

Dayton School Board  
609 South Second Streets  
Special Board Meeting – 6:00 p.m.  
April 10, 2019

**I. Call to Order -**

Board Chair Leid called the meeting to order at 6:00 p.m. Board members present were Katie Leid, David Bailey, Justin Jaech and Fred White. Student Representative Kaleigh White was absent (excused).

**II. Flag Salute-** Board Chair Leid led the flag salute.

**III. Recognition of Representatives:** Kaye Eaton, Dayton Chronicle and Dena Martin, Waitsburg Times

**IV. Additions or Changes to the Agenda:** N/A

**V. Consent Agenda:** N/A

**VI. Reports**

**Superintendent's Report**

**Legislative News-** Superintendent Johnson provided information on recent activity with the state legislators and the potential impact on school district funding. The outlook includes increases in Special Education funding (which will have not benefit our funding since we are part of the ESD 112 Consortium and the funding goes directly to the ESD). The Transportation budget will likely see increases, but again this does not affect the General fund usage. The transportation program is self-sufficient with their budget. CTE funding may increase, which could help to reduce the amount the basic education funding applies to CTE programs outside of the allocated current CTE funding. This could have a positive impact of about \$35,000. The current amount projected for 18-19 for basic education coverage to CTE is approximately \$70,000- so it would help to reduce the cost outside of CTE funding by about half.

Financial Projections 2019-2020- Superintendent Johnson noted the high poverty funding for MS and HS LAP would not be available for next year due to our free/reduced rates at the Middle School and High School. The LAP reduction will have an impact of approximately \$53,000 to the LAP funding at the MS/HS levels.

Superintendent Johnson also noted the local tax collection (enrichment levy) is estimated to be \$173,000 less than the 2018-2019 school year. Although the voters approved \$1,461,000 in enrichment levy funding, the amount was reduced by the state. The 2018-2019 amount went to \$1,169,258 and is currently projected to be at approximately \$996,000 for 2019-2020.

Regarding expenditures, Superintendent Johnson noted estimated certificated salary and benefits (including negotiated increase, step increases, etc.) would increase to approximate \$3,006,999- an increase of 8.5%.

Superintendent Johnson also mentioned classified salary and benefits would be discussed during negotiations.

According to State's prototypical school model, we are overstaffed in all three categories- Certificated, Administrative and Classified. This funding, combined with the reduced levy collection, makes it difficult to staff above the state supported figure.

Superintendent Johnson discussed the medical insurance benefits will be moving to the SEBB (state insurance). There are several unknowns about the changes and statewide concern on the addition cost of fully insuring more part time employees as well as increased costs to the total premiums.

Information on the current year to date cash flow projects was presented. The 2018-2019 school year was projected to have an ending balance of approximately \$196,000. The 2018-2019 budget was passed with an anticipated \$223,501 deficit. Current estimated ending cash is \$298,496 (above projection by about \$100,000). Several scenarios were discussed that can influence the ending cash and the total cash flow sheet. There are still several unknowns for the current year which could influence the ending cash- including retirements, facility work, etc.

Superintendent Johnson indicated the state's recommendation for school districts is to have cash reserves of approximately 10%- for our district it would be close to \$600,000.

#### **Review of Required Reduction in Force and Layoff procedures:**

Superintendent Johnson noted the following items relating to staff reductions:

- RIF Is the terminology for reducing certificated staff
- Layoff is the verbiage for cuts to classified staff
- The process begins with the resolution before the board at this meeting
- The next step would likely be RIF of certificated staff-, which must be done prior to May 15 unless the legislators do not finish on time at the end of April. Certificated staff have potential for hearings and appeals as part of the process.
- Decisions on classified staff need to be made before June 1.
- Both employee groups have contract language and state law governing some of the procedural steps
- Superintendent Johnson indicated there would not be any names brought into the discussion at this time.

**VII. Public Comment:** Vickie Beckmeyer spoke on behalf of her business (Snapdragon). She noted as a downtown storeowner, she hears many positive things about what is going on in the Dayton School District. She mentioned her kids went to school here many years ago, and it was a positive experience. She also noted there had been some rougher years, and her grandkids had attended in Waitsburg because of the problems in Dayton at the time. She has observed the atmosphere has changed again, and things are going very well for the Dayton School District. She hears positive feedback about the teachers and stated the Elementary teachers are 100% awesome. She encouraged the board to keep the positive momentum.

**Chris House-** Mr. House noted he has a daughter attending attends Dayton Elementary and this year has been very positively impactful for his daughter. She receives a great deal of encouragement and the building blocks for her future are being put into place. He is concerned with any cuts or dismissals because of the impact it can have now and

in the future when today's elementary students are in middle school and high school. Mr. House also noted changes could influence enrollment. He questioned the amount of out of district transfers and what avenues had been pursued to bring those students back. Mr. House also asked about the Alternative Learning and Open Door program and wondered if it has been well enough communicated. Superintendent Johnson responded to both concerns.

**Andee Thurston-** Mrs. Thurston thanked the board for their work and acknowledged the Administrators and staff. She noted she has seen some very creative shuffling to keep things going smoothly. Mrs. Thurston said she understood as a business owner the concern about the financial aspects and it can involve some tough decisions. She asked the board keep nurturing the creativity and to shuffle people as needed to fill the potential gaps. She asked if there is additional collaboration that can be encouraged. Mrs. Thurston encouraged the Board and the Administrators to consider the longevity of the decisions they make and to give careful consideration for what will be best for the long run. Mrs. Thurston noted she loves the work the elementary school teachers are doing, and commended the staff for the work they all do. In closing, she asked the board to think not only about the dollars but also on the impact their decisions will have on the students.

**Chris House-** Mr. House reiterated the positive impact this year has been on his daughter- even to the point where she has been inspired to think she may want to be a teacher when she grows up. He asked if there was any possibility of taking deeper cuts in the classified staff and less in the certificated staff.

Superintendent Johnson addressed the question, explaining some of the funding sources. He commented there is not easy or good decision in these situations and that all avenues will be explored.

**VIII. Action Items:**

Board member Bailey moved to approve Resolution 2018-04 Financial Emergency and Modified Education Program. Motion carried.

**IX. Executive Session- N/A**

**X. Adjournment-** The meeting adjourned at 7:45 p.m. The next regular meeting will be on April 17, 2019 at 6:00 p.m. in the District Boardroom.

Following the Special Meeting, the board met in an exempt (closed to the public) session for the purpose of discussing negotiations. There was no action taken.

Respectfully submitted,

Douglas Johnson, Secretary to the Board of Directors

BOARD MEMBERS:

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