

Special Meeting

Cascade School District 3B

Board of Trustees

May 31, 2016 - 6:00 pm

Board Members Present –

High School Board

Rick Cummings - Chair

Chris Boland - Vice Chair

Blake Standley

Deanna Hastings

Erin Wombold

Valerie Fowler

Elementary Board

Rick Cummings - Chair

Chris Boland - Vice Chair

Blake Standley

Deanna Hastings

Erin Wombold

Members Not Present -

Others Present: Justin Barnes - Superintendent, Karsen Drury - District Clerk, Felicia O'Brien, Maureen and David Dachs.

Rick Cummings - Board Chair, called the Board of Trustees meeting to order at 6:01pm. Mr. Cummings asked for public comment on **non**-agenda items.

Non Agenda Discussion -

Old Business

- A. CBA Adoption - Deanna Hastings moved, seconded by Erin Wombold to adopt the Collective Bargaining Agreement.

Board Discussion: Switching health insurance providers will save the district money.

Motion by Rick Cummings to make the following amendments to the Collective Bargaining Agreement:

- Roll over current contract to next contract year
- Open negotiations beginning the Fall of 2016
- Steps & Lanes approved
- Freezing of the base
- Vision & Dental insurance to be offered through the District but 100% at the expense of the employee.

Val Fowler moved. Deanna Hastings seconded. Passed unanimously.

Informational

- A. June Regular Board Meeting moved to June 28, 2016.

Board Discussion: June is a busy time of year. Superintendent, District Clerk, & Secretary will be absent during regularly scheduled board meeting time. Financials will be readily available to the board at the later meeting.

New Business

- A. InterCap Loan (\$223,878)--Debt Service - Chris Boland moved, seconded by Val Fowler to approve the InterCap Loan to correct debt service.

This is just an overview and synopsis of the discussion held. It is not meant to be a verbatim account of proceedings.

Superintendent Facts:

The county informed the school district that there was an issue with the Debt Service. The school under levied debt service (amount owed in bonds and loans i.e. roof and commons area). The amount is given out yearly, and mills are set accordingly to cover the Debt Service plus interest. MAEFAIRS provides credentials to the school, and the school uses them to set the levies. The County typically double checks the school's numbers. The mistake was made in the report when the number was entered on the wrong line. As a result, money was then reappropriated, instead of levied. The district under levied approximately one-fourth of what needed to be levied. In order to fix the mistake, the intercap loan will provide cash flow to the school to make up for the mills that were short in FY16. 1 year loan (principal + interest 1.5%).

Board Discussion:

Mr. Cummings questioned why a two year portion is given out to correct a one year mistake. It was explained that in correcting this mistake, property taxes will increase, as opposed to the decrease that was experienced this fiscal year. The total amount paid will be what should have originally been paid between FY16 & FY17. FY17 will make up for what wasn't paid in FY16.

Mr. Standley asked a question about money on hand to cover the debt. Mr. Barnes explained that the money on hand is one-fourth of what we need to cover the debt. The valuation is to cover what we owe this fiscal year, what we owe next fiscal year, plus the principal and interest. The intercap loan will pay into the County, to cover all of the Debt Service.

Ms. Fowler asked why this mistake wasn't caught earlier. Mr. Barnes explained that the County typically double checks the levies. When the number was mistakenly put on the wrong line, it went unnoticed because there was enough money and cash flow to cover the cost when the first payment was due in November. Now, there is not enough to cover the remainder of the Debt Service payments.

The number that was reappropriated was the same number that should have been levied. Since the numbers were identical, the mistake was not caught because funds balanced. The number was simply put into the wrong account, causing the district to under levy.

Public Discussion:

Public question: Who is responsible for approving the budget? Mr. Barnes-the board.

Public question: How many mills should have been levied? Mr.

Barnes-Elementary-correct: 33.5, actual: 8.27. High School-correct: 29.05, actual: 6.46.

Public question: Why wasn't this caught in the audit? Mr. Barnes-The audits are a year behind.

Public question: When does the audit take place? Mr. Barnes-As soon as we are ready to submit it and balanced with the county. They can start as early as the new year.

Public question: How long does it take? Mr. Barnes-About a month.

Public question: Is it an independent auditor or through OPI? Mr. Barnes-Independent: Anderson ZurMuehlen

Public question: Where is our tax money held? Mr. Barnes-The county holds it.

Passed Unanimously.

- B. Bank Signature Card Resolution - Erin Wombold moved, seconded by Deanna Hastings to approve the update of bank signature cards.

Public Discussion:

Public question: What is the tax deposit account? Ms. Drury-The school deposits a check to Stockman's Bank for the Federal, State, Medicare, and Social Security taxes. From there, the funds get pulled to pay for taxes owed.

Public question: Do those funds come from the General Fund? Yes.

Passed unanimously.

- C. Credit Card Users Resolution - Deanna Hastings moved, seconded by Erin Wombold to approve the update of credit card users.
- a. Amendment: Remove Darcy Schwindt from JMG and add Estelle Whitman. Deanna Hastings moved, seconded by Chris Boland. Passed unanimously.

Passed Unanimously.

- D. Recommendation for Maintenance Supervisor, John O'Brien - Chris Boland moved, seconded by Val Fowler to accept the recommendation for Maintenance Supervisor, John O'Brien.

Superintendent Comment: Five applicants, none with boiler licenses. O'Brien will acquire license. Takes a lot of pride in school and will be a great fit.

Board Discussion: We are now down one bus driver.

What kind of staff will we have under him? Goal to have 3 in-house full-time custodians during school year, not including O'Brien. Will no longer have the cleaning crew come in.

Public Discussion:

Public question: What is the plan with the boilers? Mr. Barnes-To help him [O'Brien] get his license. We have AT Klemens on retainer to come out and make checks.

Passed Unanimously.

- E. Recommendation for Summer Custodial, Jay Fredrickson - Deanna Hastings moved, seconded by Erin Wombold to accept the recommendation for Summer Custodial, Jay Fredrickson.

Public Discussion:

Public question: Does he have any experience? Mr. Barnes-Yes he has had experience in Ennis.

Passed Unanimously.

Adjournment

7:07pm Deanna Hastings moved, seconded by Chris Boland **to adjourn. Passed Unanimously.**

Rick Cummings, Board Chair

ATTEST: Karsen Drury, District Clerk

Date Signed _____