

Mountain Home School District No. 193

SCHOOL BOARD MEETING
OCTOBER 20, 2009
SCHOOL ADMINISTRATION OFFICE

TRUSTEES PRESENT: Chairman Alexander, Trustee House, Trustee Rodney, Trustee Reynolds, Trustee Murray

OTHERS PRESENT: Tim McMurtrey, James Gilbert, Cliff Ogborn, Sharon Whitman, Connie Donahue, Phil Raney, Albert Longhurst, Bill McCarrel, Brian English, Polly Sanders, Robin Riger, Tara and Leayssa Murray, Lawrence Enokson, M. Enokson, Jeff Johnson, Jackie Harper, Sherri Ybarra, Jim Bird, LaRhonda Binkley

At 7:30 p.m., Chairman Alexander convened the regular meeting of the Board of Trustees and called for the first item of business.

Prior to the first agenda item, Chairman Alexander notified the public that there would be an executive session at the end of the open meeting to discuss student matters regarding a possible re-admittance and early graduations requests.

- I. **ADMINISTER OATH** – Sharon Whitman. After the special board meeting of September 29, 2009, where a coin was tossed to determine the outcome of the May 19, 2009, trustee election for Zone 4 as ordered by the Honorable Judge Wetherell, and whereas the outcome determined that Mr. Murray was the elected trustee for Zone 4, Clerk Whitman administered the Trustee Oath of Office to Mr. William Murray, Zone 4, by asking him to stand and repeat the oath after her; she then congratulated him. *(The oath will be on file in the district office, with the Clerk of the Board.)*
- II. **APPROVE THE MINUTES OF THE REGULAR BOARD MEETING OF SEPTEMBER 15, 2009, AND THE SPECIAL BOARD MEETING OF SEPTEMBER 29, 2009.** Chairman Alexander called for a motion to approve the minutes of the regular board meeting of September 15, 2009, and the special board meeting of September 29, 2009. There being no comment, Trustee Rodney moved to approve the regular board meeting of September 15, 2009, and the special board meeting of September 29, 2009, with a second from Trustee Reynolds. Motion approved.
- III. **FINANCIAL REPORTS** – Cliff Ogborn. Mr. Ogborn reported on the financial statements for September 2009. The June 30, 2009, numbers are now audited. There is an audited loss for FY2009 of \$351,200 (-\$351,200), leaving the district with an overdrawn fund balance of \$152,135 (-\$152,135). The statements for September reflected a balance of \$1,064,887. Investments in the State Investment Pool are at \$1,916,507. Unobligated cash and investments are \$3,290,040 net of interfund payables. The Income Statement reflected revenue through September is \$6,351,488, including the Impact Aid dated FY2009 received in the amount of \$742,169. Expenses show salaries are at \$3,568,304 of original budget, and benefits are \$1,335,877. As of September 30, we have a net margin of revenues in excess of expenses of \$938,237. Chairman Alexander asked if we are still on a FY2010 fund balance of a minus \$569,535; Mr. Ogborn replied, “Yes, negative fund balance of -\$569,535.” Trustee House moved to approve the financial report as presented by Mr. Ogborn. Motion seconded by Trustee Rodney. Motion passed.
- IV. **CONSIDERATION OF BILLS** – Cliff Ogborn. Mr. Ogborn presented the district bills for approval. Trustee Rodney moved to authorize payment of the district’s bills as presented, with a second from Trustee House. Motion carried. *(A full and complete listing of the District’s bills may be reviewed at the District Office, Accounts Payable.)*
- V. **STAFF/STUDENT RECOGNITION** – None
- VI. **DELEGATION** – None
- VII. **PUBLIC INPUT** – None

VIII. **REPORTS –**

- A. **MOUNTAIN HOME AFB UPDATE** – Mr. Dennis Scott. Ms. Robin Riger, on behalf of Colonel Maxwell and Mr. Scott. She introduced herself as the base school liaison officer. Her job is to inform and connect military families, schools around town and surrounding areas, and the airbase together in meeting the educational needs of the military child and as a installation point of contact. She meets with counselors, principals, and bus personnel to discuss issues affecting military students and families.

IX. **UNFINISHED BUSINESS –**

- A. **MHHS BOILER RISK IMPROVEMENT** – Phil Raney. Mr. Raney reported on boiler inspection. The inspector won't take responsibility for leaks because of the state of boiler. Maintenance will inspect the boilers daily (visual) including weekends until April 30 when boiler might be shut down for the winter. Chairman Alexander asked if we needed to go out for bid for boilers and Mr. Raney said yes it would be his recommendation. Trustee House motioned for Mr. Raney to meet with the district's architect to go out for bid on the boilers. Trustee Rodney seconded the motion. Motion carried.

X. **NEW BUSINESS –**

- A. **ANNUAL AUDIT** – 2009 Eide Bailly – ~~Scott Phillips/Ben Greenwood/~~ **Kevin Smith**/Cliff Ogborn. Mr. Ogborn gave a quick brief on the audit stating at the end of the year \$317,000 was transferred from Plant Facility to offset the General Funds expense for the gym roof overbuild, and \$837,000 from Federal Forest to assist in maintenance and operations of the District. These transfers supported the revenue deficit in the General Fund and prevented a larger negative fund balance. He then introduced Mr. Kevin Smith, of Eide Bailly.

Mr. Smith reviewed the audit with the Board. He started by saying in Eide Bailly's opinion, the financial statements referred to present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the MHSD #193, as of June 30, 2009, and the respective changes in financial position.

He said part of their procedures is to audit analytical procedures. They use the budget set by the Board and Eide Bailly's expectations. The balance sheet and fixed items are tested to ensure it agrees with other source documents.

Mr. Smith reviewed the Management's Discussion and Analysis as written by Mr. Cliff Ogborn. It is a summary report of what occurred during the year and financial highlights. He recommended the Board read this letter because it states in simple terms the financial activities of district.

As mentioned, there is a new footnote that is required to be added this year, which is required to note a liability for potential retirement, other post employment benefits obligations, and liabilities that occur during the year. This adjustment equaled \$158, 547.

Eide Bailly also issued a letter to the Board talking about Eide Bailly's responsibilities as auditors, the fact they didn't have any issues with management, and included the discussion of the new disclosure item. The Financial Statements as a whole were prepared with no adjustments to the trial balance, which shows the progress management has made in the financial data, which also means the Board is getting reliable information from Cliff. There were two passed adjustments, not of a material nature, equaling about \$36,000 and have minimal affect on the income statement.

Eide Bailly didn't issue a Management Letter this year, which means the process and procedures are working and effective and the internal controls system, in place, is working. There were no Significant Deficiencies reported this year. Eide Bailly had to determine if Cliff can put together the entire audit documents and if he could not, there would be Significant Deficiencies. He said Cliff worked very hard this year to get up to speed with footnote disclosure that is required for the retirement benefits. He also helped write the footnote thus demonstrating he has the ability to put together the entire audit

document. Mr. Smith stated, "In the audit world, it is pretty rare when they don't issue that type of finding." He commended Cliff on his efforts.

Mr. Smith did mention, regarding Cliff's letter, the financial situation at the end of June 2009 was that in the general funds, the expenses exceeded revenue by about \$351,000, therefore creating a negative fund balance in the General Fund. The revenue caused this. The expense was close; it was within \$25,000 of budget. However, the revenue fell short. Reasons for this was the Emergency Levy didn't go through, the decline of enrollment, which is a reduction in federal funding, especially the Impact Aid, which can make up about 15% of our revenue. The good thing is expenses stayed where we expected them. Expenses are controlled by the Board and Administration. Revenue cannot be controlled because it is determined by enrollment.

He said in 2005, the district had a goal set of a 6% fund balance. Mr. Smith said the Board was working towards that but then something happened and it failed, so now we have a negative fund balance. He encouraged the Board to work with administration and come up with a new goal to get a recommended fund balance of 6%. The Impact Aid has a large affect in that it is a good percentage of our revenue. We need to work at getting savings put away; the savings would be our fund balance. We can consider a fund balance to equate to a personal savings account for major expenses. He recommended pushing it more than 6% and aiming for a 10% to 12% fund balance as a cushion.

The negative fund balance is detrimental to the on-going operations of the District and will need to be addressed. An adequate fund balance is essential for having sufficient cash on hand for emergencies such as replacing the gym roof or the boiler at the high school.

Chairman Alexander said the audit is pointing us in the direction of declaring a financial emergency. Maybe we need to see what amount we levy for. We have a Plant Facility election coming in May 2011 that needs to pass. Chairman Alexander said that about 20% of all school districts in Idaho have declared a financial emergency. Those that haven't have a Supplemental Levy or have already passed an Emergency Levy. Mr. Smith agreed, especially with the reduction in the state funding. Trustee House said 2011 was supposed to be worse than now. She said having a 10% to 12% fund balance would help. Chairman Alexander agreed with Mr. Smith's assessment of having a 10% to 12% fund balance, but maybe an 8% to 10% fund balance because of the financial instability, the district will need something to fall back on. Federal Forest funds are essential gone. We will have to do some long-term savings. Mr. Smith said we have to look at our expenses because the revenue isn't going to change. Chairman Alexander said we approved some expenses that we should not have approved. We will have to hold the line and restrain from hiring more people – class sizes are keeping us from receiving revenue (enrollment vs. funding). The money is just not there. We will have to make do with less just like all other industries in the country. Chairman Alexander asked if Mr. Ogborn had anything to add.

Mr. Ogborn stated he has been working with Mr. McMurtrey and Mr. Gilbert in trying to stay within the state allowance and that the district has done a great job of shuffling staff around and staying within our financial boundaries. Chairman Alexander thanked Cliff for his hard and diligent work for these many years, and how he works closely with the Board. He said the Board doesn't always listen to Mr. Ogborn's financial advice. Mr. Smith concurred and added that Cliff is very open and keeps in touch with the auditors for advice and asks questions.

Trustee House made a motion to accept the annual audit for 2009 as presented, with a second from Trustee Rodney. Motion approved. (A full and complete copy of the District's audit may be reviewed at the District Office.)

B. TRAVEL REQUEST –

1. Family, Career, Community Leaders of America (FCCLA) Regional Meeting – MHHS – Annual Cluster Meeting in Salt Lake, Utah, November 20-22, 2009 – Christy Lee/Jeff Johnson. Mr. Johnson informed the Board this trip has been cancelled due to the high cost and lack of interest
2. Trip to France – MHHS French Class/Club – Summer Trip to France, Jun 18-26, 2010 – Amanda

Leonard. Mr. Jeff Johnson, on Ms. Leonard's behalf, asked permission for the French Club to travel to France over the summer. Trustee Rodney motioned for approval of the French Club to travel to France, June 18-26, 2010, as presented by Mr. Johnson, received a second from Trustee Reynolds. Motion passed.

3. Advanced Film Production Class – MHHS – Red Rocks Film Festival, St. George, Utah, November 12-14, 2009 – Rusty Earl. Mr. Jeff Johnson, on behalf of Mr. Earl, asked permission for the Advanced Film Production Class to travel to the Red Rocks Film Festival. This class is dedicated to their craft and Mr. Earl assured the Board that all of the students' schoolwork would be completed. Chairman Alexander asked Mr. Johnson to pass along to Mr. Earl that it is always a nervous situation regarding new ideas and trips. Mr. Johnson replied this trip is voluntary and not a class requirement, but the interest is high, and the students are dedicated. Trustee Rodney motioned for approval for the Advanced Film Production Class to attend the Red Rocks Film Festival, St. George, Utah, November 12-14, 2009, as presented by Mr. Johnson. Trustee Reynolds seconded the motion. Motion passed.
4. Co-ed Cheer Team – MHHS – Jamz National School Championship – Las Vegas, Nevada, February 18-20, 2010 – Lucky Allison. Ms. Allison wasn't present so the travel request was tabled.

C. IN LIEU OF TRANSPORTATIONS REQUEST – James Gilbert. Mr. Gilbert presented transportation reimbursement requests from Kris & Greg Nitz for Jordon, 11th grade, MHHS. A motion by Trustee Rodney to approve the In Lieu of Transportation request from Kris and Greg Nitz, as presented by Mr. Gilbert, with a second by Trustee Reynolds. Motion passed.

D. POLICY ADOPTION – 1st Reading – James Gilbert. Mr. Gilbert presented the first reading of the Mountain Home School District No. 193 policy adoption Student Handbooks. This policy gives each building's student handbook more "teeth" by being approved by the Board. Trustee House said now maybe students and parents will now be aware there are student handbooks. Chairman Alexander read the policy aloud. Trustee House motioned to approve the first reading of the adoption of Student Handbooks, as presented by Mr. Gilbert. Trustee Rodney seconded the motion. Motion passed.

1. Student Handbooks

MOUNTAIN HOME SCHOOL DISTRICT NO. 193
MOUNTAIN HOME, IDAHO 83647
POLICY
STUDENT HANDBOOKS

All student handbooks are approved policy of the Board in accordance with Idaho Code 33-512(6), and MHSD Board Authority, Duties, and Responsibilities and Curriculum Materials Adoption policies, and in conjunction with MHSD School Safety and Discipline policy and the Dress Code procedure and any other relevant and related district policies and procedures. The complete student handbook for each school is on file at the district administration office and at the respective schools.

Students who violate the provisions of the applicable student handbook will be disciplined in accordance with the district policies.

LEGAL REFERENCE: Idaho Code 33-512(6)

ADOPTED:

E. POLICY REVIEW – No Changes – James Gilbert. Mr. Gilbert reported the Policy Committee reviewed and determined no changes needed to be made to MHSD's AHERA policy, Personal Leave – Certified Employee policy, Board Authority, Duties, and Responsibilities policy, Board Meeting Regulations policy, Curriculum Materials Adoption policy, Curriculum Development policy, Naming School District Facilities policy, and all the Title I policies. Trustee Rodney asked if the Board Authority, Duties, and Responsibilities policy should contain new language regarding trustee term limits and the Board Meeting Regulation policy contain new language regarding posting agendas, and addendums to agendas. Clerk Whitman agreed and asked if this policy could be tabled until next

month. Trustee Rodney concurred. Chairman Alexander asked if all the policies are tabled, Clerk Whitman stated just the two in question. Trustee Rodney motioned to approve the policy review of AHERA, Personal Leave – Certified Employee, Curriculum Materials Adoption, Curriculum Development, Naming School District Facilities, and all the Title I policies with no changes as presented by Mr. Gilbert, and table Board Authority, Duties, and Responsibilities, and Board Meeting Regulations. Trustee House seconded the motion. Motion carried.

1. AHERA Policy
2. Personal Leave Certified Employee
3. Board Authority, Duties, and Responsibilities Policy
4. Board Meeting Regulations Policy
5. Curriculum Materials Adoption
6. Curriculum Development
7. Naming School District Facilities Policy
8. Title I Policy
9. Title I Policy Parental Involvement – District
10. Title I Policy Parental Involvement – Base Primary
11. Title I Policy Parental Involvement – East Elementary
12. Title I Policy Parental Involvement – North Elementary
13. Title I Policy Parental Involvement – West Elementary
14. Title I Policy Comparability of Services

- F. PERSONNEL** – James Gilbert. Mr. Gilbert requested approval of the personnel items. Trustee Rodney motioned to approve the personnel items as presented by Mr. Gilbert, with a second from Trustee Reynolds. Motion carried.

APPOINTMENTS

Cristobal, John, 8th Grade A Girls Basketball Coach, MHJH
 Fisher, Michael D., Biology/Chemistry Teacher, MHHS
 Jewett, Tammy, 8th Grade B Girls Basketball Coach, MHJH
 Johnson, Keira C., Bus Rider, Educational Services
 King-Gunning, Kendrick, Bus Rider, Educational Services
 Knudson, Ben J., Assistant Wrestling Coach, MHJH
 Kretzmann, Jessica E., 2nd Grade Teacher, East Elementary
 Parker, Brittany, 9th Grade Head Girls Basketball Coach, MHHS

STUDENT TEACHING ASSIGNMENT

Schafer Chris P., - Boise State University – August 24, 2009 - January 15, 2010 – West Elementary

Co-operating Teacher – Amy Herrboldt – Second Grade

Schafer Chris P., - Boise State University – January 18, 2010 – May 14, 2010 – West Elementary

Co-operating Teacher – Kelly Depew – Fourth Grade

RESIGNATIONS

Barresi, Dillon, Assistant Junior Varsity Baseball Coach, MHHS
 Booth, Sharon R., Custodian, Pine School
 Greever, Janelle T., Cook II, MHHS
 Peyer, Susan K., 2nd Grade Teacher, East Elementary Effective 10/29/2009

- XI. EXECUTIVE SESSION** – Student Matters. Chairman Alexander called for a motion for the purpose of allowing the Board to retire into executive session for student matters. After a full and complete discussion and upon motion duly made by Trustee House and seconded by Trustee Rodney, the following resolution was presented:

RESOLUTION TO ADJOURN INTO EXECUTIVE SESSION

BE IT SO RESOLVED That the Board of Trustees of School District No. 193 recess from an open meeting into the following executive sessions pursuant to Section 67-2345, Idaho Code, in order to discuss student matters regarding a hearing for possible re-admission to MHSD and possible early graduation requests as authorized by Section 67-2345(1)(b), Idaho Code.

BE IT FURTHER RESOLVED That following the executive session, the Board of Trustees will convene into public session for further business or adjournment of the meeting.

Vote being had on the above and foregoing resolution, and the same having been counted and found to be as follows:

NAME OF TRUSTEES

Chairman Alexander	Aye
Trustee House	Aye
Trustee Rodney	Aye
Trustee Reynolds	Aye
Trustee Murray	Aye

And no less than two-thirds (2/3) of the membership in favor thereof, the chairman had declared said resolution adopted, and the Board recessed into executive session at 8:10 p.m. to discuss a possible re-admittance to MHSD. Others present: The attending board members, Superintendent McMurtrey, Assistant Superintendent Gilbert, Clerk Whitman, Connie Donahue, Cliff Ogborn, Mr. and Mrs. Bruno and daughter.

Following a full and complete discussion of the student re-admittance, the Board reconvened into open session at 8:17 p.m. A motion by Trustee Reynolds to re-admit (Name on File) to Mountain Home School District received a second by Trustee Rodney. Motion passed. The Board entered back into executive session at 8:19 p.m. to discuss seven early graduation requests. Others present: The attending board members, Superintendent McMurtrey, Assistant Superintendent Gilbert, Clerk Whitman, Connie Donahue, Cliff Ogborn, and Mr. Johnson.

Following a full and complete discussion of the student early graduation requests, the Board reconvened into open session at 8:30 p.m. Trustee Rodney moved to approve the early graduation requests of (Names of seven students on File), as presented by Mr. Johnson, with a second by Trustee Reynolds. Motion passed.

- XII. **ADJOURNMENT** – All business of the Board having been completed, Chairman Alexander called for a motion to adjourn. A motion from Trustee House to adjourn was seconded by Trustee Reynolds. Motion carried. Meeting adjourned at 8:31 p.m.

Chairman Alexander

Clerk Whitman