

MINUTES

Regular Board of Education Meeting

February 21, 2019

Early Childhood Center

5:30 p.m.

Closed Session – 5:30 p.m.

Open Session – 6:30 p.m.

Tim Mullen, President
Scott Perkins, Vice-President
Sylvia Payne, Treasurer

Jason Evans, Member
Kim Grayson, Member
Tana Booker, Member
Justin Strong, Member

- I. Call to order and roll call at 5:39 p.m. at the Early Childhood Center, Tim Mullen, President, presiding. Scott Perkins absent.
- II. Motion by Sylvia and second by Jason to approve the February 21, 2019 agenda without VIII. B. 1 (removal of approving Engineer/Architect Contract with Integrity Engineering). All members present voted yes on said motion.
- III. Motion by Justin and second by Tana to adjourn Open Session to go into Closed Session for Section 610.021.3 & .13 (Personnel Matters). Tim-yea, Sylvia-yea, Jason-yea, Kim-yea, Tana-yea, and Justin-yea. Meeting adjourned at 5:40 p.m.
- IV. Call to order and roll call at 6:32 p.m. to begin open session. Tim Mullen, President, presiding. All members present with the exception of Scott Perkins.
- V. All said the Pledge of Allegiance.
- VI. Public Comment:
High School Principal, Steven Vetter recognized Missouri Options Graduate, Amber Davis by presenting her with her diploma. He spoke briefly and said he was very proud of Amber for this accomplishment.
- VII. Consent Agenda Items:
Motion by Tana and second by Jason to approve the consent agenda items as presented. All members present voted yes on said motion.
- VIII. Reports:
 - A. Steelville Organization of Staff: No report given.
 - B. Food Service: No report given.
 - C. MSBA: Board Member, Kim Grayson reported that she was not able to attend the Legislative Forum on February 11, 2019 due to bad weather.

MSBA reported on the teacher workforce and said that teacher's salaries are low in our area. We rank 49th out of 50 in pay. Fewer individuals are entering the teaching field. MSBA is offering behavioral risk assessment training at your school. Any school interested can contact them for this training. Mrs. Grayson also spoke on the Senate bill that is being discussed in regards to charter schools. She also spoke on Senate bill 73 that would require each local school district and charter school to have on file a policy for reading intervention plans for any pupils of the district and charter schools in grades K-4. MSBA is against this bill. House bill 631 is also being introduced and it states that an agreement negotiated between the parents or guardians of children with disabilities, or students eighteen years of age or older who are entitled to special educational services, and a public school to allow special educational services to be provided by an alternative provider, either solely or in conjunction with the services provided by the staff of the public school. MSBA is against this. Mrs. Grayson said that the Governor is considering fully funding the formula and giving \$10M to transportation. Representative, Jason Chipman is putting together a bill to lower the age from 24 to 21 to run for school board. School Board President, Tim Mullen complimented Kim Grayson on being one of the best MSBA representatives we have had. He thanked her for always being so detailed and bringing great information to the table.

- D. Principals: Principals provided a printed report for the board members.
- E. Athletic Director: No report given.
- F. Director of Learning: Matt Hammonds spoke on the 2018 APR results. Our APR percentage is 97.9%. We are first in our conference. He said our focus moving forward will be on sub categories. Some of the sub categories are free & reduced lunch, special education, homeless, and military. Mr. Hammonds is putting together a district wide leadership team to help with making improvements.
- G. Superintendent: Mr. Whittaker reported on our ADA, which is a 921. He is very pleased with that number. He is hoping the basic formula doesn't get changed and stays the same. He spoke on House bill 69, which would modify provisions relating to school teacher and employee retirement allowances. Mr. Whittaker does not want teacher retirement to change and go to a 401K, which means that PSRS/PEERS would go away. He also spoke briefly on the Tourism bill that is being reviewed. This has to do with when school actually begins in August. If school begins too early, then this could impact tourism.

IX. Previous Business:

- 1. Facilities Update – Mr. Whittaker reported that the bus shed is coming along well. The contractor should be building walls and setting trusses on Friday, February 22nd. In early March, Mr. Whittaker plans to start pushing the April bond issue. He hopes to hold a couple of meetings with the public and educate them on why we are doing this.

Mr. Whittaker went over with the Board the plans he received from Integrity Engineering in regards to the new gym. The Board was pleased with the plans of the new gym.

One main issue in all of the planning is where the library will go. Mr. Whittaker said maybe putting it in the multipurpose room and the elementary office in front of that would work. He said it is going to take some further planning.

2. MSBA Policy Update 2018D: Mr. Whittaker is going to email the policy updates out to the Board for them to review.

X. New Business:

1. Health Insurance Plan Update: Mr. Whittaker spoke to the Board regarding our current Consortium.

The South Central Education Consortium (SCEC) formed 15 years ago with several south-central Missouri school districts. Steelville was part of the initial group. For 11 years we were a "fully insured" consortium. This means that we pooled our money and purchased insurance from a company together. If we had a bad year (lots of claims) the company would raise our rates. We have been "self-funded" for 4 years. This means that SCEC collects money from each district and pays out the claims. When expenses are greater than revenue there is an issue. It is always good to have extra money (reserves) in the account to cover costs. Our consortium has actually been able to cover costs for 3 of the past 4 years. One year was very bad and we actually deficit spent. We (SCEC) actually had to borrow 1.5 million to cover costs earlier this year. Ideally, SCEC would like to have 3.1 million in the reserve fund. The main reason for this is that our rates have been too low when compared to the large number of very costly claims that we have. SCEC recently met and made some decisions about next year's rates. There are actually two parts to this. The first part involves an assessment. This simply means we (Steelville) and all other schools have to pay our part of the debt that we have incurred. The second part is an increase in premiums for next year. Together, the assessment and the increase will get SCEC out of debt and should get us to the 3.1 million that we need in reserves by the end of next year. The assessment is \$88,500.00. If we remain in the consortium, the district will pay this amount. We can pay from this year's budget or pay some this year and some next year. I will likely recommend to the board that we pay it all this year, even if that means that we deficit spend. Think of this like buying a truck and financing it for 5 years at \$500.00 a month, then the bank calls and lets you know that the actual monthly payment should be more so now your bill goes up. What does the rate increase of 12.4% cost the district? Assuming the district pays for the entire increase in premiums, the cost to the district would be \$88,500.00 + \$10,000.00 additional retirement benefits. Even with all of this, our rates are comparable to other rates I have seen. Do we have any other options? For the past few months, I have been investigating that possibility. In fact, I have officially

requested a quote from another consortium. I should know their rates in a week or two. I am not sure if they can offer us a good deal or not. Our (Steelville) past three-year loss ratio is over 103%. Keep in mind, if we get out of SCEC, we will have to pay an exit fee to pay all of our run-out costs (bills being paid after July 1). This fee will be \$134,000.00 (if we get out this fee replaces the assessment fee of \$88,500.00). So, even if we get better rates we could still pay more because of the exit fee. My next step will be to compare rates as soon as they are available. If the rates seem to be a better deal, Mr. Whittaker will form a committee to look at the options.

2. Motion by Tana and second by Kim to declare the list provided as surplus property. All members present voted yes on said motion.
3. Motion by Sylvia and second by Justin to set the next regular School Board Meeting date for March 21, 2019, closed session at 5:30 p.m. and open session at 6:30 p.m. All members present voted yes on said motion.

XI. Motion by Sylvia and second by Kim to adjourn the meeting to go back into Closed Session pursuant to Section 610.021.3 & .13 (Personnel Matters). Tim-yea, Sylvia-yea, Jason-yea, Kim-yea, Tana-yea, and Justin-yea. Meeting adjourned at 7:57 p.m.

XII. Motion by Sylvia and second by Jason to adjourn the meeting. Tim-yea, Sylvia-yea, Jason-yea, Kim-yea, Tana-yea, and Justin-yea. All members voted yes on said motion. Meeting adjourned at 8:55 p.m.

Board President

Date

Board Secretary

Date