

MINNETONKA INDEPENDENT SCHOOL DISTRICT #276
District Service Center
5621 County Road 101
Minnetonka, Minnesota

Minutes of March 3, 2022 Regular Board Meeting

The School Board of Minnetonka Independent School District #276 met in regular session at 7:00 p.m. on Thursday, March 3, 2022 in the Community Room at the District Service Center, 5621 County Road 101, Minnetonka, Minnesota. Chairperson Chris Vitale presided. Other Board members present were: Mark Ambrosen, Katie Becker, Patrick Lee-O'Halloran, John Odom, Meghan Selinger, Lisa Wagner and Superintendent Dennis Peterson, ex officio. The meeting was also livestreamed on the District's YouTube channel.

Prior to the meeting, the Board recognized, via a video, the DSC Honored Artists from MME and MMW; All-State Musicians and MNSota Middle Level Honors Orchestra Members; Scholastic Art and Writing Award Honorees; First Lego League State Qualifiers (Team Spike+); Varsity Cheerleading National Qualifiers; Middle School Cheerleading State Qualifiers; Boys and Girls Alpine Skiing State Champions; Boys and Girls Nordic Skiing State Qualifiers; Unified Basketball State Qualifiers; and Sue Rockers (Nominee, Lifechanger of the Year Award).

Chairperson Vitale called the regular meeting to order and asked that everyone stand and recite the Pledge of Allegiance to the Flag.

1. **AGENDA**

Wagner moved, Becker seconded, that the School Board approve the agenda as presented. Upon vote being taken thereon, the motion carried unanimously.

2. **SCHOOL REPORT: DEEPHAVEN ELEMENTARY**

Deephaven Elementary Principal Bryan McGinley provided an update on how Deephaven is building community among students, staff and parents. He also shared how Deephaven is offering students the opportunity to be empowered through program offerings.

3. **COMMUNITY COMMENTS**

Chairperson Vitale noted that this opportunity for comment was available to community members who wished to address the Board on any item on that night's agenda. No one responded to the invitation to speak.

4. UPDATE ON SUPERINTENDENT SEARCH

Board Clerk Wagner, who is Chair of the Superintendent Search Sub-committee, provided an update on the School Board's search for a superintendent who will follow Dr. Dennis Peterson, who is retiring in July of 2022 after serving in Minnetonka since 2001.

Clerk Wagner said that after the first three interviews, which were conducted on March 1 and 2, the Board decided to eliminate one candidate and to interview additional candidates. The search firm has identified one additional candidate to present at this time and will present two more in the coming days. The following information on Candidate F was then presented:

Candidate F – Education

- PhD, University of Minnesota
- MS, Southwest State University
- BS, Mankato State University

Candidate F – Experience

- Assistant Superintendent – 5 years
- Director, Teaching and Learning
- Coordinator, Curriculum and Instruction
- Principal
- Adjunct Professor
- Teacher

Wagner moved, Ambrosen seconded, that the Board approve Candidate F for an interview. Upon vote taken thereon, the motion carried unanimously.

The Board will interview Candidate F on Monday, March 7 at 5:15 p.m. at the District Service Center. The interview will be open to the public. Updates to the search process will continue to be added to the "Superintendent Search" page on the District website.

In the discussion that followed, Board members agreed to move the Board's upcoming study session from March 17 to March 24 to accommodate the additional superintendent candidate interviews.

Note: Candidate F was subsequently identified as Dr. Amy Ladue, Assistant Superintendent for Instruction at Minnetonka Schools.

5. **ADOPTION OF AMENDED FY22 BUDGET**

Executive Director of Finance and Operations Paul Bourgeois presented this item to the Board. He explained that the District continually monitors actual revenue and expenses against budgeted amounts throughout the year, and typically makes mid-year budget adjustments to reflect any changes in revenue and expense projections that have materialized in the first 6-7 months of the year.

For FY22, almost exclusively because of the continuation of the Pandemic into its third calendar year, there have been more adjustments than usual due to the impact of the COVID-19 Pandemic on the cost of delivering instruction in a safe manner and providing opportunities for learning loss recovery for students.

The FY2022 Amended Budget projects the following amounts for the General Fund:

<i>General Fund Revenues</i>	<i>\$144,135,570</i>
<i>General Fund Expenses</i>	<i>\$145,242,392</i>
<i>Projected Revenues Over (Under) Expenses</i>	<i>\$ (1,106,822)</i>
<i>Net Change in Fund Balance</i>	<i>\$ (1,106,822)</i>
<i>Projected Ending Unassigned Fund Balance</i>	<i>\$ 23,727,906</i>
<i>Unassigned Fund Balance as Percent of Expenses</i>	<i>16.3%</i>
<i>Net Change in Unassigned Fund Balance From FY21</i>	<i>\$ (360,790)</i>

Mr. Bourgeois noted that the FY23 Budget is in the process of development during the months of February through May for final approval in June prior to the start of FY23 on July 1, 2022. Initial projections are included for informational purposes, but as part of the FY23 budget process, updated projections including any changes by the Legislature for FY23 and subsequent years will be presented at that time.

Ambrosen moved, Odom seconded, that the Board approve the following motion:

BE IT RESOLVED, that the School Board of Minnetonka Independent School District 276 does hereby approve amendments to the Fiscal Year 2022 Budget for all funds as presented in the District fund projections for Fiscal Year 2022 as of March 3, 2022, including General Fund Revenues of \$144,135,570 and General Fund Expenditures of \$145,242,392.

Upon vote being taken thereon, the motion carried unanimously.

6. **ADOPTION OF SELF-INSURANCE FUND RATES FOR FY23**

Mr. Bourgeois said he was pleased to present this item to the Board. He noted that the District has had a Self-Insurance Fund for health and dental insurance since Fiscal

Year 2001 (FY2001). In the 20-year period since FY2002 after the fund established its reserve, average premium increases have been 3.51%, significantly below regional health insurance cost trends over that same time. For FY22, the Health Insurance Plan through January is running at a pace that projects to a continued surplus at year end. Projections for June 30, 2022 indicate a potential cash-basis surplus estimated at \$920,458.26, or 6.3% of projected expenses. This would follow on the FY20 cash-basis surplus of \$2,837,639.11, or 23.3% of actual expenses, and \$1,840,117.32, or 13.2% of actual expenses. Both the FY20 and FY21 surpluses were primarily the result of the onset of the COVID-19 pandemic. It is important to note that medical premiums were increased 2.2% for FY21 – set in February 2021 prior to the time the COVID-19 shut down was announced in March 2021, and premiums were held steady at 0.0% increase for FY22. FY22 Medical Claims of \$7,642,706.82 through January 2022 are running approximately \$770,000 above the January 2021 level of \$6,871,602.14. FY22 Administrative expenses are running flat with January 2021. FY22 Revenues are running flat with January 2021.

Mr. Bourgeois explained that given that the Health Insurance Plan is on pace to generate a cash surplus during the period of FY20-FY21-FY22 of \$5,698,214, including a 6.3% surplus for FY22, it is prudent to project forward for FY23 using a 0.0% increase in health insurance premium rates. That 6.3% cushion of ongoing revenue over ongoing health care expenses for FY22 is still available to offset ongoing health care expenses in FY23. Given that the Health Insurance Plan is on pace to generate a cash surplus during the period of FY20-FY21-FY22 of \$252,073, including a 4.0% surplus for FY22, it is prudent to project forward for FY23 using a 0.0% increase in dental insurance premium rates, because that 4.0% cushion of ongoing revenue over ongoing dental care expenses for FY22 is still available to offset ongoing dental care expenses in FY23.

After discussion of the data and information, and in consideration of the strong financial position that the Self-Insurance Fund is in, the Self-Insurance Advisory Committee voted unanimously 11-0 to recommend to the School Board that Health Insurance premiums and Dental Insurance premiums remain at the same levels for FY23 – a 0.0% increase in common parlance.

Wagner moved, Lee-O'Halloran seconded, that the Board approve the following motion:

BE IT RESOLVED, that the School Board of Minnetonka Independent School District 276 does hereby set Health Insurance Premium rates and Dental Insurance Premium rates for the Self-Insurance Trust Fund for fiscal year 2023 at the same level as fiscal year 2022.

Upon vote being taken thereon, the motion carried unanimously. Board member Wagner thanked the committee for all of its work and diligence to present a “no increase” and noted that all of the District’s employees work hard to achieve that.

7. UPDATE ON TRAINING WITH SEARCH INSTITUTE

Assistant Superintendent for Instruction Dr. Amy LaDue and Director of Teacher Development Sara White presented this item to the Board. They noted that in the 2021-22 school year, the District had set a goal of Excellence in Student Well-being and Belonging. The District goal states the following:

The Minnetonka School Board and District Administration believe a commitment to world-class, child-centered excellence strengthens Minnetonka Public Schools. The well-being and belonging of students are both continuing priorities for families and for the District. Aligning and integrating student well-being and belonging together will ensure all students have the supports needed to achieve their personal best. In 2021-22, the District will continue the development and implementation of strategies that support families' desires to have their students be socially and emotionally strong and that provide the necessary level of support to students for their academic, social and emotional well-being. The efforts will include:

- *Planning and Implementation of mandatory training sessions for staff and School Board, providing them with tools, supports and resources to help them create and maintain a welcoming, inclusive, and safe school environment for all*
- *Incorporate training into staff and School Board onboarding activities*
- *Survey staff to evaluate training effectiveness after each session to ensure staff have the tools they need*

Dr. Ladue and Ms. White then updated the Board on the effectiveness of the training with the Search Institute, including direct feedback from teachers and other front-line staff. Dr. LaDue said that developmental relationships lead to a sense of belonging, motivation and perseverance, positive school climate and feeling connected, feelings of inclusion, higher GPAs, a strong sense of mattering and personal responsibility. She said this work aligns closely with this year's Board goals and that this work is empowering staff with the tools, insights and knowledge to strengthen relationships with each student in order for them to thrive.

Board member Becker asked about actionability and noted that was one of the slides that indicated a lower score. She wondered whether there were additional comments or ideas that emerged. Ms. White said it was likely that the staff were expecting to get more direction from the Search Institute, but that wasn't the focus of where the Search Institute was beginning with the training. This is a foundational start and that will come as next steps, as the District's specific needs and then steps are prioritized. Board member Becker also asked about the slide that said staff felt they didn't have resources, and can we find out which buildings have staff who feel as though they don't have enough support. Dr. LaDue confirmed that we have identified that and have communicated that information with principals and are supporting those needing additional help. Ms. Becker also said they are excited to hear the summer training will happen.

8. UPDATE ON VANTAGE/MOMENTUM BUILDING

Mr. Bourgeois said he was very excited to present this update to the Board. He noted that at the October 7, 2021 Board meeting, the Board had approved construction of a 36,300-square-foot building on District-owned land at 5735 County Road 101 (adjacent to Clear Springs Elementary School) to house the VANTAGE Advanced Professional Studies program and some of the MOMENTUM Design and Skilled Trades program. This construction project will be the first one in 56 years to construct an all-new building since ground was broken 56 years ago for the Scenic Heights Elementary School construction project in 1966.

Mr. Bourgeois noted that the project has passed through the approval processes with the Minnesota Department of Education, the Riley Purgatory Bluff Creek Watershed District, the City of Minnetonka Planning Commission, and the Minnetonka City Council. Mr. Bourgeois then updated the Board on next steps of the project and showed the latest computer-generated images of the interior and exterior of the building. If all goes well, bids for the project will be presented to the Board in late April for approval, with ground breaking following shortly thereafter.

9. CONSENT AGENDA

Wagner moved, Ambrosen seconded, that the School Board approve the recommendations included within the following Consent Agenda items:

- Minutes of February 3, 2022 Regular Meeting
- Payment of Bills
- Recommended Personnel Items – as shown in Addendum A.
- Gifts and Donations for February 2022: \$300.00 from the Blackbaud Giving Fund and \$20.00 from Target c/o Cyber Grants, LLC, both to be placed in the Deephaven Elementary School Trust Account. \$352.00 from the Benevity Community Fund and \$47.77 from Brent Rickenbach, both to be placed in the Scenic Heights Elementary School Trust Account. \$7,230.34 from the MME PTO, \$32.51 from U'Sagain, LLC, and \$60.00 from the Blackbaud Giving Fund, all to be placed in the MME Principal Discretionary Fund. \$496.00 from the Blackbaud Giving Fund to be placed in the Excelsior Elementary School Principal Discretionary Fund. A Southpaw Steamroller Deluxe and 1 pack replacement bands from Tiffany Tully to be donated to Groveland Elementary School. \$3,740.00 from the Vertical Raise Trust Act to be placed in the MHS Athletics Baseball Program Account. \$100.00 from the Minnetonka Skippers Booster Club to be placed in the MHS Bowling Club Account. \$100.00 from the Minnetonka Skippers Booster Club to be placed in the MHS Lettering & Design Club Account. \$100.00 from the Minnetonka Skippers Booster Club to be placed in the MHS Figure Skating Club Account. \$100.00 from the Minnetonka Skippers Booster Club to be placed in the MHS Photography Club Account. A cello, cello bows and case from Melissa Van Holland to be donated to the MHS Orchestra Program. \$1,000.00 from Haug Enterprises, Inc. to be placed in the MHS Theatre

Program Account. \$440.00 from the Blackbaud Giving Fund to be placed in the MHS Principal Discretionary Fund. \$100.00 from the Minnetonka Skippers Booster Club to be placed in the MHS Photography Club Account. \$100.00 from the Minnetonka Skippers Booster Club to be placed in the MHS Service Club Imagine Account. \$100.00 from the Minnetonka Skippers Booster Club to be placed in the MHS Hope House Club Account. \$100.00 from the Minnetonka Skippers Booster Club to be placed in the MHS Tonka Serves Steering Committee Account. \$100.00 from the Minnetonka Skippers Booster Club to be placed in the MHS K-Pop Dance Club Account. \$100.00 from the Minnetonka Skippers Booster Club to be placed in the MHS Latin Club Account. Total Gifts and Donations thus far for 2021-22: \$245,740.84.

- Electronic Fund Transfers – as shown in Addendum B.

Upon vote being taken on the foregoing Consent Agenda items, the motion carried unanimously.

10. **BOARD REPORTS**

Board member Selinger noted that Minnetonka Community Education is currently accepting nominations for its Hall of Fame awards.

11. **SUPERINTENDENT'S REPORT**

Dr. Peterson said the District has implemented the change in the mask policy adopted by the Board last week. He said he's been in school buildings and there are some students masked but many are not. There is no evidence of students being disrespectful of others for masking or not, which was an initial concern by some. Also, the CDC loosened restrictions of masking on buses, so the District has implemented that change. Also, the District made the changes Dr. Peterson described to the community on the five-day isolation option. He said the District will continue to watch the case counts.

12. **ANNOUNCEMENTS**

There were no announcements this evening.

13. **ADJOURNMENT**

Wagner moved, Ambrosen seconded, adjournment to closed session to discuss negotiations at 8:55 p.m. Upon vote being taken thereon, the motion carried unanimously.



Lisa Wagner, Clerk