

NHCS Board Minutes for 10/09/08

1. At 7:30pm, Mr. Chinn called the meeting to order and asked for the roll. Mr. Naegele, board secretary, reported Mr. Robert Chinn, Mr. Gary Byrne, Mr. Naegele, Mr. Michael Beyerle, and Mr. Gary Renneker were present.
2. Mr. Chinn moved to approval of minutes from previous meetings: October 3rd Executive Session, October 8th Executive Session, September 11th regular session.
3. Mr. Renneker corrected the minutes on number 7 for board minutes for 9/11/08 that he asked where newly purchased generator was stored.
4. Mr. Beyerle moved and Mr. Renneker seconded approval of the minutes of 9/11/08. The motion passed 5-0.
5. Mr. Chinn moved to approval of claims: 1428-1597 and payroll: 10/24 and 11/07 of 2008.
6. Mr. Beyerle asked about the claim on # 1442 (transportation in August). Dr. Oppel explained that this was for hearing impaired special education transportation to Mt. Tabor Elementary that we are required to pay. The bill is per day transportation. Mr. Renneker asked if this service could be performed at this school. Dr. Oppel said no.
7. Mr. Renneker asked about claim # 1430 REMC bill being twice the size of the other schools. Dr. Oppel said that Mr. Hanen, the energy manager, could answer that question.
8. Mr. Renneker asked about claim # 1472 (New Albany Energy Savings Contract). Dr. Partenheimer explained that this payment is for renovations at Prosser Vocational School and that all corporations divided the payment over several years. This is North Harrison's payment out of the Capital Projects Fund based on the number of students that attend Prosser.
9. Mr. Beyerle asked about claim # 1446. Partenheimer explained that this claim was to pay for band instruction that came out of River Boat Summer School funds. There were two payments for each instructor for the time period. Mr. Beyerle asked if we paid this service twice. Both payments said September 08.
10. Mr. Chinn asked for verification on claim # 1463. Dr. Partenheimer said the claim was a landfill charge to John Hall for \$334.24 out of the construction fund. (The claim was on a different list.)
11. Mr. Renneker asked about claim # 1484. Dr. Oppel explained that this was for paint on the parking lot stripes and curbs that was done while school was out for wind damage.
12. Mr. Beyerle asked about claim # 1563. He asked how many pencil sharpeners for \$600? Dr. Partenheimer said the claim was for \$198 for four electric pencil sharpeners and four regular pencil sharpeners. The pencil sharpeners were \$47 a piece. Jeff Brown stated that the electrical pencil sharpeners went into the high school. Dr. Partenheimer stated that there was a total of 12 pencil sharpeners purchased.
13. Mr. Naegele moved and Mr. Byrnes seconded approval of claims and payroll. The motion passed 5-0.
14. Mrs. Lisa Murner, Morgan Elementary School PTO President, addressed the board concerning the petition/remonstrance race and emphasized how it cost the

- Morgan Elementary School PTO over \$5,000 that would normally have gone to the purchasing equipment/programs that would help the education of students at Morgan Elementary.
15. Mr. Ron Coleman addressed the board concerning the petition/remonstrance race that has divided the school community.
 16. Mr. Chinn opened the meeting to comments from the public on items for action.
 17. Mr. Greg Rupp asked why the superintendent is recommending borrowing \$4.3 million rather than \$5 million.
 18. Dr. Partenheimer explained that we no longer have a local levy for the General Fund. The State of Indiana has picked up the General Fund with the Sales Tax.
 19. Mr. Rupp asked if we would have enough money to end the year. Dr. Partenheimer said that we would have to extend the loaned money into the next budget to meet our expenses.
 20. Mr. Rupp asked if we could do that and Dr. Partenheimer said yes.
 21. Mr. Rupp asked about the \$2 million Certificate of Deposit. Dr. Partenheimer stated that we would gain 1% of revenue on this 90 day CD. Dr. Partenheimer stated that this is an assortment of funds that add up to the \$2 million.
 22. Mr. Rupp asked the board if Dr. Partenheimer was receiving a package to retire. Dr. Partenheimer said that he wasn't receiving anything from the corporation in retirement.
 23. Ms. Tammy Sagar addressed the board on what she sees should be done in the selection of a new superintendent.
 24. Ms Sagar also questioned the present of only two board members at the last mediation session on October 3rd. Mr. Beyerle corrected Ms. Sagar and said that there was mediation on October 1st. Mr. Renneker stated that he was invited but couldn't make the mediation session but that he made the first negotiation session since being on the board.
 25. Mr. Chinn stated that this wasn't an item for action but that he wanted to address the situation that occurred on October 1st. He stated that all teachers don't attend but that the bargaining committee attended. He said that the board has left their attorney out of bargaining but that He said the mediator said that mediation was over and that the board was in the dark, too. Mr. Chinn stated that he knows that he must obey the law and asked for the next person.
 26. Ms. Heidi Waynescott questioned the security of NHCS funds in the Regions Bank.
 27. Mr. Chinn moved to Items for Action.
 28. Mr. Beyerle moved and Mr. Renneker seconded approval of resignations (retirement of Dr. Partenheimer effective December 31, 2008, Mrs. Pinnick as cheer sponsor effective September 9, 2008; Mr. Jerry Hanger as 7th grade boy's basketball coach). The motion passed 5-0.
 29. Mr. Renneker moved and Mr. Byrne seconded appointments (Mrs. Lark Mull as Academic Advisor at North Harrison Middle School effective 2008-09 school year; Mr. Larry Martin as volunteer with Varsity Boy's Basketball at North Harrison High School for the 2008-2009 season; Mr. Joe Doans as volunteer with 6th grade boy's basketball at North Harrison Middle School; Mrs. Melissa Voyles

as volunteer with 5th grade boy's basketball at North Harrison/Morgan for the 2008-2009 season.) The motion passed 5-0.

30. Mr. Naegele moved and Mr. Byrne seconded approval of donations (\$10,340 from Harrison County Community Foundation to North Harrison Elementary School for student participation in Lincoln Bicentennial Celebration [No match required]; \$8,185 from Harrison County Community Foundation to North Harrison High School and North Harrison Middle School Band Classrooms for Purchase of Smart Boards and Projectors [Match required]; \$6,714 from Harrison County Community Foundation to Corporation for installation of school bus crossing arm gates for corporation school buses [Match required]; \$24,512 from Harrison County Community Foundation to North Harrison Elementary School for purchase of books for the leveled reader's library [Match required]; \$60,000 from Harrison County Community Foundation to Corporation for installation of lighting at baseball athletic complex [Match required]). Mr. Renneker asked for more information on the baseball lights grant. Mr. Byrne asked who wrote the grant. Dr. Oppel responded that the NHHS Athletic Director wrote this grant. Dr. Partenheimer said that we are accepting the grant but that Mr. Renneker could make a motion to drop this item from the previous motion. Mr. Byrne said if we were to drop one grant that we should drop all grants for information. Mr. Naegele asked if we had ample money and Dr. Partenheimer stated that we could make it easier if we divided the matching until the next budget but that we did have the money in the River Boat Fund. Mr. Renneker stated that this is a lot of information to determine at this setting. Dr. Partenheimer asked Mr. Renneker if he received a board packet earlier and he said that is correct but that the agenda did not have detailed information concerning this grant. Mr. Chinn asked more clarification on the book grant of Ms. Lisa Jones, North Harrison Elementary Principal. Ms Jones explained the grant. Mr. Byrne asked Dr. Oppel to explain his grant application. Mr. Byrne stated that he wanted to accept the grants. He further stated that any one could amend the motion. Fred Naegele stated that we would receive the money from the foundation until we completed the project. Mr. Chinn asked if we were sure to get River Boat money. Dr. Partenheimer stated that the commissioners would have given us advance notice. Mr. Beyerle stated that the board hadn't seen any bids. Dr. Partenheimer stated that the board would have to bid the project again, anyway. Mr. Chinn amended the motion to add "with board approval." The motion passed 5-0.
31. Mr. Naegele moved and Mr. Beyerle seconded. Mr. Byrne stated that the Debt Service would pay the interest on the loan. Dr. Partenheimer stated that there would have to be another motion to accept the loan. Permission to advertise for \$4,300,000 loan for first week of January 2009. The motion passed 5-0.
32. Mr. Renneker moved and Mr. Naegele seconded a motion to approve short term (90 days) Certificate of Deposit investment of \$2,000,000 from Regions Bank. Mr. Naegele asked if we would meet the 90 day obligation and Dr. Partenheimer said yes. The motion passed 5-0.
33. Mr. Byrne moved and Mr. Beyerle seconded a motion to approve a resolution approving the Building Corporation. The motion passed 5-0.

34. Mr. Naegele moved and Mr. Renneker seconded a motion to approve a resolution to form a lease. The motion passed 5-0.
35. Mr. Beyerle moved and Mr. Byrne seconded a motion to approve the Bond Holding Corporation Trustees who are: Mr. Charlie Book, Mr. Mark Burgher III, Mr. Ron Coleman, Mr. Keith Jones, and Mr. Fred Uhl. The motion passed 5-0.
36. Mr. Naegele moved and Mr. Byrne seconded a motion to approve Umbaugh and Associates as financial advisors for Morgan Elementary School Project. Dr. Partenheimer informed the board that there is no bidding process required by code for service contracts such as architect s or insurance agents. The motion passed 5-0.
37. Mr. Renneker moved and Mr. Beyerle seconded a motion to approve a contract with Ice Miller as bond council for Morgan Elementary School Project. The motion passed 5-0.
38. Mr. Byrne moved and Mr. Renneker seconded a motion to approve change of ownership of contracted bus routes Route 10 and Route 21. The motion passed 5-0.
39. Mr. Naegele moved and Mr. Byrne seconded a motion to approve a transportation contract for visually and hearing impaired (Harrison County Exceptional Learners Cooperative) to transport students to the Indiana School for the Blind and the Indiana School for the Deaf. The motion passed 5-0.
40. Dr. Partenheimer stated that the third party administrator would manage the 403(b) plan for employees. If MetLife makes a mistake in managing the plan, NHCS will not be held responsible. Mr. Byrne asked if this company was required to run the plan. Dr. Partenheimer stated that this was a contract issue and that the corporation is required to hire MetLife as the third party administrator. Mr. Byrne repeated that if the teachers didn't like the third party administrator that they are required to use them. Mr. Byrne asked Mr. Rupp if the teachers were happy with this choice and Mr. Rupp stated that have to be. Mr. Renneker moved and Mr. Byrne seconded a motion to approve the Hold Harmless Agreement with Metropolitan Life Insurance Company (IRS Compliance of 403b Accounts). The motion passed 5-0.
41. Dr. Partenheimer stated that his research with the State Board of Accounts would allow the corporation to enter into an agreement with the Exclusive Representative to allow teachers to be paid for a work day teachers if they did the work at home rather than at school. Dr. Oppel had discussed this with teachers and that they have agreed.
42. Mr. Renneker moved and Mr. Naegele seconded a motion to approve of calendar changes due to wind storm and to approve a contract addendum with teachers for a make-up work day or working on grades on their own time. (Extend the end of the school year by 4 days.). The motion passed 5-0.
43. Mr. Beyerle moved and Mr. Byrne seconded a motion to approve a Petition to Appeal (DLGF) for \$71,000 as a "New Facility Appeal." The motion passed 5-0.
44. Mr. Naegele moved and Mr. Renneker seconded a motion to advertise for sale/disposal of surplus property – 100 gallons of paint (combination of colors no longer used in the elementary) and surplus art clay. The motion passed 5-0.

45. Mr. Naegele moved and Mr. Renneker seconded a motion to appoint Mr. Gary Byrne representing industry and Mr. Ron Coleman representing tax payers for NHCS on the Common Construction Wage Hearings the second Wednesday of November. Dr. Oppel will represent the corporation. The motion passed 5-0.
46. Mr. Chinn moved to Administrative Communications.
47. Mrs. Lambertus introduced Mr. Danny Schmidt who was recognized as the Walmart Teacher of the Year. Dr. Partenheimer thanked Mr. Schmidt for his work with the 6th grade learning experience in the spring. Mr. Schmidt's efforts have lead to a number of schools copying his plan.
48. Dr. Partenheimer informed the board that the corporation at the end of September the corporation had earned \$182,541 and that the corporation had earned \$130,000 last year.
49. The superintendent informed the board that the second settlement of the local levy will be on February 2 which is after the 2008 budget year is over.
50. The superintendent informed the board that the official enrollment for 2008-09 is
51. Mr. Chinn moved to board concerns.
52. Mr. Beyerle congratulated Mr. Schmidt and thanked Dr. Partenheimer for what he has done for us. Mr. Naegele congratulated Mr. Schmidt and wished Dr. Partenheimer well. He congratulated the girl's golf team and Allison Dooley who competed at the state level. Mr. Naegele recognized Jonathan Reynolds for winning the middle school state cross country meet and he also won the county meet at Lanesville. Mr. Byrne included that Jonathan now holds the state record on that course. He also thanked Mr. Schmidt. Mr. Byrne thanked Ms. Murner and Mr. Coleman for their address to the board and agreed with them. He stated that if contract is settled it isn't because Dr. Partenheimer has left. He also said that he told a reporter that if Mr. Rupp wasn't involved in the negotiation process that there would be a settlement and that on the board's side many offers and changes had been made. He further stated that the board did not get up and leave mediation. The mediator stated to the board's negotiation team that the two sides were too far apart and that we might as well go home. Mr. Chinn thanked Danny Schmidt for his efforts for his hard work and that it is noticed. Mr. Chinn informed the public that the board has had one interview already for an interim superintendent and would report to the public soon.
53. Mr. Beyerle moved and Mr. Renneker seconded a motion to adjourn. The motion passed 5-0.

Address by Lisa Murner, Morgan PTO President
To the School Board 10/09/08

Hello Everyone, My name is Lisa Murner and I am a proud parent of three North Harrison School Students and the Co-President of Morgan Elementary PTO. I am also married to a Jefferson County Public School Teacher.

I am here tonight not to represent Morgan PTO, but as a mom and a concerned citizen.

I would like to address teacher contracts, as well as my frustrations with Mr. Rupp, the teacher representative.

The First Issue, and this is potentially huge, is the remonstrance issue. Morgan PTO just concluded a month long project of collecting signatures of people who are in favor of the remodeling of Morgan Elementary. We had to do this only because Gregg Rupp and some of his partners opposed this remodeling, and the only way to make it happen was to get more signatures in favor of the proposal. This campaign ended up costing the Morgan PTO, which is truly the children's money, around \$5000 in signs, public relations, and a rally.

Critical to this point is that the remonstrance has also cost us precious time.

Mr. Rupp stated in the Corydon Democrat article that was printed on Oct. 1, 2008, and I quote, "No one, especially me, thought that Morgan did not need to be remodeled" Unquote.

There was a legal hearing, 1028, that was held the first of May, 2008. This determined the amount of money spent a year, so we, as tax payers, know the debt limit for each year. The amount determined was \$960,000 a year.

We have to consider the daily, rising cost of construction

Without the remonstrance issue that Mr. Rupp instigated, we would have settled the process and sold our bonds in July, 2008, when the bonds were worth 4.75%. For anyone who doesn't know, people take out a mortgage for a home, where as a school sells bonds to acquire money for building.

I believe we are all well aware that there is an economic crisis.

We don't know what the bonds will sell for now, or if they will even sell. Which means this remonstrance, for a project Mr. Rupp himself knew was needed, has potentially cost our community not only a lot of money, but it has possibly cheated the children of Morgan from having a proper school environment.

Now, we have to be realistic and understand that with the economic crisis, the governor may decide to freeze the building project. The school property tax control board may

deny it if our interest cost is more than our building cost. It is the kids in the community, as well as the Morgan staff, who will have to suffer the consequences of this very poor choice to use this project as leverage in teacher contract talks.

My second issue is that not only did this remonstrance cost us dearly, but there are frivolous lawsuits where our school system has paid around \$170,000 in attorney fees. One of the lawsuits was filed after the teachers Mr. Rupp represents, invited Dr. Partenheimer to their school to discuss class sizes and the need for a new teacher. This is a duty we would expect a school superintendent to handle. When he performed this duty, what I feel is a requirement of his job, Mr. Rupp then sued him.

What I am about to say is important for North Harrison Teachers to understand. The \$170,000 we have paid in legal fees came from our general fund. The same fund that teacher salaries come from. This frivolous expense represents a 2% teacher raise.

I was curious about the fact finding committee, so I did some fact finding on my own.

The fact finder said there was some money in our budget, but it failed to mention how much of that money was transferred from the retirement bond and needed to be repaid. It also failed to consider which money in the bank was a one time acquisition, and which is ongoing new money.

We have 2 and a half million dollars in a Rainy Day Fund. This is money that was moved from the capitol projects fund. This is one time money. Mr. Rupp wanted this money moved into the General Fund, which pays the teachers salaries. This is no good bookkeeping. The money was meant for the buildings, and is should be used for the buildings. To pay the teacher contracts, you need new money that is ongoing.

The fact finding committee was supposed to hand over their findings and allow the school board ten days for rebuttal. This did not happen. The board was not given this chance and did not have an opportunity for rebuttal.

I feel like it is important to discuss what has happened from the last contract until this point. At the time the last contract was settled, the state of Indiana promised the schools a set amount of new money each year. This was roughly 2% minimum guaranteed increase over the previous year.

The following year, the state of Indiana changed the way they paid the schools. Instead of a percentage increase each year where you knew you would receive at least a certain amount that is new ongoing money, they began paying according to enrollment. This meant we no longer had the money to keep up with the amount promised on the contracts. North Harrison Community School's had around 4 million dollars in the bank at this point. To keep the promise on the contract, they had to start using the one time money from the bank to add to what the state was giving each year for teacher salary, until our money had been depleted.

That has been a big question in the community. We had money, so where did it go. When you look at the numbers, and do the math, you see where it went.

If you do a little research, you can quickly see that school districts are in contract talks and disputes all over the country. It has to be more than something our local board has done. Our school board has tried to catch up and keep up with the financial difficulties this presented. They went on a repair instead of replace mission, which saved us around 2 million dollars last year, and about 1.1 million this year in the capitol projects fund.

Third and final issue: The North Harrison Community needs a way to end the “he said – she said” situation in our community.

Let’s require more information from both sides, in writing.

I would like to ask every teacher that is represented by Mr. Rupp to require him to bring every offer made by you, the school board, to them in writing. This should be the actual proposal. They should have the opportunity to vote on each and every offer.

Fiscal responsibility has to matter. We have to be willing to look at the true numbers in our school system.

It is vital now to our community to get the teacher contracts settled. The teachers deserve a fair contract. Please understand, I want the best for them that we can afford. As a community we need to ask if this is possible with Mr. Rupp involved. There seems to be no negotiating on his part.

To the teachers who I respect and who I admire, it is time to ask if this really the person who represents your views, and makes choices on your behalf?

Thank you for this opportunity to express my concerns.