

**MINNETONKA SCHOOL BOARD
CLOSED SESSION AND STUDY SESSION**

March 2, 2023

6:00 p.m.

AGENDA

CLOSED SESSION

- 4:30 1. Superintendent's Mid-Year Review

STUDY SESSION

- 6:00 1. Review of Vision Video
- 6:05 2. Review of FY24 Health and Dental Insurance Premium Recommendations
- 6:20 3. Review of Amended Community Education Budget
- 6:30 4. Update on Impact of Governor's Budget Proposals
- 6:45 5. Belonging Update
- 7:05 6. Update on Outstanding Bonds

CITIZEN INPUT

7:05 p.m. Citizen Input is an opportunity for the public to address the School Board on any topic in accordance with the guidelines printed below.

GUIDELINES FOR CITIZEN INPUT

Welcome to the Minnetonka School Board's Study Session! In the interest of open communications, the Minnetonka School District wishes to provide an opportunity for the public to address the School Board. That opportunity is provided at every Study Session during *Citizen Input*.

1. Anyone indicating a desire to speak to any item about educational services—except for information that personally identifies or violates the privacy rights of employees or students—during *Citizen Input* will be acknowledged by the Board Chair. When called upon to speak, please state your name, address and topic. All remarks shall be addressed to the Board as a whole, not to any specific member(s) or to any person who is not a member of the Board.
2. If there are a number of individuals present to speak on the same topic, please designate a spokesperson that can summarize the issue.
3. Please limit your comments to three minutes. Longer time may be granted at the discretion of the Board Chair. If you have written comments, the Board would like to have a copy, which will help them better understand, investigate and respond to your concern.
4. During *Citizen Input* the Board and administration listen to comments. Board members or the Superintendent may ask questions of you in order to gain a thorough understanding of your concern, suggestion or request. If there is any follow-up to your comment or suggestion, you will be contacted by a member of the Board or administration.
5. Please be aware that disrespectful comments or comments of a personal nature, directed at an individual either by name or inference, will not be allowed. Personnel concerns should be directed first to a Principal, then to the Executive Director of Human Resources, then to the Superintendent and finally in writing to the Board.

School Board
Minnetonka I.S.D. #276
5621 County Road 101
Minnetonka, Minnesota

Study Session Agenda Item 1

Title: Review of Vision Video

Date: March 2, 2023

EXECUTIVE SUMMARY:

In 2022, the Minnetonka School Board members worked together to update the Board's *Our Vision for the Future* document, which charts a path for the future of the Minnetonka Public School District.

As noted in the *Vision* document, Minnetonka Schools has earned a reputation for excellent teaching, exceptional student achievement and outstanding fiscal management, and the School Board feels that ensuring that this legacy continues is the heart of their job as elected representatives for the District. The Board shared that its vision enables the District to be a world-class, child-centered public school system of which each student, parent, staff member, administrator, alumni and community member can be proud.

Our Vision for the Future was published, and copies were distributed to staff members throughout the District and to each school and building to display in their lobbies. An electronic copy is on the District website, and highlights of the document were shared in the District's 2022 Annual Report. The Board tasked the District with creating a companion video of *Our Vision for the Future*, to be shared with new employees and to be housed on the District website as an encapsulated version of the Board's vision.

Executive Director of Communications Dr. JacQui Getty is presenting a draft of the vision video for the Board's consideration.

Submitted by: _____



JacQueline Getty, Executive Director of Communications

Concurrence: _____



David Law, Superintendent

**School Board
Minnetonka I.S.D. 276
5621 County Road 101
Minnetonka, Minnesota**

Study Session Agenda Item 2

**Title: Review of FY24 Health and Dental Insurance
Premium Recommendations**

Date: March 2, 2023

EXECUTIVE SUMMARY:

Minnetonka Independent School District 276 has been self-insured for employee health and dental insurance since July 1, 2002. Self-Insurance for health and dental benefits means the District has its own plan for health and dental benefits, and then contracts out third party administration for the adjudication of claims. Premiums are contributed by employees out of the bi-weekly paychecks and by matching amounts from their fringe benefits compensation.

The School Board are the Trustees of the Self-Insurance Fund. There is a self-insurance advisory committee made up of representatives of all the employee groups of the District. This body makes recommendations to the School Board on annual premium levels and plan benefit levels for the School Board to consider when they are setting the annual premium rates and any plan design changes.

The Self-Insurance Fund has been very beneficial to both the District and employees. Since its inception, annual premium increases have averaged 3.17% over the first 22 years of the Self-Insurance Fund.

In FY22, the Self-Insurance Fund finished the year with a cash balance of \$12,736,837 and a fund balance after liability accruals of \$10,643,467.

Over Fiscal Years 2020 through 2022, because of the COVID-19 Pandemic muting medical activity, the Self-Insurance Fund ended up with higher than normal year end surpluses. In normal years, premium levels are set at an amount that would generate a break-even to slightly above break-even level of surplus. During those three fiscal years, surpluses totaled a cumulative \$5,537,971.

As a result, premium levels for FY23 were left at the same level as the prior year for the second year in a row. In FY23, the Self-Insurance Fund is projected to utilize approximately \$1,400,000 of those additional surplus funds to cover all expenses of the Fund, in effect “giving back” a portion of the larger-than-normal surplus from Fiscal Years 2020 through 2022.

Looking forward to FY24, medical claims trend (CPI) is projected to increase at 7.4% and pharmacy claims trend is projected to increase by 9.8% according to the Segal Health Plan Cost Trend Survey.

There is also the backdrop of the overall inflation rates for the country which is impacting health care provider costs. Per the Bureau of Labor Statistics, the Calendar Year 2021 inflation rate was 7.0%, and the Calendar Year 2022 inflation rate was 6.5%, so a compounded 13.5% over two

years. Inflation is projected to be “sticky” for calendar 2023 and into calendar 2024, so it will impact the FY24 Self-Insurance Plan Year.

In light of these inflationary pressures, coupled with the fact that health insurance usage is returning to pre-Pandemic levels, the initial CBIZ Actuaries recommendation for health insurance premium increases for FY24 was for a 13% increase to break even for the year.

Several plan options were looked at to see what impact changes would have on that projected increase. The most productive one is a modest \$10 per prescription copay increase for the Base Plan and VEBA HRA Open Access plan to \$25 for generic prescriptions, \$55 for formulary prescriptions and \$95 for non-formulary prescriptions for projected savings of \$342,334 or 2%. Of note, 93% of all Self-Insurance Fund prescriptions are for generic drugs. This change reduces the projected rate increase to balance FY24 down to 11%.

In light of the fact that there will still be a significant amount of the FY20 through FY22 surpluses remaining after FY23, it is possible to use some of that surplus to moderate the premium increase by approximately 3%. This would entail using approximately \$551,675 of the Self-Insurance Fund reserves that built up from the FY20-FY22 period. The resulting premium increase recommendation is for an 8% premium increase for FY24.

For the Dental Plan, the proposed premium increase is 4%.

The Self-Insurance Advisory Committee met on February 15, 2023 to review these options and voted 10-0 to recommend to the School Board that for FY24 medical premiums be increased 8%, pharmacy copays be increased \$10, and dental premiums be increased 4%.

ATTACHMENTS:

CBIZ Actuary Estimates for Medical-Pharmacy and Dental
Pricing Decrements for Plan Options
CBIZ Actuary Rates at 8.0% Medical and 4.0% Dental for FY24

RECOMMENDATION/FUTURE DIRECTION:

This update is presented for the School Board’s information.

Submitted by: 
Paul Bourgeois, Executive Director of Finance & Operations

Concurrence: 
David Law, Superintendent

Minnetonka Independent School District 276
Self-Insurance Advisory Committee
CBIZ Actuary Estimates
8% Medical with \$10 Copay Increase - 4.0% Dental
FY2024 Plan Year

Medical-Pharmacy		
Revenue at Proposed 8% Premium Increase		\$ 16,638,890
Medical Expenses Projected at 7.4% Trend	\$ 14,206,071	
Pharmacy Expenses Projected at 9.8% Trend	<u>\$ 2,922,058</u>	
Total Medical-Pharmacy Expenses		<u>\$ 17,128,129</u>
Net Expenses Covered From Self-Insurance Fund Reserves		<u>\$ (489,239)</u>

Dental		
Revenue at Proposed 4% Premium Increase		\$ 1,292,304
Dental Expenses Projected at 4.0% Trend		<u>\$ 1,354,740</u>
Net Expenses Covered From Self-Insurance Fund Reserves		<u>\$ (62,436)</u>

Plan Totals		
Revenues		\$ 17,931,194
Expenses		\$ 18,482,869
Net Expenses Covered From Self-Insurance Fund Reserves		\$ (551,675)
% Expenses Covered From Self-Insurance Fund Reserves		2.98%

Minnetonka Schools

Pricing Decrements: (Projected
2023 Funding)

	Base Option 3	VEBA Option 3: (Premiums Reflect HRA Contributions)	HDHP Option 3 (No Change)	HDHP SmartCare Option 3 (No Change)
MEDICAL TYPE OF PLAN:	PHYSICIAN/HOSPITAL PPO	PHYSICIAN/HOSPITAL PPO	PHYSICIAN/HOSPITAL PPO	PHYSICIAN/HOSPITAL PPO
IND/FAM DEDUCTIBLE:	IN: \$500 /1,000 / \$1,500 OUT: \$3000 /6,000 / \$9,000	IN: \$1,750 /2,500 / \$3,250 OUT: \$3000 /4,500 / \$6,000	IN: \$3,500 /\$5,000 / \$6,500 OUT: \$7000 /\$10,000 / \$13,000	IN: \$3,500 /\$5,000 / \$6,500 OUT: \$10500 /\$15,000 / \$19,500
IND/FAM COINSURANCE:	IN: 30% OUT: 40%	IN: 30% OUT: 40%	IN: 30% OUT: 40%	IN: 30% OUT: 50%
IND/FAM OUT OF POCKET: (INCLUDES DEDUCTIBLE)	IN: \$1750 /2,350 / \$3,500 OUT: \$6000 /12,000 / \$18,000	IN: \$3,500 /5,000 / \$6,500 OUT: \$6,000 /8,000 / \$10,000	IN: \$6,750 /\$10,000 / \$13,000 OUT: \$14,000 /\$20,000 / \$26,000	IN: \$6,750 /\$10,000 / \$13,000 OUT: \$20,250 /\$30,000 / \$39,000
PREVENTIVE SERVICES	Covered in Full	Covered in Full	Covered in Full	Covered in Full
PHYSICIAN OFFICE SERVICES (PCP)	\$30 then Deductible	30% after Deductible	30% after Deductible	30% after Deductible
PHYSICIAN OFFICE SERVICES (SCP)	\$30 then Deductible	30% after Deductible	30% after Deductible	30% after Deductible
EMERGENCY ROOM	\$300 Copay	30% after Deductible	30% after Deductible	30% after Deductible
MRI & CT SCANS	30% after Deductible	30% after Deductible	30% after Deductible	30% after Deductible
OUTPATIENT HOSPITAL SERVICES	30% after Deductible	30% after Deductible	30% after Deductible	30% after Deductible
INPATIENT HOSPITAL SERVICES	30% after Deductible	30% after Deductible	30% after Deductible	30% after Deductible
PHARMACY:	\$25/\$55/\$95 2x Mail; 20% to \$500 Specialty	\$25/\$55/\$95 2x Mail; 20% to \$500 Specialty	30% after Deductible	30% after Deductible

Minnetonka Independent School District 276
Self-Insurance Advisory Committee
CBIZ Actuary Estimates
8% Medical with \$10 Copay Increase - 4.0% Dental
FY2024 Plan Year

Plan	FY23	FY24	\$ Change
Base Perform Network Single	\$727	\$785	\$58
Base Perform Network E+1	\$1,235	\$1,334	\$99
Base Perform Network Family	\$1,735	\$1,874	\$139
VEBA HRA Open Access Single	\$672	\$726	\$54
VEBA HRA Open Access E+1	\$1,144	\$1,236	\$92
VEBA HRA Open Access Family	\$1,608	\$1,737	\$129
HSA Open Access Single	\$605	\$653	\$48
HSA Open Access E+1	\$1,028	\$1,110	\$82
HSA Open Access Family	\$1,446	\$1,562	\$116
HSA SmartCare Single	\$547	\$591	\$44
HSA SmartCare E+1	\$929	\$1,003	\$74
HSA SmartCare Family	\$1,306	\$1,410	\$104
Dental Single	\$43	\$45	\$2
Dental Family	\$106	\$110	\$4

Prescription Copays	
Base Perform Network	\$25/\$55/\$95 2x Mail 20% to \$500 Spcty
VEBA HRA Open Access	\$25/\$55/\$95 2x Mail 20% to \$500 Spcty
HSA Open Access	30% After Deductible
HAS SmartCare	30% After Deductible

**School Board
Minnetonka I.S.D. #276
5621 County Road 101
Minnetonka, Minnesota**

Study Session Agenda Item 3

Title: Review of Amended MCE Budget

Date: March 2, 2023

EXECUTIVE SUMMARY:

Minnetonka Community Education continually monitors revenue and expenses throughout the year, and typically makes mid-year budget adjustments in revenue and expense projections after the first 6-7 months of the year.

The original MCE budget is annually put together in the spring of the year and presented to the School Board in May and June.

Since the original budget was approved, MCE had the need for increased expenditures in general supplies, classroom supplies, equipment, and miscellaneous needs. Those increases were due in part to the installation of the new MCEC playground, the purchase and installation of a new MCEC gym climbing wall, 20 new hallway cubbies, and a growth in students in Explorers. Additionally, overall participation in MCE has been very good so far this year which affects both sides of the ledger.

Explorers staff increases and related program expenses are one of the largest YOY expenses in this revised budget. The expense of added staff since the time of the original budget is one side of the equation. Also, the Board accepted the recommendation of a market adjustment for Explorers staff effective August of 2022. That market adjustment increase was off cycle with the every two-year Policy 440 agreement. That increase was very necessary to retain and recruit staff due to the increase in inflation in late 2021, throughout 2022, and into 2023.

The CPI has grown considerably the last two years and our expenses at MCE have as well.

- 2021 CPI was 7%
- 2022 CPI was 6.5%
- The CPI for January 2023 was 6.4%

Participation:

Each year for this report and along with the revised revenues and expenditures, Jenny Bodurka, Molly Bahneman and I analyze registration data and trends. Naturally, we are

analyzing registration daily, but in regard to this revised budget process we specifically look and compare YOY registration data.

With a dynamic budget and complex programming like we have at MCE, it is challenging to hit the budget on the mark each year, though we try. It is also hard to predict exact participation. Our predictions are based on Board policy, procedure, innovation, experience, history, as well as strong belief in our community, our staff, our volunteers, and the many new programs and classes we program in MCE each year.

In the first seven months of this school year, participation was up considerably YOY. The growth in that period of time was 11.15%. Project SOAR in particular stood out with a solid increase more than doubling the number of participants from the previous year.

Participation growth has been fantastic YOY through January 31, of this year compared to last year.

MCE Program	7-1-2021 through 1-31-2022	7-1-2022 through 1-31-2023
Adult	1,651	1,499
Youth	11,472	13,156
SOAR	757	1,736
Events	4,943	4,666
Explorers	2,054	2,264
Preschool & ECFE	616	685
Screening	596	547
Total Participation	22,089	24,553

The bottom line for 2022-23 has closed nicely with this revised budget. Originally, MCE was looking at a loss of \$235,112. Thanks to increased participation and other savings in MCE, this loss is now expected to be \$50,520. This one-year projected loss of \$50,520 for 2022-23, will be absorbed by the existing MCE fund balance.

The chart below indicates both the original MCE budget that was approved in June of 2022, as well as the proposed revised MCE budget for Board consideration. These changes are necessary for the reasons listed above.

The MCE Revised Budget indicates the following changes:

- Revenue: An increase of \$1,423,102 in revenue is anticipated in the revised budget proposal compared to the original budget.
- Expense: Extra expenditures of \$1,238,510 are anticipated in the revised budget proposal compared to the original budget.

The budget chart below indicates solid growth in nearly all MCE program areas when you compare the original budget that was submitted in May of 2022, against the revised budget for 2022-23.

The Early Childhood category includes ECFE, Minnetonka Preschool and Early Childhood Screening. The Marketing, Events, Administration, MCEC, and Levy category includes those exact areas. The Youth and Adult categories include all forms of youth and-adult enrichment and recreation except our major MCE events. Non-Public dollars are State Aid dollars. Non-Publics can use them for textbooks, technology, and equipment.

MCE Budget and Revised Budget for 2022-23

MCE Budget	Original Budget			Revised Budget		
	<u>Revenue</u>	<u>Expense</u>	<u>Balance</u>	<u>Revenue</u>	<u>Expense</u>	<u>Balance</u>
Early Childhood	1,809,440	1,730,719	78,721	1,890,493	1,962,518	(72,025)
Marketing/ Events/ Admin/Levy/ MCEC	644,643	1,366,061	(721,418)	637,320	1,288,489	(651,169)
Youth and Adult	9,017,114	8,609,529	407,585	10,354,250	9,681,576	672,674
Non-Public	47,273	47,273	--	\$59,509	\$59,509	--
Total	11,518,470	11,753,582	(235,112)	12,941,572	12,992,092	(50,520)

Summary:

The budget revision process is valuable for many reasons. My leadership team and I appreciate the opportunity to better align the mid-year reality with the earlier budget forecast. The revision process also provides us a better understanding of where we need to be when we begin work on next year's budget. I look forward to presenting the 2022-23 MCE revised budget to the School Board at the study session on Thursday, February 23. Thank you for the opportunity.

Submitted by: 

 Tim Litfin, Executive Director of Minnetonka Community Education

Concurrence: 

 David Law, Superintendent

**School Board
Minnetonka I.S.D #276
5621 County Road 101
Minnetonka, Minnesota**

Study Session Agenda Item 4

Title: Update on Impact of Governor's Budget Proposals

Date: March 2, 2023

EXECUTIVE SUMMARY:

Starting with the initiation of Spanish and Chinese Immersion programs at all six elementary schools in FY2008, the District entered an era where enrollment growth averaging 223 students per year generated significant additional revenues that could be expended for the benefit of all district students.

Voters also approved significant increases in Operating Referendum Revenue per pupil, including \$436.29 per pupil for FY2009, \$340 per pupil for FY2017, and \$340 per pupil for FY2020.

These two significant additional revenue sources, coupled with State Aid revenues and Local Levy revenues for the various funding formulas that are set annually by the State of Minnesota, resulted in almost two decades of financial stability, with revenues growing at a rate that allowed for the implementation of significant program options for all students that might not have been possible without all of those revenue sources.

With additional Operating Referendum revenue increases capped by State Statute and no longer available for the District to access, and in-person K-12 enrollment capped at approximately 11,100 students, the District has limited options to augment funding over and above the State Aid revenues and Local Levy revenues set annually by the State of Minnesota to fund K-12 education programs. The District has returned to reliance primarily on those annual State-determined funding sources. As a result, the actions of the Legislature and Governor to fund K-12 education, while being very important over the past several decades, have taken on increased importance to Minnetonka Independent School District 276.

The Tonka Online Comprehensive Program can provide a modest contribution of additional revenues if it is economically managed, but absent any statutory changes to increase the Operating Referendum Cap, the District will be reliant on State Aid and Local Levy funding formulas for the foreseeable future.

Fortunately for the District, the State Budget Surplus for the FY24-FY25 Biennium has been projected at \$17.6 billion, which is the highest projected surplus in the history of the State of Minnesota.

As part of the FY23 General Operating Fund Amended Budget process, the District also did a preliminary projection of the FY24-FY28 General Operating Fund. In light of the historic \$17.6 billion projected surplus, the District included projected increases for FY24-FY25 of State Aid increases of 4% on the Basic Formula each year and an increase in the Special Education Cross Subsidy Aid from 6% to 15%. Of note, 4% increases to the Basic Formula for two years was

awarded one other time in the last three decades for the FY06-FY07 Biennium, which was after three preceding years of 0% increases.

Under these assumptions, the General Operating Fund was projected to operate at a modest surplus of \$1,096,666 in FY24 equal to 0.7% of expenditures, and a deficit of (\$4,755,035) in FY25 equal to (2.9%) of expenditures.

On January 24, 2023, Governor Walz released his proposed FY24-FY25 Budget. The Governor proposes to increase E-12 funding significantly in the biennium. However, many of the funding proposals are targeted to grants and categorical programs for which Minnetonka ISD 276 does not qualify.

The Governor proposes to increase the Basic Aid formula by 4% - \$275 – in FY24 and 2% \$143 in FY25. Compared to the District's initial projection the District would receive \$1,760,816 less in Basic Aid for FY25.

The Governor proposes to increase the Special Education Cross Subsidy Aid from 6% to 47.3%. Compared to the District's initial projection the District would receive \$2,595,252 more Special Education Cross Subsidy Aid in FY24.

The Governor proposes to increase the English Learners as a Second Language by \$51 per pupil, from \$704 to \$755. Compared to the District's initial projection the District would receive \$11,271 more in ELL Aid in FY24.

Under the Governor's Budget Proposal, the General Operating Fund is projected to operate at a surplus of \$3,768,970 in FY24 equal to 2.4% of expenditures, and a deficit of (\$3,843,409) in FY25 equal to (2.3%) of expenditures.

Subsequent to the release of the Governor's proposed FY24-FY25 Budget, the District also produced a "What If" analysis with the sole change from the Governor's proposal being 5% increases in the Basic Aid formula for FY24 and FY25 as is proposed in the first plank of the District's 2023 Legislative Platform.

HF439 and SF448 both propose increases in the Basic Aid formula of 5% for FY24 and 5% for FY25.

Under this "What If" projection that assumes the remainder of the Governor's proposals remain intact, the General Operating Fund is projected to operate at a surplus of \$4,539,985 in FY24 equal to 2.9%, and a deficit of (\$336,810) in FY25 equal to 0.2% of expenditures.

ATTACHMENTS:

FY23 Amended General Fund Operating Budget With 4%-4% Basic Aid 15% Cross Subsidy Aid
FY24-FY25 Governor's Proposals 4%-2% Basic Aid 47.3% Cross Subsidy Aid
FY24-FY25 "What If" 5%-5% Basic Aid 47.3% Cross Subsidy Aid

RECOMMENDATION/FUTURE DIRECTION:

This report is presented for the School Board's information.

Submitted by: Paul Bourgeois
Paul Bourgeois, Executive Director of Finance & Operations

Concurrence: David Law
David Law, Superintendent

MINNETONKA INDEPENDENT SCHOOL DISTRICT 276
FY2023 AMENDED GENERAL OPERATING FUND BUDGET
PROJECTION FOR FY2024 THROUGH FY2028 ASSUMES 4%-4% BASIC AID 15% SPED CROSS SUBSIDY

General (01), Transportation (03), & Extra Curricular (11) Funds		+36.86 Tchr FTE	+5.05 Tchr FTE*	+10.29 Tchr FTE	+15.38 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE
K-12 Student Growth Oct Target Numbers (Actuals Thru FY22)		3	36	185	-23	0	0	0	0	0
October 1 K-12 Enrollment Target (Actuals Thru FY22)		11,050	11,223	11,372	11,200	11,200	11,200	11,200	11,200	11,200
Definitions		Actual 2020-2021	Actual 2021-2022	Adopted 2022-2023	Amended 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
SOURCES OF REVENUE:	Gen Ed Rev - Resident	\$52,510,901	\$54,087,221	\$54,720,212	\$53,792,352	\$55,936,099	\$58,220,959	\$59,377,941	\$60,562,051	\$61,769,685
	Gen Ed Rev - Open Enroll	27,301,085	\$28,762,422	\$30,479,725	\$30,405,024	\$31,616,732	\$32,908,203	\$33,562,164	\$34,231,457	\$34,914,047
	Categorical	21,521,800	22,125,490	23,424,543	24,805,714	26,262,083	26,099,819	26,846,197	26,737,818	27,509,286
	Miscellaneous	2,586,547	3,472,364	3,308,277	4,365,326	3,963,277	3,663,277	3,363,277	3,363,277	3,363,277
	Federal	5,147,599	4,244,490	4,539,986	4,998,248	2,895,087	2,895,087	2,895,087	2,895,087	2,895,087
	Revenue Before Ref.	109,067,932	112,691,987	116,472,743	118,366,664	120,673,278	123,767,345	126,044,665	127,789,690	130,451,381
	Total Voter Approved Referendum Rev	22,694,451	23,007,370	22,917,435	22,917,435	28,059,527	26,484,892	27,114,722	27,785,680	28,466,734
	Local Option Revenue Tier 1	5,129,722	5,292,763	5,163,642	5,163,642	5,429,663	5,220,882	5,220,882	5,220,882	5,220,882
	Local Option Revenue Tier 2	3,553,519	3,489,811	3,545,655	3,545,655	3,541,958	3,592,681	3,592,681	3,592,681	3,592,681
	Total Revenue	\$140,445,624	\$144,481,932	\$148,099,474	\$149,993,396	\$157,704,426	\$159,085,799	\$161,972,950	\$164,388,932	\$167,731,678
USES OF REVENUE:	Salaries & Wages	\$95,528,645	\$98,311,029	\$99,749,752	\$101,114,527	\$106,049,331	\$111,102,623	\$115,054,672	\$119,144,228	\$123,375,940
	Benefits	29,942,724	30,769,754	31,469,063	31,644,605	33,302,103	34,774,386	35,874,348	37,030,070	38,238,720
	Purchased Serv.	5,986,769	7,234,495	6,449,367	6,766,180	6,177,573	6,283,919	6,391,452	6,500,197	6,610,182
	Supplies	5,620,744	4,534,112	4,482,547	4,428,048	4,313,071	4,367,822	4,411,000	4,454,610	4,498,656
	Transportation	5,217,071	6,004,090	5,823,881	5,824,112	6,855,431	7,364,070	7,711,299	8,075,413	8,313,227
	Transfers	554,482	591,230	634,286	626,562	645,359	664,720	684,661	705,201	726,357
	Transfer from OPEB Trust	(750,607)	(754,419)	(768,720)	(784,947)	(735,109)	(716,705)	(665,879)	(613,378)	(570,595)
	Total Expenses	\$142,099,827	\$146,690,293	\$147,840,176	\$149,619,087	\$156,607,760	\$163,840,834	\$169,461,553	\$175,296,342	\$181,192,487
BOTTOM LINE:	Ongoing Revenue Over (Under) Expenditures	(\$1,654,204)	(\$2,208,361)	\$259,298	\$374,309	\$1,096,666	(\$4,755,035)	(\$7,488,603)	(\$10,907,410)	(\$13,460,809)
FUND BALANCE:	Beginning	\$27,398,932	\$25,744,728	\$24,637,906	\$23,536,367	\$23,910,676	\$25,007,342	\$20,252,307	\$12,763,704	\$1,856,294
	Ongoing Revenue Over (Under) Expenditures	(\$1,654,204)	(\$2,208,361)	\$259,298	\$374,309	\$1,096,666	(\$4,755,035)	(\$7,488,603)	(\$10,907,410)	(\$13,460,809)
	One-Time Transfer from OPEB Fund (VANTAGE/MOMENTUM)	\$0	\$9,850,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	One-Time Transfer to Operating Capital/Construction Fund	\$0	(\$9,850,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Ending	25,744,728	23,536,367	24,897,204	23,910,676	25,007,342	20,252,307	12,763,704	1,856,294	(11,604,515)
RECON. OF ENDING FUND BALANCE:										
Assigned Fund Balance	Op Cap Deferred Use	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Assigned Fund Balance	Q-Comp	\$296,986	\$436,430	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Restricted Fund Balance	3rd Party Billing	\$135,058	\$111,162	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Non Spendable Fd Bal	Prepays & Inventories	\$1,225,989	\$1,133,240	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
Total Assigned, Non Spendable or Restricted Fd Bal		\$1,658,033	\$1,680,833	\$910,000	\$910,000	\$910,000	\$910,000	\$910,000	\$910,000	\$910,000
Total Unassigned Fund Balance		\$24,086,696	\$21,855,534	\$23,987,204	\$23,000,676	\$24,097,342	\$19,342,307	\$11,853,704	\$946,294	-\$12,514,515
Total Fund Balance as % of Expenditures		18.1%	16.0%	16.8%	16.0%	16.0%	12.4%	7.5%	1.1%	-6.4%
Unassigned as a % of Expenditures		17.0%	14.9%	16.2%	15.4%	15.4%	11.8%	7.0%	0.5%	-6.9%

* 10.28 FTE Teacher staff (of the additional 15.38 FTE Teacher staff) are assigned to the Tonka Online Comprehensive eLearning Program

MINNETONKA INDEPENDENT SCHOOL DISTRICT 276
FY2023 AMENDED GENERAL OPERATING FUND BUDGET
PROJECTION FOR FY2024-FY2028 WITH GOVERNOR'S FY24-FY25 PROPOSAL 4%-2% BASIC AID 47.3% SPED CROSS SUBSIDY \$51 ELL

General (01), Transportation (03), & Extra Curricular (11) Funds		+36.86 Tchr FTE	+5.05 Tchr FTE*	+10.29 Tchr FTE	+15.38 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE
K-12 Student Growth Oct Target Numbers (Actuals Thru FY22)		3	36	185	-23	0	0	0	0	0
October 1 K-12 Enrollment Target (Actuals Thru FY22)		11,050	11,223	11,372	11,200	11,200	11,200	11,200	11,200	11,200
Definitions		Actual 2020-2021	Actual 2021-2022	Adopted 2022-2023	Amended 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
SOURCES OF REVENUE:	Gen Ed Rev - Resident	\$52,510,901	\$54,087,221	\$54,720,212	\$53,792,352	\$55,978,054	\$57,096,002	\$58,571,312	\$59,825,201	\$61,119,140
	Gen Ed Rev - Open Enroll	27,301,085	\$28,762,422	\$30,479,725	\$30,405,024	\$31,640,447	\$32,272,343	\$33,106,233	\$33,814,968	\$34,546,340
	Categorical	21,521,800	22,125,490	23,424,543	24,805,714	28,868,716	28,772,261	29,625,085	29,627,411	30,514,012
	Miscellaneous	2,586,547	3,472,364	3,308,277	4,365,326	3,963,277	3,663,277	3,363,277	3,363,277	3,363,277
	Federal	5,147,599	4,244,490	4,539,986	4,998,248	2,895,087	2,895,087	2,895,087	2,895,087	2,895,087
	Revenue Before Ref.	109,067,932	112,691,987	116,472,743	118,366,664	123,345,581	124,698,970	127,560,994	129,525,944	132,437,856
	Total Voter Approved Referendum Rev	22,694,451	23,007,370	22,917,435	22,917,435	28,059,527	26,484,892	27,114,722	27,785,680	28,466,734
	Local Option Revenue Tier 1	5,129,722	5,292,763	5,163,642	5,163,642	5,429,663	5,220,882	5,220,882	5,220,882	5,220,882
	Local Option Revenue Tier 2	3,553,519	3,489,811	3,545,655	3,545,655	3,541,958	3,592,681	3,592,681	3,592,681	3,592,681
	Total Revenue	\$140,445,624	\$144,481,932	\$148,099,474	\$149,993,396	\$160,376,730	\$159,997,425	\$163,489,279	\$166,125,186	\$169,718,152
USES OF REVENUE:	Salaries & Wages	\$95,528,645	\$98,311,029	\$99,749,752	\$101,114,527	\$106,049,331	\$111,102,623	\$115,054,672	\$119,144,228	\$123,375,940
	Benefits	29,942,724	30,769,754	31,469,063	31,644,605	33,302,103	34,774,386	35,874,348	37,030,070	38,238,720
	Purchased Serv.	5,986,769	7,234,495	6,449,367	6,766,180	6,177,573	6,283,919	6,391,452	6,500,197	6,610,182
	Supplies	5,620,744	4,534,112	4,482,547	4,428,048	4,313,071	4,367,822	4,411,000	4,454,610	4,498,656
	Transportation	5,217,071	6,004,090	5,823,881	5,824,112	6,855,431	7,364,070	7,711,299	8,075,413	8,313,227
	Transfers	554,482	591,230	634,286	626,562	645,359	664,720	684,661	705,201	726,357
	Transfer from OPEB Trust	(750,607)	(754,419)	(768,720)	(784,947)	(735,108)	(716,705)	(665,879)	(613,378)	(570,595)
	Total Expenses	\$142,099,827	\$146,690,293	\$147,840,176	\$149,619,087	\$156,607,760	\$163,840,834	\$169,461,553	\$175,296,342	\$181,192,487
BOTTOM LINE:	Ongoing Revenue Over (Under) Expenditures	(\$1,654,204)	(\$2,208,361)	\$259,298	\$374,309	\$3,768,970	(\$3,843,409)	(\$5,972,274)	(\$9,171,156)	(\$11,474,335)
FUND BALANCE:	Beginning	\$27,398,932	\$25,744,728	\$24,637,906	\$23,536,367	\$23,910,676	\$27,679,646	\$23,836,237	\$17,863,963	\$8,692,807
	Ongoing Revenue Over (Under) Expenditures	(\$1,654,204)	(\$2,208,361)	\$259,298	\$374,309	\$3,768,970	(\$3,843,409)	(\$5,972,274)	(\$9,171,156)	(\$11,474,335)
	One-Time Transfer from OPEB Fund (VANTAGE/MOMENTUM)	\$0	\$9,850,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	One-Time Transfer to Operating Capital/Construction Fund	\$0	(\$9,850,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Ending	25,744,728	23,536,367	24,897,204	23,910,676	27,679,646	23,836,237	17,863,963	8,692,807	(2,781,528)
RECON. OF ENDING FUND BALANCE:	Assigned Fund Balance Op Cap Deferred Use	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Assigned Fund Balance Q-Comp	\$296,986	\$436,430	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
	Restricted Fund Balance 3rd Party Billing	\$135,058	\$111,162	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
	Non Spendable Fd Bal Prepays & Inventories	\$1,225,989	\$1,133,240	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
	Total Assigned, Non Spendable or Restricted Fd Bal	\$1,658,033	\$1,680,833	\$910,000	\$910,000	\$910,000	\$910,000	\$910,000	\$910,000	\$910,000
	Total Unassigned Fund Balance	\$24,086,696	\$21,855,534	\$23,987,204	\$23,000,676	\$26,769,646	\$22,926,237	\$16,953,963	\$7,782,807	-\$3,691,528
	Total Fund Balance as % of Expenditures	18.1%	16.0%	16.8%	16.0%	17.7%	14.5%	10.5%	5.0%	-1.5%
	Unassigned as a % of Expenditures	17.0%	14.9%	16.2%	15.4%	17.1%	14.0%	10.0%	4.4%	-2.0%
* 10.28 FTE Teacher staff (of the additional 15.38 FTE Teacher staff) are assigned to the Tonka Online Comprehensive eLearning Program										

MINNETONKA INDEPENDENT SCHOOL DISTRICT 276
FY2023 AMENDED GENERAL OPERATING FUND BUDGET
PROJECTION FOR FY2024-FY2028 WHAT IF 5%-5% BASIC AID AID 47.3% SPED CROSS SUBSIDY \$51 ELL

General (01), Transportation (03), & Extra Curricular (11) Funds		+36.86 Tchr FTE	+5.05 Tchr FTE*	+10.29 Tchr FTE	+15.38 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE	+0 Tchr FTE
K-12 Student Growth Oct Target Numbers (Actuals Thru FY22)		3	36	185	-23	0	0	0	0	0
October 1 K-12 Enrollment Target (Actuals Thru FY22)		11,050	11,223	11,372	11,200	11,200	11,200	11,200	11,200	11,200
Definitions		Actual 2020-2021	Actual 2021-2022	Adopted 2022-2023	Amended 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
SOURCES OF REVENUE:	Gen Ed Rev - Resident	\$52,510,901	\$54,087,221	\$54,720,212	\$53,792,352	\$56,470,644	\$59,336,312	\$60,861,144	\$62,162,055	\$63,503,042
	Gen Ed Rev - Open Enroll	27,301,085	\$28,762,422	\$30,479,725	\$30,405,024	\$31,918,872	\$33,538,632	\$34,400,513	\$35,135,827	\$35,893,791
	Categorical	21,521,800	22,125,490	23,424,543	24,805,714	28,868,716	28,772,261	29,625,085	29,627,411	30,514,012
	Miscellaneous	2,586,547	3,472,364	3,308,277	4,365,326	3,963,277	3,663,277	3,363,277	3,363,277	3,363,277
	Federal	5,147,599	4,244,490	4,539,986	4,998,248	2,895,087	2,895,087	2,895,087	2,895,087	2,895,087
	Revenue Before Ref.	109,067,932	112,691,987	116,472,743	118,366,664	124,116,597	128,205,569	131,145,107	133,183,657	136,169,209
	Total Voter Approved Referendum Rev	22,694,451	23,007,370	22,917,435	22,917,435	28,059,527	26,484,892	27,114,722	27,785,680	28,466,734
	Local Option Revenue Tier 1	5,129,722	5,292,763	5,163,642	5,163,642	5,429,663	5,220,882	5,220,882	5,220,882	5,220,882
	Local Option Revenue Tier 2	3,553,519	3,489,811	3,545,655	3,545,655	3,541,958	3,592,681	3,592,681	3,592,681	3,592,681
	Total Revenue	\$140,445,624	\$144,481,932	\$148,099,474	\$149,993,396	\$161,147,745	\$163,504,024	\$167,073,392	\$169,782,899	\$173,449,506
USES OF REVENUE:	Salaries & Wages	\$95,528,645	\$98,311,029	\$99,749,752	\$101,114,527	\$106,049,331	\$111,102,623	\$115,054,672	\$119,144,228	\$123,375,940
	Benefits	29,942,724	30,769,754	31,469,063	31,644,605	33,302,103	34,774,386	35,874,348	37,030,070	38,238,720
	Purchased Serv.	5,986,769	7,234,495	6,449,367	6,766,180	6,177,573	6,283,919	6,391,452	6,500,197	6,610,182
	Supplies	5,620,744	4,534,112	4,482,547	4,428,048	4,313,071	4,367,822	4,411,000	4,454,610	4,498,656
	Transportation	5,217,071	6,004,090	5,823,881	5,824,112	6,855,431	7,364,070	7,711,299	8,075,413	8,313,227
	Transfers	554,482	591,230	634,286	626,562	645,359	664,720	684,661	705,201	726,357
	Transfer from OPEB Trust	(750,607)	(754,419)	(768,720)	(784,947)	(735,108)	(716,705)	(665,879)	(613,378)	(570,595)
	Total Expenses	\$142,099,827	\$146,690,293	\$147,840,176	\$149,619,087	\$156,607,760	\$163,840,834	\$169,461,553	\$175,296,342	\$181,192,487
BOTTOM LINE:	Ongoing Revenue Over (Under) Expenditures	(\$1,654,204)	(\$2,208,361)	\$259,298	\$374,309	\$4,539,985	(\$336,810)	(\$2,388,161)	(\$5,513,443)	(\$7,742,981)
FUND BALANCE:	Beginning	\$27,398,932	\$25,744,728	\$24,637,906	\$23,536,367	\$23,910,676	\$28,450,661	\$28,113,851	\$25,725,690	\$20,212,247
	Ongoing Revenue Over (Under) Expenditures	(\$1,654,204)	(\$2,208,361)	\$259,298	\$374,309	\$4,539,985	(\$336,810)	(\$2,388,161)	(\$5,513,443)	(\$7,742,981)
	One-Time Transfer from OPEB Fund (VANTAGE/MOMENTUM)	\$0	\$9,850,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	One-Time Transfer to Operating Capital/Construction Fund	\$0	(\$9,850,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Ending	25,744,728	23,536,367	24,897,204	23,910,676	28,450,661	28,113,851	25,725,690	20,212,247	12,469,266
RECON. OF ENDING FUND BALANCE:										
Assigned Fund Balance	Op Cap Deferred Use	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Q-Comp	\$296,986	\$436,430	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Restricted Fund Balance	3rd Party Billing	\$135,058	\$111,162	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Non Spendable Fd Bal	Prepays & Inventories	\$1,225,989	\$1,133,240	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
	Total Assigned, Non Spendable or Restricted Fd Bal	\$1,658,033	\$1,680,833	\$910,000	\$910,000	\$910,000	\$910,000	\$910,000	\$910,000	\$910,000
	Total Unassigned Fund Balance	\$24,086,696	\$21,855,534	\$23,987,204	\$23,000,676	\$27,540,661	\$27,203,851	\$24,815,690	\$19,302,247	\$11,559,266
	Total Fund Balance as % of Expenditures	18.1%	16.0%	16.8%	16.0%	18.2%	17.2%	15.2%	11.5%	6.9%
	Unassigned as a % of Expenditures	17.0%	14.9%	16.2%	15.4%	17.6%	16.6%	14.6%	11.0%	6.4%
* 10.28 FTE Teacher staff (of the additional 15.38 FTE Teacher staff) are assigned to the Tonka Online Comprehensive eLearning Program										

School Board
Minnetonka I.S.D. #276
5621 County Road 101
Minnetonka, Minnesota

Study Session Agenda Item 5

Title: Belonging Update

Date: March 2, 2023

EXECUTIVE SUMMARY

Each year, the School Board establishes actionable goals that align with the vision and direction for the district. The District Goal, Excellence in Student Well-being and Belonging, states that the District will continue to foster and promote positive student well-being and belonging efforts and will identify barriers that have a detrimental effect on students' well-being and sense of belonging.

The importance of relationships was identified as a cornerstone to accomplishing this goal. The purpose of this report is to share student feedback gathered through the Search Institute's Developmental Relationships survey as well as progress in responding to these results and deepening the understanding and implementation of this framework.

OVERVIEW

The mission of the Search Institute is to partner with organizations to conduct research that promotes positive youth development and equity. Their *Developmental Relationships Framework* aligns with the District's direction and therefore, provides a strong foundation for Excellence in Well-being, Connection and Belonging. The core tenet of this framework is that intentional developmental relationships create the conditions that support and foster each student's academic, social and emotional growth in order to support each student in achieving excellence and becoming their best self.

According to the Search Institute's research, when young people experience high levels of these developmental relationships, they will have higher levels of:

- a sense of belonging
- motivation and perseverance
- school climate - feeling connected
- feelings of inclusion
- higher GPAs
- a strong sense of mattering and feeling valued
- personal responsibility

Search Institute Developmental Relationship Framework

“It’s not enough to say that relationships matter. To be actionable, teachable, and measurable, we must specify some of the ways young people interact with others that contribute to their learning, growing, and thriving.”

-Relationships First: Creating Connections That Help Young People Thrive
Search Institute, 2017

The Developmental Relationships Framework evolved from the Search Institute’s landmark research with more than 5 million youth on Developmental Assets. It consists of five elements expressed in 20 specific actions. The Search Institute created concrete definitions of each element and action (Figure 1). How those actions are expressed and received, however, is unique to each young person and the adult with whom they are in a relationship. Different relationship roles - parents, siblings, program leaders, teachers - contribute different strengths to youth development. No single person can enact each action with each child. The goal of the Developmental Relationships Framework is to ensure that each young person has a “web of positive relationships” so that they may reap the benefits of developmental relationships.

Elements	Actions	Definitions
<p>Express Care</p>  <p>Show me that I matter to you.</p>	<p>Be dependable</p> <p>Listen</p> <p>Believe in me</p> <p>Be warm</p> <p>Encourage</p>	<ul style="list-style-type: none"> • Be someone I can trust. • Really pay attention when we are together. • Make me feel known and valued. • Show me you enjoy being with me. • Praise me for my efforts and achievements.
<p>Challenge Growth</p>  <p>Push me to keep getting better.</p>	<p>Expect my best</p> <p>Stretch</p> <p>Hold me accountable</p> <p>Reflect on failures</p>	<ul style="list-style-type: none"> • Expect me to live up to my potential. • Push me to go further. • Insist I take responsibility for my actions. • Help me learn from mistakes and setbacks.
<p>Provide Support</p>  <p>Help me complete tasks and achieve goals.</p>	<p>Navigate</p> <p>Empower</p> <p>Advocate</p> <p>Set boundaries</p>	<ul style="list-style-type: none"> • Guide me through hard situations and systems. • Build my confidence to take charge of my life. • Defend me when I need it. • Put in place limits to keep me on track.
<p>Share Power</p>  <p>Treat me with respect and give me a say.</p>	<p>Respect me</p> <p>Include me</p> <p>Collaborate</p> <p>Let me lead</p>	<ul style="list-style-type: none"> • Take me seriously and treat me fairly. • Involve me in decisions that affect me. • Work with me to solve problems and reach goals. • Create opportunities for me to take action and lead.
<p>Expand Possibilities</p>  <p>Connect me with people and places that broaden my horizon.</p>	<p>Inspire</p> <p>Broaden Horizons</p> <p>Connect</p>	<ul style="list-style-type: none"> • Inspire me to see possibilities for my future. • Expose me to new ideas, experiences, and places • Introduce me to more people who can help me grow.

Figure 1: The Developmental Relationships Framework

The Search Institute developed an example to illustrate the progression of a Developmental Relationship (Figure 2). While no relationship develops in the same way, and while relationships do not develop in a linear fashion, this progression represents a possible evolution of a developmental relationship.

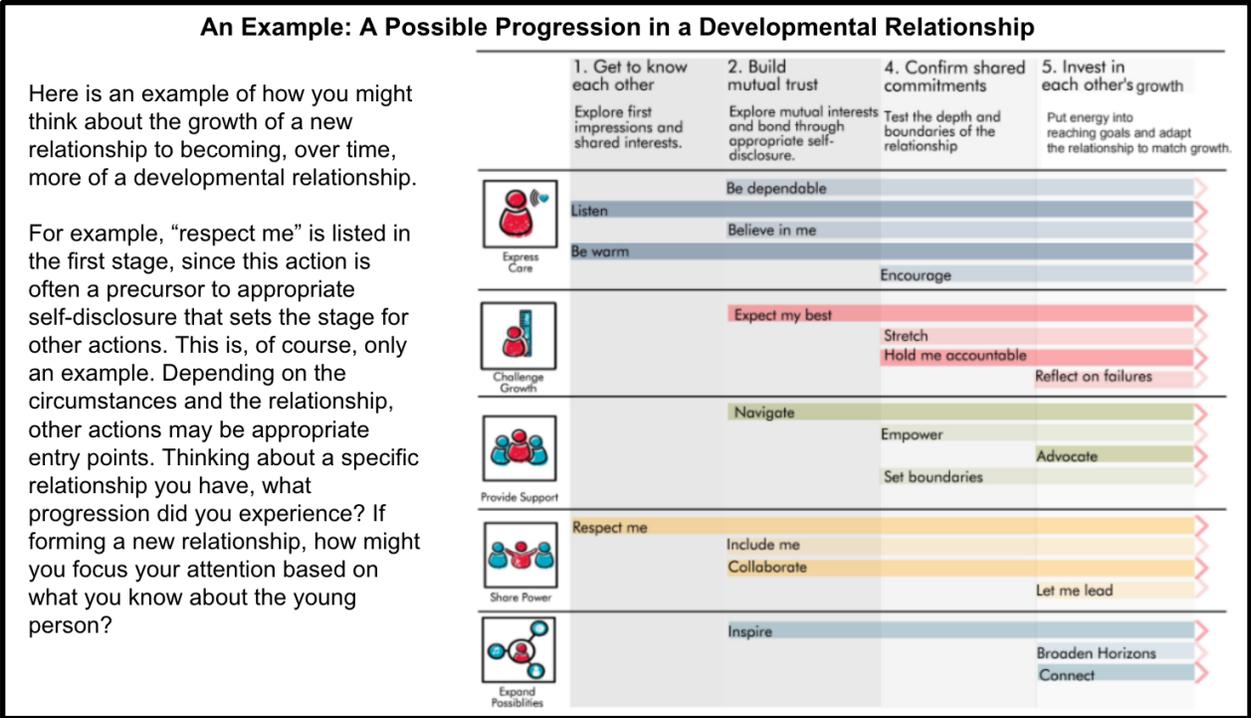


Figure 2: An Example: A Possible Progression in a Developmental Relationship

Developmental Relationship Survey

The Search Institute’s Developmental Relationships student survey is intended to provide feedback on how students experience developmental relationships. The results of this survey have been the foundation for professional learning in the spring of 2022 and the fall of 2023. The second administration of the survey took place in December of 2022 during the same time frame as the initial survey in 2021.

The survey allowed students to share how they experience the five elements of development relationships (survey questions attached). The information from the survey was intended to help our schools and the District know where we are doing well and where we have opportunities to improve or grow. These data will help us respond to our students’ needs and to plan for next steps in our belonging efforts. Approximately 70% of students in grades 4-12 participated in the voluntary survey. Specific numbers and percentages of participation are in Chart 1.

Certified staff, primarily teachers, took a parallel survey. This survey provides data on the gap between how teachers believe they, as teachers, are expressing developmental relationships when working with students as compared to how students are self-reporting how they are experiencing developmental relationships. Approximately 70% of Minnetonka teachers participated in this survey. Specific numbers and percentages of participation are in Chart 2.

Chart 1: Student Participation in Developmental Relationships Survey by Site

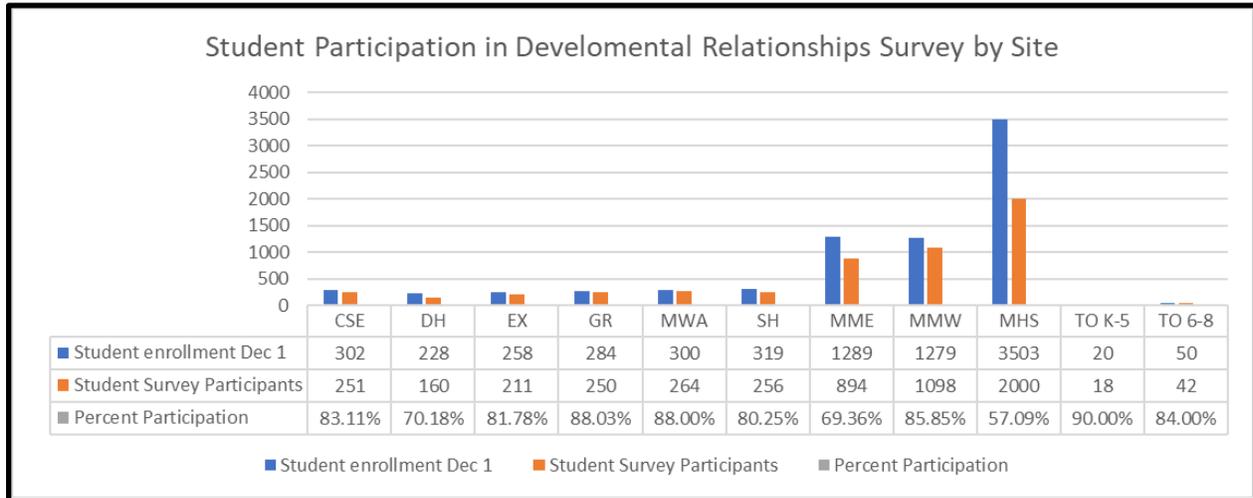
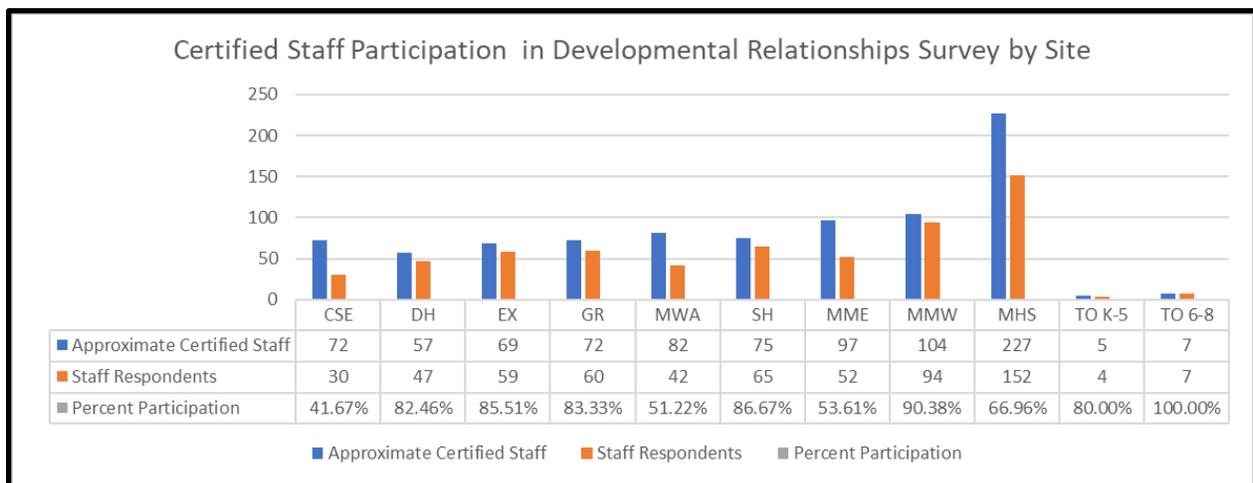


Chart 2: Certified Staff Participation in Developmental Relationships Survey by Site



Survey Review and Analysis

On January 27, 2023, Manager of Survey Services and Management Strategy at the Search Institute, Justin Ruskopf, met with building and district administrators to share district level data, themes, and trends with survey results. Three outcomes were identified for the session:

1. Understand what the Developmental Relationships Survey measured in 2022 compared to 2021.
2. Understand the district-level results and how to interpret and use them.
3. Build familiarity with the platform in order to investigate individual school results.

To understand the survey results, it is important to understand how survey items scores are determined. Each survey item has four response choices, scored on a scale from 1-4. The options were:

A Little
Somewhat
Mostly
Extremely
Like My Teachers
Like My Teachers
Like My Teachers
Like My Teachers

Individual item scores are added together then divided by the total number of items. The resulting number (1-4) is then converted to a 0-100 range with the following formula $((x-1)*100)/3$ to assist with interpretation. Scores are then reported in three levels: weak (scores of 0-33 that reflect responses of the first two response options), moderate (scores of 33.33-66.33 that reflect the third response option), and strong (scores of 66.67-100 that reflect the fourth response option). This practice identifies areas where young people are either particularly high or low, which may not always be evident from the average score.

As noted in the figure below, students in Minnetonka largely report strong or moderate developmental relationships with their teachers. While the feedback is considered very strong according to Search Institute standards, Minnetonka administrators and teachers will continue to strive to ensure that each student experiences developmental relationships.

Level	Strong	Moderate	Weak
Elementary	64%	34%	2%
Middle	41%	53%	6%
High	41%	52%	7%

Figure 3: Developmental Relationships Strengths by Level

Themes emerged as to the strengths of relationships between Minnetonka teachers and their students, as well as opportunities to strengthen relationships. Relationships are a strength across the District. Because Minnetonka is starting from a place of strength, large movement in student experiences as reflected in the survey results would not be expected. District trends and where experiences differed were reviewed.

The Developmental Relationship action strengths were consistent across all levels. These strengths come from four of the five elements. They were:

- **Expect My Best.** This action is from the “Challenge Growth” element and is defined as “Expect me to live up to my potential.”
- **Respect Me.** This action is from the “Share Power” element and is defined as “Take me seriously and treat me fairly.”

- **Set Boundaries.** This action is from the “Provide Support” element and is defined as “Put limits in place that keep me on track.”
- **Be Dependable.** This action is from the “Express Care” element and is defined as “Be someone I can trust.”
- **Hold Me Accountable.** This action is from the “Challenge Growth” element and is defined as “Insistent I take responsibility for my actions.”

Two of the greatest opportunities to strengthen developmental relationships were also consistent across levels:

- **Inspire.** This action is also from the “Expand Possibilities” element and is defined as “Inspire me to see possibilities for my future.”
- **Connect.** This action is from the “Expand Possibilities” element and is defined as “Introduce me to people who can help me grow.”

While it may be tempting to focus energy on the actions with the greatest potential to improve, that may not be the right decision. Mr. Ruskopf suggested that administrators consider concentrating their efforts this spring on actions that may be foundational lower ranked actions. For example, the actions of “Listen” and “Be Warm” from the Express Care element may be foundational for the actions of “Inspire” and “Connect” in the Expand Possibilities element.

As noted previously, certified staff, largely teachers, completed a parallel survey to identify the gap in teacher perception of how they are expressing developmental relationships with how children are experiencing developmental relationships. The narrowest gaps were strengths from both perspectives: Expect My Best and Set Boundaries each with a 3% difference in perspectives. Actions with larger gaps will be opportunities for administrators to learn more. For example, 100% of staff reported that they perceive that they are expressing that they believe in their students. Of student respondents, 77% of students agreed to the statement “My teachers do things that make me feel like I matter.” In responding to this result, individual teachers may ask their students to share insights. Additionally, building leaders may ask focus groups of students to unpack some of the survey items with lower ratings or larger gaps to better understand the student perspective as well as to develop action steps to respond to student feedback.

For context, as a part of the Search Institute’s foundational research, they conducted a survey of nearly 15,000 young people and 700 adults. While 83% of the adults who participated reported being intentional about building developmental relationships with young people, only 46% of the young people reported experiencing developmental relationships with adults.

(Search Institute, <https://info.searchinstitute.org/developmental-relationships-help-young-people-thrive>, 2023)

Responding to the 2022 Survey Results

Minnetonka Public Schools began its work with the Search Institute in the winter of 2021 through the lens of professional learning. All staff participated in this initial learning which focused on establishing a shared/common understanding of each of the five elements of the Developmental Relationships Framework. Subsequent learning focused on how to be intentional with creating developmental relationships and being inclusive to ensure each student experiences developmental relationships. These learning experiences provided the foundation for Minnetonka teachers prior to the first survey deployment in November/December of 2021.

On the transition day between semesters, January 24, 2022, building and district administrators worked with Mr. Ruskopf of the Search Institute to begin unpacking the results of the first survey. The professional learning sessions on February 18, 2022 were tailored to each level (elementary, middle, high school). Dr. Benjamin Houlberg, CEO of the Search Institute, introduced the survey results for each level in his presentation, "Creating Thriving Spaces: Cultivating Relationships and a Sense of Belonging." The second hour of learning was led by building administrators to reflect on their specific survey results. Following these learning opportunities, administrators and staff initiated actions to better understand and respond to the student perceptions of the relationships they were experiencing.

In June of 2022, equipped with one year of survey results, the Search Institute guided District and site leadership teams in a full day of "Moving from Data to Insights and Practice." The goals for that day were to:

- Continue unpacking and deepen the understanding on the Developmental Relationships Survey data
- Guide leadership teams from each building through the process to translate the data into insights to drive the identification of areas of opportunities
- Initiate and sustain efforts to identify relationship-focused goals and action plans

The Search Institute team led teams in analysis of the results and creating action plans for the 2022-23 school year through the ORID protocol (Objective, Reflective, Interpretive and Decisional). Teams left the day with concrete plans and those plans were represented in administrators' mutual commitments. One expectation for building administrators was to elevate an element or action of the Developmental Relationships regularly at staff meetings and in the professional learning plans.

Following Mr. Ruskopf's data overview with administrators in late January of 2023, Director of Teacher Development Sara White met with individual site leadership teams to review their specific data and identify next steps. The "Possible Progression in a Developmental Relationship" (Figure 2) was especially helpful in identifying where to focus their energy for the remainder of the school year. A multitude of resources developed by the Search Institute was re-elevated to administrators to utilize as they deepen their work with teachers in their school. These resources include both approaches and activities. Activities occur at specific times and require planning and sometimes

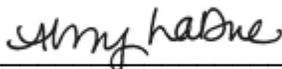
resources, approaches can occur at any time and in any circumstance. In addition to sharing Search Institute resources, administrators discussed how the Developmental Relationship Framework connects to and builds on the Minnetonka Teaching and Learning Framework. For example, the strategies that teachers may use to Personalize Learning, one of the elements of the T&L Framework, also share power with students. When teachers engage students in Authentic and Real-World Learning, students are collaborating to solve problems and are developing leadership skills.

ATTACHMENTS:

Relationships First: Creating Connections That Help Young People Thrive

RECOMMENDATION/FUTURE DIRECTION:

The purpose of this report is to provide an update to the School Board on the progress that the District has made toward the Goal related to student feedback from the Search Institute’s Developmental Relationships survey as part of the Board’s goal of Excellence in Well-being, Connection and Belonging.

Submitted by: 
Amy LaDue, Associate Superintendent for Instruction

Concurrence: 
David Law, Superintendent

RELATIONSHIPS FIRST

CREATING
CONNECTIONS THAT
HELP YOUNG
PEOPLE THRIVE



EUGENE ROEHLKEPARTAIN
KENT PEKEL
AMY SYVERTSEN
JENNA SETHI
THERESA SULLIVAN
PETER SCALES

BEYOND THE CLICHÉ

“It’s all about relationships.” That statement has become a cliché, whether the focus is on parenting, mentoring, teaching, coaching, raising money for a cause, getting a job, or finding a partner. And the cliché has research behind it: We’ve known for decades that high-quality relationships are essential to young people’s growth, learning, and thriving—including for those young people who face serious challenges in their lives and in the world around them. (See box.)

Yet, as many as 40 percent of young people feel lonely.^{11,26} If we say relationships really matter, how do we make them a true priority for all young people to experience? How much do we invest in high-quality relationships in our families, schools, and youth programs?

Growing evidence suggests that strategically and systematically investing in building developmental relationships can be catalytic for effective education, programs, and services for children, youth, and families. Researchers Li and Julian wrote:

The effectiveness of child-serving programs, practices, and policies is determined first and foremost by whether they strengthen or weaken developmental relationships. . . . When developmental relationships are prevalent, development is promoted, and when this type of relationship is not available or diluted, interventions show limited effects.¹⁴

To respond, we first have to ask: What makes a relationship “developmental”? In other words, what happens in relationships that contribute to learning, growing, and thriving? And how do we start doing something as nebulous as “improving relationships”?

NEW INSIGHTS BUILT ON A STRONG LEGACY

Search Institute is committed to exploring these questions with colleagues and partners. This booklet introduces what we’re learning and provides some starting points for action by organizations and leaders dedicated to children and youth. Here’s what you’ll find:

- The Developmental Relationships Framework.....3
- One Community’s Snapshot of Developmental Relationships.....6
- Why Developmental Relationships Matter.....7
- How Developmental Relationships Grow.....10
- Activating Relationships in Organizations.....12
- 55 Ideas for Deepening One-to-One Relationships.....14
- Imagining Strong and Flexible Webs of Relationships...16
- References17

THE CENTRALITY OF RELATIONSHIPS

Relationships are at the heart of what youth need to learn, grow, and thrive.

Resilience: “Whether the burdens come from the hardships of poverty, the challenges of parental substance abuse or serious mental illness, the stresses of war, the threats of recurrent violence or chronic neglect, or a combination of factors, the single most common finding is that children who end up doing well have had at least one stable and committed relationship with a supportive parent, caregiver, or other adult.”

— *National Scientific Council on the Developing Child*¹⁷

Growth: “Supportive relationships are critical ‘mediums’ of development. They provide an environment of reinforcement, good modeling, and constructive feedback for physical, intellectual, and social growth.”

— *National Research Council*¹⁵

Social-emotional skills: “Relationships are the soil in which children’s SEL [social-emotional learning] skills grow.”

— *Jones & Bouffard*¹²

Education: “Positive relationships with adults are perhaps the single most important ingredient in promoting positive student development.”

— *Pianta, Hamre, & Allen*²¹

Civic life: “No society can long sustain itself unless its members have learned the sensitivities, motivations, and skills involved in assisting and caring for other human beings.”

— *Bronfenbrenner*³

THE DEVELOPMENTAL RELATIONSHIPS FRAMEWORK

It's not enough to say that relationships matter. To be actionable, teachable, and measurable, we must specify some of the ways young people interact with others that contribute to their learning, growing, and thriving.

To that end, Search Institute has embarked on a major initiative to understand and document the day-to-day actions within relationships that contribute to a young person's development. We propose that relationships are developmental when they help young people:

- Discover who they are;
- Develop abilities to shape their own lives; and
- Learn how to engage with and contribute to the world around them.

Our research team identified five critical elements of developmental relationships. These elements are expressed through 20 specific actions (page 4).

Research by many other scholars shows that each element matters in young people's development.^{24,25} In addition, our emerging research (which began with a national study of parents²⁰) suggests that these elements work together to influence young people's learning, growth, and thriving (see pages 7-9).

WHAT SEARCH INSTITUTE'S DEVELOPMENTAL RELATIONSHIPS FRAMEWORK OFFERS

This Developmental Relationships Framework invites young people, parents, teachers, coaches, program leaders, policy makers, researchers, and other adults to

focus attention on building and strengthening relationships in young people's lives. It offers the following features:

- Is relevant across different kinds of relationships in different contexts, including for young people who face serious challenges and barriers in life and in society.
- Operationalizes relationships, informing a holistic framework and approach that links theory, measures, strategies, and practical tools to improve youth outcomes and reduce inequities.
- Identifies starting points for exploring and enriching relationships—helping individuals be more intentional in how they form, grow, and adjust relationships, while also helping organizations create cultures, policies, and practices that encourage relationships to flourish.

ONE SIZE DOES NOT FIT ALL

Of course, an influential relationship for one young person may not be meaningful for another. Some relationships are fleeting. Others last a lifetime. We each need different things from different people at different times. Meaningful relationships are characterized by a dynamic give and take that shapes who we are as we grow, change, and encounter new challenges and circumstances. The framework offers a way to keep our bearings as different kinds of relationships evolve and change, so we can continue to be intentional on the ever-changing journey of learning, growing, and thriving.

THE ROOTS OF SEARCH INSTITUTE'S DEVELOPMENTAL RELATIONSHIPS FRAMEWORK

The Developmental Relationships Framework grew out of focus groups with youth, parents, educators, youth workers, and others; a wide-ranging review of existing research; extensive analysis of existing data; and input from both scholars and practitioners.²⁷

It also builds on Search Institute's landmark research with more than 5 million youth on Developmental Assets—critical supports and strengths they need to thrive. Peter L. Benson, who created the asset framework, wrote:

After decades of forming hypotheses, conducting surveys, crafting and rewriting definitions, analyzing data, and writing journal articles, Search Institute researchers and practitioners have arrived at a surprisingly simple conclusion: nothing—*nothing*—has more impact in the life of a child than positive relationships.²

SEARCH INSTITUTE'S DEVELOPMENTAL RELATIONSHIPS FRAMEWORK

A developmental relationship involves a dynamic mix of five elements, which are expressed through 20 actions. Because relationships are, by definition, bidirectional, each person in a strong relationship engages in and experiences each of these actions. However, for the purpose of clarity, this framework is expressed from the perspective of one young person.

Elements	Actions	Definitions
Express Care  Show me that I matter to you.	Be dependable Listen Believe in me Be warm Encourage	<ul style="list-style-type: none"> • Be someone I can trust. • Really pay attention when we are together. • Make me feel known and valued. • Show me you enjoy being with me. • Praise me for my efforts and achievements.
Challenge Growth  Push me to keep getting better.	Expect my best Stretch Hold me accountable Reflect on failures	<ul style="list-style-type: none"> • Expect me to live up to my potential. • Push me to go further. • Insist I take responsibility for my actions. • Help me learn from mistakes and setbacks.
Provide Support  Help me complete tasks and achieve goals.	Navigate Empower Advocate Set boundaries	<ul style="list-style-type: none"> • Guide me through hard situations and systems. • Build my confidence to take charge of my life. • Defend me when I need it. • Put in place limits to keep me on track.
Share Power  Treat me with respect and give me a say.	Respect me Include me Collaborate Let me lead	<ul style="list-style-type: none"> • Take me seriously and treat me fairly. • Involve me in decisions that affect me. • Work with me to solve problems and reach goals. • Create opportunities for me to take action and lead.
Expand Possibilities  Connect me with people and places that broaden my horizon.	Inspire Broaden Horizons Connect	<ul style="list-style-type: none"> • Inspire me to see possibilities for my future. • Expose me to new ideas, experiences, and places • Introduce me to more people who can help me grow.

HOW YOUNG PEOPLE DESCRIBE THE POWER OF DEVELOPMENTAL RELATIONSHIPS

Search Institute has interviewed hundreds of young people from different backgrounds and in different settings about the important relationships in their lives. Here are examples of how they describe their experiences of developmental relationships with adults.

				
<p>Express Care</p>	<p>Challenge Growth</p>	<p>Provide Support</p>	<p>Share Power</p>	<p>Expand Possibilities</p>
<p>“He made me feel like I was a better person, like I was worth something—worth more than I had put myself out to be.”</p>	<p>“Even if it’s really hard, the [staff] will most likely try to motivate you to do the right thing. . . . Even though you might think it’s hard, they know you can do it.”</p>	<p>“She helped me out with a nice place to live for 30 days when it was 21 below zero and I had nowhere to go.”</p>	<p>“My [youth leader] is, like, ‘I’m here, you’re here, we’re equal.’ And if we’re working on something together I can tell her, ‘No, this isn’t going to work.’”</p>	<p>“She puts you around people who’ve reached the places you wanna go in life. . . . And when you see people who come from the same places that you do, . . . it gives you hope.”</p>

DIFFERENT TYPES OF RELATIONSHIPS CAN ALL BE DEVELOPMENTAL

The Developmental Relationships Framework articulates elements and actions within relationships that can be experienced in a single relationship. They can also be experienced in a wide range of relationships with different people at home, at school, and in the community. Young people are most likely to do well when they have at least one well-rounded, strong, and sustained relationship in their lives, as well as a broader web of many positive relationships across the places they spend time and the people with whom they interact.

Here are conclusions from other researchers about relationships with different people in young people’s lives.

Mentors and other non-family adults: “VIPs [very important people who are nonparental adults] tend to provide a combination of positive adult qualities . . . and ‘peer-like’ relations. . . . Through their relationships with VIPs, adolescents often have an experientially rich and interpersonally supportive environment for development.”

— *Beam, Chen, & Greenberger*¹

Parents: “Regardless of age, children need parents. Indeed, across multiple studies, it appears that the quality of the parent-child relationship is one of the more important factors in determining what kind of behaviors and attitudes adolescents adopt across domains such as health, education, reproductive behaviors, social interactions, and problem behaviors.”

— *Hair, Moore, Garrett et al.*¹⁰

Friends: “Close and intimate connections with peers . . . during adolescence are essential for psychological and emotional development.

— *Niwa, Rogers, & Way*¹⁸

Teachers: “When teachers learn to make modest efforts to form a personal connection with their adolescent students—such that the students feel known—they can dramatically enhance student motivation in school and emotional functioning outside of school.”

— *Pianta, Hamre, & Allen*²¹

Program leaders: “Community programs for youth provide opportunities to expose young people to caring adults who challenge them, encourage them to participate in positive experiences, and respect their opinions. . . . [Guidance from adults] may be one of the most important characteristics of highly valued programs.”

— *National Research Council*⁵

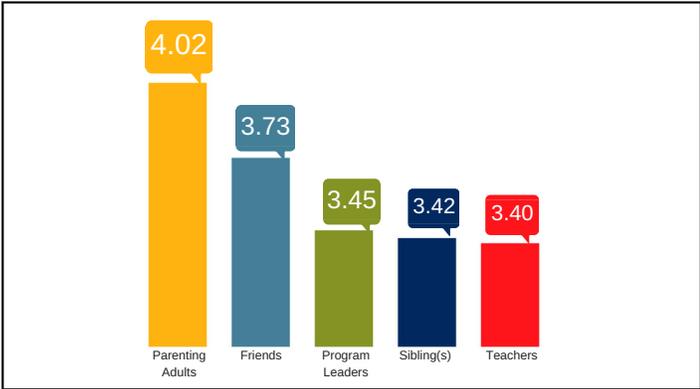
ONE COMMUNITY'S SNAPSHOT

OF DEVELOPMENTAL RELATIONSHIPS

How often do young people experience the five elements of developmental relationships? A 2016 Search Institute survey of 25,395 students, grades 6 – 12, in a large, diverse U.S. city asked one question about how often they experienced each of the five elements of developmental relationships. Participants responded five times, each time focusing on a different kind of relationship: parents, siblings,* friends, teachers, and program leaders. (Future studies will expand to other communities and will deepen measures of each kind of relationship.)

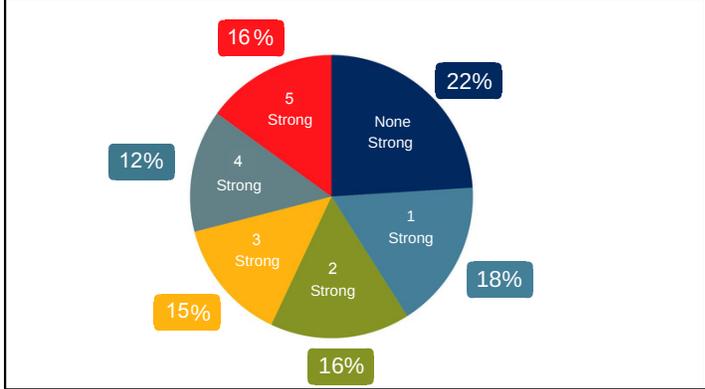
STRENGTHS IN RELATIONSHIPS WITH PARENTING ADULTS

Looking across all five elements of a developmental relationship, young people reported the most strength in their relationships with parenting adults, followed by friends. Relationships with siblings, teachers, and program leaders (such as coaches, mentors, and club leaders) were roughly similar (3 = “sometimes,” 4 = “often”).



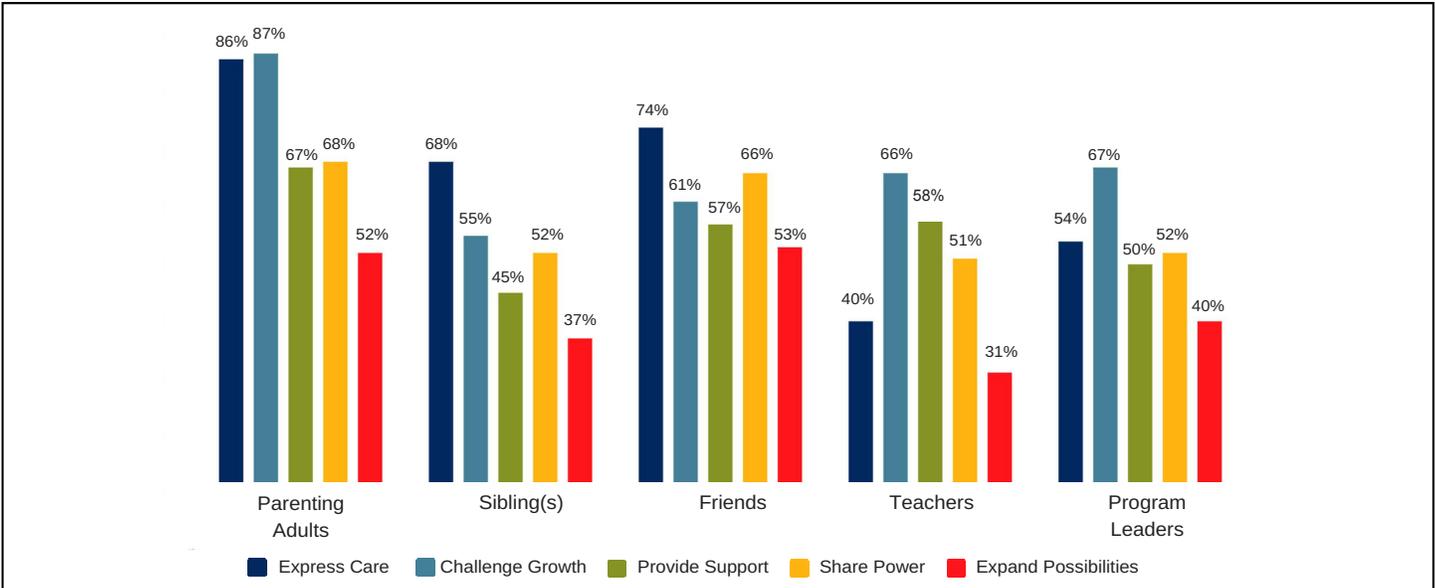
MANY YOUTH LACK STRONG WEBS OF RELATIONSHIPS

Relationships are considered “strong” when young people experience the 5 elements of developmental relationships, on average, often or very often. In this study, only 28% of young people experience strength in 4 or 5 types of relationships. On the other hand, 40% identify just one or no types of relationships that are, on average, strong.



DIFFERENT RELATIONSHIPS CONTRIBUTE DIFFERENT STRENGTHS

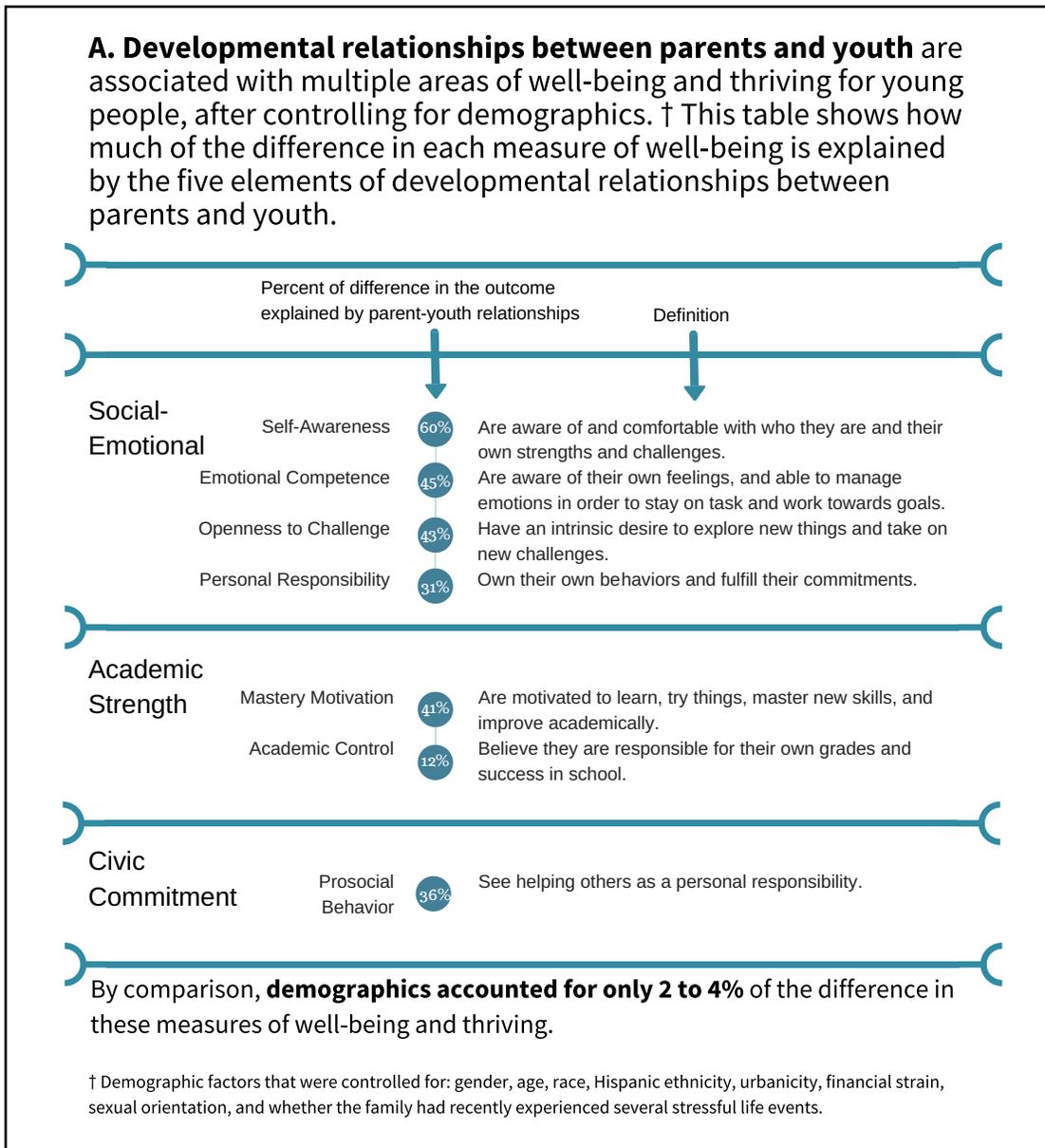
Young people differ in the elements of developmental relationships they report experiencing most in different kinds of relationships. Across all relationships, middle and high school students are least likely to experience “expand possibilities.” Here are the percentages of young people in this one community who said they experienced each of the five elements of developmental relationships “often” or “very often” within each type of relationship.



WHY DEVELOPMENTAL RELATIONSHIPS MATTER

The Developmental Relationships Framework focuses on elements of relationships that contribute to a young person’s growth, learning, and thriving. Through studies that examine different relationships, Search Institute has begun to document the power of these relationships in young people’s lives, building on a wide range of existing research by many scholars on the power of relationships.

1. YOUNG PEOPLE WHO EXPERIENCE STRONG DEVELOPMENTAL RELATIONSHIPS ARE MORE LIKELY TO REPORT A WIDE RANGE OF SOCIAL-EMOTIONAL STRENGTHS AND OTHER INDICATORS OF WELL-BEING AND THRIVING



SOURCES: A. Cross-sectional studies of 633 matched parent-adolescent pairs from one semi-urban and one rural community in the United States. B. A survey of 675 students in grades 6 to 8 in a large, suburban middle school. C. 917 participants in an immersive conservation-focused summer program, reporting on their relationships with crew leaders and members.²⁷

B. Teacher-student relationships

Middle school students who reported high levels of developmental relationships with their teachers were 8 times more likely to stick with challenging tasks, enjoy working hard, and know it is okay to make mistakes when learning, when compared to students with low levels of student-teacher relationships.



C. Program leaders

When young people experienced strong developmental relationships with leaders during a conservative service experience, they were more likely to exhibit: conservation leadership; a sense of community identity; and social responsibility.



2. YOUNG PEOPLE WITH STRONG RELATIONSHIPS ARE MORE RESILIENT IN THE FACE OF STRESS AND TRAUMA.

Families dealing with adversity are better equipped to mitigate the negative impact of stressful events when they have robust parent-child relationships. If young people in high-stressed families* have strong developmental relationships with their parents, then they are . . .

- 21 times more likely to manage their emotions well.
- 17 times more likely to take personal responsibility for their actions.
- 5 times more likely to be good at making and keeping plans.
- 4 times more likely to have a sense of purpose in life.†

3. YOUNG PEOPLE DO BETTER WHEN THEY EXPERIENCE A STRONG WEB OF RELATIONSHIPS WITH MANY PEOPLE.

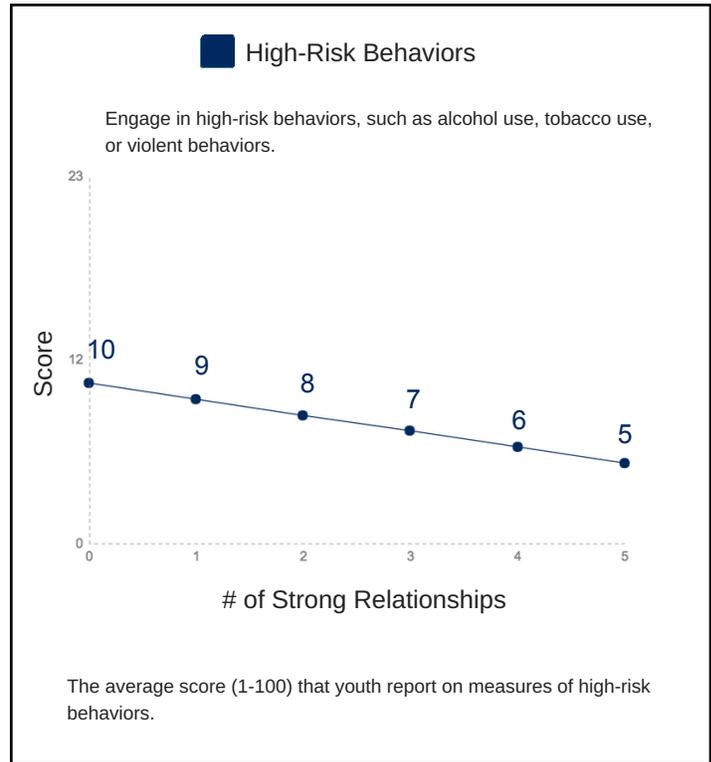
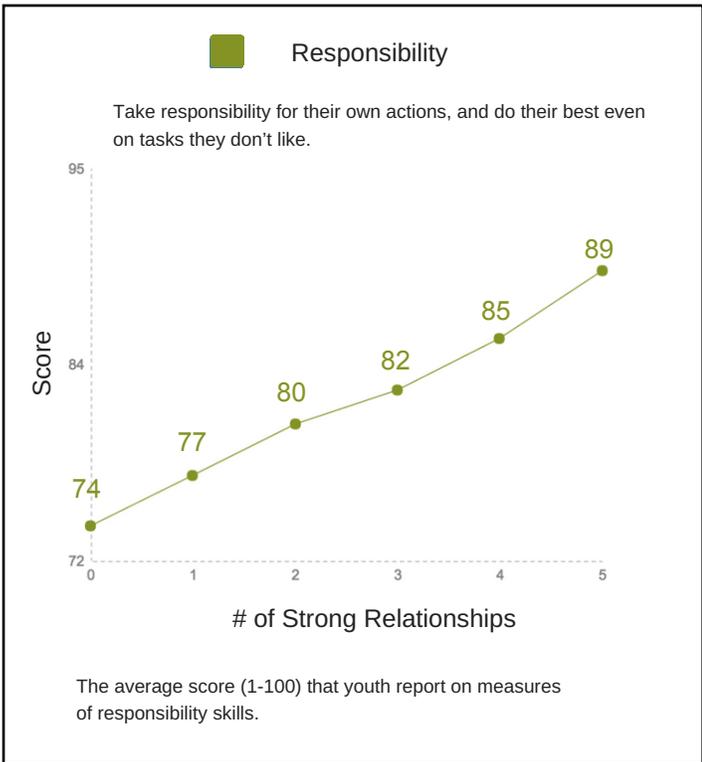
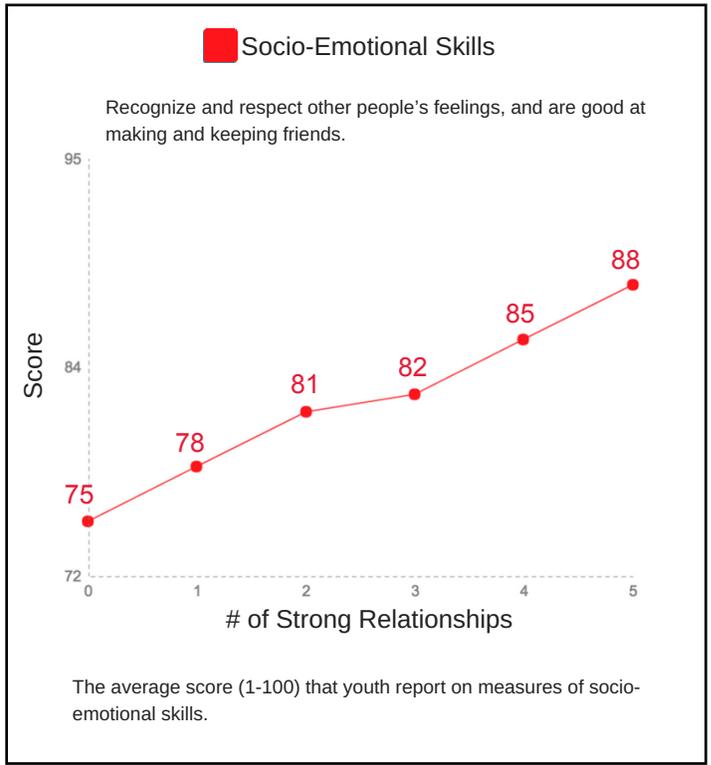
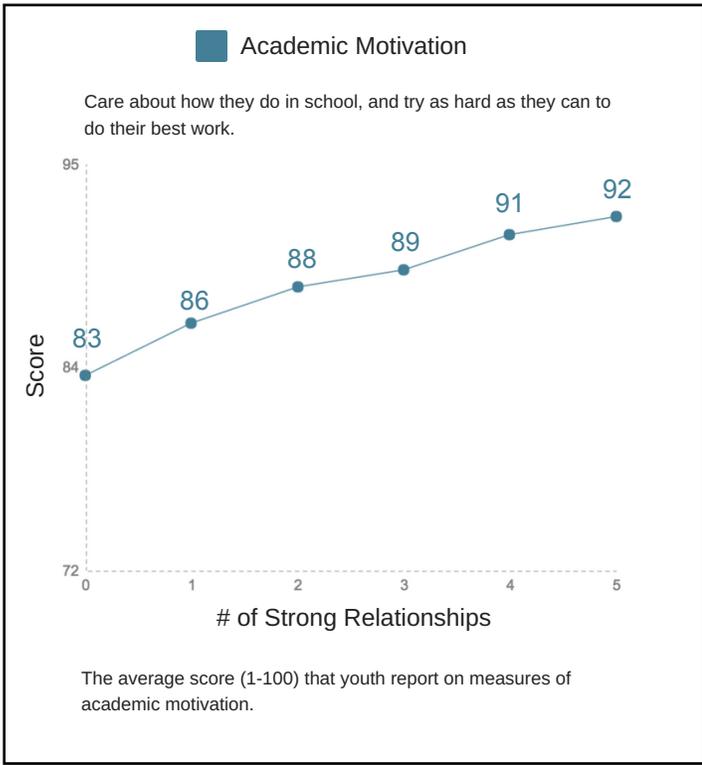
Each relationship can be an important source of strength. But, young people do even better when they have a strong web of many developmental relationships. This finding reinforces the importance of nurturing many developmental relationships in young people's lives, each of which complements and reinforces the others.

The charts on page 9 show the average score (from 1 to 100) that youth report on measures of each element of well-being or risk, based on the strength of their web of relationships.‡ Data are from surveys of 25,395 students, grades 6 – 12, in a large U.S. city. (See page 5 for more information about the web of relationships.)

* High-stressed families are those who scored in the top 30% on a measure of 14 high-stress events or experiences in family life, including death of a parent, a family member's incarceration, or a chronic illness or disability.²³

† Findings are from a study of 633 families in two communities. A parent and a youth in each family completed the survey. For these analyses, data on stressful life events came from the parent survey. Measures of relationships and outcomes are from the youth surveys. These calculations were made after accounting for a number of demographic differences, including the youth's gender, age, race/ethnicity, urbanicity, financial strain, and sexual orientation.

‡ Each well-being measure was calculated on a 5-point scale, and then multiplied to create a 100-point index. "High-risk behaviors" is based on a composite measure of 24 behaviors. The web of relationships is based on youth reporting about the types of relationships (e.g., with parents, teachers) in which they experience the five elements of a developmental relationship "often" or "very often."



HOW DEVELOPMENTAL RELATIONSHIPS GROW

The research on relationships and the emerging framework offers fresh insights into the elements of relationships, and their role in young people's growth and learning. But how do they start, grow, and change over time? Search Institute is just beginning to explore the processes that may be at work.

As a starting point, it's clear that all strong relationships are dynamic and changing, not rigid and unchanging.⁶ They evolve as the people in them grow, and they also stimulate growth for each person.

Although each relationship is unique, it can be helpful to articulate how actions might be intentionally phased across time. The figure on page 9 illustrates one potential path, beginning with basic relationship actions and adding others as a relationship deepens.

Many factors can alter this pathway, including how often people interact with each other, each person's relational skills, the setting they are in, and many other factors. For example, when we are intentional about listening, we may discover a need to advocate for that young person to address a pressing need, thus shifting the path of our relationship.

A PATH THROUGH THE DEVELOPMENTAL RELATIONSHIPS FRAMEWORK

Where might you start with building developmental relationships? Each relationship is different, involving different people, at different places in their own developmental journeys, and in different settings. In some cases, the first phases may pass quickly. In others, it may take years.

Relationships are not linear; they have their ups and down, and their backs and forths. Different aspects of relationships have to be revisited and renegotiated as people, experiences, and circumstances change. Phases recycle as circumstances change and as young people grow. And, all these changes are occurring for both people in a relationship, not just the young person. As, one parent told us about their relationship with their child, "He's my first child, and I still learn from him. I learn from him every day.

"Within this complexity, it can be helpful to reflect on which relationship actions might be most meaningful at different phases of a relationship. Where might you start? Mentoring⁹ and other fields offer clues about potential phases in building new developmental relationships, shown in the display below. Over time, Search Institute will refine our understanding of these processes, through learning partnerships in diverse settings.

A DEVELOPMENTAL RELATIONSHIP IN REAL LIFE

"ANYTHING YOU NEED, YOU CAN COME TO HER ABOUT."

To create and refine the Developmental Relationships Framework, Search Institute has conducted interviews and focus groups with young people across the United States. Cedric's story is based on an in-depth interview. Names and details have been changed to maintain anonymity.

When Cedric first met Miss Lonnie, you would have assumed the relationship was going nowhere. Cedric's sister had coaxed him to go to an arts class Miss Lonnie led, but he didn't go back after the first time. In his own words, he was "a really shy kid who didn't really talk to anybody."

However, Cedric's passion for art grew, as did his self-confidence. Years later he returned, and he became really involved in the programs Miss Lonnie was leading. By the time he was a high school senior, Cedric thought of Miss Lonnie first, when asked about important adults in his life beyond his family. Miss Lonnie became "a second mom and a sister." Listening to Cedric, you can hear how his relationship with Miss Lonnie reflects each element of a developmental relationship:

Express Care: Cedric describes Miss Lonnie as "accessible, not judgmental," and "always available and here for you." Because "she listens a lot and is very open," he can talk to her about almost anything, and "it won't be weird or uncomfortable."

Challenge Growth: Miss Lonnie pushes Cedric to "find out who I was and what I wanna do in life. . . . No matter who she works with, she sees the potential in you."

Provide Support: "She's here for you, pretty much anything you need. She tries to help you with as best she can, whether it's advice or you need a ride somewhere, someone just to talk to."

Share Power: When their after-school group was planning a college tour, Miss Lonnie "came to me about figuring out the events and ordering the shirts and stuff. So I contacted the places, got names for the shirts, figured out how much it would cost."

Expand Possibilities: Miss Lonnie "surrounds us with these professional people" and gives students opportunities to explore options for their future. "I've been in a business program, accounting program, and dance. Going to these different programs that she's told me about, I've kinda discovered myself."

AN EXAMPLE: A POSSIBLE PROGRESSION IN A DEVELOPMENTAL RELATIONSHIP

Below is an example of how you might think about the growth of a new relationship to becoming, over time, more of a developmental relationship. For example, “respect me” is listed in the first stage, since this action is often a precursor to appropriate self-disclosure that sets the stage for other actions. This is, of course, only an example. Depending on the circumstances and the relationship, other actions may be appropriate entry points. Thinking about a specific relationship you have, what progression did you experience? If forming a new relationship, how might you focus your attention based on what you know about the young person?

	1. Get to know each other Explore first impressions and shared interests.	2. Build mutual trust Explore mutual interests and bond through appropriate self-disclosure.	4. Confirm shared commitments Test the depth and boundaries of the relationship	5. Invest in each other's growth Put energy into reaching goals and adapt the relationship to match growth.
 Express Care	Listen Be warm	Be dependable Believe in me	Encourage	
 Challenge Growth		Expect my best	Stretch Hold me accountable	Reflect on failures
 Provide Support		Navigate	Empower Set boundaries	Advocate
 Share Power	Respect me	Include me Collaborate		Let me lead
 Expand Possibilities		Inspire		Broaden Horizons Connect

ACTIVATING RELATIONSHIPS IN ORGANIZATIONS

A well-intentioned curriculum and social service system will not be effective unless its implementation builds on and enhances the quality of developmental relationships in the classroom or the community.

— Li & Julian¹⁴

A core hypothesis of Search Institute's work on developmental relationships is that enhancing relationships can strengthen youth programs and services, and improve outcomes. As we've seen, developmental relationships are consistently associated with positive outcomes for young people. Through listening to young people and others, we have been able to articulate actionable ways to be more intentional in building relationships.

But what might it look like if organizations took seriously the idea of relationships as the "active ingredient"¹⁶ in the effectiveness of their programs and services? Of course, the specific strategies will look different in schools, after-school programs, faith communities, social or work settings, and other youth development organizations. However, a focus on actively cultivating a relationally rich culture grounded in relational trust⁴ has tremendous potential for enhancing effectiveness and impact across a wide variety of organizational settings.

STARTING POINTS

It might be tempting to begin by designing new program or campaign that focuses on promoting relationships. Yet, relationships are already being built in any school, youth program, and other places. What is needed is an intentional focus on building developmental relationships. Building a relationally rich culture school or program. This might include the following strategies:

- Introduce staff, young people, volunteers, families, and other stakeholders to the idea and importance of developmental relationships. Ask: How do they see this approach fitting with shared priorities? The "levels of relationships" box highlights the need to recognize and operationalize a variety of roles in building relationships within an organization.
- Examine how your organization already invests in building relationships and identify opportunities for focused attention. Prime thinking with the 7 questions on page 13.
- Have individuals identify ways they can start building developmental relationships right away (Share tips from the list on pages 14-15.)

PILOTING PRACTICAL TOOLS FOR BUILDING RELATIONSHIPS

Search Institute has begun working with partners to develop processes and tools to mobilize individuals, groups and organizations to become more intentional about nurturing developmental relationships. Here are some examples of our first work, with focused efforts in other settings on the horizon.

Teacher-student relationships: Most educators recognize the importance of student-teacher relationships.³⁰ However, it can be challenging to focus on building relationships when accountability is elsewhere and when you teach dozens, if not hundreds, of students each semester. Search Institute is working with 12 Minnesota schools to create the REACH Process, a system of classroom activities and teacher professional development opportunities that

LEVELS OF RELATIONSHIPS IN ORGANIZATIONS

A common reaction to the detailed articulation of elements of developmental relationships is to say, "I can't do all that with everyone." However, the goal is not to require every person to have a deep, sustained relationship with every young person. Rather, how can you ensure that each and every young person is embedded in a web of positive relationships?

Think about different levels of relationships that are consistent with the Developmental Relationships Framework:

- **All:** What relational actions are expected by everyone, such as treating each other with respect and warmth?
- **Some:** What kinds of relational actions are expected (and realistic) for interactions with groups of youth, such as knowing the names of students in your classroom?
- **A few:** Who are the handful of young people each person will invest in because of a particular connection or opportunity, such as sharing a passion for music or basketball, or because the young person him- or herself invites a stronger relationship?

emphasizes teacher-student relationships as a catalyst for improving students' academic motivation.

All REACH components are built on factors identified in research that contribute to student motivation, with relationships as the vital starting point (the “R” in REACH). Other key factors include students' Effort, Aspirations, Cognition, and Heart.¹⁹ This approach focuses on creating a school-wide commitment to activating these “active ingredients” in student motivation. Ongoing research is both focused on strengthening the model and building evidence of its impact.

Family relationships: Few would dispute that parent-child and other family relationships are vital for a young person's well-being.^{22,29} But don't relationships really matter most in early childhood? And can—and should—schools and other organizations invest in strengthening parent-youth relationships? If it's hard to get parents to show up for parent nights and other events, will they value opportunities focused on building family relationships?

Search Institute is exploring these questions through a pilot program, Keep Connected, with partners from California to Washington, DC. Through six workshops plus a graduation celebration, middle school students and their parents explore their relationships separately and in combined sessions.

Peer relationships: Relationships among peers have potential to be particularly catalytic for learning and development during middle school and high school.⁵ Working with Barbara Varenhorst, a founder of the peer-helping movement, Search Institute is partnering with middle and high schools to understand and strengthen peer relationships. This effort involves testing tools and services that schools and programs can use to enhance peer relationships and measure their impact.

Our hypothesis is that high-quality peer programs can help peers build developmental relationships with each other (and adult leaders) that enhance the social-emotional strengths needed for school success, health, and civic engagement. Through this work, we will learn more about how schools and organizations can intentionally cultivate positive peer relationships as resources for growth and learning.

Exploring other relationships: Over time, Search Institute will engage with a range of partners to examine and strengthen different kinds of relationships, including relationships with program leaders and mentors. Each effort will be designed to enhance, not replace, existing content emphases, based on the premise that relationships function as the “active ingredient” to increase the effectiveness of other youth development and educational strategies.

7 QUESTIONS

How Does Your Organization Invest in Relationships?

Use these questions for reflection and dialogue with colleagues and stakeholders:

1. **Experience:** How consistently do young people experience developmental relationships in your organization? Are some groups of youth more likely than others to experience them?
2. **Expectations:** How clearly articulated are relationship actions that are essential to your mission, strategy, and culture?
3. **Time:** Is regular time dedicated to building relationships with and among youth? What happens during that time?
4. **Personnel:** How are abilities to nurture strong relationships factored into staff and volunteer hiring and development?
5. **Budget:** How might your budget more explicitly reflect your commitment to reinforcing relationships?
6. **Training:** How often do staff meetings or professional development focus on practical ways to cultivate relationships?
7. **Feedback:** How do you collect and use data, feedback, or other information that can help monitor and strengthen intentional relationship building?

Think about what might happen if you were to increase your investment in these areas. How might youth, staff, parents, and other stakeholders respond?

55 IDEAS FOR DEEPENING ONE-TO-ONE RELATIONSHIPS

The Developmental Relationships Framework focuses on aspects of relationships that can be changed through intentional action. Try the following tips for strengthening each element of developmental relationships with and among young people. (Of course, ideas for one group can be adapted for others.) These ideas build on insights from focus groups and interviews, as well as research on the elements of developmental relationships.

ELEMENTS	ALL ADULTS	YOUNG PEOPLE
<p>Express Care</p> 	<ol style="list-style-type: none"> 1. Pay attention. Focus on youth when they are talking about things that matter to them. Put away your cell phone. 2. Follow up with young people when you learn about what they are going through something, rather than waiting for them to bring it up again. 3. Make time for lightness. Share in some humor, fun, and laughter amid the practical tasks. 	<ol style="list-style-type: none"> 16. When taking with friends, ask follow-up questions that help you get to know them better. 17. Let friends know you noticed when they do something you admire.
<p>Challenge Growth</p> 	<ol style="list-style-type: none"> 4. Highlight future goals. Talk with young people about the things they look forward to or dream about. 5. Expand their thinking by asking hard questions, providing alternate explanations, and encouraging openness to different opinions. This helps them expand their own thinking. 6. Emphasize mistakes are a necessary part of learning. Praise them for hard work, whether they succeed or fail. 	<ol style="list-style-type: none"> 18. Encourage friends to spend time doing things that will help them reach their future goals and dreams. 19. Model how you put in effort to learn. Push back if others dismiss the value of learning.
<p>Provide Support</p> 	<ol style="list-style-type: none"> 7. Offer information and practical help to solve a practical problem, or loan them something they may need. 8. Show young people how to ask for help when they need it. 9. Shift levels of support. Give more support when young people are struggling, and less when they are making progress. Step back as their skills and confidence build. 	<ol style="list-style-type: none"> 20. When a friend can't figure out how to solve a problem, offer to talk it out together. 21. Offer your support when friends face challenges. If needed, ask a trusted adult to be an ally and resource.
<p>Share Power</p> 	<ol style="list-style-type: none"> 10. Let young people make decisions about activities you do together and what you talk about. Don't jump in too fast when they don't make quick decisions or think of things to talk about. 11. When you can, offer choices ("So, what could you do differently to tackle this problem?"), rather than always giving instructions. 12. Learn from young people—and show it. Young people have a lot to teach adults. Let them know when you've learned something from them that you're excited about. 	<ol style="list-style-type: none"> 22. When you're on a team or in a group, practice listening to others, negotiating, and making decisions that work well for everyone. 23. Notice peers who tend to be left out or are quiet. Find ways to include them and give them a voice.
<p>Expand Possibilities</p> 	<ol style="list-style-type: none"> 13. When young people seem curious about an activity, topic, or issue, ask questions such as "what strikes you about this?" 14. Introduce young people to a wide range of people, places, ideas, cultures, and vocations. Start with ones they're curious about. 15. Broaden the web of relationships. Connect young people to people who share their interests or can expand their world. 	<ol style="list-style-type: none"> 24. Take turns with friends trying new food, music, or outings, based on each other's interests. 25. Introduce friends to people who can help them learn things that interest them.

YOUTH PROGRAM LEADERS

PARENTING ADULTS

TEACHERS

<p>Express Care</p> 	<p>26. Ask follow-up questions so you both know you're interested and tracking.</p> <p>27. Find satisfaction in doing things for and with your child, even if these things wouldn't otherwise be important to you.</p>	<p>36. Strive to understand and show sensitivity to students' feelings.</p> <p>37. Use varied teaching strategies to make learning enjoyable, and to help students connect with you and each other.</p>	<p>46. Work to understand young people's points of view when they share ideas or opinions.</p> <p>47. Do what you say you will do, and keep your promises.</p>
<p>Challenge Growth</p> 	<p>28. Expect your children to do their best, even when doing something they don't really like.</p> <p>29. Teach your children that making mistakes is a part of learning.</p>	<p>38. Emphasize mastery and self-improvement more so than doing better than other students.</p> <p>39. Challenge students to reach high expectations. Hold them accountable.</p>	<p>48. Challenge young people to try things that are a little hard for them to do.</p> <p>49. Help young people find their own solutions, rather than just telling them what to do.</p>
<p>Provide Support</p> 	<p>30. When you teach your child a skill, demonstrate it by breaking it into smaller steps.</p> <p>31. When your children are not getting the help they need, find people who can address the issue.</p>	<p>40. Provide specific and descriptive feedback for students to use toward their improvement.</p> <p>41. Teach strategies for performing and learning under pressure.</p>	<p>50. Help young people think through options and resources when they encounter obstacles.</p> <p>51. Show young people how to ask for help when they need it.</p>
<p>Share Power</p> 	<p>32. Include your children in thinking about decisions, even when you have to make the final call.</p> <p>33. When you disagree, take time to understand each other's point of view.</p>	<p>42. Give students classroom choices within rules and safety limits.</p> <p>43. Ask students for input on assignments, class content, and how they can show proficiency.</p>	<p>52. Provide opportunities for young people to lead programs based on their interests.</p> <p>53. Emphasize building community and serving others through youth-initiated projects.</p>
<p>Expand Possibilities</p> 	<p>34. Find ways for your children to spend time with people who are different from your family.</p> <p>35. Encourage your children to try things they might be interested in. Maybe even try it together.</p>	<p>44. Demonstrate how what students are learning relates to their interests and to success outside of school and in the future.</p> <p>45. Connect students with educators, other students, and community members who can explore with them areas of personal interest and strength.</p>	<p>54. Introduce young people to other cultures, ideas, and places that help them discover their place in the world.</p> <p>55. Model being a curious learner by asking questions and sharing what you're learning in your own life.</p>

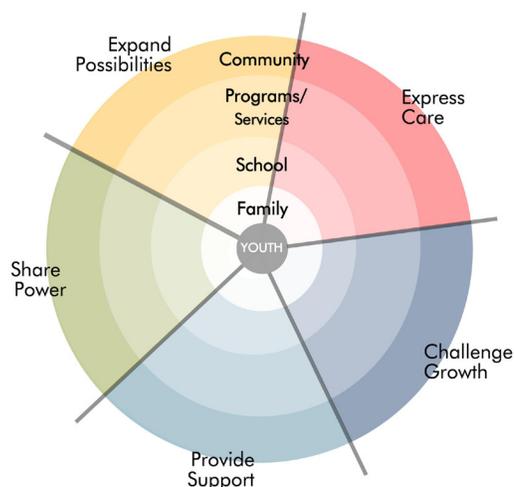
IMAGINING STRONG AND FLEXIBLE WEBS OF RELATIONSHIPS

Spider webs are marvels of nature. They are both very strong and very flexible. By some estimates, they are five to ten times stronger than a steel web of the same weight. They can also stretch by 30 to 40 percent without breaking. Engineers who study them say that the genius of spider webs lies in this combination of strength and flexibility. One report on the research put it this way:

Spider webs, it turns out, can take quite a beating without failing. . . . Localized damage can simply be repaired, rather than replaced, or even left alone if the web continues to function as before. “Even if it has a lot of defects, the web actually still functions mechanically virtually the same way,” MIT engineer Marcus Buehler says. “It’s a very flaw-tolerant system.”⁸

The spider web is a useful, if imperfect, analogy for what each and every young person needs to grow and thrive. A spider depends on its web for sustenance; a young person depends on a web of relationships to shape and guide virtually every aspect of life. A web of relationships does not have to be perfect to be life sustaining. But it does need to be strong and flexible, adapting to the world around it, and to the needs and strengths of the people in those relationships.

The diagram on this page is a reminder that a strong web of relationships needs to include strands from home, school, and community; made up of parents, siblings, grandparents, friends, teachers, mentors, coaches, and many others. Current research suggests that young people are most likely to flourish when they are embedded in a



web of these relationships while also having at least three to five “anchor relationships”^{7,22} they know they can depend on at home, at school, and in other places they spend time. All relationships are not the same. And as children grow into adulthood, the people they rely on most typically shift and change. Along the way, other relationships complement the strengths of those central relationships. Like a web, each significant relationship influences and shapes the others.

So everyone doesn’t have to do everything for every young person all the time. But, each and every young person needs a web of relationships through which they experience all five elements of developmental relationships. Each and every person can be part of some young person’s web.

MANY QUESTIONS REMAIN TO BE EXAMINED

Search Institute is at the beginning of its focused exploration of developmental relationships. Numerous critical questions drive Search Institute’s research agenda moving forward.

- How are developmental relationships consistent and unique across cultures and contexts?
- How might strengthening developmental relationships contribute to reducing inequities in opportunities and supports for young people who are marginalized in society, including youth of color, immigrant youth, youth with special needs, low-income youth, and LGBTQ youth?
- How are different relationships (e.g., parent, teacher, peer, mentor) developmental in different ways? How do these different relationships complement each other?
- To what extent do developmental relationships enhance social-emotional strengths in domains of identity, agency, and commitment to community, which in turn predict success in school, work, and other areas of life?

Examining these and other questions is the heart of Search Institute’s research agenda, which focuses on building stronger evidence about developmental relationships. This will include mixed-methods observational, longitudinal, and experimental studies in diverse contexts.

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RESOURCES FROM SEARCH INSTITUTE



REACH is a new set of research-based resources to strengthen students' academic motivation and put them on the path to becoming self-propelled young adults. REACH is an acronym for:

- R** elationships—Connections to learn and grow
- E** ffort—The power of a growth mindset
- A** spirations—Hopes for a positive future
- C** ognition—Key self-regulation strategies
- H** eart—Core values and sparks (deep personal interests)

The REACH suite includes a student survey, workshops for educators, technical assistance, and an in-depth implementation. For more information, visit reach.search-institute.org



RELATIONSHIP-BASED RESOURCE FOR FAMILY ENGAGEMENT

Keep Connected offers a six-session workshop series for parents and their middle schoolers. Families explore the five essential elements of parent-youth relationships through a mix of learning and sharing activities. To learn more, visit: www.parentfurther.com/content/keep-connected

Keep Connected is aligned with ParentFurther.com, a free resource focused on encouraging families to strengthen relationships through shared activities. It includes self-quizzes and self-guided activities families can enjoy together to strengthen their relationships.

SURVEYS

www.search-institute.org/surveys

Identify young people's strengths and challenges by using high-quality, useful survey instruments from Search Institute. Available surveys examine developmental relationships, student motivation, youth program quality, and Developmental Assets. Each survey is offered online and includes a detailed, actionable report on findings.

WORKSHOPS

www.search-institute.org/keynotes-workshops

Build expertise and develop practical strategies to put Search Institute research into practice with a range of workshops for educators, youth workers, community leaders, parents, and young people.

OTHER RESOURCES

www.search-institutestore.org

Search Institute offers a variety of books and other resources for educators, youth workers, parents, and other leaders that focus on practical strategies to build assets and other strengths with young people.

Roehlkepartain, E. C., Pekel, K., Syvertsen, A. K., Sethi, J., Sullivan, T. K., & Scales, P. C. (2017). *Relationships First: Creating Connections that Help Young People Thrive*. Minneapolis, MN: Search Institute.

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Search Institute is an international leader in discovering what kids need to succeed in their families, schools, and communities. Using applied research and improvement solutions, we collaborate with organizations, schools, and community coalitions to solve critical challenges in young people's lives.

**School Board
Minnetonka I.S.D #276
5621 County Road 101
Minnetonka, Minnesota**

Study Session Agenda Item 6

Title: Update on Outstanding Bonds

Date: March 2, 2023

EXECUTIVE SUMMARY:

Minnetonka Independent School District 276 periodically issues bonds as needed to fund long term maintenance projects on its approximately 1,833,000 square feet of building space and 259 acres of land, or to construct targeted building additions as needed to meet the needs of the educational program for the students.

When the Minnetonka Independent School District was founded in 1952, the district inherited the 1929 Excelsior High School Building – now serving as Excelsior Elementary School – and the 1938 and 1947-built Deephaven High School Building – now serving as Minnetonka Community Education Center. For 21 years inclusive of the 17,199 square foot addition to the Minnetonka Community Education Center, the populace of the District built out the District inclusive of:

- Construction of the initial 146,593 square feet of Minnetonka High School in 1952, and a 20,707-square-foot addition in 1962 and a 96,726-square-foot addition in 1964
- Construction of the initial 40,434 square feet of Clear Springs Elementary School in 1958, and a 20,785-square-foot addition in 1960
- Construction of the initial 46,507 square feet of Deephaven Elementary School in 1956
- Construction of the initial 62,767 square feet of Excelsior Primary School, and a 29,235-square-foot addition in 1958 and a 20,221-square-foot-addition in 1964 that connected to the 1929 building
- Construction of the initial 36,492 square feet of Groveland Elementary School in 1958, and a 29,514-square-foot addition in 1966
- Construction of a 25,353-square-foot addition in 1955, and a 11,433-square-foot addition in 1964 to Minnewashta Elementary School
- Construction of the initial 52,985 square feet of Scenic Heights Elementary School in 1967
- Construction of the initial 116,055 square feet of Minnetonka Middle School East in 1964, and a 54,798-square-foot addition in 1968
- Construction of the initial 116,080 square feet of Minnetonka Middle School West in 1964, and a 48,072-square foot addition in 1968

Subsequent to this time period, all construction was additions to the existing core buildings of the District.

15,737 square feet of building additions were constructed during the decade of the 1970s.

58,083 square feet of building additions were constructed during the decade of the 1980s.

403,259 square feet of building additions were constructed during the decade of the 1990s to handle an enrollment peaking at 7,782 students in October 1999.

Starting in the middle of the 2000s decade, with all of the square-footage of the aforementioned buildings approaching or exceeding 50 years of age, the District undertook a strategic initiative to perform mid-life long term maintenance to rebuild the buildings to ready them for another 50-60 years of use. This rebuilding process itself will last approximately 19 years, from summer 2008 through summer 2027 before it is completed, with one of the last phases being replacement of original cabinetry in the 1950s areas of the various elementary schools. At that point in time all facilities should will be prepared for continued use through approximately 2070.

Subsequent to 2027, the District will be in more of a continuing maintenance mode as roofing and paving continue annually, HVAC systems which last approximately 30 years come due for replacement, and synthetic turf fields come due for replacement approximately every 12 years.

In the past several years, the great majority of deferred maintenance items have for the most part been eliminated, with only a few remaining, and the District is on schedule with its long term maintenance plan to continue to replace major building components for the fleet of buildings that have reached 50 years or more of use.

The District also has done targeted additions over the past several years to serve the educational programs in an efficient manner and serve all the students that wish to enroll in Minnetonka Public Schools.

The attached update is a status report on the various bond issues of the district, the annual bond payments on the outstanding bond principal, and a look at the current and future levels of outstanding bonds as the district moves through its strategic facility initiatives and bonds are paid off over time. This report also contains additional information regarding the financial and budget history of the District, the course of the District set by past School Boards, and additional detail on various bond issues, all of which provide additional context to the information about the outstanding par value of bonds outstanding.

ATTACHMENTS:

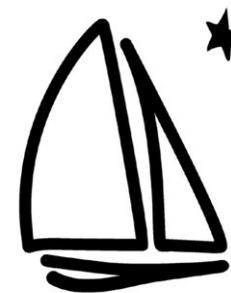
Outstanding Bonds & Certificates of Participation as of June 30, 2023

RECOMMENDATION/FUTURE DIRECTION:

This report is presented for the School Board's information.

Submitted by: 
Paul Bourgeois, Executive Director of Finance & Operations

Concurrence: 
David Law, Superintendent



MINNETONKA
PUBLIC SCHOOLS

Outstanding Bonds & Certificates of Participation As of June 30, 2023

February 23, 2023



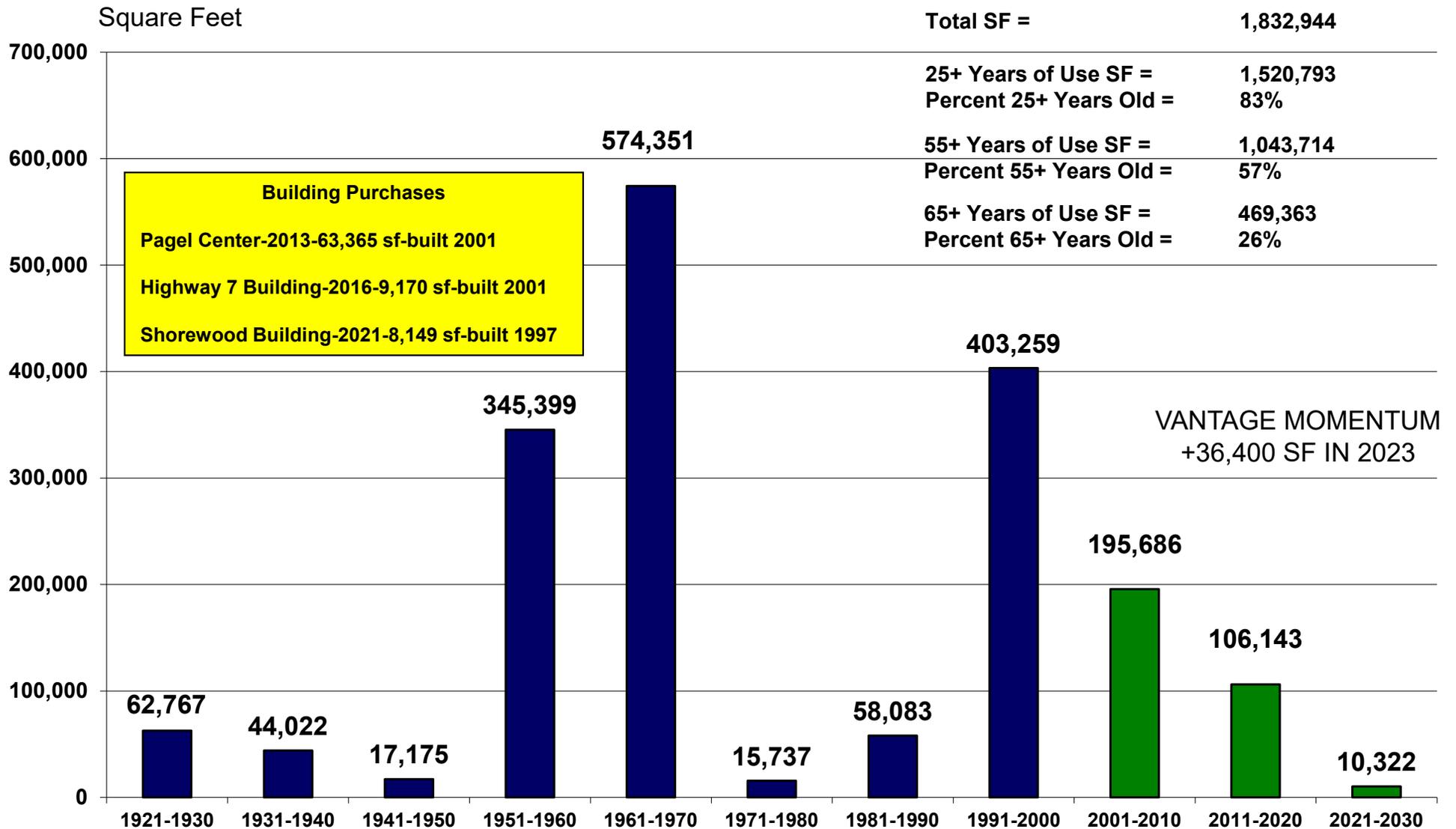
Four Segments Of Presentation

- Background
- FY2023 Activity
- Status as of June 30, 2023
- Estimating the Future

Minnetonka Independent School District 276

Facilities Construction And Acquisition By Decade

As Of June 30, 2023





Facility Maintenance Strategy & Bonding Strategy

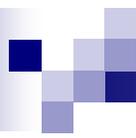
- In 2007, Minnetonka ISD 276 was levying a total of \$10,021,717 in facility bond debt payments and long-term maintenance projects on a pay as you go basis
 - About 32% of the total levy
- Much deferred maintenance had built up over prior decades
- District facilities were either at or past mid-life at 50-60 years of age or more
- Much work was needed to get them ready for the next 50-60 years of use
- The District began bonding for long term maintenance in 2008
 - Spread the payment for long-lived maintenance projects over the life of the improvement and has kept levies lower

Facility Maintenance Strategy & Bonding Strategy

- Spread costs over multiple generations and multiple taxpayers for long-lived improvements or maintenance
 - Similar to how utilities pay for large capital improvements like power plants or power lines so that rates stay low for ratepayers
- Restructuring strategies to keep overall annual payments roughly flat — rationale may be any combination of the following
 - Lower interest rates
 - Keep overall debt payments relatively flat for all bonds by extending payments out
 - Lowering payments to create payment “capacity” for a future bond in Lease Levy or Operating Capital
 - Net present value savings
 - Cash savings
- Different depending on the situation

Facility Maintenance Strategy & Bonding Strategy

- Since July 1, 2007 through June 30, 2023 - \$194,884,548 in facilities related bonds
 - \$107,444,548 in 24 General Obligation Long-Term Facilities Maintenance Bond issues
 - \$87,440,000 in 30 Certificates of Participation Bond issues for classrooms and other necessary facility infrastructure to support classrooms
 - Specialist small group rooms
 - Land acquisition
 - Parking lots
 - Athletic facilities
- We have also done 48 bond refunding and restructuring transactions that have had positive financial impact of over \$25.6 million
 - lowered levies
 - lowered par value
 - reduced payments either immediately or in the future



Facility Maintenance Strategy & Bonding Strategy

- What have we gotten out of this investment?
 - Capacity for additional students to generate revenue for programs serving all students
 - Deferred maintenance eliminated – now maintaining buildings in a state of good repair to be ready for another 50-60 years of use
- In-house construction management has resulted in the District saving over \$6.8 million in construction management fees
 - Approximately 3.5% of project costs based on what other districts are paying for construction management

List Of Improvements 2008 To Date

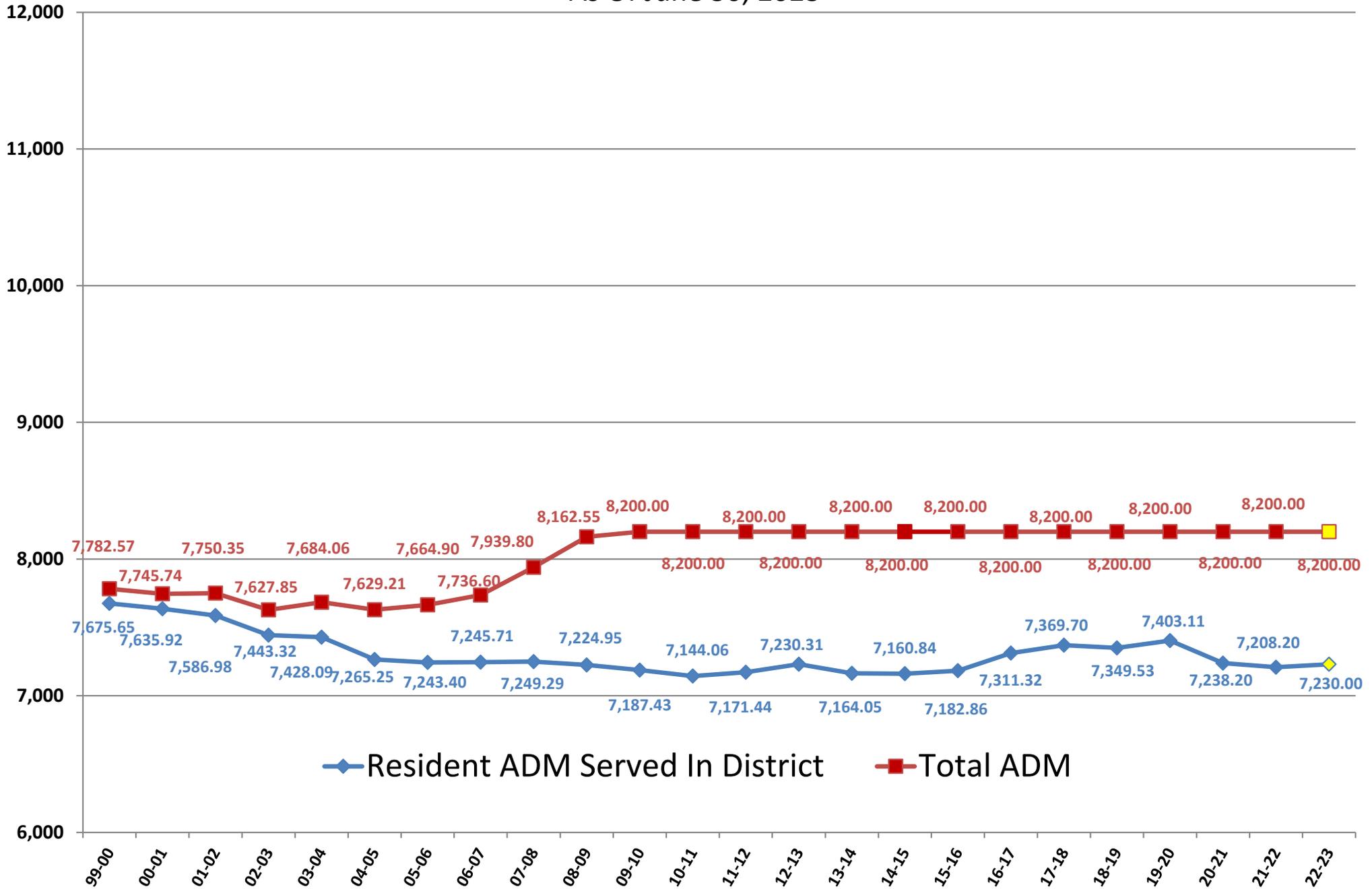
- 128 classrooms – new build or internal reconfiguration
- 49 small group rooms – new build or internal reconfiguration
- 5 elementary school gymnasiums
- 2 pool additions and renovations
- 8 kitchen expansions
- 4 cafeteria expansions – each middle school and 2 at Scenic Heights
- 2 high school shops – MOMENTUM at Pagel
- 2 building purchases and complete renovations
- 11 secure entrance and main office additions and renovations
- 1 media center addition and 9 media center renovations
- 22 tennis courts
- 21 parking lot expansions
- 5 synthetic turf fields and one synthetic turf infield
- 11 boiler exhaust system replacements (resulted in Energy Star rating)

- VANTAGE MOMENTUM will provide 12 classroom spaces, 22 small group spaces and 1 MOMENTUM shop space

Minnetonka ISD 276

Resident ADM Served In District to Total ADM History – Pre-K HDCP To Grade 12

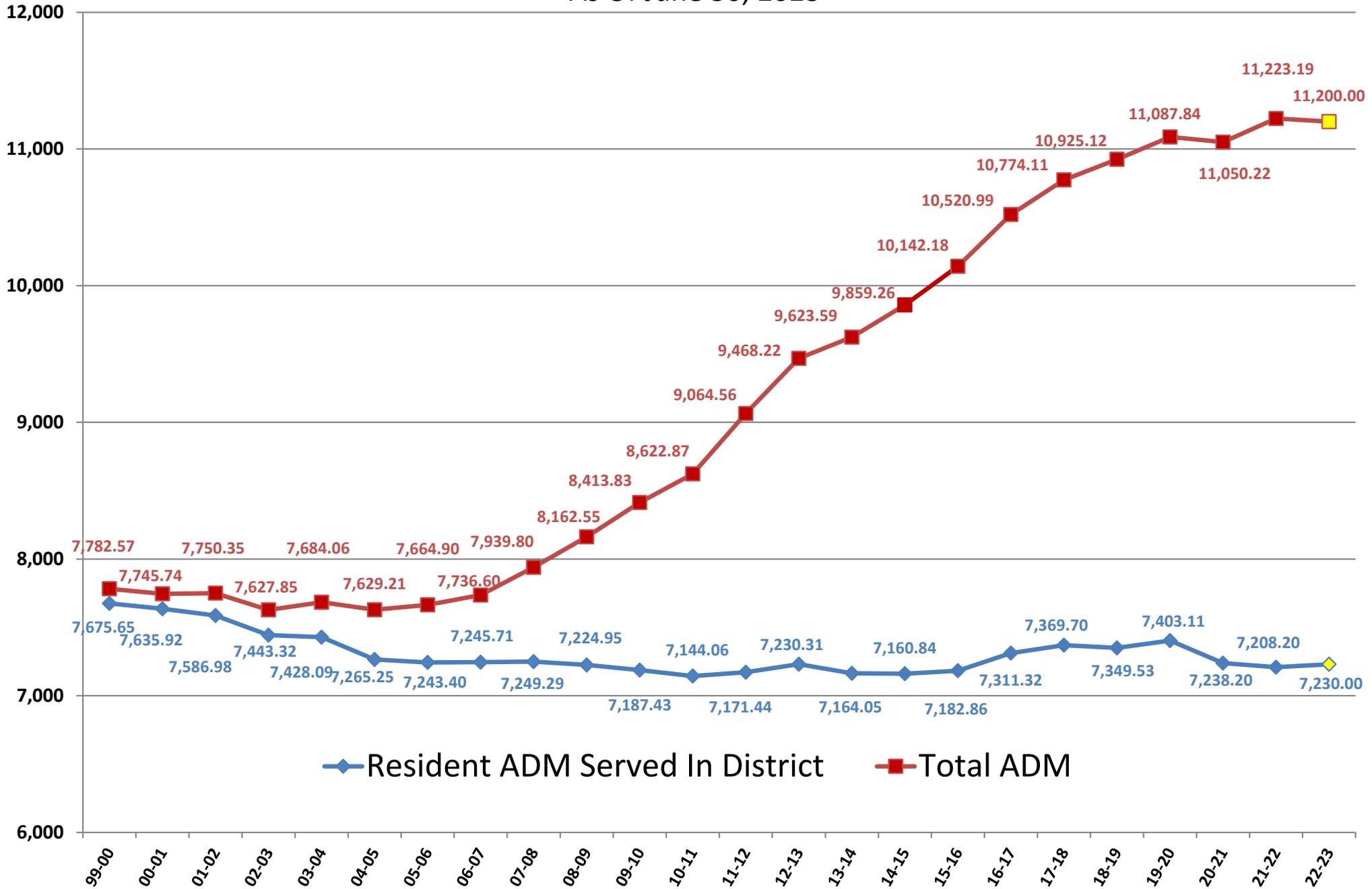
As Of June 30, 2023



Minnetonka ISD 276

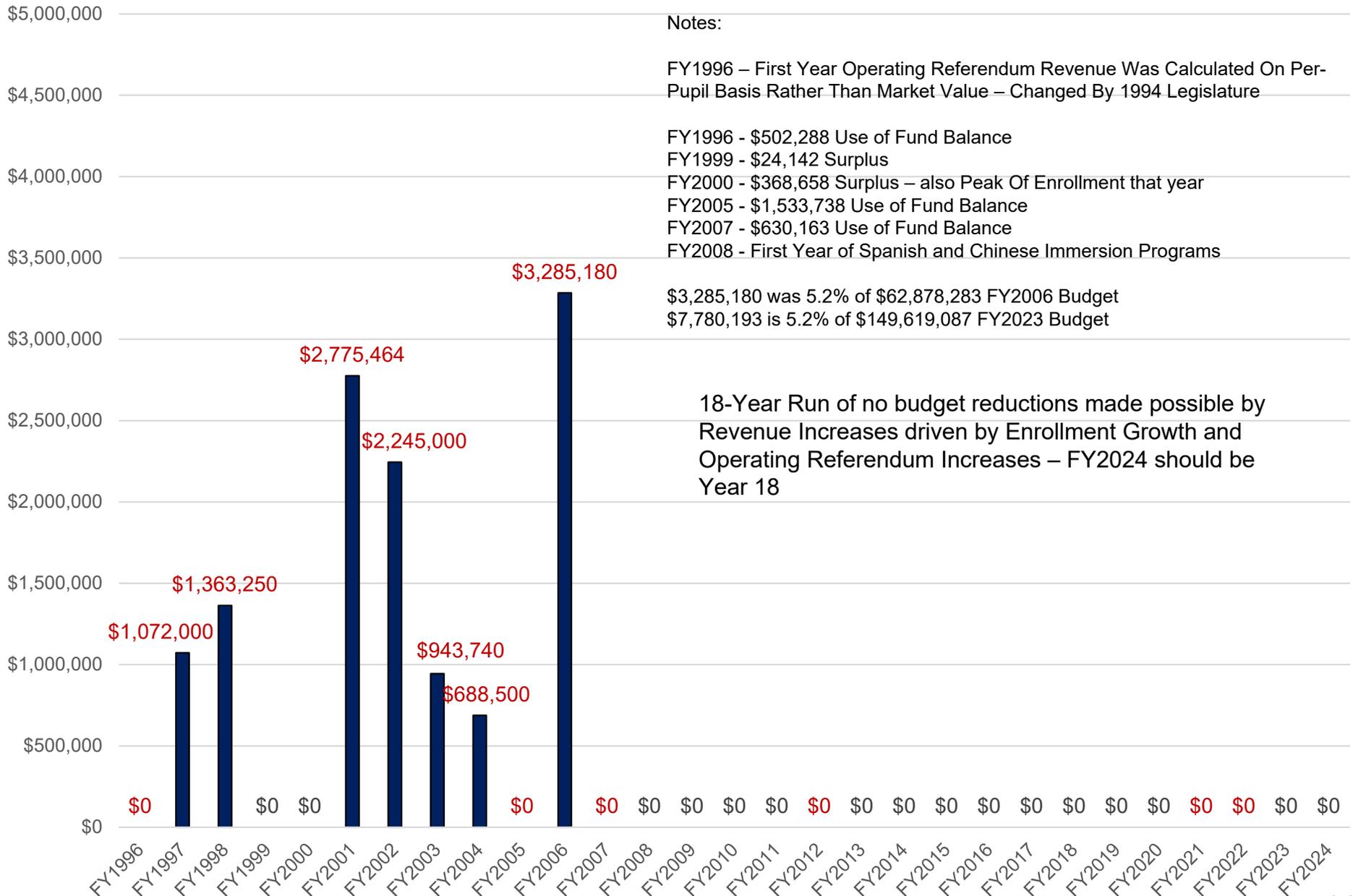
Resident ADM Served In District to Total ADM History – Pre-K HDCP To Grade 12

As Of June 30, 2023



Minnetonka Independent School District 276

Budget Reduction (Cost Containment) History Since FY1996



Eliminating Deferred Maintenance As Of June 30, 2023

- Long-Term Facilities Maintenance – A Multi-Year Process – Rebuilding For 2070
 - Room unit ventilator systems current
 - Roof replacement current
 - Parking lot repaving current
 - Lighting current
 - Windows current
 - Doors current
 - Flooring current
 - Pool mechanical systems current
 - Synthetic turf fields current
 - Painting current on seven-year rotation
 - Kitchen overhauls at every District kitchen completed summer 2015
 - Door safety hardware replacement completed fall 2015
 - Door replacement completed summer 2016
 - Public Address (PA) safety system replacement completed summer 2016
 - Hallway and high use areas wall tiling completed summer 2016
 - Restroom overhauls completed summer 2016
 - Boiler room overhauls completed summer 2017
 - Media center lights-ceiling-painting-flooring completed summer 2019
 - Mechanical room overhauls completed summer 2021
 - Mechanical systems digital controls will be completed in summer 2026

Facility Maintenance Strategy & Bonding Strategy

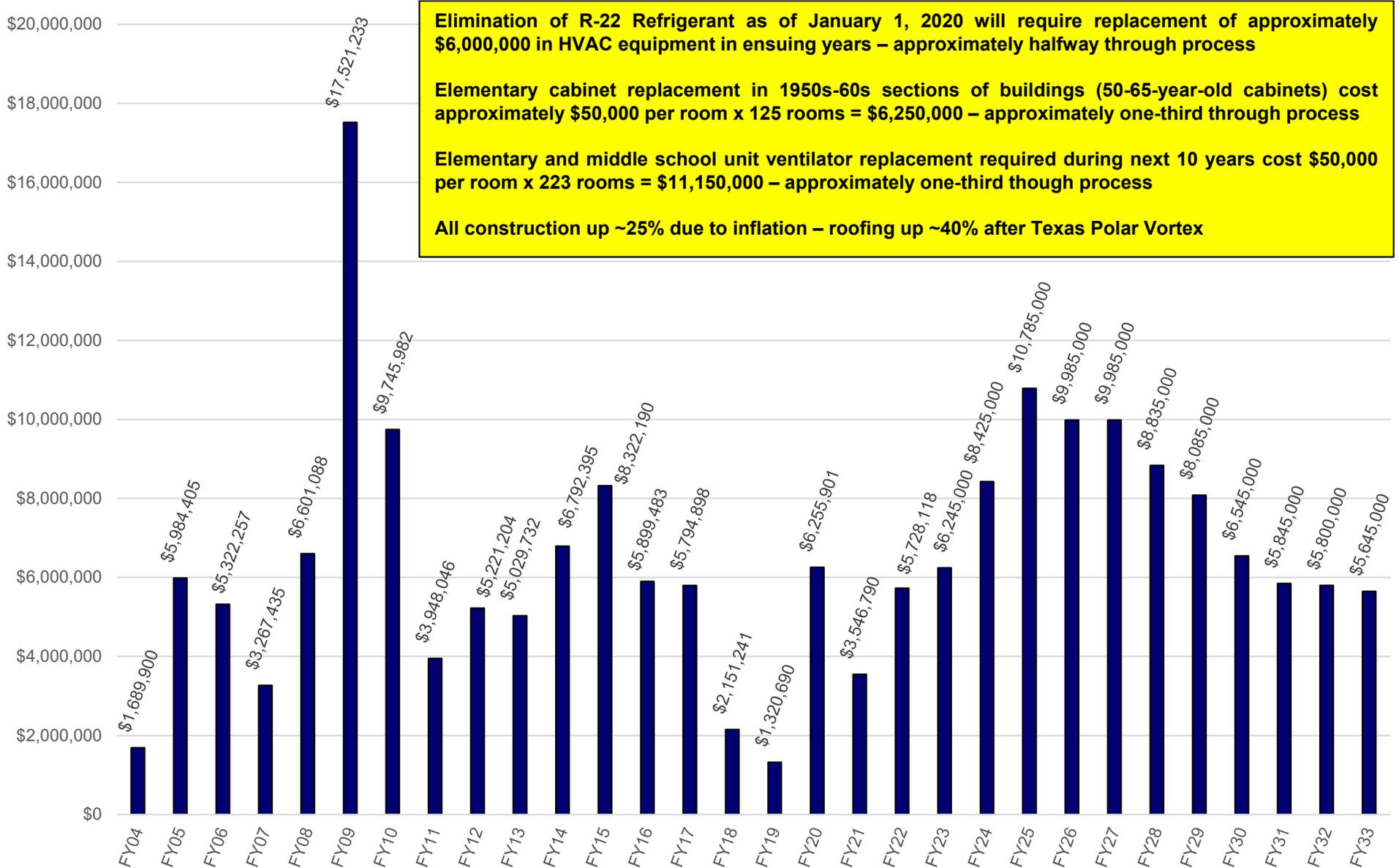
- Bonding strategy allows the overall facility levy to remain relatively flat
 - Allows the District to perform necessary long-term maintenance to rebuild its buildings for another 50-60-70 years of use
 - Any levy increases in the levy therefore are as a result of additional revenue for educational operations
 - Active management of bond issues to manage facility levy impact
- This major rebuilding is taking place over approximately 20 years
- This time frame also roughly parallels the time of post World War II “baby boom” district building construction from 1947 to 1967
- As of FY2023 the District is current with major facilities maintenance
 - Exception – roofs because of Texas Polar Vortex resulting in supply shortages in 2021 and 2022 – catching up
- Will always be long term maintenance needs that will need to be addressed as major components wear out
- Never ever done maintaining 1,833,000 square feet of buildings, and 259.29 acres of outdoor facilities
 - 3/5 has over 55 years of use

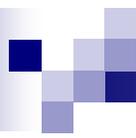
Long-Term Maintenance Plan Project Levels

- Long-Term Maintenance expenses have started out at a higher level but have leveled out over time as deferred maintenance was caught up
 - 2004-2007 Average \$4.1 million
 - 2008-2012 Average \$8.6 million
 - 2013-2015 Average \$6.7 million
 - 2016-2017 Average \$5.9 million
 - 2018-2022 Average \$3.6 million
 - 2023-2032 Average \$8.5 million
- Prudent course of action is to maintain buildings in a state of good repair and maximize the community's investment in them
 - Much more cost effective than tearing down and rebuilding
 - \$877,980,176 to build new at \$479 per square foot current new construction cost
 - \$4.64 annual long-term maintenance cost per square foot 1/103 of build new
 - 0.96% of build new

Long Term Facilities Maintenance History And Projection

Eliminating Deferred Maintenance and Maintaining Buildings in a State of Good Repair for the Long Term





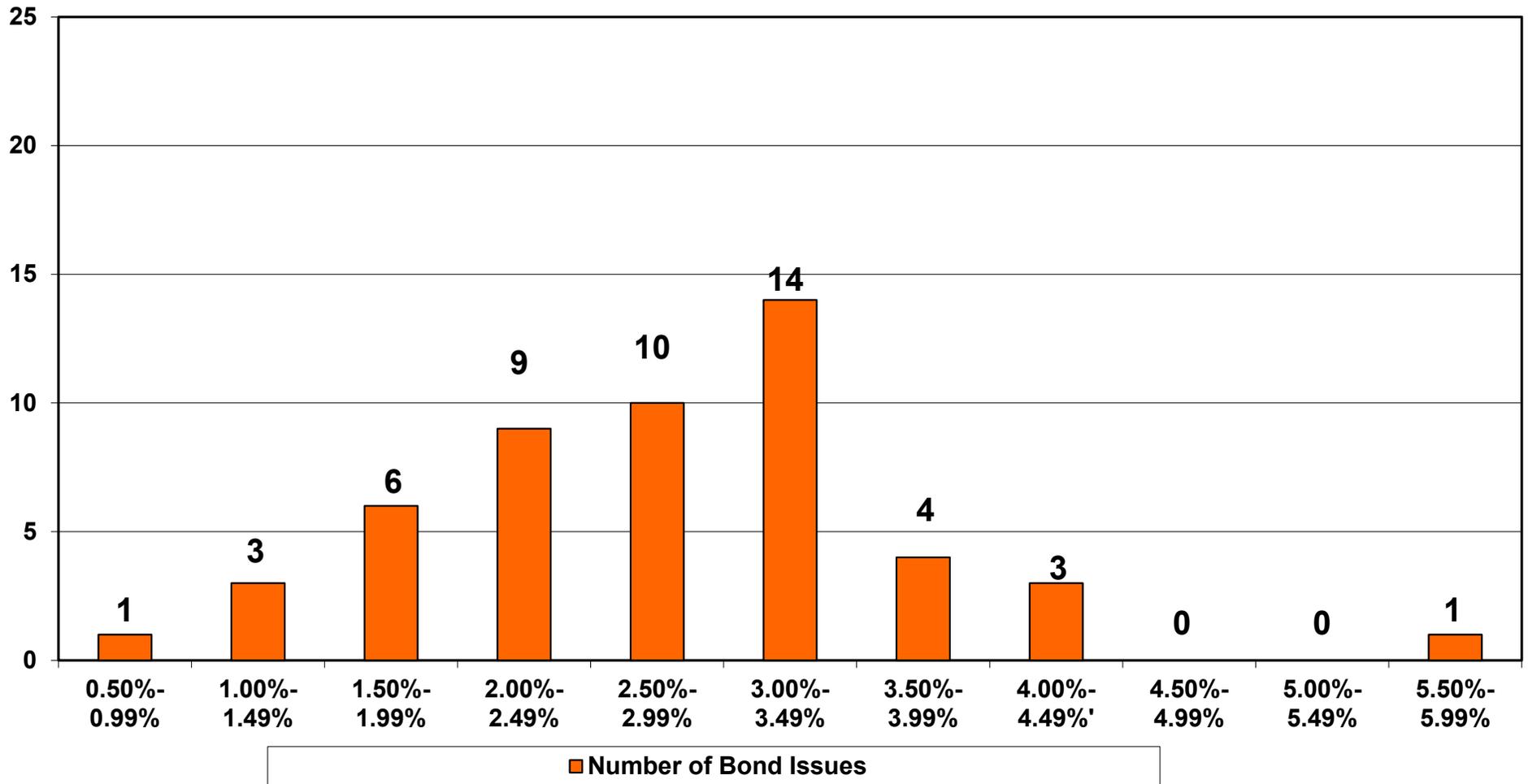
Summary – Total Outstanding GO & COP Bond Debt Paid By District Sources June 30, 2023

■	Total Outstanding GO and COP Par Value Debt June 30, 2023		\$174,220,000
■	Total To Be Paid By Property Tax Levy Sources		\$147,730,000
■	Supported By GO Debt Service Levy	\$91,935,000	
■	Supported By GO OPEB Debt Service Levy	\$18,600,000	
■	Supported By Lease Purchase Levy	\$37,195,000	
■	Total To Be Paid By Other District Funding Sources		\$ 26,490,000
■	Operating Capital	\$25,680,000	
■	Tonka Dome - supported by fees & donations	\$ 810,000	

Fiscal Year 2023 Activity

- 2022B GO LT Facilities Maintenance Bonds - \$8,985,000 - 3.66%
 - Purpose – Long Term Facility Maintenance Bonds for FY24-Summer 2023
- 2022C Refunding GO Bonds - \$3,725,000 – 3.83%
 - Purpose – refund 1996G Building Referendum Bonds for third time
 - 1996B 5.78% refunded by 2004B refunded by 2013H refunded by 2022C
 - Reduced interest rate from 4.00% on 2013H
 - NPV savings of \$24,839.24
 - Lowered outstanding par value by \$195,000
 - Final maturity 02/01/2026
- 2023A Certificates of Participation - \$1,850,000 – 5.50%
 - Purpose – Create classrooms out of existing space at MMW, MME, EXC, and SCH and parking lot reconfiguration at MMW

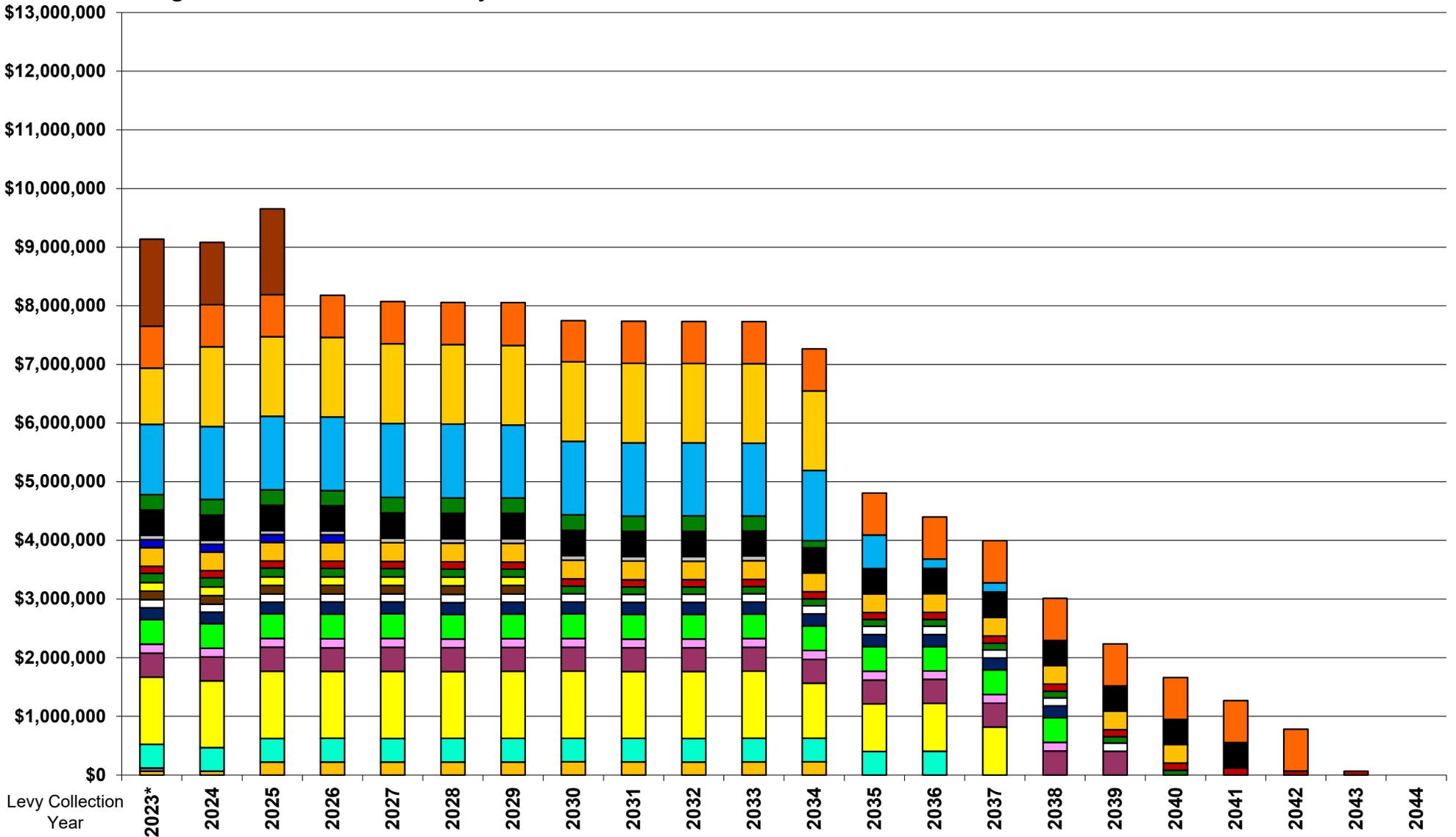
Distribution of Interest Rates for 51 Outstanding Bond Issues June 30, 2023



Outstanding GO Debt Service Levy Principal And Purpose June 30, 2023

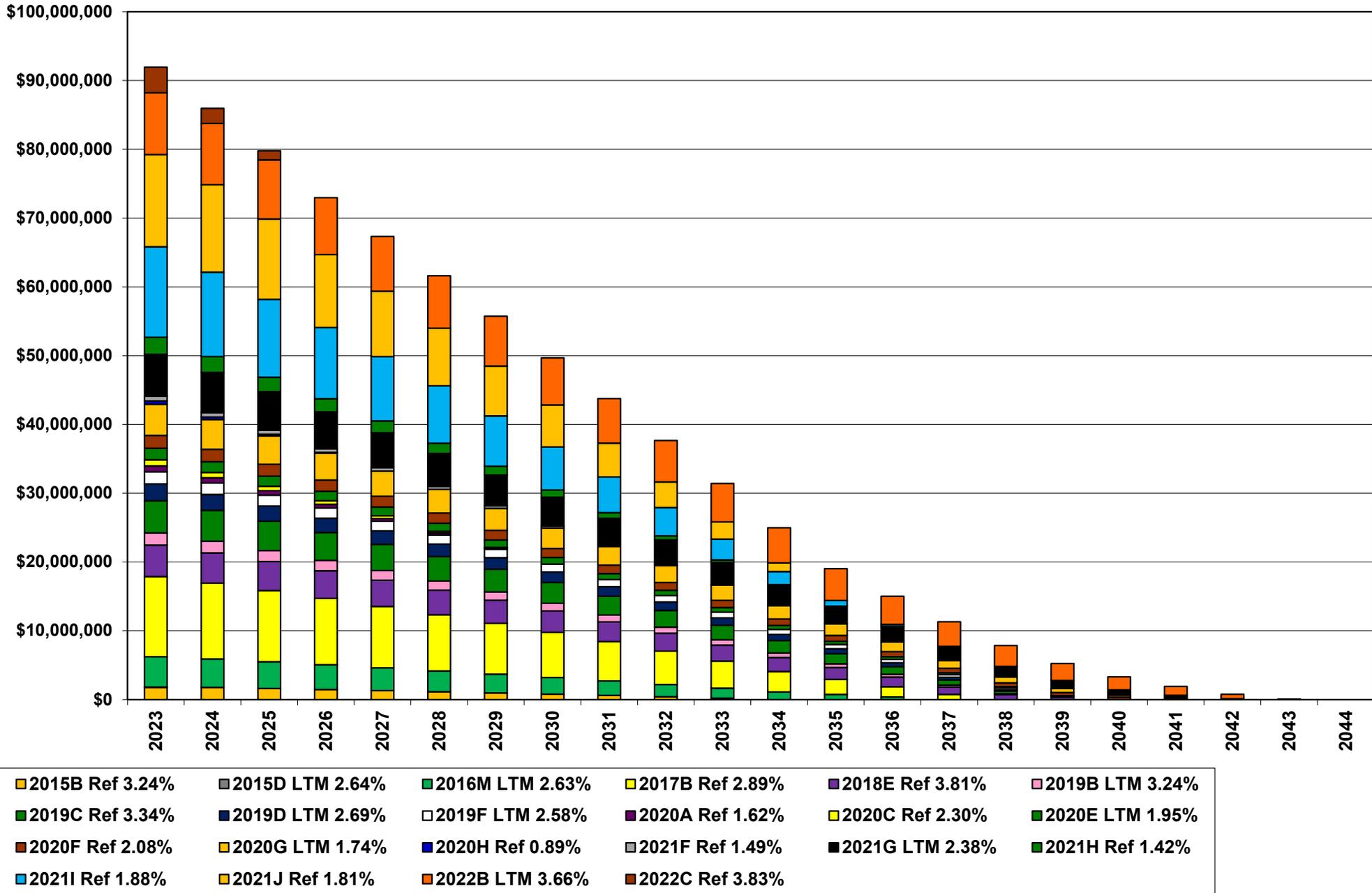
2015B Refunding	3.24%	2008B Partial (LTFM)	\$ 1,765,000
2015D Alt Facilities	2.64%	Long-Term Facilities Maintenance FY16	\$ 50,000
2016M Long-Term Maint	2.63%	LTFM FY17-18-19	\$ 4,405,000
2017B Refunding	2.89%	2008A, 2008B, 2010A, 2010D (LTFM)	\$11,670,000
2018E Refunding	3.81%	2010C Long-Term Facilities Maintenance	\$ 4,575,000
2019B Long-Term Maint	3.24%	Long-Term Facilities Maintenance FY20	\$ 1,775,000
2019C Refunding	3.34%	2009F Long-Term Facilities Maintenance	\$ 4,690,000
2019D Long-Term Maint	2.69%	Long-Term Facilities Maintenance FY20	\$ 2,440,000
2019F Long-Term Maint	2.58%	Long-Term Facilities Maintenance FY21	\$ 1,745,000
2020A Refunding	1.62%	2012B Long-Term Facilities Maintenance	\$ 860,000
2020C Refunding	2.30%	2015C Long-Term Facilities Maintenance	\$ 895,000
2020E Long-Term Maint	1.95%	Long-Term Facilities Maintenance FY21	\$ 1,675,000
2020F Refunding	2.08%	2012C, 2014A (LTFM)	\$ 1,865,000
2020G Long-Term Maint	1.74%	Long-Term Facilities Maintenance FY22	\$ 4,520,000
2020H Refunding	0.89%	2013F Long-Term Facilities Maintenance	\$ 475,000
2021F Refunding	1.49%	2012G Long-Term Facilities Maintenance	\$ 695,000
2021G Long-Term Maint	2.38%	Long-Term Facilities Maintenance FY23	\$ 6,080,000
2021H Refunding	1.42%	2013D, 2014D (LTFM)	\$ 2,490,000
2021I Refunding	1.88%	2015A, 2015E, 2016A, 2016B, 2016E (LTFM)	\$13,165,000
2021J Refundng	1.81%	2016I LTFM	\$13,390,000
2022B Long-Term Maint	3.66%	Long Term Facilities Maintenance FY24	\$ 8,985,000
2022C Refunding	3.83%	2013H Refunding of 1996 Bldg Referendum Bonds	\$ 3,725,000
Total			\$91,935,000

Existing GO Debt Service Levy For Facilities - June 30, 2023



2015B Ref 3.24%	2015D LTM 2.64%	2016M LTM 2.63%	2017B Ref 2.89%	2018E Ref 3.81%	2019B LTM 3.24%
2019C Ref 3.40%	2019D LTM 2.69%	2019F LTM 2.58%	2020A Ref 1.62%	2020C Ref 2.30%	2020E LTM 1.95%
2020F Ref 2.08%	2020G LTM 1.74%	2020H Ref 0.89%	2021F Ref 1.49%	2021G LTM 2.38%	2021H Ref 1.42%
2021I Ref 1.88%	2021J Ref 1.81%	2022B LTM 3.66%	2022C Ref 3.83%		

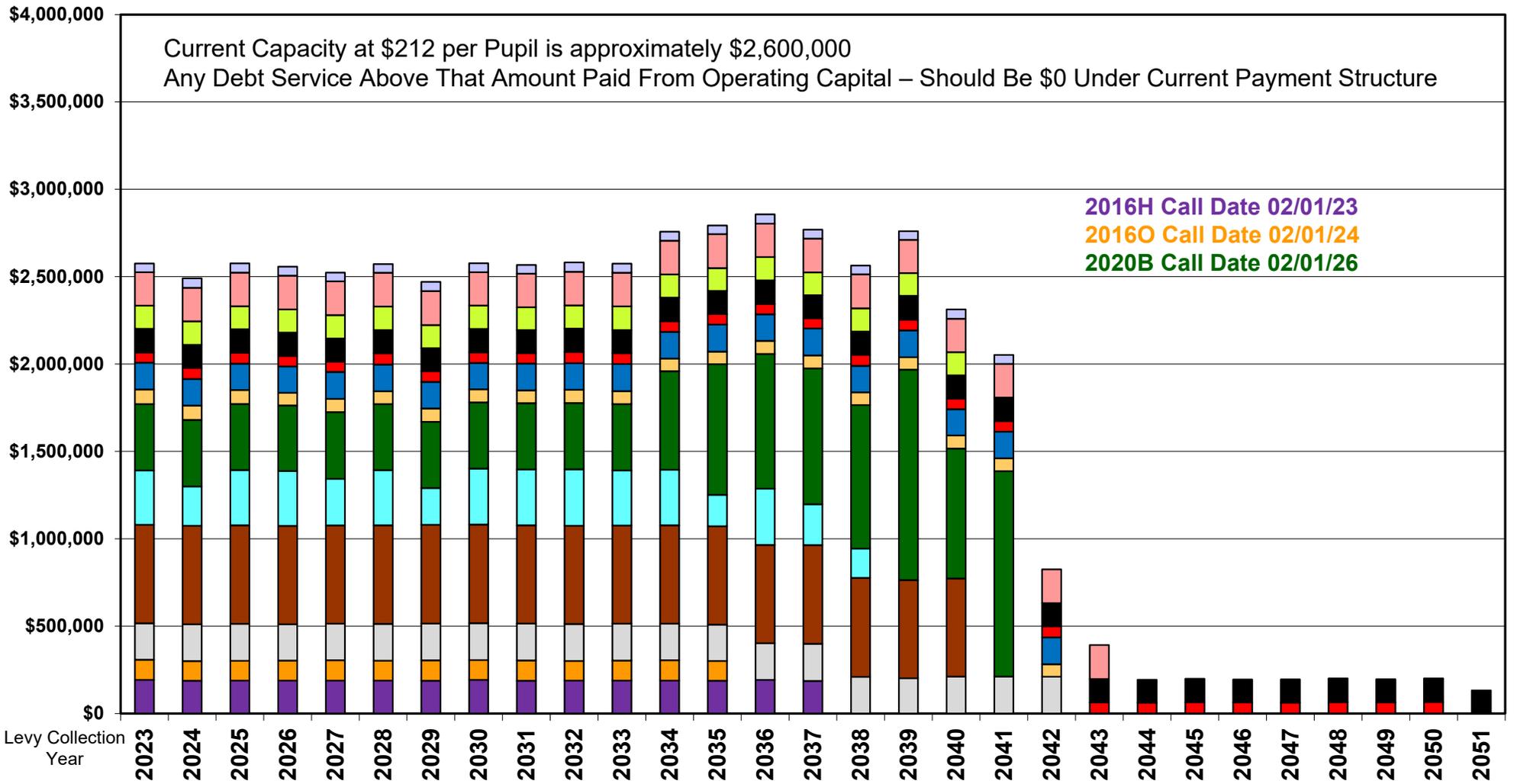
Outstanding Principal General Obligation Debt June 30, 2023



Outstanding Lease Purchase Levy Principal And Purpose June 30, 2023

2016H Refunding	3.29%	2008C MWA-SCH Classrooms	\$ 2,190,000
2016O Lease Purchase	2.96%	Hwy 7 Building Purchase	\$ 1,210,000
2017A Lease Purchase	3.64%	GRV Gymnasium	\$ 2,680,000
2019A Refunding	4.27%	2009B-2009E-2011A Elem Classrooms	\$ 6,620,000
2019E Refunding	3.03%	2010B MHS Stu Union Fine Arts	\$ 3,580,000
2020B Refunding	3.19%	2018A-2018C CSP-SCH Gymnasiums	\$ 7,695,000
2020I Refunding	2.35%	2014B ADK-EI Classrooms Tranche 1	\$ 1,170,000
2021B Refunding	2.21%	2013A EXC Gymnasium Refunding	\$ 2,385,000
2021D Lease Purchase	2.53%	Momentum Addition Tranche 1	\$ 1,205,000
2021E Lease Purchase	2.46%	Momentum Addition Tranche 2	\$ 2,700,000
2021K Refunding	2.22%	2012A Mid School-Grv Classrooms	\$ 1,920,000
2021L Refunding	2.32%	2014C ADK-EI Classrooms Tranche 1	\$ 3,120,000
2021N Refunding	2.66%	2013D SCH Classrooms	\$ 720,000
Total			\$37,195,000

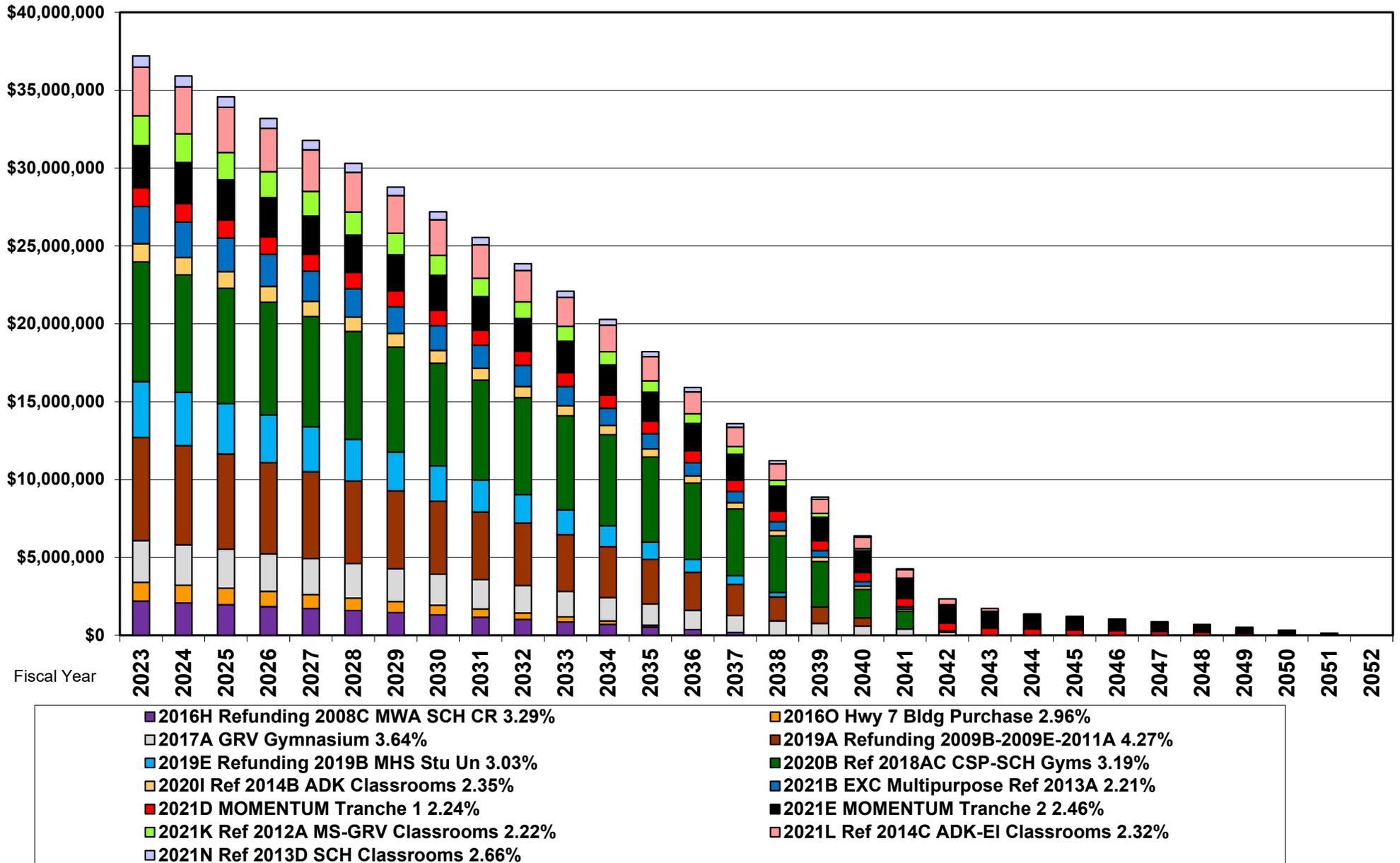
Lease Levy Funding of Lease Purchases For Facilities June 30, 2023



- 2016H Ref 2008C MWA SCH CR 3.29%
- 2017A GRV Gymnasium 3.64%
- 2019E Ref 2010B MHS Stu Un 3.03%
- 2020I Ref 2014B ADK Classrooms 2.35%
- 2021D Momentum Tranche 1 2.24%
- 2021K Ref 2012A MS-GRV Classrooms 2.22%
- 2021N Ref 2013D SCH Classrooms 2.66%
- 2016O Hwy 7 Bldg Purchase 2.96%
- 2019A Ref 2009B-2009E-2011A 4.27%
- 2020B Ref 2018AC CSP-SCH Gyms 3.19%
- 2021B EXC Multipurpose Ref 2013A 2.21%
- 2021E Momentum Tranche 2 .46%
- 2021L Ref 2014C ADK-EI Classrooms 2.32%

Outstanding Principal Lease Purchase Levy June 30, 2023

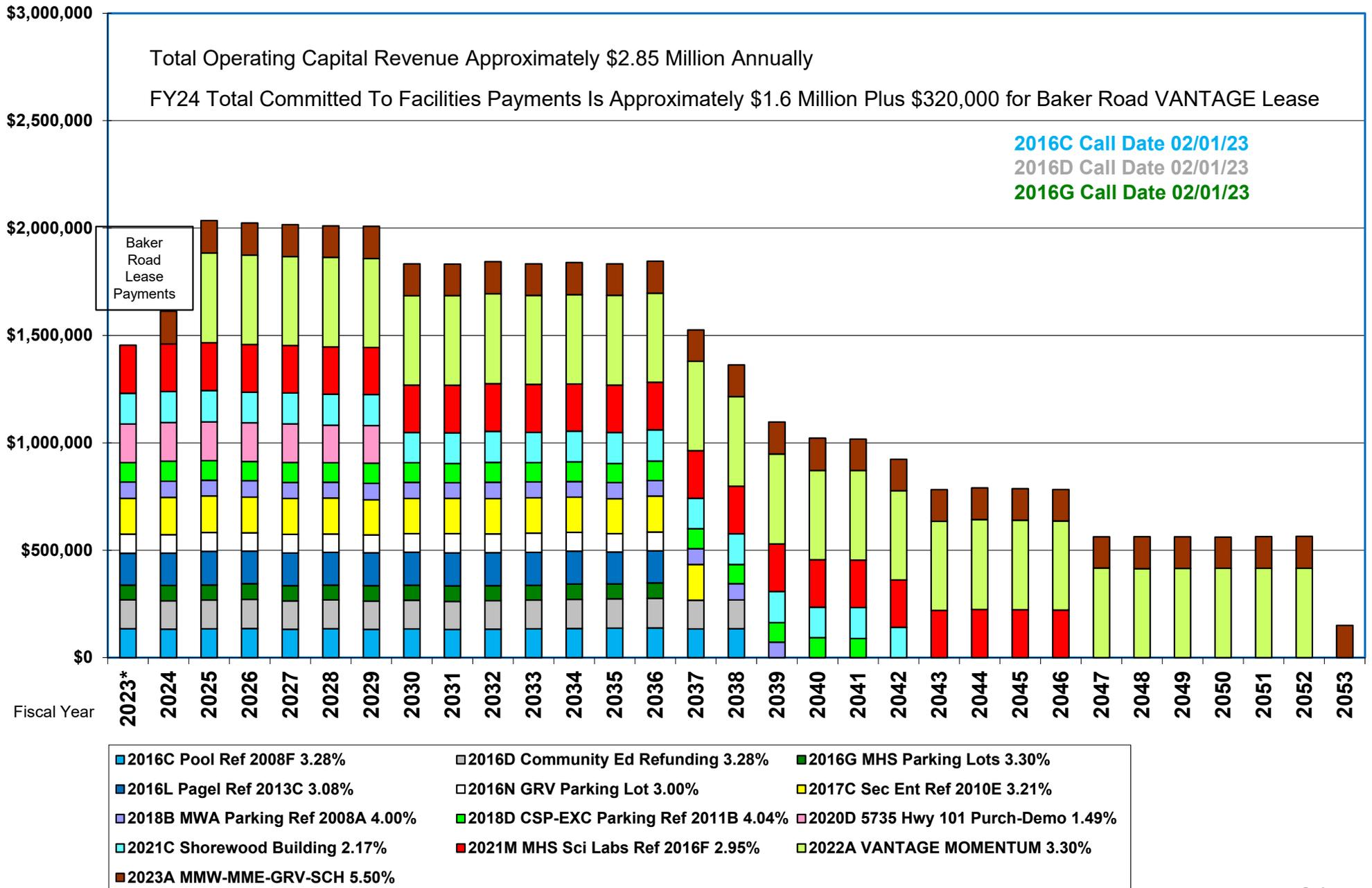
Principal Retirement Schedule



Outstanding Operating Capital Lease Purchase Principal And Purpose June 30, 2023

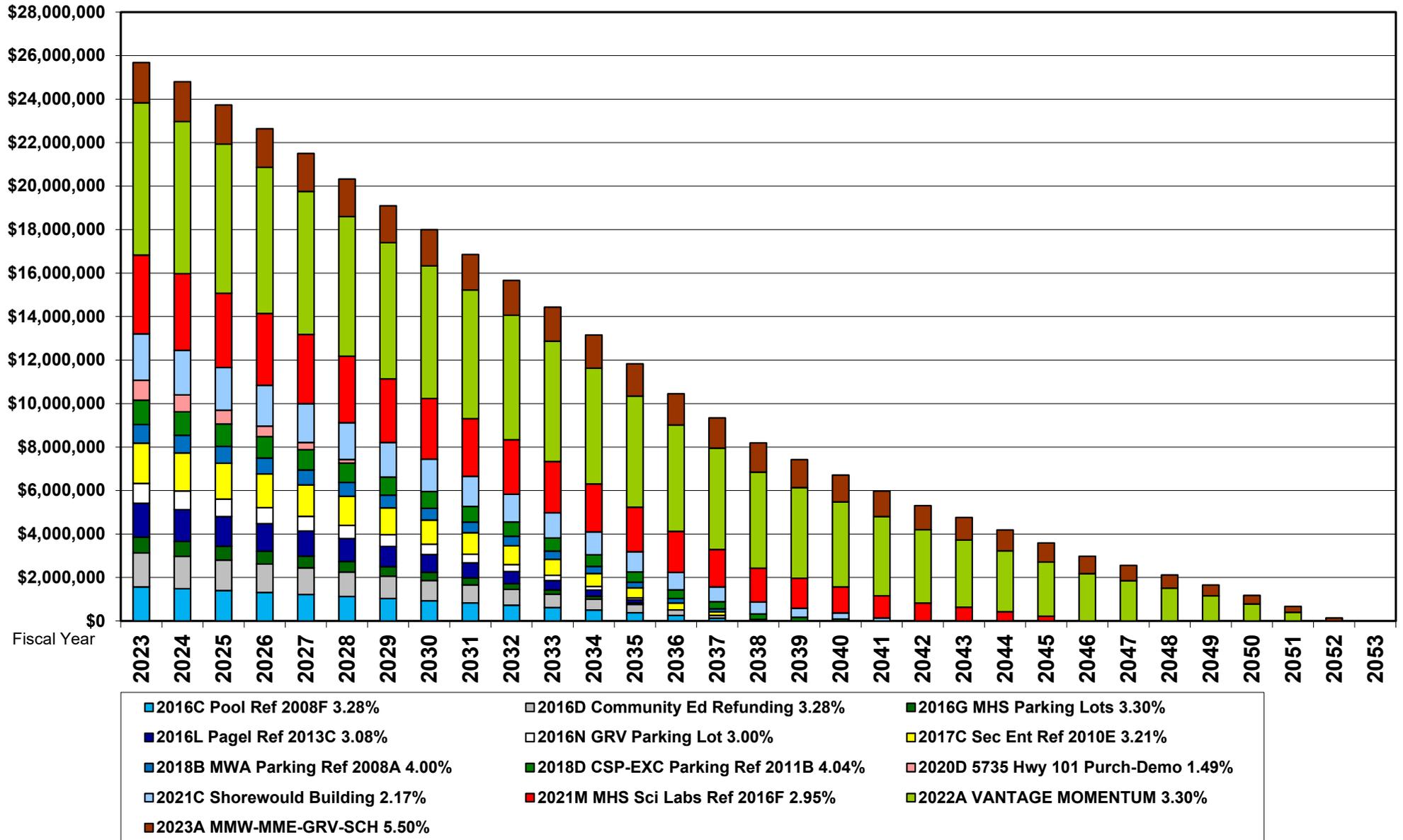
2016C Refunding	3.28%	2008F Pool Addition	\$ 1,565,000
2016D Refunding	3.28%	2008G Community Ed Additins	\$ 1,565,000
2016G Lease Purchase	3.30%	MHS Parking Lots	\$ 730,000
2016L Refunding	3.08%	2013C Pagel Purchase	\$ 1,555,000
2016N Lease Purchase	3.00%	GRV Parking Lot	\$ 915,000
2017C Refunding	3.21%	2010E Secure Entries Refunding	\$ 1,850,000
2018B Refunding	4.00%	2008A MWA Parking Lot Refunding	\$ 855,000
2018D Refunding	4.04%	2011B CSP-EXC Parking Lot Refunding	\$ 1,120,000
2020D Lease Purchase	1.49%	5735 Hwy 101 Purchase & Demo	\$ 920,000
2021C Lease Purchase	2.17%	Shorewood Building Purchase & Conv	\$ 2,125,000
2021M Refunding	2.95%	2016F MHS Science Labs	\$ 3,630,000
2022A Lease Purchase	3.30%	VANTAGE MOMENTUM Building	\$ 7,000,000
2023A Lease Purchase	5.50%	MMW-MME-EXC-SCH Classrooms	\$ 1,850,000
Total			\$25,680,000

Operating Capital Funding Of Lease Purchases For Facilities June 30, 2023



Outstanding Principal Operating Capital Lease Purchases June 30, 2023

Principal Retirement Schedule



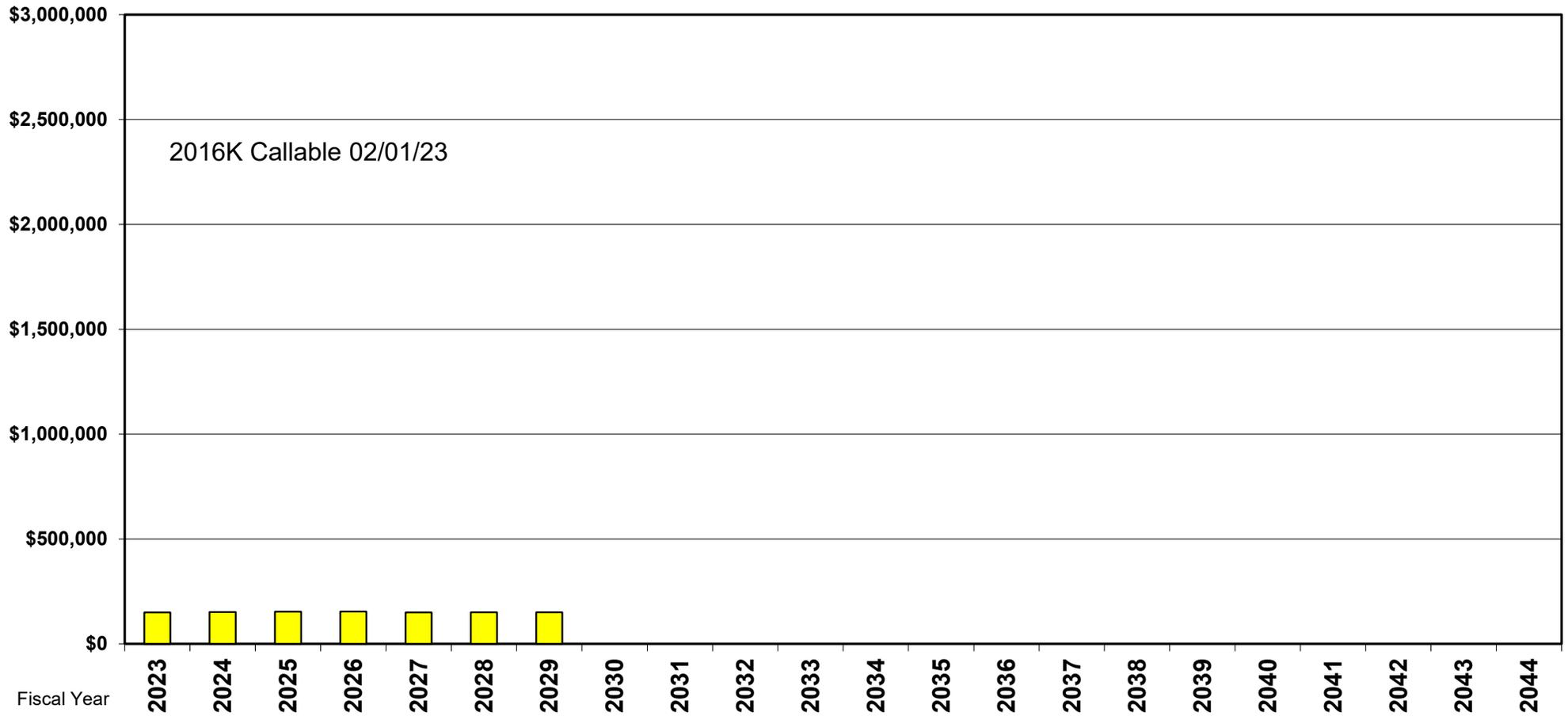
Other Funded Lease Purchase Principal And Purpose June 30, 2023

2016K Refunding	3.29%	2008D Tonka Dome*	\$ 810,000
Total			\$ 810,000

*Funded by usage fees

- Dome opened in November 2004 – FY2005 – 17 seasons of use through FY21
- Dome Bonds are paid 100% through rental revenue
- Current Dome is the collateral for the Dome Bonds
- Opened 5 months each Fiscal Year except 4 months in FY2015, FY2016 and FY2021 – FY2005 through FY2022 to date
- Through 06/30/22 the Dome has 87 months of actual use – equals 7 years and 3 months
- Dome bonds are paid off in February 2029 – FY2029
- Current Dome has to be used for 35 more months – FY2023 through FY2029 - until bonds are paid off – equal to 2 years and 11 months
- Total months of use at the end of FY2029 will be 122 months – equals 10 years and 2 months of use
- A new Dome can be financed in Spring of 2029 for use in November 2029 in FY2030 if necessary

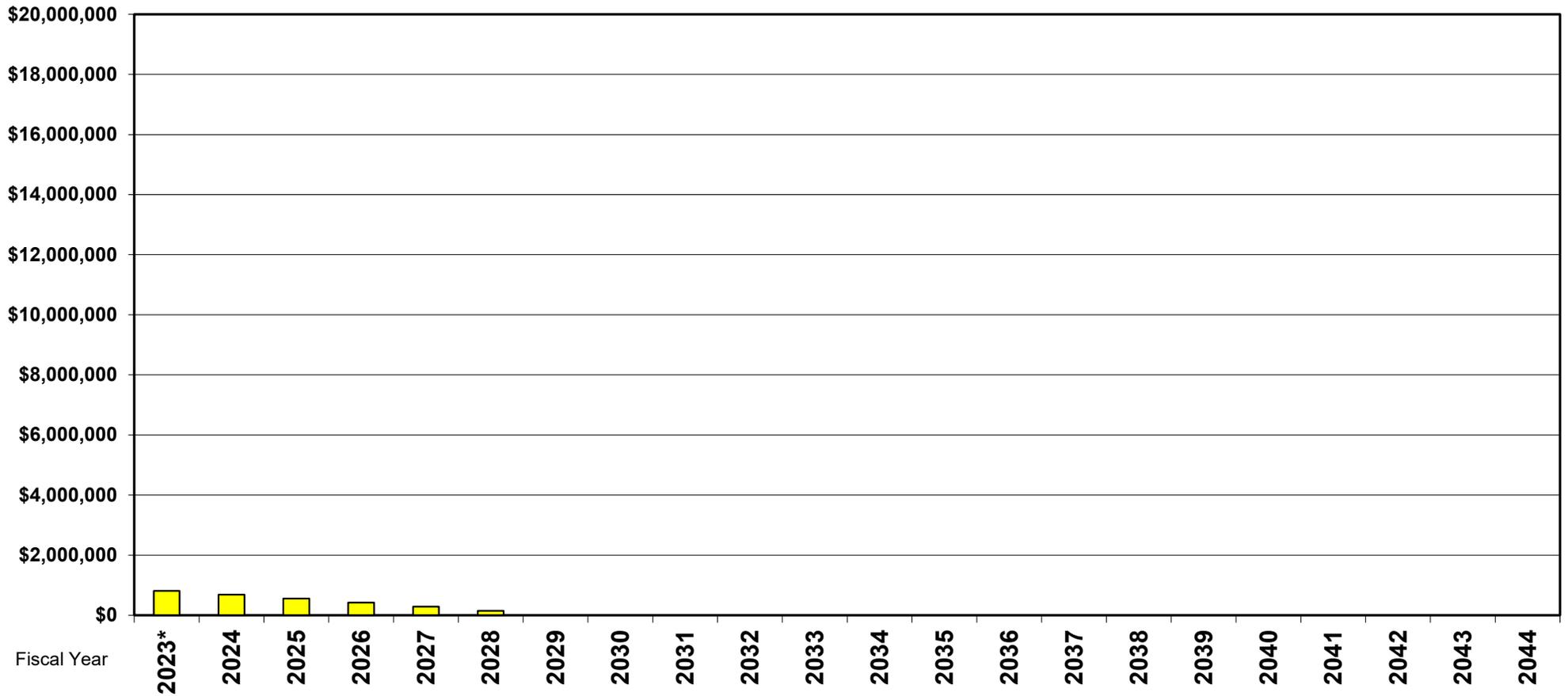
Other Funded Lease Purchases For Facilities June 30, 2023 Annual Payments



■ 2016K Dome Refunding 3.29%

Outstanding Principal For Other Funded Lease Purchases June 30, 2022

Principal Retirement Schedule



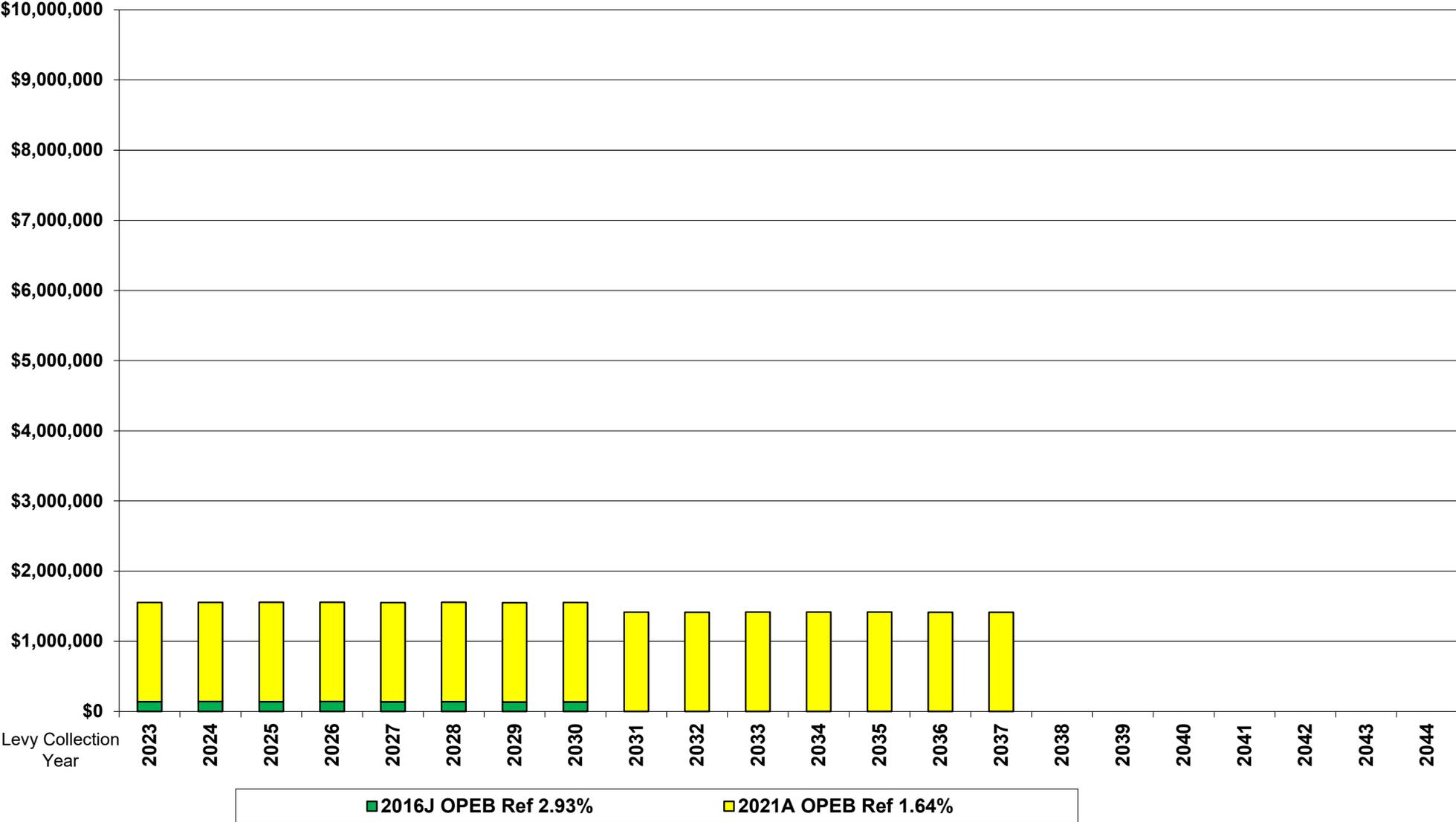
■ 2016K Dome Refunding 3.29%

Outstanding Debt Service Levy OPEB Principal June 30, 2023

2008I OPEB	6.83%	Fully Defeased By 2013E Refunding	\$0
2009A OPEB	6.24%	Fully Defeased By 2013E Refunding	\$0
2010F OPEB Part Refunding 2009A	5.05%	Fully Defeased By 2016J Refunding (Saved \$605,005)	\$0
2013E OPEB Refunding	3.01%	Fully Defeased By 2021A Refunding (Saved \$2,251,496)	\$0
2016J OPEB Refunding	2.93%	2010F OPEB Partial Ref (Saved \$123,758)	\$ 920,000
2021A OPEB Refunding	1.64%	2013E OPEB Refunding (Saved \$973,056)	\$17,680,000
Total			\$18,600,000

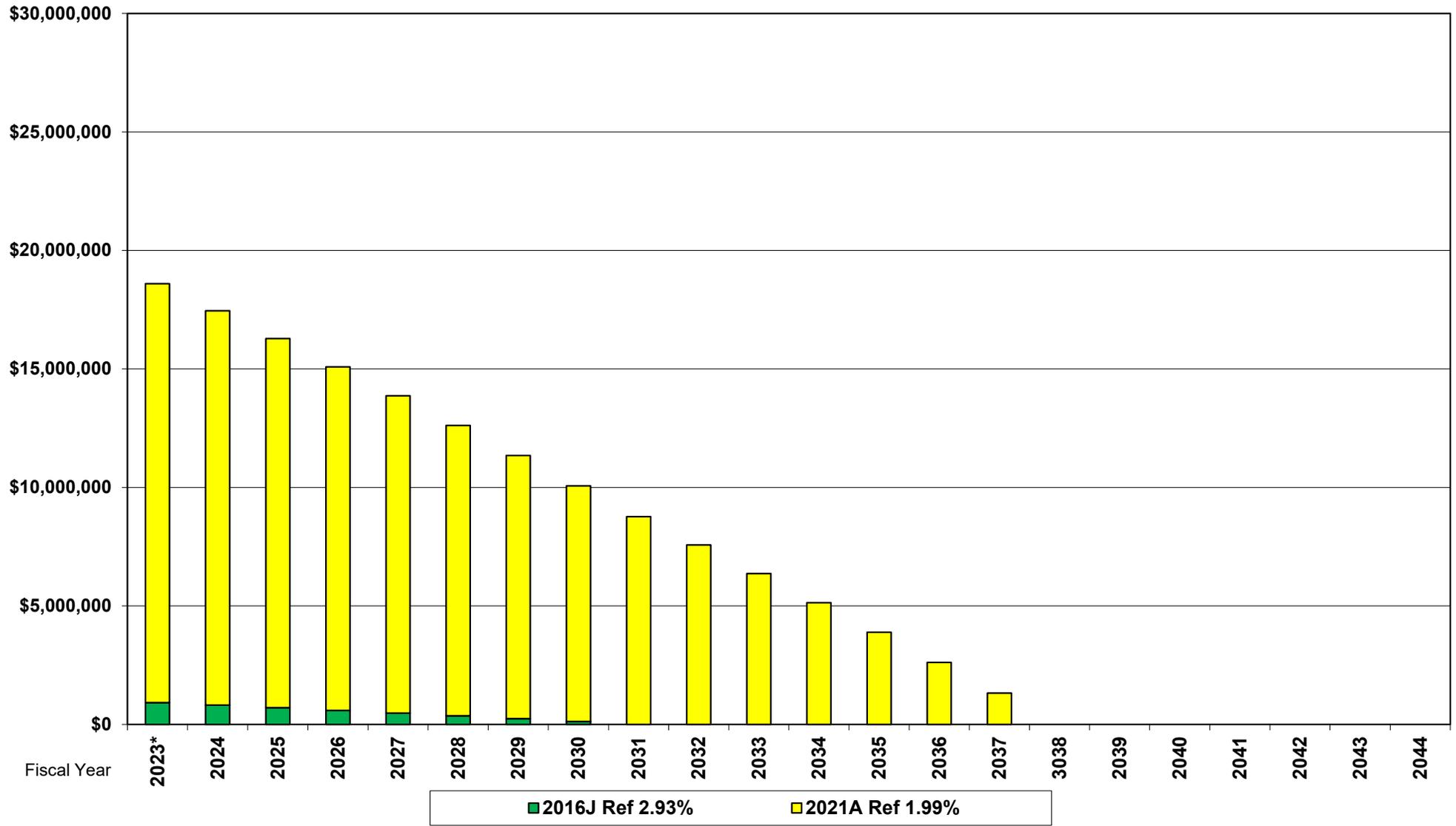
Cumulative refunding net present value savings to date of \$3,953,315

Existing GO Debt Service Levy – OPEB - June 30, 2023

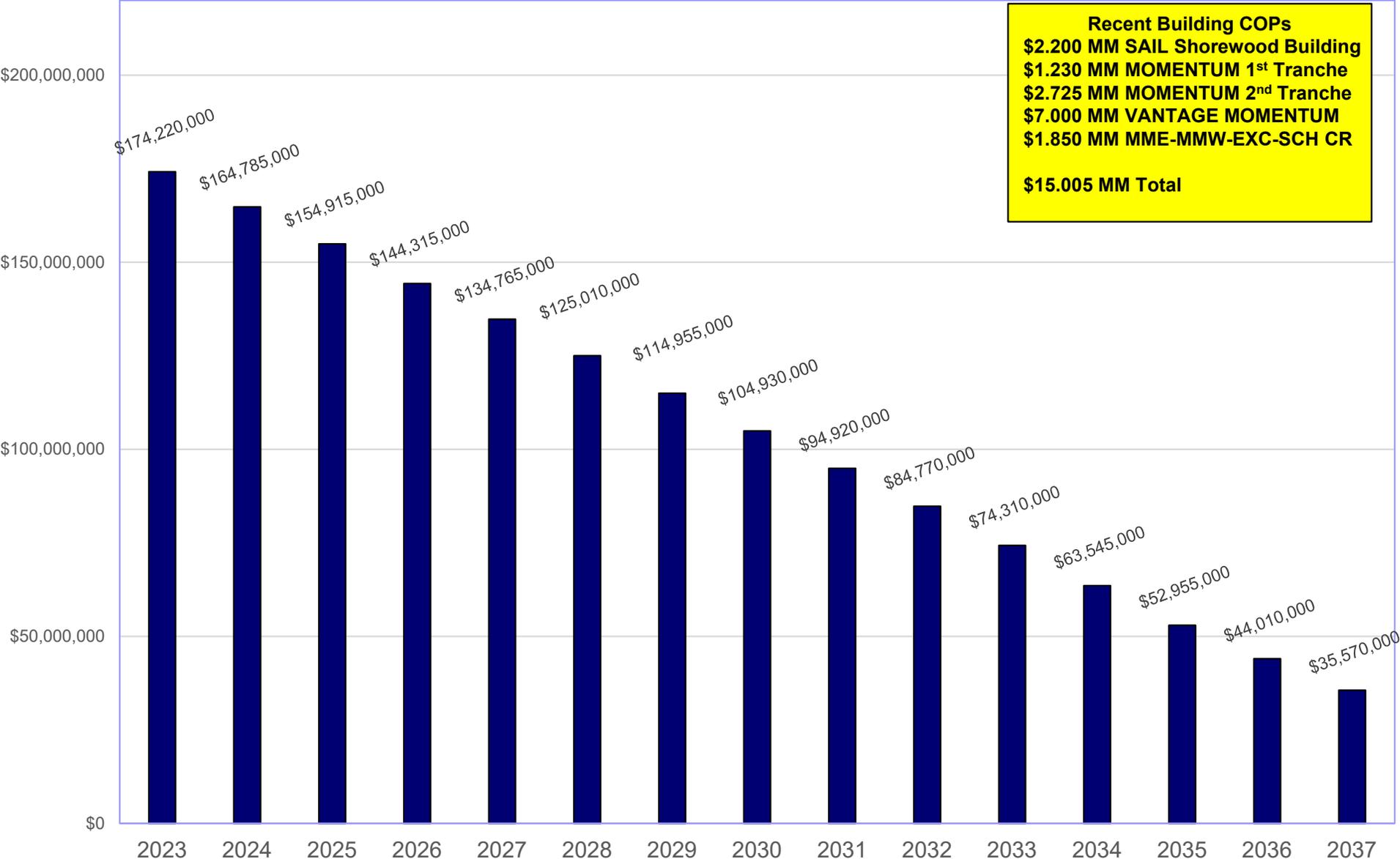


Outstanding Principal General Obligation Debt – OPEB - June 30, 2023

Principal Retirement Schedule



Outstanding Debt Principal At Fiscal Year End 2023 Actual – 2024-2037 Per Existing Payment Schedule





Moody's Bond Rating – Aaa For General Obligations Bonds

- Three school districts in Minnesota currently – ninety across the country out of over 13,000 school districts
 - Edina
 - Wayzata
 - Minnetonka (since 2010)
- Four school districts in Minnesota all-time
 - Edina
 - Wayzata
 - Minnetonka
 - Rochester (1996-2002)

Maintaining the Aaa Rating

- Excerpts from 2023A COP Rating Writeup
- *New York, December 16, 2022 -- Moody's Investors Service has affirmed Minnetonka Independent School District 276, MN's Aaa issuer rating and assigned a Aa1 rating to the district's \$1.85 million Certificates of Participation, Series 2023A. Moody's maintains the district's Aaa general obligation unlimited tax (GOULT) rating, Aa1 ratings on outstanding certificates of participation (COPs) issued for more essential purposes and Aa2 ratings on outstanding certificates of participation (COPs) issued for less essential purposes.*
- **FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATINGS**
- *- Not applicable*
- **FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATINGS**
- *- Considerable weakening of the district's tax base or resident incomes*
- *- Weakening of reserves or liquidity*
- *- Material increases to the debt burden or unfunded retirement liabilities*

Calendar 2023 through 2027 Activity

- Constantly monitoring all bonds for refunding opportunities – refundings listed below are contingent on interest rates starting to decline
- **Calendar 2023**
 - 5 potential refunding COP bonds if rates drop
 - 1 refunding LTFM bond if rates drop
 - 1 LTFM bond for FY25 for 54% of summer 2024 work (remainder to follow in June 2024)
- **Calendar 2024**
 - 2 refunding COP bonds
 - 1 refunding LTFM bonds
 - 1 LTFM bond for remainder of summer 2024 work
 - 1 LTFM bond for FY26 for summer 2025 work
- **Calendar 2025**
 - 6 refunding COP bonds
 - 5 refunding LTFM bonds
 - 1 LTFM bond for FY27 for summer 2026 work
- **Calendar 2026**
 - 3 refunding COP bonds
 - 2 refunding LTFM bonds
 - 1 LTFM bond for FY28 for summer 2027 work
- **Calendar 2027**
 - 3 refunding COP bonds
 - 3 refunding LTFM bonds
 - 1 LTFM bond for FY29 for summer 2028 work

Calendar 2023 through 2027 Activity

- Constantly monitoring all bonds for refunding opportunities – refundings listed below are contingent on interest rates starting to decline
- **Calendar 2023**
 - 5 potential refunding COP bonds if rates drop
 - 1 refunding LTFM bond if rates drop
 - 1 LTFM bond for FY25 for 54% of summer 2024 work (remainder to follow in June 2024)
- **Calendar 2024**
 - 2 refunding COP bonds
 - 1 refunding LTFM bonds
 - 1 LTFM bond for remainder of summer 2024 work
 - 1 LTFM bond for FY26 for summer 2025 work
- **Calendar 2025**
 - 6 refunding COP bonds
 - 5 refunding LTFM bonds
 - 1 LTFM bond for FY27 for summer 2026 work
- **Calendar 2026**
 - 3 refunding COP bonds
 - 2 refunding LTFM bonds
 - 1 LTFM bond for FY28 for summer 2027 work
- **Calendar 2027**
 - 3 refunding COP bonds
 - 3 refunding LTFM bonds
 - 1 LTFM bond for FY29 for summer 2028 work

Estimating The Future – Other Bonds

- Bonds will be continuously evaluated for savings and-or restructuring at call dates depending on the circumstances and capital needs at the time
- Long-Term Facilities Maintenance continues yearly
- MOMENTUM addition and VANTAGE MOMENTUM have increased high school capacity
 - MOMENTUM addition adds 45 student capacity to grades 9-12 facilities
 - VANTAGE MOMENTUM building adds 300 student capacity to grades 9-12 facilities - 300 in the morning and 300 in the afternoon
 - Highway 7 Building will have capacity but will likely need significant modifications for its next use
 - Lots of potential – “Swiss Army Knife” of a building
 - Has hosted many different uses since District purchased it in 2016

Estimating The Future – Other Bonds

- Interest rate increases are limiting the amount of principal that can be borrowed through Lease Levy COPs and Operating Capital COPs

- Cost of any future additions after MOMENTUM addition are being driven up dramatically
 - Double-digit construction inflation for several years – 49% increase since 2015 through December 2022
 - Tornado shelter building code for additions housing 50 double-digit construction inflation is driving up the

- Lease Levy Revenue and Operating Capital Revenue for COP borrowing is very near its limit
 - Operating Capital bond payment capacity is fully utilized through Fiscal 2026 – after refunding 2016G, 2016L and 2016N the District will gain bonding capacity of \$2-\$3 million
 - Lease Levy Revenue bond payment capacity is fully utilized through Fiscal 2025 – after refunding 2016H and 2016O the District will gain bonding capacity of approximately \$2 million

- For future major construction needs costing more than the aforementioned amounts, a building bond referendum will most likely be needed

- Any building bond referendum election will be the first since 1996



Questions?