



Regular Meeting Agenda

Diamondhead Education Center
200 W. Burnsville Parkway
Burnsville, MN 55337
December 10, 2009
6:30 PM

- I. Call to Order
 - A. Welcome
 - B. Pledge of Allegiance
- II. Truth in Taxation
 - A. Introduction and Public Comment Protocol
 - Description:** (Martin)
 - B. Budget and Property Tax Presentation 3
 - Description:** (Rider)
 - C. Public Comment
 - D. Conclude the Truth in Taxation portion of the meeting
 - Description:** (Martin)
- III. Business Meeting
 - A. Approve Agenda
 - B. Consent Agenda
 - Description:** Although Board action is required, it is generally unnecessary to hold discussion on these items. In the event a Board member wishes to discuss an item, that item will be moved for separate consideration.
- 1. Minutes of December 3, 2009 Board Meeting and Closed Session 45
- 2. Human Resources 48
- 3. Donations 49
- 4. Schedule Special Board Meeting 53
- IV. Unfinished Business
 - A. Approve Final Certification of Property Tax Levy Payable in 2010 54
 - Description:** (5 minutes) (Rider)
- V. New Business
 - A. Approve Financial Audit Report for Fiscal Year 2009
 - Description:** (45 minutes) (Rider)

District 191 welcomes members of the public to attend Board of Education meetings, work sessions and other public gatherings. However, public participation is allowed only during listening sessions, which are held before regular board meetings. Community members who wish to share their thoughts and opinions on meeting topics should contact the Superintendent's office at 952-707-2005 to schedule a meeting with the Superintendent or member of her leadership team.



Burnsville-Eagan-Savage ISD 191
Truth in Taxation Hearing for
Taxes Payable in 2010





Welcome

December 10, 2009

Presented by:

Lisa Rider

Executive Director of Business Services



Truth in Taxation Law

- State law initially approved in 1988
- The 2009 legislature made several changes:
 - Property tax hearing can now be held at regular meeting. Hearing must be at 6:00 PM or later. Levy may be adopted at same meeting.
 - Requirement to publish meeting notice was deleted.
 - All school districts must now hold a hearing. Previously some districts were exempted from the requirement to hold a hearing.
- You are here for the school district's annual required hearing



Tax Hearing Presentation

- State law requires that we present information on the current year budget and actual revenue and expenses for the prior year
- State law also requires that we present information on the proposed property tax levy, including:
 - The percentage increase over the prior year
 - Specific purposes and reasons for which taxes are being increased
- District must also allow for public comments



Agenda for Hearing

- A. Background on School Funding, Property Tax Levies, and Budgets
- B. Information on District Budget
- C. Information on the District's Proposed Tax Levy for Taxes Payable in 2010
- D. Public Comments and Questions



State of MN Constitution

- **“ARTICLE XIII
MISCELLANEOUS SUBJECTS**
- Section 1. **UNIFORM SYSTEM OF PUBLIC SCHOOLS.** The stability of a republican form of government depending mainly upon the intelligence of the people, it is the duty of the legislature to establish a general and uniform system of public schools. The legislature shall make such provisions by taxation or otherwise as will secure a thorough and efficient system of public schools throughout the state.”

As a result...

School District Revenues and Taxes Are Highly Regulated by the State

- **State sets** formulas which determine revenue; most revenue is based on specified amounts per pupil
- **State sets** tax policy for local schools
- **State sets** maximum authorized property tax levy (districts can levy less but not more than amount authorized by state, unless approved by the voters)
- **State authorizes** school board to submit referendums for operating and capital needs to voters for approval



State Funding for Schools Has Not Kept Pace with Inflation

- Increases in basic general education revenue per pupil have been less than inflation
 - Per-pupil revenue for fiscal year 2010-11 is \$594 below the 2002-03 inflation adjusted amount
- For Fiscal 2011 and 2012, per-pupil funding is not projected to increase, while most districts' expenses will increase by at least 3-4% annually.



Impact is budget cuts and levy referendums...

- With no increase in state funding many districts are facing projected budget shortfalls for FY 2011 and anticipate the need for budget cuts.
- To meet local school budget shortfalls, on 11/3/09, 58 Minnesota districts submitted proposals to voters on seeking support of increased operating levies: 41 Districts passed at least 1 operating levy question, 17 failed.

Trends in General Education Formula Allowance for Minnesota School Districts FY 03 – FY 11

Fiscal Year	Formula Allowance	CPI-U (2009=1.0) *	Formula Allowance in 2011 \$s	Change Since 2002-03	Formula Allow. if Adjusted for Annual Inflation	Annual Funding Shortfall
2002-03	4,601	0.8338	5,718	0	4,601	0
2003-04	4,601	0.8520	5,596	-122	4,701	-100
2004-05	4,601	0.8776	5,433	-285	4,843	-242
2005-06	4,783	0.9110	5,441	-278	5,027	-244
2006-07	4,974	0.9346	5,515	-203	5,157	-183
2007-08	5,074	0.9692	5,425	-293	5,348	-274
2008-09	5,124	1.0000	5,310	-408	5,518	-394
2009-10	5,124	1.0132	5,241	-478	5,591	-467
2010-11	5,124	1.0363	5,124	-594	5,718	-594

SOURCE: Formula Allowance and CPI-U are from Minnesota Department of Education, *K-12 Education Finance Overview, 2008-09*

* Consumer Price Index for all urban consumers for the Minneapolis-St. Paul area.

Prepared by Ehlers & Associates, Inc.

Contrast of City/County to School District Levy Cycle



- City/County - Budget Year is same as calendar year. The 2010 taxes provide revenue for the calendar year 2010 budget.
- Schools - Budget year begins July 1st and coincides with school year. The 2010 taxes provide revenue for the 2010-2011 school fiscal year. Budget will be adopted in June 2010.



Change in Tax Levy Does not Determine Change in Budget

- Tax levy is based on many state-determined formulas
- Some increases in tax levies are revenue neutral, offset by reductions in state aid
- Expenditure budget is limited by state-set revenue formulas, voter-approved levies, and fund balance, not just by tax levies



Budget Information

Because approval of the budget lags certification of the tax levy by six months, the state requires *only current year budget information and prior year actual financial results to be presented at this hearing.*



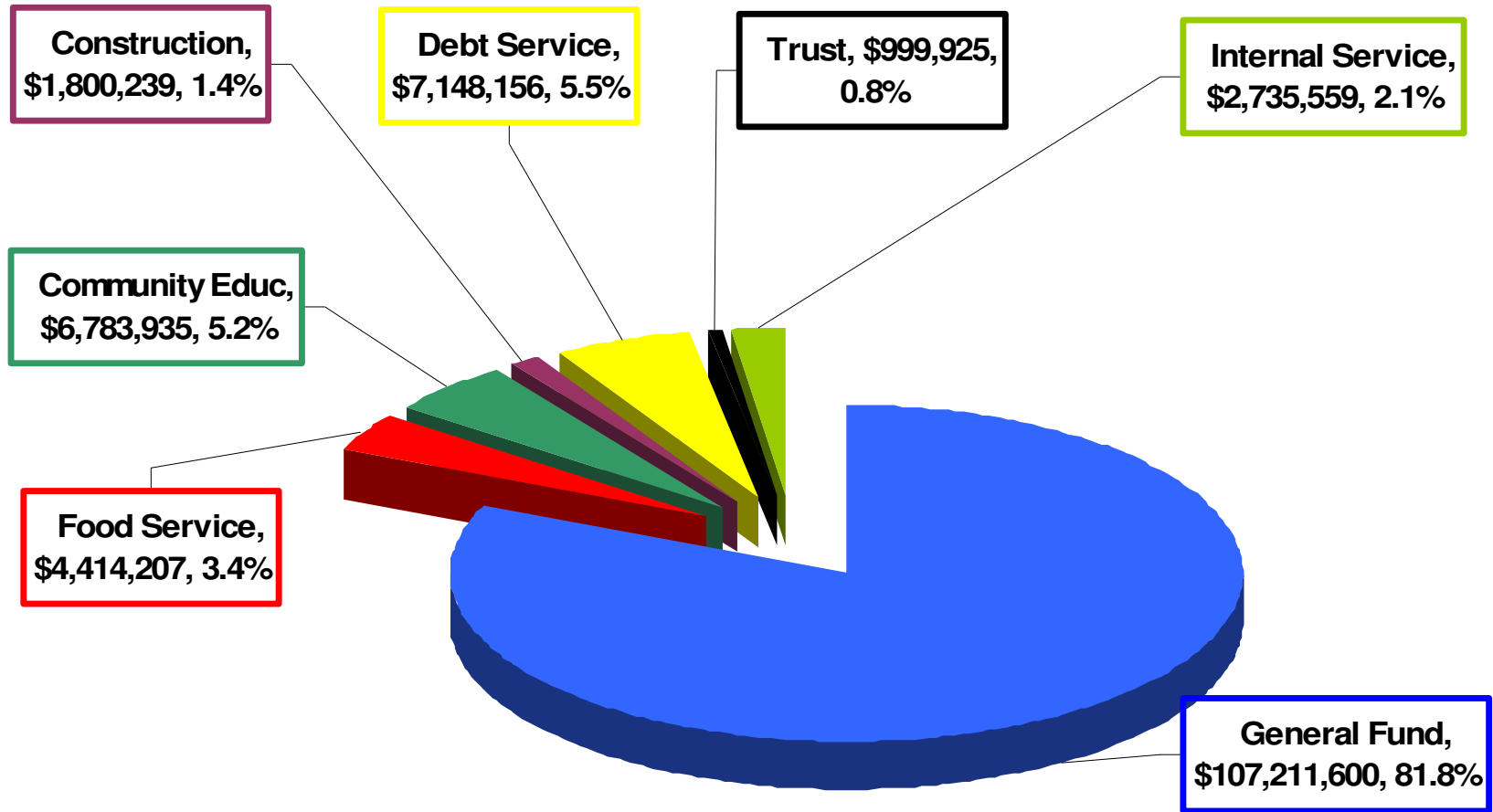
Budget Information

- All school districts' budgets are divided into separate funds, based on purposes of revenue, as required by law
- For our district, 7 funds:
 - General
 - Food Service
 - Community Service
 - Capital Projects (Maintenance & Construction)
 - Debt Service
 - Trust
 - Internal Service

Burnsville-Eagan-Savage ISD 191
District Revenues and Expenditures
Actual for FY 09, Budget for FY 10

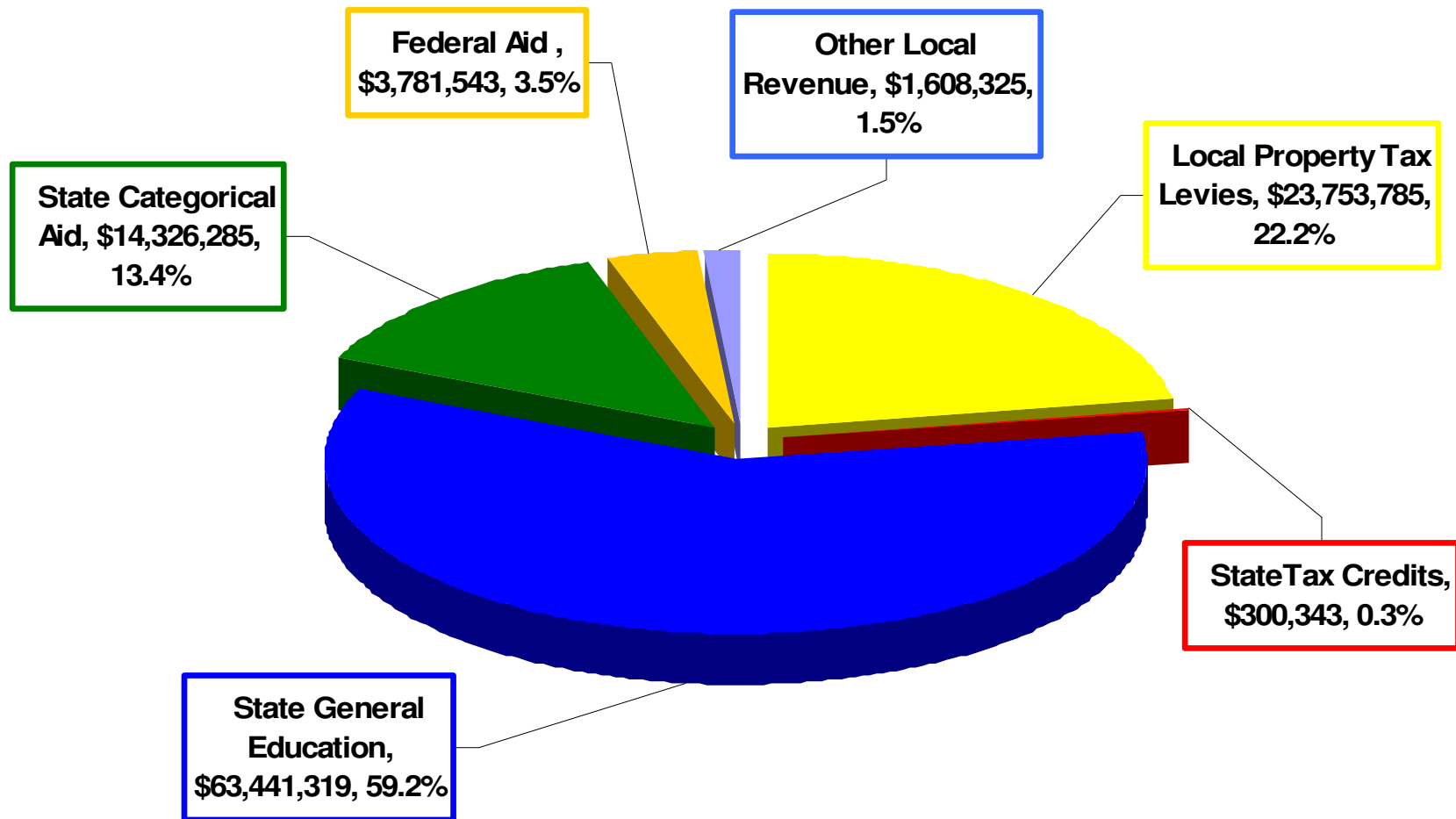
FUND	2008-09 ACTUAL REVENUES AND TRANSFERS IN	2008-09 ACTUAL EXPENDITURES & TRANSFERS OUT	JUNE 30,2009 ACTUAL FUND BALANCE	2009-10 BUDGET REVENUES AND TRANSFERS IN	2009-10 BUDGET EXPENDITURES & TRANSFERS OUT	JUNE 30,2010 PROJECTED FUND BALANCE
General Unreserved	\$124,557,993	\$116,411,831	\$14,662,817	\$100,846,280	\$103,378,413	\$12,130,684
General Reserved	7,343,257	5,819,074	4,276,973	6,365,320	6,992,856	3,649,437
Food Service	4,781,180	4,673,665	486,203	4,414,207	4,547,500	352,910
Community Service Unreserved	148,229	167,022	(3,705)	168,025	182,099	(17,779)
Community Service Reserved	7,313,254	7,233,960	110,567	6,615,910	6,601,836	124,641
Building Construction	2,498,712	16,489,410	14,259,443	1,800,239	14,200,080	1,859,602
Debt Redemption	7,223,603	6,754,066	2,250,541	7,148,156	7,775,172	1,623,525
Trust	970,888	996,108	401,368	999,925	1,078,872	322,421
Internal Service	██████████	██████████	\$14,493,065	██████████	██████████	\$14,446,190
Total All Funds	\$175,387,115	\$164,224,141	\$50,937,272	\$131,093,621	\$147,539,262	\$34,491,631

Revenue - All Funds \$131,093,621 2009-2010 Budget



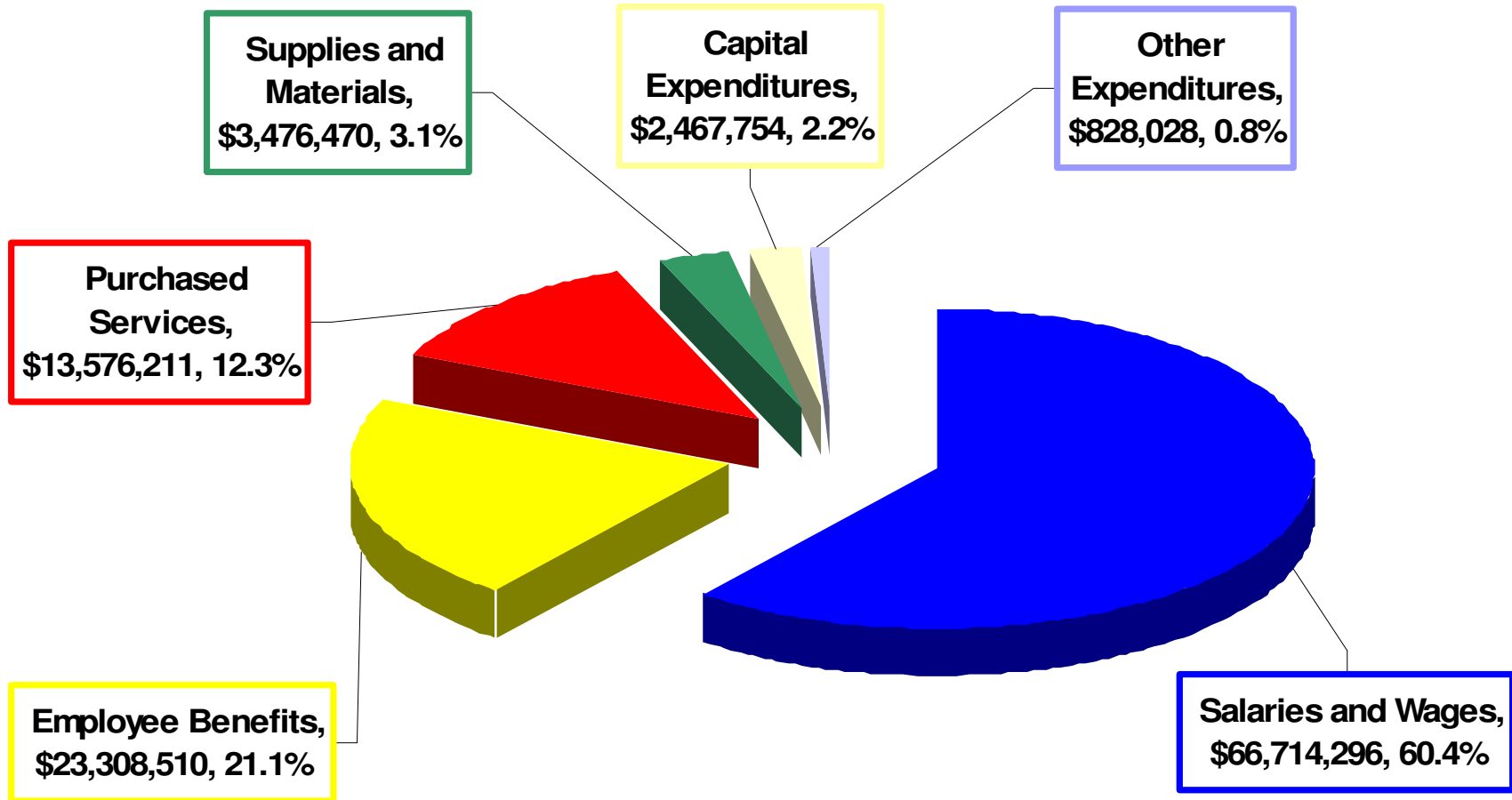
General Fund Budget Highlights

2009-2010 General Fund Budget \$107,211,600
Revenues by Major Source



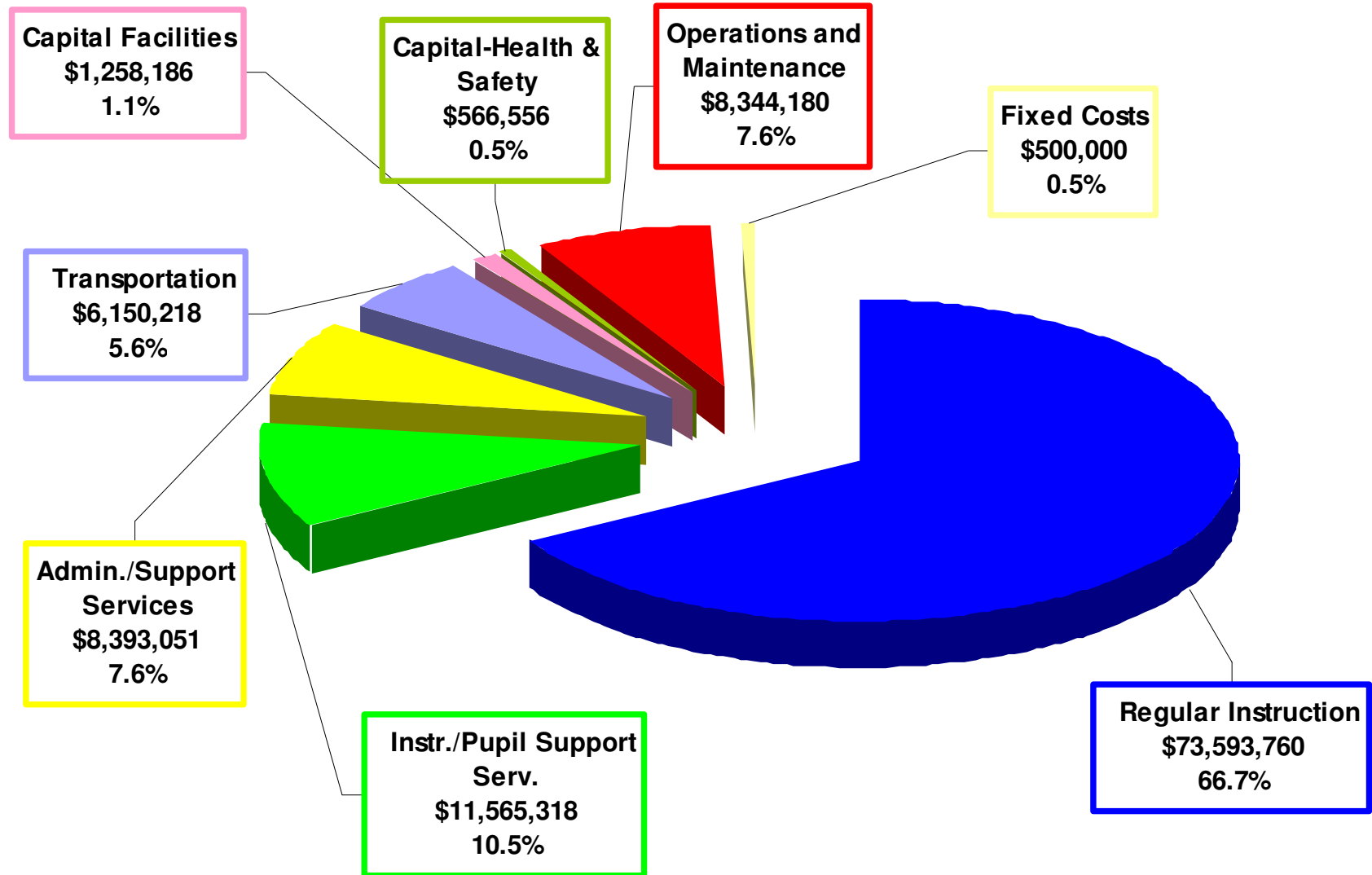
General Fund Budget Highlights

**2009-10 General Fund Budget
Expenditures by Object Category \$110,371,269**



General Fund Budget Highlights

2009-2010 General Fund Budget
Expenditures by Program Area - Budget \$110,371,269





Proposed 2010 Property Tax Levy

- Determination of levy
- Comparison 2009 to 2010 levies
- Specific reasons for changes in tax levy
- Impact on taxpayers



Property Tax Background

- Every owner of taxable property pays property taxes for the various “taxing jurisdictions” (county, city or township, school district, special districts) in which the property is located
- Each taxing jurisdiction sets its own tax levy, often based on limits in state law
- County sends out bills, collects taxes from property owners, and distributes funds back to other taxing jurisdictions



School District Property Taxes

- Each school district may levy taxes in up to 30 different categories
- “Levy limits” (maximum levy amounts) for each category are set either by:
 - State law, or
 - Voter approval
- Minnesota Department of Education (MDE) calculates detailed levy limits for each district

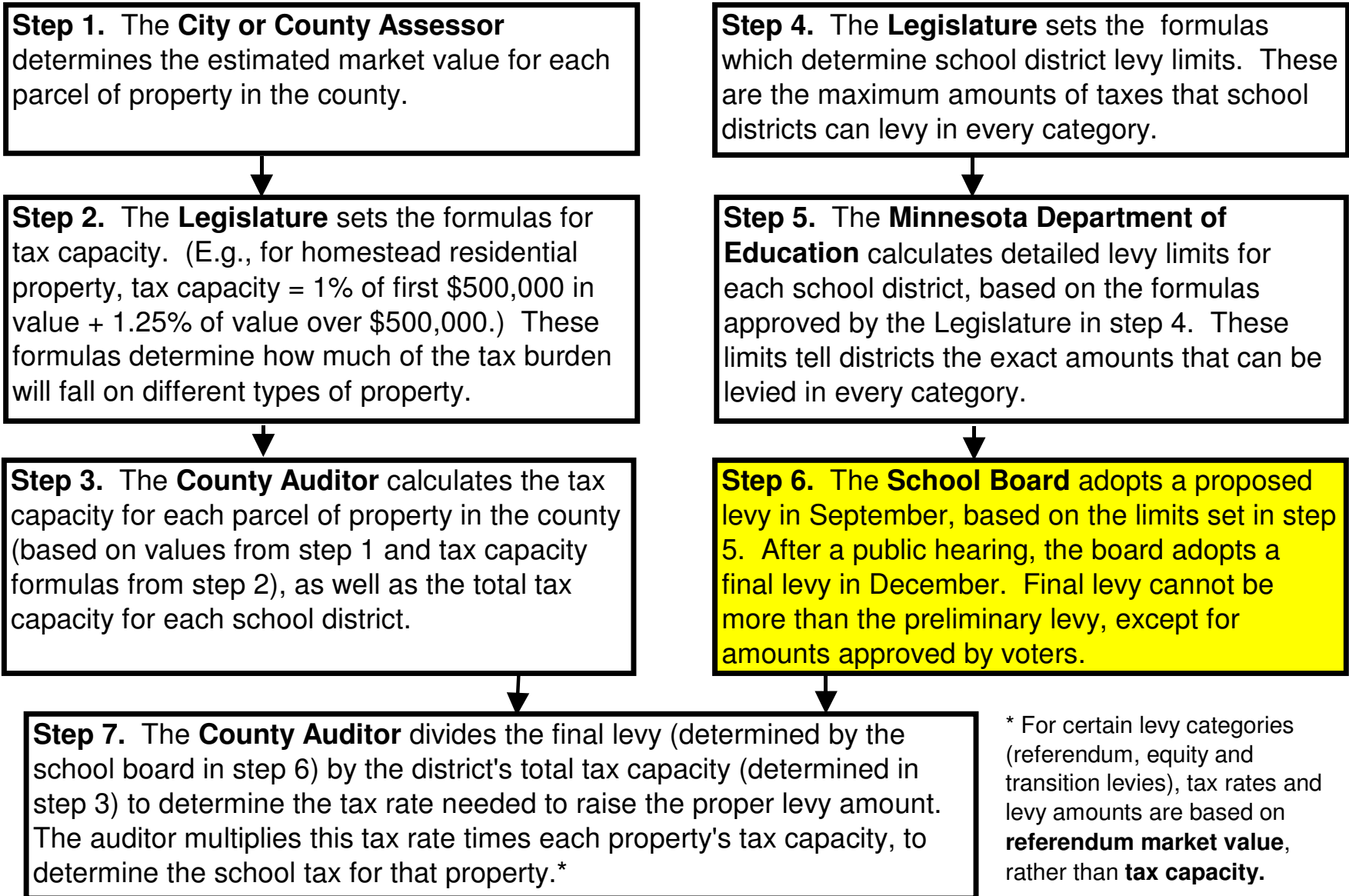


Property Tax Background

School District Property Taxes

- Key steps in the process are summarized on the next slide
- Any of these steps may affect the taxes on a parcel of property, but the district has control over only 1 of the 7 steps

Minnesota School District Property Taxes - Key Steps in the Process





Proposed Levy Payable in 2010

Schedule of events in approval of district's 2009 (Payable 2010) tax levy

- September 8 – Dept. of Education prepared and distributed first draft of levy limit worksheets setting maximum authorized levy
- Sept 17: School board approved proposed levy amounts
- Mid-November: County mailed “Proposed Property Tax Statements” to all property owners
- December 10: Public hearing on proposed levy at regular meeting
- Following hearing school board will certify final levy amounts

Burnsville/Eagan/Savage School District No 191

Comparison of Proposed Tax Levy Payable in 2010 to Actual Levy Payable in 2009

Fund Levy Category	Actual Levy - FY 10	Proposed Levy - FY 11	FY 11	FY 11
	Payable in 2009	Payable in 2010	\$ Change	% Change
General Fund				
Voter Approved Referendum	\$17,363,614	\$17,397,345	\$33,731	
Equity Revenue	739,439	838,462	99,023	
Health and Safety	589,268	517,082	(72,186)	
Alt. Facility Levy (Deferred Maint.)	1,650,239	0	(1,650,239)	
Alternative Teacher Compensation	922,220	910,763	(11,458)	
Building Lease	936,740	923,067	(13,672)	
Operating Capital	1,518,845	1,528,122	9,277	
Other	1,443,834	1,482,865	39,031	
Adjustments for Prior Years	540,168	644,756	104,588	
Total, General Fund	\$25,704,367	\$24,242,462	-\$1,461,905	-5.7%
Community Service Fund				
Basic Community Education	\$467,382	\$467,382	\$0	
Early Childhood Family Education	260,807	260,184	(623)	
School-Age Child Care	250,000	250,000	0	
Other	9,550	9,350	(200)	
Adjustments for Prior Years	(66,777)	(5,846)	60,931	
Total, Community Service Fund	\$920,962	\$981,070	\$60,108	6.5%
Debt Service Fund				
Voter Approved Debt Service	\$4,596,835	\$4,609,645	\$12,810	
Other Debt Service	2,740,338	2,739,288	(1,050)	
OPEB Levy	-	1,651,283	1,651,283	
Adjustments for Prior Years	591	9,944	9,353	
Reduction of Excess Fund Balance	(289,609)	(447,914)	(158,305)	
Total, Debt Service Fund	\$7,048,155	\$8,562,246	\$1,514,090	21.5%
Total Levy, All Funds	\$33,673,485	\$33,785,778	\$112,293	0.3%

Overview of Proposed Levy Payable in 2010



- The total 2010 proposed property tax levy remains virtually unchanged from 2009, increasing only .3% or \$112,293.
- Law requires that we explain the reasons for the major increases in the levy
- We will also explain some of the decreases in specific levies



Explanation of Levy Changes

- Category: Equity Levy
- Change: \$99,023
- Use of funds: general operating expenses
- Reason for increase:
 - Funding is based on a legislatively set formula allocating total revenue between state aid and local taxes.
 - District's "Referendum Equity Gap" increased resulting in increased revenue.



Explanation of Levy Changes

- Category: Alternative Facilities Levy
- Change: -\$1,650,239
- Use of funds: State-approved capital projects related to facility maintenance
- Reason for decrease:
 - The amount of this levy is based on the estimated cost of qualifying state-approved projects
 - The Alt Facility levy for facility maintenance was reduced to zero for 2010, to keep the tax impact minimal until the Facility Utilization Taskforce completes its work and plans are determined.
 - This offsets the levy increase for debt service on OPEB bonds



Explanation of Levy Changes

- Category: Adjustments for prior years – general fund
- Change: +\$104,588
- Use of funds: Various purposes
- Reason for increase:
 - Each year, the amounts for many levy categories are based on estimates of values and expenses for future years
 - In later years, the estimates are updated and levy amounts are changed through adjustments to the current levy

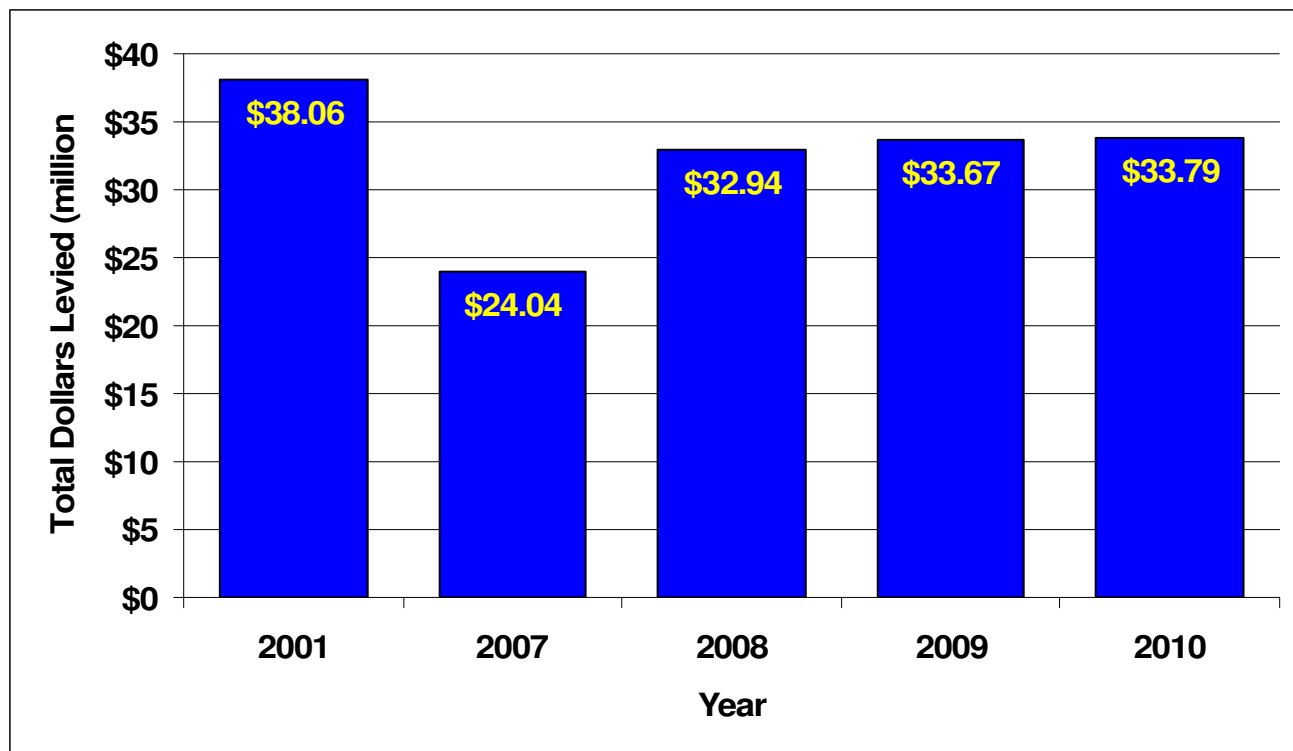


Explanation of Levy Changes

- Category: Debt Service for OPEB Bonds
- Change: \$1,651,283
- Use of funds: Payments on bonds issued to fund retiree health insurance costs
- Reason for decrease:
 - The district issued bonds in 2009 to fund their liabilities for retiree health insurance costs
 - Issuance of the bonds will allow the district to reduce general fund expenditures

Is ISD No 191 receiving more money from property taxes than eight years ago?

No...Even though some residents may be paying more property taxes to schools, others are paying less. In aggregate, the District is collecting 11.2% or \$4.3 million less in 2010 than nine years ago in 2001.





Impact on Taxpayers

- The next 2 slides show examples of changes in the school district portion of property taxes from 2007 to 2010
 - Examples include school district taxes only
 - All examples are based on a decrease in property value of 5.5% over this period
 - Actual decreases in value may be more or less than this for any parcel of property
 - These figures are intended to provide a fair representation of what has happened to school district property taxes over this period for typical properties



Impact on Taxpayers

- Examples include taxes for the City of Burnsville
 - school taxes in other parts of the district may be slightly higher or lower, due to variations in the impact of the state homestead and agricultural credits and the Fiscal Disparities Program
- Figures for 2010 are preliminary estimates, based on the best data available now – final figures could change slightly
- Estimates were prepared by Ehlers & Associates, the district's financial advisors

Burnsville/Eagan/Savage ISD 191

Estimated Changes in School Property Taxes, 2007 to 2010

Based on -5.5% Cumulative Changes in Property Value from 2007 to 2010 Taxes

Type of Property	Taxable Market Value for 2007 Taxes	Actual Taxes Payable in 2007	Taxable Market Value for 2008 Taxes	Actual Taxes Payable in 2008	Taxable Market Value for 2009 Taxes	Actual Taxes Payable in 2009	Taxable Market Value for 2010 Taxes	Estimated Taxes Payable in 2010	Change in Taxes 2007 to 2010	Change in Taxes 2009 to 2010
Residential Homestead	\$132,300	\$395	\$142,222	\$595	\$133,333	\$535	\$125,000	\$529	\$134	-\$6
	158,760	490	170,667	731	160,000	659	150,000	652	162	-7
	211,680	680	227,556	1,003	213,333	907	200,000	897	217	-10
	291,059	966	312,889	1,411	293,333	1,279	275,000	1,266	300	-13
	370,439	1,251	398,222	1,819	373,333	1,651	350,000	1,634	383	-17
	449,819	1,530	483,556	2,213	453,333	2,009	425,000	2,000	470	-9
	529,199	1,813	568,889	2,637	533,333	2,380	500,000	2,353	540	-27
	635,039	2,221	682,667	3,213	640,000	2,905	600,000	2,875	654	-30
	793,798	2,833	853,333	4,077	800,000	3,693	750,000	3,658	825	-35
1,058,398	3,852	1,137,778	5,517	1,066,667	5,007	1,000,000	4,963	1,111	-44	
Commercial/ Industrial #	\$1,058,398	\$4,158	\$1,137,778	\$5,793	\$1,066,667	\$5,233	\$1,000,000	\$5,097	\$939	-\$136
	2,116,796	8,408	2,275,556	11,680	2,133,333	10,561	2,000,000	10,290	1,882	-271
	3,175,194	12,657	3,413,333	17,568	3,200,000	15,889	3,000,000	15,483	2,826	-406
	4,233,592	16,907	4,551,111	23,456	4,266,667	21,217	4,000,000	20,675	3,768	-542
	5,291,990	21,156	5,688,889	29,343	5,333,333	26,545	5,000,000	25,868	4,712	-677
Apartments (4 or more units)	\$529,199	\$2,040	\$568,889	\$2,879	\$533,333	\$2,628	\$500,000	\$2,611	\$571	-\$17
	793,798	3,059	853,333	4,319	800,000	3,941	750,000	3,916	857	-25
	1,058,398	4,079	1,137,778	5,759	1,066,667	5,255	1,000,000	5,221	1,142	-34

Tax Rates					
Tax Capacity Rate		18.152	19.374	19.842	20.651
Referendum Market Value Rate		0.15852	0.26397	0.24464	0.26401

+ Figures above are for property in the City of Burnsville. Since the portion of the homestead credit deducted from school district taxes varies across municipalities, school taxes may be slightly different than shown above for homestead property in other portions of the school district. For commercial-industrial property, school taxes may also be slightly different in other municipalities in the district, due to the varying impact of the Fiscal Disparities Program.

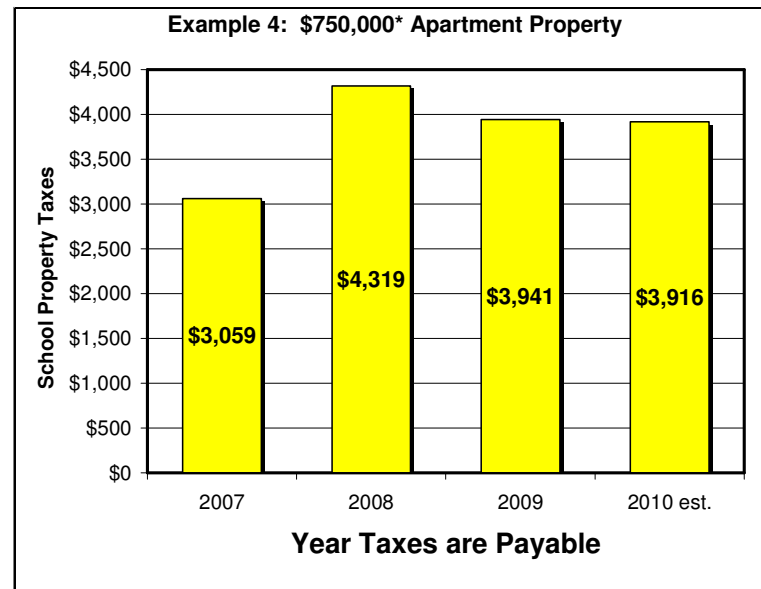
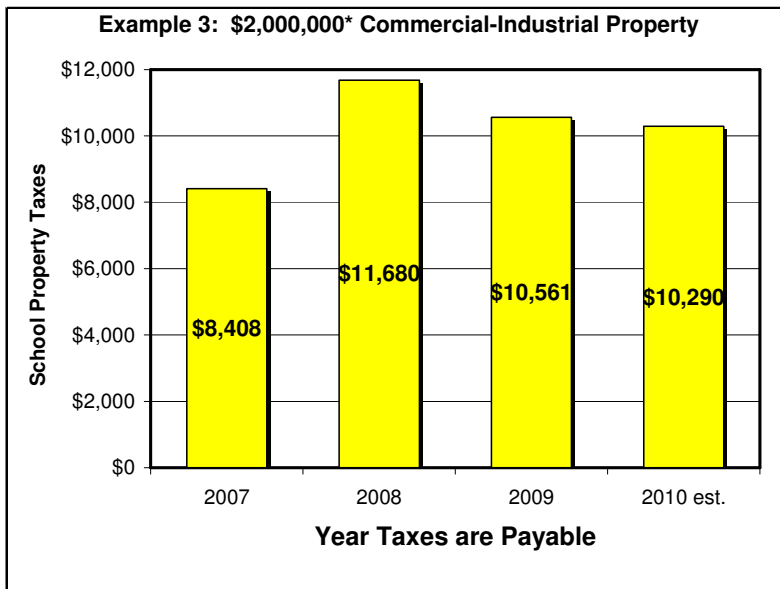
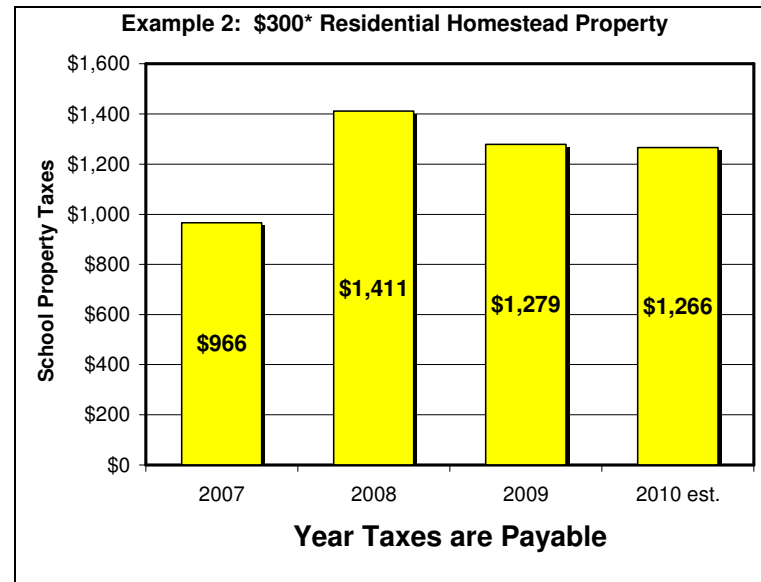
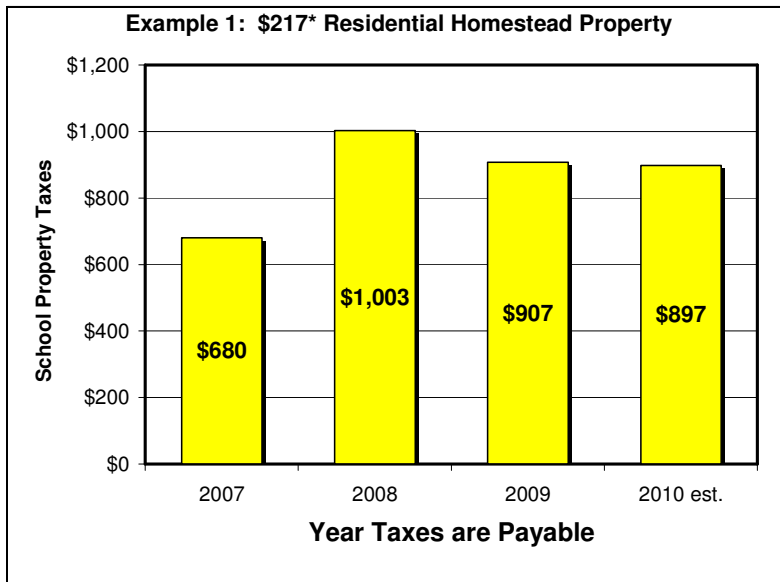
General Notes

1. The figures in the table are based on school district taxes only, and do not include taxes for the city or township, county, state, or other taxing jurisdictions.
2. All estimates for 2010 taxes are preliminary estimates, based on the best data available as of the date above.
3. For all examples of properties, taxes are based on changes in taxable market value of 7.5% from 2007 to 2008 taxes, -6.3% from 2008 to 2009, and -6.3% from 2009 to 2010.

Burnsville/Eagan/Savage ISD 191

Estimated Changes in School Property Taxes, 2007 to 2010

Based on -5.5% Cumulative Changes in Property Value from 2007 to 2010 Taxes



* For all four examples of properties, the value shown in the title of the chart is the taxable market value for taxes payable in 2010. Taxes are calculated based on changes in taxable market value of 7.5% from 2007 to 2008 taxes, -6.3% from 2008 to 2009, and -6.3% from 2009 to 2010.



State Property Tax Refunds

- State of Minnesota has two tax refund programs and one tax deferral program available for owners of homestead property
- These programs may reduce the net tax burden for local taxpayers, but only if you take time to complete and send in the forms
- For help with the forms and instructions:
 - Consult your tax professional, or
 - Visit the Department of Revenue web site at www.taxes.state.mn.us



State Property Tax Refunds

- Minnesota Property Tax Refund (aka “Circuit Breaker” Refund)
 - Has existed since 1970s
 - Available to all owners of homestead property
 - Annual income must be approx. \$96,940 or less (income limit is higher if you have dependents)
 - Refund is a sliding scale, based on total property taxes and income
 - Maximum refund is \$2,310
 - Especially helpful to those with lower incomes
 - Fill out state tax form M-1PR

State Property Tax Refunds



- Special Property Tax Refund
 - Available for all homestead properties with a gross tax increase of at least 12% and \$100 over the prior year
 - Refund is 60% of the amount by which the tax increase exceeds the greater of 12% or \$100, up to a maximum of \$1,000
 - No income limits
 - Fill out state tax form M-1PR



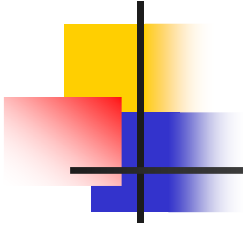
Senior Citizen Property Tax Deferral

- Allows people 65 years of age or older with a household income of \$60,000 or less to defer a portion of the property taxes on their home
- Taxes paid in any year limited to 3% of household income for year before entering deferral program; this amount does not change in future years
- Additional taxes are deferred, but not forgiven
- State charges interest up to 5% per year on deferred taxes and attaches a lien to the property
- The deferred property taxes plus accrued interest must be paid when the home is sold or the homeowner(s) dies



Next Steps

- Board will accept public comments and questions on proposed levy
- Board action to certify the 2010 school tax levy



Public Comments and Questions

School Board Minutes
 INDEPENDENT SCHOOL DISTRICT 191
 December 3, 2009

The meeting of the Board of Education was called to order by Vice Chair Currier at 6:30 p.m. at the Burnsville High School Senior Campus in the Diamondhead Education Center.

Call to Order

Members present: Directors Currier, Hill, Luth, Morrison and Sweep. Others in attendance were Superintendent Randall Clegg, Student Advisor Jehan Elsagher, administrators and staff. Director Banyard joined the meeting at 7:01 p.m.

Attendance

Members absent: Chair Martin

Vice Chair Currier welcomed the audience and asked Director Luth to lead the Pledge of Allegiance.

Pledge of Allegiance

Moved by Director Morrison, seconded by Director Sweep, to approve the agenda. Motion carried unanimously (5,0).

Agenda

Moved by Director Hill, seconded by Director Luth, to approve the consent agenda as follows:

Consent Agenda Minutes

- Minutes of the November 19, 2009 Board meeting and Closed Session
- Personnel changes for K. Carmine, M. Leonard, C. Miller, A. Carrick, R. Dehnel, J. Rognrud, R. Ansari, K. Carlson, D. Gilbertson, K. Sidney
- Donation of a Schwinn Airdyne bike valued at \$600 from Tamra Schneider to Nicollet Jr. High; paper products valued at \$50 from JoJo's Rise & Wine to Nicollet Jr. High; \$4,825 from Office Max to Rahn Elementary; \$500 from the Scott Rice Telephone Company to Harriet Bishop Elementary; and \$100 from Anghel Stoian & Diana Crintea-Stoian to Harriet Bishop Elementary
- Approve an extended field trip for the BHS Language Arts Department to go to London & France, June 18-27, 2010
- Approve the contract with TIES for the related network infrastructure upgrade included in the bid approved on October 22, 2009

Human Resources

Donations

Extended Field Trip
 TIES Contract

Vice Chair Currier made special mention of donations to the District. Motion carried unanimously (5,0).

Moved by Director Morrison, seconded by Director Sweep, to approve changes to the 2010-2011 Burnsville High School Registration Guide as recommended by the school administration and Instructional Council. Motion carried unanimously (5,0).

BHS
Registration
Guide

Moved by Director Luth, seconded by Director Morrison, to approve the Memorandum of Understanding with the Burnsville Education Association such that sites are given the flexibility to revise their site staff development plans prior to January 22, 2010 through the use of up to 10 paid substitute days per site. Motion carried unanimously (5,0).

MOU

Student Advisor Elsagher provided updates on the Armful of Love project and the holiday decorating "competition." The BHS bowling team will participate in the state tournament on December 6. Tori Dixon was named to the American Volleyball Coaches Association All-American Team. All BHS choirs will perform in a holiday concert on December 7-8 in the Mraz Center with the band holiday concerts on December 14-15. She also noted that performances of the play "A Christmas Carol" will continue through December 20.

Student
Report

Superintendent Clegg noted the following:

- The calendar for the 2010-11 school year has been set; the school year will begin on Sept. 7, 2010, and end on June 9, 2011.
- Kindergarten registration will take place on January 12 at all ten elementary schools in the district.
- Envision Academy of the Arts, along with students from three other schools, is presenting "Juncture: An Evening of Dance" at the Burnsville Performing Arts Center.
- Dr. Clegg will present the "State of the District" address at a breakfast scheduled for December 8 at the Diamondhead Education Center.

Sup't Report

Director Morrison attended a performance by the Envision Academy students; Director Sweep attended one of the Kindergarten information sessions; and, Director Luth worked with William Byrne Elementary students to help them become "student ambassadors." Also, he was recently re-elected Clerk/Treasurer of the TIES Executive Committee.

Board
Member
Reports

The meeting adjourned to a Closed Session for the discussion of negotiation strategies at 7:06 p.m.

Adjourn

Daniel W. Luth, Clerk

Closed Session Notes
INDEPENDENT SCHOOL DISTRICT 191
December 3, 2009

The School Board Closed Session was called to order by Vice Chair Currier at 7:15 p.m. at the Burnsville High School Senior Campus in the Diamondhead Education Center.

Call to Order

Members present: Directors Banyard, Currier, Hill, Luth, Morrison and Sweep.

Attendance

Members absent: Chair Martin

Others in Attendance:

Sue Grissom, Executive Director of Human Resources

Lisa Rider, Executive Director of Business Services

Randy Clegg, Superintendent

Sandi Novak, Assistant Superintendent

The following item(s) were discussed:

Agenda

- Negotiation strategies with the BEA and custodians.

The Closed Session adjourned at 7:55 p.m.

Adjourn

Daniel W. Luth, Clerk

**Burnsville-Eagan-Savage Public Schools
Independent School District 191
Human Resources Office**

TO: Members, Board of Education
Randall Clegg, Superintendent

FROM: Susan J. Grissom, Executive Director Human Resources

DATE: December 10, 2009

RE: Recommended Personnel Changes

**Certified
Appointment**

Andrea Wilson

*New-Teacher, ESL, 1.0 FTE, SO, effective 12/8/09

Leave of Absence

Sandy Shaul

*Teacher, ERJH, requests a 1 year medical leave of absence, effective 12/7/09

**Classified
Change in Assignment**

Linda Rodewald

*Campus Supervisor, BHS, assignment changes to 7 hrs/student contact days, effective 12/3/09

Recall from Termination

Cindy Gillis

*MEA, HV, 6.5 hrs/day, effective 12/3/09

Angela Henle

*ESL EA, ST, 6 hrs/day, effective 12/14/09

Termination during Probationary Period

Toby Tremain

*EA, Vale, effective 12/4/09

To: Randy Clegg, Superintendent of Schools

III.B.3

From: Jon Bonneville, Principal

Date: December 7, 2009

RE: Match Donation from Wells Fargo

It is my recommendation that the School Board of Independent School District #191 accept this donation in the amount of \$122.76 as Wells Fargo Community Support Campaign match donation fund.

We will be using these funds to support the Literacy Library at Hidden Valley.

Wells Fargo Foundation
Educational Matching Gift Program
P.O. Box 2157
Princeton, NJ 08543-1257



TO: Dr. Clegg
FROM: Dave Helke
DATE: December 10, 2009
RE: Donations

Please accept the following donation of 10 Dell D800 Latitude laptops and carrying cases to Burnsville Senior High School from Minnesota Computers for Schools, valued at \$3125.

Minnesota Computers for Schools
Tammy Gillard, and Chris Dopkins, Business Manager
970 Pickett Street North, Bayport, MN 55003
Phone No. 651-779-2816

This is recognizing the success of this collaboration in raising the visibility both for get STEM MN and for our donors.



TO: Dr. Clegg
FROM: Dave Helke
DATE: December 10, 2009
RE: Donations

Please accept the following donations to Burnsville Senior High School Hall of Fame fund given in memory of Thomas B. Mraz:

\$25 from
Nancy Hartman
12517 Norway Pt.
Burnsville, MN 55337

\$50 from
Carlene McDowell
7009 W. 83rd St.
Bloomington, MN 55438



TO: Dr. Clegg
FROM: Dave Helke
DATE: December 10, 2009
RE: Donations

Please accept the following donations to Burnsville Senior High School:

- Employee contributions through the Wells Fargo Foundation, Community Support Program (\$126.00). (*This is the Wells Fargo portion of the match.*)

Mr. Mark Lacount (\$126.00)
2302 115th St. E.
Burnsville, MN 55337-1213

TO: Members, Board of Education Agenda III.B.4
December 10, 2009
FROM: Randy Clegg, Superintendent
DATE: December 10, 2009
RE: Special Board Meeting

Recommendation: That the Board of Education schedule a Special Board Meeting for Thursday, December 17 at 7:00 a.m. at the Administrative Services Center to approve a collective bargaining agreement and approve financing of telephony system and network infrastructure upgrade.



AGENDA IV.A
December 10, 2009

TO: Members, Board of Education

FROM: Lisa K. Rider

DATE: December 10, 2009

RE: Final Certification of Payable 2010 Property Taxes

RECOMMENDATION: That the Board of Education approve the District's final property tax levy for Payable 2010 as follows:

General – RMV, Voter Approved	\$17,811,205.15
General – RMV, Other	\$ 1,287,723.88
General – NTC, Other	\$ 5,143,533.11
Community Service	\$ 981,070.33
General Debt Service, Voter Approved	\$ 4,338,632.82
General Debt Service, Other	\$ 2,572,329.51
OPEB/Pension, Other	<u>\$ 1,651,283.00</u>
 Total	 <u><u>\$33,785,777.80</u></u>

The final levy recommended for approval this evening is in the amount of \$33,785,777.80. This represents the District's maximum levy authority and reflects a 0.33% increase over the 2009 property tax levy.

I recommend approval of the final levy for taxes payable in 2010 of \$33,785,777.80.

Attachment: Levy Limitation and Certification 2009 Payable 2010.

*Independent School District 191
Levy Certification Summary
2009 Payable 2010
For the Fiscal Year 2010/2011*

	<i>2008 Payable 2009</i>	<i>2009 Payable 2010</i>	<i>Increase/ (Decrease)</i>
	<hr/>	<hr/>	<hr/>
<i>General Levies:</i>			
<i>Referendum Levy</i>	<i>\$17,363,614</i>	<i>\$17,397,345</i>	<i>\$33,731</i>
<i>Equity Revenue Levy</i>	<i>739,439</i>	<i>838,462</i>	<i>99,023</i>
<i>Operating Capital Levy</i>	<i>1,518,845</i>	<i>1,528,122</i>	<i>9,277</i>
<i>Safe Schools</i>	<i>342,531</i>	<i>336,675</i>	<i>(5,856)</i>
<i>Safe Schools - District 917</i>	<i>39,962</i>	<i>49,940</i>	<i>9,978</i>
<i>Career & Technical Levy</i>	<i>207,844</i>	<i>207,844</i>	<i>0</i>
<i>Health & Safety Levy</i>	<i>589,268</i>	<i>517,082</i>	<i>(72,186)</i>
<i>Transition Revenue Levy</i>	<i>363,311</i>	<i>357,100</i>	<i>(6,211)</i>
<i>Integration Levy</i>	<i>440,186</i>	<i>431,305</i>	<i>(8,881)</i>
<i>Reemployment Insurance Levy</i>	<i>50,000</i>	<i>100,000</i>	<i>50,000</i>
<i>Lease Levy</i>	<i>936,740</i>	<i>923,067</i>	<i>(13,673)</i>
<i>Alternative Facilities Levy</i>	<i>1,650,239</i>	<i>0</i>	<i>(1,650,239)</i>
<i>Alternative Compensation Levy</i>	<i>922,220</i>	<i>910,763</i>	<i>(11,457)</i>
	<hr/>	<hr/>	<hr/>
<i>Total General Levies</i>	<i>25,164,199</i>	<i>23,597,705</i>	<i>(1,566,494)</i>
<i>Levy Adjustments</i>	<i>540,168</i>	<i>644,757</i>	<i>104,589</i>
	<hr/>	<hr/>	<hr/>
<i>Net General Levies</i>	<i>\$25,704,367</i>	<i>\$24,242,462</i>	<i>(\$1,461,905)</i>
	<hr/>	<hr/>	<hr/>

*Independent School District 191
Levy Certification Summary
2009 Payable 2010
For the Fiscal Year 2010/2011*

	<i>2008 Payable 2009</i>	<i>2009 Payable 2010</i>	<i>Increase/ (Decrease)</i>
	<hr/>	<hr/>	<hr/>
<i>Community Service Fund:</i>			
<i>General Community Education</i>	<i>\$467,382</i>	<i>\$467,382</i>	<i>\$0</i>
<i>Early Childhood Family Education</i>	<i>260,807</i>	<i>260,184</i>	<i>(623)</i>
<i>Disabled Adults</i>	<i>3,062</i>	<i>3,062</i>	<i>0</i>
<i>School Age Care</i>	<i>250,000</i>	<i>250,000</i>	<i>0</i>
<i>Home Visiting</i>	<i>6,488</i>	<i>6,288</i>	<i>(200)</i>
	<hr/>	<hr/>	<hr/>
<i>Total Levies</i>	<i>987,739</i>	<i>986,916</i>	<i>(823)</i>
<i>Levy Adjustments</i>	<i>(66,777)</i>	<i>(5,846)</i>	<i>60,931</i>
	<hr/>	<hr/>	<hr/>
<i>Community Service Levies</i>	<i>\$920,962</i>	<i>\$981,070</i>	<i>\$60,108</i>
	<hr/>	<hr/>	<hr/>

*Independent School District 191
Levy Certification Summary
2009 Payable 2010
For the Fiscal Year 2010/2011*

	<u>2008 Payable 2009</u>	<u>2009 Payable 2010</u>	<u>Increase/ (Decrease)</u>
<i>General Debt Service Fund:</i>			
<i>Voter Approved Levy</i>	<i>\$4,596,835</i>	<i>\$4,609,645</i>	<i>\$12,810</i>
<i>Alternative Facilities Levy Revenue</i>	<i>\$2,740,338</i>	<i>\$2,739,288</i>	<i>(\$1,050)</i>
<i>Total Levies</i>	<i>7,337,173</i>	<i>7,348,933</i>	<i>11,760</i>
<i>Levy Adjustments</i>	<i>(289,018)</i>	<i>(437,970)</i>	<i>(148,952)</i>
<i>Debt Service Levy</i>	<u><u><i>\$7,048,155</i></u></u>	<u><u><i>\$6,910,963</i></u></u>	<u><u><i>(\$137,192)</i></u></u>

*Independent School District 191
Levy Certification Summary
2009 Payable 2010
For the Fiscal Year 2010/2011*

	<i>2008 Payable 2009</i>	<i>2009 Payable 2010</i>	<i>Increase/ (Decrease)</i>
<i>OPEB Levy - Non-Voter Approved</i>	<i>0</i>	<i>1,651,283</i>	<i>1,651,283</i>

*Independent School District 191
 Levy Certification Summary
 2009 Payable 2010
 For the Fiscal Year 2010/2011*

	<u>2008 Payable 2009</u>	<u>2009 Payable 2010</u>	<u>Increase/ (Decrease)</u>
<i>Summary of All Levies:</i>			
<i>General Levy</i>	<i>\$25,704,367</i>	<i>\$24,242,462</i>	<i>(\$1,461,905)</i>
<i>Community Service Levy</i>	<i>920,962</i>	<i>981,070</i>	<i>60,108</i>
<i>General Debt Service Levy</i>	<i>7,048,155</i>	<i>6,910,963</i>	<i>(137,192)</i>
<i>OPEB Levy</i>	<i>0</i>	<i>1,651,283</i>	<i>1,651,283</i>
<i>Total - All Levies</i>	<u><u><i>\$33,673,484</i></u></u>	<u><u><i>\$33,785,778</i></u></u>	<u><u><i>\$112,294</i></u></u>
<i>Percentage Increase</i>			<i>0.33%</i>



AGENDA V.A
December 10, 2009

TO: Members, Board of Education

FROM: Lisa K. Rider, Executive Director of Business Services

DATE: December 10, 2009

RE: Audit Report for Fiscal Year 2009

RECOMMENDATION: That the board of education approve the audit report for fiscal year 2009 as prepared and presented by the School District's auditor, MMKR Company, CPA's.

The District's audit for fiscal year 2009 has been prepared by Malloy, Karnowski, Montague, Radosevich and Company, Certified Public Accountants, and will be presented to the Board by Bill Lauer. The financial audit is prepared annually for presentation to the School Board as required by Minnesota Statute. The formal presentation will be short; however, ample time will be provided for board members to avail themselves to the expertise and services of the individuals who conduct the audit and prepared the report.

Preliminary copies of the reports are enclosed for your perusal. Final bound copies of the reports will be provided to you the evening of the meeting. Please let me know if you need any additional information.

I recommend the District's audit for fiscal year 2009 be approved.



Independent School District No. 191
Audit Report
Year Ended June 30, 2009

Malloy Montague, Karnowski,
Radosevich, & Co., P.A.





Auditor's Role

- **Opinion on Basic Financial Statements**
- **Single Audit of Federal Awards**
- **Review Internal Controls and Test Compliance**
 - **Financial Statement Audit**
 - **Federal Single Audit**
 - **State Laws and Regulations**



Audit Results

- **Clean Opinion on Basic Financial Statements**
- **No Material Weaknesses in Internal Control**
- **No Instances of Noncompliance Required to be Reported Under *Government Auditing Standards***
- **No Minnesota Legal Compliance Findings**



Audit Results – Single Audit

- **Schedule of Federal Awards Expenditures is Fairly Stated in Relation to the Basic Financial Statements**
- **No Material Weaknesses in Internal Control Over Federal Compliance**
- **No Instances of Noncompliance with Requirements Applicable to Major Federal Programs**



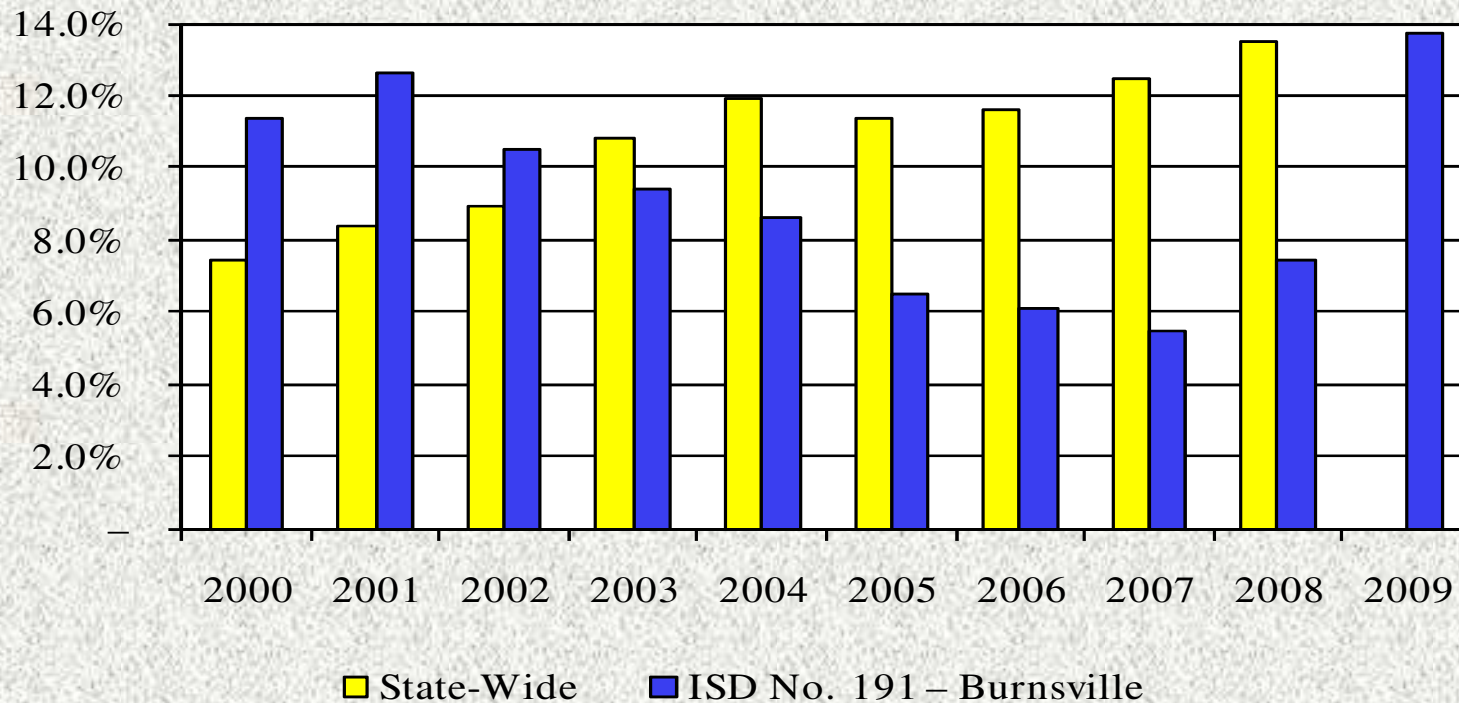
General Education Aid – Basic Formula Allowance

<u>School Year</u>	<u>Amount</u>	<u>Percent Increase</u>
2004–2005	\$ 4,601	– %
2005–2006	\$ 4,783	4.0 %
2006–2007	\$ 4,974	4.0 %
2007–2008	\$ 5,074	2.0 %
2008–2009	\$ 5,124	1.0 %
2009–2010	\$ 5,124	– %
2010–2011	\$ 5,124	– %



Statewide Fund Balances

State-Wide Unreserved Operating Fund Balance
as a Percentage of Operating Expenditures





Revenue Per ADM

	State-Wide	Metro Area	ISD No. 191 – Burnsville		
	2008	2008	2007	2008	2009
General Fund					
Property taxes	\$ 1,160	\$ 1,527	\$ 1,460	\$ 1,497	\$ 2,374
Other local sources	487	417	377	290	274
State	7,833	8,029	7,493	7,908	8,114
Federal	456	492	436	479	420
Special revenue funds					
Food Service	433	434	416	424	454
Community Service	474	570	657	709	683
Debt Service Fund	993	1,114	410	563	647
Total revenue	\$ 11,836	\$ 12,583	\$ 11,249	\$ 11,870	\$ 12,966
ADM served and tuition paid			10,402	10,216	9,961



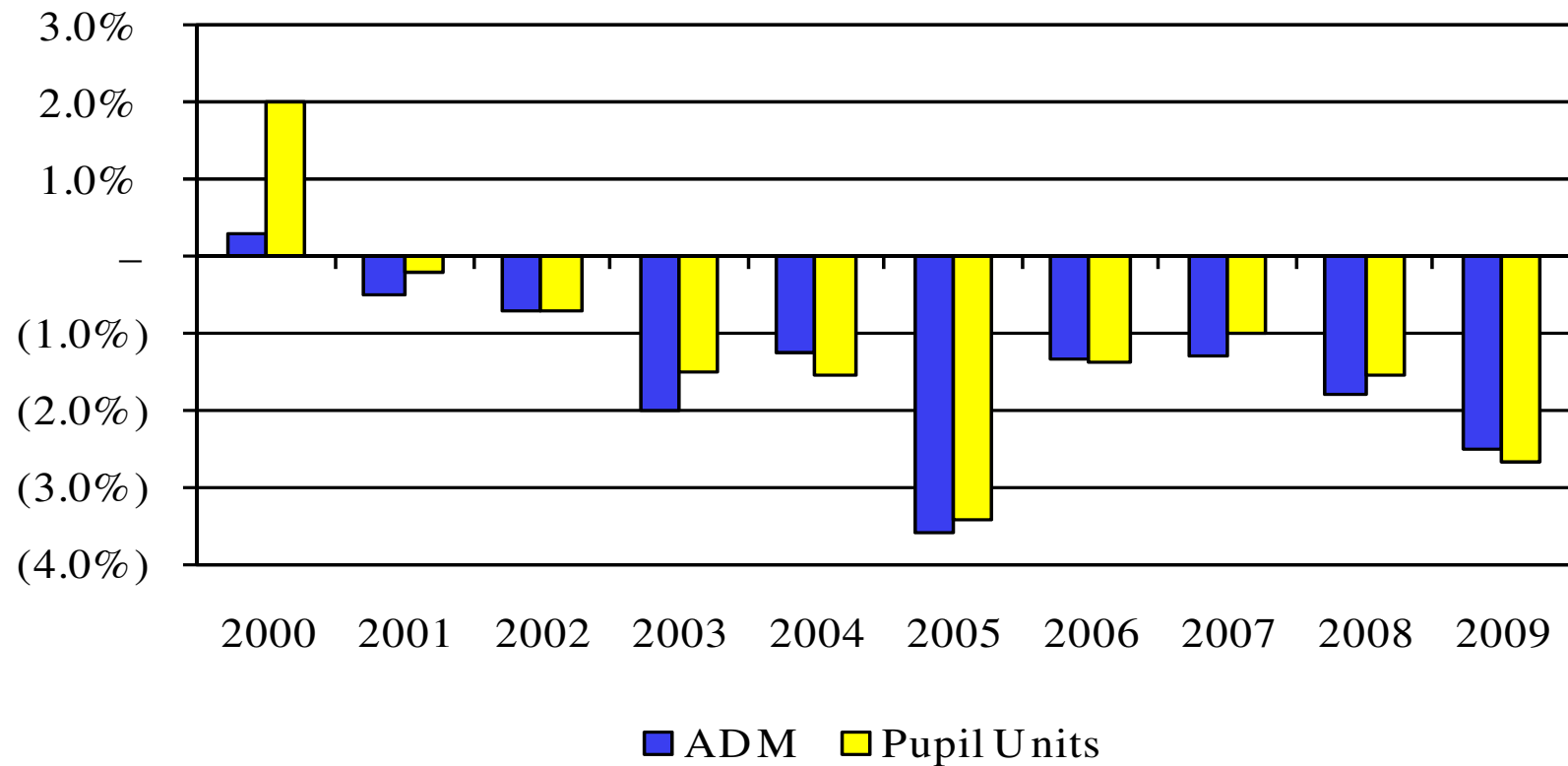
Expenditures per ADM

	State-Wide	Metro Area	ISD No. 191 – Burnsville		
	2008	2008	2007	2008	2009
Administration	\$ 412	\$ 405	\$ 430	\$ 453	\$ 603
District support services	399	412	278	303	352
Regular instruction	4,528	4,730	4,200	4,395	5,612
Vocational education instruction	142	141	132	147	183
Special education instruction	1,703	1,904	2,102	2,287	2,590
Instructional support services	461	536	564	543	721
Pupil support services	835	914	768	835	939
Sites, buildings, and other	811	778	875	899	996
Total General Fund operating	9,291	9,820	9,349	9,862	11,996
General Fund capital expenditures	505	494	239	164	284
Food Service	437	432	411	440	469
Community Service	470	564	727	704	743
Debt service	1,064	1,015	437	524	678
Total expenditures	\$ 11,767	\$ 12,325	\$ 11,163	\$ 11,694	\$ 14,170



Change in Students Served

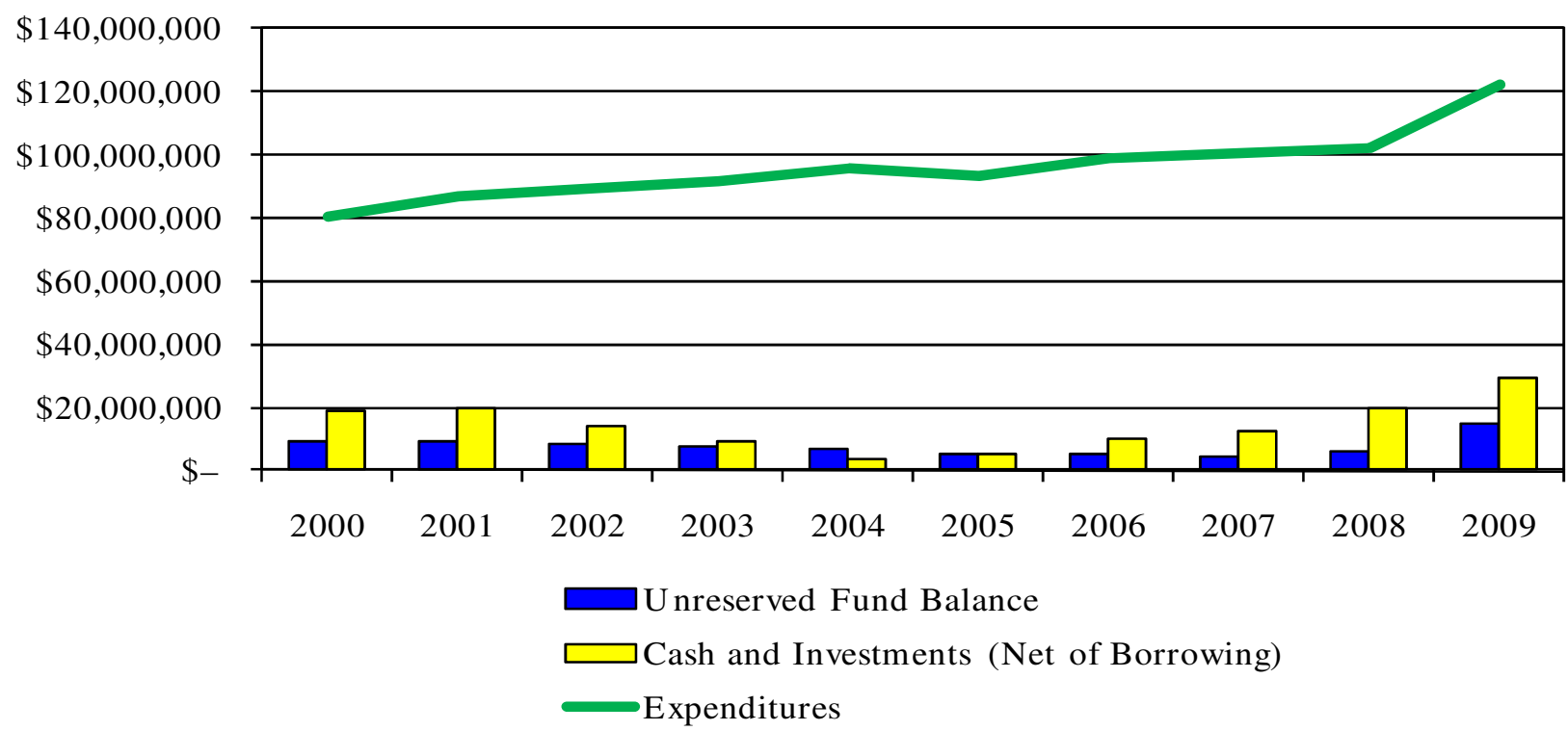
Change in ADM and Pupil Units





General Fund Financial Position

General Fund Financial Position
Year Ended June 30,



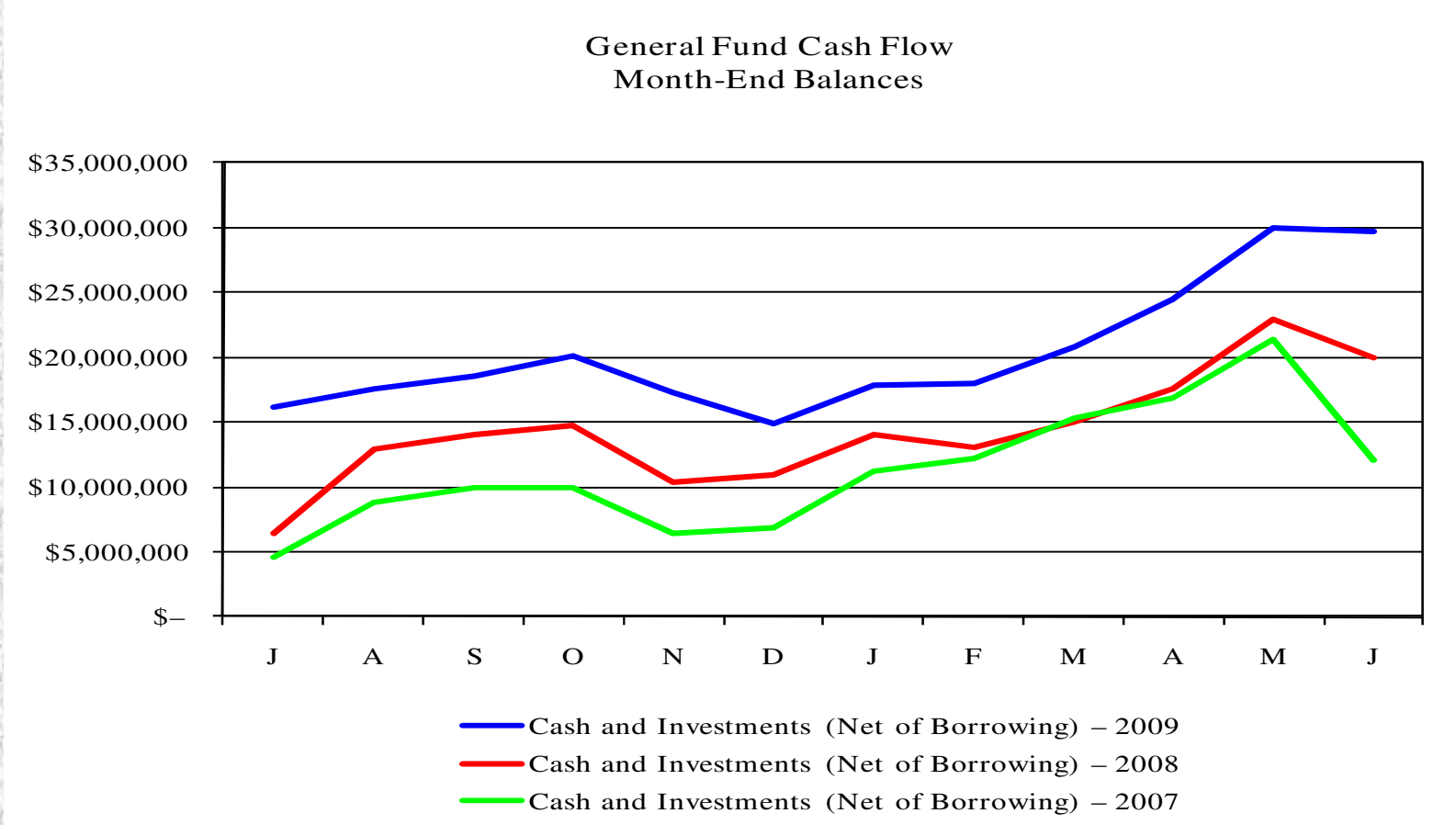


General Fund Financial Position

	Year Ended June 30,				
	2005	2006	2007	2008	2009
Reserved fund balance	\$ 3,359,482	\$ 2,300,652	\$ 2,393,792	\$ 2,880,170	\$ 4,276,972
Unreserved fund balance	5,351,850	5,033,532	4,702,141	6,389,275	14,662,818
Total fund balance	<u>\$ 8,711,332</u>	<u>\$ 7,334,184</u>	<u>\$ 7,095,933</u>	<u>\$ 9,269,445</u>	<u>\$ 18,939,790</u>
Unreserved fund balance as a percentage of expenditures	<u>5.7%</u>	<u>5.1%</u>	<u>4.7%</u>	<u>6.2%</u>	<u>12.0%</u>

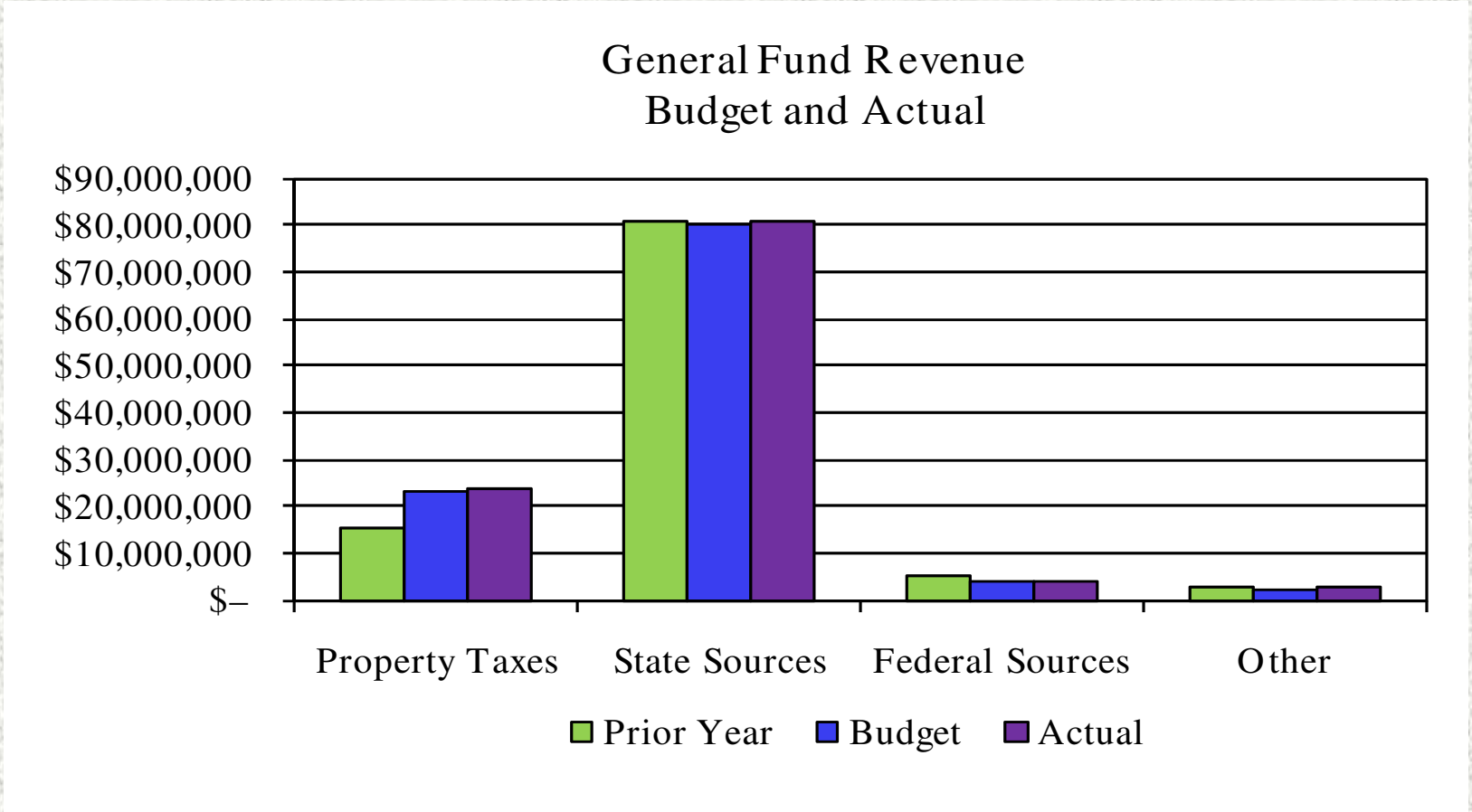


General Fund Cash Flow



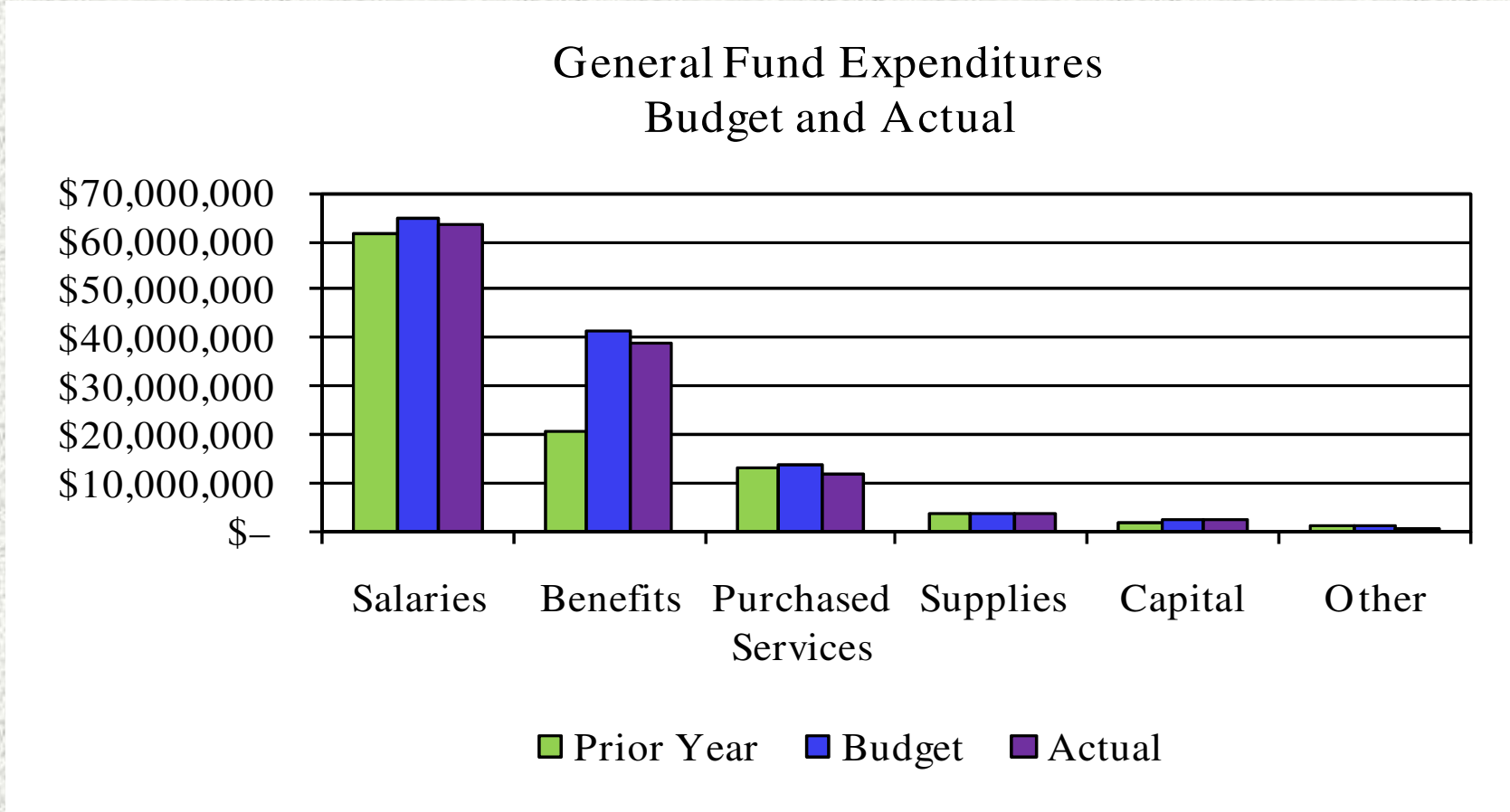


General Fund Revenue



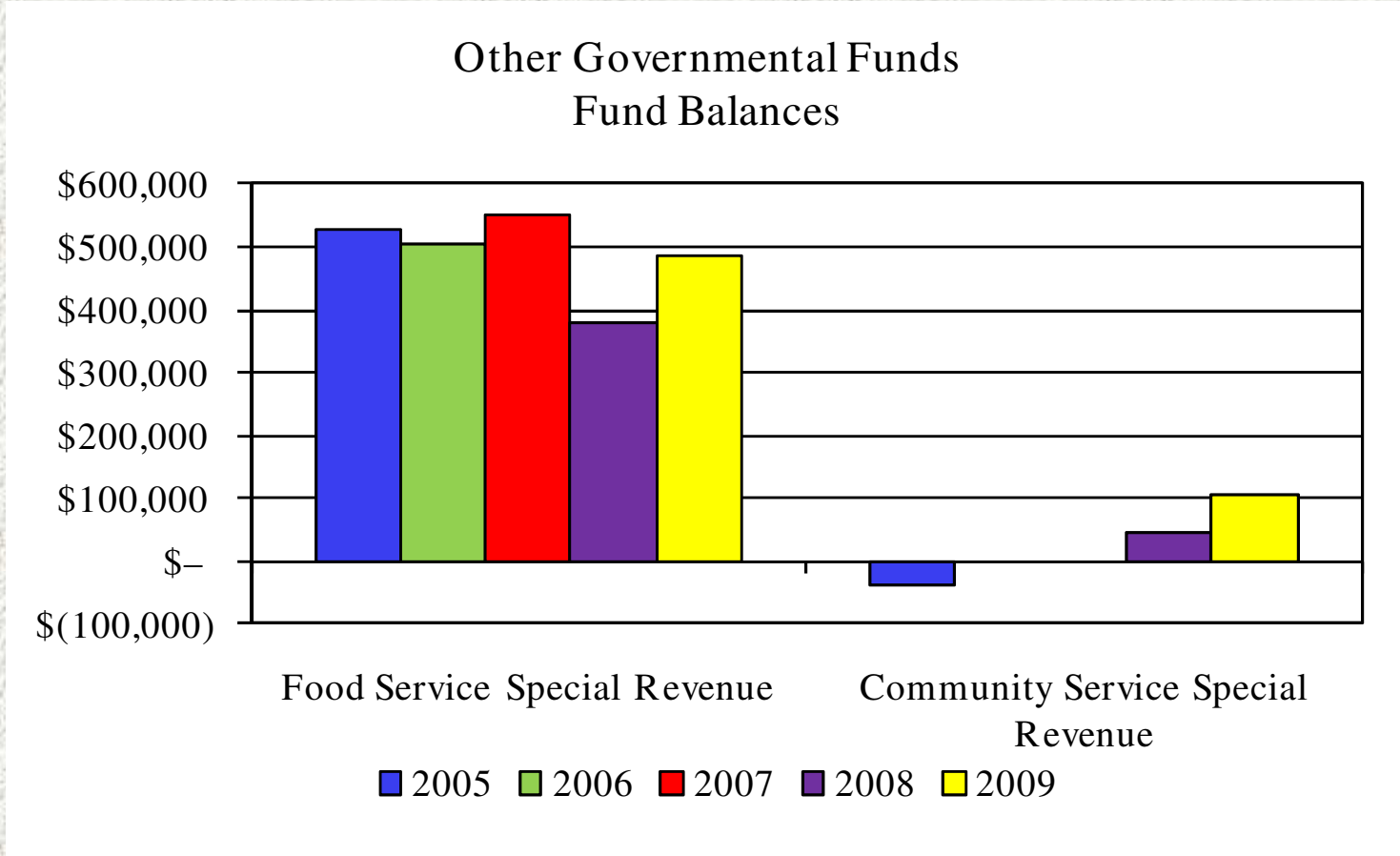


General Fund Expenditures





Other Governmental Funds





Internal Service Funds

	<u>Dental Self-Insurance</u>	<u>Health Benefits Self-Insurance</u>	<u>Severance Benefits</u>	<u>OPEB Benefits</u>
Change in net assets				
Operating revenue – contributions	\$ 903,108	\$ 467	\$ 530,440	\$ 19,078,439
Operating expenses – benefits	897,038	–	225,733	1,960,918
Operating income (loss)	6,070	467	304,707	17,117,521
Nonoperating income - investment earnings	6,743	–	10,417	20,385
Income (loss) before transfers	12,813	467	315,124	17,137,906
Transfers (out)	–	(2,595,313)	–	–
Change in net assets	12,813	(2,594,846)	315,124	17,137,906
Net assets – Beginning of Year	449,938	2,594,846	(3,422,716)	– *
Net assets – End of Year	<u>\$ 462,751</u>	<u>\$ –</u>	<u>\$ (3,107,592)</u>	<u>\$ 17,137,906</u>
Net assets				
Restricted for OPEB	\$ –	\$ –	\$ –	\$ 17,137,906
Unrestricted	462,751	–	(3,107,592)	–
Total net assets	<u>\$ 462,751</u>	<u>\$ –</u>	<u>\$ (3,107,592)</u>	<u>\$ 17,137,906</u>

* Beginning balance is as restated for \$4,029,692 increase from change in accounting principle to adopt GASB Statement #45



District-wide Statement of Net Assets

	June 30,		
	2007	2008	2009
Net assets – governmental activities			
Total fund balances – governmental funds	\$ 20,099,743	\$ 39,725,639	\$ 36,042,839
Capital assets, less accumulated depreciation	74,381,947	85,698,784	99,083,443
Long-term liabilities	(59,643,535)	(87,644,351)	(84,804,959)
Other	267,126	146,465	160,054
	<u>35,105,281</u>	<u>37,926,537</u>	<u>50,481,377</u>
Total net assets – governmental activities			
	<u>\$ 35,105,281</u>	<u>\$ 37,926,537</u>	<u>\$ 50,481,377</u>
Net assets			
Invested in capital assets, net of related debt	\$ 30,752,653	\$ 32,400,397	\$ 34,695,342
Restricted	1,500,870	1,944,889	3,733,631
Unrestricted	2,851,758	3,581,251	12,052,404
	<u>35,105,281</u>	<u>37,926,537</u>	<u>50,481,377</u>
Total net assets			
	<u>\$ 35,105,281</u>	<u>\$ 37,926,537</u>	<u>\$ 50,481,377</u>



Summary

- **Clean Opinion on Financial Statements**
- **No Findings Related to Financial Statement Audit**
- **No Findings Related to Single Audit**
- **No Minnesota Legal Compliance Findings**
- **General Fund Balance Increased \$9.7 Million,
\$9.5 Million Higher than Budget Projection**
- **Unreserved General Fund Balance at Year-End is
Equal to 12.0% of Expenditures**