

Minutes of the School Board Annual Organizational Meeting

Of the School Board of Independent School District No. 709 held at the Historic Old Central High School, 215 North First Avenue East, Duluth, Minnesota 55802, on

Tuesday, January 3, 2012 at 6:30 p.m.

Members Present:

Mary Cameron
Art Johnston
Tom Kasper
Mike Miernicki
Judy Seliga Punyko
Ann Wasson
Bill Westholm

Others Present:

Bill Gronseth, Interim Superintendent

Bill Hanson, Deputy Clerk

Sue Talerico, Interim Secretary

➤ Chair Seliga Punyko called the organizational meeting of the school board to order at 6:30 PM.

1. Call to Order by Member Seliga Punyko as Temporary Chairperson
2. Oath of Office
3. Election of Chairperson
4. Election of Vice-Chairperson
5. Election of Clerk
6. Election of Treasurer
7. Appointment of Deputy Clerk
8. Appointment of Board Secretary
9. Resolution B-1-12-2991 – Setting Meeting Dates/Times
10. Resolution B-1-12-2992 – Designation of Depositories and Acceptance of Collateral
11. Resolution B-1-12-2993 – Designation of Authority to Perform Electronic Fund Transfers
12. Resolution B-1-12-2994 – Authorization for the Superintendent of Schools and Director of Business Services to Sign Contracts and Grants
13. Resolution B-1-12-2995 – Selection of District's Legal Counsel
14. Resolution B-1-12-2996 – Selection of District's Official Newspaper
15. Adjournment

2. Oath of Office

Bill Gronseth read the Oath of Office for the following Board Members:

- Mike Miernicki took the Oath of Office for a four-year term
- Judy Seliga Punyko took the Oath of Office for a four-year term
- Bill Westholm took the Oath of Office for a four-year term

3. Election of Chairperson

Member Seliga Punyko opened the nominations for the office of chairperson.
Member Seliga Punyko nominated Member Wasson for the office of chairperson.
Member Johnston nominated Member Johnston for the office of chairperson.
Member Seliga Punyko closed the nominations for the office of chairperson.

Each nominee briefly discussed their interest in the office of chair.

Upon a vote member Wasson was elected Board Chair as follows:

Wasson – Cameron, Kasper, Miernicki, Seliga Punyko, Wasson, Westholm
Johnston – Johnston

4. Election of Vice-Chairperson

Chair Wasson opened the nominations for the office of vice-chairperson.
Member Seliga Punyko nominated Member Kasper for the office of vice-chairperson.
Member Cameron nominated Member Miernicki, who declined.
Chair Wasson closed the nominations for the office of vice-chairperson.

Chair Wasson announced that Member Kasper is the Vice-Chairperson by acclamation.

5. Election of Clerk

Chair Wasson opened the nominations for the office of clerk.
Member Johnston nominated Member Cameron for office of clerk, who declined.
Member Kasper nominated Member Seliga Punyko for the office of clerk.
Member Johnston nominated Member Johnston for the office of clerk.
Chair Wasson closed the nominations for the office of clerk.

Each nominee briefly discussed their interest in the office of clerk.

Upon a vote Member Seliga Punyko was elected Clerk as follows:
Seliga Punyko – Kasper, Miernicki, Seliga Punyko, Wasson, Westholm
Johnston – Cameron, Johnston

6. Election of Treasurer

Chair Wasson opened the nominations for the office of treasurer.
Member Cameron nominated Member Westholm for the office of treasurer.
Member Seliga Punyko nominated Member Cameron for the office of treasurer.
Chair Wasson closed the nominations for the office of treasurer.

Chair Wasson announced that Member Cameron is the Treasurer as follows:
Cameron – Kasper, Johnston, Miernicki, Seliga Punyko, Wasson, Westholm
Westholm – Cameron

7. Appointment of Deputy Clerk

Chair Wasson appointed Bill Hanson as Deputy Clerk.

8. Appointment of Board Secretary

Chair Wasson appointed Melinda Thibault as School Board Secretary.

9. Resolution B-1-12-2991 – Setting Meeting Dates/Times

Member Kasper presented the resolution as follows:

RESOLUTION
Selection of Meeting Dates/Times

RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota, that the Regular meetings of the School Board shall be held the third Tuesday of each month at 6:30 p.m. at the Central Administration Building unless otherwise scheduled by the School Board.

B-1-12-2991

January 3, 2012

Member Johnston suggested there is no need to pass this as an annual resolution as it is identical to Bylaw 9070. Wasson noted that we are following the MSBA Organizational meeting setup agenda, which is the reason this resolution is on the agenda.

M-Kasper, S-Seliga Punyko to approve Resolution B-1-12-2991, Selection of Meeting Dates/Times. Upon a vote taken on the resolution, the same was approved 6-1 as follows:

Yea: Cameron, Kasper, Miernicki, Seliga Punyko, Wasson, Westholm

Nay: Johnston

10. Resolution B-1-12-2992 - Designation of Depositories and Acceptance of Collateral

Member Cameron presented the resolution as follows:

RESOLUTION
Designation of Depositories and Acceptance of Collateral

RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota, that Duluth Teachers Credit Union, US Bank, North Shore Bank of Commerce, Wells Fargo Bank, Park State Bank, M & I Bank, Associated Bank, and Western Bank shall be depositories of the funds of this School District for up to a one year period commencing January 1, 2012, and said banks shall be required to deposit with said district collateral securities, subject to approval by the School Board, and kept in trust;

RESOLVED, That the collateral securities pledged by Duluth Teachers Credit Union and placed in trust at Federal Reserve Bank of Boston; North Shore Bank of Commerce and placed in trust at U S Bank N. A.; U S Bank and placed in trust at Federal Reserve Bank of Boston; Key Bank and placed in trust at Federal Reserve Bank of Boston; all as provided by law and evidence by trust agreements executed by the Treasurer of the School Board, an officer of the depository bank, and acknowledged by an officer of the bank holding the securities in trust, shall be approved.

DULUTH TEACHERS CREDIT UNION –

\$250,000.00 FHOR, Cusip xxxxxxTS6, due 1/14/2014
\$250,000.00 FHLB, Cusip xxxxxxXW7, due 11/27/2013
\$250,000.00 FHLB, Cusip xxxxxxKY2, due 5/30/2013
\$250,000.00 FHLB, Cusip xxxxxxP93, due 12/13/2013

NORTH SHORE BANK OF COMMERCE –

\$400,000.00 FFCB, Cusip xxxxxxNQ8, due 4/24/2012

MARSHALL & ILSLEY (M & I BANK) –

Authorized up to maximum of \$250,000 on deposit at any one time

U S BANK –

\$21,135,000.00 FHLMC, Cusip xxxxxHUY7, due 12/1/2022
\$14,295,000.00 FNMA, Cusip xxxxxDJR2, due 9/1/2034
\$10,383,000.00 FNMA, Cusip xxxxxLBU5, due 9/1/2018
\$2,760,000.00 FHLMC, Cusip xxxxxRME1, due 11/1/2036
\$700,000.00 FHLMC, Cusip xxxxxRMB7, due 3/1/2036
\$2,435,000.00 FNMA, Cusip xxxxxxZJ7, due 1/1/2019
\$2,930,000.00 FNMA, Cusip xxxxxx5R9, due 5/1/2034
\$10,210,000.00 FNMA, Cusip xxxxxXGR2, due 7/1/2033

KEYBANK –

\$32,274,670.00 FHLMC, Cusip xxxxxx6R0, due 6/15/2039

WELLS FARGO BANK –

Authorized up to maximum of \$250,000 on deposit at any one time

PARK STATE BANK –

Authorized up to maximum of \$250,000 on deposit at any one time

WESTERN BANK –

Authorized up to maximum of \$250,000 on deposit at any one time

RESOLVED, That the Treasurer, Clerk, and/or Director of Business Services shall be authorized to arrange for the exchange, release, or placing of additional collateral, provided that in all instances such exchange, releases, or placing of additional collateral shall be approved by the school board and all new collateral shall be placed in trust with the respective aforementioned institutions.

B-1-12-2992

January 3, 2012

Member Johnston inquired regarding the M&I Bank and US Bank changes. Mr. LeBlanc explained the reasons for the changes.

M-Cameron, S-Seliga Punyko to approve Resolution B-1-12-2992 - Designation of Depositories and Acceptance of Collateral. Upon a vote taken on the resolution, the same was approved – unanimously.

11. Resolution B-1-12-2993 - Designation of Authority to Perform Electronic Fund Transfers

Member Seliga Punyko presented the resolution as follows:

RESOLUTION

Designation of Authority to Perform Electronic Fund Transfers

RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota, that the Director of Business Services has the authority to designate a district employee/employees to initiate electronic fund transfers, as required by MS 471.38.

Resolution B-1-12-2993

January 3, 2012

M-Seliga Punyko, S-Kasper, to approve Resolution B-1-12-2993 - Designation of Authority to Perform Electronic Fund Transfers. Upon a vote taken on the resolution, the same was approved – unanimously.

12. Resolution B-1-12-2994 - Authorization for the Superintendent of Schools and Director of Business Services to Sign Contracts and Grants

Member Westholm presented the resolution as follows:

RESOLUTION

Authorization for Superintendent of Schools and Director of Business Services to Sign Contracts and Grants

RESOLVED, By the School Board of Independent School District 709, St. Louis County, Minnesota, that to increase operational efficiency, it is requested that authorization to sign revenue contracts and expenditure contracts for the lease, purchase, and contract for goods or services within budgetary and policy limits up to \$25,000 be granted to the Superintendent of Schools and Director of Business Services. This delegation of authorization is allowable under Minnesota Statute 123B.52 subd. 2. The superintendent's designee will review each contract before execution.

RESOLVED, By the School Board of Independent School District 709, St. Louis County, Minnesota, that the Superintendent of Schools, or in his/her absence the Director of Business Services, be designated the legal authorized representative to sign applications and execute grant documents for and in behalf of the school district in connection with federal and state laws and funding authorities and local, public, and private funding agencies that offer categorical financial support to this school district.

Resolution B-1-12-2994

January 3, 2012

M-Westholm, S-Kasper, to approve Resolution B-1-12-2994 - Authorization for the Superintendent of Schools and Director of Business Services to Sign Contracts and Grants.

Upon a vote on Resolution B-1-12-2994 – the same was approved – unanimously.

13. Resolution B-1-12-2995 – Selection of District’s Legal Counsel

Member Miernicki presented the resolution as follows:

RESOLUTION
Selection of District’s Legal Counsel

RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota that, the following firms have been selected as legal counsel for the District.

Fryberger, Buchanan, Smith & Frederick, P.A.
700 Lonsdale Building
302 West Superior Street
Duluth, MN 55802

Ratwik, Roszak & Maloney
300 US Trust Building
730 Second Avenue South
Minneapolis, MN 55402

Dryer, Storaasli, Knutson & Pommerville
202 West Superior Street, Suite 200
Duluth, MN 55802

RESOLVED, that the authorized contact persons for the District are as follows:

Chair of the School Board
Superintendent of Schools
Executive Assistant to Superintendent
Assistant Superintendent
Director of Business Services
Director of Special Education
Manager of Facilities
Finance Manager
Business Services Secretary
Human Resources Manager for Certified Staff
Human Resources Manager for Non-Certified Staff
Human Resources Secretary

Resolution B-1-12-2995

January 3, 2012

M-Miernicki, S-Seliga Punyko, to approve Resolution B-1-12-2995 – Selection of District’s Legal Counsel.

Johnston expressed his concern about the expenses incurred by having an attorney at board meetings. Wasson reminded all that that is one board member’s opinion. Westholm noted his presumption that the District has three different firms due to having a variety of legal issues.

Upon a vote Resolution B-1-12-2995, the same was approved –unanimously.

14. Resolution B-1-12-2996 – Selection of District’s Official Newspaper

Member Johnston presented the resolution as follows:

RESOLUTION
Selection of District's Official Newspaper

RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota, that the District's official newspaper will continue to be the Duluth News Tribune.

Resolution B-1-12-2996

January 3, 2012

Member Johnston suggested there is no need to pass this as an annual resolution as it is included in Bylaw 9105. Member Johnston reminded the board that we have not adopted the MSBA model policies, and that we should follow our policies as adopted.

M-Johnston, S-Kasper, to approve Resolution B-1-12-2996 – Selection of District's Official Newspaper. Upon a vote taken on the resolution, the same was approved 6-1 as follows:

Yea: Cameron, Kasper, Miernicki, Seliga Punyko, Wasson, Westholm
Nay: Johnston

Members Johnston and Cameron welcomed new board members. Member Cameron noted that she looks forward to serving under Chair Wasson, that she expects transparency, and wants to see the District continue moving forward with the long range facilities plan, open those schools yet to be open and on time, and expects equity across the District.

Chair Wasson stated that she was informed by Deputy Clerk Hanson that legal counsel would be available to provide an update to the board regarding the superintendent situation on Friday, January 6, 2012, at 11:30 a.m. or 5:30 p.m. Chair Wasson asked for board members' availability. **After brief discussion, it was noted that the Special Executive Closed Session meeting will be scheduled for 5:30 p.m. January 6, 2012.**

Chair Wasson noted that the memorandum requesting committee assignment volunteers was at board members' places, asking to have their choices to her by the end of the week or Monday.

15. Adjournment

Chair Wasson welcomed new board members and adjourned the annual organizational school board meeting of January 3, 2012 at 7:00 p.m.