



District Office  
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### School Board Meeting Minutes

Date: February 22<sup>nd</sup>, 2024  
 Scheduled Time: 5:30 p.m.

Monthly Attendance (Last 12 Months)												
Name/Position	March	April	May	June	July	Aug	Sept.	Oct.	Nov.	Dec.	Jan.	Feb
<b>Chair</b> Dave Lucas	P	A	P	P	A	A	A	P	P	P	P	P
<b>Vice Chair</b> Tom Sagstetter	A	P	P/VC	A	P/VC	P/VC	P	P	P	P	P	P
<b>Treasurer</b> Joe Thomas	P	P	P	P	P/VC	P	P	P	P	P	P	A
<b>Member</b> Nancy Moe	P	P	P/VC	P	P	P/VC	P	P	P	P	P	P
<b>Member</b> Jason Ruzek	P	P	P	P	P	P	P	P	P	P	P	P
<b>Member</b> Cory Taylor	P	A	P	P	P	P	A	P	P	P	P	P
<b>Member</b> Joshua Zehoski	A	P	P/VC	A	P	P/VC	P	P	P	P	P	P
<b>Exec. Director</b> (Ex Officio Member) Dan DeBruyn	P	P	P	P	P	P	P	P	P	P	P	P
<b>Finance Adviser</b> Bridget Merrill-Myhre	A	A	A	A	A	A	A	P	A	P	A	A
<b>Exec. Admin. Assistant</b> Jennifer Linn	P	P	P	P	P	P	P	P	P	P	P	P

*P/VC denotes meeting via Video Conferencing*

Guests Present: Daniel Grib & Addie Dahl

**I. Call to Order: 5:34 p.m.**

**II. Reading of Vision and Mission Statements**

Jason Ruzek read the Vision and Mission Statement.

**III. Conflict of Interest**

Dave Lucas called for conflict-of-interest acknowledgment regarding items on the agenda. None noted.

**IV. Board Agenda**

Mr. DeBruyn requested, and the Board agreed, to move New Business after the Consent Agenda in order to accommodate Mr. Peterson’s presentation.

*On a motion duly made and seconded (Zehoski/Sagstetter), the Spectrum Board of Directors unanimously approved the Board Agenda as amended.*

**V. Public Input**

None were present to speak at Open Mic.

**VI. Consent Agenda**

**A.** January 25<sup>th</sup>, 2024, Regular School Board Meeting Minutes

**B.** Fundraising and Donations *Annual Report*

**C.** Enrollment Lottery Results

Following discussion, on a motion duly made and seconded by (Moe/Ruzek), the Spectrum Board of Directors unanimously approved the Consent Agenda, as presented.

**VII. Ongoing Business**

**A.** Finance Committee Minutes – February 16<sup>th</sup>, 2024

Following discussion, on a motion duly made and seconded (Taylor/Sagstetter), the Spectrum Board of Directors unanimously accepted the February 16<sup>th</sup>, 2024, Finance Minutes, as presented.

**B.** Finance Reports

1. January Financials – Summary of Key Financial Indicators

a. Average Daily Membership (ADMM) Overview – Budgeted 874: Actual 874.

b. The school’s surplus for the year is \$0 with a projected cumulative fund balance of \$2,993,760 or 25% expenditures at fiscal year-end.

c. Projected Days Cash on Hand for the projected fiscal year-end is 67 days. Above 30 days meets minimum bond covenants.

d. Projected Debt Service Coverage Ratio at fiscal year-end is 1.22. Above 1.10x that meets minimum bond covenants.

e. As of month-end, 58% of the year was complete.

f. Revenues received at the end of the reporting period were -56.7%

g. Expenditures disbursed at end of the reporting period were -51.2%

h. Cash balance as of the reporting period \$2,773,732, down from the previous month of \$2,890,196.

i. The current holdback balance is estimated at \$544,058 as of the reporting period. The holdback amount is approximately 10% of total state aids.

2. January Management/Supplemental Report

The Committee reviewed the Management/Supplemental Report.

a. A number of skipped check numbers were noted in the report.

- Cash receipts 23-50113 thru 23-50131 are escrow receipts related to the ABC.

- 202300263-202300264 were voided and reissued for correct amounts.

- 202300265-202399266 were escrow wires.

3. January Food Services

The Committee reviewed the Food Services Report. January showed revenue at 37,096.64 and total expenditures of \$46,186.73.

4. January Contract Services

No concerns noted.

5. Midyear Budget Review and Adjustments

FY24-Revised Budget Narrative

*The key changes between Original Budget (dated 6.16.23) and Revised Budget version (dated 2.14.254) were as follows:*

a. In general, we factored in FY23 experience and reviewed pacing and actual expenditures year-to-date (YTD) to derive some of these changes to budget line items.

- b. Enrollment – budget assumes ADM of 874 which is a decrease from the original budget of 895, thereby resulting in a State Aid decrease of \$107K versus the original budget.
- c. Revenues
  - Federal Revenues – decreased by \$76k versus the original budget due to a decrease in Title and Federal Special Ed funding.
  - Local Revenues – decreased by \$5K versus the original budget due to YTD revenues thus far.
- d. Expenditures
  - Salaries and Wages and benefits – factors in actual payroll experience for contracted salaries and assumes historical experience in hourly costs. Full year forecast increased by \$160k relative to the original budget.
  - Various expenditures were evaluated based on prior year and YTD experience to inform the FY24 Working Budget (e.g., Contracted Services, Utilities, Contracted Transportation, etc.) resulting in more optimized pricing.
- e. Input from the School Leadership Team was factored into this budget. For example:
  - Contracted Services – decreased \$65k from original budget based on YTD expenses, specifically Advertising, Legal and PSEO expenses.
  - Communication Services – decreased \$9k from original budget based on YTD billings.
  - Utilities - decreased \$8k from original budget based on YTD billings.
  - Curriculum materials, supplies & Textbooks – increased \$39k based on YTD billings and expected costs for new textbooks.
  - Building Improvements/Furniture and Other Equipment - decreased \$26k due to a reallocation of expenses between the school and the ABC.
  - State Special Ed and other Grants – decreased \$160k due to less funding.
  - Repayment of First Bank of Elk River loan – decreased \$106k to reflect minimum payments.
  - Other “Discretionary Categories” were confirmed with the SHS Leadership Team.
- f. Food service – budgeting a larger deficit of \$18k while also using the remaining fund balance of \$32k carried over from FY23. Adjustments were made to the revenue due to new legislation in FY24 regarding free breakfast and lunch. If current experience deviates significantly from prior experience/assumptions, the accuracy of the prediction may be impacted.

Net Income did not change, and the school is expecting a balanced budget where revenues equal expenses.

Following discussion, *on a motion duly made and seconded (Moe/Sagstetter), the Spectrum Board of Directors unanimously approved the Midyear Budget and the Finance Reports, as presented.*

### C. Update on School Meal Program

No concerns noted.

### D. Executive Director’s Report

In addition to the written report provided in the Board packet, Mr. DeBruyn shared information on the following items.

1. Staffing Update
  - a. Hiring Coaches, with the most immediate need for a golf coach.
  - b. We are narrowing down the field for the Athletic Director Position. One second interview is set up for next week.
  - c. Mr. Rick Peterson’s position will be modified to Operations Director beginning July 1.
2. Construction Update
  - a. Mr. DeBruyn and Mr. Peterson met with the architect today, where they were able to look over updated plans – including feedback that was gathered from coaches and staff. The project will not be able to go over 35,000 sq ft.

- b. Mr. DeBruyn and Mr. Peterson will be attending the Planning Commission meeting on Tuesday, February 27<sup>th</sup> at 6:30 p.m. If the PUD is recommended by the Planning Commission, it will go to the City Council for the final decision.
  - c. Mr. DeBruyn and Mr. Peterson will be attending the City Council meeting on Monday, March 4<sup>th</sup>, 2024.
  - d. Once given the go ahead the initial first two weeks will be reaching out for bonding and will start getting bids. Piper Jaffrey has been good, and they have explained that the interest rates are going down. The plan is to reach out to at least 2 more underwriters. The board discussed having a possible planning session in the future.
3. Demographics  
Mr. DeBruyn provided numbers that were calculated to show how the demographics have been changing each year in comparison to District 728.

E. The next School Improvement Team meeting is scheduled for Thursday, February 29<sup>th</sup>, 2024, at 7:30 a.m.

Following discussion, on a motion duly made and seconded (Moe/Taylor), the Spectrum Board of Directors unanimously accepted the February Executive Director's Report, as presented.

## VIII. Old Business

None

## IX. New Business

### A. Transportation Commitment Document

Commitment needs to be made by March 1<sup>st</sup>, 2024. The Elk River School District is required to provide transportation unless Spectrum chooses to provide its own.

Notification is required to be sent to MDE and ISD 728 by March 1 for the upcoming school year.

Concern was noted regarding the significant increase in the cost of transportation since FY23. This is costing Spectrum approximately \$270,000 from the general fund. The Board also discussed the advantages of providing our own transportation, specifically controlling times, calendar, who students ride with, and routes, especially outside of the ISD 728 boundaries.

Transportation will be part of a bigger strategic and budget long-term discussion next school year.

Following discussion, on a motion duly made and seconded (Moe/Zehoski), the Spectrum Board of Directors unanimously approved proceeding with the Transportation Report to MDE and ISD 728, indicating that Spectrum will provide its own transportation for the 2024-2025 school year, contingent upon a reasonable increase in transportation costs, as presented.

### B. Activities Program Presentation and Review

Mr. Peterson presented information on the growth of Spectrum Schools Athletic and Non-Athletic programs. It showed a significant increase throughout the years as well as patterns of growth. Between the Middle School and High School there are 27 Sports Teams as well as 5 Non-Athletic Teams. Mr. Peterson also shared the growth in facilities during his 14 years in the position.

Mr. Peterson thanked the Board of Directors for their time and all they have done to contribute making sports and activities a priority.

## X. 2023-2024 Goal Setting – Board and Administration

### A. Academic Goals

1. 2023-2024 Authorizer Contract Goals: Academic (based on Goal #3 from the Strategic Plan) Spectrum students will perform well on state examinations in comparison to students at schools they might otherwise attend (with similar demographics) with an average proficiency rate that meets or exceeds the performance in one or two subjects (math, reading, and science).
  - a. When compared to local schools with similar demographics that students will perform as well or better on the ACT test.
  - b. The difference between the “all students” proficiency rate at Spectrum and any reportable subgroup proficiency rate on state accountability tests (MCA, MOD, MTAS) will be reduced in both reading and math over the term of the contract (2019-2024).
  - c. Spectrum will maintain an average state-determined minimum growth score between 0 and 0.5.
2. Q-Comp Goals
  - a. Grade 6 Building  
The percentage of all students in grade 6 at Spectrum High School who are in the “low risk” and “above average” categories on the FAST aReading standardized assessment will increase from 75.0% in Fall 2023 to 76.0% in Spring 2024.
  - b. Grade 7/8 Building  
The percentage of all students in grades 7 & 8 at Spectrum High School who are in the “low risk” and “above average” categories on the FAST aReading standardized assessment will increase from 74.0% in Fall 2023 to 75% in the Spring 2024.
  - c. High School Building  
The percentage of all students in grades 9 & 10 at Spectrum High School who are in the “low risk” and “above average” categories on the FAST aReading standardized assessment will increase from 80.0% in Spring 2023 to 81.0% in Spring 2024.

**B. Non-Academic Board and Executive Director Goals**

1. By December 2023, the School Board will approve the proposed review schedule for all policies. This will include all legally required policies as well as all policies in need of review.
2. By December 2023, the School Board will begin implementation of student leadership presentations from the Middle School Advisory Crew and the High School Student Voice Collaborative.
3. By January 2024, the School Board will receive a review of all current and proposed high school courses in line with legislative requirements and college preparatory expectations.

**XI. Charter School Updates and Training**

**A.** April – Program Review (C@SH)

**B.** June – Program Review (Academics/Math)

**XII. 2023-2024 Board Calendar and Next Meeting Input – Thursday, March 21<sup>st</sup>, 2024**

1. FY25 Staff Salary Increase Recommendation
2. Approve Slate of Board Candidates
3. Closed Meeting – Executive Director Review
4. Meeting with SBC for Building Design and Bonding Authority (possibly special meeting)

**XIII. Adjournment of Open Meeting**

*On a motion duly made and seconded (Moe/Sagstetter), the Spectrum Board of Directors unanimously approved a motion to adjourn at 7:10 p.m.*