

ASBSD Board of Directors Meeting
Thursday, November 14, 2019
Ramkota RiverCentre
Pierre, SD

I. Call to Order - President Lutkemeier - The meeting was called to order by President Denise Lutkemeier at 12:00 p.m. Present were members: Louann Krogman, Mike Roesler, Pam Haukaas, Lisa Snedaker, Tanya Gray, Garret Bischoff, Denise Lutkemeier, Kathy Greeneway, Tom Farrell, Duane Alm, Susan Humiston, Julie Schwader, Anita Peterson, Eric Stroeder, Todd Thoelke and Shane Roth. Absent was board member: Steve Kubik and Angela Ross. Also present were staff members: Dr. Wade Pogany, Jim Holbeck, Gerry Kaufman, Tyler Pickner, Holly Nagel and Katie Mitchell-Boe.

II. Welcome/Introductions

President Lutkemeier asked each member to introduce themselves. Dr. Pogany introduced Jim Holbeck, Director of Leadership Development. Jim was the former superintendent of Harrisburg and served on the ASBSD Protective Trust Advisory Board.

III. Good News

Lisa Snedeker – Her good news was a story of tragedy that was turned around into something positive. The whole community came together in support of a family that lost two (2) Woonsocket students.

Tom Farrell – Madison Central offers a new aviation course under the direction of a retired air force pilot as their instructor. The class has a simulator and although he hasn't tried it, he was assured it made the class very real. Bulldog Volleyball team was going to state and he will be announcing the event.

Mike Roesler – Rapid City district proposed a bond of \$189,533.00 and the election will be held February 25, 2020. A positive community campaign is in progress with hope of passing. Western Dakota Technical School are in discussions for a new governance structure.

Louann Krogman – Delta Dental is cooperating with the White River School District on follow-up dental care.

Anita Peterson – Local beef is being processed for their school. New challenge for the school is the number of non English students and meeting their education needs.

Shane Roth – National Guard remodel continues on schedule and the district had a slight increase in fall enrollment.

Susan Humiston – Track complex is completed and what a wonderful facility the whole community helped make. On a personal note she shared a new grandson was welcomed into her family.

Julie Schwader – Howard FFA continues to do well and finished 13th at National. Howard school district and SD Game Fish and Parks worked together in providing their students with wild game processing course and included GFP providing the equipment.

Pam Haukaas – Colome school board has met with all three of their legislators. District has hired a new shop instructor.

Kathy Greeneway - Yankton District is proposing a \$1.8 million opt-out for the next four years. The district has a new app for the district, apptegy.com. Apptegy improves the communication between the district and its patrons.

Todd Thoelke – Sioux Falls board recently completed boardsmanship training under the leadership of Dr. Pogany. Building projects continue to move forward and the district is still in need of qualified substitutes.

Tanya Gray – Board and administration completed an assessment. Preparation continues in preparation of the B21 with the hiring Gustafson Builders as Construction Manager At Risk to work with Co-Op Architects to develop the District Master Facility. Board plans on having a definitive plan in place late March early April.

Garrett Bischoff – Student enrollment is up to 2800 students at Huron. High school and middle school remodel projects will update the security on entrances.

Duane Alm – Board received Gold ALL Award. Two Central High School has received National Merit Scholarships. This is the fourth year in a row Central had winners. District was not happy about having “Snow Days” this early in the year.

Denise Lutkemeier – Wilmot bought the Visa for their music teacher, premium cost of \$12,000 was paid, however, the district will hold the contract for 3 years.

IV. Approval of Minutes

Moved by Kathy Greenaway, second by Tom Farrell to approve the August 7, 2019 meeting. Motion carried.

V. Reports

V.A. Western Region/Summer Leadership – Members of the Executive team summarized their experiences at the Western Region meeting in Colorado, and the Summer Leadership Conference in Chicago. Tom Farrell commented the Leadership content was one that allowed him to bring information back that could be shared. Lisa Snedeker commented this was her first meeting and she was very proud to be part of the Western Region.

Dr. Pogany shared Todd Thielke is in his second year of a two term on the National Nominating Committee. Dr. Pogany shared Denise Lutkemeier has submitted an application for an appointment to the Policy and Resolutions Committee. Moved by Tom Farrell, second by Todd Thielke, to have the records reflect the Board supports and endorses Denise for the one (1) year term to serve as a contingency candidate for the NSBA Board of Directors if Frank Henderson of Kansas runs for NSBA National President. Motion carried.

V.B. Region Meeting Report – Dr. Pogany reported 4,000 miles, nine meetings later the Region Meetings have been completed. He reported great discussion and input from the membership.

VI. Finance

VI. A. Financial Report

Holly Nagel, CFO, reported October 31st means we have completed 33% of our fiscal year. As of October 31st we have received \$958,538 or 46% of our revenue budget and have expended \$683,174 or 33.46% of our revenue expenditure budget.

At the same time last year, the Association had total revenue of \$845,064 or 40.88% of our revenue budget. While expenditures were at \$720,281 or 35.24% of our expenditure budget. We ended FY 2018 with an increase in Net Assets of \$228,605.

As of October 31, 2019 the only liability on our balance sheet is accrued leave payable per our policy book and \$1,229 for 990T Taxes Payable (which you will approve payment at today’s meeting). Moved by Shane Roth, second by Tanya Gray to accept the financial report as presented. Motion carried.

VI. B. ASBSD Audit

Ambur Mason, Palmer, Currier & Hoffert, LLP presented the Audit. She stated the financials as presented through the audit reflected the Association was in good financial status and reflected reported ASBSD’s net assets total more than \$4,128,126. She thanked ASBSD staff Holly Nagel and Deanne Arbach for their prompt and professional response. Moved by Duane Alm, second by Lisa Snedeker to accept the audit as presented. Motion carried.

990-990T – Amber Mason reported the 990’s and 990T’s are completed and will be filed with the IRS. She concluded presentation with a thank you. Moved by Todd Thielke, second by Garrett Bischoff to accept the 990’s and 990T as presented. Motion carried.

VI.C. Protective Trust Update

Holly Nagel reported the following:

The health fund is having another great year. As of September 30th, the fund has a net position approximate \$14.1 million. Currently we have 69 members, have added one member as of June 1 (Selby) and one July 1

(Armour). The health advisory committee met October 29 and had great discussions regarding the health industry, strategic plan including pharmacy, looking forward to FY 21 renewal rates and tranches and the fund balance. FY 20 renewals this year came in at 0% increases for all tranches so we want to continue to look forward to how to decrease our expenses as we know even though there is a flat renewal, the cost to the fund do not remain flat. On July 1, we transitioned from Wellmark to SunLife as our self-insured carrier. This has been a seamless transition and we are estimated to save up to \$300,000 with the change. Property liability continues to be a challenge not only for ASBPT, but nation wide. 2018 continued the trend of history property losses nationwide. On accounts with no loss history, excess property carriers are looking for minimum of 10%-15% rate increases. Accounts with less than favorable loss history are seeing over 50% (even up to 200%) rate increases, changes in retentions and even policy cancellations. Some carriers have even left the property sector completely. Floods, fires, hurricanes, tornados, wind and hail are all major contributors to these historic losses.

As of September 1, we went from 44 to 40 member districts with four districts leaving the fund due to premium increases. Twelve other districts have given notice that they will be going out to bid for FY 21 year. This notice is required by February 1, 2020 so I expect we will see more.

Workers Comp fund currently has 82 members. The fund is doing well and has a \$12.8 million dollar net position. Pool average, we had flat renewal. However, some members did receive increase due to their claim ratio and payroll increases.

VII. Executive Committee Minutes

Minutes of the October 3, 2019 Executive Committee Meeting was presented to the board for their information.

VIII. Regional enrollment category adjustments

The Board reviewed the recommendation of adjustments to regional enrollment categories. Moved by Louann Krogman, second by Tanya Gray to approve the recommended adjustments to the regional enrollments. Motion carried.

IX Board Development

IX.A. True Colors

Dr. Pogany lead the group in an activity that identifies personality tendencies and strategies on how leaders work with different styles and personalities. Discussion followed and the following colors were identified:

- Duane Alm – green, orange, gold, blue
- Garrett Bischoff – green, orange, blue, gold
- Tom Farrell – gold, blue, orange, green
- Tanya Gray – gold, green, blue, orange
- Kathy Greenway – green, gold, orange, blue
- Pam Haukaas – green, gold, blue, orange
- Susan Humiston – green, gold, blue, orange
- Louann Krogman – blue, gold, green, orange
- Steve Kubik – absent
- Denise Lutkemeier – green, gold, orange, blue
- Anita Peterson – gold, blue, orange, green
- Mike Roesler – green, blue, orange, gold
- Angie Ross – absent
- Shane Roth – gold, green, orange, blue
- Julie Schwader – gold, green, blue, orange
- Lisa Snedeker – Orange, blue, gold, green
- Eric Stroeder – green, gold, orange, blue
- Todd Thoelke, orange, blue, gold, green

- Wade Pogany – gold, blue, green, orange
- Katie Mitchell-Boe – gold, orange, blue, green
- Tyler Pickner – gold, green, blue orange
- Jim Holbeck – Orange
- Gerry Kaufman – green, blue, orange, gold

IX.B. Ask the Attorney

Gerry Kaufman answered legal questions and offered professional development information about legal issues board members may be dealing with.

X. Advocacy

X.A. Legislative Update

Dr. Pogany reported a work group made up of Terry Nebelsick, Dan Leikvold, Eric Stroeder, Trista Hedderman, Todd Vik, Rob Monson and himself met on October 31 to discuss options to consider for changes to current Capital Outlay legislation.

The team talked about the need to give relief to school district capital outlay budgets, especially schools who are considered outliers, and will face significant impacts in their future budgets. Discussion followed.

The Governor's Budget address will be presented on December 2, 2019.

The ag land task force report has not been released but we will continue to monitor.

X.B. Policy and Resolutions Committee Report – No resolutions or amendments were presented.

X.C. Delegate Assembly Priorities – Moved by Garrett Bischoff, second by Louann Krogman to set the priorities as follows: C1 – School Funding; C4 – Capital Outlay Adjustments; B9 – Behavioral and Mental Health Resources. Motion carried.

XI. Directors Report

Dr. Pogany reported ALL Award points. He reported so far in 2019-2020 we have 9 golds, 18 silver and 10 bronze awards earned this new year.

He reported Tom Gentzel, Executive Director of the National School Boards Association will retire at the end of May.

XIII. Other Business

XIV. Executive Session

XV. Adjournment

Moved by Garrett Bischoff, second by Tom Farrell the meeting was adjourned. Motion carried.