Minutes of the Board of Education of the
Oelrichs School District 23-3
Annual Board Meeting
July 21, 2026

Call to Order
The Board of Education of the Oelrichs School District 23-3 met in regular session on July 21, 2026, in the High School. The meeting was called to order by John Cope, Board President, at 5:00 pm.

Pledge of Allegiance
Roll Call
Members Present: John Cope, Katie Merdanian, Dave Osmotherly, Marty Schommer, and Lance Tlustos.
Administration Present: Dr. Mitchell Stone, Principal Peterson, and Business Manager Sword.

MOTION by Osmotherly, second Merdanian, to approve June 23, 2026, meeting minutes. Motion carried.
MOTION by Tlustos, second Merdanian, to approve the agenda. Motion carried.
**All actions recorded in these minutes were by unanimous vote unless otherwise noted.*

Public Participation – no participation.

School Board
Oath of office was administered to John Cope by Superintendent Stone.
Nominations were opened for President of the Board of Education. Tlustos nominated Cope for Board President, Merdanian seconded. Cope accepted the nomination. Hearing no other nominations, Cope was elected President. John Cope was sworn in as President by Dr. Stone. Nominations were opened for Vice President of the Board of Education. Merdanian nominated Tlustos as Vice President, Schommer seconded. Tlustos accepted the nomination. Hearing no other nominations, Tlustos was elected Vice-President. Lance Tlustos was sworn in as Vice-President by Dr. Stone.

Old Business
High School Construction Stone informed the board that the walk-through inspection is scheduled for August 6. The board discussed having Kyle be present.
Stone has researched various marquees and will look at local sources for quotes.
Electrical work needs to be done to complete the additional welding booths. To assist with the growth in the welding shop, Perkins awarded equipment for 2026-2027 school term.
School Housing Discussion about the possible remodel of the superintendent house to apartments.
Paving Driveway The bid opening will take place on August 11 at 2:00 PM in Rapid City.
Bus Route After reviewing the map of the school district, the board would like to add an Oral Bus Route to include two stops. First stop at the Prairie View United Methodist Church on Sunny Brook Rd. Second stop at Old HWY 79 and W Oral Rd (Hot Springs School District).
MOTION by Schommer, second Osmotherly to approve adding the Oral Bus Route. Motion carried

Board Reports: Merdanian reported on the BHSSC meeting. Schommer reported that the Oelrichs Fire Department used the school football field for life flight training.

Administration Reports: Dr. Stone informed the board that the School Improvement and Indian Education Grants have been approved for school year 2026-2027. He also shared information about Loneman School proposing Oelrich School District to be a subrecipient for Project AWARE (Advancing Wellness and Resiliency in Education).
The Impact Aid desk audit provided suggestions to use a waiver to simplify the process. Dr. Stone is working to have the waiver be presented and signed by the tribe.

Financials
MOTION by Merdanian, second Tlustos, to accept the unaudited financial reports and pay all invoiced claims. Motion carried.

	Beginning Balance	Plus Receipts	Transfer/Adjust	Less Disbursements	Ending Balance
General Fund	140,386.69	78,961.07	100,000/23,705.89	283,212.09	59,841.56
Capital Outlay	379,190.70	11,204.45	520.35	5,157.65	385,757.85
Special Education	114,277.32	9,267.08	3,904.12	20,815.68	106,632.84
Impact Aid	10,888,393.25	29,878.64	(100,000)		10,818,271.89
Food Service	25,049.35	4,969.82	29,544.31	41,998.65	17,564.83
Custodial Balance:	15,734.87				15,734.87

MOTION by Osmotherly, second Merdanian to transfer $100,000 from impact aid to general, dated June 30, 2026. Motion carried.

Contracts
MOTION by Schommer, second Osmotherly to approve the application for rental of school facility to Katie Merdanian for the Oelrichs Alumni Association Banquet with the permission to allow alcohol on the premises and to waive all rental fees. Merdanian abstained due to conflict. Motion carried.
MOTION by Tlustos, second Merdanian to approve the contractual service agreement with Larry Swanson to provide Informational Technical (IT) Support for school year 2026-2027. Motion carried.

Personal
MOTION by Osmotherly, second Schommer to approve hiring Jeremiah Two Bulls as a bus driver. Motion carried.
MOTION by Tlustos, second Merdanian to approve the hiring agreement with Nancy Chase for the position of assistant cook at $17.00 per hour. Motion carried.
MOTION by Schommer, second Merdanian to approve the extra duty agreement with Mato Hinton for football driver/advisor for $2,800 for school year 2026-2027. Motion carried.
MOTION by Schommer, second Tlustos to pay $1,000 retention bonus to all certified teachers and administrators, including full-time contracted administration to be paid in full on September 15, 2026, payroll. Cope abstained. Motion carried
MOTION by Tlustos, second Schommer to pay $1,000 retention bonus to hourly staff, paid in 2 equal payments (Sept and January). Part-time hourly staff will receive $500 paid on September 15, 2026, payroll. Osmotherly and Merdanian abstained. Motion carried.

FY27 Budget: Public Hearing @ 5:30
BE IT RESOLVED that the Oelrichs School District 23-3 after duly considering the proposed budget and after conducting a Public Hearing as per SDCL 13-11-2 does hereby approve and adopt its annual budget for the fiscal year July 1, 2026, through June 30, 2027. The adopted annual budget totals are as follows: General Fund $ 3,226,375; Capital Outlay $2,033,979; Special Education $ 306,944; Impact Aid $ 3,694,333; Food Service $ 220,466. BE IT FURTHER RESOLVED, that the adopted annual budget levy requests are as follows pending modifications by the County Auditor to accommodate the sheltered property. General Fund: Ag $1.051/thousand; OO $0.669/thousand; Non-Ag Other $4.867/thousand; Special Education: $1.449/thousand; Capital Outlay: $3.00/thousand

Annual Review Open Meeting Law (SDCL 1-25-13)
The board reviewed A guide to South Dakota's Open Meetings Laws 'Conducting the Public's Business in Public' prepared by S.D. Attorney General's Office.

Board Organization
MOTION by Schommer, second Merdanian to approve 1-18 for the 2026-2027 Board Organization as listed. Motion carried.

1) First National Bank of Rapid City as the designation of official depository.
2) Designation of the Chief Executive Officer as the custodian of all accounts.
3) The Fall River Herald-Star is the official legal newspaper.
4) Authorization of continuation of existing funds or accounts and the establishment of any new accounts, if necessary.
5) To set the date, time and place of the regular meetings as the Third **Tuesday** of each month; at the Oelrichs High School; at 5:00pm. Motion carried.
6) Establishment of advisory committees where applicable.
7) Approve Liability insurance of $1,000,000 for the Business Manager with the premium to be paid by the district; $1,000,000 for the Chief Executive Officer with the premium to be paid by the district; and $1,000,000 for the principal with the premium to be paid by the district.
8) Appointment of Chief Executive Officer to serve as administrator of trust and agency accounts.
9) Appointment of Chief Executive Officer to direct all federal programs.
10) Authorization of advertising bids for materials not already purchased.
11) Authorization of Chief Executive Officer to institute school lunch agreement.
12) Re-designation of Robert's Rules of Order or other rules as parliamentary procedure for Board meetings.
13) Set tuition rate of $0 for elementary or secondary enrollment.
14) Authorization for the Chief Executive Officer to invest and reinvest funds in institutions offering the greatest advantage to the School District.
15) Admission prices as follows: Adults $3.00, Students $1.00, Activity tickets Senior Citizens $0, Activity tickets Adults $20.00, Oelrichs School faculty, staff and students admitted without charge.
16) Set Board Member compensation at $166.00 per day.
17) Designation of Chief Executive Officer to close school in emergency situations and in case of inclement weather and setting chain of command in the event the CEO is absent.
18) Designation of Principal as District Truancy Officer
MOTION by Osmotherly, second Schommer to approve the following rates. Merdanian abstained. Motion carried
19) Set rates as: $100.00 per day secretarial $100.00 per day non-certified; $135.00 per day certified; $145.00 per day long-term (10+ consecutive days); $ 70.00 per day Kitchen Staff; $40 per Bus Run – Oral Route; $ 55.00 per Bus Run *non CD: $70 per Bus Run w/CDL; $20 per hour activity driver; $25.00 per Bus Run - bus monitor.
MOTION by Osmotherly, second Tlustos to approve 20-26 for the 2026-2027 Board Organization as listed. Motion carried.
20) Authorize pre-payment of First National Bank credit card bills each month.
21) Authorize the Chief Executive Officer to apply for the Title Consolidated Grant to include Title VI.
22) Approve Indian Education Policies and Procedures/Waiver Request.
23) Approve District Wellness Policy.
24) The annual election for School Board members shall be set between the second Tuesday in April and the third Tuesday in June between the hours of 7:00 a.m. and 7:00 p.m. on Election Day.
25) Set parent mileage at $.60 per mile after 5 miles away from school.
26) Designate Mr. Michael Hickey, of Bangs McCullen Law Firm, as legal counsel for the Board. Motion carried.
27) Katie Merdanian was appointed to represent the district on the Black Hills Special Services Cooperative Board; Tlustos as alternate.
28) Katie Merdanian and Valerie Sword were appointed to represent the district to the Board of Directors of the Black Hills Educational Benefits Plan.

Adjournment
MOTION by Osmotherly, second Schommer to adjourn the meeting at 6:21 PM. Motion carried.

Attested to by CEO/Superintendent Stone.
Pursuant to SDCL 17-2-28 the approximate cost of publishing this legal notice is $