

MINUTES

MORGAN COUNTY SCHOOL DISTRICT BOARD MEETING & BUDGET HEARING

Tuesday, June 23, 2020, at District Office at 5:00 p.m.

Present:

Board Members: President Ron Blunck, Vice President Gaylene Adams, Kelly Preece, Adam Toone, Lars Birkeland.

District Staff: Superintendent Doug Jacobs, Business Administrator Scott McMillan, Secretary Jana Brown.

Other Staff and Patrons: Andy Jensen, Tyrel Mikesell, Kade Morrell, Renn Hoopes, Michelle Morrell, Ron Wolff, Terry Allen.

Welcome: President Ron Blunck opened the meeting.

Pledge/Prayer: Kelly Preece

Consent Agenda:

President Blunck asked if there are any changes to the consent agenda. Gaylene Adams requested that Driver's Ed Fee be added to the agenda as a discussion item. Adam Toone inquired about the personnel updates and why employees are resigning. Superintendent Jacobs reported that these employees have resigned for various different reasons such as other jobs, relocating, and babies. President Blunck reported that if there are no other objections, the consent agenda is approved.

Public Comments/Fee Hearing

There were no public comments.

Superintendent's Report:

COVID-19 Update – Moving forward, Summer Participation Guidelines

Superintendent Jacobs presented information that he received from the state today regarding the reunification of school in the fall. He noted that the USBA plan will be approved by the governor in the next few days. State Superintendent, Sydnee Dickson, is asking all districts to present their reunification plans in a public meeting before August 1, 2020. Therefore, it is necessary to hold a Board meeting in July. He proposed a meeting for Tuesday, July 28, 2020, at 5:00 p.m. The Board members agreed upon this date for a Board/public meeting.

Superintendent Jacobs presented information on different ways to mitigate risk. He reported that the district will be assembling a Coronavirus Committee with stakeholders for each employee and parent group. This committee will review all information that has been presented to this point and will develop a protocol for the Morgan School District for the opening of school in the fall. He noted that there are numerous items of discussion such as practicing social distancing in the classroom, bussing, breakfast/lunch, etc.... He stated that a lot of parents may opt for their students to do online schooling. He reported that the district already uses Edgenuity for credit recovery and there may be a possibility for using this to offer online school.

Superintendent Jacobs then reported that the Negotiations Committee is discussing changing personal/sick leave to paid time off as well as leave for employees that are required to quarantine.

Business Administrator Report:

Capital Improvement Update

Scott McMillan discussed the capital projects that are currently underway. He noted that the demolition on the MHS bleachers has been completed and the footings will be started next week. The remodel of the kitchen at MES will also begin next week.

District Finance Committee Report

Scott McMillan presented the final budget for 2019-2020 (FY20). He noted that the final FY 20 budget must be submitted to the state by July 1st. He then presented the proposed 2020-2021 (FY21) budget and inquired about whether the Board would like to hold the tax rate. He presented and discussed the different tax scenarios. This matter will be discussed later in the meeting.

Employee Salary and Benefit Projections

Scott McMillan presented the following proposed salary and benefit projections:

- | | | |
|------------------------------|---|-----------|
| • Steps and Lanes | - | \$391,000 |
| • 1 step to close black hole | | \$ 70,691 |
| • COLA 4% | - | \$544,000 |
| • Schedule C | - | \$ 65,250 |
| • 2% Health Insurance | - | \$ 50,546 |
| • Mental Health Grant match | | \$ 50,000 |
| • Transportation fees | - | \$ 45,000 |

Scott then reported that he checked with other districts regarding employee benefits. He noted that several other districts pay their employees more but the employees pay a larger portion of their health insurance premiums. He stated that he feels the district is in a good position to be more competitive with salaries.

President Blunck reported that it has taken the Board several years to be in a healthy financial position; therefore, he feels that it would be best to hold the rate. He reported that in the next year or two, the district will begin seeing revenue from the Wasatch Peaks development.

BUDGET HEARING:

MOTION: At 6:00 p.m. Adam Toone moved to convene the Budget Hearing.

SECOND: Gaylene Adams

DISCUSSION: There was no further discussion.

APPROVAL: The motion passed unanimously.

Scott McMillan presented the proposed FY 21 budget and discussed the numbers of total revenue and expenses. He also presented a tax rate comparison study that shows how the Morgan School District compares to other districts. Superintendent Jacobs added that the state legislature is dipping into their “rainy day” fund and he recommended that the Morgan School Board do the same.

President Blunck asked if there were any public comments regarding the budget. There were no community members in attendance and there were no comments.

MOTION: Kelly Preece moved to adjourn the Budget Hearing and reconvene the regular meeting.

SECOND: Lars Birkeland

DISCUSSION: Adam Toone stated that he wished there was more public participation.

APPROVAL: The motion passed unanimously.

Discussion Items:

Building Usage Policy – Annual Review

Superintendent Jacobs reported that the only change that was made to the policy was the increase in the rental fee for the MHS tennis courts. Adam Toone suggested that the policy be condensed so that the application packet is a few pages rather than multiple pages. Superintendent Jacobs reported that he will revise this and place it on the agenda as an approval item at the next meeting.

District Literacy Plan

Superintendent Jacobs reported that the state has extended the deadline for the literacy plan; therefore, this will be discussed in the August meeting. Gaylene Adams asked for a copy of the plan for review prior to that meeting.

Driver’s Education Fee

Scott McMillan informed the Board members that these fees have not been adjusted since 2014. He reported that students have the option to take this class online or in the classroom at a lower fee; however, MHS is having a hard time filling the class in the classroom. He recommended

that the fee be the same for both. Principal Crae Wilson inquired about where the funds for fee waiver students will come from. President Blunck reported that all fee waiver fees will now be paid by the Board.

Action Items:

2019 and 2020 Budget Approval, Truth in Taxation

MOTION: Kelly Preece moved to approve the 2019-2020 (FY20) final budget.

SECOND: Gaylene Adams

DISCUSSION: Adam Toone reported that the money in this budget has already been spent. Scott McMillan reported that we are ending the year under budget; however, if this was not the case, the Board would then have to approve an increase.

APPROVAL: The motion passed unanimously.

MOTION: President Blunck moved to hold the tax rate and to hold a Truth in Taxation meeting in August.

SECOND: Kelly Preece

DISCUSSION: Gaylene Adams reported that she will be voting for this because she feels that it is the right thing to do. However, she stated that she feels it is important for the Board members to stay cognizant of the fund balance. She noted that the Board has worked hard to reach and maintain a healthy fund balance and she feels that it is important to not fall behind. She expressed disappointment that there is not more public input on this matter.

President Blunck reported that the Board has become fiscally healthy because they have held the tax rate. He noted that if the rate floats down, at some point, they will have to increase the rate. He noted that they may be in a very different situation next year with the proposed revenue from the Wasatch Peaks development.

Lars Birkeland questioned whether the Board should hold the rate as so many residents have lost their jobs due to the pandemic.

Kelly Preece reported that he remembers where the fund balances were when he started on the Board. He noted that the Board has been able to catch up and have some in reserves because we have held the rate. He feels that it should be done again this year and reevaluate next year as we may be in a different situation.

Adam Toone reported that he is opposed to holding the tax rate as he represents all the tax payers in his district. Many families and businesses are hurting right now from the effects of the pandemic. He feels that those individuals would appreciate any help and it may make all the difference for them.

APPROVAL: President Ron Blunck, Gaylene Adams, and Kelly Preece voted in favor. Lars Birkeland and Adam Toone voted against. The motion passed.

MOTION: President Blunck moved to approve the 2020-2021 (FY21) Tentative Budget with a 4% Cost of Living increase for all employees.

SECOND: Kelly Preece

DISCUSSION: Lars Birkeland reported that with tax payers hurting, he feels that the Board should not give the employees an increase this year.

President Blunck reported that the fund balances took a huge hit during the recession in 2008 and it has taken the Board years to catch up and be competitive with other districts. He noted that other districts around us are giving a 5% increase to their employees. He noted that it is imperative that we remain competitive with other districts so that it is enticing for teachers to come here. He feels that by giving the employees a 4% raise, it will keep us from falling behind.

Adam Toone reported that he would feel better with a 2.5% raise rather than a 4% COLA raise. Gaylene Adams suggested a 2% raise now and a 1 or 2% one-time bonus midyear.

Kelly Preece reported that he sees both sides; however, he feels that the district employees went above and beyond their contracts during the pandemic. He stated that as a father and grandfather, all taxpayers will continually see an increase in their taxes and he would much rather give his tax payers dollars to the employees at 4% instead of 2.5%. He also reported that if you investigate the economy right now, there are many who have lost jobs but there are also businesses that have had record revenues during the pandemic.

Superintendent Jacobs reported that the Board has an opportunity, without much pain, to offer raises to the district employees. He feels that the Board has worked hard to close the gap and to make the district competitive. He feels that if we take a pause, we will fall further behind. Scott McMillan added that with the pandemic, the employees have been asked to do more and will continue to do more in the fall when school resumes.

MEA Representative, Kristene Nelson, reported that the teachers do not want to take away from the students; however, teachers have been working for years for considerably less than their value. She stated that if the funds are there, she feels that it would be hard to accept the Board not passing it on to the employees. She also feels that by giving raises, it will send a message to the employees that everything is going to be okay.

APPROVAL: President Ron Blunck and Kelly Preece voted in favor. Gaylene Adams, Lars Birkeland, and Adam Toone voted against. The motion failed.

Superintendent Jacobs asked the Board for direction regarding a proposal to the Negotiations Committee. He noted that usually the budget numbers are received in early March and the Negotiations Committee and the School Board have time to digest them; however, this year the numbers were just received this morning. Kelly Preece reported that the legislature met last week and decided to pull money out of their “rainy day” fund to hold the WPU. He noted that this changed the budget numbers dramatically. Superintendent Jacobs noted that early on the district decided to put a freeze on new hires. Scott McMillan added that with the 4% raise, the district would only be spending the revenue that we receive. Terry Allen reported that he has worked for the district for several years which included the recession years. He noted that the teachers and staff members have always gone above and beyond no matter what financial situation the district was in. He feels that by not passing on a 4% raise to the employees that it would send a negative message. Kade Morrell added that when school starts again in the fall, it is likely that we will be asking teachers and staff to do even more with assessing whether or not

students are ill. Gaylene Adams stated that this is the very reason why the Board has worked hard to create a healthy fund balance.

MOTION: Gaylene Adams moved to reconsider the previous motion.

SECOND: Kelly Preece

DISCUSSION: Adam Toone thanked everyone for their input. He noted that he would like to see the raise lowered to 2.5% in an effort to be cautious with taxpayer money. President Blunck stated that every Board member is faced with difficult decisions; however, he feels that it is important to let the teachers and staff members know how much they are valued.

MOTION: Adam Toone moved to amend the motion to change the COLA from 4% to 2.5%.

SECOND: Lars Birkeland

DISCUSSION: Adam Toone noted that he is proposing this in an effort to protect the fund balance. Gaylene Adams reported that she feels that she has had her concerns clarified.

APPROVAL: Lars Birkeland and Adam Toone voted in favor. President Blunck, Gaylene Adams, and Kelly Preece voted against. The motion failed.

DISCUSSION: Adam Toone reported that according to the rules of parliamentary procedure, the original motion could be reconsidered and voted on unless someone amends the original motion. President Blunck asked the Board members to reconsider the original motion.

APPROVAL: President Blunck, Gaylene Adams, Kelly Preece, and Adam Toone voted in favor. Lars Birkeland voted against. The original motion passed.

Annual Renewal of the QSCB for the Trojan Center and Bus Garage

MOTION: Gaylene Adams moved to approve the QSCB for the Trojan Center and Bus Garage.

SECOND: Kelly Preece

DISCUSSION: There was no further discussion.

APPROVAL: The motion passed unanimously.

Superintendent and Business Manager Contracts

DISCUSSION: President Blunck reported that the numbers in these contracts are based on a salary study that was performed with superintendents and business administrators in the state. Gaylene Adams questioned #3 – leave days that may be bought out. She felt that unused leave should not be able to be accumulated and then bought out. She recommended that both contracts be changed to reflect that up to 7 days of unused leave may be bought out annually. Lars Birkeland stated that he feels that an increase for the superintendent and business administrator should be revised for the same reasons as he has previously stated. He also recommended that their contracts be reviewed annually. President Blunck stated that the Board has made an effort in the last few years to increase the salary schedules to be competitive with other districts. He noted that there are districts close to us that have fewer students and the superintendent makes more. He reported that the superintendent's last evaluation in stellar and he feels the increase in his salary reflects the job he is doing for the Morgan School District. Gaylene Adams added that Superintendent Jacobs wears many hats and does a great job at all of them.

MOTION: Kelly Preece moved to approve the superintendent's contract as proposed with the change of up to 7 days of unused leave may be bought out annually.

SECOND: Gaylene Adams

MOTION: Lars Birkeland moved to amend the previous motion to approve the superintendent's contract with an increase of 4% with the option to review it again next year.

SECOND: There was no second. The motion failed.

DISCUSSION: There was no additional discussion.

APPROVAL: President Blunck, Gaylene Adams, Kelly Preece, and Adam Toone voted in favor. Lars Birkeland voted against. The motion passed.

MOTION: Gaylene Adams moved to approve the business administrator's contract as proposed with the change of up to 7 days of unused leave may be bought out annually.

SECOND: Adam Toone

DISCUSSION: President Blunck reported that we are not even close on his salary compared to that of BA's from other districts. He stated that Scott also serves as Transportation Director, which saves the district approximately \$60,000.

APPROVAL: The motion passed unanimously.

Board Member Committee/School Visit Reports:

Kelly Preece reported that the Recreation Board met and elected Renn Hoopes as the Vice Chair. They are in the process of hiring a recreation director. He noted that the county has taken over the maintenance of the lawns at the Rec Plex and they are doing a great job. He also noted that COG met and the city informed the COG members that the Young Street Bridge project is beginning next month.

Gaylene Adams reported the Morgan Education Foundation Board of Trustees met and is recommending that all donations be restricted so that they can only be used for scholarships. Scott McMillan reported that from an audit standpoint, it would be good idea to keep these funds restricted. This would allow the School Board to control these funds.

Advanced Planning for Upcoming Events:

Next Board Meeting is Tuesday, July 28, 2020, at 5:00 p.m. for a public meeting to discuss the Reunification plan for school in the fall. The Board members felt that it would be beneficial if the Board members rotate attending the COVID Committee meetings.

The meeting adjourned at 8:41p.m.

Business Administrator, Scott McMillan