

UNIFIED SCHOOL DISTRICT NO. 113  
Wetmore School Gym  
Wetmore, KS

Regular Meeting Minutes, Monday, March 07, 2011

President Roger Brockhoff called the meeting to order at 7:08 PM, Roger Brockhoff, Brent Lortscher, Sandy Aberle, Cheryl Wenger, Julia Alfors, Mary Jane Ronnebaum, and Ed Reznicek were present; also present were Supt. Dennis Stones, Board Clerk Dr. Volora Hanzlicek and others who are listed on the attached sheet that becomes a part of these minutes.

A motion was made by Ed Reznicek and 2<sup>nd</sup> by Brent Lortscher to approve opening business. Motion carried 7-0.

A motion was made by Ed Reznicek and 2<sup>nd</sup> by Sandy Aberle to approve the consent agenda. Motion carried 7-0.

Approve minutes for February 7, 2011 regular meeting.

Approve minutes for February 21, 2011 special meeting

Hear Clerk's report. Approve it.

Approve payment of bills in the amount of \$257,988.21.

Approve payment of bills in the bond issue of \$97,844.69.

Payment for February payroll in the amount of \$719,989.02.

Resignations: Sue Ann Jackman will retire as bookkeeper at Sabetha HS as of June 30, 2011.

Scott Burger as a member of the district steering committee as of June 30, 2011.

Rita Dobbins welcomed the board to Wetmore for their March regular meeting.

Report submitted by SHS student council. Wetmore Student Council member Kasie Robbins reported.

Tom Palmer, Matt Garber, David Schmitz, Todd Evans, Rick Schnacker, Brian Rottinghaus, Bob Bartkoski building principals reported.

Mr. Stones reported that the Open House on the new facilities was well attended. He stated that a few things still needed to be completed, but the buildings are moving forward with getting items moved into the rooms. The bid process came in way under the estimates due to the economy and costs of materials. The monies not used in the bond will be put in escrow to pay down the bond.

Rod Edelman representing the Bern Community Steering Committee stated that they are trying to make Bern schools a viable part of the district. He presented a community business plan for long-term sustainability and growth, which was read in part to patrons and board members. Also provided was an overview of HTC (Hometown Competitiveness). These documents will become part of the minutes. Mr. Edelman stated that he felt the plan was something that he hoped each community could use to assist the district as a whole.

Mr. Edelman said that preliminary census shows that 43 children under the age of 4 live in the community. There are 25 new households in the community and ten children in 3 families who would be willing to move to Bern if they can find housing.

Roger Brockhoff reviewed the four areas that the board has discussed as benchmarks: enrollment, financial status, curriculum and business plan.

The following is general capture of the discussion of the board that followed the Bern presentation:

Ed Reznicek - Consolidation has offered us a way to hold the budget for the next few years, however, we must prepare for reductions over this 5 year period. It is easier to talk about concrete examples rather than an abstract number. We have used a 150-160 threshold to determine sustainability. We are also looking at trends in relationship to these numbers. We could take some time to determine the trends but we do not have much time. The detailed business plan has been presented as requested. I think Bern patrons are correct in stating that we are in this together as a district. Enrollment projections show Bern at steady numbers for the next five years. I don't know how much of a commitment we can make tonight but I would like to give Bern a chance to move their enrollment. It is not going to happen overnight. We will know on Sept. 20<sup>th</sup> next year whether enrollment is headed up or down. The business plan provides a prospect for growth in the enrollment figures that are currently decreasing. Not sure how to come up with concrete benchmarks, yet thinks it needs to be done.

Brent Lortscher – Understood that the district should run like a business. Didn't feel curriculum should be part of the benchmarks. Didn't feel that curriculum/scores were a direct reflection on the quality of education that the students are getting. Recapped on 3 on 3 meetings, 150-160 was typically where you start to see efficiencies slide based on information from KASB. Wants to know what the break-even point is for each K-12 facility. Would like this figure to be tied to base state aid and not valuations. We need to start modeling our future. What is the trend? Right now the Bern enrollment is not favorable. Give progressive benchmarks. Show how to get the trend to change. Stated the KASB enrollment projections do not take in to account what is going on in the community. What time frame will be given to a building once the expenses/FTE fall below the break-even point?

Julia Alfes – All communities should prepare a business plan. How will we survive as a district? Go back to your community; we need to plan for the future.

Sandy Aberle – During 3 on 3 meetings she internalized the fact that curriculum was being cut across both districts and the consolidation would allow this to hopefully stop. She is concerned that in the future district finances might jeopardize being able to offer the regents curriculum at each attendance center for our college bound students. She made the point that anything could happen across the district not just in Bern community. She gave an example of what if a natural disaster hit a building. It may not be feasible to rebuild. Students may be moved from one building into another due to the situation. She stated that we need to keep in mind that as the economy changes the breakeven number in each building may change due to cuts at the state level.

Cheryl Wenger – Shared that she had been on the board for two years and the budget has decreased each year. She was worried about students not having the curriculum that they needed to prepare them for the future. She is also concerned about retaining staff and keeping highly qualified teachers to teach our district children.

Ed Reznicek – Shared that the benchmarks are ever changing. Felt we need to look at academic achievement in relationship to highly qualified teachers and know that this comes at a higher price. Breakeven per community is hard to determine when there are some things that help communities by chance for example the pipelines. Wondered if benchmarks were not just to

determine building closure but benchmarks to help buildings improve in certain areas. Maybe the board could score a number of areas and use this as guidance?

Mary Jane Ronnebaum – Concern for staff also. Both districts had frozen staff salaries coming into the consolidation. Will staff see increases again? Will they begin to leave if the district cannot provide salary increases? She was also concerned that only after the Feb. meeting in the community that Bern became serious. She stated that she realized the board had not passed benchmarks in black and white, but the enrollment drop shocked the board also and they have been talking about this situation since 3 on 3's.

Brent Lortscher – Stated again the need to tie revenue to FTE instead of using valuation across the district. Secondly, he would like to see central office administration costs included in the general fund figure for salary. He ask the board on how they should be allocated? Asked Mr. Stones about revenue.

Dennis Stones – Mr. Stones said that FTE creates a bit of an issue across the board especially when figuring LOB. He reminded the board that the law sunsets in June of this year if the legislature does not reauthorize it. Our general fund budget is calculated off of the base state aid per pupil (BSAPP) of \$4012 and LOB off of the BSAPP of \$4443 (until law sunsets). So if the legislature drops the BSAPP of \$4012 to \$3950 (currently being discussed in the legislature) for general and the LOB, both general and LOB will be calculated using the \$3950. Since we are locked in the general fund will continue to use the BSAPP of \$4012 but the LOB calculation will use \$3950 if BSAPP is dropped to this number. One reason why we took a drop in LOB this year is enrollment. This drop could happen again if enrollment numbers drop again. So it is possible that we could take a drop in our budget due to enrollment numbers and the BSAPP dropping, but keep in mind this only applies to the LOB. The general fund is locked in for 5 years. Even though we were locked into General the LOB dropped. Mr. Stones had estimated valuations for each K-12 district entity: Sabetha - \$38, 037,647 Wetmore – \$12,679216, Bern – \$8,585,260, Axt/Sum – \$20,101,909.

Brent Lortscher – Agreed that this year was to be year one, however felt the board did not do what they promised in setting the benchmarks. Asked board how specific they needed to be with their benchmarks?

Ed Reznicek – Suggested looking at the numbers next Sept. to determine growth in enrollments. He asked the board what numbers they wanted as a board to demonstrate growth? Decisions could be made based on these enrollments numbers and the benchmark. School finance at the state level should also play a part in the decision.

Brent Lortscher – Year by Year not the commitment the community is looking for at this time.

Ed Reznicek- Hard to make decisions that commit the district for three years down the road. There was time between now and Oct. to have discussions and ongoing dialogue on what was happening in the district. Felt the conversation needs to be a district conversation. This allowed the board to look at the realistic challenges and gather more facts on deciding how to move ahead.

Sandy Aberle – Can Jim Hayes help us with the numbers we are trying to gather? She stated that everyone needed to come out of the evening recognizing that the enrollment had decreased and Bern was not showing the percentage of increase we talked about during the consolidation

process. Any community can ask for a grace period but if the state budgets continue to decrease we do not have time for grace periods.

Julia Alfes- Suggested looking at a 30% increase in FTE for Bern. Stated that foreign Exchange students can help but this is just a year fix, can this be done each year? She stated that we will be looking at each building, not just Bern's FTE. How do we increase the FTE across the district?

Mary Jane Ronnebaum- Didn't feel comfortable setting benchmarks that evening. Said we need to keep staff in mind, can be a slow process, but needs to be done soon.

General consensus was to get Mr. Ken Kickhaefer involved and have him determine what the break even number was for each K-12 entity. The board also wanted to have him prepare projections on the next four years and how this impacts the district's financial situation. These facts will help set the benchmarks. The board will continue dialogue with committee and revisit this situation in the next meeting.

General conversation with the Bern census committee occurred on what surveys they are using. The committee will try and have information to the board by the next meeting.

Sandy Aberle- Would Bern have any more of a guarantee for the next two or three years if we hadn't consolidated? If we are to talk about commitment, have we talked about the need to run the school as a business? I don't think we can wait, as any good business we have to prepare. Hard to understand why the "sleeping giant" just now had awakened. This is not a new problem in Bern and can happen in any community in the district.

Julia Alfes reminded communities other than Bern that they might need a business plan. Would like to see for the next meeting if possible.

At 9:26 a motion was made by Cheryl Wenger and 2<sup>nd</sup> by Julia Alfes to go into executive session for 30 minutes to discuss non-elected personnel. Mr. Stones and Dr. Hanzlicek were asked to join the session. The board excused themselves from the gym and moved to the library. They reconvened in the library at 9:31 PM. Motion carried 7-0.

Brian Rottinghaus entered the session at 9:47 PM and left at 9:56 PM.

At 10:01 PM a motion was made by Mary Jane Ronnebaum and 2<sup>nd</sup> by Julia Alfes to extend the executive session for 15 minutes for non-elected personnel. Motion carried 7-0. At 10:16 PM the board left the library and returned to the gym.

At 10:18 PM a motion was made by Mary Jane Ronnebaum and 2<sup>nd</sup> by Sandy to return to regular session. Motion carried 7-0.

A motion was made by Cheryl Wenger and 2<sup>nd</sup> by Julia Alfes to approve all building principal contracts through 2013. Motion carried 7-0.

Mr. Stones said that one bid came in for \$15,000 for the Axtell Central Office building from Mark Volle. The appraisal came in at Fair Market value for \$15,000. A motion was made by Sandy Aberle and 2<sup>nd</sup> by Cheryl Wenger to accept the bid from Mark Volle for \$15,000. Motion carried 7-0.

A motion was made by Julia Alfer and 2<sup>nd</sup> by Brent Lortscher to forgive the Feb. 25th snow day. Motion carried 7-0.

A motion was made by Brent Lortscher and 2<sup>nd</sup> by Mary Jane Ronnebaum to add minutes to the end of the day as required per policy to Bern's day to make up for any lost days due to State basketball. Motion carried 7-0.

A motion was made by Sandy Aberle and 2<sup>nd</sup> by Julia Alfes to bring the Bern students to Sabetha to take the Driver's Education course and continue the Axtell program as in the past. Wetmore students will continue to get Driver's Education in Sabetha. Motion carried 7-0.

A motion was made by Ed Reznicek and 2<sup>nd</sup> by Mary Jane Ronnebaum to approve the Axtell FFA trip to Tonganoxie, Wetmore band trip to Kansas City and Sabetha High School to Kansas City. Motion carried 7-0.

A motion was made by Sandy Aberle and 2<sup>nd</sup> by Ed Reznicek to approve the personal days for Pam Walker, Monica Edelman, and Suzann Plattner as requested. Motion carried 7-0.

A motion was made by Julia Alfes and 2<sup>nd</sup> by Cheryl Wenger to approve the lease agreements presented by Jerry Leuthold for the use of the Bern track and pole vault equipment. Motion carried 7-0.

A motion was made by Ed Reznicek and 2<sup>nd</sup> by Sandy Aberle to approve the audit contract for the underage drinking grant and continue as fiscal agent for the grant from Jan. 1, 2011 through June 30, 2012. Motion carried 7-0.

A motion was made by Sandy Aberle and 2<sup>nd</sup> by Brent Lortscher to approve the contract with SOCS for the district website. Motion carried 7-0.

At 10:52 PM a motion was made by Brent Lortscher and 2<sup>nd</sup> by Cheryl Wenger to adjourn. Motion carried 7-0.

Meeting next month will be at the Sabetha Middle School based on availability of the auditorium at the middle school.

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Board President

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Board Clerk