

**UNAPPROVED MINUTES OF REGULAR SCHOOL BOARD MEETING
INDEPENDENT SCHOOL DISTRICT #139**

September 20, 2012

The Regular School Board Meeting was called to order by Chairperson Tryon at 7:06 p.m. in Room 201 at the Rush City High School.

Roll Call

Board Members present: Scott Tryon, Carol Cook, Brian Anderson, Stefanie Folkema, Brenda Nessel, and Channa Tastsides. Board Members absent: None. Others in attendance: Vern Koepp, Superintendent; Laureen Frost, Business Manager; Brent Stavig, High School Principal; Melody Tenhoff, Elementary Principal; Julie Thom, Early Childhood Coordinator; Carolyn Drude, Ehlers and Associates; a representative from the East Central Minnesota Post Review, and other interested persons.

Approval of Regular School Board Meeting Agenda

Motion #14812 by Tastsides seconded by Anderson approving the Regular Board Meeting Agenda with the following additions: IV Old Business, Item B Preschool-Additional 3 year old section. Motion unanimously carried.

Approval of Regular School Board Meeting Minutes and Special School Board Meetings Minutes

Motion #14912 by Anderson seconded by Nessel approving the minutes of the Regular School Board Meeting of August 16, 2012 and Special School Board Meeting of August 27, 2012. Motion unanimously carried.

Recognition/Policy Review

In a first reading the Board members reviewed Policy #532-Use of Peace Officers and Crisis Teams to remove Students with IEPs from School Grounds, and Policy #603-Curriculum Development.

After a second reading and final Board review of proposed changes, Motion #15012 by Cook seconded by Nessel approving the following policies: Policy #205-Open Meetings and Closed Meetings, Policy #416-Drug and Alcohol Testing, and Policy #509-Enrollment of Nonresident Students. Motion unanimously carried.

Note: Policy #430 was carried over for a third reading.

Financial Information

Following the Business Manager's review and Superintendent's certification, Motion #15112 by Anderson seconded by Tastsides approving the payment of invoices and obligations in the amount of \$688,806.87 for Rush City and \$451,713.70 for SCRED. Motion unanimously carried.

FY12 Fund Balance Review: Business Manager Frost reviewed the Rush City Schools ISD139 audited fund balance numbers as of 6/30/12. General Fund revenue was \$223,386 more than projected, while General Fund Expenditures were \$78,028 less than projected. The General Fund balance increased \$149,137 compared to 6/30/11. These amounts include transfers out of the General Fund to the Community Service Fund to cover deficits of \$20,576 for the Early Childhood Program and \$1,852 for the recreation center. The Community Service Fund balance increased \$12,848 and the Food Service Fund balance increased \$26,933. Below are the actual Fund Balance amounts for 6/30/11, the actual Fund Balance for 6/30/12, and the Budgeted Fund Balance amounts for 6/30/12.

RUSH CITY SCHOOL DISTRICT #139, June 30, 2012

FUND NAME	ACTUAL FUND BALANCE 6/30/11	ACTUAL FUND BALANCE 6/30/12	BUDGET FUND BALANCE 6/30/12
01-GENERAL	\$1,974,609.55	\$2,123,747.42	\$1,822,333.55
02 FOOD SERVICE	\$110,193.31	\$137,126.99	\$109,853.31
04-COMMUNITY SERV	\$55,713.01	\$68,561.94	\$44,915.01
07-DEBT REDEMPTION	\$271,628.76	\$280,785.30	\$259,024.76
08-SCHOLARSHIPS	\$152,252.77	\$156,011.46	\$152,252.77
10-TRUST/AQUATIC CENTER	\$512,771.52	\$511,960.95	\$517,771.52
TOTAL #139 FUNDS	\$3,077,168.92	\$3,278,194.06	\$2,906,150.92
07-DEBT REFINANCING	\$12,381,865.99	\$12,340,480.37	\$12,381,865.99

Current Enrollment: Business Manager Frost reviewed enrollment figures noting that at the conclusion of the 2011-12 school year the average daily membership was 896 students and that as of 9/18/12 the average daily membership was approximately 899 students. Frost also reminded the board that the budget for 2012-13 was built on the projected enrollment of 877 students.

Revenue/Expenditure Update: Business Manager Frost reviewed the 2012-13 revenue and expenditure budget noting that there has not been much activity to date but that revenues are running ahead of expenditures and cash flow remains good at this time.

Investments: Business Manager Frost reported the District has \$1,577,682 invested as of 8/31/12. This figure is down approximately \$500,000 from last year and approximately \$1,000,000 from previous years.

Communications

There were no items for consideration.

Reports

Positive Points

Early Childhood Coordinator Thom shared the following positive points:

1. Preschool classes are off to a great start. We are in our second week of classes and are busy getting to know everyone. Data collection begins next week! Our new teacher, Mary Grote is doing a wonderful job so far. She is proving to be a great addition to our team.
2. We have a full time MRC member this year. Sarah Nichols has returned for her second year with our program and moved to into the FT position. We are lucky to have her back!
3. We will participate in a pilot study from the U of M looking at the IGDI 2. We currently use the original IGDI's to assess early literacy skills. This study looks to compare the 2 sets of data taken from the original and the IGDI 2. We'll collect data like we always have, but do an additional set this year. We hope this is a positive experience for all involved. We expect training to happen soon!
4. ECFE classes will begin next week along with our fall carnival kick off event. The carnival is on Thursday night next week. There will be games, popcorn and pizza.

Elementary Principal Melody Tenhoff shared the following positive points:

We are starting out the school year with five new people working among us: Joe Lattimore, 6th grade teacher; Ben Mettling, 3rd grade teacher; Mary Grote, Preschool teacher; Wendy Schmidt, AmeriCorps Math member; and Jennifer Wilson, AmeriCorps Reading member. They are all off to a good start!

Our 5 Over Summer program, where we encourage students to read at least 5 books at their reading level over the summer really increased this year. Typically, we have around 60 students who complete their reading list AND remember to bring it to school on the first day. This year, however, we had 91 students to honor. Congratulations to these great readers!

MAP Testing started today. Being that MAP is switching to a server system to a web-based system, we have had some delays with starting the MAP testing this year, but hopefully, things will run smooth from here on out and we will end up with a better testing system.

On Tuesday, we had what we call School Wide Extravaganza. On that day, we throw out the typical schedule and have the students rotate among Bus Safety practice, School Pictures, and Health Screening. That way, we disrupt one day rather than three.

High School Principal Brent Stavig shared the following positive points:

Fall Sports: Fall sports are close to mid season at this point. All of the teams are having a good year; the efforts of our athletes are second to none.

Fall Play: This year's fall play is "Little Shop of Horrors". Auditions were last Saturday; Mr. Stevens said the auditions were great! T-shirts are available for \$12.

Rachel's Challenge: Rachel Scott was the first victim of the Columbine shooting. Rachel's Challenge is a powerful character building presentation. Students will learn about Rachel and what has become her legacy – starting a chain reaction of kindness. Approximately forty students will be selected to participate in the Friends of Rachel (FOR) club. This club will be an ongoing student led effort to promote kindness and compassion in an effort to reduce bullying. Suicide prevention is another focus of Rachel's Challenge. Rachel's Challenge will be here October 3rd with a community presentation at 7:00 PM.

Building Climate: The atmosphere in the school is great; students and staff seem motivated and happy. We have addressed a few incidents that could have escalated into bullying. So far it seems our plan to address bullying is off to a good start.

MAP Testing: The math portion of MAP testing is complete; next week students will take the reading assessment. The online format is working fine.

Superintendent Koepp complimented Custodians for getting sites and facilities in good shape prior to the start of the school year, and a compliment to clerical staff for assisting principals and teachers in the production of handbooks and other materials needed to get the school year up and running.

Updates

SCRED Facility

Superintendent Koepp reported that recent progress on the SCRED building in downtown Rush City includes roofing, interior walls, and plumbing, and that it is anticipated that brick work will begin next week.

Capital Improvements

Board members reviewed a summary of Capital Improvements from the spring and summer of 2012 and several projects that are pending for the fall of 2012.

Radio System Upgrade

Superintendent Koepp reported that the transportation radio system is ready for narrow-band operation.

Meetings Attended

Board member Cook attended the recent TIES annual meeting and reported that the five year plan included an emphasis on preschool, building upgrades, and TIES continues to provide administrative technology training.

Board member Anderson attended a recent ECMECC Governing Board Meeting. Financial reports were reviewed, progress on a fire wall hosted at Pine Tech was reviewed, grades six, seven, and eight digital math curriculum has been developed, and a report on virtual field trips was reviewed.

Board member Tryon attended a recent SCRED Governing Board Meeting during which routine business was conducted.

Old Business

iPad Insurance

Board members reviewed an iPad insurance program brochure intended for parents and procedures for administering a District provided insurance program for iPads. Whereupon Motion #15212 by Tastsides seconded by Cook approving the iPad Insurance Program and administration procedures as presented. Motion unanimously carried.

Preschool Additional 3 year old section

Early Childhood Coordinator Thom and Superintendent Koepp provided updated information regarding Early Childhood enrollment and Special Education staffing needs for 2012-13. Whereupon Motion #15312 by Nessel seconded by Anderson approving an additional preschool section for three year olds.

New Business

Personnel

Motion #15412 by Anderson seconded by Tastsides accepting the resignation of Jeanette Aleshire, Paraprofessional effective 9/26/12. Motion unanimously carried.

Motion #15512 by Anderson seconded by Tastsides authorizing additional hours for Mary Grote, Preschool teacher, an increase from 14 hours per week to 22 hours per week, and an additional Preschool paraprofessional for 6 hours per week. Motion unanimously carried.

Motion #15612 by Nessel seconded by Tastsides approving the employment of Eric Jungels, Custodian beginning 9/17/12, 4 days per week, 9 months per year, and Elizabeth Carpenter, English/Reading Teacher long-term sub 10/3/12-12/21/12, and Lyle Kuhn, Bus driver, regular route retroactive to 9/4/12, and Dewayne Schminkey, Bus driver, noon K route. Motion unanimously carried.

Proposed Levy Pay 2013

Business Manager Frost reviewed components of the school levy for property taxes payable for 2013, producing a preliminary levy decrease of 3.84%. Upon the recommendation of Frost and Superintendent Koepp Motion #15712 by Cook seconded by Anderson

certifying the 2013 levy at the maximum. Motion unanimously carried. Note: Due to state adjustments and limitations the status of the levy may vary. A portion of the December 20, 2012 Regular School Board Meeting will be set aside for a review of the levy, public input regarding the levy, and final levy certification.

Refunding Building Bonds

Carolyn Drude of Ehlers and Associates reviewed financial information for District building bonds and current market conditions. The District may refinance some of its building bonds and Drude projected a potential savings to District taxpayers of approximately \$171,000 over a period of five years. Whereupon Motion #15812 by Anderson seconded by Nessel approving a resolution providing for the sale of general obligation school building refunding bonds. Note: The complete resolution is included in school board meeting minutes found on the School District website. Motion unanimously carried.

**EXTRACT OF MINUTES OF A MEETING
OF THE SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO. 139
(RUSH CITY)
STATE OF MINNESOTA**

Pursuant to due call and notice thereof, a regular meeting of the School Board of Independent School District No. 139, State of Minnesota, was duly held on September 20, 2012 at 7:00 p.m.

MEMBERS PRESENT:

MEMBERS ABSENT:

Member _____ introduced the following resolution and moved its adoption:

**RESOLUTION PROVIDING FOR THE SALE OF GENERAL OBLIGATION SCHOOL BUILDING
REFUNDING BONDS, SERIES 2012A; AND COVENANTING AND OBLIGATING THE DISTRICT TO
BE BOUND BY AND TO USE THE PROVISIONS OF MINNESOTA STATUTES, SECTION 126C.55 TO
GUARANTEE THE PAYMENT OF THE PRINCIPAL AND INTEREST ON THESE BONDS**

BE IT RESOLVED by the School Board of Independent School District No. 139, State of Minnesota, as follows:

1. Bond Authorization. The School Board has determined that it is necessary and expedient to issue General Obligation School Building Refunding Bonds, Series 2012A, to refund certain maturities of the District's \$7,325,000 General Obligation School Building Refunding Bonds, Series 2003A.

2. Sale. The District has retained Ehlers & Associates, Inc. (Ehlers) in Roseville, Minnesota, as its independent financial advisor for the Bonds. Ehlers is authorized to solicit proposals in accordance with Minnesota Statutes, Section

475.60, Subdivision 2(9). If the issuance of the Bonds is approved, the School Board shall meet at the time and place specified in the Official Statement to receive and consider proposals for the purchase of the Bonds.

3. Official Statement; Negotiation of Sale. Ehlers is authorized to prepare and distribute an Official Statement and to open, read and tabulate the proposals for presentation to the Board.

4. Minnesota School District Credit Enhancement Program. (a) The District hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the "Bonds" and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Registrar for the Bonds is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Registrar. The District understands that as a result of its covenant to be bound by the provision of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

(b) The District further covenants to comply with all procedures now and hereafter established by the Departments of Management and Budget and Education of the State of Minnesota pursuant to Minnesota Statutes, Section 126C.55, subdivision 2(c) and otherwise to take such actions as necessary to comply with that section. The chair, clerk, superintendent or business manager is authorized to execute any applicable Minnesota Department of Education forms.

The motion for adoption of the foregoing resolution was duly seconded by Member _____,

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted.

Board Advisory Nominees

Board members were encouraged to submit names of parents and community members who may be interested in serving in the School Board Advisory Committee for the 2012-13 school year.

Individual Transportation Contracts

Motion #15912 by Anderson seconded by Cook approving the following transportation contracts during the 2012-13 school year: Darrin and Linda Sedler, 5 miles per day beginning August 2012 through June 2013, Channa Tastsides and Troy Lerch, 17.8 miles per day beginning August 2012 through May of 2013, and Brenda and Grant Wilsey, 17.8 miles per day beginning August 2012 through May 2013. Voting for: Nessel, Anderson, Cook, Folkema, Tryon; Voting against: None; Abstaining due to a potential conflict of interest: Tastsides. Motion carried.

School Calendar 2012-13

Board members discussed the advantages of moving a staff development day from February to October and the importance of informing parents quickly. Whereupon Motion #16012 by Tastsides seconded by Nessel to move the February 4th staff development day to October 12th. Motion unanimously carried. Note: Students will not attend school on October 12, 2012, and February 4, 2013 will be a regular student school day.

St. Croix River Education District Issues

Motion #16112 by Anderson seconded by Tastsides authorizing an increase in hours for Carol Grund, Clerical from 650 hours per year to 951 hours per year beginning 9/6/12. Motion unanimously carried.

Calendar

Adjournment

Motion #16212 by Tastsides seconded by Nessel adjourning the Regular Board meeting at 9:00 p.m. Motion unanimously carried.

Respectfully submitted,

Brian Anderson
Clerk

Our mission is to provide each learner with appropriate educational opportunities to reach his or her potential.