

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

Summary of January 21, 2021 Study Session

The School Board of Minnetonka Independent School District #276 met in study session at 6:00 p.m. on Thursday, January 21, 2021 in the Community Room at the District Service Center, 5621 County Road 101, Minnetonka, Minnesota. The meeting was conducted virtually. Chairperson Chris Vitale presided. Present in the room were Chairperson Vitale and Superintendent Dennis Peterson, ex officio. Joining the meeting virtually were: Board members Mark Ambrosen, Katie Becker, John Holcomb, Mike LeSage, Christine Ritchie and Lisa Wagner. The study session was also livestreamed on the District's YouTube channel.

SIXTH READING OF POLICY #604: INCLUSIVE EDUCATION PROGRAM

The Board discussed further possible revisions to this policy and agreed, via consensus, on the following changes:

Section III. A – new language to read:

One that employs a curriculum that is developed and delivered so that students and staff gain an understanding and appreciation of the cultural diversity of the United States. Where it is relevant and significant to the subject matter, the curriculum and instructional materials should include contributions by people of diverse representations. The curriculum and instructional materials shall reflect these expectations.

Section V. B – new language to read:

Development, evaluation and revision of the District's Inclusive Educational Program will occur as part of the District Curriculum Review Process.

Chairperson Vitale asked that Superintendent Peterson seek input from the District's legal counsel on the suggested changes. He noted that the policy would be brought back for further review and possible adoption at the February 4 regular meeting.

UPDATE ON LEARNING MODEL IMPLEMENTED JANUARY 19 AND NEXT STEPS

Superintendent Peterson updated the Board on the plans for the latest learning model that had been implemented on January 19. Highlights of the presentation included the following:

- Grades K-2 will return to hybrid briefly, from January 19 through the end of January and will move to full in-person learning on February 1
- Grade 3 will remain in full e-learning through January 27 and will move back to full in-person learning on February 1
- Grades 4-5 will return to hybrid briefly, at the high school, from January 19 through the end of January and will move to full in-person learning at their elementary schools on February 1
- Face coverings will remain a requirement for all students and staff
- Face shields will be available for all staff but will not be required
- More COVID testing of teachers and paras will occur during the in-person phase of the reopening
- January 25, 28 and 29 will be planning days for elementary teachers
- Middle school students will return to their previous hybrid model on January 26
- It is intended that middle school students will move to in-person instruction on March 15, if allowed by the Governor
- High school students will remain in e-learning through January 22
- High school students will start attending two days at the high school on January 28 and 29
- Starting February 1, half of high school students will be attending school two days per week and half will be attending two other days
- There will be one day per week at the high school for specialized instruction and MAST
- Specific assignments for high school students will be communicated by the high school principal
- High school students on e-learning only will receive streamed instruction along with the hybrid students who are not in school on their designated days
- Approximately 20% of high school students have chosen to be on e-learning full time
- January 25, 26 and 27 will be planning days for high school teachers
- The expectation is to bring all four high school grade levels back at the same time, unless we receive a different directive from the Governor
- Students in all grades will be provided full e-learning opportunities

In conclusion, Superintendent Peterson thanked all principals, administrators, teachers and additional staff for their flexibility and commitment to all students. He noted that while this school year has not been easy for anyone, he is grateful for the incredible dedication and commitment on the part of all staff, parents and students to making the plan work.

Board members thanked Superintendent Peterson and all administrators who have been involved in the planning and implementation of the model. They also thanked teachers for their hard work and commitment during a very difficult school year.

CITIZEN INPUT

Chairperson Vitale outlined the guidelines for the Citizen Input portion of the agenda, noting that this opportunity was available to community members who wished to address the Board on any topic who had submitted their comments via email in advance.

Executive Assistant Carrie Voeltz then read comments from the following individuals regarding Policy #604:

Chanhassen resident Sean Sommerfeld
Shorewood resident Beth Robertson-Martin
Minnetonka resident Kirby Crow
St. Louis Park resident Cindy Mullen
Minnetonka resident Kelsey Crow

Ms. Voeltz also read a letter of support for the Minnetonka Coalition for Equitable Education (MCEE) from the Rev. Brooke Heerwald Steiner, Lead Pastor at Excelsior United Methodist Church.

REVIEW OF STATE FINANCE PLAN

Executive Director of Finance and Operations Paul Bourgeois introduced this item to the Board. He began by saying that approximately 18 months ago, Governor Walz had tasked Education Commissioner Ricker with reviewing the current state of school finance in Minnesota. The School Finance Working Group reviewed the various school funding formulas currently in statute during a series of 20 meetings from September of 2019 through November of 2020. The final report was released on November 5, 2020 for consideration by the Legislature during the 2021 Legislative Session.

Mr. Bourgeois then went over the finer points of the plan that would have the most positive impact on the District. Highlights of his presentation included the following:

80-20-10 Plan Basic Revenue 1

- 80-20-10 refers to a redefinition of Basic Revenue starting in FY2023
- Starts with current Basic Revenue
- Rolls in Local Optional Revenue and renames it Local Education Revenue
- Rolls in \$917 of Operating Referendum Revenue and lowers the Operating Referendum Cap by the same amount
 - Results in new money for districts without \$917 in Operating Referendum Revenue, but is no new money for the District

- Rolls in Equity Revenue, Transition Revenue, Gifted & Talented Revenue, Literacy Incentive Aid, Telecommunication Equity Aid, Tax Base Replacement Aid and Referendum Minimum Aid
 - Results in no new money for districts but simplifies formulas

80-20-10 Plan Basic Revenue 2

- Results in \$8,704 Basic Revenue in FY2023 - about \$133 per pupil higher than where those formulas would otherwise be in FY2023
 - At 11,100 enrollment generating approximately 12,100 Adjusted Pupil Units, this would result in approximately \$1.6 million in additional ongoing Basic Revenue
- 80% funded by State Aid
- 20% funded by Local Levy
- 10% then refers to the Operating Referendum Cap which would be at \$870.40 in FY2023

Local Adjustment Revenue & Operating Referendum Impact

- Local Adjustment Revenue is a proposal in the 80-20-10 plan to recognize the higher cost of education in the metro are
- Would move approximately \$312 from Operating Referendum to a separate local levy
- *The Operating Referendum Cap would remain at \$870.40 so Minnetonka would have the ability to go to the voters for a \$312 increase with annual inflation at that time, for up to ten years*
- A successful Operating Referendum election would generate ongoing revenue of approximately \$3.8 million based on approximately 12,100 APUs

Simplify Special Education Formulas To Reduce Cross Subsidy

- Replace three Special Education formulas to a single one reimbursing 50% of prior-year non-Federal special education expenditures and 100% of current-year special education transportation expenditures
- Replace two formulas used to calculate excess cost aid to one formula reimbursing 44.1% of prior year non-Federal special education not reimbursed with initial special education aid that exceeds 4.1% of general education revenue
- This would require \$121.6 million in additional revenue state-wide
- Minnetonka has about 1.24% of all state ADMs
- Minnetonka would receive approximately \$1.5 million in additional ongoing revenue, or about \$125 per APU

Student Support Personnel Aid and Safe Schools Revenue

- Student Support Personnel Aid would fund counselors, psychologists, nurses and social workers
- Aid allocation of \$477 times students enrolled
- Results in approximately \$5.7 million at 12,100 APUs
- Some funds could be used to cover existing positions which would free up Basic Revenue dollars - 32.5 FTEs at approximately \$106,000 average salary and benefits would be \$3.4 million
- Remaining funds would have to go to more positions to provide more services
- This item is approximately 1/6 of the total estimated cost of the 80-20-10 plan
- Increase Safe Schools Revenue by \$36 per APU up to \$72 per APU
- Results in approximately \$0.435 million at 12,100 APUs

Summary of Major Items Potentially Impacting the District

- \$1.6 million ongoing revenue from redefined Basic Revenue formula at \$133 per APU
- \$1.5 million ongoing revenue from new Special Education Revenue formulas - equivalent to \$125 per APU
- \$3.8 million ongoing revenue from potential Operating Referendum Election at \$312 per APU
- \$3.4 million ongoing revenue from Student Support Personnel Aid for existing personnel to free up \$3.4 million in Basic Revenue
- \$0.4 million ongoing revenue from increase in Safe Schools Revenue
- Ongoing revenue impact without Operating Referendum would be \$6.9 million annually
- Ongoing revenue impact with an approved Operating Referendum would be \$10.7 million annually

Other Recommendations

- There are proposals for other areas that would not impact Minnetonka funding streams but would require additional funding from the State
- Adjustments to various categorical revenues
- Increase equalization for various funding formulas for operations, debt payments and operating referendums
- Might result in a lower property tax levy for Minnetonka taxpayers but no new revenue for operations
- Universal 4-year-old kindergarten for half-day programs - 510 hours of instruction per year to be funded with 0.6 APUs per student times various APU-calculated formulas
 - Would require additional facility capacity

Funding Considerations

- The estimated cost to fund all 46 proposals of the 80-20-10 plan is estimated by the School Finance Working Group to be between \$2.533 billion and \$2.755 billion annually
- Given the State's pending \$1.3 billion shortfall for the FY22-23 biennium and the state of the economic recovery, it may take several biennia for some or all of these proposals to be implemented
- In the immediate term, one of the lowest-cost proposals is the Local Adjustment Revenue, which would have an approximately \$26 million impact to the State - if adopted would open up the opportunity for the District to run a future Operating Referendum election

In the discussion that followed, Board members asked questions regarding the timing of the proposal and the chances for passage in the current legislature. Mr. Bourgeois noted that it may be possible for the legislature to pass some of the proposed recommendations, but not all. He noted the importance of school districts lobbying the legislature for passage of the recommendations.

REVIEW OF TECHNOLOGY SECURITY MEASURES

Executive Director of Technology Mike Dronen presented to the Board on the District's information security practices. He said that in a nutshell, information security is defined as managing the risks to the confidentiality, integrity and availability of information by improving physical, administrative and technical controls and practices. Highlights included the following:

- Current and predicted threats—managing security through a risk calculation approach
- Physical controls: audio analytics, air quality, chemical and environmental factors
- Administrative controls: District policies, vendor security overview, incident response logs
- Technical controls: security firm partners, VPN, Office 365 DLP, auto logging of firewall configuration changes, multi-factor authentication (MFA)
- Security reviews and quarterly assessments
- Improvements in culture: users not afraid to reach out for help, increased comfort in discussing security and privacy practices, increased evidence of comprehension around security and privacy
- Current phishing attempts around COVID19, such as fraudulent attempts to offer early access to the vaccine in exchange for payment

Board members thanked Mr. Dronen for the update, and also thanked all District Tech staff for their incredible support to teachers, students and parents during the pandemic.

ADJOURNMENT

The Board adjourned the Study Session at 7:40 p.m.

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