

Southern Minnesota Education Consortium #6083
JANUARY 2022 CABINET MEETING MINUTES
WEDNESDAY, FEBRUARY 15, 2022, 9:00AM
SMEC ED CENTER, 21697 HWY 56 AUSTIN, MN 55912

The regular meeting of the Cabinet of Southern Minnesota Education Consortium #6083 was called to order at 9:07AM by Dan Armagost on February 15, 2022. The meeting opened with the Pledge of Allegiance followed by roll call and determination of quorum.

Cabinet members in attendance were Paul Besel (GM), Jamie Goebel (LY), Jim Hecimovich (KPS), Jen Backer-Johnson (LO), Scott Hall (SL), and Brian Shanks (AC/GE). Administration and staff in attendance were Executive Director Dan Armagost, Director Denise Kennedy, Administrative Assistant Amy Wylde, and Administrative Assistant Ashley Rye; also present was Jeff Tietje (GE Principal).

Meeting Agenda

Jamie Goebel (LY) requested to add "Federal Grants" for discussion as item C. under 8. New Business. Paul Besel requested to move the Business Manager Contract from the proposed Consent Agenda to 9. Old Business under item C. for discussion/action. With these changes, Scott Hall motioned to approve the meeting agenda with the changes, seconded by Jamie Goebel, all were in favor by roll call, motion carried.

Public Recognition

Nothing to report.

Approval of the Consent Agenda

With Consent Agenda Item F. moved to Old Business, the remaining Consent Agenda items for approval included approval of minutes from the January 2022 meeting, approval of the Treasurer's/Financial report, approval of the Next Step bank account activity, approval of the Winona State University education agreement, approval of the agreement with Northland Community College, approval of Brooklyn Eastman's resignation, and approval of Dahna Wright's termination. Based on Armagost's explanation of Dahna Wright no longer being employed with SMEC, Besel made a recommendation to adjust the Consent Agenda to reflect Armagost's comments regarding H. Approval of Dahna Wright Termination to change the verbiage to "Resignation effective 02/09/2022" in place of "Termination". Motion to change the verbiage made by Paul Besel, seconded by Scott Hall, all were in favor by roll call, motion carried. Motion by Paul Besel to approve the Consent Agenda with changes, seconded by Jennifer Backer-Johnson, all were in favor by roll call, motion carried.

Committee Reports

Admin Council: Scott Hall reported that the following were discussed at the last Admin Council meeting: SMEC Level III enrollment paperwork, service animal policies, shared services, MARSS coding for special education students, Fernbrook Family Center services, and Out-of-Field Placement postings. Shared services focused on the possibility of sharing a Food Service Director and Virtual Instructor across the Consortium. A shared training for transportation providers in all districts is also in the works. The next Admin Council meeting is April 14, 2022, at 2:30PM at the SMEC Ed Center.

New Business

** indicates action items*

- A. *Strategic Planning Summer 2022 Contract**: Armagost presented the MSBA Strategic Planning contract for summer of 2022. Armagost reviewed the contract in detail. Goebel noted concern for the total contract price. It was recommended that Armagost reach out to Gail Gilman at MSBA seek justification on the price in comparison to member districts that have participated in the past. With this recommendation and pending Armagost's follow-up with MSBA, Besel motioned to approve the contract, seconded by Jim Hecimovich, all were in favor by roll call, motion carried.

- B. *Bond Payment**: Armagost reviewed the Business Managers' discussion with Baker Tilly regarding the bond payment with reference to the minutes from the February Business Manager meeting. It was noted that all Business Managers agreed upon the recommendation to establish a committed fund to pay down on the principal bond balance in 2026. Hecimovich motioned to approve the committed fund, seconded by Goebel.

Besel requested discussion and inquired about where the funds for the committed fund would come from to offset these principal costs. Armagost explained the committed fund would comprise of access fee charges to districts outside of the Consortium, which fluctuates annually based on students enrolled in SMEC programs from these districts. Funds exceeding the Board-approved fund balance would also go into this committed fund. Armagost explained that to keep member district payments consistent, Business Managers from member districts requested that all access fees and excess fund balance funds be put into a committed fund that would be utilized in 2026 to pay down the principal bond payment.

With reference to the Joint Powers Agreement, Besel clarified that any funds that exceed the fund balance would be applied to the bond via this committed fund, Armagost confirmed.

Besel questioned if this is in accordance with the Joint Powers Agreement, to which Armagost confirmed on the basis that the bond payment is specifically stated as one of the assignments these excess funds can be applied to. Besel inquired if the motion on the table is an addendum to the Joint Powers Agreement to which Armagost denied and noted that the bond payment is already explicitly listed for this purpose. It was confirmed that this committed fund cannot be utilized for anything other than it is intended for, which would be the bond payment.

Besel questioned if all other items as listed in the Joint Powers Agreement are being taken care of, and are these funds also being applied in accordance with the Joint Powers Agreement. Armagost confirmed, noting that additional funds for level 3 programs also contribute.

Besel referenced the Business Manager meeting minutes and minimal time to review the bond information, thus requesting the conversation be tabled until further discussion is had. Armagost referred to his recommendation at the January Cabinet meeting to consult with Business Managers and inquired by roll call which Cabinet members consulted between the January meeting and now. All Cabinet members except for Grand Meadow had detailed conversations with their Business Managers and stated intent to support.

With no further discussion Hecimovich reiterated his motion to approve the committed fund with a second by Goebel, all were in favor to approve the committed fund by roll call, motion carried.

- C. *Federal Grants*: Goebel sought clarity about federal grants received by SMEC and that SMEC provide what funds are received and where the funds are allocated to. Armagost listed grants received by SMEC and their allocations:

a.	164 Compensatory Education	\$48,230.19	Summer Programming/Level III & IV Program-specific
b.	169 ESSER 3	\$76,000	ELL Start-up/Next Step Glenville Start-up/LETRS training for/SMEC's portion Career Navigator
c.	170 COVID	\$40,000	COVID testing/Nurse/COVID Coordinator
d.	514 REAP	varies annually	Student laptops/speakers/owl systems/misc. tech
e.	140-141 ARP		Transportation/Vehicles
f.	Eagles Grant	\$10,000	Tools for ALC wood shop

Armagost made note of federal funds SMEC received last year:

a.	150 Summer Mental Health	\$7,000	CTSS plan development/SMEC mental health program
b.	152 Emergency Relief		Mental Health/Transition from Fernbrook
c.	153 GEARS	\$6,000	Laptop purchases
d.	154 CARES	\$28,000	Gazebo/Outdoor space

Armagost noted that all this grant information is provided at Board, Cabinet, and Business Manager meetings as well as in the Board monthly memo. No further discussion.

Old Business

** indicates action items*

- A. *Next Step Glenville-Emmons Building Update:* Armagost provided an update on the Next Step Glenville-Emmons building. He reported that although a contract had been drafted and SMEC was ready to tour a building, the owner sold the building prior to the opportunity for SMEC to sign a lease. SMEC will continue to explore options to house the Next Step program in the Glenville-Emmons area.
- B. *Level III Transportation Garage Update:* The Building and Grounds Committee is meeting to get plans for the transportation garage rolling. An update will be provided at the next meeting.
- C. *SMEC Business Manager Contract Approval*:* Besel requested that Armagost review his process for hiring the new SMEC Business Manager, with concern that the process moved too quickly. Besel also inquired about if Armagost sought out references from the current Business Managers of SMEC member districts. Hecimovich clarified that reference checks from member district Business Managers cannot be the sole influencing force in hiring a qualified candidate. Armagost confirmed he did not seek references from member district Business Managers.

Besel followed up with requesting that Armagost review his process for hiring this candidate. Armagost referenced the Cabinet meeting in December where a motion was made SMEC seek a Business Manager to fulfill the need by June. Following the December Cabinet meeting, Armagost then requested total business office costs for each district for reference to establish an ideal salary to offer a qualified candidate; all business office expenses were received except for Grand Meadow. At the January meeting, Besel corrected December meeting minutes to specify that business manager needs may be met by an individual or a firm. At this same meeting, Hecimovich confirmed that this was an existing position and encouraged Armagost to “execute” and post the position for potential candidates. Following the January meeting, a job posting was created and posted for a Business Manager. Four candidates applied, two interviewed. Armagost noted that one of the candidates, John-Mark Dundas, has school finance experience and experience with an auditing firm, and that he is great fit for the need. Armagost noted that the offered salary was based upon his qualifications, Dundas’s salary in his current position, and what SMEC has previously paid for a Business Manager. The position offered to Dundas is full-time, year-round. Armagost noted that one of Dundas’s references was Jen Backer-Johnson. Backer-Johnson reported that she hired Dundas when she was part of the Lewiston-Altura School District. Backer-Johnson noted Dundas’s love for crunching numbers, his commitment to his job, and his trustworthiness. Armagost also noted that he plans to work collaboratively with Dundas.

Goebel inquired about if SMS services that SMEC utilized in the past was considered a full-time position. Armagost responded “no”. Goebel then inquired about if this was a new position. Armagost clarified that this is an existing position and that although this is an increase in Business Manager work hours, it is not an increase in expense.

Goebel referenced the contract date commencing July 1, 2021. Armagost and Wylde noted that was an error and would be altered to reflect his start date. Hall recommended leaving the commencement date and state pro-rated days rather than changing the date. Armagost noted he would remain on the same contract cycle as all SMEC administrators.

Hall motioned to approve the Business Manager contract with pending date changes, seconded by Goebel, all were in favor by roll call, motion carried.

Administrative Reports

A. Business Management Updates

- Bank account balance as of 02/09/2022: \$1,044,285.11. This balance is prior to the payroll deduction.
- The next Business Managers meeting will be Thursday, March 10, 2022, at 10:00AM.

B. Director Denise Kennedy

- ESY and SMEC Academy Update – Staff applications for both programs have been sent, student registrations for both programs will be sent to students within the coming weeks
- Inquired about summer food service in Kingsland and Alden, Shanks and Hecimovich stated no concerns

C. Executive Director Dan Armagost

- ARC Surveys have been completed for all member districts
- Next SMEC Board meeting is Wednesday, March 30, 2022, at 6:30PM

Cabinet Comments

Hecimovich inquired about the process for referring students to the SMEC ALC, with concern for the number of students and parents requesting an ALC referral. Armagost noted that the ALC is currently full and there is a waitlist; priority is given to students within the Consortium. It was also noted that the referral must come to the SMEC office from Principals and Superintendents. Kennedy proposed that potential ALC referrals be presented at child study meetings for discussion, to which all were in favor.

Goebel also noted his concern for the number of credits students must earn to graduate from the ALC and the pace which students are graduating. Goebel noted that many of students that enroll in the ALC are behind peers, but still graduate prior to peer graduation. Armagost followed up by noting that the required number of credits varies from Consortium districts but falls within state statute. Armagost justified the minimum credits by referring to the students that are being served and the reasons why students enroll in the ALC. Hecimovich referred to each district's graduation requirements and if students enrolled in the ALC should have to follow these requirements since they are receiving that district's diploma. Hecimovich also inquired if a SMEC diploma would be more appropriate. Armagost responded by referring to the state statute and noting that advocating for the students levels the playing field. Goebel proposed increasing the SMEC credit requirement. Armagost responded by clarifying that when administrators sign the referral forms, they are agreeing to all conditions of attending the ALC, including the number of credits to graduate. Armagost also noted the "why" behind helping these students graduate – including the additional skill-building to help students potentially enter the workforce, enroll in technical programs, and enroll in middle college courses to work toward earning their Associates degree and high school diploma. No further discussion.

Goebel inquired about the number of SMEC staff resignations. Armagost noted that the amount of staff resignation aligns with that of other districts. Armagost regarded the high standards employees are held to, that SMEC works with employees to ensure the program they are working in is appropriate for their skill set, and that staff are encouraged and reimbursed by SMEC to obtain additional licensure for their programs. Armagost also explained the process for employee terminations and changes of placement due to inconsistent attendance or other unforeseen issues. Kennedy added that the shortage of school employees is a problem everywhere right now, and her concern for filling staff positions in all districts. Hall noted that many out-of-field placements at SMEC are employees who are looking for general education openings within the Consortium, and that leads to more internal resignations by nature. Kennedy also reminded that SMEC is one of the few districts that has nearly all positions filled. Goebel followed up by asking if SMEC is doing enough to retain employees that are in tough positions. Armagost noted that SMEC works to ensure that employees are properly compensated, communication remains open and transparent, every staff member gets the opportunity to have an end-of-year follow-up meeting with Armagost and Kennedy, and that Department Leads are available to their staff for any ongoing concerns or questions. Kennedy reminded Goebel that many out-of-field placement staff are resource room teachers and on district contracts, not SMEC contracts. Armagost also encouraged districts to continue to accept level 3 staff into their school culture. Armagost also noted that all SMEC staff who resign are also scheduled an exit interview with Kennedy and Armagost. Goebel noted no further questions.

Motion to adjourn by Jennifer Backer-Johnson (LO), seconded by Jim Hecimovich (KPS), all were in favor, motion carried. The cabinet meeting was adjourned at 10:58AM.

Respectfully submitted,

Ashley Rye, SMEC Administrative Assistant