

**ASBSD Board of Directors Meeting
Friday, November 20, 2020
Virtual Meeting
Pierre, SD**

I. Call to Order - President Stroeder - The meeting was called to order by President Eric Stroeder at 9:00 a.m. Present were members: Louann Krogman, Curt Pochardt, Pam Haukaas, Lisa Snedeker, Tanya Gray, Garret Bischoff, Denise Lutkemeier, Ellie Saxer, Tom Farrell, Duane Alm, Susan Humiston, Julie Schwader, Anita Peterson, Angie Ross, Eric Stroeder, Todd Thaelke and Shane Roth. Absent was board member Steve Kubik. Also present were staff members: Dr. Wade Pogany, Jessica Filler, Tyler Pickner, Holly Nagel and Katie Mitchell-Boe.

II. Welcome/Introductions

Dr. Pogany introduced Jessica Filler, Director of Policy and Legal Services. Jessica worked in private practice and state government before coming to ASBSD. Dr. Pogany led the pledge of allegiance.

III. Good News

Duane Alm – Aberdeen schools continue to remain open with students being encouraged to wear masks. The board amended the school calendar to give district employees the day before Thanksgiving off for all of their hard work.

Lisa Snedeker – The students are staying in school and everyone is working hard to remain healthy.

Denise Lutkemeier – District staff were given a \$500 bonus plus one percent of their contract for appreciation of their work through COVID. The district was able to fill their music teacher position.

Ellie Saxer – Brandon Valley continues to stay in session and using the COVID funds for teacher development, supplies and a few fun things.

Curt Pochardt – Rapid City is currently distance learning and mass testing events have been happening in his community.

Angie Ross – Hill City continues to have students in schools. Hill City won the state cross country title and currently for the first time are participating in the state volleyball tournament.

Anita Peterson – Things are going well in Philip with very few COVID illnesses. Teachers and staff are being given a \$1750 bonus for their continued dedication and hard work.

Pam Haukaas – Colome board approved a \$1000 bonus for teachers and \$500 bonus for support staff.

Garret Bischoff – Huron schools are still in session with the help of shields in the classrooms and students wearing masks.

Tom Farrell – Madison Central is still in session, masks are being used and board amended calendar allowing staff extended Christmas leave from the 18th of December until after the 1st. Volleyball team is participating in the state tournament.

Todd Thaelke – Schools are still in session and teachers are being provided an \$800 bonus.

Shane Roth – Negotiations process was a whole 8 minutes this year and they have had no problems with the virtual/distance learning. School year has been going very smooth.

Louanne Krogman – Certified staff were given a \$500 bonus at the beginning of the year and effective November 1 everyone will be receiving an additional \$500 bonus. Students and staff are doing well.

Susan Humiston – Edgemont provided certified staff with a \$1,000 bonus and support staff with \$500 for their continued work during COVID. Avera telehealth has been very helpful in providing guidance and assistance in keeping the district healthy. Drive in concerts were a success and one of their teachers is getting married this weekend and they are praying for no close contact spread.

Julie Schwader – Howard has been focusing on keeping the students healthy and keeping them in school.

Eric Stroeder – Mobridge-Pollock has students in school. National Honor Society provided Veteran's Day meals to vets. Board is talking about bonuses for teachers.

Tanya Gray – Good news with the delay start date of one week that have been able to keep the students in school. The goal is to keep the schools clean, community working together to stay safe and healthy.

Wade asked the board if he could share some good news as Associated School Boards became the proud owners of 306 East Capitol Building. The purchase was completed on Wednesday, November 18 and it is paid in full.

IV. Approval of Minutes

Moved by Tom Farrell, second by Tanya Gray to approve the August 7, 2020 meeting. Eric Stroeder declared the motion approved.

V. Reports

V.A. Webinar Series Report

Dr. Pogany summarized the webinar series produced and presented by Jim Holbeck, ASBSD Board Development Director and himself. Jim's meeting on Sundays included the discussion of the school board's role in hiring, firing and evals, Social Media Challenges, Handling Complaints and the Basics of School Budgeting. Wednesday's with Wade were in place of the Regional meetings discussing Advocacy Issues, upcoming Delegate Assembly and ASBSD Standing Positions and Resolutions. He was very pleased to announce that we had over 600 video reviews and board participation was high.

VI. Finance

VI. A. Financial Report

Holly Nagel, Chief Financial Officer, reported October 31st marked the end of the first four months, or 33%, of the FY 21 fiscal year. As of October 31st, we have received \$845,937.32 or 40.24% of our revenue budget and have expended \$541,282.50 or 26.63% of our expenditure budget.

At the same time last year, the Association had total revenue of \$958,538 or 46% of our revenue budget. While expenditures were \$683,174 or 33.46% of our expenditure budget.

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

ASBSD continues to have a strong balance sheet and financial position. The Association continues to have zero long term liabilities. The upcoming cash purchase of the 3rd Floor Condominium from TDK&E will give ASBSD continued rental income for years to come. It will also eliminate the mortgage receivable from TDK&E which was scheduled to be satisfied in 2025.

Holly reported that she would not be reporting on the Protective Trust at this time.

Moved by Duane Alm, second by Denise Lutkemeier to accept the financial report as presented. Motion was declared approved.

VI. B. ASBSD Audit

Amber Mason and Scott Currier, Palmer, Currier & Hoffert, LLP presented the Audit. Scott stated the financials as presented through the audit reflected the Association was in good financial status and

reflected ASBSD's net assets total more than \$4,436,496. Scott and Amber thanked ASBSD staff Holly Nagel and Deanne Arbach for their prompt and professional response.

Moved by Anita Peterson, second by Susan Humiston to accept the audit as presented. Motion was declared approved.

VI.C. 990 Tax Form

990-990T – Scott Currier reported the 990's and 990T's are completed and will be filed with the IRS. He concluded presentation with a thank you.

Moved by Duane Alm, second by Garret Bischoff to accept the 990's and 990T as presented. Motion was declared approved.

VII. Executive Committee Minutes

Minutes of the September 13, 2020 Executive Committee Meeting were presented to the board for their information.

VIII. Advocacy

VIII.A. Legislative Update

Dr. Pogany shared the Legislative Leadership has been announced with House Majority Leader, Kent Peterson; Senate Majority Leader, Gary Cammack, House Minority Leader, Jamie Smith, Senate Minority Leader, Troy Heinert. Lee Schoenbeck will be the President Pro Tempore. Bills of interest currently noted are:

- clean up language similar to HB 1012 and 1013
- clarifying definition of teacher
- continue state of emergency for instruction hours
- COVID related legislation – liability immunity
- Charter school
- Transgender/Title 9 issues
- Homeschool participation mandates
- School bond and school board election dates
- Constitutional Amendment A – Section 11 – 50% of extra money is designated to go to public schools

VIII.B. Delegate Assembly

The Sioux Falls School district offered the following amendments to the proposed legislation of the Associated School Boards of South Dakota (see the minutes of 11-4-2020), as follows:

- A. ACTION: The School Board instructs the Administration to submit the following resolution to be considered at the ASBSD Delegate Assembly on November 20, 2020:

School Finance

RESOLUTION

ASBSD supports increasing the State Aid Inflation Factor to three percent or inflation, whichever is greater, but not to exceed the increase in the general fund budget.

RATIONALE

To ensure public schools can recruit and retain quality employees, the state must maintain a long-term financial commitment to our schools in order to provide competitive salaries for their school employees.

The key here is that the State should increase the target teacher salary by the amount they expect the average teacher salary to increase. Until the FY11 freeze and the 8.6 percent cut

schools received in FY12, the average increase in the per pupil formula (2.7%) was almost identical to the increase in the average teacher salary (2.8%). After the cut and before the ½ cent sales tax, the average increases (going back to FY98) were 1.9 percent compared to 2.3 percent. After the FY17 increases including mandatory increases in teacher salary, the new averages dating back to FY98 are 2.3 percent and 2.8 percent. For comparison, over that same period the average salary and benefit cost per State Employee FTE is 4 percent.

Over 80 percent of school general fund expenditures are salaries and benefits while over 80 percent of their non-federal revenue is derived from the State Aid Formula. If the State wants to increase teacher salaries X% per year it should increase the per pupil allocation by that amount. For the first 12 or 13 years of the formula the two tracked almost perfectly – the deviation happened (to the benefit of the average teacher salary and the detriment of everything else schools pay for) with the severe cut in 2012 and the restoration of that cut via the ½ cent sales tax in FY17 that included mandatory salary increases. If it costs the state 4 percent per year to employ its workforce, the state should expect roughly the same costs for school districts. An increase of the greater of three percent or inflation will at least allow schools to come closer to keeping their salaries up with the State and other employers and school districts in the region.

Moved by Susan Humiston, second by Denise Lutkemeier to accept the resolution as presented with the understanding the PRC will work on language next year. Motion declared passed.

- B. ACTION: The School Board instructs the Administration to submit the following resolution to be considered at the ASBSD Delegate Assembly on November 20, 2020:

School Finance

RESOLUTION

ASBSD supports the Legislature amending the FY21 General State Aid Local Need calculation by using the greater of the 2019 or 2020 fallen enrollment for each school district.

RATIONALE:

The uncertainty of the global pandemic caused many school districts to have wildly fluctuating enrollment from the fall of 2019 to the fall of 2020. School boards had no way to accurately determine what that drop might be so staffing and other budgetary adjustments could not reasonably be made to respond to the lower enrollments. Allowing schools to use the higher enrollment would fund schools closer to their actual staffing levels rather than at a level based on a completely unpredictable decline in students due to no fault of the Districts.

Moved by Susan Humiston, second by Louann Krogman to accept the proposed amendment and recommend approval to the Delegate Assembly. Motion was declared passed.

- C. ACTION: The School Board instructs the Administration to submit the following resolution to be considered at the ASBSD Delegate Assembly on November 20, 2020:

Achievement and Equity

RESOLUTION

Allow parents of students on an IEP to have the same access to placing their child in a residential treatment center per SDCL 13-28-11 as regular education students as long as the need of placement is not related to the IEP.

RATIONALE:

When a parent/guardian is facing a crisis situation for their K-12 school-age child and the child is working with a mental health professional, SDCL 13.28.11 allows a parent referral for placement into a Psychiatric Residential Treatment Facility (PRTF) with education tuition funding as outlined in 13-13-87. The proposed change in language of SDCL 13.28.11 would allow this option for all students, including those with an IEP IF a local education agency (LEA) IEP team has met and

determined the child is making reasonable progress on their Individual Education Program (IEP) and the parent has evidence from outside of school that does not relate to educational needs. If the IEP team determines placement is necessary due to documented educational needs related to the IEP, then the LEA will fund the placement with special education funds.

Moved by Denise Lutkemeier, second by Tom Farrell to not accept or support the proposed amendment. Motion was declared passed, with 1 nay vote.

Proposed amendment change to Standing Position Safe and Secure Schools. Adopted by the Harrisburg School Board, November 9, 2020

At the end of the statement add: "ASBSD recognizes the crucial role law enforcement, the juvenile justice system, social services, court appointed advisors, mental health providers, and the medical community play in serving students and their families in protecting the school environment.

Moved by Shane Roth, second by Duane Alm to accept the proposed amendment and recommend approval to the Delegate Assembly. Motion was declared passed.

Priorities – Moved by Louann Krogman, second by Lisa Snedeker to set the priorities as follows: C7 – Maintaining the State Aid Inflation Factor; B12 – School Board and School Bond Elections; C10 – Additional Funding During COVID-19 Pandemic; B3 –Charter Schools or Other School Systems; C3 – School Funding – Two Year Enrollment Averaging. Motion declared passed.

IX. Directors Report

Dr. Pogany advised the board the next meeting will be February 15, 2021 in Pierre, hopefully, in person.

X. Other Business

Dr. Pogany and Holly Nagel advised the board of an attempted computer system hack. Peggy Martin, ASBSD IT person was contacted, system immediately was shut down and we were able to recover our records.

XI. Executive Session – No need for executive session.

XII. Adjournment – Moved by Tom Farrell, second by Todd Thaelke the meeting was adjourned.