

**ASBSD Board of Directors Meeting
Friday, April 17, 2020
Online GoToWebinar
Pierre, SD 57501**

I. Call to Order – President Lutkemeier –

The meeting was called to order by President Denise Lutkemeier at 1:07 p.m. Present were members: Garret Bischoff, Louann Krogman, Mike Roesler, Pam Haukaas, Lisa Snedeker, Tanya Gray, Kathy Greenaway, Anita Peterson, Steve Kubik, Tom Farrell, Susan Humiston, Angela Ross, Shane Roth, Todd Thaelke, Julie Schwader, Eric Stroeder and Duane Alm. Also present were ASBSD staff: Dr. Wade Pogany, Tyler Pickner, Holly Nagel and Katie Mitchell-Boe.

II. Welcome and Introductions

III. Good News

Tom Farrell – The Madison School District lunch program has served approximately 8,000 lunches for their students. Negotiations have been finalized with a two year contract.

Tanya Gray – Douglas School District was delivering lunches using their school buses and student and parents were enjoying the meals being offered. Negotiations have been tabled until after the Special Legislative Session in June. Teachers are driving around their community so students can wave and see them.

Kathy Greenaway – Yankton is also serving breakfast/lunch for the students in their district. The district is fully staffed and ready for the new year. Negotiations have been postponed until after the Governor's address.

Pam Haukaas – Negotiations are complete at the Colome Consolidated School District with teachers receiving a 2% increase in salary. They have 5 positions to fill and their lunch program is busy preparing and delivering meals by buses to Winner, Wood and Colome.

Susan Humiston – Edgemont has used Mass Customization Learning and all K-12 students have laptops the transition to e-learning has been very smooth. Board meeting was done on-line and the meeting went very well.

Louann Krogman – Lots of meals are being prepared (breakfast/lunch). Their elementary staff had a parade where the teachers drove throughout their community. Board meeting was online using the Zoom platform and they were pleasantly surprised with the community involvement.

Steve Kubik – Winner has set graduation date as June 13th. District is also serving a lot of meals. Band/chorus positions have been filled. Negotiations also have been postponed until after the special session.

Anita Peterson – The sports conference honored the seniors and all athletics with turning on the lights at the football stadium and everyone honking their horns. Philip had three first year teachers that adapted to the online learning seamlessly. Packets are handed out to students to go with their online studies.

Mike Roesler – Rapid City has been blessed with no Covid problems in the district. The board has been meeting using the Zoom platform and meetings have been going well. They have tentatively set graduation via Virtual Graduation for May 28th. Last day of school is tentatively set for May 22 and a traditional graduation for July 26.

Shane Roth – Good news is he is still able to work while his wife homeschools their 8 children. DeSmet and Lake Preston will share band/choir teachers. School lunches are being served to approximately 200 students, kudos to kitchen staff for stepping up. District was able to give a one time bonus of \$1,000 to their teachers.

Julie Schwader – Girls basketball team made it to state for the first time in 25 years. They were only allowed to play one game when the called the tournament off. Howard is also serving lots of lunches and the teachers did a cruise night where they drove around town so the public could see the teachers were missing their students. Block scheduling is going real well.

Garret Bischoff – Huron is doing as well as can be expected serving lots of lunches and construction continues in district.

Eric Stroeder – Mobridge-Pollock is also serving breakfast/lunch to approximately 600 students. Last year district invested in laptops for all of their students so the transition to on line learning has been going well. They are helping about 30 families get connected with the internet and internet carriers are helping districts by waiving some of the fees. Hired a new art and music teacher.

Todd Thaelke – Sioux Falls two new schools are on track for opening dates. Covid has helped with other projects because students are not in the buildings that were being worked on. Big Good News is they have hired a new superintendent.

Lisa Snedeker – Their district has been creative dealing with the Covid virus and are discussing having a drive thru graduation ceremony.

Angie Ross – Hill City district has been paperless for several years so the transition to on-line learning has been smooth. They are discussing graduation and gifts for the seniors and possibly using the football field for the ceremony.

Denise Lutkemeier – Wilmot Active Horizons received a grant which was used to implement hydro growing of plants. Currently they are harvesting lettuce and are planning an open house for the community to buy their products. Her district is also serving lots of meals and kudos to their lunch program for stepping up. Tentatively planning a May 16th outdoor graduation.

Wade Pogany – ASBSD staff is working remotely and he is very grateful for the staff's cooperation in social distancing.

Duane Alm was present but was having technical difficulties with audio and was not able to make a report.

IV. Minutes

Moved by Eric Stroeder, second by Todd Thaelke to approve the February 18, 2020 meeting. Motion carried.

V. Finance

V.A. Financial Report

Holly Nagel, CFO, reported March 31st places us at the 75% completion point of our fiscal year. As of March 31st we have received \$1,480,507.93 or 71.04% of our revenue budget and have expended \$1,497,553.51 or 73.35% of our expenditure budget.

At the same time last year, the Association had total revenue of \$1,684,643.26 or 81.49% of our budget. While expenditures were at \$1,458,673.06 or 71.36% of our expenditure budget.

The revenue report, expenditure report and balance sheet have been updated with adjustments to accrued revenue, expenses, and capital asset depreciation as year-to-date through March 31st.

The Unassigned Fund Balance at the end of March was \$2,768,079 was compared to last year at this time of \$2,469,948. This is an increase of \$298,131 in one year and an increase of \$221,077.10 since June 30, 2019. This is mainly due to the increase in mutual funds. Moved by Susan Humiston, second by Julie Schwader to accept the report as presented. Motion carried.

V.B. Budget.

Holly Nagel, CFO presented the proposed budget. A majority of the Association's budget is salary and benefits. The recommended budget increase for salary for Association employees is 3% and to cover an estimated 6% increase in insurance. Dental insurance will increase 0%.

We made a change last year to use the most recent SD Department of Education Statistical Digest data to calculate membership dues. Membership dues for public K-12 institutions have a base of \$750 plus expenditures. Based on FY 2019 school district expenditures member dues will provide new revenue to the Association in the amount of \$5,154.61 or 2.4% increase. Public K-12 member dues are capped at \$8,550. Educational coops, BIE and parochial schools, etc. dues are \$775.

We continue to budget for depreciation which allows the Association to accumulate capital over time to be used to replace capital assets needing replaced in the future. Moved by Tom Farrell, second by Tanya Gray the budget was adopted as presented. Motion carried.

V.C. Protective Trust Update

Holly Nagel, CFO presented the Protective Trust Update. The health fund is having another great year. As of March 31, the fund has a net position approximately \$14.4 million. Currently the health pool has 69 members with confirmation of at least 3 new members. FY21 renewals of 0%.

Workers' Comp pool has currently 82 members with 16 members out of quotes or bid. Of the 16, we have been notified of four leaving the pool. The fund has an approximate \$12.9 million dollar net position.

Property liability continues to be a challenge not only of ASBPT, but nation wide. Our team has worked closely with our broker, AJ Gallagher, and our actuaries, AON. With a loss ratio at approximately 82% due to the 777% loss year falling off the average. While insurance companies prefer a 60-65% ratio, we are heading in the right direction. This year we are looking at a pool property rate average of 15%.

As of September 1, we went from 44 to 40 member districts. Twenty-three other districts gave their notice by February 1 that they would be going out to bid for FY21. Last year the pool average was 50% property premium increase. This year the pool average was 13%.

In March, the ASBPT board approved the increase from 6 to 10 administrators on the WC & PL advisory committee. This will allow for a greater number of members with a wider breadth of demographics to have input.

VI. Executive Committee Minutes

Dr. Pogany shared the minutes of the April 7, Executive Committee Meeting. This was for their information.

VII. Advocacy Update

Dr. Pogany provided the board with a summary of the 2020 Legislative Session. Bills that ASBSD supported during Veto Day included:

SB 188 – gives the Secretary of Education the authority to waive the minimum hours requirement of SDCL 13-26-1 in situations where the President or Governor has declared a state of emergency.

SB 189 – waives certain requirements for accredited schools during the time of the extended school closure for the 2019-20 school year.

HB 1298 – mandates local government elections in 2020 be moved to June. Schools boards have the option to choose which Tuesday in June they wish to hold their local school board elections.

Funding bills supported by ASBSD

SB 170 – is a compromise between Governor Kristi Noem's office and the educational groups and make multiple changes to the Capital Outlay fund, which was changed in 2016 with the passage of the Blue Ribbon Task Force legislation.

HB 1042 – sets the maximum special education fund levy at \$1.684/thousand dollars of taxable valuation. It also revises the definition of local effort for the purposes of special education state aid to \$1.484/thousand dollars of taxable valuation and updates the funding per disability.

HB 1043 – provides a two percent increase in state aid to general education, which brings the target for statewide average teacher salaries to \$51,367.47 for FY 2021.

He provided the board with legislative districts support/non support of public education. This legislative session was his 14th year as a lobbyist and he shared there was 26 bills that was detrimental to public education. All of the educational groups will be watching the special session in June closely and will work hard to retain the 2% increase for teachers.

VIII. ASBSD Awards

Dr. Pogany advised the board it was that time of year again to be looking for nominees for our ASBSD Awards. He reminded the board the School Bell Award is one the ASBSD Board selects and asked for nominations. Other awards are: Community Service Award, Outstanding School Board Member, School Board Award of Excellence.

IX. Other Business

Dr. Pogany shared the Constitution and Bylaws of the SD Council of School Attorneys, Article X, Section 3, requires approval of amendments to the COSA Bylaws by both the ASBSD Board of Directors and the SD COSA membership. See Attachment 1. Moved by Mike Roesler, second by Tom Farrell to approve the amendment to the COSA Bylaws as presented. Motion carried.

Dr. Pogany advised the board our next meeting is scheduled for August 5, 2020, in conjunction with the Joint Conference. He shared SASD and ASBSD are looking at the contract in light of the situation in Sioux Falls. Discussion followed with the consensus of the board that if a final decision needed to be made the Executive Committee and Dr. Pogany would have their support in making the final decision.

Denise Lutkemeier thanked Kathy Greeneway and Mike Roesler for their service on the ASBSD Board.

Dr Pogany also thanked Kathy Greeneway and Mike Roesler for their service, guidance and friendship.

Mike Roesler stated he personally felt being part of ASBSD benefited him and how we inspired and helped him grow in his role as a board member.

Kathy Greenway shared her first thought was “Red Wine” but after listening she too felt that serving on the ASBSD Board was an incredible learning experience and she appreciated the friendships.

Moved by Todd Thaelke, second by Shane Roth the meeting was adjourned. Motion carried.

COSA CONSTITUTION & BYLAWS

ARTICLE VI.

Section 4. (a)(i) Upon recommendation by a member of the South Dakota Council of School Attorneys Board of Directors may, by majority vote, deny or terminate membership in the South Dakota Council of School Attorneys of any attorney for attorney actions adverse to public school boards. (ii) Upon a recommendation being submitted to the Board of Directors, the affected attorney shall receive notice of the recommendation and the attorney shall have fourteen (14) calendar days to request a hearing before the Board of Directors at which time the attorney shall have the opportunity to give reason or reasons why the recommendation should not be adopted. Following the hearing, the Board of Directors shall vote whether to deny or terminate membership on the South Dakota Council of School Attorneys.

(b) Adverse actions constituting grounds for denial or termination of membership specifically include, but are not limited to: (i) currently providing legal representation, or being a member of a law firm currently providing, legal representation to a person or entity, in a claim made against or in a proceeding involving a public school district (unless the legal dispute is between two public school districts), or (ii) has within the previous twenty-four months, provided, or been and continues to be a member of a law firm which provided, legal representation to a person or entity in a claim made against or in a proceeding involving a public school district (unless the legal dispute is between two public school districts).