

**OFFICIAL PROCEEDINGS OF THE REGULAR MEETING OF THE
BOARD OF EDUCATION, EAU CLAIRE, WISCONSIN, NOVEMBER 19, 2012
PRESIDENT CRAIG PRESIDING**

Following the Pledge of Allegiance, President Craig called the meeting to order at 7:00 pm. Secretary Patti Iverson confirmed that the meeting was properly noticed and was in compliance with the open meeting law.

Roll call was taken and the following commissioners were present: Craig, Cummins, Duax, Faanes, Janke, and Johnson. Absent: Wogahn. Student Representatives Betsy Fawcett and Jonathan Idarraga were also present.

NOTICE OF CLOSED SESSION

President Craig announced that the Board would go into closed session following the committee meeting under 19.85 (1)(e) to discuss potential lease or purchase or property.

PUBLIC FORUM

Avis Knutson shared concerns about benefits for food service employees as it relates to OPEB and insurance plans.

BOARD/ADMINISTRATIVE REPORTS

Superintendent's Report

Superintendent Hardebeck said the Board will receive the second in a series of presentations about Other Post-Employment Benefits (OPEB.) She said the OPEB Committee has developed three different scenarios for the Board's consideration. She said the presentation is intended to help the Board discern what possible changes might look like, how many employees would be affected under different scenarios and what the costs to the District might be.

Dr. Hardebeck said that administration is recommending that approval of the Five-Year Capital Improvement Plan be tabled until the December 3rd meeting. Board members were asked to forward any questions on the plan to Mr. Kramer.

Dr. Hardebeck shared a list of activities on the Board's calendar for the next month.

Communication to Superintendent/Board President

President Craig shared a letter received from a citizen. Dr. Craig stated that beginning December 3rd the Board will be changing its meeting format so that closed sessions are held from 5:45 to 6:45 p.m. rather than after the Committee Meeting. The regular

meeting will begin at 7 p.m. and, if necessary, the Board could reconvene in closed session after the Committee Meeting if there are still items that need to be discussed. This format will be revisited again in six months.

Student Representative Report

Betsy Fawcett said that the first quarter ended on November 9th. Winter sports have now started. Last week was DECA and Higher Education Week.

Other Reports

Policy and Governance Committee

The P & G Committee met and will be bringing some modified policies to the Board for consideration and first readings. They continue to work on drafting an equity policy.

Budget Development Committee

There was nothing to report.

CONSENT RESOLUTION AGENDA

Com. Duax moved, seconded by Com. Cummins to table Resolution #7—2013-2014 Five-Year Capital Projects. Carried by unanimous roll call vote.

Com. Cummins moved, seconded by Com. Faanes, to approve the consent resolution agenda consisting of the following items:

- ◆ The minutes of Board meeting of November 5, 2012 as mailed.
- ◆ The minutes of closed session of November 5, 2012, as mailed.
- ◆ The financial report as presented.
- ◆ The budget adjustments as presented.
- ◆ The gifts in the amount of \$10,507.77 for the period October 1, 2012, through October 31, 2012, as presented.
- ◆ The matters of employment of November 19, 2012, as presented.

Consent resolution agenda items approved by unanimous roll call vote.

INDIVIDUALLY CONSIDERED RESOLUTIONS

Resolution #8—Payment of Bills & Payroll

Com. Cummins moved, seconded by Com. Johnson, to approve payment of all bills in the amount of \$9,158,915.37 and net payroll in the amount of \$3,679,294.07 for the period October 1, 2012, through October 31, 2012, as presented. Carried by the following roll call vote: Ayes: Craig, Cummins, Duax, Janke, and Johnson. Abstained: Faanes.

Regular meeting adjourned.

Submitted by Patti Iverson, Board Secretary

**COMMITTEE MEETING
BOARD OF EDUCATION – EAU CLAIRE, WISCONSIN
NOVEMBER 19, 2012**

1. Call to Order – Committee Meeting

Board Members present: Craig, Cummins, Duax, Faanes, Janke, and Johnson.
Absent: Wogahn. Student Representatives Betsy Fawcett and Jonathan Idarraga were also present.

2. Committee Reports/Items for Discussion

A. OPEB Report

Mr. Van De Water shared the OPEB Report with an addendum. He thanked the OPEB Committee members for their time and intellect into the process, as well as Leslie Ballentine and Ken Rumphol for their assistance in arranging the technology connections for the meeting.

Linda Mont, consultant with Key Benefit Concepts, was live via tele-conference to discuss the report. She explained that the District's OPEB Study Committee was formed to develop several options for the Board to consider. There were three options presented with three tiers in Options 1 and 2 and four tiers in Option 3, and Ms. Mont described those in detail. Each tier is defined by retirement eligibility dates. The first tier defines those employees who will not be affected by a change and the last tier pertains to employees who have a defined contribution retirement benefit. There is no Medicare age limit for any of the middle tiers under any of the options. Each option in each tier showed the number of employees that would be included and the percentage of all eligible employees. There would be an opportunity for any employee in Tier 1 (and in Tier 2 for Option 3) to opt to move to a lower tier. It was noted that when both spouses work in the District, their benefits are calculated per employee.

Data from other districts' retirement plans was shared, and Mr. Van De Water noted that additional verification will be needed from those districts to be sure the information is comparable. The Board asked to get comparable salary information from these districts as well. A cash flow analysis was also shared, (page 21) which took into consideration active employees and those eligible to receive OPEB under the three different options.

The Board wanted to have further philosophical discussions regarding the role of OPEB in retaining and recruiting quality employees while honoring its commitment to fiscal responsibility. It was noted that the District's retirement plans are higher than comparable districts. It was felt that it would be important to make decisions about changes in retirement benefits as soon

as possible for those contemplating retirement in the 2013-14 school year and beyond.

Mr. Van De Water explained that the committee did not include the supplemental pension (stipend) costs in the scope of the study. The Board requested that those costs be included in any further discussions of modifications to post-employment benefits.

Mr. Van De Water said the first two options that were presented preserve current benefits for anyone eligible to retire before 2028 or 2018. Option three has a shorter period of time. The Board could discuss whether it wants to go with at least a five-year window for the traditional model. It was also suggested that the Board consider the purpose of OPEB; is it primarily for health insurance or is the District looking at a 403B plan? The Board should discuss how it might generate savings by making changes in OPEB.

The Board asked for more information in the form of charts for things similar to page 5 but with current retirement benefits based on different years of service and different groups like the table on page 21. The Board discussed having a special work session to discuss this topic.

The Board asked for input from the audience. Several staff members asked the Board to make a decision for those considering retirement in the next five years so they can make a financial plan for themselves. Clarification of the number of years of service to qualify for post-employment benefits was also asked for. Others shared their perception of why stipends were put into place years ago. The Board asked to get a synopsis of the history of stipends in the District.

3. Request for Future Agenda Items
4. Other Business
5. Motion to go into Closed Session

Com. Faanes moved, seconded by Com. Cummins, to go into closed session under 19.85 (1)(e) to discuss potential lease or purchase of property. Carried by unanimous roll call vote.

6. Meeting adjourned at 9:15 pm.