

Official School Board Minutes Regular Meeting of the School Board November 20, 2018

The regular meeting of the Board of Education of Independent School District 270 was conducted on Tuesday, November 20, 2018, in the Boardroom of the Eisenhower Community Center. The meeting was called to order at 7:02 p.m.

School Board members present: Chair Wendy Donovan, Vice Chair Kris Newcomer, Treasurer Steve Adams, Directors Fartun Ahmed, Jen Bouchard, and Chris LaTondresse
School Board member absent: Director Dave Larson

Student Board rep present: Joe Ramlet (grade 11)
Student Board reps absent: None

Staff members present: Superintendent Rhoda Mhiripiri-Reed
Director of Business Services/Board Clerk John Toop
Staff members absent: None

Student Recognition:

Board members congratulated several Hopkins High School students who earned awards for their work on the Royal Page website and/or the Regalia (yearbook).

Open Agenda:

There were no requests to address the Board during the Open Agenda portion of the meeting.

Reports:

Student Board Representative: Ramlet updated Board members on events/activities taking place at Hopkins High School.

Superintendent: Superintendent Mhiripiri-Reed shared an overview of the work being done by 200+ volunteers on ten different Strategic Visioning Groups for the Great to World Class initiative, noting that each group presented their final recommendations the previous evening.

Approval of Agenda:

Adams moved, LaTondresse seconded, to approve the agenda as presented. Carried.

Consent Calendar:

Bouchard moved, Newcomer seconded, to approve the Consent Calendar as presented:

√ Approval of Minutes — Regular Meeting Conducted on October 23, 2018

- ✓ Human Resources — Personnel Updates
 - ✓ Policies in Second Reading [250, 255, 524, 954]
 - ✓ Market Adjustment— Technology & Information Services
 - ✓ Employee Contract — Kids & Company/Stepping Stones
 - ✓ Citizens Financial Advisory Committee (CFAC) Membership
 - ✓ Employee Settlement Agreement/Resolution
 - ✓ Police Liaison Officer Agreement with City of Minnetonka, 2019
 - ✓ Field Trip — Out-of-State [Girls Basketball to Sioux Falls, SD]
- Carried. Exhibit "A"

Treasurer's Report:

Treasurer Adams highlighted the enrollment report for the month of November, noting that it is down 16 students since October 1, but still 125 over what was projected. He noted that as of October 31, the District is 33% into the fiscal year, with 22% of the budget expended. He then reviewed the Treasurer's Report, highlighting expenses of interest. With that, Adams moved, Bouchard seconded, to approve disbursements in the amount of \$4,820,629.69 for the period of October 13, 2018 through November 12, 2018. Carried. Exhibit "B"

District Audit Report, 2017-18:

John Toop, Director of Business Services, and Suzanne Johnson, District Controller, and Michelle Hoffman from the accounting/audit firm of CliftonLarsonAllen, presented the audit report for fiscal year 2018. The audit includes 3 reports — 1) the Executive Audit Summary (EAS); 2) the Schedule of Expenditures of Federal Awards and Other Required Reports; and 3) the Comprehensive Annual Financial Report (CAFR), which is not something all school districts choose to do.

Hoffman highlighted the audit results through a PowerPoint extracting the highlights of the 150+-page reports:

- ✓ Audit Opinion — The financial statements are fairly stated. The firm issued what is known as a "clean" or "unmodified" audit opinion (this is as good as the firm can give).
- ✓ Yellow Book Compliance — No compliance issues were noted in the review of laws, regulations, contracts and grants that could have significant financial implications to the District.
- ✓ Internal Controls — No material weaknesses in internal controls over financial reporting were noted.
- ✓ Single Audit — There were no findings reported in regard to the requirements for the major federal programs tested (Special Education and Child Nutrition).
- ✓ MN Legal Compliance — Three minor compliance issues were reported with respect to Minnesota Statutes.
- ✓ Student Activities — No compliance findings were noted.

She then shared information surrounding:

- ✓ audited fund balances — general fund;
- ✓ audited fund balances — other funds;
- ✓ student enrollment — ADMs served and open enrollment
- ✓ General Fund — operations, revenue sources, expenditures by object,
- ✓ Food Service Fund — operations, meals served
- ✓ Community Service Fund — operations

Toop and Hoffman responded to Board member comments and questions surrounding the GASB Student Activity Fund and staffing. Chair Donovan thanked them for their hard work. Newcomer moved, Adams seconded, to accept and approve the fiscal year 2017-18 Audit Report. Carried.

Policies in First Reading

Policy 250: *School Board Elections*

Policy 403: *Discipline, Suspension and Dismissal of School District Employees*

Policy 409: *Employee Publications, Instructional Materials, Inventions, and Creations*

Policy 427: *Workload Limits for Certain Special Education Teachers*

Policy 508: *Extended School Year for Certain Students with Individualized Education Programs*

Policy 509: *Enrollment of Nonresident Students*

Newcomer introduced the item, noting that the policies being presented are basic and statute-driven. Lightfoot reviewed each of the policies in First Reading — the first four of which had no revisions — and responded to questions.

Newcomer moved, Adams Seconded, to approve these six policies in First Reading; further, the Board directs the Administration to prepare the policies for approval in Second Reading at the next meeting as part of the Consent Calendar. Carried.

Payable Property Taxes — 2019

Toop explained that the final proposed property tax levy for PAY19 is scheduled to increase by 1.53% (\$789,992.50) over last year's levy. The total initial proposed amount is \$52,582,467.96; last year's levy amount was \$51,792,475.46.

He noted that this amount is different than what was presented in October — an increase of 1.96% or \$1,013,073.70 from last year's levy. He explained that the difference was due to the Boards' approval of refunding the 2009B Alternative Facilities bonds (in October) with a projected \$1.6 million in present value savings.

Toop then explained that the General Fund comprises the majority of the increase (3.40%). Within that increase, the following items were noted:

- ✓ Market Value Referendum and Local Option levy is increasing by \$802,227 due to student count adjustments from previous years (FY17 and FY19), an inflation increase per student, and a lower projected student count for FY20.
- ✓ Capital Projects levy is increasing by \$446,705 due to an increase in Net Tax Capacity.
- ✓ Other General Fund levy components are decreasing by a net total of \$133,057, with the largest adjustment occurring in the lease levy due to the payoff of the Tanglen gym lease last April.

Additionally, he noted that:

- ✓ The Community Education portion of the levy is decreasing by 13.45%, most of which comes from an adjustment from FY17 for school-aged care.
- ✓ The Debt Service Fund levy is increasing by \$107,175 (-.62%).
- ✓ A request was made and granted by MDE to retain \$501,038 of Debt Excess, which will be used to make the District's first payment on the 2017A LTFM bonds. This retention of debt excess is reflected in the proposed debt service levy.



The Truth-in-Taxation hearing is scheduled at 6 p.m. on December 18, 2018, prior to the regular School Board meeting to allow for citizen comment and input. The levy will subsequently be presented for Board approval that same evening.

Board Member Reports:

Board members reported on recent educational activities/events in which they have participated.

Incidental Reports:

Adams moved, Newcomer seconded, to accept the Incidental Reports:

—Financial Comparisons Among Neighboring Districts

—Title I and Homeless Student Update

Carried.

Newcomer moved, LaTondresse seconded, to adjourn the meeting at 7:57 p.m. Carried.

John Toop, Clerk