



Spectrum School Board Minutes

Date: August 18, 2016
 Scheduled Time: 5:30 p.m.
 Attendance:

Position	Committee Member	Arrive	Depart
Chair	Dave Lucas	Absent	
Vice-Chair	Tom Sagstetter	Present	
Secretary	Kathy Reed	Absent	
Treasurer	Paula Bernard	Present	
Member	Scott Gangl	Present	
Member	Kerry Jerred	Present	
Member	Jessica Kemnitz	Present	
Ex-Officio	Vanessta Spark	Present	
Financial Advisor	Nick Taintor, BKDA	Present	6:15 p.m.
Staff Member	Dawn Sorenson	Present	
Interim Exe. Director	Dan DeBruyn	Present	

1. Meeting called to order at: 5:30 p.m.
2. Reading of Mission and Vision Statement
3. Conflict of Interest
 Vice Chair Sagstetter called for conflict of interest acknowledgement. None was noted.
4. Consent Agenda
 - Agenda
 - Interim Financial Transactions
 - None
 - July 28, 2016 regular Board meeting minutes

Following discussion, *on a motion duly made and seconded, Bernard/Jerred the Spectrum High School Board of Directors unanimously approved the July 28, 2016 regular Board meeting minutes and the agenda as presented.*

5. Employee Introduction & Recognition
 - None
6. Public Input
 - None
7. Spectrum Student Input
 - None
8. Old Business

8.1 Spectrum High School Facilities Update Report

Mr. DeBruyn provided an update for the Board on the progress of the Phase V building project. He noted that he and Ms. Spark interviewed several attorneys to represent the School in this matter and have chosen Craig Keppler of Lindquist & Vennum LLP. Mr. DeBruyn shared that Mr. Keppler is very experienced in the area of representing Minnesota charter schools in building and bonding projects and therefore feels that he is an excellent choice for Spectrum. He went on to note that Mr. Keppler has already begun work on our project and, as noted in the contract, won't bill the School for services until the bonding project is complete.

In addition, Mr. DeBruyn stated that he and Ms. Spark continue to work and communicate with the City of Elk River. They feel that they are making progress in clearing up some misinformation and assumptions that have been made on the part of some of the city council members.

Lastly, the School will be meeting shortly with Piper Jaffrey to firm up the numbers to ensure that the School knows exactly what it will have in the way of financing for the project so that it may plan accordingly. Mr. DeBruyn and Ms. Spark will continue to keep the Board abreast of progress as information becomes available.

9. Budget Report

9.1 Finance Committee Minutes

- The Finance Committee met just prior to the start of the Board meeting. The final minutes of the meeting were not available at the time of the Board meeting; however, Mrs. Bernard presented an oral accounting of the work of the Finance Committee at its meeting and the formal minutes will be presented for acceptance at the September meeting of the Board.

Unused Flex Time – Employee Patty Jorris

Ms. Spark stated that the Finance Committee and Board discussed the unused flex time for herself and office manager, Patty Jorris, back when the Board was working on her retirement package. At that time, the Board wanted to pay out the unused flex time immediately for Ms. Jorris; however, upon further discussion, decided to address only the unused flex time for herself and to wait with Ms. Jorris' unused time.

Ms. Spark went on to note that the number of unused flex days that were carried over amounted to 30, and were from the time of FY07-FY12. The current daily rate of pay is \$198.24, plus payments to PERA, would result in an approximate amount of \$6,800 to budget. It is recommended that the compensation for this unused time be completed by the end of this fiscal year, June 30, 2017 through either day/s used as regular flex time off or day/s paid out at the current daily rate of pay. Mr. DeBruyn suggested that a third option be made available and that is a combination of day/s used and day/s paid out.

Following discussion, *on a motion duly made and seconded, Kemnitz/Ganql, the Spectrum High School Board of Directors unanimously approved the payout of the unused flex time for Patty Jorris as presented.*

Ms. Bernard went to state that the Committee reviewed a proposed schedule of dates for the monthly Finance Committee meetings based off of the monthly Spectrum Board of Director's meetings.

Finally, Mrs. Bernard stated that the Finance Committee decided upon on the following goals for FY17. They are as follows:

1. Analyze the SCRIP program in detail. Participation rate and financial implications.
2. Analyze all bond documents for the purpose of determining rental opportunities, if any.
3. Analyze all on-line fees for the purpose of determining the financial impact to budget.

9.2 Budget Report

May, 2016 Financials

Mr. Taintor reported that the Committee reviewed the May financials. In general, nothing of significance to report, and the Committee recommends approval by the Spectrum High School Board of Directors.

Following discussion, *on a motion duly made and seconded, Kemnitz/Bernard, the Spectrum High School Board of Directors unanimously approved the May, 2016 Financials as presented.*

June , 2016 Financials

Mr. Taintor provided an in-depth report on the June financials. He shared that the year-end audit is currently underway and to anticipate audit results to the Board no later than November, 2016.

Mr. Taintor went on to note that the preliminary year to date activity for June 2016 presents an annual surplus (revenues to exceed expenditures) in all funds in the amount of \$250,991. The preliminary fund balance percentage as of June 30, 2016 is 23% and is on target toward a 25% fund balance per the school's Finance Policy and it is anticipated that this will be obtained within the near future.

The actual state aid revenues are based on 631.83 students, and the budget was based off of an ADM of 635. The difference in ADM was the result of a couple of PSEO students taking courses through private colleges and/or universities for which the school does not have an agreement. However, due to the higher per-credit cost for private institutions, it is better for the school to not claim the student and let the state pay the institution directly. The school may anticipate an FY17 revised budget sometime in November which will also include an adjustment in ADM to reflect PSEO students attending private institutions for whom the school does not have an agreement.

Mr. Taintor stated that the beginning balances shown on the Balance Sheet are based on the audited ending information as of June 30, 2015. Due from the Building Company, in the amount of \$100,677, represents funds that have been paid for by the School on behalf of the Building Company. As funds become available from the Building Company, payments will be made to the school.

He went on to note that the State holdback for 2015-2016 fiscal year is estimated to be a receivable of \$750,436 at the time of this report. The holdback amount is approximately 10% of total state aids. This amount will be paid back to the School in fiscal year 2017.

Mr. Taintor stated, overall, the School did very well on their budget. Total revenues were over budget by .8% and total expenditures were over budget by 1%. Mr. Taintor also stated that auditors usually recommend that schools be 1-2% on either side of the budget, which the School has met.

Mr. Taintor went on to report that the Committee inquired about several items. Specifically, they wondered about the overage in the Salaries and Wages category with regard to substitutes. Following discussion, it was determined that currently there is only \$30,000 budgeted for substitute pay; however, when calculating the number of teachers times the number of flex time days allotted to each, 10, the Committee felt that increasing this budget amount to \$60,000 would be a truer number from which to work.

Following discussion, on a motion duly made and seconded, Bernard/Kemnitz, the Spectrum High School Board of Directors unanimously approved the June, 2016 Financials as presented.

10. Directors Report:

10.1 DIRECTORS REPORT

Ms. Spark presented her Director's Report, and the Board reviewed the enrollment numbers for the 16-17 school year. She went on to note that there is great enrollment for the AVID elective classes. Spectrum began with one class and now the School is up to six classes.

Following discussion, on a motion duly made and seconded, Ganq/Bernard, the Spectrum High School Board of Directors unanimously accepted the August, 2016 Director's Report as presented.

11. New Business

AD HOC COMMITTEE REPORTS

- Technology Committee
None
- School Improvement Team Committee
None
- Strategic Planning Committee
None

12. Charter School Updates and Training

12.1 Initial and on-going training will take place on Saturday, October 29, 2016. Booth Law Group will train on Governance and Employment Law and Nick Taintor will train on Finance. Discussion took place regarding the Board Self Evaluation and whether or not to place this item on the agenda.

13. Board Calendar – 2016-2017

The Board reviewed the 2016-2017 Board Calendar. The October 29, 2016 Board Workshop date will be added to the calendar provided it works for the trainers.

14. Board Goals 2016-2017

1. By May, 2017, the percentage of students enrolled on October 1 in grades 6-11 at Spectrum High School who earn an achievement level of Meets the Standards or Exceeds the Standards on all Math state accountability tests (MCA, MOD, MTAS) will increase from 62.7% to 64.7%.
2. By May, 2017, will assist the school in securing an event planner and a fall 2017 date, as well as form a committee to help plan and execute the 3rd Annual Spectrum High School Golf Extravaganza.
3. By January, 2017, update the current process and procedure for holding school board elections with the consideration of moving to an on-line electronic voting procedure.

The above-stated goals were approved by the Board at its meeting on July 28, 2016.

Mr. DeBruyn went on to note that we're in the process of working with VOA on the stated academic goals. The Board will be seeing a revision in the contract goals shortly.

15. Previously Tabled Items

- None

16. Miscellaneous

16.1 Mr. Gangl inquired about the possibility of getting a privacy panel installed in the boy's locker room at the athletic fields. He was directed to bring this request to the attention of Mr. Peterson.

17. Next Meeting Agenda Input

None.

18. Adjournment

On a motion duly made and seconded, Jerred/Kemnitz the Spectrum High School Board of Directors unanimously adjourned the meeting at 6:35 p.m.



Board Secretary Certification, Kathy Reed