



Santiam Travel Station

750 S. Third Street, Lebanon, OR 97355

MEETING MINUTES

<p><u>BOARD MEMBERS PRESENT:</u> Tom Oliver, Chair Mike Martin, Vice Chair (via Zoom – joined late and left early) Richard Borden Tammy Schilling (via Zoom) Todd Gestrin (via Zoom)</p>	<p><u>EXECUTIVE STAFF PRESENT:</u> Bo Yates, Superintendent Jennifer Meckley, Assistant Superintendent William Lewis, Business Director Kim Grousbeck, Director of HR</p>
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The meeting minutes were recorded by Executive Secretary Ruth Hopkins.

1. WELCOME AND CALL TO ORDER

Board Chair Tom Oliver called the meeting to order at 6:02 PM and led the Pledge of Allegiance.

2. PUBLIC COMMENTS/COMMENTS FOR NAMING THE POOL

There were no comments submitted either for or against the naming of the pool.

One public comment was submitted by Monica Graves regarding the athletic guidelines for wearing masks. That comment is attached to these minutes.

3. 2019-20 AUDIT REPORT

William Lewis presented the audit report for fiscal year 2019-20 that was prepared by Pauly Rogers and Co, PC. Edward Yuen and Michael Aloï appeared via Zoom and Michael Aloï presented the Communication to the Governing Body that reviewed the purpose of the audit, their company’s responsibility for the audit, planned scope and timing of the audit, results of the audit, significant audit findings, future accounting and auditing issues, and best practices.

(VICE CHAIR MIKE MARTIN JOINED THE MEETING AT 6:20 pm)

Michael Aloï then reviewed the exit comments for the Board. The first comment was in regards to fidelity insurance coverage. The current coverage is considered low and the recommendation was that the Board should discuss increasing that coverage to help minimize risk exposure to the district.

The second comment was in regards to the governing body's monitoring of financial activities and how this could be accomplished by reviewing financial statements and projections, and by comparing financial results to pre-established benchmarks.

There was a discussion around internal controls procedures for prevention of fraud. William Lewis stated that the district has internal control policies and procedures in place and that they were also reviewed by the auditors. There are several lines of defense in place to help prevent the occurrence of fraud in the district. He added that the audit results showed an improvement over last year's audit and that he appreciates all of the hard work that the business office staff have done to make this happen.

Chair Oliver mentioned the actuarial valuation item on the report that is in accordance with GASB 75. In the past, the district has not pursued this. He indicated that the Board could discuss that again and decide if they would like to pursue that at this time.

Pauly Rogers and Co.'s communication to the Board of Directors and a copy of the 2019-20 financial report are attached to these minutes and is available on the district website.

4. MAINTENANCE BOND DISCUSSION

Superintendent Yates presented background information regarding building maintenance in the district and then shared about the grant opportunity that the State of Oregon currently has for matching funds available with a general obligation bond. The district has already gone through a long-range facility review for building repairs and they have looked at each school individually to identify what the necessities are. This information is included in the board packet and is available online.

He further explained that the maximum amount the district could get is \$4.4 million, and for the next biennium we could get a total of \$8 million. So, if the district could pass a \$12 million bond, then it would have \$20 million to work with for general maintenance items.

Chair Oliver clarified that the funds were for system replacements for assets that have a fixed life expectancy and need to be replaced, such as boiler systems or roofs.

Superintendent Yates then reviewed the line items for repair needs at the high school. He stated that the current seismic rehabilitation project would take care of a few of the items for the high school.

William Lewis presented the financial information on the bond. He said this would be a 20-year issue. He shared the graph with the treasury rates and said that currently rates are very low, so are in a good position for the district. The levy rate for the bond would be \$2 per \$1,000 for property taxes. He added that deferred maintenance does not get better with time. He said the district will apply for the matching grant, just so that we are in the queue.

Chair Oliver clarified that they are not asking for approval at this point. The first step is to apply for the matching bond and see if we qualify for that. Then to engage the community regarding the bond. Ultimately, it is not the Board's decision, it is the voter's decision if we levy a general obligation bond.

Superintendent Yates added that one of the larger repair items was the refurbishment of the pool. It needs to have significant work done to it, basically building a new pool within the structure that is currently there. He added that it would be sad for the community if we are no longer able to offer the pool.

Member Todd Gestrin added that he feels we need to take advantage of the matching funds from the state, but his concern is the increase in property taxes to people who are struggling with financial issues in the community. He is not sure if the community can handle a \$2 per \$1,000 increase to property taxes. Chair Tom Oliver said that was a good point and that the next step is community engagement to see what the community feels they can do and not overstepping what the district goes out for in the bond.

5. COVID-19 OPERATIONAL UPDATE

Superintendent Yates presented the COVID-19 update. The district has started with grades K-8 for in-person instruction. There have not been any major issues so far. The staff and the parents have done a great job making this work. The principals have done a great job implementing their plan and making it work well.

(VICE CHAIR MIKE MARTIN LEFT THE MEETING AT 7:05 PM)

The high school will start next week. The administration team has worked really hard to come up with a plan for the high school. He feels there will be refinements to the rules that we currently have to use coming from the Governor regarding cohort requirements and personal distancing. He shared that the plans for the middle school and the high school are built to be able to add more kids when possible. At the elementary level, there are more kids wanting to come back than we have room for, and the hope is that we can bring more back at the end of spring break. He indicated that the guidance will come out next week and he anticipates it will allow us to do more. The high school is currently limited to 100 students for their cohorts and the hope is that the cohort limit will be eliminated and that there will be an adjustment to the personal distancing guidelines.

6. AWARD RFP FOR CONSTRUCTION MANAGER

Upon motion made by Member Todd Gestrin, duly seconded by Member Richard Borden, the Board voted unanimously to approve awarding the RFP for Construction Manager / General Contractor to Gerding Builders, LLC.

7. PURCHASE OF KEES STREET PROPERTY

William Lewis indicated that as a condition of closing on the Kees Street property, the closing company needs formal approval from the Board for the purchase. The 1.8 acre property on Kees Street can be divided into 12 lots. The high school Construction 1 and 2 classes will have an opportunity that no one else in the state has for the development of this property over the coming years. He added that the district is looking at an additional \$80-100K for a lot that size to develop the property.

Upon motion made by Member Richard Borden, duly seconded by Member Todd Gestrin, the Board voted unanimously to approve the purchase of the Kees Street property as presented.

8. NAMING OF THE LEBANON COMMUNITY POOL

Superintendent Yates shared that the district would like to move forward with the approval of naming the Lebanon Community Pool after Jan Nadig, as proposed in the January 14, 2021 Board meeting. There have not been any public comments submitted to the board regarding this change.

Upon motion made by Member Todd Gestrin, duly seconded by Member Richard Borden, the Board voted unanimously to approve the pool being named after Jan Nadig.

9. SUPERINTENDENT'S RECOMMENDATIONS FOR RENEWAL AND NONRENEWAL

Upon motion made by Member Richard Borden, duly seconded by Member Todd Gestrin, the Board voted unanimously to approve the Superintendent's Recommendations for Renewal and Nonrenewal as presented.

10. CONSENT AGENDA

Upon motion made by Member Richard Borden, duly seconded by Member Todd Gestrin, the Board approved the February 11, 2021 meeting minutes; the adoption of Policies BDC, IICC, JECA, LBE, LBE-AR and LBEA; and the hiring of Steve Woodcock and Susanne Stefani, as presented in the consent agenda in its entirety.

11. DEPARTMENT REPORTS

A. Operations

Superintendent Yates shared that the transportation, food services, custodial and the maintenance departments have all been working very hard to get students back and he just wanted to thank them for all of their hard work.

B. Human Resources

Kim Grousbeck presented the update for Human Resources. She shared that they have been working hard with the unions to get the staff back and get students in the buildings. There are currently 24 open postings for the district.

C. Finance

William Lewis presented the district financial reports. He indicated that the decrease in the ending fund balance was because of the hiring that HR has been doing, as well as the purchasing of supplies now that schools are opening back up. Currently, we have an \$8 million ending fund balance that will be spent down through the end of the school year, and it should end up at a balance of about \$6 million.

He added that he would bring back the internal procedures from the business department to share with the Board for what they do for fraud prevention.

12. COMMUNICATION

A. Board

Member Todd Gestrin shared that he had put information out on Facebook to see what people were thinking and the bulk of the responses has been positive. The items brought up are good items for the district to think about. The community responded well and he will forward the information he gleaned to Superintendent Yates to review.

B. Superintendent

Superintendent Yates welcomed Steve Woodcock and Susanne Stefani to the administration team and shared that he is excited to have them as a part of our school district staff.

13. ADJOURNMENT

There being no further business before the Board, the meeting was adjourned at 7:35 PM.



Tom Oliver, Chair



Bo Yates, Superintendent