

Spectrum School Board Minutes

Date: April 16, 2015

Scheduled Time: 5:30 p.m.

Attendance:

| Position | Committee Member | Arrive | Depart |
|--------------|------------------|---------|-----------|
| Chair | Dave Lucas | Absent | |
| Vice-Chair | Tom Sagstetter | Present | |
| Secretary | Kerry Jerred | Present | |
| Treasurer | Jeff Uecker | Present | |
| Member | Jessica Kemnitz | Present | |
| Member | Robin Schelske | Absent | |
| Member | Tony Brunt | Present | |
| Ex-Officio | Vanessa Spark | Present | |
| Ex-Officio | Nick Taintor | Present | 6:10 p.m. |
| Advisor | Rick Peterson | Absent | |
| Staff Member | Dawn Sorenson | Present | |

1. Meeting called to order with a quorum present at: 5:32 p.m.

2. Reading of Mission and Vision Statement

3. Conflict of Interest

Vice Chair Tom Sagstetter called for conflict of interest acknowledgement. None was noted.

4. Consent Agenda

Approval of Regular Board Meeting Minutes from March 19, 2015 regular Board meeting, and the minutes from the special Board meeting on April 7, 2015.

Mr. Uecker requested that the item “Confidentiality Agreement Discussion” be added to the agenda under New Business.

Mr. Sagstetter noted two changes necessary in the April 7, 2015 meeting minutes. The percentage calculation regarding market adjustment to teacher salaries in 13-15 years of experience should be stated “3% plus 4% for a total of 7% increase in pay” and the market adjustment to teacher salaries in 16+ years of experience should be stated “3% plus 5% for a total of 8% increase in pay”.

Following discussion, on a motion duly made and seconded, Uecker/Kemnitz the Spectrum High School Board of Directors unanimously approved the amended agenda.

Following discussion, on a motion duly made and seconded, Brunt/Uecker, the Spectrum High School Board of Directors unanimously approved the minutes of the March 19, 2015 Board of Directors meeting as presented.

Following discussion, on a motion duly made and seconded, Kemnitz/Brunt, the Spectrum High School Board of Directors unanimously approved the minutes of the April 7, 2015 special Board meeting as amended.

5. Employee Recognition

- Tony Brunt, middle school Social Studies teacher, as well as Spectrum Board member, was recognized for his outstanding teaching and service to Spectrum's students and Board of Directors. Ms. Spark read a letter of thanks and gratitude on behalf of Spectrum High School. Thank you, Tony!

6. Public Input

- None

7. Spectrum Student Input

- None

8. Old Business

8.1 Facilities Update

In Mr. Peterson's absence, the Board reviewed the Facilities Report submitted by Mr. Peterson. In the report, it was noted that all final lien waivers had previously been received by the title company; however, some of the necessary boxes hadn't been correctly checked. As a result, it appeared that several liens were still outstanding. All final lien waivers have now been signed off correctly by the subcontractors, and the final draw of \$192,423.87 has been sent to the Spectrum Building Company for disbursement to the School. The report concluded with, "This completed the 6th grade building project."

The Board also noted that a list of capital improvement projects is being compiled for consideration of completion over the upcoming spring and summer. Mr. Peterson stated in his report that the capital improvement list will include the kiln plus many other projects and improvements.

Following discussion, on a motion duly made and seconded, Sagstetter/Jerred, the Spectrum High School Board of Directors unanimously accepted the Facilities Update Report as presented.

9. Budget Report

9.1 Finance Committee Minutes

Mr. Uecker reported that the Finance Committee didn't meet this month and therefore there are no Finance Committee meeting minutes to approve.

9.2 Budget Report

In Mr. Taintor stated that even though the Finance Committee didn't meet this month to review the March Financials ahead of the Board meeting, there wasn't anything of significance to report. Mr. Taintor then took the board through the executive summary stating the following: Overall, the working budget projects revenues exceeding expenditures in all funds by \$170,138. State revenues are based on 605 students. Year to date, 72.1% of expenditures have been spent, which is normal for this time of year. The school is 75.0% and 77.8% of the way through the fiscal year and school year, respectively.

Mr. Taintor reported that the beginning balances shown on the Balance Sheet are based on the audited ending information as of June 30, 2014. Mr. Taintor went on to note that as of the date of this report, due from the Building Company, in the amount of \$231,260, represents funds that have been paid for by

the School on behalf of the Building Company. However, he noted that this receivable has now been satisfied and the 6th grade building project has been completed.

Mr. Taintor went on to report that the State holdback for the 2013-2014 fiscal year is \$25,148, and the remaining amount will be paid in throughout the remaining months of this fiscal year. State holdback for 2014-2015 fiscal year is estimated to be a receivable of \$305,420 at the time of this report, and the amount will be paid back during the fiscal year 2016.

Salaries and Wages Payable represents the proportion amount as of this reporting period owed to staff who receive a paycheck during the summer. This is an estimate as actual will be calculated on or near June 30th. Accounts Payable represent amounts due for invoices received but not paid as of the end of the period. Payroll Deductions and Contributions represent amounts prepaid for taxes and benefits as of the end of the period on behalf of the employees.

Statement of Revenue and Expenditures report shows the budget approved for the year, the working budget, and year to date activity. There were no changes to the current budget, and all budgeted revenues and expenses are on track.

Finally, Mr. Taintor reported that at the end of the reporting period, the long term debt of an FFE loan with First National Bank will be paid off in July/August, 2015 which will end the obligation on this loan.

Following discussion, on a motion duly made and seconded, Kemnitz/Brunt, the Spectrum High School Board of Directors unanimously approved the March, 2015 financials as presented.

9.4 Proposed FY2016 LRB

The Board requested that approval of the FY2016 LRB be tabled until the May meeting of the Board to give the Finance Committee an opportunity to review it in detail prior to submitting it for Board approval.

Following discussion, on a motion duly made and seconded, Uecker/Jerred, the Spectrum High School Board of Directors unanimously tabled the approval of the FY16 LRB to the May Board meeting.

9.5 FY13 990's – Spectrum High School and Spectrum Building Company

Mr. Taintor presented the prepared FY13 990's for the Board's review. Mr. Uecker and Mr. Taintor stated that there wasn't anything worth noting; however, they asked the Board to review in detail, and should they note any findings, to please contact Mr. Taintor. If anything, Mr. Uecker, and Mr. Taintor stated, the changes would come in the narrative.

10. Directors Report:

10.1 DIRECTORS REPORT

The Board reviewed the Director's Report submitted by Ms. Spark. Ms. Spark noted that currently, enrollment is stated at 663 students for the 15-16 school year; however, it is known that several students will not be returning, as well as, families will make other choices for educating their students over the summer that will reduce enrollment to the target amount of 625 students.

Ms. Spark noted that scholarships for Spectrum graduates have increased this year, as well some additional new scholarship offerings from the Bank of Elk River and the Roger's Lion's Club.

Mr. Sagstetter inquired about teacher response to the market increase to salaries. Mr. Brunt shared that the response was positive – no one complained. Ms. Spark shared that one teacher thanked her.

Following discussion, on a motion duly made and seconded, Uecker/Sagstetter, the Spectrum High School Board of Directors unanimously accepted the April 2015 Director's Report as presented.

11. New Business

COMMITTEE REPORTS

- Technology Committee
No Technology report this month. Committee meets quarterly.
- 11.1 School Improvement Team Committee
The Board reviewed the March 3, 2015 Committee meeting minutes.

Following discussion, on a motion duly made and seconded, Brunt/Kemnitz, the Spectrum High School Board of Directors unanimously accepted the March 3, 2015 School Improvement Team Committee minutes as presented.

11.2 Minnesota Department of Education 2015 School Finance Award

The Board reviewed the report disseminated by the Minnesota Department of Education on the 2015 School Finance Awards. It was noted that Spectrum High School once again received the award. No action was necessary, nor was any taken.

11.3 Joe Nathan Column: Charters Leading Traditional Districts in MDE Finance Award

Ms. Spark shared a column authored by Joe Nathan which reports that charter schools are leading traditional districts in achieving the MDE Finance Award. The column was shared for information purposes only. No action was necessary, nor was any taken.

11.4 All Night Party Board Donation

Ms. Jerred collected donations from the Board to be given to the ANGP committee for the purpose of purchasing a gift on behalf of the Spectrum Board of Directors for the ANGP attendees.

11.5 2015 Board Election Certification

Mr. Brunt presented the 2015 Board Election results, noting that both Ms. Schelske and Mr. Sagstetter ran unopposed and were re-elected to the Spectrum High School Board of Directors, and whose terms run until June 30, 2018.

Following brief discussion, on a motion duly made and seconded, Uecker/Jerred, the Spectrum High School Board of Directors unanimously accepted the 2015 Election Results as presented.

11.6 Long Range Strategic Plan and Succession Plan RFP

Ms. Jerred presented the RFP's prepared for Long Range Strategic Planning and Succession Planning. The RFP's will have a due date of April 30th for information, as well as will be amended to make the language more ambiguous as to the anticipated retirement date for the current Executive Director. The RFP's will be submitted to Jean Melancon and Brad Ballinger. More information will be disseminated as it becomes available.

11.7 Amended Exit Interview Policy and Procedure – Synergy

The Board reviewed the amended documents provided by Synergy, the HR firm utilized to assist the Board with their management of the Exit Interview process at Spectrum. The Board discussed at length various changes to the documents. The changes were so noted by Ms. Sorenson. The Board felt that some of the questions were redundant and/or needed to be reworded, as well as they requested that the Exit Interview policy be amended to state "... are available to the employee 5 business days from the date of resignation . . ." rather than the 10 days as proposed by Synergy.

Following discussion, on a motion duly made and seconded, Uecker/Kemnitz, the Spectrum High School Board of Directors unanimously approved the Exit Interview Policy and Procedure forms as amended.

11.8 Confidentiality Agreement Discussion

Mr. Uecker requested the item to be added to the agenda. He stated that it is his understanding that only items discussed within a closed session are not permissible for discussion under Open Meeting Law, and therefore does not understand why the Board must have a confidentiality agreement in place. He inquired as to who wrote the agreement, to which Ms. Spark reported that the HR attorney from Synergy drafted the document. Mr. Uecker stated that in his reading of the document it is drafted for an entity not governed by Open Meeting Law, and wondered if it is possible for the document to be amended to reflect only items discussed within a closed session are covered by the Confidentiality Agreement. Ms. Spark stated that she could check with Synergy to see if the document could be amended; however, due to the volume of work necessary in the spring of the year, an answer wouldn't be available until the June meeting of the Board.

12. Charter School Updates and Training

None

16. Board Calendar – 2014-2015

The Board reviewed the calendar. Ms. Jerred stated that there will be some revisions necessary to the calendar. There are additional changes necessary to the Executive Director Review timeline in order to ensure that it is in keeping with actual practice, which will then require the Board Calendar to be updated.

Along with the Executive Director Review, discussion ensued regarding possible benefits available to Ms. Spark following retirement. Also, Ms. Spark shared that when the school was first started, she and Patty Jorris had (25 for Vanessta and Spark and 30 days for Patty Jorris) several vacation days that were never able to be used due to the demands of starting a new school. Ms. Spark stated that in the first few years, the Board allowed employees to roll their

unused days over from one year to the next; however this practice has since ceased but Mrs. Jorris and Ms. Spark were allowed to retain the unused days for compensation at a later date. Ms. Spark wondered how the Board would compensate herself and Mrs. Jorris for the unused days? Mr. Uecker asked that staff inquire with the insurance company to see if it is possible to retain an individual on the School's insurance following retirement and to send the costs associated to do so to the Finance Committee for discussion. In addition, research will be conducted to see if it is possible to donate to Ms. Jorris' and Ms. Spark's respective HSA to compensate for the unused vacation days, or whether they will be monetarily compensated.

17. Board Goals 2014-2015 (Adopted September 18, 2014)

- By May, 2015, the percentage of students enrolled in grades 6-11 at Spectrum High School who earn an achievement level of Meets the Standards or Exceeds the Standards on all Science state accountability tests (MCA, MOD, MTAS) will increase from 42.5% to 44.5% in 2015. (Increase of 2 percentage points.)
- By the regularly scheduled Board meeting in January, 2015, develop a strategic marketing plan that maximizes enrollment capacity of 625 students.
- By the regularly scheduled Board meeting in June, 2015, develop a draft 5 year long range strategic plan, which aligns with the school's mission and vision. 3. By the regularly scheduled meeting in June, 2015, develop a draft 5 year long range strategic plan, which aligns with the school's mission and vision.

18. Previously Tabled Items

- March 13, 2015 Finance Committee Meeting Minutes
The Board reviewed the minutes provided by Mr. Uecker.

Following discussion, on a motion duly made and seconded, Kemnitz/Brunt, the Spectrum High School Board of Directors unanimously accepted the March 13, 2015 Finance Committee Meeting Minutes as presented.

19. Miscellaneous

None

20. Next Meeting Agenda Input

- FY16 LRB Approval

21. Adjournment

On a motion duly made and seconded, Kemnitz/Uecker, the Spectrum High School Board of Directors unanimously adjourned the meeting at 6:55 p.m.

