/Board approval

Written Permission slips required

b. Cost

1.) Buses

\$4.00 per hr. (min. 2 hrs.)
.57 per mile

2.) Vans

Discretion of the Board of Education.

4. Food Service

Food satellited from 4 preparation centers to other schools with finishing kitchens. This requires specialized vehicles.

5. Bus

a. Type

Conventional 66 passengers

12 years

b. Life

31,000

c. cost

10 per year (average)

d. replacement

Provided by county at bus garage.

e. maintenance

Provided at gas pumps located at county schools

f. gasoline

g. storage

School year- driver's home
Bus garage--summer

Johnson City Schools

Approved trip request form must be submitted at least 7 days prior to the trip.

Local trips: Superintendent approval
Overnight: Superintendent/Board approval

Written permission slips required

\$5.50 per hr.

.51 per mile

\$2.75 for cleaning

\$4.94 per hr.

.20 per mile

Food satellited from Liberty Bell Middle School to schools with finishing kitchens. This requires specialized vehicles.

Transit 72 passengers

15 years

37,000

as need basis

Provided by city.

Provided at gas pumps at city main tenace.

Municipal building or LBM/SHHS parking lots.

JOHNSON CITY - WASHINGTON COUNTY STUDY COMMITTEE

CURRICULUM REPORT

Submitted by: Sandra Denney, Chm.
Mary Ester Council
Ruth Broyles
Ralph Shell

STUDY COMMITTEE FOR JOHNSON CITY AND WASHINGTON COUNTY SCHOOLS
2/7/89

ELEMENTARY SCHOOL CURRICULUM

JOHNSON CITY
(K thru 5)

Mathematics
Science
Social Studies
Health
Music
Art
English
Reading
Spelling
Handwriting
P. E.
Special Ed
Guidance
Library Services

WASHINGTON COUNTY
(K thru 8 depending on school)

Mathematics
Science
Social Studies
Health
Music
Art
English
Reading
Spelling
Handwriting
P. E.
Special Ed
Guidance
Library Services

MIDDLE SCHOOL CURRICULUM

JOHNSON CITY
(6 thru 8)

Language Arts
Mathematics (through Algebra I)
Science
Social Studies
Health & P.E.
Music, band, chorus, orchestra
Foreign Language
(Intro to Spanish)
Home Economics
Industrial Arts
Computer Skills
Study Skills
Special Ed
Guidance
Library Services
ALP (Alternative Learning
Program)

WASHINGTON COUNTY
(5 thru 8 depending on school)

Language Arts
Mathematics
Science
Social Studies
Health & P. E.
Music, band, chorus

Industrial Arts
Computer Skills
Study Skills
Special Ed
Guidance
Library Services

JOHNSON CITY

HIGH SCHOOL CURRICULUM

WASHINGTON COUNTY

English

Prof. English (non-credit)

English I Basic
English I Inter
English I Challenge

English II Basic
English II Inter
English II Challenge

English III Basic
English III Inter
English III Challenge

English IV Basic
English IV Inter
English IV Challenge
English IV Col Prep
Advanced Placement English

Journalism I
Journalism II
Wautaugan (Yearbook)

Appalachian Literature
The Bible as Literature
Contemporary Literature
Creative Writing
Reading
Science in Fact and Fiction
Speech/Debate/Drama

Social Studies

World History
World History Challenge

American History I (semester 1)
American History II(semester 2)
American History Basic
Adv Placement American History

Contemporary Issues

American Government

Sociology

English

English I - LA (low achieving)
English I
English I Advanced

English II - LA
English II
English II Advanced

English III - LA
English III
English III Advanced

English IV - LA
English IV
English IV Advanced

Advanced Placement English

Journalism I (Yearbook)
Journalism II (Newspaper)

Ancient Literature

Speech and Drama

Social Studies

World History

American History

Adv Placement History

Contemporary Issues Adv

Modern History

American Government/Economics

Civics

Civics Advanced

World Geography

Western Geography

Psychology

Sociology

JOHNSON CITY

Science

General Science I (1 yr course)
(Physical Science)
General Science II(1 yr course)
(Biological Science)

Biology I
Biology I Challenge
Biology II
Advanced Placement Biology II

Chemistry
Chemistry Challenge
Advanced Placement Chemistry

Physics
Advanced Placement Physics

Human Physiology

Mathematics

Prof. Math (non-credit)
Applied Math I
Applied Math II

Pre-Algebra
Algebra I
Algebra I Ext. Day
Algebra II
Algebra II Challenge

Geometry
Geometry Challenge
Advanced Math
Advanced Math Challenge
Advanced Placement Calculus
Probability & Statistics

Computer

Software Tools
BASIC
Pascal I
Pascal II
Advanced Placement Pascal

WASHINGTON COUNTY

Science

Science I
Science II
General Science

Biology I
Biology II

Chemistry I

Physics

Mathematics

Trans Math
Basic Math
General Math
Applied Math
Pre-Algebra
Algebra I
Algebra I - Acc
Algebra II

Geometry
Geometry Advanced
Advanced Math

Calculus (Daniel Boone only)

Computer

Computer Literacy
Computer Programming
BASIC Computing I

JOHNSON CITY

Foreign Languages

French I
French II
French III
French IV
French III Extended Day

German I
German II
German III
German IV
German Culture

Latin I
Latin II
Latin III
Latin IV

Spanish I
Spanish II
Spanish III
Spanish IV
Spanish I Extended Day

American Sign Language

Fine Arts

Art I
Art II
Art III

Band
Jazz Band Extended Day
Orchestra
Choir I
Choir II
Hilltop Singers
Drama
Music History
Music Theory

WASHINGTON COUNTY

Foreign Languages

French I
French II

German I
German II
German III (Daniel Boone only)

Latin I (Daniel Boone only)
Latin II (Daniel Boone only)

Spanish I
Spanish II
Spanish III

Fine Arts

Art I
Art II
Art III
Art IV
Band

Choir
Advanced Choir
Reflections, The Congregation

Music Theory
Glee Club
Photography

JOHNSON CITY

Business

Personal Typing
Typing I
General Business
Business Principles
Shorthand
Accounting I
Accounting II
Accounting III
Office Occup CVE
Marketing Ed I
Marketing Ed II CVE
VOE

Homes Economics

Cons. Homemaking I

Adult Living
Child Development
Family Living

Food and Nutrition

Housing & Interior
Textiles & Apparel

PE/Health/ROTC

Health
PE I
PE II
PE Weight Lifting
Sports Medicine
ROTC I
ROTC II
ROTC III
ROTC IV
Driver Education

WASHINGTON COUNTY

Business

Typing I
Typing II

Shorthand
Accounting I
Accounting II

VOE I & II
Business Math

Home Economics

Consumer Home Ec I
Consumer Home Ec II
Adult Living
Child Development
Family and Indep Health
Family and Parenting Educ
Personal Social and Family Rel
Nutrition and Food I
Nutrition and Food II
Housing & Interiors
Textiles & Apparel
Consumer Educ Resource Mgmt

PE/Health/ROTC

Health
PE

NJROTC Administration (Naval)
MCJROTC Administration (Marine)

Driver Education
Naval Science I
Naval Science II
Naval Science III
Naval Science IV

JOHNSON CITY

Vocational

Cosmetology 1 hr.
 Cosmetology 2 hr.
 Cosmetology 3 hr.

Mech. Drafting 1 hr.
 Mech. Drafting 2 hr.

Tech. Drafting 1 hr.
 Tech. Drafting 2 hr.

Arch. Drafting 1 hr.
 Arch. Drafting 2 hr.

Food Service 1 hr.
 Food Service 2 hr.
 Food Service CVE
 Commercial Cooking

General Shop
 Machine Shop 1 hr.
 Machine Shop 2 hr.

Welding 1 hr.
 Welding 2 hr.

WASHINGTON COUNTY

Vocational

Cosmetology I
 Cosmetology II
 Cosmetology III

Drafting I
 Drafting II
 Drafting III
 Drafting & Design

Arch. Drafting

Electricity I
 Electricity/Electronics II
 Electricity/Electronics III

Machine Shop I
 Machine Shop II
 Machine Shop III
 Welding I
 Welding II
 Welding III

Agriculture Science I
 Agriculture Science II
 Agriculture Production
 Agriculture Science I-A
 Ornamental Horticulture
 Agriculture Mechanics
 Forestry
 Marketing Education I
 Marketing Education II
 Word Processing
 Intro to Health Occupations
 Health Occupations I
 Health Occupations II
 Graphics Art I
 Graphics Art II
 Graphics Art III

JOHNSON CITY

Trade and Industry

VIP English
VIP Math

Auto Body 1 hr.
Auto Body 2 hr.

Auto Mech 1 hr.
Auto Mech 2 hr.

Building Trades 1 hr.
Building Trades 2 hr.

Co-op

Auto Body CVE
Auto Mech CVE
Building Trades CVE
Drafting CVE
Electronics CVE
Cosmetology CVE
Mach. Shop/Welding CVE

WASHINGTON COUNTY

Trade and Industry

VIP English
VIP Math

Auto Body I
Auto Body II
Auto Body III

Auto Mech I
Auto Mech II
Auto Mech III
Building Trades I
Building Trades II

Co-op

Industrial Co-op Education I
Industrial Co-op Education II

Other

Introduction to Technology
Exploring Technology
Communications and Media Tech
Materials and Processes Tech
Power, Energy and Trans

JOHNSON CITY

WASHINGTON COUNTY

Special Education

Special Education

English
Reading
Literature
Math
Science
World History
American History
Economics
Health
Self Awareness and
Communication
Family and Adult Living

Deaf Education
Language
Math
Science
Social Studies

English
Reading
Literature
Math
Science
World History
American History
Economics
Health
Self Awareness and
Communication
Family and Adult Living

Deaf Education

Blind Education
Physical Therapy
Occupational Therapy

CDC

CDC

Comprehensive Development Class

Comprehensive Development Class

Reading A
Reading B
Reading C
Math A
Math B
Math C
Communication Skills
Social Living
Shop
Occupational Home Ec.
Work

Reading

Math

Pre-Vocational Studies

Programs for At-Risk Students

Programs for At-Risk Students

Alternative Learning Program
(Middle School)

Alternative School (5 thru 12)

JTPA (Job Training Partnership
Act)

PAS (Perform, Achieve, Succeed)
(This is a program to bring
dropouts back into school.)

In-School Suspension

In-School Suspension

MINIMUM UNDERGRADUATE ADMISSIONS REQUIREMENTS
 AT UTC, UTK, AND UTM
 EFFECTIVE FALL, 1989

<u>Subject Area</u>	<u>Units Required</u>
English	4
Algebra	2
Geometry, trigonometry, advanced mathematics or calculus	1
Natural science, including at least one year of biology, chemistry, or physics	2
American history	1
European history, world history, or world geography	1
A single foreign language	2
	1

GRADING SCALES

Johnson City Schools

94 - 100 : A
 86 - 93 : B
 75 - 85 : C
 70 - 74 : D
 Below 70 : F

Washington County Schools

95 - 100 : A
 86 - 94 : B
 76 - 85 : C
 70 - 75 : D
 Below 70 : F

To: Mr. Charles Humpston, Chairman
County/City Educational Study Committee

From: Personnel Committee
Brenda Baines Robert Patton
Jodi Foran John Conley

The Personnel Subcommittee attempted to compare the Washington County and Johnson City school systems by identifying the following:

1. Personnel policies and publications
2. Personnel staffing to support the system curriculum
3. Union/management contract comparisons.

Summary

After an intensive study and evaluation, the subcommittee did not find the wide differences between the two systems that had been originally anticipated. There are some differences but there are many more close similarities between the two systems.

A. Some notable similarities were seen in:

- (1) Certificated personnel experience, degree levels and participation in the Career Ladder programs.
- (2) Personnel practices and procedures
- (3) Support for curriculum
- (4) Turn over rates
- (5) Pupil/teacher ratios.

B. Some dissimilarities were seen in:

- (1) Hiring practices
- (2) Selection of Superintendent
- (3) Number of support personnel
- (4) Contracts with WCEA vs JCEA
- (5) Salary schedules (in contracts)

Conclusion

All in all, the subcommittee feels that there are no widely divergent personnel differences (outside of the superintendent selection process) that could not be resolved by some negotiations. We were pleasantly surprised at the degree of similarity between the two systems. The University School program and status was not reviewed and will need to be included in any comprehensive study.

Discussion

The Personnel Subcommittee met a total of seven times in order to obtain, review and discuss a volume of data supplied by the Washington County and Johnson City school systems.

In our review of personnel policies, Labor/Management contracts, personnel data, etc., we found many similarities between the two systems.

The Labor/Management contracts had, obviously, many differences and different ways of saying the same things. However, it is felt that the major areas of differences would come in the areas of: grievance procedures, Section 125 salary deductions, work hours, assignments, vacancies, transfers, and reassignments, safety, discipline (student and employee), committee assignments, and pay/supplements.

In the areas of certificated personnel there were remarkable similarities in terms of experience, degrees, and Career Ladder participation. (See data sheets) The differences came in areas such as Central Office support, Non-exempt support and grievance personnel. Washington County has its own bus program with support staff.

The teacher salaries are hard to compare accurately although Johnson City has an overall higher level of pay. However, Washington County has many more pay lines meant to promote additional educational hours. (See schedule)

Pupil/teacher ratios were very similar and curriculum support was quite similar (noting that Johnson City has a wider based secondary curriculum).

Johnson City has a full time Personnel Director with a dedicated secretary while Washington County's program is divided among Central Office personnel.

Turn over rates were similar for both systems. Hiring programs were more elaborate in Johnson City but had many similarities in hiring practices were noted.

Both systems support professional growth with Johnson City having a more ~~de~~verse program.

The systems are much closer together than the members of this subcommittee ever imagined them to be.

Respectfully submitted:

Personnel Subcommittee
John Conley, Chairman

Addendum _____
 1988 Certificated Teachers
 Comparison
 Washington County vs Johnson City

Years Experience	Washington County		Johnson City		Percent Difference W.C. to J.C.
	Number	Percent	Number	Percent	
0 - 4	56	10.9	43	11.9	-1.0
5 - 9	81	15.8	73	20.3	-4.5
10 - 14	110	21.5	93	25.9	-4.4
15 - 19	116	22.7	79	22.1	+ .6
20 - 24	72	14.1	40	11.4	+2.7
25+	77	15.0	30	8.3	+6.7
Total	512		358		
<u>Degree</u>					
BA	288	56.2	191	53.3	+2.9
MA	163	31.8	141	39.3	-7.5
MA+45	50	9.8	23	6.3	+3.5
EDS	3	.6	4	1.1	- .5
EDD	8	1.6	0	0	+1.6
Total	512		358		
<u>Career Ladder</u>					
Non-Career Ladder	69	13.5	60	16.8	-3.8
Career Ladder I	382	74.6	239	66.8	+7.8
Career Ladder II	25	4.9	29	8.1	-3.2
Career Ladder III	36	7.0	30	8.3	-1.3
Total	512		358		

ADDENDUM
1988 SALARY COMPARISON (CONTRACTS)
CERTIFICATED PERSONNEL

	Johnson City	Washington County*	Difference	Washington County*A **	Difference
A) (BS) + 0	19187	18502	+ 685		
+ 1	19574	19286	+ 288		
+15	25985	22762	+3223		
+32	28094	22762	+5332		
B) (MA) + 0	20878	20523	+ 355		
+ 1	21303	21383	- 80		
+15	28359	25923	+2436		
+32	30743	25923	+4820		
C) (MA+45) + 0	21864	22494	- 630		
+ 1	22310	23354	- 1044		
+15	29807	27894	+1913		
+32	32312	27894	+4418		
		"B" Scale			
D) (EDS) + 0	22516	22900	- 384	22494	+ 22
+ 1	22977	23760	- 783	23354	- 377
+15	31440	28660	+2780	28254	+3186
+32	33347	28660	+4687	28254	+5093
E) (EDD) + 0	23766	24987	-1221	22494	+1272
+ 1	24254	25847	-1593	23354	+ 900
+18	34056	31467	+2589	28254	+5802
+32	35346	31467	+3879	28254	+7092

*Washington County has extra steps in the salary schedule as an incentive to obtain more information.

BA+15 MA+15 MA+60 MA+90
BA+30 MA+30 MA+75

Therefore, the direct comparison between Johnson City and Washington County at any level besides BS is not truly valid

**Washington County has a program to award extra hours above MA+45 only if they are in the area of current assignment. Plan A is the pay scale used if hours earned are outside of assignments.

ADDENDUM _____
 NON-EXEMPT PERSONNEL
 WASHINGTON COUNTY VS JOHNSON CITY
 1988-89

Non-Exempt Area	Washington County	Johnson City	Difference	Comments
1. Bus Drivers	92	10	+82	City runs Johnson City buses
2. Custodial Services	28	40	-12	
3. Instructional Assistants				Both systems have some contracted services
(A) Chapter I	15	40	-25	
(B) Chapter II	2	6	- 4	
(C) Special Education	20	29	- 9	
(D) Basic Skills	31	9	+22	
(E) Kindergarten	0	4	- 4	
(F) Other	0	23	-23	
4. Maintenance	23	21	+ 2	Includes 6 bus mechanics
5. Guidance	9	10	- 1	
6. Secretary & Clerical	22	30	- 8	
7. Food Service	116	60	+56	

ADDENDUM _____
 PUPIL/TEACHER RATIOS
 WASHINGTON COUNTY VS JOHNSON CITY
 1988-89

Area or Grade	Washington County	Johnson City	Comments
1) Kindergarten	27:1	24:1	State limit - 25:1
2) Elementary	23:1*	22:1*	
3) Middle School	28:1*	19:1*	
4) High School	18:1*	19:1*	

*Counting all certified staff assigned in these areas would reduce all ratios.

Washington County
Johnson City
Joint Study Committee
Report of Finance Subcommittee
January 25, 1989

Subcommittee Members:
John Joy, Chairman *sch 6d*
Martha Nan Merdith *no 50 com*
Dr. Ellis Holcombe *As 50 yr*
Gordon Bolton *with C*

SUMMARY REPORT

The purpose of the finance subcommittee is to present the financial situation of the Washington County and Johnson City School Systems. The main objective of this report is to show, in a comparative way, the sources of revenues and expenditures of the two school systems.

There was an abundance of financial data and materials available. The subcommittee soon discovered that its greatest challenge was to select the appropriate information to present to the joint committee and to develop a format in which to present the information.

As previously mentioned, the primary objective of the subcommittee is to present financial data in a simple, comparative format. In order to properly compare the financial situation of the two systems, the budgets of both systems were thoroughly reviewed. Certain accounts within the budgets were adjusted, to insure that similar items were included in both budgets.

An example of an area where the two budgets are difficult to compare is transportation. The Johnson City Schools' budget does not include amounts (revenue or expenditure) for transportation because, with the exception of Special Education, transportation is furnished by the City of Johnson City. Revenue and expense for transportation for the city schools is not a part of the city school budget. Therefore, for comparative purposes, the

transportation revenues and expenditures were "pulled" from the Washington County Schools' budget. Also, because revenue received for Food Service is basically a "flow thru" account, the Food Service account was removed from both budgets.

The obvious difference between the two systems is the appropriation of \$4.3 million from the city government to the Johnson City Schools. This computes to an amount of about \$815 per pupil in additional funds available for the city schools. The subcommittee has attempted to present figures in a way to show how the city appropriation is spent in the city schools. The bulk of the additional money (about \$562 per pupil) spent in the city schools is allocated for instructional salaries and benefits. The additional revenue allows the following advantages to the Johnson City Schools:

- (1) A higher average salary for certified personnel--see Exhibit #1
- (2) Greater employee benefits--see Exhibit #2
- (3) More teachers--a total of 109 locally funded teachers in Johnson City compared to 46 locally funded teachers in Washington County

In all categories of general expenditures--except vocational education--the Johnson City Schools spend more money per pupil than the Washington County Schools.

There is an Exhibit #3 in this report showing the average daily attendance (ADA) ratio between the two systems. These figures are

pertinent because the ADA ratio determines the local and state amounts of funding to be allocated between the two systems. Also, this report includes the Washington County Property Tax rate for the past several years as well as the current rate in Exhibit #4. This information is presented to show the allocation of county property tax revenue between the two school systems.

1988-89 Estimated Revenues and Expenditures

<u>Revenue</u>	Washington County per pupil amount (8,677 students)	Johnson City per pupil amount (5,274 students)
County Taxes	\$ 874.45	\$ 895.12
City Taxes	-0-	815.32
State Education Funds	1,125.08	1,284.89
Other Revenue	<u>109.63</u>	<u>102.67</u>
Total Revenue	\$2,109.16	\$3,098.00
<u>Expenditure</u>		
Administration	\$ 56.22	\$ 127.90
Instruction	1,490.27	1,892.29
Education for the Handicapped	127.41	278.05
Vocational Education	123.93	120.45
Operation & Maintenance of Plant	232.43	368.70
Employee Benefits	34.34	193.92
Capital Outlay	25.50	58.41
Adult Education	-0-	41.38
Other Expenditures	19.06	16.90
Total Expenditures	<u>\$2,109.16</u>	<u>\$3,098.00</u>

Expenditure Not Included Above:

Transportation	\$ 97.26	\$ 82.73
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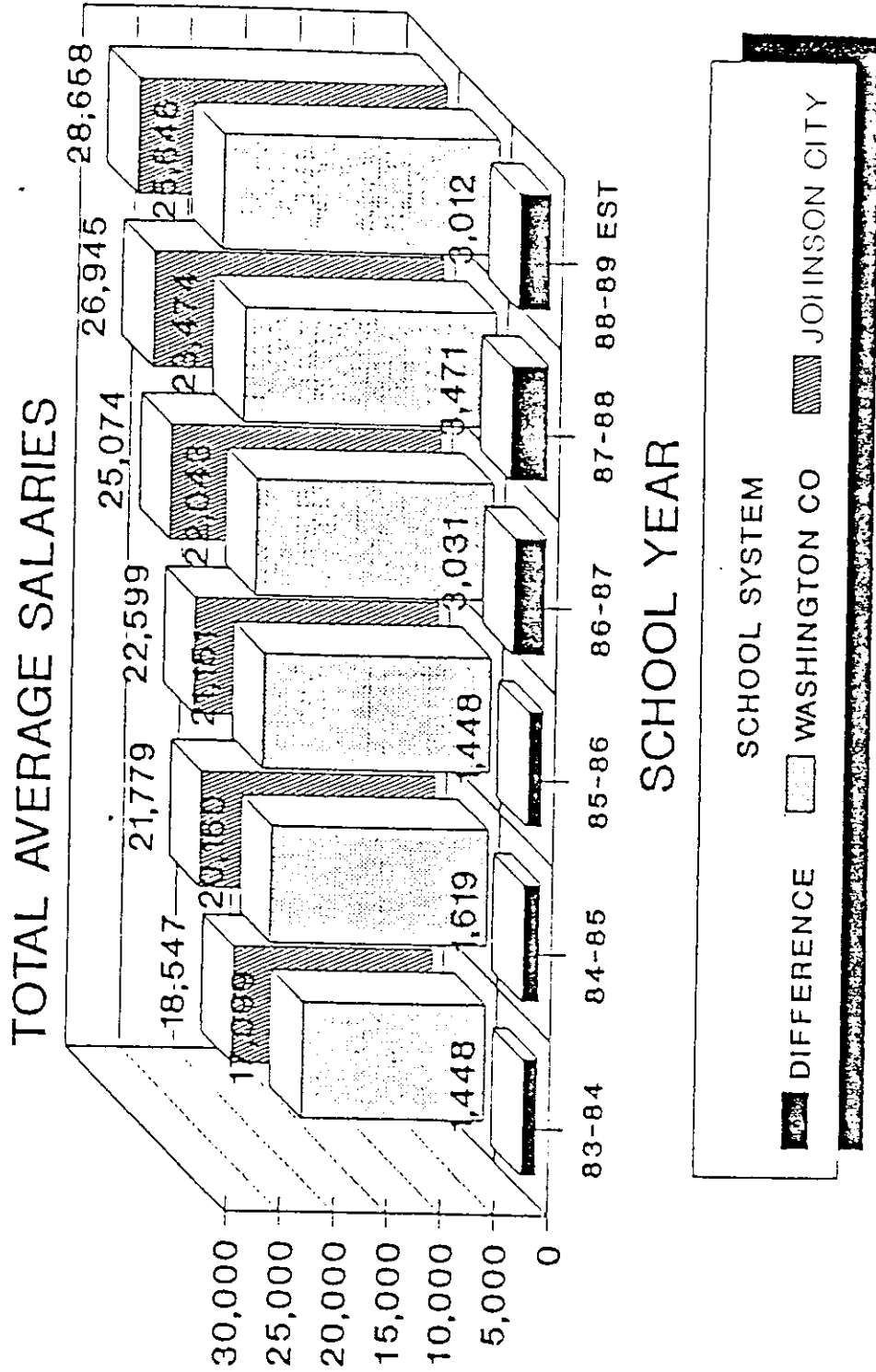
Note: The City of Johnson City furnishes transportation for the Johnson City Schools.

<u>Other Pertinent Information:</u>	<u>Washington County</u>	<u>Johnson City</u>
<u>Number of Certified Positions</u>		
State Funded	456	288
Locally Funded	46	109
Total	<u>502</u>	<u>397</u>
Student/Certified Employee Ratio	17.3:1	13.3:1

Total School Debt Service	*\$2,806,400.00	\$ 641,400.00
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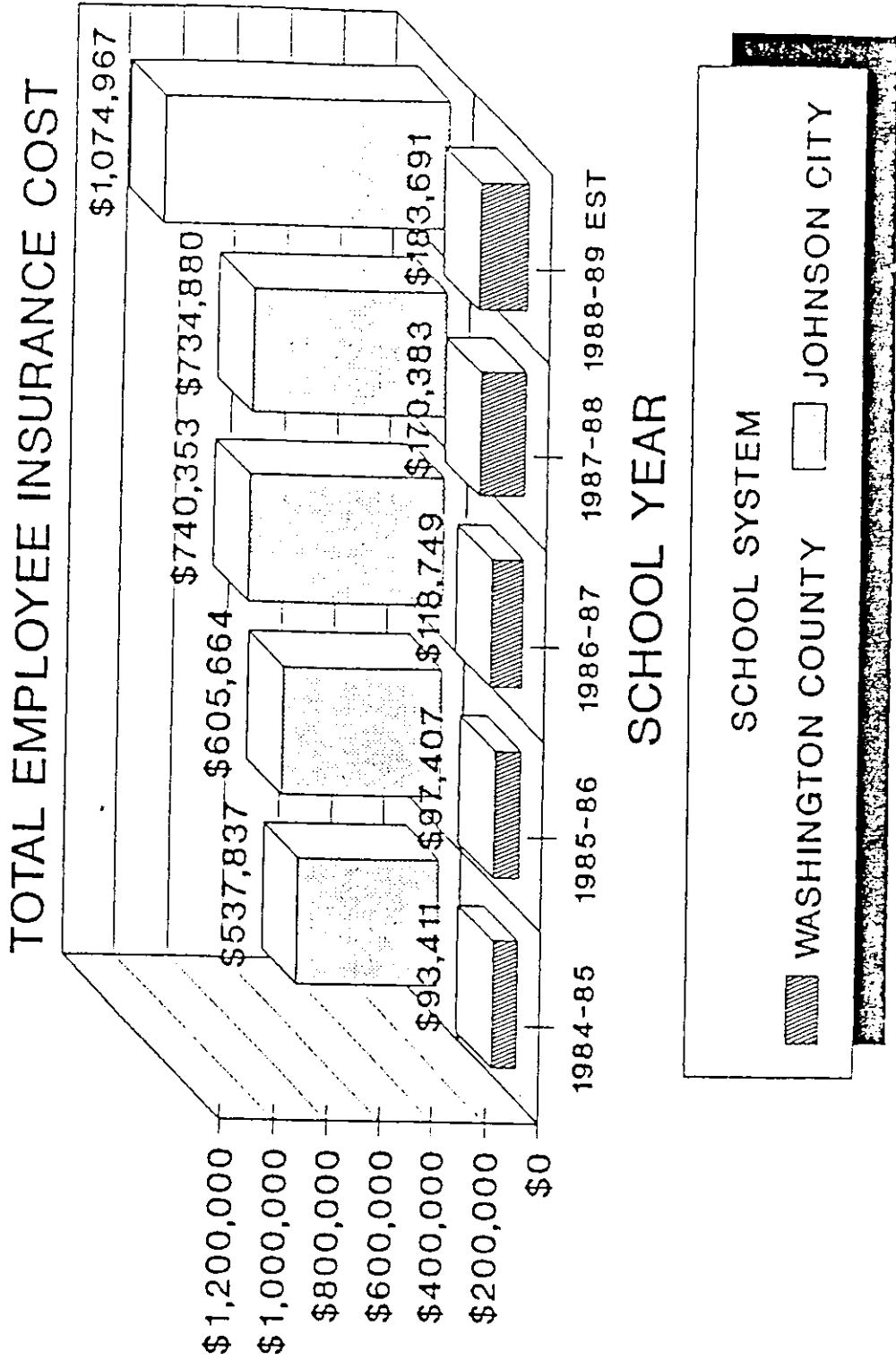
* County school debt service is on capital funds shared equitably between the county and city school system. 2:3 ratio.

AVERAGE CERTIFIED EMPLOYEE SALARY WASHINGTON CO & JOHNSON CITY SCHOOLS



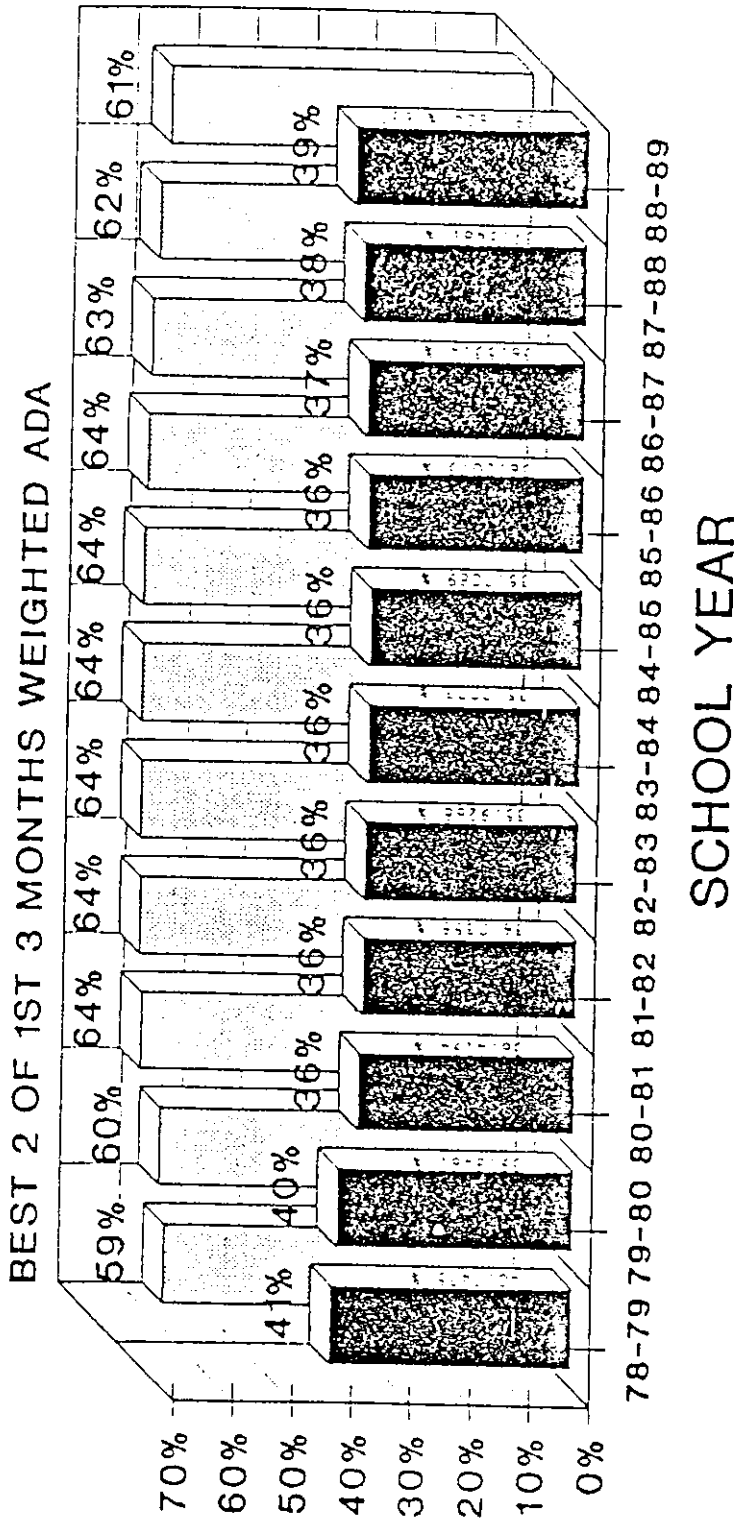
INCLUDES CAREER LADDER PAYMENT

GROUP HEALTH INSURANCE COSTS WASHINGTON CO & JOHNSON CITY SCHOOLS



HBM_01-25-89

WEIGHTED ADA RATIO TO NEAREST PER CENT CITY/COUNTY SCHOOL SYSTEMS



1% SHIFT - \$136,315

JOHNSON CITY
 WASHINGTON CO

1% CHANGE - 140 STUDENTS IN SY 88-89

Washington County Property Tax

	Total Tax	General Funds %	Roads %	Debt Service %	Schools %
1977-78	3.10	.25 (8%)	.45 (14%)	.95 (31%)	1.45 (47%)
1978-79	3.10	.25 (8%)	.45 (14%)	.95 (31%)	1.45 (47%)
1979-80	3.10	.45 (15%)	.45 (14%)	.75 (24%)	1.45 (47%)
1980-81	3.37	.64 (19%)	.56 (17%)	.72 (21%)	1.45 (43%)
1981-82	3.60	.62 (17%)	.70 (20%)	.66 (18%)	1.62 (45%)
1982-83	3.69	.70 (19%)	.71 (19%)	.66 (18%)	1.62 (44%)
*1983-84	1.97	.34 (17%)	.29 (15%)	.56 (29%)	.78 (39%)
1984-85	1.97	.35 (18%)	.29 (15%)	.55 (28%)	.78 (39%)
1985-86	1.97	.37 (19%)	.29 (15%)	.53 (27%)	.78 (39%)
1986-87	1.97	.50 (24%)	.29 (15%)	.40 (20%)	.78 (40%)
1987-88	2.58	.63 (24%)	.30 (12%)	.64 (25%)	1.01 (39%)
1988-89	2.58	.63 (24%)	.30 (12%)	.64 (25%)	1.01 (39%)

*Year of Reappraisal

Assuming Total Available Property Tax = \$14,000,000
 Each 1c Property Tax = \$ 54,264 (\$14,000,000/258)
 Total Available for Schools = \$ 5,480,664 (\$54,264 x 101)

Washington County Schools Share = \$3,337,724 (60.9% of \$5,480,664)
 Johnson City Schools Share = \$2,142,940 (39.1% of \$5,480,664)

