



Spectrum Board of Director’s Meeting Minutes

Date: February 24, 2022

Scheduled Time: 5:30 pm

Attendance:

Monthly Attendance												
Name/Position	J	A	S	O	N	D	J	F	M	A	M	J
Chair Dave Lucas	P	A	A	P	P	P/VC	P/VC	P				
Vice Chair Tom Sagstetter	P	P	P	P	P	P/VC	P	P/VC				
Secretary Tony Brunt	P	P	P	P	P	P/VC	P	P				
Treasurer Joe Thomas	P	P	P/VC	P/VC	P	A	P	P				
Member Keve Israelson	P	P	P	P	P	P/VC	P	P				
Member Nancy Moe	P/VC	P/VC	P/VC	P	P/VC	P/VC	P/VC	A				
Member Cory Taylor	N/A	N/A	N/A	P Cory Taylor seated	P	P/VC	P	P				
Exec. Director <i>(Ex Officio Member)</i> Dan DeBruyn	P	P	P	P	P	P/VC	P	P				
Finance Adviser Nick Taintor/ Bridget Merrill- Myhre	A	P/VC	P/VC	P	A	P/VC	A	P/VC				
Exec. Admin. Assistant Dawn Sorenson	P	P	P	P	P	P/VC	P	P				

P/VC denotes meeting via Video Conferencing in compliance with Minnesota State Statutes 13D, Open Meeting Law.

Guests Present: Jill Johnson, Coordinator of Curriculum and Instruction

- I. Call to Order:** 5:30 p.m.
- II. Reading of Vision and Mission Statements**
- III. Conflict of Interest Check**
Mr. Lucas called for conflict of interest acknowledgement. None noted.
- IV. Board Agenda.**

Following discussion, on a motion duly made and seconded, Brunt/Thomas, the Spectrum Board of Directors unanimously approved the February 24, 2022 meeting agenda as presented.

Roll Call Voting Yay: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor
Voting Nay: None

V. Consent Agenda

A. Interim Financial Transactions – None

B. Important Documents, Policies, and Meeting Minutes

- FY21 World’s Best Workforce Annual Report
- FY23 Enrollment Lottery Results
- Spectrum Board Meeting Minutes of January 27, 2022

Following discussion, on a motion duly made and seconded, Israelson/Taylor, the Spectrum Board of Directors approved the Consent Agenda, item B, as presented.

Roll Call Voting Yay: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor

Voting Nay: None

VI. Employee Introduction & Recognition

None

VII. Public and Student Input

None at this time.

VIII. Ongoing Business

A. Budget Report

1.FY22 Mid-Year Revised Long Range Budget

Ms. Merrill-Myhre presented the Fiscal Year 2022 – Mid-Year Revised budget. She called out the following changes between the Original Budget (dated 6.22.2021) and the revised budget (dated 2.24.2022).

- In general, FY21 experience, reviewed pacing, and actual expenditures year-to-date were factored in to the budget line item changes.
- In the area of enrollment, the budget was adjusted to assume ADM of 814, which is an increase from the original budget of 800, thereby resulting in a State Aid increase of \$158,000 versus the original budget.
- Revenues:
 - Federal Revenues increased by \$171,000 versus the original budget due to carryovers in Federal Special Education and a new Emergency Connectivity Fund (ECF) grant related to e-rate.
 - Local Revenues decreased by \$67,000 versus the original budget due to decreased student activity fees and fundraising revenues received year-to-date.
- Expenditures:
 - Salaries and Wages factors in actual payroll experience for contracted salaries and assumes historical experience in hourly costs. Full year forecast declined by \$48,000 relative to the original budget.
 - Various expenditures were evaluated based on prior year and year-to-date experience to inform the FY22 Working Budget (e.g., Contracted Services, Utilities, Contracted Transportation, etc.) resulting in more optimized pacing.
 - Input from School Leadership Team was factored into the budget. For example:
 - Contracted Transportation increased by \$10,000 from original budget based on the contract with NorthStar Bus Lines
 - Utilities decreased by \$25,000 from original budget based on year-to-date billings.

- Property and Liability Insurance increased by \$17,000 based on year-to-date billings.
 - Curriculum materials, supplies, and textbooks increased by \$15,000
 - Building Improvements increased by \$51,000. Mr. DeBruyn shared that additional funding was allocated to this line item due to several capital improvements needed – new score boards at the high school building (now to include shot clocks) and shot clocks added to the score boards at the 7/8 building. In addition, a digital sign is needed to be installed at the Spectrum Athletic Complex. Mr. DeBruyn anticipates capital outlay for these stated projects to come in around \$100,000 for all.
 - Other “Discretionary Categories” were confirmed with the Spectrum Leadership Team.
- Federal Revenues and Expenses budget will continue to be fine-tuned and updated throughout the rest of FY22.
 - The Food Service budget was adjusted based on historical experience. Ms. Merrill-Myhre went on to state that if current experience deviates significantly from prior experience/assumptions, the accuracy of the prediction may be impacted.

Finally, Ms. Merrill-Myhre stated that overall, net income increased \$55,000 from a surplus of \$45,000 (Original Budget) to a surplus of \$100,000 (Working Budget).

Following discussion, on a motion duly made and seconded, Thomas/Israelson, the Spectrum Board of Directors unanimously approved the February 24, 2022 FY22 Revised Mid-Year Long Range Budget as presented.

Roll Call Voting Yay: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor
Voting Nay: None

2. Finance Committee Meeting

a. Monthly Finance Committee meeting – February 16, 2022

Mr. Thomas provided an overview of the Finance Committee meeting, which took place on February 16, 2022. Mr. Thomas stated that the Committee reviewed the January financials, the January Management Report, and the Contracted Services and Food Services Reports for January. He stated that the Committee noted no concerns and that the School remains in a strong financial position. In addition, the Committee conducted discussion on the proposed FY22 Mid-Year Budget Review for which the suggested changes were reflected within the Revised FY22 Mid-Year Budget just approved by the Board.

Mr. Thomas went on to note that the Committee reviewed the Food Services Report in detail. The report indicates a cumulative loss of (\$16,735.84) for the school year. For the month of January, the report indicated that a positive cash position of \$7,265.54; however, it was due to the fact that the Premier Kitchen, Inc. invoice in the amount of \$4,662.72 and the Reinhart Food Service invoice in the amount of \$1,561.34 did not post until February. It is anticipated that upon year’s end, the School will realize a cash loss in the amount of \$40,000-45,000 in the food service program. Mr. DeBruyn shared that Ms. Chaffin and Ms. Russell, Spectrum’s Food Service Manager, continue to work on a deep-dive analysis of the program in an effort to better understand where the losses are occurring. It is assumed that the primary losses are likely in the areas of personnel costs

and ordered, but not purchased (student absences from school), catered meals for which the school must cover the cost. Monetary losses in food service programs is in keeping with most other public school districts.

Lastly, Mr. Thomas reported that the Committee is recommending the Board consider approval of the January Financials and the January Management Report as presented.

On a motion duly made and seconded, Brunt/Taylor, the Spectrum Board of Directors unanimously accepted the Finance Committee Meeting minutes of February 16, 2022 as presented.

Roll Call Voting Yay: Lucas, Sagstetter, Brunt, Thomas, Isarelson, and Taylor

Voting Nay: None

b. January Financial Report

Mr. Thomas presented the December Financials. He provided an overview on ADM (Average Daily Membership) and noted that the school is budgeting 800 ADM (Original Budget) and 814 (Revised Budget). Current enrollment is at 822. He went on to note that currently the school's budgeting a surplus for the year at \$100,000, with a projected cumulative fund balance of \$2,437,380, or 24% of expenditures at fiscal year-end. In addition, the Projected Days Cash on Hand for the fiscal year-end is 80 days (minimum is 30 days) with a projected debt service coverage ratio of 1.21 (minimum of 1.10x).

Mr. Thomas went on to state that, as of month-end, 58.3% of the year is complete, with a cash balance as of the reporting period of \$2,556,308, which is up from the previous month of \$2,388,185. Mr. Thomas went on to note that the current year holdback balance is \$359,568, which is approximately 10% of total state aids. He stated that State Aids Receivables currently shows a negative (\$86,744). This will be adjusted as MDE finalizes its year-end review, and most likely is due to an overpayment based on FY21 amounts. BerganKDV will be monitoring it over the next several months. The remaining holdback amount will be paid back to the school in fiscal year 2023. Revenues received at the end of the reporting period were 55.5% as compared to expenditures at 50.9%.

Finally, Mr. Thomas reported on the Balance Sheet, Statement of Revenue and Expenditures, and Cash Flow Reports. He stated nothing of significance was noted and all is on track when comparing budget to actual. Cash flow is good. Mr. Thomas also noted that the current year's budget is under review and that an updated working budget column will be presented within the financials in February after the mid-year budget review has been completed.

Following discussion, on a motion duly made and seconded, Israelson/Taylor, the Spectrum Board of Directors unanimously approved the January Financials as presented.

Roll Call Voting Yay: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor

Voting Nay: None

c. January Management Report

The Board reviewed the January Management Report. It was noted that there were no gaps in sequencing within the report.

Following discussion, on a motion duly made and seconded, Taylor/Israelson, the Spectrum Board of Directors unanimously approved the January Management Report as presented.

Roll Call Voting Yay: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor
Voting Nay: None

B. Executive Director's Report

Mr. DeBruyn presented the Executive Director's Report for the month of February. In addition to the written report included in the Board packet, Mr. DeBruyn asked Ms. Johnson, Spectrum's Coordinator of Curriculum and Instruction, to provide a brief update on the work being done on the Strategic Planning Goals and Objectives 2026 as they relate to curriculum and instruction. Ms. Johnson stated that it has been realized that many of the goals are tied together. For example, Life Skills training is best achieved through the college and career readiness (CCR) classes. As a result, work to align the curriculum, both vertically and horizontally, for these classes will produce a framework for determining curriculum content, processing, aligning, and review curriculum and assessment.

Next, Ms. Johnson reported on Spectrum's Service Learning/Community Outreach program and the revisions being implemented. The program is in the process of being re-worked and will begin again in the fall of FY23. It is planned that the program will be delivered through already established coursework rather than being a stand-alone class. She stated that Service Learning/Community Outreach is really about Citizenship and Community Service, which will begin in grade 6 and culminate with the Senior Capstone project in grade 12. In grade 6, citizenship will be encompassed into the Life Skills curriculum; in grade 7 it will be delivered through the Health curriculum; and in grade 8, it will be delivered through the Digital Technology course. Then, beginning in high school, the content will be delivered through the College & Career Readiness courses.

Lastly, Mr. DeBruyn called the Board's attention to the Social Media Report Card that was included in the meeting packet. He thanked Mr. Haley for his excellent work in the area of social media for the school.

Finally, Mr. DeBruyn shared the Minnesota State High School League dissolution of cooperative sponsorship form that was included in the packet. He shared that both PACT and Spectrum will now each field their own respective teams and will no longer coop between the two schools.

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

Roll Call Voting Yay: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor
Voting Nay: None

C. Committee Reports

1. School Improvement Team/World's Best Workforce Committee Meeting – February 15, 2022

Mr. DeBruyn shared that the SIT/WBWF Committee met on Tuesday, February 15, 2022. He reported that the Committee addressed the following items: (1) reviewed the Strategic Plan 2026 goals and objectives; (2) received an update on progress on the respective areas; and (3) reviewed

the parent, middle school and high school student, and staff climate survey questions prior to them being disseminated sometime in March. The Committee will meet once more in April to review the survey results and make recommendations to the Board.

Following discussion, on a motion duly made and seconded, Brunt/Taylor, the Spectrum Board of Directors unanimously accepted the February 15, 2022 SIT/WBWF Committee meeting minutes as presented.

Roll Call Voting Yay: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor
Voting Nay: None

D. COVID Updates

1. Transportation

Mr. DeBruyn shared that getting bus drivers continues to be a challenge; however, both the bus company and Spectrum continue to ensure that routes are covered as best they can. There have been recent incidents of bus #'s 600 and 609 needing to double up on routes due to shortage of drivers.

2. Asynchronous #s

Mr. DeBruyn reported no change in numbers.

3. COVID #'s

Monthly positive COVID test numbers are reported on Spectrum's website [here](#).

4. Masks/Vaccines

Mr. DeBruyn stated that there was nothing new to report.

5. Personnel

Mr. DeBruyn covered personnel within the context of reporting on COVID numbers. Staffing has remained stable and manageable.

6. COVID Testing/Vaccination Policy

Mr. DeBruyn stated that the policy is ready should it be needed. If so, it will be submitted for consideration of approval in the future.

E. Online Learning Program Update – Strategic Plan 2026, Goal #2

Mr. DeBruyn provided a brief update on the program. He shared that the second of four meetings with MDE took place on February 16th and it went well. He stated that he recently completed important language to be included within the course registration materials on “To Be A Successful Online Student You Must Possess . . .” so that students and parents will carefully consider the skills needed (i.e., excellent time management, self-disciplined, etc.) to learn successfully on line. Next, Mr. DeBruyn shared that in order for the program application to be approved, two additional pieces must be in place – material support of the program from the Spectrum's authorizer, as well as support of its Board of Directors. The Board reviewed the letter provided to the school from Volunteers of America, which indicates their support of the school in implementing and on-line learning program. In addition, the Board considered formal approval of the following resolution:

Whereas, the Spectrum School Board approved its long term strategic plan in June of 2021; and

Whereas, the Strategic Plan included the goal to establish a comprehensive online learning program for the 2022-2023 school year in order to meet ongoing student academic needs, increase flexibility, prepare students for college online courses, and remain competitive; and

Whereas, the Spectrum School Board approved objectives to complete the necessary steps to move the process forward in a timely manner;

Therefore, be it resolved that the Spectrum School Board reaffirms its commitment and authorizes Executive Director, Dan DeBruyn, to proceed with final application to the Minnesota Department of Education in order for Spectrum to become an approved online education provider for the 2022-2023 school year and beyond.

Following discussion, *on a motion duly made and seconded, Brunt/Thomas, the Spectrum Board of Directors unanimously approved the Online Learning Program resolution as presented.*

Roll Call Voting Yea: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor
Voting Nay: None

IX. Old Business

A. Potential Land Donation

Mr. DeBruyn reported on the parcel of land located to the west of the high school building. He shared that the parcel could be used for either additional parking or a recreational field. The current owner is interested in moving forward with donating the land to the school and that the City staff of Elk River have been in on the conversation. The current owner wants to retain the right to construct a digital billboard on the land, for which an access road will be needed. The cost for putting in the access road and construction of the digital billboard will be covered by the current owner and will be detailed within the donation agreement. Mr. DeBruyn stated that the only financial risk to the school is to cover the cost of the attorney fees to draw up the agreement, as well as the cost to complete a survey (land valuation determination), which is needed in order to complete the agreement. Mr. DeBruyn shared that the cost of the survey should not exceed \$10,000.

Following discussion, on a motion duly made and seconded, Sagstetter/Thomas, the Spectrum Board of Directors unanimously approved that the Executive Director, Dan DeBruyn, move forward with securing a land valuation survey at a cost to not exceed \$10,000.

Roll Call Voting Yea: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor
Voting Nay: None

XI. New Business

A. Charter School Law Ranking

Mr. DeBruyn called the Board's attention to the document included in the meeting packet, *Measuring Up to the Model*, which is a ranking of State Public Charter School Laws (January 2022 publication) showing that Minnesota is ranked within the top five states in the nation regarding charter school law. He shared that Minnesota was the first state to enact charter school law. He went on to share that the report states, "the report is the thirteenth annual state charter school laws rankings report produced by the National Alliance. In each report, we analyze, score, and rank each state's charter school law against our model charter school law. The purpose is to determine which states have created the statutory and regulatory environments that best support high-quality public charter schools." Mr. DeBruyn shared that this type of information helps us to maintain perspective in Minnesota and appreciate the resources and (bi-partisan) support provided by the Minnesota legislature.

B. First Bank Elk River 2-year Renewal Line of Credit Approval

Mr. DeBruyn shared that the school has had a line of credit with First Bank Elk River for many years. Spectrum has a good working relationship with the bank. For the most part, the school never draws upon the line of credit; however, it is nice to have it in place in case there would ever be a time when it would be needed. He went on to state that First Bank Elk River would like to renew the line of credit for a period of 2 years as opposed to the previous annual renewal. In addition, First Bank Elk River is lowering the interest rate from 3% to 2% plus prime. He went on to share that he is seeking the Board’s approval for him, along with Mr. Peterson – on behalf of Spectrum’s Building Company Board of Directors, to sign the new 2-year lower interest line of credit agreement.

Following discussion, on a motion duly made and seconded, Thomas/Brunt, the Spectrum Board of Directors unanimously approved Mr. DeBruyn and Mr. Peterson to sign the new 2-year 2% interest rate line of credit agreement with First Bank Elk River.

Roll Call Voting Yea: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor

Voting Nay: None

C. FY23 School Calendar – Key Dates

Mr. DeBruyn reported that he is seeking approval of the following key dates for the 2022-2023 school calendar (FY23) in order that the student course registration process may continue to move forward. The final and complete calendar, including the following key dates, will be submitted for approval in the spring of 2022. Spectrum’s full FY23 calendar is not up for approval at this time.

Mr. DeBruyn went on to share that the **Proposed Dates** are as follows:

1st Semester: Monday, August 29 – Friday, January 13, 2023 (approximately 85 instructional days)

2nd Semester: Wednesday, January 18 – Friday, May 26, 2023 (approximately 82 instructional days)

Goals:

- Number of student days: Between 165-173
- Number of teacher days: Not to exceed 185
- First day of school for students: Monday, August 29, 2022 (*Monday before Labor Day*)
- Last day of school for students: Friday, May 26, 2023 (*Friday before Memorial Day*)
- Align major breaks with ISD #728

The Board went on to consider the following motion:

Move to approve the proposed 2022-2023 school year dates, including the beginning and ending of semesters, with the understanding that the full 2022-2023 school year calendar will be presented by administration for approval of the Board prior to June 30, 2022.

Following discussion, on a motion duly made and seconded, Taylor/Israelson, the Spectrum Board of Directors unanimously approved the FY23 School Calendar Key Dates as presented.

Roll Call Voting Yea: Lucas, Sagstetter, Brunt, Thomas, Israelson, and Taylor

Voting Nay: None

XII. Charter School Updates & Training

None

XIII. Board Goals 2020-2021

1. **School Board Academic Goals (Volunteers of America – Minnesota Contract Goals)**
 - A. 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).
 - B. When compared to local schools with similar demographics that students might otherwise attend (grade levels and subject areas), Spectrum students will perform as well or better on the ACT test.
 - C. Spectrum will maintain an average state-determined minimum growth score between 0 and -0.5.
 - D. 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).

2. **School Board Non-Academic Goals (approved at the July 22, 2021 Board meeting)**

In addition to the school-wide academic goals stated above, the Board will pursue the following non-academic goals for the 2021-2022 school year:

1. Executive Director Succession Plan
 The Board will review the current Executive Director succession plan by November 2021 to determine if revisions are needed. By April 2022, the Board will either reaffirm the current Executive Director succession plan or approve a revised/updated version to meet the ongoing needs of the school. **Completed 12.23.21**
2. Board Oversight of Fundraising Strategy for the School
 By November 2021, the Board will review the current fundraising policy to determine their role and plan for oversight. By January 2022, the Board will receive a review summary of all (current) fundraised funds for FY22 – this includes funds raised by Friends of Spectrum, Inc. **Completed 01.27.22**
3. Board Officer Succession Plan
 By October 2021, the Board will review the proposed Board Handbook for approval. If necessary, the Board will incorporate a Board Officer Succession Plan into the handbook to be approved by December 2021. **Completed 12.23.21**

XIV. **2021-2022 Board Calendar and Next Meeting Agenda Input**

A. **Board Calendar**

The Board reviewed the 2021-2022 Board Calendar. Nothing of significance to note.

B. **Next Meeting Agenda – March 24, 2022**

- FY22 Executive Director Review – Closed Session
- FY23 Long Range Budget Salary Line-only (*approval*)
- Update and finalization of FY22 School Board Election Slate of Candidates (*approval*)
- FY22 Board Self Evaluation Survey Questions (*approval*)

XV. **Adjournment**

On a motion duly made and seconded, Brunt/Taylor, the Spectrum Board of Directors unanimously adjourned the meeting at 6:41 p.m.

Roll Call Voting Yay: Lucas, Sagstetter, Brunt, Thompson, Israelson, and Taylor
Voting Nay: None



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