

**Minutes of Regular
ISD 877 Board of Education
Buffalo-Hanover-Montrose Schools**

Monday, April 24, 2017
Board Room, 214 1st Avenue NE, Buffalo
7:00 PM

1. CALL TO ORDER by Chair Dave Wilson at 7:00 p.m. AND ROLL CALL

Present: Ken Ogden, Melissa Brings, Sue Lee, Dave Wilson, Laurie Raymond, Bob Sansevere, Stan Vander Kooi

Absent: None

2. PRELIMINARY ACTIONS

A. Pledge of Allegiance

B. Public Comment - None

C. Approval of Agenda

Lee/Raymond to approve

Motion carried 7-0

3. COMMUNICATIONS

A. Student Council Update, Mitch Bunting, Student Representative

Attended the MN Association of Student Councils State Convention – found that our district is very well respected around the state and we are ahead in many student government areas. Would like even more opportunities to hold discussions and share information with the Board of Education. June 2nd is Student Appreciation Day and plans are being made to hold the event at the Bison Fields. Also working on Prom plans. Jack Oistad will be the Student Representative for the Board for 2017-18.

B. Proud Of

1. Christina Cox, Counselor at BHS, who was selected as the Secondary School Counselor of the Year by the Minnesota School Counseling Association

2. Kristen Lane, Counselor at BHS, who was selected as the School Counselor of the Year by the Central Minnesota School Counselors Association.

3. Jeffrey Kyllonen, 5th Grade Teacher at Hanover Elementary, was chosen as the Kool Teacher of the Week by KOOL108 radio.

C. Board Calendar Dates

1. Monday, May 8, 2017 Board Workshop 4:30 p.m. Hanover Elementary

2. Friday, May 12, 2017 District Retirement Luncheon Noon Board Room

3. Monday, May 22, 2017 Board Meeting 7:00 p.m. Board Room

4. CONSENT AGENDA

A. Personnel Consent Agenda

APPOINTMENT – All appointments are contingent upon satisfactory completion of a criminal background check. Approve the following appointments:

1. Dillon Dahl, full-time long-term substitute Science Teacher at Buffalo High School, effective February 21, 2017 and ending April 24, 2017 and then part-time substitute effective April 25 and ending on or about May 22, 2017. This is a replacement for Greg Hygrell.
2. Emily Metzler, Little KidKare Supervisor, effective April 24, 2017. This is a replacement for Galina Menard.
3. Katie Reiter, Special Education ESP at Tatanka Elementary, effective March 20, 2017. This is a replacement for Tammy Perkins.
4. Jamie Keleher, wRight Choice ESP at Buffalo High School, effective April 18, 2017. This is a replacement for Brittany Doboszanski.
5. Lindsey Wester, English Teacher at Buffalo Community Middle School, effective August 21, 2017. This is a replacement for Teresa Kastendieck.
6. Andrea Koltes, English Teacher at Buffalo Community Middle School, effective August 21, 2017. This is a replacement for Jan Heyerdahl.
7. Jennifer Greenhagen, ECSE Teacher, effective August 21, 2017. This is a replacement for Kristin Vaughan.

RESIGNATION/RETIREMENT – Approve the following resignation/retirement:

1. Jeff Olson, Principal at Hanover Elementary, retirement effective June 30, 2017.
2. Marilyn Splinter, Food Service Director, retirement effective June 30, 2017.
3. Sharon Myers, Custodian at Buffalo High School, resignation effective June 9, 2017.
4. Jill Cleveland, Little KidKare Supervisor at MEEC, resignation effective April 14, 2017.
5. Tammy Perkins, Special Education ESP at Tatanka Elementary, resignation effective February 21, 2017.
6. Ashley Schranz, KidKare Supervisor at Tatanka Elementary, resignation effective April 3, 2017.
7. Nancy Buselmeier, Special Education Teacher at Tatanka, Discovery and Hanover Elementary Schools, resignation per agreement, effective April 24, 2017.
8. Samantha Sederstrom, KidKare Assistant at Discovery Elementary, resignation effective April 21, 2017.
9. Danielle Iverson, Special Education Teacher at Buffalo High School, resignation effective June 9, 2017.
10. Rebecca Florell, Food Service Aide at Parkside Elementary, resignation effective April 24, 2017.

TRANSFER/CHANGE IN ASSIGNMENT - Approve the following transfers/changes in assignment:

1. Diane Heisel, from 1st Grade to 2nd Grade Teacher at Hanover Elementary, effective August 28, 2017.
2. Rebecca Hanson, from 1st Grade to 2nd Grade Teacher at Hanover Elementary, effective August 28, 2017.
3. Nancy Anderson, from 1st Grade to 2nd Grade Teacher at Hanover Elementary, effective August 28, 2017.
4. Carol Mullin, from 2nd Grade to 1st Grade Teacher at Hanover Elementary, effective August 28, 2017.
5. Nicole Meints, from 2nd Grade to 1st Grade Teacher at Hanover Elementary, effective August 28, 2017.
6. Andrea Carlson, from 2nd Grade to 1st Grade Teacher at Hanover Elementary, effective August 28, 2017.
7. Elissa Anderson, from 2nd Grade to 3rd Grade Teacher at Tatanka Elementary, effective August 28, 2017.
8. Angela Murphy, from Kindergarten to 4th Grade Teacher at Tatanka Elementary, effective August 28, 2017.
9. Susie Anundson, from 2nd Grade to 5th Grade Teacher at Parkside Elementary, effective August 28, 2017.
10. Christy Eckenrode, from 1st Grade to Kindergarten Teacher at Parkside Elementary, effective August 28, 2017.
11. Dave Jungers, from 3rd Grade to 4th Grade Teacher at Parkside Elementary, effective August 28, 2017.
12. Catherine Deneen, from 2nd Grade to Kindergarten Teacher at Northwinds Elementary, effective August 28, 2017.
13. Katie Steege, from 4th Grade Teacher to 21st Century Learning Specialist at Northwinds Elementary, effective August 28, 2017. This is a replacement for Joan Olson.
14. Anne Ackmann, from 2nd Grade to 3rd Grade Teacher at Montrose Elementary, effective August 28, 2017.
15. Lexi Athmann, from 2nd Grade to Kindergarten Teacher at Montrose Elementary, effective August 28, 2017.
16. Lisa Kunde, from 3rd Grade to 2nd Grade Teacher at Montrose Elementary, effective August 28, 2017.
17. Jennifer Olson, from 1st Grade to 2nd Grade Teacher at Montrose Elementary, effective August 28, 2017.
18. Marjory Purkey, from 3rd Grade to 2nd Grade Teacher at Montrose Elementary, effective August 28, 2017.
19. Katie Swendra, from 5th Grade to 4th Grade Teacher at Montrose Elementary, effective August 28, 2017.
20. Sara Mart, District Special Education Transportation ESP, increase from 4.25 to 4.75 hours/day, effective April 12, 2017.
21. Chris Cousin, from substitute Business Education Teacher and ESP at Buffalo High School to substitute Geography Teacher at Buffalo Community Middle School, effective April 17, 2017 and ending June 9, 2017. This is a replacement for Dave Casey.
22. Michelle Vieau-Miltz, from Special Education Teacher at Northwinds

- Elementary to District Social Emotional Program Development Specialist, effective August 28, 2017.
23. Linda Kennedy, Special Education Transportation ESP, decrease from 7.1 to 6.7 hours/day, effective April 17, 2017.
 24. Pauline Thaemert, Special Education Transportation ESP, decrease from 5.5 to 4.75 hours/day, effective April 19, 2017.
 25. Jeanette Yankoski, Special Education Transportation ESP, increase from 3.75 to 4.15 hours/day, effective April 17, 2017.
 26. Shelley Fadden, ESP at Discovery Elementary, additional assignment as Special Education ESP at Buffalo High School effective April 20, 2017 and ending August 20, 2017.
 27. Jason Karn, from PPD Coach to PPD Coordinator, effective May 1, 2017. This is a replacement for Evan Ronken.
 28. Amy Sparks, from .667 FTE English Teacher and .333 FTE Media Specialist to .5 FTE English Teacher and .5 FTE Learning Commons Specialist at Buffalo High School, effective August 28, 2017.
 29. Megan Scherer, from 1.0 FTE Physical Education/Health Teacher at Buffalo High School to .4 Physical Education Teacher and AVID Elective Teacher at Buffalo High School and .6 AVID Coordinator and Elective Teacher at Buffalo Community Middle School, effective, July 1, 2017.
 30. Deb Bestland, from .5 Arts Magnet Coordinator and .5 Arts Magnet Dance Teacher to .167 English and .5 Dance Arts Magnet Teacher and .333 Arts Magnet Coordinator at Buffalo High School, effective July 1, 2017.
 31. Lisa Nordmeyer, .167 FTE French Teacher at Buffalo High School, additional assignment as .833 Spanish Teacher, effective August 28, 2017.

LEAVE OF ABSENCE – approve the following requests for leave of absence:

1. Tessa Newby, Special Education Coordinator, request for leave of absence effective on or about July 3, 2017 and ending on or about September 22, 2017.
2. Alyssa Schulze, Assistant Principal's Secretary at Buffalo High School, request for leave of absence effective March 20, 2017 and ending on or about May 15, 2017.
3. Greg Hygrell, Science Teacher at Buffalo High School, extension of leave of absence from full-time to part-time effective April 25, 2017 and ending on or about May 22, 2017.

B. Check Disbursements

Payroll checks # 90000006438 through 9000008272, and 205076 through 205106 amounting to \$2,184,703.31. P-card disbursement checks 8000000034 to 8000000065, totaling \$109,509.26.

Bill-pay wires 8000000039 through 8000000057. Employee reimbursement checks 9000000195 through 90000000274, and Accounts Payable checks 383635 through 383854, for the period of March 14 – April 19 as follows:

| | | |
|----|-----------------------------|-----------------------|
| 01 | GENERAL FUND | 2,611,045.07 |
| 02 | FOOD SERVICE | 120,834.28 |
| 04 | COMMUNITY SERVICE | 96,478.01 |
| 05 | CAPITAL OUTLAY | 120,415.96 |
| 06 | NEW BUILDING | 261,783.28 |
| 07 | DEBT SERVICE | .00 |
| 09 | ACTIVITY FUND | 52,986.91 |
| 16 | BUILDING CONSTRUCTION | .00 |
| 45 | POST EMP BENEFITS IRREV TRU | 4,350.54 |
| 47 | DEBT REDEMPTION | .00 |
| | TOTAL | <u>\$3,616,525.76</u> |

C. Electronic Fund Transfers

A list of the electronic fund transfers occurring in the official depositories (for the period of Mar. 20 - Apr. 16) is as follows:

| Date | Vendor & Purpose | Amount |
|----------|-------------------------------------|------------------|
| 03/22/17 | Xcel Energy – Utility | \$ 618.28 |
| 03/22/17 | Delta Dental – Dental Insurance | 4,820.89 |
| 03/29/17 | Delta Dental – Dental Insurance | 7,642.25 |
| 03/29/17 | District #877 Employees – Employee | 4,062.44 |
| 03/29/17 | State of MN - Child Support | 229.00 |
| 03/30/17 | MN Public Employees Retirement | 66,663.81 |
| 03/30/17 | District #877 Employees – Employee | 1,092,676.32 |
| 03/30/17 | MN Teachers Retirement Association | 179,386.06 |
| 03/30/17 | Chicago USA Tax Pmt – Federal Taxes | 362,217.34 |
| 03/31/17 | Educators Benefit Consultants – | 45,727.00 |
| 03/31/17 | MN Dept. of Revenue – State Taxes | 50,020.07 |
| 04/03/17 | Xcel Energy – Utility | 43.88 |
| 04/03/17 | Xcel Energy – Utility | 4,180.17 |
| 04/04/17 | BMO Corporate MasterCard – P-Card | 141,577.37 |
| 04/05/17 | Delta Dental – Dental Insurance | 12,858.61 |
| 04/12/17 | Delta Dental – Dental Insurance | 10,742.06 |
| 04/13/17 | Xcel Energy – Utility | 3,126.96 |
| 04/13/17 | District #877 Employees – Employee | 1,076,282.88 |
| 04/14/17 | MN Teachers Retirement Association | 176,822.70 |
| 04/14/17 | Chicago USA Tax Pmt – Federal Taxes | 389,431.80 |
| 04/14/17 | MN Public Employees Retirement | <u>64,780.49</u> |
| | Total | \$ 3,693,910.38 |

D. Minutes - March 27, 2017 Regular Meeting and April 10, 2017 Special Board Meeting

E. Donations/Grants totaling \$25,284.55

Sansevere/Ogden to approve

Motion carried 7-0

5. ACTION ITEMS

- A. Capital Facility and LTFM Budget, John Heltunen, Director of Buildings and Grounds
This is the budget for 2017-18 which has been revised down from the original requests presented in February. Some highlights are kindergarten classroom casework remodel at PES, new green screen and other additions to the MES Media Center, driving lanes at BHS and bathroom remodel, boiler burner replacement and lighting retrofit at BCMS.

Vander Kooi/Lee to approve

Discussion - chair replacement in the PAC – this has been an ongoing issue with the seat backs showing wear and cracking.

Motion carried 7-0

- B. 10-yr LTFM Plan, Gary Kawlewski, Director of Finance and Operations and John Heltunen, Director of Buildings and Grounds

Required to annually present a 10-year plan. This plan includes items that didn't make the final bond projects list in November of 2014. Plan includes health and safety and, deferred and preventative maintenance costs.

Ogden/Raymond to approve

Motion carried 7-0

- C. 2016-17 Budget Adjustments, Gary Kawlewski, Director of Finance and Operations

State sources is largest amount of dollar change in the General Fund revenues from the original budget amount of \$50,726,388 to \$53,220,651 due mainly to a revision in Special Education aid. General Fund expenditures have increased by \$1,242,538 since the 2016-17 budget was set. With the revisions, the General Fund balance is at 13.84%. Food Service has made a great turnaround with increased revenues and decreased expenses and ending with a fund balance of \$436,333 compared to a beginning balance of \$257,398. Community Education fund will be presented in May.

Brings/Sansevere to approve

Discussion: Building Construction Fund - includes many projects from the November Bond Election.

Motion carried 7-0

- D. Call for Sale of Refunding of OPEB Bonds, Gary Kawlewski, Director of Finance and Operations

Jodie Zesbaugh of Ehlers presented to the Board regarding a resolution to refund the

OPEB bonds, similar to refinancing a home mortgage. Looking at lower interest rates for an average annual debt service reduction of \$101,000 and will result in reductions to debt service levies for taxes payable in 2018 through 2022. Will still be covered under the State Credit Enhancement program. Will accept proposals on May 18th and a ratifying resolution will be presented on May 22 at the regular Board meeting.

Sansevere/Lee to approve Resolution Providing For The Approval Of The Sale Of General Obligation School Building Refunding Bonds, Series 2012a; Covenanting And Obliging The District To Be Bound By And To Use The Provisions Of Minnesota Statutes, Section 126c.55 To Guarantee The Payment Of The Principal And Interest On These Bonds

BE IT RESOLVED by the School Board of Independent School District No. 877, State of Minnesota, as follows:

1. (a) The Board hereby finds and determines that it is necessary and expedient to sell and issue approximately \$9,625,000 principal amount of general obligation taxable OPEB refunding bonds of Independent School District No. 877 (the "Issuer" or the "District"). Said bonds shall hereinafter be referred to as the "Bonds" or the "Refunding Bonds." The Refunding Bonds, together with other available funds of the Issuer, shall provide funds to refund in advance of their stated maturities, through a partial net cash advance refunding, all of the bonds maturing in the years 2019 to 2023, aggregating approximately \$9,230,000 in principal amount, of the District's General Obligation Taxable OPEB Bonds, Series 2009A, bearing a date of original issue of September 15, 2009 (the "Refunded Bonds") and shall provide funds to pay when due the interest payments on the Refunded Bonds from the date of closing to and including February 1, 2018 and to pay the principal amounts of the Refunded Bonds when called for redemption and prior payment on February 1, 2018.

(b) The Refunded Bonds were originally issued in order to fund the District's actuarially determined liabilities to pay postemployment benefits to its employees or officers after their termination of service, as authorized pursuant to Minnesota Statutes, Section 475.52, Subdivision 6. The Board determines that the issuance of the Refunding Bonds is necessary and desirable for the reasons specified in Minnesota Statutes, Section 475.67, Subd. 3(b)(2), Subparagraph (i). The Refunded Bonds have not previously been refunded.

2. The Board, having been advised by Ehlers & Associates, Inc., its independent financial advisor, hereby determines that this issue shall be privately sold after receipt of written proposals, as authorized pursuant to Minnesota Statutes, Section 475.60, Subdivision 2.

3. The Board Chair and the Superintendent or Director of Finance and Operations are authorized and directed to receive all proposals presented in conformity with the Terms of Proposal contained in the Official Statement, the terms of which are ratified and confirmed in all respects, and to approve on behalf of the District the sale of the Refunding Bonds to the party submitting the most favorable proposal (the "Purchaser"), provided that the total present value savings included in the most favorable proposal is at least \$405,000, the present value

benefit as a percentage of the present value of the refunded debt service is at least 4.00% and a favorable recommendation to accept the proposal is received from Ehlers & Associates, Inc. In the Terms of Proposal, the District may reserve the right, after proposals are open and prior to award, to increase or decrease the specified principal amount of the Refunding Bonds offered for sale or the amount of any individual maturity, with the increase or decrease to occur in multiples of \$5,000 in any of the maturities. The Board Chair and the Superintendent or Director of Finance and Operations are authorized and directed to endorse an acceptance on both copies of the most favorable proposal and to send one copy to the Purchaser.

4. Upon approval of the sale of the Bonds by the Board Chair and the Superintendent or Director of Finance and Operations, the Board will meet at a subsequent meeting to adopt the necessary approving resolution as drafted by the District's Bond Counsel.

5. (a) The District hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the Bond Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Bond Registrar for the Bonds is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Bond Registrar. The District understands that as a result of its covenant to be bound by the provisions of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

(b) The District further covenants to comply with all procedures now or hereafter established by the Departments of Management and Budget and Education of the State of Minnesota pursuant to Minnesota Statutes, Section 126C.55, subdivision 2(c) and otherwise to take such actions as necessary to comply with that section. The chair, clerk, superintendent or director of finance and operations is authorized to execute any applicable Minnesota Department of Education forms.

Discussion: Could we have done this when the interest rates were at 3%. Yes, but need to watch the arbitrage and have now determined that due to the current interest rate environment, it makes financial sense to issue the refunding bonds as an advanced refunding rather than waiting till fall .

Motion carried 7-0

E. Licensed Faculty Resolution - Termination and Nonrenewal of the Teaching Contract of Probationary Teachers, Moreen Orr - Director of Human Resources

BE IT RESOLVED, by the School Board of Independent School District 877, that pursuant to Minnesota Statutes 122A.40, Subdivision 5, that the teaching contracts of (name), a probationary teacher in Independent School District 877, will hereby end at the close of the current 2016-17 school year.

BE IT FURTHER RESOLVED that written notice be sent to said teacher regarding termination and nonrenewal of his/her contract as provided by law, and that said notice shall be in substantially the following form:

Dear ,

You are hereby notified that at a regular meeting of the School Board of Independent School District 877 held on April 24, 2017, a resolution was adopted by a majority roll call vote to end your contract effective at the end of the current school year and not to renew your contract for the 2017-18 school year. Said action of the Board is taken pursuant to M.S. 122A.40, Subd. 5.

You may officially request that the School Board give its reasons for the nonrenewal of your teaching contract. However, such requests should be received within ten days after receipt of this notice.

Yours very truly,

SCHOOL BOARD OF INDEPENDENT SCHOOL DISTRICT 877

Clerk of the School Board

Sandy Villarreal
Brings/Lee to approve
Motion carried 7-0

Lori Tenney
Brings/Raymond to approve
Motion carried 7-0

F. Licensed Faculty Resolution - Discontinuance of Contract, Moreen Orr - Director of Human Resources

the following teachers, substitute teachers, acting incumbents, yearly, Title I and out-of-licensure contracts be discontinued pursuant to the provisions of their individual contracts. The Superintendent is directed to inform these staff

members of their discontinuation and to express the District's thanks for their services: Jay Johnson – long-term substitute, Gail Pfeifle – long-term substitute, Vernetta Weese – long-term substitute, Dave Robinson – long-term substitute, Nancy Goettl – long-term substitute, Jolene Sorenson – long-term substitute, Dillon Dahl – long-term substitute, Chris Cousin – long-term substitute

Brings/Sansevere to approve
Motion carried 7-0

6. REPORTS

A. Legislative Update, Scott Thielman, Superintendent

Omnibus Education bill is coming through the process with the Governor's proposal of \$706 million for the biennium and with the House at \$271 million and the Senate at \$300 million. Governor is proposing 2% each year, with the House at 1.25% each year and the Senate at 1.5% each year. 3% each year is needed by districts to meet current obligations. We are currently underfunded by \$4.5 million in Special Education services.

7. COMMITTEE REPORTS

KO – 877 Foundation Pork Chop Dinner was a success

MB – Advertising, Food Service Beach Day at NES

SL – WTC sold the house and would like to provide a tour of WTC for the BOE, Food Service Beach Day at NES

DW – SWMISD

LR – SEE

BS – DCT&LC

8. SUPERINTENDENT'S REPORT

9. OTHER

Ogden/Raymond to adjourn at 8:12 p.m.
Motion carried 7-0

Respectfully submitted,

Melissa Brings, Clerk
ISD 877 Board of Education