

SPECIAL BOARD MEETING
APRIL 27, 2010
DISTRICT ADMINISTRATION OFFICE

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

OTHERS PRESENT: Tim McMurtrey, James Gilbert, Connie Donahue, Cliff Ogborn, Sharon Whitman, Nikki Crusier, Stehvn Tesar, Ernie Elliott, Marsha Baker, Steven Walker, Josh Dickinson, Shannon Reed, Rebecca Feekes, Sandie Jett, Jennifer Link, Katie Mitchell, Jim Main, Cashia Brown

A special meeting of the Board of Trustees of Mountain Home School District No. 193 was convened at 7:33 p.m. on the 27th day of April 2010, for the purpose of calling for Adopting and Implementing Reduction of Compensation for Non-certified Classified and Administrative Personnel, at the District Administration Office, 470 North 3rd East, Mountain Home, Idaho, in said district, pursuant to authority provided by Section 33-510 and 67-2340 through 67-2347, Idaho Code, and pursuant to affirmation by the Clerk that notice of the special meeting had been communicated to each trustee and had been announced by written and posted public notice as required by law. A copy of the Notice of a Special Meeting of School Trustees so posted follows:

MOUNTAIN HOME SCHOOL DISTRICT NO. 193
Mountain Home, Elmore County, Idaho

NOTICE IS HEREBY GIVEN, that a special meeting of the Board of Trustees of Mountain Home School District No. 193 will be held on Tuesday, April 27, 2010, at 7:30 p.m., at the Mountain Home School District Administration Office located at 470 North 3rd East, Mountain Home, Idaho, in said District, during which the following business will be conducted:

- I. New Business –
 - A. Present District Level and Building Level Administrative Employees Recommendations – Cliff Ogborn
 - 1. Submit Due Process Waivers and Reduction in Contract Length and Salary for Administrative Employees – Tim McMurtrey
 - 2. Approval of Contracts for Administrative Personnel – Tim McMurtrey
 - B. Present Classified/Non-Certified Employee Recommendations – Cliff Ogborn
 - 1. Resolution 10-05 Adopting and Implementing Reduction of Compensation for Non-Certified – Tim McMurtrey
- II. Adjourn

This Special Meeting of the Board of Trustees of Mountain Home School District No. 193 is called pursuant to Title 33 Chapter 5, Title 33-510, 33-522, and Title 67-2340 through 67-2346, Idaho Code.

By order of the Board of Trustees on this 23rd day of April 2010.

Sharon M. Whitman, Clerk
Board of Trustees
Mountain Home School District No. 193

Prior to the first agenda item, Chairman Alexander stated there the Board would like to add Public Input as an agenda item after New Business. He then asked for motion to approve the addendum in accordance with Idaho Code 67-2343 (4)(b)(c). Trustee Reynolds called for a motioned to approve the addendum to add Public Input after New Business, with a second from Trustee House. Chairman Alexander called for a roll call vote:

Roll Call Vote as follows:

| | |
|--------------------------|--------|
| Chairman Alexander | Aye |
| Trustee House | Aye |
| Trustee Rodney | Absent |
| Trustee Reynolds..... | Aye |
| Trustee Murray..... | Aye |

and no less than two-thirds (2/3) of the membership in favor thereof, motion approved.

At 7:30 p.m., Chairman Alexander then called the special meeting of the Board of Trustees of Mountain Home School District No. 193 to order, to approve the salary reduction of the district's administrators and approve and implement the reduction of compensation for existing non-certified classified and non-certified administrative personnel for the 2010-2011 school year.

I. New Business –

- A. Present District Level and Building Level Administrative Employees Recommendations – Cliff Ogborn. Mr. Ogborn presented the district and building level administrative employees recommendations as well as the classified/non-certified personnel and administrators salary reduction. He stated administrators would have a salary reduction equal to 6.5% of the 2009-2010 school year, certified teachers will have a 4% salary cut as will classified staff. He then reviewed the proposed budget cuts.

Option A – even if the supplemental levy passes:

- * Freeze Steps and Lanes, saving \$84,689, which means teachers would not get credit for their educational increments on the pay scale.
- * Reduce the number of days “Furlough Days” we pay staff equaling a 4% salary cut for certified and classified and 6.5% for administrators, savings of \$609,119.
- * Cut \$140,000 from Maintenance supplies and professional services. This will substantially alter the appearance of our grounds and the appearance of our buildings.
- * Eliminate Administrative Professional Development, saving \$10,000.
- * Cut \$9,500 from referee stipends.
- * Will have to hold the insurance premiums the same and have to adjust insurance deductibles to offset the expected 8% increase from the healthcare industry next year. We'll have to increase the deductibles, increase the co-pays, and/or reduction the benefits to the employees.
- * Eliminated contracted Medicaid person, saving \$5,000.
- * Reduce liability insurance by cutting 5% in our premiums, saving \$5,000.
- * Reduce some activities (athletic and academic) by \$40,000.
- * Eliminate Assistant Director Maintenance position, saving \$52,480.
- * Cut a portion of the Safety Bus Route from Lemon subdivision (West Elementary) \$10,000.
- * Eliminate Recertification, which means not reimbursing teachers for their continuing education, saving \$15,000.
- * Cut 11% from substitute pay taking into consideration the amount of subs needed and possibly changing the number of hours required from ½ day to ¼ day, saving \$45,000.
- * Eliminate Natural Helpers stipend, saving \$3,600.

- * Cut 4% from extended day contracts (counselors, psychologists, librarians, etc.), saving \$3,640.
- * This is a total of \$1,033,028 dollars cut from the district's expenses.

Option B – in addition to Option A, if the supplemental levy fails and we aren't able to produce revenue:

- * Eliminate all activities (athletic and academic competition), saving \$250,000.
- * If we don't have any athletics or activities then there is no need for an Athletic Director. We can eliminate the Athletic Director position saving \$74,240.
- * Go to a 4-day school week (Tuesday through Friday), saving about \$430,000, but requires completely closing the buildings so we can reduce utilities.
- * Eliminate the custodial positions and transfer three maintenance technicians to operate out of the buildings because maintenance staff are highly trained in repairs, Asbestos, electrical, etc., saving \$134,400.
- * Eliminate all receptionists, which add a great burden to the Administrative Assistants in all of the buildings, saving \$221,747.
- * Eliminate two classified teachers in the study hall classes, saving \$42,368.
- * Eliminate all Facility Use requests or charge full fees for a savings of \$15,000; we have usually not charged any fees to certain child related organizations such as City Recreation, because we're very appreciative of the people of Mountain Home supporting the Plant Facility Elections. This now puts an added expense to these organizations or the City of Mountain Home.
- * Eliminate Parents as Teachers, saving \$20,000.
- * We're going to reassign a G/T teacher into one of the classrooms.
- * Eliminate Duty Free day stipends, saving \$10,000.
- * Cut the Academic Directors stipends (Band, Choir, Debate, Drama, etc.) since we won't have any competition for Band, Choir, Debate, etc., saving \$16,000.
- * We won't fill the empty vice principal position, putting an additional burden on the two remaining vice-principals to share their skills between three secondary schools, saving \$76,800.
- * We can reduced student contact days by 4-days equaling an additional 2% salary cut in addition to the 4% or 6.5% salary cut.
- * We'll ask Maintenance to cut another \$100,000 from supplies and services meaning that if the heat goes out, we won't be able to call for service, so if we can't fix the problem, we'll have to use wall heaters or some other compensatory form of heat.
- * The district is looking at having an all day every other day Kindergarten, saving \$5,000.
- * After all the aforementioned cuts in Option B, the district is still short \$1,050,000.
- * To make up the difference, additional salary cuts will have to be made on top of Option A and Option B of 8.5% across the board to administrative, certified, and non-certified.
- * This only equals \$2,695,555 dollars cut from the district's expenses.

Option C – if the state implements a 5% holdback, we cut an additional 5% from salaries in addition to Option A and/or Option B, or we ask the voters for permission to convert the last year of Plant Facility funds to a Maintenance and Operations (M&O) fund.

- * The problem is if we keep cutting salaries back, we run into the minimum wage requirement according to Idaho State Code of what we are required to pay certified and minimum wage for classified staff. This means we may have to adjust everyone's wages to meet Idaho Code.

Chairman Alexander asked if using Option B, would an hourly person not only take the percentage reduction in their pay; but would they also have to take an additional 20% salary reduction because they are only working 4-days a week? Mr. Ogborn said it's not as simple as

that, because the amount of hours required per day changes according to job descriptions and the requirements of the job description.

Chairman Alexander also asked about if a school day is extended does that mean a school day would be from 7:30 a.m. until 4:30 p.m. or 5:00 p.m. Mr. Ogborn replied it was very possible.

Chairman Alexander then asked would all day Kindergarten mean 7:30 a.m. until 5:00 p.m. Mr. Ogborn replied probably.

Chairman Alexander asked Superintendent McMurtrey what this does to the amount of instruction hours required by the State Department of Education (SDE). Superintendent McMurtrey replied we have to be careful and watch how many furlough days are planned because we could drop below the state required amount of instructional hours and because now this significantly reduces the amount of days a student can be absent. Chairman Alexander said we do need to be careful because it takes Board approval to waive a student's requirements should the student fall behind in attendance.

Assistant Superintendent Gilbert asked the Board if he could clarify a staffing matter. He said it has come about many times as to why this year our staffing has become such an issue. He said that over the last few years we have reduced staff to meet the requirements of the SDE, so we can't eliminate any administrative or certified positions. We are below the state authorized number of administrators and we're at the minimum required amount of certified staff authorized by the SDE. We do happen to be over in classified personnel by ten. Assistant Superintendent Gilbert also stated our district is being double hit by state funding issues as well as federal funding issues (Impact Aid), which places more burdens on us than all the other school districts.

Chairman Alexander asked Mr. Ogborn to give a quick overview as to what has happened to our federal funding. Mr. Ogborn explained that at the federal level, we had additional funding for all military connected students. There are two different kinds of students. The "A" students are those families living and working on the base; the "B" students are those families who live in town, but work on the base. We received \$3,700 per A student and \$600 per B student. For the last few years, the base has had a significant decline of student enrollment. We've gone from about 1,000 students on the base down to around 400 students. Mr. Ogborn said when the base started rebuilding base housing; families had to move into town. The government realized the financial hardship this created for the school district because we were losing \$3,200 per student who had to move into town. The government decided to privatize base housing about three years ago. There are three criteria that must be met to get Impact Aid: the housing cannot be on the list for more than three years, there has to be a plan to demolish and reconstruct that housing, and there has to be funding available. The government decided to use private contractors versus government contractors. There was then a big bid process and analysis process. We're lumped in with five other bases nationwide that are part of the bid award; bid award to a private contractor. Due to the amount of time this has taken, the houses have now dropped off the list because it's been more than three-years and the privatization hasn't been awarded, so according to the Impact Aid group, there is no funding for these houses. There should be funding once the bid is awarded, but for now there is no funding. We've lost about 350 of those students at \$3,200 per student equaling roughly over \$1 million dollars. Chairman Alexander stated that if even after the bid is awarded, we won't know exactly how much we get. Mr. Ogborn said not only will we not know how much we get, but also we also never know when we get it. It usually takes about four years to receive Impact Aid. The district recently received federal payment from 2007.

Trustee Murray asked if we eliminate a teaching position, do we lose even more money. Mr. Ogborn said yes, the state has a minimum use it or lose it stipulation with certified staff. They will

pay us less if we go under the authorized minimum. He explained how the state pays for administrative, certified, and classified staff.

1. Submit Due Process Waivers and Reduction in Contract Length and Salary for Administrative Employees – Tim McMurtrey. Superintendent McMurtrey submitted all the administrators' Due Process Waivers and Reduction in Contract Length and Salary for Administrative Employees.

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|------------------|--------------|---------|
| Erin Acarregui | Reduction of | \$3,656 |
| John Clark | Reduction of | \$3,958 |
| Nichole Cruser | Reduction of | \$4,491 |
| Connie Donahue | Reduction of | \$6,273 |
| Ernest Elliott | Reduction of | \$5,896 |
| James Gilbert | Reduction of | \$5,382 |
| Jeff Johnson | Reduction of | \$5,396 |
| Albert Longhurst | Reduction of | \$4,595 |
| Tim McMurtrey | Reduction of | \$6,373 |
| Polly Sanders | Reduction of | \$5,092 |
| Anita Straw | Reduction of | \$3,960 |
| Sherri Ybarra | Reduction of | \$4,164 |

Total Reduction \$59,236

This is the amount taken from administrators' salaries. There has been confusion and comments throughout the staff and the community that administrators weren't taking a pay cut. Superintendent McMurtrey wanted it on record that administration, which includes district administration, is taking a pay cut.

2. Approval of Contracts for Administrative Personnel – Tim McMurtrey. Superintendent McMurtrey requested approval from the Board for the waivers and new contract change reductions for Administrative Personnel. Trustee Murray stated no matter if the levy passes or not, this is the 6.5% salary reduction for administrators. Superintendent McMurtrey said the amount is even if the levy passes. If the levy doesn't pass, administrative salaries will be cut even more. Chairman Alexander stated that should the levy not pass, Mr. John Clark would no longer be the Athletic Director. Trustee Murray motioned to approve the waivers and the new contract salary reductions for administrative personnel, as presented by Mr. McMurtrey. Trustee Reynolds seconded the motion. Motion approved.

- B. Present Classified/Non-Certified Employee Recommendations – Cliff Ogborn. Mr. Ogborn had presented the classified/non-certified personnel and administrators' salary reduction information of 4% that the State Department of Education passed onto districts during the proposed budget cut briefing in agenda item I.A.

1. Resolution 10-05 Adopting and Implementing Reduction of Compensation for Non-Certified – Tim McMurtrey. Superintendent McMurtrey read aloud Resolution 10-05 Adopting and Implementing Reduction of Compensation for Existing Non-certified Classified and Non-certified Administrative Personnel for the 2010-2011 School Year. He then asked the Board for approval. Trustee House motioned for the adoption of Resolution 10-05 Adopting and Implementing Reduction of Compensation for Existing Non-certified Classified and Non-certified Administrative Personnel for the 2010-2011 School Year, with a second from Trustee Murray. Assistant Superintendent Gilbert wanted to address Resolution 10-05 and stated that all the cuts mentioned on Resolution 10-05 mirror what was briefed at the beginning 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
 Vice-Chair House Aye
 Trustee Rodney Absent
 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.

**MOUNTAIN HOME SCHOOL DISTRICT NO. 193
 MOUNTAIN HOME, IDAHO**

**RESOLUTION 10-05 ADOPTING AND IMPLEMENTING REDUCTION OF COMPENSATION FOR
 EXISTING NON-CERTIFICATED CLASSIFIED AND NON-CERTIFICATED ADMINISTRATIVE
 PERSONNEL FOR THE 2010-2011 SCHOOL YEAR**

Whereas, the 2010 Legislature of the state of Idaho has reduced the District's salary apportionment for non-certificated personnel for the 2010-2011 school year; and

Whereas, all non-certificated employee compensation costs, beyond those reimbursed by the state of Idaho, will have to be borne by the District's "discretionary" funds; and

Whereas, costs associated with insurance benefits for all District personnel are strictly and solely borne through the District's "discretionary" funds; and

Whereas, the 2010 Legislature of the state of Idaho has taken other action relating to the overall financing of school districts that will negatively impact upon the "discretionary" funds available to the District to provide for employee compensation; and

Whereas, multiple sources have advised the District of the potential for a mid-year holdback or reduction in state funding apportionment for all Idaho Public School Districts; and

Whereas, the District, to the extent possible, seeks to continue to employ non-certificated personnel in the same numbers and in the same positions as are currently employed so as to prevent any negative impact upon the quality of the education provided to District students; and

Whereas, the Board must address and reduce the compensation received by all non-certificated personnel employed by the District in order to meet budgetary constraints; and

Whereas, the Board has put into place a process for the possible reduction in compensation and benefits for all certificated teaching personnel and administrative personnel employed by the District, though such possible reduction must be done through different statutory proceedings; and

Whereas, the District's administration has engaged with the Board in an extensive review and analysis of various options associated with personnel compensation and having received a recommendation from the District's administration relative to the compensation of non-certificated personnel for the 2010-11 school year;

NOW THEREFORE BE IT RESOLVED that the Board of Trustees of Mountain Home School District therefore, by this motion, effectively reduces the 2010-2011 compensation of all District non-certificated personnel four (4%) percent from that which was non-certificated classified and non-certificated administrative personnel were paid during the 2009-2010 school year.

FUTHER BE IT RESOLVED that should the State Department of Education implement an additional five (5%) percent hold back, the Board of Trustees of Mountain Home School District effectively reduces the 2010-2011 compensation of all District non-certificated personnel nine (9%) percent from that which was non-certificated classified and non-certificated administrative personnel were paid during the 2009-2010 school year.

FURTHER BE IT RESOLVED that should the Supplemental Levy Election, of May 27, 2010, fail, the Board of Trustees of Mountain Home School District, by this motion, effectively reduces the 2010-2011 compensation of all District non-certificated personnel fourteen (14%) percent from that which was non-certificated classified and non-certificated administrative personnel were paid during the 2009-2010 school year.

FURTHER BE IT RESOLVED that should the State Department of Education implement an additional five (5%) percent hold back, and should the Supplemental Levy Election fail, the Board of Trustees of Mountain Home School District effectively reduces the 2010-2011 compensation of all District non-certificated personnel nineteen (19%) percent from that which was non-certificated classified and non-certificated administrative personnel were paid during the 2009-2010 school year.

FURTHER BE IT RESOLVED that the Board of Trustees of the Mountain Home School District directs the Superintendent and the Administrative personnel of the District to likewise address a reduction in the length of employment dependent upon the number of days assigned to each particular district-defined job description obligation of the classified employees of the District for the 2010-2011 school year, with corresponding overall compensation reduction. If necessary to effectuate this reduction, the Superintendent is directed to bring amended job descriptions for such employees back to the Board for review and approval.

FURTHER BE IT RESOLVED that the Board of Trustees directs the Human Resources Department of the Mountain Home School District to notify all non-certificated personnel of the reduction in compensation for the 2010-2011 school year, indicating that such reduction will reduce their individual compensation for the 2010-2011 school year.

Passed and approved this 27th day of April 2010.

Chairman Alexander

Vice-Chairman House

Trustee Rodney

Trustee Reynolds

Sharon M. Whitman, Clerk

- II. Public Input – Chairman Alexander stated we, the Board, aren't happy with any of this. This is not unique to Mountain Home. We need to come together and lean on each other and support each other. Your vote is important and your opinion is important. Trustee House said Mountain Home's economy is on the decline and if we have to go to Option B, one can only imagine what happens to the town's economy if teachers don't have the money to shop or they have to move and sell their homes; all businesses in the community would be affected. Chairman Alexander then asked those present to come forward if they have any comments or questions. He did ask them to be respectful of the person(s) speaking. He said these are difficult times for everyone and difficult times for all school districts in Idaho. Chairman Alexander reminded everyone to pick a copy of the Budget Cut Options.
1. Ernie Elliott – Mr. Elliott, principal of Base Primary, said he is on his 20th year in Mountain Home and all six of his kids graduated from Mountain Home. Mr. Elliot went on to say he has seen the metamorphosis of what has happened to this school district. The first thing he wanted to

do is thank the school board and he said he has really appreciated everything the school board has done for this school district. He said that if we go in and start eliminating teacher positions we not only reduce the amount of money the state gives us, we also increase the student load on the remaining teachers. Mr. Elliott is concerned that it has been so hugely difficult to get the message out to the patrons of what we're doing and why it needs to be done. He doesn't want to count on the bloggers to get the message out and he feels that only a small percentage of the community takes the local paper. Mr. Elliott said he doesn't know what the right answer is and volunteered to help get the word out. All of his kids went through the Mountain Home Schools, went on to college, and now have good jobs. He said all of his kids have told him they have wonderful memories of school in Mountain Home. He's also been around long enough to see the decline in Glens Ferry and doesn't want that to happen to Mountain Home.

Chairman Alexander thanked Mr. Elliott for everything he and the other teachers do for the district. He said we have alluded to discussing that if we have to go to Option B and/or C, we could quit watering lawns and let them dry up and have everything go brown; we could shut all the facilities and only use them for classroom time; assuming we emerge from this down the road, how do we put everything back. Chairman Alexander feels the Board has an obligation to make teachers' salaries whole again before anything else. After the employees have been made whole, do we then hire the classified back, or do we start bringing sports back; once we start losing things like sports, it might be a few years before the district sees another football game again. He doesn't want people to think that it will only take one year to bring things back. It will take a long time to make things whole. He continued explaining what to expect when trying to make things better. Trustee House also conveyed her concern that patrons don't understand the amount of time it will take to fix everything. She said it would take more than school employees to fix the problem. We need the community support. Mr. Elliott ended by stating we have wonderful people doing great things with kids. He appreciates the leadership.

2. Steven Walker – Mr. Walker approached the Board. He said he is retired military and also works in the medical field. He and his wife opened a business in town because they like Mountain Home. Mr. Walker said he recently took an 8.5% pay cut and his wife lost her part-time job. He said they still have their business. He did say he wanted the Board to understand the community is going through the same thing. Mr. Walker said the problem the Board is having with the levy is the past history of bond elections and such. The community has a history of being taxed by such things as the WECRD and having nothing to show for it. He also asked when the Board has an incident such as the recent one at the junior high with the principal, did the Board even considered saying, "hey...these are the accusations and we're putting you on administrative leave right now, and if they [accusations] are true, then you need to resign now and save the state and the district a lot of money?" versus just taking time and collecting a paycheck. The Board stated that it had been mentioned. Mr. Walker said that nothing was put out for the public and when he resigned before the beginning of a board meeting, it made him look guilty of all accusations. Trustee House said the Board had the hearing as soon as we possible could but Idaho Code has to be followed and he is allowed "due process" as required by Idaho State Code. Mr. Walker said he understood.

Mr. Walker said that he's not completely against voting yes on the levy and that he's an active parent who goes to the schools, pays money for activities, participates in carwashes and such, attends games, etc. He went on to say another thing was that along with the appearance of corruption and wasting money, was the land issue. He said he read the minutes of April 13, and the Board voted unanimously not to sell the land; he did see where it was mentioned to get the land appraised. Trustee Murray said that was misinterpreted, because he himself also read the minutes. Trustee Murray said the comment was along the line of they were also tax payers and do they just throw the property away, just give it away, or do we have the land appraised and put it up for auction, or sell it for the appraised value. Mr. Walker said he was a property owner and you [Board] show the appearance that you [Board] have land that you're not doing anything with, but

you're telling the community that you're trying to meet them halfway.

Mr. Walker then told Mr. Ogborn he liked the itemized budget cut option sheet. He then said if the Board would publish an itemized list such as what was present during tonight's meeting but showing how the money was going to be used and state it will be used for such things as fixing a facility, money towards events, or this amount goes towards teachers' salaries, "instead of just putting it in some slush fund and going out and partying." The Board stated they do not have a slush fund. Mr. Walker said you're asking us for money and not telling us what it is used for. We [public] want to know if it's going towards salaries, facilities, textbooks, etc., and how much of it is going for those items.

Chairman Alexander said he wanted to clarify what Mr. Walker said about the land. He said he was the one who said it's not worth selling the property if we can't get what its worth. His point was if the Board auctioned the property and there was only one bidder, and that bidder offered \$1.00, does the Board really want to sell for a dollar. We [Board] have to be careful because we have to follow Idaho Code. That's why we have to deal from knowledge. Even if you think people aren't buying property down here, they are up there; the other Board members stated that the buyers weren't even local residents. Mr. Walker said that's not what it looked like in the minutes of April 13. Chairman Alexander said the land is going on the market once we get the land appraised. He said the district has three parcels; we have the parcel that the Church of the Wildwood is on, the Atlanta parcel, and one acre on Simco Road. Mr. Walker stated then the minutes on April 13 are misleading because it states Pine property. Assistant Superintendent Gilbert stated to Mr. Walker that the board minutes are just that, the minutes and not a complete transcript of the discussion of the meeting or of the conversations. Mr. Walker said, "Well it's misleading." He said this is public record and we [Board] need to fix the misleading information if we want to get a yes vote.

Mr. Walker went on to say that it starts at the top with the federal government, the state, the county, the city, and the school and that we have the era of corruption and bailouts, and the government keeps asking the people for more money, and the Board can't just say the money is for the children. The Board needs to give a list of how the money is spent. Trustee House said she is going to say right now that we [Board] are not corrupt, she has been a trustee for many years and has not been opposed for all of these years, it's a non-paying position, and if anyone would like to step up they may, and they have had many opportunities to do so, but she remains unopposed. Trustee Reynolds said everyone assumes, but never bother to call and found out the information. Mr. Walker stated he read the minutes and it said the Board wasn't going to sell the land...he never assumed and just read what was the Board's meeting minutes. Chairman Alexander said he thought they had discussed selling the properties. Clerk Whitman said it was part of the conversation, but the minutes only say to have the properties appraised. Trustee Murray said to Mr. Walker that included in that conversation was what would happened to Pine property because we don't own it, the Forest Service does, and if the Forest Service asks for the land back, what do we have to fall back on, nothing, and what happens to the tax base.

Mr. Walker said the school board hasn't done a good job of educating the public. Trustee Murray then asked Mr. Walker for a suggestion on how to educate the public, followed by Trustee Reynolds. Mr. Walker said the Board gave us a list of what will be cut, but the public didn't get a list of how the money would be spent. Chairman Alexander asked a woman in the audience if she understood the budget cut option sheet, she said yes, but that she was a teacher. Another woman said there had been a public meeting a couple of months ago where all of this information was listed. The audience commented positively on the public meeting. Further discussion ensued regarding line items. Assistant Superintendent Gilbert said he could make things easy for Mr. Walker and the public because about 86-88% of any school district's budget goes towards salaries and benefits. Mr. Walker said put that in the paper for the public to see. Chairman Alexander and

the other Trustees stated they thought it was in the newspaper. Assistant Superintendent Gilbert stated Mountain Home News has published such information and it has been on our website. Chairman Alexander mentioned that the budget cut options would be in the Mountain Home News tomorrow. Trustee House said the Mr. Walker if he knows of people who have concerns to have them contact the school district. She said the district has all kinds of financial documents for people to see and that Mr. Ogborn is always willing to explain them. The district has nothing to hide, it's all public record, but it would cost thousands of dollars to keep printing them all up.

Chairman Alexander said that he knew it sounded like the Board was being argumentative, but what the audience was hearing was the Board's frustration because the information is out there all the time and is always available for review. Chairman Alexander said the bloggers don't always get the information correct even having read the articles in the paper. There are those that will always vote no, no matter the issue.

Mr. Walker asked what the district is going to do if after two years the district needs more money. Trustee House said we'd ask the community to pass another supplemental. Mr. Walker continued about not listing how the levy money would be spent and what actions the Board would take in two years. Mr. Walker said list how the district will spend the levy money, will it be on administrators' salaries or will it be spent on teachers' salaries. Assistant Superintendent Gilbert said to Mr. Walker the levy money will be spent on everything in the pink section on the budget cut options list. Again, Mr. Walker said he wasn't completely against the levy, but wanted to know how his money would be spent. The Board said they understood what he was saying.

Chairman Alexander went on to say this is just his speculation, but as everyone knows a few years ago legislature eliminated all M&O taxes coming out of property taxes. He said of course this is an election year so no legislator is going to propose adding any taxes, but that he wouldn't be surprised to see the legislature re-implement the M&O tax next year. Chairman Alexander mentioned that if that happens, the district might not have to do any of this. A short discussion started about how to get people to vote. Chairman Alexander said he appreciated Mr. Walker's comments.

Questions came from the audience such as how many voters can we expect to come and the answer was we don't know; we'll have a polling place in all of the town schools, not Pine or the airbase, but we expect more than our normal school election. Voters may also vote absentee if they wish. Someone asked who could vote and the answer was any Idaho resident who is a registered voter, 18-years or older, and living within the Mountain Home School District for at least 30-days may vote; as well as register to vote on Election Day. Someone asked if people out of the city limits can vote and the answer was yes, as long as there are residents of the Mountain Home School District, meaning no one from Bruneau, Glens Ferry, Grand View, King Hill, Hammett, Prairie, and some other small communities may not vote in this election.

3. Tracy Lauric – stated that as a taxpayer she doesn't like the feeling of being shamed into voting for this. She said, "The history of this town is that school administrators make a great deal more money than the average income for our community – whether it's warranted or not or whatever." She said a lot of them [community] have college educations and don't make near that amount of money, and they have to commute to Boise to make ¼ of that. She claimed she herself took a 23% straight across the board pay cut. She also claimed she no longer has health insurance or profit sharing, but her food bill is the same, and gas is higher. Trustee House asked what she did for a living; Ms. Lauric stated she was a paralegal. She said she doesn't like sitting before this Board and being shamed into something or being told she has to vote on something because the "world is coming to an end." Chairman Alexander asked her how she would prefer the Board ask. She said she would prefer that quite frankly the Board go to the public and ask for it. The Board asked her, "What do you think we are doing?" She said the Board isn't asking, the Board is shaming people

into thinking. Chairman Alexander said that if Ms Lauric thinks presenting facts is shaming someone then he doesn't understand what she was talking about, because the Board is not going to tell people we have a bunch of money when we don't. He said to Ms. Lauric that if that is shaming you, then he apologizes, but that is the truth and that is a fact. He said if the state cuts us \$2.8 million dollars, did she want the Board to tell the public that the state didn't cut us \$2.8 million dollars, and that everything is fine but just vote for it because it would be fun. Ms. Lauric said, "She was perfectly aware of all of the facts and what the school district is going through – thank you." She said she was also up on the facts when the public was being sold a Bill of Goods on the bond issue. Ms. Lauric said everybody is facing hard times, and everyone is facing pay cuts, and it isn't a matter of what we want to pay for, but what we're able to pay for. Trustee House said it's only going to worse if this many people in the school district face hardships and take huge pay cuts, what happens to Mountain Home. Chairman Alexander appreciated the fact of what she was saying, and that everyone in the community was taking a hit, and some are really going to be hurt if they have another tax put upon them; they themselves will have to make that personal decision on how to vote. Ms. Lauric said the district was making it sound like is a simple \$20 a month. Chairman Alexander said if he was being dishonest in anyway, he was sure someone would let him know, but he has nothing to gain by feeding anyone a Bill of Goods. Trustee Murray said the Board had many discussion on how the Board should propose this levy, does the Board present Option B only and say if the levy doesn't pass this will happen, or do we present the cuts the district will implement now, and what will have to be cut if the levy doesn't pass. He said the Board decided the best way to go was to present what the district has cut and then let the public know what other cuts will occur should the levy fail. Trustee Murray stated the district and Board have asked and now by presenting the three budget cut options, gives the public an idea of what will happen to the district should the levy fail. He said he has a daughter in the district and doesn't want to see anything cut.

Trustee Murray stated the Board had to tell administrators and teachers this was what was coming and what was on the chopping block first. Chairman Alexander said we have to present the listing of cuts according to Idaho Law. He said we have to present the best case and the worst case scenarios, but this is the truth and would happen. Ms. Lauric said she read the minutes regarding the land and she said that maybe it was going to be appraised, but the minutes said everyone voted not to sell it. Trustee House stated that we just explained that. Ms Lauric said everyone who is a property owner is going to be affect by the base realignment and is going to take a hit, so if it's good enough for the taxpayer then it's good enough for the school district. Trustee Murray mentioned to Ms. Lauric the school district isn't just the "school district" but it is the taxpayers, and would she as a taxpayer be happy to just raffle off or auction off the properties. Ms. Lauric's response was she would be happy for the Board to get rid of all the "dead weight" before they reach into her pockets and ask her for more money.

Ms. Lauric stated she already works two jobs and is she supposed to get a third because of the \$20 increase. Trustee House explained to Ms. Lauric that many people in town have two jobs. Trustee House said that she didn't quite understand where Ms. Lauric was coming from, but she thinks a lot of Ms. Lauric's concerns need to go back to the state level and asked if Ms. Lauric had said anything to anyone at the state level about gutting education. Ms. Lauric responded by saying she talks to a lot of people.

Trustee Murray again mentioned about the properties would be sold after the Board gets the appraisals. Chairman Alexander thanked her for her input.

Chairman Alexander asked if there was anyone else who would like to come forward, there was no response. He then told the audience to feel free to call or write letters.

III. Adjourn – All business of the Board having been completed, Chairman Alexander asked for a motion

8321

to adjourn. A motion by Trustee Murray to adjourn was seconded by Trustee Reynolds. Motion approved. The meeting adjourned at 8:44 p.m.

Chairman Alexander

Clerk Whitman