

Board of Governors

**Sobriety High School**

Wednesday, December 16, 2009

5:00 – 6:30 P.M.

Minutes

Members Present: Paul McGlynn, Chet Johnson, Bruce Santerre, Bob Doffing,  
Alan Braun, Joe Covert, Dan Ondich, Crystal McAninch, Bruce Santerre  
Staff: Barb Wornson, Judi Hanson, Debbie Bolton  
Guests: Sandy Schmidt – School Business Solutions, Nicolle Roush – District 917

**4:00 Call to Order**

Bob Doffing

**Introductions**

Bob Doffing

**Approvals**

- Agenda – add Dan to other business section.
- Minutes
- Donations – We received several more donations after the donation list was sent. A copy of this was provided for the board.
- Check Register

*A motion to approve the above was made by Bruce and seconded by Crystal.*

**ACTION: ADOPTED**

**Student Enrollment**

Robbie Deering

- Enrollment is at 159, with an ADM of 147.
  - North Summit – enrollment 45, ADM 39
  - West – enrollment 38, ADM 33
  - Arona – enrollment 36, ADM 36
  - Alliance – enrollment 40, ADM 39

**Financial Reports**

School Business Solutions

- With the line of credits and balancing cash flow we are on track.
- With the 27% holdback, 17% was an allotment by the governor. It is possible that legislation wouldn't recognize the 17% holdback, which would be a reduction of revenue in FY10. We need to stay alert and vigilant. We are looking at a fund balance of 6% right now and with 17% lost, we would be in SOD. We need to stay vigilant and stay active with legislation. This is a reduction to our fund balance.
- We need to look at the ADM calculations because we reported 180 to EDRS and just changed it last week to 155 so the state will stop payments because we were overpaid. That will hurt us big time because they take it back all at once. This is a reduction to our cash flow.
- SBS will figure out what was submitted to EDRS and recalculate to see where we are.

**Finance Committee Report**

Bruce Santerre

- Discussed the BCBS health benefits – if we kept the same plan for 2010, costs would increase by 15.26%. Employer covers 70% of premium. Bottom line is that we are looking at a \$12,000 increase in annual cost if we kept the same package. We looked at increasing the deductible from \$1,600 to \$2,100. We recommend that we stay at the 70% employer contribution. We recommend going to alternate plan 1 (plan #178) with a \$2,100 deductible. Going to this plan would be a minimal increase for district and staff. It would be cost neutral to this year's budget.
- We are looking at cutting the long-term disability to cover the offset in premiums. If we drop this, there is a possibility that it would be covered under social security for long-term disability. It would be an average of

\$8 increase for the short-term disability. We would save \$5000 a year and \$2700 this fiscal year. Barb should investigate the benefits of having long-term and short-term benefits. Look at having all employees paying for the benefits themselves for next year.

- The MACS group insurance wouldn't start until next year and we'll still keep that in mind. We could end up in a pool of people with worse rates.
- We will get information on using Aflac to offer employees on an individual basis.

*Motion made by Bruce to accept finance committee recommendation to continue with BCBS and go with alternate number 1 (plan 178) for employee's health insurance for 2010 year, with 70% employer contribution, second by Crystal.*

**ACTION: ADOPTED**

- We could get through the school year on the line of credit.
- Discussed leases, rent increases and unexpected expenses. We removed these from the budget and there is a chance it could come up again.
- Charged Barb with coming up with a \$35,000 savings. We saved \$29,000 by not filling a position and now we need another \$6,000 savings.
- It is important to have accurate information to make sure we are making informed decisions so we aren't overreacting. We didn't have accurate data before we made our decision and didn't have a budget showing the actual salaries and actual data. Statute says board has to approve the budget before we actual make changes; SBS can't update the budget every month for every little change. We need to be more realistic on making decisions. Schools will revise their budget in October and bring it to the November meeting. Start looking at next year's budget and look at revising our current again in March. SBS will bring the tool and revise the budget together.
- We want to begin earnest work in January for the 2010-2011 budget. By the January finance committee meeting we need assumptions to decide on. What are the budget assumptions?
  - What is realistic ADM?
  - What is going to happen with the state for the holdback?
  - Do we continue with 4 campuses?
  - Are there salary increases?
  - What is a realistic staffing ratio?
- Have campuses look at what their ADM would be for next year. The A-team meeting should be able to come up with those numbers.
- If we continue at ADM 147, we go below our projected fund balance and end up in SOD. If we leave it at 6% and leave it at 155, we make cuts and borrow next year. There is nothing there to use for unexpected expenses.
- The foundation had a meeting with the president at Hazelden; he doesn't think we have a viable model to have 4 campuses. We need to revisit going to one or two campuses for next year. Dan came up with two ideas based on discussions with staff. Email ideas to Bruce to assemble.

**Executive Director's Report**

Barb Wornson

- Barb put together information of number of staff and number of students graduated just to show a history. We are getting more seniors now than before. ADM graph is from MDE actual data.
- There are a lot of factors that are contributing to the ADM going down. We don't need to focus on historic pitfalls, we need to focus on plans for the future. When we look at a plan, we should look at a management/staffing structure and not our program.
- We should poll treatment centers to see what their enrollment is to see what our potential is. We should know how our competition is doing.

### **Community/Family Outreach Report**

Judi Hanson

- Fundraising Efforts – February 6 Banquet at St. Marks, a student called Hazelden and they are working on a grant with her and more information will be emailed to her. Could we as a board approve someone to be hired as a grant writer on a commission basis? Visited a few treatment centers and they are starting to get enrollment. Judi is now doing the recovery at West as well as her community outreach position.

### **Campus Director Report**

Campus Directors

- West – had a show at the depot in Hopkins, raised \$320 for the school, recruited a few kids, every Sunday Joe opens the school to have a band session, playing Feb. 6 at banquet, one relapse.
- Arona – we are getting a few kids after break, no official relapses, gave 8 UAs and all were negative, sent out a lot of donation envelopes.
- Alliance – we had 4 relapses this month, last month we had 8 relapses, still using recovery panel and recovery probation, math teacher is doing great, getting students.
- N. Summit – did 9 UAs, 4 positive, requested 5 UAs, 3 positive, 17 relapses for the year , 6 relapses by 5 students in the last month.

### **Other Business**

- We need to get a hard drive to store closed meeting minutes.
- Dan will step down from the board, the bylaws removed his seat which doesn't end for another year. He will resign after the closed meeting today.
- There are no approved board trainings from MDE yet.

**Meeting Dates:** All meetings are 4:00-6:30 at the Central Office unless other wise noted.  
January 20, February 17, March 17, April 21, May 19, June 16

### **Adjournment**