

SABETHA UNIFIED SCHOOL DISTRICT NO. 441
1619 S. OLD HWY 75 – BOE Room
SABETHA, KS 66534
MINUTES, SPECIAL MEETING
Tuesday, March 16, 2010 @ 3:30 PM

Mr. Brockhoff opened the meeting at 3:30 PM. Mr. Stones reviewed the Agreement for Consolidation between USD 441 and USD 488 that would be filed with KSDE per K.S.A. 72-8701 *et seq.* The following items are listed in the agreement per law.

1. Approval by the State Board of Education and by Election. – The agreement will not be in force or effect unless first approved by the State Board of Education, and thereafter approved by both district's patrons in a special meeting by 51%.
2. The home county of the consolidated Unified School District shall be Nemaha County, Kansas. The boundary of the two merged districts will accompany the agreement.
3. The special election date will be May 25, 2010 if the State Board of Education approves the plan. The majority of the qualified electors in each of the school districts will determine approval.
4. It was agreed that board members of the consolidated unified school districts shall be elected by utilizing Plan B – 6 voting districts – one at-large member.
5. Member districts (for Board members) will be drawn +/-5% according to the latest information available. The temporary board will draw the boundary lines.
6. Per K.S.A. 72-8702(e), the membership of the temporary board shall include three members from each existing board. The last member will be selected by the six members and does not need to be a sitting member. This seventh person can be a member of either district and not necessarily a current board member.
7. If approved the consolidation of the two districts will transfer all assets on July 1, 2010 to the new district.
8. The bonded indebtedness of each district being consolidated shall remain with the patrons/territory that adopted the debt.
9. Add any additional items as discussed and agreed to by the consolidating boards of education.

These nine items will be presented to the Kansas State Department of Education for approval. If approved there will be a question written for a ballot to be presented to the district patrons on May 25, 2010.

Discussion followed.

Part of the discussion included the fact that as the board moves forward that benchmarks will be determined and used to restructure the new district. These benchmarks could even determine whether buildings will stay open. There are three benchmarks that are being discussed: enrollment, finance, and academic.

Ken Kickhaefer, the district auditor, (also 488 auditor) was present to share projections of what each district's budget respectively would be over the next five years. He then presented a projection of what a combined budget may look like if the districts consolidated, and thus locked in state aid for the next five years. Included in the projections were the proposed decreased enrollments.

Total combined budgets with consolidation identify additional revenue approximate to 5.8 million dollars over the next five years. The mill levies to raise the same monies will be less due to the state aid in 441 being 55% LOB state aid compared to 30% in 488. The consolidation would allow the district to keep the 55% LOB state aid thus bringing in the same amount of revenue with fewer mills. Axtell also has a higher assessed valuation per pupil which impacts the budget in a positive way.

A motion was made by Sandy Aberle to adopt the resolution for consolidation with 488 and adopt the agreement for consolidation (see above nine items) as proposed. Ed Reznicek 2nd the motion. Ed Reznicek stated that school financing is in a period of uncertainty and this adoption is movement forward in stabilizing finances for our district over the next five years. Motion carried 7-0.

At 4:46 PM a motion was made by Ed Reznicek and 2nd by Klinton Beyer to adjourn. Motion carried 7-0.

Board President

Board Clerk