

Watershed High School Board Minutes August 15, 2011

Board Members Present: Linda Gavanda, Anita Kempf, Ann Moore, Sandra L. Smith
Paul M. Kinsley - Ex Officio - NV

Board Members Absent: LeAnne Mfaligundi Destiny D. Sparks - Ex Officio- NV

Guests: Ingunn Henrikssen, Jason Kinsley

Meeting was called to order at 4:03 p.m. by Sandra L. Smith, Secretary; since Ann indicated that she would arrive late.

Anita made a motion to approve the agenda as written; Sandra seconded. No abstentions. Motion passed.

Linda made a motion to approve the minutes; Anita seconded. No abstentions. Motion passed.

Paul opened the discussion regarding our proposed F12Budget. He stated what the monthly budget would be since we were being frontloaded with our funds for 8 months starting July 1, 2011, and then the last 4 months would be withheld. Paul also said we have \$125,000.00 in overdue bills that need our immediate attention. He spoke to Dr. William Premo at Adler Graduate School (Sponsor) and Greg Heinz of Minnesota Department of Education (MDE) regarding how we plan to hold the Special Education monies and use it to pay the deficit bills. They both agreed that it was a smart plan. Ingunn asked if we have more students than the proposed 65 ADM will the budget be increased. Paul said we will not change the budget this year but we will look at it for next year. Linda made the motion to approve the budget; Sandra seconded. No Abstentions. Motion passed.

Paul stated the case for not having health/dental insurance coverage for this year, but giving a monthly stipend of \$150.00 instead. Anita commented on how it was for her and her children, so not having it here was huge. Sandra made a motion to cancel the health/dental insurance coverage, but to give a monthly stipend as pre-tax dollars in the amount of \$150.00, then revisit the issue in a year. Linda then asked for the motion to be amended to read that it would be revisited in 6 months. The motion was amended. Anita seconded. No abstentions. Paul restated the dire position we are in at this point. Motion passed.

Board members were made aware of the urgent bills by Ann and Paul. Anita asked for more clarification, and Ann explained it to everyone's satisfaction. The Internal Revenue Service, State of Minnesota, Teachers' Retirement Fund, Abdo, Eick and Meyers, LLP (Auditors) were mentioned as some of our outstanding debts, and that we expect to have everyone paid off within a year except for the large debts owed to Citizens Independent Bank. Hopefully, we won't have to borrow or sell our receivables. Paul said that with this plan we expect to be out of Statutory Operating Deficit (SOD) by the Summer of Fiscal 13. Everyone will be kept in the loop as we go forward.

The Board voted to close the meeting at 5:00 p.m. Meeting was then reopened at 5:36 p.m. Ann said that when we got our July payment, we were given an additional \$84,000.00 by mistake, so it will be taken back over time. Paul said that student enrollment is at 56, and we have 15 students that we are not sure about yet.

Paul spoke about the new Student Pass for Metro Transit. He said there should be a minimal charge to the students for the pass. Sandra made the motion to allow Paul to make the charge based on individual circumstances; Linda seconded. No abstentions. Motion passed.

Paul stated that we need to adjust our Breakfast and Lunch Program to be prepaid except for the on the Free & Reduced Lunch Program. Linda made the motion to allow Paul to determine how the rates would go regarding all students; Sandra seconded. No abstentions. Motion passed.

Ann presented Ingunn Henrikssen and Jason Kinsley for the open teacher positions on the Board. Linda made a motion to accept them as Board members until Fiscal 14; Sandra seconded. No abstentions. Motion passed. Ingunn and Jason were welcomed as new Board members. Board Elections should take place in September.

Ann said that the Financial Reports for July and August will be presented at the September Board meeting.

Sandra brought up the fact that LeAnne had tendered her resignation from the Board to her by email and should be discussed and voted on at this time. Ann said she wasn't aware of it, and so she would speak to LeAnne regarding the matter. The discussion of the resignation was tabled until the September Board meeting.

Linda made a motion to adjourn the meeting; Sandra seconded. No abstentions. Motion passed. Board Meeting was adjourned at 6:08 p.m.

The next regularly scheduled meeting is Monday, September 26, 2011, at 4:00 p.m.

Respectfully Submitted,
Sandra L. Smith
Secretary