

**MINUTES OF THE BOARD OF TRUSTEES
SPECIAL MEETING/WORK SESSION
Pocatello/Chubbuck School District No. 25
Tuesday, December 11, 2012
Board Room at the Education Service Center
8:30 a.m.**

BOARD MEMBERS/SUPERINTENDENT PRESENT:

Janie Gebhardt, Chair	Jim Facer, Asst. Treasurer
John Sargent, Vice Chair (Excused at 9:51 a.m.)	Paul Vitale, Member
Jackie Cranor, Clerk	Mary M. Vagner, Superintendent

A Special Meeting/Work Session of the Board of Trustees of Pocatello/Chubbuck School District No. 25 was held on Tuesday, December 11, 2012, at 8:30 a.m. in the Board Room at the Education Service Center, 3115 Pole Line Road, Pocatello, Idaho, as provided in Section 33-510, Idaho Code;

Convene Work Session

Chair Gebhardt convened the Work Session at 8:34 a.m. She reviewed the agenda and the addendum and said the Special Meeting/Work Session was for the purpose of the administration discussing with the Board the topics outlined in the agenda. She said the topic regarding Holt Arena was not to discuss the pros and cons of remaining in the Holt Arena but was an annual revenue and expenditure report for the Board's information.

- 1. Head Start Training**
- 2. CIP Committee Update**
- 3. Holt Arena Revenue/Expenditure Report**
- 4. Student Dress Code**
- 5. Classified Salary Schedule to Market**
- 6. Supplemental Levy Amount**
- 7. Public Comment**

Board Protocols for Public Comment will be followed at all Board Meetings. Patrons wishing to address the Board will fill out Form AD 2 – Request to Appear before the Board and present it to the Board Chair or Board Secretary prior to the meeting. Because of the diversity of issues, members of the Board may not respond to delegations. Instead, issues are recorded and referred to the proper staff member for follow-up. The Board is informed of these efforts by the staff member responding to concerns.

Board Operating Principles #22 & 23:

22) The Board will follow the chain of command referring others to present their issues, problems, or proposals to the person who can properly and expeditiously address the issues; **23)** Board members will refrain from communications which create conditions of bias should a problem or complaint become the subject matter of a hearing before the Board.

- 8. Adjourn**

Head Start Training

Ms. Vagner introduced Ms. Young and Ms. White. Ms. Young said the Head Start program required annual training for the School Board as the governing body. She said she and Ms. White would provide information relative to the duties and responsibilities of the Board. She said the roles and responsibilities were included in the addendum. Ms. White reviewed Appendix A – Roles and Responsibilities. She reviewed the organizational chart which listed the local Head Start staff. She reviewed the Head Start Policy Governance 22. She said the policies were posted on the Head Start website which outlined the vision, mission and goals of the Head Start program and the responsibilities. She said included in the packet was a handout that was pulled directly from the Head Start Act of 2007 which was the last time it was reauthorized. She said the Act outlined the most current guidelines on roles. She reviewed the portions that applied to the School Board. Ms. Young said the documents helped the Board to have a clear idea of their role and were in line the state's early learning guidelines. She said the guidelines the program had to follow were extensive and were aligned to the Common Core State Standards. She said the Idaho's learning guidelines had been crossed-walked with the early development framework. She reviewed the early learning wheel that outlined the framework. She said data was aggregated, assessed and

analyzed by teachers and the administrative team and then a budget was assigned to make improvements. She said the school readiness plan was included in the packet. She said the goals were aligned with the guidelines, framework and TIA. She said Head Start collaborated with the School District to align the curriculum to TIA. She said Head Start was a serious program to prepare children for school. She said there were currently 132 children on the waiting list. She said the philosophy of the program was that children are ready to enter school, families are ready for children to enter school and schools are ready to receive children. She said the staff worked intently with families and the goals were focused on helping families to help children in the home. She said they also helped families to set goals of their own. She said the last goal of the program was to enhance through the data driven paradigm. She said data driven decision making was the way of the future. She said the staff was learning how to create a plan to use the data. She said the goal was to ensure that decisions were made based on school readiness. She thanked Ms. Gebhardt and Ms. Cranor for their preparation for the federal review and appreciated the amount of time and work that went into it.

CIP Committee Update

Mr. Reed said the CIP Committee had one meeting so far this year. He said a lot of planning had taken place and the committee went through the five year replacement schedule. He said the committee was only \$200,000 away from balancing the budget with upcoming projects. He said it was still a significant amount. He said much of the technology needs were being driven from the Ed Center. He said the District opted to go with a VOIP phone system that used the internet to communicate when it constructed the New Horizon Center. He said the Education Center would be converted to a VOIP system in order to be the hub for all VOIP systems in the future. He said Alameda Middle School would be brought online with the system when it opened next year. He said one of the critical factors in the decision to move to a VOIP system was to have backup power during outages. He said currently other schools were dead in the water until the Education Center was up and running. He said some of the major improvements included things like roofing. He said only one-fifth of Century High School had been reroofed since it opened twelve years ago. He said many areas of the roof were beginning to leak. He said carpeting was another major improvement needed in many schools. He said asphalt, concrete, heating, ventilation and AC were also needed. He said the full CIP Plan would be presented to the Board in January. He said Mr. Facer was a valuable asset to the committee.

Holt Arena Revenue/Expenditure Report

Ms. Vagner said that when the District went through budget reductions two years ago the Board directed that an annual revenue and expenditure report be brought to the Board for review. She said it was no different from any other budget report and was intended to provide information timely to the end of the football season and was not relative to any facility issue. Mr. Devine said included in the packet was information relative to revenue collected from gate receipts and expenditures for the use of Holt Arena. He said the data from the year before did not include additional costs per school. He said data was broken down by the date. He said the report showed net ticket sales by date. He said the cost to use Holt Arena consumed over half of the revenue earned. He said the report did not include concession numbers as it was not shared revenue. He said every other 4A high school charged only \$5 while the District charged \$8. He said each of them averaged a net profit of about \$5,300 per game. Ms. Gebhardt asked why there was a difference between Century High School and the other two high schools. Mr. Devine said it was due to the double header between Highland and Pocatello High Schools. Ms. Cranor asked why the net revenue was \$14,000 less this year. Ms. Vagner said two years ago the District decided to increase ticket costs and ISU charged an additional dollar regardless of any courtesy pass. She said the facility issue would be discussed as part of the CIP plan.

Student Dress Code

Mr. Devine said included in the packet were dress code standards and posters that were being displayed in offices and hallways. He said the language from the High School Handbook was also included. Ms. Cranor asked how well the hat policy was enforced. Mr. Devine said he had not had any reports about the hat policy not being enforced and consistency was a continual challenge. He said the posters hanging in the hallways would be a good reminder. Mr. Facer asked if the changes would be for all schools. Ms. Vagner said the policy was the same and the posters visualized the policy. Mr. Sargent asked if teachers were expected to know the dress code policy. Mr. Devine said they were expected to review the policies annually.

Classified Salary Schedule to Market

Dr. Howell said nearly three years ago the District adopted the classified kinds and levels chart which was intended to bring all of the classified salaries to a market rate based on the Department of Labor's quarterly review. He said the administration conducted a comparison of all comparable positions in similar sized Districts. He said the District had not been able to implement any of the suggested salary changes due to the reduction in state funding over the last four years. He said the Board authorized a 2% increase passed down from the state into the classified salary schedule which amounted to 1.5% raise for most classified employees. He said the report included current information gathered over the last month. He said similar sized Districts included Bonneville, Meridian, Boise and Nampa. He said the District had some positions that others didn't and there were no salary schedules to compare them to. He said the salary schedule was meant as a basic overview. He said there were some areas that the District was behind on. He said the minimum and maximum rates were exceeded by over 20% in some cases. He said the goal was to close the gap for positions that were underpaid but was dependent on funding. He said one of the underfunded positions was interpreter 1. He said only Boise had a comparable position and Boise was able to pay their employees more than most other Districts. He said the areas that were underfunded had been consistently behind over the last three years. He said if nothing changed the District should consider closing those gaps. He said most of the positions in the District were within an acceptable rate. He said the District paid over the market rate for some positions but was necessary in order to recruit and retain critical positions. He said the administration liked to look at this report annually and make adjustments where it could. Ms. Cranor asked if other Districts did not have a choir accompanist as there was no comparison on the report. Dr. Howell said some Districts did not list the position on the salary schedule. Ms. Gebhardt asked if longevity was rewarded. Ms. Vagner said a tiered salary schedule was implemented in 2009-10 just before the salary schedule was frozen due to the recession. She said there were some positions that were in critical need of improvement in the future including food service workers and custodians. Dr. Howell said when the administration noticed areas that were behind it requested adjustments from the Board as necessary. Ms. Vagner said this issue had been brought to the attention of the legislature many times relative to the District's ability to feed the salary schedule.

Supplemental Levy Amount

Mr. Reed said Key Communicators met the week before to discuss the Supplemental Levy. He said the group was very supportive of education in the community. He said overall the committee felt that the District should ask for the amount it needed to balance the budget. He said the economy had a declining homeowner's deduction and would not impact taxpayers. He said the committee agreed the District needed to have the funds to support current programs. He said the District was not asking for anything new and was doing the best job possible to educate children and support the programs within its means. He said the community did not feel that there was a lot of controversy or negative feeling in the community relative to an increase to the Supplemental levy. Mr. Smart said the Budget Committee met and reviewed some of the fiscal challenges for the District including pay for performance and upcoming cost increases. He said some of the members had been on the committee for several years and knew how the budgeting process worked and suggested that the District meet the community somewhere in the middle relative to what it needed. He said it was important to be logical and positive. He said the District could increase the levy amount by \$25,000 and still maintain the current levy rate. Mr. Vitale said the Key Communicators group felt pretty strongly that the District should ask for what it needed to maintain. Mr. Reed said he thought the community was receptive of the fact that the District was growing and were opening a fourth middle school. He said the community was anxious for the remaining 6th graders to transition to the middle schools. He said all of it came at a cost and opening Alameda Middle School would cost over a half million dollars that was not in the District's budget. He said all of these things played heavily in the Board's decision relative to an amount for the Supplemental Levy. He said right now the Supplemental Levy was at \$7.5 million and just the cost of bringing Alameda Middle School online would increase it to about \$8 or \$8.2 million. Ms. Gebhardt said another disadvantage was not knowing what would happen during the legislative session. Ms. Vagner said we had to consider the things we do know such as increasing health insurance costs. Mr. Vitale and Ms. Cranor agreed it was not safe to count on the legislature to pass along any new money and the District needed to go for what was needed and what the community would pass. Ms. Vagner said the Board also had to consider the possibility of sequestration which was the loss of federal funding that may happen if Congress could not reach an agreement regarding the national budget. She said the Board also had no way of knowing whether or not the business personal property tax would be eliminated. She said bringing Alameda Middle School online was a very real cost and could be articulated to the community. Ms. Gebhardt said it was helpful to see the tax impacts to the individual homeowner. Mr. Reed said the cost for a homeowner with a home valued at \$100,000 would be about

\$35 per year. Ms. Vagner said she would recommend going for \$8.25 or \$8.5 million. Mr. Facer said it seemed that \$8.5 million would be the minimum the District could go for in order to cover bringing on Alameda Middle School and any medical insurance premium increases. Mr. Reed said he wouldn't anticipate being able to cover all of the cost increases that were coming and increasing the levy enough to cover Alameda Middle School would bring the total to \$8.25 million which would just sustain what the District already had. Ms. Cranor said the people that she talked to in the community were very supportive of passing what was really needed. She said her limit would be \$8.5 million. Ms. Vagner said Mike Ferguson's report made it very clear that the recent spike in Supplemental Levies across the state was a direct result of funding reduction from the state. She said the amount that the District had increased its Supplemental Levy was almost the exact amount that the District had been reduced by the state. She said it was not intentional but was a result of the Board being forced to cut over \$15 million in services out of the budget over a four year time period. Mr. Reed said the Board also had to consider that any increase would have to carry the District for the next two years. Mr. Sargent asked if the cost to bring Alameda Middle School online was an ongoing cost. Mr. Reed said most of the cost was one-time. Ms. Vagner said much of the cost would come out of the School Plant Facility Levy. She said the ongoing expenses were personnel related costs. Mr. Sargent said both committees had valid points but he leaned toward meeting in the middle. Ms. Cranor said she thought the Board should ask for what was needed. Ms. Gebhardt said paying for education was one of the most important taxes in her mind and she did not believe the state was doing its part to fund it. Ms. Cranor said the District did a good job showing revenues and expenditures and wasn't trying to get anything extra but was just getting by. Mr. Reed said the District had the lowest per pupil spending compared to other Districts in the area and had always been frugal in what it asked the community to support. He said even though the increase was sizable he believed it was within reason. Ms. Vagner said meeting in the middle would be about 8.375 million. She said in order to sustain another middle school without substantial reductions would be reasonable. Ms. Gebhardt said she believed it would be reasonable to ask for \$8.5 million because the District also had to implement CCSS and had no support from the state to do so. Ms. Vagner said the District had not asked the community for any restoration only to be able to sustain programs. Mr. Sargent said he leaned towards \$8.375 million. Mr. Vitale said he was heartened by the Key Communicators group being so positive about going for \$8.5 million but also said the District would need an aggressive marketing campaign. Mr. Sargent said it surprised him that the Budget Committee gave such a conservative recommendation. Mr. Reed said the District was four years away from paying off its debt service fund for building Century High School and renovating Pocatello High School. He said it was also important to realize the District built the New Horizon Center and was bringing on Alameda Middle School without going out for any additional bonds. He said the District had cut back on everything possible in order to save money and had been very responsible with its management of funds and did not run to the community every time something was needed. Mr. Sargent said that was a huge selling point for him. He said that alone made it easier for him to agree that the District needed to increase the levy to \$8.5 million. Ms. Gebhardt said other options the District could have gone with would have cost tens of millions. Ms. Cranor said the District also did a good job maintaining its buildings which kept facilities running for longer without having to rebuild. Ms. Vagner said the previous Boards agreed that facility maintenance would be a priority. She said the goal was to address the New Horizon Center and Alameda Middle School in order to solve space problems and then get back on track with facility maintenance. She said the District used to get technology money from the state and with CCSS and SBAC coming online children needed access to technology which would probably impact maintenance projects further. She said there were a number of factors to communicate with the community that would help support an increase. Mr. Sargent said he would support increasing the levy to \$8.5 million. Mr. Facer agreed. Ms. Vagner said the administration had enough information that it could clearly communicate to the community the known increases. Mr. Smart said the Board had to have a Resolution to the County by January 25, 2013 and needed a communication plan in place prior to absentee voting which started February 12, 2013. He said if the levy didn't pass in March the Board could try one more time but it would have to be ready almost immediately after results were in from the March levy. Ms. Gebhardt said there were Board seats that would open up in May as well. Mr. Smart said the administration also had to be aware of the budgeting timelines in order to prepare contracts in a timely manner and was hard to do without all of the pieces to the puzzle. Ms. Vagner said the Board would have to make decisions about contracts without fully knowing what the budget would be. She said the administration would prepare for a recommendation of \$8.5 million.

Public Comment

Board Protocols for Public Comment will be followed at all Board Meetings. Patrons wishing to address the Board will fill out Form AD 2 – Request to Appear before the Board and present it to the Board Chair or Board Secretary prior to the meeting. Because of the diversity of issues, members of the Board may not respond to delegations.

Instead, issues are recorded and referred to the proper staff member for follow-up. The Board is informed of these efforts by the staff member responding to concerns.

Board Operating Principles #22 & 23:

22) The Board will follow the chain of command referring others to present their issues, problems, or proposals to the person who can properly and expeditiously address the issues; 23) Board members will refrain from communications which create conditions of bias should a problem or complaint become the subject matter of a hearing before the Board.

Tim Pearson – 1570 Huntington, Pocatello, ID 83201

Mr. Pearson said he was the Pocatello High School Priders President and was there to address the Board about the Holt Arena. He said he was in favor of increasing the Supplemental Levy to \$8.5 and said the Board should also include any fees for Holt Arena as part of the levy amount. He said he attended a meeting where they discussed the facility crisis. He said he wondered where the vision was years ago when the District decided to utilize the Holt Arena rather than to build its own facility. He said Holt Arena was a wonderful facility but without it being funded by the District caused a funding crisis for the high schools. He said he talked to previous Board members and employees and found that the District used to pay for Holt Arena and now the burden was passed along to the schools. He said there was a sense that there were no viable options for football. He said Holt Arena was neutral, wonderful and unique and he hoped the Board would find a way to include the Holt Arena in its budget.

Tony Manu – 2081 Steven, Pocatello, ID 83201

Mr. Manu said he was neutral to the Holt Arena debate. He said he mainly wanted to see the bigger picture and the meeting was enlightening. He said there were a lot of challenges that the District had to deal with. He said these concerns were just a sliver of what the Board had to deal with. He said athletics were a small part of the District and hoped that people could meet at the table to find a creative solution and some middle ground. He said there has not been any platform to address the issues without all of the finger pointing. He said his approach was to not lay the burden on one group.

Ms. Vagner said that as the District had to eliminate \$15 million out of its budget over the last few years it affected all aspects of the District's operations. She said in the past the District was able to pay for the Holt Arena out of the District's budget but was no longer able to cover those expenses and had transferred the expenses to the schools which was the reason the Board asked for the annual report. She said schools were forced to fundraise a lot more to maintain their programs. She said the information was timely to budget decisions. Ms. Cranor asked for a history of annual costs. Ms. Vagner said the administration would prepare a report to send to the Board. She said the annual costs had changed as the District's use of Holt Arena had changed.

Adjourn:

Chair Gebhardt adjourned the Work Session at 10:07 a.m.

APPROVED ON:

JANUARY 15, 2013

By:

Janie Gebhardt
Chair

MINUTES PREPARED BY:

[Signature]
Secretary, Board of Trustees

ATTESTED BY:

Jim Facer
Clerk